

BOARD OF EQUALIZATION

Madison, Nebraska

August 21, 2007

The Board of Equalization of Madison County, Nebraska met at 9:00 A.M.

Advance notice of meeting was published in the Thursday, August 16, 2007 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 Rick Uhlir 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 Jerry McCallum, Rick Uhlir, and Lee Klein, County Assessor Jeff Hackerott, County Treasurer Donna Primrose, and County Clerk Nancy Scheer.

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

Motion by McCallum and second by Klein to approve the minutes of the meeting held on August 7, 2007. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Chairman Uhlir opened a public hearing at 9:08 A.M. to consider the following motor vehicle exemption applications submitted by County Treasurer Donna Primrose:

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| Community Bible Church, 401 East Park Avenue, Norfolk | 1992 Ford Bus |
| Community Concern of Norfolk, Inc., P.O. Box 302, Norfolk | 1996 Ford Van, 2004 Chevrolet Ventura Van |
| Faith Regional Health Services, P.O. Box 869, Norfolk | 2005, Chevrolet Van, 2001 Plymouth Neon (2), 2001 Dodge Neon (6), 1997 Dodge Ram Van, 2000 Plymouth Neon, 2000 Dodge Stratus, 2005 Chevrolet Venture Van, 1997 Chevrolet Tilt Cab, 2006 Circle D Flatbed Trailer, 1998 Chevrolet Pickup, 1996 Ford Pickup, 2001 Chevrolet Pickup, 1998 Dodge Caravan, 1994 Dodge Ram Van, 2007 Chevrolet Uplander |
| Heartland Baptist Church, P.O. Box 2235, Norfolk | 1995 Dodge Ram Wagon |
| Liberty Centre Services, Inc., 900 East Norfolk Avenue, Norfolk | 2006 Ford Taurus (2) |
| Lutheran High School Association, P.O. Box 2454, Norfolk | 1986 Chevrolet Bus, 1999 Chevrolet Cavalier, 1996 Bluebird Bus, 1998 Dodge Van, 1999 Chevrolet Van, 2006 Honda Accord |
| Mosaic, 105 East Norfolk Avenue, Suite 200, Norfolk | 2006 Chevrolet Uplander (3), 2007 Toyota Prius, 2000 Chevrolet Sport Van, 2001 Pontiac Grand Prix, 2003 Chevrolet Sport, 2001 Chevrolet Sport Van |
| Norfolk Rescue Mission, 111 North 9th Street, Norfolk | 1993 GMC Safari Van |
| The Salvation Army, 112 North 7th Street, Norfolk | 2006 GMC Savana, 2001 Dodge Sport Van, 2003 GMC Savana Van, 1984 Mono Trailer |

County Treasurer Donna Primrose reported that all organizations have motor vehicle exemptions that were previously approved by the Board. No one appeared at the hearing to offer verbal testimony. Chairman Uhlir closed the hearing at 9:10 A.M.

Motion by Klein and second by McCallum to approve the motor vehicle exemption applications as submitted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Assessor Jeff Hackerott presented tax list correction #2316. After discussion, it was moved by McCallum and seconded by Klein to approve the tax list correction as submitted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The Board of Equalization adjourned at 9:12 A.M.

County Clerk

Chairman

COMMISSIONERS PROCEEDINGS

Madison, Nebraska

August 21, 2007

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, August 16, 2007 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 McCallum 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 Jerry McCallum, Rick Uhlir, and Lee Klein, and County Clerk Nancy Scheer. County Highway Superintendent Richard Johnson joined the meeting at 9:50 A.M. and Planning and Zoning Administrator John Johnson was present from 9:50 A.M. to 10:43 A.M.

Motion by Klein and second by Uhlir to remove consent agenda Item No. 1 under Other Business for re-appointment of Charles Henkel to serve as a member of the Joint Planning Commission. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The following consent agenda items were read into the record by Chairman McCallum:

- 1) Approval of minutes of the August 7, 2007 meeting
- 2)

RESOLUTION #2007-39

WHEREAS, it is anticipated that the 2007-2008 fiscal year budget will provide for partial funding of the Federal Aid Secondary Fund expenditures by interfund transfers from the Inheritance Tax Fund; and

WHEREAS, monies in the Federal Aid Secondary Fund are now insufficient to meet the current expenditures approved by the Board of Commissioners; and

WHEREAS, the Board of Commissioners desires to transfer funds to the Federal Aid Secondary Fund to allow for payment of expenditures in said fund;

NOW, THEREFORE, BE IT RESOLVED, that five hundred thousand dollars (\$500,000.00) be transferred from the Inheritance Tax Fund to the Federal Aid Secondary Fund to meet current expenditures and provide for payment of future expenses, and

BE IT FURTHER RESOLVED, that the 2007-2008 fiscal year budget include interfund transfers to the Federal Aid Secondary Fund in a minimum amount as herein adopted.

Motion by Klein and second by Uhlir to approve the amended consent agenda. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Motion by Uhlir and second by Klein to approve the regular agenda as amended. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The following written reports were reviewed:

- 1) County Clerk July fee report
- 2) Register of Deeds July fee report
- 3) County Sheriff July fee report
- 4) Minutes of the July 17, 2007 meeting of PrairieLand RC&D and August newsletter

Pursuant to published legal notice in the Saturday, August 11, 2007 edition of The Norfolk Daily News, Chairman McCallum opened a public hearing at 10:03 A.M. to receive citizens' comments regarding the conditional use permit application of Mike Knull to construct a residence on less than 40 acres on property located in Section 11-23-2.

The applicant, Mike Knull, was present and explained that he wants to split off five acres of his property so his son can construct a house. He reported that his son wants to move out of Norfolk and enjoy the rural life and also have his children attend Battle Creek Public Schools.

Planning and Zoning Administrator John Johnson reported that the Planning Commission recommended approval of the conditional use permit.

No one appeared at the hearing to express opposition to the conditional use permit. Chairman McCallum closed the public hearing at 10:06 A.M.

After discussion, the following resolution was introduced:

RESOLUTION #2007-40

A RESOLUTION GRANTING A CONDITIONAL USE PERMIT FOR CERTAIN LAND LOCATED IN THE COUNTY OF MADISON, NEBRASKA UNDER AUTHORITY GRANTED BY THE MADISON COUNTY ZONING AND SUBDIVISION RESOLUTION AND LEGISLATIVE BILL 186 (1978)

WHEREAS, having given proper notice and holding a public hearing as provided by law and under the authority of and subject to the provision the 2003 Madison County Zoning and Subdivision Resolution and Legislative Bill 186 (1978).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Madison County, Nebraska, hereby grants a permanent Conditional Use Permit to Mike and Connie Knull for a single family dwelling on less than forty acres Section 402, "AG-1" Intensive Agriculture District, 2003 Madison County Zoning and Subdivision Resolution, on the following described land:

South ½ of the Northwest ¼ of Section 11, Range 23 North and Township 2 West of the 6th P.M., Madison County, Nebraska

1. This Conditional Use Permit allows a single family home on less than 40 acres.
2. This Conditional Use Permit shall be permanent and will be transferred between owners.
3. With the passage of this permit, the applicant and/or residence builder realizes that the new residence is going to be subject to livestock odors, dust and general nuisances. This does not, however, mean that the applicant is giving up the right to be protected by Madison County and the State of Nebraska.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that upon taking effect of this Resolution, the above Conditional Use Permit shall be entered and shown of the Official Zoning Map of Madison County, previously adopted by reference, and said zoning map is hereby reincorporated as a part of the Madison County, Nebraska Zoning and Subdivision Resolution as amended.

Motion by Klein and second by Uhlir that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Motion by Klein and second by Uhlir to approve Mike B. Knull Lot Split located in Section 11-23-2. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Commissioner Klein stated that, in his opinion, the county should advertise for a member to serve on the Joint Planning Commission. He stated that members serving on the Joint Planning Commission should have a vision for Madison County. In addition, he reported that Charles Henkel's residence is within the zoning jurisdiction of Norfolk City.

After discussion, it was moved by Klein and seconded by Uhlir to direct Planning and Zoning Administrator John Johnson to advertise for a member to serve on the Joint Planning Commission. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Planning and Zoning Administrator John Johnson presented the preliminary and final plats of Timber Meadows Subdivision located in Section 6-23-1. The owner, Jeff White, was present during discussion on the agenda item. Planning and Zoning Administrator John Johnson explained that the plat is a 14 lot subdivision.

Commissioner Klein questioned if this subdivision includes the corner that is filled with junk. Jeff White responded that he is not positive at this time because there was a problem with the original survey. He stated that the original survey was erroneous and his surveyor advised that the corner where the junk is located is part of this plat, but there will be tremendous title problems that must be resolved. He explained that he plans to clean up the area, but he is working with the title company and the surveyor to obtain clear title to this portion of property. Chairman McCallum questioned when the property was purchased from Bob Schroeter and Mr. White responded that he purchased the property approximately one year ago.

Planning and Zoning Administrator John Johnson explained that the applicant must submit preliminary and final plats. He stated that if the preliminary plat is approved without any changes, the County Board can approve both the preliminary and final plats at the same time. He explained that the property is zoned rural residential and this entire quarter section of property can have up to 14 homes located on it. He reported that there are 14 lots in the subdivision and Lot 14 will be dedicated as open space and possibly a pond will be located on this lot since most of it is located in a flood plain. He reported that the Planning Commission approved the plat with the stipulations that the junk located on the property must be removed, as many trees as possible must be kept, noxious weeds must be controlled until the lots are sold, and all lots must be accessed from a private cul-de-sac.

Mr. White explained that each lot will have a private well and septic system. Commissioner Klein questioned if there was an issue with having enough room for fire trucks and Mr. Johnson responded that the plat has a standard size cul-de-sac so there should be enough room for fire trucks. He explained that the main thing that the Norfolk fire department reported was that the lower branches on many of the pine trees must be cleaned out since they are dead. Mr. White reported that the plan is to move the good trees to try to preserve as many as possible.

After discussion, it was moved by Uhlir and seconded by Klein to approve the preliminary and final plats of Timber Meadows Subdivision located in W½ NW¼ Section 6-23-1. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Attorney Joseph Smith, District Court Judge Patrick Rogers, Drug Court Coordinator Pam Wells, and District No. 2 Probation Officer Kathryn Liebers were present to discuss the interlocal agreement with the Nebraska Supreme Court and Office of Probation Administration for operation of the Northeast Nebraska Problem-Solving Court and Northeast Nebraska Drug Court.

Judge Rogers explained that the Nebraska Supreme Court has prepared an interlocal agreement to continue operation of the drug court program as it has been carried out for the last 1½ years. He stated that the interlocal agreement is a standard document for all the drug courts in the State of Nebraska. He explained that there are 16 drug courts that have signed the interlocal agreement as it has been presented to the County Board. Judge Rogers explained that this agreement won't change the program as it currently operates and that the Drug Coordinator's salary is paid by the State of Nebraska. He stated that the county will continue to provide office space and other funds include community support money and participants' fees. In addition, he explained that there are no taxpayers' funds involved with the cost of operating the drug court and that Nebraska Supreme Court is spending \$122,000 to fund the drug court program and needs the interlocal agreement to continue the funding. Judge Rogers reported that County Attorney Joseph Smith has several technical problems with the agreement; however, the Nebraska Supreme Court is not willing to change the agreement because it is standard across the state.

Kathryn Liebers reported that the interlocal agreement is standard across the state, not only for drug courts that are funded by the Probation Administration; but, also for drug courts which receive all of their funding from the county, such as Douglas County. She stated that the interlocal agreement is a template so that each court is operating similarly and that some of the issues that Mr. Smith have are because the agreement doesn't apply to what the Northeast Nebraska drug court is doing. Judge Rogers reported that there are some provisions in the agreement that aren't applicable, but that is because there are several different drug programs across the state, some of which are funded by counties or cities. He explained that all drug courts must sign the interlocal agreement so they can qualify for the voucher program.

Pam Wells reported that the Nebraska Supreme Court adopted rules governing all the implementation and operation of drug courts in Nebraska and this agreement sets a standard. She explained that all drug courts are operating under the rules of the Nebraska Supreme Court, whether they are funded through the county or probation, but the statutes were adopted and Community Corrections has dictated that every court needs an agreement with the Court Administration Office so that funds can be obtained from Community Corrections. She explained that Douglas County has its agreement, central Nebraska has its agreement, and Madison County will have its agreement. She reported that the Norfolk Probation Office also serves all other counties in the 7th judicial district and this agreement encompasses family courts, juvenile courts, and young adult courts.

County Attorney Joseph Smith reported that his concerns are technical. He stated that the Supreme Court's intent was to make an agreement that applied to everyone. He stated that, as an example, Paragraph 8 of the agreement states that if funds are not available for training and travel then the county would be responsible for payment of these costs. Pam Wells responded that Paragraph 9 of the agreement pertains to Madison County which states that if the employees are Probation employees then the State is responsible for payment of training and travel costs. She stated that the Nebraska Supreme Court wants a standard agreement to apply to all entities and the Court felt that the entities were intelligent enough to determine which portions of the agreement applied. County Attorney Joseph Smith stated that the Nebraska Supreme Court does not have clear concise language and this could cause confusion. He stated that if someone contested the agreement, there is language that creates great confusion.

Chairman McCallum questioned if there were changes from the previous interlocal agreements and Pam Wells responded that last year the Nebraska Supreme Court also submitted a standard agreement and Mr. Smith had a lot of problems with the language, so many changes were made to it. Judge Rogers explained that, for the benefit of the drug court program, he had to beg the Nebraska Supreme Court to accept the agreement that was altered by County Attorney Joseph Smith and he is not going to do that this year. County Attorney Joseph Smith requested that his recommendations for changes to the interlocal agreement be attached to the original agreement in case there is litigation.

Chairman McCallum questioned how the program was doing and Pam Wells responded that the Northeast Nebraska Drug Court has serviced 22 individuals and there are currently 19 participants. She reported that they will have their first graduation and two people were terminated from the program, so there is a 90% retention rate. She stated that she appreciates Mr. Smith's efforts on reviewing the agreement because it is his job to make sure that the county is protected. She explained that a budget has been submitted to the county and other than the balance on hand the only other fees that will be spent from this budget are offender fees. She reported that during the prior fiscal year the state paid for \$68,954 in personnel costs, which was her salary, judges' time which is donated, drug testing, treatment vouchers in the amount of \$28,691, mileage, and incentives for a total amount of \$116,795 for drug court operation costs. In addition, she reported that the county costs were \$9,533 and this money was received from the State Patrol grant funds and participants' fees. She stated that the state is putting a lot into the drug court program and that \$28,000 for the treatment vouchers came from the monthly offender fees paid into probation. Judge Rogers stated that the drug court program has brought a lot of resources for treatment and since the program is associated with probation, the participants are entitled to receive vouchers for treatment.

After discussion, it was moved by Klein and seconded by Uhlir to approve the interlocal agreement with the Nebraska Supreme Court and Office of Probation Administration for operation of the Northeast Nebraska Problem-Solving Court and Northeast Nebraska Drug Court and attach the letter of recommended changes that were submitted by County Attorney Joseph Smith to the agreement. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Highway Superintendent Richard Johnson reported that the County Board held a hearing at the August 7, 2007 meeting to receive citizens' comments regarding the vacation of 825th Road between 542nd and 543rd Avenues. He stated that he and Chairman McCallum inspected the road after the hearing. Commissioner Klein stated that he also inspected the road and since a drainage district is being contemplated he questioned if the county is planning to vacate the road. County Highway Superintendent Richard Johnson explained that if the county vacates the road there are three options for the right-of-way, including reverting the road to the landowners, retaining the right-of-way, or doing nothing, which allows the county to keep the right-of-way for ten years before it reverts to the landowners. He stated that he usually recommends that the county retain the right-of-way so if the county wants to re-open the road in the future it doesn't have to purchase what was previously owned.

Chairman McCallum stated that there are a lot of trees along this road and high banks and he questioned if the county would be required to clean up the trees and knock down the high banks if the right-of-way is retained. Mr. Johnson responded that the county would not be required to do this if the road is closed. Commissioner Klein recommended that the county vacate the road and retain the right-of-way. County Highway Superintendent Richard Johnson stated that the Board must adopt a resolution and he doesn't have one prepared because he didn't know what the County Board would decide. He explained that the road is currently impassable, except for the east one-fourth mile. He stated that there was discussion during the hearing about access from the west end of the road and there is approximately 500 feet at the west end of the road that is reasonably passable. He suggested speaking to the landowners to determine if keeping 500 feet open at the west end and one-quarter mile open on the east end would be satisfactory. He stated that Chairman McCallum plans to replace the bridge that is located on the east end of the mile. Chairman McCallum reported that Duane Choutka is the landowner affected on the west end of the road.

County Highway Superintendent Richard Johnson reported that the county would need to spend a large sum of money to make the road passable. He stated that any time there is a county road, the Board is liable for it and this road is certainly not a good one for people to drive on. Chairman McCallum suggested vacating the road except the east one-quarter mile and approximately 200 feet on the west end so Duane Choutka could access his farm. County Highway Superintendent Richard Johnson recommended that he explain this proposal to Duane Choutka prior to official approval by the Board.

Commissioner Klein reported that Chairman McCallum asked him to investigate a drainage plan and the NRCS hasn't provided him with the information he requested; however, the NRD has some money available to assist with drainage improvement. He stated that if the county retains ownership it would allow the right-of-way to be used for a drainage area. County Highway Superintendent Richard Johnson inquired if the NRD will expect county participation and Commissioner Klein responded that the NRD will pay between 50% and 75% of the drainage costs and the landowners will pay the balance. He stated that the county could provide funding; however, he is not in favor of providing county funds. County Highway Superintendent Richard Johnson agreed that the county should only provide funding if county structures need to be replaced. Commissioner Klein explained that the citizens should discuss a drainage plan with the NRCS and NRD. He stated that, in his opinion, the county should not be involved unless there is a structure that needs to be improved. He stated that there is no way that any one of the Board members would ever make a promise that the Board is interested in spending money to make improvements to this road. County Highway Superintendent Richard Johnson recommended establishing distances in the resolution so there is no argument about the resolution being ambiguous about the distance that the road is vacated. Chairman McCallum stated that 200 feet from the west end of the road should be adequate for the landowner to access his property.

After discussion, the Board directed County Highway Superintendent Richard Johnson to speak to Duane Choutka regarding the Board's intentions regarding the vacation of 825th Road between 542nd and 543rd Avenues and to prepare a resolution for consideration at the September 5, 2007 meeting.

After review of the 2007 annual officers' inventory statements, it was moved by Uhlir and seconded by Klein to approve the 2007 officers' inventory statements. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

County Clerk Nancy Scheer reported that Dan Spray, representative from Connecting Point, completed an on-site visit in county offices to determine the number of personal computers owned by the county that would be included under the maintenance program proposed by Connecting Point. She stated that Mr. Spray reported a total of 107 personal computers and 4 servers owned by the county and based on this count, the cost of the agreement would be \$8 for each personal computer and \$100 for each server for a monthly total of \$1,256. She stated that the budget committee included a line item in the Miscellaneous General budget for the contract costs; however, any additional services not included in the contract would be paid from each individual department budget.

After discussion, it was moved by Klein and seconded by Uhlir to approve the proposal from Connecting Point for a computer preventative maintenance program. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Budget committee members Richard Johnson and Nancy Scheer presented a summary of the budget for the 2007-2008 fiscal year. They submitted a fund balance report reflecting the balance in each fund on July 1, 2007 compared the balance on July 1, 2006. They summarized that there was an increase of \$766,000 of available cash on hand on July 1, 2007 compared to the prior fiscal year. In addition, they explained that the report reflects the cash on hand in the Inheritance Tax Fund for the prior seven years and the annual amount spent each year. They reported that the inheritance tax revenue received during the 2006-2007 fiscal year was \$531,530 and \$32,000 was given to the county libraries, \$5,000 was spent for economic development for the Vision 2026 program, and \$500,000 was used for property tax relief to lower the levy.

Committee members submitted a report listing the office functions in the General Fund and explained that this report was reviewed at the August 7, 2007 Board meeting; however, the Miscellaneous General and Capital Acquisitions office functions were not completed at that time. They explained that the Board directed all offices to limit budget increases to 3% and the report reflects the percentage of change for each office function from the prior year. The Board members reviewed the budgets for the offices that exceeded a 3% increase, which included the County Treasurer, Planning Commission, District Judge, County Sheriff, and County Attorney. In addition, committee members reviewed each line item budgeted in the Miscellaneous General office function and reported on the reasons for increases in various line items. They also reviewed the line items budgeted in the Capital Acquisitions budget and reported that \$250,000 is included in this budget for replacement of the jail roof. They advised that the roof replacement costs affect the levy and since the roof is a capital improvement project the cost is included as a lid exception; however, if the project is not completed, this amount will become a restricted fund during the next fiscal year. Board members agreed that the jail roof replacement should be included in the budget before additional damage occurs to the inside of the jail facility.

Mr. Johnson reviewed the Road/Bridge Fund budget and reported that the first draft reflects a 9.54% increase from the prior year. He reported that \$700,000 was budgeted for asphalt overlay projects with these projects to be paid with bond proceeds. In addition, he reviewed the Federal Aid Secondary budget and reported that major projects included in this budget include the Lindsay Road, Victory Road, and federal aid bridge replacement projects. Expenditures from all other county funds were also reviewed with Board members.

Budget committee members reviewed the lid exception worksheet, the LC-3 supporting schedule for calculation of restricted funds, and the lid computation form. They reported that a reduction of \$850,862 is required to comply with the statutory lid requirements.

Budget committee members presented the following recommendations to bring the budget into compliance with the statutory lid requirements:

- 1) Increase allowable restricted funds by 1% as permitted by law, which will result in an increase of \$78,545 in restricted funds authority
- 2) Increase Road/Bridge Fund revenue for receipt of FEMA funds for May flood damage
- 3) Reduce cash reserve in Road/Bridge Fund from 25% to 23%
- 4) Reduce cash reserve in General Fund from 25% to 23%
- 5) Reduce State Institutions expenditures by \$30,000, which would also result in an additional \$6,900 reduction in cash reserve
- 6) Reduce Miscellaneous line item in Miscellaneous General office function by \$23,293, which would also result in an additional \$5,357 reduction in cash reserve
- 7) Reduce Road/Bridge expenditures by \$187,170, which is a 3% increase in non-lid exception items, which would also result in an additional \$43,049 reduction in cash reserve
- 8) Transfer \$179,464 from Inheritance Tax Fund to General Fund

Committee members submitted a proposed resolution to increase the allowable restricted funds authority by 1%. They explained that historically the Board has increased the restricted funds authority over the 2.5% base limit.

After discussion, the following resolution was introduced:

RESOLUTION #2007-41

WHEREAS, Section 13-519 Nebraska Revised Statutes provides that a governmental unit may adopt a budget which exceeds the statutory limit of restricted funds for the fiscal year by an additional one percent upon the affirmative vote of at least 75% of the governing body; and

WHEREAS, the Board of Commissioners has received the preliminary budget reports prepared by the budget committee; and

WHEREAS, the Board of Commissioners finds that an additional 1% of restricted funds authority is necessary to provide funding for anticipated expenditures for the 2007-2008 fiscal year;

NOW, THEREFORE, BE IT RESOLVED, that the restricted funds for the 2007-2008 fiscal year be increased by an additional one percent as provided by law.

Motion by Uhler and second by Klein that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhler, and Klein. Nays, none. Motion carried.

Budget committee members explained that insurance, energy, and fuel costs are increasing faster than the lid allows. Board members responded that there are very few costs that can be controlled, except possibly personnel costs. Commissioner Klein responded that the Board can't realistically control personnel costs because if the county doesn't match salaries with other companies, good employees will leave to seek other employment. Chairman McCallum stated that project costs, such as the Victory Road, are escalating out of sight and the county hasn't started actual construction. County Highway Superintendent Richard Johnson stated that the tax funds that the county receives from a quarter section of land don't go very far in taking care of road maintenance costs. He stated that the Road/Bridge Fund and Federal Aid Secondary Fund cause problems every year for lid compliance. Commissioner Klein stated that the federal government is curtailing road funds and he questioned how this would affect funds that the county receives for federal aid road projects. County Highway Superintendent Richard Johnson responded that the majority of funds allocated for the major road improvements are local funds. He stated that, in his opinion, the highway allocation funds wouldn't be affected; however, federal aid funds for bridge replacement may be reduced by as much as one-third. He explained that the bridge collapse in the twin cities might change the allocation of federal aid funds because politicians may allocate more funds. Commissioner Klein stated that, if the county wants to promote economic development, improvements to the county infrastructure must continue. County Highway Superintendent Richard Johnson responded that the county might need to issue bonds for several years to pay for major road projects. Chairman McCallum reported that York County recently approved a \$3 million bond issue to complete nine miles of hot mix overlay. The Board directed the budget committee to repay the funds transferred from Inheritance Tax Fund and replace them with bond proceeds. Chairman McCallum recommended using inheritance tax funds for economic development projects so all taxpayers benefit.

The budget committee members reviewed each recommendation to bring the budget into compliance with the statutory lid requirements and reported that if all reductions are approved the estimated county levy for 2007-2008 fiscal year would be 42.5 cents. They reported that \$500,000 was transferred into the Road/Bridge Fund to alleviate a cash flow problem and that an additional \$179,464 would be budgeted as an interfund transfer from Inheritance Tax Fund to General Fund to reduce the property tax requirements. After further discussion, the Board directed the budget committee to implement the recommendations proposed to comply with the statutory lid restrictions.

Budget committee members reported that Section 77-3442 Nebraska Revised Statutes permits the county to allocate up to 15 cents of levy authority to other political subdivisions. They reported that the rural fire districts have agreed to a 4 cent levy, the Madison County Agricultural Society has requested a property tax of \$337,338 and the Norfolk Sanitary District has requested a property tax of \$75,000. They explained that the total levy allocations would not exceed the statutory maximum of 45 cents when combined with the county levy.

RESOLUTION #2007-42

WHEREAS, Section 77-3443 Nebraska Revised Statutes provides that certain governmental entities must receive levy allocation authority from the County Board; and

WHEREAS, the Madison County Board of Commissioners has received levy allocation requests from various political subdivisions for the 2007-2008 fiscal year; and

WHEREAS the Battle Creek, Madison, Meadow Grove, Newman Grove, and Norfolk Rural Fire Districts have formed a Mutual Finance Organization, with each of its members requesting that the levy rate be set at 4 cents per hundred dollars of valuation; and

WHEREAS, the Board of Commissioners has reviewed the levy requests submitted to determine that no parcel of property in the county will exceed the allowable levy limits as outlined in state statutes;

NOW, THEREFORE, BE IT RESOLVED, that the following levy allocations are hereby authorized for the 2007-2008 fiscal year:

<u>SUBDIVISION</u>	<u>PROPERTY TAX AMOUNT</u>	<u>VALUATION</u>	<u>LEVY ALLOCATED</u>
Battle Creek Rural Fire District	All Funds		.040000
Madison Rural Fire District	All Funds		.040000
Meadow Grove Rural Fire District	All Funds		.040000
Newman Grove Rural Fire District	All Funds		.040000
Norfolk Rural Fire District	All Funds		.040000
Madison County Agricultural Society			
General Fund	\$148,436.00	2,172,625,583	.006833
Building Fund	<u>\$188,902.00</u>		<u>.008695</u>
TOTAL	<u>\$337,338.00</u>		<u>.015528</u>
Norfolk Sanitary District			
General Fund	\$75,000.00	1,121,429,773	.006688

Motion by Uhlir and second by Klein that the foregoing resolution be adopted. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Chairman McCallum set public hearings for Wednesday, September 5, 2007 to receive citizens' comments on the county budget for the 2007-2008 fiscal year and also to set the property tax request at an amount different than the previous fiscal year.

The following claims were audited:

GENERAL FUND		
Total Net Payroll		99,471.96
Joseph Abler	Mileage, Public Defender	111.55
Albracht Disposal Service	Garbage Service, Public Defender	40.00
Albracht Disposal Service	Garbage Service, Courthouse	92.00
Albracht Disposal Service	Garbage Service, County Jail	152.00
Alltel	Telephone Services, County Extension	92.07
American Family Life Assurance Company	Insurance Premiums	626.91
Ameritas Life Insurance Corporation	Employee Share Retirement	6,426.33
Ameritas Life Insurance Corporation	Employer Share Retirement	9,436.71
Ameritas Life Insurance Corporation	Insurance Premiums	271.38
Appeara	Mat Service, Public Defender	29.22
Appeara	Mat Service, Courthouse	272.25
Aquila	Gas Service, Courthouse	231.08
Aquila	Gas Service, County Jail	491.02
Aquila	Utilities, County Relief	426.98
AT & T	Telephone Service, Public Defender	145.55
Audrian County Sheriff	Service Fees, County Court	50.55
Avaya Inc.	Telephone Equipment, Probation	32.68
Bankers United Life Assurance Company	Insurance Premiums	9.00
Battle Creek Farmers Coop	Fuel, County Sheriff	26.51
Jason Bauer	Witness Fees, District Court	112.15
John Beck	Mileage, Law Enforcement	121.25
BI Inc.	Monitoring Services, Juvenile Diversion	98.92
Gaylon Braun	Witness Fees, District Court	34.55
Broadwing Communications	Telephone Service, Probation	6.56

Brogan & Stafford, P.C.	Legal Services, District Court	4,123.83
Brogan & Stafford, P.C.	Legal Services, County Court	442.85
Buck's Specialty	Uniforms, County Sheriff	173.98
Cableone	Internet Service, Public Defender	88.45
Capital One F.S.B.	Travel Expenses, Law Enforcement	652.66
Carney Law, P.C.	Legal Services, District Court	1,188.08
Carquest Auto Parts	Repairs, County Sheriff	5.98
Cen-Tec Cast Metal Products	Supplies, Veterans' Service Office	122.22
Central United Life Insurance Company	Insurance Premiums	50.84
City Directory	Publication, County Assessor	144.00
City of Madison	Utilities, County Jail	3,248.95
Clerk of the Supreme Court	Copies, Public Defender	3.47
Clerk of the Supreme Court	Copies, Law Enforcement	4.00
Colonial Life and Accident Insurance	Insurance Premiums	190.24
Columbus Telegram	Publication Costs, County Jail	928.69
Connecting Point	Supplies, Equipment, County Sheriff	1,099.02
Connecting Point	Repairs, County Jail	206.25
Connecting Point	Internet Services, Veterans' Service Office	50.85
Copple, Rockey & McKeever P.C., L.L.O.	Legal Services, District Court	2,288.83
Copple, Rockey & McKeever P.C., L.L.O.	Legal Services, County Court	1,151.55
Copycraft Printing	Supplies, Probation	29.25
Credit Management Services, Inc.	Garnish of Wages	99.41
Creighton University Medical Center	Forensic Services, Law Enforcement	352.86
Dakota Business Systems	Copier Maintenance, Probation	72.00
Dakota County Court	Copies, Law Enforcement	3.75
DAS Central Finance	Telephone Services, Veterans' Service Office	65.71
Dell Marketing L.P.	Equipment, County Treasurer	210.60
Department of Motor Vehicles	Copies, Law Enforcement	4.00
Don's Auto Repair Inc.	Repairs, County Sheriff	297.50
Douglas County Court	Copies, Law Enforcement	2.50
Douglas County Sheriff	Services, Law Enforcement	1,837.50
Douglas County Treasurer	Autopsy Costs, Law Enforcement	840.00
Candace Downey	Janitorial Services, Probation	100.00
Eakes Office Plus	Supplies, County Treasurer	17.96
Eakes Office Plus	Supplies, County Sheriff	13.96
Eakes Office Plus	Supplies, County Attorney	362.32
Electric Fixture & Supply Company	Supplies, County Jail	59.28
Enviromaster Inc.	Supplies, County Jail	42.00
Faith Regional Health Services	Medical Services, County Sheriff	839.00
Faith Regional Health Services	Medical Services, County Jail	183.00
Faith Regional Health Services	Medical Services, County Relief	6,419.05
Faith Regional Physician Services	Medical Services, County Relief	1,247.10
Farner Co. Inc.	Supplies, Probation	23.08
Field's Hardware	Supplies, Public Defender	13.54
Michael Finnegan, PH.D	Forensic Services, Law Enforcement	616.00
First Concord Benefits Group	Flexible Benefit Plan	2,140.97
First National Insurance Agency	Insurance, Probation	35.12
Fleet Services	Fuel, County Sheriff	95.47
Floor Maintenance & Paper Supply	Supplies, Courthouse	35.10
Floor Maintenance & Paper Supply	Supplies, County Jail	704.53
Food Pride	Supplies, Public Defender	13.57
Futureware Distributing	Equipment, District Court	180.00
Gall's Inc.	Equipment, Uniforms, County Sheriff	165.97
Gall's Inc.	Equipment, Uniforms, County Jail	125.96
Gordy's Towing & Repair	Repairs, County Sheriff	110.25
Graham Tire Company of Norfolk	Repairs, County Sheriff	424.35
David Hamm	Rent, County Relief	250.00
Hartford Life Insurance Company	Deferred Compensation	280.00
Hauge Associates Inc.	Garnish of Wages	124.87
Matthew Headley	Mileage, Public Defender	14.55
Holt County Court	Copies, Law Enforcement	6.25
Jeffrey Hrouda	Legal Services, District Court	592.76
Hy-Vee East Pharmacy	Prescriptions, County Relief	292.37
Hy-Vee West Pharmacy	Prescriptions, County Relief	99.37
Jack's Uniforms	Supplies, County Sheriff	51.84
Jack's Uniforms	Uniforms, County Jail	71.94
Hayley Janousek	Witness Fees, District Court	34.55
Jerry's Standard Inc.	Fuel, Car Wash, County Sheriff	502.53
Johnson, Morland, Easland, & Lohrberg, P.C.	Legal Services, District Court	2,051.10
Johnson, Morland, Easland & Lohrberg, P.C.	Legal Services, County Court	1,048.65
Connie Kathol	Rent, County Relief	125.00
Kensington Apartments	Rent, County Relief	250.00
Kathleen Laughlin	Garnish of Wages	76.62
Gary Long	Rent, County Relief	250.00
Louderback Drug	Prescriptions, County Jail	1,746.70
Madison County Clerk	Federal Tax Deposit	31,697.91
Madison County Sheriff	Supplies, County Jail	29.62
Madison County Sheriff	Service Fees, Mental Health	523.85
Madison County Sheriff	Service Fees, District Court	906.73
Madison County Sheriff	Service Fees, County Court	855.20

Madison County Sheriff	Dues, County Sheriff	395.00
Madison County Veterans' Service Office	Veterans' Aid Costs	2,000.00
Madison County Veterinary Clinic	Boarding, County Sheriff	36.00
Maximus Inc.	Consulting Fees, Courthouse	2,345.19
Christal McDonald	Court Reporting, Mental Health	150.00
Medtox Diagnostics	Drug Testing, Juvenile Diversion	246.98
Midwest Office Automations	Copier Maintenance, Probation	351.00
Midwest Plumbing & Heating	Repairs, County Jail	962.12
MIPS	Services, County Clerk	483.18
MIPS	Services, County Treasurer	1,117.14
Moore Medical	Supplies, County Jail	395.50
Morcomm, LLC	Internet Services, Probation	47.91
Morrissey Motor Company	Repairs, County Sheriff	750.65
Nebraska Association of County Officials	Registration, County Assessor	90.00
Nance County District Court	Copies, Law Enforcement	3.25
Nebraska Child Support Payment Center	Garnish of Wages	505.84
Nebraska Department of Revenue	State Income Tax	4,242.65
Nebraska Public Power District	Utilities, County Relief	330.93
Nebraska Tech & Telecomm Inc.	Telephone Services, Probation	237.25
Janet Nielsen	Witness Fees, District Court	23.28
NMG LLC	Medical Services, County Relief	308.46
Norfolk Area Shopper	Publication Costs, County Jail	56.00
Norfolk Chevrolet Cadillac	Repairs, County Sheriff	73.44
Norfolk Daily News	Publication Costs, County Jail	254.45
Norfolk Daily News	Publication Costs, Courthouse	418.45
Norfolk Office Equipment	Supplies, County Sheriff	84.00
North Park Apartments	Rent, County Relief	250.00
Oasis Counseling International	Services, Juvenile Diversion	259.51
Office Products Center	Supplies, Probation	204.00
Valorie Olson	Transcripts, Law Enforcement	50.40
Olson's Pest Technicians	Services, Planning and Zoning	107.00
Sherry Peterson	Telephone Services, Juvenile Diversion	21.27
Platte County Court	Copies, Law Enforcement	3.75
Platte County Sheriff	Service Fees, County Court	16.50
Puppy Love	Impound Fees, County Sheriff	75.00
Quest Diagnostics	Services, County Jail	97.95
Qwest	Telephone Service, County Jail	17.66
Qwest	Telephone Service, Probation	128.00
Rath Sprinkler Systems	Repairs, Public Defender	63.50
Reigle Implement Inc.	Repairs, County Sheriff	34.00
Sandy Creek Apartments	Rent, County Relief	250.00
Nancy Scheer	Mileage, County Clerk	28.14
Schmitz Pest Services	Services, County Jail	200.00
Schroeder Land Surveying	Services, County Surveyor	1,520.00
SD Computer Support, Inc.	Services, District Court	72.50
Secretary of State	Publication, Law Enforcement	20.00
Shell	Fuel, Reappraisal	322.45
Shell	Fuel, County Sheriff	2,998.82
Short Stop	Fuel, County Sheriff	857.14
Joseph Smith	Mileage, Meals, Travel Expense, Law Enforcement	482.42
Stanton County Court	Copies, Law Enforcement	3.50
Stratton & Kube, P.C.	Legal Services, District Court	6,603.23
The Day Companies	Rent, Probation	2,400.00
Trane	Maintenance Agreement, Courthouse	403.50
USave Pharmacy	Prescriptions, County Relief	67.49
United Bank of Iowa	Equipment Rental, Probation	316.00
University of Nebraska	Attorney Costs, Law Enforcement	33.00
Urgent Care	Medical Services, County Relief	50.68
Pedro Valdez	Witness Fees, District Court	34.55
West Payment Center	Publications, County Attorney	333.00
Western Office Plus	Supplies, County Assessor	16.23
Western Office Plus	Supplies, District Court	60.10
Western Office Plus	Supplies, County Sheriff	81.24
Western Office Plus	Copier Maintenance, County Attorney	80.42
Western Office Plus	Supplies, Veterans' Service Office	32.07
York County Court	Copies, Law Enforcement	3.25
York County Sheriff	Service Fees, County Court	20.16

ROAD/BRIDGE FUND

Total Net Payroll		22,342.72
Alltel	Telephone Service, District #2, #3	83.69
American Family Life Assurance Company	Insurance Premiums	187.77
Ameritas Life Insurance Corporation	Employee Share Retirement	1,369.53
Ameritas Life Insurance Corporation	Employer Share Retirement	2,054.48
Ameritas Life Insurance Corporation	Insurance Premiums	60.34
Appeara	Towel Services, District #1, #2	219.03
Aquila	Gas Service, District #1, #3	142.04
Bankers United Life Assurance Company	Insurance Premiums	44.58
Battle Creek Farmers Coop	Fuel, District #3	177.57

Battle Creek Shirt Company	Shirts, District #3	798.40
Bauer Built Inc.	Repairs, District #1, #2, #3	1,685.59
Binswanger Glass	Repairs, District #2	15.00
California Contractors Supplies	Repairs, District #1	149.90
Carquest Auto of Norfolk	Repairs, District #2	105.61
Colonial Life and Accident Insurance	Insurance Premiums	75.36
Connecting Point	Supplies, District #1	12.99
Credit Bureau Services Inc.	Garnish of Wages	52.49
D & M Machinery	Repairs, District #3	8.81
DW Kohlhof Trucking	Repairs, District #1, #2, #3	2,232.41
First Concord Benefits Group	Flexible Benefit Plan	570.73
Flex-O-Lite	Signs, District #1, #2, #3	4,784.00
Gerhold Concrete Company Inc.	Bridge Repairs, District #3	455.00
Hartford Life Insurance Company	Deferred Compensation	40.00
Jebro Inc.	Asphaltic Materials, District #2	4,403.99
John Deere Credit	Equipment Rental, District #2	3,128.45
Johnson Engineering Company	Engineering Services, District #1, #2, #3	600.00
K & C Grain Inc.	Gravel, District #2	656.71
Kayton International Inc.	Equipment Rental, District #2, #3	5,014.35
Ken's Trailer Sales & Repair	Repairs, District #2, #3	2,342.40
Lee Electric	Repairs, District #2	1,341.04
Linweld Inc.	Supplies, District #3	41.83
Loup Power District	Utilities, District #1	71.91
M & M Farm Supply	Parts, District #1	41.94
Madison County Clerk	Title Fee, District #3	10.00
Madison County Clerk	Federal Tax Deposit	6,862.51
Matteo Sand & Gravel Co. Inc.	Road Gravel, District #2, #3	2,270.88
Mead Lumber & Rental	Supplies, District #2	31.06
Meisinger Oil Company Inc.	Fuel, District #1, #3	8,901.21
Murphy Tractor MXA	Equipment, District #1, #2, #3	95,000.00
Nebraska Child Support Payment Center	Garnish of Wages	230.77
Nebraska Department of Revenue	State Income Tax	861.34
Nebraska Machinery Company	Repairs, District #1, #2, #3	4,879.90
Nebraska Public Power District	Utilities, District #2	172.65
Norfolk Implement Inc.	Repairs, District #2	73.60
Olson's Pest Technicians	Services, District #2	107.00
Red Bud Inc.	Supplies, District #3	35.07
Reigle Implement Company Inc.	Repairs, District #1	26.45
Smutny Repair	Repairs, District #1	226.64
Telebeep Wireless	Repairs, District #1, #3	727.95
The Grove	Fuel, District #1	173.01
Truck Center of Norfolk	Repairs, District #1	74.87

FEDERAL AID SECONDARY FUND

Central Sand & Gravel	Gravel	8,033.20
Mainelli, Wagner & Associates Inc.	Engineering Services	24,000.00
Matteo Sand & Gravel Co. Inc.	Gravel, Sand	10,134.31
W.A.W. Construction Inc.	Contract Services	114,219.76

LAW ENFORCEMENT OPERATING FUND

Madison County Sheriff	Supplies	266.09
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DRUG COURT FUND

Redwood Toxicology Laboratory	Drug Testing	139.65
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NOXIOUS WEED FUND

Total Net Payroll		1,551.96
Ameritas Life Insurance Corporation	Employee Share Retirement	55.19
Ameritas Life Insurance Corporation	Employer Share Retirement	82.78
Madison County Clerk	Federal Tax Deposit	417.45
Nebraska Department of Revenue	State Income Tax	50.03

Motion by Klein and second by Uhlir that the claims as audited be approved and that checks be drawn for payment. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The Board adjourned at 12:37 P.M. to Wednesday, September 5, 2007 at 9:30 A.M.

County Clerk

Chairman