



# **City of Grand Island**

**Tuesday, August 28, 2007**

**Council Session**

## **Item G11**

**#2007-206 - Approving Amendment No. 2 to the Interlocal Agreement with the Central District Health Department**

**Staff Contact: Wes Nespor, Assistant City Attorney**

# **Council Agenda Memo**

**From:** Wes Nespor, Assistant City Attorney

**Meeting:** August 28, 2007

**Subject:** Amendment to Health Department Interlocal Agreement and Dispersal of Joint Employees Pension Funds

**Item #'s:** G-11

**Presenter(s):** Dave Springer, Finance Director

## **Background**

Effective October 1, 2002, the joint City-County Health Department was replaced by a Central District Health Department which included the addition of Hamilton and Merrick Counties. This was approved by the Department of Health and Human Services of the State of Nebraska. An inter-local agreement entered into at that time called for the City Treasurer to act as the department's fiscal agent and provide financial management services for a nominal fee. The agreement also stated that the employees who to that point were City employees, would henceforth be employees of the Central District Health Department.

## **Discussion**

The Central District Health Department functions as an independent entity apart from the City and has decided to perform its own financial operations with assistance from an accounting firm. Thus, the inter-local agreement needs to reflect that duties will no longer be provided by the City.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the Amendment to the agreement and division of funds.
2. Disapprove or deny the recommendation.
3. Table the issue.

## **Recommendation**

City Administration recommends that the Council approve the Amendment to the Inter-local Agreement and a dispersal of monies to close the accrual fund.

## **Sample Motion**

Approve the Amendment to the Inter-local Agreement with the Central District Health Department and a distribution of accrual funds as indicated.

## **AMENDMENT 2**

### **CENTRAL DISTRICT HEALTH DEPARTMENT INTERLOCAL AGREEMENT AUGUST 13, 2007**

**Whereas, the parties hereto find it necessary to amend the Interlocal Cooperation Agreement by and between the City of Grand Island, the County of Hall, the County of Hamilton, and the County of Merrick, dated October 1, 2002, hereafter referred to as the "Agreement," as amended by Amendment 1 dated October 13, 2003.**

**Now, therefore, the parties signatory hereto agree as follows:**

**I. Paragraph 5 as set forth in the Agreement be deleted in its entirety and replaced with the following:**

5. The Board shall annually meet and organize by the election of one of its own members as president, one as vice president, and another as secretary and, either from its own members or otherwise, a treasurer. The officers shall have such power as the Board may establish from time to time. The Board may elect such other officers and appoint such committees, as it may deem necessary from time to time. The Board may adopt and promulgate such rules and regulations, consistent with applicable Nebraska law and this Agreement, for its own guidance and for the governance of the Department as may be necessary. The Board shall not transact business unless there is a quorum, herein defined as a majority of six (6) Board members present. All questions and matters before the Board shall be decided by majority vote of the members present.

**II. Paragraph 11 as set forth in the Agreement be deleted in its entirety and replaced with the following:**

11. Subject to any contract for financial management services approved by the Board, the treasurer shall have custody of the Department's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Department and shall deposit all moneys and other valuable effects in the name and to the credit of the Department in such depositories as may be designated by the Board. The treasurer shall disburse the funds of the District as may be ordered by the Board, taking proper, signed vouchers for such disbursements, and shall render to the Board, at the regular meetings of the Board, or whenever they may require it, an account of all transactions as treasurer and of the financial condition of the Department. If required by the Board, the treasurer shall give the Department a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of the office and for the restoration to the Department (in case of death, resignation, or removal from office) of all books, papers, vouchers, money and other property of whatever kind in possession or under the control of the treasurer and belonging to the Department.

The Board may enter into one or more contracts for financial management services provided to the Department. The Board shall adopt policies for financial checks and balances, claims auditing, and internal control procedures consistent with sound accounting practices for public funds. Control of Department accounts will be assumed by the Department on October 1, 2007.

**III. Paragraph 15 as set forth in the Agreement be deleted in its entirety and replaced with the following:**

15. Employees of the Central District Health Department below the level of Director shall be employees of the Central District Health Department. Those employees shall be entitled to benefits provided by the Central District Health Department at the discretion of the Board unless such benefits are expressly required by Nebraska statute or federal law. The District will establish its own personnel system. Any collective bargaining agreement covering such employees shall be subject to the approval of the Board of Health.

**IV. This Amendment 2 shall have an effective date of October 1, 2007.**

Approved by the member political subdivisions to the Central District Health Department:

City of Grand Island, Nebraska  
A Municipal District

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

County of Hall

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chair of the County Board

Attest:

\_\_\_\_\_  
Hall County Clerk

County of Hamilton

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chair of the County Board

Attest:

\_\_\_\_\_  
Hamilton County Clerk

County of Merrick

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chair of the County Board

Attest:

\_\_\_\_\_  
Merrick County Clerk

RESOLUTION 2007-206

WHEREAS, on April 23, 2002, by Resolution 2002-119, the City of Grand Island approved its participation in the Central District Health Department and approved an Interlocal Cooperation Agreement for such participation; and

WHEREAS, on October 28, 2003, by Resolution No. 2003-315, the City Council approved Amendment No. 1 of the Interlocal Cooperation Agreement with the Central District Health Department; and

WHEREAS, certain funds need to be transferred to the Central District Health Department; and

WHEREAS, it is the desire of the Central District Health Department to perform its own financial operations with the assistance of a private accounting firm, which will require an amendment of the Interlocal Agreement between the city and the Central District Health Department reflecting this request, as shown on Exhibit "A" attached hereto; and

WHEREAS, the City Attorney's office has reviewed and approved the amendment to the Interlocal Cooperation Agreement setting out such changes.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the amendment to the Interlocal Cooperation Agreement for the Central District Health Department is hereby approved subject to the approval of the other member entities and the Nebraska Department of Health and Human Services.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such amendment on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 28, 2007.

\_\_\_\_\_  
Margaret Hornady, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 24, 2007	☐ City Attorney