

**Morrow County Budget Committee Meeting**  
**Thursday, April 27, 2017**  
**Bartholomew Building Upper Conference Room**  
**Heppner, Oregon**

**Present**

Commissioner Melissa Lindsay  
Commissioner Don Russell  
Commissioner Jim Doherty  
Larry Mills, Budget Committee  
Linda LaRue, Budget Committee  
Jill Parker, Budget Committee

Jerry Sorte, Administrative Officer  
Kate Knop, Finance Director  
Karen Wolff, Human Resources Director  
Ronda Fox, Finance Management Assistant  
Roberta Lutchter, Executive Assistant

**Call to Order/Resumed and Pledge of Allegiance:** 9:12 a.m.

**Budget Update**

Kate Knop, Finance Director

Ms. Knop reviewed the changes made to the Budget based on yesterday's presentations by Departments and other entities:

- Oregon State University Extension Budget - increased by \$11,825 to match the amount they budgeted (including repair and maintenance quotes).
- Building Permit Fund – added \$30,000 to Contracts from Unappropriated Balance for contract work for the comprehensive plan and additional work mentioned by the Planning Director.
- Fair – moved \$15,515 from Unappropriated Ending Fund Balance to Contingency.
- Special Transportation Fund (The Loop) – the \$30,000 request to Contingency was not included in the budget and will be taken up later this morning (grant funding amounts decreased).
- Rodeo - \$3,600 moved from Contingency to the Entertainment Line Item; \$5,150 moved from Contingency to Admin. Expenses for attorney and certified public accountant fees; increased the Transfer from Video Lottery by \$2,330 for a total of \$10,000. Rodeo's Contingency now stands at \$21,165.
- General Fund – net total reduction of \$45,627 to Commissioner salaries (moved to Unappropriated Ending Fund Balance).
- General Fund currently stands at \$16,735,000 with an Unappropriated Ending Fund Balance of \$2,700,000, which includes a Contingency of \$300,000.

**Public Comment** – No comments

**Heppner Admin. Building Fund (Building Reserve Fund)**

Ms. Knop explained the \$394,000 annual payment for the Bartholomew Building comes from this fund. Discussion.

*Commissioner Russell moved tentative approval of the Heppner Admin. Building Fund. Ms. Parker seconded. Unanimous approval*

### **Sheriff's Office**

Sheriff Ken Matlack

Undersheriff John Bowles

Administrative Lieutenant Melissa Ross

Ms. Knop said since Tuesday's initial confusion over differing numbers, she and Undersheriff Bowles met, and updated budget worksheets have been provided.

Undersheriff Bowles reviewed multiple items in the budget request.

*Ms. LaRue moved tentative approval of the Sheriff's Office General Fund Budget with the correction to the Overtime Line Item of \$94,500 rather than \$109,500. Chair Mills seconded. Discussion: Commissioner Russell expressed displeasure at the request to increase overtime when the Sheriff's Office assured the Board overtime would decrease after the recently approved restructuring of that office. Discussion ensued. Based on input from the Sheriff's Office, Ms. Knop pointed out the actual figure for overtime should be \$83,500. Undersheriff Bowles then came to understand the error and said overtime would be closely monitored.*

*Ms. LaRue amended her previous motion as follows: approve the Sheriff's Office General Fund Budget with the correction to the Overtime Line Item of \$83,500 rather than \$109,500.*

*Discussion: Chair Lindsay asked Undersheriff Bowles if it turns out the restructuring doesn't result in less costly staff, is the restructuring still workable for the Sheriff's Office. He replied high overtime costs indicate there aren't enough people working, however, he said he thinks it's workable especially if he pursues grants. Commissioner Doherty asked if it will require the four new requested positions to be workable, adding management staff at the Sheriff's Office increased from six to 10, and if the four new positions are approved, that means 15 new positions since 2010. Undersheriff Bowles said it would be easier to manage overtime with more FTEs (full time equivalents), but the Sheriff's Office will have to monitor it closely. Chair Lindsay said she was concerned with the restructure request from the beginning and the additional FTE requests make it hard to support. Commissioner Russell said he is comfortable with the funding level remaining the same as last year, adding if the Sheriff "reshuffles the deck," it's not the County's fault. Unanimous approval. A few moments later, Commissioner Doherty requested to change his vote to Nay.*

### **911 Emergency Fund**

*Ms. Parker moved tentative approval of the 911 Emergency Fund moving the \$12,000 "Transfer to General Fund – Indirect Cost" to "Contingency." Commissioner Doherty seconded. Unanimous approval.*

### **Court Security Fund**

*Ms. LaRue moved tentative approval of the Court Security Fund. Ms. Parker seconded. Unanimous approval.*

### **Community Corrections**

*Ms. Parker moved tentative approval of the Community Corrections Budget with an increase to the Jail Room & Board Line Item of \$14,915 and a corresponding reduction to Contingency by the same amount. Ms. LaRue seconded. Unanimous approval.*

### **Emergency Management**

*Commissioner Russell moved tentative approval of the General Fund - Emergency Management Fund with the following change: reduce the \$17,000 requested amount in Kinzua Building Lease to \$12,000 and move that \$5,000 to Repair & Maintenance. Ms. LaRue seconded. Unanimous approval.*

### **Juvenile Department**

Tom Meier, Juvenile Department Director

In reviewing his Department's Budget, Mr. Meier noted the fee to house juveniles at the Northern Oregon Regional Correctional Facility (NORCOR) in The Dalles will increase from \$165 per day to \$180 per day effective July 1. Brief discussion.

*Commissioner Russell moved tentative approval of the Juvenile Department Budget. Ms. LaRue seconded. Unanimous approval.*

**Break:** 11:07 a.m.                      **Resumed:** 11:23 a.m.

### **Forest Service Fund**

Ms. Knop said there are no major changes to this fund which involves cooperative services between the U.S. Forest Service and law enforcement on special projects and search and rescues.

*Commissioner Lindsay moved tentative approval of the Forest Service Fund. Ms. Parker seconded. Unanimous approval.*

### **General Fund - Transfer to Other Funds**

Ms. Knop said the current balance for these requests is \$974,000, which includes the Computer Reserve, Program Reserve, \$500,000 for the Road Fund, and \$394,000 for the Heppner Admin. Building Fund (Building Reserve Fund).

*Ms. LaRue moved tentative approval of the Transfer to Other Funds. Ms. Parker seconded. Unanimous approval.*

### **General Fund - Non-Departmental Revenues**

Following Ms. Knop's review, it was decided several line items could be re-categorized.

### **General Fund – Non-Departmental Expenditures**

Mr. Sorte said these line items provide services for multiple departments, for example the annual financial audit, telephone expenses, office supplies, copier expenses, and insurance deductibles. He pointed out a new line item, Green Energy - \$66,000, and explained it's the estimated amount the County will need to put toward solar panels on a future capital project. Continuing, he said when the Bartholomew Building was constructed, that green energy requirement was deferred to a future project.

Mr. Sorte also discussed the increase in Operating Contingency from \$60,000 to \$300,000. He said it will allow some flexibility if the Board and Committee decide against a Decision Package request, for instance an FTE request, but determine it could be reconsidered at some point during the budget year, then a certain amount could be put in Non-Departmental dedicated to FTE discussions, without making a specific allocation at this time. Another example where Operating Contingency could come into play would be if the Board makes a policy level decision about the contribution to retirement accounts. He said the current retirement contribution is 24.8% plus an employee contribution of six percent. Commissioner Lindsay said the retirement account is not being fully funded and needs analysis. Discussion.

*Ms. LaRue moved tentative approval of the General Fund – Non-Department Revenues and Expenditures. Ms. Parker seconded. Unanimous approval.*

### **Miscellaneous Issues and Decision Package Requests**

Ms. LaRue said the County's roads have deteriorated and while she could be sympathetic to every request, she felt the roads were in dire need. However, she said she preferred to contract out some road work rather than increase staffing in that department. She said this is being done with the idea the Committee isn't "flipping everything to roads from here forward."

Chair Mills said he believed they were all on the same page and it was his goal to put as much money as possible in the Road Department. Discussion.

*Commissioner Russell moved to approve allocating \$375,565 from Strategic Investment Program (SIP) Funds to the Road Fund. Ms. LaRue seconded. Unanimous approval.*

Mr. Sorte informed the group there is \$213,300 in the Shepherds Flat Fees Fund, Long Term Goals Line Item.

*Ms. LaRue moved to approve allocating \$213,300 from Shepherds Flat Fees, Long Term Goals to the Road Fund. Commissioner Russell seconded. Unanimous approval.*

### **Public Health Department FTE Request**

*Commissioner Russell moved to approve the Public Health Department request to increase the Registered Nurse position by 0.20 FTE (\$34,000 including benefits). Ms. LaRue seconded. Unanimous approval. (Later in the meeting Ms. Knop noted the actual amount will be \$11,635.)*

### Green Energy Budgeted Amount

Commissioner Lindsay said since the County won't be constructing a new building in the next 12 months, she preferred to move that amount to another year.

*Chair Lindsay moved to shift the \$66,000 budgeted in the Green Energy Line Item to the Ending Fund Balance, with the knowledge it will have to be dealt with in the future. Ms. Parker seconded. Unanimous approval.*

### Gilliam-Bisbee Building Maintenance or Demolition

Ms. Knop said there are three Decision Package requests in Non-Departmental, one regarding the Gilliam-Bisbee Building and the costs associated with retaining or demolishing it (\$250,000). According to the request, the County offices once housed there have moved to the Bartholomew Building, but the County does still lease a few spaces in the G-B Building.

Public Works Director Burke O'Brien outlined some of the costs if the County opts to retain the building and said it would exceed well over \$100,000 for just a few of the problems.

Commissioner Russell discussed the interest of the Howard & Beth Bryant Foundation in turning it into an event and lodging facility, and that the County would donate it for such a purpose.

Commissioner Lindsay proposed taking the next 12 months to pursue either the Bryant Foundation option or attempting to sell it to another party. If there are no results after that time, then she said the \$250,000 amount can be addressed.

### Public Works Building Addition

Mr. Sorte said the request is for \$200,000 but that might be somewhat high. Mr. O'Brien said it would likely be closer to \$125,000 to add a conference room, two offices, a breakroom and a bathroom to the existing Public Works Office Building in Lexington.

*Commissioner Russell moved to approve \$150,000 for the Public Works Building Addition. Commissioner Doherty seconded. Unanimous approval.*

### Public Works Sander Building

*Commissioner Lindsay moved to postpone the \$300,000 request for a Sander/Equipment Storage Building at the Lexington Yard to next year. Commissioner Russell seconded. Unanimous approval.*

### Replace Airport Above-Ground Fuel Tanks

*Commissioner Russell moved to not approve the request to replace the above-ground fuel tanks at the Airport. Ms. Parker seconded. Unanimous approval.*

### Sheriff's Office Requests for In-Vehicle Computers and Accessories

*Ms. Parker moved to approve a \$25,000 maximum expenditure using the Unappropriated Ending Fund Balance for the Sheriff's Office in-vehicle computers, security systems, and mounts. Commissioner Doherty seconded. Unanimous approval.*

Community Corrections Program (Parole and Probation) Vehicle Request

Ms. Parker said information was lacking concerning the mileage and year of the vehicle currently used and suggested this request be considered at another time. She also said the only FTE request she would consider funding would be the half-time School Resource Officer (SRO) in conjunction with the school districts. She said the Sheriff's Office has been supported by this Committee in the past regarding position requests, but the County still does not have 24-hour coverage and some schools zones are not being patrolled. Commissioner Lindsay said the Sheriff's Office has seen an increase every year since 2012.

*Ms. Parker moved to not approve the Community Corrections/Parole and Probation vehicle request this year. Commissioner Russell seconded. Unanimous approval.*

Sheriff's Office FTE Requests – Criminal Deputy, Patrol Deputy, Traffic Safety/Enforcement Deputy, School Resource Deputy

Chair Mills said he agreed with Ms. Parker's earlier comment about that the only request he could support would be the SRO position since the school districts will fund about half. Discussion.

*Commissioner Russell moved the following if the County decides to approve the School Resource Deputy position at a later date after additional discussions with the Sheriff's Office: move \$30,000 for the School Resource Deputy vehicle to Contingency, as well as \$35,000 for the County's portion of that position, making it a total of \$65,000 to Contingency. Ms. Parker seconded. Unanimous approval.*

*Commissioner Doherty moved to not approve the Sheriff's Office Criminal Deputy, Patrol Deputy and Traffic Safety/Enforcement Deputy FTE requests. Ms. LaRue seconded. Unanimous approval.*

The Loop – Morrow County Transportation Fund Request

Ms. Knop said the request is to have \$30,000 available as Contingency since that office will receive reduced grant funding and could run out of funds in Personnel.

The Loop Coordinator, Anita Pranger said this would make sure the program can continue growing as it has been.

Chair Mills said the County has a large Contingency in the General Fund if The Loop runs into trouble there is the ability for the Commissioners to handle it.

*Commissioner Lindsay moved to not approve the \$30,000 Contingency request for the Special Transportation Fund with the understanding there are other options. Commissioner Russell seconded. Unanimous approval.*

Repair & Maintenance

Mr. Sorte said one vehicle is under the General Fund, Non-Departmental. Ms. Knop said two requests were received, Planning Department and Veterans Services Office. Chair Mills said the Veterans Services Office also requested extra help for filing. Ms. Knop said the request is at \$12,000 but she listed \$2,000 and Ms. Skendzel (Veterans Services Officer) can approach the Board if she runs into problems. Ms. Parker suggested putting it in the budget the next year if it runs out. Ms. Knop said there was a \$2,900 request under Repair & Maintenance but she listed \$2,000.

*Ms. Parker moved to not fund the Repair & Maintenance and the extra help for the Veterans Services Office. Commissioner Lindsay seconded. Unanimous approval.*

#### Justice Court Request to Increase One Staff Member's FTE

*Commissioner Russell moved to approve the request to increase a staff member's FTE from 0.80 to full-time. Commissioner Doherty seconded. Aye: Chair Mills, Ms. LaRue, Ms. Parker, Commissioner Russell, Commissioner Doherty. Nay: Commissioner Lindsay. Motion carried.*

#### District Attorney Office Request to Transfer the Victim/Witness Advocate to General Fund

*Commissioner Doherty moved to not transfer the Victim/Witness Advocate position to the General Fund but instead to have the DA's Office attempt to obtain grants to fully fund the position. If that does not take place, the issue will be revisited. In addition, it will remain in the Special Revenue Fund where it is currently located (Fund 220). Commissioner Lindsay seconded. Unanimous approval.*

#### Road Department FTE Requests – General Maintenance and Office Clerk

*Commissioner Doherty moved to approve the 0.50 FTE request in General Maintenance. Ms. LaRue seconded. Unanimous approval.*

Discussion related to the Office Clerk request emphasized that the plan is not to maintain this increased level of funding every year from here on out for the Road Department. Commissioner Doherty summed it up by saying the Committee did not express strong support or opposition for the request so it could be revisited later.

*Commissioner Doherty moved to not increase the current Office Clerk position by 0.50 FTE. Commissioner Lindsay seconded. Aye: Commissioner Doherty, Commissioner Lindsay, Ms. Parker. Nay: Chair Mills, Ms. LaRue, Commissioner Russell. Motion failed.*

*Commissioner Doherty moved that the decision be set aside to revisit at a later date. Commissioner Russell seconded. Unanimous approval.*

**Break:** 1:15 p.m.    **Resumed:** 1:30 p.m.

#### Discussion – Amount to Transfer from SIP to the Road Department

*Chair Mills moved to transfer \$600,000 from the General Fund Ending Fund Balance to the Road Department. Commissioner Russell seconded. Extensive discussion concerning where the Budget currently stands. (No vote.)*

*Chair Mills moved to transfer \$200,000 from the Grants to Cities to the Road Department. Commissioner Russell seconded. Unanimous approval.*

**Public Works Sander Building**

*Commissioner Lindsay moved to approve \$300,000 for the Public Works Sander Building from the General Fund. Ms. Parker seconded. Unanimous approval.*

**Budget Approval**

*Ms. LaRue moved that the Morrow County Budget Committee approves the Budget and Taxes for the 2017-2018 Fiscal Year at the rate of \$4.1347 per \$1,000 of Assessed Value for Operating Purposes. Ms. Parker seconded. Unanimous approval.*

**Public Comment**

Cyde Estes, Heppner

Ms. Estes commended the Budget Committee Members and Commissioners for the work put forth and thanked them for their years of service.

**Adjourned:** 2:15 p.m.