

MORROW COUNTY BOARD OF COMMISSIONERS MEETING AGENDA
Wednesday, December 27, 2017 at 9:00 a.m.
Bartholomew Building Upper Conference Room
110 N. Court St., Heppner, Oregon

- 1. Call to Order and Pledge of Allegiance - 9:00 a.m.**
- 2. City and Citizen Comments** – This is the time provided for individuals wishing to address the Board regarding issues that are not already on the agenda.
- 3. Open Agenda** – This is the time for the Board to introduce subjects that are not already on the agenda.
- 4. Consent Calendar**
 - a. Approve Claims: Accounts Payable dated December 28th in the amount of \$148,398.79; Payroll Payables Immediates & Electronic dated December 20th in the amount of \$158,650.02
 - b. Regular Meeting Minutes: November 29th, December 6th, December 13th;
 - c. McGee Wealth Management Consulting Agreement
 - d. Consider adding Morrow County logo to the Association of Oregon Counties pamphlet to legislators urging them to allocate all of the 2.5% Video Lottery money due to counties
- 5. Department Reports**
 - a. Road Department Monthly Written Report
 - b. Sheriff's Office Monthly Written Report
- 6. Commissioner Reports**
- 7. Adjournment**

Agendas are available every Friday on our website (www.co.morrow.or.us/boc under "Upcoming Events"). Meeting Packets can also be found the following Monday.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Roberta Lutcher at (541) 676-5613.

Pursuant to ORS 192.640, this agenda includes a list of the principal subjects anticipated to be considered at the meeting; however, the Board may consider additional subjects as well. This meeting is open to the public and interested citizens are invited to attend. Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media. The Board may recess for lunch depending on the anticipated length of the meeting and the topics on the agenda. If you have anything that needs to be on the agenda, please notify the Board office before noon of the preceding Friday. If something urgent comes up after this publication deadline, please notify the office as soon as possible. If you have any questions about items listed on the agenda, please contact Darrell Green, Administrative Officer at (541) 676-2529.



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #
40

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Staff Contact: Kate Knop

Phone Number (Ext): 5302

Department: Finance

Requested Agenda Date: 12/20/2017

Short Title of Agenda Item: McGee Wealth Management - Consulting Agreement

This Item Involves: (Check all that apply for this meeting.)

- Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A

Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity:

Contractor/Entity Address:

Effective Dates - From:

Through:

Total Contract Amount:

Budget Line: Trust

Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Head Required for all BOC meetings

Admin. Officer/BOC Office Required for all BOC meetings

12-18-17 County Council *Required for all legal documents

Kate Knop 12/18/2017 Finance Office *Required for all contracts; other items as appropriate.

Human Resources *If appropriate

*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Council, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

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1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):

The McGee Wealth Management - Investment Management and Consulting Agreement is to extend the retention of the wealth advisor for the Morrow County Trust (Retirement Plan). The Advisor provides account maintenance and consulting services to Morrow County that include, investment services; execution of investment account transactions; reports; and other investment duties that are outlined in the agreement.

2. FISCAL IMPACT:

The annual service fee is .20% or 20 bps billed quarterly; and annual asset management fee of .50% or 50 bps; and a fee for separately managed accounts at 1.0% or 100 bps. The 2017 year-to-date expenditures, as of November, include \$144,402.69.

3. SUGGESTED ACTION(S)/MOTION(S):

It is recommended that we extend the agreement between McGee Wealth Management, Inc. and Morrow County.

Attach additional background documentation as needed.

Kate Knop

From: Justin Nelson
Sent: Monday, December 18, 2017 1:07 PM
To: Kate Knop
Cc: Richard Tovey; Darrell Green; Roberta Lutcher
Subject: RE: McGee Contract
Attachments: McGee Contract.pdf

I have had a chance to review the agreement and speak with Kate regarding the form of this agreement vs. ones in the past. This appears to be the same form as prior contracts, and I do not have any concerns with it going before the BoC.

-Justin

Justin W. Nelson
Morrow County District Attorney
Morrow County Counsel
100 S. Court St.
P.O. Box 664
Heppner, OR 97836
Office: (541) 676-5626
Fax: (541) 676-5660
Email: jnelson@co.morrow.or.us

From: Kate Knop
Sent: Friday, December 15, 2017 1:43 PM
To: Justin Nelson <jnelson@co.morrow.or.us>
Cc: Richard Tovey <rtovey@co.morrow.or.us>; Darrell Green <dgreen@co.morrow.or.us>
Subject: McGee Contract

Justin & Rich,

Can one of you review the McGee contract? Jennifer gave it to me on Wednesday and I would like a second set of eyes before I prepare it for BOC.

Thank you,

Kate Knop
Finance Director
Morrow County
P.O. Box 867
Heppner, OR 97836
541-676-5615 or x5302
kknop@co.morrow.or.us



MCGEE WEALTH
MANAGEMENT
AN INDEPENDENT FIRM

**INVESTMENT MANAGEMENT AND CONSULTING AGREEMENT
(DISCRETIONARY)
For MORROW COUNTY**

This is an agreement between McGee Wealth Management, Inc., an Oregon corporation (“Advisor”) and Morrow County (“Client”). By this Agreement, Client retains Advisor to provide account maintenance and consulting services to Client on the following terms:

Section 1. Investment Services. Advisor will make in Advisor’s sole discretion and without first consulting Client, the investment and reinvestment of the assets in Client’s account (the “Account”) in securities and cash or cash equivalents. Advisor will inform Client, in writing, of investment recommendations or transactions as they occur. The initial Account assets are listed on Schedule A, attached hereto and by this reference made a part hereof. Client’s financial circumstances, investment objectives and any special instructions or limits that Client wishes Advisor to follow in advising Client are described on Schedule B, attached hereto and by this reference made a part hereof. Client agrees to notify Advisor promptly of any significant change in the information provided by the Client on Schedule B or any other significant change in Client’s financial circumstance or investment objectives that might affect the manner in which Client’s account should be invested. Client also agrees to provide Advisor with such additional information as Advisor may request from time to time to assist it in advising Client. Advisor’s authority under this Agreement will remain in effect until changed or terminated by Client in Writing.

Section 2. Execution of Investment Account Transactions. Advisor may execute Client transactions through Raymond James Financial Services, Inc. (“RJFS”) Member FINRA/SIPC, a registered broker/dealer and wholly owned subsidiary of Raymond James Financial (“RJF”). Advisor reasonably believes that RJFS will provide best execution. Advisor will generally seek commission/fee for transactions for the Account.

Where transactions are effected through RJFS, RJFS may act on an agency basis or principal basis to the extent permitted by law, and will be entitled to compensation for its services and may receive other benefits. Client authorizes RJFS to effect “agency cross” transactions (that is, transactions in which RJFS acts as broker for both Client and the parties on the other side of the transactions) to the extent permitted by law. Client understands that RJFS may receive compensation from the other parties to such transactions in addition to commissions charged to Client, and RJFS may have conflicting interest, loyalties and responsibilities. Because Advisor and RJFS are affiliated, Advisor may have conflicting interests, loyalties, and responsibilities when deciding to direct Client transactions for execution through RJS. Client may revoke this authorization at any time by written notice to Advisor. Client also authorizes RJFS to effect transactions for Client account on any national securities exchange of which RJFS is a member.

Transactions for each client account generally will be effected independently, unless Advisor decides to purchase or sell the same securities for several clients at approximately the same time. Advisor may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Advisor’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transaction will be averaged as to price and transaction costs and will be allocated among Advisor’s clients in proportion to the purchase and sale orders placed for each Client account on any given day. If Advisor cannot obtain execution of all the combined orders at prices or for transaction costs that Advisor believes desirable, Advisor will allocate the securities Advisor does buy or sell as part of the combined orders by following Advisor’s order allocation procedures.

Mutual funds will be the primary recommended and used in investment vehicles for the Morrow County Retirement Plan. Individual stocks and bonds will not be actively traded and if traded, only in a minimal percentage of the portfolio. Mutual Fund Managers will trade securities under their own independent agreements and prospectus. The “Advisor” has no conflict of interest, transaction or legal, with recommended mutual funds.

Advisor will instruct RJFS to send Client and Advisor all transaction confirmations. Client may authorize and direct Advisor to instruct RJFS to forward confirmations of transactions to instruct RJFS to forward confirmations of transactions to Custodian or other third party (as defined below).

Advisor may give a copy of this Agreement to RJFS or other party to a transaction for the Account, or the Custodian as evidence of Advisor’s authority to act for Client.

Section 3. Custodial Arrangements. Custody of Account assets will be maintained with Raymond James and Associates, Inc. (“RJA”), member New York (NYSE), American, Pacific, Boston, Chicago and Philadelphia Exchanges, the Chicago Board of Options Exchange and the National Association of Securities Dealers. RJA is a wholly-owned subsidiary of RJF.

Securities Investors Protection Act. Accounts custodied at RJA are covered by the Securities Investors Protection Corporation (“SIPC”). SIPC protects accounts up to \$500,000, including up to \$100,000 in cash, in the event of the firm’s liquidation. In addition, Raymond James has purchased an additional \$99.5 million of coverage from Travelers Casualty and Surety Company of America providing a total of \$100,000,000 in protection. SIPC does not guarantee performance of securities investments. Investing in the securities markets (i.e.: stocks, bonds, mutual funds, variable annuities, etc.) is inherent to market fluctuations and possible loss of principle.

Section 4. Reports. Advisor will provide Client quarterly and annual written statements of the assets in Client’s Account, the purchase date, the cost, the current market value, and performance data for the period (or since the opening of the Account).

Section 5. Administrative Fees. Client will pay Advisor a fee for its administration/consulting services. The fee will be a percentage of the market value of all assets in the account on the last trading day of each calendar quarter. The fee schedule is set forth in Schedule A. The administration fee is payable quarterly in arrears. In any partial calendar quarter, the administration fee will be prorated based on the number of days that the Account was open during the quarter. Client understand that Account assets invested in shares of mutual funds or other investment companies (“funds”) will be included in calculating the value of the Account for purposes of computing Advisor’s fees and the same assets will also be subject to additional administration and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately borne by the investor.

Administration fees will be billed directly to Client (and not deducted from Client’s account), and Client agrees to pay all administration fees within thirty (30) days of Client’s receipt of invoice from Advisor.

Section 6. Valuation. Advisor will value securities in the Account that are listed on a national securities exchange or on NASDAQ at the closing price, on the valuation date, on the principal market where the securities are traded. Other securities or investments in the Account will be valued in a manner determined in good faith by Advisor to reflect fair market value.

Section 7. Confidentiality. Except as otherwise agreed in writing or as required by law, Advisor will keep confidential all information concerning Client’s identity, financial affairs, or investments.

Section 8. Other Investment Accounts. Client understands that Advisor serves as investment advisor for other clients and will continue to do so. Client also understands that Advisor, its personnel and affiliates (“Affiliated Persons”) may give advice or take action in performing their duties to their clients, or for their own accounts,

that differ from advice given to or action taken for Client. Advisor is not obligated to buy, sell or recommend for Client, any security or other investment that Advisor or its Affiliated Persons may buy, sell or recommend for any other client or for their own accounts. This Agreement does not limit or restrict in any way, Advisor or any of its Affiliated Persons from buying, selling or trading in any securities or their investment for their own accounts.

Conflict of interest may arise in the allocation of investment opportunities among accounts that Advisor advises. Advisor will seek to allocate investment opportunities believed appropriate for Client's Account and other accounts advised by Advisor among such accounts equitably and in a manner consistent with the best interests of all accounts involved. But, there can be no assurance that a particular investment opportunity that comes to the attention of Advisor will be allocated in any particular manner.

Advisor or its Affiliated Persons may provide services for, or solicit business from various companies, including issuers of securities that Advisor may recommend or purchase or sell for client accounts. In providing these services, Advisor or its Affiliated Persons may obtain material, nonpublic or other confidential information that, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Advisor and its Affiliated Persons cannot improperly disclose or use this information for their personal benefit or for the benefit of any person, including clients of Advisor. If Advisor or any Affiliated Person obtains nonpublic or other confidential information about any issuer, Advisor will have no obligation to disclose the information to Client or use it for Client's benefit.

Section 9. Risk Acknowledgement. Advisor does not guarantee the future performance of the Account or any specific level of performance, the success of any investment decision or strategy that Advisor may use, or the success of Advisor's overall management of the Account. Client understands that investment decisions made for Client's Account by Advisor are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. Advisor will provide advice only with respect to the securities, cash and other investments held in Client's Account and, in making recommendations with respect to the Account, Advisor will not consider any other securities, cash or other investments owned by Client. Except as may otherwise be provided by law, Advisor will not be liable to Client for (a) any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by Advisor with that degree of care, skill, prudence, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (b) any loss arising from Advisor's adherence to Client's written or oral instructions; or (c) any act or failure to act by the Custodian, any broker or dealer to which Advisor directs transactions for the Account, or by any other third party. The federal and state securities laws impose liabilities under certain circumstances on person who act in good faith, and therefore nothing in this Agreement will waive or limit any rights that Client may have under those laws.

Section 10. Retirement or Employee Benefit Plan Accounts. Advisor acknowledges that the "plan" is not subject to ERISA, however, the Advisor acknowledges that it is a "fiduciary" within the meaning of Section (3(21)) of ERISA and Section 4975(e)(3) of the Code (but only to the respect to the provision of services described in Section 1 of this Agreement). Advisor represents that it is registered as an investment advisor under the Investment Advisors Act of 1940, as amended (the "Advisor's Act") or under the laws of any state.

Client represents that Advisor has been furnished true and complete copies of all documents establishing and governing the plan and evidencing Client's authority to retain Advisor. Client will furnish promptly to Advisor, any amendments to the plan, and Client agrees that, if any amendment affects the rights or obligations of Advisor, such amendment will be binding on Advisor only when agreed to by Advisor in writing. If the Account contains only a part of the assets of the plan, Client understands that Advisor will have no responsibility for the investment management (i.e. Pacific Life Investments) of all of the plan's investments, and that Advisor will have no duty, responsibility or liability for Client assets that are not in the Account or are not custodied by RJFS. If applicable law requires bonding with respect to the assets in the Account, Client will obtain and maintain at its expense, bonding that satisfies this requirement and covers Advisor and its Affiliated Persons. Advisor will advise on all assets for diversification as it adheres to the Investment Policy Statement of the Morrow County Retirement Plan.

Section 11. Other Legal Actions. Client agrees that Advisor will not advise or act for client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the Account or the issuers of these securities.

Section 12. Proxy Voting. Client agrees that Advisor will not vote, or give any advice about how to vote, proxies for securities held in the Investment Account. If the Investment Account is for a pension or other employee benefit plan governed by ERISA, Client directs Advisor not to vote proxies for securities held in the Account because the right to vote such proxies has been expressly reserved to the plan's trustees.

Section 13. Termination. This Agreement will continue in full force and effect until terminated by either party by written notice to the other. Termination of this Agreement will not affect (a) the validity of any action previously taken by Advisor under this Agreement; (b) liabilities or obligations of the parties from transactions initiated before termination of this Agreement; or (c) Client's obligation to pay administration fees (pro rated through the date of termination). On the termination of this Agreement, Advisor will have no obligation to recommend or take any action with regard to the securities, cash or other investments in the Account.

Section 14. Client Authority. This Agreement as entered into by the trustees represents that Advisor's investment management strategies, allocation procedures, and investment advisory services are authorized under the applicable plan, trust or law and that the person(s) signing this Agreement has the authority to negotiate and enter into this Agreement. Client will inform Advisor of any event that might affect this authority or the propriety of this Agreement.

Section 15. Binding Agreement. This Agreement will bind and be for the benefit of the parties to the Agreement and their successors and permitted assigns, except that this Agreement may not be assigned by either party without the consent of the other party.

Section 16. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon without giving effect to any conflict or choice of law provisions of that State, provided that nothing in this Agreement will be construed in any manner inconsistent with the Advisors Act, any rule or order of the Securities and exchange Commission under the Advisors Act and, if applicable to the Account and any rule or order of the Department of Labor governing this plan.

Section 17. Arbitration. Any controversy or claim arising out of or relating to this Agreement shall be settled by arbitration in accordance with the Securities Arbitration Rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrators may be entered in an appropriate court having jurisdiction. Client understands that this arbitration clause does not constitute a waiver of Client's rights under the Advisor Act, including the right to choose the forum, whether arbitration or adjudication, in which Client may seek dispute resolution.

Section 18. Notices Any notice, advice or report to be given to Advisor under this Agreement will be delivered in person, but US mail or overnight courier (postage prepaid) or sent by facsimile transmission (with a hard copy sent by US mail) to Advisor at the address on the first page of this Agreement or at such other address as Advisor may designate in writing. Any notice, advice or report given to Client under this Agreement will be delivered in person, but US mail or overnight courier (postage paid) or sent by facsimile transmission (with a hard copy sent by US mail) to Client at the address set forth below or at such other address as Client may designate in writing.

Section 19. Miscellaneous. If any provision of this Agreement is or should become inconsistent with any law or rule of any governmental or regulatory body having jurisdiction over the subject matter of this Agreement, the provision will be deemed to be rescinded or modified in accordance with any such law or rule. In all other respects, this Agreement may be waived or changed except in writing signed by the party against whom such waiver or change is sought to be enforced. Advisor's failure to insist at any time on strict compliance with this Agreement or with any of the terms of the Agreement or any continued course of such conduct on its part will

not constitute or be considered a waiver by Advisor of any of its rights or privileges. This Agreement contains the entire understanding between Client and Advisor concerning the subject matter of this Agreement.

Section 20. Disclosure. Client has received and reviewed a copy of Part II of the Advisor's Form ADV as well as a copy of this Agreement. Client has the right to terminate this Agreement without penalty within five (5) business days after entering into the Agreement.

Client and Advisor have executed this Discretionary Investment Advisory Agreement effective September 25, 2002, as most recent update on December 13, 2017.

Morrow County Retirement Plan Trust

Client

James Doherty, County Commissioner

Melissa J. Lindsay, County Commissioner

Donald E. Russell, County Commissioner

Katherine Knop, Finance Director

Mailing Address: PO Box 788
Heppner, OR 97836

Trust Tax I.D. Number: 

McGee Wealth Management, Inc.

An Independent Registered Investment Advisor
Advisory

Judith A. McGee


Judith A. McGee, L.H.D., CFP®

Jennifer Currin Guttridge

Jennifer Currin Guttridge, CFP®

If the Account is administered by one or more fiduciaries, each should sign and indicate the capacity in which he or she is acting. If the Account is an IRA, the person signing on Client's behalf represents that he or she is the sponsor of the IRA. If the Account is for a pension or other employee benefit plan, each person signing on Client's behalf represents that he or she is named fiduciary of such plan.

**SCHEDULE A
INVESTMENT MANAGEMENT AGREEMENT**

<p>1. Account Assets. The assets that you wish McGee Wealth Management, Inc. to manage at this time are listed on the attached statement. (Please attach a custodial or other inventory of assets.)</p>		
<p>2. Custody of Account Assets. The assets to be managed under this Agreement will be held in a custodial account established by you with: Raymond James Financial Services, Inc.</p>		
<p>Name of Custodian: Raymond James and Associates</p>	<p>Account Number: </p>	
<p>Home Office: 880 Carillon Parkway PO Box 12749 St. Petersburg, FL 33733-2749</p>	<p>Contact Person: Judith A. McGee, L.H.D., CFP® Jennifer Currin Gutridge, CFP®</p>	
<p>Branch Office: Raymond James Financial Services 12455 SW 68th Ave. Portland, OR 97223</p>	<p>Telephone Number: (503)-597-2222</p>	
<p>3. Type of Account and Fees. McGee Wealth Management's fees for services provided under this Agreement will be as follows based on Discretionary Fee-Based Account Custodied at Raymond James & Associates, Inc.</p>		
<p>Account Type <input type="checkbox"/> Equity <input checked="" type="checkbox"/> Balanced <input type="checkbox"/> Fixed Income (Please Check)</p>		
<p>Annual Service Fee</p>	<p>0.20% or 20 bps</p>	<p>Billed by McGee quarterly based on calendar quarter account values.</p> <p>Per separate Raymond James Discretionary Asset Management Agreement which will become an addendum to this agreement. 12b-1 Fees to be credited to the account which result in a fee reduction. (Mutual funds, exchange traded funds, and other fund managers have additional internal charges separate from McGee Wealth Management's (MWM) Asset Management Fee. These fees can be found in the prospectus or fee agreements. Transaction charges may apply.</p>
<p>Annual Asset Management Fee (83611447, 86424758)</p>	<p>0.50% or 50 bps</p>	
<p>RJCS Separately Managed Accounts (51387927)</p>	<p>1.0% or 100bps</p>	
<p>4. Signature</p> <p>_____</p> <p>James Doherty, County Commissioner</p> <p>_____</p> <p>Melissa J. Lindsay, County Commissioner</p> <p>_____</p> <p>Donald E. Russell, County Commissioner</p> <p>_____</p> <p>Katherine Knop, Finance Director</p>		<p>Effective Date</p> <p>September 25, 2002, as updated December 13, 2017</p>

**SCHEDULE B
INVESTMENT MANAGEMENT AGREEMENT**

Investment Restrictions and Guidelines. The investment restrictions and guidelines to be followed by McGee Wealth Management, Inc. in managing your account are set forth below. (Please describe investment restrictions and guidelines below or attaché a separate statement.

McGee Wealth Management, Inc. will service the investment accounts of The Morrow County Retirement Plan Trust, a Defined Benefit Plan established on July 1, 1966 (the Plan Prior), Rewritten July 1, 1973 and amendments through July 1998 in accordance with the Morrow County Retirement Plan Investment Policy Statement attached hereto.

SERVICES TO BE PROVIDED:

- Responsibilities outlined in the Investment Policy Statement
- Modification of Investment Policy as needed and agreed upon
- Review and analysis of performance data related to plan assets
- Asset Allocation Study Models
- Regular Performance Evaluation
- Attendance at County Commissioners Meeting (Annually or as needed)
- Participant (Employee) Meetings, Communications, and Materials as needed
- Employee Retirement Planning Educational Programs as requested
- Consulting Services
- Administrative services related to the investment accounts, deposits, disbursements, communication with TPA and Actuary, etc.
- Custody provided by Raymond James and Associates, Inc. Member FINRA/SIPC
- Trust Administrative Services provided by third party administrator selected by Morrow County.

Signature	Effective Date
<p>_____</p> <p>James Doherty, County Commissioner</p>	<p>September 25, 2002, as updated December 13, 2017</p>
<p>_____</p> <p>Melissa J. Lindsay, County Commissioner</p>	
<p>_____</p> <p>Donald E. Russell, County Commissioner</p>	
<p>_____</p> <p>Katherine Knop, Finance Director</p>	

Statement of Investment Policy and Objectives December 13, 2017

EXECUTIVE SUMMARY

Plan Name	Morrow County Retirement Plan Trust PO Box 788 Heppner, OR 97836
Plan Sponsor	Morrow County
Trustee	Morrow County
Type of Plan	Defined Benefit
Investment Horizon	Perpetual
Current Assets	\$22.2 million
Return Objective:	7.0%

Approved on: _____, _____, 2017

By Board of Directors

This investment policy statement should be reviewed and updated at least annually. Any change to this policy should be communicated in writing on a timely basis to all interested parties.

BACKGROUND

The Morrow County Retirement Plan Trust is a Defined Benefit Plan established on July 1, 1966 (the Plan Prior), Rewritten July 1, 1973, restated effective July 1, 2010 and amendments through May 1, 2014. The plan covers Morrow County Employees who works 20 hours or more per week. The plan currently receives an average of \$980,000 in contributions and has an approximate 3.5% of annual distributions. The Plan currently covers approximately 90 active employees, 24 vested terminated members, and 35 non-vested terminated members with account balances.

The Morrow County Trustees "Trustees" will discharge its responsibilities under the Plan solely in the long-term interests of Plan participants and their beneficiaries.

Purpose

The "Trust" Defined

This document refers to the Morrow County Retirement Plan Trust "Trust", a Defined Benefit Plan for the employees of Morrow County.

The Trustee Authority and Responsibilities

Morrow County has adopted the Morrow County Retirement Plan Trust, a Defined Benefit Plan in order to:

- Encourage long-term employment through provisions of adequate retirement income
- Meet retirement needs of participants.

The purpose of this document is to identify and present a set of investment objectives and performance standards for the assets of the Trust that are consistent with the following goals:

- Meet the fiduciary responsibilities of the Plan Sponsor
- Facilitate the delegation of investment management responsibilities to the investment consultant (s) who are responsible for managing Trust assets according to the fiduciary standard provisions described below;
- Document and communicate objectives, guidelines, and standards to the investment consultant(s);
- Minimize future employer paid contribution requirements;
- Obtain efficient and responsive administrative support from service providers;
- Establish objectives and guidelines that are consistent with the fiduciary standard provisions of the laws of the State of Oregon and the Prudent Person standards

expressed therein and with other pertinent state and federal laws, regulations, and rulings that relate to the investment process.

Delegation of Authority

The Board of Trustees "Trustees" is a fiduciary, and are responsible for directing and monitoring the investment management of Trust assets. As such, the Trustee is authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

1. **Investment Consultant.** The investment consultant may assist the Trustees in: Establishing investment policy, objectives, and guidelines; selecting investment options and managers; reviewing such options and managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. **Investment Manager(s).** If selected, the investment manager(s) has discretion to purchase, sell, or hold the specific securities that will be used to meet the Trust's investment objectives.
3. **Custodian.** The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Trust, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movements of assets into and out of the Trust accounts.
4. **Additional specialists** such as attorneys, auditors, actuaries, and others may be employed by the Trustees to assist in meeting its responsibilities and obligations to administer Trust assets prudently.

Investment managers will be held accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper investment managers, each manager should request modifications which they deem appropriate.

ASSIGNMENT OF RESPONSIBILITY

Board of Trustees

The Trustees are charged by law with the responsibility for the management of the assets of the Trust. The Trustees shall discharge its duties solely in the interest of the Trust, with the care, skill, prudence and diligence under the circumstances then prevailing, that a prudent man, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims. The specific responsibilities of the Trustees relating to the investment management of Trust assets include:

1. Prepare and maintain this investment policy statement. Establishing investment objectives, policies and guidelines.
2. Prudently diversify the Trust's assets to meet an agreed upon risk/return profile. Projecting Trust's financial needs, determining risk tolerance and time horizon.
3. Control and account for all investment, record keeping and administrative expenses associated with the Trust.
4. Monitor and supervise all professional experts and investment options. Prudently and diligently selecting and monitoring qualified investment professionals.

5. Avoid prohibited transactions and conflicts of interest.

Investment Consultant

The Trustees will retain an objective, third-party Investment Consultant ("Consultant") to assist the Trustees in managing the overall investment process. The Consultant will be responsible for guiding the Trustees through a disciplined and rigorous investment process to enable the Trustees to meet the fiduciary responsibilities outlined above.

The Consultant's role is that of a discretionary advisor to the Board of Trustees. Investment advice concerning the investment management of Trust assets will be implemented by the Consultant, and will be consistent with the investment objectives, policies, guidelines and constraints as established in this statement. Specific responsibilities of the Consultant include:

1. Assisting in the development and periodic review of investment policy.
2. Assisting with investment manager searches when requested by the Trustees.
3. Where applicable, providing "due diligence," or research, on the investment manager(s).
4. Assisting the Trustees with monitoring the performance of the investment manager(s) to provide the Trustees with the ability to determine the progress toward the investment objectives.
5. Communicating matters of policy, manager research, and manager performance to the Trustees.
6. Reviewing Trust's investment history, historical capital markets performance and the contents of this investment policy statement to any newly appointed members of the Trustees.

Investment Managers

As distinguished from the Trustees and Consultant, who are responsible for managing the investment process, investment managers are responsible for making investment decisions (security selection and price decisions). The specific duties and responsibilities of each investment manager are:

1. Manage the assets under their supervision in accordance with the guidelines and objectives outlined in their respective Service Agreements, Prospectus or Trust Agreement.
2. Exercise full investment discretion with regards to buying, managing, and selling assets held in the portfolios.
3. Unless otherwise stated, vote promptly all proxies and related actions in a manner consistent with the best interest and objectives of all clients as described in applicable account opening documents, provided proxy materials are available. Each investment manager shall keep detailed records of the voting of proxies and related actions and will comply with all applicable regulatory obligations.
4. Effect all transactions for the Trust subject "to best price and execution."
5. Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and fully familiar with such matters would use in like activities for like funds with like aims in accordance and compliance with all applicable laws, rules, and regulations.

Custodian

Custodians are responsible for the safekeeping of the Trust's assets. The specific duties and responsibilities of the custodian are:

1. Maintain separate accounts by legal registration.
2. Value the holdings.
3. Collect all income and dividends owed to the Trust.
4. Settle all transactions (buy-sell orders) initiated by the Investment Manager.
5. Provide monthly reports that detail transactions, cash flows, securities held and their current value, and change in value of each security and the overall portfolio since the previous report.

Plan Objective

This document represents the conclusions and decisions made after a deliberate and focused review of the County's expected budgets and funding resources over a long-range future period. It will serve as a management tool, provide a framework within which the plan investment decisions are made, and provide a resource for inquiries regarding the plan's investment options.

Morrow County offers a **Defined Benefit** plan to provide employees with a source of retirement income. The plan will be funded through a broad range of investment alternatives, such as mutual funds, bonds, and fixed securities.

Investment Objective

The Investment Objective determined to best meet the needs of all parties involved is one of *Capital Appreciation Plus Income*. This is to be defined as *acceptance of some market risk, but provide cushion from losses in market declines, even at the cost of less than proportionate gains in market advances*. However, The Trustee recognizes that investment markets have repeatedly demonstrated broad performance cycles with two fundamental characteristics, which bear heavily on the Trust's expectations towards its future.

- The cycles cannot be accurately predicted as to either their beginning points, ending points, or magnitude, and
- There is little or no relationship between market cycles and the convenient calendar periods commonly used in business for measurement and evaluation.

The objective for the total fund is to earn an average annual real rate of return of at least 5% over the long term (at least 5 years). The real rate of return is defined as the nominal rate of return less the rate of inflation as measured by the annual change in Consumer Prince Index.

The nominal rate of return should exceed the actuarial assumed rate of return, which is currently 7.0% (nominal). Furthermore, the Plan's return should exceed the median return of other funds with similar asset allocation.

The Plan must maintain sufficient liquidity to meet benefit obligations.

The investment objectives will be reviewed by the Trustee on an annual basis. Adjustments to the objectives shall be made when economic, market, and fund conditions warrant.

Asset Allocation

Asset Classes

In review of the available asset classes and investment types, the Trustee, with advice from their investment consultant, has decided to elect the following as primary asset classes:

Allowable Assets

1. Cash Equivalents
 - Treasury Bills
 - Money Market Funds
 - Commercial Paper
 - Banker's Acceptances
 - Repurchase Agreements
 - Certificates of Deposit
2. Fixed Income Securities
 - U.S. Government and Agency Securities
 - Corporate Notes and Bonds
 - Mortgage Backed Bonds
 - Collateralized Mortgage Obligations
 - Foreign Bonds
3. Equity Securities
 - Common Stocks
 - American Depository Receipts (ADRs) of Non-U.S. Companies
 - Stocks of Non-U.S. Companies (Ordinary Shares)(If appropriate)
4. Alternative Investments/Low Correlation Strategies
 - Real Assets
 - Real Estate
 - Natural Resources, Energy, Timber
 - Private Equity & Private Equity Fund of Funds
 - Hedge Funds & Fund of Funds
 - Managed Futures
 - Commodities
 - Specialty Fixed Income
 - Enhanced Fixed Income: High Yield, Convertibles, ABS
 - Fixed Income Securities of Foreign Governments and Corporations
 - Preferred securities
 - Specialty Equity
 - Hedged Equity
 - Multi Strategy
 - Long/Short

- Arbitrage

5. Mutual funds, ETFs, encompassing a combination of asset classes

Long Term Target Allocation

Based on long-term historical capital market performance and an examination of risk/return trade-offs, the Trustee, with advice from their investment consultant(s) finds that the following asset class target range should produce the desired performance at acceptable fluctuation levels over time:

	Minimum	Maximum	Target
Cash Equivalents	2%	30%	3%
Fixed Income Securities (Maturity over 1 year)	20%	60%	20%
Equity	30%	80%	67%
Alternatives	0%	20%	10%

Within these allocation goals it may from time to time be impractical or undesirable to adhere rigidly to these percentages. Permitted deviation from these targets is +/- 5 percentage points at which point rebalancing will occur.

Re-balancing Among Asset Classes and Allocation of Net Contributions

Because different asset classes and sectors will perform at different rates, the Trustee will maintain scrutiny on the asset allocation shifts cause by performance. Accordingly:

- 1) The Trustee or its representatives will review the relative market values of assets classes and sectors, whenever there is to be a contribution to the Plan and will generally place the new money under investment in the category(ies) which are furthest below their target allocations in this policy.

- 2) To the extent that adequate re-balancing among asset categories cannot be affected via the allocation of new contributions, the Trustee may redirect monies from one investment type or fund to another, if necessary to maintain the target ranges in this policy, and
- 3) Re-balancing will typically occur after quarter-end, if the allocations are out of target ranges.

OPERATIONAL GUIDELINES

Guidelines and Standards for Service Providers

Service providers include all entities that are employed by the Plan to provide any investment services, including investment consulting, investment management, trustee services, custody of Plan assets, consulting, and investment performance measurement.

All service providers will be expected to conform to the following guidelines:

- Timely and accurate response to inquiries or requests from Human Resources Department and Trustee;
- Flexibility in implementing plan design changes;
- Periodic management reports as requested.

Communications and Reporting

On a quarterly basis, each Investment Consultant and/or Advisor will provide a report on Trust assets and performance. The report prepared in a form acceptable to the Trustee, is to show a list of the assets held in the portfolio, common portfolio analytics, and a summary of transactions during the period.

On no less than an annualized basis, the consultant(s) will provide a reporting on the quarterly management charges incurred as well as any transactions incurring a sales charge or commission.

The Trustee's investment consultant(s) will produce and provide a compilation of investment performance and risk analysis, based on all information provided to them by plan trustees. Additionally, the investment consultant(s) will attend meetings no less than semi-annually to present this information to the Trustee.

Number of Managers to be Used

In order to diversify the portfolio performance and further reduce risk, the Trustee will utilize multiple Investment managers, including Institutional Money Managers, Exchange Traded Funds, and Mutual Fund Managers. The Trustee intends to use funds of different styles, asset

classes, and sectors. However, emphasis will be placed on a *Capital Appreciation Plus Income* approach.

Standards for Managers

The Trustee's selection of investment manager(s) and funds must be based on prudent due diligence procedures. A qualifying investment must be a registered investment advisor under the Investment Advisors Act of 1940, or a bank or insurance company.

The Trustee generally expects to utilize a mixture of pooled funds and cash/cash equivalents as the primary investment mediums. Further the Trustee believes the abilities and expertise of the chosen investment consultant(s) and investment managers meaningfully exceeds their own in determining which securities should be utilized and which should be avoided. Therefore, it is not the intention of the Trustee to specify exact standards for securities, state prohibited categories of securities, etc. This Investment Policy and Objectives statement is not intended to contradict or place limitations on investment management practices contrary to any mutual funds' written prospectus. In all cases the prospectus shall define the permissible investment activities of any mutual fund. Because of this, certain incidental asset classes will be owned by the plan. Primary asset classes were given above.

Generally funds will be selected which, when used together, broadly diversify risk. Investment managers will of course be expected to manage the various funds in accordance with the allowable securities and approaches detailed by the prospectuses.

Diversification

In structuring the equity and fixed income security portfolios, the investment consultant(s) shall give consideration as to types of issues and to diversification among industry sectors.

Marketability

The investment consultant(s) are to invest in issues of good quality and reasonable marketability that are actively followed by institutional research departments.

Investment Restrictions

The investment consultant(s) are prohibited from the following investments:

- Securities purchased on margin
- Short Sales (unless part of a hedging strategy in a mutual fund or ETF).
- Letter stock, private placements, or other nonmarketable securities
- Options, commodities or futures positions (except where included in a mutual fund or ETF as a portion of alternative asset class allocation).
- Direct ownership of equity real estate

Cash & Cash Equivalents

The short-term investments of the Plan shall stress safety of principal as their primary investment objective. As such, only the following types of short-term assets may be purchased by the investment consultant(s).

- U.S. Treasury bills and other obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities.
- Certificates of deposit and bankers' acceptances of the 50 largest commercial banks in the United States (measured by total assets as detailed in their most recent annual financial statements), or local institutions as approved by the Plan Administrator.
- Commercial paper, rated A-1 at the time of purchase by Standard & Poor's Corporation or Prime-1 by Moody's Investor Service, Inc. or if not rated, issued by companies having an outstanding debt issue rated AA or better at the time of purchase by Standard & Poor's or Aa or better by Moody's.
- Money Market Funds
- Cash and short-term investments shall not exceed 20% of the manager's portfolio (exclusive of pending purchases, sales, or currency hedges). At no time should cash be used for market timing purposes.

Trading and Execution Practices

In placing security transaction orders on behalf of the Trust, the investment consultant(s) shall use its best efforts to obtain execution of orders at favorable prices and at reasonable, competitive commission rates.

Proxy Voting

The Trustee will vote any proxies presented by the funds in a manner consistent with the best interests of the Plan.

INVESTMENT REVIEW AND SELECTION

This Investment Policy and Objective statement sets forth the quality standards in three primary areas: Time, Return, and Risk. These areas are detailed below:

1. Time - The length of time an investment is held is a key factor influencing the success of any investment program. For purposes of measuring the quality of the Plan's investments, the Trustee's policy is to take a long-term perspective. Quarterly performance will be evaluated over trailing measurement periods of one, three, five, and ten years, focusing more closely on results over the trailing three to five-year period. Sufficient time will be given to investment managers to observe performance over a full market cycle, if longer than three to five years. Aggressive investment options may in particular require longer time horizons due to their volatile nature. Ad hoc revisions to this Investment Policy and Objective statement in reaction to short-term performance disappointment is discouraged. Short-term is generally given to mean less than one year.

2. Returns - Investment performance will be monitored quarterly on three levels:

Investment Returns Relative to the Market Index

Returns-versus-index comparisons will be made over trailing one, three, five, and ten-year periods, as they occur. Benchmarks will be the Morningstar™ best-fit index, or a custom blended selection, if appropriate. This may include, but is not limited to the following indices:

Equity investments to Standard & Poor's 500, the Dow Jones Composite, and the NASDAQ Composite.

Fixed Income investment managers to Barclays Capital Aggregate Bond Index or Barclays Capital Government/Corporate Bond Index

Fund performance should generally be comparable to the respective market index over time, adjusted for risk. Periods of future under-performance are inevitable and will not necessarily result in investment option replacement consistent with the guidelines of this investment policy.

Returns Relative to Peer Money Managers

The returns generated by each of the Plan's mutual funds will be compared quarterly to the performance of other similarly managed mutual funds (peer group rankings). Evaluation will be made over trailing one, three, five, ten-year periods, as they occur. Over periods of five years or longer performance is generally expected to be in the upper 50 percent of same-category peer performance. This expectation may be modified, as circumstances require, according to the trend of peer ranking for periods five years and shorter.

3. Risk - Unlike investment return (which is universally measured in percentage points) risk is difficult to quantify because no single mathematic measurement fully captures the essence of risk, potential risk or fund volatility. Risk can be measured by tangible methods including standard deviation, beta, Morningstar™ Risk Scores, and also with less tangible methods which might incorporate derivatives exposure, international risk, political risk, inflation risk, credit risk, etc., none of which can necessarily be objectively quantified but nevertheless have the potential to greatly impact fund performance and potential for loss.

The following statistical measurements, all of which relate to risk management, when combined give some sense of historic investment risk and will be reviewed quarterly. The Trustee will focus risk evaluation on not less than the following measurements:

Standard Deviation - The Trustee generally desires for any investment option to have a standard deviation over trailing three and five-year periods within a multiple of 1.50 relative to each investment option's respective benchmark or market index. Some latitude will be shown to the more aggressive stock investment options, which may at times show greater variability of performance. Should this occur, generally the Trustee expects it to be a short-term phenomenon.

Beta Versus the Market Index - The Trustee generally desires for any investment option to have a beta over trailing three and five year periods within a multiple of 1.50 relative to each investment options respective market index. Once again, some latitude will be shown to the more aggressive stock investment options, which could at times show larger betas relative

to the benchmark index. Should this occur, generally it is expected to be a short-term phenomenon.

Portfolio Risk - When all fund/investment managers are taken together and evaluated as a whole, the Trust's investment options should not be highly correlated with one another.

Morningstar Risk Scores - Three, five, and ten-year Morningstar Risk Scores will be evaluated quarterly on a facts and circumstances basis.

Each risk measurement will be regularly monitored for each investment option. Additional measurement methods may be produced in quarterly performance evaluations.

Termination of Fund

It is the intention of the Trust to maintain long-standing relationships with its managers and to avoid unnecessary and costly manager turnover. However, it may be necessary, from time to time, to terminate a relationship. Termination can occur due to a change in the Fund's investment strategy, or for reasons specifically related to the investment manager performance. Absent overriding factors for retaining a manager, the following performance factors may result in termination:

- A significant change in the structure, management style, or personnel of the investment manager organization.
- A lack of confidence that the manager can produce acceptable results in the future.
- Failure to achieve the performance standards established for the manager's style classification.

POLICY MODIFICATIONS

Frequency of Policy Review

The Trustee may use each of its quarterly investment performance reviews as opportunity to also consider whether any elements of existing policy are either insufficient or inappropriate. Key environmental or operational occurrences, which could result in a policy modification include:

- a. significant changes in expected patterns of the Trust's cash flow stream,
- b. impractical time horizons,
- c. change in the Trust's priorities,
- d. convincing arguments for change presented by investment consultant(s), and
- e. areas found to be important, but not covered by policy.

As needed, the investment consultant(s) will submit recommended changes to this investment policy to the Trustee for its consideration. Such recommendations should, when possible, quantify the benefit of the suggested changes.

Measuring Costs

The Trustees will review at least annually all costs associated with the management of the Trust’s investment program, including (where applicable):

- 1. Expense fees of each investment option against the appropriate peer group.
- 2. Custody fees: The holding of the assets, collection of the income and disbursement of payments.
- 3. Whether the investment manager is demonstrating attention to “best execution” in trading securities.
- 4. Consulting & Administrative Fees: Costs of a consultant and administration of the Trust, including record keeping.

Trustee’s Philosophy Toward Policy Modification

The Trustee will review this policy annually. The Trustee recognizes that major changes to the investment policy can produce potentially damaging inconsistency. Change, particularly the type which can be characterized as reversals of direction, or “response” to current market conditions from time to time, are viewed as undesirable.

POLICY REVISION HISTORY

Adoption - The _____ day of _____, in the year 2017.

James Doherty, County Commissioner

Date

Melissa J. Lindsay, County Commissioner

Date

Donald E. Russell, County Commissioner

Date

Judith McGee, CEO
McGee Wealth Management, Inc.

Date

Jennifer Currin Guttridge, Executive VP
McGee Wealth Management, Inc.

Date

Roberta Lutcher

From: Doris Penwell <dpenwell@oregoncounties.org>
Sent: Thursday, December 21, 2017 11:36 AM
To: Commissioners and Judges
Cc: Mike McArthur; Michael Eliason; Amanda Dalton
Subject: 2.5% Video Lottery bill next session

AOC has asked Rep. John Lively to sponsor a February legislative bill on behalf of AOC and member counties to assure that the legislature allocates all of the 2.5% video lottery money we are due each biennium.

The following one-pager is something we would like to distribute to legislators in January during legislative days -- January 10-12. **Would you lend your name and county logo to this effort?**

AOC has some logos but not all, so we are reaching out. If you could have someone from your administrative office send your logo to me in response to this e-mail, that would be wonderful.

But be sure to let me know if you have any issue with being noted in this outreach effort.

OREGON COUNTY COMMISSIONERS/JUDGES URGE YOUR "YES" VOTE ON HB ----

AOC and our member counties write in support of HB ----. This simple bill ensures that the 2.5% of dedicated video lottery proceeds reach all counties. These funds are an important investment in local economic development.

Under ORS 461.547, counties are supposed to receive 2.5% of new video lottery proceeds. In practice, however, this percentage has been replaced with a fixed appropriation, and the statute suspended. While we understand the ease this allows, there is not currently in place a "true-up" or "true-down" mechanism when actual video lottery receipts are above or below previous forecasts. HB ----fixes this by allowing the ease of the fixed allocation, while providing a mechanism to fund the actual 2.5% levels. . . satisfying the original intent of the 2.5% law.

The infusion of funding by video lottery receipts ultimately creates jobs and local vitality; and our partners, public and private, gain the benefits. Take a look at the attached diverse list of projects and programs funded in 2017.

Respectfully,

Attached will be a list of excerpts from 2017.

Please let me know if you can help. My number is 503-884-2431, if you want to discuss.

Doris Penwell, consultant
AOC



PUBLIC WORKS DEPARTMENT

Airport General Maintenance Road Department Parks Transfer Stations

365 W. Highway 74
P.O. Box 428
Lexington, OR. 97839
Phone: (541) 989-9500
Fax: (541) 989-8352

Burke O'Brien
Public Works Director

Sandi Putman
Management Asst.

Matt Scrivner
Asst. Road Master

Kirsti Cason
Administrative Asst.

Road Report for December 27th 2017

Ella Grade: Crew has been working on reestablishing so ditch lines and opening up some culverts in alkali cut banks. They have been sloping banks and using material from ditch cleaning to build shoulders in some problem areas. Working on some shoulder rock in the areas that were paver patched last summer.

Fall Road Blading: All roads have had a fall blading at this time. Blades are touching up areas that needed more work from the last time they were bladed and adding rock where needed as weather allows.

Upper Rhea creek: Crew completed hauling rock on Sanford, Lunceford, Balm fork and Shobe Canyon.

Weeds: During the freezing fog that we had last week, blade operators and other crew members burned as many piles of weeds as possible that had been piled during the fall blade season.

OHV building: Two crew members helped Greg get his new steel building up. The structure is up and the end walls still need completed.

Winter operations: Crew has been using De-icer for pre-treatment before storms. The sand pile at bombing range road was shuffled around as there was a compaction layer in it from when it was stockpiled and caused us an issue getting sand last year. Our agreement with ODOT at the North transfer station is continuing this year as we provide a loader all winter and they provide us with sand, but since they built the new salt shed there this year, and I won't allow our loader to be in salt. We have moved that loader to the ODOT Cason Canyon pit south of Heppner and the ODOT loader stationed there is now at the North transfer station. All plow trucks are setup and ready for winter operations.

Coalmine Hill: As of December 20th, the barricades have been placed for the winter closure and signage is up with construction barrels designating it as a one lane road. We have not maintained past Cutsforth Park in the last two weeks and with the weather forecast expect to be locking the gate the first couple days in January if not sooner. At this time there is less than 6" of snow on the hill and people are still able to travel the Western Route without much trouble.

Morrow County Sheriff's Office



325 Willow View Drive P.O. Box 159
Heppner, OR 97836
Phone: (541)676-5317
Fax: (541)676-5577

Kenneth W. Matlack, Sheriff
John A. Bowles, Undersheriff

Monthly Report – December 27, 2017 Board of Commissioner Meeting

These are our monthly stats for:

November 2017

- ✚ **Arrests** – 44 (of those, 34 were lodged in jail)
 - ❖ 28 - Warrants
 - ❖ 3 – Assaults - Various degrees
 - ❖ 3 – Thefts - Various degrees
 - ❖ 1 – DUII - Driving -under influence of intoxicants
 - ❖ 1 – Poss. of Controlled substance – Meth
 - ❖ 1 - Stalking Order Violation
 - ❖ 1 – Parole Violation
 - ❖ 1 – Driving While Suspended
 - ❖ 1 – Criminal Trespass
 - ❖ 1 - Criminal Mischief
 - ❖ 1 - Disorderly Conduct
 - ❖ 1 - Custodial Interference
 - ❖ 1 - Dog as a Public Nuisance
- ✚ **MVA's** – 19
 - ✚ **CHL's** – 29
 - ✚ **Civil Paper Service** - 42 persons served with civil papers

Press Releases

- ✚ **11-14 Pursuit & DUII Arrest** – Traffic Stop for drunk driver on I-84 EB near Exit 165. Stopped then fled in vehicle. OSP deployed Spike Strips and spiked one front tire, he continued at slow speeds on various county roads. Driver finally pulled over and taken into custody without further incident. Justin Michael Sutton, 21 from Washington was arrested on charges of DUII, Attempt to Elude, Felony and Reckless Driving. Also cited for Driving While Suspended-Violation and Breathalyzer Refusal. Lodged in the Umatilla County Jail with \$20,000 Bail. BPD and OSP assisted MCSO on this incident.
- ✚ **11-29 Worker disabled while on roof** - 26year old male worker collapsed due to back injury, he was on the construction site of the new CCS building, on the roof. MCSO assisted Heppner Ambulance and Heppner Fire on getting the injured man off the roof safely so he could be transported to Pioneer Memorial Hospital. Great Teamwork.

Misc. Calls

- ✚ **11-22 Sheriff Matlack on traffic stop**, suspect fled in vehicle, Sheriff pursued, suspect lost control and became stuck in soft sand. Lawrence Allen Perrin 41, arrested and lodged on Attempt to Elude and Driving While Suspended. Possible further charges of Reckless Driving, Reckless Endangering, Speeding 105mph in a 55mph zone and Switched license plates. Passenger Angelique Kettlewell, 24 was arrested and lodged on multiple warrants from several different counties.