MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
TUESDAY, NOVEMBER 28, 2006
COUNTY COMMISSIONERS HEARING ROOM, ROOM 112
FIRST FLOOR, COUNTY-CITY BUILDING
9:30 A.M.

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

Others Present: Kerry Eagan, Chief Administrative Officer
Tom Fox, Deputy County Attorney
Bruce Medcalf, County Clerk
Patricia Owen, Chief Deputy County Clerk
Gwen Thorpe, Deputy Chief Administrative Officer

The meeting of the Board of Commissioners was called to order at 9:30 a.m..

1) **<u>MINUTES:</u> Approval of the minutes of the Board of Commissioners meeting held on Tuesday, November 21, 2006.**

MOTION: Hudkins moved and Stevens seconded approval of the minutes of the Board of Commissioners meeting held on November 21, 2006. Hudkins, Stevens, Heier and Schorr voted aye. Workman abstained from voting. Motion carried.

2) **<u>CLAIMS:</u> Approval of all claims processed through Tuesday, November 28, 2006.**

MOTION: Heier moved and Hudkins seconded approval of all claims processed through November 28, 2006. Workman, Hudkins, Heier, Stevens and Schorr voted aye. Motion carried.

3) **SPECIAL PRESENTATIONS:**

A. Appointment of Dennis Meyer as the Lancaster County Budget and Fiscal Officer, at a salary of $80,000, effective December 11, 2006, with a six month salary review.

Dennis Meyer, incoming Budget and Fiscal Officer, gave a brief summary of his previous employment stating that he is looking forward to working with the County Board.

MOTION: Stevens moved and Heier seconded approval of the appointment of Dennis Meyer as the Lancaster County Budget and Fiscal Officer, at a salary of $80,000, effective December 11, 2006, with a six month salary review. Heier, Workman, Stevens, Hudkins and Schorr voted aye. Motion carried.

4) **NEW BUSINESS:**

A. A grant contract with Cedars Youth Services to assist in the general operations of the following programs: Community Integration Team, in the amount of $10,000; Pretrial Diversion, in the amount of $62,136 and the Juvenile Day Reporting Center Program, in the amount of $27,000. Total amount of the grant contract is $99,136. Term of the grant contract is July 1, 2006 to June 30, 2007. (C-06-0631)

MOTION: Stevens moved and Workman seconded approval of a grant contract with Cedars Youth Services to assist in the general operations of the following programs: Community Integration Team, in the amount of $10,000; Pretrial Diversion, in the amount of $62,136 and the Juvenile Day Reporting Center Program, in the amount of $27,000. Workman, Stevens, Hudkins, Heier and Schorr voted aye. Motion carried.

B. A grant contract with CenterPointe, Inc. for the Evening Reporting Center as a part of Lancaster County's Graduated Sanctions program, in the amount of $51,600. Term of the grant contract is July 1, 2006 through June 30, 2007. (C-06-0632)

MOTION: Hudkins moved and Stevens seconded approval of a grant contract with CenterPointe, Inc. for the Evening Reporting Center as a part of Lancaster County's Graduated Sanctions program, in the amount of $51,600. Stevens, Heier, Workman, Hudkins and Schorr voted aye. Motion carried.

4) **NEW BUSINESS CONTINUED:**

C. A grant contract with the Malone Community Center for management of the "Where Do I Belong" Disproportionate Minority Contract (DMC) Project, in the amount of $15,000. Term of the grant contract is July 1, 2006 through June 30, 2007. (C-06-0633)

MOTION: Stevens moved and Heier seconded approval of a grant contract with the Malone Community Center for management of the "Where Do I Belong" Disproportionate Minority Contract (DMC) Project, in the amount of $15,000. Heier, Workman, Hudkins, Stevens and Schorr voted aye. Motion carried.

D. A grant contract with United Way of Lincoln and Lancaster County to administer the 2-1-1 Information Line Project, a telephone access line for residents of Lancaster County to seek information and referral, in the amount of $2,500. Term of the grant contract is July 1, 2006 to June 30, 2007. (C-06-0634)

MOTION: Heier moved and Stevens seconded approval of a grant contract with United Way of Lincoln and Lancaster County to administer the 2-1-1 Information Line Project, a telephone access line for residents of Lancaster County to seek information and referral, in the amount of $2,500. Heier, Workman, Stevens, Hudkins and Schorr voted aye. Motion carried.

E. A contract with Floors, Inc., in the amount of $26,884, to supply and install carpet for the Lancaster County Community Mental Center. The project will begin immediately upon approval by the County Board and will be completed within 60 days of the contract. (C-06-0636)

MOTION: Heier moved and Stevens seconded approval of a contract with Floors, Inc., in the amount of $26,884, to supply and install carpet for the Lancaster County Community Mental Center. Hudkins, Heier, Workman, Stevens and Schorr voted aye. Motion carried.

4) **NEW BUSINESS CONTINUED:**

F. A resolution in the matter of County maintenance of the following roads and streets located in Rolling Meadows First Addition: (R-06-0123)

- **2,964 feet of West Burgess Lane**
- **205 feet of Southwest 34th Circle**
- **636 feet of Southwest 34th Street**
- **528 feet of Southwest 36th Court**
- **394 feet of Southwest 37th Street**
- **563 feet of Southwest 38th Street**

MOTION: Hudkins moved and Stevens seconded approval of Resolution 06-0123 in the matter of County maintenance of the following roads and streets located in Rolling Meadows First Addition: 2,964 feet of West Burgess Lane, 205 feet of Southwest 34th Circle, 636 feet of Southwest 34th Street, 528 feet of Southwest 36th Court, 394 feet of Southwest 37th Street and 563 feet of Southwest 38th Street. Stevens, Workman, Heier, Hudkins and Schorr voted aye. Motion carried.

G. A resolution adopting a Post Employment Health Plan (PEHP) for Lancaster County elected officials and persons appointed to fill vacancies in Lancaster County elected offices. (R-06-0124)

*CLERK'S NOTE: The following testimony has been transcribed verbatim.

SCHORR: We have people coming forward to provide input on this item. Gentlemen, if you'd introduce yourselves for the record and sign in.

MACH: (Coby Mach, Executive Director, Lincoln Independent Business Association) Good morning. Coby Mach and Peter Katt. We are appearing today on behalf of the Lincoln Independent Business Association (LIBA). Thank you for giving us a couple of minutes this morning. I want to let you know that LIBA is very much in favor of paying our elected officials a good salary as well as good benefits, however, this may take us from good to great in regard to benefits. You recently, as a body, convened a compensation committee. There was a request while this compensation committee was together and comments were made to the compensation committee about the possible adoption of a PEHP plan. I'm told that that committee was opposed at that time and at least two of the members of the compensation committee were strongly opposed and

4) **NEW BUSINESS CONTINUED:**

that the committee felt that it was an unreasonable request. They felt that the market was trying to eliminate this type of benefit where it could be eliminated and that people are looking for ways to cut costs as opposed to increasing them. Likewise, you as a body, just spent months working on making cuts to your budget. And we commend you for doing that. You did that so you would not use all the property taxes from the recent property re-valuation. We believe that this may cause you to add back and perhaps go in the wrong direction. Our understanding is that the PEHP plan for the employees was originally established to encourage early retirement for employees. Something that would save you, as a county, money. And now you're looking at increasing this to elected officials. I have spoken with Don Taute. He is the City of Lincoln Personnel Director. He tells me that the City does offer to the Mayor of Lincoln $650 a year in a PEHP plan. That, however, is less than half the $1,500 a year that you are proposing to offer all elected officials at the County level. I also spoke with Michael McCrory. Michael is the State Personnel Director. His response to me was ‹absolutely not'. It is not something that is offered to elected officials at the State level. Do other counties offer this? I would need more time to do a little bit more additional research. It's our understanding that this PEHP plan is being based on sick leave. Elected officials do not have sick leave. Elected officials have the ability to take off as much time as needed or as much time as desired. We would ask that you defer action for two weeks so that the public could provide feedback to you as a body to see if they think this is a wise use of their tax dollars. Thank you.

SCHORR: Mr. Katt. Questions for Mr. Mach? Mr. Katt.

KATT: (Peter Katt, appearing on behalf of the Lincoln Independent Business Association) I'm just here for back up support with Coby. In case you had any questions he was unable to answer.

SCHORR: Mr. Workman.

WORKMAN: Coby, would you expound a little bit on . . . and I should know the answer to this. You said that our PEHP plan encourages early retirement. Is that (inaudible) the purpose of our PEHP. It's a little confusing to me because our PEHP plan now, for the employees, has two components. A component that is a monthly contribution by the

4) **NEW BUSINESS CONTINUED:**

County and then the other component is compensation for unused sick leave. Tell me how the PEHP plan encourages early retirement.

MACH: I had a conversation with a couple of elected officials that led me to believe that when this originally was established that having the ability to offer post employment health plan dollars was something that would help encourage early retirement and that at the time that this was created that was part of the reasoning behind creating the plan. If that's an error I certainly would like to know it.

WORKMAN: And the argument is because that it allows the employee to pay for the medical premiums.

MACH: After they leave elected office. Or in this case, as it exists now, after they would leave employment with the County.

WORKMAN: Okay. That makes sense. And then you also said that market . . . the market is trying to eliminate this type of benefit. Are we the oddball here in offering PEHP?

MACH: Well, and that's why I say . . . are other counties doing this right now. I would need more time to research this. It's been on a little bit of a faster track than what our research has had time to allow. As far as being an oddball, we are offering it to our Mayor although at a considerably less amount than what you would be offering to elected officials. Oddball when compared with the State. I guess you could use that term considering the personnel director for the State is telling me they do not offer it.

SCHORR: Mr. Stevens.

STEVENS: I think there's a disconnect on the understanding of this. You had indicated that the Mayor gets $650 per year.

MACH: I'm told it's $25 bi-weekly.

STEVENS: And it's the same for County employees including elected county officials. That goes into a post employment health plan account that can be used to offset out of pocket medical costs. What is before us today is what is called a premium post employment health plan account which would put money into an account which could only be used at the termination of employment of an elected official to pay

4) **NEW BUSINESS CONTINUED:**

insurance premiums. It would not include out of pocket expenses. It would not include co-pays. It would not include drugs. But would include long-term care, health insurance, dental insurance, eyeglass insurance that the employee would have. So I think that the County employees and elected officials today have exactly what the Mayor has. And I think City employees have the same benefit.

SCHORR: I will ask the County Attorney's Office for clarification just to make sure the Mr. Stevens' comments are correct.

FOX: (Inaudible due to not being at the microphone.)

SCHORR: Mr. Hudkins.

HUDKINS: And we took some measures a number of years ago to hold our County health insurance premiums down and with that came an 80/20 deductible. And so our people have to pay the first 20 percent of their healthcare costs. So at that time we instituted this PEHP plan so that they could put aside some savings to help them make those payments. And that's been in effect, I think, since about 1998.

MACH: Well, then to use your term Commissioner Workman, I guess it makes it even more oddball, yes.

HUDKINS: There are a lot of PEHP plans across the State.

SCHORR: I have a question about the market. Looking at the increasing percentage that people pay for healthcare costs from their annual income, when you say that the market is eliminating this type of benefit, I guess I would think that we'd be seeing more and more of it to allow people to plan long term when you look at how much longer people are living and the increasing percentage of income that goes to healthcare costs. This would become more popular, not less.

MACH: And I did not say that the market was making that change. It was one of the persons that was on your compensation committee that made that comment to me. They're the ones that have been studying how elected officials are paid in our County and how elected officials are paid in other counties. And that was a comment that came from a member of that committee.

4) **NEW BUSINESS CONTINUED:**

SCHORR: You mentioned that two spoke out very strongly against that. Do you know which two members of the committee that was by chance?

MACH: I do not off the top of my head, but I can get you those names.

SCHORR: Mr. Hudkins.

HUDKINS: I think we'd appreciate that because the compensation committee we have very much relied on their recommendations and if they made some comments to you that they thought . . . I don't remember hearing a report from (inaudible) saying that they had a minority opinion or that they had a concern about this. Those members are really good people. They take time and they're a broad band of business and residents of the County and if they're dissatisfied with their recommendation, we certainly weren't aware of it.

SCHORR: Mr. Eagan, you are a member of that committee, I believe, ex-officio. Do you remember the discussion regarding PEHP plans?

EAGAN: I don't. We did keep minutes regarding that. I was looking at the report from the last committee meeting when they made their recommendations to the Board. That's primarily about salaries, pursuant to State Statute. We have to set the salaries before the filing date for the next term. Every four years for general election. There probably was general discussion regarding benefits, in terms of how that relates to the adequacy of the salary or the competitiveness of the salary, but . . . We do have the minutes and I think we kept recorded minutes too, that Cori was responsible for, so we could go back and look at those.

SCHORR: Two additional questions. When you said defer for two weeks to receive general public comment, do you think that we're going to be inundated with letters, emails and phone calls from the general public regarding this or are you referring to reactivating this committee and asking them to look at the issue once again?

MACH: I think both. And I will tell you that one of the people that I talked with on this committee was a little disgruntled that there was no mention of that in the minutes. It's my understanding that the Lancaster County Sheriff was an attendee at one of the meetings and

4) **NEW BUSINESS CONTINUED:**

brought up the discussion and made the request. Perhaps, I think, bringing the committee together . . . One of the other things that they did tell me is that the reason they did not make a recommendation, an official recommendation, is that employee benefits ended up being something that was off the table for them as part of their discussion and recommendations.

SCHORR: So why was it off the table?

EAGAN: They were helping the Board serve a statutory function to set salaries and the benefits are a different consideration. It's something that you can look at in making a salary recommendation, but they simply weren't asked to make a recommendation regarding benefits which are set separately in policies and other discussions that the Board has.

SCHORR: I do believe we're under a time constraint and that we need to take action, final action, on this before January 4th. Do you . . . Go ahead.

STEVENS: That's not true. We are under no time constraint to make any decision on this issue other than as it pertains to individuals personal situations. This decision could be made at any time.

SCHORR: Mr. Fox.

FOX: Mr. Stevens is correct in one sense that there's no hard and fast time constraints other than if you want this to be in place for the next term it has to be before the beginning of the next term. If you put this into place - - these benefits into place, after the beginning of the next term it wouldn't go into effect until the beginning of the following term of 2010 - - or 2011 would be the beginning of the next term. So that's when the next time you could start a new benefit (inaudible).

SCHORR: Okay. Mr. Workman.

WORKMAN: Just so there's no confusion, and I'm saying this just for my own clarification too, we as elected officials do have a PEHP plan and it's probably the same thing the Mayor gets. We get $25 per month, right?

4) **NEW BUSINESS CONTINUED:**

STEVENS: Per pay period.

WORKMAN: Oh, per pay period. So we get $600 per year which can be used when we leave this job for out of pocket medical costs. And I looked at my account just last night. It was $5,000 total value. I've been here eight years so, you know, whatever that amounts to. $600 a year times eight and it's appreciated a little bit because it's been invested in whatever. So the proposal before us today increases our PEHP benefit by another $1,500 per year which would be used only for insurance premiums.

FOX: Let me provide some background. A PEHP account is broken into two sub-accounts. You have a universal reimbursement account, which is the one you're speaking of, that $25 each pay period goes into. That can be used for medical co-pays, dental care, glasses, things like that.

WORKMAN: After we leave the job.

FOX: Yes. Post-employment. The only time you can use any PEHP funds is after you have left employment. The other sub-account is called an insurance premium account. In that account all employees now, what goes into there, is upon retirement, death or when they leave service after 15 years of service, a percentage of their accrued sick leave. Because elected officials don't get any sick leave, their percentage of zero is zero that goes into that when you leave office. So your sub-account, your insurance premium sub-account, essentially remains zero at all times. Unclassified employees get 55 - - upon death or retirement, get 55 percent of their accrued sick leave. One-third goes to the employee, two-thirds goes into the PEHP insurance premium account. The issue is with regard to this insurance premium account. The $1,500 isn't a yearly - - every year $1,500 goes into that, it is only upon death or retirement while in office is when that money goes in. Just like a regular unclassified employee doesn't get money put into there, it's only upon death or retirement that they get that percentage of their accrued sick leave, whatever is left in there, accrued sick leave balance - - a portion put into there. So it's not a monthly $1,500 or a yearly $1,500 going in there. It's only upon death or retirement while in office.

4) **NEW BUSINESS CONTINUED:**

WORKMAN: And likewise, this proposal before us would put an equivalent amount of $1,500 per year service from 1998 on in one lump sum the day we either die or retire.

FOX: That's correct. And the years of service goes back to 1998.

WORKMAN: So it kind of appears like the original PEHP plan that's based on the sick leave of our employees might be a real incentive for them to not use sick leave and come to work. Not to pretend like they're sick.

FOX: It is. If you're looking long term it's definitely an incentive not to.

HUDKINS: I'd like to have Sheriff Wagner come up if he would please. One of the things, and I really appreciate LIBA's attention to this and trying to study it and if you've got a better way to help us solve this problem, we'd sure like to hear it. I think one of the glowing examples, the reason we were willing to consider this, is we were looking at what an average employee, after eight years of service, would accrue in sick leave if they were conscientious and came to work and didn't have a catastrophic illness. And it was brought to our attention by a group of our elected officials that they don't have this benefit and they don't have sick leave although sometimes they put in more hours because of the fact they are elected they're not under the wage and hour system. A glowing example was Sheriff Wagner when he was a deputy for us for many, many years and when took - - made the decision to run for elected office, he didn't get that much more money, but he did give up quite a bit of his, well he forfeited all of his sick leave. Could you briefly outline that for us Sheriff Wagner.

WAGNER: (Terry Wagner, Lancaster County Sheriff) Yeah. If you move from the classified service to the unclassified service as an elected official you lose . . . I wasn't eligible for retirement. I had 18 years in with the County at the time I was elected. I was 40 years of age so I wasn't eligible for retirement and so that sick leave . . . I was topped out in my classification in sick leave so it just went away. So right now any employee who may choose to run for office, if they're not eligible for retirement, would forfeit any sick leave that they might have. I think right now, it would be a disincentive for an employee, a long term employee, to run for office . . . That's part of it I think and I . . . I think there are a couple of different issues here. A number of County elected officials, either by education, training and or have to have state certification to hold their positions, and I think

4) **NEW BUSINESS CONTINUED:**

in and of itself limits somewhat who will or can run for those offices. And then compound that with a lesser benefit than our employees would get it would be a more of a disincentive for them to run for those offices even though they aregoing to be the people that are probably the most qualified.

HUDKINS: And I think we have a number of deputies, chief deputies, and in a number of the offices that have been at 95 percent or better of their director's salary. And one of things we were looking at is how do you bring people up? How do you give them some encourages to proceed. And often times that is very helpful in county government to have people with years of experience and have them accede to an elected offices.

WAGNER: I think . . . I know Dennis Keefe, Gary Lacey and myself were all deputies before we got elected for our positions, at whatever point that may have been. So all of us would have forfeited any of those benefits we would have been entitled to as an employee in the classified service.

HUDKINS: And I'd say that the committee brought us some figures and the $1,500 a year amount was about a third of what they thought would be accrued if they had been in the regular service.

SCHORR: Mr. Stevens.

STEVENS: But you made a conscientious decision when you were a deputy to run for the job and you knew that you were giving up those benefits. So that was a responsible you made on your behalf.

WAGNER: Well, I guess I didn't necessarily know that I was giving those up until after I got elected and it was explained to me that those just go away. Yes, no, indifferent. I didn't know, but I know now.

STEVENS: Then maybe the due diligence was not done to the extent it should have been. The other question I have is over the last year to 15 months, we have five elected officials who have been hospitalized or away from the job due to illness. Do we subtract that from the PEHP account?

WAGNER: I don't have an answer for that.

4) **NEW BUSINESS CONTINUED:**

STEVENS: Because you have no sick leave you can be gone as much or as little as you choose. If you were to have, or any elected official, were to have a significant illness that took them off the job for six months, they would still be paid at their salary through that entire time. And, if this were to be approved, they would also accumulate then, the premium PEHP benefit.

WAGNER: Correct.

SCHORR: Mr. Keefe.

KEEFE: (Dennis Keefe, Public Defender) I just want to give you a little context to the background of this. First of all, elected officials is the only group of County employees who are not part of this type of post employment health plan. This started with the comment, actually Ray, that you made during the compensation (inaudible) process back a year ago. And that is you were comparing salaries from county to county, including Douglas County, in Nebraska. And you said that these salaries that we're setting may not be as equitable as you would like them to be, but that the County Board would then look at other issues. And I think you specifically mentioned post employment health as a possible way to make the salaries of elected officials more comparable. If you look at some of the other counties, and I haven't done that, but Douglas County, when you were comparing salaries a year ago, you can't just look at the salaries, you have to look at what their benefits are. I don't think they offer post employment health. I think they pay the same insurance . . . portion of the insurance as they do while the person is in office when they're retired. So without going back and looking at all of the benefit packages of the counties that you looked at in setting salaries, I don't see how that can be fair. It's really a matter of treating all of the employees in the County the same. It is true, everybody . . . every four years you have to decide whether you want to apply for this job again, but on that theory, you wouldn't have allowed any County employee to participate in the PEHP program who started before 1998, or at least you would have limited (inaudible) to 1998 when apparently the tax code changed which allowed this type of program. I don't think it's an issue so much of when you started your employment with the County as it is are you going to treat all classes of employees of the County in the same way.

HEIER: Dennis, a quick . . . Did you say that Douglas County continues to pay part or all of . . .

4) **NEW BUSINESS CONTINUED:**

KEEFE: What's that?

HEIER: Did you say that in Douglas County, they continue to pay the health insurance premium partially or . . .

KEEFE: Don't hold me to that. I believe when we were looking, when you were all looking at the salaries back then, and you had the committee advising you about the salaries, at least some information came out about the benefits. I think Douglas County does carry, at least, a portion of the health insurance post retirement for their employees, including elected officials. What I'm saying is, if you look at other counties and what they do, you can't look just at whether they provide post employment health, you have to look at what they do or don't do in terms of the health benefits.

HEIER: How soon can we find that out?

KEEFE: I don't think Lancaster County wants to carry employees on their health insurance after they've . . .

HEIER: No, but it's an interesting point. How soon can we find out?

KEEFE: What's that?

HEIER: How soon could we find out how much or if they do pay a portion of the health insurance? Could we find out rather quickly?

KEEFE: One call from Kerry Eagan.

EAGAN: (Inaudible) for the employees. I guess the question is for the elected officials. Omaha . . .

SCHORR: You mean after they leave County employment they keep paying your . . .

HUDKINS: University of Nebraska does too.

HEIER: Oh, really?

EAGAN: That's correct and that's why we asked that tricky question about GASB (Governmental Accounting Standards Board) on our interviews for the new Budget and Fiscal Officer because they have to book those future health costs, post employment health costs, as a cost. It's huge in Douglas County. It's a big issue for them, but I can check real quick as to whether it applies to elected officials is the question, but definitely they have that for the County employees. I'll run and check.

HEIER: Thanks. Appreciate that.

SCHORR: All right. We will hold this item until later in the agenda and continue on with Item J.

STEVENS: Did we have a motion on that item?

SCHORR: No, we did not.

H. An Employer Participation Agreement between Lancaster County and Nationwide Retirement Solutions for participation in the Post Employment Health Plan for Public Employees. The participation agreement authorizes Nationwide Retirement Solutions to act as the administrator of the plan and establishes a separate Post Employment Health Plan for Lancaster County Elected Officials and persons appointed to fill vacancies in Lancaster County elected offices. (C-06-0640)

I. A resolution defining benefits for Lancaster County elected officials and persons appointed to fill vacancies in Lancaster County elected offices. (R-06-0125)

J. Recommendation from the Purchasing Agent and Property Management to award a bid to Sprague Roofing Company, in the amount of $145,000, for the re-roof at 2200 St. Mary's Avenue (Lancaster County Community Mental Health Center). (B-06-0045)

MOTION: Hudkins moved and Stevens seconded approval to award a bid to Sprague Roofing Company, in the amount of $145,000, for the re-roof at 2200 St. Mary's Avenue (Lancaster County Community Mental Health Center) as recommended by the Purchasing Agent and Property Management. Hudkins, Stevens, Heier, Workman and Schorr voted aye. Motion carried.

4) **NEW BUSINESS CONTINUED:**

K. A contract with Sprague Roofing, Company, in the amount of $145,000, for the re-roof at 2200 St. Mary's Avenue (Lancaster County Community Mental Health Center). (C-06-0635)

MOTION: Stevens moved and Workman seconded approval of a contract with Sprague Roofing, Company, in the amount of $145,000, for the re-roof at 2200 St. Mary's Avenue (Lancaster County Community Mental Health Center). Stevens, Hudkins, Heier, Workman and Schorr voted aye. Motion carried.

L. Approval of the Federal Annual Certification Report for the County Attorney's Office. The Equitable Sharing Fund Balance for the County Attorney's Office is $147,292.64.

MOTION: Heier moved and Stevens seconded approval of the Federal Annual Certification Report for the County Attorney's Office. Hudkins, Stevens, Heier, Workman and Schorr voted aye. Motion carried.

M. Appointment of Tim Kennett to the Community Mental Health Center Advisory Committee for a three-year term.

MOTION: Stevens moved and Heier seconded approval of the appointment of Tim Kennett to the Community Mental Health Center Advisory Committee for a three-year term. Workman, Hudkins, Heier, Stevens and Schorr voted aye. Motion carried.

5) **CONSENT ITEMS:** *These are items of business that are routine which are expected to be adopted without dissent. Any individual item may be removed for special discussion and consideration by a Commissioner or by any member of the public without prior notice. Unless there is an exception, these items will be approved as one with a single vote of the Board of Commissioners. These items are approval of:*

A. Receive and Place on File:
   1. Sheriff's Report of Fees for October, 2006.

B. Requests from the following individuals to voluntarily participate in the Lancaster County retirement plan having met the requirements:

- **Joe Dalton, Lancaster County Attorney's Office**
- **Maureen Hannon, Lancaster County Attorney's Office**

5) **CONSENT ITEMS CONTINUED:**

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

RETURNING TO NEW BUSINESS ITEM 4G:

SCHORR: Mr. Eagan, do you have the information we were inquiring about?

EAGAN: Unfortunately, everybody up there in the know is attending their County Board meeting right now. Steve Walker wasn't available. Kathy Kelly, Patrick Bloomingdale. Those were the three individuals that would have the information at their fingertips. I left a number for them to call.

HUDKINS: Did you try the Personnel Director of Douglas County?

EAGAN: No, I didn't. I just tried the County . . . I asked for someone that would know and, of course, the person in the office there didn't know.

HEIER: Would NACO (Nebraska Association of County Officials) know? Would Larry Dix know?

EAGAN: I think you better go straight to Douglas County. They may or may not know.

SCHORR: And I think the amount of time that they would take to research the issue would . . .

EAGAN: We can try to get a hold of their Personnel Department. I don't have that number available, but we could dig it up, I'm sure, if you want to try that route.

SCHORR: Mr. Workman.

WORKMAN: How many elected officials would this proposal effect? How many elected officials do we have?

SCHORR: 13.

WORKMAN: 13. Has anyone figured the total cost here?

HEIER: It figures on a yearly basis.

RETURNING TO NEW BUSINESS ITEM 4G:

WORKMAN: It would be about $20,000 a year. Right?

HUDKINS: It depends on when each person would go and how many would be eligible for it. If they don't serve their eight years, they don't get it.

SCHORR: The money would not be booked until the time . . .

WORKMAN: Well, but eventually you have to put it in a fund. About $20,000 a year to take care of that obligation.

SCHORR: You have to have eight years and you have to be . . . I mean there's other qualifications . . .

WORKMAN: But I mean, let's say . . . If this plan's approved . . . Let's say ten years downstream. $1,500 a year times 13 is $20,000 a year.

HUDKINS: If everybody was eligible.

FOX: The eligibility is a six month waiting period. It's the same as it is now for this plan as it is (inaudible) currently. Six months and then you're eligible to be in the plan. A lot has been mentioned with regard basically to this being a prior service benefit . . . is really what it comes down to, I think. When you look at PEHP plans, they aren't a retirement benefit. But, I think, when you look at case law parallels can be made to cases that deal with retirement benefits. And just for your information, the Supreme Court, in cases that I have looked at, has stated that prior service benefits are legitimate objectives to retirement legislation. So, if you have a problem with going back or have a problem with it - - people saying that it's a gratuity, the Supreme Court has made that determination in prior cases that prior service benefits are okay. They happen in retirement situations, but I would also like to say that PEHP plans aren't a retirement benefit. It's a benefit, but it's not a retirement benefit. Just to clarify that.

SCHORR: Mr. Heier.

HEIER: Do we know of any public entity, besides the University of Nebraska and perhaps Douglas County, who have post employment benefits?

SCHORR: I think what makes this case unique is that we're just talking about elected officials which wouldn't be . . .

RETURNING TO NEW BUSINESS ITEM 4G:

HEIER: Well, but if we're making applicable at the University of Nebraska to all professors or all appointed positions over there that's . . . post employment. That's a huge amount of money over there too. I guess I'm just curious about setting a precedent.

SCHORR: Mr. Stevens.

STEVENS: Madam Chair, Lancaster County has a blue ribbon committee appointed to exam elected officials compensation and to make recommendations as to comparable and equitable (inaudible). One year ago they made their report and we adopted their recommendations, therefore, I move we table New Business Items G, H and I and ask our compensation review committee to reconvene, examine the appropriateness and comparability of establishing a premium PEHP account for elected officials and to report back to the County Board.

HUDKINS: Do you have a date by when?

WORKMAN: Second.

SCHORR: Okay. There's a motion and a second. Discussion?

HUDKINS: Do you have a date? Can they convene so that this could be put in place by January 1 when the new term starts?

STEVENS: I did not specify a date. I would hope that they would do it as expeditiously as they can.

SCHORR: Mr. Eagan, do you believe it is possible to convene this group in the next two weeks? Or we have . . .

STEVENS: I believe the move to table is a priority motion and is not subject to debate.

HEIER: Is this a debate or point of information?

SCHORR: Mr. Eagan, do you believe it would be possible to convene the group?

EAGAN: Well, we could try. I really wouldn't know their schedule. They are very busy individuals, obviously, that were on this committee. And they are all top notch people . . . professionals, lawyers. Backgrounds in human services. One of them is retired so we might

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be able get Gerry Dimon. With the holiday season coming up too, it may be difficult.

FOX: Just to clarify. Compensation for elected officials can't be put in place in the middle of a term. If you want this to take effect for the next term it has to be done next month. I would suggest before January 1st.

SCHORR: Mr. Clerk, call the roll.

STEVENS: How come you get the opportunity to speak to this issue and I don't?

SCHORR: This is not a debate. This is a point of information from staff. Mr. Stevens.

STEVENS: I guess my question is when you . . . if you're talking about retroactivity then it doesn't make any difference whether we do it now or do it at a later time. The other thing is we have offsetting terms of the Commissioners. Could we use the two year point for the two Commissioners whose terms are expiring in two years, or does it have to be with the same election for which a governor or the elected county officials are elected? It's a point of information.

FOX: I believe with regard to that you would do it when the majority of elected officials are taking office. Article 3, Section 19 of the Nebraska Constitution provides that when a board of elected officials with differing terms . . . you can increase or decrease compensation at the start of any of the members of those board's terms. That wouldn't help out with all the other elected officials. I'd have to do more research on that, but it would be my guess that it would work fine for you all, but for anybody else if you set it into place at the next term, in two years, it wouldn't work out for the rest of the elected officials.

SCHORR: Call the roll.

MEDCALF: Hudkins?

HUDKINS: This is on a motion to . . .

MEDCALF: Table.

HUDKINS: Would you read the motion again please?

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MEDCALF: It was a motion to table this until further information can be garnered.

STEVENS: I have a written copy and I would be glad to repeat it, if you would like me to.

HUDKINS: Would you please?

STEVENS: I move we table New Business Items . . . table New Business Items G, H and I and ask our compensation review committee to reconvene, examine the appropriateness and comparability of establishing a premium PEHP account for elected officials and to report back to the County Board.

HUDKINS: But not a date certain. So, in that case I would vote no.

MEDCALF: Stevens?

STEVENS: Yes.

MEDCALF: Workman?

WORKMAN: Yes.

MEDCALF: Heier?

HEIER: No.

MEDCALF: Schorr?

SCHORR: Yes.

MEDCALF: Motion carries.

SCHORR: I'd like to entertain a motion to put a time line in effect for the meeting of this committee.

HUDKINS: I would move that we ask this committee to convene and bring us a recommendation within two weeks. Two weeks from today. So that we have time enough to get the resolution . . . if we're going to do it.

SCHORR: Do we have more time available than two weeks?

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HUDKINS: We're not going to be here.

HEIER: The 19th is the last meeting.

HUDKINS: 19th's the last meeting.

EAGAN: For your information too. If you're looking for comparability, you could ask Personnel to do a quick comparability search. If you're looking for a recommendation of a committee, you're going to need that information from Personnel anyway because the committee won't have the where with all to actually do the research. So it's really the information from Personnel that you're after in terms of comparability for elected officials and PEHP benefits . . . post employment health benefits.

SCHORR: The motion does not have a second. Would you restate it please?

HUDKINS: The motion did have a second.

MEDCALF: I did not hear a second.

HEIER: If two weeks falls before the 19th yes. I'll second it.

HUDKINS: And the . . . to gather the information . . . If it's the committee or Personnel . . . Personnel should be involved with that committee. That'd be the amendment.

WORKMAN: So with this motion, would it come before us then on December 12th?

STEVENS: That's two weeks.

HEIER: No later than the 19th.

SCHORR: We're asking them to convene within two weeks and then that would give us a week to take action.

HUDKINS: No. Bring us a recommendation by the 12th.

WORKMAN: (Inaudible) be the 14th.

EAGAN: That would be a convenient time maybe to have it by the 14th, then you could consider it by the 19th. You'd have a staff meeting on the 14th. You're already scheduled up through noon almost.

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SCHORR: Rather than two weeks, would you extend it two additional days to make it the 14th to have information available for a staff meeting.

EAGAN: I guess it's a question of discussing the recommendation. You could do it on the Tuesday, then you're discussing it at this meeting versus Thursday, which is the staff meeting and more conducive for open, long discussions.

SCHORR: Like this one.

EAGAN: Like this one.

HEIER: Do we have to have two weeks notice? Or is this . . .

SCHORR: This is not a public hearing. I don't believe . . .

HUDKINS: You'd have to carry the item on continuous notice. If you want to wait until the 19th that's a possibility.

SCHORR: We have a motion that we request . . .

HUDKINS: I'd rather do it on the 12th which is two weeks from today. I don't see why they can't come together and get as much information as we possibly can.

SCHORR: I believe that the reason the request was made for the 14th was so we'd have a staff meeting and be able to have the necessary people there to provide input.

HUDKINS: I know it, but that's okay. I leave the 19th for Denmark.

HEIER: (Inaudible) everybody here to vote.

(SOME DISCUSSION WAS LOST DUE TO CHANGING THE AUDIO TAPE.)

WORKMAN: Thursday, the 7th. Oh we don't do we?

SCHORR: All right. We have a motion and a second to request that the committee convene with the assistance of Personnel to provide information to us in two weeks regarding the post employment health benefit plan for elected officials.

HUDKINS: On the 12th.

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SCHORR: That would be two weeks. Mr. Clerk, call the roll.

WORKMAN: Wait a minute. Didn't we already vote on that?

SCHORR: No. We voted on requesting to table the information and refer it to the committee. Now, we're at the second motion which is to ask the committee to act within two weeks.

HUDKINS: Convene the committee and ask them to bring us a recommendation within two weeks which would be the 12^{th}.

SCHORR: Okay, is everyone clear? Mr. Clerk.

MEDCALF: Workman?

WORKMAN: Yes.

MEDCALF: Hudkins?

HUDKINS: Yes.

MEDCALF: Heier?

HEIER: Yes.

HUDKINS: Stevens?

STEVENS: Yes.

HUDKINS: Schorr?

SCHORR: Yes.

MEDCALF: Motion carries five to zero.

6) **ADJOURNMENT:**

MOTION: Stevens moved and Heier seconded adjournment of the meeting of the Board of Commissioners at 10:25 a.m.. Heier, Workman, Stevens, Hudkins and Schorr voted aye. Motion carried.

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Bruce Medcalf
County Clerk

MINUTES
LANCASTER COUNTY BOARD OF EQUALIZATION
TUESDAY, NOVEMBER 28, 2006
COUNTY COMMISSIONERS HEARING ROOM, ROOM 112
FIRST FLOOR, COUNTY-CITY BUILDING
IMMEDIATELY FOLLOWING THE REGULAR BOARD OF COMMISSIONERS MEETING

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

Others Present: Norm Agena, County Assessor/Register of Deeds
Kerry Eagan, Chief Administrative Officer
Tom Fox, Deputy County Attorney
Bruce Medcalf, County Clerk
Patricia Owen, Chief Deputy County Clerk
Gwen Thorpe, Deputy Chief Administrative Officer

The meeting of the Board of Equalization was called to order at 10:25 a.m..

1) **MINUTES: Approval of the minutes of the Board of Equalization meeting held on Tuesday, November 21, 2006.**

MOTION: Stevens moved and Heier seconded approval of the minutes of the Board of Equalization meeting held on November 21, 2006. Hudkins, Stevens, Workman, Heier and Schorr voted aye. Motion carried.

2) **MOTOR VEHICLE TAX EXEMPTIONS:**

Christian Retirement Homes, Inc. d/b/a Eastmont Towers
Trinity United Methodist Church

MOTION: Stevens moved and Hudkins seconded approval of the motor vehicle tax exemptions. Workman, Hudkins, Heier, Stevens and Schorr voted aye. Motion carried.

3) **ADJOURNMENT:**

MOTION: Stevens moved and Heier seconded adjournment of the meeting of the Board of Equalization at 10:26 a.m.. Heier, Workman, Stevens, Hudkins and Schorr voted aye. Motion carried.

Bruce Medcalf
County Clerk