

**MINUTES
DEPARTMENTAL BUDGET HEARINGS
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
TUESDAY, MAY 19, 2009
1:00 P.M.**

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

Commissioners Absent: Ray Stevens

Others Present: Dennis Meyer, Budget Officer
Kerry Eagan, Chief Administrative Officer
Dan Nolte, County Clerk
Cori Beattie, Deputy County Clerk
Ann Taylor, County Clerk's Office

The Chair opened the meeting at 1:00 p.m.

HUMAN SERVICES (FUND 837)

Appearing was Kit Boesch, Human Services Administrator.

Boesch gave an overview of the following documents (Exhibit A):

- Fiscal Year 2009-2010 (July 1, 2009 - June 30, 2010), Budget Request, Human Services Administration

Boesch reported a 5% increase (\$12,366) in the budget which she attributed to personnel costs.

In response to a question from Hudkins, Boesch said the Clerk Typist III position could be cut back from a full-time position to part-time, if necessary.

Boesch also indicated the \$200 expense in Food (Object Number 63910) is a duplication of the \$200 expense in Meals (Object Number 64710) and can be eliminated.

- 2008-2010 Joint Budget Committee (JBC) Requests

Boesch said the budget reflects the second year of a 1.5% across-the-board cut.

NOTE: The contracts are for two years.

- Grant Reimbursement of Indirect Charges

Boesch said she brought in \$58,440 in indirect costs this year compared to \$54,219 last year.

Meyer said that revenue goes back into the General Fund.

VETERANS AFFAIRS/GENERAL ASSISTANCE (GA) (FUND 803, FUND 801)

Appearing was Gary Chalupa, Veterans Service Officer/General Assistance (GA) Director.

General Assistance (GA) (Fund 801)

Chalupa said there has been an increase in applications, but not in eligibility.

Hudkins noted unemployment benefits have been extended.

Chalupa said Health Department has increased projected expenditures by \$102,000.

Meyer said the Health Department has reduced personnel and said an employee in the program may have been "bumped" by an employee who has been there longer and has more benefits. He said the program would have to pick up those additional costs.

Schorr, the Board's liaison to the Health Department, said the Health Department is now allocating a physician's hours to GA, which has contributed to the increase. She said more information on those changes will be presented when the Health Department presents their budget to the City-County Common.

Chalupa said he will try to absorb those costs without adjusting the final numbers.

Veterans Services (Fund 803)

Chalupa said there are no significant changes except a long-term employee plans to retire in January and there will be a payout of benefits.

The request for four (4) computers was discussed and Chalupa was asked to purchase two (2) of them out of the current budget, if there are sufficient funds. Funding through the Microcomputer Fund is another option.

In response to a question from Meyer, Chalupa recommended budgeting \$10,000 in the Veterans Aid Fund (Fund 26).

COMMUNITY CORRECTIONS (FUND 676)

Appearing was Kim Etherton, Community Corrections Director.

Etherton presented statistics related to the Community Service Program, Adult Drug Court, Pretrial Release Program and House Arrest Program for the period of July 1, 2008 - May 15, 2009 (Exhibit B). She said the biggest increase in the budget is related to monitoring equipment. Etherton also discussed staffing and said she is probably overstaffed in the area of case workers. She explained that she had turned a vacant screening clinician position into a case worker position to cover two absences in that area. Etherton said that position could be eliminated to reduce costs, noting the person in that position is in a probationary status.

MOTION: Workman moved and Hudkins seconded to recommend that Kim Etherton, Community Corrections Director, eliminate one (1) full-time, probationary employee from the budget. Hudkins, Workman, Heier and Schorr voted aye. Motion carried.

In response to a question from Schorr, Etherton said the projected increase in revenue is related to house arrests. **NOTE:** Participants are charged \$5.00 per day.

LANCASTER MANOR (FUND 061)

Appearing was Gwen Thorpe, Interim Lancaster Manor Administrator.

Thorpe said there are changes she would like to make at the Manor but said she is holding off until the Request for Qualifications (RFQ) process is completed and a decision is made on the future of the Manor. She said one is a reduction in staffing. Thorpe said she included a number of items under capital outlay including a comprehensive nursing home software. The request for additional personnel or services includes a comptroller (\$75,000 plus benefits).

In response to a question from Hudkins, Thorpe said Sue Eckley, County Risk Manager, provided her with the amount to budget for worker's compensation costs (Object Number 61750).

Meyer said the budget number is higher because a contingency was built in.

Thorpe also discussed revenues and said last year's budget was based on having 60 Medicare residents every month. She said that is probably not a realistic figure. Thorpe also projected a 20% to 25% reduction in Medicare reimbursement.

Thorpe said Budget Code 7552 now includes Budget Codes 7555, 7558, 7560, 7564, 7565, 7566, 7568 and 7571. She said the Fiscal Year (FY) 2008-09 Budget included benefits in the salary amounts and said they are broken out in the details in the FY 2009-10 Budget.

Heier asked whether any assistant food service director positions could be eliminated with computerization.

Thorpe said it is a possibility, noting the Manor is higher in food service per patient day than other facilities in this area, with the exception of hospitals. She said one area to look at is the employee cafeteria. It is not a negotiated benefit and the costs are not being covered.

Workman asked whether a wing could be converted to assisted living.

Thorpe said yes, but it would take extensive remodeling.

Schorr exited the meeting at 2:25 p.m.

MENTAL HEALTH CENTER (FUND 063)

Appearing were Dean Settle, Community Mental Health Center (CMHC) Director; Travis Parker, Community Mental Health Center Deputy Director; Judi Tannahill, Administrative Services Officer, CMHC; and Mike Oliverius, Student.

Dean Settle, Community Mental Health Center (CMHC) Director, said his department will not need an additional appropriation this year and said there is carryover potential. Differences between last year's budget and this one include the addition of a deputy director (the cost is offset by reductions in program areas); a state-funded case manager for the Harvest Project; and the hiring of two doctors to replace Dr. Bohart. Fiscal and support staff and one additional part-time student are also requested. The budget request also includes furniture and computers. Settle said he anticipates that stimulus money will be available for the Southeast Nebraska Behavioral Health Information Network. He said there will be up-front costs of no more than \$25,000 and some data conversion costs. Settle said there are indications there will be 1% increase in state funding for mental health (Medicaid and Medicare) this year and a 1.5% increase next year and said the request for a 4% reduction in county funds has been offset by the grants and the increases.

In response to a question from Meyer, Settle said those numbers have not been built into the revenues.

Meyer said a comparison to last year's budget shows a \$450,000 increase on the property tax side and asked Settle whether he will have revenues to cover that.

Settle said he believes new funding will be more in the range of \$100,000 to \$200,000.

Heier asked whether the City provides any funding.

Settle said yes, the City pays half of Tim Vorm's salary. **NOTE:** Vorm is a Mental Health Program Coordinator.

Meyer questioned the \$113,000 increase in Other Miscellaneous Contracted Services (Object Number 64295).

Judi Tannahill, Administrative Services Officer, said a contract with the Lincoln Area Agency on Aging increased \$66,000.

Settle said the contract is a pass-through of funds and is funded entirely by the State.

Hudkins asked Settle where he could make reductions in the budget.

Settle said he would cut the request for furniture and computers and would eliminate one of the small programs.

YOUTH SERVICES CENTER (FUND 678)

Appearing were Michelle Schindler, Youth Services Center (YSC) Director, and Melissa Hood, Administrative Aide, YSC.

Schindler presented Fiscal Year 2009-2010 Proposed Budget, Lancaster County Youth Services Center (Exhibit C), noting the following:

- Population

Schindler said she anticipates exceeding the number of care days projected in the FY09 budget and coming in under adopted expenditures.

- Expenditures

Schindler projected being \$74,000 under budget in FY09. FY10 expenditures are projected to be \$5,893,114.31, an increase of \$230,200 from FY09 projected year-end expenditures. Major increases are in five expenditure categories: 1) Employee Salaries and Wages; 2) Employee Benefits; 3) Contract Services; 4) Client Services; and 5) Purchase/Repair/Maintenance.

In response to a question from Workman, Schindler said the County is not fully reimbursed for educational services.

- Revenues

Schindler said revenues are expected to be over-collected by \$450,000 in FY09. FY10 revenues are projected to be \$3,050,805.68, an increase of \$168,828 from FY09 projected year-end revenues.

MISCELLANEOUS BUDGETS

General Government (Fund 612)

Meyer said the County budgeted \$2,500,000 for jail architectural services in FY09 but spent \$2,700,000. He said he is pulling that amount out of the FY10 Budget.

Meyer also stated he has increased the amount budgeted for Board of Equalization costs from \$550,000 to \$1,000,000.

JUVENILE COURT (FUND 623)

Appearing were Juvenile Court Judges Roger Heideman and Reggie Ryder; and Theresa Emmert, Juvenile Court Administrator.

Juvenile Court Judge Roger Heideman discussed a recent letter from the Juvenile Court Judges expressing concerns regarding the current system of contracts in Juvenile Court (Exhibit D). Judge Heideman said the Juvenile Court Judges would like the contracts to expire at the end of their respective terms and the court return to a system where individual attorneys are appointed by the Juvenile Court to represent children and parents in Juvenile Court proceedings. The Juvenile Court would continue to contract with Legal Aid of Nebraska for legal services.

Dennis Keefe, Public Defender, appeared and said that is the judges' prerogative, but predicted that the County's costs will increase without the contracts.

Judge Heideman said the Juvenile Court Judges are concerned whether the guardian ad litem are actively advocating for the children they represent.

Juvenile Court Judge Reggie Ryder disseminated copies of a Guardian Ad Litem Report that the Juvenile Court Judges developed (Exhibit D) and said some of the responses they have received indicate the guardian ad litem have limited contact with the children.

Copies of Site Assessment Report, Separate Juvenile Court, Lancaster County, Lincoln, Nebraska, February 12-12, 2009 by the National Council of Juvenile and Family Court Judges (NCJFCJ) were also distributed (Exhibit F).

Theresa Emmert, Juvenile Court Administrator, gave an overview of the budget and said the biggest difference is remodeling expenses. She added she may have underestimated costs for courtroom chairs.

Heier noted a microcomputer request and asked whether there are sufficient funds in this year's budget to fund the expense.

Emmert said there are.

MOTION: Hudkins moved and Workman seconded to allow the Juvenile Court to purchase a computer and memory module out of this year's budget. Hudkins, Workman and Heier voted aye. Schorr was absent from voting. Motion carried.

RETURNING TO MISCELLANEOUS BUDGETS

Justice System (Fund 628)

Meyer said he will work with Keefe and Emmert to figure out how to shift the funds budgeted for Legal Services (Object No. 64120).

Meyer said the Sheriff's Office has received some donations that will help the Sheriff's Sinking Fund (Object No. 65785).

Health & Human Services (Fund 805)

Meyer reported a decrease of 1% and attributed it in part to level funding of the Joint Budget Committee (JBC) contracts.

GENERAL BUDGET DISCUSSION

Meyer said the County will need to come up with another \$1,500,000 in property tax to fund all of the requests and said additional funds may be required if the fund balance is down.

ADJOURNMENT

MOTION: Workman moved and Hudkins seconded to adjourn the meeting at 4:08 p.m. Hudkins, Workman and Heier voted aye. Schorr was absent from voting. Motion carried.

Dan Nolte
Lancaster County Clerk

NOTE: Documents referred to are included in Proposed Budget Fiscal Year 2010 (a copy is on file in the County Clerk's Office).