

2014-2015 POLK COUNTY BUDGET COMMITTEE HEARINGS
DAY #1 – March 30, 2015

CALL TO ORDER AND NOTE OF ATTENDANCE

At 1:00 p.m., Commissioner Mike Ainsworth called the 2015-2016 Polk County Budget Committee Hearings to order. Commissioner Wheeler, Commissioner Pope, Vern Wells, Norbert Hartmann, and Blair Wasson were in attendance.

Staff Present: Greg Hansen, Budget Officer
 Heather Merrill, Recording Secretary

The following minutes will refer to the 2015-2016 Proposed Budget document and to the CD where the corresponding discussion was recorded. CDs of the proceedings are on file in the Board of Commissioners' Office.

ELECTION OF CHAIRMAN, VICE CHAIRMAN, AND SECRETARY

Norbert Hartmann was nominated for Chairman of the 2015-2016 Budget Committee.

MOTION: WHEELER MOVED, WASSON SECONDED TO ELECT NORBERT HARTMANN AS CHAIRMAN.

MOTION PASSED UNANIMOUSLY.

Vern Wells was nominated for Vice-Chairman of the 2015-2016 Budget Committee.

MOTION: WASSON MOVED, AINSWORTH SECONDED, TO ELECT VERN WELLS AS VICE-CHAIRMAN.

MOTION PASSED UNANIMOUSLY.

Jennifer Wheeler was nominated for Secretary of the 2015-2016 Budget Committee.

MOTION: AINSWORTH MOVED, POPE SECONDED TO ELECT JENNIFER WHEELER AS SECRETARY.

MOTION PASSED UNANIMOUSLY.

APPROVAL OF MAY 14, 2014 BUDGET COMMITTEE MINUTES

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO APPROVE THE BUDGET COMMITTEE MINUTES OF MAY 14, 2014.

MOTION PASSED UNANIMOUSLY.

ADOPT RULES AND PROCEDURES

Greg Hansen reviewed the Standard Operating Procedures, as published in the budget document, to guide Budget Committee actions.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO APPROVE AND ADOPT THE BUDGET RULES AND PROCEDURES AS PROPOSED BY THE BUDGET OFFICER.

MOTION PASSED UNANIMOUSLY.

BUDGET MESSAGE – FISCAL YEAR 2015-2016

The 2015-16 Polk County Proposed Budget is again a combination three distinct budgets. The first is the General Fund without the operating levy. The second is the General Fund that includes the operating levy. The third budget includes all of the remaining funds and programs.

The General Fund without an operating levy included is looking to increase 3.96% (\$641,850) for the upcoming year. This increase in revenue is somewhat negated by increases in employee costs (wages, PERS & health insurance). As a result, the proposed budget contains slight increases in personnel of 1.75 FTE and some capital outlay requests.

The General Fund with the inclusion of the operating levy will see an increase of \$2.25 million, that will fund 22.0 additional staff, increase support to the Juvenile Fund for increased detention beds and restore a majority of the services that have been lost due to the revenue reductions that have occurred during the past six (6) years.

In contrast to the General Fund, the remaining programs which have dedicated funding either remained status quo or saw significant increases in funding. For example, the Behavioral Health Fund saw overall funding increases of approximately 30.01% (\$3,029,000) and Health Services saw funding increases of \$633,000 or 43.48%.

Overall, the proposed budget for the County increased by approximately 15.33% (\$7,506,425 including the operating levy). The total proposed budget has an increase of 46.75 FTE including the 22.0 FTE for the operating levy.

Looking ahead the picture may be looking a little brighter as the real estate market begins to gather momentum, however any kind of sustained growth will be tough without additional monies. The bottom line is that without an infusion of revenue (operating levy, forming a new taxing district, SRS funding) into the General Fund, the likelihood of restoring the services which are not currently being offered will be difficult to achieve.

Prior Years' Budget History

Following is a eight-year synopsis of the County's operating budgets:

The 2007-08 budget was the first budget where we talked seriously about a budget without O & C funding. During the budget hearings, two budgets were proposed (a status quo budget and a without budget). The result was a status quo budget that had very little growth except for the programs with dedicated funding.

The 2008-09 budget was a wait and see budget, as we awaited word on O & C funding. As it turned out, O & C was funded for four years with decreasing revenues each year. Reductions in staffing still occurred as the County prepared for reduced revenues from both the State and Feds.

The 2009-10 budget saw a decline in personnel and the overall budget in the General Fund. A reduction of 5.25 FTE in personnel occurred in multiple General Fund programs, while the overall General Fund budget decreased approximately 5%. The County's budget had a total reduction of approximately 9.5% (mostly due to a reduction in Road Bond funds).

The 2010-11 budget saw a decline in personnel and budget in the General Fund. A reduction of 4.15 FTE in personnel occurred in multiple General Fund programs, while the overall General

Fund budget decreased by 0.1%. The County's budget had a total reduction of approximately 1.0% (mostly due to the reduction in Road Bond and OTIA III funds).

The 2011-12 budget continued to see a decline in personnel and budget in the General Fund. A reduction of 8.25 FTE in personnel occurred in multiple General Fund programs, while the overall General Fund budget decreased by 3.71%. The County's budget had a total increase of approximately 5.9% (mostly due to increases in the Building Improvement, Public Works and Mental Health funds).

The 2012-13 budget saw the biggest cuts to date in the General Fund. A reduction in personnel of 10.45 FTE and a reduction in revenues amounting \$939,000 the General Fund scrambled to staff critical services. The County's total budget had a total decrease of approximately 0.94% and 10.79 FTE increase.

The 2013-14 budget saw additional cuts to the General Fund. A reduction in personnel of 6.30 FTE and a reduction in revenues amounting \$72,000 in the General Fund. With these reductions the ability to provide and staff critical public safety services was eroded. The County's total budget had a total decrease of approximately 5.93% and 25.58 FTE decrease as severe cuts were required in Mental Health.

The 2014-15 budget saw additional cuts to General Fund personnel (-5.50 FTE) and overall operating budget -2.61% (-\$434,200). As a result of these cuts the County was forced to cut Patrol services to 10 hours a day seven days a week. Overall the County budget increased 3.7% and had reduction of 1.0 FTE.

PROPERTY TAX LEVY

Like the previous year, I am proposing that the budget committee set the Measure 50 maximum tax rate of \$1.7160 / \$1,000 in the General Fund. In the Debt Service Fund, the fund that pays off the road bonds, I am proposing a levy in the amount of \$2,800,000 (9th year of the Road Bond). With the Public Safety Operating Levy, I am recommending a tax rate in the amount of \$0.45/\$1,000 to be deposited in the General Fund.

PROGRAM CHANGES / UPDATES:

General Fund

The General Fund will see slight increases in personnel in the normal budget process and if the operating levy passes, the General Fund will see significant personnel increases in public safety.

There is one major organizational change being proposed in the General Fund that involves CASA. At this time, CASA is not included in the District Attorney's budgets. It is requested that the County consider moving CASA toward the direction of becoming a non-profit and outside the umbrella of the County.

Other Funds

Health Services saw increases in total personnel (9.2 FTE) as a result of incorporating the school based counselors in the Family & Community Outreach program.

Public Health, Behavioral Health and Health Services show budgetary and personnel increases. Again, these budgets are subject to significant change as both are heavily funded by the State and Federal governments.

The proposal of contracting out Youth Programs was very successful this past year and we are proposing the same arrangement this coming year.

The 911 Emergency Communication Fund will be eliminated this coming fiscal year due to a change in the distribution of excise monies for this service.

REVENUES:

General Fund

General Fund revenues for fiscal year 2015-16 are proposed at \$19,090,650 (a \$2,891,850 increase from last year). This is an **increase** of 17.85% over last year's adopted budget due to the incorporation of the County's operating levy. Without the levy monies the General Fund would have grown 3.96%. The primary revenue increases for the upcoming year are property taxes (\$250,000), 1145 monies (\$150,000), Beginning Fund Balance (\$275,000), and the operating levy (\$2,250,000).

There was no major revenue reductions incorporated into this proposed budget.

All other revenues in the General Fund remained fairly constant.

Other Funds

The Public Works Fund **decreased** by 2.19% (-\$128,500).

Health Services related funds with increases were Public Health (2.09%) and Behavioral Health (30.01%) and Health Services (43.48%).

Juvenile Fund increased by 16.08%, while Youth Programs increased 16.67%.

The Fair Fund saw a **decrease** of 1.13% in its operating budget.

Management Services saw an **increase** of 10.88% primarily due to the increase in rent charges related to the transfer to Building Improvement which **increased** 81.82%.

PROPOSED STAFFING LEVELS:

General Fund (budgeted net increase 1.73 FTE plus the Operating Levy 22.0 FTE)

Staffing levels in the General Fund increased by 1.73 FTE along with additional 22.0 FTE associated with the operating levy. Increases occurred in Community Development (0.28 FTE), Community Corrections (0.45FTE), and Community Corrections – Adult Community Service (1.0 FTE). The numbers described above were compared to last year's adopted budget.

Other Funds (budgeted net increase of 23.0 FTE)

Staff increases occurred in the Public Works Fund (1.0 FTE) Health Services Fund –Family & Community Outreach (9.20FTE), Public Health Fund (1.25 FTE), Behavioral Health (10.85 FTE)

and Management Services Fund (0.70 FTE). These increases were also based on the current year's adopted budget.

Salaries & Benefits

The County is negotiating salaries with three (3) labor unions at this time that affect the 2015-16 fiscal year. Two of those three unions have binding arbitration.

Determining COLAs for the upcoming year will be discussed over the next three months. The current Portland CPI-W is 2.1% for this year, while the national CPI is -0.4%.

Any costs associated with COLAs and any salary increases for elected officials will require an adjustment to the General Fund contingency and/or to other dedicated funds.

PERS continues to be a serious financial issue for State & Local Governments. PERS employer rates increased approximately 3.0% for Polk County on July 1, 2015. PERS will continue to have huge impacts every two years when employer rates get adjusted. To give you an example, every 1% increase in PERS employer rates is an additional cost of \$150,000 to Polk County. As a result, a 3% increase employer rate would equate to an approximate \$450,000 increase in costs to the County.

The Unfunded Actuarial Liability (UAL) for Polk County was a negative \$17.5 million as a result of the 2008 financial meltdown. After the 2013 evaluation, the UAL is now at negative \$7.98 million a \$4.25 million decrease from last year.

Health insurance continues to be a burden on our financial stability. As health insurance premiums continue to increase at near double-digit rates, the cost burden on the County becomes more serious. For the upcoming budget, our rates are anticipated to increase between 3% - 8% for both providers.

To put the cost associated with employee salaries and benefits into perspective, Polk County will potentially be employing 45 more employees in 2015 than in 2005, but the total cost associated with those employees will be \$10,000,000 higher. Another way to look at how the costs associated with an employee increase is to look at the average cost of a full-time employee. The cost of an average employee has increased over 33.6% in the past ten years (over 3.5% increase a year). Unfortunately, what this equates to is the costs associated with employees are increasing at a greater rate than was sustainable during those years.

INTERNAL CHARGES:

The overhead charges associated with Central Services, Finance, Personnel, County Counsel and Board of Commissioners **increased** 2.81% for fiscal year 2015-16.

The distribution of rental charges was based on square footage for the Courthouse Complex and the Academy Building. Charges include operational costs (utilities, custodial, maintenance, etc.) and building depreciation/COP repayment/repayment of past remodeling costs (a \$500,000 transfer to Building Improvement). Rental charges for the Courthouse Complex **increased** 1.72% and **increased** 33.62% for the Academy Building (repaying an additional \$250,000 for past remodeling costs). Rent for the Jail **increased** by 0.96% for the upcoming year.

The insurance charges for 2015-16 **increased** 5.9% and were distributed based on past claims history, current litigation and payment for full insurance coverage.

Charges for Information Services and G.I.S. were distributed based on the established formula of user hardware and proposed programming for the upcoming year. Overall charges **increased** 8.34% for the fiscal year. The major contributor to the increase was a county-wide software upgrade.

Health Services overhead **increased** by approximately 20%. The majority of the increase was due to shifting school based counseling from Behavioral Health to Family & Community Outreach.

PROPOSED CAPITAL OUTLAY:

General Fund

There is multiple proposed capital outlay items for the General Fund. Capital outlay items include vehicles in the Sheriff's Office (\$60,000) and Community Corrections (\$15,000) and a check scanning system for the Treasurer/Tax Office (\$20,000). The operating levy program also has \$40,000 for vehicles for the Sheriff's Office.

Other Funds

In Public Works, the proposed capital outlay expenditures of \$175,000 includes an annual payment on an excavator and mower. Other capital outlay in Public Works includes minor facility repairs, machinery, right of way purchases and bike path dollars.

Doaks Ferry Road/Hwy 22 & 51 project has \$200,000 earmarked for this upcoming fiscal year.

The Court Security Fund has \$25,000 earmarked for security upgrades.

In the Economic Development Fund, there is a \$700,000 capital project that may be secured through a Community Development Block Grant.

Management Services (Central Services) has \$15,000 allocated for one motor pool vehicle.

The Building Improvement Fund has \$270,000 allocated for past projects at the Academy Building complex.

TRANSFERS:

Transfers from the General Fund to other funds **increased** by 19.04%. The two biggest increases occurred in Public Health and Juvenile.

The Public Health Fund transfer **increased** from \$144,500 to \$215,000 (48.8%). This is probably the reality for this program if you want to keep programs status quo. The only change to this transfer will result from federal and state funding changes in the future.

The transfer to the Juvenile Fund **increased** from \$700,000 to \$800,000 (14.28%) due to the inclusion of additional monies (\$100,000) from the proposed operating levy for detention beds.

The transfer to the Public Works Fund remained the same at \$80,000. The monies from this transfer are dedicated to designated state timber resource roads in the County. This transfer will be used to reimburse the Public Works Fund for work done on these roads and to pay off an infrastructure loan from the State of Oregon.

The transfer to the Dog Control Fund is proposed at a **increased** level of \$60,000 (net increase of \$15,000). This amount reflects better the true costs of this program.

The transfer to the Marine Patrol Fund remained the same at \$5,000. This transfer allows for the County to utilize approximately \$70,000 in State Marine monies for the program.

Management Services will be transferring \$500,000 to the Building Improvement Fund to cover the costs associated with the COPs, repaying earlier remodeling costs for the Academy Building and other building related projects.

UNAPPROPRIATED FUND BALANCE / CONTINGENCIES:

The status quo proposed budget for the General Fund includes an Unappropriated Fund Balance of \$300,000, the same as adopted for last year's budget. The General Fund Contingency is proposed at \$1,753,833, which is an increase of approximately \$137,000 over last year's adopted contingency.

CONCLUSION:

At Polk County we have always taken great pride in the way we do business and I believe the proposed budget continues to provide our citizens with programs and services they have come to expect and deserve from their local government. However, the ability to provide these same services is no longer there. Staying open during the lunch hour, providing 24-hour law enforcement coverage, prosecuting all levels of crime are things of the past without an infusion of revenue. In May of 2015, the voters will consider an operating levy to fund the public safety system. If successful, approximately two-thirds of the 34 positions lost over the past six years will be restored and some of the services mentioned above will return (24 hour patrol, prosecution, etc.).

Unlike the past few budgets, this budget is beginning to have some flexibility for the budget committee to consider. I have included some capital outlay items in the General Fund which are one-time expenditures for your consideration, along with an increased operating contingency.

CLERK

Recording:

The requested and proposed budgets are nearly identical. This is a status quo budget. Staff is hopeful that recordings will pick up. Over half of documents are now processed through E-recording, which saves cost in supplies and postage.

Elections:

The requested and proposed budgets are nearly identical. There was a recent "Motor Voter" bill that passed the legislature that automatically registers people to vote through the DMV. This registration will be backdated to 2013. Val expects to add 5,500 voters immediately from the back dating, and once the technology is in place the County will receive them daily as people sign up. Staff then has to verify the information and address formatting. Val anticipates this processing will take a lot of time for her staff and is considering hiring a temporary staff to help with this. The budget does not include monies promised by the state to assist with motor-voter implementation costs.

Val also discussed that voter tabulation equipment will need to be replaced within the next 4-years at an estimated cost of \$80,000-\$120,000.

MOTION: WHEELER MOVED, AINSWORTH SECONDED TO TENTATIVELY APPROVE THE CLERK'S BUDGET EXPENDITURES IN THE RECORDING BUDGET IN THE PROPOSED AMOUNT OF \$172,349 AND EXPENDITURES IN THE ELECTIONS BUDGET IN THE PROPOSED AMOUNT OF \$321,062.

MOTION PASSED UNANIMOUSLY.

ASSESSOR

The requested and proposed budgets are identical. This budget is status quo. The item with the largest increase is in IS charges, and anticipated CAFFA funding is decreased. Temporary/part-time funding remains in place to continue with special projects. The main operating revenue for this program is property and tax monies received from the state (\$.15-\$.20 on the dollar for costs associated with the assessment and taxation in Polk County).

Mr. Schmidt explained that the Assessor's office is made up of three sections: cartography, records, and valuation. The Assessor's office administers and maintains approximately 37,000 accounts valued (real market) at \$7 billion, approximately \$5.1 million taxable value. Taxes levied last year was approximately \$80 million for 70 taxing districts (cities, schools, special districts, etc). The cartography section is responsible for updating all of the records when new deeds are recorded, partition plats, and control mapping. The records division processes all tax exemptions and building permits, personal property returns, in addition to helping general public at the counter and on the telephone. The valuation division is responsible for determining the values of the properties in the county and operating the special assessment programs.

Mr. Schmidt anticipates a 3.75% increase in the assessed values in home prices in the County this year, which equates to approximately \$300,000 in additional property taxes. Last year the assessed value rose by 3.85%. 30-35% of homes in the County are still being taxed on market value, but Mr. Schmidt anticipates real market value to also grow by 3-6%, depending on location.

Mr. Schmidt explained that he has again budgeted for temporary staffing to continue the control mapping project and scanning project for chain-of-title searches. The scanning project is 75% of the way done, and goes back to the mid-1800's. The Dallas area of the control mapping project was recently completed and staff is moving onto control mapping in the Monmouth & Independence area.

Mr. Schmidt explained that the appraiser training offered by the Department of Revenue for the last several years has continued to decline in quality. So the department is now looking at and a one-year trial for assessment classes offered through the International Association of Assessment Officers to see if these classes will be beneficial for staff development. These classes increased the Assessor's training budget, but are a necessity for staff development.

The Assessor's department has seen an uptick in sales/ownership changes, which is a good thing for the economy. The accounts physically appraised are much lower than the prior year because of an appraiser retiring and the time it took to train a new appraiser. Doug expects these numbers to increase this year. Appeals and reviews remain flat, and in 2014, out of the 150-250 cases reviewed by staff, only 9 went to appeals.

Over the last year, Doug served as the President of the Assessor's Association and thanked his staff for their hard work while he was preoccupied with that responsibility.

MOTION: WELLS MOVED, WASSON SECONDED TO TENTATIVELY APPROVE THE ASSESSOR'S BUDGET IN THE PROPOSED AMOUNT OF \$1,132,102.

MOTION PASSED UNANIMOUSLY

TAX COLLECTOR / TREASURER

Treasurer:

The requested and proposed budgets are identical, and status quo with what was adopted last year. There are 3.0 FTE split between these two programs and the Finance budget. The Treasurer collects and distributes taxes for all taxing districts in the County, along with paying the County's bills and recording revenue for each department. Most revenues are received electronically now, so staff monitors accounts daily to record revenue received.

Tax Collector:

The requested and proposed budgets are identical. There is a capital outlay request for \$20,000 for a check scanning system. This program will capture data off the checks received and allow supporting documents to be scanned in for reference. This system will also then electronically deposit these checks to the bank. This system is expected to create immense time savings and staff efficiencies in property tax payment posting.

This budget has an increase in postage charges. Of the \$18,000 budgeted, \$13,500 is for mailing 35,000 tax statements in November. In the past year, the Department has worked with IS to get more information available on the web. Tax statements are not yet available on line but Linda is hopeful that will be done this year.

Many people are still paying by credit card and e-check, with over 1 million being collected electronically last year, up over \$250,000 from the previous year. Staff converted to a new receipting program this last year but staff are now comfortable with the system. The collection rate last year is 98.7%, 2% is the discount for paying upfront, the remaining taxes are usually received in later years.

MOTION: AINSWORTH MOVED, WELLS SECONDED TO TENTATIVELY APPROVE THE TREASURER'S BUDGET IN THE PROPOSED AMOUNT OF \$91,664 AND THE TAX COLLECTOR BUDGET IN THE PROPOSED AMOUNT OF \$274,137.

MOTION PASSED UNANIMOUSLY

DISTRICT ATTORNEY

Prosecution

The requested and proposed amounts are identical. This year, the prosecution budget was split so that the victim's assistance program is now a stand alone budget. As a result, the Prosecution budget is showing a 1.9 FTE loss, but that FTE has just been transferred to the Victim's Assistance budget. Aaron Felton, District Attorney's salary is not included in this budget because it is paid by the State.

Aaron Felton reminded the Board that his office is the smallest in the state based on the population of the County. The office consists of three criminal prosecutors, in addition to Mr. Felton that carries a full caseload. Each of the 3 Deputy DA's is a level 2 so they can handle all levels of prosecution. . The Prosecution Division of the DA's office prosecutes felonies and misdemeanors that occur

within the County. These cases are referred to the office by all law enforcement agencies within the County.

The 2014 prosecution numbers are showing a downturn in the number of cases filed. This is attributed to fewer patrols. The Dallas Municipal Court has also taken back misdemeanor cases, which results in lower numbers. The projected numbers for the upcoming year is based on current staffing and does not include increases if the levy should pass. With the upcoming legalization of marijuana, Mr. Felton is expecting to see an increase of DUI cases and felonies. If the levy does not pass, Mr. Felton cautioned that certain types of crimes will have to stop being prosecuted simply because there is not enough staff.

The Karpel system that the office has been using for the last year has benefited the department by the data and statistics the program is able to track. The office is also trying to transition to paperless as much as possible. This year, the office is budgeting for laptops for the prosecutors so that they can take work home.

Victim's Assistance

This is a new budget this year, and includes 1.9 FTE transferred from the Prosecution budget. By separating this fund, it makes it easier to apply for grants and additional funding. This program focuses on getting restitution for victims and victim notifications of hearings and releases.

Support Enforcement

The requested and proposed amounts are identical. Support Enforcement is funded 2/3 by State and Federal funds, the other 1/3 by the County. This is a very vital and efficient program for the citizens of Polk County. The Deputy DA assigned to the Support Enforcement program is not allowed to do prosecutions, but Support Enforcement offers civil and punitive penalties for child support. The amount of funds recovered continues to increase. Most other counties in the state handle support enforcement administratively, while Polk County handles most judicially.

With this program, when a client has to go on state assistance, the State takes that case from us until they are off public assistance and can pay back the amount owed to the state. Once the client has done that, the State will give those cases back to the Counties on a quarterly basis.

C.A.S.A.

This program has been eliminated from the budget this year. Mr. Felton is supportive of the CASA program, but the program has grown to a level that they can support themselves after the current fiscal year ends. The program currently utilizes space in the District Attorney's office, but the ability to house the staff and volunteers is becoming increasingly difficult, and will be impossible if the levy passes.

Medical Examiner

The requested and proposed amounts are identical. The Medical Examiner makes determination on death scenes to determine foul play. The County contracts with Marion County, four retired professionals, and a Corvallis-area pathologist for medical examiner services, which has worked extremely well for the District Attorney and the law enforcement community.

C.A.M.I.

The requested and proposed amounts are identical. The program is overseen by the District Attorney, but there are no general fund monies for this program. Funding is through the State, Court fines and appearances. The C.A.M.I. team meets monthly to review possible cases of child abuse. This year the program purchased digital cameras for each law enforcement agency in the county to better document abuse cases.

The C.A.M.I. fund is also used to fund the County's contract with Child Abuse Assessment centers (Liberty House and Juliette's House) to utilize the investigation and reports these centers provide. This fund is also used to fund training for law enforcement and DHS partners in child abuse prevention and recognition.

MOTION: AINSWORTH MOVED, POPE SECONDED TO TENTATIVELY APPROVE, IN THE GENERAL FUND, THE DISTRICT ATTORNEY'S PROSECUTION BUDGET IN THE PROPOSED AMOUNT OF \$785,213, VICTIM'S ASSISTANCE BUDGET IN THE PROPOSED AMOUNT OF \$171,444, SUPPORT ENFORCEMENT BUDGET IN THE PROPOSED AMOUNT OF \$354,746, AND MEDICAL EXAMINER BUDGET IN THE PROPOSED AMOUNT OF \$41,095.

MOTION PASSED UNANIMOUSLY.

MOTION: AINSWORTH MOVED, POPE SECONDED TO TENTATIVELY APPROVE RESOURCES AND EXPENDITURES IN THE C.A.M.I. BUDGET IN THE PROPOSED AMOUNT OF \$130,000.

MOTION PASSED UNANIMOUSLY.

SHERIFF

Patrol

The requested and proposed amounts are identical. This year's budget does not include any reduction in Patrol deputies. Since March 29, 2014, the patrol division has been operating one 10-hr shift per day, 7-days a week with 4 Patrol Deputies and 3 Sergeants and 1 Detective. This has created a significant impact on the community and the partner jurisdictions that rely on the department for support. 2,100 calls for assistance have gone unanswered since this time as well.

Reported person-to-person crimes are down 17.7%, and arrests for these crimes are down 27.7%. Reported property crimes are down 15.6%, and arrests for these crimes are down 19.3%. DUUI Arrests are down 47.3%. Narcotics arrests are down 55%. Warrant arrests are down 90.2%. Total Arrests are down 68.6%. Reports of kidnappings, rapes, burglaries, theft, hit & runs, reckless driving and trespasses are all increased since patrol hours have been cut.

The records division is caught up and has been able to reopen in the morning hours. The civil division is also keeping pace. Concealed handgun licenses are down but are expected to increase with the gun control bill before the legislature.

Last week, the Willamette Valley Communications Center, which handles a majority of Polk County's 9-1-1 calls, informed the Sheriff that they would be increasing Polk County's rate by 7.9% (approximately \$17,000). The Sheriff is fighting the increase because the calls for service for Polk County have actually gone down. The Willamette Valley Communications Center has referred this back to their budget committee for further consideration.

The West Linn Police Department recently donated two patrol vehicles to the County, one went to the Juvenile Department and one to the Sheriff Patrol. The only expenses associated with receiving these vehicles were for transfer of title and registration. There is also a capital outlay budget item for the purchase of patrol vehicles. Usually the Sheriff will purchase lease return vehicles for about \$.50 on the dollar. Last year, the patrol vehicles were transferred to propane, which has greatly reduced the fuels costs for the patrol budget.

Jail

The requested and proposed amounts are identical and FTE is status quo. The Sheriff still commented that this is one of the best jails in the state of Oregon. It is run very efficiently. It receives at least one inspection per year by the Commissioners and public, and a biennial inspection by the Oregon State Sheriff's Association. At each previous inspection the County has met or exceeded the state standards. In addition, the inspectors always commend the Sheriff on how clean and quiet the facility is.

There has been a 10% reduction in bookings over the last year, which the Sheriff attributes to the reduction of patrol. The jail operates daily on minimum staffing, so anytime a Corrections Deputy calls in sick, the County has to pay overtime. There is very little room in the jail for staff coverage in the event of vacations, sick days, mandatory training, etc. The current fiscal year Jail budget included \$60,000 for overtime expenses, but as of February the amount charged is \$104,000. Two long-time Corrections officers have or will be retiring in the next month, so a patrol deputy has been temporarily transferred to the jail to assist with staffing.

The minimum staffing prevents the Jail from being able to provide court security, except in cases when it is requested or when a person in custody needs to be taken into the courtroom. There are panic alarms in the courtroom, and will alert the jail, however if no deputy is available the Sheriff's office will have to respond. Courthouse Security is a concern but it is an issue of finance.

The new JAMIN Jail Management software is working very well, and staff have had no complaints with the system.

The County just signed a contract with a new food service provider, which will reduce the food budget by 25-30%, and bring the menu back to three hot meals a day.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO PLACE \$170,000 IN THE SHERIFF'S JAIL BUDGET ON THE UNFUNDED LIST FOR 2.0 FTE CORRECTIONS OFFICERS.

Emergency Management

The requested and proposed amounts are identical. Staffing numbers are maintained at the same level as the current year. This program coordinates rescue and relief efforts during emergency events. This program also maintains the countywide communications system. The County owns the Eagle Crest Communications Tower, which other agencies lease space on, so the maintenance costs for the tower are paid for by the leases.

Most of this program is funded through grants that Dean Bender, Emergency Manager applies for on behalf of the County. This last year, Dean was able to secure four new grants totaling \$197,000 for Regional Microwave Project Improvement (Polk & Marion Counties), Fishback Seismic Infrastructure Improvement, Regional Emergency Operation Plan Update (Polk & Benton Counties), and Polk County CERT Sustainability.

Another recent acquisition Dean received via grant (shared with Lincoln County) is a mobile infrastructure security trailer. This trailer can be set up at a crime scene, disaster site, community event, etc. to remotely feed live video.

Marine Patrol Fund

The requested and proposed amounts are identical. This is a seasonal program (runs approximately Memorial Day through Labor Day) that is run by Sheriff Reserve Deputies. Funding and equipment in this program are from the State Marine Board. A \$5,000 general fund transfer is also included in this budget. Due to reduced reserve volunteers, the Sheriff told the Oregon State Marine Board this year that he would not be able to operate the program. However, the State still

gave the Sheriff the full funding to operate the program so that he can patrol when there is staffing available and return what funding isn't used at the end of the season.

P.O.I.N.T. Fund

The requested and proposed amounts are identical. Due to budget cuts, this program has not been operating since June 5, 2014. The Sheriff explained that drugs are the root cause of most crime, the loss of this program is having the most impact on the community. Should the levy pass, the Sheriff will reassign two staff to this team as soon as possible to get the team active once again. Most of the funding received for this program is from a \$5,000 charge from each participating agency and grant funding.

When active, this is a very successful program which creates a lot of felony arrests, and is a big deterrent in the amount of drug deals occurring in the County. The POINT Team is a critical component of the attempts to deal with drug issues in Polk County. It is a combined effort of Polk County, and one officer each from Dallas, Monmouth, Independence, and Oregon State Police, though Dallas has not participated recently due to lack of staff.

Dog Control Fund

The requested and proposed amounts are identical. The proposed budget includes a 0.5 FTE clerical and the actual dog control officer. The Sheriff explained that because staff do not have the capacity to 'spot-check' for dog licenses, the number of dog licenses being issued and renewed continue to decline. The Sheriff explained that the Dog Control Officer's primary function is dogs. However, because of his training and experience, he is utilized for animal abuse cases as well.

MOTION: AINSWORTH MOVED, WHEELER SECONDED, TO TENTATIVELY APPROVE THE SHERIFF'S OFFICE BUDGET IN THE PATROL FUND IN THE PROPOSED AMOUNT OF \$2,695,788; THE JAIL FUND IN THE PROPOSED AMOUNT OF \$4,026,583; AND THE EMERGENCY MANAGEMENT FUND IN THE PROPOSED AMOUNT OF \$363,541.

MOTION PASSED UNANIMOUSLY.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE SHERIFF'S OFFICE BUDGET IN THE MARINE PATROL REVENUES AND EXPENSES IN THE PROPOSED AMOUNT OF \$74,500; THE POINT FUND REVENUES AND EXPENSES IN THE PROPOSED AMOUNT OF \$150,000; AND THE DOG CONTROL FUND REVENUES AND EXPENDITURES IN THE PROPOSED AMOUNT OF \$158,500.

MOTION PASSED UNANIMOUSLY.

The meeting was recessed until 8:15 a.m. March 31, 2015.

DAY #2 – MARCH 31, 2015

Chairman Hartmann reconvened the meeting at 8:15 a.m. on March 31, 2015.

Hansen gave an overview of the previous days hearings. There is one item on the wish list: \$170,000 for a 2.0 FTE Corrections Deputies in the Sheriff-Jail budget, which will be discussed at the Budget Hearing May 20, after the results of the levy are known.

OPERATING LEVY

Since the results of the levy ballot measure are not yet known, the Operating Levy fund is included in the General Fund budget. This fund includes 22 FTE: 12 Sheriff – Patrol, 5 Sheriff – Jail, 5 - DA Prosecution, and \$100,000 for an additional 2 Juvenile Detention beds. The proposed Operating Levy budget includes not just wages, but materials and services for 22 more FTE as well, including additional patrol vehicles.

The Sheriff has had certified officers approach him for a position should the levy pass. The Sheriff explained that certified deputies cost more in wages but do not require additional costs and time to train. Greg Hansen explained that if the levy passes, the Sheriff will not be able to hire all the staff needed by July 1, so there will most likely be reserves in year 2.

The Committee reiterated comments that the Board have made throughout the levy discussions that if federal timber funding is received for the duration of the levy, the Board will set the levy rate at a rate less than \$.45/\$1,000 to offset any timber funds received.

MOTION: WHEELER MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE OPERATING LEVY BUDGET IN THE GENERAL FUND IN THE PROPOSED AMOUNT OF \$2,149,981.

MOTION PASSED UNANIMOUSLY

PARKS

The requested and proposed amounts are identical. The County has 12 parks, and five undeveloped plots designated for parks, for a total of 150 acres of parkland. This fund receives funding from State shared revenues, RV fees, a BLM contract for Mill Creek park, and marine funds for Buena Vista Park because of the boat ramp. None of the parks allow overnight camping (without special permission) and they are usually only open April - September. The Community Service program provides a majority of the park maintenance. The County recently completed a major renovation at the Buena Vista Park upper parking lot and restroom area. This park has high use from the biking community, so some bike funds were able to be used for this project, along with in-kind contribution from Public Works staff.

MOTION: POPE MOVED, AINSWORTH SECONDED, TO TENTATIVELY APPROVE THE PARKS BUDGET IN THE GENERAL FUND IN THE PROPOSED AMOUNT OF \$60,541.

MOTION PASSED UNANIMOUSLY

O&C Timber (Title III)

The requested and proposed amounts are identical. This will probably be the last year this fund is in the budget. This fund shows no current revenue, but there is an appropriation for mapping services to be spent in the next year.

MOTION: POPE MOVED, AINSWORTH SECONDED, TO TENTATIVELY APPROVE THE TITLE III DIVISION BUDGET IN THE NON-DEPARTMENTAL GENERAL FUND IN THE PROPOSED AMOUNT OF \$83,170.

MOTION PASSED UNANIMOUSLY

NON-DEPARTMENTAL

Miscellaneous

The requested and proposed amounts are identical. This program consists of \$3,000 reserved for VORP, and BOC/Misc expenses of \$750. The General Fund transfers to other funds will be discussed at the budget hearing on Thursday.

MOTION: WASSON MOVED, POPE SECONDED, TO TENTATIVELY APPROVE THE NON-DEPARTMENTAL MISCELLANEOUS EXPENDITURES IN THE NON-DEPARTMENTAL GENERAL FUND IN THE PROPOSED AMOUNT OF \$3,750.

MOTION PASSED UNANIMOUSLY

COMMUNITY DEVELOPMENT

Planning:

The requested and proposed amounts are identical. Austin McGuigan, Community Development Director explained that his department strives for efficiency and a high-quality, which is obtained through retention. This department has had veteran staff that provide high-productivity and high-quality work, however, over the last few months the department has lost planners as the demand for these skills increases. The department is in the process of recruitment to restore these positions, and is optimistic that the County will attract talented planners before quality of service is affected.

Austin explained that revenue from planning permits covers approximately 30% of the planning department cost. The volume of the work that the department is seeing has remained static, however the complexity of what the department is experiencing is increasing.

Building Inspection:

The requested and proposed amounts are identical. This program has both internal staff for intake and processing permits and administrative support, and the remaining part of this program is contracted out for the actual inspection services. The contract amount fluctuates depending on development activity.

Austin aims for the building inspection revenue to cover as close to 100% of the cost as possible. For the current fiscal year, he is at 92%, but revenue should pick up in the last quarter. Building and mechanical permits for the upcoming year are expected to increase 11%, and electrical permits up 8% (Monmouth handles their own electrical permits). The total number of new dwelling permit applications in the county are up 78%. Manufactures home dwellings are up 400% (from 2 to 8). Austin explained that manufactured homes do not bring in as much revenue because fewer inspections are needed. Commercial permits are the real revenue generator, which are down 30% from the previous year.

Environmental Health:

The requested and proposed amounts are identical, and staffing is status quo. This department has a broad range of responsibilities, including pool inspection, septic design, restaurant inspection

and licensing, dog bite investigations, etc. This program is self-funded, and current revenue is covering 120% of expenses. Austin reported that the department recently completed their triennial review, and we were one of the few, if not only county to receive 100%.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE COMMUNITY DEVELOPMENT DEPARTMENT BUDGET IN PLANNING IN THE PROPOSED AMOUNT OF \$383,371, BUILDING INSPECTION IN THE PROPOSED AMOUNT OF \$500,153, AND ENVIRONMENTAL HEALTH IN THE PROPOSED AMOUNT OF \$252,413.

MOTION PASSED UNANIMOUSLY

Economic Development Fund

The requested and proposed amounts are identical. This fund pays for the Trapper services, tourism dues, Extension Research Center, and other special projects. Each City within Polk County is given a set amount from this fund for Economic Development. There is also a \$700,000 placeholder in case the County wanted to apply for a Community Development Block Grant.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE REQUIREMENTS AND EXPENDITURES IN THE ECONOMIC DEVELOPMENT FUND IN THE PROPOSED AMOUNT OF \$1,267,500.

MOTION PASSED UNANIMOUSLY

Household Hazardous Waste Fund

The requested and proposed amounts are identical. This is a status quo budget with what was adopted last year. Funding comes from a \$.25 charge franchise tax on residential garbage fees. This fund is dedicated to hosting two Hazardous Waste disposal events each year, in partnership with Marion & Yamhill counties.

Austin commented that year-to-date, revenue department-wide is up 10%

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE REQUIREMENTS AND EXPENDITURES IN THE HOUSEHOLD HAZARDOUS WASTE FUND IN THE IN THE PROPOSED AMOUNT OF \$165,000.

MOTION PASSED UNANIMOUSLY

COMMUNITY CORRECTIONS

Parole & Probation

The requested and proposed amounts are identical. There is a 0.5 FTE clerical added in the proposed budget that was actually hired this fiscal year. PO staffing remains the same. This program is mainly funded by 1145 monies through the Department of Corrections. The amount budgeted from 1145 monies is a 'best guess,' since it is still unknown how much the Department of Corrections will be allocating to Counties. Over \$200,000 of revenue is also generated from fees charged to the clients for supervision costs.

There is also state grant award in this budget received for the drug court program, which is housed under this budget. This year, the Drug Court has been contracting with Polk County Behavioral Health to provide addictions counseling services, which has been working well. Judge Sally Avera is the assigned judge, and Commissioner Ainsworth, a Deputy District Attorney Representative,

one Court Representative, an assigned Probation Officer, and a DHS Case Worker make up the Drug Court team.

Marty Silbernagel, Community Corrections Director, explained that the department has remained consistent financially and with staffing, but there have been changes within the corrections system as to how and which parolees are supervised. Marty also explained that with HB 3194, the state has been ramping up the early release program, and Polk County now receives 12-15 new early release parolees each month. But Marty expects that number to climb to 25-30 new early release parolees each month in the upcoming year.

Marty emphasized that the biggest challenge that his department now faces with the increase in early release parolees is housing. Currently, there are 12 transition beds in the county that are always filled: River of Life, Titus III and the Community Corrections office. In 2014, 23 females were placed at Titus, and 43 men were placed in the Community Corrections office. All other offenders are directed to the Salem Union Gospel Mission. However, registered sex offenders are not allowed to stay there so there are some homeless sex offenders living in the county. The County currently allocates some funding for transitional housing and transition programs, but Marty feels the county needs to increase funding and options for post-prison housing.

Last year, Judge Hill created a task force that has been meeting to take a closer look at the mental health population that ends up in the jail and what can be done to address that group of offenders. The Behavioral Health Department is in the process of submitting a \$550,000-\$600,000 grant to deal with offenders with co-occurring mental health disorders. Funding is written into this grant to hire an additional Probation Officer to supervise these mental health offenders.

Marty also expressed concern with how the current state of the public safety system affects funding for his department. With the lack of officers on the road, and the cases being prosecuted in the District Attorney's office dropping, Marty is concerned that the felony caseload is going to drop, which means the 1145 monies received from the State are going to drop, and the amount of Parole & Probation officers will have to be cut.

Marty reported that since his department had been given the authority to issue warrants for probationary technical violations, he has processed close to 100 a year, which saves Court and DA resources and time. Marty also recognized the Polk County Drug and Alcohol Program for reducing the number of positive UA's that his department has been seeing.

Community Service

The requested and proposed amounts are identical. The FTE in this program remains at 2.0. The Court has worked with Marty in allowing and authorizing 'buy-outs' of community service orders due to medical reasons or unreasonable travel (\$8 per hour), this option generated \$60,000-\$70,000 in revenue last year.

Both the adult and juvenile community service programs provide a valuable service to the County in the way of park and property maintenance, and assistance to cities with community events.

MOTION: WELLS MOVED, POPE SECONDED, TO TENTATIVELY APPROVE THE COMMUNITY CORRECTIONS PAROLE & PROBATION BUDGET IN THE PROPOSED AMOUNT OF \$1,844,097, AND THE COMMUNITY SERVICE BUDGET IN THE PROPOSED AMOUNT OF \$169,617.

MOTION PASSED UNANIMOUSLY.

JUVENILE

Revenue

This fund receives the largest general fund transfer proposed at of \$800,000. \$100,000 of this transfer is budgeted from levy revenue for two additional Juvenile Detention beds.

Probation:

The requested and proposed amounts are identical. Last year there was a retirement of a long-time employee, and instead of filling the position with another full-time employee, a 0.5 FTE was hired and the office restructured and is now only open to the public in the afternoons. Also in 2014, the District Attorney's office took over the duty of filing juvenile criminal petitions with the court. These changes have freed up time for staff to do more field visits.

Juvenile case loads are lower than in the past. Marty attributes this to the lack of resource officers in the schools. Juvenile Probation case loads average 25 per PO. There are also 4 different Sanction Courts in the County that deal with less serious referrals, with approximately 65 juveniles currently participating under a 90-day written contract. If they do not comply, the Juvenile PO can then file for formal probation. The recidivism rate under the sanction court program is approximately 10-12%. The Juvenile thinking for change classes continue to receive good feedback from both the youth and their parents.

Sanctions:

The requested and proposed amounts are identical. This program funds the detention beds, which are proposed at 5.8 beds: 3.8 in Yamhill County and 2 in Marion County (includes the 2 proposed in the levy). Other Contract Services in this program includes VORP and sex-offender treatment.

Community Service:

The requested and proposed amounts are identical. There is no FTE in this budget, only a line item for temporary/part-time help. Most of the funding is through contracts with ODOT and BLM to pick up trash and pull noxious weeds. The Juvenile Community Service crews average 450 service hours per month. Last year, the program started splitting and selling firewood, and was able to sell 50 cords in 2014. Marty anticipates this amount to increase as awareness of the program grows.

MOTION: WHEELER MOVED, AINSWORTH SECONDED, TO TENTATIVELY APPROVE THE JUVENILE FUND REVENUES IN THE PROPOSED AMOUNT OF \$1,194,500.

MOTION PASSED UNANIMOUSLY

MOTION: WHEELER MOVED, AINSWORTH SECONDED, TO TENTATIVELY APPROVE THE JUVENILE PROBATION EXPENDITURES IN THE PROPOSED AMOUNT OF \$751,718, JUVENILE SANCTIONS EXPENDITURES IN THE PROPOSED AMOUNT OF \$394,615, AND JUVENILE COMMUNITY SERVICE IN THE PROPOSED AMOUNT OF \$48,167.

MOTION PASSED UNANIMOUSLY

MISCELLANEOUS FUNDS

Youth Programs

Revenues: The requested and proposed amounts are identical. There are three revenue sources, the largest being State Operating Grants. This fund does not receive any general fund transfers. Last year, the former employees of the program formed a non-profit group and the County now contracts out all services to that organization, which has worked well. In the next fiscal year, Greg

anticipates that the State will directly contract with this company and this budget will not be necessary.

Mentor/ILP: The ILP (Independent Living Program) serves 14-21 year olds, and funding is received through DHS. The Mentor program serves 12-18 year olds and funding is received through OYA.

MOTION: AINSWORTH MOVED, POPE SECONDED, TO TENTATIVELY APPROVE THE YOUTH PROGRAMS REVENUE & EXPENDITURES IN THE PROPOSED AMOUNT OF \$700,000.

MOTION PASSED UNANIMOUSLY

Law Library Fund

The requested and proposed amounts are identical. The County is required by law to maintain a County law library, and it can be utilized by the public. The primary operating resource is from State Court System fees.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE LAW LIBRARY BUDGET IN THE LAW LIBRARY FUND REVENUES AND EXPENDITURES IN THE PROPOSED AMOUNT OF \$55,000.

MOTION PASSED UNANIMOUSLY

911 Emergency Funds

This budget is for historical purposes only. In the past, this budget collected and distributed the telephone excise tax through the State Emergency Communication fund. The excise tax funds are now being disbursed from PSAP directly to the 911 agencies.

FAIR FUND

Revenues

The requested and proposed revenues are identical. Funding for this program is mostly from fees for year round and annual fair. Approximately \$50,000 in State Shared Revenues is received for the annual fair. In the past, some Economic Development funds have been utilized for infrastructure repair.

Tina Andersen, Polk County Fair Manager is on medical leave. Anna Scharf, Fair Board Manager, testified on her behalf.

Year Round Operation:

The requested and proposed amounts are identical, and most of the FTE for the fair are included in this budget. Revenues for this program are primarily for rental services for building facilities and RV revenues.

There are four events that the Fair Board puts on to generate revenue. One is the craft fair in the fall/winter, and the other three are the gun shows, which are the largest revenue generators for this budget (December revenue brought in \$17,000 – shared \$3,500 with the Rickreall Fire Department for parking services). However, the revenues being brought in still do not cover the serious facility needs that need to be addressed. Last year, the facility generated over \$190,000 for local businesses and non-profits through fundraising activities and community events. Without this facility, those organizations would not have a place to hold these events.

Anna also explained that there is great concern with proposed legislature currently being considered to increase minimum wage and create mandatory sick leave. The budget for staffing is currently limited and if these laws pass it will be a major impact to the Fairgrounds. The Fairgrounds also operates on large amounts of volunteer time and money, which is not able to be reflected in the budget.

The Fair Board continues to slowly move forward with the visioning plan for the facility. A large event center is what is needed to generate the most revenue.

Annual Fair:

The requested and proposed amounts are identical, and approximately \$5,000 less than last year. Anna explained that the Fair Board focus has shifted to business sustainability and how to generate positive revenue. This includes increasing the fair entry charges. The annual fair has also been shortened to three-days, Sunday has been eliminated. However, value has been added over the three days. There will be a rough-stock rodeo on Thursday night, and additional 'headline performances' on the main stage.

The livestock association also decided to move the auction from 7pm to 3pm, which the Fair Board hopes will allow the bidders more time to see other parts of the fair.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE FAIR FUND REVENUES IN THE PROPOSED AMOUNT OF \$438,000, THE FAIR FUND; ANNUAL FAIR EXPENDITURES IN THE PROPOSED AMOUNT OF \$166,000, AND THE FAIR FUND YEAR ROUND OPERATIONS EXPENDITURES IN THE PROPOSED AMOUNT OF \$272,000.

MOTION PASSED UNANIMOUSLY

MISCELLANEOUS FUNDS (Continued)

County School Fund

The requested and proposed are identical. Funding for this program is received from the Utility Franchise tax. This is a pass-through funding, which gets disbursed to the schools upon receipt.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE COUNTY SCHOOL FUND EXPENDITURES AND REVENUES IN THE PROPOSED AMOUNT OF \$25,000.

MOTION PASSED UNANIMOUSLY

Insurance Fund

The requested and proposed amounts are identical, and 0.25 FTE of the County Counsel position is included in this budget. Unemployment claims are also paid from this fund. The County is fully insured through CCIS. The rates increased dramatically last year on the liability side due to new actuaries. This year the increase is a more normal rate. Property insurance will increase by 3%-4%, and liability insurance will increase by 6%. The Worker's Compensation experience mod fluctuates depending on the number of claims, but is expected to be in the low .70s this year, but some large claims are looming that may increase this experience mod.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE INSURANCE FUND EXPENDITURES AND REVENUES IN THE PROPOSED AMOUNT OF \$1,085,000.

MOTION PASSED UNANIMOUSLY

Debt Service Fund

The requested and proposed amounts are identical. This fund is used to pay-off the 2006 Road Bond, year 9 of 10. The next bond opportunity will be in 2016. This program is funded by the property tax assessment. The Budget Committee will need to decide next budget session if and what kind of bond should be sought once the road bond is finished, Greg would like to seriously consider a facilities bond.

MOTION: WELLS MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE DEBT SERVICE FUND IN THE GENERAL SERVICES DEPARTMENT RESOURCES AND REQUIREMENTS IN THE PROPOSED AMOUNT OF \$2,757,375.

MOTION PASSED UNANIMOUSLY

Domestic Mediation Fund

The requested and proposed amounts are identical. The monies in this program are overseen by the County and primarily expended for the mandated parenting class for divorcing couples and child custody cases.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE DOMESTIC MEDIATION FUND IN THE GENERAL SERVICES DEPARTMENT RESOURCES AND REQUIREMENTS IN THE PROPOSED AMOUNT OF \$41,000.

MOTION PASSED UNANIMOUSLY

Court Security Fund

The requested and proposed amounts are identical. There are no major court security projects proposed for the upcoming fiscal year. This fund is living off of the amount of the beginning fund balance as the state operating grants amounts continue to shrink.

MOTION: WASSON MOVED, AINSWORTH SECONDED, TO TENTATIVELY APPROVE THE COURT SECURITY FUND IN THE GENERAL SERVICES DEPARTMENT RESOURCES AND REQUIREMENTS IN THE PROPOSED AMOUNT OF \$126,000.

MOTION PASSED UNANIMOUSLY

MANAGEMENT SERVICES

Revenues

Revenues for these funds are from internal service charges.

Non-Departmental

Courthouse and Academy Building rents are collected in this fund and then a portion is transferred to the Building Improvement fund, which are then used to pay for the Courthouse and Academy Building improvements. Last year, when the Behavioral Health department was in their fiscal crisis, the department could not pay their portion of the building maintenance costs for the academy remodel. This year the department is in a better financial position, so there is an additional

\$500,000 management services charge to the behavioral health department and corresponding transfer to the building improvement fund in this proposed budget to make up for the lack of payment last year. This budget also includes a contingency that can be transferred to other funds if needed.

Central Services (General Services)

This funding comes from charges for services, which are charges to each department for office supplies, photocopies, motor pool, postage, phone usage, etc. FTE in this program includes General Services' office manager and part-time assistant, and part of the Administrative Services Director and Administrative Officer's positions.

Matt Hawkins, Administrative Services Director, explained that telephone costs continue to be static as a majority of communication is now through e-mail. However, the need for telephones is not decreasing. The current phone/voicemail system is extremely outdated, and the County will need to purchase a new voicemail/phone system soon. Matt is looking at current possibilities and costs.

Academy Building Maintenance

This budget houses the maintenance costs for the Academy Building. The FTE costs are up to accurately reflect the personnel used in the Academy Building maintenance.

Jail Maintenance

The jail is approaching 20 years old. It is still in fairly good condition, but as the facility continues to age, the maintenance costs will continue to increase. There is a very skilled maintenance worker that is assigned to the jail that has saved the County a lot of money in repairs and maintenance projects.

Courthouse Maintenance

This fund provides all maintenance for the Courthouse and off-site buildings (excluding fairgrounds). There has been a small reduction in utility costs due to a lighting efficiency upgrades in the building.

Information Services

This department provides all the IS services for the County, and some contract services to the Cities of Dallas and Monmouth, and Polk Fire District #1. Funding in this program is from charges for services. The biggest cost this year is a result of doing a county-wide software upgrade.

Geographic Information Services

The requested and proposed amounts are identical. This program is essentially status quo with what was adopted last year. The County will be looking at updating aerial photos this year at a cost of \$10,000-\$15,000.

Finance

FTE for this program includes part of the Treasurer's salary and one staff member, BOC Executive Assistant, and the Administrative Officer. Contract services is the largest line item, which includes the contract for the audit. AOC and NACO membership dues are also expenses within this budget.

Personnel

FTE in this program remains status quo. Employee Assistance Program is paid from this fund. The County will not be contracting with LGPI in the upcoming year. The County is now utilizing a new service for job applications and recruitments called Neogov, which allows for a broader application field.

Board of Commissioners

The salaries of the three Commissioners are included in this budget, along with materials and services.

County Counsel

This budget includes 0.75 FTE of the County Counsel and 0.1 FTE of the BOC Executive Assistant. Morgan Smith, County Counsel also serves as the legal counsel for the West Valley Housing Authority, which contracts with the County for these services.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE MANAGEMENT SERVICES FUND REVENUES IN THE PROPOSED AMOUNT OF \$4,740,000, NON-DEPARTMENTAL EXPENDITURES IN THE PROPOSED AMOUNT OF \$662,745, CENTRAL SERVICES EXPENDITURES IN THE PROPOSED AMOUNT OF \$483,234, ACADEMY BUILDING MAINTENANCE IN THE PROPOSED AMOUNT OF \$425,224, JAIL BUILDING MAINTENANCE IN THE PROPOSED AMOUNT OF \$303,661, COURTHOUSE MAINTENANCE IN THE PROPOSED AMOUNT OF \$537,395, INFORMATION SERVICES EXPENDITURES IN THE PROPOSED AMOUNT OF \$864,378, G.I.S. COMPUTER MAPPING IN THE PROPOSED AMOUNT OF \$259,496, FINANCE EXPENDITURES IN THE PROPOSED AMOUNT OF \$489,807, PERSONNEL EXPENDITURES IN THE PROPOSED AMOUNT OF \$278,174, BOARD OF COMMISSIONERS EXPENDITURES IN THE PROPOSED AMOUNT OF \$304,661, AND COUNTY COUNSEL EXPENDITURES IN THE PROPOSED AMOUNT OF \$131,225.

MOTION PASSED UNANIMOUSLY

BUILDING IMPROVEMENT

The requested and proposed budgets are the same. Hansen presented a memo that described the projects that have been completed recently and others that will need to be completed in the next 5 years. There are little building improvement projects scheduled this year, but the Board needs to start seriously considering going out for a facilities bond once the road bond is complete to address the maintenance issues within the County buildings, estimated at \$8 million (approximately \$.23/\$1,000 tax rate). No new structures, just maintenance on existing facilities that have been neglected due to lack of funding, including the fairgrounds. Hansen explained that this is something the Board will have to decide on next year.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE ACADEMY BUILDING IMPROVEMENTS IN THE PROPOSED AMOUNT OF \$227,500, AND COURTHOUSE BUILDING IMPROVEMENTS IN THE PROPOSED AMOUNT OF \$272,500, FOR A TOTAL FUND AMOUNT OF \$500,000.

MOTION PASSED UNANIMOUSLY

PUBLIC HEALTH FUND

Revenues

The requested and proposed amounts are identical. The Public Health Department provides all the public health services in the County along with contract nursing services in the County Jail. The projected revenues are approximately 2% higher than what was adopted last year.

Noelle Carroll, Health Services Director, Katrina Rothenberger, Public Health Administrator, Arielle Le Veaux, Nursing Supervisor, and Jenny Wilfong, Fiscal Manager attended the hearing to testify on the Public Health Department programs. Last year, the Budget Committee had the General Fund Transfer to Public Health on the call back list in an attempt to reduce the amount the general

fund contributes to this department. Noelle explained that last year, staff was able to reduce the general fund transfer some, but the only other way to reduce the general fund transfer would be to cut programs, which the Committee opted not to do last year. Over the course of the year, the department has increased operating efficiencies and continues to track ways the department can bring in more revenue.

Family Planning

The requested and proposed amounts are identical. This budget is \$15,000 more than the previous budget year. There is a decrease in projected funding from Federal Awards and Charges for Services, and a large increase in the general fund transfer. The primary goal of this program is to promote healthy birth outcomes.

The department has seen a shift from C-Care toward OHP, with an approximate 10% reduction in C-care. To offset this, Katrina asked the main OHP provider to pay an equivalent amount for services being provided. The Department is receiving \$135 for OHP clients and \$150 for C-care.

The program just completed a triennial review and the department has prevented 97 unintended pregnancies, 27 of which were teenagers. Roughly 600 clients have been seen in 1,150 visits. The department is currently recruiting for a nurse practitioner, which is difficult because the County pay scale is not competitive with local hospitals.

Katrina explained that there are a limited number of providers for comprehensive women exams that's needed to obtain contraception, and Polk County Public Health provides this critical access point.

The Budget Committee did express concern that even though public safety services continue to decline, the general fund transfer to Public Health continues to increase. Katrina countered that the Public Health Department does protect the safety of citizen's health in preventing the spread of communicable diseases and also saves the taxpayers money by preventing unwanted pregnancies.

General Health

There are multiple programs within this budget. This budget is approximately \$10,000 less than last year. FTE shows a slight decrease, which is just a more accurate reflection of staffing in this budget. Federal awards are slightly up because of a new funding stream called Medicaid Administrative Claiming. This funding stream is a matched program (approximately \$25,000 - \$30,000 per quarter). Other revenue sources include the intergovernmental contracts for Jail Health Services, school nursing services, CaCoon program and charges for services for immunizations. This budget also shows a large increase in the general fund transfer; Greg explained that in the future, he anticipates this transfer to increase to \$200,000 - \$250,000 in order to keep programs intact as State and Federal funding for Public Health programs decreases.

For the current fiscal year, immunization projected for individuals under 2 years is 1400, and 1200 for individuals over 2 years. 863 flu shots were administered last year, and a similar rate is projected for this year. Polk County is required to provide immunizations to residents regardless of the insurance status. To help recoup these costs, the department is working on getting contracts with the major insurance companies like Regence, Moda, and Providence as other local medical providers do. The Public Health Department is not able to bill for more than the cost to provide the services.

Jail Health had 888 non-emurgent visits, and 244 tb tests were given, and is expected to remain steady.

Maternity Case Management low-birth-weight infants in Polk County are below the state average. Inadequate prenatal care numbers are rising. Katrina explained that there are very few pre-natal care providers in Polk County, which is an essential service for women with high-risk or complicated pregnancies.

Babies First and CaCoon are home visiting programs for targeted case management. This is a leveraged program that does require matched funds. This program is supposed to be integrated into the coordinated care model but has been delayed. The case load for Babies First has remained about 100, CaCoon case load is 120, and both are projected to grow slightly.

Ryan White/HIV caseload has remained fairly high after a jump in the 2012/2013 fiscal year. There are 27-18 cases, with 40 tests projected to be administered in the upcoming year.

Vital Statistics is a revenue generating program for the department. State is proposing legislation to a flat rate fee increase of \$25 per death certificates. Approximately 3,000 certificates are issued per year. There are rarely any birth certificates issued for Polk County

Katrina recently took over the responsibilities for the Emergency Preparedness program. Katrina is currently working on streamlining the emergency plans. Ebola supplemental funding has been received for that emergency preparedness event. Backup from the state and CDC is available for these types of incidents.

In the communicable disease program, Chlamydia is the most common treated. Public Health departments across the state are seeing an increase in syphilis cases, and investigation into these cases are time intensive.

WIC

This program does not receive any General Fund transfers. It receives funding from the Federal government. This program used to be self sufficient, but it now requires approximately \$60,000 from the department to maintain services. The average monthly case loads are dropping across the state, however the low-birth-weight rate is remaining steady.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE PUBLIC HEALTH FUND REVENUES TOTALING \$1,804,000, EXPENDITURES IN FAMILY PLANNING IN THE PROPOSED AMOUNT OF \$198,303, EXPENDITURES IN GENERAL HEALTH IN THE PROPOSED AMOUNT OF \$1,319,791, AND EXPENDITURES IN WIC IN THE PROPOSED AMOUNT OF \$285,906.

MOTION PASSED UNANIMOUSLY

BEHAVIORAL HEALTH FUND

Revenues

The requested and proposed amounts are the same. The amount is up over \$3 million from last year. This amount is also expected to increase before the May budget adoption. Noelle explained that although the funding has increased dramatically, the reporting requirements are also changing. The department used to have much more flexibility with how these funds are spent, but rules now are much more stringent, which changes how the County can do business.

The State requires behavioral health services be provided within 14 days of intake. If this requirement is not met, State funding is threatened. The Department is able to provide these services in a timely manner, but intakes continue to rise. In the first two months of 2015, compared to the first two months of 2014, clients served is up 53%.

Behavioral Health Administration

The requested and proposed amounts are identical. This program has been reconfigured so that all clerical support has been moved to this fund this year, so FTE shows a large increase in this fund, and a decrease in clerical in all other Behavioral Health funds except DD. The amount of contingency in this program has increased over \$750,000.

In past years, Polk County sent a check to Marion County for residents living in Polk County who seek treatment in Marion County. Since the West Salem clinic has opened, this check has continued to drop. Now, more Marion County residents are seeking treatment in Polk County and Marion County is expected to owe Polk County approximately \$60,000 per quarter for these services.

Addictions

The requested and proposed amounts are identical. Addictions services in the West Salem clinic have not been fully utilized because of other local programs available and the department is redirecting focus of the program back to Dallas and to the Central community and school district. DUII service numbers are decreasing, which Noelle directly attributes to fewer Sheriff Patrols.

Out Patient Mental Health – Adult/Children

The requested and proposed amounts are identical. Adult and Child outpatient mental health service budgets will eventually be separated into two programs. This fund encompasses over half of the entire behavioral health program. There is an increase of approximately 6.0 FTE in Professional/Technical and Management. The professional services line item is also increased for contracts with Prescribers. Noelle and Greg are exploring whether there would be cost savings if the County hires a Psychologist in-house.

There are three different programs in this fund. The first is Community Support Services, whose purpose is to reduce hospitalizations and residential placements for seriously mentally ill. Two new components are being added to this program this year, which is adding funding. Clientele served in the program are growing. The department is also planning on contracting in the coming year with a peer delivered services program that pairs current clients with other peers who have gone through similar experiences.

Child outpatient services program has changed this year because School Based Mental Health Counselors have been separated and placed into the Family and Community Outreach fund. The number of children coming into the child outpatient program is dramatically increasing with the influx of OHP clients, even though children should have already been insured prior to that time, up over 65% from this time last year.

Adult outpatient services program has seen an increase of 43% from this time last year. The demand for prescribers is increasing, which is a contracted services. Crisis contacts is going up as the behavioral health system is working closer with the law enforcement community. With the increasing demand and funding, Noelle is cautious to not make the mistake of growing too fast again and then having to make cuts when the funding gets slashed. Staff have begun strategizing how to remain sustainable. The department plans to focus more on contract services instead of increasing FTE, which will be easier to cut if there is a need. The challenge now becomes finding people with whom to contract.

Developmental Disabilities

The requested and proposed amounts are identical. This program has not changed much in the last decade and is essentially a status quo program over last year. Revenue is expected to increase prior to the May 20th formal budget adoption.

Sub-Grant Programs

The requested and proposed amounts are identical. This program is used as a pass through dollars for residential treatment facilities.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE BEHAVIORAL HEALTH FUND RESOURCES, REVENUES, AND EXPENDITURES IN THE PROPOSED AMOUNT OF \$13,122,000, MENTAL HEALTH ADMINISTRATION EXPENDITURES IN THE PROPOSED AMOUNT OF \$4,365,474, ADDICTIONS PROGRAM IN THE PROPOSED AMOUNT OF \$765,814, OUTPATIENT MENTAL HEALTH SERVICES EXPENDITURES IN THE PROPOSED AMOUNT OF \$5,695,321, DEVELOPMENTAL DISABILITIES EXPENDITURES IN THE PROPOSED AMOUNT OF \$1,140,891, AND SUB-GRANT EXPENDITURES IN THE PROPOSED AMOUNT OF \$1,154,500.

MOTION PASSED UNANIMOUSLY

HEALTH SERVICES FUND

Revenues

The requested and proposed amounts are identical. The primary funding sources are numerous grants, Federal and State awards, charges for services, and beginning fund balances.

Health Services Administration

The requested and proposed amounts are identical. This program provides the support for all programs under Health Services. This program is status quo with what was adopted last year. The only revenue in this program is Charges for Services to other programs within Health Services for administration support.

Family and Community Outreach

The requested and proposed amounts are identical. This program shows a large increase in FTE based on the school based therapists being transferred into this program.

Brent DeMoe, Family and Community Outreach Manager explained that the Family and Community Outreach program encompasses Cover Oregon (Insurance Help), School Based Mental Health, Tobacco Prevention, Drug and Alcohol Prevention, Mid-Valley Parenting, and Service Integration.

The program has recently been awarded over \$500,000 in grants to develop a school based health center. Central School has donated the use of a building, the County will utilize this space 2 days/week for public health and behavioral health, along with Capital Dental Services and Salem Health primary care providers. The operations will be overseen by Salem Health. There will also be a child-care component run by Western Oregon University. Construction is underway and the center is scheduled to open June 15.

The Academy Building has become a 'co-location' model. Leases have been entered into with Mid-Willamette Community Action Agency, Salvation Army, HALO, Child-care resource and referral, Willamette ESD and Family Building Blocks so all of these community resources are available under one roof, making it more convenient for citizens and families in need.

Since starting the Cover Oregon program, 2665 have been enrolled (2200 to OHP) 500 of them were under 18 years old. However, there are few clinics that accept new OHP patients, which is the primary driver for the School Based Health Center.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE HEALTH SERVICES FUND REVENUES IN THE PROPOSED AMOUNT OF \$2,089,000, EXPENDITURES IN HEALTH SERVICES ADMINISTRATION IN THE PROPOSED AMOUNT OF \$706,143, AND EXPENDITURES IN THE FAMILY AND COMMUNITY OUTREACH DIVISION IN THE PROPOSED AMOUNT OF \$1,382,857.

MOTION PASSED UNANIMOUSLY

Chairman Hartmann recessed the meeting until April 3, 2014 at 9:15 am.

DAY #3 – APRIL 1, 2015

Chairman Hartmann reconvened the meeting at 10:00 a.m. on Wednesday, April 1, 2015.

Hansen gave an overview of the previous days' hearings. There is one item on the call back list: \$170,000 for 2.0 FTE Corrections Deputy in the Sheriff Jail budget. Greg also requested the Board consider adding CASA to the call back list as well and reexamine the program in May to ensure that the transition out of the District Attorney's office is feasible.

MOTION: HARTMANN MOVED, AINSWORTH SECONDED, TO PLACE THE CASA PROGRAM ON THE CALL BACK LIST FOR REVIEW ON THE MAY 20, 2015 BUDGET COMMITTEE MEETING.

PUBLIC WORKS

Revenues

The requested and proposed amounts are identical, but \$100,000 less than what was adopted last year because of a smaller beginning fund balance. This amount could still increase between now and the May 20 budget meeting. The transfer from the General Fund of \$80,000 is likely to decrease by May, so those two changes will most likely offset each other.

The biggest source of funding in this program is from State Shared Revenue from gas taxes. The County also receives federal funding that has many restrictions on how it is spent, so instead of trying to manage those restrictions, the County exchanges those funds with ODOT for \$.94 on the dollar.

Other funding comes from State Shared Revenue - Bike Paths (1% reserved from gas tax). Additional significant revenue is from a General Fund Transfer which is from State Timber monies to address roads designated as 'State Timber Routes'.

Public Works Administration

The requested and proposed budgets are identical. The Public Works Administration contingency has dropped by approximately \$100,000. Staffing and Materials and Services has remained status quo this year.

County Shops

The requested and proposed budgets are identical. The funding for this program is from Charges for Services from other departments for fleet repairs (County Motor Pool, Sheriff's Patrol Fleet). Repairs and maintenance expenses are budgeted as a slight increase this year, and staffing has remained status quo. There are three mechanics, but one is dual trained to transfer between the shop and the road crew when needed.

Road Maintenance

This is the biggest program within the Public Works fund. The requested and proposed budgets are identical. There is 1.0 FTE increase from last September. Todd Whittaker, Public Works Director provided an itemized list of Operating Supplies, Contract Services and Road Maintenance expenses within Materials and Services to better inform the committee of what is included in those costs.

Todd gave an overview of the condition of the County road system: There are approximately 500 miles of county roads, approximately 250 miles are paved, and 230 miles are gravel. The average age of the paved roads are eight years old, but remain in good to excellent condition. However, each year as the roads age, the pavement condition index drops. Currently on average the roads

are rated at an 81 (good category). The County is three years into a chip seal cycle (anticipated to last 5-8 years) expected PCI after this chip seal will be just under 80. The pavement management system continues to assist the department with improved decision making on which roads to resurface and when.

The gravel roads are also in good condition. Todd has assigned areas of the County to each grader operator for responsibility and management of gravel roads, which has allowed the crew to take pride of ownership of these roads and work to keep them at a high level of quality.

The price of aggregate continues to increase, but at a more moderate level than it has previously. Since the closing of the Krueger rock pit, Polk County rock production is now under a monopoly, creating less options for rock selection and less competitive pricing.

Chip seals this year will be focused on the east side of Highway 99 and hopefully complete all the roads that were not finished last year. 40 miles were completed last year (nearly 10 miles in one day, a new record!). A new grade of oil that has a higher polymer is being used for the chip seals that allows the rock to stick better, making the process faster. There were no windshield complaints last year after using this new formula.

The County road equipment is in very good condition. Todd presented a forecast of future equipment purchases. A new wheeled excavator is expected to be delivered within the next couple of weeks. The trucks are in good shape, Todd expects to get 10 more years of use of the trucks, however there is legislation currently being considered that would cause the County to have to buy new trucks sooner if it passes. The department plans to purchase 1-2 pickups per year, and small equipment as needs arise. Whittaker monitors on-call charges to determine whether it is cost effective to purchase our own equipment vs. contracting services.

The County was awarded an Enhance-it/Fix-it grant for the Valley Junction interchange to upgrade the environmental assessment to get the project closer to 'shovel-ready'. The absence of this project is greatly impacting the County roads because major trucks are using Grand Ronde Road as an alternate way to access Hwy 18 from Hebo Hwy, instead of having to turn left at Valley Junction. This is already causing severe cracking on Grand Ronde Rd that will create increased expenses for maintenance.

There are also some road downgrades and vacations that the department will be proceeding with in the next year.

Last week, the County was notified that ODOT was removing the Hwy 18 Safety Corridor effective March 31. Because of the short timeline of the notification, the County did not have an opportunity to respond. The Hwy 22 Safety Corridor was also removed about 4 years ago, leaving no remaining safety corridors in Polk County.

Todd also announced that Rod Alyea, Road Supervisor, will be retiring next month.

Road Construction

The requested and proposed budgets are the same. This fund pays for the loan the County took out in 2002 for the Falls City Rd. repavement. This loan is being repaid with funding from General Fund Transfer for state timber road maintenance. This fund also includes bike path reserve funds (from 1% of the gas tax monies received). This past year this fund was also used for special projects including the Buena Vista Park and Talmadge Road.

Survey

The requested and proposed budgets are identical. There was a retirement of a long-time surveyor last year and this program is now operating with only 1.0 FTE, however there is flexibility to utilize Temporary/Part-time and Contract Services line items if needed. Eric Berry, County Surveyor, explained that this program has also received significant upgrades in computer system and field equipment to better allow the program to function with 1.0 FTE. Eric is also working to cross train other engineering and road crew staff in surveying to help backfill the vacancy created by the retirement and to increase efficiency.

Engineering

The requested and proposed budgets are identical, and the staffing and materials and services items are status quo. Staff is working on getting a fleet management equipment maintenance program set up to better time equipment turnovers to ensure the County receives the maximum salvage values. The engineering staff has also been taking over more of the GIS work to help improve the quality of the County Road system mapping and tracking of road maintenance.

MOTION: AINSWORTH MOVED, WELLS SECONDED, TO TENTATIVELY APPROVE THE PUBLIC WORKS FUND REVENUES IN THE PROPOSED AMOUNT OF \$5,729,500, PUBLIC WORKS ADMINISTRATION EXPENDITURES IN THE PROPOSED AMOUNT OF \$1,001,544, COUNTY SHOPS EXPENDITURES IN THE PROPOSED AMOUNT OF \$476,605, ROAD MAINTENANCE EXPENDITURES IN THE PROPOSED AMOUNT OF \$3,570,937, ROAD CONSTRUCTION EXPENDITURES IN THE PROPOSED AMOUNT OF \$200,500, SURVEY EXPENDITURES IN THE PROPOSED AMOUNT OF \$279,303, AND ENGINEERING EXPENDITURES IN THE PROPOSED AMOUNT OF \$200,611.

MOTION PASSED UNANIMOUSLY

Public Land Corner Preservation Fund

The requested and proposed amounts are identical. The revenue in this fund is from a \$10 fee for the recording of land documents. The PLCP revenues are trending up due to increasing development. By law, this fund is used to restore and reestablish government corners. The Professional Services line item is used for contracting out the surveying to private surveyors. Since the retirement last year of one surveyor, this program has felt the impact the most. The number of in-house PLCP's has dropped significantly, but Eric hopes to continue this work later this year.

OTIA III

The requested and proposed amounts are identical. The remaining funds will be spent this fiscal year. The proposed project is an erosion control project that will protect the South Grand Ronde Rd. bridge. The County received almost \$14,919,000 to address 11 bridges from 2004-2011, funds remaining were used and will be used to complete two erosion control projects to protect two of these bridges.

Doaks Ferry Road/Highway 22 & 51

The Doaks Ferry Road requested and proposed are identical. This is a cooperative road project with ODOT to realign the connection of Doaks Ferry Road to Highway 22 one-quarter mile to the west at Riggs St. This project is on track for construction in summer of 2016, and construction funding will show up in next year's budget. The budget for this project will mainly be used for design and land acquisitions. The Hwy 22/Hwy 51 interchange has secured some funding but is moving forward very slowly.

MOTION: AINSWORTH MOVED, WASSON SECONDED, TO TENTATIVELY APPROVE THE PUBLIC LANDS CORNER PRESERVATION FUND RESOURCES AND REQUIREMENTS IN THE PROPOSED AMOUNT OF \$110,000, THE OTIA III RESOURCES AND REQUIREMENTS IN THE PROPOSED AMOUNT OF \$362,000, THE DOAKS FERRY ROAD/HWY 22 & 51 FUND EXPENDITURES AND REVENUES IN THE PROPOSED AMOUNT OF \$550,000.

MOTION PASSED UNANIMOUSLY

PUBLIC COMMENT

At 11:00 a.m. Chairman Hartmann opened the floor to public comment.

Jean Sherbeck, Dallas, OR testified that the 2.0 FTE on the call back list are wise decisions to approve, because current jail staff are under a great deal of stress and burnout with the amount of overtime they are currently required to work. Ms. Sherbeck also expressed hope that there are no layoffs this year that things are looking up for the County.

E.M. Easterly, 775 Fir Gardens NW, Salem, OR 97304 presented a handout of anti-levy statements and sentiments that he has encountered from members of the public. Mr. Easterly has responded to a number of anti-levy advocates who have written letters to the editor countering their claims with facts.

Mr. Easterly, also requested the Board generate a formal declaration (in the press) that confirms that 1.) The amount of the General Fund currently being allocated to the public safety programs will continue be allocated to public safety over the life of the operating levy. 2.) The amount levied will be decreased when/if offsetting timber revenues are received; and 3.) There will not be a decrease in staffing of public safety programs for the duration of the levy.

Steve Pickering, 1895 S. Church St., Dallas, first thanked the Budget Committee and Mr. Hansen for their hard work preparing the levy. Mr. Pickering also apologized for his misunderstanding in his statements and letters to the editor stating that the Jail is misusing funds by employing Sheriff's Corrections Deputies instead of Certified Corrections Officers, which is not the case. The county is required through union contracts to employ Sheriff Corrections Deputies in the jail.

Mr. Pickering expressed disappointment that there were not two different budgets prepared: one including the levy and one without. Mr. Pickering does not think the levy will pass because he is an ultra-conservative and will not vote for new taxes, and thinks that if it does pass, many jobs will be lost by the small and large businesses in the county that will have to pay more in taxes.

Mr. Pickering explained that continual increased cost from PERS is killing the County budget, and feels that the even though the County will lose in Court, the Board should still fight for reforms.

Mr. Pickering feels the Parks program is not important for the County and suggested the County cut the parks program from the budget and transfer the revenue to the Sheriff's department. Greg Hansen explained that only \$1,141 of the approximately \$60,000 parks budget is General Fund monies, the rest are state grants for parks programs. Mr. Pickering thinks that funding the Sheriff Patrol is the highest priority, and the County should cut the 'feel-good programs' to help fund the higher priority programs. Upon questioning, Mr. Pickering could not give an example of a 'feel-good program' that the County currently operates.

Mr. Pickering asked why the budget includes expenses for patrol vehicles instead of directing those funds toward sheriff patrol. Greg Hansen explained that new vehicles are needed to replace unsafe vehicles that remaining patrol deputies are currently driving, and these are one time expenses, unlike FTE costs.

Mr. Pickering wanted to know how the County will restore 24-hour patrol without the levy. The Board explained that without the levy, there is no money to restore the services that have been cut. The operating levy is a last-resort.

Hearing no additional public comment, the meeting was called back into regular session.

SUMMARY DISCUSSION

Hansen gave an overview of the hearings up to this point. The CASA Program was added to the call back list this morning, for review at the budget hearing in May. There is one item on the wish list from previous day's hearings: \$170,000 for 2.0 FTE Corrections Deputy in the Sheriff's Jail budget.

Chairman Hartmann recessed the Budget Hearing to April 2, 2015 at 10:00am.

DAY #4 – APRIL 2, 2015

Chairman Hartmann reconvened the meeting at 10:00 a.m. on April 2, 2015.

Greg Hansen gave an overview of the previous days' hearings. There are two items on the call back list: \$170,000 for 2.0 FTE Corrections Deputies in the Sheriff Jail budget, and the elimination of the CASA Program. Mr. Hansen recommended both of these items be held for discussion until the May 20, 2015 budget hearing once the results of the levy are known. The Committee agreed to defer the callback items until the May meeting

NON-DEPARTMENTAL

General Fund Transfers

There are currently five funds that have General Fund transfers: \$80,000 to Public Works (which Greg anticipates to go down by the May hearings), used to maintain timber routes, \$60,000 to the Dog Control fund, \$5,000 to Marine Patrol, \$215,000 to Public Health, and \$800,000 to the Juvenile Fund (including \$100,00 from the Operating Levy budget for two additional juvenile detention beds), for a total amount of \$1,160,000.

MOTION: WASSON MOVED, AINSWORTH SECONDED, TO TENTATIVELY APPROVE THE GENERAL FUND TRANSFERS AS PROPOSED TO THE OTHER FUNDS IN THE AGGREGATE AMOUNT OF \$1,160,000.

MOTION PASSED UNANIMOUSLY.

Contingency

The amount budgeted in this contingency is \$1,753,833, which is \$137,000 more than what was adopted last year. Greg feels that an adequate contingency would be 10-15% of the general fund. This amount is just below 10% if the levy passes, and just above 10% if the levy doesn't pass.

MOTION: AINSWORTH MOVED, WASSON SECONDED TO TENTATIVELY APPROVE THE GENERAL FUND OPERATING CONTINGENCY IN THE PROPOSED AMOUNT OF \$1,753,833.

MOTION PASSED UNANIMOUSLY

Unappropriated Ending Fund Balance

The unappropriated ending fund balance is proposed at \$300,000. Linda Fox explained that this fund is what an entity would use to fund operations before taxes come in. In the case of Polk County, this balance would not be enough to cover the operating expenses. The Board discussed whether this fund is still required, or just budgeted because it has traditionally been that way. The Board requested Greg Hansen research the requirements for this fund and if other counties still include this fund in their budgets

MOTION: AINSWORTH MOVED, WASSON SECONDED TO TENTATIVELY APPROVE THE GENERAL FUND UNAPPROPRIATED ENDING FUND BALANCE IN THE PROPOSED AMOUNT OF \$300,000.

MOTION PASSED UNANIMOUSLY

Chairman Hartmann adjourned the budget hearing until Wednesday, May 20, 2015.

Recording Secretary: Heather Merrill
Minutes Approved: May 20, 2015