

**BUDGET COMMITTEE MEETING, Anne Basker Auditorium,
604 NW 6th Street, Grants Pass, Oregon
Tuesday, May 28, 2013, 3:00 p.m.**

Budget Committee: Pat Fahey, Marie Hill, Jim Brumbach, Keith Heck, Simon Hare, Cheryl Walker

Budget Officer: Rosemary Padgett, CFO

1. Open Meeting

Pat Fahey, Budget Committee Chair opened the meeting at 3:00 p.m.

2. Old Business:

a. Approve Minutes of May 22, 2013

Mr. Brumbach made a motion to approve the minutes of May 22, 2013, seconded by Mr. Hare. Upon vote, motion carried, 6 – 0, yes.

b. Elected Officials Compensation

Commissioner Salary Reduction

Rosemary Padgett, CFO addressed **Exhibit A, Legal Opinion** which allows each commissioner position to be salaried at different levels. Using **Exhibit B, Elected Officials Table** she illustrated the Elected Officials' current salary, how a 3.8% COLA, and a 10% reduction would affect said salaries. Mr. Hare recommended the Committee deal with last week's tabled motion first.

Ms. Walker made a motion to take from the table the motion made last week by Mr. Heck to reduce the salary of Commissioner Position 2 to \$50,000 for further consideration, seconded by Mr. Brumbach. Upon vote, motion carried, 6 – 0, yes.

Mr. Heck explained that he was pursuing an idea he promoted when he was in the commissioner's race. He felt the current climate responded well to that and would help with costs in the Board's office.

Mr. Hare, Mr. Brumbach, and Ms. Walker voiced concern about the inequity of salary between positions, feeling it set a bad precedent. Mr. Heck, Ms. Hill, and Mr. Fahey supported the salary reduction.

Upon vote, motion failed, 3 – 3, for a lack of a majority.

Set Salaries of Elected Officials

Mr. Fahey referenced **Exhibit B**, asking when the Elected Officials last received a COLA and was told 2008. Mr. Hare made a motion to adopt the Elected Officials Compensation Committee's Recommendation in its entirety, seconded by Ms. Hill. Mr. Hare noted his proposal from last week to cut the Elected Officials salary by 10% would only amount to \$47,000. He felt it would be fiscally prudent to maintain the status quo for the fifth year in a row reflecting a roughly 10% reduction. Ms. Walker agreed that the lack of COLA resulted in a reduction. Upon vote, motion carried, 6 – 0, yes.

c. Proposed Reductions - Simon Hare

Mr. Hare reviewed **Exhibit C, Estimate of Savings** with the Committee. He explained the cut to Forestry would actually only return Federal funding and other cuts would decimate programs. He suggested the Board of Commissioners could make adjustments before the end of June. He said these tough cuts were to illustrate this only resulted in a \$350,000 savings to fill a \$9.2 million hole. He suggested the next conversation should be how to prioritize and recommended that the jail should be the first priority. Ms. Walker said all of the suggested cuts were substantially painful and in reviewing it there was no prospect for additional revenue. She agreed with Mr. Hare that the jail affected the courts, corrections, arrests, and everything else. She suggested they pass the budget they were presented with one correction; adding Scenario 2 from **Exhibit D, Additional Requests**.

d. Budget requests from General Fund

Public Health
District Attorney
Juvenile Justice
Sheriff

3. Budget Committee Discussion on proposed budget for FY 2013-14

Ms. Walker made a motion to approve the Josephine County budget for Fiscal Year 2013-14 in the amount of \$66,767,000 and establish the full time equivalent (FTE) level to not exceed 279.18 with one change, adding in the Sheriff's Scenario 2, to provide 100 jail beds at \$312,200 seconded by Mr. Brumbach. Mr. Heck felt that Scenario #2 wouldn't help unless the District Attorney also had an increase and suggested adding Scenario A, Priority 1. Ms. Walker said that Scenario 2 only maintains the status quo of the system and would not be increasing the District Attorney's workload. Ms. Walker amended the motion to include Scenario A, Priority 1 to include a .5 DDA at \$54,000, seconded by Mr. Brumbach. Mr. Brumbach stated that he would like to see cuts made where they can; he felt that people should see the consequences of their decision not to pass the levy but did not want the state to intervene. Ms. Hill and Mr. Fahey voiced concern about depleting reserves and agreed it was not an easy challenge and the Board's process wouldn't stop today. Mr. Heck said he hoped that it sank in to citizens that this is all the money the County has and it is a serious issue that needed to be addressed. Mr. Fahey acknowledged the Committee was leaving Public Health's requests out and people would suffer. Upon vote, motion carried, 6 - 0, yes.

Ms. Walker made a motion 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 the \$1,050,000 (one million fifty thousand) for the Adult Jail Facility Bond, seconded by Mr. Brumbach. Upon vote, motion carried, 6 - 0, yes.

4. Set additional meeting dates and/or approval of FY 2013-14 Budget

Mr. Hare recommended striving to keep the reserve at \$3 million next year and not using the Road Fund. Mr. Fahey recognized the need to find ways to fund programs like Public Health.

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

Dale Matthews, Grants Pass, commented on subject matter that was not germane to the meeting and was asked to be seated.

Gil Gilbertson, Sheriff, encouraged citizens with questions to look at his budget on his website and then call him. He told the Committee he was not ungrateful they "threw him a bone" but it won't mean much for patrol and that while reports are available for citizens to fill out online, his office wouldn't respond to document the information.

Bill Ertel, Williams, said he represented the Williams Rural Fire Protection District and asked what they were to do when they needed police protection during a response.

Bill Boyett, Josephine County, asked if the County had a plan for unfunded mandates, saying he would like to see us get serious and defend our way of life.

Jim Gower, Josephine County, felt they need to look at alternatives for revenue other than taxes. He asked if he contributed money to the Jail if it was deductible saying it appeared to him if they worked together they could address some of these issues.

Meeting adjourned at 4:35 p.m.

Exhibit A
Budget Comm
5-28-13

Josephine County, Oregon

OFFICE OF LEGAL COUNSEL



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MEMORANDUM

To: Board of Commissioners
cc: Rosemary Padgett, CFO
From: Leah Harper, Asst. Legal Counsel *LA*
Date: May 24, 2013
Re: Commissioner's Salary

Received
Josephine County

MAY 28 2013

Board of
Commissioners

The memo is in response to the question of whether the Budget Committee can reduce the salary of one commissioner without reducing the salaries of the other two commissioners. The short answer is yes. There are, however, policy and financial ramifications which should be considered.

The Josephine County Charter requires that the compensation and job related expenses of personnel in the service of the County be fixed annually by the budget committee. (Josephine County Charter, Chapter VI, Section 25(1).)¹ The compensation of elected county officers remains in effect unless changed by the budget committee. (ORS 204.126.) A compensation committee, appointed by the Board of Commissioners, is required to "annually recommend a compensation schedule for the county elective officers," including the treasurer, county clerk, assessor, treasurer, and county commissioners, to the budget committee. (ORS 204.112, 204.005). There are no laws which prohibit a Commissioner's salary from being decreased upon the request of the affected Commissioner.

At least two other Oregon counties have different salaries for different members of their Boards of Commissioners. In Multnomah County, the Chair of the Board of Commissioners is paid more than the other four Commissioners; for the 2012-13 fiscal year, the Chair's salary was approximately \$136,672, while the remaining four commissioners' salary was approximately \$90,640. (Multnomah County Resolution No. 2012-0534.) In Washington County, the salary of the Chair is set at 80% of the Circuit Court Judge, while the salary for other commissioners is set at 40% of the salary of the Chair. (Washington County Charter, Chapter III, Section 30(e), 2008.)

¹ Chapter VI, Section 25(2) of the Josephine County Charter has been held invalid under Hudson v. Feder, Josephine County Circuit Court Case No. 90-CV-0139 (Judge Joan Seitz presiding).

Further, state law contemplates that commissioners may receive compensation that is different from the other commissioners. ORS 203.230 provides that when a county that does not have a County Charter chooses to establish a Board of County Commissioners by abolishing the office of the County Judge and appointing a third commissioner, the order establishing the Board of Commissioners "may specify any or all of the following relating to the third commissioner: (a) Compensation that is different from the other commissioners; (b) Powers and duties that are different from the other commissioners; and (c) Service as chairperson of the board of commissioners." While this statute does not directly apply to the situation at hand, it does show that different compensation may be paid to different members of the Board of Commissioners in non-home-rule counties.

A question has been raised as to whether a reduction in salary should be made to the individual commissioner personally, or to the commissioner's position. It is the opinion of this office that, if salary is reduced, then the reduction should be made to the position itself, and not to the commissioner personally. ORS 204.013 provides that "In each county that has a board of county commissioners, each office of county commissioner shall be designated by number as Position No. 1, Position No. 2, or Position No. 3." The salaries are set by the Budget Committee for County Officers or County positions, and not for named persons. Setting a particular salary for an individual person, instead of for a County Officer or Position, may open the door for potential problems of discrimination.

Please be aware that this legal opinion does not address financial or policy considerations which would be better addressed by the Board of Commissioners or by the Finance Department. Those considerations include, for example, a) what effect the salary reduction of one commissioner would have on the budget as a whole, and to the ISF budget in particular; b) whether it would be more effective for a commissioner to make a donation in the amount of the salary reduction to a specific program or department; and c) consideration of the tax consequences of such a donation, which is outside the scope of this memo. More information on the details and financial ramifications of a reduction to an individual's salary may be obtained from the Finance Department.

Please let me know if you have any further questions or need any additional information.

Exhibit B
Budget Comm
5-28-13

Elected Officials	Current Salary	Jan 2012 Management COLA (3.8%) (Last Received Non-Union)	Salary with COLA	Salary with 10% Reduction
Assessor	71,902	2,732	74,634	64,712
Clerk	71,902	2,732	74,634	64,712
D.A.	21,159	804	21,963	19,043
Legal Counsel	94,284	3,583	97,867	84,856
Sheriff	84,360	3,206	87,566	75,924
Surveyor	7,680	292	7,972	6,912
Treasurer	71,902	2,732	74,634	64,712
Totals w/o BCC	423,189	16,081	439,270	380,870
Commissioner	75,392	2,865	78,257	67,853
Commissioner	75,392	2,865	78,257	67,853
Commissioner	75,392	2,865	78,257	67,853
Total w/ BCC	649,365	24,676	674,041	584,429

Exhibit BC
5-28-13
Budget Committee

Josephine County
 Estimate of cost savings
 for Budget Meeting 5/28/2013

Proposal	FTE	Amount	Reduction			Increase
			General Fund 100	ISF Fund 401	BOM/Fleet Fund 402	Public Safety Fund 240
No General Fund						
Clerk						
2 FTE	2.00	129,000				
Less Passport		(50,000)				
Surveyor						
GF Support	0.40	27,000				
Less Front Counter	(0.14)	(4,000)				
Planning						
2 FTE	2.00	156,500				
Public Health						
GF Transfer (1 FTE)	1.00	100,000				
		<u>358,500</u>	358,500			358,500
Combine Front Counter						
Treasurer 2 FTE	2.00	112,000				
Assessor 1.75 FTE	1.75	80,000				
Surveyor .25 FTE	0.14	4,000				
New Positions 2 FTE	(2.00)	(110,000)				
		<u>86,000</u>	86,000			86,000
Forestry 3.8 FTE						
Reduce 5 FTE	5.00	304,000				
Outsource cost		(250,000)				
		<u>54,000</u>	54,000			54,000
Court Security @ \$68,000 within Sheriff Budget						
		45,100				-
EO Salary 10% Reduce						
GF - Clerk, Assr, Trea, Surv		22,300	22,300			22,300
ISF - Comm, Legal		32,100		32,100		9,300
within Public Safety - Sher, DA		10,500				-
ISF - 1% Reduction						
BCC 1 FTE	1.00	68,000				
Legal .5 FTE	0.50	25,200				
CFO 1 FTE (half year)	1.00	75,150				
Unidentified	1.50	101,650				
Total ISF		<u>270,000</u>		270,000		78,800
Anne Basker		25,000			25,000	-
CJ Building		14,000			14,000	-
Sell surplus vehicles 20 @ \$5,000						
		100,000			100,000	-
Total	<u>16.15</u>	<u>961,900</u>	<u>520,800</u>	<u>302,100</u>	<u>139,000</u>	<u>608,900</u>

*provide below min. mandates

395,785 Sheriff 65%
 121,780 DA 20%
 91,335 Juvenile 15%
608,900

Note: over 16 FTE Gen Fund/ISF reduction to provide Sheriff with 3 to 4 FTE increase
 Note: ISF to Public Safety allocated 29%.

FY 2013-14
General Fund Additional Requests
May 28, 2013

Exhibit D
5-28-13
Budget Comm

	Request	Total Dept
Public Health:		
Clinic	\$ 135,000	
WIC	\$ 36,000	
Animal Control	<u>\$ 14,000</u>	
		\$ 185,000
District Attorney:		
Scenario A - Priority 1 (.5 DDA to Full + M&S)	\$ 54,000	
Scenario A - Priority 2 (.5 Reception to Full)	\$ 36,000	
Scenario A - Priority 3 (add back 1 Legal Secr.)	\$ 66,700	
Scenario A - Priority 4 (add back 1 DDA2)	\$ 118,300	
	<u>\$ 275,000</u>	
Scenario B (A+B)	<u>\$ 295,000</u>	
		\$ 570,000
Sheriff:		
Scenario 1 Patrol Dep (add 2 full time deputies)	\$ 250,000	
Scenario 2 Jail/100 Beds (add 4 half time deputies)	\$ 312,200	
Scenario 3 Court Sec (add 2 half time deputies)	<u>\$ 87,500</u>	
		<u>\$ 649,700</u>
Total Requests		\$ 1,404,700
General Fund Contingency (FY 13-14)		<u>\$ 3,140,200</u>
Balance if all requests approved		\$ 1,735,500