



CURRY COUNTY BOARD OF COMMISSIONERS

MINUTES – WORKSHOP

Wednesday, April 12, 2017 –1:00 PM.

Commissioners' Hearing Room, Courthouse Annex
94235 Moore St., Gold Beach, Oregon 97444

**Commissioners Present: Chair Thomas Huxley, Vice-Chair Sue Gold,
Commissioner Court Boice
Support Staff Present: County Counsel, John Huttli; On Call Clerk, John T. Jezuit;
Finance Director, Louise Kallstrom**

The purpose of this meeting is to discuss

- a) 2017-2018 Fiscal Year (FY) Budget Update

Please note – All times are PM

To view the Citizens Budget Advisory Committee (CBAC) summary referenced in the minutes, either (1) go to page 149 of the following link - -
http://www.co.curry.or.us/Portals/0/2017_04_05%20General%20Meeting%20Packet.pdf
or (2) contact the Board of Commissioners' Office.

1:00P Call to Order and Pledge of Allegiance

Huxley – workshop

Introduced members

1:01 **Huxley Kallstrom** to begin

1:05 **Kallstrom** Put in everything we talked about at the General Meeting on 4/5/17. Your recommendations are in here. Couple more things in here. Public Employee Retirement System (PERS) increase, Department heads payroll adjustment. 1.5% Workers Compensation reserve ½ to building fund and ½ going to building projects fund. That was actually never done. Put that in for 2017-2018 Fiscal Year budget. Did a few things non-departmental. A few on Citizen Budget Advisory Committee (CBAC) recommendations, took out \$50,000 irregular payout. Left in legal professional services. Took down liability and property insurance.

1:08 **Kallstrom** that's what's in these figures. \$1,094,000 short of being balanced.

1:09 **Kallstrom** we need to discuss how to take care of the \$1,094,000.

1:09 **Huxley** Department heads will look at deficit and make appropriate cuts..

1:10 **Kallstrom** needs to balance budget. It's responsibility of Board of Commissioners to give direction. Carry over now used, no road fund. No furlough days.

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Went through CBAC recommendation CBAC #6A Deputy Elections Clerk included on **Kallstrom's** recommendations. #6B Open administrative position in Board of Commissioners office was included. #6C Emergency Services overtime budget \$13,967
1:11**Kallstrom** On 7, eliminate funding from the general fund to the departments. One was surveyor did payroll proposals total \$11,000.

1:12**Kallstrom** CBAC 8 close cable TV fund and move resources. \$140,000 annual revenue. Doesn't know about moving County Counsel into General Fund.

1:13 **Kallstrom** CBAC #9 \$20,000 balance Outside #5 Juvenile by 30%. Not sure how Juvenile department runs. Notes from Trost \$129,000 in payroll costs.

1:14**Kallstrom** only recommendations have right now

1:15**Huxley** discussion in meeting minutes. 30% and 60% reduction. Suggests that the Department heads & officials look at reductions in their respective Departments. Making reduction & interfacing w/**Kallstrom**.

1:16**Boice** With exception of Sheriff's Department.

1:16**Huxley** we agreed can't do the same across all departments. Something with PERS?

1:17**Kallstrom** Increase effective 7/1 PERS adjustment. Already in **Kallstrom's** Budget Proposal

1:18**Gold** Departments do whatever they can do.

1:18**Huxley** reasonably suggested last week. Department heads make cuts.

1:19**Boice** have 3 different options and proposals to balance the budget.

Starts w/\$1,100,000 with **Kallstrom** worked with CBAC proposal. Option of using road funds & carry over is critically important. Really surprised last meeting Board of Commissioners recommended not using any carry over. That money has already been allocated.

1:21**Boice** these proposals show how critically important it is to use the carry over. Bottom line all 3 of these proposals balance the budget

#1 uses 70-75% of carryover. #1 is **Boice's** preferred option. \$694,000 & \$400,000 gets us to the \$1,094,000.

#2 same as #1 5% cut in materials & services. 3% across the board cut to all Department except the Sheriff.

1:23**Boice** thinks there are prudent options here. #3 factors in \$130K for County Administrator. Very much against County Administrator. Meeting with Clatsop and Jefferson County. Clatsop has had 9 different County managers. Jefferson County is very successful.

1:25**Boice** #3 proposal budgeted in \$100,000 salary package. Uses \$700,000 of carry over. 7% across the board cuts to departments. CBAC & County accountant works. Trying to buy us some time to figure out how to raise revenues. That's the work before us. Opportunity to turn this into our advantage. Sound merit.

1:26**Huxley** Any questions for Commissioner **Boice**?

1:26**Gold** make 7% a goal for departments

1:27**Kallstrom** not a lot cuts can be made

1:27**Gold** can take a true 10%. Maybe 10% instead of 7% and take some carry over.

1:29**Boice** We're asking Department Heads to fund County Administrator.

1:29**Boice** Sheriff's Department is managing. What's left to manage?

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1:29**Kallstrom** already a 3% cut in these figures.

1:29**Huxley Kallstrom** had increased Commissioner expense to reflect full time Commissioner costs.

1:30**Kallstrom** Need to have Department budgets. CBAC #8 it's over \$70,000 to go back to administration.

1:31**Boice** all 3 proposals consolidate law enforcement

1:32**Boice** Not convinced we need a bigger office.

1:32**Kallstrom** Have not done administration fees spread in a new way. The \$28,000 is not showing here nor is increase in Commissioner pay. Have not added administration fees to general funds.

1:33**Boice** Consolidate can save \$\$

1:33**Huxley** In the long run – yes. Commissioner **Boice** status quo budget. Proposal #2 3% cut across the board. Not the case for law enforcement.

1:35**Huxley** Asked **Kallstrom** Re: law enforcement revenues came to \$670,000.

1:35**Kallstrom** Shaded area shows corrections. Revenues for search & rescue included.

1:38**Huxley** added shaded area up – came up to \$667,000. Is there more than that?

1:38**Kallstrom** There would be more than that. All 8 have revenues in those departments.

1:39**Huxley** figure is \$1,590,000. Not for simply just moving surplus carryover to balance the budget.

1:40**Gold Huxley** are you for not moving any of the carryover?

1:40**Huxley** Yes. Go into next year with some reserves.

1:40**Boice** Why would you not want to use carryover?

1:41**Huxley** What has happened over the last decade. As soon as you get it in, spend it. For future maintenance, IT, vehicle, upgrading infrastructure. Use some of it in longer range planning.

1:42**Boice** People paid that money. Expect services. Don't expect to use for future rainy day. Offered some proposals using almost all of it. Tax payers intended it and collected

1:43**Gold** Relate to Port of Brookings Harbor. Right now have all maintenance that can't be taken care of. It's really important to have a contingency plan.

1:44**Boice** We're trying to buy some time here. As leaders of community we need to say specifically. Where are we going to cut? Where are those cuts coming from? If we're not going to use this money for the 17-18 FY budget. We have to prioritize which ones. Which service compromise and many do without.

1:45**Kallstrom** with 3% cut already, don't know how. If we do increase the carry over balance a little bit, then we can sustain that budget. Finds it irresponsible to use either all of it or none of it.

1:47**Gold** What % of carryover to use?

1:47**Kallstrom** recommends 30 to 40%

1:47**Gold** right now about a 14% carryover. In the schools we want to keep it at 10% carryover.

1:48**Boice** maybe we can put on the table what can agree on. We agree have \$1,094,000 shortfall, serious responsibility here. With this revenue shortfall, we have responsibility to find additional revenue. There's an urgency?

1:49**Huxley** Additional consolidation & cuts. Among other things.

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1:50**Boice** Will be incentive for Commissioner **Boice** to come to Board of Commissioners with possible sales tax.

1:50**Huxley** Open to a small amount of carryover 25% to 30%. Rest has to be cuts within departments. Certain departments. Department Heads have to decide how to make cuts.

1:52**Kallstrom** \$300,000. #6c in CBAC \$14,000 #7a proposal by surveyor payroll changes \$11,000. CBAC #8 Close cable TV fund \$65,000. Carryover balance 1 time transfer \$120,000. CBAC#9 close county land fund \$20,000. Juvenile Department had given CBAC a way to cut 30% of his budget. Took payroll part \$129,000.

1:55**Huxley** Does not see where that's appropriate just because CBAC recommended it for one department only.

1:56**Kallstrom** things Juvenile has mentioned on the phone, but haven't had a meeting on it.

1:56**Huxley** Would not support following verbatim any single recommendation from CBAC or anyone else.

1:57**Kallstrom** Commissioner **Huxley** you asked me to talk to Department Heads. These are some of the things they could cut.

1:57**Huxley** I understand that.

1:58**Kallstrom** Some Departments will make contribution to cuts. Some will not. Worried about timeline. Would like to get some solid figures. Wants to get published budget ready by the 4/24. Needs balanced budget then. Spreadsheet to balance budget. The reason **Kallstrom** cannot put all that info a huge doc in a couple of days.

2:00**Huxley** have same discussion you had with Juvenile Department with other Departments

2:00**Kallstrom** Wants directions by next Wednesday.

2:00**Boice** Understands anxiety. Use more carry over than 30%.

2:01**Kallstrom** Propose an item on next week's general session. Don't have to provide any proposals by 5P tonight. Would really like to have decision on direction by next week.

2:02**Boice** Does **Kallstrom** not have to go to Department heads again?

2:02**Kallstrom** will go to Department heads again. Anything more than 3% they can do?

2:02**Gold** \$300,000 from carryover

2:03**Boice** Do you think department heads have stepped up?

2:03**Kallstrom** do think they have. Doesn't know how much will be gained by looking harder. Over last 5 to 6 years they have looked at their budgets. Not real hopeful.

2:04**Huxley** thinks Juvenile Department came forward overboard. Other Departments need to keep that in mind Board of Commissioners will make final decisions next week. That will Board of Commissioners additional time to look at too. Some of these numbers down here, while they're not large until get into cable TV fund. Gives a little more time to discussion here.

2:05**Kallstrom** has another doc shows non-Department revenues. There still some fluidity in these numbers.

2:07**Boice** want to be as confident as he can on the \$1,100,000.

2:08**Kallstrom** will look at it 1 more time.

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2:08 **Boice** today's the day. Admire you want to protect \$1,000,000 in carryover. At end of my 4 year term, want to have \$2,000,000 in the bank. Things on timber & national contributes to that optimism. Shy of cutting services that will affect welfare of people. Looking at using 90% of carryover.

2:10 **Huxley Sheriff Ward**. Want to come up?

2:10 **Ward** there is a solution here. No road funds, no carryovers. It's irresponsible not to use carryover and irresponsible not to use road funds. 2 years ago voted against using road funds. This year there are no other options to balance the budget. Look at ORS 368.076 368.705 294.060. Funds may be expended for patrolling. Monies in road funds may be for patrolling

2:13 **Ward** we're not using \$600,000 of road funds. Pay not comparable to rest of counties. With CBAC and **Kallstrom**'s proposals, we can use road funds. We're not going to run out of money in 5-6 years. We can't lose what we got now. We depend on other county Departments. If cut to where they can't do their job, we can't do our job. 18 Deputies in 1990. Now 7. Can only patrol 10 hours a day.

2:15 **Ward** we can use road funds, law says we can. Not a proponent of using road funds. It's our only option.

2:16 **Boice** on 3/22 we had a workshop with CBAC. Please listen to these people public safety is our biggest responsibility. Road funds are there. Have support of CBAC and **Kallstrom**. We can't afford what we have to lose. Doesn't want to give up any more territory. Agree with Sheriff completely.

2:17 **Huxley** Anybody else? **County Assessor Kolen**

2:17 **Jim Kolen** Curry Assessor in complete agreement with Commissioner **Boice** and Sheriff **Ward**. We have not prepared public what cuts & services to public will mean in their daily life. Use road funds & some cash carryover. This will allow Board of Commissioners to have conversation with public to prepare. Also we need to make preparation for County Assessment Function Funding Assistance (CAFFA) Grant. Submission deadline 5/1. Question: Would it be possible to get consensus at workshop by 4/26?

2:20 **Huxley** Would have to be a special meeting. Not a workshop.

2:21 **Gold** Need budget before can do CAFFA

2:21 **Huxley** Doesn't see problem with special meeting on 4/26. Anyone else?

2:22 **Trost**. Parks & Juvenile built budgets to be intertwined. Given some direction on how to build budget with Juvenile & Parks. Believes keeping both Departments together. Some questions on carryover. This budget does not include our current Fiscal Year carryover. Is there a possibility it can be projected? Looks at how much of budget has been used throughout year. Is it possible to forecast next year's carryover, based on current spending.

2:24 **Trost** this is from 15-16 FY year we're talking about .

2:25 **Kallstrom** Revenue from last year to this year. No budgeted expenditure against. It is part of current year.

2:26 **Trost** There is carryover that will come out of this year for next year.


2:26 **Gold** Any way of predicting carryover/

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2:26**Kallstrom** Met w/Department heads. Went through revenues & expenditures. Project through June and final column. Doesn't how complete all for general fund.
2:28**Gold** that would be very helpful. If we're going to be using carryover, there are a couple. Appreciates dialogue today. Hopes carryover & road funds can be used until we find solution.
2:28**Huxley** Anybody else in audience?
2:29**Boice** has some comments as only time we can talk.
2:29**Huxley** prefers not to
2:29**Gold** End the meeting
2:30**Huxley** Adjourn.

Approved this 20th day of September, 2017.

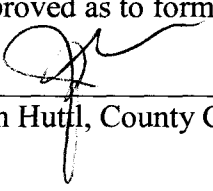
Curry County Board of Commissioners


Thomas Huxley, Chair


Sue Gold, Vice Chair


Court Boice, Commissioner 9-22-17

Approved as to form:


John Hutil, County Counsel

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