

**MINUTES
BUDGET MONITORING COMMITTEE
COUNTY-CITY BUILDING
ROOM 113
TUESDAY, JUNE 15, 1999
12:00 P.M.**

Present: Kathy Campbell, County Commissioner
Linda Steinman, County Commissioner
Kerry Eagan, Chief Administrative Officer
Dave Kroeker, County Budget & Fiscal Officer
Dennis Banks, Attention Center Director
Terry Wagner, County Sheriff
John Boehm, LIBA Representative
James Gordon, Attorney, Demars, Gordon, Olson & Shively
Ron Krejci, Hickman State Bank
Jim Nissen, Norwest Bank
Melissa Koci, County Clerk's Office

Absent: Don Thomas, County Engineer

AGENDA ITEM:

1 ORIENTATION - Dave Kroeker, Budget & Fiscal Officer

Kathy Campbell, County Commissioner, indicated the Budget Monitoring Committee came into being with Ed Jack Shaw's 2% lid. The County Board decided at that point to bring citizens and officials together to discuss the 2% lid and found there was a lot of interaction on the committee. The committee started with 2 Board members, 2 citizens, 1 elected official and 1 Department Head. Campbell stated the committee is an on-call committee that meets around budget time and the purpose of the meeting was to give an overview of Phase I.

Campbell indicated the meeting on Wednesday, July 14, 1999 from 4:00 to 8:00 p.m. has been moved to Wednesday, July 21, 1999 from 4:00 p.m. to 8:00 p.m., which will cover the Common Budget Meeting for Joint Budgets.

Dave Kroeker, Budget & Fiscal Officer, appeared and indicated LB1114 gives the County the ability of a levy of \$.50. The Legislature eliminated the levy ability in Lancaster County, which relates to the Fire Districts, Ag Society, Rural Library and Railroad Transportation Safety District and indicated the County may allocate up to \$.15 of the counties levy authority to the entities that do not have it and \$.05 can be used for interlocal agreements. Kroeker reported that last year was the first year under LB1114 and that the county had been under \$.30 the year before and the County Board anticipated that, but they didn't anticipate that last year the State would stick another lid in the budget, LB 989, which identifies certain restricted revenues and said the revenues cannot increase more than 2 1/2% per year without a majority vote of the Board.

Kroeker distributed documentation regarding Lancaster County's budget (Exhibit B) and indicated last year's budget was \$110 million and this year there is an adjusted agency request compared to last year's adopted budget, which is an increase of \$5,765,012. Kroeker also said requested and adopted agency revenues have increased \$1,640,612 and if you look at the impact to the property tax, it is an overall increase of \$2,278,024.

Kroeker stated last year it was budgeted for a new Attention Center, which was the 3rd year for putting money aside for the new Attention Center and this year it will be placed in Debt Service, where a building can be levied for 10 years. Kroeker also stated Inheritance Tax is an important factor for Lancaster County and the total amount collected is almost \$2.9 million.

Campbell asked Kroeker to explain the different types of funds.

Kroeker reported the General Fund Operating Agencies cover employees, Health & Human Services, the Justice System and General Government Fund and the amount totals over \$40 million. He stated some of the Probation Offices have Personnel, but the State pays Personnel costs and Lancaster County contracts with City/County Data Processing which covers accounting, budgeting, microcomputer requests, networking and Interlinc costs.

Kroeker indicated the County Engineer is responsible for the Bridge & Special Road Fund and the Highway Fund. The Highway Fund operates off of the Highway allocation money which is basically the gas tax gets paid to the State, the State puts it into a fund and 1/2 of it goes to County and 1/2 to the City and then it is allocated to the cities on a certain formula. The County usually receives \$3.5 to \$4 million of highway allocation monies to operate the highway fund.

Kroeker said the Lancaster Manor Fund is self-supporting and runs off of State Medicaid dollars and the Mental Health Center Fund gets a lot of State money, which is around \$1 million. Kroeker said Property Management is the Public Building Commission which oversees any joint use facilities and they do the cleaning, snow removal, lawn mowing and maintenance. The employees are run through Fund 65 and fully reimbursed by the Public Building Commission which takes care of City and County personnel costs of the Public Building Commission who gets monies from rents from the agencies.

Kroeker also indicated there isn't any money in the Visitors Promotion Fund but \$700,000 is collected for lodging tax which is used for Visitor Promotion activities.

Campbell stated a big increase in the budget is in the Justice System which includes the County Attorney, Public Defender, Corrections and County Sheriff and 50% of the property tax dollars covers the increase.

James Gordon asked about the provisions being made for the move from the Old Federal Building to the new Hall of Justice.

Kroeker indicated most of the money was in last year's budget and the only thing included with this year's budget for the new Hall of Justice would be rent adjustments and a secure entrance to the new building.

Campbell reported the General Miscellaneous Fund is where different categories are placed. She said other miscellaneous items might include vehicles for the County Assessor, voting equipment or transfer on weeds, but this year the items were extracted out because they didn't need to be in the base budget. Campbell indicated the Contingency Fund includes salaries expected, including salary increases that were given the year before, or vacancies that need to be filled.

Steinman said, for example, if a full-time employee leaves during the budget year, the money that is saved for that salary can pay the extra cost for the increase.

Campbell stated there are 26 joint agencies and departments between the City and County and Douglas County only has one.

Ron Krejci, Hickman State Bank, questioned the Debt Service increase of \$1,716,948.

Kroeker indicated there will probably be bonds issued this summer and Lancaster County needs to get the levy going in the Debt Service Fund. The monies are being taken out of the Attention Center Building Fund and put into the Debt Service Fund for the new Attention Center.

Kroeker also said with regards to the Justice System, Lancaster County contracts with Diversion Services for Pre-Trial, Cedars Youth Services for Juvenile Pre-Trial and there is also a contingency in the Justice System of \$364,000 to come up with alternative programs to help hold the population in the Attention Center.

Kroeker reported Lancaster County contracts with Joint City agencies and provides funding for the Health Department, Aging and other various agencies.

Nissen asked how the County Board oversees each agency during budget time.

Campbell reported it is a responsibility of each County Commissioner to look at each Department's budget based on what was given a year ago and what is needed for the current year. She said the County Board meets throughout the year with Elected Officials to discuss certain issues that may arise in each department, not just regarding the budget.

Campbell said the next meeting will be on July 6, 1999 at 12:00 p.m. in Room 113. The agenda will include a discussion of the Building Fund and other Bonded Indebtedness that Lancaster County has. Campbell also stated she would ask Jim Hille of Hille & Associates to attend the next meeting and discuss the designs for the new Attention Center.