

Morrow County Budget Hearings
April 19, 2016
Heppner, Oregon
Bartholomew Building

Present

Judge Terry Tallman
Commissioner Leann Rea
Commissioner Don Russell
Linda LaRue, Budget Committee
Larry Mills, Budget Committee
Jill Parker, Budget Committee
Jerry Sorte, Administrative Officer
Karen Wolff, Human Resources Director

Ronda Fox, Finance Management Asst.
Rick Worden, Former Finance Director
Roberta Lutcher, Court Executive Asst.

Audience

Melissa Lindsay, Judge-Elect
Gayle Gutierrez, Treasurer
Mike Gorman, Assessor/Tax Collector
Robin Jones, Accounting Clerk

Call to Order: 9:09 a.m.

Election of Chair and Secretary

Linda LaRue nominated Larry Mills as Chair. Jill Parker seconded. Unanimous approval.

*Ms. Parker nominated Ms. LaRue as Secretary. Chair Mills seconded. Unanimous approval.
(Ms. LaRue delegated the duties to the Court Executive Assistant.)*

Minutes

*Commissioner Rea moved to approve the Budget Hearing minutes of April 14, 2015.
Commissioner Russell seconded. Unanimous approval.*

Commissioner Rea moved to approve the Budget Hearing minutes of April 15, 2015. Ms. LaRue seconded. Unanimous approval.

Commissioner Rea moved to approve the Budget Hearing minutes of April 16, 2015. Ms. LaRue seconded. Unanimous approval.

Budget Messages for 2016-2017

Judge Terry Tallman

Judge Tallman's written and oral message covered the following:

- Maintenance items continue to command attention and dollars, examples being landscaping around buildings throughout the County, Courthouse mortar work and heating and cooling systems.
- Personnel change is another area which focuses time and expense, particularly related to collaborative associations regarding healthcare (Coordinated Care Organization, Early Learning Hub, Umatilla Morrow Head Start, Inc.).

- Anita Pranger, Coordinator of The Loop (formerly Special Transportation) has provided County-wide direction and growth in ridership for veterans, seniors and others.
- Portland General Electric's Carty I plant may be on-line in July or August. This means the Strategic Investment Program (SIP) agreement will not be initiated until the next fiscal year.
- The Port of Morrow and Blue Mountain Community College will both see building initiatives that will have long range improvements for Morrow County.
- Judge Tallman relayed information provided by Mr. Gorman on Value Estimates for Taxing Districts 2016-2017, and Morrow County Values and Taxes 2005-2015.

Jerry Sorte, Administrative Officer

Excerpted from Mr. Sorte's report:

- Projected revenues are anticipated to increase. The proposed Budget plans for an increase of total revenue by 16.2%. General Fund revenue is anticipated to grow by 31.1%. This is primarily attributed to an increase in budgeted property tax revenue by 29%. The County also receives discretionary revenue from SIP agreements with utility providers located in the County. The additional revenue gives the Budget Committee an opportunity to look at the level of services provided in the County. The County continues to face needs to expand or enhance the facilities that are used to provide County services. County facilities in Boardman and Irrigon remain a topic of discussion.
- Road Fund – Under Oregon Revised Statutes, the County is not permitted to use property tax revenue to fund roads and bridges. As a result, the Road Fund requires significant transfers from discretionary revenue sources. In the proposed Fiscal Year 2016/2017 Budget, a total of \$3,374,000 would be transferred from the General Fund, Finley Buttes License Fees and Shepherds Flat Fees to assist with road and bridge needs.
- County departments continue to provide high levels of service, often with fewer staff than we'd like. As the County grows, so does the demand for services. Department Heads and Elected Officials have requested the addition of four new full-time positions (FTEs) in Public Works, Assessment & Tax, and the Sheriff's Office; the addition of one part-time position (0.08 FTE) for The Loop; and the increase in one existing position in the Planning Department by 0.175 FTE. The County Court directed the requests be forwarded to the Budget Committee for consideration.
- The proposed budget includes an unappropriated ending fund balance in the General Fund of \$3,608,518. This is an increase of approximately \$2,000,000 over FY 2015/2016 budgeted amount. This strong position affords the Budget Committee a degree of flexibility to consider the level of service provided by Morrow County.

Personnel Budget Review

Karen Wolff, Human Resources Director

Ms. Wolff reviewed her Compensation and Benefits Update memo.

Chair Mills asked what compensation is being proposed for the Sheriff and Ms. Wolff explained in order to meet the letter of the law for this fiscal year, the County needs to increase the

Sheriff's wage to \$8,178 per month. Commissioner Russell added the Court discussed this the previous day and the three-percent cost of living adjustment (COLA) would be based on the Sheriff's pay at the start of the fiscal year. However, with the Sheriff's step increase and the requirement that the Sheriff's pay be the highest in the department, it will be one-percent above where he currently is, which translates to an actual reduction, said Commissioner Russell. Chair Mills stressed the main thing is it's a County Court decision and not a Budget Committee decision. Ms. LaRue agreed and added the Budget Committee can decide the COLA.

Regarding the compensation for the Surveyor, Ms. Wolff said the recommendation is a \$3,000 per month stipend in place of the \$3,000 per year he currently receives.

Explanation of the Budget Document

Rick Worden, Former Finance Director

- The economic state of the County is very healthy. This allows many opportunities for the County, and the Administrative Officer will play a key role in providing a service level to move forward.
- Retirement Plan – the employer contribution is up by 6.3% to 24.5%. The Plan's actuary, Milliman, said an assumed investment return rate of 8% was not realistic and they recommended assumptions be updated once again. Mortality tables were updated to match PERS (Public Employee Retirement System, State of Oregon). During McGee Wealth Management's annual update, their representatives reported the previous year was not a good year for return on investments. Discussions have begun on possible changes to the Plan or starting with a new plan. Mr. Worden said he leans toward changes to the current plan either in the benefit formula, pension percentage or a lesser benefit. Chair Mills asked if the Court has discussed changing from a Defined Contribution to Defined Benefit because Defined Contribution allows for predictability from year to year. Mr. Worden said while change is needed, it requires bargaining with the unions and the County wants to maintain a benefit that attracts employees. Chair Mills stressed now is the time to look at making a change because every year the contribution increases and it may not be sustainable. Mr. Worden agreed and said the Commissioners are also on the same page.

Property Taxes, SIP and Enterprise Zone Review

Mike Gorman, Assessor/Tax Collector

- Reviewed multiple charts and statistics including 2015-2016 Values for SIP agreements, Enterprise Zone Agreements and Other Exemptions.
- Noted all portions of the County have seen growth, but especially so in Boardman.
- This year the market values throughout the County are looking "flat."
- Commissioner Russell asked if the Enterprise Zone agreement for VaData will be ending soon. Mr. Gorman said only for the buildings – the equipment will become taxable but the company will replace it with new, thus making it exempt again.

- Commissioner Rea said she believed the City of Boardman will be ineligible for long term Enterprise Zone agreements on July 1st. Commissioner Russell said he thinks there will be a legislative fix to that situation.

Road Department/Public Works

Burke O'Brien, Public Works Director

Matt Scrivner, Assistant Road Master

- Mr. O'Brien discussed the possibility of a U.S. Department of Transportation FASTLANE (Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies) Grant for two intersection improvements (Homestead Lane/Poleline Road and Poleline Road/Frontage Lane). He said the required match of \$1,700,000 would be billed in 2018/2019 and he's open to ideas for obtaining it. He also provided an update on existing grants.
- Staffing level has tapered off. The amount of projects that can be taken on is somewhat limited by current staffing levels. Mr. O'Brien said he often wonders which is more cost effective, hiring a contractor or hiring a year-round employee. The addition of \$500,000 to the Road budget would mean additional staffing. Mr. Scrivner added that a retiree could be replaced with this budget. Chair Mills clarified the Road Department is just adding one employee, correct? Mr. Scrivner said, yes. After discussion, the Budget Committee agreed to move \$500,000 into the Road Fund.

202 Road Fund

Ms. LaRue moved tentative approval of the Road Fund with the inclusion of \$500,000 to the paving program. Ms. Parker seconded. Unanimous approval.

201 Road Fund Equipment Reserve

Commissioner Rea moved tentative approval. Ms. Parker seconded. Unanimous approval.

203 Finley Buttes Trust Fund

Ms. Parker moved tentative approval. Ms. LaRue seconded. Unanimous approval.

Parks

Greg Close, Parks General Manager

Mr. Close reviewed the requested changes to the Parks Budget. He said there are several increases, one is needed because electrical costs increased for all three Parks; one is to increase fire protection; and another is to increase advertising from \$3,000 to \$10,000 to promote the Parks through trade shows, magazines, flyers, etc. He noted the Parks are primarily grant supported and there are three grant requests still pending, to replace a track loader; replace a shower building at Cutsforth Park; and for playground equipment at Cutsforth Park. Chair Mills asked if Park revenues exceed expenses. Mr. Worden replied they do.

238 Park Fund

Ms. LaRue moved tentative approval. Ms. Parker seconded. Unanimous approval.

Airport Fund

Mr. O'Brien said nothing has changed for this fund. The Airport Master Plan is awaiting approval with the Federal Aviation Administration.

205 Airport Fund

Ms. Parker moved tentative approval. Ms. LaRue seconded. Unanimous approval.

General Maintenance

Mr. O'Brien

Tony Clement, General Maintenance Supervisor

- Mr. Worden explained the staffing request to be presented is not included in the budget at this point.
- Mr. O'Brien explained with the addition of the Bartholomew Building, there is a lot going on for General Maintenance at both ends of the County. Two people are needed now, he said. Mr. Sorte said he supports a second position, as well. Ms. Parker asked if another vehicle will be needed. Mr. O'Brien said there is \$20,000 budgeted under Pickup Replacement.

101-121 Public Works – General Maintenance

Ms. Parker moved tentative approval of the General Maintenance budget with an additional \$80,000 to hire a new employee. Ms. LaRue seconded. Unanimous approval.

101-120 Public Works Administration

Ms. LaRue moved tentative approval. Commissioner Rea seconded. Unanimous approval.

101-122 Transfer Station – North

101-123 Transfer Station – South

Ms. LaRue moved tentative approval of the Transfer Station – North, and Transfer Station – South Budgets. Ms. Parker seconded. Unanimous approval.

Weed Department

Dave Pranger, Weed Coordinator/Inspector

- Discussed the importance of taking care of noxious weeds along the roadways since the majority initially spread from there. He said he would like to see enough chemical budgeted to spray all gravel roads.
- For the next 10-12 years, Mr. Pranger requested \$5,000 per year be assigned to an Equipment Reserve Fund to cover equipment replacement.

101-128 Weed Department

Ms. LaRue moved tentative approval of the General Fund, Weed Department. Ms. Parker seconded. Unanimous approval.

224-100 Weed Equipment Reserve

Commissioner Rea moved tentative approval of the Weed Equipment Reserve Fund. Ms. LaRue seconded. Unanimous approval.

Lunch break: 12:15 p.m. Reconvened: 1:40 p.m.

Morrow Soil and Water Conservation District (SWCD)

Janet Greenup, Manager (via telephone)

- Ms. Greenup discussed the programs offered through SWCD and why the request is for \$15,000 more than the 2015/2016 request. She reminded the group last year's full amount was turned down with the suggestion that she try again this year. She emphasized the additional money would not be used to hire new employees, only to expand current positions. Some grants SWCD receives can be used only for materials and services, not for personnel costs, she said.
- Chair Mills said the amount he had in mind is closer to \$5,000, not the requested \$15,000, but it can be re-evaluated on the last day of Budget Hearings. Ms. Greenup said the office could scale back in some areas and work with that amount.

101-199-5-50-5167 Soil & Water Conservation District

Ms. LaRue moved tentative approval of \$5,000 over what was budgeted to SWCD last year (\$50,000) with the understanding that if more is offered later in the Budget Hearings, a separate motion will be made at that time. Ms. Parker seconded. Unanimous approval.

Sheriff's Office

Ken Matlack, Sheriff

John Bowles, Undersheriff

- Sheriff Matlack said there is a yet to be resolved issue impacting the budget – an agreement has not yet been reached with the City of Irrigon for law enforcement services. Also pending are the personnel requests for a Patrol Deputy and Dispatcher. Discussion.

101-113 Sheriff's Department

Ms. LaRue moved tentative approval of the budget as presented with the addition of a Patrol Deputy position and a Dispatcher position at the wages estimated. (Motion died for lack of a second.)

Discussion ensued on resolving the question of the Sheriff's pay.

Ms. Parker moved to increase the Sheriff's wage retroactive to January 3, 2016 to the end of the fiscal year, June 30, 2016, by \$9.00 a month, equating to \$98,136 for the annual wage or \$8,178 per month. Ms. LaRue seconded.

Additional lengthy discussion on base amount of Sheriff's pay.

Vote on the motion: Unanimous approval.

Requested additional positions in Sheriff's Office

Commissioner Rea said several positions have been shifted or changed within the Sheriff's Office and she'd like to see how the office functions before approving the new Dispatcher position. She said she is fine with moving forward with approval of the Patrol Deputy position.

101-113 Sheriff's Department, continued

Ms. LaRue moved tentative approval of the Sheriff's Department Budget, with the Sheriff's pay to be \$98,136, and the addition of two positions as requested – Patrol Deputy and Dispatcher. Commissioner Russell seconded. (Commissioner Rea said she couldn't support the Dispatcher position. Ms. Parker said if the Budget Committee finds they have overspent, Commissioner Rea's concerns could be revisited.) Aye: Chair Mills, Ms. LaRue, Ms. Parker, Judge Tallman, Commissioner Russell. Nay: Commissioner Rea. Motion carried.

207-110/113: 911 Emergency Fund

Ms. Parker moved tentative approval of the 911 Emergency Fund. Ms. LaRue seconded. Unanimous approval.

322-100 Court Security Fund

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

510 Community Corrections Fund

Ms. LaRue moved tentative approval of the Community Corrections Fund. Ms. Parker seconded. Unanimous approval.

101-117 Emergency Management Fund

Chair Mills noted the amount paid to the Port of Morrow for office space rental in Boardman and asked Sheriff Matlack to see about a rent reduction.

Ms. Parker moved tentative approval of the Emergency Management Fund. Ms. LaRue seconded. Unanimous approval.

Oregon State University (OSU) Extension

Mary Corp, Regional Administrator

Julie Baker, OSU/Morrow County Extension, Administrative Program Specialist/County Leader
Mr. Worden explained the requested amount is an increase of \$36,802. Ms. Corp said they are asking for support of two new positions that serve both Morrow and Umatilla Counties:

1. 4-H Latino Outreach that will focus on Latino families in the north end of Morrow County and will be housed at the Hermiston Agricultural Research and Extension Center. This position will focus on youth and their families to create a positive

environment to complete high school and prepare for higher education. Anna Browne has been hired.

2. Livestock (Animal & Rangeland Sciences) – based in the Pendleton office. Chris Schachtschneider has been hired.

219-219-5-20-3828 Video Lottery

101-199-5-50-5168 Extension Service

101-199-5-50-5169 Extension Agent

Ms. LaRue moved tentative approval of the OSU Extension Budget. Ms. Parker seconded. Unanimous approval.

District Attorney

Justin Nelson, District Attorney

Mr. Nelson discussed caseload statistics – 38% increase in felony cases; 151% increase in misdemeanor cases. Justice Court cases have not decreased, he said. Even with the caseload increases in the District Attorney’s office, staff is handling it, he said. The DA’s Office is also doing County Counsel work and he said he hopes that will continue. He said there currently isn’t a separate budget for County Counsel services and the DA’s Office is absorbing some costs, but not a large amount. The County Counsel contract is up for renegotiation at this time, he added.

Chair Mills asked about a new item in the budget – the \$6,000 DA Stipend and how it’s justified. Mr. Nelson responded DAs are paid by the State and stipends are additional amounts provided by counties, and it’s justified by his numbers. Chair Mills said he’s concerned with setting a precedent and it could increase every year. Commissioner Rea said she made it clear during the previous day’s Compensation Committee meeting that Mr. Nelson is not to expect it every year.

101-111 District Attorney

Ms. Parker moved tentative approval as presented. Ms. LaRue seconded. Unanimous approval.

218 Enforcement Fund

Ms. Parker moved tentative approval of the Enforcement Fund. Ms. LaRue seconded. Unanimous approval.

220 Victim/Witness Assistance

Ms. Parker asked if the workload has increased in this office. Mr. Nelson said there was the possibility of obtaining a grant for a part-time person, but it’s hard to find the additional office space. He explained help with grant reporting is needed, however.

Ms. LaRue moved tentative approval of the Victim/Witness Assistance Fund. Ms. Parker seconded. Unanimous approval.

223 CAMI Grant

Mr. Nelson commented the restrictions associated with the grant have resulted in unspent funds. He said he's approached the State about other options, but it hasn't made a difference.

Ms. Parker moved tentative approval of the CAMI Grant Fund. Ms. LaRue seconded. Unanimous approval.

206 Law Library

Mr. Nelson said he hopes to expand to the Irrigon Branch of the Oregon Trail Library District because the courtroom in the Courthouse is not accessible to the public.

Ms. LaRue moved tentative approval of the Law Library Fund. Commissioner Russell seconded. Unanimous approval.

234 DUIL Impact Fund

Ms. Parker moved tentative approval of the DUIL Impact Fund. Ms. LaRue seconded. Unanimous approval.

243 Liquor Control Fund

Ms. Parker moved tentative approval of the Liquor Control Fund. Ms. LaRue seconded. Unanimous approval.

Break

Justice Court

Ann Spicer, Justice of the Peace

Judge Spicer said she increased the Capital Outlay line from \$5,000 to \$8,000 in anticipation of the Justice Court office moving. Commissioner Rea asked where the office move and Judge Spicer said that is an unanswered question. She explained her office is used by Circuit Court staff about one day per week on average, when she is in Irrigon. There have been approximately five times in the last six years that both offices have actually shared the space at the same time, she said.

Judge Spicer said the workload in her office is increasing dramatically. She said the new speed limit took effect March 1st and people have been driving well over the limit.

101-109 Justice Court

Commissioner Rea moved tentative approval of the Justice Court Fund with a \$3,000 increase in Capital Outlay. Ms. LaRue seconded. Unanimous approval.

231 Justice Court Bails/Fines

Judge Spicer explained \$60 from any fine goes to the State of Oregon and the remainder goes to the County.

Commissioner Rea moved tentative approval of the Justice Court Bails/Fines Fund. Ms. LaRue seconded. Unanimous approval.

Treasurer

Gayle Gutierrez, Treasurer

101-104 Treasurer

Ms. LaRue moved tentative approval of the Treasurer General Fund. Ms. Parker seconded. Unanimous approval.

211 County School Fund

Ms. Parker moved tentative approval of the County School Fund. Ms. LaRue seconded. Unanimous approval.

212 Ione School Fund

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

Assessor/Tax Collector

Mike Gorman, Assessor/Tax Collector

Mr. Gorman discussed his request for a Data Analyst position. He said the County has seen growth in value which has created additional work. He said tax accounts are more complicated and Enterprise Zone exemptions take a great deal of time to administer, as well.

101-103 Assessor/Tax Collector

Ms. Parker moved tentative approval of the Assessor/Tax Collector Budget with the addition of \$90,791.10 for the Data Analyst position. Ms. LaRue seconded. Unanimous approval.

Clerk

Bobbi Childers, Clerk

Ms. Childers said she is not requesting additional staff and there have only been minor changes in her budget.

101-105 Clerk

Ms. LaRue moved tentative approval of the Clerk Budget. Ms. Parker seconded. Unanimous approval.

101-107 Board of Property Tax Appeals

Ms. Childers said there were four appeals filed in the last year but only two parties appeared for the appeal process.

Ms. Parker moved tentative approval of the Board of Property Tax Appeals Fund. Commissioner Rea seconded. Unanimous approval.

233 Clerk's Records Fund

Ms. LaRue moved tentative approval of the Clerk's Records Fund. Ms. Parker seconded. Unanimous approval.

Video Lottery Fund

Chair Mills asked if these funds could be used elsewhere. Mr. Worden said a portion of them could, as long as it supports economic development.

219 Video Lottery Economic Development

Ms. LaRue moved tentative approval of the Video Lottery Economic Development Fund. Ms. Parker seconded. Unanimous approval.

Public Comment

No comments

Adjourned: 4:53 p.m.

DRAFT

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Call to Order: 9:02 a.m.

Budget Update

Rick Worden said yesterday's discussions included moving some of the Discretionary Funding currently used for Debt Service to the Road Department and possibly funding the Debt Service out of the General Fund for the next fiscal year. The increase to the Road Department is \$500,000 that will be transferred to Material & Services and Burke O'Brien and Matt Scrivner will determine how to allocate. He summarized the personnel positions approved and their fiscal impacts and said there's \$14,000 still pending that needs to be discussed today.

Willow Creek Valley Economic Development Group

Sheryll Bates, Executive Director, Heppner Chamber of Commerce
David Sykes, Editor, Heppner Gazette-Times

Ms. Bates said the request increased because there were expenses related to the relocation of the Chamber office, primarily due to paying rent now and purchasing a copier. Ms. Bates discussed the continuing success of the Residential Real Estate Grant Program for south County residents. Ms. LaRue commented the program has helped people in Ione but without a city sewer system, the City continues to struggle.

219-219-5-5007 Willow Creek Valley Economic Development

Ms. LaRue moved tentative approval of the Willow Creek Valley Economic Development Budget with the addition of \$4,000. Ms. Parker seconded. Unanimous approval.

Morrow County Tourism

Ms. Bates said previous requests have been \$5,000 but the current request is \$10,000. She said she has been working with economic development entities in each community and tries to split the funds evenly among them.

219-219-5-20-3819 Morrow County Tourism

Ms. LaRue moved tentative approval of the Morrow County Tourism Fund. Ms. Parker seconded. Unanimous approval.

Accounting

The group discussed the search for a new Finance Director to replace Mr. Worden, who accepted a position with Community Counseling Solutions. As to whether or not his salary and that being advertised for a new Director are competitive, Mr. Worden said he believed them to be in the “ballpark” for similar counties. He added he had not been actively looking when he was approached by Community Counseling Solutions. Judge Tallman asked if the Budget Committee would be opposed to offering an incentive to the right applicant. Chair Mills replied he would not be opposed.

101-102

Ms. LaRue moved tentative approval of the Accounting Budget. Ms. Parker seconded. Unanimous approval.

Planning Department

Carla McLane, Planning Director

Ms. McLane discussed her request to increase the Office Specialist position from 19 hours per week to 26. She said she would like it to be full time but the employee prefers part-time. Ms. Parker suggested bringing a second employee in to create a job-sharing situation. Ms. McLane said she would be open to that idea. Commissioner Russell stated he would like to see how current staffing levels function before approving any increases. Commissioner Rea said last year she asked Planning to wait on full-time positions and they've waited, but she was in favor of two part-time employees.

101-115 Planning Department

Ms. Parker moved tentative approval of the Planning Department Budget with the addition of \$21,000 (maximum) for extra help and \$1,500 for GIS software. Commissioner Rea seconded. Aye: Chair Mills, Ms. LaRue, Ms. Parker, Judge Tallman, Commissioner Rea. Nay: Commissioner Russell. Motion carried.

200 Heritage Trail Fund

Ms. Parker moved tentative approval of the Heritage Trail Fund Budget. Judge Tallman seconded. Unanimous approval.

Building Permit Fund

Ms. McLane said the fund can be used to further the GIS capabilities in the Planning Department and the items that would make that possible are a printer, plotter, and handheld equipment for field work. She also asked if a vehicle could be purchased from this fund in the 2016-2017 budget cycle and Chair Mills replied that would be a decision for the Court.

237 Building Permit Fund

Ms. LaRue moved tentative approval of the Building Permit Fund Budget. Ms. Parker seconded. Unanimous approval.

Water Planning Fund

Mr. Worden said there is nothing budgeted for 2016-2017 for this fund and the intent is to close it out. Ms. McLane explained when the Umatilla Basin Water Commission disbanded, the Court discussed making this fund “whole” again for the \$6,000 that was borrowed for the section of the Comprehensive Plan related to water. Commissioner Rea said the intent was to make a payment to NOWA (Northeast Oregon Water Association) next year and then they would be self-sufficient after that. Ms. McLane asked if the historic amount, \$7,500, could be moved elsewhere; Commissioner Rea asked if it could be moved the Planning Department Budget. Mr. Worden replied it could; Ms. McLane said it could go to the Comprehensive Plan and carried forward until it's expended. She added the Water Fund could be held with the Umatilla Basin Water Commission disbursement for NOWA until a decision is made on the balance. After that, it would be the County's fund, she said.

245 Water Planning Fund

Ms. Parker moved to increase the fund by \$5,000 on the expenditure side. Ms. LaRue seconded. Unanimous approval.

Veterans Department

Linda Skendzel, Veterans' Representative

101-106 Veterans

Ms. LaRue moved tentative approval of the Veterans Fund Budget with an increase of \$7,901 on the revenue side. Ms. Parker seconded. Unanimous approval.

Fair

Ann Jones, Fair Secretary

Ms. Jones outlined the various changes to the budget and discussed the improvements to the Fairground facilities that took place over the course of the last year.

214 Fair and Rodeo Fund

Ms. LaRue moved tentative approval of the Fair and Rodeo Fund Budget with the changes noted. Ms. Parker seconded. Unanimous approval.

226 Fair Roof Reserve

Ms. Parker moved tentative approval of the Fair Roof Reserve Fund budget. Ms. LaRue seconded. Unanimous approval.

236 Fair Improvement Fund

Ms. LaRue moved tentative approval of the Fair Improvement Fund budget. Ms. Parker seconded. Unanimous approval.

Break

Wildlife Services

Patrick Smith, East District Supervisor, La Grande

Chris Lulay, USDA Wildlife Specialist, Morrow County

Mr. Lulay discussed the activities he undertakes in Morrow County. He said predator management, such as coyotes, comprises the majority of his time. He added wolves are coming to the area and five have been confirmed in the Gurdane area. His agency also has a contract for management of crows, pigeons and gulls with the Port of Morrow and another with Beef Northwest. Discussion took place on the reasons behind the increase in the requested amount from approximately \$46,700 to \$53,612.

101-199-5-50-5115 Wildlife Services

Ms. Parker moved tentative approval of the Wildlife Services Fund Budget. Ms. LaRue seconded. Unanimous approval.

Surveyor

Stephen Haddock, County Surveyor

Mr. Haddock discussed a few adjustments to the Surveyor Budget, most notably adding \$36,000 under Materials & Services for Surveyor compensation, as recommended by the Compensation Committee and County Court. Commissioner Russell said to the Budget Committee members that Mr. Haddock's current compensation has him basically working for free. Ms. LaRue noted the good job Mr. Haddock has done in bringing survey records up-to-date and accessible, and said the County has never been to this point or in this good a condition before. He said he still has a list of projects to complete before the County is where it should be as a public records entity.

101-118 Surveyor's Department

Ms. Parker moved tentative approval of the Surveyor's Department Budget. Ms. LaRue seconded. Unanimous approval.

208 Surveyor Preservation

Mr. Haddock explained funds were spent last year from this fund for a survey of Lexington and more recently, a similar survey in Heppner has gotten underway. He discussed a few examples of new construction sites where he has a statutory duty as surveyor to ensure the existing monuments are preserved.

Ms. LaRue moved tentative approval of the Surveyor Preservation Budget. Ms. Parker seconded. Unanimous approval.

The Loop – Morrow County Transportation

Anita Pranger, Coordinator, The Loop

Ms. Pranger explained The Loop program receives an \$80,000 from the State of Oregon and a \$45,000 from a grant designated for the transportation of veterans. She also discussed the grants she will be applying for to fund new vehicles. As far as changes to the budget request, Ms. Pranger said it includes a request for a part-time dispatcher position to fill in for her when she is away from the office. She said she anticipates that to be equal to about four weeks per year. Ms. Pranger made note of the fact that ridership numbers increased by more than 500 rides during the first three months of this year, as compared to the same period a year ago.

216 Special Transportation Fund

Ms. LaRue moved tentative approval of The Loop/Special Transportation Fund Budget. Ms. Parker seconded. Unanimous approval.

225 STF Vehicle Reserve Fund

Ms. Pranger said she anticipates to use funds from the account to meet the required match on a grant that will be used to purchase a new 14-passenger bus.

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

504 – 5310 FTA Grant Fund

Ms. Pranger said this federal grant can pay for vehicles, maintenance, software, etc. What isn't spent after next year will be returned, she added.

Ms. Parker moved tentative approval of the FTA Grant Fund. Ms. LaRue seconded. Unanimous approval.

Lunch break: 12:02 p.m.

Resumed: 1:25 p.m.

Finley Buttes License Fee Fund

The Committee and Court determined to move the Court Discretionary fund to the General Fund thereby freeing-up more funds for roads, and increase the Transfer to Road Fund by \$15,000.

210 Finley Buttes License Fee

Ms. Parker moved tentative approval of the Finley Buttes License Fee Fund with the following changes: remove the Court Discretionary Fund from the Finley Buttes License Fee Fund and place it in the General Fund; and increase the Transfer to Road Fund by \$15,000. Ms. LaRue seconded. Unanimous approval.

Watermaster

101-199-5-50-5166 Watermaster

Commissioner Rea moved tentative approval of the Watermaster Budget of \$9,898.00. Ms. LaRue seconded. Unanimous approval.

Public Health Department

Sheree Smith, Director, Public Health Department

Vickie Turrell, Office Manager, Public Health Department

Ms. Smith provided a recap of personnel changes and discussed the shared funding anticipated from the Morrow County School District for CARE Team members. She said the County paid \$29,263 toward a part-time nurse with the CARE Team.

101-114 Health Department

Ms. LaRue moved tentative approval of the Health Department Budget. Ms. Parker seconded. Unanimous approval.

Irrigon-Boardman Emergency Assistance Center

Neighborhood Center of South Morrow County

It was suggested and discussed that each center receive an additional \$2,000 due to an increased number of clients who received services.

101-199-5-50-5170 Irrigon-Boardman Emergency Assistance Center

101-199-5-50-5002 Neighborhood Center of South Morrow County

Ms. LaRue moved to change the budgets for the Neighborhood Center of South Morrow County and the Irrigon-Boardman Emergency Assistance Center to \$16,000 each. Commissioner Rea seconded. Unanimous approval.

Museum

Larry Mills

Chair Mills said the museum's request remains the same as the previous year. Volunteers are working to scan old newspapers to a digital format that is available on the website – www.morrowcountymuseum.com.

101-119 Museum

Ms. LaRue moved tentative approval of the Museum Budget. Ms. Parker seconded. Unanimous approval.

Rodeo Fund

Judy Healy

Ms. Healy said the Rodeo is requesting an additional \$1,400 from Video Lottery for their share of the cost for the band in the Beer Garden. The Rodeo also received an anonymous donation of \$20,000 at the end of the calendar year that will be used for arena improvements, new panels, painting and a roping chute, she said.

230 Rodeo Fund

*Ms. Parker moved tentative approval of the Rodeo Fund Budget. Ms. LaRue seconded.
Unanimous approval.*

229 Bleacher Reserve

Ms. Healy said there may be another anonymous donation in the next few years that could be used for covered bleachers, but the preference is to leave the fund as is until there is more money.

229 Bleacher Reserve

*Ms. Parker moved tentative approval of the Bleacher Reserve Fund. Ms. LaRue seconded.
Unanimous approval.*

County Court

Jerry Sorte, Administrative Officer

Mr. Sorte said as the Judge position transitions to a part-time Commissioner, there will be a decreased salary level there. In addition, Materials & Services will see an increase as new Commissioners come on-board who will be attending trainings (trips, lodging, meals, etc.).

101-101 County Court General Fund

*Ms. LaRue moved tentative approval of the County Court Budget. Ms. Parker seconded.
Unanimous approval.*

241-241 Building Reserve Fund

Mr. Sorte said the purpose of this fund is to accommodate any unanticipated facility needs. Judge Tallman added it's amazing what the older buildings in the County require.

241-241 Building Reserve Fund

*Ms. LaRue moved tentative approval of the Building Reserve Fund. Ms. Parker seconded.
Unanimous approval.*

240-240 Equity Fund

Mr. Sorte explained the balance in the revolving loan fund administered through GEODC (Greater Eastern Oregon Development Corporation) is just over \$600,000, with about \$95,000 in cash available to loan. There is \$17,550 in Material & Services for expenses associated with GEODC managing the loans. They receive a \$2,000 flat fee and a percentage fee on the amount of the loan, he said.

240-240 Equity Fund

*Ms. LaRue moved tentative approval of the Equity Fund Budget. Ms. Parker seconded.
Unanimous approval.*

101-125 General Fund Computer

Mr. Sorte said one of the changes includes the cost to move the County to a new website. The County is also looking at a six-year cycle for staff computers.

101-125 General Fund Computer

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

215-125 Computer Equipment Reserve

Mr. Sorte said he proposed transferring \$15,000 from the General Fund to this fund to continue to build the balance in the event a server needs to be replaced. He said his goal is to have a balance of \$50,000 in that fund.

215-125 Computer Equipment Reserve

Ms. Parker moved tentative approval of the Computer Equipment Reserve Fund. Commissioner Russell seconded. Unanimous approval.

217-125 Programming Reserve

Mr. Sorte said he recommended continuing to build this fund for potentially large future expenditures because the last time an update was needed for Assessment & Taxation it was \$130,000.

Ms. Parker moved tentative approval of the Programming Reserve Fund. Ms. LaRue seconded. Unanimous approval.

Safety Committee

Mr. Sorte and Ms. Wolff discussed some of the items purchased through this fund for the benefit of employees from a health and safety perspective.

228-100 Safety Committee Fund

Ms. Parker moved tentative approval of the Safety Committee Fund. Ms. LaRue seconded. Unanimous approval.

Willow Creek Wind Fees

Mr. Worden said the County receives a share of the Community Service Fee and it's then transferred to the General Fund and becomes part of the transfer to Roads.

222 Willow Creek Wind Fees

Ms. LaRue moved tentative approval of the Willow Creek Wind Fees Fund. Ms. Parker seconded. Unanimous approval.

Echo Wind Fees

Mr. Worden said this does not involve Community Service Fees, but the County does receive additional money from the agreement. In reviewing the trend anticipated with the agreement, Mr. Worden said he increased it from \$40,000 to \$60,000.

500 Echo Wind Fees

Ms. LaRue moved tentative approval of the Echo Wind Fees Fund. Ms. Parker seconded. Unanimous approval.

Shepherd Flat Fees

Mr. Worden discussed the Long Range Planning spreadsheet using these fees. He highlighted items discussed on the first day of Budget Hearings, such as the \$394,000 Transfer to Heppner Admin (Debt Service Fund) and the \$120,000 Transfer to the General Fund to increase the transfer to Road by \$500,000. Mr. Worden noted the actual total of the two is \$514,000, meaning \$14,000 more can be allocated to Roads. The Committee instructed Mr. Worden to add the \$14,000 to the Road transfer. A discussion of the Community Renewable Energy Association's payments and history also took place, with Chair Mills concluding the small percentage paid to CREA for its negotiation services is worthwhile.

501 Shepherd Flat Fees

Ms. Parker moved to increase the transfer to Roads to \$514,000 and push back the General Fund repayment and provide the Debt Service repayment from the General Fund. Ms. LaRue seconded. Unanimous approval.

Adjourned: 3:15 p.m.

Morrow County Budget Hearings
April 19, 2016
Heppner, Oregon
Bartholomew Building

Present

Judge Terry Tallman
Commissioner Leann Rea
Commissioner Don Russell
Linda LaRue, Budget Committee
Larry Mills, Budget Committee
Jill Parker, Budget Committee
Jerry Sorte, Administrative Officer
Karen Wolff, Human Resources

Ronda Fox, Finance Management Asst.
Rick Worden, Former Finance Director
Roberta Lutcher, Court Executive Asst.

Audience

Melissa Lindsay, Judge-Elect
Sandi Putman, Public Works
Mike Gorman, Assessor/Tax Collector

Call to Order: 9:15 a.m. followed by pledge of allegiance.

Budget Update

Mr. Worden reviewed the changes to date, which now reflect an Ending Fund Balance of just over \$2,700,000. He said the personnel increases are sustainable and Mr. Gorman has also indicated things are good from a property tax standpoint. Discussion.

Chair Mills said he strongly urged the County to not start new ongoing programs, but to instead put money toward infrastructures. Commissioner Russell said that has been the desire of the Court, as well as other capital improvements, such as existing facility maintenance and exploring north end facility needs.

Mr. Worden said the County has done a good job of staying within the budget and is now beginning to take care things within the County. Chair Mills also spoke against property tax abatements.

Heppner Admin Building Fund

Mr. Worden said this fund is now becoming a debt service fund for biannual loan payments. He said the interest rate through Community Bank was an aggressive 1.58%.

227 Heppner Admin Building

Ms. LaRue moved tentative approval of the Heppner Admin Building Fund. Ms. Parker seconded. Unanimous approval.

Forest Service Fund

Mr. Worden said these are Title III Grant revenues that were greatly restricted as of October 2008. It has been difficult to find approved ways to spend the remaining \$15,000-20,000 in that account he said, and it is likely they will eventually have to be returned.

321 Forest Service Fund

Ms. Parker moved tentative approval of the Forest Service Fund. Ms. LaRue seconded. Unanimous approval.

Juvenile Department

Tom Meier, Juvenile Department Director

Budget changes discussed by Mr. Meier:

- Due to the transfer of juvenile cases to the Circuit Court, the Court Appointed Attorney line was reduced from \$36,000 to \$10,000.
- The detention facility for juveniles, NORCOR, increased its rate from \$115 per day per juvenile to \$165 per day per juvenile.
- Failure to Appear warrants may increase due to court now being in Heppner, so that line item was increased.
- Requested a special Measure 11 line item since costs can escalate quickly for this type of case. The Budget Committee members agreed to an amount of \$20,000 with a cap of \$60,000 in the future.

101-112 Juvenile Department

Ms. Parker moved tentative approval of the Juvenile Department Budget with an increase of \$20,000 for the Measure 11 line item. Ms. LaRue seconded. Unanimous approval.

Watermaster

Greg Silbernagle, Watermaster, District 5

Mr. Silbernagle said the money goes to fund Curtis Cooley, Assistant Watermaster, and a portion of the salary for the administrative assistant. Mr. Silbernagle said he oversees three budgets related to services provided to Umatilla County, Morrow County and the Bureau of Reclamation. He added Umatilla County has a union negotiated rate which changes every year. Mr. Worden said the Water Resources Department bills for actual work and there may be money left over this year. (See previous day's minutes for approval of this budget, page 16.)

Transfer to Other Funds

Ms. LaRue moved tentative approval of the fund transfers from the General Fund. Ms. Parker seconded. Unanimous approval.

Non-Departmental Expenditures

Mr. Worden reviewed the changes previously discussed during the Budget Hearings and noted the Ending Fund Balance is now approximately \$3,200,000. After a discussion of north end facility needs, the Committee and Court agreed to create a new line item for possible building acquisition there in the amount of \$300,000. Mr. Worden said that brings the Ending Fund Balance to \$2,900,000.

101 General Fund Non-Departmental

Ms. LaRue moved tentative approval of the General Fund Non-Departmental Budget with the changes outlined. Ms. Parker seconded. Unanimous approval.

Budget Approval

Ms. Parker moved that the Morrow County Budget Committee approves the Budget and Taxes for the 2016-2017 Fiscal Year at the rate of \$4.1347 per \$1,000 of Assessed Value for Operating Purposes. Ms. LaRue seconded. Unanimous approval.

Chair Mills thanked Mr. Worden for taking time from his new job to help the County with its Budget Hearings.

Adjourned: 11:07 a.m.

DRAFT