

MEETING NOTICE

LANCASTER COUNTY BUDGET MONITORING COMMITTEE

TUESDAY, JULY 23, 2013

COUNTY-CITY BUILDING, ROOM 113

555 SOUTH 10th Street

1:00 P.M.

AGENDA

1. Review and Discuss the Proposed 2013-14 Lancaster County Budget

LANCASTER COUNTY SUMMARY OF EXPENDITURE REQUIREMENTS

FUND		ACTUAL			ACTUAL		
		OBLIGATIONS	FY13 BUDGET		OBLIGATIONS	FY14 BUDGET	
		<u>FY12</u>	<u>PROPOSED</u>	<u>ADOPTED</u>	<u>FY13</u>	<u>PROPOSED</u>	<u>ADOPTED</u>
11	GENERAL	83,553,657	91,721,152	91,721,152	88,523,598	96,884,447	
12	WORKERS COMPENSATION LOSS	858,515	1,060,600	1,060,600	886,729	1,240,704	
13	OTHER SELF INSURANCE LOSS	418,123	829,543	829,543	312,199	1,229,862	
14	GROUP SELF INSURANCE	10,252,042	14,302,137	14,302,137	10,010,747	15,697,565	
18	VISITORS IMPROVEMENT	617,688	4,675,000	4,675,000	2,295,372	3,419,801	
19	VISITORS PROMOTION	1,058,420	1,763,601	1,763,601	1,111,341	1,692,433	
20	COUNTY RURAL LIBRARY	658,951	684,648	684,648	684,227	692,579	
21	BRIDGE & SPECIAL ROAD	6,517,972	9,469,139	9,469,139	8,170,232	8,784,276	
22	HIGHWAY	6,175,154	7,208,516	7,208,516	6,945,215	7,705,109	
26	VETERANS AID	6,159	12,562	12,562	5,948	11,614	
27	GRANTS	3,224,695	3,386,778	3,386,778	2,779,424	3,400,000	
28	KENO	1,730,898	1,610,132	1,610,132	50,505	2,539,805	
30	ECONOMIC DEVELOPMENT	151,344	406,849	406,849	45,068	359,912	
41	DEBT SERVICE	771,786	2,835,374	2,835,374	993,617	2,805,422	
51	BUILDING	162,538	524,665	524,665	90,562	645,456	
52	JAIL SAVINGS FUND	120,208	1,901,087	1,901,087	922,039	984,330	
61	LANCASTER MANOR	222,066	2,171,343	2,171,343	102,206	2,077,323	
63	MENTAL HEALTH	9,407,782	9,502,309	9,502,309	9,155,694	10,059,952	
64	WEED CONTROL	341,443	374,138	374,138	328,202	373,728	
65	COUNTY/CITY PROPERTY MGMT	3,088,299	3,247,205	3,247,205	3,184,401	3,457,256	
66	PROPERTY MANAGEMENT	1,344,975	1,431,991	1,431,991	1,333,590	1,494,170	
67	CITY BUILDING MAINTENANCE	289,824	710,646	710,646	288,327	725,819	
	Memorandum Total	<u>130,972,537</u>	<u>159,829,415</u>	<u>159,829,415</u>	<u>138,219,243</u>	<u>166,281,563</u>	<u>-</u>

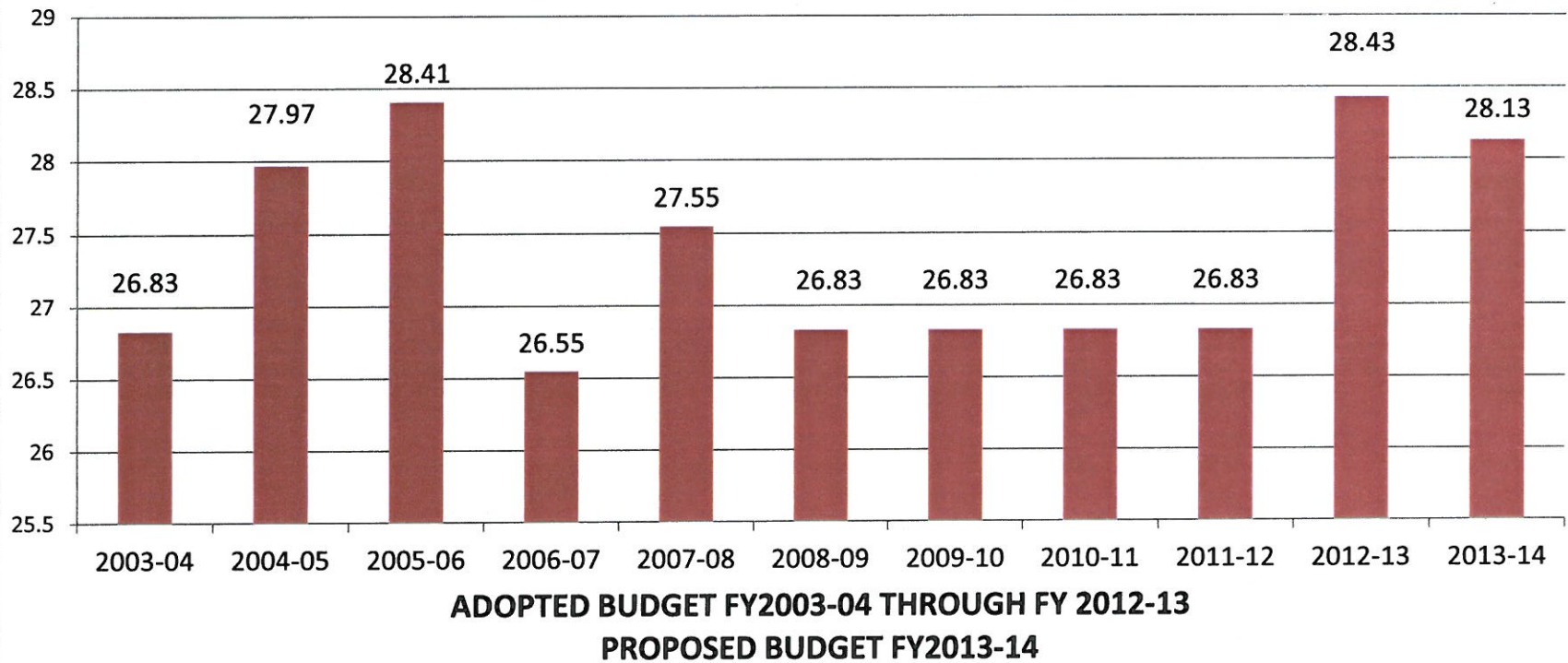
LANCASTER COUNTY
COMPARISON OF BUDGETED EXPENDITURES
FY14 PROPOSED COMPARED TO FY 13 ADOPTED

	PROPOSED FY14	FINAL FY13	DIFFERENCE	
			AMOUNT	PERCENT
GENERAL FUND OPERATING:				
COUNTY BOARD	267,977	270,797	(2,820)	-1.04%
COUNTY CLERK	961,046	924,799	36,247	3.92%
COUNTY TREASURER	3,409,645	3,441,199	(31,554)	-0.92%
ASSESSOR	3,963,923	3,878,012	85,911	2.22%
ROD TECHNOLOGY	317,218	125,000	192,218	153.77%
ELECTION COMMISSIONER	1,002,359	1,368,526	(366,167)	-26.76%
DATA PROCESSING	828,177	1,230,829	(402,652)	-32.71%
BUDGET & FISCAL	312,175	257,105	55,070	21.42%
ADMINISTRATIVE SERVICES	385,728	377,414	8,314	2.20%
G.I.S.	524,583	545,611	(21,028)	-3.85%
BOARD OF EQUALIZATION	300,750	500,000	(199,250)	-39.85%
CLERK OF DIST COURT	1,633,560	1,625,711	7,849	0.48%
COUNTY COURT	855,268	869,424	(14,156)	-1.63%
JUVENILE COURT	1,874,999	1,930,125	(55,126)	-2.86%
DISTRICT COURT	2,620,816	2,589,369	31,447	1.21%
PUBLIC DEFENDER	3,606,001	3,397,177	208,824	6.15%
JURY COMMISSIONER	156,405	151,194	5,211	3.45%
COOPERATIVE EXTENSION	1,036,994	1,011,584	25,410	2.51%
RECORDS INFO & MGMT	590,196	581,083	9,113	1.57%
SHERIFF	10,655,567	10,208,424	447,143	4.38%
COUNTY ATTORNEY	6,824,784	6,535,653	289,131	4.42%
CORRECTIONS	20,163,725	18,519,457	1,644,268	8.88%
JUVENILE PROBATION	444,503	284,016	160,487	56.51%
ADULT PROBATION	404,287	401,119	3,168	0.79%
COMMUNITY CORRECTIONS	2,052,743	1,857,525	195,218	10.51%
JUVENILE DETENTION	5,971,775	6,001,236	(29,461)	-0.49%
EMERGENCY SERVICES	553,498	487,582	65,916	13.52%
COUNTY ENGINEER	3,430,425	3,374,169	56,256	1.67%
MENTAL HEALTH BD	140,000	149,170	(9,170)	-6.15%
GENERAL ASSISTANCE	2,647,315	2,647,315	-	0.00%
VETERANS SERVICE	762,121	762,971	(850)	-0.11%
HUMAN SERVICES	305,426	253,918	51,508	20.29%
TOTAL G.F. OPERATING	79,003,989	76,557,514	2,446,475	3.20%

LANCASTER COUNTY
COMPARISON OF BUDGETED EXPENDITURES
FY14 PROPOSED COMPARED TO FY 13 ADOPTED

	PROPOSED	FINAL	DIFFERENCE	
	FY14	FY13	AMOUNT	PERCENT
OTHER FUNDS OPERATING:				
BRIDGE & SPECIAL RD	8,784,276	9,469,139	(684,863)	-7.23%
HIGHWAY FUND	7,705,109	7,208,516	496,593	6.89%
LANCASTER MANOR	2,077,323	2,171,343	(94,020)	-4.33%
MENTAL HEALTH	10,059,952	9,502,309	557,643	5.87%
NOXIOUS WEED	373,728	374,138	(410)	-0.11%
CO/CITY PROPERTY MGMT	3,457,256	3,247,205	210,051	6.47%
COUNTY PROPERTY MGMT	1,494,170	1,431,991	62,179	4.34%
TOTAL OTHER FUNDS OPERATING	33,951,814	33,404,641	547,173	1.64%
NON-OPERATING BUDGETS:				
G.F. GENERAL GOVERNMENT	11,015,878	9,045,655	1,970,223	21.78%
G.F. JUSTICE SYSTEM	2,485,868	2,432,352	53,516	2.20%
G.F. HHS	4,378,712	3,685,631	693,081	18.80%
WORKERS COMPENSATION	1,240,704	1,060,600	180,104	16.98%
OTHER SELF INSURANCE	1,229,862	829,543	400,319	48.26%
EMPLOYEES' INSURANCE	15,697,565	14,302,137	1,395,428	9.76%
VISITORS IMPROVEMENT	3,419,801	4,675,000	(1,255,199)	-26.85%
VISITORS PROMOTION	1,692,433	1,763,601	(71,168)	-4.04%
RURAL LIBRARY	692,579	684,648	7,931	1.16%
VETERANS AID	11,614	12,562	(948)	-7.55%
GRANTS FUND	3,400,000	3,386,778	13,222	0.39%
KENO FUND	2,539,805	1,610,132	929,673	57.74%
ECONOMIC DEVELOPMENT	359,912	406,849	(46,937)	-11.54%
DEBT SERVICE	2,805,422	2,835,374	(29,952)	-1.06%
BUILDING FUND	645,456	524,665	120,791	23.02%
JAIL SAVINGS FUND	984,330	1,901,087	(916,757)	-48.22%
CITY BUILDING MAINTENANCE	725,819	710,646	15,173	2.14%
TOTAL NON-OPERATING	53,325,760	49,867,260	3,458,500	6.94%
GRAND TOTAL	166,281,563	159,829,415	6,452,148	4.04%

**LANCASTER COUNTY
Tax Levies
Cents per \$100 of Valuation**



**Lancaster County
2013-2014 CALCULATED LEVIES**

	<u>FY13 Actual</u>		<u>FY14 Calculation</u>	<u>Change Amount</u>	<u>Percent</u>
County Valuation	20,119,951,547		20,723,550,093	603,598,546	3.00%
General Fund	54,830,174	0.272516	57,567,535	0.277788	
CMHC	1,642,961	0.008166		0.000000	
Debt Service	523,887	0.002604	523,887	0.002528	
Building Fund	204,000	0.001014	204,000	0.000984	
Total Dollars/Levy	<u>57,201,022</u>	<u>0.284300</u>	<u>58,295,422</u>	<u>0.281300</u>	
County Levy	57,201,022	0.284300	58,295,422	0.281300	

COMPUTATION OF TREASURER'S NET FUND BALANCE

FUND	TREASURER'S BALANCE 7/1/2013	RECEIVABLES	VOUCHER'S PAYABLE	PAYROLL ACCRUALS	ENCUMBRANCES	NET FUND BALANCE 7/1/2013
11 GENERAL	14,890,101		624,692	1,100,080	236,475	12,928,854
12 WORKERS COMPENSATION LOSS	145,091		13,536	2,985		128,570
13 OTHER SELF INSURANCE LOSS	517,471					517,471
14 GROUP SELF INSURANCE	4,762,564					4,762,564
18 VISITORS IMPROVEMENT	2,319,802					2,319,802
19 VISITORS PROMOTION	592,434					592,434
20 COUNTY RURAL LIBRARY	13,803					13,803
21 BRIDGE & SPECIAL ROAD	5,612,500		511,542	49,934	3,038,979	2,012,045
22 HIGHWAY	1,400,222		56,014	50,886	655,009	638,313
26 VETERANS AID	9,874					9,874
27 GRANTS	664,670		71,530		3,234	589,906
28 KENO	1,739,806					1,739,806
30 ECONOMIC DEVELOPMENT	342,412					342,412
41 DEBT SERVICE	2,022,657					2,022,657
51 BUILDING	438,957					438,957
52 JAIL SAVINGS	1,027,447		2,747		45,369	979,331
61 LANCASTER MANOR	2,076,126		8,804			2,067,322
63 MENTAL HEALTH	768,819		93,662	132,147		543,010
64 WEED CONTROL	104,077		2,116	6,376		95,585
65 COUNTY/CITY PROPERTY MGMT	202,821	77,363	125,000	69,319		85,865
66 PROPERTY MANAGEMENT	172,417		10,891	11,894		149,632
67 CITY BUILDING MAINTENANCE	423,176		858			422,318
	<u>40,247,247</u>	<u>77,363</u>	<u>1,521,392</u>	<u>1,423,621</u>	<u>3,979,066</u>	<u>33,400,531</u>

LANCASTER COUNTY
EMPLOYEES BY AGENCY
LAST 5 YEARS

<u>GENERAL FUND</u>	<u>Full Time Equivalent by Fiscal Year</u>					
	<u>FY14</u>	<u>FY13</u>	<u>FY12</u>	<u>FY11</u>	<u>FY10</u>	
COUNTY BOARD	5.00	5.00	5.00	5.00	5.00	
COUNTY CLERK	10.00	10.00	10.00	10.00	10.00	(1) - 6 positions have been eliminated since FY11
COUNTY TREASURER (1)	39.00	40.00	42.50	45.00	45.00	(2) - 2 positions will not be filled this fiscal year, 2 have been eliminated
ASSESSOR/DEEDS (2)	43.00	43.00	43.00	47.00	47.00	(3) - 1 position was added to help with audit purposes
ELECTION COMMISSIONER	12.30	12.80	10.30	13.30	10.30	(4) - 2.5 positions will not be filled this fiscal year
BUDGET & FISCAL (3)	3.00	2.00	2.00	2.00	2.00	(5) - a position will be hired in January or contracted with
ADMINISTRATIVE SERVICES	3.00	3.00	3.00	3.00	4.00	(6) - 1 position was hired (Records System Specialist) in FY13
G.I.S.	5.00	5.00	5.00	5.00	5.00	(7) - 1 position was hired in FY13
CLERK OF DIST COURT (4)	22.50	22.50	23.50	25.00	25.00	(8) - Will hire additional positions throughout the fiscal year to open the new jail
JUVENILE COURT	8.00	8.00	8.00	8.00	8.00	
DISTRICT COURT	13.75	13.75	13.50	12.75	12.75	(9) -will be adding Diversion Services employees
PUBLIC DEFENDER (5)	34.45	33.45	33.45	33.45	33.45	(10) - Deputy position was added in FY12
JURY COMMISSIONER	1.75	1.75	1.75	1.75	1.75	(11) - 1 position will be hired in FY14
COOPERATIVE EXTENSION	8.05	8.05	8.05	8.15	8.15	(12) - 1 position will be eliminated in FY14
RECORDS INFO & MGMT	6.10	6.10	6.10	6.00	6.00	(13) - 72 positions will be eliminated throughout FY14 due to transition of mental health services.
COUNTY SHERIFF (6)	101.00	98.00	98.20	98.90	98.70	
COUNTY ATTORNEY (7)	68.50	67.50	70.50	70.50	69.50	
CORRECTIONS (8)	215.80	164.80	164.00	162.90	155.00	
COMMUNITY CORRECTIONS (9)	26.90	23.50	23.70	17.95	17.50	
YOUTH SERVICES CENTER	55.78	56.19	56.19	59.11	62.96	
EMERGENCY SERVICES (10)	3.00	3.00	3.00	2.00	2.00	
COUNTY ENGINEER	35.00	35.00	35.00	35.00	35.00	
MENTAL HEALTH BD	0.50	0.50	0.50	0.50	0.50	
VETERANS SERVICE/GENERAL ASSISTANCE	10.00	10.00	10.00	12.00	12.00	
HUMAN SERVICES (11)	3.50	2.50	3.00	3.00	3.00	
TOTAL GENERAL FUND	734.88	675.39	679.24	687.26	679.56	
<u>OTHER FUNDS</u>						
WORKERS COMPENSATION LOSS	1.50	1.50	1.50	1.50	1.50	
BRIDGE & SPECIAL ROAD	32.00	32.00	33.00	33.00	33.00	
HIGHWAY (12)	38.00	39.00	41.00	41.00	41.00	
LANCASTER MANOR		-	-	-	320.06	
MENTAL HEALTH (13)	103.25	102.25	102.05	112.00	118.25	
WEED CONTROL	4.40	4.40	4.44	4.44	4.50	
PROPERTY MANAGEMENT	8.50	8.50	8.50	8.50	9.50	
TOTAL	922.53	863.04	869.73	887.70	1,207.37	

**LANCASTER COUNTY
CHANGE IN VALUATION
LAST TEN YEARS**

<u>YEAR</u>	<u>VALUATION</u>	<u>CHANGE AMOUNT</u>	<u>PERCENT</u>
2003-04	14,958,476,056		
2004-05	15,375,859,915	417,383,859	2.79%
2005-06	15,932,331,879	556,471,964	3.62%
2006-07	18,045,787,841	2,113,455,962	13.27%
2007-08	18,343,871,223	298,083,382	1.65%
2008-09	18,786,286,695	442,415,472	2.41%
2009-10	18,641,136,908	(145,149,787)	-0.77%
2010-11	18,799,468,423	158,331,515	0.85%
2011-12	19,027,837,576	228,369,153	1.21%
2012-13	20,119,951,547	1,092,113,971	5.74%

LANCASTER COUNTY
COMPARISON OF PAYROLL COSTS
FY2014 COMPARED TO FY2013

	FY2014 BUDGET PAYROLL	FY2013 BUDGET PAYROLL	VARIANCE	PERCENTAGE CHANGE
<u>GENERAL FUND</u>				
COUNTY BOARD	267,977	270,797	(2,820)	-1.04%
COUNTY CLERK	775,981	741,214	34,767	4.69%
COUNTY TREASURER	2,631,649	2,608,699	22,950	0.88%
ASSESSOR/DEEDS	3,416,723	3,331,434	85,289	2.56%
ELECTION COMMISSIONER	671,765	819,151	(147,386)	-17.99%
BUDGET & FISCAL	301,705	247,780	53,925	21.76%
ADMINISTRATIVE SERVICES	340,746	333,607	7,139	2.14%
G.I.S.	408,839	433,935	(25,096)	-5.78%
CLERK OF DIST COURT	1,443,402	1,435,651	7,751	0.54%
JUVENILE COURT	545,824	519,554	26,270	5.06%
DISTRICT COURT	1,052,005	1,016,452	35,553	3.50%
PUBLIC DEFENDER	3,201,801	3,005,440	196,361	6.53%
JURY COMMISSIONER	111,212	106,848	4,364	4.08%
COOPERATIVE EXTENSION	431,360	417,512	13,848	3.32%
RECORDS INFO & MGMT	385,990	387,801	(1,811)	-0.47%
COUNTY SHERIFF	8,772,457	8,408,952	363,505	4.32%
COUNTY ATTORNEY	5,994,630	5,694,999	299,631	5.26%
CORRECTIONS	12,934,160	11,743,786	1,190,374	10.14%
COMMUNITY CORRECTIONS	1,472,409	1,360,392	112,017	8.23%
JUVENILE DETENTION	3,865,984	3,870,283	(4,299)	-0.11%
EMERGENCY SERVICES	242,119	238,772	3,347	1.40%
COUNTY ENGINEER	2,970,493	2,902,555	67,938	2.34%
MENTAL HEALTH BD	106,224	115,409	(9,185)	-7.96%
VETERANS SERVICE	704,759	707,273	(2,514)	-0.36%
HUMAN SERVICES	271,300	219,712	51,588	23.48%
TOTAL GENERAL FUND	53,321,514	50,938,008	2,383,506	4.68%

LANCASTER COUNTY
COMPARISON OF PAYROLL COSTS
FY2014 COMPARED TO FY2013

	FY2014 BUDGET PAYROLL	FY2013 BUDGET PAYROLL	VARIANCE	PERCENTAGE CHANGE
OTHER FUNDS				
SAFETY & TRAINING	133,753	128,931	4,822	3.74%
BRIDGE & SPECIAL RD	2,261,691	2,208,780	52,911	2.40%
HIGHWAY FUND	2,532,402	2,516,622	15,780	0.63%
MENTAL HEALTH	7,006,152	6,890,648	115,504	1.68%
NOXIOUS WEED	248,409	252,470	(4,061)	-1.61%
BLDG & GROUNDS	3,399,761	3,238,200	161,561	4.99%
PROPERTY MANAGEMENT	523,252	510,294	12,958	2.54%
GRAND TOTAL	<u>69,426,934</u>	<u>66,683,953</u>	<u>2,742,981</u>	<u>4.11%</u>
 BY OBJECT:				
OFFICIAL'S SALARY	2,214,940	2,179,493	35,447	1.63%
DEPUTY'S SALARY	1,960,528	1,888,741	71,787	3.80%
REGULAR SALARIES	44,980,007	43,264,749	1,715,258	3.96%
TEMPORARY SALARIES	890,272	976,418	(86,146)	-8.82%
OVERTIME	633,490	679,200	(45,710)	-6.73%
ELECTION BOARD	118,000	228,000	(110,000)	-48.25%
FICA	3,859,443	3,685,603	173,840	4.72%
RETIREMENT CONTRIBUTION	3,595,285	3,451,729	143,556	4.16%
GROUP HEALTH INSURANCE	9,935,666	8,957,218	978,448	10.92%
GROUP DENTAL INSURANCE	482,971	461,129	21,842	4.74%
LONG TERM DISABILITY	183,545	177,172	6,373	3.60%
POST EMPLOYMENT HEALTH	572,115	732,671	(160,556)	-21.91%
OTHER BENEFITS	672	1,830	(1,158)	-63.28%
TOTAL	<u>69,426,934</u>	<u>66,683,953</u>	<u>2,742,981</u>	<u>4.11%</u>

**LANCASTER COUNTY
COMPARISON OF GENERAL FUND REVENUES**

	Budget 6/30/2014	Actual 6/30/2013	Actual 6/30/2012	Actual 6/30/2011	Actual 6/30/2010	Actual 6/30/2009	Actual 6/30/2008
COUNTY BOARD	-	-	746	-	-	-	-
COUNTY CLERK	63,000	64,065	61,510	63,611	62,420	59,793	49,198
COUNTY TREASURER	5,257,000	5,257,285	5,283,187	5,255,680	5,474,943	6,065,965	7,407,957
ASSESSOR	2,000,000	2,304,527	1,792,693	1,595,586	1,491,017	1,709,281	1,698,182
ROD TECHNOLOGY	250,000	112,448	-	-	-	-	-
ELECTION COMMISSIONER	40,000	398,243	20,188	395,545	90,760	372,145	81,571
DATA PROCESSING	10,656	10,656	10,656	10,656	10,656	10,656	10,656
G.F. GENERAL GOVERNMENT	-	1,122	3,182	1,492	917	26,522	1,059
ADMINISTRATIVE SERVICES	-	-	-	15,058	23,584	22,697	20,097
G.I.S.	-	25	90	5	25	455	197
CLERK OF DIST COURT	400,000	485,578	408,319	414,645	467,570	489,758	532,607
COUNTY COURT	43,650	42,359	44,912	49,369	60,593	81,128	78,197
JUVENILE COURT	-	384	-	-	589	1,566	1,146
DISTRICT COURT	212,500	231,478	172,024	181,293	242,673	176,958	212,043
PUBLIC DEFENDER	353,507	336,758	205,688	195,898	186,550	163,367	155,039
G.F. JUSTICE SYSTEM	17,500	36,999	35,800	36,500	39,500	113,400	37,108
COOPERATIVE EXTENSION	151,198	144,175	166,672	181,332	178,496	176,393	162,567
RECORDS INFO & MGMT	84,999	89,448	86,082	85,450	90,645	100,588	94,667
SHERIFF	1,512,244	1,507,206	1,476,100	1,559,813	1,559,041	1,347,700	1,322,073
COUNTY ATTORNEY	1,345,073	1,953,780	1,308,995	1,822,301	1,407,244	1,095,884	1,773,378
CORRECTIONS	485,500	456,961	465,215	1,131,074	1,229,742	1,180,307	2,530,721
JUVENILE PROBATION	-	-	390	-	50	75	254
ADULT PROBATION	-	-	124	288	96	-	-
COMMUNITY CORRECTIONS	738,839	730,697	713,758	554,090	414,376	338,519	259,265
JUVENILE DETENTION	3,506,040	3,779,063	3,828,134	3,753,976	3,051,958	3,095,236	2,849,513
EMERGENCY SERVICES	355,749	67,030	236,587	197,714	260,115	211,531	204,711
COUNTY ENGINEER	-	3,945	-	-	-	1,660	-
GENERAL ASSISTANCE	716,000	657,379	604,829	455,489	615,458	685,143	665,923
HUMAN SERVICES	160,212	126,959	138,461	137,097	127,498	119,655	115,044
SUBTOTAL	17,723,667	18,798,570	17,064,341	18,093,962	17,086,517	17,646,382	20,263,171
GENERAL RECEIPTS	72,421,925	70,686,805	67,038,600	64,257,226	64,460,093	62,718,464	59,011,633
TOTAL	90,145,592	89,485,375	84,102,942	82,351,188	81,546,610	80,364,846	79,274,804
Property Tax	57,259,875	48,927,005	44,634,720	43,974,981	43,500,360	42,669,112	41,818,974
Motor Vehicle Tax	6,500,000	6,812,747	6,565,664	6,530,634	6,485,361	6,548,343	6,591,389
Inheritance Tax	5,000,000	8,565,596	8,185,277	6,685,528	4,631,373	6,196,893	4,250,078
Transfers	1,000,000	400,000	1,575,000	500,000	-	-	-
Homestead	-	3,013,425	2,987,932	3,076,534	3,004,495	3,083,897	2,852,555
State Aid	-	-	-	637,360	705,509	740,331	743,057
Other	2,662,050	2,968,033	3,090,007	2,852,190	6,132,995	3,479,889	2,755,580

**MINUTES
BUDGET MONITORING COMMITTEE
COUNTY-CITY BUILDING, ROOM 113
TUESDAY, JULY 23, 2013
1:00 P.M.**

PRESENT: Dennis Meyer, County Budget and Fiscal Director; Jane Raybould and Brent Smoyer, County Commissioners; Kerry Eagan, Chief Administrative Officer; Don Thomas, County Engineer; Mike Thurber, Corrections Director; Terry Wagner, Lancaster County Sheriff; Jim Gordon, Nebraska Bar Association; Ron Krejci, Community Representative; Kyle Fisher, Lincoln Chamber of Commerce; Ron Ecklund, Ann Post and Ray Stevens, Lincoln Independent Business Association (LIBA); Jordan Pascale, Lincoln Journal Star Newspaper; and Ann Taylor, County Clerk's Office

ABSENT: Pam Dingman, Community Representative

The meeting was called to order at 1:06 p.m.

1 REVIEW AND DISCUSS THE PROPOSED FISCAL YEAR (FY) 2013-2014 LANCASTER COUNTY BUDGET

Dennis Meyer, County Budget and Fiscal Director, discussed the budget process and issues that impacted the budget this year, referencing the following documents (see agenda packet and Exhibit A):

- Lancaster County Summary of Expenditure Requirements
- Lancaster County, Comparison of Budgeted Expenditures, Fiscal Year (FY) 2014 Proposed Compared to FY2013 Adopted
- Lancaster County, Tax Levies, Cents per \$100 of Valuation
- Lancaster County, 2013-2014 Calculated Levies
- Computation of Treasurer's Net Fund Balance
- Lancaster County, Employees by Agency, Last 5 Years
- Lancaster County, Change in Valuation, Last 10 Years
- Lancaster County, Comparison of Payroll Costs, FY2014 Compared to FY2013
- Lancaster County, Comparison of General Fund Revenues

Meyer said expenditures are projected to total \$166,281,563 for Fiscal Year (FY) 2014, a 4% increase, noting there may be an additional \$400,000 reduction in Fund 27 (Grants). He said the total budget of expenditures for the General Fund will increase by \$5,100,000 this year, which is a 5.63% increase.

Meyer explained that the Board is striving for a property tax levy of 28.13 cents per \$100 of valuation this year, which is 0.3 cents below last year. Last year the County Board moved 1.6 cents of the Railroad Transportation Safety District's (RTSD's) levy to the County side. This year, the County will use a lesser portion (1.3 cents). The difference is approximately \$620,000. He also noted plans to transfer \$1,000,000 from the Keno Fund into the General Fund for property tax relief.

Meyer said the County is allowed to levy up to 2% in additional funds for delinquent taxes. He explained a portion may be moved to the operating side, depending on the budget situation, and said he plans to move \$700,000 this year.

Meyer said the budget was prepared using a projection of a 3% increase in valuation. Final valuations will be released on August 20th.

Meyer said the County has always levied a property tax for the Mental Health Fund. The County Board has decided to "get out of the business" of providing community behavioral health services and transition those services from the Community Mental Health Center (CMHC) to new providers, but retain the Crisis Center. He said he removed the levy for the Mental Health Fund and will levy for it in the General Fund instead and will transfer funds to cover expenditures, as needed. Meyer also explained that the County pays two types of matching funds to Region V. One was paid out of the General Fund and the other out of the Mental Health Fund. The second has now been moved to the General Fund which will increase expenditures.

Raybould arrived at the meeting at 1:14 p.m.

Meyer said 72 employees will be eliminated as a result of transition of services and payout of their retirement and benefits is anticipated to cost \$830,000. He said that expense will be covered by a transfer from the Lancaster Manor Fund (proceeds from the sale of the former nursing home facility).

Kyle Fisher, Lincoln Chamber of Commerce, questioned why the self-insurance funds were increased if the County is losing 72 employees (see Page 3). Meyer explained that the self-insurance funds have been underfunded (see the fund balances on Page 6). He indicated plans to transfer \$500,000 to the Workers Compensation Loss Fund and \$300,000 to the Other Self-Insurance Loss Fund from the Lancaster Manor Fund to increase those balances.

Jim Gordon, Nebraska Bar Association, inquired about the Register of Deeds (ROD) Technology Fund (see Page 2). Meyer explained it reflects revenue that is brought in through the Register of Deeds Office that can only be used for certain technology functions in that office.

Mike Thurber, Corrections Director, discussed the Corrections budget, noting inmates will be moved into the new Lancaster County Adult Detention Facility (LCADF) within next 60 days. He noted Corrections has also taken on costs for the District Energy Corporation (DEC) geothermal energy plant that will heat, cool and provide backup power to the new facility (\$1,200,000 per year).

Jane Raybould, County Commissioner, said the County will be reducing the number of out-of-county contracts for housing of inmates and moving those individuals into the new facility. The County is currently housing 98 inmates in other facilities.

In response to a question from Fisher, Meyer said Corrections accounts for approximately \$1,600,000 of the \$2,446,475 increase in General Fund operating costs (see Page 2).

Fisher asked whether there are any funds remaining in the Jail Savings Fund. Meyer said there is approximately \$980,000 remaining.

Fischer expressed concern that Corrections may continue to see increases. Raybould said she and Meyer checked with Douglas, Hall, Sarpy Counties to see what percent of their General Fund operating budgets were used for Corrections. She said it was 21% to 22% and said Lancaster County is in that range.

Ron Krejci, Community Representative, asked how the current jail facility will be used. Meyer said the architects presented the County Board with revised options for reuse of the building once it is vacated by Corrections. He said the Board is looking at moving departments that are currently housed in other County-owned buildings into the building and selling those buildings.

Terry Wagner, Lancaster County Sheriff, discussed the Sheriff Department's budget, citing the following issues: 1) Wage increases; 2) Health insurance costs; 3) Payouts for retirements; and 4) Fuel costs. He also discussed contracts with some the County's cities, villages and schools for law enforcement services and budgeting for new radio equipment.

In response to a question from Krejci, Wagner said issues regarding the charge to the County for 911/Emergency Communications have been worked out, adding the charge to the County is based on the percentage of usage.

Meyer said there is a 56.51% increase in Juvenile Probation costs as a result of Legislative Bill (LB) 561, the juvenile justice reform bill. An additional 43 juvenile probation officers will be placed in Lancaster County and the County will be required to fund operating costs (office space, computer equipment, etc.).

Meyer also noted the following: 1) Community Corrections will take over some components of the County's Diversion Services Program from Diversion Services, Inc.; and 2) The increase in Emergency Services will be covered by Emergency Management Program Grant (EMPG) funding; and 3) An Early Assessment Specialist in the Human Services Department has been made a County, rather than contract, position.

Don Thomas, County Engineer, gave an overview of the Bridge and Special Road Fund and Highway Fund budgets, noting the following: 1) The County received more revenues than anticipated in 2013 and will collect significant reimbursements from the federal project on the Denton Road and federal aid work on three bridge projects; 2) Gas tax receipts in the Highway Fund were higher than anticipated; 3) Asphalt costs were lower than anticipated; and 4) The County is anticipated to receive \$243,000 for roads and \$80,228 for bridge replacement in 2014 through the State's federal funds purchase program (the State will buyout the County's federal aid).

Fischer asked Thomas whether he believes the County has a local match obligation for the South Beltway. Thomas said he does not.

Krejci inquired about County retirement match contributions. Meyer said the Fraternal Order of Police (FOP), Lodge 32 (Correctional Officers) bargaining group has agreed to reduce the County's pension match from 1.5 to 1 to 1 to 1 for new hires. The County is still negotiating contracts with the American Federation of State, County & Municipal Employees (AFSCME) (Blue Collar, Clerical and Technical Workers) and FOP, Lodge 77 (Juvenile Detention Officers). The contract with FOP, Lodge 29 (Sheriff Deputies, Sergeants and Lieutenants) will not expire until August 30, 2014. Raybould said the County Board will likely take action to apply the reduced rate to unrepresented employees hired after September 1, 2013.

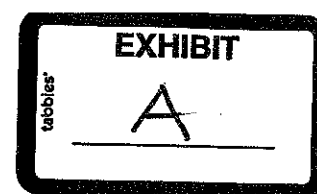
Meyer also discussed General Fund revenues, noting reductions in interest and state aid, jail reimbursement, and the increase in inheritance tax collections. He explained that if the County were to lose inheritance tax revenue, it would have to increase the property tax levy by 4 cents, per \$100 of valuation.

In response to a question from Krejci, Meyer said the County started with a deficit of \$9,400,000, noting the \$1,000,000 transfer from the Keno Fund, the \$900,000 in the fund balance and a projected 3% increase in valuation helped out.

2 ADJOURNMENT

There being no further business, the meeting was adjourned at 2:28 p.m.

Submitted by Ann Taylor, County Clerk's Office.



Budget Monitoring Committee

July 23, 2013

Budget of Expenditures: The total proposed budget of expenditures is \$166,281,563 which is a 4.04% increase over the 2012-13 adopted budget.

Property Taxes: The property tax rate will be 28.13 cents which is a less than the prior year tax rate of 28.43.

Valuation: Final Valuation numbers will be available August 20, 2013. The proposed budget was completed with a projection of a 3% increase in valuation.

General Fund Budget: The total budget of expenditures increased by \$5,163,295 which results in a 5.63% increase. There will be a \$1,000,000 transfer from the Keno Fund for property tax relief. Fund balance at July 1, 2013 was \$963,500 more than at July 1, 2012. Property tax for the general fund will increase by \$3,504,803.

- **General Government Miscellaneous:** There will no longer be a property tax request for the Community Mental Health Center. There will be a transfer from the general fund in the amount of \$990,769.
- **Corrections:** The Corrections budget was reduced by \$228,000 but the total budget still increased by \$1,644,268. The new jail will open in fiscal year 2013-14. District Energy costs and hiring of additional employees are the main reasons for additional costs.
- **HHS Miscellaneous:** The match amount of \$652,192 paid to Region V has been moved to the general fund from the Community Mental Health Center budget. The match was moved due to the transition of mental health services.
- **Health Insurance:** Health Insurance costs increased by 12.74%.

Specific Budgets

- **Workers Compensation and Other Self Insurance Funds:** Lancaster County self insures both funds. Fund balances are still an issue so there will be a \$500,000 transfer to the Workers Compensation Fund and a \$300,000 transfer to the Other Self Insurance Fund from the Lancaster Manor Fund.
- **Keno Fund:** This fiscal year there will be a transfer to the General Fund of \$1,000,000 for property tax relief.
- **Debt Service Fund:** Property tax will remain the same.
- **Building Fund:** Property tax will remain the same.
- **Lancaster Manor:** The activity in the fund is to pay workers' comp payments. This fiscal year there are transfers of \$1,630,000. The County will transfer \$800,000 to self insurance funds and \$830,000 to the Mental Health Fund to cover payouts to employees that will leave employment from the County due to the transition of mental health services.
- **Mental Health Fund:** Fiscal year 2013-14 is a transition period for the Community Mental Health Center. A budget has been prepared for the fiscal year but by the end of the fiscal year the Crisis Center will be the only function remaining. There is a transfer of \$830,000 from the Lancaster Manor Fund to cover the payout to employees. Approximately 72 employees will be leaving county employment so vacation buyouts and retirements will take place during the fiscal year. There is also \$500,000 set aside to help support the transition to new providers.