

## VALLEY COUNTY BOARD OF SUPERVISORS' MINUTES

The Valley County Board of Supervisors met in regular session at 9:00 a.m., Tuesday, February 26, 2008 in the Courthouse Boardroom. Roll call: Waldmann, Van Slyke, Cullers, Baker, Vogeler, Sevenker, and Cetak present. Clerk verified meeting notice was published and agenda posted. Minutes of February 12, 2008 meeting, included in Board packets, were approved on motion of Cullers, second by Waldmann. Carried. Yes: Cullers, Waldmann, Vogeler, Cetak, Van Slyke, Baker. No: none. Absent: none. Updated agendas were provided to Board members since item 8K was added after Board packets were mailed but prior to the 24 hour deadline. Baker moved to adopt the updated agenda, seconded by Van Slyke. Carried. Yes: Baker, Van Slyke, Cullers, Waldmann, Vogeler, Cetak. No: none. Absent: none. Sevenker noted posting of Open Meetings Act and public copies available. There was no public comment.

Present for discussion of the hospital bond proposal were: Hospital CEO Larry Schrage, Hospital Board Members Kara Fischer and Carl Streeter, Kent Larsen of TSP Architecture & Engineering, Marc Munford and Jay Spearman of Ameritas, Kurt Moural of Dohman, Akerlund & Eddy as well as various hospital employees and members of the public.

A printed copy of the Debt Capacity Analysis prepared by Moural was included in the Board packets and he reviewed each page with the Supervisors. Moural said he has worked with 27 critical access hospitals and has seen a lot of this in the last few years. He said it is a good time to invest in structures due to the reimbursement setup. Moural said the baseline operating and total margin figures used in the analysis were taken from the Hospital's FYE 2007 financial statements and a conservative 3% annual net margin growth was assumed. He said if the Hospital maintains their current production, tax support should not be needed for the new building but he acknowledged that the margin is tight. The odds of needing 100% tax support are slight, however, if that were required the tax rate would be 40 cents per 100 dollars of property value. Schrage noted that a study completed 3 years ago showed that 40% of the area market share was not captured by the Hospital and that the last 24 critical access hospitals built increased their in-patient and out-patient care by 5% to 10%. Schrage said the Hospital currently carries approximately \$600,000 in cash reserves. Moural noted this has been discussed and they have recommended a goal of cash reserves equal to one year of debt service payments. Larsen said an escalation of 5% in construction costs has been built in to provide some cushion between now and the start of construction. Baker said he did not feel there had been enough time to consider all of this information and he was concerned that the public was under the impression that this bond could not go to the taxpayers. Baker moved that the Board delay signing the Resolution to put this issue on the ballot until the General Election in the fall, allowing more time for explanation to be provided. Chairman Sevenker called twice for a second to the motion with no response then declared the motion dead for lack of a second. Sevenker noted that, while time is short for the Supervisors, the Hospital Board has spent a lot of time studying this issue and he felt there was nothing more fair than letting the public decide. Munford said the education process will begin after the election has been called. Public meetings will be held and they will also meet with small groups. A brochure will be printed to provide information. Fischer said they could not go further without this step. Cetak said he felt the Hospital is moving in the right direction with a good Board and staff and moved to adopt Resolution 08-06 calling for the election to place the bond issue before the public. Cullers seconded the motion, noting that these meetings are open to the public, that voters have responsibility to gain knowledge and should be able to get their questions answered. Vogeler noted the importance of getting information to the public, that he felt the Hospital was the biggest asset the County has and that it could be a lot stronger if divisive issues could be resolved. Sevenker called for a vote on the motion. Carried. Yes: Cetak, Cullers, Waldmann, Vogeler, Van Slyke. No: Baker. Absent: none. Van Slyke asked if educational meetings would be held in Arcadia and North Loup, Schrage said yes. Schrage offered to postpone his regular report until next month in the interest of time, Sevenker agreed.

A recess was declared at 10:30 a.m., the meeting reconvened at 10:40 a.m. with all Board members present.

Copies of Baird Holm letter advising they are acting as Bond Counsel to the Hospital were provided to the Board.

Nancy Glaubke appeared to give the Tourism and VCED reports as Bethanne Kunz was unable to attend. Glaubke provided a printed VCED and Area Chamber 2006-2007 Annual Report for each Board member. Quarterly Reports for VCED and Tourism were part of the packet mailed to each Board Member. The Quarterly Tourism report included copies of the updated application form and guidelines for those seeking lodging tax funds as well as information regarding ongoing projects and financial information. The Quarterly VCED report provided information regarding employment increases in Valley County and an upturn in retail sales for Ord as well as information on the Housing Study, Sales Tax Fund, Down Payment Assistance Grant, award of \$20,000 BECA Grant and various programs sponsored by VCED. It was noted that they are looking at opening the old gas station building in North Loup that sits

beside the Pump & Pantry as a Tourist Information Center this summer, using Lodging Tax funds reserved for that purpose. They hope to staff the center with volunteers on Thursdays, Fridays and Saturdays. Discussion included: photo contest pictures to be used on website, Terry Keown's EDGE and Employee Boot Camp programs well received, final County sponsored BECA grant claim received this month, Sales Tax Fund loans, Housing Study, use of TIF funding for increasing housing not feasible unless includes good sized area.

Road Secretary Simpson gave the Road Claims and Balances report noting accounts payables of \$65,054.90 and payroll \$35,630.02. Fuel budget has \$32,896 remaining for FY.

At 11:10 a.m. the Board of Equalization was convened on motion of Cetak, seconded by Cullers. Carried. Yes: Cetak, Vogeler, Waldmann, Cullers, Baker, Van Slyke. No: none. Absent: none. Minutes of the last BOE meeting on January 8, 2008 were included in the Board packets and were approved on motion of Van Slyke, seconded by Cullers. Carried. Yes: Van Slyke, Baker, Cullers, Waldmann, Vogeler, Cetak. No: none. Absent: none. Clerk Lindsey, Assessor Arnold, and Appraiser Chad Martinsen were present.

Martinsen reported he is currently finishing his review of North Loup, Enterprise and Vinton Townships and will begin working on the last 4 townships. The County-wide appraisal review should be finished this year.

Arnold said letters were sent to taxpayers in the 3 Townships Martinsen just reviewed offering informal hearings with herself and Martinsen to answer questions. Arnold noted that residential property is required to be at 92% to 100% and agricultural property 69% to 75%. Farm buildings are considered residential, not agricultural.

Tax List Correction for Grant Geiser's sale of a 1977 Champion Mobile Home was approved on motion of Cullers, seconded by Vogeler. Carried. Yes: Cullers, Waldmann, Vogeler, Cetak, Van Slyke, Baker. No: none. Absent: none.

Discussed the Assessor's Pending Notice of Taxable Status for small parcels of land the record indicates the County owns but does not use. Arnold said if they are not used for a public purpose they need to be taxed. Following discussion, it was decided that County Road Supt. Leth will report the location of the parcels in question and County Attorney Clark will advise on how they can be disposed of. This item is to be on the next Board agenda.

Real and Personal Property Tax Exemption Applications for Qualifying Organizations were heard at this time. Applicants were provided required notice; however, none were in attendance. Arnold's list of applicants and recommendations were included in the Board packets. Following discussion, Cetak moved to approve the property tax exemption applications at same percentages as last year, seconded by Vogeler. Carried. Yes: Cetak, Vogeler, Waldmann, Cullers, Baker, Van Slyke. No: none. Absent: none. The Assessor list of applicants with her recommendations and a list of the applicants with Board action noted will be attached to the minutes as part of the permanent public record. The list of tax exempt real estate will be published in September as required by statute.

The Board moved back into regular session at 11:40 a.m. on motion of Van Slyke, seconded by Baker. Carried. Yes: Van Slyke, Baker, Cullers, Waldmann, Vogeler, Cetak. No: none. Absent: none.

Jacque Haupt of Miller & Associates was present to answer questions regarding the latest drawdown request for the Down Payment Assistance & Housing Rehab Grant as well as the proposed amendment to the grant program guidelines. Information was included in the Board packets. The proposed amendment was recommended as the result of a roundtable discussion organized by Bethanne Kunz in an effort to gain more applicants for the remaining grant funds. Lenders, realtors and other interested parties were invited to the discussion. The proposed amendment would change the payback stipulation. Currently the applicant must live in the home for ten years, if they move or sell the home before the ten-year period the entire amount of assistance received must be repaid. The proposed amendment would allow a 10% payback reduction for each year the applicant lives in the home. It is hoped this would provide incentive for more applicants to take advantage of this grant opportunity. The amendment would also apply to applicants who have already received assistance. The Nebr. Dept. of Economic Development must approve a guideline change and a letter requesting their approval was presented. Van Slyke moved to approve the proposed amendment to the grant program guidelines as outlined in the letter dated February 26, 2008 to Nebr. Dept. of Economic Development, seconded by Cullers. Carried. Yes: Van Slyke, Baker, Cullers, Waldmann, Vogeler, Cetak. No: none. Absent: none. The drawdown presented for Board approval includes \$1,000 for housing rehab and \$500 for Community Development Services Administration activities. Cullers moved to approve claim #VC-04-HR for \$1000 and invoice #VC Admin 7 for \$500 for a total drawdown request of \$1500, seconded by Waldmann. Carried. Yes: Cullers, Waldmann, Vogeler, Cetak, Van Slyke, Baker. No: none. Absent: none.

The request of the Ord Area Chamber for use of the Courthouse lawn for the July 6, 2008 downtown project celebration was approved on motion of Cullers, seconded by Vogeler. Carried. Yes: Cullers, Waldmann, Vogeler, Cetak, Van Slyke, Baker. No: none. Absent: none.

County Attorney Clark reported that he has not received a reply from Dr. McCartney regarding the renewal of the lease of his building for the local HHS Office. He also noted that he has not had opportunity to discuss the Howard County billing for the District Judges Office with Judge Noakes. Clark said he is waiting to see if sufficient funds remain in his budget to finish the District Judges Office on the 3<sup>rd</sup> floor off the District Courtroom. He thought all that remained was wainscoting for the lower half of the walls. It could be done sooner if the County wants to fund it from somewhere else. Sevenker suggested a cost estimate be made before it is decided how it will be funded. Clark said he sent a letter to Attorney Cullers advising him of the County's interest in continuing the North Loup Law Enforcement Agreement and it was his understanding that it had been forwarded to the Village.

The meeting recessed at 12:15 p.m. for lunch to reconvene at 1:00 p.m. At 1:00 p.m. the meeting reconvened with all Board members present.

County Road Supt. Leth appeared to give his general report. Chairman Sevenker thanked him for delaying his report until this time to allow for the extra time taken for discussion of the Hospital Bond proposal. Leth was asked to research the location of the small county owned parcels of land questioned by the Assessor and to meet with County Attorney Clark regarding a means for disposing of them and report to the Board at their next meeting.

Leth's report included: cutting trees, dumping them on tower road or getting landowner permission to dump on their property; will begin bridge project C8819B and plan to seek permission to leave bridge on fairgrounds property once it is removed until it can be sold, next auction in April, may not have bridge removed by then. Vogeler asked if Leth has received chemicals from Weed Supt. Kaminski, noting that Kaminski will no longer be providing chemicals for landowners and was to give any he had on hand to the Road Dept. for use in spraying the roadsides. Leth said he has not received any chemicals. Leth will contact Kaminski regarding the chemicals.

The proposed letter to the State Fire Marshall dated February 19, 2008 regarding the County's plans for a third floor exit, fire sprinkler and elevator was approved on motion of Vogeler, seconded by Waldmann. Carried. Yes: Vogeler, Waldmann, Cetak, Van Slyke, Baker, Cullers. No: none. Absent: none.

Supervisor Cullers presented the draft of a brochure she has been working on with Jillian Wenburg to provide information to the public regarding a tax credit that can be offered on contributions to the County's Courthouse Restoration Fund. If the Board approves the brochure, the next step is to offer the public the opportunity to make a pledge to the Courthouse Restoration Fund. The County must apply for the tax credit program and approval depends on the amount of pledges received. The Board, by consensus, approved the brochure.

The following informational items were reviewed: Return of Appraisers Case CI07-184, reminder of Central Dist. Meeting on March 20 at Kearney Ramada Inn, Clerk report that Accountant Abel advised excess Courthouse Bond Funds can be transferred after the FY if transfer is budgeted.

Supervisor Cullers reported that Glen Mannes, the South Dakota architect recommended to her, cannot meet with the Board until June. Cullers reported that Laurie Hansen of CNEDD said that the current architectural plans for the elevator can be used for the grant application and if a more economical plan is found, the grant can be amended. Following discussion, Waldmann moved that architect Glen Mannes be invited to a June Board meeting to discuss a 3<sup>rd</sup> floor exit stairway for the Courthouse, seconded by Vogeler. Carried. Yes: Waldmann, Vogeler, Cetak, Van Slyke, Baker, Cullers. No: none. Absent: none.

The Clerk was directed to place the County Audit Report for FY ending June 30, 2007 on the next agenda to provide additional time for Board review.

A letter from BCBS notifying the County that the additional 5 day grace period for premium payments was being eliminated effective with the February 2008 billing, leaving the 31 day grace period allowed by the contract. The Board approves claims at their meeting on the last Tuesday of each month which, in many months, would not meet the 31 day grace period. Baker suggested processing the BCBS claim the first meeting each month. The Clerk asked for time to make sure this would work and will report at the next meeting.

February Claims and Balances Report and Claims List were reviewed. February Claims and Fund Request were approved on motion of Vogeler, seconded by Baker. Carried. Yes: Vogeler, Cetak, Waldmann, Baker, Cullers, Van Slyke. No: none. Absent: none.

Chairman Sevenker reported a request that he sign a Memorandum of Understanding for Juvenile Services Aid Program. He was told that this is a youth program in Broken Bow serving 4 Counties. The Memorandum notes it is a collaborative agreement with Valley, Blaine, Custer and Greeley Counties under the leadership of CEDARS Central Nebraska for FY 2008-2009 which allows CEDARS to employ a part-time Youth Specialist. Sevenker said he was asked to sign the Memorandum because the grant application deadline did not allow time for it to go before the entire Board. He said this same request had been made last year and he told them that this is the last time he would sign the Memorandum without prior approval of the Board and that he felt the Board should be provided with more information regarding CEDARS, the services they provide and the 4 County agreement. Following discussion, Vogeler moved to approve the Memorandum of Understanding signed by Sevenker, seconded by Cetak. Carried. Yes: Vogeler, Cetak, Waldmann, Cullers, Baker, Van Slyke. No: none. Absent: none.

The following informational items were reviewed: Supreme Court guidelines for monitoring court-appointed attorney fees, the LVRPPD Hazard Mitigation Plan Public Notification and the receipt of \$27.00 from the sale of old file cabinets from the Extension Office.

The Clerk was directed to put the NIRMA letter regarding applying cost index figures to buildings prior to their reappraisal for replacement cost on the next agenda. Chairman Sevenker will contact NIRMA and report.

Following discussion, Cullers noted the Junk Jaunt is a benefit to the entire County and moved to pay the membership fees to Loup Rivers Scenic Byway, seconded by Waldmann. Carried. Yes: Cullers, Waldmann, Vogeler, Cetak, Van Slyke, Baker. No: none. Absent: none. The fees are to be paid from Inheritance Tax Fund.

Meeting adjourned at 2:30 p.m., to reconvene on March 11, 2008 at 9:00 a.m. in regular session and 11:00 a.m. as Board of Equalization. Complete minutes of the February 26 meeting and an agenda for the March 11 meeting are available for public inspection in the office of the County Clerk.

I, the undersigned County Clerk, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the County Board, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the County Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that said minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

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Jenette G. Lindsey, Valley County Clerk