

## COMMISSIONERS PROCEEDINGS

Madison, Nebraska

July 1, 2014

The Board of County Commissioners of Madison County, Nebraska met in regular session at 9:30 A.M.

Advance notice of meeting was published in the Thursday, June 26, 2014 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgment of receipt of notice of meeting as published was executed. Chairman Lee Klein called the meeting to order and notified the public of the location of the information regarding the Open Meeting Act posted in the meeting room.

Present: Commissioners Lee Klein, Jerry McCallum, and Christian Ohl, County Clerk Nancy Scheer, Assistant County Highway Superintendent Dave Heggemeyer, Norfolk Daily News reporter Jerry Guenther, US92 reporter Eric McKay, and WJAG reporter Susan Risinger.

Chairman Klein read the following consent agenda items into the record:

- 1) Approval of minutes of the June 17, 2014 meeting
- 2) Approval of Harlan Freudenburg's Lot Split located in Section 29-22-2 located 6 miles west and 1 mile north of Madison
- 3) Authorization to advertise for bids for armor coat surfacing and road striping and set the bid opening date for July 14, 2014
- 4) Approval of Subgrant Agreement with the Department of Health and Human Services for child support enforcement services
- 5) Approval of County Board memo to departments regarding 2014-2015 fiscal year budgets
- 6) Approve termination of lease agreement with the City of Norfolk for lease of former City Council Chambers located at 309 Madison Avenue in Norfolk
- 7) RESOLUTION #2014-38

BE IT RESOLVED, that the withdrawal by Midwest Bank N.A., Pierce, Nebraska of the following securities, held in safekeeping by Midwest Independent Bank, Jefferson City, Missouri, to secure deposits of the county in said bank, to wit:

PERENNIAL PUB PWR DIST NE ELEC SYS REV  
Receipt Date: 09/11/2009  
Receipt Number: JC48705  
\$325,000.00

Midwest Independent Bank  
Jefferson City, Missouri  
Maturity Date: 1/1/2019  
Cusip 71366VEJ5

and the substitution of the following securities be and the same hereby are approved:

DOUGLAS CNTY NEB SAN & IMPT  
Cusip: 25933BCC6  
Receipt Date: 06/17/2014  
Receipt Number: JC62092

Midwest Independent Bank  
Jefferson City, Missouri  
Maturity Date: 4/15/2028  
\$135,000.00

DOUGLAS CNTY NEB SAN  
Cusip: 25932ECF4  
Receipt Date: 06/17/2014  
Receipt Number: JC63545

Midwest Independent Bank  
Jefferson City, Missouri  
Maturity Date: 11/15/2027  
\$200,000.00

Motion was made by McCallum and seconded by Ohl to approve the consent agenda. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Motion was made by Ohl and seconded by McCallum to approve the regular agenda with the removal of agenda item #17 for presentation by Legal Shield regarding identity theft protection plan which is scheduled for the July 15, 2014 Board meeting. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Kathryn Liebers, Chief Probation Officer of District 7, Chief Deputy Bob Lowe, and Office Manager Candy Downey, were present. Ms. Liebers reported that District 7 Probation was chosen for a Specialized Substance Abuse Supervision (SSAS) and Day Reporting Center. She reported that the goal of Day Reporting Centers is to reduce re-arrest, provide educational assistance, job skills, employment skills, trauma intervention, pre-treatment, parenting, and nutritional programs, while addressing clients' high risk behaviors. She explained that a Day Reporting Center is very fiscally responsible way to provide additional services. Ms. Liebers stated that articles were published in the Omaha World Herald about overcrowding in prisons stating that the Department of Corrections is currently 158% over capacity. She reported that there are few programs or interventions available because of the total number of individuals needing help. She stated that it costs approximately \$34,000 annually to house an inmate and keeping someone in the community, providing them necessary skills, providing the appropriate intervention, and having that person work, pay taxes, and support their family is all good for the community.

Ms. Liebers stated that the down side of being selected for a Day Reporting Center is the lack of adequate office space. She said that the County Commissioners have been very helpful to the Probation Office and the current building was planned with a vision for adequate space for many more years. Chairman Klein responded that the passage of LB 561 changed the vision. Ms. Liebers concurred that the passage of both LB 561 and LB 907 changed the office space needs. She stated that she is unsure what other changes in the future will affect the office space needs. She stated that there have been discussions about re-entry, moving some individuals out of institutions early, and doing a combination of probation and supervision which would also use the Day Reporting Center. She stated that she would like to say that their business is not going away, but they have a millennium to show that prisons do not work. She reported that the State of Nebraska is faced with the potential to build another prison at a minimum cost of \$227 million. She explained that the families of incarcerated individuals aren't being supported, which equates to more requests through social services and County general assistance programs. She explained that the Probation Office works hard and District 7 has an 84% rate of successful release from adult probation and the District 7 juvenile numbers are currently at a 73% successful release rate.

Ms. Liebers reported that her management team has determined that the most appropriate way to manage the office space shortage is to relocate the juvenile services staff out of the current location so that juveniles and adults are not mixed together. She asked for the Board's support and agreement with this plan. She stated that the office was originally built so that a Day Reporting Center could operate in this building. She explained that \$50,000 in funding is provided for equipment, programming, and salaries to operate the Day Reporting Center. Ms. Liebers submitted a draft of budgeted expenditures for the Probation Office and stated that the additional cost to move the juvenile programs to another building is projected at approximately \$50,000. She stated that the proposal she is submitting is not comprehensive since the current draft does not include ongoing training costs. She reported that there are many discussions about unfunded mandated; however, the State of Nebraska currently spends \$3.44 million in the 7th Judicial District for Probation Office services. She reviewed the various expenditures of the District 7 Probation paid by the State of Nebraska and stated that the State is trying to do its part. Ms. Liebers explained that she also determines the amount of funds spent in each county of the 7th Judicial District based upon the percentage of clients served in each county, with the percentage of costs in Madison County at 61%, so the State of Nebraska is paying \$2.1 million for services in Madison County.

Chairman Klein stated that LB 561 has changed the bottom line for Madison County because the amount being paid by Madison County to house juveniles in the Juvenile Detention facility has decreased considerably. Ms. Liebers stated that the Probation Office is trying to keep the kids in the probation system where they can get help.

Ms. Liebers reported that they looked at a number of different properties that would be viable to meet the needs of the juvenile program and the space they recommend is owned by Pete Becker. She explained that the space is small, but the juvenile officers are out and about most of the time. She reported that the computer server in the Probation Office building can be shared by both offices.

Chairman Klein stated that he likes the idea of separating the juvenile offenders from the adults. Ms. Liebers concurred that it is the best practice to keep the juveniles segregated from the adults. She reported that Pete Becker estimated that it would cost approximately \$9,000 to update the office space and install a secure entrance and this cost would be included in the rental costs during the term of the three year lease. She estimated that the total budget increase would be approximately \$50,000. She reported that they also need some security updates made in the current building to include bullet proof glass in the front.

Ms. Liebers explained that the Day Reporting Center is very exciting for the community and the staff is excited to provide the service. She reported that she is very proud of her staff and the hard work that they do. She stated that the community is very supportive of the Probation Office. In addition, she explained that it takes a community to help the Probation Office supervise and improve the lives of offenders that are in the probation system.

Chairman Klein stated that the Probation Office is doing a remarkable job. Commissioner McCallum stated that the penal system has a very strong evaluation system of people that are released early. Ms. Liebers reported that the assessments used by the Probation Office are all evidence based and researched based. She explained that they don't use anything without a med analysis on it to show that it's valid and true. Ms. Liebers stated that her report was to provide information to the County Board before submitting the final budget. She said that it is only fair to explain the budget changes to the Commissioners.

Deputy Probation Officer Bob Lowe reported that the District 7 Probation Office was chosen over Fremont and North Platte to receive the Day Reporting Center.

No action was taken by the Board.

Extension Educator Lee Sherry, 4-H/Youth Extension Assistant Sarah Polacek, and Interim Regional Director of Northeast Extension and Research Center Dennis Bauer were present to discuss a supplement to the Interlocal Cooperative Extension Agreement. Lee Sherry reported that Sarah Polacek has worked nine years for the Extension Office and she is ready to continue her education to obtain her master's degree so that she is more effective and could provide more current information. She explained that this is the reason for requesting a change to the interlocal agreement because the University of Nebraska provides 15 hours of credit annually for staff members without any cost to the employees. She stated that if the Board is willing to permit this change, Mrs. Polacek would continue working full-time for the Extension Office while continuing her education. Ms. Sherry stated that it appears that any additional cost to the County would be minimal because payroll and benefits would be paid by UNL and reimbursed by the County to UNL. She stated that in the future, as the County's insurance costs go up, the County may see a cost savings; however, there is no guarantee.

Dennis Bauer explained that if the County approves this plan, a supplement to the Interlocal Agreement must be signed. He explained that the salary funding would be billed quarterly from the University of Nebraska to the County. He reported that the total payroll package would be approximately \$50,000 which is basically what the County is currently contributing for Mrs. Polacek's wages and benefits. He stated that the insurance rates for the University have been relatively stable, increasing a small amount each year, and the salary increases have ranged between .5% and 2%. Mr. Bauer explained that the University will set Mrs. Polacek's salary based upon performance, but there have been no large pay increases. He stated that in the long term, the costs would be approximately the same as the County is currently contributing, but at the same time it will give the County better educational opportunities as Mrs. Polacek develops professionally. He applauded Mrs. Polacek and Ms. Sherry for taking on this project because Mrs. Polacek will be working overtime to continue her full-time employment while taking classes.

Ms. Sherry reported that they will make sure that the office is covered with adequate staff, even if she or other staff members needs to work more hours. She stated that this is one of the reasons that they hired Kristen Grant, so she can pick up some of the hours that Mrs. Polacek will be in class.

After discussion, a motion was made by McCallum and seconded by Ohl to approve the Supplement to the Interlocal Agreement with the University of Nebraska Cooperative Extension Division. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Mike Jones, sales representative for Vision Care Direct, presented information regarding an employee vision plan. He reported that he works with eye doctors across Nebraska and Iowa; however, Vision Care Direct offers vision plans in 22 states. He explained that Vision Care Direct is a discount membership plan, so they encourage high utilization instead of low utilization. He stated that he works directly with employees to help them understand how to use the vision plan. He urges employees to study the information that he presents at the employee meetings and talk to the doctor's office to find out the cost of an eye exam and glasses, because each employee can buy a different frame level and different lenses and he wants employees to be well informed when buying a vision plan. Mr. Jones submitted a list of counties in Nebraska who are offering Vision Care Direct plans to its employees and advised that more counties are being added each month. He urged Board members to contact any of the counties on the list and find out how the employees are receiving the plan and how much they are using it because he encourages high utilization. Mr. Jones explained that most vision plans are 12-12-24 which means that the insurance carrier will pay for an eye exam every 12 months, new lenses every 12 months, and new frames every 24 months. He explained that these plans are not designed for usage because the employees all use the plan the first year because they get full benefits; however, most employees won't use the plan the second year because they need to pay for frames and lenses. He said that on average, 39 months go by before employees will use the plan again, which means that most employees pay premiums for 3 years, but only use it once. He stated that Vision Care Direct offers a 12-12-12 plan, which is meant to be used every year and employees can change the plan every year during open enrollment by buying more benefits, reducing benefits, or cancelling the plan. Mr. Jones said that by making the employees informed consumers, they are buying what they need so they are getting the services they need and when they don't need the plan, it can be cancelled. In addition, he stated that when a health savings account is used with the Vision Care Direct plan, he can explain to employees how to maximize the funds and get services for the lowest possible cost. Mr. Jones explained the various benefits and rates offered by the company and submitted a list of all the Vision Care Direct providers in Nebraska. He stated that the company only needs two employees out of the entire employee pool to enroll in the plan to get the group rates. He said that more doctors who will sign on in Norfolk when he gets more vision plans sold in this area.

Chairman Klein stated that he doesn't like the amount of time it takes for employees to listen to a presentation because the employees are being paid for this time. Mr. Jones responded that after his presentation of the vision plan he urges employees to study the benefits and contact him later to enroll. He said he is very respectful of the employer's time when presenting the plan to employees.

Chairman Klein stated that the Board would consider the information and make a decision at a later meeting.

The following written reports were reviewed:

- 1) Fund balance report
- 2) Letter from Neil Peterson
- 3) Public notices from Tim Campbell dated June 23, 2014

The following claims were audited:

GENERAL FUND		
Total Net Payroll		125,885.13
Steven Ablor	Mileage, Planning and Zoning	61.26
Roger Acklie	Mileage, Planning and Zoning	131.67
Phillis Allison	Repairs, County Jail	74.06
American Family Life Assurance Company	Insurance Premiums	590.89
Ameritas Life Insurance Company	Insurance Premiums	391.52
AS Central Services	Telephone Services, Planning and Zoning	21.55
AS Central Services	Telephone Services, Noxious Weed	21.55
AS Central Services	Telephone Services, County Sheriff	262.29
AS Central Services	Telephone Services, County Jail	441.71
AS Central Services	Telephone Services, Veterans' Service Office	66.59
Angie Baumann	Witness Fees, County Court	37.92
Diane Becker	Mileage, Planning and Zoning	21.80
BI Incorporated	Monitoring Services, Juvenile Diversion	1,826.21
Jennifer Birmingham	Witness Fees, District Court	137.60
Black Hills Energy	Gas Service, Planning and Zoning	10.13
Black Hills Energy	Gas Service, Noxious Weeds	10.13
Black Hills Energy	Gas Service, Veterans' Service Office	20.92
Jean Blank	Fuel, County Sheriff	7.00
Blue Cross Blue Shield of Nebraska	Insurance Premiums	1,095.10
Bomgaars	Tools, Supplies, Courthouse	33.38
Bessie Bove	Prior Service Benefits	12.00
Brandl Electric	Repairs, Courthouse	944.46
Brogan & Stafford, P.C.	Legal Services, County Court	2,487.07
Jennifer Bruckner	Witness Fees, County Court	43.08
Business Telecommunication Systems	Equipment, Courthouse	134.00
Cableone	Cable Service, County Sheriff	163.34
Cash-Wa Distributing	Supplies, County Jail	237.75
CBM Managed Service	Meals, County Jail	7,391.92
Century Link	Telephone Service, County Jail	17.66
Champs, Inc.	Maintenance Contract, County Jail	2,166.00
Charm-Tex	Supplies, County Jail	96.52
Maria Izabel Chavez	Interpreting Services, County Sheriff	90.00
City of Norfolk	Utilities, Probation	102.91
Clerk of the Supreme Court	Copies, Law Enforcement	4.17

Colonial Life and Accident Insurance	Insurance Premiums	306.34
Connecting Point	Equipment, County Sheriff	235.00
Connecting Point	Repairs, Juvenile Diversion	45.00
Connecting Point	Supplies, Probation	162.00
Consolidated Management Company	Meals, County Jail	430.25
Constellation Newenergy Gas Division	Gas Service, Planning and Zoning	18.39
Constellation Newenergy Gas Division	Gas Service, Noxious Weed	18.39
Constellation Newenergy Gas Division	Gas Service, Courthouse	359.21
Constellation Newenergy Gas Division	Gas Service, County Jail	838.16
Constellation Newenergy Gas Division	Gas Service, Veterans' Service Office	2.54
Copple, Rockey, McKeever & Schlecht, P.C., L.L.O.	Legal Services, County Court	2,063.26
Copycraft Printing	Supplies, County Treasurer	152.12
Copycraft Printing	Uniforms, Supplies, Juvenile Diversion	171.00
Copycraft Printing	Uniforms, County Jail	162.35
Dori Dailey	Witness Fees, County Court	20.00
Dick Day	Mileage, Data Processing	67.20
Margo Doescher	Witness Fees, County Court	37.92
Eakes Office Plus	Supplies, County Jail	409.99
Earl May Seed & Nursery	Shrubs, Courthouse	371.27
Electronic Contracting Company	Inspection Services, County Jail	557.00
Enviromaster, Inc.	Supplies, County Jail	60.00
Faith Regional Health Services	Medical Services, County Jail	8,605.30
First Concord Benefits Group, L.L.C.	Deductible Buy Down, Flexible Benefit Plan	4,688.98
Floor Maintenance & Paper Supply	Supplies, Courthouse	304.97
Floor Maintenance & Paper Supply	Supplies, Probation	113.87
Frontier	Telephone Service, Courthouse	1,030.41
Futureware Distributing, Inc.	Shipping, District Court	27.77
Galls/Quartermaster	Supplies, County Sheriff	501.00
Galls/Quartermaster	Uniforms, County Jail	88.49
Gordy's Towing & Repair	Repairs, County Sheriff	33.03
Richard Grant	Mileage, Planning and Zoning	181.50
Joy Griffith	Mileage, Planning and Zoning	367.05
Home for Funerals	County Burial, County Relief	2,000.00
Hy-Vee West Pharmacy	Prescriptions, County Jail	54.99
Nancy Jochum-Schramm	Court Reporting, Mental Health	50.00
Alex Johnson	Fuel, County Sheriff	47.00
Kryger Glass Company	Supplies, Courthouse	22.68
Mary Luhr	Witness Fees, County Court	37.92
Darrell Lyon	Mileage, Planning and Zoning	86.47
Madison County Clerk	Tax Deposit	47,529.14
Madison County Sheriff Inmate Fund	Supplies, County Jail	82.73
Madison County Sheriff	Fees, County Court	915.72
Madison County Sheriff	Fees, District Court	2,374.88
Madison County Sheriff	Fees, Mental Health	736.17
Madison County Treasurer	Insurance Reimbursement	22.97
Madison County Treasurer	Title Fee, Courthouse	10.00
Madison National Life	Insurance Premiums	134.53
Christal McDonald	Court Reporting, Mental Health	50.00
Medtox Laboratories, Inc.	Testing, Juvenile Diversion	244.24
Menards	Supplies, Planning and Zoning	10.32
Menards	Supplies, Noxious Weed	10.31
Menards	Supplies, County Jail	189.29
Microfilm Imaging Systems, Inc.	Equipment Rental, Register of Deeds	495.00
Microfilm Imaging Systems, Inc.	Equipment Rental, County Surveyor	215.00
Midwest Plumbing & Heating	Repairs, County Jail	200.59
Merlin Milander	Mileage, Planning and Zoning	65.26
MIPS Inc.	Equipment Lease, Services, Register of Deeds	259.00
Morland, Easland & Lohrberg, P.C.	Legal Services, County Court	2,087.40
National Enterprise Systems	Garnish of Wages	175.67
National Pen Company	Supplies, Juvenile Diversion	234.10
Nationwide Retirement Solutions	Deferred Compensation	965.00
Nebraska Child Support Payment Center	Garnish of Wages	276.92
Nebraska Law Enforcement Training Center	Training, County Sheriff	10.00
Nebraska Public Power District	Utilities, Veterans' Service Office	49.60
Nebraska Public Power District	Utilities, Planning and Zoning	65.43
Nebraska Public Power District	Utilities, Noxious Weed	129.06
Norfolk Auto Center	Repairs, County Sheriff	32.64
Norfolk Auto Center	Repairs, Noxious Weed	31.50
Norfolk Daily News	Publication Costs, Courthouse	190.03
Northeast Nebraska Area Agency on Aging	Annual Appropriation	14,816.00
Northeast Nebraska Juvenile Services, Inc.	Board of Juveniles, Juvenile Detention	6,463.75
Northeast Nebraska Economic Development District	Dues	875.00
Valorie Olson	Court Reporting, Mental Health	250.00
Merlin Oswald	Mileage, Planning and Zoning	203.56
Physicians Laboratory, P.C.	Autopsy Costs, Law Enforcement	940.00
Platte County Sheriff	Service Fees, County Court	49.07
Michael Prather	Uniforms, County Sheriff	107.00
Jim Prauner	Fees, Planning and Zoning	55.00

Premier Biotech	Supplies, Juvenile Diversion	158.38
Racom Corp	Equipment, County Sheriff	54.00
Redwood Toxicology Laboratory	Testing, Probation	78.45
Retirement Plans Division of Ameritas	Employee Share Retirement	8,330.27
Retirement Plans Division of Ameritas	Employer Share Retirement	12,202.12
Don Roberg	Mileage, Planning and Zoning	35.24
Donald Rutjens	Mileage, Planning and Zoning	165.00
Stanley Schapman	Mileage, Planning and Zoning	210.46
Judy Schroeder	Prior Service Benefits	11.00
Scrub's Repair	Repairs, Courthouse	74.00
Shamrock Greenhouse	Plants, Courthouse	32.35
Shell Fleet Plus	Fuel, Planning and Zoning	379.93
Eric Snitchler	Witness Fees, County Court	37.92
Kurt Sock	Plants, Courthouse	32.06
State of Nebraska NDOC	Medical Expenses, County Jail	5.17
Stratton, DeLay, Doele, Carlson & Buettner, P.C., L.L.O.	Legal Services, District Court	8,880.82
Stratton, DeLay, Doele, Carlson & Buettner, P.C., L.L.O.	Legal Services, County Court	5,097.20
Super Suds	Car Washes, County Sheriff	500.00
Jill Svoboda	Witness Fees, County Court	37.92
The Cornhusker	Lodging, County Assessor	318.00
The Zone	Rent, Utilities, Juvenile Diversion	1,000.00
Thomson Reuters West	Subscription, County Attorney	596.45
Toshiba	Copier Lease, Probation	475.00
Trane	Maintenance Agreement, Courthouse	67.15
US Bank Corporate Payment System	Fuel, Supplies, Uniforms, County Sheriff	711.74
US Bank Corporate Payment System	Supplies, Fuel, Meals, Juvenile Diversion	362.51
Verizon Wireless	Telephone Service, Courthouse	33.25
Verizon Wireless	Telephone Service, Reappraisal	40.01
Verizon Wireless	Telephone Service, County Sheriff	1,743.37
Verizon Wireless	Telephone Service, Law Enforcement	80.40
Dave Walahoski	Fees, Planning and Zoning	30.00
Western Office Technologies	Supplies, County Sheriff	9.46
Whytry, L.L.C.	Supplies, Juvenile Diversion	297.00
Doug Witte	Witness Fees, County Court	37.92
Richard Wozniak	Mileage, Planning and Zoning	28.56
Zee Medical Service	Supplies, County Sheriff	43.55

#### ROAD/BRIDGE FUND

Total Net Payroll		29,131.14
American Family Life Assurance Company	Insurance Premiums	360.42
Ameritas Life Insurance Corporation	Insurance Premiums	118.48
AS Central Services	Telephone Services	24.17
Asphalt and Concrete Materials Co.	Asphaltic Materials	3,912.48
Battle Creek Municipal Light & Power	Utilities	187.25
Bauer Built Tire	Repairs	56.51
Beck Tractor & Equipment	Parts	306.98
Black Hills Energy	Gas Service	134.41
Blue Cross Blue Shield of Nebraska	Insurance Premiums	92.65
Bomgaars Supply	Shop Supplies	309.47
Carhart Lumber Company	Supplies	115.47
Colonial Life and Accident Insurance	Insurance Premiums	153.37
Constellation Newenergy Gas Division LLC	Gas Service	119.23
ED Etnyre & Co.	Equipment	45,000.00
Eastern Nebraska Telephone Company	Telephone Service	51.99
First Concord Benefits Group	Flexible Benefit Plan, Deductible Buy Down	697.46
Flinn Paving Company Inc.	Contract Services	50,096.00
Frontier	Telephone Service	155.15
Green Line Equipment	Equipment Rental	10,110.00
Johnson Engineering Company	Engineering Services	6,370.00
Kimball Midwest	Parts	101.43
LDI Chemical Sales Inc.	Supplies	158.50
Logan Street Radiator, L.L.C.	Repairs	1,685.00
Loup Power District	Utilities	104.81
Madison County Clerk	Tax Deposit	10,249.01
Madison National Life Insurance Company Inc.	Insurance Premiums	43.81
Matheson Tri-Gas Inc.	Shop Supplies	100.96
Nebraska Child Support Payment Center	Garnish of Wages	93.24
Nebraska Public Power District	Utilities	153.99
NMC Exchange L.L.C.	Repairs	4,626.55
Norfolk NAPA	Parts	1,224.56
Performance Transmissions	Repairs	1,520.00
Prime Sanitation	Garbage Service	53.75
Retirement Plans Division of Ameritas	Employee Share Retirement	1,777.04
Retirement Plans Division of Ameritas	Employer Share Retirement	2,665.48
Rutjens Construction, Inc.	Contract Services	148,536.90
Sherwin Williams Co.	Paint	350.90
Telebeep Wireless	Pager Services	22.11

Western Roofing Co.	Supplies	61.50
Willow Creek Sand & Gravel	Gravel	3,986.32

FEDERAL AID SECONDARY FUND

A & R Construction	Contract Services	853,966.41
Christensen Brothers, Inc.	Contract Services	119,487.60

VISITORS PROMOTION FUND

Norfolk Area Visitors Bureau	Administrative Expense	8,449.23
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VISITORS IMPROVEMENT FUND

Norfolk Area Visitors Bureau	Administrative Expense	8,169.98
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DRUG TESTING FUND

Nebraska Public Health Environment Lab	Services	105.00
REPCO Marketing Inc.	Supplies	40.50

911 EMERGENCY FUND

Century Link	Telephone Services	977.66
Frontier	Telephone Services	164.10

LAW ENFORCEMENT OPERATING FUND

Madison County Sheriff Inmate Fund	Supplies	737.45
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DRUG COURT FUND

Connecting Point	Equipment	57.00
Collin O'Connell	Supplies	29.50
Redwood Toxicology Lab	Testing	15.00

Motion was made by Ohl and seconded by McCallum to approve the claims as audited and authorize the County Clerk to issue checks for payment of said claims. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

The Board adjourned at 10:21 A.M. to Tuesday, July 15, 2014 at 9:30 A.M.

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County Clerk Nancy Scheer

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Board of Commissioners Chairman Lee Klein

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**BOARD OF EQUALIZATION**

Madison, Nebraska

July 1, 2014

The Board of Equalization of Madison County, Nebraska met at 11:00 A.M., in continuation of the June 17, 2014 meeting, to conduct hearings on property valuation protests.

Advance notice of meeting was published in the Thursday, June 26, 2014 edition of The Norfolk Daily News. A copy of said notice was mailed to each Board member. An affidavit of acknowledgment of receipt of notice of meeting as published was executed. Chairman Christian Ohl called the meeting to order and notified the public of the location of the information regarding the Open Meeting Act posted in the meeting room.

Present: Commissioners Lee Klein, Jerry McCallum, and Christian Ohl, County Assessor Jeff Hackerott, and County Clerk Nancy Scheer. County Treasurer Donna Primrose was present from 11:00 A.M. to 11:02 A.M.

Motion made by McCallum and seconded by Klein to approve the agenda for the meeting. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Motion made by Klein and seconded by McCallum to approve the minutes of the June 17, 2014 meeting. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Chairman Ohl opened a public hearing at 11:00 A.M. to receive testimony regarding the following motor vehicle exemption applications:

Bright Horizons, P.O. Box 1904, Norfolk	2001 Ford Windstar Mini Van
Christ is King Community Church, 715 West Madison Avenue, Norfolk	2005 Chevrolet Cobalt
Community Concern of Norfolk, Inc., P.O. Box 302, Norfolk	2010 Dodge Sport Van
Mid-Nebraska Lutheran Home, 109 North 2nd Street, Newman Grove Grand Caravan, 2001 Chevrolet Silverado	2006 Ford Cutaway Van, 2007 Dodge
Norfolk Catholic School/Sacred Heart Parish, Norfolk	2005 Chevrolet Express Van
The Link, Inc., 1001 West Norfolk Avenue, Norfolk	2012 Ford Focus
The Salvation Army, 112 North 7th Street, Norfolk	1991 Ford Pickup, 1994 Ford Aerostar
Victory Road Assembly of God, Inc. 200 North Victory Road, Norfolk	1996 Ford Van

County Treasurer Donna Primrose reported that all organizations have previously been approved by the Board. In addition, she stated that the exemption application for The Salvation Army includes two vehicles that were recently donated. No public comments were received.

Chairman Ohl closed the hearing at 11:01 A.M.

Motion made by Klein and seconded by McCallum to approve the motor vehicle exemption applications as presented. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Hearings were conducted on property valuation protests as follows:

Protest #2014-18: Brandon Doke, 55926 Hwy 275, Norfolk  
S A Seals Addition W 70 Ft Lots 1 & 2, Blk 2

Chairman Ohl opened a hearing at 11:02 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that the subject building is a duplex located at 204 and 206 East Park Avenue in Norfolk. He stated that some changes were made to the building because two building permits were approved for Mr. Doke in 2011. He reported that one building permit, in the amount of \$2,250, was to install wall anchors in the basement and the second building permit, in the amount of \$1,500, was to install an egress window. He explained that the owner has completed improvements totaling \$3,750 since the time of purchase. He stated that he did not inspect the interior of the duplexes, but completed an exterior review. He reviewed the assessment record with the Board members. Chairman Ohl closed the hearing at 11:04 A.M. Motion was made by Klein and seconded by McCallum to accept the County Assessor's recommendation for no change to the 2014 property valuation. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-19: William Christian, 805 West Grandview Road, Norfolk  
Jo-D's Subdivision Lot 1, Blk 2 (20-23-1)

Chairman Ohl opened a hearing at 11:07 A.M. William and Janet Christian appeared at the hearing. William Christian testified that the house is a small family dwelling which was recently purchased for \$41,400 and will be a rental property. He requested that the valuation be set at the recent purchase price. He stated that the purchase price was \$1,000 over the asking price. In addition, he showed Board members a copy of the purchase agreement which confirmed the purchase price of \$41,400. County Assessor Jeff Hackerott reported that he inspected the property with the owners on June 24, 2014. He confirmed that the property was purchased at foreclosure on May 19, 2014. He reported that the house is a raised ranch style with 1,182 square feet and a two-car attached garage. He stated that the house was re-sided with vinyl approximately 10 years ago and that the mound septic system was declared unusable, so this is possibly the main reason for the lower purchase price since the entire system must be re-built. William Christian reported that the small shed on the parcel will be removed since it is located where the new septic system will be installed. Chairman Ohl closed the hearing at 11:11 A.M. Motion was made by Klein and seconded by McCallum to consider the recent purchase price and set the 2014 property valuation at \$41,400. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-20: Jay Kilday, Inc. 53916 841st Road, Meadow Grove  
NE1/4 NW1/4 & W1/2 NW1/4 Less 1 Rod E Side of Road 36-24-4 119.5 Ac

Chairman Ohl opened a hearing at 11:13 A.M. Jay and Faye Kilday appeared at the hearing. Mr. Kilday testified that they are the owners and officers of Jay Kilday, Inc. Mrs. Kilday testified that they purchased the entire parcel of property on March 1, 2014 at a cost of \$660,000 at a public auction. She explained that the purchase price included the house site and the assessed valuation increased considerably and is over the price which they paid at a public auction. She submitted a copy of the closing statement which reflected the purchase price. She reported that the previous owners had attempted to sell the property in 2013 at a price higher than the auction and they were unable to do so. In addition, she explained that there were three bidders at the auction, which were local farmers. Mrs. Kilday reported that they checked the crop base with the USDA office and the crop base is 67 bushels per acre for corn and 21 bushels per acre of soybeans. She reported that the last time corns and beans were planted was in 2003 so obviously the land is not conducive to crops. She stated that the land is currently in hay; however, they will be changing the land usage in September with the USDA to pasture instead of a crop base. She submitted several pictures showing water sitting everywhere on the parcel and several pictures of adjacent property that is also under water. Mrs. Kilday testified that there haven't been any improvements to the house in the last five years and it needs a new roof, all new windows, and the basement finish had to be torn out because of water damage. County Assessor Jeff Hackerott reported that he completed an exterior inspection of the property and buildings with Mr. Kilday on June 24, 2014. He confirmed that there are no crops planted on the parcel, but no one reported this information to the Assessor's office, so the assessment record must be updated to correct the land use. He stated that other buildings and grain bins are still on the parcel. He asked if the Kildays brought paperwork from the FSA Office and Mr. Kilday responded that he certified with the FSA Office and was told that the acres had not been certified since 2011. He stated that 12.5 acres are certified as alfalfa and the remainder is brome grass. Mrs. Kilday stated that the parcel is currently certified as cropland, but it is all hay.

Mr. Kilday testified that 105 acres of the parcel is alfalfa and hay and the remainder is building site. He stated that in a typical year, the ground is very low and sub-irrigated and the pictures of the corn and soybeans fields next to their property reflect that the beans and some of the corn will not make a crop because the ground is too wet. Mrs. Kilday stated that they were surprised that the valuation increased because both the financial lender and the realtor told them that the 2013 valuation was actually a little high based on their purchase price and they were informed that the valuation would not increase. Mrs. Kilday testified that they painted the kitchen cupboards and tore out the basement finish so they can remove the mold and paint. She reported that the house needs a new roof, new windows, and a new deck. Mr. Kilday reported that the kitchen cupboards which they painted are from the 1970s. He stated that the only improvements made in the house were cosmetic, such as removal of the carpet, re-finishing of the hardwood floors, new carpet in one bedroom, and painting of all the rooms. Chairman Ohl closed the hearing at 11:22 A.M. Motion was made by Klein and seconded by Ohl to give consideration to the recent purchase price and set the 2014 property valuation at \$550,285. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-21: LeRoy and Kathryn Novotny, 3614 Koenigstein Avenue, Apt. 23, Norfolk  
S1/2 SW1/4 & S1/2 SE1/4 20-23-3 160 AC

Chairman Ohl opened a hearing at 11:27 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he inspected the property on June 24, 2014 and confirmed that the buildings are removed. Chairman Ohl closed the hearing at 11:28 A.M. Motion was made by Klein and seconded by McCallum to remove the valuation for the building and set the 2014 property valuation at \$725,431. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-22: James Omer, 112 West Spruce Avenue, Norfolk  
Edgewater Park Addition Lot 11 & W 30 Ft Lot 12, Blk 5

Chairman Ohl opened a hearing at 11:39 AM. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that he completed a walk-through of the property with the owner on June 24, 2014. He stated that the house is ranch style with a single car attached garage and a two car detached garage that was built in 2002. He reported that one comparable sized house in the area has a newer two-car detached garage and it sold for \$128,000 in 2012. In addition, he reported that another smaller house, which is 7 years older and does not have the detached garage, sold in 2011 for \$118,900. He stated that based upon the comparable sales, the valuation appears equitable. Chairman Ohl closed the hearing at 11:43 A.M. Motion was made by McCallum and seconded by Klein to accept the County Assessor's recommendation for no change in the 2014 valuation since the value appears to be equitable with similar properties. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-23: Duane Acklie, P.O. Box 81228, Lincoln  
S 60 AC E1/2 SW1/4 26-24-2 60 AC

Chairman Ohl opened a hearing at 11:43 A.M. No one appeared at the hearing to offer verbal testimony. The written protest form was reviewed. County Assessor Jeff Hackerott reported that the three parcels listed on the valuation protest form are considered one economic unit by the owner. He stated that the parcels are all contiguous and he presented a map showing the properties' proximity to the Elkhorn River. He explained that the complaint is related to the 60 acre parcel that was affected by the 2010 flood. Mr. Hackerott reported that he re-measured the parcel using imagery after the 2010 flood and the assessment record accurately accounts for the number of acres that are not tilled and unusable. He reviewed the number of acres of the various soil classifications from the assessment record. Chairman Ohl closed the hearing at 11:48 A.M. Motion was made by McCallum and seconded by Klein to make no change to the 2014 property valuation since the land is classified correctly and is valued equitably with similar properties. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-24: Michael Hoover, 1700 Pasewalk Avenue, Apt. #101, Norfolk  
PT SW1/4 NW1/4 3-23-2 6.44 AC

Chairman Ohl opened a hearing at 11:49 A.M. No one appeared at the hearing to offer verbal testimony. The letter received with the protest form was read. County Assessor Jeff Hackerott reported that the property is a 6.44 acre property located west of Norfolk which has an abandoned wood framed house located on it. He stated that the parcel has a lot of trees. Chairman Ohl closed the hearing at 11:52 A.M. Motion was made by McCallum and seconded by Klein to set the 2014 property valuation at \$22,959 after applying additional depreciation to the buildings due to the deteriorating condition. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-25: Donald and Rebecca Zeman, 503 East Prospect Avenue, Norfolk  
Walters Wedgewood Addition Lot 30

Chairman Ohl opened a hearing at 11:53 A.M. Rebecca Zeman appeared at the hearing and testified that she is protesting the square footage of the basement because she is being assessed for a full basement and she actually has a partial basement and a crawl space. County Assessor Jeff Hackerott reported that he inspected the property with Mrs. Zeman on June 27, 2014 and confirmed that a family room was added onto the back of the house in 1978 and the County assessment record lists a basement under the addition; however, there is no basement under the family room. Chairman Ohl closed the hearing at 11:57 A.M. Motion was made by McCallum and seconded by Klein to correct the assessment record to reflect a partial basement and set the 2014 property valuation at \$121,152. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-26: Gwen Schoenfeldt, 1206 Jonathan Circle, Norfolk  
Meadow Ridge - Phase 1 2nd Addition Lot 3A, Blk 1

Chairman Ohl opened a hearing at 12:23 P.M. No one appeared at the hearing to offer verbal testimony. The protest form was read. County Assessor Jeff Hackerott reported that the property was re-appraised for 2014. He stated that the owner was unable to meet with him for an interior inspection of the house; however, he reviewed the assessment listing with the owner over the telephone and confirmed that the County record is accurate. He reported that two comparable houses, both built in 1998, sold for \$107,000 and \$110,000 in 2013. Chairman Ohl closed the hearing at 12:27 A.M. Motion was made by McCallum and seconded by Klein to make no change to the 2014 property valuation since the value appears equitable with similar and is reflective of the market. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

Protest #2014-27: Clinton and Verna Broberg, 82958 534th Avenue, Newman Grove  
NW1/4 Less PT To State 30-22-4 145.39 AC

Chairman Ohl opened a hearing at 11:29 A.M. Clinton and Verna Broberg attended the hearing. Mr. Broberg testified that he compared his property to an adjoining parcel to the south which contains more acres than his property. He stated that their property was valued a little higher in the past, but now he noticed a more significant increase even though he has fewer acres of land compared to the parcel to the south. He explained that he visited with Mr. Hackerott about the desirability of comparing both farms. He stated that Mr. Hackerott prepared a slide that showed the drainage ditch that comes from his property on the west side and he has paid particular attention that the drainage ditch is now included in the farmland. He stated that at the very corner of the pasture there is a ditch that comes in from the northeast that cuts across the corner of the neighbor's pasture, but the main drainage ditch coming south from his property goes down and crosses the road into Boone County. Mr. Broberg stated that the people who live in the area really value the adjoining as being more valuable than his parcel. He stated that he feels justified in asking for a consideration and on the protest form he stated that he thinks it is very fair to put the land value of both properties at approximately the same, but the present set up of putting more value on his property just seems to be out of focus. He said that he wants to be fair and honest, but he feels justified in asking for reconsideration. County Assessor Jeff Hackerott reported that the parcel that Mr. Broberg is using as a comparable borders his property on the south and is owned by Larry Bennett. He stated that the main difference between the two valuations is that Mr. Bennett's property has 27.9 acres of grass and Mr. Broberg's property is all dry crop ground and alfalfa. He reported that Mr. Bennett's property valuation is \$608,911 compared to Mr. Broberg's land value of \$625,237, which is a difference of approximately \$17,000. He stated that he recently viewed both parcels of property. Mr. Broberg expressed appreciation for Mr. Hackerott viewing the parcels. He stated that he has been told that if the two properties came up for auction, people would put more money into the adjoining parcel that where he lives and that still says something. He stated that it seems honestly justified to consider that people really value the adjoining more than his parcel and this should play a part in the final valuation calculation. Chairman Ohl closed the hearing at 11:35 P.M. Motion was made by McCallum and seconded by Klein to make no change to the 2014 property valuation since the land is classified correctly and the valuation appears equitable with similar agricultural properties. Roll call vote: Ayes, Klein, McCallum, and Ohl. Nays, none. Motion carried.

The Board of Equalization recessed at 12:28 P.M. to Tuesday, July 8, 2014.

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County Clerk Nancy Scheer

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Board of Equalization Chairman Christian Ohl