

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING
ROOM 113
THURSDAY, MAY 22, 2003
8:15 A.M.**

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

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Dave Johnson, Deputy County Attorney
Dave Kroeker, Budget and Fiscal Officer
Bruce Medcalf, County Clerk
Trish Owen, Chief Deputy County Clerk
Ann Taylor, County Clerk's Office

The Chair opened the meeting at 8:18 a.m.

AGENDA ITEM

1 APPROVAL OF STAFF MEETING MINUTES OF THURSDAY, MAY 15, 2003

MOTION: Stevens moved and Workman seconded approval of the Staff Meeting minutes of May 15, 2003. Hudkins, Stevens, Workman and Heier voted aye. Schorr was absent from voting. Motion carried.

2 ADDITIONS TO THE AGENDA

- A. Girls' State
- B. Approval of Minutes of Departmental Budget Hearings of Tuesday, May 20, 2003
- C. National Crane

MOTION: Stevens moved and Hudkins seconded approval of the additions to the agenda. Hudkins, Stevens, Workman and Heier voted aye. Schorr was absent from voting. Motion carried.

ADDITIONS TO THE AGENDA

- B. Approval of Minutes of Departmental Budget Hearings of Tuesday, May 20, 2003

MOTION: Hudkins moved and Stevens seconded approval of the minutes of departmental budget hearings of May 20, 2003. Hudkins, Stevens, Workman and Heier voted aye. Schorr was absent from voting. Motion carried.

3 COMMISSIONERS MEETING REPORTS

- A. Joint Budget Committee - Workman, Stevens

Stevens said a proposed gambling study was discussed.

Schorr arrived at 8:24 a.m.

- B. Human Services Steering Committee - Workman, Stevens

Stevens said the committee worked on organizing human service "safety net" programs in the community.

- C. Hometown Security Study Committee - Hudkins

Hudkins reported further discussion of the recommendation for a \$0.50 surcharge on land lines and a bond issue to finance equipment and additional personnel for 911/Emergency Communications.

- D. Visitors Promotion Advisory Committee - Schorr

Schorr said she was unable to attend the meeting.

Kerry Eagan, Chief Administrative Officer, said a budget of \$1,087,400 and a Contingency Fund of \$7,500 are proposed.

Dave Kroeker, Budget and Fiscal Officer, said \$939,000 is requested of the County.

Eagan said the Lincoln Chamber of Commerce refused to disclose part of the information that the committee requested, holding that it is proprietary, but has agreed to discuss it outside the context of a public meeting.

- E. Lincoln Independent Business Association (LIBA) Budget Monitoring Committee - Workman, Stevens

Stevens said discussion focused on the budget.

ACTION ITEMS

- A. Request from County Attorney to Hire Temporary Attorney

Gary Lacey, County Attorney, appeared and said two attorneys in his office will be leaving on maternity leave and said he would like to hire a temporary attorney to take over their caseload. He requested authorization to pay the temporary attorney up to \$60,000, annually, indicating that the position will be needed for the period of June 2, 2003 through October 31, 2003.

In response to a question from Stevens, Lacey said benefits would be in addition to that rate.

MOTION: Hudkins moved and Stevens seconded to authorize the County Attorney to hire a temporary attorney. Hudkins, Stevens, Workman, Heier and Schorr voted aye. Motion carried.

NOTE: The Board will set the salary for this position at the May 27, 2003 Board of Commissioners Meeting.

4 LEGISLATIVE UPDATE - Gordon Kissel, Legislative Consultant; Amy Prenda, Director of Legal Research and Analysis for Kissel/E&S Associates

Gordon Kissel, Legislative Consultant, gave a legislative update (Exhibit A).

Stevens asked whether the Legislature is inclined to provide cities and counties any lid flexibility.

Kissel said there hasn't been a push to do so because cuts have been "manageable" and many of the counties are below the lid.

Amy Prenda, Director of Legal Research and Analysis for Kissel/E&S Associates, indicated that she will be working with the Nebraska Legislature's Government Committee on Interim Studies that were introduced on the County's behalf.

ADDITIONS TO THE AGENDA

A. Girls' State

Commissioners Heier and Schorr will meet with Girls' State participants.

C. National Crane

Heier questioned whether Darl Naumann, Administrative Assistant to the Mayor/Economic Development, is working with the cities and villages, noting an indication from Waverly's Mayor that there has been no contact from Naumann regarding National Crane's closure.

Hudkins said Naumann is working to find another company that is willing to locate in Waverly.

5 FARM VALUATION ISSUES AND PROPERTY VALUATION PROTESTS - Tom and Wayne Kubert, Great Plains Appraisal

Tom Kubert, Great Plains Appraisal, gave an overview of issues relative to the Board of Equalization (Exhibit B). He said agricultural values will be a "hot" property type this year and said referees will be instructed to: 1) Review both Market Value and Special Agricultural Value relevant to the estimated market value of the parcel; 2) Consider any verifiable land use inventory issues relative to Special Agricultural Value; and 3) Limit analysis of intra-county and inter-county equalization of Special Agricultural Values.

T. Kubert referred to a survey of land class values in surrounding counties (see Exhibit B) and said Lancaster County is in the middle of the range. He said landowners may question their value if their land abuts a county that has a different value, but said the review process will have taken place at the Agricultural and Horticultural Land Valuation Board (AHLVB) and State levels.

Schorr asked that the Board be provided an explanation of soil type codes.

Hudkins asked whether agricultural property can be valued on the income approach, noting a significant drop in income for land enrolled in the Conservation Reserve Program (CRP).

Wayne Kubert, Great Plains Appraisal, said the income approach should match the market approach. He added that the Property Tax Administrator has tried to develop a system to value Special Agricultural Values.

Hudkins asked whether the Board has the authority to adjust an entire class.

Eagan checked with the County Assessor's Office and reported back that the Board does not have the authority to adjust by class, but may petition the Tax Equalization and Review Commission (TERC) if a problem or pattern is observed.

Hudkins asked whether (TERC) will allow landowners to appeal on an income approach basis.

T. Kubert said "It can be a component of the protest process but they have to show how that manifests into a change in value."

Hudkins said "the rules have changed" and land enrolled in CRP no longer retains its base.

T. Kubert explained that appeals on all property will be based on the value and rules that are in place on January 1, 2003.

Hudkins asked that referees explain this to landowners at the start of their hearings.

6 INTEGRATED CARE COORDINATION UNIT (ICCU) - Sheryl Schrepf, Families First & Foremost (F³) Director

Sheryl Schrepf, Families First & Foremost (F³) Director, recommended: 1) A pilot project to divert youth who are likely to be adjudicated and made state wards to the Integrated Care Coordination Unit (ICCU); and 2) Utilization of a fiscal intermediary, using the Wraparound Milwaukee model.

In response to a question from Hudkins, Schrepf said the fiscal intermediary would be paid through the ICCU contract. She said she envisions Region V in this role, noting there are plans to partner with Region V for the southeast service area (sixteen counties). Schrepf said it is hoped that use of a fiscal intermediary will relieve liability concerns and the County Clerk's payment workload and will allow for contracting of "non-traditional services", such as hiring family members and neighbors to provide transportation and mentoring services.

Dave Johnson, Deputy County Attorney, said his office believes a fiscal intermediary is a good solution, but will need to look at the third-party hiring issue.

Eagan asked Schrepf to make sure that individuals providing transportation have the necessary insurance coverage.

Dave Kroeker, Budget and Fiscal Officer, gave an overview of the following documents: 1) Lancaster County Nebraska, Central Services Cost Allocation Plan, Allocated Costs by Department; and 2) F³ Cost Allocation (Exhibit C), noting further adjustment of the County Attorney's costs may be necessary.

Schrepf said the Nebraska Department of Health and Human Services (HHS) has asked F³ to increase the number of Lancaster County youth in the ICCU contract next year, estimating that number at 30-40 youth. She said that will increase the need for office space in Trabert Hall.

Schrepf also reported that the final balance on the F³ grant later is expected from HHS today. She said it appears that there were coding errors on the State's part, but said they cannot be corrected beyond the biennium budget.

7 APPLICATION FOR HOMELAND SECURITY GRANT FOR STRATEGIC PLANNING - Doug Ahlberg, Emergency Management Director

Doug Ahlberg, Emergency Management Director, said the State wants each of the counties to develop a Homeland Defense Strategy to supplement and augment the program established by the State and requested authorization to seek a grant to fund establishment of the strategy (Exhibit D). He said that by completing the strategy, the County will be eligible to apply for up to \$14 million in federal grants for equipment and training of agencies.

The Board asked Ahlberg to check whether the grant could be used to fund radios for the rural fire departments or a new security system for the jail.

MOTION: Hudkins moved and Stevens seconded to authorize the Chair to sign the grant application. Hudkins, Stevens, Workman, Heier and Schorr voted aye. Motion carried.

8 JAIL DIVERSION GRANT FROM SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION (SAMHSA) - Dean Settle, Community Mental Health Center Director; Mike Thurber, Corrections Director

Dean Settle, Community Mental Health Center Director, reported receipt of a \$238,432 Substance Abuse and Mental Health Services Administration (SAMHSA) grant for the Lancaster County Mental Health Jail Diversion Project (Exhibit E).

Settle said the grant requires that the project director, evaluator and a consumer travel to Bethesda, Maryland in June. He said Denise Bulling, Project Director, is no longer employed by the Community Mental Health Center, and suggested interim appointment of Travis Parker, a psychologist with similar credentials. Settle said added that the grant will pay a portion of the salary.

MOTION: Workman moved and Stevens seconded to accept the Substance Abuse and Mental Health Services Administration (SAMHSA) grant award and to authorize Dean Settle, Community Mental Health Center Director, to set up interim appointment of a Project Director. Hudkins, Stevens, Workman, Heier and Schorr voted aye. Motion carried.

There was also Board consensus to send a letter of appreciation to Bulling and to U.S. Senator Chuck Hagel, who was instrumental in helping to secure the grant.

9 LABOR NEGOTIATIONS - Georgia Glass, Personnel Director; John Cripe, Classification and Pay Manager

MOTION: Hudkins moved and Schorr seconded to enter Executive Session at 10:34 a.m. for discussion of labor negotiations. Hudkins, Stevens, Workman, Heier and Schorr voted aye. Motion carried.

Hudkins exited the meeting.

MOTION: Stevens moved and Workman seconded to exit Executive Session at 11:08 a.m. Stevens, Workman, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried.

10 LB 640 FUNDING - Kit Boesch, Human Services Administrator

Kit Boesch, Human Services Administrator, said 2001 LB 640 funding is still in the State budget. She said Lancaster County is eligible for \$191,643 for juvenile services and recommended the following allocations:

*	Juvenile Justice Contract Coordinator	\$ 15,000
*	Juvenile Substance Abuse Evaluator	\$ 25,000
*	Youth Assessment Center	\$100,000
*	Court Appointed Special Advocates (CASA)	\$ 10,000
*	Intensive Supervision/Tracker	\$ 15,200
*	Juvenile Drug Court	\$ 8,500
*	Disproportionate Minority Focus	\$ 17,943

MOTION: Workman moved and Schorr seconded to approve the funding recommendations and to authorize the Chair to sign the grant application and letters of support. Stevens, Workman, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried.

11 REPORT AND RECOMMENDATIONS FROM THE PENSION REVIEW COMMITTEE REGARDING RENEWAL OF PENSION ADMINISTRATION WITH NATIONWIDE RETIREMENT SOLUTIONS (NRS) AND CONSOLIDATION OF DEFERRED COMPENSATION PROGRAMS

Eagan reviewed Pension Review Committee Report and Recommendations Regarding the Pension Plan Renewal Proposal from Nationwide Retirement Solutions (Exhibit F), noting that the committee has not yet submitted a final recommendation on the small cap growth category. He said NRS has also submitted a timeline for the implementation/consolidation of the Lancaster County, Nebraska Retirement Plan and 457 Deferred Compensation Plan (see agenda packet).

Dave Kroeker, Budget and Fiscal Officer, distributed Deferred Comp Statistics (Exhibit G).

Eagan said employee education has been a concern, and distributed copies of an article from Plan Sponsor magazine (Exhibit H) which addresses this issue.

Gary Young, representing the American Federation of State, County & Municipal Employees (AFSCME) Local #2468 and Fraternal Order of Police (FOP) Lodge #29, presented a letter objecting to proposed changes to the County Deferred Compensation Program (Exhibit I).

Letters from FOP Lodge #29 and concerned enrollees of the Lancaster County Retirement Plan were also entered into the record (Exhibits J & K).

Eagan said some employees feel they were "blind sided" on plans to merge the 457 Deferred Compensation Plans and said that was not the Board's intent. He noted that there was representation from each of the bargaining units on the Pension Review Committee and said committee members received copies of the pension consultant's recommendations, including the recommendation to merge the 457 Plans. Eagan also reported on a request from Peter Daiker, A. G. Edwards & Sons Inc., for an opportunity to "plead" the case to retain the Hartford Deferred Compensation Plan.

Workman noted a recent increase in contributions to the Hartford Deferred Compensation Plan.

Joe Gehr, (FOP) Lodge #29, appeared and said a number of employees took advantage of a 4% incentive that was offered for fund transfers and are upset that their contributions will now be walled off.

Young said employees were not aware that deferred compensation was an issue and are not persuaded that the trade-off of a one year commitment to a higher interest rate is worth the sacrifice in service.

Melvin Moore, AFSCME President, appeared and asked whether there were negotiations with other deferred compensation providers. He also objected to fewer fund choices.

Eagan responded that the Board has a fiduciary responsibility to make sure that the funds that are offered are "good funds". He said the industry's "best practices" are to make sure that all asset classes are covered, get good, solid performers and set up an investment policy to monitor funds.

MOTION: Workman moved and Schorr seconded to defer a decision on Nationwide Retirement Solutions' proposal for one week to allow additional information to be presented to the unions' membership.

The Chair said union stewards will be responsible for setting up the meetings and providing notification to their membership.

Eagan said the Pension Review Committee could best explain the recommendations.

Schorr asked that a representative of NRS also be present to answer questions.

Eagan said he will also need to check with NRS to see whether the delay will be a problem.

The maker of the motion withdrew the motion.

The Board agreed to get back to the union representatives after contacting NRS.

12 ACTION ITEMS

- A. Request from County Attorney to Hire Temporary Attorney

Item moved forward on the agenda.

- B. Microcomputer Request, C#2003-155, \$4,094.20 from Adult Probation Budget for Eighteen (18) Microsoft Windows XP Upgrades

MOTION: Schorr moved and Hudkins seconded approval. Schorr, Heier, Workman, Stevens and Hudkins voted aye. Motion carried.

- C. City-County Common Agenda Items

There were no additions.

13 ADMINISTRATIVE OFFICER REPORT

- A. Date for Joint Meeting with the Lincoln Board of Education and City Council (August 4, 2003)

Board consensus was to retain the date and seek an alternative site.

- B. Press Releases

Item held.

- C. Planning Commission Appointment

MOTION: Stevens moved and Workman seconded to schedule appointment of Sandra Washington to the Planning Commission on the May 27, 2003 Board of Commissioners Meeting agenda. Stevens, Workman, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried.

- D. Election Commissioner Salary

Georgia Glass, Personnel Director, appeared and presented salary information for the Election Commissioner and Deputy Election Commissioner and a comparison of salaries for those positions in Douglas County, Nebraska and Shawnee County, Kansas (Exhibits L & M).

Eagan asked whether the Board would like salary recommendations from the Election Commissioner or additional information on job responsibilities.

MOTION: Workman moved and Schorr seconded to set the salary for the Election Commissioner at 95% of the County Clerk's salary and the salary for the Deputy Election Commissioner at 65% of the County Clerk's salary. Workman, Heier and Schorr voted aye. Stevens voted no. Hudkins was absent from voting. Motion carried.

Schorr suggested that the Election Commissioner be informed that if he is uncomfortable with the salary that has been set for the Deputy Election Commissioner, he may request reconsideration of the matter.

E. Community Corrections Director

Georgia Glass, Personnel Director, appeared and recommended that the Board offer Kim Etherton a salary of \$59,500, with review in six months.

MOTION: Stevens moved and Schorr seconded to schedule consideration of the salary on the May 27, 2003 Board of Commissioners Meeting agenda. Stevens, Workman, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried.

Gwen Thorpe, Deputy Chief Administrative Officer, said Warren Cook, Coordinator of Adult Offender Services, has requested extension of his contract to allow him time to work with the Community Corrections Director. She said there should be no additional costs.

Schorr requested a revised timetable from Cook.

Thorpe said Cook will probably be charged a fee to change his airline tickets, as hiring of the Community Corrections Director has been delayed.

MOTION: Workman moved and Stevens seconded to pay the fee for Warren Cook, Coordinator of Adult Offender Services, to change airline fares. Stevens, Workman, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried..

F. Lincoln Convention & Visitors Bureau (CVB) Contract with the Lincoln Chamber of Commerce

Item held.

14 ADJOURNMENT

MOTION: Schorr moved and Workman seconded to adjourn the meeting at 12:20 p.m. Stevens, Workman, Heier and Schorr voted aye. Hudkins was absent from voting. Motion carried.

Bruce Medcalf
County Clerk