

Morrow County Budget Committee Meeting Minutes
Tuesday, April 17, 2018
Bartholomew Building Upper Conference Room
Heppner, Oregon

Present

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| Commissioner Don Russell | Jeff Wenholz, Budget Committee |
| Commissioner Jim Doherty | Darrell Green, Administrator |
| Commissioner Melissa Lindsay | Kate Knop, Finance Director |
| Larry Mills, Budget Committee | Roberta Lutchter, Executive Assistant |
| Linda LaRue, Budget Committee | |

Call to Order and Pledge of Allegiance: 9:02 a.m.

Election of Budget Committee Chair and Secretary

Ms. LaRue nominated Mr. Mills as Chair. Commissioner Doherty seconded. Unanimous approval.

Commissioner Russell nominated Ms. LaRue as Secretary. Commissioner Lindsay seconded. Unanimous approval. (Ms. LaRue delegated the duties to the Board Executive Assistant.)

Minutes

Commissioner Russell moved to approve the minutes of the 2017 Budget Committee Meetings with one correction noted. Ms. LaRue seconded. Unanimous approval.

Budget Message and Explanation of Budget Documents

Finance Director and Budget Officer Kate Knop provided the Budget Message and then proceeded to discuss the budget documents.

Presentation of Revenue – Property Taxes, Strategic Investment Program (SIP) & Long Range Planning

Kate Knop, Finance Director

Mike Gorman, Assessor/Tax Collector

A slide presentation was provided on: the budget request process; a breakdown of types of funds within the budget; Taxes to Balance for this budget compared to the last; 2018-19 Estimated Property Tax Revenue; SIP Program Funds; General Fund and Road Budgets; and a 2018-19 Financial Summary. Mr. Gorman also discussed estimated values of Taxing District for 2018-19, and said most districts will see a moderate increase.

Ms. Knop noted the Road Fund will receive 100% of all SIP discretionary funds in this proposed budget. She asked that \$2,600,000 be left in the Unappropriated Ending Fund Balance, which is an increase from the previous year.

Compensation & Benefits Update

Karen Wolff, Human Resources Director

Ms. Wolff discussed the changes to health-related insurances for employees, not including Teamster employees (that information typically comes at the end of the year). She also reviewed the anticipated rates for other insurances, such as liability, property, auto physical damage and Workers' Compensation. The history of Cost of Living Adjustments (COLAs) was reviewed by Ms. Wolff, as well as the recommendations of the Compensation Board for salaries of Elected Officials. She also outlined the job Reclassification Requests and Full-Time Equivalent (FTE) Requests.

Ms. Knop explained the changes in the process involving FTE requests this year. She said the staffing increase requests were reviewed by the Board of Commissioners (BOC) at its March 28th meeting, where a decision on whether or not to forward a request to the Budget Committee was made. She said this approach allows the Budget Committee to focus on determining the feasibility of funds for a given position, and not if the staffing request itself is warranted.

Break: 10:01 a.m. **Resumed:** 10:15 a.m.

Board of Commissioners

Darrell Green, Administrator

Mr. Green explained the restructuring of the Finance and Human Resource (HR) Departments that moves both to a new department called Administrative Services. He also reviewed other changes to the budget.

Ms. LaRue moved tentative approval of the Board of Commissioners Budget. Mr. Wenzholz seconded. Commissioner Lindsay requested to separate out Commissioner pay as a separate vote. She said she did not want to vote on her own financial gain, or she could recuse herself from this vote. She said she voted to forward the recommendation from the Compensation Board...and she supports what is being done, and that the position is more than part-time, but she stated again she did not want to vote on her own financial gain. Ms. LaRue said it could be done in two votes. Chair Mills said the motion is to give tentative approval to the BOC Budget less the Commissioners' salaries and benefits. Unanimous approval.

Ms. LaRue moved tentative approval of Department 101, as-is. Mr. Wenzholz seconded. Aye: Ms. LaRue, Mr. Wenzholz, Commissioner Russell, Chair Mills. Not voting: Commissioner Doherty, Commissioner Lindsay. Discussion: Commissioner Russell said, for the record, he would have recused himself but a quorum was needed. He added the County could not have a better group of people on the Compensation Board than the group it currently has.

Building Reserve Fund

Mr. Green said the request is to allocate \$50,000 to this fund, as has been past practice. This fund would pay for significant damage to a building, for example.

Commissioner Russell moved tentative approval of the Building Reserve Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

Equity Fund

Mr. Green reported the fund has a balance \$17,000. Ms. Knop said the fund's original amount to loan was \$500,000 and \$580,000 has been loaned to-date. Mr. Green said as the meetings progress, the Committee might want to add additional funding to this because the balance is too small to loan.

Ms. LaRue moved tentative approval of the Equity Fund Budget, adding it should be reviewed near the end of the meeting. Commissioner Doherty seconded. Unanimous approval.

Computer Fund

Ms. LaRue moved tentative approval of the Computer Fund Budget. Commissioner Doherty seconded. Unanimous approval.

Computer Equipment Reserve

Commissioner Russell moved tentative approval of the Computer Equipment Reserve Fund Budget. Mr. Wenholz seconded. Unanimous approval.

Programming Reserve

Commissioner Lindsay moved tentative approval of the Programming Reserve Fund Budget. Commissioner Doherty seconded. Unanimous approval.

Safety Committee

Ms. Wolff said this is funded through the dividends provided to the County from SAIF. In recent years, the dividends have been between \$40,000-44,000 with the County allocating \$7,000 to the Safety Committee. She said policy is currently being written on how to access the Safety Committee funds.

Commissioner Doherty moved tentative approval of the Safety Committee Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

Administrative Services (formerly Finance Department)

Ms. Knop said Administrative Services will include revenue and expenditures for HR and Finance with the short-term goal being to provide centralized services for employees and external customers. She said the BOC voted on March 28th to forward the FTE request for a Staff Accountant to the Budget Committee. Ms. Knop and Ms. Wolff reviewed the line item changes that have been made to transition to the new department. Ms. Knop further explained that since Administrative Services provides services for every department, the long-term goal is to have an internal service charge within each department's budget. However, she said it will take time to build a history to determine the true costs for such a fee.

Commissioner Doherty moved tentative approval of the Administrative Services Budget. Mr. Wenholz seconded. Unanimous approval.

Assessor/Tax Collector

Mike Gorman, Assessor/Tax Collector

Mr. Gorman reviewed the changes, which he termed as “not many.”

Commissioner Lindsay moved tentative approval of the Assessor/Tax Collector Budget. Commissioner Doherty seconded. Unanimous approval.

Treasurer

Gayle Gutierrez, Treasurer

Ms. Gutierrez noted a change in Material & Services to purchase a stand-up desk, and said that amount will be reduced next year. She also said she increased the lines for Lodging & Meals and Registration & Dues because she plans to attend an out-of-state training for investing public funds.

Commissioner Russell moved tentative approval of the Treasurer’s Budget. Aye: Chair Mills, Ms. LaRue, Mr. Wenholz, Commissioner Russell and Commissioner Doherty. Nay: Commissioner Lindsay. Motion carried. Discussion: Commissioner Lindsay said she voted as she did because the planned travel is out-of-state and the County is still in the process of revising its travel policy. She said she believed travel should be in-state whenever possible, and if not, should be approved by the Administrator or BOC. She said the policy should be in place and this opens the door for people to not follow policy. Commissioner Doherty said he did not disagree and it is a policy discussion that needs to be had outside of the Budget Meetings. Ms. Knop said all things travel-related are on the list to be evaluated.

County School Fund

Ms. LaRue moved tentative approval of the County School Fund Budget. Commissioner Russell seconded. Unanimous approval.

Ione School Fund

Commissioner Russell moved tentative approval of the Ione School Fund Budget. Mr. Wenholz seconded. Unanimous approval.

Clerk

Bobbi Childers, Clerk

Ms. Childers discussed the Housing Alliance Tax, which is a document recording fee set by, and passed on to the State. It will increase on June 4th from \$20 to \$60 per transaction. She said the Clerk’s Office has passed through \$27,280 to the State, but she estimated that amount will be \$81,803 next year. She encouraged the Board to pursue any available housing-related funding from the State since much of it originates from counties.

Ms. Childers reviewed her request for a new voting machine since the current machine is 10 years old and created issues in the last election. She said the new machine is \$54,000 and should last 10 years.

Commissioner Lindsay asked about a \$5,000 buffer in the Election line. Ms. Childers said she had no problem changing it as long as it's understood the County would have to pay if there isn't enough in that line.

Ms. Knop said conservative numbers are needed in the budget requests, and if minor changes are needed throughout the year, Directors can make a request. Commissioner Lindsay said this is a recurring theme in the County, not however, with Ms. Childers' budget.

Commissioner Doherty moved tentative approval of the Clerk's Budget, noting the \$5,000 buffer will be re-evaluated at the end of the Budget Meetings. Ms. LaRue seconded. Unanimous approval.

Board of Property Tax Appeals

Ms. LaRue moved tentative approval of the Board of Property Tax Appeals Budget. Commissioner Lindsay seconded. Unanimous approval.

Clerk's Records

Commissioner Lindsay moved tentative approval of the Clerk's Records Budget. Ms. LaRue seconded. Unanimous approval.

Juvenile Department

Commissioner Lindsay moved tentative approval of the Juvenile Department Budget. Commissioner Doherty seconded. Unanimous approval.

Public Comment: No comments

Recess for lunch: 11:41 a.m. **Resumed:** 1:00 p.m.

District Attorney

Justin Nelson, District Attorney/County Counsel (via video conference)

Mr. Nelson explained this budget is the primary budget for most of his staff and supplies, adding it contains no grant funding as a revenue source. Discussion.

Mr. Wenholz moved tentative approval of the District Attorney Budget. Commissioner Russell seconded. Unanimous approval.

Alcohol Enforcement Fund

Mr. Nelson said there hasn't been any revenue for the past several years for this fund. Ms. Knop said there are discussions to research older funds with little or no activity with the intention of clearing them up.

Commissioner Lindsay moved tentative approval of the Alcohol Enforcement Fund Budget. Commissioner Doherty seconded. Unanimous approval.

Victim/Witness Fund

Mr. Nelson said he received tentative approval from the BOC to have the salary and benefits for the Victim/Witness Assistant paid from the General Fund rather than grant-funded. He said the grant funding would then be allocated for direct victim services. It will also entail changing the grant to allocate the funding to those services, but he said he was informed it wouldn't be a problem. It will make our life easier for grant reporting, he said.

Commissioner Lindsay said it was not approved to move it from grant-funded to non-grant-funded. It was moved forward for discussion with the caveat the grant money could be used for other things.

Commissioner Doherty said Mr. Nelson made a similar proposal at last year's Budget Meetings to move this position from grant-funded to the General Fund. Commissioner Doherty said he stated at that time if someone doesn't want to chase grants, we should not pick it up at the County level. He asked Mr. Nelson to justify this request, and further inquired if he is proposing to use the grant funds on other things that are more attainable and take less maintenance.

Mr. Nelson said that is correct, the grant won't go away. It's different than a competitive grant and still requires accounting, financial and program reporting but it's a set amount. When you're using it toward an FTE position, it requires more tracking and reporting to verify and show validity. I look at it as ease of operation for the grant reporting. The cash flow is easier...trying to get reporting done in time has been a strain in the past...having an employee rely on that funding for a paycheck. I'd rather have it for other victim services.

Ms. Knop said she has seen cash flow issues due to untimely reports, but the County has never withheld payroll; we legally cannot do that.

Commissioner Doherty asked for clarification of the request – is it an increase in FTE?

Ms. Knop said no, it's a request to increase General Fund support of the FTE vs. grant funding.

Commissioner Doherty said this is not an increase because Mr. Nelson plans to offset the General Fund with grant funds, correct?

Mr. Nelson said it's a reallocation of grant funding for victim services.

Ms. Knop offered the following information: This year's proposed budget is \$161,880, while last year's was \$103,782. Mr. Nelson is requesting the General Fund pay 100% of the FTE and he would allocate the \$61,782 grant award to Material & Services. The overall fund would increase, she concluded.

Commissioner Lindsay pointed out there were three other Department Directors in the room who rely heavily on grant-funded positions. If the County takes the view that grants require too much work, then we've opened a gate and the Board has been clear we won't do that. Taking that step sends the message we're willing to take a grant-funded FTE and move it to the General Fund. She said the County has \$11,700,000 in Personnel costs and the General Fund income is \$6,900,000. Without the \$7,300,000 in grant funding, the County can't cover those Personnel costs and we won't last very long, she said.

Commissioner Lindsay tentatively moved to not move the grant-funded Victim/Witness position into the General Fund; and to have the District Attorney revise the budget request by removing the grant funds that were reallocated to different line items. Ms. LaRue seconded. Discussion: Commissioner Doherty said sometimes grants fund positions that are reasonable and the County wants to continue, but if the DA didn't apply for the grant and the funding went away, he could ask the County to fund that position. He said his guess is the Budget Committee would get behind such a request. Aye: Chair Mills, Ms. LaRue, Mr. Wenholz, Commissioner Russell, Commissioner Lindsay. Nay: Commissioner Doherty. Motion carried.

Commissioner Doherty said he wouldn't suggest that any departments back away from grant-funded positions, but if Mr. Nelson, or anyone else goes this route...we in the end may lose out.

CAMI (Child Abuse Multidisciplinary Intervention) Grant Fund

Commissioner Russell moved tentative approval of the CAMI Grant Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

Law Library

Mr. Wenholz moved tentative approval of the Law Library Budget. Commissioner Lindsay seconded. Unanimous approval.

DUII (Driving Under the Influence of Intoxicants) Impact Fund

Commissioner Doherty moved tentative approval of the DUII Impact Fund Budget. Ms. LaRue seconded. Unanimous approval.

Liquor Control Fund

Ms. LaRue moved tentative approval of the Liquor Control Fund Budget. Commissioner Russell seconded. Unanimous approval.

Court Security Fund

Ms. LaRue moved tentative approval of the Court Security Fund Budget. Commissioner Russell seconded. Unanimous approval.

Sheriff's Department

Sheriff Ken Matlack

Undersheriff John Bowles

Corrections Lieutenant Dan Robbins

Discussion on multiple items within the Sheriff's Department Budget. The Budget Committee ultimately settled on changes to the following Materials & Services lines: Gasoline; Jail – Board and Room; City of Heppner Contract; and Vehicle Supplies. Chair Mills asked Undersheriff Bowles if an increase of \$40,000 to Jail – Board and Room would get close to the bed increase he was requesting. He responded it would get to an increase of two beds, which is reasonable. If he finds out during the year it's not enough, he said he would come back to the Board to request funding for additional beds.

Commissioner Doherty moved tentative approval of the Sheriff's Department Budget with the following changes in Materials & Services: reduce the Gasoline line by \$20,000; increase the Jail – Board and Room line by \$40,000; reduce the City of Heppner Contract by \$10,000; and reduce Vehicle Supplies by \$10,000. Mr. Wenholz seconded. Unanimous approval.

911 Emergency Fund

Ms. LaRue moved tentative approval of the 911 Emergency Fund Budget. Commissioner Russell seconded. Unanimous approval.

Community Corrections

Commissioner Lindsay moved tentative approval of the Community Corrections Budget. Ms. LaRue seconded. Unanimous approval.

Emergency Management

Commissioner Russell moved tentative approval of the Emergency Management Budget. Mr. Wenholz seconded. Unanimous approval.

Justice Court

Judge Ann Spicer

Commissioner Doherty asked if there is a line item for uncollected fines. Ms. Knop said the budget only has Revenue and Expenditures, but she is working with Judge Spicer on processes relative to Accounts Receivable. After Commissioner Lindsay asked the amount of uncollected fines, Judge Spicer replied it's approximately \$1,500,000.

Commissioner Russell moved tentative approval of the Justice Court Budget. Commissioner Doherty seconded. Unanimous approval.

Bails & Fines

Ms. LaRue moved tentative approval of the Bails & Fines Budget. Commissioner Russell seconded. Unanimous approval.

Veterans Department

Linda Skendzel, Veterans Services Officer (VSO)

Ms. Knop noted the VSO job description was updated and reclassified from pay range 6E to 10E, which accounts for the increased salary line for that position.

Ms. Skendzel discussed the additional \$40,000 Morrow County received in August 2017 from the Oregon Department of Veterans' Affairs that allowed her office to hire a temporary part-time employee. She said she hoped to make it a permanent part-time position in the future.

Commissioner Russell moved tentative approval of the Veterans Department Budget. Mr. Wenholz seconded. Unanimous approval.

Break: 2:53 p.m. **Resumed:** 3:04 p.m.

Public Health

Sheree Smith, Public Health Director (via video conference)

Vickie Turrell, Office Manager

Ms. Smith commented Public Health is receiving more revenue in billings. Ms. Turrell added it takes quite a bit of effort to get some insurance companies to pay what is owed the County.

Commissioner Doherty moved tentative approval of the Public Health Department Budget. Commissioner Russell seconded. Unanimous approval.

Planning Department

Carla McLane, Planning Director

Commissioner Lindsay moved tentative approval of the Planning Department Budget. Ms. LaRue seconded. Unanimous approval.

Heritage Trail Fund

Ms. McLane said the steering committee has been reinitiated and activities are ramping up. However, the resignation of the Outreach Coordinator in Planning slowed down some of the momentum, she added.

Commissioner Russell moved tentative approval of the Heritage Trail Fund Budget. Commissioner Doherty seconded. Unanimous approval.

Building Permit Fund

Ms. McLane said this fiscal year she identified a new vehicle purchase from this fund, as well as the anticipated expenses relative to the Buildable Lands Inventory and Housing Analysis. Ms. Knop said the vehicle was not listed but she will add it to Capital Outlay.

Commissioner Doherty moved tentative approval of the Building Permit Fund Budget with the addition of \$27,500 to Capital Outlay. Ms. LaRue seconded. Unanimous approval.

Water Planning Fund

Ms. McLane said the dues to the Northeast Oregon Water Association (NOWA) of \$5,000 have been paid from this fund, and the same is planned for the next few years. She said she'd like to add a new line item related to the Lower Umatilla Basin Groundwater Management Area (LUBGWMA). Oregon State University plans research on how to manage nitrate issues in the groundwater, and Ms. McLane said she'd like to obligate \$1,000 this year and the next to that effort. (Ms. Knop suggested using "Other Expenses" rather than creating a new line.) Ms. McLane said that after the NOWA dues are paid and the contribution to the OSU research, the fund will be expended. She asked the Board how the County will then remain engaged in NOWA and LUBGWMA. There was discussion about whether or not there are tangible benefits to remaining in NOWA.

Commissioner Lindsay moved tentative approval of the Water Planning Fund Budget. Commissioner Russell seconded. Unanimous approval.

Discussion continued on how to charge other Departments for GIS mapping work done in Planning by the GIS Planning Tech, and the stipend for Planning Commission members which was previously brought to the BOC but resulted in no action.

Public Comment: No comments

Recessed: 3:50 p.m.

Morrow County Budget Committee Meeting Minutes
Wednesday, April 18, 2018
Bartholomew Building Upper Conference Room
Heppner, Oregon

Present

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

Jeff Wenholz, Budget Committee
Darrell Green, Administrator
Kate Knop, Finance Director
Roberta Lutchter, Executive Assistant

Call to Order: 9:03 a.m.

Budget Update

Ms. Knop reviewed the changes that resulted from yesterday's meeting.

Commissioner Doherty said it was somewhat discouraging yesterday when a department originally requested a \$60,000 increase, but the Budget Committee easily found that amount within their budget by reallocating line items. Commissioner Lindsay said there is money to be garnered from every budget, to some extent. Commissioner Doherty added that's why budgets are tentatively approved, so they can be revisited at the end of the Budget Meetings.

Commissioner Lindsay requested the Budget Committee Meeting books be available at least one week before the meetings. Ms. Knop said there's no reason that can't happen if there are firm deadlines, but the budget even changed last night. Commissioner Russell said the problem is not on the part of the Finance Director, it's multiple departments that come to her at the last minute. She can't compile the budget document until it contains all the necessary base information, he said. Commissioner Lindsay said the Board clearly supports enforcing deadlines.

Public Comment: No comment

Road Fund

Matt Scrivner, Public Works Director
Eric Imes, Assistant Road Master

Discussion took place on the "Transfer from Other Funds" section of the Road Department Budget. Commissioner Lindsay said she wanted the \$1,129,500 that was listed as a Transfer from the General Fund to be a Transfer from Shepherds Flats. Additional debate ensued as to the pros and cons of doing that. There were also discussion by the Commissioners about the "cushions" contained in some of the Road budgets and the need to be aware of that across the board. It was also decided to leave the Ending Fund Balance at \$1,000,000 and use a budget resolution to move some of it after paving season, if necessary.

Commissioner Doherty moved tentative approval of the Road Department Budget with the following change: remove the Transfer from the General Fund in the amount of \$1,129,500 and have the Road Fund directly receive Shepherds Flat monies in the amount of \$1,129,500. Ms. LaRue seconded. Unanimous approval.

Equipment Reserve

Commissioner Russell moved tentative approval of the Equipment Reserve Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

Finley Buttes Trust Fund

Commissioner Russell moved tentative approval of the Finley Buttes Trust Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

Park Fund

Mr. Scrivner
Greg Close, Parks General Manager

Commissioner Russell moved tentative approval of the Parks Fund Budget. Ms. LaRue seconded. Unanimous approval.

Airport Fund

Mr. Scrivner
Sandi Pointer, Public Works Management Assistant
Ms. Pointer said the County receives funds from the Federal Aviation Administration every three years, which are set aside for larger projects. This year, the funds will be used for improvements to the airport apron. She said Public Works is requesting \$16,000 from the County to update the dial-up fueling system used by pilots purchasing fuel. Commissioner Russell said the fuel at the Lexington Airport is priced below market and that he'd like the County to consider adding a jet fuel tank in the future. Commissioner Lindsay said pilots shop around and if the fuel price is competitive, it will bring in more pilots. We're failing to see the airport as an economic development piece to growth in south Morrow County, she added. She then suggested the \$16,000 come from the Video Lottery Fund Budget.

Commissioner Russell moved tentative approval of the Airport Fund Budget with the addition of \$16,000 from the Video Lottery Fund Budget to pay for the fueling system update. Ms. LaRue seconded. Unanimous approval.

Public Works General Maintenance

Mr. Scrivner
Tony Clement, General Maintenance Supervisor
It was noted that maintenance at the Fairground facilities is now under Public Works General Maintenance. After various conversations, Chair Mills suggested a reserve fund be created for this budget in the next budget cycle.

Mr. Wenzholz moved tentative approval of the Public Works General Maintenance Budget. Commissioner Russell seconded. Unanimous approval.

Public Works Administration

Commissioner Doherty moved tentative approval of the Public Works Administration Budget with the following changes: Sander Building – reduce from \$400,000 to \$120,000; Boardman Public Works Facility – increase from \$375,000 to \$500,000. Commissioner Lindsay seconded. Unanimous approval.

Public Works Transfer Stations – North and South

Commissioner Russell moved tentative approval of the Public Works Transfer Stations, North and South. Commissioner Doherty seconded. Unanimous approval.

Weed Department

Mr. Scrivner

Dave Pranger, Weed Coordinator/Inspector

Ms. LaRue moved tentative approval of the Weed Department Budget. Mr. Wenzholz seconded. Unanimous approval.

Break: 11:03 a.m. **Resumed:** 11:16 a.m.

Weed Equipment Reserve

Commissioner Russell moved tentative approval of the Weed Equipment Reserve Budget. Commissioner Doherty seconded. Unanimous approval.

Fair Fund

Ann Jones, Fair Secretary

Pat Tolar, Fair Board Member

Ms. Jones reviewed some of the changes within the budget. Mr. Tolar explained the request of \$18,250 for a Challenge of Champions Bull-Riding Tournament. Chair Mills noted a similar request was made last year for the Wee Bit O’Ireland Celebration but the Committee decided against it due to its uncertainty to make money. Commissioner Doherty said this and the other new budget requests will be considered at the end of the Budget Meetings. Discussion.

Ms. LaRue moved tentative approval of the Fair Fund with the increase to the Entertainment Sponsors line from \$4,500 to \$10,000. Commissioner Lindsay seconded. Unanimous approval.

Queen & Court

Ms. Jones said there hasn’t been any activity in this area. It was decided to leave the budget as it currently stands to be available in the future, if needed.

Fair Roof Reserve

Commissioner Russell moved tentative approval of the Fair Roof Reserve Budget. Commissioner Lindsay seconded. Unanimous approval.

Rodeo Fund

Chair Mills asked about the status of the Rodeo privatization. Commissioner Lindsay said their non-profit status was approved but the bylaws are still being worked through with the County. She said while this year's budget is similar to last year's, next year's should look different. She said their goal is to use up the budget and not have a traditional budget next year, just a request of Video Lottery Funds. Ms. Knop said the County transferred the remaining Ending Fund Balance, Other Requirements, 230-301-5-50-5001, into the Bleacher Reserve Fund for capital.

Commissioner Russell moved tentative approval of the Rodeo Fund Budget. Ms. LaRue seconded. Unanimous approval.

Bleacher Reserve Fund

Commissioner Lindsay moved tentative approval of the Bleacher Reserve Fund Budget. Ms. LaRue seconded. Unanimous approval.

Special Transportation Fund (STF)

Anita Pranger, Coordinator, The Loop – Morrow County Transportation
Sheryll Bates, STF Advisory Board Member
Mike Jones, STF Advisory Board Member

Commissioner Russell moved tentative approval of the STF Budget. Mr. Wenholz seconded. Unanimous approval.

STF Vehicle Reserve Fund

Ms. Pranger said the required match for a new ADA van will come out of this fund shortly. She also said she ordered a new bus a year ago, but the wrong bus was delivered. She said she is working with the State and the vendor to correct it. Once the new vehicles arrive, she said \$80,000 will remain in this fund.

Commissioner Russell moved tentative approval of the STF Vehicle Reserve Fund Budget. Ms. LaRue seconded. Unanimous approval.

5310 Federal Transit Administration (FTA) Grant Fund

Ms. Pranger said her office received a \$22,800 grant that is divided over two years. She said it will be used to increase the temporary part-time Dispatcher position to permanent part-time, 19 hours per week.

Commissioner Russell moved tentative approval of the 5310 FTA Grant Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

5311 Grant Fund

Ms. Pranger said this is only a placeholder for anticipated new funds from the Statewide Transportation Improvement Fund (STIF). No action is needed.

Surveyor

Stephen Haddock, County Surveyor

Commissioner Russell moved tentative approval of the Surveyor Budget with the following changes: Move \$400 from Office Supplies to Microfilm Service, which will result in \$100 in Office Supplies and \$400 in Microfilm Service. It was also noted the Microfilm Service line will be renamed. Mr. Wenholz seconded. Unanimous approval.

Preservation Fund

Commissioner Lindsay moved tentative approval of the Preservation Fund Budget. Commissioner Doherty seconded. Unanimous approval.

Public Comment: No comments

Recess for Lunch: 12:07 p.m.

Resumed: 1:04 p.m.

Grants to Cities

Karen Pettigrew, Manager, City of Boardman

Eddie Ball, Manager, City of Heppner

Felicia Cavan, Recorder, Town of Lexington

Each of the presenters thanked the County for last year's Grants to Cities, which resulted in the following for each community:

1. Boardman received \$60,154
2. Heppner received \$38,651
3. Irrigon received \$45,028
4. Ione received \$28,479
5. Lexington received \$27,688

Ms. Pettigrew reported Boardman's funds are being held in its Street Reserve fund. Ms. Ball said the Heppner City Council opted to set the funds aside for a sewer main project in 2020. Ms. Cavan said \$13,520 was already used for a road project in Lexington and the remainder was set aside for future road work. Morrow County Public Works did the road project, for which the Town of Lexington was invoiced. Ms. LaRue, speaking as the temporary Administrator for the City of Ione, said they plan to set the funds aside with the intention of building the account to the point they can start doing some road projects, also using Morrow County Public Works. A letter from Irrigon City Manager Aaron Palmquist, who could not attend, stated \$30,380 was spent to pave Wyoming Avenue between the school facilities, and the balance is being held for a future infrastructure project.

Chair Mills commented the Grants to Cities have been a successful venture and that he'd like to increase the funding from \$200,000 to \$400,000. He said County roads do need work, however, it is likely more people use city streets than County roads. The Committee decided to determine the amount at the end of the Committee Meetings.

Oregon State University Extension

Mary Corp, Regional Director

Julie Baker, OSU/Morrow County Administrative Program Specialist

The request presented by Ms. Corp shows an increase of \$9,780 over last year's budget request and award, however Ms. Knop said that figure was not included in the budget books prepared for the Committee. Commissioner Lindsay pointed out last year's request included an increase for a lighting improvement project of \$11,868. She said this year's request should not be based off that higher amount. Discussion.

Commissioner Doherty moved tentative approval of the OSU Extension Budget as-is, assuming that the decision package is penciled in (\$9,780) for a total of \$186,845, with the additional \$9,780 coming out of Video Lottery. Commissioner Russell seconded. Unanimous approval.

Willow Creek Valley Economic Development

Sheryll Bates, Executive Director, Heppner Chamber of Commerce

Kim Cutsforth, Executive Director, Howard & Beth Bryant Foundation

Ms. Bates said she provided an update at a recent BOC Meeting, but the Willow Creek Valley Economic Development Group (WCVEDG) includes every community in the County and all have benefitted from the County's \$25,000 funding. Ms. Cutsforth said economic development is a key factor for smaller communities. She said WCVEDG's Board is very diverse and there are a lot of things happening over the next few months.

Commissioner Lindsay moved tentative approval of the Willow Creek Valley Economic Development Budget. Commissioner Doherty seconded. Unanimous approval.

Morrow County Tourism

Ms. Bates said the \$10,000 will go toward printing more Morrow County brochures that are distributed throughout the County. The rest of the funds will be distributed among the communities for tourism efforts, she said.

Ms. LaRue moved tentative approval of the Morrow County Tourism Budget. Commissioner Russell seconded. Unanimous approval.

Video Lottery

Ms. Knop reviewed the amounts in this budget that go to other budgets, such as Morrow County Tourism (\$10,000); OSU Extension (\$19,780); Airport (\$16,000), etc.

Commissioner Lindsay moved tentative approval of the Video Lottery – Economic Development Budget knowing it may be revisited at the end of the Committee Meetings to look at the \$39,180 remaining. Commissioner Russell seconded. Unanimous approval.

Museum

Commissioner Russell moved tentative approval of the Museum Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

Break: 1:57 p.m. **Resumed:** 2:09 p.m.

Wildlife Services

Patrick Smith, District Supervisor, USDA Wildlife Services, La Grande

Chris Lulay, Wildlife Specialist, USDA Wildlife Services, Morrow County

Mr. Smith said this year's request of \$72,747.07 is higher than last year's of \$54,000. He said the increase is due to job costs and overhead, adding the agency did not want to increase the cost to counties and put it off as long as possible. Chair Mills asked what will happen if the County can't fund the \$18,747 difference. Mr. Smith said services would be maintained but the work season might have to be shortened, or an employee might have to seek work out-of-state, or they might reduce an employee. He also said the State is "peeling back" instead of putting in its fair share and the department is at a point where it needs a different business model in order to survive. Commissioner Lindsay said she was harsh with the District Attorney's request and this feels similar. She said the Board has been clear it won't backfill positions. Commissioner Russell said our "partners" are cutting back and putting the burden on us. Commissioner Doherty commented the message needs to be pushed at the Association of Oregon Counties that the State needs to "shore these up." Mr. Smith said he understood, adding federal funds are shrinking every year and they still want to provide the best service.

Commissioner Lindsay moved tentative approval of the Wildlife Services Budget at \$54,000. Commissioner Russell seconded. Aye: Chair Mills, Mr. Wenholz, Commissioner Russell, Commissioner Doherty, Commissioner Lindsay. Nay: Ms. LaRue. Motion carried. The Committee agreed to revisit this budget at the end of the Committee Meetings.

Fair Improvement Fund

Mr. Wenholz moved tentative approval of the Fair Improvement Fund Budget. Commissioner Russell seconded. Unanimous approval.

Soil & Water Conservation District

Janet Greenup, Manager, Soil & Water Conservation District

After reviewing the SWCD budget request, Ms. Greenup said she is preparing to retire after 37 years with the organization.

Commissioner Russell moved tentative approval of the SWCD Budget. Ms. LaRue seconded. Unanimous approval.

Watermaster

Morrow County's contribution to the Oregon Water Resources Department is used for the Assistant Watermaster program within the County. Ms. Knop said the \$12,217 request is the same as last year.

Commissioner Lindsay moved tentative approval of the Watermaster Budget. Commissioner Doherty seconded. Unanimous approval.

Irrigon/Boardman Emergency Assistance Center

Ina Abercrombie, Coordinator

Shirley David, Bookkeeper

Ms. Abercrombie reviewed statistics of people served and types of service. She said 1,400 people received assistance in the last six months, an increase of 200 from the prior six months. The Center, she said, helps people with rent, or other lodging, fuel, and utilities, for example. In addition, the Community Action Program of East Central Oregon (CAPECO) provides an allotment for their food pantry. She said they are open one day a week on Tuesdays and have one paid employee. They are requesting a \$2,000-3,000 increase to their usual \$16,000 amount because, she said they plan to do more outreach to the elderly. The Committee agreed to review the increase request at the end of the Committee Meetings.

Commissioner Doherty moved tentative approval of the Irrigon/Boardman Emergency Assistance Center Budget of \$16,000. Commissioner Lindsay seconded. Unanimous approval.

Morrow County School District

Dirk Dirksen, Superintendent

Mr. Dirksen discussed the Behavior/Therapeutic Classroom the school district is implementing in Boardman. He said they are requesting \$50,000 from Morrow County, but the project will proceed even if the County does not contribute. While the Committee voiced support for the classroom, they also asked if alternate funding sources had been explored, i.e. the Columbia River Enterprise Zone (CREZ) II Board or the Education Foundation. The Committee decided to review the request at the end of the Committee Meetings.

Public Comment: No comments

Finley Buttes License Fee

Ms. Knop said we're estimating \$1,275,000 plus carryover, which will be fully allocated to the Road Fund.

Commissioner Russell moved tentative approval of the Finley Buttes License Fee Budget. Mr. Wenholz seconded. Unanimous approval.

Heppner Admin. Building Fund (Debt Service)

Ms. Knop said the request is a General Fund transfer of \$337,700 to keep the fund at 0.

Ms. LaRue moved tentative approval of the Heppner Admin. Building Fund Budget. Commissioner Doherty seconded. Unanimous approval.

Forest Service Fund

Ms. Knop said there has been no spending in this fund and there is an anticipated carryover balance of \$60,500. We fully allocate anything that qualifies under the Title III program, she said. Chair Mills commented the restrictions on this fund are “tight.” Commissioner Doherty said he would find out how to spend some of these funds. Assessor/Tax Collector Mike Gorman asked about the possibility of a shelter.

Commissioner Doherty moved tentative approval of the Forest Service Fund Budget. Commissioner Russell seconded. Unanimous approval.

(Later in the meeting, Human Resources Director Karen Wolff said Title III funds are restricted to activities under the Firewise Community Program for homeowners, and search and rescue efforts on National Forests. Commissioner Lindsay suggested the Planning Director explore possible opportunities with these funds.)

Willow Creek Wind Fees Fund

Ms. Knop said the estimated \$30,000, plus interest, will be allocated to the General Fund.

Ms. LaRue moved tentative approval of the Willow Creek Wind Fees Fund Budget. Commissioner Russell seconded. Unanimous approval.

Echo Winds Fees Fund

Ms. Knop said the estimated \$40,000, plus interest, will be allocated to the General Fund.

Mr. Wenzholz moved tentative approval of the Echo Winds Fees Fund Budget. Commissioner Russell seconded. Unanimous approval.

Shepherds Flat Fee Fund

Ms. Knop said the anticipated \$1,325,000 will be allocated as follows: \$21,500 to the Community Renewable Energy Association (CREA); \$175,000 to Road Equipment Reserve; \$1,129,500 directly to Roads.

Commissioner Russell moved tentative approval of the Shepherds Flat Fee Fund Budget. Commissioner Lindsay seconded. Unanimous approval.

PGE Carty Fund

Ms. Knop said we’ll receive \$1,647,194 and it will be allocated as follows: \$50,000 to CREA; \$1,597,594 transfer to Roads.

Commissioner Doherty moved tentative approval of the PGE Carty Fund Budget. Ms. LaRue seconded. Unanimous approval.

South Morrow Neighborhood Center

Leann Rea, Neighborhood Center Board Member

Lisa Patton, Executive Director, Neighborhood Center

Ms. Rea offered the following statistics:

Food Boxes: 2014 – 256
2015 – 575
2016 – 718
2017 – 797

She said they continue to serve many people, including a large portion who are senior citizens. She said Ms. Patton had people come on board as volunteers who later turned that experience into paid employment. Ms. Rea explained items that go unsold for a certain amount of time are donated to a similar organization, and that the Neighborhood Center contributes to the Ione Backpack Program. Ms. Rea asked for an increase to their budget because the Neighborhood Center's budget has a \$10,000 deficit. They hope to make that up through requests to the County, WCVEDG and the CREZ II Board, she said. She concluded by saying, "We can't have our young people and senior citizens going hungry." Discussion.

Commissioner Russell moved to fund both the South Morrow Neighborhood Center and the Irrigon/Boardman Emergency Assistance Center at \$18,000. Commissioner Lindsay seconded. Unanimous approval.

Recessed: 3:51 p.m.

Morrow County Budget Committee Meeting Minutes
Thursday, April 19, 2018
Bartholomew Building Upper Conference Room
Heppner, Oregon

Present

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

Jeff Wenholz, Budget Committee
Darrell Green, Administrator
Kate Knop, Finance Director
Roberta Lutcher, Executive Assistant

Call to Order: 9:02 a.m.

Budget Update

Ms. Knop reviewed the changes from the previous two days.

Public Comment: No comments

Revisit Miscellaneous Issues

OSU Extension

Ms. Knop said she reviewed the OSU budget again with Ms. Corp to clear up some of the questions raised earlier. Commissioner Lindsay said the end result is last year's funds earmarked for the lighting improvement project did not actually go toward that, and this year it looks like the funds will go toward FTEs. She said she reviewed the OSU/Umatilla County budget and it appears they are cutting positions, while we're adding FTEs. She said she did not want to backfill OSU's budget. Ms. LaRue asked if the Committee had any control over that, saying perhaps it does. We can't continue to fund their decisions, she said. Discussion.

Commissioner Doherty moved to approve the OSU Budget at \$177,065. Commissioner Lindsay seconded. Unanimous approval.

Transfers to Other Funds

Ms. Knop outlined the transfers throughout the week - General Fund to other funds: Computer Reserve - \$15,000; Building Reserve - \$50,000; Victim/Witness - \$30,000; Heppner Admin. Building Fund - \$337,700, for a total transfer out of the General Fund of \$432,700.

Commissioner Russell moved tentative approval of the General Fund Transfers with the idea the Committee will review this after the presentation from Mr. Nelson regarding the Victim/Witness Budget. Ms. LaRue seconded. Unanimous approval.

Non-Departmental Revenues & Expenditures

Ms. Knop reviewed the changes to various Non-Departmental lines.

District Attorney, continued

Justin Nelson (via video conference)

Ms. Knop said Mr. Nelson's revised request asks for an \$18,000 increase in the Transfer from General Fund as follows: increase the Training line by \$3,000 and Victim Support line by \$15,000.

Mr. Nelson said he reviewed his prior budgets and some of the transfers were higher than the \$30,000 in this request (\$43,500 in 2015/16; \$48,000 in 2016/17), so he would like the budget to more closely match those of previous years.

Ms. LaRue asked if other grants could be pursued. Mr. Nelson replied there are other grants but they are competitive. He said he has been an evaluator of the grant applications and Morrow County would compete against larger counties, adding awards are not based on need.

Chair Mills said there is concern about the timeliness of turning in the grant reports to the State for the Victim/Witness grant and asked Mr. Nelson how he planned to remedy that. Mr. Nelson said the time the Victim/Witness Assistant spends on grant reporting reduces her time for victim contacts. He said the Finance Department has helped with the financial part of the reporting but there are still problems with the State with the program reporting. Mr. Nelson said he can't say it will get any better.

Commissioner Doherty moved tentative approval of the adjustments to the Victim/Witness Assistant Fund Budget. Commissioner Russell seconded. Aye: Chair Mills, Ms. LaRue, Mr. Wenholz, Commissioner Doherty, Commissioner Russell. Nay: Commissioner Lindsay. Motion carried.

Break: 10:09 a.m. **Resumed:** 10:26 a.m.

Non-Departmental Revenues & Expenditures, continued

Ms. Knop continued to review the Non-Departmental Budget, particularly Capital Outlay items, and Other Requirements, such as the Grants to Cities program.

Revisit Miscellaneous Issues

Morrow County School District – Behavior/Therapeutic Classroom

The Committee discussed the preference for the school district to pursue other funding opportunities.

Commissioner Doherty moved to not fund the \$50,000 Behavior/Therapeutic Classroom request from the Morrow County School District. Commissioner Lindsay seconded. Unanimous approval.

Grants to Cities Program

The City of Irrigon requested it be granted \$55,000 more than last year, or \$100,000, at a minimum. Mr. Palmquist's letter went on to ask for a total of \$200,000.

Commissioner Doherty moved not to approve the City of Irrigon's request. Ms. LaRue seconded. Unanimous approval.

Fair - Challenge of Champions

Commissioner Doherty moved to not approve the Challenge of Champions funding request from the Fair. Commissioner Russell seconded. Unanimous approval.

SIP Funds to Roads

Commissioner Lindsay moved to transfer \$70,200 from the Willow Creek Wind Fees Fund and the Echo Winds Fees Fund to Contracted Services in the Road Department. Commissioner Russell seconded. Unanimous approval.

Clerk's Budget

Commissioner Doherty moved to adjust the Clerk's Budget by \$5,000, Elections, from \$22,000 to \$17,000. Commissioner Lindsay seconded. Unanimous approval.

Grants to Cities Program, continued

Chair Mills moved to set the amount for the Grants to Cities Program at \$400,000.

Commissioner Russell seconded. Discussion: The Committee agreed the funds are to be used for any infrastructure, but not ongoing programs. Ms. LaRue also said it's important the cities be aware this is not an ongoing commitment on the County's part. Unanimous approval.

Approval of Tax Rate

Commissioner Russell moved that the Morrow County Budget Committee approves the Budget and Taxes for the 2018-2019 Fiscal Year at the rate of \$4.1347 per \$1,000 of Assessed Value for Operating Purposes. Ms. LaRue seconded. Unanimous approval.

Adjourned: 11:25 a.m.