

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
THURSDAY, FEBRUARY 17, 2022 AT 8:30 A.M.
COUNTY CITY BUILDING, 555 S. 10TH STREET
ROOM 112 - CHAMBERS**

Commissioners Present: Deb Schorr, Chair; Christa Yoakum, Vice Chair; Roma Amundson; Sean Flowerday and Rick Vest

Others Present: David Derbin, Chief Administrative Officer; Kristy Bauer, Deputy Chief Administrative Officer; and Leslie Brestel, County Clerk's Office

Advanced public notice of the meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, website and emailed to the media on February 16, 2022. Notice was also published in the Lincoln Journal Star print and digital editions on February 14, 2022.

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:35 a.m.

AGENDA ITEM

1. APPROVAL OF STAFF MEETING MINUTES FROM FEBRUARY 10, 2022

MOTION: Yoakum moved and Vest seconded approval of the minutes. Yoakum, Flowerday, Vest, and Schorr voted yes. Amundson abstained. Motion carried 4-0 with 1 abstention.

2. LEGISLATIVE UPDATE – Joe Kohout and Brennen Miller, Kissel, Kohout, ES Associates LLC

Kohout reviewed the weekly report (Exhibit 1). Governor Ricketts is expected to sign LB310 (Change inheritance tax rates and exemption amount). A Speaker priority will be requested for LB242 (Provide for county bridges under the Political Subdivisions Construction Alternatives Act). LB805 (Change provisions relating to prioritization of applications and intent to appropriate funds under the Noxious Weed Control Act) has been designated as an Agriculture Committee priority.

The hearing for LB1264 (Change provisions relating to inheritance taxes, sales and use taxes, and income taxes) has been set for February 23. It was the consensus of the Board to send a letter of opposition.

Concerning LB1146 (Change provisions relating to the Interlocal Cooperation Act), Kohout noted Senator Friesen intends to limit the scope of the bill to only school districts and Educational Service Units (ESUs), however, an amendment has not been introduced.

Kohout discussed LB920 (Change criminal justice provisions including offenses, sentencing, set asides, restitution, pretrial diversion, and parole; provide for benefits under the Rural Health Systems and Professional Incentive Act; create criminal justice pilot programs; terminate an oversight committee; and create a task force) and LB921 (Change where sentences of imprisonment are served). He felt LB920 is a better bill for the County than LB921. He noted he, Yoakum, Schorr and Derbin met with Senator Lathrop earlier this week. Yoakum stated without the reforms of LB920

assurances of funding for the County will not last as the County would quickly outgrow the funding. Schorr added Senator Lathrop requested the Board send a letter to the Governor indicating the County's interest in having funds set aside for mental health services, substance abuse programs, transitional housing and reentry programs.

MOTION: Amundson moved and Flowerday seconded to support LB920 with a letter of support. Flowerday, Vest, Amundson, Yoakum and Schorr voted yes. Motion carried 5-0.

Regarding LB909 (Authorize mental health professionals and practitioners to take persons into emergency protective custody and provide for a training and certification process), Kim Etherton, Community Corrections Director, said if this bill passes, it could create the possibility for the volume of Emergency Protective Custody (EPC) cases to get out of control. Kohout felt the Judiciary Committee discussion centered around the premise of law enforcement officers as best able to make EPC decisions as opposed to licensed mental health professionals.

LB1171 (Provide for the clerk of the district court to serve as the ex officio jury commissioner in all counties and change provisions relating to compensation), LB859 (Require city-county health departments to obtain approval for directed health measures), and LB1223 (Require reimbursement for lodging certain defendants in county jails and require state hospitals to maintain beds for certain patients) have hearings set for February 25, March 2 and March 3, respectively.

Miller reported LB906 (Require employers to provide for vaccine exemptions and provide duties for the Department of Health and Human Services) creates a process for individuals who want religious or medical exemption, which resulted in multiple amendment attempts. The bill was advanced to final reading.

LR263CA (Constitutional amendment to require the Legislature to reimburse political subdivisions as prescribed), LR283CA (Constitutional amendment to authorize any city, county, or other political subdivision that operates an airport to expend revenue for developing regularly scheduled commercial passenger air service at the airport) and LB73 (Direct a portion of the proceeds from the Nebraska Racetrack Gaming Act to county agricultural societies) all advanced to General File.

Kohout stated during executive discussion on LB762 (State intent regarding appropriations to the Department of Health and Human Services for behavioral health services), the Appropriations Committee gave a 15% provider rate increase to behavioral health.

Concerning LB935 (Adopt the County Minimum Wage Option Act), Miller said there was conversation about the concept of local control.

Additionally, a list of priority bills (Exhibit 2), a list of hearing dates (Exhibit 3) and comprehensive list of bills (Exhibit 4) were distributed.

3. FOURTH QUARTER 2021 INVESTMENT REVIEW (401(A) AND 457(B) PLANS) – Julie Klassen, Prudential Vice President, Key Accounts; Robb D. Craddock, Prudential Vice President, Investment Strategy; and Frank Picarelli, Segal Marco, Senior Vice President

Bart Jefferys, Prudential Retirement Counseling Director, Kellie Lanko, Prudential Vice President Information Security Officer, and Cy Tuason, Client Service Manager Total Retirement Solutions, were

present for the discussion.

Klassen and Jefferys appeared in person. Picarelli, Craddock, Lanko and Tuason joined via Zoom.

Klassen gave an overview of the sale of Prudential Retirement to Empower. Empower manages over \$1,000,000,000,000 with over 12,000,000 participants. The sale is expected to close April 1, 2022. Communications targeted to the participants about the transition are scheduled for mid-March. Schorr requested the Board see the participant communication before it is released in case there are employee questions. Derbin added Human Resources has a draft copy.

Craddock discussed the Lancaster County Plan Summary economic review, including the market returns, domestic equity, international index returns, fixed income returns, and treasury yield curve (see agenda packet, page 26). He said the Gross Domestic Product (GDP) rose 6% on an annual basis. COVID continues to be a problem around the world resulting in large supply chain issues. The United States added 6,000,000 jobs however the labor participation rate remains historically low, and there is a labor mismatch between individuals applying for jobs and job openings.

Concerning the financial market returns, Craddock stated the markets have done well, especially the large cap stocks. The international emerging markets were down for the quarter and for the year. The aggregate bond index also had a negative return for the year. The best quarter returns for domestic equity style returns were from large cap bonds. Large cap bonds growth outperformed value with value outperformed growth for the mid and small cap bonds. From an annual perspective, value outperformed growth for all three categories of bonds. In the international markets, Craddock noted the emerging markets faced a difficult 2021. He noted rising inflation is a concern for fixed income returns (see agenda packet pages 27-32).

Craddock reviewed the Executive Summary, the Plan Summary and the fund allocations and performances (see agenda packet pages 35-38). Funds that are included in Goal Maker account for half of the plan assets. He estimated 2/3 of the employees are using Goal Maker.

The following four funds do not meet Prudential's investment criteria: American Funds Fundamental Investors Class R-5E, Eaton Vance Atlanta Capital SMID-Cap Fund Class R6, American Funds Capital World Growth and Income Funds Class R-5E and American Funds EuroPacific Growth Fund Class R-5E.

Picarelli said the Pension Review Committee held a discussion on consolidating the American Funds Fundamental Investors Class R-5E with the Vanguard Index Fund. The fund has been on the watchlist for over one year. Any recommendations will be made at a later time.

Concerning the American Funds Capital World Growth and Income Funds Class R-5E, Craddock said there is \$6,600,000 in the fund which is approximately 3.3% of the plan assets.

Craddock stated the American Funds EuroPacific Growth Fund Class R-5E performance is lagging as the emerging markets have struggled which has brought down their returns.

Klassen discussed the 457b plan (see agenda packet, page 147). She noted the number of eligible employees has dropped significantly as the old system was picking up individuals not eligible for participation. Since the implementation of Oracle, the correct number of participants is 860.

Regarding retirement counseling, Jefferys stated an interim retirement counselor is in place. A new counselor will be in place by March (see agenda packet, page 203). The recent decrease in participant interactions is typical for the time of year.

Lanko reviewed Prudential's cybersecurity program, including identifying best business practices, identifying risks and weaknesses for information technology processes, internal network protection, fraud detection and employee trainings (see agenda packet, pages 210-216).

4. OFFICE OF VIOLENCE PREVENTION GRANT APPLICATION IN THE AMOUNT OF \$162,553 – Kerry Dean, Juvenile Justice Specialist, Lincoln-Lancaster County Human Services

Dean reviewed the grant application for an additional gang outreach specialist (see agenda packet). There is currently one specialist who has over 100 high-risk youth contacts. The application includes one year of funding for two specialists.

ACTION ITEMS

A. APPROVAL OF THE FOLLOWING DOCUMENTS RELATING TO AN APPLICATION TO THE OFFICE OF VIOLENCE PREVENTION FOR FUNDING FOR OPERATION TIPPING POINT IN THE AMOUNT OF \$162,553

- 1. Lancaster County Grant Form**
- 2. Application to the Office of Violence Prevention**

MOTION: Flowerday moved and Yoakum seconded approval of the grant form and application. Vest, Amundson, Yoakum, Flowerday and Schorr voted yes. Motion carried 5-0.

5. COVID-19 UPDATE AND RESPONSE

Flowerday noted the risk dial has been lowered to elevated orange.

6. ACTION ITEMS

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Item moved forward on agenda.

7. CHIEF ADMINISTRATIVE OFFICER REPORT

- A. CLAIM FOR REVIEW** – Vouchers 750832-835 on Batch 276719 to Jones Automotive, dated February 8, 2022, for a total of \$860.00. This claim includes billing for services performed Sept-Oct 2021. These claims are beyond the 90-day time period.

Kevin Nelson, Accounting Operations Manager, explained the claim was outside of the 90-day time period and is related to the body-worn camera project.

MOTION: Amundson moved and Flowerday seconded to forward the claim to Tuesday as a regular claim. Amundson, Yoakum, Flowerday, Vest and Schorr voted yes. Motion carried 5-0.

8. DEPUTY CHIEF ADMINISTRATIVE OFFICER REPORT

- A. Social Media Update**

Saige Walker, County Board Administrative Secretary, and Bauer reviewed updates to the social media pages and County home page updates (see agenda packet). Walker noted the County's Twitter account has been verified and Facebook followers have increased since January.

The Board expressed their appreciation to Walker for her contributions to the improvement of the County's social media platforms.

9. DISCUSSION OF BOARD MEMBER MEETINGS ATTENDED

- A. Parks and Recreation Advisory Board – Vest**

Vest distributed a presentation on outdoor inclusive play (Exhibit 5).

- B. Realtors Association Government Affairs Committee – Flowerday**

Flowerday was not able to attend the meeting.

- C. Region V Systems Governing Board Meeting – Yoakum**

Yoakum reported Region V Services is working with Zelle HR Solutions and Five Nines Technology due to recent management changes. Also, new officers were elected.

Yoakum also stated the Region V Systems Governing Board elected new officers and reviewed the audit report.

- D. Youth Crisis Response Committee – Amundson**

Amundson said there were discussions on the increase in youth suicide attempts, domestic violence, the need for mobile team development standards, the upcoming implementation of the 988 mental health emergency number, and the My Companion application.

E. City-County Common Meeting – All

No report was given.

F. Pension Review Committee – Flowerday

Flowerday noted the meeting was summarized in the Investment Review update (see Item 3).

G. Growth and Development Forum – Vest

Vest said there was a presentation on Lake McConaughy, Lewis and Clark Lake and the potential lake next to the Platte River.

H. Chamber of Commerce Annual Meeting – All

Schorr and Vest stated Molly Fletcher, sports agent, gave a presentation.

I. Other meetings attended since the last staff meeting

Public Building Commission

Amundson reported there will be new tile and window replacements at the Department of Health and roof replacement at the County-City Building. A Request for Proposal (RFP) for parking garage improvements will be released soon. Aging Partners and the fitness center will move to Victory Park in September. There was also a security update.

10. SCHEDULE OF BOARD MEMBER MEETINGS

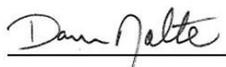
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11. EMERGENCY ITEMS

There were no emergency items.

12. ADJOURNMENT

MOTION: Amundson moved and Vest seconded to adjourn at 10:40 a.m. Amundson, Vest, Flowerday, Yoakum and Schorr voted yes. Motion carried 5-0.


Dan Nolte
Lancaster County Clerk

