

# **MEETING NOTICE**

**LANCASTER COUNTY BUDGET MONITORING COMMITTEE**

**TUESDAY, AUGUST 12, 2014**

**COUNTY-CITY BUILDING, ROOM 113 - THE BILL LUXFORD STUDIO**

**555 SOUTH 10<sup>th</sup> Street**

**3:00 P.M.**

## **AGENDA**

1. Review and Discuss the Proposed 2014-15 Lancaster County Budget.

**LANCASTER COUNTY SUMMARY OF EXPENDITURE REQUIREMENTS**

FUND		ACTUAL	FY14 BUDGET		ACTUAL	FY15 BUDGET	
		OBLIGATIONS	PROPOSED	ADOPTED	OBLIGATIONS	PROPOSED	ADOPTED
		FY13			FY14		
11	GENERAL	88,523,598	96,987,958	96,987,958	92,897,854	98,737,107	
12	WORKERS COMPENSATION LOSS	886,729	1,240,704	1,240,704	785,471	1,337,029	
13	OTHER SELF INSURANCE LOSS	312,199	1,229,862	1,229,862	410,910	1,753,438	
14	GROUP SELF INSURANCE	10,010,747	15,697,565	15,697,565	11,563,250	16,241,642	
18	VISITORS IMPROVEMENT	2,295,372	3,419,801	3,419,801	1,591,391	3,473,067	
19	VISITORS PROMOTION	1,111,341	1,692,433	1,692,433	1,166,916	2,170,173	
20	COUNTY RURAL LIBRARY	684,227	709,271	709,271	708,771	762,353	
21	BRIDGE & SPECIAL ROAD	8,170,232	9,107,523	9,107,523	6,727,092	10,118,511	
22	HIGHWAY	6,945,215	7,705,109	7,705,109	7,165,857	8,200,508	
26	VETERANS AID	5,948	11,614	11,614	3,734	12,880	
27	GRANTS	2,779,424	2,983,594	2,983,594	2,041,785	4,646,321	
28	KENO	50,505	2,539,805	2,539,805	1,103,114	2,504,259	
30	ECONOMIC DEVELOPMENT	45,068	359,912	359,912	39,278	341,302	
41	DEBT SERVICE	993,617	2,805,422	2,805,422	1,133,020	2,208,499	
51	BUILDING	90,562	645,456	645,456	195,330	780,037	
52	JAIL SAVINGS FUND	922,039	984,330	984,330	107,530	877,699	
61	LANCASTER MANOR	102,206	2,077,323	2,077,323	1,300,547	782,781	
63	MENTAL HEALTH	9,155,694	9,422,025	9,422,025	7,412,440	3,553,739	
64	WEED CONTROL	328,202	373,728	373,728	360,161	380,801	
65	COUNTY/CITY PROPERTY MGMT	3,184,401	3,457,256	3,457,256	3,341,752	3,494,674	
66	PROPERTY MANAGEMENT	1,333,590	1,494,170	1,494,170	1,412,227	1,480,295	
67	CITY BUILDING MAINTENANCE	288,327	725,819	725,819	384,727	720,496	
	Memorandum Total	<u>138,219,243</u>	<u>165,670,680</u>	<u>165,670,680</u>	<u>141,853,157</u>	<u>164,577,611</u>	

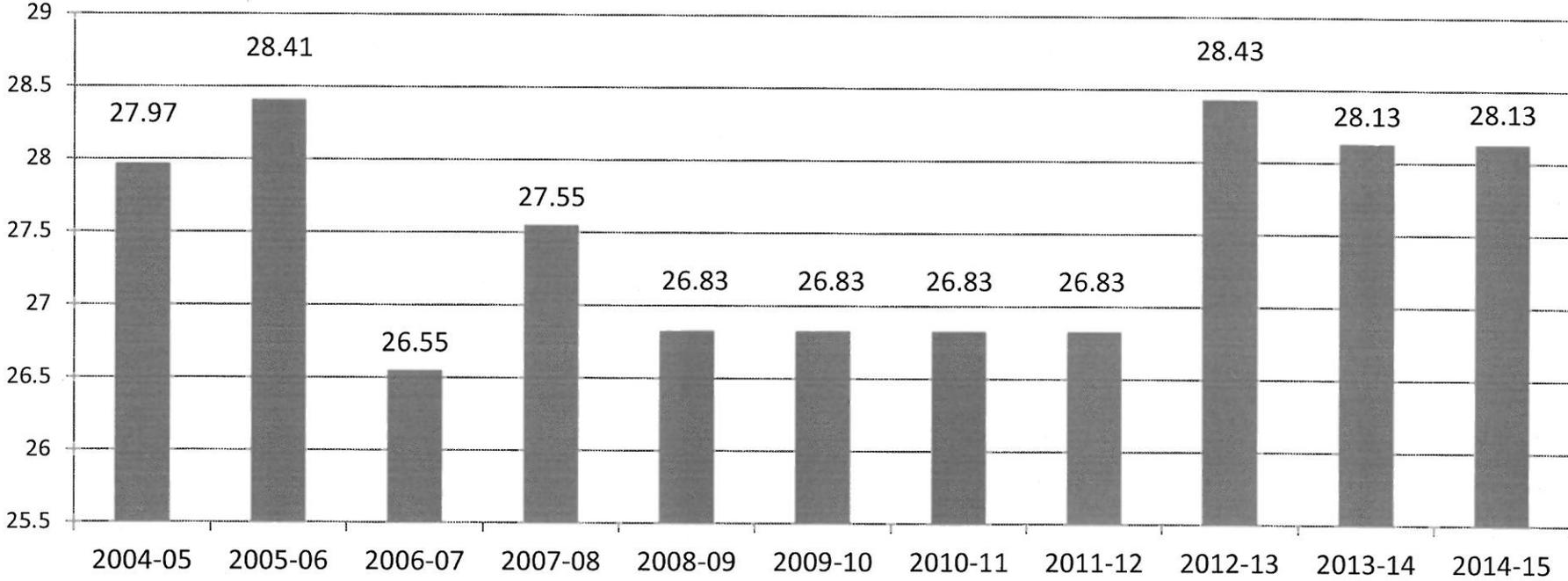
**LANCASTER COUNTY**  
**COMPARISON OF BUDGETED EXPENDITURES**  
**FY15 PROPOSED COMPARED TO FY 14 ADOPTED**

	PROPOSED	FINAL	DIFFERENCE	
	FY15	FY14	AMOUNT	PERCENT
<b>GENERAL FUND OPERATING:</b>				
COUNTY BOARD	277,222	267,977	9,245	3.45%
COUNTY CLERK	1,001,018	979,046	21,972	2.24%
COUNTY TREASURER	3,412,291	3,409,645	2,646	0.08%
ASSESSOR	3,894,466	3,963,923	(69,457)	-1.75%
ROD TECHNOLOGY	370,206	317,218	52,988	16.70%
ELECTION COMMISSIONER	1,357,877	1,281,609	76,268	5.95%
DATA PROCESSING	931,566	828,177	103,389	12.48%
BUDGET & FISCAL	320,458	317,675	2,783	0.88%
ADMINISTRATIVE SERVICES	391,497	385,728	5,769	1.50%
G.I.S.	-	524,583	(524,583)	-100.00%
BOARD OF EQUALIZATION	356,250	300,750	55,500	18.45%
CLERK OF DIST COURT	1,685,257	1,633,560	51,697	3.16%
COUNTY COURT	874,367	907,182	(32,815)	-3.62%
JUVENILE COURT	1,900,284	1,916,999	(16,715)	-0.87%
DISTRICT COURT	2,690,904	2,677,651	13,253	0.49%
PUBLIC DEFENDER	3,822,991	3,606,001	216,990	6.02%
JURY COMMISSIONER	154,759	156,405	(1,646)	-1.05%
COOPERATIVE EXTENSION	1,067,730	1,036,994	30,736	2.96%
RECORDS INFO & MGMT	597,907	590,196	7,711	1.31%
SHERIFF	10,962,544	10,663,941	298,603	2.80%
COUNTY ATTORNEY	6,891,769	6,854,784	36,985	0.54%
CORRECTIONS	20,884,716	20,163,725	720,991	3.58%
JUVENILE PROBATION	291,865	444,503	(152,638)	-34.34%
ADULT PROBATION	344,868	404,287	(59,419)	-14.70%
COMMUNITY CORRECTIONS	2,686,582	2,202,743	483,839	21.97%
JUVENILE DETENTION	6,019,052	5,971,775	47,277	0.79%
EMERGENCY SERVICES	534,520	553,498	(18,978)	-3.43%
COUNTY ENGINEER	3,981,077	3,430,425	550,652	16.05%
MENTAL HEALTH BD	139,728	140,000	(272)	-0.19%
GENERAL ASSISTANCE	2,307,315	2,647,315	(340,000)	-12.84%
VETERANS SERVICE	804,323	770,121	34,202	4.44%
HUMAN SERVICES	409,098	305,426	103,672	33.94%
<b>TOTAL G.F. OPERATING</b>	<b>81,364,507</b>	<b>79,653,862</b>	<b>1,710,645</b>	<b>2.15%</b>

**LANCASTER COUNTY**  
**COMPARISON OF BUDGETED EXPENDITURES**  
**FY15 PROPOSED COMPARED TO FY 14 ADOPTED**

	PROPOSED	FINAL	DIFFERENCE	
	FY15	FY14	AMOUNT	PERCENT
<b>OTHER FUNDS OPERATING:</b>				
BRIDGE & SPECIAL RD	10,118,511	9,107,523	1,010,988	11.10%
HIGHWAY FUND	8,200,508	7,705,109	495,399	6.43%
LANCASTER MANOR	782,781	2,077,323	(1,294,542)	-62.32%
MENTAL HEALTH	3,553,739	9,422,025	(5,868,286)	-62.28%
NOXIOUS WEED	380,801	373,728	7,073	1.89%
CO/CITY PROPERTY MGMT	3,494,674	3,457,256	37,418	1.08%
COUNTY PROPERTY MGMT	1,480,295	1,494,170	(13,875)	-0.93%
TOTAL OTHER FUNDS OPERATING	28,011,309	33,637,134	(5,625,825)	-16.73%
<b>NON-OPERATING BUDGETS:</b>				
G.F. GENERAL GOVERNMENT	10,818,044	10,393,611	424,433	4.08%
G.F. JUSTICE SYSTEM	2,326,985	2,487,867	(160,882)	-6.47%
G.F. HHS	4,227,571	4,452,618	(225,047)	-5.05%
WORKERS COMPENSATION	1,337,029	1,240,704	96,325	7.76%
OTHER SELF INSURANCE	1,753,438	1,229,862	523,576	42.57%
EMPLOYEES' INSURANCE	16,241,642	15,697,565	544,077	3.47%
VISITORS IMPROVEMENT	3,473,067	3,419,801	53,266	1.56%
VISITORS PROMOTION	2,170,173	1,692,433	477,740	28.23%
RURAL LIBRARY	762,353	709,271	53,082	7.48%
VETERANS AID	12,880	11,614	1,266	10.90%
GRANTS FUND	4,646,321	2,983,594	1,662,727	55.73%
KENO FUND	2,504,259	2,539,805	(35,546)	-1.40%
ECONOMIC DEVELOPMENT	341,302	359,912	(18,610)	-5.17%
DEBT SERVICE	2,208,499	2,805,422	(596,923)	-21.28%
BUILDING FUND	780,037	645,456	134,581	20.85%
JAIL SAVINGS FUND	877,699	984,330	(106,631)	-10.83%
CITY BUILDING MAINTENANCE	720,496	725,819	(5,323)	-0.73%
TOTAL NON-OPERATING	55,201,795	52,379,684	2,822,111	5.39%
GRAND TOTAL	164,577,611	165,670,680	(1,093,069)	-0.66%

**LANCASTER COUNTY  
Tax Levies  
Cents per \$100 of Valuation**



**ADOPTED BUDGET FY2004-05 THROUGH FY 2013-14  
PROPOSED BUDGET FY2014-15**

**Lancaster County  
2014-2015 CALCULATED LEVIES**

	<u>FY14 Actual</u>		<u>FY15 Calculation</u>	<u>Change Amount</u>	<u>Percent</u>
County Valuation	20,848,760,247		21,213,613,551	364,853,304	1.75%
General Fund	57,919,678	0.277809	58,946,013	0.277869	
Debt Service	523,887	0.002513	523,887	0.002470	
Building Fund	204,000	0.000978	204,000	0.000962	
Total Dollars/Levy	58,647,565	0.281300	59,673,900	0.281300	
County Levy	58,647,565	0.281300	59,673,900	0.281300	
General Fund -					
Tax	57,331,328		58,357,663		
Delinq	588,350		588,350		
	57,919,678		58,946,013		

**LANCASTER COUNTY  
CHANGE IN VALUATION  
LAST TEN YEARS**

<u>YEAR</u>	<u>VALUATION</u>	<u>CHANGE</u> <u>AMOUNT</u>	<u>PERCENT</u>
2004-05	15,375,859,915		
2005-06	15,932,331,879	556,471,964	3.62%
2006-07	18,045,787,841	2,113,455,962	13.27%
2007-08	18,343,871,223	298,083,382	1.65%
2008-09	18,786,286,695	442,415,472	2.41%
2009-10	18,641,136,908	(145,149,787)	-0.77%
2010-11	18,799,468,423	158,331,515	0.85%
2011-12	19,027,837,576	228,369,153	1.21%
2012-13	20,119,951,547	1,092,113,971	5.74%
2013-14	20,848,760,247	728,808,700	3.62%

**LANCASTER COUNTY**  
**COMPARISON OF PAYROLL COSTS**  
**FY2015 COMPARED TO FY2014**

	FY2015 BUDGET PAYROLL	FY2014 BUDGET PAYROLL	VARIANCE	PERCENTAGE CHANGE
<b><u>GENERAL FUND</u></b>				
COUNTY BOARD	277,222	267,977	9,245	3.45%
COUNTY CLERK	801,531	793,981	7,550	0.95%
COUNTY TREASURER	2,690,802	2,631,649	59,153	2.25%
ASSESSOR/DEEDS	3,486,709	3,416,723	69,986	2.05%
ELECTION COMMISSIONER	853,046	678,365	174,681	25.75%
BUDGET & FISCAL	310,322	307,205	3,117	1.01%
ADMINISTRATIVE SERVICES	349,149	340,746	8,403	2.47%
G.I.S.	-	408,839	(408,839)	-100.00%
CLERK OF DIST COURT	1,515,139	1,443,402	71,737	4.97%
JUVENILE COURT	553,160	545,824	7,336	1.34%
DISTRICT COURT	1,102,940	1,084,840	18,100	1.67%
PUBLIC DEFENDER	3,429,359	3,201,801	227,558	7.11%
JURY COMMISSIONER	114,638	111,212	3,426	3.08%
COOPERATIVE EXTENSION	447,026	431,360	15,666	3.63%
RECORDS INFO & MGMT	383,261	385,990	(2,729)	-0.71%
COUNTY SHERIFF	9,042,459	8,772,457	270,002	3.08%
COUNTY ATTORNEY	6,041,122	6,024,630	16,492	0.27%
CORRECTIONS	13,789,920	12,934,160	855,760	6.62%
COMMUNITY CORRECTIONS	1,656,756	1,472,409	184,347	12.52%
JUVENILE DETENTION	4,015,848	3,865,984	149,864	3.88%
EMERGENCY SERVICES	234,468	242,119	(7,651)	-3.16%
COUNTY ENGINEER	3,422,439	2,970,493	451,946	15.21%
MENTAL HEALTH BD	105,419	106,224	(805)	-0.76%
VETERANS SERVICE	740,970	712,759	28,211	3.96%
HUMAN SERVICES	374,568	271,300	103,268	38.06%
<b>TOTAL GENERAL FUND</b>	<b>55,738,273</b>	<b>53,422,449</b>	<b>2,315,824</b>	<b>4.33%</b>

**LANCASTER COUNTY**  
**COMPARISON OF PAYROLL COSTS**  
**FY2015 COMPARED TO FY2014**

	FY2015 BUDGET PAYROLL	FY2014 BUDGET PAYROLL	VARIANCE	PERCENTAGE CHANGE
<b>OTHER FUNDS</b>				
SAFETY & TRAINING	139,118	133,753	5,365	4.01%
BRIDGE & SPECIAL RD	2,318,748	2,261,691	57,057	2.52%
HIGHWAY FUND	2,571,519	2,532,402	39,117	1.54%
MENTAL HEALTH	2,413,012	7,006,152	(4,593,140)	-65.56%
NOXIOUS WEED	250,986	248,409	2,577	1.04%
BLDG & GROUNDS	3,433,943	3,399,761	34,182	1.01%
PROPERTY MANAGEMENT	537,626	523,252	14,374	2.75%
 GRAND TOTAL	 <u>67,403,225</u>	 <u>69,527,869</u>	 <u>(2,124,644)</u>	 <u>-3.06%</u>
 <u>BY OBJECT:</u>				
OFFICIAL'S SALARY	2,244,585	2,217,927	26,658	1.20%
DEPUTY'S SALARY	1,899,456	1,961,092	(61,636)	-3.14%
REGULAR SALARIES	43,188,999	45,038,723	(1,849,724)	-4.11%
TEMPORARY SALARIES	770,846	903,078	(132,232)	-14.64%
OVERTIME	929,541	634,490	295,051	46.50%
ELECTION BOARD	235,000	118,000	117,000	99.15%
FICA	3,727,696	3,860,876	(133,180)	-3.45%
RETIREMENT CONTRIBUTION	3,522,217	3,596,014	(73,797)	-2.05%
GROUP HEALTH INSURANCE	9,677,380	9,947,666	(270,286)	-2.72%
GROUP DENTAL INSURANCE	471,551	484,571	(13,020)	-2.69%
LONG TERM DISABILITY	177,270	183,545	(6,275)	-3.42%
POST EMPLOYMENT HEALTH	557,794	581,215	(23,421)	-4.03%
OTHER BENEFITS	890	672	218	32.44%
TOTAL	<u>67,403,225</u>	<u>69,527,869</u>	<u>(2,124,644)</u>	<u>-3.06%</u>

LANCASTER COUNTY  
EMPLOYEES BY AGENCY  
LAST 5 YEARS

<u>GENERAL FUND</u>	<u>Full Time Equivalent by Fiscal Year</u>					
	<u>FY15</u>	<u>FY14</u>	<u>FY13</u>	<u>FY12</u>	<u>FY11</u>	
COUNTY BOARD	5.00	5.00	5.00	5.00	5.00	
COUNTY CLERK	10.00	10.00	10.00	10.00	10.00	(1) - 6 positions have been eliminated since FY11
COUNTY TREASURER (1)	39.00	39.00	40.00	42.50	45.00	(2) - 2 positions not filled this fiscal year, 2 have been eliminated
ASSESSOR/DEEDS (2)	43.00	43.00	43.00	43.00	47.00	(3) - Positions fluctuate based on number of elections
ELECTION COMMISSIONER (3)	18.30	12.30	12.80	10.30	13.30	(4) - 1 position was added to help with audit purposes
BUDGET & FISCAL (4)	3.00	3.00	2.00	2.00	2.00	(5) - GIS was merged with County Engineer budget
ADMINISTRATIVE SERVICES	3.00	3.00	3.00	3.00	3.00	(6) - 1.5 positions will not be filled this fiscal year
G.I.S. - BASE CONTROL (5)	-	5.00	5.00	5.00	5.00	(7) - a juvenile division attorney will be hired in January
CLERK OF DIST COURT (6)	23.50	22.50	22.50	23.50	25.00	an investigator position was hired in FY14
JUVENILE COURT	8.00	8.00	8.00	8.00	8.00	(8) - 1 position was hired in FY14
DISTRICT COURT	13.75	13.75	13.75	13.50	12.75	(9) - Hiring to get staff right for new jail
PUBLIC DEFENDER (7)	35.45	34.45	33.45	33.45	33.45	(10) - Diversion Services employees - STOP
JURY COMMISSIONER	1.75	1.75	1.75	1.75	1.75	(11) - Grant Funded position was hired
COOPERATIVE EXTENSION	8.05	8.05	8.05	8.05	8.15	(12) - FY15 only includes Crisis Center employees
RECORDS INFO & MGMT	6.10	6.10	6.10	6.10	6.00	
COUNTY SHERIFF	101.00	101.00	98.00	98.20	98.90	
COUNTY ATTORNEY (8)	69.50	68.50	67.50	70.50	70.50	
CORRECTIONS (9)	219.80	215.80	164.80	164.00	162.90	
COMMUNITY CORRECTIONS (10)	28.90	26.90	23.50	23.70	17.95	
YOUTH SERVICES CENTER	56.19	55.78	56.19	56.19	59.11	
EMERGENCY SERVICES	3.00	3.00	3.00	3.00	2.00	
COUNTY ENGINEER (5)	40.00	35.00	35.00	35.00	35.00	
MENTAL HEALTH BD	0.50	0.50	0.50	0.50	0.50	
VETERANS SERVICE/GENERAL ASSISTANCE	10.00	10.00	10.00	10.00	12.00	
HUMAN SERVICES (11)	4.50	3.50	2.50	3.00	3.00	
<b>TOTAL GENERAL FUND</b>	<b>751.29</b>	<b>734.88</b>	<b>675.39</b>	<b>679.24</b>	<b>687.26</b>	
<b>OTHER FUNDS</b>						
WORKERS COMPENSATION LOSS	1.50	1.50	1.50	1.50	1.50	
BRIDGE & SPECIAL ROAD	32.00	32.00	32.00	33.00	33.00	
HIGHWAY	38.00	38.00	39.00	41.00	41.00	
LANCASTER MANOR	-	-	-	-	-	
MENTAL HEALTH (12)	31.35	103.25	102.25	102.05	112.00	
WEED CONTROL	4.40	4.40	4.40	4.44	4.44	
PROPERTY MANAGEMENT	8.50	8.50	8.50	8.50	8.50	
<b>TOTAL</b>	<b>867.04</b>	<b>922.53</b>	<b>863.04</b>	<b>869.73</b>	<b>887.70</b>	

**LANCASTER COUNTY  
COMPARISON OF GENERAL FUND REVENUES**

	Budget 6/30/2015	Actual 6/30/2014	Actual 6/30/2013	Actual 6/30/2012	Actual 6/30/2011	Actual 6/30/2010
COUNTY BOARD	-	-	-	746	-	-
COUNTY CLERK	63,000	62,842	64,065	61,510	63,611	62,420
COUNTY TREASURER	5,381,000	5,340,312	5,257,285	5,283,187	5,255,680	5,474,943
ASSESSOR	2,100,000	1,949,825	2,304,527	1,792,693	1,595,586	1,491,017
ROD TECHNOLOGY	220,000	236,318	112,448	-	-	-
ELECTION COMMISSIONER	390,000	295,296	398,243	20,188	395,545	90,760
DATA PROCESSING	10,656	13,601	10,656	10,656	10,656	10,656
BUDGET & FISCAL	15,000	11,674	-	-	-	-
G.F. GENERAL GOVERNMENT	-	3,819	1,122	3,182	1,492	917
ADMINISTRATIVE SERVICES	-	-	-	-	15,058	23,584
G.I.S.	-	-	25	90	5	25
CLERK OF DIST COURT	400,000	566,240	485,578	408,319	414,645	467,570
COUNTY COURT	41,150	43,194	42,359	44,912	49,369	60,593
JUVENILE COURT	-	2,337	384	-	-	589
DISTRICT COURT	223,100	209,915	231,478	172,024	181,293	242,673
PUBLIC DEFENDER	401,774	358,675	336,758	205,688	195,898	186,550
G.F. JUSTICE SYSTEM	-	17,901	36,999	35,800	36,500	39,500
COOPERATIVE EXTENSION	159,699	151,956	144,175	166,672	181,332	178,496
RECORDS INFO & MGMT	88,960	86,389	89,448	86,082	85,450	90,645
SHERIFF	1,583,911	1,523,418	1,507,206	1,476,100	1,559,813	1,559,041
COUNTY ATTORNEY	1,351,200	1,612,407	1,953,780	1,308,995	1,822,301	1,407,244
CORRECTIONS	565,500	600,869	456,961	465,215	1,131,074	1,229,742
JUVENILE PROBATION	50,000	50,000	-	390	-	50
ADULT PROBATION	-	-	-	124	288	96
COMMUNITY CORRECTIONS	1,589,839	1,035,828	730,697	713,758	554,090	414,376
JUVENILE DETENTION	3,493,468	3,344,098	3,779,063	3,828,134	3,753,976	3,051,958
EMERGENCY SERVICES	346,260	536,784	67,030	236,587	197,714	260,115
COUNTY ENGINEER	-	-	3,945	-	-	-
GENERAL ASSISTANCE	376,000	309,165	657,379	604,829	455,489	615,458
HUMAN SERVICES	233,646	162,713	126,959	138,461	137,097	127,498
SUBTOTAL	19,084,163	18,525,576	18,798,570	17,064,341	18,093,962	17,086,517
GENERAL RECEIPTS	75,020,048	72,235,090	70,686,805	67,038,600	64,257,226	64,460,093
TOTAL	94,104,211	90,760,666	89,485,375	84,102,942	82,351,188	81,546,610
Property Tax	58,911,328	53,687,118	48,927,005	44,634,720	43,974,981	43,500,360
Motor Vehicle Tax	7,000,000	7,161,616	6,812,747	6,565,664	6,530,634	6,485,361
Inheritance Tax	5,000,000	4,135,546	8,565,596	8,185,277	6,685,528	4,631,373
Transfers	1,250,000	1,000,000	400,000	1,575,000	500,000	-
Homestead	-	3,204,376	3,013,425	2,987,932	3,076,534	3,004,495
State Aid	-	-	-	-	637,360	705,509
Other	2,858,720	3,046,434	2,968,033	3,090,007	2,852,190	6,132,995

**MINUTES  
BUDGET MONITORING COMMITTEE  
COUNTY-CITY BUILDING  
ROOM 113 - THE BILL LUXFORD STUDIO  
TUESDAY, AUGUST 12, 2014  
3:00 P.M.**

**PRESENT:** Dennis Meyer, County Budget and Fiscal Director; Larry Hudkins, Jane Raybould and Brent Smoyer, County Commissioners; Kerry Eagan, County Chief Administrative Officer; Pam Dingman, County Engineer; Mike Thurber, Corrections Director; Terry Wagner, Lancaster County Sheriff; Jeff Bliemeister, Chief Deputy Sheriff; Jim Gordon, Nebraska Bar Association; Ron Krejci, Community Representative; Robin Eschliman, Kyle Fisher and Perry Pirsch, Lincoln Chamber of Commerce; Coby Mach and Ann Post, Lincoln Independent Business Association (LIBA); and Ann Taylor, County Clerk's Office

The meeting was called to order at 3:07 p.m.

**1 REVIEW AND DISCUSS THE PROPOSED FISCAL YEAR (FY) 2014-2015 LANCASTER COUNTY BUDGET**

Dennis Meyer, County Budget and Fiscal Director, discussed the budget process, noting this year's budget is set at \$164,577,611. He said that is a slight decrease from the previous year and explained the decrease is primarily due to the transition of community behavioral health services from the Community Mental Health Center (CMHC) to new providers. Meyer said the County has retained the Mental Health Crisis Center and will still have some "cleanup" expenditures related to CMHC.

In response to a question from Ron Krejci, Community Representative, Meyer said the County provided \$450,000 in transition funding to Lutheran Family Services, which took over core services (outpatient counseling, day treatment, community support and medication management). He said those funds were paid out in Fiscal Year (FY) 2014.

Meyer said General Fund expenditures have increased by \$1,700,000, which is a 1.8% increase. He said the General Fund balance at the end of June 30, 2014 was \$2,100,000 less than last year and said the primary reason was a \$4,000,000 reduction in inheritance tax revenue.

Perry Pirsch, Lincoln Chamber of Commerce, arrived at 3:15 p.m.

Meyer said property tax collections are projected to increase by \$1,580,000, noting \$1,250,000 will be transferred from the Keno Fund for property tax relief.

Meyer said the County started with a budget deficit of \$6,999,979 on May 30<sup>th</sup> and cited the "large ticket" items related to the deficit (Exhibit A). He also discussed some of the measures that were taken to balance the budget which included closing out the Manor Fund (proceeds from the sale of Lancaster Manor) and using those funds to increase self insurance fund balances, shifting 1.3 cents of the Railroad Transportation Safety District's (RTSD's) levy to the County, use of the delinquent tax allowance, transferring \$1,250,000 from the Keno Fund, reducing the County Engineer's budget, and reducing the Region V match by \$300,000 (see Exhibit A).

Krejci noted he served on the Lancaster Manor Proceeds Committee which made recommendation to the Board for the use of the proceeds. **NOTE:** The Committee recommended Lancaster County issue a Request for Proposals (RFP) seeking bids from nonprofit organizations and governmental entities for management of the Lancaster Manor Proceeds Endowment Fund and the RFP specify the principal Fund shall be generally preserved and the earnings from the Fund shall be used to contract for services addressing the unmet needs of low income elderly residents of Lancaster County (see January 13, 2011 County Board Staff Meeting minutes).

Larry Hudkins, County Commissioner, arrived at the meeting at 3:23 p.m.

Brief discussion took place regarding the Region V match. Meyer said the County pays approximately \$400,000 more than the per capita rate and the Board decided to reduce the match by \$300,000. He said the Board agreed to fund \$100,000 more than the per capita rate provided there is a contract in place with Region V that specifies how those funds are used. Kerry Eagan, County Chief Administrative Officer, added it has never been clear whether the additional funds were being used for administration or direct services. Jim Gordon, Nebraska Bar Association, asked if the County is overpaying by \$400,000, why is the reduction only \$300,000. Brent Smoyer, County Commissioner, said it was intended as an "olive branch" to the 16 other counties that comprise Region V. Jane Raybould, County Commissioner, added that Region V provided almost \$100,000 to help subsidize some of the CMHC transition costs.

Ann Post, Lincoln Independent Business Association (LIBA), asked about possible repercussions. Meyer said Region V has threatened to take the \$300,000 from the County's Crisis Center. He said the County receives approximately \$1,300,000 through the Nebraska Department of Health and Human Services (HHS) for the Crisis Center. Eagan said those funds "flow through" Region V and they have threatened to "grab it." Smoyer said the County is at odds with Region V's administration and said hopefully the Region V Governing Board will be willing to work on a more equitable solution for everyone.

Discussion then focused on the Corrections budget. Meyer said fixed assets were moved to the Jail Savings Fund and a bond payment that was paid through Corrections' budget was moved to the Debt Service Fund. The Board also made a \$100,000

reduction to the Corrections budget. He said the reductions total \$395,800, leaving a budget of \$20,884,716.

Mike Thurber, Corrections Director, presented a monthly status report for the Corrections Department (Exhibit B). He said the Lancaster County Adult Detention Facility (LCADF) is averaging 592 inmates, noting the inmate population averaged 550-580 when the facility opened. Thurber said bookings average 26-29 per day and said individuals may be lodged who might not have been lodged in the past. It was noted the County Court has removed the ability to have pre-arraignment bonds on Class III and Class IV felonies and those individuals are lodged in jail until they are arraigned. Thurber said the daily population reached 663 at one point and a decision was made to open the last module, using existing and on-call correctional officers. He noted the budget is less than the cost Karen Chinn, Chinn Planning, Inc. (consultant) projected in a 2006 study it would take to operate a 779 bed jail (\$22,000,000), adding they are also operating the facility with 27 less staff than Chinn recommended.

In response to a question from Krejci, Thurber said State jail reimbursement ended five years ago.

Pirsch questioned the average cost per inmate, per day. Thurber estimated it at \$89 per day. Pirsch asked how that compares to Douglas, Hall and Sarpy Counties. Thurber said he believes Douglas County is close to that amount and said Hall County just signed a contract with the State for \$88 per day.

Coby Mach, Lincoln Independent Business Association (LIBA), noted the 2011 Corrections budget was \$14,000,000 with 169 employees and said the department has added 51 employees and has a budget over \$20,000,000. Thurber said the budget includes a \$1,300,000 payment for the District Energy Corporation (DEC) power plant, noting it is a much larger facility so utility costs are greater. **NOTE:** DEC is providing heating and cooling for LCADF utilizing a geothermal well field. Mach asked whether utilizing the DEC was "a bad deal." Thurber said he believes it is a good idea to utilize that type of technology, although it is not the least costly option.

Mach noted the County housed inmates out-of-county in 2011 at a cost of \$45 per day and suggested the County consider utilizing out-of-county housing again. Thurber said that cost did not include transport costs or medical costs (additional 20%). Eagan said the Chinn Study determined building a new jail at a remote location was the most economical option.

Hudkins exited the meeting at 3:40 p.m.

Raybould noted the percentage of the County's budget that goes to operation of the jail is less than that of other counties that operate their own jail facility, such as Douglas and Hall Counties. Thurber said the \$45 per day was a discounted rate and would not

have lasted much longer. He also remarked that attorneys oppose out-of-county housing, as it limits their ability to meet with clients. Thurber added he believes if bonding issues could be addressed with the County Court, it could save 40-50 bed days, every two weeks.

Kyle Fisher, Lincoln Chamber of Commerce, remarked the jail population exceeds the Chinn Study's projections. Eagan said the study made assumptions on community corrections programs. Thurber said they hope to get the population under 600 by fall.

Terry Wagner, Lancaster County Sheriff, discussed his department's budget (\$10,962,544) and said the only increase is in personnel costs. It was noted the budget also includes six patrol vehicles and one prisoner transport van.

Fisher asked if the City and County worked out issues related to the interlocal agreement for the 911/Emergency Communications Center. Wagner said they have, noting the Sheriff's share of funding doubled.

Mach said the City plans to float a \$24,000,000 bond issue for 911 radio equipment and asked how that impacts the County. Wagner said the bond issue will cover the infrastructure costs and the City's portion of the end-user equipment. He said the Sheriff's Office has been setting money aside in a sinking fund to purchase the end-user equipment it will need. Wagner added the Sheriff's Office assists with infrastructure costs through its annual user agreement payments.

Discussion also took place regarding the County Engineer's budget, which includes the General Fund budget, Highway Fund budget and Bridge and Road Fund budget. Meyer noted the Geographic Information System (GIS) budget was merged with the Engineer's General Fund budget this year and a proposed increase of \$252,000 to the latter budget was reduced by \$146,436 (see Exhibit A). A \$6,300,000 transfer to the Bridge and Special Road Fund budget from the General Fund was reduced by \$95,000.

Pam Dingman, County Engineer, said the County is required by state statutes to prepare a One and Six Year Road and Bridge Improvement Program Plan each year, prioritizing the projects in the plan. She said she discovered that some of the projects have been in the plan for 15 to 20 years. Dingman said the County had received between \$1,000,000 and \$2,000,000 in State funding each year for bridge construction. That funding was reduced to \$80,000 last year. She said funding is projected to be \$84,000 this year but that is not enough to build a bridge. Dingman said the County has 80 bridges that are older than 50 years, which is considered to be the life of a bridge, and cited one bridge, located at North 1<sup>st</sup> Street and Raymond Road, which was constructed in the 1930's and has been in the One and Six Year Road and Bridge Improvement Program Plan since 1997. The initial cost to replace the bridge was \$700,000 and is now \$1,200,000. She stressed County Engineering will close any bridge that is determined to be unsafe.

Fisher said the numbers do not make sense because the County Engineer's General Fund budget is up 16% and the Bridge and Special Road Fund budget is up 11%. Dingman said the increase to the General Fund budget is the result of merging it with the GIS budget. She said the Bridge and Special Road Fund includes money that was set aside in a Sinking Fund to build bridges, adding the Highway Fund also has a Sinking Fund.

Fisher asked whether there are sufficient funds available in the Sinking Fund to replace the bridge Dingman had cited. Dingman said there are, but said another bridge could have a more critical need or the County could have more than one bridge fail in a year.

In response to a question from Krejci, Dingman said County Engineering posts bridge weight restrictions but said they are not always followed.

In terms of roads, Dingman said the County has graded 26 miles of road for paving but only one mile of paving is in the budget. The County also has 272 miles of asphalt roads and 80 of those miles qualify under the American Asphalt Association's inspection system as needing overlay (40 of those miles are deemed critical). She said she only has funds in the budget for 10 to 12 miles of overlay. Dingman said her department contacted the State in reference to the roads around Nebraska Game and Parks facilities, such as the Branched Oak State Recreation Area, to see if they would share in the cost but was told the State's fund is utilized for the next two years. She said they may have to do spot patching instead.

Dingman also relayed that the previous County Engineer budgeted the same amount for certain line items year after year, citing culverts as an example. She said prices have risen significantly so we are building less with the same amount of money.

In response to a question from Krejci, Meyer said the City receives the revenue from the wheel tax. Fisher noted Commissioner Hudkins has strongly opposed proposals to institute a County wheel tax. Eagan said when the Rural to Urban Transportation System (RUTS) Program was initially conceived, it was based on a wheel tax being extended to the County, with all the revenue raised in the County being spent in the County. He said a third of the funds would have gone to the RUTS program, a third to the villages, and a third to right-of-way acquisition for the East Beltway. **NOTE:** RUTS was adopted by the City and County to provide right-of-way and construction standards for unimproved county roads located within the City's three-mile zoning jurisdiction classified as rural principal arterial, rural minor arterial, rural major collector and rural minor collector in the City of Lincoln-Lancaster County Comprehensive Plan.

Robin Eschliman, Lincoln Chamber of Commerce, inquired about the increase in the motor vehicle tax projection (see Exhibit A). Meyer said he started with a projection of \$6,500,000 and increased it by \$500,000, based on collections.

Eschliman also questioned the \$477,740 increase in the Visitors Promotion Fund. Fisher said hotel stays are up. Eschliman asked where the income from the lodging tax is reflected. Meyer said 2% goes into the Visitors Improvement Fund and 2% goes to Visitors Promotion.

It was noted property valuation figures will be released on August 20<sup>th</sup>. Fisher asked how any overage to the projected increase of 1.75% will be handled. He said the Chamber of Commerce favors using it to lower the RTSD ask. Meyer said several items would be considered: 1) County Engineer's Bridge and Special Road Fund budget; 2) Region V match; and 3) RTSD funding.

In closing, Meyer noted the Board kept the levy at 28.13 cents per \$100 of valuation and has "stretched" the budget as far as it can go.

**NOTE:** The County Board will hold a public hearing on the budget on August 26<sup>th</sup>.

## **2 ADJOURNMENT**

There being no further business, the meeting was adjourned at 4:30 p.m.

Submitted by Ann Taylor, County Clerk's Office.



Budget Deficit at 5-30-14		6,999,979
Large ticket items of the deficit:		
Corrections	1,088,615	
General Assistance Revenue	340,000	
Youth Services Center	304,027	
Engineer / GIS	252,391	
General Fund Balance	963,501	
RTSD 1.3 cent levy	2,710,340	
Self Insurance Funding	<u>500,000</u>	
		6,158,874
Large changes made during budget process:		
Increase Motor Vehicle Tax projection		500,000
Reduce VOIP costs		341,909
Close out Manor Fund (Self Insurance)		500,000
RTSD Levy		2,710,340
General Assistance expenditure reduction		340,000
1.75% valuation increase		1,000,000
Use of Delinquent Tax Allowance		580,000
Fund Balance decrease over projection		(1,142,458)
Increase Keno Transfer		250,000
Reduction of Region V match		300,000
Corrections -		
Move Jail Equipment to Jail Savings	164,300	
Move last bond payment	131,500	
Reduction	<u>100,000</u>	395,800
Engineer -		
Reductions to general fund	146,436	
Reduced transfer to general fund	<u>286,064</u>	432,500
Youth Services Center -		
Reductions to expenditures	19,064	
Increase probation revenue	<u>200,000</u>	219,064
		<u>6,427,155</u>

