

**FISCAL 2007-2008 BUDGET HEARING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
TUESDAY, AUGUST 14, 2007  
COMMISSIONERS HEARING ROOM, ROOM 112  
FIRST FLOOR, COUNTY-CITY BUILDING  
7 P.M.**

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

Commissioners Absent: Bob Workman, Chair  
Deb Schorr

Others Present: Dan Nolte, County Clerk  
Dennis Meyer, Budget and Fiscal Officer  
Ann Taylor, County Clerk's Office

The Lancaster County Board of Commissioners' public hearing regarding the Lancaster County Proposed Fiscal Year 2007-2008 Budget was convened at 7 p.m.

Bernie Heier, Vice Chair of the Board of Commissioners, opened the hearing and made a brief statement regarding the proposed budget:

- \* County agencies were asked to submit a current level of service budget with no expansion of services or personnel. Requests for additional personnel were submitted separately for Board consideration and the Board denied \$400,000 in requests.
- \* The Heather Program (a community transition program) will no longer be funded after the first quarter of the fiscal year to save the County \$235,000.
- \* The County will no longer fund the Lincoln-Lancaster Women's Commission, resulting in savings of \$85,461.
- \* The total budget of expenditures is approximately \$170,800,000, a 5.66% increase from last year. Public safety functions account for almost 42% of the budget.
- \* The majority of increases in the General Fund relate to public safety:
  - \* Lancaster County is receiving an additional juvenile court judge which results in additional personnel and operating costs of \$292,580.
  - \* The Corrections budget includes \$1,300,000 for housing detainees in facilities outside Lancaster County, due to overcrowding in the jail. Corrections will also hire an additional eight correctional officers throughout the fiscal year, which results in an increase of \$150,000.

- \* The Justice System Miscellaneous budget includes \$2,500,000 for the purchase of land for a new jail.
- \* A Visitors Improvement Fund was established separate from the Visitors Promotion Fund beginning July 1, 2007. A balance of \$1,443,153, as of June 30, 2006, was transferred into the new fund, resulting in a budget expenditure in the Visitors Promotion Fund as a transfer and an expenditure in the Visitors Improvement Fund to establish spending authority.
- \* Property tax funding for the County Engineer and the Bridge and Road Fund increased \$363,000. In addition to paving costs, fuel costs increased \$124,000. The County Board also allocated \$1,360,000 from the Keno Fund for road projects, including \$300,000 for improvement of Yankee Hill Road between 27<sup>th</sup> and 40<sup>th</sup> Streets.
- \* The Jail Savings Fund is a new fund established to reduce a future bond issuance and to pay for costs that arise during the design phase of the jail. The new fund will increase expenditures and the property tax requirement by approximately 1,800,000.
- \* The proposed tax rate, utilizing a 2.25% increase in valuation, will be 27.55 cents. The prior year tax levy was 26.55 cents. The proposed levy includes an additional 1 cent to establish the Jail Savings Fund.

John Krejci, 4402 St. Paul Avenue, appeared and expressed concerns regarding the cost of a new jail and suggested that the Board continue to explore alternatives to incarceration (Exhibit A).

Hudkins noted there are more than 2,000 individuals on probation in Lancaster County on any given day, which is four times the number that are incarcerated.

Mark Allensworth, 8541 "A" Street, appeared and expressed concerns regarding the proposals for a new jail facility and the Jail Savings Fund. He presented information regarding a new jail that is being constructed in Polk County, Iowa that he said is larger and less costly than the one that is proposed in Lancaster County (Exhibit B).

Stevens said additional funds are required for the new jail and asked Allensworth whether he would prefer that the Board hold off levying until the funds are actually needed, understanding that a significant increase in the levy may be necessary at that point.

Allensworth said his concern is that if the additional levy is enacted and the County bonds for the project further down the road, property owners will be looking at two tax increases to pay for the jail.

Hudkins said the County has to demonstrate progress for Jail Standards (the County is currently out of compliance, due to overcrowding).

Coby Mach, Lincoln Independent Business Association (LIBA) Executive Director, appeared and presented a position statement (Exhibit C). He said LIBA supports the cuts the County has proposed and offers the following suggestions (see Exhibit C):

- \* Eliminate funding to the Lincoln-Lancaster Women's Commission
- \* Encourage the Board to look at transparency within the Cooperative Extension Agency
- \* Reduce mental health costs
- \* Evaluate discretionary funds available to the Lincoln-Lancaster County Health Department
- \* Continue to work with the Courts to provide alternative programming
- \* House prisoners for the most reasonable cost
- \* Request additional funding from the State to assist with various correctional needs
- \* Continue dialogue with the Lincoln Public Schools (LPS)

Also appearing on behalf of LIBA was Ron Ecklund.

Kyle Fischer, Lincoln Chamber of Commerce, appeared and noted that the Board had asked for input from the business community regarding the proposed 1 cent increase. He said the Chamber's Public Policy Steering Committee reviewed the issue and voted unanimously to not endorse the tax increase. The consensus among the committee members was that the proposed levy increase will hurt efforts to build public support and understanding for the project in the future. Fischer said if the jail is a priority, the Board should follow the business community model and cut expenditures so funds can be put away in a Jail Sinking Fund without raising the tax levy. He said the Chamber membership believes it is hard to justify a tax increase for the County when the City only increased its budget by 1.2%. Fischer said the Chamber is encouraged by the discussions the Board has had with the City regarding the jail and encourages the Board to look to at partnering with the City on the project, possibly through formation of a Joint Public Agency (JPA). He said that route may yield a better interest rate and allow the length of the bond to be stretched, keeping taxes lower.

Hudkins asked whether the Chamber would support funding through the Public Building Commission (PBC), instead of a JPA.

Fischer said that might be an option to explore.

Heier asked Fischer where the Chamber would make reductions.

Fischer said the Chamber does not want to get into a line item discussion.

Fischer also urged the Board to continue to work with the City to find a dedicated funding stream for the Rural to Urban Roadway Transition Streets Program (RUTS).

Carol Connor, Lincoln City Libraries Director, appeared and said the funding request for the libraries is less than the current level of funding. She said there are currently 13,292 registered borrowers residing outside the City of Lincoln and said the contract with the County includes access to all services and collections, a summer reading program, bi-weekly Bookmobile service at ten county sites and remote access to all databases.

Robert Smith, citizen, appeared and gave testimony in support of programs that serve youth and families and teach leadership skills, such as the 4-H Program.

Hudkins noted there are currently 17,300 youth enrolled in the 4-H Program in Lancaster County.

The Vice Chair asked if anyone else wished to testify.

No one appeared and the public hearing was closed.

**MOTION:** Stevens moved and Hudkins seconded adjournment at 7:45 p.m.  
Hudkins, Stevens and Heier voted aye. Motion carried.

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Dan Nolte  
Lancaster County Clerk