Josephine County, Oregon

Finance Office
Josephine County Courthouse
500 NW 6th Street / Dept 4, Grants Pass OR 97526
(541) 474-5255 / FAX (541) 474-5258 / TTY (800) 735-2900

BUDGET COMMITTEE MEETING
Anne Basker Auditorium
600 NW 6th Street
Grants Pass, Oregon
Tuesday, May 17, 2016
4:00 p.m. to 6:00 p.m.

Purpose of the meeting is to discuss the FY 2016-17 Budget for Josephine County and allow public comment.

Budget Committee members: Jim Brumbach, Margaret Goodwin, Steve Welch, Cherryl Walker, Keith Heck, Simon Hare.

Budget Officer: Arthur O'Hare, Finance Director

AGENDA

1) Open Meeting – Simon Hare, Chair

2) Review and approve minutes of 4/26/2016

3) Department Presentations:
   a) Forestry Department – David Streeter
   b) Economic Development – Arthur O'Hare

4) Budget Overview and Summary – Arthur O'Hare, Budget Officer

5) Discussion and Action by Budget Committee – per budget law, any budget committee action requires the affirmative vote of a majority of the total budget committee membership.
   a) Elected Official Compensation – deliberation
   b) Establishment of new fund – Margaret Goodwin
   c) Other changes to FY 2016-17 Budget

6) Public Comment (limit of three minutes each, public comment may be allowed at additional meetings)

7) Approval of FY 2016-17 Budget and setting tax rate, or setting next Budget meeting.

NOTE: THE JOSEPHINE COUNTY BUDGET IS AVAILABLE ONLINE UNDER FINANCE DEPARTMENT, BUDGET INFORMATION AT: http://www.co.josephine.or.us/Page.asp?NavID=206

Recommended motion to approve Elected Official Comp Committee:

Combined Recommendation 1 & 2 – I move that the Budget Committee accept the recommendation of the Elected Officials Compensation Committee and recommend the board adopt a policy to keep elected officials salaries within 5% of the average of comparable counties and in doing so increase in the following elected officials' annual salary as of July 1, 2016: Assessor 3%; Sheriff 6.25%; and Legal Counsel 2%; and to adopt a tiered salary step system for all elected officials to provide a 5% increase in base salary upon re-election up to two times (1st term Base Salary, 2nd term Base + 5%, and 3rd term Base + 10%) as of July 1, 2016.

Recommendation 1 only – I move that the Budget Committee accept the recommendation of the Elected Officials Compensation Committee and recommend the board adopt a policy to keep elected officials salaries within 5% of the average of comparable counties and in doing so increase in the following elected officials' annual salary as of July 1, 2016: Assessor 3%; Sheriff 6.25%; and Legal Counsel 2%.

Recommendation 2 only – I move that the Budget Committee accept the recommendation of the Elected Officials Compensation Committee to adopt a tiered salary step system for all elected officials to provide a 5% increase in base salary upon re-election up to two times (1st term Base Salary, 2nd term Base + 5%, and 3rd term Base + 10%) as of July 1, 2016.

Recommended motion to approve the budget and levy taxes:

I move that the proposed budget for Josephine County as amended be approved for Fiscal Year 2016-17 in the amount of $90,362,000 (ninety million three hundred sixty-two thousand) and establish the full time equivalent (FTE) level to not exceed 334.52.

And I move to include Amendments (must include dollar and FTE's):

1) Dept **xxxx** an additional (or reduction) **$xxx** of authorized expenditure in 2016-17 budget and an additional (or reduction) position of **X FTE**.

I move that the Budget Committee set the property tax levy in the amount of **$0.5867 cents per $1,000 of assessed value for general government operations** and set the local option levy for property taxes **of $0.08 cents per $1,000 of assessed value for Animal Shelter and Animal Control operations** and set the qualifying bonded debt levy of **$1,023,000** (one million twenty-three thousand) for the **Adult Jail Facility Bond.**

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May 10, 2016

To: Budget Committee Members
From: Arthur O'Hare, Finance Director/Budget Officer
Re: Elected Officials Compensation Committee (EOCC)

Based on the April 19 budget meeting discussion, here is a cost summary of the recommendations by the EOCC. If the budget committee decides to move on either or both of these recommendations, because of the nominal amount involved, I suggest we do not change the proposed budget but require the department to absorb the cost.

1. Outside Comparable Average – salary adjustment for any elected official position that has fallen more than 5% outside average comparable counties.
    a. Assessor - $179.75 monthly/$2,157 annual
    b. Sheriff - $439.42 monthly/$5,273 annual
    c. Legal Counsel - $157.17 monthly/$1,886 annual
    d. Total Option 1 - $776.34 monthly/$9,316 annual

2. Longevity 5% – tiered salary step system based on re-election.
    a. Assessor - $298.08 monthly/$3,577 annual
    b. Surveyor - $34.58 monthly/$415 annual
    c. Commissioner - $314.08 monthly/$3,769 annual
    d. Total Option 2 - $646.74 monthly/$7,761 annual

3. Combined Options 1 & 2 – if both recommendations are approved.
    a. Assessor - $477.83 monthly/$5,734 annual
    b. Sheriff - $439.42 monthly/$5,273 annual
    c. Legal Counsel - $157.17 monthly/$1,886 annual
    d. Surveyor - $34.58 monthly/$415 annual
    e. Commissioner - $314.08 monthly/$3,769 annual
    f. Total Options 1 & 2 - $1,423.08 monthly/$17,077 annual

4. Total by Fund:
    a. General Fund - $512.41 monthly/$6,149 annual/0.05% (.0005) of annual budget
    b. Public Safety Fund - $439.42 monthly/$5,273 annual/0.04% (.0004) of annual budget
    c. ISF Fund - $471.25 monthly/$5,655 annual/0.13% (.0013) of annual budget

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May 10, 2016

To: Budget Committee Members
From: Arthur O'Hare, Finance Director/Budget Officer
Re: Reserve Fund Background

In response to questions at the April 19 budget meeting, I thought it would be helpful to provide the briefest background on the reserve funds and related issues.

Forest receipts have been around for over a century and by law have been used for road improvements and maintenance. They have been deposited to the Public Works fund, not the reserve fund, and through the years have been one of several revenue sources used for annual road projects.

We established the Property Reserve and the Equipment Reserve in 2006. We established the Roads & Bridges Reserve (R&B Reserve) in 2008. Establishing the reserve funds was based on sound accounting practices and allowed for easy identification of capital transactions.

The reserve funds are funded mainly through transfers from department operating funds and are used for both current year capital transactions as well as accumulating funds for future year capital transactions.

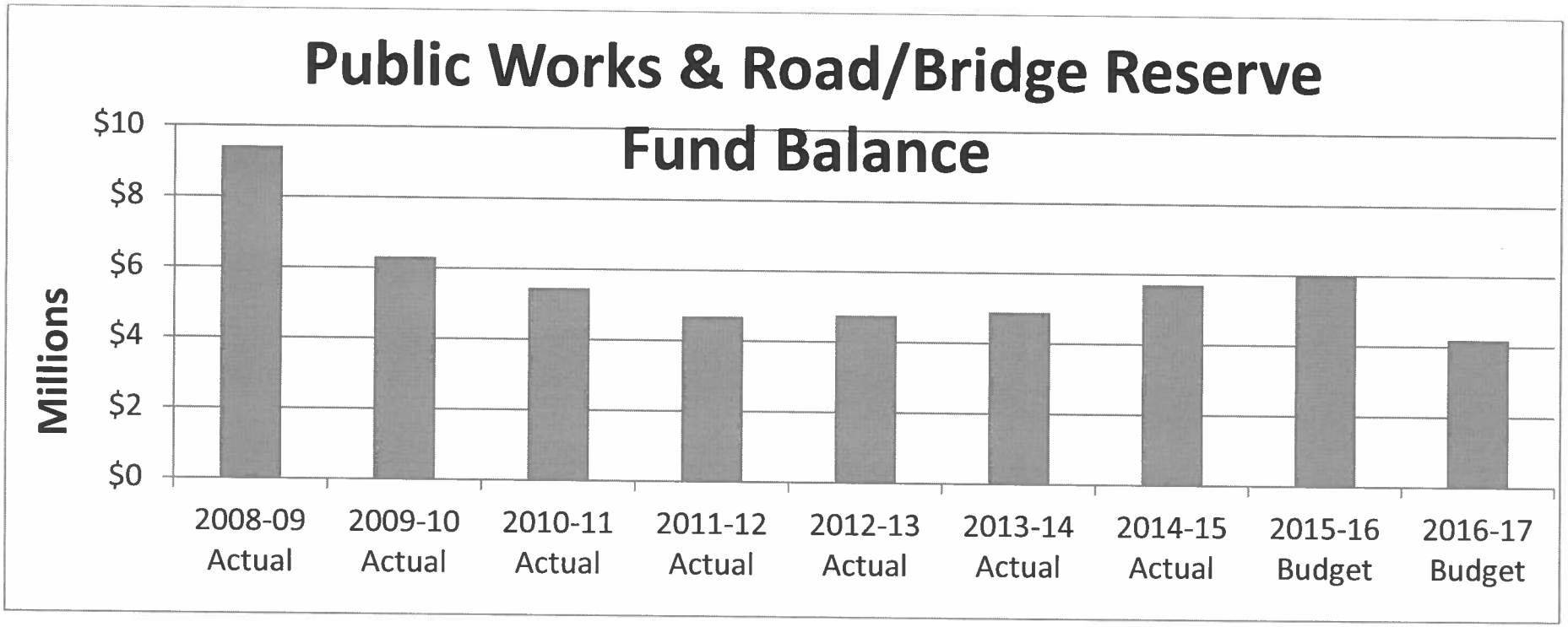
HB4175 (which authorized the transfer of forest receipts to rural patrol) was signed into law in March 2012 and was scheduled to sunset January 2016. In June 2015 the sunset provision was repealed.

To Recap:

- Forest receipts have been received many years prior to establishing the R&B Reserve.
- The R&B Reserve was established for easy identification of capital transactions and was never set up to be a depository for forest receipts.
- HB4175 became law several years after we established the R&B Reserve.

Therefore, forest receipts and the R&B Reserve are two separate and distinct items. The balance in reserves does not reflect how much we have received in forest receipts.

I hope this provides a clearer background of the reserve funds origin and use in Josephine County.


Public Works & Road/Bridge Reserve Fund Balance
Millions
$10
$8
$6
$4
$2
$0
2008-09 Actual
2009-10 Actual
2010-11 Actual
2011-12 Actual
2012-13 Actual
2013-14 Actual
2014-15 Actual
2015-16 Budget
2016-17 Budget