

**MINUTES
DEPARTMENTAL BUDGET HEARINGS
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, MAY 28, 2009
1 P.M.**

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

Commissioners Absent: Ray Stevens, Vice Chair

Others Present: Kerry Eagan, Chief Administrative Officer
Dennis Meyer, Budget and Fiscal Officer
Dan Nolte, County Clerk
Angela Zocholl, County Clerk's Office

The Chair opened the meeting at 1:04 p.m.

Libraries (020)

Appearing were Pat Leach, Library Director, and Greg Mickells, Assistant Library Director.

Leach distributed a memo on Funding for Library Services Fiscal Year 2009-10 (Exhibit A).

Meyer asked how possible closings could affect the county. Leach said it would depend if the budget is cut to 91%. If that is the case, next year's budget would be \$781,000 less, so property tax support would be less.

Schorr asked Leach to have numbers needed to maintain current services by July.

Leach said bookmobiles are reaching the end of their natural life. Currently there is a proposal for a new bookmobile in the city's capital improvement plan. Cost is estimated at \$150,000-200,000. Mickells said they are considering adding a computer center with wireless access to the bookmobile.

Leach said this year they are contracting the facilities' maintenance with Grubb & Ellis instead of having their own employees, which has saved money.

Juvenile Court (623)

The Board discussed a rebuttal letter from Dennis Keefe, Public Defender, which was in reference to the Juvenile Court discussion on May 19, 2009, regarding the cost of contracted attorneys versus case-by-case appointments for juveniles. Meyer agreed to look at numbers with Theresa Emmert, Juvenile Court administrator.

Weed Control (064)

Appearing was Russ Shultz, Weed Control Superintendent.

Shultz said the budget includes \$5000 for roadside spraying, which is not reimbursed. The budget does not reflect \$16,000 for helicopter spraying, which will be reimbursed.

An expense budget was distributed (Exhibit B).

Shultz said the City has not been billed yet this year.

Information Services (610)

Present were Terry Lowe and Ken Kuszak, Information Services.

Meyer said the Information Services (IS) budget contains items not controlled by IS, including the microcomputer budget and some consulting money. The budget increased from the previous year, which includes money built-in for the jail budget. Excluding this number would put it close to the previous year's budget.

Lowe said they gave the jail a web-based system, which worked very well for them. They would next like to update the inmate tracking system to a web-based system.

Meyer reviewed the breakdown of budgets by department in a comparison for the last five years. The County Attorney number was previously reduced based on their office changing to new software. As the transition date was pushed back, the money was put back in the budget, and IS has now allowed more money in case the software transformation is delayed again.

IS was asked to review the microcomputer requests.

Kuszak said he was in talks with Microsoft. Currently they purchase off a select agreement, which means a new license must be purchased for each new version. Instead, an enterprise agreement could be used, which allows free access to new versions but costs around \$80-85 per year per computer with the cost decreasing 25% after the first three years. This includes software for Voice over Internet Protocol (VoIP) and SharePoint.

Visitors Promotion (019)

Present were Wendy Birdsall, President of Chamber of Commerce; Jeff Maul, Executive Director of Convention and Visitors Bureau; and Derek Feyerherm, Director of Sales of Convention and Visitors Bureau.

A folder with brochures and a budget worksheet were distributed (Exhibit C).

Maul said they generally budget for a 3% increase. Money from room tax and bid fees are used to attract events for the city. Other income is non-tax revenue incurred from visitor's guide advertising sales. This was budgeted slightly lower primarily due to the economy.

Maul discussed expenses.

- Employee expense increased due to hiring an additional employee who has helped with the group tour market and retention market.
- Rent increase is due to the additional space needed for an extra employee.
- Printing expenses decreased due to handling the work in-house.
- Professional fees have increased in software, studies, and web site use.
- They are trying to become more aggressive with Event Promotion (non-sports).
- Event promotion (sports) is down because there is no rollerskating.

Maul noted they are close to breaking the record for hotel rooms booked for the year.

Maul covered the highlights of Lancaster Event Center.

Maul discussed the future of the Hot Rod Internationals and where it could be held. They expect almost 2000 cars for this year's event.

Maul showed the current promotion, "Be A Tourist in Your Own Hometown".

Agricultural Society

Appearing were Ron Snover, Managing Director of Lancaster Agricultural Society and Lancaster Event Center Manager, and Alan Wood, Legal Council for Lancaster Agricultural Society and Lancaster Event Center.

Snover distributed a general fund budget (Exhibit D) and 2010 schedule of events (Exhibit E).

Snover reviewed the general fund budget, noting changes in each income and expense item. The large changes in the budget are due to the increased fair length. The 10-day fair is predicted to lose \$125,000 compared to about \$57,000 for the current fair. Snover said he is asking for about a 30% increase in capital.

Snover reviewed the budget for the Event Center. Income increases mainly come from rental income, concessions, advertising, and security. He predicted around \$2,000,000 income. For expenses, he noted natural increases in the business. The result is a net income of \$284,030.

Wood suggested asking the Legislature to amend the capital improvement levy description for the Ag Society to improve capital construction renovation, repair and equipment. Currently, they do not have authority to acquire any of these items.

Snover gave an overview of the events added to the fair.

Risk Management (012/013)

Appearing was Sue Eckley, County Risk Manager.

Workers' Compensation (012)

Eckley was concerned about the budget for Information Services (Item 64285) because they have mandatory reporting to the Center for Medicare Services. They are in the process of building a file transfer method to handle this.

Eckley said her office has contracted with several diagnostic networks, which has saved money.

Eckley said the bill review service was reduced according to the fee schedule. They get an additional reduction for contracting with PPO networks.

Eckley noted telephone expense has increased because they are now using their own scanner/fax/copier due to HIPA, rather than sharing with Information Services.

Meyer said he would need to wait until June 30 for a fund balance to show reserves properly.

Group Self Insurance (013)

Eckley said there was not much change in Fund 13 (general liability, funds other than workers' compensation).

Eckley noted, in Item 65935, expenditures are paid to Arthur J. Gallagher Company for excess general liability coverage. Eckley did not anticipate much of a change.

Eckley discussed the switch from Inland Marine coverage to being self-insured. Eckley said there is a total of \$5,691,824 in insured items, and there is currently \$11,952.83 set aside to cover losses. Eckley discussed with the Board as to how to set aside funds for the self-insured fund.

Adult Probation/Intensive Supervision (674)

Appearing was Timothy Perry, acting Chief Probation Officer.

Perry noted the 6.12% decrease in the budget with one position removed from the budget.

Perry distributed a document on Pre-Sentence Investigations (PSI) Jail Officers and reviewed the numbers (Exhibit F). Comparison with numbers from Corrections was discussed.

The copier leases and new computers were discussed.

Perry distributed a document on State Community Correction Hours (Exhibit G). He gave an overview on the volunteer labor provided.

County Sheriff (651)

Present were Terry Wagner, County Sheriff, and Bill Jarrett, Chief Deputy.

Wagner noted a 4% budget increase with the biggest increases falling under salaries, FICA, retirement, and workman's compensation.

Wagner said the \$7.6 million in personnel costs are offset partially by approximately \$800,000 in direct reimbursements for grants and contracts.

Wagner noted other increases, including ammunition and target range (Item 63210) and motor fuels (Item 63510).

Wagner noted decreases in the budget, including fares (Item 64720) and communication equipment repair and maintenance (Item 66265).

Wagner discussed switching from direct connection to the radio system through a server to transmission through cell technology. This change contributes to the large increase in cell phone service (Item 64825), but it will reduce radio maintenance cost. The possibility of reusing or selling the radios was discussed. Jarrett said the radios are valued at \$200 to \$250 each. The air cards to be used cost \$44 per month for service.

Wagner said about 95% of his budget is nondiscretionary. Beyond that, the first proposal would be to cut security, either privatizing it or turning it over to the Public Building Commission. This change would save around \$360,000.

Additional full time employees were discussed: a school resource officer, an officer in Waverly, and a juvenile court officer.

An estimated personnel savings was distributed (Exhibit H). It showed the savings from two deputies currently on military leave.

The request for five computers was discussed.

Wagner mentioned two retirements from the previous year that affect the current balance.

Jarrett noted they are still waiting on two new vehicles, and if they do not receive them, they may have to add two vehicles to the new budget.

Adjournment

MOTION: Schorr moved and Workman seconded to adjourn the departmental budget hearings at 3:45 p.m. Motion carried unanimously.

Dan Nolte
Lancaster County Clerk

NOTE: Documents referred to are included in Proposed Budget Fiscal Year 2009 (a copy is on file in the County Clerk's Office).