

## BUDGET COMMITTEE MEETING MINUTES

**DATE:** June 7, 2022

**TIME:** 4:00 pm

**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, Recorder and Human Resources Manager Laurie Cates, Economic Development Director Tory Stinnett, Seniors Programs Manager Angie Uptmor, Watermaster Eric Julsrud, Frances Preston, Commissioner-elect John Rowell, Reporter Steven Mitchell, Justice of the Peace Kathy Stinnett, Ken Ellison.

**General Discussion:** Bob said public comment will be accepted, but advised people to raise their hands and wait to be called upon. He also asked that any comments received be to the subject at hand as time is limited today.

**Minutes.** The minutes of June 1<sup>st</sup> were reviewed. **MSP: Sam/Scott: to approve the minutes as presented.**

**General Discussion:** Bob announced that Julie had presented clean budget papers to each of the committee members with new figures based upon the discussion from the last meeting that include the figures for state mandated Paid Family Medical Leave Insurance (PFMLI). Laurie explained this is a new payroll tax that will begin in January of 2023. One percent of an employees wages will be taxed and the employer must pay 40% of this and the employee must pay 60%. Employees who qualify for leave under FMLA or OFLA can apply to use this leave through the employment department beginning in September of 2023. Julie explained some of the changes she made in several of the budgets. To clarify, Seniors Programs Manager Angie Uptmor advised her position is more than just supervising the Cooks at the Senior Centers and explained additional duties required of the position including reporting to CCNO and managing the nutrition program. Bob asked Justice of the Peace Kathy Stinnett if she brought in the collection numbers he requested at the last meeting. Kathy said she worked on this, but it is impossible for her to get an exact number for them because collections are received several ways, including in person and through collection agencies. Julie explained if the budget is passed the way it is and the ARPA money is not received the contingency will be negative for the upcoming fiscal year. She added this year's budget is okay, but next year's won't be if ARPA doesn't arrive before July 1<sup>st</sup>. Sam asked if the money wasn't received could the reserve accounts be abolished prior to July 1<sup>st</sup>. Amy said the county is on a dangerous path. Jim discussed additional SRS funding that could amount to

about \$200,000 each year and in order for this to happen a district would have to be formed that would receive the SRS funding and then there wouldn't be a penalty as there is now. Additional discussion followed. Jim said Wallowa County is already in the process of implementing this and he can reach out to them for more information. Frances Preston believes the county should wait to see how this process works before diving in and is concerned there could be unanticipated costs associated with it. According to Jim the process has been adopted as a law and mapped out by the state and legal counsel. He added the SRS percentage amounts could be adjusted as well to bring in more money to the general fund. Commissioner-elect John Rowell asked if there were documents explaining how this works and Jim indicated yes, but they didn't come out until just before the budget process. Rowell believes this should have been presented to the committee before now.

## GENERAL FUNDS

**Department: 101411 JUSTICE COURT**

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**Staff Present:** Justice of the Peace Kathy Stinnett.

### **Expense**

Discussion General: Julie advised the committee that if the .5 FTE were added back to this department the cost would be an additional \$32,500. This amount would have to be taken from contingency. Jim reported he attended a meeting with Judge Raschio and Judge Stinnett and it would take some time for Circuit Court to prepare if a transition was made from Justice Court to Circuit. Scott also met with them and requested preservation of the half-time position for at least the next year or so. Jim agreed. Each court member met with Raschio and Stinnett individually. Kathy announced she will not be running for re-election and has two and a half years left in her term. She asked if the plan was to phase Justice Court out? This is why she requested the meeting with Judge Raschio and each court member. Amy stated the three citizen members of the budget committee have attempted to make cuts, but have not been successful. Amy doesn't believe the budget as presented is responsible. The issue with the budget is directly related to the general fund and not the special funds. Sam said Raschio would want notification and time to ask for additional staff if Justice Court were abolished. Kathy's main concern with the current staffing level is the amount of time the office will be closed. Kathy explained she does work behind the scenes and also works from home frequently. **MS: Scott/Jim: to fund Justice Court at 2.3 FTE.** Jim, Scott and Sam voted yes. Amy, Bob and Rob voted no. **Motion failed.**

**General Discussion:** Bob stated the biggest blow to the general fund budget is the jail. Julie calculated the cost of the jail with the current 12 employees and the net cost after deducting revenue is approximately \$1,092,000. Sam thinks the county will eventually house inmates for Harney County and it could become a permanent arrangement. This could potentially bring in additional revenue. Rob said this has been promised in the past, but has never come to fruition. When the facility was constructed, it was supposed to be self-funded.

**Department: 101414 COUNTY SHERIFF**

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**Staff Present:** None.

**Revenue**

3030179 Prairie City Contract: \$40,000. Prairie City has agreed to provide this amount for the upcoming fiscal year.

3030188 School Resource Officer: \$50,000. Amy expressed concern after speaking with some school board members that this might not be funded, and there is no contract in place this late in the budget year. Julie added this amount is included in the funding for the requested new employees.

3030196 ESD Truant Officer: \$40,000. This amount is for one year only.

**Expense**

Discussion General: Bob estimated there is approximately a 2.9 million hole in the Sheriff's budget even including proposed revenue. Julie said there is \$640,000 carried over from the public safety network grant and it is included in the expense line.

5100003 Deputy Patrol Salary (5): \$250,000.

5100004 Deputy Clerical Salary (.5): \$22,760.

The following departments were not individually discussed, but are included in the minutes to reflect line item changes and the addition of the PFMLI expense.

**Department: 101412 PERSONNEL**

**Page 4**

**Expense**

5100095 PFMLI: \$137.

**Department: 101413 COUNTY CLERK**

**Page 5**

**Expense**

5100095 PFMLI: \$239.

**Department: 101415 COUNTY TREASURER**

**Page 8**

**Expense**

5100095 PFMLI: \$196.

**Department: 101416 COUNTY COURT**

**Page 9**

**Expense**

5100095 PFMLI: \$364.

**Department: 101417 COUNTY ASSESSOR**

**Page 10**

**Expense**

5100095 PFMLI: \$603.

**Department: 101418 COURTHOUSE & CO BLDGS**

**Page 11**

**Expense**

5100095 PFMLI: \$143.

**Department: 101419 COUNTY CORONER  
Expense** **Page 12**

5100095 PFMLI: \$26.

**Department: 101420 DISTRICT ATTORNEY  
Expense** **Page 13**

5100095 PFMLI: \$144.

**Department: 101422 COUNTY SURVEYOR  
Expense** **Page 14**

5100001 Suveyor Salary: \$7,156.

5100095 PFMLI: \$14.

**Department: 101426 COUNTY LIBRARY  
Expense** **Page 16**

Discussion General:

5100001 Librarian: \$47,495.

5100002 Assistant Librarian: \$35,984.

5100094 Social Security/Medicare: \$6,252.

5100095 PFMLI: \$167.

5100096 SAIF: \$60.

5100097 Group Insurance: \$23,310.

5100098 Retirement: \$8,031.

**Department: 101430 ELECTIONS  
Expense** **Page 17**

5100095 PFMLI: \$6.

**Department: 101439 JUVENILE DEPT  
Expense** **Page 18**

5100095 PFMLI: \$202.

**Department: 101451 RELIEF HELP  
Expense** **Page 19**

5100002 Special Projects: \$10,000.

5100094 Social Security/Medicare: \$3,060.

5100095 PFMLI: \$80.

5400003 Capital Outlay Old Road Remodel: \$100,000.

**Department: 101452 VETERAN'S SERVICE  
Expense** **Page 20**

5100095 PFMLI: \$105.

**Department: 101453 PLANNING DEPT** **Page 21**  
**Expense**

5100095 PFMLI: \$232.

**Department: 101456 4-H & EXTENSION** **Page 22**  
**Expense**

5100095 PFMLI: \$154.

**SPECIAL FUNDS**

**Department: 102100 ROAD** **Page 26-28**  
**Revenue**

3030205 State Highway Fees: Decrease to \$1,175,000.

**Expense**

5100095 PFMLI: \$2,072.

5400002 Capital Outlay Road & Shop: \$250,000.

5900070 Unappropriated End Bal: \$5,546,914.

**Department: 109100 ECONOMIC DEVELOPMENT** **Page 33**  
**Revenue**

3030984 State Lottery Funds: \$110,000.

**Expense**

5200014 Video Lottery Funds: \$110,000.

**Department: 112100 COUNTY FAIR** **Page 36-37**  
**Expense**

5100095 PFMLI: \$177.

5200043 Insurance & Bonds: Increase to \$22,000.

5700550 Operating Contingency: \$16,990.

**Department: 115100 JUVENILE REVOLVING** **Page 38**  
**Expense**

5100095 PFMLI: \$28.

5200023 Account Grant Exp: \$24,211.

**Department: 118100 COMMUNITY CORRECTIONS** **Page 42-43**  
**Expense**

5100095 PFMLI: \$391.

5700050 Operating Contingency: \$668,417.

**Department: 124100 AIRPORT** **Page 51-52**  
**Expense**

5100095 PFMLI: \$210.

5700050 Operating Contingency: \$216.

**Department: 133100 DOMESTIC VIOLENCE PREVENTION** **Page 58**  
**Expense**

5100095 PFMLI: \$148.

5200018 VAWA Rural: \$41,971.

**Department: 134100 DA REVOLVING  
Expense**

**Page 59**

5100095 PFMLI: \$163.

5200020 CAMI Expense: \$27,590.

**Department: 136100 COUNTY RV PARK  
Expense**

**Page 62**

5100095 PFMLI: \$53.

5200043 Insurance Depot Park: \$3,525.

5400001 Capital Outlay Equipment / Furniture: \$41,693.

**Department: 138100 SENIOR CITIZENS  
Revenue**

**Page 64-65**

3010101 Cash on Hand: \$40,000.

3030104 Miscellaneous: \$800.

3033805 Title 3: \$40,000.

3033806 OPI : \$36,000.

3033807 USDA Nutrition: \$8,400.

3033808 OPI Client Reimb: \$575.

3033810 Title 3D CFDA: \$1,900.

3033811 Title 3C CFDA: \$30,000.

3033812 Title 3E CFDA: \$7,700.

3033814 Title 7B CFDA: \$200.

3033826 John Day Site Council Reimb: \$14,304.

3033828 Meal Reimbursement 93.778: \$30,000.

3033841 Transfer – General Fund: \$0.

**Expense**

5100002 John Day Head Cook: \$15,344.

5100003 John Day Assistant Cook: \$12,490.

5100005 Prairie City Head Cook: \$8,075.

5100006 Prairie City Assistant Cook: \$7,809.

5100008 Senior Program Manager: \$49,027. This position is budgeted for 32 hours per week.

5100011 Monument Assistant Cook: \$8,075.

5100012 Monument Head Cook: \$7,809.

5100094 Social Security: \$8,315.

5100095 PFMLI: \$218.

5100096 SAIF: \$2,200.

5100097 Group Insurance: \$18,684.

5100098 Retirement: \$8,175.

5200028 Advertising: \$414.

**MSP: Scott/Sam: to acknowledge that the county must pay the PFMLI tax.  
Motion passed.**

**Department: 108100 EMERGENCY MANAGEMENT**

**Page 32**

**Staff Present:** None.

**Revenue**

3010101 Cash On Hand: \$6,300.  
3030815 Fed Grant: \$65,000.  
3030816 OEM Grant: \$225,000.  
3030817 Forest Title III: \$2,700.  
3030818 General Reimb: \$30,000.  
3030821 FEMA Grants: \$111,000.  
3030822 Other Federal Grants: \$298,711.

**Expense**

5100095 PFMLI: \$121.  
  
5200001 Supplies: \$3,000.  
5200002 Telephone: \$4,000.  
5200003 Dues & Travel Expense: \$3,000.  
5200004 Vehicle Expense: \$5,000.  
5200012 Safety Preparedness: \$3,000.  
5200016 OEM Grant : \$207,121.  
5200018 FEMA Grant: \$111,000.  
5200022 Other Federal Grants: \$298,711.  
5200060 Pay General-Adm Cost Reimb: \$23,566.  
5200062 Contractual/Prof Services: \$1,000.  
  
5400001 Capital Outlay-Equip/Furn: \$2,700.  
5400002 Capital Outlay-Vehicle: The proposed vehicle purchase was removed.

**MSP: Scott/Sam: to approve the changes as presented in Emergency Management. Jim, Scott, Sam, Bob, and Amy voted yes. Rob voted no. Motion passed.**

**Department: 101457 ECONOMIC DEVELOPMENT**

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**Staff Present:** Economic Development Director Tory Stinnett.

**Revenue**

Discussion General: Due to research and review of the Oregon Revised Statutes Julie created a special fund to receive the lottery money (109100).

**Department: 101458 ECONOMIC STABILIZATION**

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**Staff Present:** Economic Development Director Tory Stinnett.

**Revenue**

Discussion General:  
3030184 State Lottery Funds: \$60,000.

**Expense**

5100003 Economic Specialist: Bob said last year they were told this position would be funded through contract administration.  
5100095 PFMLI: \$192.

**MSF: Scott/Jim: to approve the changes to the Economic Development and Economic Stabilization budgets as presented.** Bob wanted to point out at the last meeting the suggestion was to fund the Economic Specialist position for one more year and the committee needs to make sure there is money to fund this. Jim, Scott and Sam voted yes. Amy, Bob and Rob voted no. **Motion failed.**

Tory questioned why this was being brought up again since the budget was tentatively approved during the last meeting and Sam agreed.

**MSP: Scott/Jim: to approve the changes to the Economic Development and Economic Stabilization budgets with the changes as presented today because of the transfer from one department to another. Motion passed.**

**Department: 101414 COUNTY SHERIFF**

**Page 6**

**Staff Present:** None.

**Revenue**

3030179 Prairie City Contract: \$40,000.  
3030188 School Resource Officer: \$50,000. Rob is not comfortable funding this position. Scott said the County Court signed an agreement for the SRO position, but if it is not funded it won't happen. Julie reported this would remove \$90,000 of revenue.  
3030196 ESD Truant Officer: \$40,000. This is a one-year amount.

**Expense**

5100003 Deputy Patrol Salary (5): \$250,000. Rob doesn't think hiring new employees is sustainable. Jim believes additional PILT funding will be received and that these new positions are sustainable. Julie said PERS costs keep increasing along with medical insurance rates. If the increase in health insurance goes up by 10% it would be an additional \$100,000 per year. The reason 2 extra deputies have been requested is because of the elimination of the City of John Day police force. Jim believes an hourly rate needs to be presented to the City of John Day to assist with funding. Bob stated the City of John Day has already approved their budget and there is no funding to assist with law enforcement for the upcoming fiscal year so this does not help with the budget. Eric Bush had indicated at the last budget meeting that \$640,000 in ARPA funding can help with costs for additional officers. Sam wanted to go on record that he is pro public safety and will back them however he can.  
5100004 Deputy Clerical Salary (.5): \$22,760.  
5100095 PFMLI: \$2,700.

**MSP: Sam/Jim: to approve the Sheriff's budget as presented today with the addition of 2.5 employees.** Sam reiterated officer and public safety is a priority for him and Sheriff McKinley wouldn't be asking for help if he didn't need it. Preston asked what the end dollar amount is that Commissioner Palmer referred to as being able to afford the positions. Jim said the ARPA money should fund this for the next two years or so. Julie disagreed because the ARPA money is in contingency for the upcoming fiscal year.  
**Sam, Scott, Jim, Amy, and Bob voted yes. Rob voted no. Motion passed.**

**Department: 101100 NON-DEPARTMENTAL  
Revenue**

**Page 1**

Discussion General: The committee discussed the two reserve accounts, of roughly \$520,000 that could be abolished, and Bob asked if only one could be. Julie said it wouldn't be enough, but it could be done. If the reserve accounts were abolished the funds would go into contingency and could be used wherever needed. Sam asked if Julie thought the accounts should be abolished. Julie said something has to be done. Jim stated after the accounts are abolished they can be re-created at another time. Julie is extremely concerned that the accounts would never be re-established and that no cuts have been made to try to make a difference now. Bob worries that if this budget is passed then halfway through the next budget year the budget could be in trouble.

**Expense**

5600008 Transfer – Emergency MGT: \$30,000.

5600038 Transfer – Senior Citizen: \$0.

5700050 Operating Contingency: \$371,672 as presented today and does not include the additional revenue from the reduced hours approved in the final motion.

**MSF: Scott/Sam: to approve the budget as presented today and dated June 7, 2022.** John Rowell asked why if there are budget problems this is being pushed through at the last minute and in panic mode. **Sam, Scott and Jim voted yes. Amy, Bob and Rob voted no. Motion failed.**

**MS: Amy/ - to adjourn. No second received.** Tory asked what will happen if the budget doesn't pass. Julie said she talked to the Department of Revenue and there is no provision for this, but the County would be operating outside of the law after July 1<sup>st</sup>, or possibly June 26<sup>th</sup> since that is when payroll begins. Watermaster Eric Julsrud advised the court members the Assistant Watermaster position was lost due to the poor financial decisions made by the County Court. Sam plans to pursue a police bond levy. Preston thanked Amy, Bob and Rob for having the courage to vote no on the budget this year and that this was the right thing to do. Preston supports law enforcement and said serious cuts must be made and departments should be reduced to bare bones. Bob prefers the proposal to reduce employee hours to 32

hours per week. Rowell would like to see what the citizens want based upon a vote on a police levy.

5:50 pm The committee took a break.

6:00 pm The committee returned to session.

Sam wanted to go on record that the City of John Day has put the county in a bind and he tried to work with Councilmembers Rookstool and Haberly and he was treated very poorly by the City Manager. Sam is in favor of passing this budget. Bob wanted to go on record that he supports law enforcement and he believes everyone on the committee does as well, but it is a large hole that needs to be filled. Jim still believes the City of John Day might provide some funding in the future, but it might not be this fiscal year. Amy said the county has been headed down this path for the last three years and the Sheriff's budget isn't the only reason. Jim believes good things are happening and if things don't go as planned it should be dealt with then. He believes we should fund what can be funded now and deal with it in the future. Scott respects the committee members decision to not pass this budget, but believes the only path forward is to pass this budget and move forward. He added they have been assured the revenues discussed will be coming in the future. Rowell suggested in the future the court should get on top of issues sooner, work on the budget and make decisions earlier so citizens, employees and the Treasurer won't be so stressed. He added this is not healthy for the county and more effort needs to be made next year. Bob asked if Jim was sure the approximately \$700,000 he has talked about will be received and if so, will it be within the next fiscal year. Jim stated he believes so and the information came from the National Association of Counties (NACo). Bob would like to see a more formal document from the federal government and if that came in he would be much more comfortable passing this budget. Preston is concerned about Scott's comment about needing to get this budget passed and move on. She expressed additional concern that the budget committee was not reconvened when additional staff were added over the last year. Julie received an email from the Treasurer's association she is a member of, and as far as she knows the money per acre for federal land has not made it through congress. It was supposed to be received in March. Bob said if it was guaranteed this money would arrive he wouldn't have an issue. Bob suggested finding some additional cuts. Julie asked if the committee would prefer the budget if the reserve accounts were abolished and the money included in the contingency. Amy said no, she would be more disturbed by that because those accounts have a designated purpose, but are being treated more like contingency accounts. Bob again said he believes the solution is cutting employee hours to 32 hours per week. Julie said that would still not be enough to cover for this fiscal year if the ARPA funding isn't received until July 1 or after. The PILT money has not come in either, but Julie said it always does. If the hours were cut to 32 then it would increase the contingency to approximately \$646,672. Jim doesn't agree with keeping the reserve money in a "savings account" for potential issues that might happen in the future. Tory stated

something needs to happen and there are employees who are scared and living paycheck to paycheck. Laurie said if these budget processes keep being stressful each year we are going to lose good employees who are looking for more secure jobs. Preston said the other side of this that needs to be looked at is possibly eliminating positions. Layoffs are not fun, but Bob doesn't know what the answer is. Bob and Amy would be okay with planning for the additional money Jim keeps talking about if there was something official from the federal government stating it was going to arrive. Eric Julsrud pointed out the income each year is relatively fixed and the income is less than the expenditures and the county cannot live on magic money. Jim again stated his belief that the money will come in and Julsrud once again said the county could not count on "magic money".

**MSP: Bob/Scott: to pass the budget with the reduction in funding hours to 32 hours for 40 hour general fund employees with the exception of the Sheriff's Department.** Jim suggested removing the vehicles from the Sheriff's budget and is not in favor of reducing hours. **Amy, Bob, Rob and Scott voted yes. Jim and Sam voted no.** It was clarified that this would include elected officials except for the Sheriff. Bob added if the money comes in he would like to reconvene the budget committee. **Motion passed.**

MSP: Amy/Scott: to adjourn.

6:33 pm The meeting adjourned.

Respectfully Submitted,

Rob Stewart  
Secretary