

COMMISSIONERS PROCEEDINGS

Madison, Nebraska

August 26, 2008

The Board of County Commissioners of Madison County, Nebraska met in special session at 9:00 A.M. to interview selected firms for construction of a building for District Two Probation Office, review the 2008-2009 fiscal year county budget, and consider final levy allocations.

Advance notice of meeting was published in the Thursday, August 21, 2008 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 Jerry 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. Chief Probation Officer Kathryn Liebers, Deputy Probation Officer Bob Lowe, and Probation Office Manager Candace Downey were present from 9:00 A.M. to 10:07 A.M.

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

The Board proceeded with conducting interviews with selected firms for construction and lease of an office building for District Two Probation Office. Motion was made by Uhlir and seconded by Klein to recess into executive session for discussion on contract negotiations with Zodiac Properties LLC. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The Board recessed into executive session at 9:03 A.M. with Chief Probation Officer Kathryn Liebers, Deputy Probation Officer Bob Lowe, Probation Office Manager Candace Downey, County Clerk Nancy Scheer, and the following representatives from Zodiac Properties LLC: Pete Becker, Jack Sobotka, and Gerald Sobotka.

Chairman McCallum recessed the Board from executive session at 9:15 A.M.

Motion was made by Klein and seconded by Uhlir to recess into executive session for discussion on contract negotiations with Crafts, Inc. . Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The Board recessed into executive session at 9:30 A.M. with Chief Probation Officer Kathryn Liebers, Deputy Probation Officer Bob Lowe, Probation Office Manager Candace Downey, County Clerk Nancy Scheer, and Marlin Meisinger, President of Crafts, Inc.

Chairman McCallum recessed the Board from executive session at 9:52 A.M.

After recessing from executive session Commissioner Uhlir stated that the Board must consider the difference in the square footage when considering the total lease costs. Commissioner Klein stated that the Board has a fiduciary responsibility to taxpayers to look at the total costs.

After discussion, it was moved by Klein and seconded by Uhlir to negotiate a lease agreement with Zodiac Properties LLC for construction and lease of a building for District Two Probation Office. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Budget committee member Nancy Scheer reviewed the budget summary for the 2008-2009 fiscal year. She reported that at the prior meeting, the budget committee reported that a reduction of \$694,588 was necessary to comply with the statutory lid requirements; however, this amount included a 1% increase in allowable restricted funds that the Board has not approved. In addition, she explained that a \$10,000 addition error was found in the Miscellaneous General office function of General Fund making the total amount over the lid \$785,883.

Budget committee member Nancy Scheer further reported that a project for the installation of secure glass in the courthouse offices located in the rotunda area was added to the Capital Acquisitions office function in the General Fund. She explained that this project has been discussed during previous budget years and \$50,000 was added to the budget. She explained that this additional expenditure increases the budget total; however, it does not increase the amount over the lid because the expenditure qualifies as a lid exception.

Budget committee member Nancy Scheer presented and explained the following recommendations to bring the budget into compliance with the statutory lid requirements:

- 1) Increase the allowable restricted funds by 1% as permitted by law, which would result in an increase of \$81,295 in restricted funds authority
- 2) Increase the allowable restricted funds by 2.17% due to allowable growth, which would result in an increase of \$176,409
- 3) Reduce cash reserve in General Fund from 26% to 25%, which would result in a reduction to restricted funds in the amount of \$93,023
- 4) Reduce Road/Bridge expenditures by \$53,925, which results in a 3% increase in non-lid exception items, and would also result in an additional \$12,403 reduction in cash reserve
- 5) Transfer \$368,828 from Inheritance Tax Fund to General Fund

Budget committee member Nancy Scheer presented a resolution to increase the allowable restricted funds authority by 1%. She 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 #2008-52

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 2008-2009 fiscal year;

NOW, THEREFORE, BE IT RESOLVED, that the restricted funds for the 2008-2009 fiscal year be increased by an additional one percent as provided by law.

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

After further discussion, motion was made by Klein and seconded by Uhlir to authorize the budget committee to implement the recommendations proposed to comply with the statutory lid restrictions. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

Budget committee member Nancy Scheer reported that Section 77-3442 Nebraska Revised Statutes permits the county to allocate up to 15 cents of levy authority to other political subdivisions. She reported that the rural fire districts have agreed to a 4 cent levy, the Madison County Agricultural Society requested a property tax of \$345,771 and the Norfolk Sanitary District requested a property tax of \$77,700. She explained that the total levy allocations would not exceed the statutory maximum of 45 cents when combined with the county levy.

After discussion, the following resolution was introduced:

RESOLUTION #2008-53

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 2008-2009 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 2008-2009 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	\$152,147.00	2,358,828,798	.006451
Building Fund	<u>\$193,624.00</u>		<u>.008209</u>
TOTAL	\$345,771.00		.014660
Norfolk Sanitary District			
General Fund	\$77,700.00	1,169,127,028	.006646

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

Motion was made by Uhlir and seconded by Klein to set public hearings for Wednesday, September 3, 2008 to receive citizens' comments on the county budget for the 2008-2009 fiscal year and also to set the property tax request at an amount different than the previous fiscal year. Roll call vote: Ayes, McCallum, Uhlir, and Klein. Nays, none. Motion carried.

The Board adjourned at 10:45 A.M. to Wednesday, September 3, 2008 at 9:30 A.M.

County Clerk

Chairman