

## BUDGET COMMITTEE MEETING MINUTES

**DATE:** April 28, 2021

**TIME:** 1:00 p.m.

**Members Present:** Scott W. Myers, Jim Hamsher, Sam Palmer, Rob Stewart, Amy Kreger and Bob Quinton.

**Members Absent:** None.

**Others Present:** Budget Officer Julie Ellison, Laurie Cates, Frances Preston, Reporter Steven Mitchell.

**Minutes.** The minutes of April 14<sup>th</sup> and April 15<sup>th</sup> were reviewed. **MSP: Myers/Palmer: to approve the April 14<sup>th</sup> minutes as presented. MSP: Palmer/Myers: to approve the April 15<sup>th</sup> minutes as presented.**

1:06 pm – Economic Development Director Tory Stinnett entered.

**Department: 101457 ECONOMIC DEVELOPMENT**

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**Staff Present:** Tory Stinnett

### **Revenue**

Discussion General: Tory presented a budget summary handout to those in attendance.

3030184 Economic Dev Video-Poker – Tory has been following House Bill 2267, which involves video poker dollars and could bring additional funding to the county. The bill is currently in the ways and means committee.

**Department: 101458 ECONOMIC STABILIZATION**

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**Staff Present:** Tory Stinnett

### **Revenue**

Discussion General: Tory advised the Title III funding that has been utilized in the past (\$70,000 to \$75,000) will no longer be available and they are searching for other means of funding. Tory presented estimates to the budget committee of funding amounts she believes will be left over after this fiscal year. Her estimates are \$49,090.18 in personnel services, \$65,526.57 or \$28,526.57 (depending on a \$37,000 allocation possibly for COVID relief funds) in materials and service and \$2,000 in capital outlay.

### **Expense**

Discussion General: Tory explained needs that have been identified within the county including infrastructure, employment and childcare. Bob asked what funding was being referred to from federal and state funds? Tory explained this is American Rescue Act funding from the federal government and also infrastructure funding for items like broadband and housing. Bob asked if any of the funding required match funds. Jim said his understanding is no. Jim

explained each senate district senator gets \$3 million and each representative gets \$2 million to distribute to their districts. Bob said it is difficult to fund a full-time position without knowing exactly what funding amounts will be. Jim mentioned the American Relief Act funding amount of \$700,000. Bob expressed concern that this funding will be very targeted on what it can be used for. Bob again stated it is hard to fund a full-time position without knowing fully what incoming funding will be. Tory advised they have contracts that allow for administrative costs to be received from grants they get for other entities. The contract with Lake Creek Camp allows for economic development to receive \$30,000 in administrative costs for a \$300,000 grant. Bob pointed out that there is no guarantee the grants will be received. Sam suggested the position could be funded at .75 FTE and increased to full time if the funding was received. Tory believes the funding will be there for the position. Julie stated the contract with Lake Creek Youth Camp is the same and has only brought in \$3,000 so far. Bob pointed out that when this position was started the cities contributed and now it seems to be more on the county to fund it. Tory advised all of the cities contribute to this fund except for one. Amy asked if John Day contributed and Scott advised no. Scott agreed with Bob's point about funding a position without knowing what the actual revenue will be. Rob said the county policy has always been that when a revenue stream died out the county would eliminate positions. Scott agreed that this has been the case with grant-funded positions. Jim said it would be better to have these discussions once we know what funding is going to arrive and the committee has more information. Sam and Bob both agreed that the committee must work with the numbers they have at this time and could do a supplemental budget in the future if necessary. Julie pointed out that she has timelines that she has to meet prior to June 30<sup>th</sup> including two weeks of publication of the final budget hearing. Tory expressed her opinion that economic development is critical to our community given the current economic crisis.

5100002 Relief Help: Remove the \$6,000 from this line to assist with funding the Economic Development Specialist position. If the Economic Specialist is not approved for full time then Tory said she would need to keep this relief help line.

5100003 Economic Specialist: Tory requested that this position be approved to continue at full time. She estimated an additional \$8,895 per year for the cost because the relief help line will no longer be needed.

5200013 Covid 19 Assist: Tory said there has been a total of \$863,064 in grant funding received by small businesses impacted by COVID-19.

5200028 Advertising: Amy asked what this line was used for? Tory reported items such as newspaper ads.

5200045 Project Dev-Marketing: This line item is utilized for the lease for the office copier/printer along with ink for it. Local non-profits can use the copier/printer to copy things like flyers. Tory summarized projects within the department including Covid support for businesses and cities, continuing to work with business startups, strengthening and growing non-profits, meeting with cities to identify supports/resources, working with community partners to expand resources, etc. Tory gave some examples of how this line item is used, including Survey Monkey, Wiks websites, a food resource guide linked to the Farmer's

Market and telephone calls to promote economic development. This line item is also used for strategic planning, legal fees, and supplies. Tory pointed out that although her department doesn't really show revenue incoming, local businesses bring in revenue because of the assistance provided from her department.

**General discussion:** Reporter Steven Mitchell asked if the budget committee had discussed the \$400,000 for the 4<sup>th</sup> Street project that the City of John Day had budgeted to receive from the county in their budget process. Bob said this is not included in the budget before this committee and doesn't feel this is the place to hold the discussion. Amy agreed this is not in the budget the committee is currently discussing.

Rob read a portion of the County Court Minutes from June 24, 2020, that referenced budget changes made after the final budget meeting last year. Rob wanted to know what changes were made and how they could be made by the three court members and not by at least one budget committee member in order to have a quorum. Julie and Scott said it was to remove the budgeted vehicles for the Sheriff's Department and since it was a decrease and not an increase the committee did not need to meet again. Sam asked if the budget committee was notified of this change? Bob, Rob and Amy all agreed they were not. Rob sees this as a procedural matter and Amy agreed that decisions need to include the entire body or else the budget committee is pointless.

## **GENERAL FUNDS**

1:30 pm – Justice of the Peace Kathy Stinnett entered.

**Department: 101411 JUSTICE COURT**

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**Staff Present:** Kathy Stinnett.

### **Revenue**

Discussion General:

3030111 Fines: Increased by \$42,000 to \$127,000, per new revenue projections from Justice court. Bob asked why this was changed. Julie said this was received after the budget meeting that Kathy Stinnett came to. Julie discussed the revenue projections with Kathy after the meeting. Kathy reviewed and revised her figures after the committee meeting based on what she believes will be received in fines. Bob asked if the update Kathy presented to the County Court today included revenue amounts. Sam said Kathy talked about around \$800,000 in outstanding collections and her estimate that they will collect around \$300,000 of this. Amy expressed concern that promises are made to the committee about projected revenues and then they don't come to fruition. Bob said all departments are important, but it seems that some are causing the drain to the general fund. He added the committee can no longer keep pushing this discussion to a future date and the discussion needs to happen. Kathy said her numbers were revised after she was able to review numbers since the part time department assistant started. Bob asked how long it took before something is sent to collections and Kathy said on average about three months.

## **Expense**

5200010 Pro-Tem: Rob asked why this line item changed. Kathy said she reduced the amount in this line, but kept some funding in case she is forced to use an attorney as a Pro-Tem. She has agreements with other Justices of the Peace to Pro-Tem at not cost. She added many of the hearings now are being conducted via video conference.

**GENERAL DISCUSSION:** Sam asked about how many people are receiving stipends and is the county legally bound to pay these? Julie receives a stipend for being the budget officer and David Thunell receives a stipend for being the tax collector. Bob pointed out this would be a small amount and the committee needs to look at larger items. Julie said the stipend cost is around \$11,000 per year. The question came up about whether cuts should be made to select positions or whether to look at cuts across the board such as furlough days. Julie estimated with one furlough day per month for just general fund departments (without the elected officials) would save around \$36,000 per year. If full time elected officials were included (except the Sheriff) the savings would be around \$50,000 per year. Julie pointed out that this would only be a temporary fix and in her opinion is not the answer. The committee discussed the possibility of not filling some positions when an employee retires. Scott mentioned cutting positions might be a more permanent fix. Bob suggested looking at a work schedule of 4 days a week for everyone except the Sheriff's Office and Road Department. If revenue were to increase from the federal government things could change in the future. Sam suggested discussing mandated versus non-mandated departments, along with employees the county provides for state offices. Sam asked what department these are. Julie believes there are three employees provided to state offices (two in the District Attorney's office and one in the Watermaster's office). Rob asked about probation and parole and Laurie replied those positions are county positions. Emergency Management and Veteran's Services were mentioned and it was pointed out that Veteran's is funded by the state and Emergency Management is 50% funded by the state. Both of these departments are single employee departments. Suggestions included cutting hours across the board and stopping comp time and overtime. Bob said maybe closing the county offices on Friday's would be an option (except for the Sheriff's Department and Road Department). The committee also talked about the fact that they must work with the information they have in front of them and things could change at any time if additional funding were received. Amy and Jim agreed that making cuts across the board would be the fairest way to handle this. Sam agreed with Amy and Jim. Kathy Stinnett said elected officials can't be forced to participate in cuts, but she believes elected officials should participate and she would be the first to volunteer. Scott said he would also volunteer to participate. Kathy also said the stipends have been a sore subject for all county employees and added that all elected officials do additional work without compensation and pointed out that the Sheriff is basically doing two jobs right now without any additional compensation. Kathy added she personally

does not want to see anyone lose his or her job. Amy said a hiring freeze should be implemented along with no increase in hours for current positions. Bob said along with personnel cuts there also need to be cuts in spending. Julie again said a reduction in hours would only be a temporary fix and people are not going to be happy about it. Amy would rather see hours cut over jobs lost. Kathy pointed out that it seems only the last two years have been looked at and blamed on certain departments when it has been ongoing for much longer than that with things like job descriptions being re-written to try to get wages increased.

**Department: 123100 SHERIFF PATROLS**

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**Staff Present:** None.

### **Revenue**

Discussion General: Julie advised she is going to have to do a supplemental budget to try to get additional funding into this budget and at the current rate there will be no funding for next year. Bob believes once the \$53,000 that is funded by the national forest and BLM is gone in a 12-month period then there should be no more forest patrol. Julie said this is a no-win situation for budgeting. Sam suggested making this position a salaried position paid \$53,000 per year. Rob said statutorily the Sheriff is supposed to be in charge of search and rescue and it seems like it was delegated to the Undersheriff and then to another deputy. Jim would like to have the Sheriff here when this budget is discussed and agreed that this position should be changed to a salaried exempt position. Bob suggested having the Sheriff approach the Forest Service to discuss the possibility of additional funding if they wish to continue to have patrols on the forest.

3032305 Malheur National Forest: The reimbursement on this is up to \$43,000, but documentation has to be provided to the national forest.

3032324 BLM Reimburs: Rob asked where this came from as it wasn't showing historically. Laurie thought that the Undersheriff went to the BLM to try to get a contract. Scott and Julie said BLM contacted the county and met with the Undersheriff to get this contract completed.

3032380 Forest Title III Search: Rob asked about this funding. Jim said funding from Title III is only reimbursement for searches on the forest. Rob pointed out that this isn't guaranteed funding.

### **Expense**

5100001 Salaries Forest Patrols: Rob suggested moving this position back to .50 FTE instead of .75 FTE. Julie said if the position were moved to .50 FTE the wages would be around \$53,000 with no money left for expenses. Jim suggested tabling this until the Sheriff can come in. Rob said as much as they all hate this, it is the reality and needs to be dealt with. Amy said it looks like the position was funded at .50 FTE and then increased to .75 FTE according to last year's budget. Laurie replied that the position has been .75 FTE and she isn't sure why last year's budget indicates .50 FTE. Bob pointed out that this fund is currently in the red. Julie said she is going to have to do a supplemental budget to infuse money into this fund for the current year. Julie added in the future this fund could be

used strictly as a payroll account and the expenses could be paid from the Sheriff's Department budget.

**Department: 101414 COUNTY SHERIFF**

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**Staff Present:** None.

**Expense**

Discussion General: Rob believes this needs to be looked into further because many promises were made in the past about revenue that would be coming in that did not materialize.

**GENERAL DISCUSSION:** Bob would like Julie and Laurie to present numbers to the budget committee showing the cost savings if cuts to .80 FTE are made across the board for full time employees. Julie said without elected positions and just general fund employees the savings at .80 FTE would be around \$151,000 per year. Julie added if elected officials were included it would be around \$210,000, but she doesn't think all of the elected officials would. Amy reiterated that tough decisions are going to have to be made. Amy asked Scott, Jim and Sam if they thought the ideas being presented were too harsh. Scott replied no and that the committee is just being practical. Julie believes that comp time might still be a problem for people who are trying to get work done. Bob pointed out that people will need to flex their time if possible. Sam and Bob suggested holding a department head meeting. Sam asked Julie what the deficit for the upcoming year is. Julie said the contingency for next year is showing \$37,000, but without draining the reserves the shortfall is more like \$500,000. Julie only budgeted to bring in \$500,000 in PILT, so if it is actually \$700,000 then there is \$200,000 of the shortfall. Bob pointed out these decisions need to be made on a yearly basis. Amy added that whatever is done will need to be continued until the reserve funds are built back up. Tory asked if the \$400,000 was due to a loss of PILT funding? Julie replied part of it and part of it is new positions that have been added over the last 3 or 4 years. Amy suggested along with furloughs, there should be no new hires, no increase in hours for positions, department heads need to control overtime, and when people retire it will need to be looked at on whether to re-fill the position. Bob encouraged the County Court to have a meeting with department heads.

Amy motioned to adjourn, Rob seconded, passed unanimously.

Meeting adjourned at 3:00 p.m. the next meeting will be on May 12, 2021 at 1:00 p.m. The committee would like to see the Sheriff at the next meeting.

Respectfully Submitted,

Rob Stewart  
Secretary