

MEETING NOTICE

LANCASTER COUNTY BUDGET MONITORING COMMITTEE

THURSDAY, AUGUST 11, 2016

COUNTY-CITY BUILDING, ROOM 210

555 SOUTH 10th Street

2:00 P.M.

AGENDA

1. Review and Discuss the Proposed 2016-17 Lancaster County Budget.

LANCASTER COUNTY SUMMARY OF EXPENDITURE REQUIREMENTS

FUND		ACTUAL	FY16 BUDGET		ACTUAL	FY17 BUDGET	
		OBLIGATIONS	ADOPTED	AMENDED	OBLIGATIONS	PROPOSED	ADOPTED
		FY15			FY16		
11	GENERAL	95,341,570	106,630,333	106,630,333	102,948,759	108,078,870	
12	WORKERS COMPENSATION LOSS	1,393,003	1,402,090	1,402,090	806,343	1,385,554	
13	OTHER SELF INSURANCE LOSS	485,052	2,994,603	2,994,603	320,556	2,154,439	
14	GROUP SELF INSURANCE	11,900,337	16,570,448	16,570,448	10,631,501	14,912,549	
18	VISITORS IMPROVEMENT	1,748,727	3,307,564	3,307,564	1,575,721	3,557,111	
19	VISITORS PROMOTION	1,400,004	2,353,393	2,353,393	1,477,500	2,701,162	
20	COUNTY RURAL LIBRARY	761,853	793,279	793,279	792,779	777,270	
21	BRIDGE & SPECIAL ROAD	5,552,866	10,259,916	10,259,916	8,341,611	9,932,917	
22	HIGHWAY	7,934,397	12,458,352	12,458,352	11,368,159	15,420,789	
26	VETERANS AID	3,784	14,096	14,096	3,751	15,344	
27	GRANTS	3,047,539	5,890,557	5,890,557	2,953,600	8,634,609	
28	KENO	1,058,041	2,579,285	2,579,285	1,332,430	2,369,249	
30	ECONOMIC DEVELOPMENT	2,335	356,410	356,410	1,093	372,053	
41	DEBT SERVICE	1,236,824	1,090,111	1,090,111	591,239	709,326	
51	BUILDING	86,511	1,024,402	1,024,402	148,185	1,725,182	
52	JAIL SAVINGS FUND	20,405	855,968	855,968	33,789	822,180	
61	LANCASTER MANOR	778,709	-	-	-	-	
63	MENTAL HEALTH	3,534,350	3,480,628	3,480,628	3,057,636	3,157,117	
64	WEED CONTROL	365,347	396,867	396,867	375,851	412,946	
65	COUNTY/CITY PROPERTY MGMT	3,486,202	3,622,174	3,622,174	3,528,897	3,964,854	
66	PROPERTY MANAGEMENT	1,364,236	1,509,982	1,509,982	1,477,361	1,207,040	
67	CITY BUILDING MAINTENANCE	329,349	694,647	694,647	323,875	674,459	
	Memorandum Total	141,831,441	178,285,105	178,285,105	152,090,635	182,985,020	

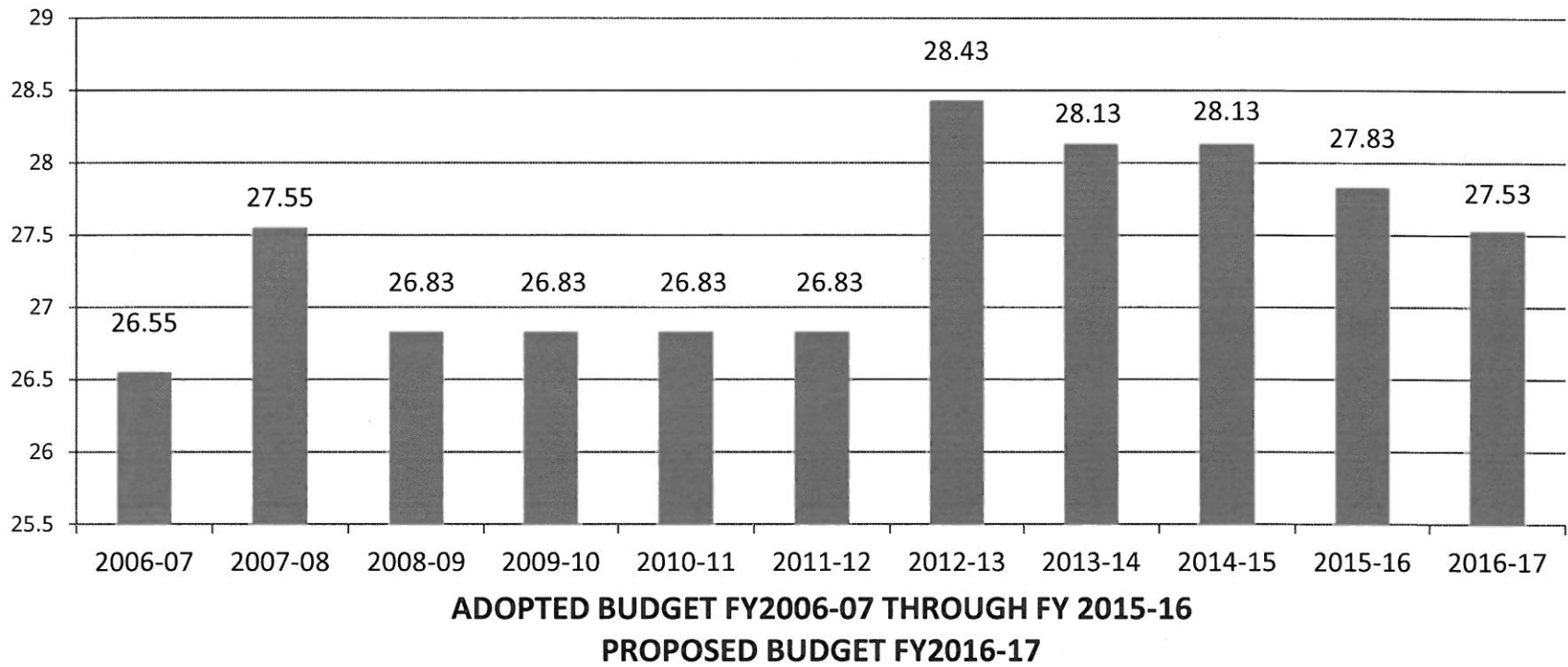
LANCASTER COUNTY
COMPARISON OF BUDGETED EXPENDITURES
FY17 PROPOSED COMPARED TO FY16 ADOPTED

	PROPOSED	FINAL	DIFFERENCE	
	FY17	FY16	AMOUNT	PERCENT
GENERAL FUND OPERATING:				
COUNTY BOARD	289,947	290,296	(349)	-0.12%
COUNTY CLERK	1,108,875	1,031,481	77,394	7.50%
COUNTY TREASURER	3,621,459	3,433,607	187,852	5.47%
ASSESSOR	4,178,476	4,050,108	128,368	3.17%
ROD TECHNOLOGY	301,793	311,903	(10,110)	-3.24%
ELECTION COMMISSIONER	1,543,759	1,090,835	452,924	41.52%
DATA PROCESSING	868,006	1,089,514	(221,508)	-20.33%
BUDGET & FISCAL	346,115	344,694	1,421	0.41%
ADMINISTRATIVE SERVICES	468,712	412,979	55,733	13.50%
BOARD OF EQUALIZATION	271,270	453,550	(182,280)	-40.19%
CLERK OF DIST COURT	1,781,294	1,770,378	10,916	0.62%
COUNTY COURT	961,722	956,847	4,875	0.51%
JUVENILE COURT	2,046,600	1,936,614	109,986	5.68%
DISTRICT COURT	2,756,340	2,751,097	5,243	0.19%
PUBLIC DEFENDER	4,099,771	4,131,153	(31,382)	-0.76%
JURY COMMISSIONER	153,744	144,516	9,228	6.39%
COOPERATIVE EXTENSION	1,116,647	1,082,307	34,340	3.17%
RECORDS INFO & MGMT	644,453	636,614	7,839	1.23%
SHERIFF	12,317,246	11,654,864	662,382	5.68%
COUNTY ATTORNEY	7,467,448	7,266,607	200,841	2.76%
CORRECTIONS	22,704,529	21,958,473	746,056	3.40%
JUVENILE PROBATION	301,572	317,228	(15,656)	-4.94%
ADULT PROBATION	493,502	377,297	116,205	30.80%
COMMUNITY CORRECTIONS	2,943,447	2,895,998	47,449	1.64%
JUVENILE DETENTION	6,067,416	6,283,830	(216,414)	-3.44%
EMERGENCY SERVICES	553,542	546,416	7,126	1.30%
COUNTY ENGINEER	3,897,511	4,127,804	(230,293)	-5.58%
MENTAL HEALTH BD	141,260	140,731	529	0.38%
GENERAL ASSISTANCE	2,507,115	2,527,315	(20,200)	-0.80%
VETERANS SERVICE	305,406	384,348	(78,942)	-20.54%
GA OPERATING	423,305	455,051	(31,746)	-6.98%
HUMAN SERVICES	500,225	405,081	95,144	23.49%
TOTAL G.F. OPERATING	87,182,507	85,259,536	1,922,971	2.26%

LANCASTER COUNTY
COMPARISON OF BUDGETED EXPENDITURES
FY17 PROPOSED COMPARED TO FY16 ADOPTED

	PROPOSED FY17	FINAL FY16	DIFFERENCE	
			AMOUNT	PERCENT
OTHER FUNDS OPERATING:				
BRIDGE & SPECIAL RD	9,932,917	10,259,916	(326,999)	-3.19%
HIGHWAY FUND	15,420,789	12,458,352	2,962,437	23.78%
MENTAL HEALTH	3,157,117	3,480,628	(323,511)	-9.29%
NOXIOUS WEED	412,946	396,867	16,079	4.05%
CO/CITY PROPERTY MGMT	3,964,854	3,622,174	342,680	9.46%
COUNTY PROPERTY MGMT	1,207,040	1,509,982	(302,942)	-20.06%
TOTAL OTHER FUNDS OPERATING	34,095,663	31,727,919	2,367,744	7.46%
NON-OPERATING BUDGETS:				
G.F. GENERAL GOVERNMENT	14,161,364	14,609,948	(448,584)	-3.07%
G.F. JUSTICE SYSTEM	2,206,493	2,398,309	(191,816)	-8.00%
G.F. HHS	4,528,506	4,362,540	165,966	3.80%
WORKERS COMPENSATION	1,385,554	1,402,090	(16,536)	-1.18%
OTHER SELF INSURANCE	2,154,439	2,994,603	(840,164)	-28.06%
EMPLOYEES' INSURANCE	14,912,549	16,570,448	(1,657,899)	-10.01%
VISITORS IMPROVEMENT	3,557,111	3,307,564	249,547	7.54%
VISITORS PROMOTION	2,701,162	2,353,393	347,769	14.78%
RURAL LIBRARY	777,270	793,279	(16,009)	-2.02%
VETERANS AID	15,344	14,096	1,248	8.85%
GRANTS FUND	8,634,609	5,890,557	2,744,052	46.58%
KENO FUND	2,369,249	2,579,285	(210,036)	-8.14%
ECONOMIC DEVELOPMENT	372,053	356,410	15,643	4.39%
DEBT SERVICE	709,326	1,090,111	(380,785)	-34.93%
BUILDING FUND	1,725,182	1,024,402	700,780	68.41%
JAIL SAVINGS FUND	822,180	855,968	(33,788)	-3.95%
CITY BUILDING MAINTENANCE	674,459	694,647	(20,188)	-2.91%
TOTAL NON-OPERATING	61,706,850	61,297,650	409,200	0.67%
GRAND TOTAL	182,985,020	178,285,105	4,699,915	2.64%

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



**Lancaster County
2016-2017 CALCULATED LEVIES**

	<u>FY16 Actual</u>		<u>FY17 Calculation</u>	<u>Change Amount</u>	<u>Percent</u>
County Valuation	22,734,609,927		23,359,811,700	625,201,773	2.75%
General Fund	63,066,500	0.277403	63,786,158	0.273059	
Debt Service	-	0.000000	-	0.000000	
Building Fund	204,000	0.000897	510,000	0.002183	
Total Dollars/Levy	<u>63,270,500</u>	<u>0.278300</u>	<u>64,296,158</u>	<u>0.275243</u>	
County Levy	63,270,500	0.278300	64,296,158	0.275243	

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

<u>YEAR</u>	<u>VALUATION</u>	<u>CHANGE AMOUNT</u>	<u>PERCENT</u>
2006-07	18,045,787,841		
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%
2013-14	20,848,760,247	728,808,700	3.62%
2014-15	21,327,212,968	478,452,721	2.29%
2015-16	22,734,609,927	1,407,396,959	6.60%

LANCASTER COUNTY
COMPARISON OF PAYROLL COSTS
FY2017 COMPARED TO FY2016

	FY2017 BUDGET PAYROLL	FY2016 BUDGET PAYROLL	VARIANCE	PERCENTAGE CHANGE
<u>GENERAL FUND</u>				
COUNTY BOARD	289,947	290,296	(349)	-0.12%
COUNTY CLERK	827,982	829,757	(1,775)	-0.21%
COUNTY TREASURER	2,799,243	2,741,774	57,469	2.10%
ASSESSOR/DEEDS	3,803,731	3,657,801	145,930	3.99%
ELECTION COMMISSIONER	936,304	713,028	223,276	31.31%
BUDGET & FISCAL	335,077	334,713	364	0.11%
ADMINISTRATIVE SERVICES	411,647	364,185	47,462	13.03%
CLERK OF DIST COURT	1,598,751	1,586,244	12,507	0.79%
JUVENILE COURT	617,783	597,835	19,948	3.34%
DISTRICT COURT	1,214,103	1,163,428	50,675	4.36%
PUBLIC DEFENDER	3,689,611	3,727,825	(38,214)	-1.03%
JURY COMMISSIONER	112,482	103,606	8,876	8.57%
COOPERATIVE EXTENSION	562,439	537,072	25,367	4.72%
RECORDS INFO & MGMT	424,518	414,228	10,290	2.48%
COUNTY SHERIFF	10,317,953	9,761,702	556,251	5.70%
COUNTY ATTORNEY	6,469,759	6,350,643	119,116	1.88%
CORRECTIONS	15,102,174	14,771,955	330,219	2.24%
COMMUNITY CORRECTIONS	1,893,548	1,832,366	61,182	3.34%
JUVENILE DETENTION	4,057,711	4,284,193	(226,482)	-5.29%
EMERGENCY SERVICES	250,301	245,810	4,491	1.83%
COUNTY ENGINEER	3,361,013	3,612,720	(251,707)	-6.97%
MENTAL HEALTH BD	107,354	106,922	432	0.40%
VETERANS SERVICE	279,760	346,923	(67,163)	-19.36%
GA OPERATING	361,644	424,962	(63,318)	-14.90%
HUMAN SERVICES	448,823	360,762	88,061	24.41%
TOTAL GENERAL FUND	60,273,658	59,160,750	1,112,908	1.88%

LANCASTER COUNTY
COMPARISON OF PAYROLL COSTS
FY2017 COMPARED TO FY2016

	FY2017 BUDGET PAYROLL	FY2016 BUDGET PAYROLL	VARIANCE	PERCENTAGE CHANGE
OTHER FUNDS				
SAFETY & TRAINING	146,198	143,412	2,786	1.94%
BRIDGE & SPECIAL RD	2,275,986	1,953,369	322,617	16.52%
HIGHWAY FUND	2,589,297	2,583,108	6,189	0.24%
MENTAL HEALTH	2,535,907	2,390,375	145,532	6.09%
NOXIOUS WEED	274,648	266,128	8,520	3.20%
BLDG & GROUNDS	3,897,991	3,558,572	339,419	9.54%
PROPERTY MANAGEMENT	417,690	504,856	(87,166)	-17.27%
GRAND TOTAL	<u>72,411,375</u>	<u>70,560,570</u>	<u>1,850,805</u>	<u>2.62%</u>
 BY OBJECT:				
OFFICIAL'S SALARY	2,334,269	2,300,781	33,488	1.46%
DEPUTY'S SALARY	1,874,983	1,847,488	27,495	1.49%
REGULAR SALARIES	45,837,281	44,740,835	1,096,446	2.45%
TEMPORARY SALARIES	911,919	912,324	(405)	-0.04%
OVERTIME	727,415	787,519	(60,104)	-7.63%
ELECTION BOARD	285,000	134,030	150,970	112.64%
FICA	3,922,144	3,854,030	68,114	1.77%
RETIREMENT CONTRIBUTION	3,772,141	3,630,841	141,300	3.89%
GROUP HEALTH INSURANCE	11,404,006	11,082,918	321,088	2.90%
GROUP DENTAL INSURANCE	466,326	456,385	9,941	2.18%
LONG TERM DISABILITY	170,065	189,939	(19,874)	-10.46%
POST EMPLOYMENT HEALTH	705,826	623,280	82,546	13.24%
OTHER BENEFITS	0	200	(200)	-100.00%
TOTAL	<u>72,411,375</u>	<u>70,560,570</u>	<u>1,850,805</u>	<u>2.62%</u>

LANCASTER COUNTY
EMPLOYEES BY AGENCY
LAST 5 YEARS

GENERAL FUND	<u>Full Time Equivalent by Fiscal Year</u>					
	<u>FY17</u>	<u>FY16</u>	<u>FY15</u>	<u>FY14</u>	<u>FY13</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	
COUNTY TREASURER	39.00	39.00	39.00	39.00	40.00	(1) - Positions fluctuate based on number of elections
ASSESSOR/DEEDS	43.00	43.00	43.00	43.00	43.00	(2) - GIS was merged with County Engineer budget
ELECTION COMMISSIONER (1)	19.375	13.18	18.30	12.30	12.80	(3) - Investigator hired in January 2014
BUDGET & FISCAL	3.00	3.00	3.00	3.00	2.00	Felony and Juvenile Attorneys hired in FY15
ADMINISTRATIVE SERVICES	3.00	3.00	3.00	3.00	3.00	Social Worker and 1/2 time Juvenile Attorney hired in FY16
G.I.S. - BASE CONTROL (2)	-	-	-	5.00	5.00	(4) - Deputy hired for the computer forensics task force
CLERK OF DIST COURT	23.50	23.50	23.50	22.50	22.50	(Forefeiture Funds) - FY16
JUVENILE COURT	8.00	8.00	8.00	8.00	8.00	Security Manager, Security Guard and School Resource
DISTRICT COURT	13.75	13.75	13.75	13.75	13.75	Officer will be hired in FY17
PUBLIC DEFENDER (3)	37.95	37.95	36.45	34.45	33.45	(5) - Attorney for the Child Support Division hired - FY16
JURY COMMISSIONER	1.75	1.75	1.75	1.75	1.75	(6) - Hiring to get staff right at jail / Eliminated 5 unfilled positions
COOPERATIVE EXTENSION	9.30	9.30	8.30	8.30	8.30	in FY17
RECORDS INFO & MGMT	6.10	6.10	6.10	6.10	6.10	(7) - Reduced 4 JDO positions due to numbers
COUNTY SHERIFF (4)	105.00	102.00	101.00	101.00	98.00	(8) - Reduced 2 positions in FY17
COUNTY ATTORNEY (5)	70.50	70.50	69.50	68.50	67.50	(9) - General Assistance and Veterans Service have been separated
CORRECTIONS (6)	215.70	223.00	219.80	215.80	164.80	due to reorganization of departments.
COMMUNITY CORRECTIONS	27.90	27.90	28.90	26.90	23.50	General Assistance will eliminate 1 position in FY17
YOUTH SERVICES CENTER (7)	51.86	56.19	56.19	55.78	56.19	(10) - FY15, FY16 and FY17 include only Crisis Center employees
EMERGENCY SERVICES	3.00	3.00	3.00	3.00	3.00	
COUNTY ENGINEER (2)/(8)	36.00	38.00	40.00	35.00	35.00	
MENTAL HEALTH BD	0.50	0.50	0.50	0.50	0.50	
VETERANS SERVICE (9)	4.00	4.00	10.00	10.00	10.00	
GENERAL ASSISTANCE (9)	5.00	6.00				
HUMAN SERVICES	5.75	4.75	4.50	3.50	2.50	
TOTAL GENERAL FUND	747.94	752.37	752.54	735.13	675.64	
OTHER FUNDS						
WORKERS COMPENSATION LOSS	1.50	1.50	1.50	1.50	1.50	
BRIDGE & SPECIAL ROAD	29.00	29.00	32.00	32.00	32.00	
HIGHWAY	39.00	38.00	38.00	38.00	39.00	
MENTAL HEALTH (10)	31.35	31.35	31.35	103.25	102.25	
WEED CONTROL	4.40	4.40	4.40	4.40	4.40	
PROPERTY MANAGEMENT	6.50	7.50	8.50	8.50	8.50	
TOTAL	859.69	864.12	868.29	922.78	863.29	

**LANCASTER COUNTY
COMPARISON OF GENERAL FUND REVENUES**

	Budget 6/30/2017	Actual 6/30/2016	Actual 6/30/2015	Actual 6/30/2014	Actual 6/30/2013
COUNTY BOARD	-	-	-	-	-
COUNTY CLERK	84,900	85,940	61,293	62,842	64,065
COUNTY TREASURER	6,048,000	5,872,358	5,543,501	5,340,312	5,257,285
ASSESSOR	2,100,000	2,076,364	2,014,616	1,949,825	2,304,527
ROD TECHNOLOGY	210,000	192,418	210,750	236,318	112,448
ELECTION COMMISSIONER	350,000	159,915	407,373	295,296	398,243
DATA PROCESSING	10,656	10,656	10,656	13,601	10,656
BUDGET & FISCAL	25,000	28,284	25,290	11,674	-
G.F. GENERAL GOVERNMENT	-	1,633	1,253	3,819	1,122
ADMINISTRATIVE SERVICES	-	-	-	-	-
G.I.S.	-	-	-	-	25
BOARD OF EQUALIZATION	-	-	-	-	-
CLERK OF DIST COURT	440,000	533,271	633,627	566,240	485,578
COUNTY COURT	35,250	40,343	36,738	43,194	42,359
JUVENILE COURT	-	140	1,329	2,337	384
DISTRICT COURT	227,250	268,063	209,488	209,915	231,478
PUBLIC DEFENDER	424,228	413,458	404,938	358,675	336,758
JURY COMMISSIONER	-	-	-	-	-
G.F. JUSTICE SYSTEM	-	-	-	17,901	36,999
COOPERATIVE EXTENSION	174,198	159,968	159,729	151,956	144,175
RECORDS INFO & MGMT	92,670	89,648	82,127	86,389	89,448
SHERIFF	1,883,567	1,662,780	1,558,751	1,523,418	1,507,206
COUNTY ATTORNEY	1,382,298	1,336,455	1,305,419	1,612,407	1,953,780
CORRECTIONS	586,000	660,145	620,194	600,869	456,961
JUVENILE PROBATION	-	9,408	50,000	50,000	-
ADULT PROBATION	-	-	-	-	-
COMMUNITY CORRECTIONS	1,675,899	1,856,644	1,655,406	1,035,828	730,697
JUVENILE DETENTION	4,020,755	4,216,337	4,492,809	3,344,098	3,779,063
EMERGENCY SERVICES	336,771	323,508	346,260	536,784	67,030
COUNTY ENGINEER	-	-	-	-	3,945
MENTAL HEALTH BD	-	-	-	-	-
GENERAL ASSISTANCE	390,800	622,409	453,277	309,165	657,379
VETERANS SERVICE	-	-	-	-	-
HUMAN SERVICES	325,289	230,995	222,989	162,713	126,959
SUBTOTAL	20,823,531	20,851,141	20,507,813	18,525,576	18,798,570
GENERAL RECEIPTS	80,590,289	82,053,561	76,753,309	72,235,090	70,686,805
TOTAL	101,413,820	102,904,703	97,261,122	90,760,666	89,485,375
Property Tax	63,786,158	57,567,234	56,034,045	53,687,118	48,927,005
Motor Vehicle Tax	8,100,000	8,165,324	7,678,508	7,161,616	6,812,747
Inheritance Tax	5,000,000	7,774,298	5,204,908	4,135,546	8,565,596
Transfers	550,000	1,000,000	1,000,000	1,000,000	400,000
Homestead	-	1,520,490	1,373,785	1,289,842	1,053,937
Property Tax Credit	-	2,847,004	2,135,326	1,914,534	1,959,488
State Aid	-	-	-	-	-
Other	3,154,131	3,179,212	3,326,736	3,046,434	2,968,033

**MINUTES
BUDGET MONITORING COMMITTEE
COUNTY-CITY BUILDING - ROOM 302
THURSDAY, AUGUST 11, 2016
2:00 P.M.**

PRESENT: Dennis Meyer, County Budget and Fiscal Director; Larry Hudkins and Bill Avery, County Commissioners; Kerry Eagan, County Chief Administrative Officer; Pam Dingman, County Engineer; Brad Johnson, Interim Corrections Director; Angela Koziol, Administrative Services Officer, Corrections; Sheriff Terry Wagner; Todd Duncan, Chief Deputy Sheriff; Ron Krejci, Community Representative; Tim Hruza, Lincoln Independent Business Association (LIBA); and Ann Taylor, County Clerk's Office

The meeting was called to order at 2:01 p.m.

1 REVIEW AND DISCUSS THE PROPOSED FISCAL YEAR (FY) 2016-2017 LANCASTER COUNTY BUDGET

Dennis Meyer, County Budget and Fiscal Director, provided an overview of the budget process referencing the following documents (see agenda packet):

- Lancaster County, Tax Levies, Cents Per \$100 of Valuation; Adopted Budget Fiscal Year (FY) 2006-07 Through FY 2015-16; Proposed Budget FY 2016-17

Meyer said the property tax rate will decrease from 27.83 to cents 27.53 cents and the difference will be allocated to the Railroad Transportation Safety District (RTSD). He said the Board's intent is to get the RTSD's levy back to their statutory limit of 2.6 cents over the next two years. Meyer said the County budget is based on a projected increase of 2.75% in valuation and the overall effect, when the 0.3 cent reduction in the levy is included, is a 1.62% increase in property tax.

- Lancaster County; 2016-2017 Calculated Levies

Meyer said this document depicts the dollar amounts and calculated levies.

- Lancaster County; Change in Valuation; Last Ten Years

Meyer said this shows the changes in valuation, noting this year he is working with a 2.75 percent increase, which is a conservative projection.

In response to a question from Avery, Hudkins said valuation increases have averaged about 3% over the last 30 years.

Ron Krejci, Community Representative, asked whether Tax Increment Financing (TIF) projects were included. Meyer said yes, their valuations were built in.

- Lancaster County Summary of Expenditure Requirements

Meyer said he sets the budgets to have the spending authority for the funds available. He said that is why the proposed budget for some of the funds, such as Economic Development, Visitors Improvement, Grants, and Keno, is significantly different than the prior year's actual obligations. In terms of the Grants Fund, Meyer said the County is due approximately \$2,600,000 from the Federal Emergency Management Agency (FEMA)/Nebraska Emergency Management Agency (NEMA). He said the Grants Fund also reflects \$2,000,000 between the Lancaster Sheriff's Office (LSO) and County Attorney's Office from forfeiture funds. Terry Wagner, County Sheriff, said reimbursements on asset forfeiture have stopped as the result of new federal criteria and said it isn't clear whether the County will continue to receive those funds. He added those funds can't be used to supplant their budget.

Tim Hruza, Lincoln Independent Business Association (LIBA), asked whether the Economic Development Fund reflects General Fund tax. Kerry Eagan, County Chief Administrative Officer, said the funds are from a Community Development Block Grant (CDBG) the County received in the 1980's. The County currently has an outstanding loan to Prairieland Foods, LLC. Meyer said most of the funds he mentioned do not affect property tax.

Meyer said the budgeted expenditures total \$182,985,020, which is a 2.64% increase over last year's adopted budget. He said that figure will be increased by \$4,000,000 before the County's public hearing on the budget because of the County's interlocal agreement with the City of Lincoln and Lincoln Electric System (LES) for paving of Rokeby Road between South 84th and South 98th Streets. That will "bump" the increase over last year's adopted budget to 4.88%. Meyer said the paving costs will be paid entirely by LES as part of its project to construct a new LES Operations Center (LOC) at South 98th Street and Rokeby Road but the funds will be run through the County's budget. In order to do so, the County will need that spending authority. He said the increase will be offset by revenue and will have a zero net effect on the County's budget.

Krejci asked when the County will receive those funds from LES. Pam Dingman, County Engineer, said the project is currently out for bid and said the funds must be transferred to the County prior to her recommending an award of bid to the County

Board.

- Lancaster County; Comparison of Budgeted Expenditures; FY17 Proposed Compared to FY16 Adopted

Meyer said the overall General Fund budget of expenditures will increase by slightly less than \$1,500,000, which is a 1.36% increase. He noted the Board has transferred \$1,000,000 from the Keno Fund to the General Fund the past few years to provide property tax relief. This year \$500,000 is being transferred and \$500,000 is being set aside for the East Beltway project.

Meyer said the fund balance for the General Fund this year is within \$100,000 of last year. Property tax dollars for the General Fund will be increasing by slightly less than \$720,000. He noted some of the factors that "came into play" this year: 1) Only \$150,000 was transferred to the County's self insurance funds (General Liability and Workers' Compensation) compared to \$2,000,000 last year; 2) More elections will be held in 2017; 3) Funding of the Juvenile Drug Court will move to the State; and 4) The staff secure component at the Youth Services Center (YSC) is being eliminated.

Sheriff Terry Wagner said the LSO has added an employee, noting the County will be reimbursed for that position through asset forfeiture funds. LSO is also adding several positions that will be revenue neutral (Security Technician, Building Security Officer, and a Deputy Sheriff-School Resource Officer). The first two positions will be reimbursed through rents and the third position will be funded through the schools. The Norris and Waverly High Schools will each have their own school resource officer and a third officer's time will be split between the Malcolm and Raymond Central High Schools. He said LSO will get some benefit from those employees during the periods of time that school is not in session. Todd Duncan, Chief Deputy Sheriff, said the officers have a high-visibility, pro-active, preventive type of law enforcement presence in the schools and are very engaged with students.

Wagner said the majority of LSO's increase this year is due to personnel cost increases. Meyer noted LSO had a higher than average number of retirements this year. Wagner said he has surveyed employees who are eligible for retirement regarding their plans so the department can budget for payouts. **NOTE:** Deputies receive 100% payout of their unused sick leave into their Post Employment Health Plan (PEHP) accounts. Duncan said LSO has potentially six deputies retiring this year, which equates to \$225,000 in increased PEHP payouts.

In response to a question from Krejci, Wagner said it takes about nine months to recruit, hire and train a new deputy and the department is generally short staffed for that period of time. He said the Board gave the department authority this year to hire

a new deputy prior to a retirement date so they could begin training which put the department over its authorized strength for a short period of time.

Brad Johnson, Interim Corrections Director, discussed Corrections' budget, which is one of the County's largest budgets. He said the budget request is \$22,704,529, which is a 3.40% increase over last year's approved budget, of which 2.1% relates to personnel costs. Johnson explained that most of the budget is related to the inmate population at the Lancaster County Adult Detention Facility (LCADF) and disseminated copies of Lancaster County Department of Corrections, Average Population By Month (Exhibit A). He said the facility had a population spike (a 12.9% increase compared to last year and an overall increase of 15.7% for the year). The population is currently 675. **NOTE:** Maximum capacity is 786. Johnson said the jail was built with expansion in mind with the intent to not staff or open one of the pods until it became necessary. He said that pod has been open all summer and staffed by paying officers overtime and through part-time staff. Johnson said if that situation doesn't improve in the next few months, he will have to approach the Board about hiring additional staff. Eagan said the County is tracking the impact of the 2015 Legislative Session's Legislative Bill (LB) 605, which changed classification of penalties, punishments, probation and parole provisions, and provisions relating to criminal records and restitution.

Hruza asked what the projected capacity was when LCADF was built. Johnson said the core functions were built for 1,000 inmates. He thought it was projected the facility would serve the County's needs for 10-12 years before expansion would be necessary.

Krejci inquired about remodeling of the 605 Building (the former jail facility). Wagner said one cell area was left intact to used to hold prisoners brought in for court or individuals who are sentenced in court and need to be processed. He added video arraignments have helped reduce the number of transports for court appearances.

Discussion moved to the County Engineer's budget request. Meyer said the County Engineer has three budgets, one within the General Fund and the Bridge and Special Road Fund (Fund 21) and Highway Fund (Fund 22). He said the Board has transferred between \$9,300,000 and \$9,400,000 to Fund 21 and Fund 22 this year, which is an increase of \$1,000,000 over what was transferred last year. Avery said that is not enough to fund everything the County Engineer requested but said is not an insignificant amount of money to put into roads and bridges. In comparison, Meyer stated approximately \$10,000,000 in property tax was transferred to those funds between FY 2012 and FY 2015. Last year that amount was "bumped" by \$2,200,000 to address certain issues. This year the amount was \$1,000,000. He said the overall budget request is \$29,251,217 (\$3,897,511 - General Fund; \$9,932,917 - Bridge and Special Road Fund; and \$15,420,789 - Highway Fund). He reminded the group that amount will be increased by \$4,000,000 because of the County's interlocal agreement

with the City of Lincoln and Lincoln Electric System (LES) for the Rokeby Road paving project.

Pam Dingman, County Engineer, said the Bridge and Special Road Fund is the construction component and the Highway Fund is the maintenance component of her operation. She said \$6,200,000 has typically gone into those funds and said until FY 2015 there was no transfer of property tax dollars to the Highway Fund. Dingman said the County's infrastructure is aging rapidly and in terms of stabilization, asphalt overlay on approximately 90 miles of asphalt is needed. She said there is slightly over 25 miles of asphalt overlay in the budget. Dingman said some projects she had planned to do next spring will be "swapped out" with work being done now under the current asphalt project that was in last year's budget to address critical needs. In terms of bridges, Dingman said the County has 308 bridges and 100 have channel erosion problems that require bank stabilization. She said she closed two timber pile abutment bridges this spring, noting the County has 53 bridges of this type. Dingman said the County has 76 bridges that either meet the criteria for being scour (the removal of sediment such as sand and rocks from around bridge abutments caused by swiftly moving water) critical, are structurally deficient, or are functionally obsolete, adding some are all three. She said she informed the County Board that she would need \$106,000,000 to fix all of the County's infrastructure problems (maintenance and to get caught up with new construction) but only requested about 10% of that amount. Dingman said the County Board decided to "hold the line" on maintenance. She said the additional \$1,000,000 that was allocated, after accounting for equipment, payroll and facilities, means she will have approximately \$4,700,000 for new construction county-wide. Those projects could include replacement of a bridge on North 1st Street and Raymond Road (estimated cost of \$2,500,000 to \$2,700,000); improvements to Saltillo Road between South 30th Street to South 56th Street (estimated cost of \$4,500,000 without right-of-way), paving of South 98th Street, from "O" Street to Old Cheney Road (estimated cost of \$4,500,000). **NOTE:** There is an interlocal agreement in place for the South 98th Street project that states ownership of the right-of-way will revert back to the adjacent landowners if the road isn't paved by 2030. The agreement also states the County must grade the road one year and pave it the next. Dingman said she also has concerns whether the County can afford to continue participating in the Rural to Urban Transition for Streets (RUTS) Program.

Hudkins expressed concerns about funding for right-of-way along the East Beltway. Dingman said, as Meyer stated earlier in the meeting, an additional \$500,000 is being set aside for that project. She noted there is no procedure defined in the interlocal agreement with the City of Lincoln and State of Nebraska, Department of Roads, for the East Beltway Project regarding who makes the decision on whether or not to purchase property that is within the corridor.

Dingman said she will continue to work on efficiencies within her department, noting she has reduced her General Fund budget by \$200,000.

Meyer reviewed the following documents (see agenda packet):

- Lancaster County; Comparison of Payroll Costs; FY 2017 Compared to FY 2016

Meyer noted a 2.4% increase in health insurance (compared to 18.57% for the previous year).

- Lancaster County; Comparison of General Fund Revenues

Meyer noted the County received approximately \$7,700,000 in Inheritance Tax in 2016 but issued a refund of \$1,400,000.

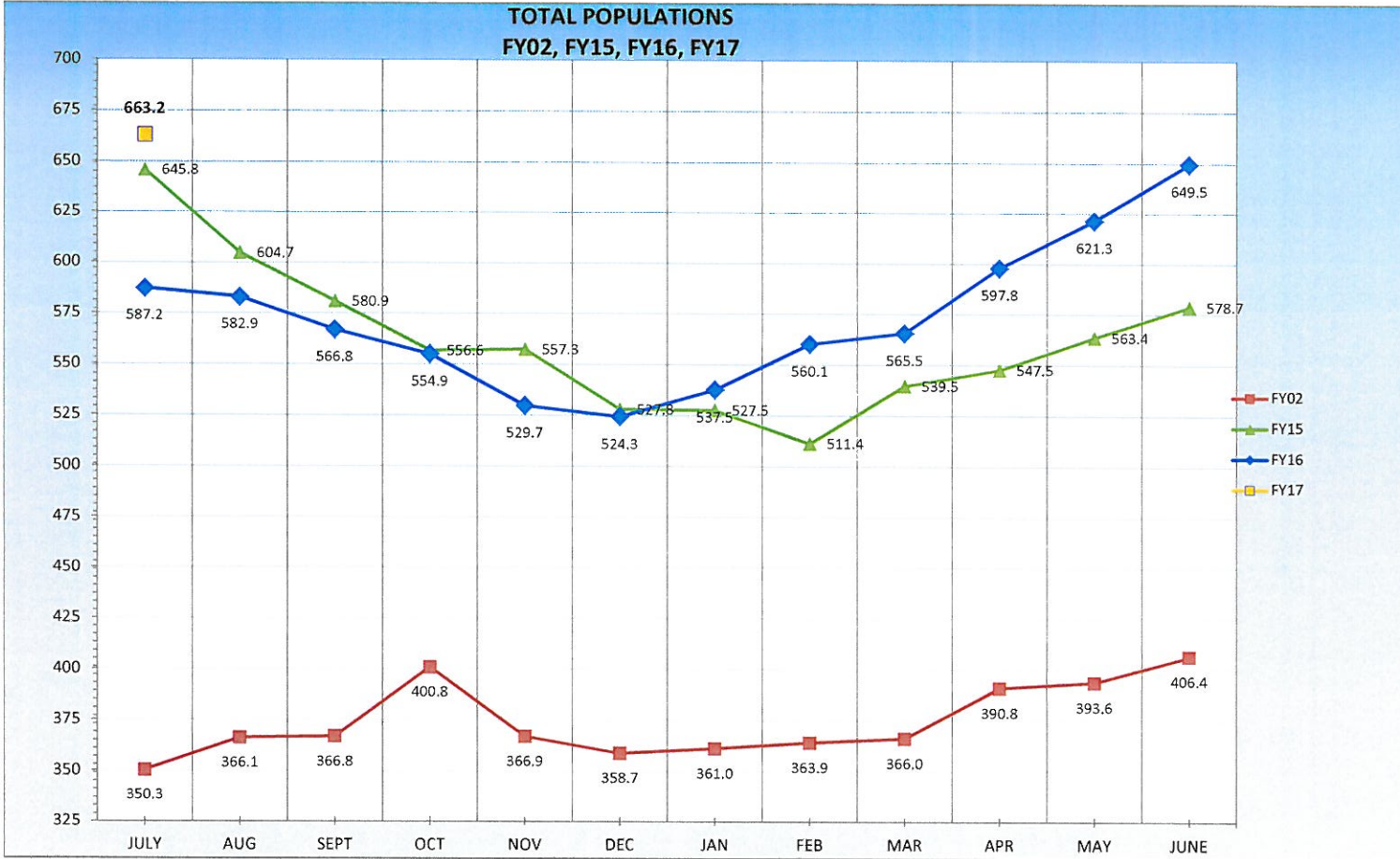
NOTE: The County Board will hold a public hearing on the budget on August 30, 2016 at 9:00 a.m.

There being no further business, the meeting was adjourned at 3:34 p.m.

Submitted by Ann Taylor, Lancaster County Clerk's Office.

LANCASTER COUNTY DEPARTMENT OF CORRECTIONS
AVERAGE POPULATION BY MONTH

population.xls
8/10/2016



AVERAGES

FY16 ADP	573.1	2.0% Change in FY16 to date over same time period
FY15 ADP	561.8	

AVERAGES

FY17 TO DATE	663.2	12.9% Change in FY17 to date over same time period
FY16 SAME PERIOD	587.2	15.7% Change in FY17 to date over FY16 average to year end
FY16 ADP	573.1	