

Finance Committee Meeting Douglas County, Nebraska

Tuesday, April 22, 2014

The meeting convened at 9:03 a.m. in Room 903 of the Omaha-Douglas Civic Center, 1819 Farnam Street, Omaha, NE 68183. A copy of the Open Meetings Act is located on the wall near the entrance of the room. A notice of the meeting was published in the April 15, 2014 issue of The Daily Record. County Commissioners present at the start of the meeting were Clare Duda, Mary Ann Borgeson, Mike Boyle, Marc Kraft, and Pam Tusa. Others present at the meeting included Joe Lorenz, Patrick Bloomingdale, Diane Carlson, Catherine Hall, Marcos San Martin, and Kaieva Williams of Administration; Lee Lazure and Tim McNally of Civil Service Commission/Human Resources; Mark Foxall, John Hubbard, and Roland Hamann of Corrections; Tim Dunning, Tom Wheeler, and Kevin Conlon of the Sheriff's office; Kathleen Hall and Dan Esch of the Clerk/Comptroller's office; and Doug Kagan and Jeff Stevens of Nebraska Taxpayers for Freedom. Commissioner Duda conducted the meeting.

1. Preliminary 2014/2015 County budget review with selected department heads and elected officials.

Civil Service Commission/Human Resources (HR)

County Commissioners PJ Morgan and Chris Rodgers entered the meeting during this discussion, Ms. Williams left the meeting during this discussion. Speaking during the HR budget discussion were Mr. Lorenz, Mr. Lazure, Mr. McNally, Commissioner Kraft, Commissioner Boyle, Commissioner Borgeson, Mr. Bloomingdale, Commissioner Duda, Ms. Carlson, and Mr. Kagan. Highlights from the discussion included the following:

- HR's current budget for 2013/14: \$869,777
- HR's budget target for 2014/15: \$881,580
- HR's budget request for 2014/15: No specific amount

- Mr. Lazure said HR will not be requesting any increase for its FY2014/15 budget.
- Mr. Lazure said HR currently has 11.5 FTEs, a reduction of two FTEs in recent years.
- Mr. Lazure reviewed HR's largest non-payroll items:
 - E-learning program: \$19,000/year
 - NeoGov system: \$18,000/year
 - Drug testing: \$18,000/year
- The healthcare dependent audit was discussed.
 - Commissioner Boyle said he believes there could be a point person in each office that could help gather the items needed for the audit instead of paying Aon to do the audit.
 - Commissioner Borgeson said the County Board could pass a resolution stating that employees shall submit their documents to their department head/elected official within three months.
 - Mr. Lazure said the documents still need to be checked and verified, and that a third party would alleviate tension between employee and manager.

- Mr. Lorenz said the audit will cost around \$33,000, but it will be paid back in about a month because Aon is set up to do the audit quickly and efficiently.
- Mr. Bloomingdale asked that this topic be brought back at an HR Committee meeting with the proper people present.
- Ms. Carlson said there needs to be a discussion regarding what the policy is going to be when employees are found to have been carrying an ineligible dependent.
- Commissioner Boyle said he'd like to encourage some look at how to fund continuing education opportunities.
 - Commissioner Boyle said continuing education for the County's employees is important, but it tends to be the first thing that gets cut out of a department's budget.
- Mr. Lazure and Mr. McNally left the meeting after this discussion.

Corrections

Speaking during the Corrections budget discussion were Mr. Lorenz, Dr. Foxall, Commissioner Borgeson, Commissioner Duda, Commissioner Boyle, Sheriff Dunning, Mr. Hamann, Mr. Hubbard, Commissioner Tusa, Commissioner Kraft, Commissioner Rodgers, Commissioner Morgan, and Mr. Stevens. Highlights from the discussion included the following:

- Corrections' current budget for 2013/14: \$32,900,257
- Corrections' budget target for 2014/15: \$33,174,886
- Corrections' budget request for 2014/15: \$33,174,886

- Mr. Lorenz said the FY2013/14 budget for Corrections will see an increase if FOP 8 approves its contract.
 - Mr. Lorenz said that adjustment will come out of the Salary Adjustment Fund, but it will be in the hundreds of thousands of dollars.
 - Mr. Lorenz said Corrections' budget target for next year does not include the FOP 8 contract adjustment.
- Mr. Lorenz said Corrections' revenue is experiencing a shortfall in FY2013/14. Mr. Lorenz said as of 80% of the way through FY2013/14, Corrections has received 73% of its budgeted revenue.
 - Dr. Foxall said ICE revenue is down but ICE detentions are starting to track back up.
 - The handout provided by Corrections at this meeting indicates that Corrections budgeted for \$14,817,847 of revenue in FY2013/14. For FY2014/15, Corrections is projecting a revenue total of \$14,827,167, an increase of \$9,320 (0.06% increase).
- Jail population, housing units, and mental health issues were discussed.
 - Dr. Foxall said Corrections is going to operate under the assumption that it can manage to keep an average of six housing units closed, however, the jail population is trending up.
 - Dr. Foxall said the reason for an increasing jail population is due to these reasons:
 - Dr. Foxall said there are a rising number of dangerous and violent offenders entering Corrections.
 - ❖ Dr. Foxall said Corrections is currently housing 32 murder suspects.
 - ❖ Dr. Foxall said on large, complicated conspiracy cases, not only does Corrections have to keep the conspirators separate from each other, but sometimes they have to be kept separate from their enemies, too.

- Dr. Foxall said mental health admissions are up.
 - ❖ Dr. Foxall said some of these individuals are psychotic and combative.
 - ❖ Dr. Foxall said suicide watches are up, too.
 - Dr. Foxall said the average length of stay in Corrections has risen due to these complicated cases coming in and the increase in mental health admissions.
 - Dr. Foxall said cases involving more serious crimes take longer to move to adjudication.
 - Dr. Foxall said as far as the inmates with mental health issues, typically a low-grade crime was committed but they can't afford to bond out and their family or friends won't bond them out.
 - Dr. Foxall said because these individuals are in jail, mental health facilities don't want to take them in. So these individuals continue to languish in jail and that's a significant issue.
 - Commissioner Borgeson said a mental health court would be a place for these individuals to go so they don't cross in to Corrections.
 - ❖ Commissioner Borgeson said Chief Justice Heavican would have to approve of such a specialty court, and perhaps the County could speak to him about doing a pilot.
 - Commissioner Borgeson said in Corrections' monthly report, she would like to see something that focused on the average length of stay and what that population looks like.
 - Commissioner Boyle said he would like to see a snapshot of who's in the Correctional facility on any given day.
 - Dr. Foxall said he has not heard anything from the State Department of Corrections as far as how they are going to address their overcrowding.
- Dr. Foxall says he worries about the safety and security of his staff due to the changing demographic of the inmate population.
 - Mr. Hubbard says it's gotten worse over the last three years.
 - Dr. Foxall said Corrections staff has training so they are better prepared to handle violent and dangerous inmates.
 - Commissioner Borgeson said there should be some additional training so there can be some very skilled officers that are called upon in certain situations.
 - Mr. Hubbard said the supervisors at Corrections who have taken Crisis Intervention Partner (CIP) training say it is some of the best training they have ever received.
- Dr. Foxall reviewed some increases that are occurring to Corrections' annual CPI adjustments:
 - Dr. Foxall said Laundry CPI is up 1.4%, due to an increase in population.
 - Dr. Foxall said Security Contract CPI with Stanley Security Solutions is up 1.4%, also due to an increase in population.
 - Dr. Foxall said Medical CPI is up 3.1%.
 - Dr. Foxall said there's a trend of less healthy people entering Corrections.
- Dr. Foxall said Corrections has been ambitious in its ability to handle its population through Community Corrections and the programs are working well.
 - Dr. Foxall said the programs at Community Corrections have helped manage what potentially could have been an exploding population at Corrections.

- Commissioner Borgeson said she would like to see something that shows what it cost to run Community Corrections, and shows what the offset revenue is.
- Dr. Foxall said Corrections has had a decrease in grant funding over the last two years which is mainly due to the money for federal grants going away.
- Commissioner Boyle said he'd like to know if there is a way that the County could get the Building Commission to help maintain the Corrections building.
- Commissioner Boyle said he would like to see the Commissioners have a meeting at the Corrections facility.
- Commissioner Boyle asked the Sheriff's office to consider letting Corrections use some of its drug forfeiture money.
- Dr. Foxall, Mr. Hubbard, and Mr. Hamann left the meeting after this discussion.

Sheriff

Speaking during the budget discussion for the Sheriff were Mr. Lorenz, Sheriff Dunning, Commissioner Morgan, Mr. Bloomingdale, Commissioner Borgeson, Mr. Wheeler, Commissioner Duda, Commissioner Kraft, Commissioner Boyle, Commissioner Tusa, Ms. Kathleen Hall, and Mr. Kagan.

Highlights from the discussion included the following:

- Sheriff's current budget for 2013/14: \$14,458,510
- Sheriff's target budget for 2014/15: \$14,439,553
- Sheriff's budget request for 2014/15: \$14,552,379
- Sheriff Dunning said the difference between the Sheriff's target budget and requested budget for FY2014/15 is \$100,000 for an additional two chemists at the Crime Lab and \$12,841 for the Microsoft Enterprise Agreement.
- Sheriff Dunning said the Sheriff's office is going to begin taking on all of the chemistry work for the Omaha Police.
 - Mr. Wheeler said this is a process at the request and direction of the County Board to find some shared ground in regard to the County and City Crime Labs.
 - Mr. Wheeler said an interlocal agreement with the City of Omaha is being worked on.
 - Mr. Wheeler said the Sheriff's office anticipates a minimum of \$100,000 in revenue.
 - Mr. Wheeler said there's going to be a fee for service. For every test that the Sheriff's office performs for the City of Omaha, the City of Omaha will be billed for that test.
 - Mr. Wheeler said the \$100,000 figure is based on market rates and what the City has currently spent in this area.
 - Sheriff Dunning said the \$100,000 in revenue would only cover the salaries for the chemists, but not the fringe benefits for the chemists.
 - Sheriff Dunning said Mr. Lorenz asked the Sheriff's office to figure about 35% of the salary costs for the fringe benefits.
 - Sheriff Dunning said the Sheriff's office is trying bring in Project Harmony so the Sheriff's office can start doing hair follicle testing, which should bring in more revenue to cover the fringe benefits.
 - ❖ Mr. Wheeler said hair follicle testing is currently sent to Chicago.

- ❖ Commissioner Borgeson said it looks like the County is trying to cover City's expenses, and that's where she has an issue with this.
- Sheriff Dunning said the County probably won't have its costs offset during the first year of doing the chemistry work for the City of Omaha.
 - Commissioner Morgan said the Sheriff's office needs to be sure it is charging enough to cover its services.
- Mr. Wheeler said the chemicals and equipment that would need to be purchased can come out of drug forfeiture funds, as well as any equipment needed for hair follicle testing.
- Commissioner Boyle said he thinks what the Sheriff has done in opening direct communication with the Omaha Police Chief and coming up with this kind of interlocal agreement is in the right direction, and he encourages the hiring of the chemists.
- Sheriff Dunning said there is six to nine month backlog at the State Lab and in turn the County Attorney has to delay cases, so if the Sheriff had these two additional chemists they'd be able to fill in some of that gap.
 - Commissioner Kraft said if cases are solved faster, people will spend less time in Corrections.
- Mr. Wheeler said if the County Board does agree in principle with the interlocal agreement and the Sheriff's office has enough money in their FY2013/14 budget, the Sheriff's office would like to hire the two chemists for the remainder of FY2013/14 so the process of getting them trained can be started sooner.
 - Mr. Wheeler said the Sheriff's office won't ask for any more money for this budget year, they would only hire the chemists if they have enough money remaining in their FY2013/14 budget.
- Commissioner Kraft said he would like to suggest that if the interlocal agreement isn't in place by the time the County Board approves the FY2014/15 budget, that the money goes into the Salary Adjustment Fund and used for this purpose should the agreement ever come to fruition.
- Commissioner Borgeson asked for a generalization report on the Crime Lab as to what work has been done outside of Douglas County, and to include any the agreements the County has for the Crime Lab.
- Sheriff Dunning reviewed what the Federal Drug Forfeiture Fund has been used for on non-Sheriff expenditures over the last three years.
 - Sheriff Dunning said \$14,000 has been given to the Domestic Violence Coordinating Council.
 - Sheriff Dunning said \$14,000 has been given to the graffiti task force.
 - Sheriff Dunning said about \$50,000 has been given to help pay for equipment in new police cruisers, a cost that would normally come out of General Equipment's budget.
 - Sheriff Dunning said some money has been given to Public Property to help them keep the Sheriff's facility intact.
 - Sheriff Dunning said about \$103,000 has gone to the County Attorney's office.
 - Sheriff Dunning said over the last three years all of the money in the County Drug Forfeiture Fund has gone to the County Attorney.
 - Sheriff Dunning said there's a little over \$2 million in that Federal Drug Forfeiture Fund right now.

- Sheriff Dunning said there's a record management system that the Sheriff's office needs to do in the next 18 months, and that's going to be around \$2 million.
- The Microsoft Enterprise Agreement was discussed.
 - Mr. Lorenz said about 80% of the Sheriff's computers are non-compliant.
 - Mr. Lorenz said the Sheriff's office was the only department that didn't incorporate their Microsoft Enterprise Agreement into their target budget.
 - Mr. Wheeler said the original estimate for the upgrade for the Sheriff's office was \$40,000 - \$60,000, so the bulk of the upgrade expenses are in the Sheriff's target budget.
 - Mr. Wheeler said drug forfeiture funds can be used for the Microsoft Enterprise Agreement because it fits within the rules as being an unbudgeted for, added expense that the Sheriff didn't anticipate.
- Mr. Wheeler said in FY2012/13 the Sheriff's revenue was around \$2.4 million. Mr. Wheeler said he expects the Sheriff's revenue for FY2013/14 to be around \$2.7 – \$2.8 million.
- Mr. Wheeler said the Sheriff's is at 128 deputies, five short of where the Sheriff's office would like to be.
- Mr. Wheeler said Captains and above do not receive overtime.
- Sheriff Dunning said the Sheriff's office doesn't patrol areas annexed by the City of Omaha, but the Sheriff will answer priority 1 and priority 2 calls in the event that the Omaha Police are out of service.
 - Sheriff Dunning said currently that amounts to about 100 calls a month.

2. Other business.

There was no other business.

The meeting adjourned at 11:55 a.m.