

MINUTES
DEPARTMENTAL BUDGET HEARINGS
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 303
WEDNESDAY, MAY 12, 2010
MORNING SESSION
(8:00 A.M. TO 12:15 P.M.)

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

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

The Chair opened the meeting at 8:02 a.m.

ADDITIONS TO THE AGENDA

MOTION: Workman moved and Hudkins seconded to add discussion of the May 13, 2010 Staff Meeting to the agenda. Stevens, Hudkins, Workman and Heier voted aye. Schorr was absent from voting. Motion carried 4-0.

Heier informed the Board that he plans to add discussion of a reduction in force to the May 13, 2010 Staff Meeting agenda.

Schorr arrived at 8:05 a.m.

YOUTH SERVICES SYSTEM (FUND 678)

Appearing were Sheli Schindler, Youth Services Center (YSC) Director, and Melissa Hood, Administrative Aide, YSC.

Schindler presented Fiscal Year 2010-2011 Proposed Budget, Lancaster County Youth Services Center (Exhibits A & B). She said expenditures are projected to remain flat, noting 63% of expenditures are attributed to personnel services. She said they were able to absorb last year's cost of living increases and will need to cut four positions (three full-time security staff and one part-time non-security staff) in order to operate at the current expenditure level. She said cuts in contract and education services will also be required. Client nursing service costs have increased \$47,257 as a result of moving the service from the Lincoln-Lancaster County Health Department to a private organization. Revenues are projected to decrease \$264,953, due to a decline in care days for the City and contract counties.

Hudkins said the County is under budget constraints and may have to implement employee furloughs. He asked how that would impact the facility.

Schindler noted staffing requirements and said she will utilize the on-call pool and institute additional lockdowns to respond to the staffing shortages. She said she might also have to re-evaluate her proposed reductions in personnel.

COUNTY CLERK (FUND 602)

Appearing were Dan Nolte, County Clerk; Cori Beattie, Deputy County Clerk; and Tim Genuchi, Accounting Operations Manager, County Clerk's Office.

Dan Nolte, County Clerk, said he has submitted a same level of service budget. He said the budget reflects a 1.66 % increase and said they have made all the reductions they can to non-personnel line items.

Dennis Meyer, Budget and Fiscal Officer, said a separate business unit is being created for the Board of Equalization (BOE) and said some of the items that had been included in the County Clerk's budget will be moved over.

Nolte said they primarily involve Information Services (IS) costs.

Meyer asked whether there will be a microcomputer request.

Nolte said they did not submit one, but said they are developing problems with one of their PC's.

Heier inquired about the \$7,000 increase in IS costs.

Nolte said there is more reliance on IS, due to electronic filing of property valuation protests.

Cori Beattie, Deputy County Clerk, said IS is training a member of their staff to perform some maintenance duties and run reports which should help to hold down those costs.

Tim Genuchi, Accounting Operations Manager, County Clerk's Office, added that a portion of the IS expense is related to maintenance of the payroll system.

COUNTY ASSESSOR/REGISTER OF DEEDS (FUND 605)

Appearing were Norm Agena, County Assessor/Register of Deeds; Rob Ogden, Chief Field Deputy Assessor/Register of Deeds; and Scott Gaines, Chief Administrative Deputy Assessor/Register of Deeds.

Norm Agena, County Assessor/Register of Deeds, said he would first like to address the issue of employee furloughs. He said if employee furloughs are implemented, the impact on the Register of Deeds, Personal Property and Homestead Exemption Divisions will be minimal. He said that is not true for the appraisal staff. He said that division is operating with minimal staff and said they will have to work overtime to keep work current if furloughs are implemented. He said layoffs would create even more of a problem.

Agena addressed the travel budget and said he has eliminated all travel except the conference sponsored by Tyler Technologies, Inc., for users of the Orion Appraisal and Assessment Software. He said Rob Ogden, Chief Field Deputy Assessor/Register of Deeds, and Michelle Slack, Statistical/Modeling Analyst, serve on the Steering Committee and said the County saves three to four times the cost of attendance by staying current and maintaining that relationship.

In response to a question from Heier, Agena said they spent \$8,900 on travel this year and have budgeted \$12,000 for the coming fiscal year.

Agena also addressed the issue of tuition. He said appraisal staff are required to have 30 hours of education per year to maintain their professional status and said \$13,000 has been budgeted for that expense.

COUNTY TREASURER (FUND 603)

Appearing were R.J. Nuernberger, County Treasurer; Terry Adams, Deputy County Treasurer; and Liz Thanel, Accountant, County Treasurer's Office.

R.J. Nuernberger, County Treasurer, presented a summary of budget changes (Exhibit C)

Terry Adams, Deputy County Treasurer, noted a \$500,000 decrease in interest income is projected.

Schorr questioned the increase in Information Services (IS) costs.

Adams said it may be related to the work IS did on their special assessment system last year. **NOTE:** IS has moved to a flat rate fee structure that is based on the prior years' usage or an average of the three previous years.

Adams said there is \$3,300 in the office equipment line item that could be cut.

In response to a question from Meyer, Adams said they would have to cut 3.5 positions or furlough employees at least one day a month to keep the budget at a 0% increase.

Workman asked about the impact to operations.

Adams said the greatest impact would be in the motor vehicles area, noting tax collections are seasonal.

Stevens asked whether the State could take over the driver's license function.

Adams said the State is unwilling to do so.

MISCELLANEOUS BUDGETS:

*** KENO FUND (FUND 028)**

Meyer said the County Engineer would like \$250,000 added to the Keno Fund for the East Beltway project. Meyer said he also added \$80,000 for the Arbor Road project.

Schorr suggested the Board consider a "token" contribution (\$20,000 to \$50,000) out of the Keno Fund to help purchase a new Bookmobile to serve rural residents.

*** DEBT SERVICE (FUND 41)**

Meyer said the County has two bonds in this fund: 1) 2004 Series Bonds (St. Mary's Building Project, Health Facilities Project, County Engineering, Motor Vehicles Facilities Project, Juvenile Detention Facility Project and Miscellaneous County Projects); and 2) Health Department Bond. He said he reduced the property tax request for this fund from \$1,200,000 to \$570,000 last year because funds targeted for a project in the County Treasurer's Office in the 2004 Series Bonds were not needed. Meyer said the audit indicated debt service payments for the 2004 Series Bonds will drop \$200,000 for the next few years but said he would advise against further reductions to the levy. He said he has also discussed paying off the 2004 Series Bonds with Scott Keene, Ameritas Investment Corporation, and said although Keene thinks it is a good idea, it may be difficult given the budget shortfall.

COUNTY ENGINEER/GEOGRAPHIC INFORMATION SYSTEM (GIS) (FUNDS 703, 615)

Appearing were Don Thomas, County Engineer; Ken Schroeder, County Surveyor; and Erik Hubl, GIS Mapping Division Head.

* **GEOGRAPHIC INFORMATION SYSTEM (GIS) (FUND 615)**

Erik Hubl, GIS Mapping Division Head, gave an overview of the budget request (Exhibit D), noting the following:

- * \$10,000 for the Nebraska-Iowa Regional Orthophotography Consortium (NIROC) Project (see Exhibit E)
- * \$15,000 for the Light Detection and Ranging (LIDAR) Photo Project
- * \$15,600 for ESRI (GIS mapping software) annual payment
- * \$12,000 for an incremental upgrade of computers

Hubl said the GIS Administration Team has discussed combining all of the ArcGIS licenses for City and County GIS users under the County Engineer's low customer number. He suggested it might be beneficial to have Jeff McReynolds, GIS Coordinator, appear before the Board and explain the rationale for consolidation.

Meyer questioned the 10% increase in GIS Program Manager (Code No. 64421).

Hubl said that could probably be trimmed back.

Hudkins asked Hubl to explain the increase in lodging costs (Code No. 64715).

Hubl said he budgeted for costs to attend the Nebraska GIS/LIS Association Biennial Symposium and for two to attend an ESRI Conference in California. He said Miscellaneous Fees (Code No. 65845) is interrelated.

* **COUNTY ENGINEER (FUND 703)**

Don Thomas, County Engineer, gave an overview of the budget request (Exhibit F), noting the following:

- * 16.47% decrease in Building Maintenance & Cleaning (Code No. 64165) because the service was re-bid
- * 20.00% decrease in Postage (Code No. 64855) because bidding is now done on-line

Meyer asked Thomas how furloughs would impact his department.

Thomas said the impact would be to services.

RECORDS MANAGEMENT (FUND 648)

Appearing was Brian Pillard, Records & Information Manager.

Brian Pillard, Records & Information Manager, said his budget is slightly less than the current budget, due to salary savings from a personnel change.

Hudkins questioned the increase in Information Services (IS) costs.

Pillard said it primarily due to the on-line Records Center application. He said the Records Center is nearing capacity and said steps will need to be taken to deal with that issue, although it is not part of the budget request.

Meyer asked Pillard to explain his microcomputer request.

Pillard said they are moving away from microfilming and are doing more scanning. He said they have requested an additional scanner to help catch up on the backlog of scanning projects.

Meyer inquired about his request to attend an out-of-state conference.

Pillard said he is required to have continuing education to remain a certified records manager, but said there are other ways to obtain that training. He added that he would like to have a discussion with the Board in the future about his position and how the County should manage its records.

PROPERTY MANAGEMENT (FUND 066)

Appearing was Don Killeen, County Property Manager.

Don Killeen, County Property Manager, gave an overview of the budget request. He said there is a decrease in the operating budget, due to elimination of a position at the Community Mental Health Center. He also outlined capital outlay items and said the most costly involves the design and installation of a new fire panel at Trabert Hall which is estimated to cost \$72,000.

Meyer said the County levies \$200,000 every year for the Building Fund and pointed out that capital outlay items total \$272,245. He said they will have to prioritize the items and some will likely be carried over.

MISCELLANEOUS BUDGETS:

*** BUDGET & FISCAL (FUND 611)**

Meyer said his budget is increasing by 5.27% because of salary increases and an insurance change from single to 2/4 coverage for a staff member.

GENERAL BUDGET DISCUSSION

Discussion took place on options to make up the budget deficit. Suggestions included freezing salaries, shortening the workweek, and suspension of Post Employment Health Plan (PEHP) benefits.

EMERGENCY MANAGEMENT (FUND 693)

Appearing was Doug Ahlberg, Emergency Management Director.

Doug Ahlberg, Emergency Management Director, gave an overview of the budget request, citing concern with the increase in Information Services (IS) costs.

Schorr noted that his budget request would have been flat without that increase.

Ahlberg said he has applied for a \$68,000 increase in Emergency Management Program Grant (EMPG) funding from the Nebraska Emergency Management Agency (NEMA) and a \$124,000 Hazard Mitigation Grant for outside warning sirens. He said he feels he will have sufficient monies to fund emergency equipment needs and said the \$70,000 budgeted in Object No. 67490 can be deleted.

Meyer said that will cut City reimbursement by \$35,000.

Ahlberg said he would like to continue the practice of placing EMPG funds in a separate business unit and drawing on them as needed.

MISCELLANEOUS BUDGETS:

*** COUNTY BOARD (FUND 601)**

Meyer said salaries are increasing \$7,900 (3.04%).

Kerry Eagan, Chief Administrative Officer, noted that the Board's salaries were set earlier in the year and statutorily cannot be changed.

*** ADMINISTRATIVE SERVICES (FUND 613)**

Meyer said the increase in the budget is primarily due to the salary increase for Gwen Thorpe, Deputy Chief Administrative Officer. He said there is also a salary increase for Mary Meyer, the joint receptionist for the County Board/City Council, who assumed additional duties since the City Council's secretary resigned.

Eagan said the City has not hired a replacement or signed a new interlocal agreement that would compensate the County for the time Meyer has spent covering that position, her salary increase and the Exceptional Circumstance award that she received in consideration of the additional duties.

Schorr questioned the increase in telephone costs (Object No. 64810).

Meyer said that includes the Aircard (mobile broadband device) that the Board approved.

* **GENERAL FUND (FUND 612)**

Discussion took place on whether to eliminate membership in the National Association of County Officials (NACo). It was pointed out that in doing so, the County would no longer be able to participate in NACo's Prescription Discount Program.

COUNTY SHERIFF (FUND 651)

Appearing were Terry Wagner, County Sheriff; and Bill Jarrett, Chief Deputy Sheriff.

Terry Wagner, County Sheriff, distributed additional information regarding the budget request (Exhibit G). He said reductions were made to all areas of the budget except personnel costs and vehicles. Wagner said the 27.41% increase in Vehicles (Object No. 67410) is due in part to plans to purchase a new van to transport inmates back and forth from the new jail. He said the van will have a stainless steel divider and said they plan to install a similar divider in an existing van. **NOTE:** That cost was included in Other Miscellaneous Equipment (Object No. 67495).

Workman questioned the cellular phone service cost.

Bill Jarrett, Chief Deputy Sheriff, said the cost is related to Aircards for the mobile data terminals that are replacing radios in the patrol cars.

Schorr noted the Sheriff had indicated a 4.00% budget increase in a letter dated March 30, 2010 but Meyer's has calculated it will be 5.22%. She asked why there is a discrepancy.

Wagner said he believes his figure is in error.

Schorr said the Sheriff's letter also indicates plans to reduce overtime costs by not participating in special programs and said it was her understanding that most of those costs are reimbursable.

Wagner said that is correct but said that is one way he was able to reduce expenditures. He said there will be a corresponding reduction in revenue.

Discussion took place regarding the request for eight new FTE's at a cost of \$473,600. **NOTE:** The cost was not included in the budget request.

In response to a question from Meyer, Wagner said the three new deputies that they are requesting for prisoner transport should be hired at least nine months prior to opening of the new jail.

Schorr asked Wagner to prioritize his FTE request.

Wagner said it will depend on the whether the Sheriff's Department will be asked to provide prisoner transport. He said of the other positions, he would rank the Records System Specialist position first.

Board consensus was to have the Chair and Vice Chair meet with Wagner and Mike Thurber, Corrections Director, to discuss the issue of prisoner transport.

Stevens asked whether the Sheriff's Department will need a deficit appropriation this year.

Meyer said yes, estimating the amount at \$330,000.

Meyer noted the Board is considering implementing furloughs and asked Wagner whether there is a "breaking point" for his operation.

Wagner said he doesn't know what it would be and said furloughs don't make sense if the County has to pay overtime to cover those absences.

Meyer asked about the status of the Sinking Fund.

Jarrett said it is on schedule for 2015.

Meyer asked whether it could be reduced for one year without causing issues.

Jarrett said it could, but would need to be increased the following year.

MISCELLANEOUS BUDGETS:

*** JUSTICE SYSTEM (FUND 628)**

Meyer said the 12.04% reduction is because the legal services contracts are ending and those costs are moving over to the Juvenile Court budget. He said this fund includes the graduated sanctions and said that funding has increased by \$15,000.

*** BOARD OF EQUALIZATION (FUND 618)**

Meyer gave an overview of the budget request.

* **HEALTH & HUMAN SERVICES (FUND 805)**

Meyer said he estimated a 2% increase for the Health Department and Aging. He said if the City holds their budgets to a 0% increase the County will save about \$48,000.

In response to a question from Schorr, Meyer said he combined all the Joint Budget Committee (JBC) contracts under the League of Human Dignity (Object No. 64520).

Schorr said the Board needs to make a decision on the issue of JBC funding. **NOTE:** The County has been asked to increase its funding by 3.1%.

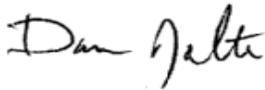
Meyer said the substance abuse match for Region V is also paid out of this fund and said it is projected to increase by 0.5% (Object No. 64560).

* **GENERAL FUND (FUND 612)**

Meyer noted a budget reduction of \$1,995,960 (17.21%) and said it is primarily due to elimination of the transfer to Lancaster Manor. He said he also reduced funding for the Personnel Department (Object No. 64430) by 10% because of the reduction in the number of County employees.

In response to a question from Hudkins, Meyer said the increase in the Transfer to Weed Control Fund (Object No. 69140) is to cover costs associated with Russ Shultz's retirement. **NOTE:** Shultz is the Weed Control Authority Superintendent.

The Chair recessed the meeting at 12:15 p.m.



Dan Nolte
Lancaster County Clerk

