

MINUTES
DEPARTMENTAL BUDGET HEARINGS
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, MAY 11, 2010, 11:00 A.M.

Commissioners Present: Bernie Heier, Chair
Ray Stevens, Vice Chair
Larry Hudkins
Deb Schorr
Bob Workman

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Dennis Meyer, Budget and Fiscal Officer
Dan Nolte, County Clerk
Cori Beattie, Deputy County Clerk
Angela Zocholl, County Clerk's Office

The Chair opened the meeting at 11:00 a.m.

Dennis Meyer noted the preliminary FY11 budget is approximately \$2,500,000 short. He said this amount could change since some of the numbers were based off estimates.

County Court (622)

Present were Becky Bruckner, Judicial Administrator; and Laurie Yardley, County Court Judge.

Meyer said County Court cut their expenditures by a little over \$25,000. With a slight decrease in revenues, the overall result is a decrease of \$1,100.

Meyer questioned if the cuts were feasible. Bruckner said she was comfortable with all the cuts except for the guardian ad litem. She noted it decreased the last few years, but it is hard to predict or control. Meyer said the additional appropriations for County Court generally are based off legal services and possibly guardian ad litem. Yardley said there has been an uproar in other counties over abuses in guardianship conservatorship cases so the Supreme Court is assembling a committee to possibly make changes.

Schorr questioned the reduction in rent. Meyer said all rent was decreased in the Hall of Justice based off a change made by Property Management. Schorr also questioned the decrease in furniture and fixtures. Bruckner said the previous year included costs for an additional judge's chambers.

Hudkins asked about the use of digital recording. Yardley said the State is sending out the transcription which they felt would be more efficient.

Meyer asked Bruckner about supply costs with the State. Bruckner said they have not made any progress in reducing those costs. Meyer asked if the workforce has been cut by the State. Bruckner said it has not been cut but her department has to work harder to justify a new position and the position is held open longer.

Meyer asked about hiring a new judge. Yardley said currently a Seward County judge is coming to Lancaster County three days a week. She said in three years this judge will retire and, at that time, her department will ask the judgeship to be moved to Lancaster County.

Meyer confirmed with Bruckner there was no microcomputer request.

Workman asked why Information Services decreased. Meyer said the change was based upon Information Services' new flat rate billing.

District Court (624)

Present was Troy Hawk, District Court Administrator.

Hawk said they were requesting \$89,000-\$90,000 extra due to personnel costs and legal services. He said the increase in personnel costs is due to a miscalculation of costs the previous year by approximately \$30,000-\$40,000. Hawk said they are also requesting another \$35,000 in legal services which is a more accurate number as to the expense.

Hudkins questioned cutting \$90,000 from the budget. Hawk said they can only control about 5% of the budget. He said the department has a request for five TVs and one computer for their jury rooms; this would cost around \$5,000. Stevens questioned if the changes could be made this year to three jury rooms instead of all five. Hawk explained the computer could move from room to room and would allow the jurors to view evidence on the TVs such as footage from security cameras. He said it would be impractical to try and share the TVs between the jury rooms since each courtroom has its own jury room.

Workman questioned what drives the cost of legal services. Hawk explained when a defendant cannot afford an attorney they first go to the public defender. If the public defender is unable to represent the defendant, then the legal services are contracted from an outside source.

Schorr asked about the approval of a new District Court judge. Hawk confirmed the judge had been approved and should start in July, 2011.

In response to Schorr's question, Hawk said the jury room TVs would be a higher priority than the courtroom audience monitors.

Hudkins discussed the recommended salary increases. Hawk said they are trying to equalize the Bailiff IIs with the Paralegal IIs. He said he used 2% as a placeholder.

Meyer questioned out-of-state travel. Hawk said one conference is for the annual Child Support Referee Conference. The other conference is for the National Association of Corporate Managers; he felt it would be beneficial to attend since he was new in this position. Hudkins said he would not support out-of-state travel unless it was absolutely necessary for accreditation.

Stevens questioned increasing revenue. Hawk said he based his numbers off the previous few years. They discussed the revenue that would be received from the fourth quarter.

Meyer discussed the microcomputer request. In reference to the new judge, Hawk said an additional computer may not be needed until as late as October, 2011.

Hudkins questioned the new chair request for a bailiff. He requested Hawk check with Don Killeen, Property Management, for surplus furniture.

Gwen Thorpe informed Hawk that the County has a contract with Konica Minolta and he should contact the Purchasing Department regarding potential savings in this area.

District Court Clerk (621, 751)

Present were Simon Rezac and Linda Sanchez-Masi, District Court Deputy Clerks.

District Court Clerk

Meyer noted expenditures increased by \$71,000 and revenues decreased by approximately \$70,000. Rezac explained they have lost revenue from bank interest and are paying bank fees; previously revenue from interest was used to cover bank fees.

Meyer addressed the increase in health insurance costs. Rezac noted some employees have increased from single to family coverage.

Out-of-state travel was discussed. Sanchez-Masi said the intention was to send Sue Kirkland, District Court Clerk, to at least one conference this year so she could stay current on the court management scene. Rezac noted the State requires clerks to have a certain amount of credit hours. Hudkins asked if Kirkland would need to travel out-of-state for accreditation. Rezac said it would not be necessary as there are other in-state conferences.

The microcomputer request was discussed. Sanchez-Masi said their computers were replaced in 2003. She stated her computer recently died and she has been working without one. Rezac said a lot of money is spent on maintenance of the older machines. Meyer noted the Clerk of the District Court receives \$2,600 from the State every three months to cover the cost of replacing computers. Schorr said the flat fee from Information Services would go into effect this year so calling them for repairs in the future should not incur extra charges. Rezac explained the fee is based on average repair costs; as they decrease their repair costs, the flat fee drops. Meyer confirmed that the 11 microcomputer requests were built into the FY11 microcomputer budget.

Mental Health Board

Meyer said the Mental Health Board will be needing additional appropriations for the current year as they are already over budget in payments to board members.

Rezac and Sanchez-Masi gave an overview of the Mental Health Board. There are three members plus an individual from their staff. The members include an attorney, a lay person, and a psychologist/psychiatrist/social worker. These positions, as well as the recorder, are required by statute. The recorder is a deputy in the District Court Clerk's Office who is on salary and is considered part-time with the Clerk and part-time with the Mental Health Board. The other members of the Mental Health Board are paid \$50 per hearing for 59 minutes or less; at 60 minutes, the rate increase to \$65 an hour. The rate is set by the District Court judges.

Rezac stated this budget has been cut the last few years and costs continue to increase. Sanchez-Masi said in 2007, LB1199 was passed requiring civil commitment beyond the sentence sex offenders were serving. If law enforcement determines someone as dangerous, they would be required to go before the Mental Health Board to see if a civil commitment is appropriate. She referenced the increased costs beginning last November. Hearings ran longer and the Mental Health Board decided to record ones that previously were not. This change was reported to the judges but they have not given direction on how to handle the issue. Sue Kirkland decided to inform the Mental Health Board she would not be paying for the additional hearings. Gary Lacey, County Attorney, explained the three Mental Health Board members could decide when to continue a hearing. It was also noted the \$50 fee was being paid to each Mental Health Board member when no hearing, only a continuance, was announced.

Stevens addressed legal services and consulting services, stating both are substantially lower than budgeted. Rezac stated this is the first year they dropped so low. He said when an attorney needs to be appointed, the number could rise significantly.

The Board suggested meeting with the presiding District Court Judge to discuss a few of these items.

County Extension (645)

Present were Gary Bergman, County Extension Officer; Kay Coffey, Administrative Aide; and Wes Daberkow, Extension Board President.

Bergman briefly outlined his department's proposed budget cuts which included reductions in telephone and printing costs. Conference room rental fees were also nominally increased to help offset expenditures. These adjustments amounted to a little over \$17,000 in savings.

Stevens said while he appreciated the fact that this proposed budget will take less tax dollars to support County Extension, some of the budget figures looked high when considering current monthly expenses across the line. He specifically targeted "Other Client Services." Bergman said this line item includes the cost of 8.5 full-time University of Nebraska employees which are paid for by the County. It is likely the final billing for this expense has yet to be received.

With regard to "Other Miscellaneous Fees and Services", Bergman explained these revenue dollars are paid by the City of Lincoln and are related to the biosolids program.

Meyer asked whether the positions currently open will affect this budget in the future. Bergman noted that is a possibility but he hoped to approach the budget situation with optimism.

Bergman said out-of-state travel in his budget primarily goes through the University's professional development funding but some could come out of the County budget. Meyer asked about the impact to employees if out-of-state travel was denied. Bergman said three staff members attend a National 4-H Conference which is very important.

With regard to the microcomputer request, Bergman indicated he has budgeted for one replacement. His current policy is to rotate replacements every few years. He added his department has far greater need for new computers than the one requested.

Daberkow voiced his support for County Extension and the programs they provide to the community.

Weed Control (064)

Meyer noted the Weed Control budget hearing would be next with discussion on the Miscellaneous Budgets being held over until tomorrow.

Present was Russ Shultz, Weed Control Superintendent.

Meyer explained the Weed Control budget is split 50/50 with the City of Lincoln. He reminded Shultz to bill the City prior to June 30th.

Shultz announced he will be retiring effective December 31, 2010, therefore, some additional personnel costs will be necessary. He estimated that amount to be roughly \$34,000 split 50/50 with the City.

Meyer said expenditures for next fiscal year have increased by approximately \$18,000. This takes into consideration Shultz's retirement payout plus reductions to other operating costs. Shultz added his current budget may be under-expended by \$10,000.

Discussion followed on a transition plan related to Shultz's retirement. Shultz suggested a deputy position be established with the person starting a few months prior to his departure. Cost savings will be realized in hiring this replacement at a lower starting salary. It was noted the Weed Control Superintendent is an appointed position.

Meyer said Shultz will also be presenting his budget to the City-County Common in July. Hudkins asked whether the 50/50 split is still proportionate to the workload taking into consideration the growth of the City over the last decade. Shultz felt City inspections account for at least 60% of his department's costs.

Shultz informed the Board that Japanese knot weed is infesting the local river systems in Douglas, Sarpy, Cass and Lancaster Counties. He added while it is currently being sold in the horticultural market, information is being gathered in order to declare this weed as noxious in the future.

Public Defender (625)

Present were Dennis Keefe, Lancaster County Public Defender; and Monica Ross-Williams, Office Manager.

Keefe said the number of filings has decreased which will impact this year's budget.

Keefe noted the largest increase in the FY11 budget is for Information Services which he felt was attributed to a change in their billing procedures.

With regard to the revenue budget, Keefe said he included an additional \$15,000 plus 5% for the City's contract dealing with misdemeanor cases (total request for FY11 of \$211,627). He noted the actual cost for providing counsel in these cases was \$332,918 so even with the additional request, it is not covering the entire cost.

Stevens inquired about the County's legal obligation for defending the City's misdemeanor cases. Keefe said State statutes mandate that counsel be appointed. While he did not think the County would be in a strong position to argue otherwise, he was not in a position to provide a legal opinion on the matter. Heier asked who would be able to provide a definitive answer. Eagan said a judge would likely have to provide an opinion as he felt the law was not clear enough to say definitively that the City has any obligation to provide criminal defense. He added there is an obligation for the County to fund a public defender and, if there are offenses requiring jail time, that obligation kicks in. He said a statutory solution had been discussed in the past requiring that cities cover the defense costs associated with city ordinance violations but it was never introduced.

Stevens said the reason the Public Defender gets involved in some of those cases is because the City's ordinance says the misdemeanor penalty is \$500 or jail time, although, judges rarely impose jail time. He said ideally the City could remove the jail clause which would take the public defender out of the loop. Keefe agreed as long as the violation did not include other consequences such as a 15-year license suspension. He added he recommended this to the City some time ago to no avail. Schorr said this issue should be revisited as there are new members on the City Council.

With regard to the microcomputer request, Keefe said his department is in dire need of upgrading all their computers as many are 9-10 years old and the new case management system requires more powerful machines. He said even though he budgeted \$12,000 for computers in FY11, he could probably fund this expense from FY10 due to personnel savings. That would then reduce his microcomputer request for FY12 to approximately \$8,000. Meyer inquired whether thin clients would be a replacement option. Keefe said Ken Kuszak, Information Services Interim Manager, has not yet determined whether thin clients are truly less expensive. Additionally, there are certain components of the case management system which Kuszak could not say for sure that the thin client would work better or as well as a personal computer.

In response to Meyer's inquiry, Keefe said it appears his department will not need an additional appropriation for the current budget year.

Keefe noted he had two upper-level attorneys resign recently which were replaced by entry-level attorneys. He said they will need to attend training in Wyoming and/or Ohio.

Keefe clarified that his three chief deputies all carry caseloads and supervise staff.

Returning to microcomputers, Stevens said if the Public Defender would purchase only four new ones out of the current budget, it would help year-end fund balances. Keefe said if he could order at least six new computers and the scanners that would be most beneficial. Stevens said perhaps the Board should wait until after tomorrow's hearings before making a decision on computers as other departments will likely be in the same boat.

Meyer asked Keefe and Ross-Williams to take another look at their current budget and let him know how many new computers could be purchased out of this year's budget.

County Attorney (652)

Present were Gary Lacey, Lancaster County Attorney; Joe Kelly, Chief Deputy County Attorney; and Eileen LeGrande, Office Manager.

Meyer noted the County Attorney's proposed budget reflects a reduction of \$1,500 and an increase in revenue of \$90,000.

Lacey added that the State Department of Health and Human Services will soon be reimbursing the County \$250,000 for federal juvenile justice costs. LeGrande explained that \$100,000 of this was included in the current year revenue budget and \$150,000 is for back pay. A total of \$104,500 is budgeted in this category for FY11.

In response to Schorr's inquiry regarding the personnel summary request for an additional full-time employee, LeGrande said two people were added with stimulus money and a secretary was deleted so the net increase is one position. Meyer said this position is already in place – it is not an additional person for FY11.

Stevens inquired whether Lacey's retirement payout is included in this budget. LeGrande noted elected officials do not get vacation and sick leave payout.

With regard to microcomputers, LeGrande indicated that some were purchased when the new case management system came onboard so they should be okay for the next budget year. She reminded the Board that the County Attorney's Office will be buying the child support computers from the State for \$150 each on or before July 1, 2010. She confirmed there is money in the current budget to cover these costs.

Meyer asked about the Justice Assistance Drug Program grant amount which is listed as "pending." LeGrande said this is the ongoing BURN grant. She contacted the Lincoln Police Department about funding but they did not know at this time how much money the County will receive.

Meyer said he noticed that the funding for out-of-state travel for continuing education requirements was completely removed from the budget. He asked if this poses a problem. LeGrande said they are proposing to use in-state meetings for certain training. Anything that requires out-of-state travel will be covered by drug forfeiture funds which can be used for attorneys prosecuting criminal cases. Lacey said by being a member of the National Attorneys Association, his department has received \$85,000 of training (including travel expenses) paid for by the U.S. Department of Justice.

Lacey said he and Dennis Keefe have engaged the services of a Utah company to institute a case management system at a nominal cost. Moving away from the old system, they expected the Information Services (IS) budgets for both offices to decrease as less of their staff time would be required. He felt the Board should review the IS budget to make sure proper savings to the County is being realized. He also promoted the use of OpenSource free software and thin clients as a way to save money. Both he and Judge Otte have been using the free software with no problems.

Corrections (671)

Present were Mike Thurber, Corrections Director; and Angie Koziol, Business Manager.

Thurber gave a brief overview of related budget information (**see Exhibit A**). He noted inmate population is averaging 476 per day.

Thurber said the total increase for FY11 is \$808,859 which could be reduced to around \$600,000 if a FY10 carryover of \$200,000 is included. Meyer clarified that the 14 new employees requested are built into the FY11 budget.

Heier asked Meyer if he recommended using the \$200,000 carryover to offset the FY11 increase. Meyer said yes, if all 14 new positions are included.

Workman pointed out that the number of days of service has doubled in 20 years while the cost per service day has remained the same.

In response to Stevens' inquiry on LB695 revenue (state prisoners), Thurber felt no more than \$650,000 will be received in FY11.

Stevens noted that one of the arguments for locating the new jail on West "O" Street was that it would be operationally more efficient, yet 14 new positions are being added. Thurber said there will be 550 daily inmates when the new facility opens taking into consideration all those currently housed out-of-county. The efficiency will be in having all inmates at one location.

Thurber said he will not be able to accept outside (federal) prisoners in the new facility with the proposed staffing level. Workman asked if the County would bring in revenue by opening a pod for the federal government. Thurber said revenue would go up but the County wouldn't make money; it would simply be covering costs. He estimated the new per diem to be \$70-\$80. Heier clarified the County wouldn't lose money either if outside prisoners were housed.

Meyer noted that Corrections is currently one-third of the County's \$2,500,000 increase. He asked what could be cut to help reduce this increase. Thurber said he could look at capital outlay. Meyer said he is looking for items in the range of \$100,000 each. Thurber said he could go back and review his figures.

Human Services (837)

Present was Kit Boesch, Human Services Administrator.

The following information was distributed: grant master list (**see Exhibit B**); and 2010-12 Joint Budget Committee (JBC) Recommendations (**see Exhibit C**).

Boesch said salaries, benefits, Information Services fees and rent have all increased. With regard to cuts, she saw only two options: foregoing raises for all her employees (preferred option) or reducing her secretary's hours to 30 per week. Workman asked if this person's life would be impacted negatively if the position's hours were reduced. Boesch said yes.

Stevens questioned whether the rent increase will be effective July 1 or when Human Services moves into the County-City Building. Meyer explained that when Human Services moved to the current location, the Public Building Commission (PBC) subsidized the rent as they requested the move to make room at 900 "J" for other departments. Don Killeen recently informed Meyer that the PBC will no longer be doing so. Meyer added that a portion of the current rent is paid for by Juvenile Probation's budget.

Workman asked Boesch if her department could function if furloughs were implemented. Boesch said yes and added these are the kinds of budget options the Board should be considering. She also mentioned that many County offices could probably reduce their hours of operation.

Heier pointed out that the Information Services fee increased by 54%. Boesch did not know why.

Schorr questioned the need for out-of-state travel. Boesch said those dollars could be eliminated, although, some fees related to conference attendance are paid by outside agencies.

Hudkins noted the Human Services budget is split 50/50 with the City of Lincoln. Meyer reminded Boesch to bill the City prior to June 30th.

With regard to the Joint Budget Committee Recommendations (Exhibit C), Boesch said the initial increase is 3.3%. In an attempt to lower that number, she said an option would be to reduce four capacity grants in the amount of \$20,000 which would then reflect a 2.4% increase. A third option would be to cut funding to certain agencies.

Heier asked Boesch to review the funding split between the City and County. Boesch said ages ago, the argument was certain human services responsibilities lied with the County. When funding began for non-profit agencies, it was decided the City would fund administrative costs and the County would fund direct-services. She recently looked at all human services agencies funded by the City and County, including Aging Partners, the Health Department, etc., and discovered that the County funds \$400,000 more annually than the City. Stevens said he views a lot of the JBC funding as preventative dollars whereby the County saves money if certain people don't fall through the cracks.

Veterans Affairs/General Assistant (801, 803)

Present was Gary Chalupa, Veterans Affairs/General Assistance Director.

County Veterans' Aid (802)

Chalupa said \$10,000 has historically been budgeted in this fund but less is usually spent. Meyer said this money is typically a transfer from the General Fund.

General Assistance (801)

Chalupa said the budget will be close for the remainder of FY10. He held the FY11 budget constant, although, there are some unknowns with regard to the new federal healthcare reform.

Hudkins inquired about the current caseload. Chalupa said there are roughly 210 active files.

Schorr questioned the Health Department contract. Chalupa said he was told the changes are primarily due to employee salaries. He added in looking at what the Health Department does for General Assistance (GA) clients at little to no cost, if the County moved to another provider the cost for primary care would likely increase. The Health Department is also hoping to receive some Medicaid reimbursement which could positively impact the GA budget.

Veterans Affairs (803)

Chalupa said he will not be able to come in at last year's number. He made all the cuts he could with an overall increase for FY11 of 1.45%. He said he did not submit a microcomputer request even though this would have been the final year of a three-year replacement program.

With regard to training, he hoped that with some statewide restructuring, there should not be the need for out-of-state travel.

Meyer asked Chalupa to address the increase for personnel. Chalupa said he would still like to hire a GA Deputy Director as he is one-third of the Veterans Affairs workforce but finds it difficult to keep up. He budgeted for a salary of \$50,000 based on a recommendation from the Personnel Department. He hoped by adding a GA Deputy, savings could be realized by more stringent enforcement of the guidelines, i.e., possibly eliminating some clients who do not qualify for GA.

Heier indicated the Board will not be able to provide an answer on the deputy today but will review the matter as the budget process progresses.

Community Corrections (676)

Present was Kim Etherton, Community Corrections Director.

The following documents were distributed: Community Service and Drug Court Statistics for July 1, 2009-April 30, 2010 (**see Exhibit D**); and a letter from the State Court Administrator regarding the Adult Drug Court agreement (**see Exhibit E**).

Etherton said her budget reflects a number based on implementing furloughs for her entire staff. Meyer asked what the difference would be if furloughs were not included. Etherton said it would equate an additional \$28,000-\$29,000 increase for FY11.

Etherton said revenues will look different next year as she previously underestimated house arrest fees.

Meyer inquired about personnel. Etherton explained she no longer has a half-time temporary employee included in the budget.

With regard to drug testing, Etherton said she did meet with the State. Moving to the 900 "J" Street building (at a cost of \$62,500) was part of this plan. The State declined to move forward at this time.

In reviewing cellular phone costs, Etherton said she reverted to a plan with a flat monthly fee and a per-call cost and expected to save 50%.

Hudkins asked about the potential impact to operations if staff is not moved to the 900 "J" Street building. Etherton said she would continue to operate as is by piecing staff together. The other issue is that the Probation Department has been asking for their offices back. It was noted Community Corrections is not currently paying for this space.

Etherton noted approximately 30 people a week are utilizing in-house arrest versus spending an average of 17 days each in jail.

Stevens said he figured the net tax impact of the Community Corrections budget is about \$1,200,000. Considering pre-trial release and house arrest, that number increases to \$1,900,000 in savings.

Etherton was asked to work with Meyer on new budget numbers excluding furloughs.

Juvenile Court (623)

Present were Roger Heideman, Juvenile Court Judge; and Theresa Emmert, Juvenile Court Administrator.

Heideman said the current year budget is in fairly decent shape. He said some attorney contracts are being phased out and rolled over to more specific line items. Additionally, some contractors opted out during the year and these dollars were not rolled over and still show up in the Public Defender's miscellaneous budget.

With regard to boarding contracts, Heideman noted these costs have increased while the number of treatment beds in the City decreased.

Heideman said reductions can be made to out-of-state travel.

Meyer questioned whether the \$280,000 in contract dollars is going away. Emmert said the \$292,000 from last year will be pushed into 3A (abuse and neglect) and 3B (status offenders).

Meyer asked for an overview of the video conferencing funding request. Heideman said LB800 (juvenile justice reform bill), which was passed last Legislative session, allows for video conferencing. They have spoken with the Juvenile Detention Center about utilizing this for detention hearings. He added many jurisdictions throughout the country are moving in this direction with Lancaster County potentially being the first in Nebraska. The budgeted amount (\$20,000) is very preliminary and includes primarily hardware costs (computers and webcam). Emmert said Skype is also being considered as a cost-efficient way of utilizing this conferencing technology.

Library (020)

Present was Pat Leach, Lincoln City Libraries Director; Greg Mickells, Lincoln City Libraries Assistant Director.

A memo outlining the FY11 Library contract was distributed (**see Exhibit F**).

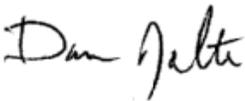
Leach said the City is still in the budget planning process so specific numbers are not yet available. She briefly outlined some services available to County residents including library membership, the bookmobile, summer programs and downloadable audio books.

Leach noted the City of Waverly is looking to open a library. She and Commissioner Workman have met with area residents to discuss the issue. Funding is obviously a concern.

A new bookmobile is also included in the Library's proposed City budget at a cost of \$250,000. Leach said \$150,000 of City keno funds have been set aside; the remainder will be privately raised.

Adjournment

By order of the Chair, the meeting ended at 4:36 p.m.



Dan Nolte
Lancaster County Clerk

NOTE: Documents referred to are included in Proposed Budget Fiscal Year 2010 (a copy is on file in the County Clerk's Office).