2006

The Cost of Our Counties

Katherine Mayse
University of Nebraska - Lincoln

Brian A. Hernandez
University of Nebraska - Lincoln

Mark Mahoney
University of Nebraska - Lincoln

Meredith Grunke
University of Nebraska - Lincoln

Michele Brown
University of Nebraska - Lincoln

See next page for additional authors

Follow this and additional works at: http://digitalcommons.unl.edu/journalismstudent

Part of the Journalism Studies Commons

Mayse, Katherine; Hernandez, Brian A.; Mahoney, Mark; Grunke, Meredith; Brown, Michele; Donovan, Jessica; Welty, Danielle; and Bender, John, "The Cost of Our Counties" (2006). Journalism & Mass Communications: Student Media. 27.
http://digitalcommons.unl.edu/journalismstudent/27

This Article is brought to you for free and open access by the Journalism and Mass Communications, College of at DigitalCommons@University of Nebraska - Lincoln. It has been accepted for inclusion in Journalism & Mass Communications: Student Media by an authorized administrator of DigitalCommons@University of Nebraska - Lincoln.
Authors
Katherine Mayse, Brian A. Hernandez, Mark Mahoney, Meredith Grunke, Michele Brown, Jessica Donovan, Danielle Welty, and John Bender
The series of 15 stories examines county government in Nebraska — how it came to be as it is, what it does, what it costs, and what it means to the people who live in central and western Nebraska. The stories were reported and written by students in the Depth Reporting class at the University of Nebraska-Lincoln College of Journalism and Mass Communications. Cooperating in publication of the 15-part series were the Kearney Hub, North Platte Telegraph, and Scottsbluff Star-Herald.
Series looks at questions of state's county structure

By JOHN BENDER
UNL Depth Reporting Team

Many counties in central and western Nebraska are losing population, and the people who remain are growing older.

County governments, however, find that the cost of the services they traditionally provided are rising, so the growing burden of paying for those services is falling on fewer shoulders.

In the face of these and other realities, some have called for a hard look at the structure of county government in Nebraska with an eye to cutting costs and easing the tax burden. Some have even called for the consolidation of counties or of other governmental units.

This series of 15 stories examines county government in Nebraska — how it came to be as it is, what it does, what it costs and what it means to the people who live in central and western Nebraska and the people who work in county government.

Each story in the series was reported and written by students in the Depth Reporting class at the University of Nebraska-Lincoln College of Journalism and Mass Communications. Cooperating in production and publication of the 15-part series were the Kearney Hub, North Platte Telegraph and Scottsbluff Star-Herald.

Meet the Class

- Michele Brown of Ruther Glen, Va., is a senior news-editorial major.
- Jessica Donovan of Lincoln graduated in December with a degree in news-editorial and advertising.
- Meredith Grunke of Omaha is a senior news-editorial major.
- Brian Hernandez of Scottsbluff is a junior news-editorial major.
- Mark Mahoney of Omaha is a senior news-editorial major.
- Katherine Mayse of Houston, Texas, is a news-editorial graduate student.
- Danielle Wely of Omaha is a junior news-editorial major.

Despite job's big changes, career lawman still is living his dream

By JESSICA DONOVAN
UNL Depth Reporting Team

GERING — It's 8:05 a.m. Scotts Bluff County Sheriff Jim Lawson walks into his office, turns on the radio to some classic hits, and tears off the calendar sheet to the correct day. Then he makes the coffee, though it's not for him. He doesn't drink the stuff, he said.

Instead, he makes coffee for people who may come in to see him. Sometimes just sitting next to someone and offering coffee is comforting.

"That in itself can make people feel better," Lawson said. "We can't always solve everyone's problems."

Spending a day with Lawson and it's clear that he truly cares for the people of Scotts Bluff County. He tips his hat or gives a friendly hello to everyone from the UPS driver to the occasional pedestrian.

In addition to being a caring person, Lawson also has a great sense of humor. According to Irene Torres, a co-worker of Lawson's for 22 years, the sheriff likes to joke and have fun. It shows. While leading a tour of his office, Lawson pointed to a Halloween decoration of a skeleton and laughed as he said, "This is an employee who's been here too long."

Lawson, too, has been at the sheriff's department a long time. Age 55, Lawson started working there on Jan. 8, 1972, and was elected sheriff in 1999.

He has worked as a dispatcher, a sergeant, a chief deputy and as a member of the Western Nebraska Intelligence & Narcotics Group Drug Task Force.

During his 34 years in the department that has 23 employees including 16 law enforcement officers, Lawson has seen technology transform the work they do.

The computerized database, National Crime Information Center, for example, can provide law enforcement officials around the country with information about suspects within minutes. "In the old days, you didn't have a clue who you were dealing with," Lawson said.

Even with the advancement in technology, the basic sheriff's duties have stayed the same. According to Lawson, the sheriff's department has many responsibilities to fulfill that city police and State Patrol don't handle. The department must:
- Deliver subpoenas;
- Transport all individuals who are sent to prison;
- Provide security to the courthouse;
- Collect delinquent personal property taxes; and,
- Inspect motor vehicles purchased out of state.

Lawson has specific responsibilities assigned only to him. He maintains the finances and must approve every penny spent in the sheriff's department. In the eyes of the county commissioners, who set the budget, the sheriff's most important duty is to work within the budget, Lawson said.

Last year, the sheriff's budget for Scotts Bluff County — with a population of 36,752 people and a size of 739 square miles — was $1.6 million. Out of the $1.6 million, the department spent $2,000 for postage, including $500 on stamps. This year, the sheriff's budget included $52,000 for fuel costs. Lawson hasn't been over budget in seven years as the sheriff. Lawson also is president of the Nebraska Sheriffs' Association, an organization that provides continuing education for sheriffs and to the public. As president, it's Lawson's duty to make sure the organization is running smoothly and to set goals for the future.

Lawson has managed to stay organized even though he has taken on many tasks. As the self-proclaimed "Mother Hubbard" of the sheriff's department, Lawson constantly pushes in chairs and shuts closet doors for co-workers. He likes things to be tidy.

"He's a perfectionist," co-worker Faye Sinner said.

Lawson's sense of order makes him determined to pursue unsolved cases. Recently, Lawson's focus has been on the homicide case of Patrick Vostades dating back to Aug. 21, 1971. The case was reopened on its 35-year anniversary. Lawson hopes that fresh eyes and new technology will solve the case.

"He was someone's dad or brother who someone killed," Lawson said. "It helps to show the public out there that we still care."

He said he's had a dozen calls since the case was reopened. He's even received a drawing of what the murderer might look like. Unfortunately the drawing is probably not accurate, because his 5-year-old grandson, Andy Lawson, drew the picture.

Children like his grandson make Lawson proud of his job. He remembers how much he wanted to be a sheriff when he was a child. In those days, sheriffs wore western shirts and badges. Lawson remembers thinking they looked eight feet tall. He knew he wanted to be a sheriff since he was in third grade.

"They impressed me so much," Lawson said. "I just followed a dream. I am really living a dream."
Unification helps schools avoid becoming consolidated

Russell said during preparations for the reorganized district, the two original school boards worked out ways to share services. Foreign language, art, instrumental and vocal teachers are shared in addition to combining all varsity and junior high sports.

Also, some hot issues surfaced when it came to the actual merging of the two schools.

The length of bus routes grew in the county of 883-square miles that includes six communities: Venango, Brandon, Grant, Madrid, Elsie and Grainton. This was a concern for parents whose children would have to be bused a longer time, Russell said.

Inbody said the state does not place limits on how far students are bused, with some students sitting on a bus for upwards of an hour each direction.

"People who live in these communities know how long is too long to get somewhere," he said. Inbody said a drive from Omaha to Lincoln to eat in a restaurant may seem ludicrous to a resident of those cities, but an hour-long drive to a grocery store would not be out of the question for someone who lives in a small, rural community.

Simpler issues, like making sure not to offend citizens by using the wrong school name or leaving out a community name also were raised.

"The mascot was a terribly hot issue," Russell said. It eventually became the Perkins County Plainsmen.

Despite these issues, Russell said the reorganization has proceeded well and given the district some extra financial help.

"The merger has gone very, very well," he said.

Ninety students attend Verdigre High School in northeast Nebraska, but as part of Nebraska Unified District No.1, Verdigre pools resources with schools in Orchard and Clearwater. The three high schools' combined enrollment is about 205.

---

By DANIELLE WELTY
UNL Depth Reporting Team

Reorganizations, unifications and dissolutions — oh my.

Nebraska has 267 school districts. At one time, during the 1949-1950 school year when there were 6,734 districts, 647 of which contained a K-8 school, an abundance of districts may have been necessary.

But Nebraska’s population has shifted dramatically in recent years, with metropolitan counties growing and non-metro counties losing population.

From 2000 to 2005, 46 of Nebraska’s counties had more births than deaths, according to a population report by senior research associate Jerry Deichert of the University of Nebraska at Omaha’s Center for Public Affairs Research.

The population decline, mainly in rural areas, has forced Nebraskans to adapt in more ways than one.

To understand the effect of Nebraska’s dwindling rural population, look no farther than the consolidated schools, which are a contemporary reality, even though they are unpopular in many communities.

Some politicians and policymakers have pushed for different degrees of consolidation — but that’s not a word many local residents want to hear.

Consolidation efforts that have succeeded in a handful of Nebraska schools include combining through reorganizations and unification.

Unification allows school districts to keep their separate identities but share resources, while reorganization involves two or more school districts combining to operate as one.

Another form of consolidation is dissolution, the most rigorous form of consolidation. Dissolution typically involves small districts that are closed so that students are sent to another larger area school district.

On Nov. 7, 56 percent of Nebraska citizens expressed their dislike of consolidation by voting to repeal LB126, which forced Class I schools that consist of K-8 grades to dissolve.

It remains unclear what the practical impact of that vote will be.

The main reason schools combining is dwindling population, but consolidation of resources is important not only for financial purposes, but also to improve curriculum, said Russ Inbody, administrator of school finance and organization services for the Nebraska Department of Education.

"Schools are simply running out of students," he said. "The problem used to be just financial, but there seems to be a shift in the past few years with smaller schools having trouble providing a broad enough curriculum."

Inbody said some schools, because of a lack of students and, consequently, a smaller staff, might have only one option for science, music and other non-core subjects. If students attend a small school for their entire education, faculty members can solve the problem of insufficient curriculum by offering only physics one year, biology the next and so on. But if students transfer in or out of a small district, they may run into problems.

Inbody said there are several ways to approach the curriculum needs, including distance learning and co-ops, but many schools are opting for reorganization or unification.

William Kuester is superintendent for Unified District #1, which includes Verdigre, Orchard and Clearwater public schools and was unified on June 1, 1999.

On June 2, 2006, the interlocal agreement creating the unified district was reviewed and renewed for another seven years.

Kuester said about two years were spent planning details of the unification and working with the Legislature to make it an option in Nebraska.

"Back in 1999, we were three small, rural districts; and one of the things that was concerning to us was that we were losing students and that we might lose a school," Kuester said. "We took a proactive stand with the option of unification, which provided us with a safety blanket."

Each of the three districts retains an elementary and high school. But by combining the three districts’ resources to be seen as one by the state, the population of about 180 students in each of the three districts increased to nearly 600 in the entire unified district.

The increase allowed the district to qualify for more state aid.

The six schools are run by a central office in Royal, Neb., which sits almost in the center of the district.

In the past six years, four other unified districts have popped up across Nebraska following a similar plan.

The other four include West Boyd District, Hitchcock County Schools, South Central Nebraska Unified District and Bruning-Davenport Unified System.

One main concern that staff members and parents had when unification became an option was that jobs would be eliminated.

"We took the position that no one was going to lose their job," Kuester said. "They might not have the exact job they did before the unification, but everyone was kept on."

The only time jobs were eliminated was after a staff member left the school. Then, Kuester said, the position was reviewed and either kept full time, part time or eliminated.

One way to make these important decisions is through an advisory board, he said.

The unified district has three separate advisory boards that are each responsible for expressing the needs of each of the communities. The advisory boards also meet with the unified school board once a month to discuss new plans or issues in each of the schools as a collective whole.

Kuester said one positive effect of the unification was that it provided the schools with resources they didn’t have before while keeping the schools’ autonomy, which makes most of the changes invisible to students and parents.

"The biggest thing is the three communities haven’t seen a lot of change," he said. "Students are provided with quality education, and that’s what’s important."

Because the unified district was the first in Nebraska, it received some state incentive funds. Schools share monetary resources to help each other renovate or rebuild when needed. They also share curriculum to provide students with a broader range of education.

"It’s not for every community, but it has worked well for us," Kuester said.

And for those communities where unification doesn’t work, reorganization is an option.

Inbody said many people see reorganization as a step beyond unification because the process is more formal and changes are more apparent.

Perkins County’s schools are an example of one county that has chosen reorganization as a solution to a declining population in the classroom. The reorganization was finalized on June 1, 2005.

The only two school districts in Perkins County were Wheatland Public Schools and Grant Public Schools, both K-12 Class II schools, said Kirk Russell, superintendent of Perkins County schools.

Now there is just one school district, Perkins County Schools, Class III K-12.

---
Nebraskans resolute in thinking property taxes always on rise, but it just doesn’t mesh with 40-year decline

By Michele Brown
UNL Depth Reporting Team

For more than half a century, Nebraskans have grumbled about soaring property taxes.

Four decades ago, voters took action, approving a referendum that repealed the state’s authority to levy property taxes. But complaints about property taxes have continued, even though property taxes now are levied only at local levels.

While property tax complaints have historically dominated statewide discussion, Tom Bergquist, deputy director of the state’s legislative fiscal office, said the data simply tell another story.

In fiscal 2005-2006, property taxes, relative to personal income, were nearly 40 percent less than when the state ceased levying property taxes in 1967. Despite the decline over 40 years, Nebraskans are still calling for lower property taxes.

“The state wanted lower property taxes, and we got them,” Bergquist said. “Did we get them as low as we wanted? Not according to state residents.”

What’s more, not only have total state and local taxes declined in the past 40 years when compared to personal income, but also the proportion of residents’ income consumed by all taxes has stayed relatively the same, floating between 9.5 percent and 11.5 percent since 1968.

Bergquist said the disconnect between people’s perceptions of their property taxes and the data probably arises from comparing their taxes to those found in other states, making for an apples-to-oranges comparison.

“The disconnect is coming from what they see other people getting,” Bergquist said. “The state’s not taking any more money from residents than it did back in the ‘60s. The tax burden has not gone up in 40 years.”

However, Elizabeth Theiss-Morse, a University of Nebraska-Lincoln political science professor, said voter misperceptions in data can be attributed to several concepts in political psychology.

She added that some people are so certain of their perceptions about an issue that no new information will alter their views. Still others may not know much about a topic but take a stand anyway.

Theiss-Morse said she suspects Nebraskans’ perceptions of their property taxes won’t be influenced by new data.

“They're not going to be swayed by new information that tells them something different than what they go through every day,” she said.

However, Theiss-Morse added that information readily available to the public or already digested by voters could largely account for state residents’ views.

The proliferation of tax-levying jurisdictions within the state alone gives the illusion of more taxes being extracted from residents. As recently as last year, 2,393 entities had the authority to levy property taxes. While not all the nearly 2,400 jurisdictions take taxes from each resident, a variation of these entities crop up on residents’ property tax statements.

Bergquist noted, however, that as the population in a county declines, that means fewer people are available to shoulder the tax burden, making per-capita taxes increase.

“It’s a demographics’ issue,” Bergquist said, “and I don’t know if we can do a whole lot better at all because we’re fighting an uphill battle.”

Property taxes also are an easy target when compared to how income and sales taxes are paid. While property taxes are billed annually, collection of the income and sales tax is less visible. For most people income taxes are withheld from their paychecks, and those taxes are paid in relatively small amounts with each taxable purchase. Consequently, people often don’t have a good idea of what they’re paying in sales taxes.

Regardless of whether Nebraskans feel that they’re paying more or less in property taxes, the hotly contested issue of taxes has given rise to political action over the years.

Rising disputes in the late ’60s over increased taxes and state spending during former Gov. Norbert Tiemann’s tenure were largely sparked by Nebraskans’ call for property-tax relief at the state level. Ultimately, Tiemann was booted out of office after one-term in 1970.

Also, complaints of rising property taxes at the local levels have largely been the foundation for a county consolidation measure introduced in the Legislature nearly a year ago by Sen. Joel Johnson, of Kearney.

While data show that property taxes are a relatively small portion of Nebraskans’ personal income, and that property taxes, in addition to state taxes, have declined relative to personal income since 1968, Theiss-Morse said little can be done to dispel residents’ beliefs about their property-tax burden.

“What people experience day to day is that they see their property taxes go up,” Theiss-Morse said. “They say ‘my property taxes are more this year than last year,’ so I would argue that they don’t know that over time property taxes have gone down (when compared to personal income).

“Even when presented with new data, their everyday experiences are more than likely going to outweigh the new information,” she said.

Who Taxes Nebraska?

Governmental entities in Nebraska that can levy property taxes have grown to nearly 2,400, as today far more subdivisions take a cut out of local property taxes than in the past.

As of 2005, subdivisions — by type — levying property taxes include:

• 93 counties
• 520 cities
• 446 townships
• 415 fire districts
• 23 natural resource districts
• 17 educational service units
• Six community colleges
• 254 school systems (including unified school systems)
• 155 school bonds
• 619 miscellaneous districts, including airport authorities, historical and agricultural societies to name a few

*Source: Nebraska Department of Property Assessment & Taxation

Nebraska county levies

According to state law, Nebraska’s county governments are allowed to levy taxes up to 50 cents per $100 of taxable value. While many Nebraska counties are well below the levy limit, some have reached the 50-cent mark.

• Highest levy: 50 cents in Morrill, Webster and Rock counties
• Lowest levy: 19 cents in Sioux County
• Buffalo County: 34 cents
• Lincoln County: 31 cents
• Scotts Bluff County: 39 cents

Source: Nebraska Auditor of Public Accounts
Immigrant choices of "home" a boon to towns

By JESSICA DONOVAN
UNL Depth Reporting Team

SCOTTBLUFF — Dr. Oscar Sanchez and Fabiola Sandoval-Sierra both came to Nebraska within the last 15 years, but they arrived by very different routes.

They are part of the reason the number of Hispanics in Nebraska has been increasing rapidly, and they and their fellow immigrants may be the key to avoiding a labor shortage in small Nebraska towns where population is declining.

Sanchez was born and raised in Colombia and immigrated to the United States in 1999 to attend Baylor College of Medicine. He came to Scottsbluff less than a year ago to work at Regional West Medical Center. He works as a physiatrist, a profession that helps rehabilitate victims of such medical conditions as strokes.

Sanchez was almost in the right place at the wrong time. He had a difficult time obtaining the visa he needed to practice medicine because of a security-check backlog after Sept. 11, 2001. With help from two lawyers, Sanchez untangled a paperwork snarl at the Department of Homeland Security and obtained his visa.

He fought the bureaucracy because he wasn’t ready to return to Colombia.

“I didn’t want to go back to that same hell I lived in,” Sanchez said.

Sandoval-Sierra, 27, is also an immigrant in western Nebraska. Sandoval-Sierra is from Zacatecas, Mexico, and settled in Mitchell eight years ago. She now lives in Scottsbluff.

When she came to Nebraska, she was 18 years old and didn’t know English. She found a job right away working for Head Start, a federally funded pre-school program for low income families. She said it was easy to get a job because employers wanted individuals who spoke Spanish.

Head Start had one requirement Sandoval-Sierra needed to fulfill: driving. She didn’t drive in Mexico where driving laws are different. In Mexico, there are no license exams and no licenses at all.

In order to drive, she had to learn to read the English signs. She said that it helped her learn the language because she got in the habit of writing down every word she didn’t know and looking it up.

Sandoval-Sierra was a U.S. citizen when she voted in the last presidential election. She said issues like Medicaid and immigration are very important to her.

“I was lucky to come here legally. Not many people are that lucky,” Sandoval-Sierra said.

Nebraska is facing declining or stagnant populations in the majority of its counties. Census Bureau statistics show that only 23 of the state’s 93 counties saw an increase in population from 2000 to 2005. Most of those 23 counties are along Interstate 80 or in eastern Nebraska.

Banner County, which borders Wyoming, has lost more than two-thirds of its population. Since its peak population of 2,435 in 1890, Banner County has declined to 774 in 2003. Population decline is straining the county.

“The biggest impact is on the school because we keep having fewer students in school,” said Sharon Sandberg, the county clerk, register of deeds, election commissioner, county assessor and clerk of the district court.

Jerrold Haberman, executive director of Panhandle Area Development District, agreed.

"In five to eight years, you’re going to see more eight- and six-man football teams," he said.

It’s common now to see towns in Nebraska with a population of fewer than 250 people. According to a report by David Drozd and Jerry Deichert, public affairs researchers at the University of Nebraska at Omaha, 40 percent of the state’s 531 incorporated cities and towns have 250 people or less. Out-migration is one reason for the population decline.

"Younger people in the past worked to live," Haberman said. "But now, the new generation of college graduates and 20- and 30-year-olds are finding jobs outside Nebraska in places where there are after-work activities.

Sanchez said he could understand why young, single men and women wanted to live and work in other parts of the country.

"This is the perfect place for kids, but if you’re a single guy, there’s not much to do," he said of Scottsbluff.

As younger people move away, those who stay continue to age. In Nebraska’s 3rd Congressional District, 27.8 percent of households had a person over the age of 65, according to Census Bureau statistics.

Caryn Long, regional representative for the Aging Office of Western Nebraska, said the demand for services for older residents has grown.

"Obviously baby boomers are hitting the so-called elderly population, so our business is increasing tremendously," Long said.

Even with the decline in population, the state’s labor force has increased during the past century.

"It’s going to be interesting to see what happens," Deichert said, "how’s that going to play: elderly white folks and disproportionately more younger people from different countries?"
Ex-gov.: Alternative to taxes was economic death

By MICHELE BROWN
UNL Depth Reporting Team

When Norbert "Nobby" Tiemann was Nebraska's governor, he wasn't in the business of looking after his own personal interests.

That's what the retired 82-year-old Tiemann said in a telephone interview from his Dallas home.

He said that, during his governorship in the late 1960s, it didn't benefit him personally to push for a progressive state income tax. Certainly, employing the state's first sales tax didn't gain him points as governor either.

But those changes had to be made, he said, to pull Nebraska out of the fiscal crisis it faced following the 1966 general election — the same election that placed Tiemann in office.

"People don't like taxes of any kind," Tiemann said, "but the alternative was economic death."

Tiemann said he thought Nebraskans would understand. But they didn't, and his supporters in 1966 became his doubters in 1970 and made him a one-term governor.

Forty years later, with the benefit of hindsight, Tiemann said some of his greatest accomplishments while in office ended in personal failure. "The biggest disappointment of my life was when I lost re-election."

And yet a state tax system reliant on property taxes and Tiemann's desire for change would seal his fate long before his first official act as governor.

By 1967 — Tiemann's first year in office — the property tax had long been established as the state's main revenue source, as only fees and fines supplemented the tax.

In 100 years, Nebraska's tax system was virtually unchanged. Little else in the state could claim to be untouched.

For some 20 years prior to Tiemann taking office, talk had gained momentum of revising the state's tax structure to include an income tax either as an addition to property taxes or as a sole source of revenue. It wasn't until the 1960s, however, that state legislators would produce not one, but two bills endorsing plans to prohibit the state from collecting property taxes while putting into place the state's first income tax. In the nearly two decades of discussions, a state sales tax had never garnered much consideration.

In 1965, income-tax supporters within the Legislature were successful in pushing through a state income tax, despite strong opposition from Omaha's business community. However, the measure became law without then-Gov. Frank Morrisson's signature, underlining the bill's shaky support.

Within a year, the bill's opponents, again primarily from the Omaha business community, successfully petitioned to have a referendum to repeal the law placed on the ballot for the upcoming 1966 election. What's more, because property taxes were a source of income levied at both state and local levels, rural Nebraskans in particular considered the property tax overly burdensome. Consequently, an initiative petition, sponsored primarily by the Farm Bureau, was working its way through Nebraska to prohibit the state from levying property taxes. The petition was also placed on the ballot for voter consideration.

In November 1966, voters approved both referendum and initiative petitions. Newly elected Tiemann came into office without the authority to look to either a property tax or income tax as a revenue source for the state. In effect, Tiemann had no real means to operate state government.

James Hewitt, an adjunct history professor at Nebraska Wesleyan University and then counsel and speech writer for Tiemann, said he remembered that period as being a difficult time for both the state and Tiemann.

Seemingly at cross purposes, Nebraskans were demanding relief from taxes and Tiemann was looking for a way to pay for state government.

"(Tiemann) had a great deal of courage and that coming into office he was not well prepared to deal with the fiscal crisis, so he relied heavily upon his advisers and his gut instincts."

"I just did what I thought was right," Tiemann said. "(But) one of the biggest mistakes I made when making a decision was that I did things that I thought were best for the state and not what was best for me politically."

The tax package included revenue for the state to operate and also provided funds for state aid to primary schools, higher education and highway improvements, among other services, but many Nebraskans resented it from the beginning.

"I can remember riding in parades and people would throw pennies at me," Tiemann said. "It was their way of paying the 'Tiemann tax,'" he added, laughing.

And yet, the income and sales taxes became even more of a bone of contention as Tiemann gained the reputation of spending excessively and needlessly. Complaints surfaced increasingly in newspapers.

A 1970 article in the New York Times noted claims from Nebraskans and Tiemann's political opponents that the embattled governor was carrying "a traditionally frugal state ... too far, too fast at too much expense and confusion."

Annual spending that had increased by nearly 25 percent, in addition to average state taxes per resident that had almost doubled during Tiemann's tenure, were among the main criticisms. Tiemann's political opponents leveled against him.

Hewitt said, however, that the move from very little to nothing to increased spending to increased expenditures on highways and schools was misconstrued by voters.

"Prior to (Tiemann), we never spent money on anything," Hewitt said. "He spent money that was available, but the things that he did were of such a great magnitude that people mistook what he was trying to do."

The perception of Tiemann as a big spender, however, not to mention a state treasury with a surplus of nearly $40 million, was all the ammunition James Exon needed to defeat Tiemann in the 1970 election.

Today, with virtually all of his tax restructuring still in place, Tiemann said there is nothing during his time as governor that he would have done differently.

"I never once thought that we should go back and modify the law," Tiemann said. "It was fair, broad-based and equitable, and you really couldn't improve it on much, if at all."

For those who accused him of ratcheting up state spending, Tiemann said it was a necessary evil, a result of lame-duck governors who preceded him as "caretakers that didn't do anything."

In Berens' book, Warner drew a similar conclusion.

"Nebraskans tend to kick governors out who take strong positions," Berens quoted Warner as saying. "Tiemann certainly was aggressive. We seem to like governors who don't do much."

Although he paid a high political price, Tiemann said the measures he pushed through the Legislature had a longer effect than he had hoped they would, of which he is proud.

Tiemann, who went on to work as the federal highway administrator in Washington, D.C., and later in the McLean, Va., and Dallas branches of the Omaha-based architectural-engineering firm Henningson, Durham & Richardson, said he's happy overall with where the state is economically.

In looking back, however, Tiemann said he's still bothered by the voters' reaction to his tax package.

"When I was campaigning, I told people that when they elect me, they were going to get an income tax and sales tax," Tiemann said. "When I was running for re-election, a lot of the people who had supported me were now against me, so when I asked them, 'What did you do and vote against me for? I told you what I was going to do,' they said to me, 'We didn't think that you'd get it done.' People really resent change."

"I went out and did exactly what I said I was going to do. I thought that (the voters) had a better understanding that I was doing what was best and not what was best for me, but I guess that's the way it goes."
‘County clerk’ five jobs in one

By DANIELLE WELTY
UNL Depth Reporting Team

LOUP CITY — Deb Mitteis never planned to become the Sherman County clerk. In fact, she decided to run for clerk almost on a whim.

Mitteis spent most of her adult life working for a financial company in Grand Island, which is an hour drive from her home, in Ashton.

Everything changed when Mitteis had lunch with the then-county clerk, Marge Dzingle, who tried to convince Mitteis to run for the position, almost as a joke.

Mitteis headed home, and it was then that the joke began to turn into a reality.

“I got in the car, headed home and thought to myself, ‘This is a really short drive,’” Mitteis said with a laugh. “I called Marge and asked her if I could handle it.”

Dzingle, who had been working in the courthouse since 1968, said she would stay and help Mitteis as her deputy if Mitteis won the election.

“I’m part of the fixtures here,” Dzingle said.

Mitteis was the last clerk candidate to enter the race, which she won. She kept winning for two more terms.

Mitteis is one of dozens of Nebraska county clerks whose duties are not limited to only one official title. Because Sherman County has just 3,300 citizens, Mitteis is also the register of deeds, election commissioner, secretary to the county board and clerk of the district court.

According to Nebraska Association of County Officials records, 86 of the 93 counties have a county clerk with at least two titles.

Beth Ferrell, NACO’s assistant legal counsel, the most common combination of responsibilities is county clerk and election commissioner, while the second most common is clerk and register of deeds.

Mitteis is both of these combinations and more.

And there’s not a handbook Mitteis can refer to for all of these positions.

“You just learn as you go,” she said.

FORTUNATELY, Mitteis had the experience Dzingle to help her with any unfamiliar tasks — at least the first time around.

“You never have a dull day,” Mitteis said. “There’s always something to do. There’s never nothing to do.”

Any given day, Mitteis has a mishmash of tasks. She might issue a marriage license, prepare a pool of voters for jury duty or send board minutes to the local newspaper, the Sherman County Times. A few years ago, when the courthouse was having its roof redone, Mitteis took some leftover stone from the project and worked on a little landscaping. It’s endeavors such as these that make Mitteis’ days at the courthouse eventful.

But Mitteis’ time in office is coming to an end with her third term. She was defeated during the primary election in May by the only other person on the ballot, fellow Democrat Marcy Sekutera. Mitteis lost by 17 votes.

Ferrell said more than a dozen clerks were either voted out in the primary or general election or decided not to run, which is a significantly higher number than in years past.

Mitteis, 45, has spent nearly 12 years as the clerk and said the position means more to her than just any other job.

“It’s been good,” she said, teary-eyed. “It’s hard to soak it all up.”

Mitteis said the most rewarding part of her job is the people she sees coming in and out of the courthouse and about Loup City each day.

“Working for a county that’s smaller, you know everybody,” she said. “Everybody who comes into the office — you know them — or you’ll know them the next time.”

And she’s going to miss that.

Mitteis is going to miss being an official in a small, picture-perfect town like Loup City with a square that has everything one could need, from the Frederick Hotel and Café to the barber shop with an old red, white and blue barber’s pole out front that’s open only one day a week because that’s the way the 97-year-old owner, Harold Hanshew, wants it to be.

She’s going to miss having lunches at the Snack Shop and driving each morning across the intersection with Loup City’s painted Polish eagle, which makes visitors aware that the town is the Polish capital of Nebraska.

Though Mitteis is upset about leaving what has been her home away from home for more than a decade, she is making sure she leaves her mark on the courthouse before her final day on Jan. 4.

Mitteis has taken it upon herself to update the courthouse a bit by employing some new technology to increase efficiency.

To make elections go more smoothly, Mitteis implemented a new program for voter records.

In the past, Mitteis had to pull out massive volumes of voters’ names and look them up by hand, but the new computer program stores all of the information electronically so it can be changed easily.

The paper copies of voter registrations have also been scanned in so that signatures on petitions can be easily compared.

“Eventually this paper is going away,” Mitteis said, motioning to a room full of handwritten volumes that rival a dictionary in thickness and content.

AS FOR OTHER electronic updates, most of the marriage licenses are on microfilm in case of a fire, which has occurred twice before in the Sherman County courthouse.

The county’s first courthouse burned in 1874, destroying some of the records. But the current courthouse, opened in 1921, maintains a historic feel.

The courtroom still has the original stained-glass windows and wooden chairs for both the jury and spectators.

The conference room still has the same table, chairs and blackboard that was used so many decades ago. When people comment on this, Mitteis brings out an old photo of the county officials. It depicts seven men with stern looks on their faces sitting in those exact chairs, many holding cigars when it was still acceptable to smoke in government buildings.

The county courthouse is a piece of history, and Mitteis reminds visitors by posting black-and-white photos taken in Loup City and various other towns in the county.

She spends some of her free time identifying the people in the pictures, or passersby recognize the photos and give Mitteis a lead. Other times, the photos are given to Mitteis by area families who know their history and their relation to the county.

Mitteis’ position as clerk has always been somewhat of a family affair.

For her first campaign, Mitteis’ daughter Maggie, then age 7, went door to door with her mother, handing out fliers and asking people to vote for her mom.

“She had a whole spiel,” Mitteis said.

Now, Maggie is a sophomore at Nebraska Wesleyan University and Mitteis’ son, Jody, is a sophomore at Loup City High School.

Mitteis was born and raised in Sherman County and now lives there with her husband, Lonnie, and two children. Her parents still live on their farm in Ashton.

Mitteis drives on the same roads, sends her children to the same schools and shops at the same supermarket like every other resident. She is a local representing other locals, which she said is important.

And she’s going to miss her many positions in the courthouse. But for now, she’s focusing on the tasks at hand just like those before her and the many to come after.

“You just do what you have to do to get the job done,” she said. “You get no vacation, you get no sick leave. You can be gone as often as you want, but your job has to get done.”

Deb Mitteis of Sherman County in south-central Nebraska is among dozens of county clerks performing roles that are not limited to one office. Mitteis also is Sherman County’s register of deeds, election commissioner, secretary to the county board and clerk of the district court.
The county merger debate rolls on

State senators see solution to overlapping county services with proposed bill, but to others it's about more than changing habits

By MICHÉLE BROWN
UNL Depth Reporting Team

KEARNY — Housed within the Kearney/ Buffalo County Law Enforcement Center is state Sen. Joel Johnson’s idea of government efficiency.

On an upper-level floor sits a first-responder and emergency-service communications center.

Four work stations make up the whole of the communications center. Five screens of radio channels, locator maps and a police database make up those four stations. And a lone dispatcher at each station watches all and many more cities and towns in between.

As emergencies crop up, the center’s dispatchers quickly send an assortment of police officers, firefighters and paramedics to the scene.

Their work, however, is not solely for the city of Kearney and Buffalo County, but also for emergencies that extend beyond the city and county limits to nine additional counties and many more cities and towns in between.

Within these 10 counties of Adams, Buffalo, Dawson, Frontier, Gosper, Hall, Hamilton, Harlan, Kearney and Phelps, there is no duplication of emergency services as first responders and emergency-service providers are able to speak and share information across varied radio channels connected through the center.

To Johnson, the District 37 senator from Kearney, the hub of the state’s Central Nebraska Region for Interoperability is a window into how Nebraska’s county governments could operate, given a willingness to confront and accept change — a change that’s been on the heels of Nebraska’s counties for some 100 years, according to the senator.

Citing a decline in the state’s population, in which 72 of the 93 counties peaked in population before 1930, Johnson said the reasons for the abundance of counties virtually ceased to exist by the early 20th century.

“Change is surely going to occur, but it’s the ability to adjust to those changes that creates success,” Johnson said.

In attempting to create more successful county governments, Johnson, along with state Sens. DiAnna Schimek of Lincoln and Pam Brown and Jim Jensen of Omaha, developed legislation that would provide a roadmap for counties to consolidate. The proposal would allow counties to merge voluntarily, on the assumption that residents would receive more and better services, and perhaps more importantly, see greater efficiency.

In developing and applying Legislative Bill 955’s criteria to Nebraska’s state map, the 93 counties, hypothetically, could be reduced in number by more than half, sharing resources and government operational costs, while capping what are seemingly rising property taxes.

However, this hypothetical map, Johnson contends, should happen only with a vote of residents in those merging counties and not through a mandate by the state.

Larry Dix, director of the Nebraska Association of County Officials, agrees with Johnson that county consolidation should require a vote of merging counties’ residents. Beyond that, however, Dix and Johnson cease to agree.

Dix said the fundamental application of the bill, which focuses on merging small counties, does not get at the crux of the problem.

“This type of legislation is always looking at consolidating the small counties and, if anything, saving nothing at all for the state,” Dix said.

Moreover, Dix added that constitutional language was already passed in the late 1990s to allow counties to merge voluntarily, which makes Johnson’s bill moot.

Schimek said while legislation may focus on smaller counties, Johnson’s bill “doesn’t preclude any county from consolidating,” as Schimek used talks of consolidation between the city of Omaha and Douglas County as an example.

Schimek added that the bill was meant to aid counties, those that chose to consolidate, to focus in on particular areas of interest.

“All the bill really did was try to provide guidance for counties to merge,” Schimek said, “to flush out the specifics of that language that was passed (in the 1990s).”

Moreover, Johnson said that as many of the state’s counties face depopulation in the midst of rising property taxes — the main source of income for county governments — these counties face “taxing themselves out of existence,” as diminishing county populations are forced to shoulder greater portions of the tax burden to maintain their counties.

Johnson added that continuing to idle in a “nostalgia trap” and sticking to the notion that “we’ve always done it that way” will only hurt future generations.

“We have to look at what’s best for the next generation,” Johnson said. “We’d be shirking our duties if we don’t do that.”

Tom Bergquist, deputy director of the state’s Legislative Fiscal Office, however, contends county consolidation is a bit more complicated than a refusal to abandon old habits.

BERGQUIST SAID a lack of actual, and not estimated, data, continually has been a problem when trying to pinpoint what actually would be saved should counties merge.

“Miscellaneous” spending categories in county budgets, particularly, make “apples-to-apples” spending comparisons difficult, Bergquist said.

Moreover, some county expenditures, such as roads maintenance, would not be curtailed as a result of two counties merging. Bergquist said such costs depend more on factors like weather and not so much on how many people drive on roads.

“As a state, you’re not going to save a great deal of money by eliminating small counties, especially those whose bulk of spending goes into roads,” Bergquist said.

Dix agreed.

“In a property-tax statement, county governments make up only 12 percent of property taxes (on average),” Dix said. “The largest part of two counties’ governments is spent on roads, and the dollar amount to run those governments is not going to change when they merge. Small counties are not the problem, and county government can only be 12 percent of the problem.”

Bergquist added that the portion county governments represent in property taxes, not to mention the lack of interest in consolidating from western Nebraska, were among the reasons the Nebraska Association of County Officials voted unanimously to oppose Johnson’s legislation.

The association, of which all 93 counties are members, has a 17-member board that geographically represents the state. With input from interests across the state, the board takes positions on legislation.

Bergquist said given the types of expenditures many counties have, small counties currently have no incentives to consolidate.

Buffalo County Treasurer Jean Sidwell, however, can appreciate the need for consolidation.

In office for nearly 25 years, Sidwell said the novelty of residents coming to the courthouse and finishing all their business in a relatively short time still prevails in less populated counties.

Sidwell added, however, this notion “should be preserved to the extent that it’s viable,” something that could be made more difficult under a new federal law — the Real ID Act.

The measure, enacted by Congress last year, which looks to standardize a national identification card, could take a large chunk of county courthouses’ office operations by as early as May 2008.

Attached to the coattails of a defense spending and tsunami relief bill, the Real ID Act will require a new license that will allow a person to drive, visit a federal government building, collect Social Security or board a flight, among other activities and services — huge incentives for states to comply and for residents to acquire the new licenses.

AS STATES LOOK to comply with the new law by the deadline — only 18 months away — news reports have estimated costs anywhere between $80 million and $500 million. While the bill does not specify what costs will be to states, the act does allow for the Department of Homeland Security to set aside funds to aid states in this largely unfunded mandate.

Sidwell said funding will be a problem for states, especially smaller county governments.

The pending federal program would not so much affect Sidwell’s office, she said, as issuing driver’s licenses is a small component of the primary functions and services Buffalo County courthouse provides.

Sidwell said she realizes, however, that courthouses in less densely populated counties would have one less major function to provide their residents and have one less reason to maintain a courthouse.

Bergquist added that should counties consolidate, perhaps some into Buffalo County, she understands that her position would be one that would survive the cuts, as jobs lost is yet another deterrent for counties to merge.

“I am aware I’m speaking from the position that I’m going to be one of the survivors, but for counties to consolidate, there is certainly a need.”

LB955 CRITERIA
Introduced in the last session of the Legislature, LB955 specified five criteria counties must meet when merging:

• shared communities of interest;
• cultural and historical ties;
• economic activity;
• a combined population of at least 10,000 residents;
• and a combined geographical area of no more than 5,000 square miles or no bigger than Cherry County.

Merger continued on next page
Small Counties, Big Costs

Earlier this year, the Nebraska Legislature’s fiscal office closely examined how the populations of counties affected how much residents pay for county government. The study took two approaches.

• **Approach One:** The goal was to look at counties’ overall budgets. This approach found that counties with populations of fewer than 1,000 spent $1,950 per person in fiscal 2004-2005, whereas counties with populations of more than 100,000 spent $542 per person.

• **Approach Two:** Because overall expenses vary widely among counties — for example, some counties support hospitals, while many do not — the study’s second approach attempted a more “apples-to-apples” examination by comparing per-capita costs based on restricted fund spending. Those are the revenues that are subject to the state’s levy lid and which are common in every county. Restricted funds include property taxes, state aid, and state funds, including highway revenues, motor vehicle taxes, and fees. The second approach, based only on restricted funds, found the average per-capita cost of county government in Nebraska is $294 annually. The median cost —half of the counties pay more, half pay less — is $449. Per-capita costs increase as county populations decrease, as the table below illustrates:

<table>
<thead>
<tr>
<th>Population Range</th>
<th>Per Capita Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>100,000 or more population</td>
<td>$224</td>
</tr>
<tr>
<td>25,000 to 100,000</td>
<td>$277</td>
</tr>
<tr>
<td>10,000 to 25,000</td>
<td>$344</td>
</tr>
<tr>
<td>5,000 to 10,000</td>
<td>$425</td>
</tr>
<tr>
<td>1,000 to 5,000</td>
<td>$588</td>
</tr>
<tr>
<td>Under 1,000</td>
<td>$941</td>
</tr>
</tbody>
</table>

Nationally, there has been one county merger in the past 73 years — in Georgia in 1932. Statewide, the picture is even bleaker as state senators and officials have not been as aggressive in looking at the issue of consolidating counties as the hotly contested issue of school consolidation.

The lack of county consolidation, however, has not been a result of a lack of discussion and consideration, which Johnson said he hoped his bill would stimulate. But that the future of the proposal is murky. Following LB955’s introduction into the legislature in January 2006, Johnson’s bill was heard by the Government, Military and Veterans Affairs Committee a month later. The committee indefinitely postponed further action on the bill, what Johnson calls “a polite way of killing legislation.”

Johnson said it’s unsure whether he will reintroduce the legislation at the opening of the 2007 legislative session.

As Brown and Jensen are among the 20 senators exiting Legislature as a result of term limits, and Johnson and Schimek are in the closing years of their terms, the ability to keep legislation and public discourse alive will prove even more difficult.

Johnson said, however, that he hopes a senator — whether newly elected or an incumbent — would be inspired to pick up the reins of this issue.

“This type of issue is one that we have to keep bringing up in public,” Johnson said. “It has to be a grassroots effort, and we have to recognize these tremendous changes.”

Whichever side of the issue county officials land on, historically, merging counties has been anything but a groundswell.

Nationally, there has been one county merger in the past 73 years — in Georgia in 1932. Statewide, the picture is even bleaker as state senators and officials have not been as aggressive in looking at the issue of consolidating counties as the hotly contested issue of school consolidation.

The lack of county consolidation, however, has not been a result of a lack of discussion and consideration, which Johnson said he hoped his bill would stimulate. But that the future of the proposal is murky. Following LB955’s introduction into the legislature in January 2006, Johnson’s bill was heard by the Government, Military and Veterans Affairs Committee a month later. The committee indefinitely postponed further action on the bill, what Johnson calls “a polite way of killing legislation.”

Johnson said it’s unsure whether he will reintroduce the legislation at the opening of the 2007 legislative session.

As Brown and Jensen are among the 20 senators exiting Legislature as a result of term limits, and Johnson and Schimek are in the closing years of their terms, the ability to keep legislation and public discourse alive will prove even more difficult.

Johnson said, however, that he hopes a senator — whether newly elected or an incumbent — would be inspired to pick up the reins of this issue.

“This type of issue is one that we have to keep bringing up in public,” Johnson said. “It has to be a grassroots effort, and we have to recognize these tremendous changes.”

Whichever side of the issue county officials land on, historically, merging counties has been anything but a groundswell.

Nationally, there has been one county merger in the past 73 years — in Georgia in 1932. Statewide, the picture is even bleaker as state senators and officials have not been as aggressive in looking at the issue of consolidating counties as the hotly contested issue of school consolidation.

The lack of county consolidation, however, has not been a result of a lack of discussion and consideration, which Johnson said he hoped his bill would stimulate. But that the future of the proposal is murky. Following LB955’s introduction into the legislature in January 2006, Johnson’s bill was heard by the Government, Military and Veterans Affairs Committee a month later. The committee indefinitely postponed further action on the bill, what Johnson calls “a polite way of killing legislation.”

Johnson said it’s unsure whether he will reintroduce the legislation at the opening of the 2007 legislative session.

As Brown and Jensen are among the 20 senators exiting Legislature as a result of term limits, and Johnson and Schimek are in the closing years of their terms, the ability to keep legislation and public discourse alive will prove even more difficult.

Johnson said, however, that he hopes a senator — whether newly elected or an incumbent — would be inspired to pick up the reins of this issue.

“This type of issue is one that we have to keep bringing up in public,” Johnson said. “It has to be a grassroots effort, and we have to recognize these tremendous changes.”

Whichever side of the issue county officials land on, historically, merging counties has been anything but a groundswell.
Research: Five factors in county formation, yet specific reasons still unclear

By MARK MAHONEY
UNL Depth Reporting Team

Counties are governmental entities, but for residents of those counties, they also serve as a source of identity.

Nebraska has had 93 counties of varying shapes and sizes for nearly a century, yet more than a third of Nebraska’s 1.7 million residents live in the eastern half of the state. So why are there 93 counties? Dr. Ed Stephan, a retired sociology professor who has studied U.S. county formation, assumed when he started his research it would be easy to explain why counties formed, and their size and shape, but that wasn’t the case.

After years of research, Stephan found five possible factors explaining why counties formed the way they did in most states:

1. A government’s ability to enforce laws;
2. Effect of improving transportation technology;
3. Limits to relocating seats of government;
4. Separation of governments by boundaries; and,

Stephan said, “In general, the eastern and older states were in the small-county categories. Western and newer states were in the large-county ones.”

Distance was the most important aspect in understanding how land was divided up into counties, Stephan said.

“A government is effective to the extent that it can enforce its regulations within its jurisdiction, over local opposition if need be,” Stephan said.

To Larry Dix, executive director of the Nebraska Association of County Officials, Nebraska’s counties look as they do because people wanted their county governments close by and the state’s geography slowed the increase of western Nebraska’s population early in the 20th century.

Dix said the land was plotted out until it reached a size where traveling by horse and buggy to the county courthouse would be only a day’s trip, meaning people spent less time on legal business and had more time for farming, ranching and raising a family. He noted, however, Cherry, Custer and Lincoln counties do not exactly follow that mold.

“They’re the three largest, but if you look at a map, you’re going to find when you get into Cherry County, there are no towns at all down in here,” said Dix, pointing to the southern half of Nebraska’s biggest county. “Therefore, (the state government) determined they’d just pick somewhere in the middle and that became the county seat.”

Dix said most of the population in the three largest counties was concentrated in one part of the county, so the county seat was put somewhere near where the people were.

Many of the counties in western Nebraska are big, Dix said, because there is a considerable amount of ranchland in that part of the state. He added many of the smaller counties in Nebraska are the size they are because they’re either row-crop farmland or wheat farmland.

The first county governments in the New World were created in 1634 in Virginia, when one of the three types of county governments still used in the United States was put into use. Known as the “Southern Type,” it emphasized county officials such as sheriffs, a clerk of the court, surveyor, coroner, and several constables, most serving without pay.

The “New England” type of county government actually put more emphasis on the town than the county in local government because, unlike in the southern colonies, people were concentrated in towns, not scattered on plantations. Local government affairs were taken care of in “town meetings,” Stephan said. Other than judicial affairs, counties had little power. Towns handled highways, taxes, public health, and other duties. Like the name says, this form of government is only found in New England.

A third kind of county government, a mix of the first two types, prevailed in Pennsylvania and New York during the same period. Both counties and cities played important roles in government. Most of the upper Midwest uses this kind of government.

Nebraska has county government based on the Pennsylvania form, which is a commissioner system.

From his research on the variety of county sizes by state and the history of county government, Stephan said he concluded the size of the county doesn’t correlate with a form of government, and vice-versa.

The story of county formation in Nebraska cannot be told without looking into the Cornhusker State’s past before its counties were formed. The United States acquired the land that would become Nebraska as part of the 1803 Louisiana Purchase. Major Stephen H. Long, who explored the region in 1820, thought the Great Plains was a place to travel through, not to stop and settle, foreshadowing the belief of many 21st century Americans that Nebraska is “fly-over land.”

In 1834, the federal government passed the Indian Intercourse Act, which guaranteed the area to the American Indians and forbade white settlers from entering the territory. That guarantee did not last long, however, as a transcontinental railroad began to take shape across the nation in the 1850s, and illegal settlers began entering and staying in the area of present-day Nebraska.

When Nebraska became a territory in 1854 as part of the Kansas-Nebraska Act, James C. Olson’s “History of Nebraska” said, settlers could enter the region legally, but many people had entered the area illegally for years, so they already possessed some of the most promising agricultural land. As more and more people entered the territory, conflicts arose over who owned the best land, so “claim clubs” formed since there wasn’t an official government yet to supervise who got what land. These “clubs” of early settlers, which formed mainly in the eastern half of the state, acted as law enforcement in the absence of established government to keep jumpers at bay, but they often used their influence to take more land than they should have legally.

When Francis Burt, the territory’s first governor, was appointed in October 1854, he was given the task of establishing some sort of civil government, writes A.T. Andreas in his “History of the State of Nebraska,” but Burt died two days after he took office. Thomas Cuming, the secretary of the territory, became acting governor and ordered a census. He also outlined the boundaries of the first eight counties in Nebraska history at the first legislative assembly in 1855.

The assembly met in Omaha, the territorial capital, to organize a court system and create a local government structure within the region. It officially defined the eight original county boundaries: Burt, Richardson, Pierce, Douglas, Washington, Cass, Dodge and Forney, which is now Nemaha County.

A few of the counties were large areas, especially Burt, which rivaled today’s Cherry County in size. A couple, however, such as Douglas and Washington, were close to their current size.

Olson also said after the state government created the first 24 counties in 1855, people had to organize the rest of the counties on their own, mainly through the petition process. A petition needed to have the signatures of a majority of the legal voters in an unorganized county. These early counties had to be attached to the nearest arranged county to the east.

Dix said although the Homestead Act and the development of the railroad in the 1860s were important in how Nebraska developed, the railroads didn’t influence how counties formed, only how far apart towns were. Many of the county boundaries existed before the railroads.

After 1873, residents of an unorganized area with at least 200 residents and 10 taxpayers could petition the governor to set up a new county with three temporary county commissioners to help supervise the first election. The Nebraska Legislature would then establish the

* Counties continued on next page
State officials sketched out Nebraska's first eight counties in 1855, but the number gradually grew to 93 as settlers petitioned to establish counties. A county's size often was determined by the distance a person could travel in one day by horse.

Another aspect to county formation is how fast Nebraska grew between 1860 and 1890. A population study by Randy Cantrell of the Nebraska Rural Initiative found that the state's population grew 3,572 percent from 28,841 to 1,058,910 residents. At this rate, Nebraska would have hit 5 million people by 2000, but because of the disappearance of free land, the influx of settlers stopped. As the population increase slowed, so did the division of land among counties, which was also affected by the geography of the western part of the state, Dix said, because most of the land in western Nebraska is better for ranching, so fewer people tried to live there, since farming was out of the question.

Today, Nebraska resembles many states in its number of counties, a 1990 booklet by the League of Women Voters of Nebraska said. But it also said some states of similar size to Nebraska have fewer counties. New Mexico, which has about the same number of people as Nebraska, has 33 counties. One of the most populous states, California has nearly 30 million residents, yet only 58 counties. Arizona and Colorado have many fewer counties, but that is largely due to their geography and federal land ownership.

Is Nebraska locked in the past with its number of counties? A few state senators have proposed legislation to consolidate counties. The League of Women Voters of Nebraska and the Nebraska Tax Research Council have also asked questions regarding the issue.

Dix said he doesn't favor merging counties, but he added if county-to-county consolidation ever does happen in Nebraska, the people should get to vote on it.

"County government has always been very localized," Dix said. "It's very much at the will of the people in those geographical areas."
Assessors aren't in their job to be liked

By MEREDITH GRUNKE
UNL Depth Reporting Team

NORTH PLATTE — Mary Ann Long readily admits her job as Lincoln County assessor is one most people wouldn't want. Her husband, Larry, agrees.

"It heeds I'm the most hated woman in Lincoln County," she said. "I don't imagine they like me very well."

About 35 miles north of North Platte in Tryon, McPherson County Assessor Judy Dailey finds a stark contrast.

Although Dailey and Long hold the same county government office, their work pace, resources and job descriptions provide stark contrasts.

But both say they complete their duties as assessor in the most efficient way possible for their respective counties.

Long, 64, has worked for the Lincoln County Assessor's office since 1984 and was elected county assessor in 1999. She said she and her 14 staff members know taking flak from their constituents comes with the position.

"They hate us all, but we're used to that," said Marcene Everhart, a staff member. Everhart said that on days when office workers wear their "county assessor" T-shirts, most go home after work to change before going anywhere else. People come into the office so irate at times, she said, the staffers have to call the sheriff.

Long and Everhart said it's easy to forget that the staff in the assessor's office has to pay taxes, too.

"It's just part of the job," Long said.

But most days are quiet for the Lincoln County assessor's office. Long, who works in a courthouse space lined with bookshelves, filing cabinets and giant maps of North Platte and the county, spends 35-hour workweek filing paperwork and being the public face for her office.

In her elected post, she is primarily responsible for locating and assessing all of the county's real property, such as land and buildings, and personal property, such as machinery and supplies. The data are then used to levy taxes on property owners, and those taxes provide the bulk of the county's income.

State law requires Long to assess property at a certain percentage of its appraised market value: 92 percent to 100 percent for residential property and 74 percent to 80 percent for agricultural land.

During the past two decades, the number of land parcels Long and her staff have to keep track of has increased, creating a larger workload. Long estimates the number of parcels has increased from about 20,000 to nearly 25,000 since 1984. She attributes the growth to property divisions, new construction, low interest rates and the introduction of new businesses into the area.

"It's just starting to boom right now," she said.

With the increasing workload, Long has been able to increase her staff and update her methods. This year, Long's staff started using computerized Geographic Information Systems to help mark and survey the county's land parcels.

The computer system allows her to view the land in various layers of information, such as soil type.

The office also posted its assessment data online this year, which has considerably reduced the number of phone calls from county residents and realtors.

Both changes, staff members said, have allowed them to get more work done with fewer interruptions.

When Long started working for the assessor's office, the staff comprised only eight members, she said. With the addition of some data entry personnel and an in-house appraisal staff, the number of workers has grown to 14.

LONG SAID county appraisers are sent to collect data on individual properties and make judgments on quality and condition. Appraisers determine the value that is used for tax assessment. While some county assessors also do appraisal work, they primarily manage the office and complete administrative duties.

Instead of contracting them, Long hired one registered appraiser and three appraisal assistants, which saved the county money and allowed for more accurate assessments. With the one appraiser she had on staff before, the office couldn't visit all the properties in a timely basis. When the county contracted a company from Lincoln to completely reappraise residential property in 2002, the bill topped out at $350,000.

"The four I have on staff now don't come near that amount of money," she said.

Although she said that as the assessor post alone provides enough work for its own full-time position. And other ex-officio county officials feel the same way, she said.

"We say we can't keep up with this, but you do because you have to," she said. "The ex-officio officers are pretty stressed. We just need another 24 hours in every day."

Long said her job to be liked, answering phones, checking records and filling out forms.

Her job keeps her plenty busy. When she became the McPherson County clerk in 1983, she automatically took on the additional roles of the county assessor, clerk of the district court, election commissioner and register of deeds. According to state law, Dailey is known as the "ex-officio" officer for those posts because McPherson County has a population of fewer than 4,000.

While Long has to know one job, Dailey has to master five.

Dailey is one of three people — the other two are the county treasurer and sheriff — who work full time in the county courthouse. The county itself has a population of 52,4 and Tryon — the only dot on the map in McPherson County — is nestled in the middle of Sandhills ranchland.

Dailey, 61, said although she has a part-time assistant, she typically works 50-60 hours per week.

"You can't just work an eight-hour day and go home," she said. "You've got to get this day's work done because tomorrow's going to bring its own load."

October and November mark particularly busy times for Dailey — especially in election years. She has three calendars to keep track of all of her appointments and duties. During one week in November, she had to tend to the elections on Tuesday, the county commissioner's meeting on Wednesday and a session of the district court on Thursday. She was also working on her certification of taxes for the state, which was due on Dec. 1.

Dailey said over the years, her duties have built up so much that the assessor post alone provides enough work for its own full-time position. And other ex-officio county officials feel the same way, she said.

"We say we can't keep up with this, but you do because you have to," she said. "The ex-officio officers are pretty stressed. We just need another 24 hours in every day."

Dailey said she enjoys the personal aspects of her job.

"I enjoy working with our people," she said. "It gives you a good feeling to be able to help the people in your county."

MCPhERSON County has about 1,600 parcels of land, she said. The county can't afford the Geographic Information Systems that Lincoln County has, and Dailey contracts with one appraiser from outside the county.

Although there aren't many home sales in McPherson County, Dailey said, all the work can be difficult to balance.

"You can't devote all your time to assessing," she said.

In addition to assessing, Dailey must record and publish all the proceedings of the county board, maintain military discharge records, keep track of county payroll records, issue marriage licenses, file deeds, prepare court appeals and design election ballots, among other duties.

Dailey doesn't have a problem staying late at work to ensure everything gets done.

While Dailey works many more hours than Long, she makes only about half as much money.

Unlike Long, who said the 54,979 Lincoln County residents filed 783 protests on their assessments in 2006, none of the 524 McPherson County residents protested their assessments, Dailey said.

She attributes that to the yearly letter she sends out explaining any changes in assessments for all property.

"The more informed you can keep your people, the better it works out," she said.

And while carrying the load of five county jobs, Dailey receives a much different reaction from her constituents than Long. Dailey believes she has a good reputation, and said she feels like she has a good working relationship with her constituents. Dailey said she enjoys the personal aspects of her job.

"I enjoy working with our people," she said. "It gives you a good feeling to be able to help the people in your county."

Lincoln County residents can view property valuations in an instant on the Internet, according to Assessor Mary Ann Long, who is checking the Web site from her desk.

Photo courtesy North Platte Telegraph
With teamwork, counties can afford to go on

By BRIAN ANTHONY HERNANDEZ
UNL Depth Reporting Team

GERING — Ask Sherry Blaha about vacation time. She'll laugh.

As director of Scotts Bluff County emergency management, it's rare for her to find chunks of time away from the office, a one-person department that before 2003 was in charge of providing services only to the cities, towns and villages within the county of nearly 37,000 people.

Now ask her about an interlocal agreement reached in 2003 with Banner County.

She'll exclaim, "Oh, my go!" and explain how the agreement increased her workload, making it even harder to schedule vacation.

In 2003, officials in neighboring Banner County asked Scotts Bluff County and Blaha, asking for help in resolving the city's financial crisis. Without the interlocal agreements, Blaha warned, Banner County would have been forced to merge with either Gering or Scottsbluff since 1983.

The list goes on. Most interlocal agreements are not renewed if they aren't renewed. The list goes on.

The most recent agreement increased her workload, making it even harder to schedule vacation.

In 2003, officials in neighboring Banner County asked Scotts Bluff County and Blaha, asking for help in resolving the city's financial crisis. Without the interlocal agreements, Blaha warned, Banner County would have been forced to merge with either Gering or Scottsbluff since 1983.

Despite the additional workload that would accompany the agreement, Blaha recognized the importance of such agreements. Without them, she said, counties essentially would be forced to merge with each other or illegally not provide services to the public.

"No county wants to lose its identity by merging with another county," she said. "Interlocal agreements let them do more without negative consequences."

So at the end of the day, Scotts Bluff County agreed to provide "optimum emergency management service" to Banner County, population 726, according to a report on interlocal agreements filed with the State Auditor's Office in Lincoln.

"Banner County, considering its population, couldn't exist without interlocal agreements," said Gifford. "It's an integral part of being able to function."

Scotts Bluff County now provides Banner County with natural disaster awareness programs to teach residents how to recognize severe weather. During the spring and summer, residents learn how to respond to large hail storms and tornadoes, Blaha said.

Training on triage services, homeland security and natural disasters also is offered to emergency workers and first responders such as law enforcement and fire services, she said.

"And I make sure what we teach is followed through in the unlikely event of an emergency," she said. "Every player has a role, and we make sure they all know their role."
<table>
<thead>
<tr>
<th>County</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nebraska</td>
<td>1,768,331</td>
</tr>
<tr>
<td>Adams County</td>
<td>33,185</td>
</tr>
<tr>
<td>Antelope County</td>
<td>6,931</td>
</tr>
<tr>
<td>Arthur County</td>
<td>372</td>
</tr>
<tr>
<td>Banner County</td>
<td>783</td>
</tr>
<tr>
<td>Blaine County</td>
<td>492</td>
</tr>
<tr>
<td>Boone County</td>
<td>5,668</td>
</tr>
<tr>
<td>Box Butte County</td>
<td>11,132</td>
</tr>
<tr>
<td>Boyd County</td>
<td>2,185</td>
</tr>
<tr>
<td>Brown County</td>
<td>3,354</td>
</tr>
<tr>
<td>Buffalo County</td>
<td>43,954</td>
</tr>
<tr>
<td>Burt County</td>
<td>7,341</td>
</tr>
<tr>
<td>Butler County</td>
<td>8,595</td>
</tr>
<tr>
<td>Cass County</td>
<td>25,963</td>
</tr>
<tr>
<td>Cedar County</td>
<td>8,819</td>
</tr>
<tr>
<td>Chase County</td>
<td>3,811</td>
</tr>
<tr>
<td>Cherry County</td>
<td>5,934</td>
</tr>
<tr>
<td>Cheyenne County</td>
<td>9,865</td>
</tr>
<tr>
<td>Clay County</td>
<td>6,564</td>
</tr>
<tr>
<td>Colfax County</td>
<td>10,113</td>
</tr>
<tr>
<td>Cuming County</td>
<td>9,660</td>
</tr>
<tr>
<td>Custer County</td>
<td>11,242</td>
</tr>
<tr>
<td>Dakota County</td>
<td>20,587</td>
</tr>
<tr>
<td>Dawes County</td>
<td>8,466</td>
</tr>
<tr>
<td>Dawson County</td>
<td>25,018</td>
</tr>
<tr>
<td>Deuel County</td>
<td>1,958</td>
</tr>
<tr>
<td>Dixon County</td>
<td>6,170</td>
</tr>
<tr>
<td>Dodge County</td>
<td>36,171</td>
</tr>
<tr>
<td>Douglas County</td>
<td>492,003</td>
</tr>
<tr>
<td>Dundy County</td>
<td>2,109</td>
</tr>
<tr>
<td>Fillmore County</td>
<td>6,259</td>
</tr>
<tr>
<td>Franklin County</td>
<td>3,348</td>
</tr>
<tr>
<td>Frontier County</td>
<td>2,729</td>
</tr>
<tr>
<td>Furnas County</td>
<td>5,003</td>
</tr>
<tr>
<td>Gage County</td>
<td>23,365</td>
</tr>
<tr>
<td>Garden County</td>
<td>1,995</td>
</tr>
<tr>
<td>Garfield County</td>
<td>1,790</td>
</tr>
<tr>
<td>Gosper County</td>
<td>1,978</td>
</tr>
<tr>
<td>Grant County</td>
<td>660</td>
</tr>
<tr>
<td>Greeley County</td>
<td>2,454</td>
</tr>
<tr>
<td>Hall County</td>
<td>55,555</td>
</tr>
<tr>
<td>Hamilton County</td>
<td>9,490</td>
</tr>
<tr>
<td>Harlan County</td>
<td>3,446</td>
</tr>
<tr>
<td>Hayes County</td>
<td>1,029</td>
</tr>
<tr>
<td>Hitchcock County</td>
<td>2,926</td>
</tr>
<tr>
<td>Holt County</td>
<td>10,610</td>
</tr>
<tr>
<td>Hooker County</td>
<td>756</td>
</tr>
<tr>
<td>Howard County</td>
<td>6,736</td>
</tr>
<tr>
<td>Jefferson County</td>
<td>7,874</td>
</tr>
<tr>
<td>Johnson County</td>
<td>4,683</td>
</tr>
<tr>
<td>Kearney County</td>
<td>6,701</td>
</tr>
<tr>
<td>Keith County</td>
<td>8,250</td>
</tr>
<tr>
<td>Keya Paha County</td>
<td>892</td>
</tr>
<tr>
<td>Kimball County</td>
<td>3,710</td>
</tr>
<tr>
<td>Knox County</td>
<td>8,812</td>
</tr>
<tr>
<td>Lancaster County</td>
<td>267,135</td>
</tr>
<tr>
<td>Lincoln County</td>
<td>35,865</td>
</tr>
<tr>
<td>Logan County</td>
<td>749</td>
</tr>
<tr>
<td>Loup County</td>
<td>656</td>
</tr>
<tr>
<td>McPherson County</td>
<td>497</td>
</tr>
<tr>
<td>Madison County</td>
<td>35,279</td>
</tr>
<tr>
<td>Merrick County</td>
<td>7,954</td>
</tr>
</tbody>
</table>

Table 1: Annual Estimates of the Population for Counties of Nebraska: April 1, 2000 to July 1, 2006 (CO-EST2006-01-31)
Source: Population Division, U.S. Census Bureau
Release Date: March 22, 2007
Tiny Wallace likes but worries about its problem

By BRIAN ANTHONY HERNANDEZ
UNL Depth Reporting Team

WALLACE — Buried under yearbooks dating as far back as the 1950s, a book of student poems rests on a dusty wooden shelf in Faith Memorial Library in Wallace, population 329.

In the book, three former Wallace students described the southwest Lincoln County village as a town “in the middle of nowhere” where “nothing can be hidden” and “news travels faster than light.”

And on one cold, windy October night, as if defying physics, news in Wallace did appear to have traveled faster than light, a notion people in other rural communities across Nebraska mention as being a common phenomenon in small towns.

“Walk around and listen, and you’ll understand,” said town Fire Chief Doug Lockwood on Oct. 26, the night of the Wallace football team’s first-round playoff game.

Around the football field, as the Wallace team won its game against Mullen, fans spread the news about a Texas company’s plans to build a $13 million ethanol plant three miles east of town.

“The entire town is pretty much out here tonight, so everyone’s going to know before they read the news in the paper tomorrow morning,” Lockwood said. “Whether the news is good or bad, it’ll get around in any small town like ours.”

Fast-spreading news is just one of many qualities that small communities have in common.

Communities of Wallace’s size or smaller, for example, often experience population declines. Wallace — and about 25 other Nebraska towns with populations of 300 to 350 — represent about the median population of all towns in the state, according to the 2000 Census.

“Unfortunately there’s some down sides to living in a small town,” because sometimes you see people leave and never return, said Village Clerk Mary May, who worked in the concession stand at the football game.

From 2000 to 2005, towns of this size lost on average 2.5 percent of their populations, or seven to nine residents each.

“I understand these people’s ambition to seek out new opportunities in a larger community,” said Jim Smith, the football game’s announcer and a self-employed insurance agent, “but it’s still tough to see people leave town, especially the younger ones who leave for college and don’t return.”

Shortly after halftime of the playoff game, May shot glances at seniors on the field and in the stands, spotting some playing football and others watching the game. Will they leave town after they graduate in May 2007? Will they ever return?

Huddled in a blanket to shield themselves from the biting cold, 18-year-old seniors Whitney Hochstetler and Leann Malone discussed their post-graduation plans.

“When I go to college, I want to go to one with a small-town atmosphere,” Hochstetler said.

“Some place kind of like Wallace where you know everyone.”

Malone shot her a disapproving stare.

“Well, I want to get out of here,” Malone said during the fourth quarter of Wallace’s 46-12 win. “I’m going to Lincoln or somewhere much, much bigger.”

Love or hate living in a rural community, it’s unlikely students heading off to college will return after obtaining degrees. It’s the trend across Nebraska, said Jerry Deichert, director of the Center of Public Affairs Research at the University of Nebraska at Omaha.

“Historically, (Nebraska has) had large numbers of younger people moving out,” he said, adding that even if more opportunities were available for college graduates originally from small towns, “it would be hard to keep them” because of the lack of advancement opportunities.

Randy Cantrell, a sociology professor and community development specialist with the University of Nebraska Rural Initiative, agreed.

“When you’re young and establishing your identity, you may find it confusing to live in a rural community,” he said. “You may say to yourself, ‘Geez, I really need to get out of here.’”

While some teenagers leave town for college and don’t return as grown-ups — a factor that contributes to population decline in most rural communities — Wallace’s population continues to increase.

Wallace Village Clerk Mary May enjoys living and working in her small community about 35 miles southwest of North Platte.

From 1990 to 2000, the population in Wallace jumped from 308 to 329, census data shows. Newcomers moved in to take jobs at a feedlot and a grain company, both east of town, May said.

The population increase, however, doesn’t take into account the Hispanic families that started moving into duplexes in Wallace in 2001, also to take jobs at the feedlot and grain company, May added, forcing rural residents to confront changing demographics.

Wallace School District 65R since 1975 earned the title “No.1 Small Town in Nebraska” at the state’s Community Improvement Program banquet.

“It’s a good problem to have, though, because it means people want to live here,” said May, who suggested building more living units soon to solve the housing problem.

Another downside to living in a rural community: “Everybody knows your business,” May said. “There’s not many secrets in Wallace.”

Get a divorce or do anything out of the ordinary and everyone knows, she said. “My kids aren’t even home before I find out what they did wrong.”

The bonds established from everybody knowing everybody and everything, however, help build a sense of community even if it’s at the expense of privacy, May said.

The same bonds helped nearly all of the town’s residents show up to a first-round high school football playoff game despite near-freezing temperatures.

The same bonds helped two-thirds of the town’s residents attend a mid-November endowment dinner at the Community Hall, a peach-colored stucco building resembling Spanish-influenced structures with its arches near the front door and upper window. Back in 1998, residents replaced 28 windows and the roof and remodeled inside, and on this night, residents raised $17,000 through auctions and dinner tickets sales. “Wallace is just that type of community,” May said, “one similar to those all over Nebraska where everybody knows everybody and if someone needs something, everybody’s willing to help.”
Agritours help people learn, plus help rural people earn

By MARK MAHONEY
UNL Depth Reporting Team

Mary Ridder sees declining rural population as a problem, but she hasn’t given in; she keeps fighting it.

Ridder and her husband, John, battle rural depopulation by practicing agri-tourism, which they do through ranch tours and cattle sales on their ranch near Callaway, a 650-person village in Custer County 74 miles northeast of North Platte.

Mary Ridder said the ranch tours started only a couple of years ago. The idea arose from her work as a news reporter in the 1990s when she heard people in Nebraska agriculture were looking for new ways to make money and keep youngsters home.

The Ridders’ ranch, which will mark its 100th year of business in 2007, has attracted only a few tourists the past two years or so, but Ridder said advertising is difficult, especially since Callaway is about 30 miles north of Interstate 80.

Nevertheless, the ranch tours can complement the Ridders’ cattle sales business, she said.

“I really see that as a real growth opportunity,” Ridder said of the tours. “It’s like an enterprise within our business.”

Ridder added the tours are entertaining to give because she never knows what questions people will ask.

“Every person who comes is interested in something else or becomes interested,” Ridder said. “I remember this one doctor and his wife who is a psychologist. They came on the tour because he always wanted to see a ranch. They were fascinated by the fences and the gates, so we talked about how you build a good fence.”

Agri-tourism, which enables visitors to experience agricultural life first hand, combines traditional commodity agriculture-rais­ing row-crops or cattle-with other services, such as taking city slickers on ranch tours. It is also one part of value-added agriculture, which attempts to increase the economic value and consumer appeal of agricultural commodities. Other value-added agriculture examples include new ethanol plants and community-owned businesses, Ridder said.

Bruce Johnson, an agricultural economics professor at the University of Nebraska-Lincoln, said value-added agriculture is a good way for people to make extra money and keep rural areas alive.

“Some of these other valued-things are one way where you build an income-job base that does sustain population,” Johnson said. “You just can’t live out there for the fun of it.”

The Ridders’ ranch is part of a larger effort to promote rural businesses and to encourage travelers to get off the interstate. The Kearney Area Ag Producers Alliance (KAAPA), an agricultural development group, has put together an agricultural tourism Web site, www.country-adventures.com, for farmers and ranchers to advertise to city dwellers a chance to experience country life.

Kelly Krier, marketing director for the Web site, said the purpose behind agricultural tourism is to give farmers and ranchers a chance to use the land they already have for additional income.

“What (KAAPA) does is always look for projects for added-value agriculture, other ways than production for the farm community to make extra revenue,” Krier said. “Agri-tourism is a growing facet in the industry and something that the group considered as a tool for farmers and ranchers to promote these resources.”

Krier said added-value agriculture has the potential to encourage more families to remain on farms and ranches.

“Let’s say a mom or dad is farming,” Krier said. “The sister can stay and run the farm. Our popcorn business, the success we have here,” Heuermann said, “is because we’ve developed our own hybrids and we’ve done research.”

Although the Ridders’ ranch and Heuermann’s popcorn business are among the many examples of value-added agriculture, can such economic development ideas slow or reverse the loss of population in rural Nebraska?

As rural areas lose population, a 2005 study by Randy Cantrell of the University of Nebraska Rural Initiative found, family farms dwindle economies lose vitality, public services cost more and the chances of attracting new businesses diminish.

Carol Nelson, vice president of the North Platte chamber of commerce, who grew up on a farm in northeast Nebraska, said it is important to keep rural areas alive if the bigger towns in western Nebraska are going to survive.

There are a lot of businesses in town that are dependent upon agriculture,” Nelson said.

“If the agricultural industry starts drying up, then they’d either have to downsize their operation, diversify into something else or go out of business. There are going to be more things purchased if there are more individuals out there working.”

Jerrod Haberman, executive director of the Panhandle Area Development District in Gering, said social changes have disguised the ill-effects of population decline since 1970.

“A benefit we’ve actually had over the last 35 years is our labor force has actually increased by nearly 25 percent during that time,” Haberman said. “The reason that has happened is a higher percentage of women are working now than in 1970.”

He added the baby boom after World War II also helped add to the workforce not only in the Nebraska Panhandle, but also across the entire country.

That trend won’t continue much longer, however, Haberman said. Around 2010, when the baby boom generation starts to retire, more people will be leaving the labor force than entering it.

In Nebraska’s 3rd Congressional District, which is roughly the western two-thirds of the state, 27.8 percent of the households have at least one person over the age of 65, the U.S. Census Web site said.

Haberman said Twin Cities Development, the economic development organization for the Scottsbluff-Gering area, has recently conducted surveys with companies to see what their labor force requirements are going to be.

“Part of that is coming from a lot of the companies are already seeing a shortage,” Haberman said. “They’re lacking in certain areas. (Twin Cities) is looking at what the companies out here need and will need in the future.”

Haberman considers important is the impact of the Hispanic population on the local labor force. He said although most Hispanics in the Panhandle are second- or third-generation residents, recruiting more foreign-bom people to western Nebraska may become a high priority in the next decade to fill the increasing gap in the labor force, caused by the retirement of older workers and the exodus of young people from Nebraska.

The U.S. Census Web site reported a 155 percent increase in Hispanics in the state from 1990 to 2000, meaning the potential is there for minority groups to slow rural depopulation.

In addition to immigration, agri-tourism and local businesses, ethanol plants, as value-added agriculture, could spark population growth. The state currently has 12 plants, and there are many either under construction or being planned, such as in Wallace, about 40 miles southeast of North Platte.

The Nebraska Ethanol Board’s Web site said the Cornhusker State is the third largest ethanol-producing state in the country and the largest one west of the Missouri River, producing between 500 and 600 million gallons of ethanol a year.

Johnson, the UNL agricultural economics professor, said ethanol plants could have potential for creating new job opportunities in rural areas.

“An ethanol plant represents a few very nice wage jobs, so 15 people can run a 50-mill­ion a year gallon plant,” Johnson said. “The multiplier is for every 15 jobs at an ethanol plant, you’re going to have 45 jobs to do the trucking, the other support-type jobs for that plant to be in that location. Definitely ethanol is a value-added kind of issue.”

He added ethanol is a product that could help the state’s population rebound some day.

“Tosome extent, ethanol represents kind of an ace in the hand right now for Nebraska and rural areas as maybe something that could lead to a change of the tide here a little bit,” Johnson said.

Some worry, however, that ethanol plants may use too much water. Jim Goeke, a research hydrogeologist and professor at the UNL School of Natural Resources and West Central Research and Extension Center in North Platte, said a plant’s use water depends on an area’s water availability and how many gallons of ethanol a plant will produce.

“There isn’t always enough water to handle a facility,” Goeke said. “You have to look at the available water supply.”

TJ. Walker, a wildlife biologist for the Nebraska Games and Parks Commission, said more ethanol production would probably require more corn growth, which uses water the Lincoln County area can’t really afford to use.

“If we continue to see water decline, that’s definitely not going to be good for wildlife,” Walker said. “If we greatly cut back water use, use a different crop and still produce ethanol, and we could get wetlands filled again and reservoirs filled again, then yes, that would be beneficial for wildlife.”

Preserving wildlife and wetlands suggest yet another way to improve the state’s economy.

◆ Agritours continued on next page
Nebraskans say they’re mostly satisfied with county services

By KATHERINE MAYSE
UNL Depth Reporting Team

A majority of 30 Nebraskans questioned in an unscientific survey said they are satisfied with the services they receive from their county governments.

The survey, which was conducted over three weekends in October by news reporting students from the University of Nebraska-Lincoln, asked residents of Kearney, North Platte and Scottsbluff and surrounding areas about their attitudes toward county government. Interviews were conducted in malls, coffee shops and in other public settings.

Cindy Benjamin of Dawson County was one of the 27 respondents who said they get what they pay for as far as taxes and county services are concerned.

“We live out in the country and our taxes are less,” Benjamin said, “so I feel I get what I pay for.”

And a nearly equal number of respondents — 25 — said they could not point out any services that they were willing to see cut from their county.

“I don’t think I’d want to give up anything,” McPherson County resident Debbie Hall said. “I don’t think there’s anything you could cut without shutting the county down.”

Randy Clay of Custer County was one of those who had a different view about the value of county government.

“Since the government helps me out (with disability payments) I don’t really pay for anything, but with the money they do get, what are they doing with it?” Clay said. “The roads are terrible. The district courts, the sheriffs, they do all right. They seem to be around when you need them.”

Survey participants also were asked if they thought county government operated efficiently. Just over half — 17 — said they thought so.

“They do a good job here and they’re very efficient in my personal experience,” Lesa Millspa of Custer County said.

Lincoln County’s Les Ravenscroft, on the other hand, said government could be streamlined by combining counties.

“Well, I was looking on the map the other day and Nebraska has more counties than Pennsylvania and states with far denser populations. It’s probably an inefficiency in the number of counties. They should be merged,” he said.

Ravenscroft was echoing a concern of a number of Nebraskans, a concern that led state Sen. Joel Johnson of Kearney to introduce a bill during the 2006 legislative session calling for a study of ways to consolidate local governments. The bill died in committee. Johnson has said he is undecided about reintroducing his bill in January when the Legislature reconvenes.

Jim Hart of Lincoln County said it would be unfair to impose a universal definition of efficient government on different counties.

“Efficiency is a poor word as far as I’m concerned,” Hart said. “What’s efficient for one person works for somebody else’s toes.”

Twenty survey respondents also said they thought county officials are taking care of the needs of the county and its citizens. Debbie Hall of McPherson County expressed a similar belief: “I think they pretty much keep our county running and keep our community functioning.”

“They’re supposed to represent the people. Whether or not they do that, is debatable,” Janet Neaterous of Custer County said.

“They keep roads up so they can give us tickets on them,” former Knox County resident Jamie Gatz said.

Matt Uphoff in Polk County said he thinks the government would better serve the people “by doing more in-depth research on who they’re giving positions to.”

Randy Clay of Custer County said he thinks politics get in the way.

“Officials are more politically motivated. Whoever is in charge, they get done what they want but don’t listen to the people,” Clay said.

“I don’t know what they do with the money they’re given. They seem to look out more for farmers than city people. Even though farming is major, everyone should be treated the same,” Clay said.

The survey also disclosed that some Nebraskans have only vague notions about what county governments do.

“They take care of the county government like roads and all those kinds of things,” Jim Correll of Lincoln County said.

“They keep the county running smoothly and make sure needs are met,” Kathy Gatch of Scotts Bluff County said. “Hopefully, they don’t just hang out in an office someplace.”

Frances Thomas of Scotts Bluff County said, “I think county board meetings should be posted in the newspapers. They need to get the public more involved in the meetings because they are boring. I also think they should educate the public more on the departments within the county.”

The Nebraska open meetings law requires that meetings of county commissions and other public agencies be open to the public with a few, limited exceptions.

For the most part the people who participated in the survey said they used the sheriff’s office, fire department, vehicle and driver licensing and county roads more than any other county services.

Karen Bruntz of Scotts Bluff County, for example, said she valued the work of the sheriff’s department in controlling traffic and investigating meth labs.

Other respondents mentioned zoning, rural fire protection, county road maintenance and general administration as important county functions.

* Agritours continued from previous page*

Nebraska Division of Travel and Tourism Website said tourism is Nebraska’s third biggest moneymaker, trailing only agriculture and manufacturing. Tourists spent more than $3.1 billion in the Cornhusker State in 2005.

In late September, Ernie Niemi, vice president of ECONorthwest, an economic consulting firm in Eugene, Ore., came to Ashland, Neb., to speak about a new study of the state’s natural resources and how they can be used to help Nebraska’s economy.

The study said the Cornhusker State should promote its rivers, grasslands, reservoirs and wildlife. If the state encouraged people to tour the area more, the study said, the natural amenities would be as effective as traditional industrial development in generating jobs because Nebraskans, especially younger ones who are well-educated can create their own businesses.

KEEPING YOUNG people in Nebraska would slow the decline of rural population, which would be made easier, however, if more of the land in the state were publicly owned. Currently, 97 percent of Nebraska’s land is privately owned. Niemi’s study said if more land were opened up for recreation, the state could make more money in tourism, not just agriculture. That may happen, but for now, agri-tourism has become one of the latest ways to try to counter rural depopulation.

Ridder, the Callaway ranch owner, said the most important thing to her is convincing young people they can find opportunities in rural communities. She and her husband have six children, Ridder said, and the ones in college are looking at different careers, but each one could go to college and then come back home to make a living.

“A lot of parents say to their kids, no matter where you’re from, Omaha or anywhere, to go out and get a good education and a good job,” she said. “We said the same thing to our kids. Get a good education, and then consider coming back. It’s really important to bring younger family members into the business.”
Fewer people, same services

By KATHERINE MAYSE
UNL Depth Reporting Team

GRANT — If declining population means tight finances for rural counties, it’s a problem Perkins County has not faced yet. That may explain why in November, James Deaver ran for and won his eighth four-year term on the Perkins County Commission.

Deaver, a 67-year-old retired dairy farmer, said he and his fellow commissioners have taken a practical approach to government and its services that has allowed the county to keep pace with the times, including population changes over the past 25 years.

The 1990 and 2000 censuses both recorded population declines for the county, but county government has continued to provide the necessary services, Deaver said.

“I don’t think our population switch is going to make much difference, because there are so many services that we have to provide whether we have 100 people or 1,000 people,” Deaver said.

An example of a cost that Deaver does not see changing with decreasing population is maintenance for the 1,200 miles of roads for which Perkins County is responsible.

“Our farmland is like our factory, so we’ve got to have the roads to get produce in,” Deaver said. “It doesn’t matter if there are five guys farming it or 500; you still have to have the roads.”

The county also owns three ambulances. In some larger Nebraska counties, ambulances are owned by private companies and paid for through contracts with cities, or fire districts pay for the ambulances. Tom Bergquist of the Legislative Fiscal Office said Perkins County uses property taxes to pay for two ambulances. The third, a transfer ambulance, is funded by charging people who use it.

Before Perkins County had any ambulances, people were taken to the hospital in a hearse, like the one that took Deaver’s brother to Denver when his lung collapsed nearly 40 years ago, Deaver said.

“It’s just a good thing that we had a local mortician who was willing to do that for us,” he said.

Although the county still provides the services that are expected of it, some are scaled back when compared to what’s available in larger counties.

Towns in Perkins County, for instance, do not have their own law enforcement services. “For local law enforcement, the sheriff’s office is it,” Deaver said. “I think that’s a good deal because running one outfit is more economical than trying to run one for each town.”

The Perkins County Sheriff’s Department has four officers: the sheriff, one chief deputy and two deputies.

The department is funded by the county and by the town governments through contracts. What each town pays is based on how much of a police presence it wants. For this year’s police services, Grant will pay $83,946, Madrid $13,800, Venango $8,625 and Elsie $5,175. The rest of the $311,878 sheriff’s department budget will be paid by the county.

Like other Nebraska counties, Perkins raises most of the revenue to pay for government services through property taxes.

In 2001, Perkins County levied a total of $5.6 million in county property taxes in contrast with $7 million in 2006, Treasurer Barbara Tines and Assessor Bonnie Appel said.

Rising property value accounts for much of the increase, as irrigated land value and Grant residential property value both went up in the last year, Appel said.

To keep property taxes within the limit of 50 cents per $100 of taxable value, the people of Perkins County vote every five years for a separate tax levy to fund the hospital, fire department and cemetery district. These taxes are beyond the county limit of 50 cents per $100, but are permitted because they are approved directly by the taxpayers.

Currently, Perkins County levies close to 45 cents per $100 in property taxes, a figure that has Deaver worried about the future because it’s just 5 cents shy of the limit.

“We’re not in trouble for funding right now,” Deaver said. “But, I mean, it’s one of those issues that could change in a hurry.”

Funding troubles could change quickly because unexpected costs can also be problematic for the county. Mainly because of the cost of the trial, a murder in Madrid cost the county $300,000 in unexpected expenses in the 1980s, according to Deaver.

“If somebody else would pick up the unexpected ones, we’d get along good,” Deaver said.

Despite worries about possible budget problems, Deaver remains optimistic about the future of Perkins County overall. He hopes that the county will experience growth in the next few years, because an ethanol plant is being built near Madrid and another is being built in Lincoln County about 10 miles away from the Perkins County line. Deaver said the value of the land is already starting to rise as people are moving into the county to help build the plant.

Commissioner James Deaver said he and his fellow Perkins County commissioners have taken steps to provide necessary services, despite population declines in the 1990 census and 2000 census. Deaver met recently with County Clerk Susan Logsdon and Sheriff James Breuggeman.

Photo courtesy North Platte Telegraph
Precarious Balancing Act: Counties Struggle With Taxes

By MEREDITH GRUNKE
UNL Depth Reporting Team

The problem dates back to colonial days: how to balance government resources with the people's demands.

"There's always been a delicate balance between the services people want and the taxes they're willing to pay," said John Anderson, associate dean of the University of Nebraska-Lincoln's College of Business Administration.

Nebraska's counties — including the ones in more rural areas of the state — are not immune to the challenge of striking that balance.

Counties are responsible for providing four main types of services: roads, public safety, public health and general government. General government services include those found at a county courthouse, such as the assessor and clerk. Counties have five primary ways of paying for those services: property taxes, general state funds, motor vehicle taxes and fees, state funds for highways, and other local resources.

Most of Nebraska's county funds come from property taxes.

Bill Lock, research director for the Nebraska Department of Property Assessment and Taxation, said that in 2005 Nebraska's counties received $545 million in state and local tax funds. Of that total, $376 million — or 69 percent — came from property taxes. Another $102 million — 19 percent — is state funds raised by the gasoline tax and reserved for road and highway maintenance. The last 12 percent — $67 million — was provided by other local sources, such as automobile taxes and fees.

When property tax revenues don't keep pace with expenses, it creates a challenge for county officials.

Ken Fornander, Deuel County treasurer and former president of the Nebraska Association of County Officials, said rural counties, such as Deuel, may feel especially pressured to make the most out of their financial resources.

"I do know a lot of our smaller counties are really struggling to make ends meet now," Fornander said. "Not all, but, you know, quite a few. Our budgets are tight."

Larry Dix, NACO's executive director, said the less populated counties don't necessarily have a more difficult time balancing resources and demands than the more populated counties.

"It doesn't really have anything to do with the size of the county," Dix said. "Over the years, you look at some of the counties and historically, because of decisions that were made, it's really a management issue that's taken place over the last 50 years that's had an impact."

Dix said the differing county dynamics — including population patterns and whether they have to maintain structures, such as bridges or jails — would have to be examined over a period of many decades to gain a full understanding of why some county resources are more strained than others.

But counties still face more immediate financial pressures.

"We have static revenue, and yet expenses just go (up) by leaps and bounds," Fornander said.

Counties have the most trouble with expenses that are beyond their control, Fornander said, such as rising gas prices and unfunded mandates — state laws requiring counties to perform certain tasks but not providing the money to pay for them. Dix said some counties with jails are asked to house state prisoners, but they don't always get paid for it.

"I think in this day and age, most of our Nebraska counties struggle with taxing," Dix said.

"It's sort of unfair to say that size equates to the smaller the county, the more of the struggle they have. I would say all counties really struggle with that funding, especially with the lid limitations."

Less-populated counties may be more likely to share resources with other counties, or they may forgo new technology and equipment, he said.

"Due to the limitations on funding and the pressure on property taxes, counties are making good use of the resources they have," Dix said.

Fornander said he has seen many communities and counties share responsibilities, such as law enforcement, emergency management and jails.

"We do a lot of those things and try to cut corners," he said.

Other small counties, like McPherson County, which has a population of fewer than 600, provide a minimal number of services.

A 2005 study of county government structure found that spending per capita in counties with fewer than 1,000 residents is substantially higher than spending in counties with a larger population base.

The study showed that while counties with populations of fewer than 1,000 spent $1,950.28 per person during fiscal 2004-2005, Nebraska's counties with populations of more than 100,000 spent $541.52 per person. Nebraska's average per capita cost of providing county services is $662, and the median, or mid-point in the spending range, is $965.

That higher cost doesn't necessarily equate to higher taxes in less populated counties.

"It's correct for it to be higher, yes, but it's different," Dix said. "It's difficult for them to realize McPherson County residents can get by with fewer services."

One of the neighbors McPherson County contracts with, Lincoln County, has been fairly lucky in its budgetary situation, said Rebecca Rossell, the Lincoln County clerk.

Lincoln County, which has a population of almost 35,000, has a county government levy of 30 cents — well below the 50-cent limit.

"We're really comfortable in that aspect," Rossell said.

She said other Nebraska counties, especially the smaller ones, have a more difficult time balancing resources and demands with the tax levy limit and sometimes have to cut services.

Like Deuel and many other Nebraska counties, Lincoln County is having problems with costs rising in areas that the government can't control, such as insurance and fuel costs, Rossell said.

Nebraska law limits county spending growth to 2.5 percent per year. A vote by the county board could raise that spending lid to 3.5 percent under special circumstances.

But even with that lid, Sherry Morrow, a county commissioner for Buffalo County, said her county officials are able to provide good quality governmental services.

Rossell pointed out that certain projects the county would spend money on, such as roads and buildings, are outside the parameters of the spending limit.

Even if a county's assessed property values dramatically increased because of a surge in population or an upsizing in the economy, the spending lid could preclude the county from spending the extra money that higher property values would generate.

"You can make all this huge amount of value, but they can't spend that amount anyway," said Mary Ann Long, the assessor for Lincoln County.

Joe Hewgley, who has been a member of the Lincoln County Board of Commissioners for 22 years, said any excess revenue would be collected in the county's general fund and could be used to lower the county's levy the next year.

Part of Lincoln County's problem is its 1,638 miles of roads, Long said. Of the total miles, 267 are asphalt and 1,371 are gravel.

Lincoln County, which has 2,564 square miles is one of the largest in Nebraska, is experiencing growth around its county seat — North Platte. Lincoln County has 28 residential subdivisions outside city limits — half of which have road maintenance funded by the county. Long said a few years ago, debate sparked over whether the county should maintain the roads of all the subdivisions.

If the county had decided to maintain the roads in all the subdivisions, Long said that could have been a problem because roads are "terribly costly," and the property taxes raised by the houses in the subdivisions don't always pay for the cost of the roads.

Dwight Englert, the Lincoln County highway superintendent, said he doesn't have a problem taking on the subdivision maintenance, which would total 28.5 miles — half paved and half gravel — as long as the county has the funds to do so. But Lincoln County isn't the only one experiencing problems with the high cost of roads and highways. In counties with populations of fewer than 1,000, per capita spending is $1,284 above the state average.

Half of the difference in spending stems from the cost of road maintenance.

Rossell said the county commissioners are ultimately in charge of ensuring the county has adequately planned for the future.

Dix said the most progressive counties encourage a joint effort in which their county boards, treasurers, assessors, clerks and other officials meet and discuss the resources and demands of the county over the long term.

Hewgley said as spending has increased in some areas of local government, such as colleges and schools, the county government itself has "held the line" with its spending.

The government has been able to do so, he

*Balance continued on next page*
Merger continued from previous page

Merger continued from previous page

said, by consolidating county services with North Platte and adjoining counties to balance the increasing costs of social services and the court system.

"I think we have done a good job," Hewgley said. "Is it difficult? Yes. And I think the only way you can do it is by setting priorities."

One way counties set priorities is by drafting a comprehensive plan. Dix said that counties must have a master plan before they can enact zoning, and he estimated that 70-80 of Nebraska's 93 counties had set plans for the future.

Lincoln County contracted Jim Perry of North Platte as the planning and zoning commissioner. Perry said the county has a comprehensive plan that has been in place since 1987, and it's due to draft a new one within the next few years. The plan addresses land use, schools and zoning, among other county sectors.

"Comprehensive plans are no more than a snapshot in time with projections into the future," Hewgley said, but the Lincoln County commissioners continue to reference their comprehensive plan as they make decisions.

Buffalo County's Morrow said she and the county's other commissioners also do their best to prepare the county for the long term.

"We try to always plan ahead and look down the road," she said. "However, what we don't like to do is tie the hands of future boards."

"We try to be visionary and stay ahead of what we think is going to happen," Morrow said.

As the rural areas of Nebraska become less populated, some county commissioners said they're generally not alarmed about their tax base.

Seventy-one of Nebraska's 93 counties experienced their historical population peak in 1940 or earlier, and 29 of those peaked prior to 1920, according to data compiled by Randy Cantrell, a development specialist for the University of Nebraska Rural Initiative. The Census Bureau estimated 76 Nebraska counties encountered a net out-migration from 2000-2004, and 46 counties tallied more deaths than births during that time period.

Nebraska's population decline has been occurring for a long period of time, Dix said.

"We didn't get into this problem in the last three or four years, and it's probably going to take us another generation or two to solve this problem."

And not all of Nebraska's rural counties are seeing decreasing populations.

Morrow said Buffalo County, which has a growing population of more than 43,000, has coped with the growth of its most populated areas well.

"We've been able to handle that," she said, "and provide good services to the taxpayers."

But Hewgley said he did think it would be wise for the counties to shift away from using property tax revenue to provide the bulk of their funding.

"In my own opinion, I don't think we should rely any heavier on property taxes," Hewgley said. "I think we should look at ways of diversifying the tax base."

Hewgley suggested a greater focus on sales tax. Dix said, while property tax is a stable source of revenue, there comes a point when counties must ask how much their residents can pay in property taxes.

"As people tend to look at tax reform and say, 'well here's a source of revenue that we need to take away from counties,' all it does is put more pressure on the property tax side, and that's a concern of ours," Dix said.

Still, with the prospects of new ethanol plants, growth along the Interstate 80 corridor, and families moving back to small towns, Dix said county officials have reason to be hopeful.

"A lot of them are sort of in survival mode, but a lot of them are looking toward the future," Dix said.

If unexpected costs arise in the future, Morrow said in Buffalo County the commissioners would have to evaluate the county's priorities. The county would always have to offer its core services, she said, even at the expense of other services.

"With growth always comes some challenges that you have to meet," Morrow said. "That's just kind of a natural challenge in any organization. But, again, it's a good challenge I believe, because with the challenge it makes us kind of look and see what we can do to be better and more efficient."