

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING
ROOM 113
THURSDAY, FEBRUARY 23, 2006
8:30 A.M.**

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

Commissioners Absent: Deb Schorr, Chair

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Kristy Mundt, Deputy County Attorney
Trish Owen, Chief Deputy County Clerk
Ann Taylor, County Clerk's Office

The Vice Chair opened the meeting at 8:29 a.m.

AGENDA ITEM

**1 APPROVAL OF STAFF MEETING MINUTES OF THURSDAY,
FEBRUARY 16, 2006**

MOTION: Stevens moved and Hudkins seconded approval of the Staff Meeting minutes of February 16, 2006. Hudkins, Stevens and Workman voted aye. Heier abstained from voting. Motion carried.

2 ADDITIONS TO THE AGENDA

- A. Youth Services Center Contract
- B. Resolution Addressing Annual Salary Increases for Directors and Assistant Directors
- C. Early Retirement Incentive Program for Deputy Sheriffs
- D. Tax Form for County Engineering
- E. County Commissioners' Office Calendar

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

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

Gordon Kissel, Legislative Consultant, presented a legislative update (Exhibit A). He said the Revenue Committee's/Governor's tax relief package will be advanced under LB 968 and will include elimination of the remodeling sales tax, income tax bracket changes and a change in agricultural land valuation from 80% to 75%. Discussion is still taking place on whether to include return of the ½ cent sales tax from the General Fund to the Highway Trust Fund in the package. Kissel said there is a "big push" on LB 935 (Change distribution and allocation of certain sales tax revenue and road funds) and Senator Beutler has asked Lancaster County to submit a letter of support.

Stevens said the proposed change in ag land valuation will impact property taxes and asked whether there will be any state aid to counties to "backfill" that loss.

Kissel said there are adjustments for schools.

Kissel said the Appropriations Committee will recommend a \$400,000 increase in jail reimbursement funding to the cap amount of \$3.9 million. Changes to the cap and program were discussed but the Committee was advised that it cannot make those changes in the budget bill.

Kerry Eagan, Chief Administrative Officer, said the law states that the State only owes it if funds appropriated. LB 1015 (Appropriate funds for county jail reimbursement assistance) and LB 1025 (Remove a limitation on appropriations for county jail reimbursement assistance) address the issue.

Heier exited the meeting at 8:45 a.m.

ADDITIONS TO THE AGENDA

A. Youth Services Center Contract

Stevens reported on his meeting with the Governor to discuss the contract between the State of Nebraska, Department of Health and Human Services (HHS) and Youth Services Center for the provision of detention services for youth committed to, or placed with the State's Office of Juvenile Services (OJS). He said he relayed that the Board is firm in its position that the State should pay \$234 per day and has extended the deadline for removal of the youth from the facility unless a signed contract is in place by two weeks. The Governor stated that the State might be willing to pay \$220 per day and can house youth in the juvenile detention facility in Madison County for \$145 per day. Stevens said the Governor would like to continue negotiations.

Hudkins said the Madison County figure does not include the education component.

Workman expressed concern for the youth in detention and said he is willing to accept \$220 per day.

Hudkins remained firm that the State should pay \$234, which is the County's cost and the amount charged other counties. He said there is also the problem of when the State starts to pay.

Kristy Mundt, Deputy County Attorney, said language can be added to the contract to state that the County is to be notified when the final evaluation report is delivered to the Court.

Stevens added that the Youth Services Center Director believes there are operational efficiencies that can be worked out that will save both the County and State money.

MOTION: Hudkins moved and Stevens seconded to authorize Kerry Eagan, Chief Administrative Officer, and the Chair to draft a letter, for signature by the Chair, stating that the County Board: 1) Will extend the deadline to March 3, 2006; 2) Requests additional language in the contract to state that the County is to be notified when the final evaluation report is delivered to the Court.; 3) Is open to further discussion and negotiation; and 4) Requests a written response from the State.

Mundt said the notification language cannot be made part of the contract if notification is the responsibility of the Court.

Stevens stated that he has notified the Juvenile Court of the status of negotiations.

ROLL CALL: Workman, Stevens and Hudkins voted aye. Heier was absent from voting. Motion carried.

**4 COUNTY FINAL PLAT NO. 05017, WENDELIN ESTATES,
SOUTHWEST 62ND AND WEST SPRAGUE ROAD - Mike DeKalb,
Planning Department**

Mike DeKalb, Planning Department, gave an overview of County Final Plat No. 05107, Wendelin Estates, a request for one lot on property at Southwest 62nd Street and West Sprague Road. Planning staff and the Planning Commission have recommended conditional approval.

ADDITIONS TO THE AGENDA

B. Resolution Addressing Annual Salary Increases for Directors and Assistant Directors

Stevens noted that directors and assistant directors received a 3% salary increase and said the merit adjustments were figured on the new base, rather than calculated together. He questioned whether that was the Board's intent.

The Board requested information on how difficult it would be to change the calculation.

C. Early Retirement Incentive Program for Deputy Sheriffs

Stevens said the amendment to the contract with the Deputy Sheriff's Association for the Early Retirement Incentive Program provides eligibility through August 30, 2008. He said it was his understanding that it was to be for a six month period, similar to the plan that was offered to American Federation of State, County & Municipal Employees (AFSCME) employees.

Mundt said she spoke to Tom Fox, Deputy County Attorney, and he said he had explained the difference to the Board.

The Board requested that Fox look into it further.

D. Tax Form for County Engineering (Exhibit B)

MOTION: Hudkins moved and Stevens seconded to authorize signature by the Vice Chair. Workman, Stevens and Hudkins voted aye. Heier was absent from voting. Motion carried.

E. County Commissioners' Office Calendar

Workman asked Board members to keep the office calendar updated and to remain cognizant of the need for a quorum at Board meetings.

5 BOARD OF CORRECTIONS - Mike Thurber, Corrections Director

Separate minutes.

6 RECOMMENDATIONS FROM PENSION REVIEW COMMITTEE (PRC)

Eagan reported the following recommendations from the Pension Review Committee (PRC) (see agenda packet):

1. Franklin Balance Sheet (Class A) should be closed because of style drift. Diamond Hill (Small Cap A) should be added in the small cap category, and the assets from Franklin should be mapped into Diamond Hill;
2. The Lancaster County Investment Policy for the Employee Retirement and 457 Deferred Compensation Plans administered by Nationwide Retirement Solutions (NRS) should be amended to include mandatory attendance requirements for members of the Pension Review Committee;
3. Revenue sharing funds paid by NRS to Lancaster County and any interest earned thereon should be deposited into a trust account for the benefit of plan participants.

Eagan said the Committee was unable to reach consensus on a recommendation regarding the Neuberger Berman High Income Bond Fund.

Brief discussion took place regarding the second recommendation, with a suggestion to send committee members a confidential letter asking them to define barriers to attendance.

Eagan also presented a response from Curt Morrow, Nationwide Retirement Solutions (NRS) Investment Services Manager, to issues the Committee had asked him to investigate (Exhibit C).

7 ADMINISTRATIVE OFFICER REPORT

A. Nebraska Innovation Zone Commission (NIZC) Appointment

Board consensus was to schedule appointment of Phil Mullin on the Tuesday, February 28, 2006 Board of Commissioners Meeting agenda.

B. Declaration of Hardship (Novartis Refund)

Eagan said Dave Kroeker, Budget and Fiscal Officer, has recommended that the County declare a hardship so the refund doesn't go against the County's budget lid. It was noted that Novartis has expressed interest in just offsetting future tax liabilities.

Board consensus was to schedule a resolution certifying to the County Treasurer that payment of a tax refund would create undue hardship for Lancaster County on the Tuesday, February 28, 2006 Board of Commissioners Meeting agenda.

C. Globetrotter Tickets

The Board declined the offer to purchase group discount tickets.

D. Amendment of Hartford 457 Compensation Plan

Board consensus was to set the mandatory distribution amount at \$1,000.00 or less.

Action on the item was scheduled on the Tuesday, February 28, 2006 Board of Commissioners Meeting agenda.

E. County Board Chair (Resignation of Deb Schorr)

Item held.

F. Lincoln Housing Authority Tax Status

Workman said the Real Estate Owners' Association is looking into the tax exempt status of the Lincoln Housing Authority. Copies of Lincoln Housing Authority; Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds; Year Ended March 31, 2005 were distributed (Exhibit D). He suggested that the Board approach the Lincoln Housing Authority and see whether it would be receptive to paying in lieu of taxes.

MOTION: Hudkins moved and Workman seconded to direct staff to prepare a letter, for signature by the Chair, inviting the Lincoln Housing Authority to pay in lieu of taxes. Workman and Hudkins voted aye. Stevens voted no. Heier was absent from voting. Motion carried.

Workman said he will gather additional information regarding Lincoln Housing Authority's property holdings and whether it rents to individuals that are not receiving government assistance.

G. Pending Policy

Eagan said a legal opinion has been requested regarding the policy for listing or handling pending items on the agenda. He noted that the Board had expressed interest in removing a resolution relating to creation of a joint public agency to provide for the design, acquisition of land and construction of improvements for the Rural to Urban Roadway Transition Streets Program (RUTS) and the design and acquisition of land for the East Beltway from Pending and said the Board would not be precluded from reconsidering the item, but public notice requirements would need to be met.

8 DISCUSSION OF BOARD MEMBER MEETINGS

- A. Lincoln Independent Business Association (LIBA) Monitoring Committee - Stevens

Steven said the request for a bond issue to fund a linear park along the South Beltway, the issue involving salary increases for the City's "M" class (management and professional employees), ambulance service and funding for jail construction were discussed.

- B. Community Mental Health Center (CMHC) Advisory Committee - Stevens

Stevens said community support systems, case management at the local level and waiting lists were discussed.

9 ADJOURNMENT

MOTION: Stevens moved and Hudkins seconded to adjourn the meeting at 10:55 a.m. Hudkins, Stevens and Workman voted aye. Heier was absent from voting. Motion carried.

Bruce Medcalf
Lancaster County Clerk