

Lane County Budget Committee Questions

May 5, 2009 Responses

Unemployment

1. The unemployment numbers for Lane County for March 2009, announced in April 2009, are now over 14%. When was the most recent month and year that the Lane County unemployment rate was this high?

The unadjusted unemployment rate for Lane County in March 2009 was 14.1%. This is the highest rate since February 1983 when the rate was 14.3% and the highest March rate since 1958. As a comparison, the unadjusted rate in Oregon is 11.7% and in United States it is 9.0%.

Economic Development

1. I'm specifically interested in our economic development activities -- both through expenditures and programs supported by the county. Where does economic development fall on our budget session calendar? (I'm not sure which department will cover this.)

The Economic Development program, managed by Mike McKenzie-Bahr, is within the department of County Administration and part of the budget is within General Expense. General Expense as a whole will be covered very briefly on May 5th but Economic Development specifically is not scheduled to present to the budget committee.

Listening Tour

1. Were there findings from the 2007 Listening Tour or current research into county attitudes toward Lane government spending that could inform our budget deliberations? Please explain.

The 2007 Listening Tour was a series of five meetings held throughout Lane County from July through September of 2007. In addition to the tabletop discussions, participants completed a brief community survey. The survey was also completed by attendees at the 2007 Lane County Fair. This project was not a scientific study of community opinions, rather, it was an effort to engage residents in dialog and get invite their comments and impressions regarding the direction Lane County should take in the face of loosing Secure Rural Schools funding. A summary report of the tour and accompanying survey can be found at http://www.co.lane.or.us/BCC_Info/Meeting_Info/2007/OrderText/10-17/W6b.pdf .

In March 2009, Lane County surveyed 3000 households regarding their opinions about the overall quality of our community and the services provided by local government. A final report will be available to the budget committee the week of May 18th.

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BCC Priorities

1. Regarding the BCC Priorities, could you remind the budget committee as to when this ranking was made (the date/year), and who (exactly) participated in the ranking?

Section B3, pg 25, of the Lane County Strategic Plan is "Allocate resources strategically." This section of the plan lays out the County's funding priorities by criteria. Initially created in a time of service enhancements, the criteria were revised by the Board in January 2005 when the County was again in a period of service reductions anticipating the loss of Secure Rural Schools funding. In preparation of the FY 08-09 budget - the first budget to implement the complete loss of SRS funding - the Board once again fine tuned the list of Service Priority Guidelines. On January 2nd, 2008 the board revised the service priority criteria as follows:

- 1. Revenue generating or cost/risk avoiding*
- 2. Emergency health and safety response (life and death)*
- 3. Minimal level state and federal mandates*
- 4. Board budget and service goals*
- 5. Prevention and youth*
- 6. Corrections/deterrence (law enforcement related) and treatment*
- 7. Assistance for vulnerable people and persons in need*

Using these criteria, the Board held two work sessions to put the General Fund public services and public safety services in priority order. The work sessions were held on January 30th and February 5th of 2008 and attended by the full board. At the request of the board, the work sessions were facilitated by Joe Hertzberg of Decisions Decisions. All board members were present and participated including reviewing and prioritizing services in advance of the meeting. During the meetings, additional prioritizing took place. The minutes of the meetings will reflect the in-depth conversations that were held regarding the impact of mandates, leveraging, maintenance of effort and match commitments, the interrelatedness of services and revenues, and the impact of service reductions on our community. Complete minutes from the meetings can be found on the County's website.

The result of these meetings was a Preliminary General Fund Service Priority list with guidance from the board as to what level or how much of each service to include in each of three budgets, one assuming renewal of SRS, one that stepped down services, and one that reflected the complete loss of SRS. Ultimately, the budget committee approved and board adopted a FY 08-09 budget that most reflected the step-down budget option. The BCC Priority list was a guideline to provide a starting point. Board and budget committee members weighed the complex interrelationships of leverage, mandate, and impact in determining which services were ultimately funded and at what level.

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For many years prior to 2009, the Board would meet with the department directors in a Leadership Team meeting in December or January for the purpose of determining budget direction prior to the development of the proposed budget for the coming year. In 2009, the Board opted not to have this meeting. In the absence of any changes to service prioritization or budget direction, staff developed the proposed budget based on the last direction given by the board.

A detailed timeline of Board direction for the development of the service priorities and FY 08-09 budgets can be found in the FY 08-09 Adopted Budget Balancing Options section, pages F-1 to F-6. Online at http://www.lanecounty.org/CAO_Budget/Budget/documents/Adopted0809/BalancingOptions.pdf.

ASSESSMENT & TAXATION

1. Can the budget committee get a report on local tax expenditures -- i.e. any tax forgiveness or exemptions and their purpose?

Here is the link to the report on the Assessor's website that shows the local impact of the exemptions and special assessments that were on the tax roll in October 2008. The next report will be available at the end of November. http://www.lanecounty.org/AT_PropTaxMgmt%5Cdocuments%5C2008_09_Tax_Rpts%5C2008_SAL_TABLE_3.xls

There are multiple tax reports available on the Assessor's website at: http://www.lanecounty.org/AT_PropTaxMgmt/2008_09_Tax_Reports.htm

2. Second, how do we measure the performance of local tax expenditures (their outcomes)? I've seen a state level report on this, but not local.

The Assessor's office is not aware of any studies that have been done to comprehensively measure the impacts of all exemption programs, other than the biennial Tax Expenditure Report produced by the Oregon Department of Revenue.

However, a separate study was presented to the 2009 legislature regarding Enterprise Zone programs. (File attached)

Each property tax exemption and special assessment program has a specific set of state statutes and they usually have an introductory passage that establishes the findings and intent of the legislature in granting it and why they believed it was in the public benefit to create it. The statutory references are included on the above report and can be looked up on-line and read as desired.

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DISTRICT ATTORNEY'S OFFICE

What is an accurate ball-park estimate for the total expenditures and dollar value of work performed by, or on behalf of, the D.A.'s office with regard to the recent prosecution by the Lane D.A.'s office of the 3 protesters recently arrested during that anti-pesticide rally in downtown Eugene. This includes the prosecution of Ian Van Ornum and the two fellow protesters who were prosecuted prior to his (Van Ornum's) recent case.

How much staff time was spent-for all employees engaged in any aspect of these 3 trials and prosecutions- including Grand Jury proceedings, staff preparation, staff time and clerical assistance and all other expenses incidental to these prosecutions? Which County employees were utilized for this purpose?

Since the City of Eugene had already charged these 3 persons with misdemeanor charges, why was it necessary to divert prosecution staff away from serious prosecution work in order to convene a Grand Jury and prosecute these Eugene protestor cases and at whose behest were these cases transferred from the City to the County? Was the County attorney assigned to these 3 Eugene misdemeanor cases normally assigned to misdemeanor type cases and how many other such misdemeanor and Class C felony cases has he been in charge of handling this fiscal year? Finally, did the assignment of this attorney to the Van Ornum and the two other cases necessitate the delay on work on or postponement of any serious cases- such as murder, rape, assault or robbery? Does the D.A.'s office have a surplus of existing prosecutors so that monies and personnel can be switched to these latest minor misdemeanor protestor cases? Could not the City of Eugene's Municipal Court have handled these 3 misdemeanor cases without the County's shouldering this fiscal and personnel burden?

NOTE: Expenditure amounts are not currently tracked by case and are not readily available. If it is the consensus of the budget committee that this issue merits a more thorough accounting analysis then staff can research the additional detail.

First, the former DA, Doug Harclerod, did not invite staff participation in his decision to investigate the three individuals who became threatening during the so-called "pesticide protest", but he subsequently explained some of his reasons for intervening, so I'll share what I know.

By way of context, it's important to underscore that there were hundreds of peaceful, lawful protests in Lane County during Mr. Harclerod's tenure as District Attorney, and the vast majority of them resulted in no police involvement. Only a handful of the protests in our area, certainly much less than one percent, have turned violent or otherwise forced police intervention.

Based upon his initial directions to staff, Mr. Harclerod intervened in this case primarily to protect order and system integrity.

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As a general rule, the municipal system is not equipped to investigate and proceed on more complex litigation. (The facts were not at all complex, but the case presented other challenges which were.) Furthermore, the municipal prosecutor did not, and does not, have legal authority to investigate/proceed on a felony charge, so when evidence of felony crimes was presented to Mr. Harclerod it was obvious that his was the only agency with legal authority over all the potential charges. Also, as is often the case in Eugene, the arrest of protestors had generated a tremendous amount of media attention, much of which included incomplete, inaccurate and inflammatory descriptions of the events. A particularly vociferous and poorly informed Eugene politician was vilifying the Eugene police with descriptions subsequently proved to be utterly false, a friend of one of the defendants posted inflammatory video clips without including portions showing the criminal behavior which preceded the police action -- and so on. In that context, Mr Harclerod believed it was especially important for the District Attorneys office, lead by an independently elected official, to ensure a thorough and impartial investigation and review of the facts before proceeding with prosecution, if any. His intervention allowed the event to be examined by an independent grand jury panel composed of Lane County citizens randomly selected by the circuit court.

The grand jury weighed all the evidence and indicted all three defendants. Ultimately, all three were convicted too, including two by their own guilty pleas, both of whom subsequently apologized for the aggression which made police intervention necessary in the first place; one specifically apologized for trying to assault a police officer. In spite of his own earlier admissions on tape and otherwise, and in spite of his co-defendant's incriminating statements and subsequent apology to the police, Mr. Van Ornum steadfastly denied every material element and insisted on taking the case to a jury trial. A jury of his peers found, beyond any reasonable doubt, that he had done just what the police had described — conduct which had absolutely nothing to do with “peaceable protest”.

At this juncture it's important to note that three potential legal matters arose from the “rally”. The first is the criminal charges which necessitated police involvement. The second is Mr. Van Ornum's complaint that the police used more force than was necessary to effect his arrest. The third is the suggestion that Mr. Van Ornum lied under oath at his trial and should therefore be prosecuted for perjury. Addressing the last matter first, though I understand the logic of the argument (that he could only be convicted if the trial jury found, beyond a reasonable doubt, that Mr. Van Ornum lied under oath when he denied the elements), there are a dozen reasons why using these facts to prosecute him for perjury would not be a proper or prudent use of our limited resources. The second matter, the review of force used by police in effecting arrest, is still being examined by the Eugene Police Auditor who is charged with evaluating all the evidence, including witness credibility. The first matter is, at last, put to bed with a factually accurate conclusion, though it's getting very little play in the media.

Here is some additional clarification/detail.

1) The DA did not "empanel a grand jury to hear these cases". The nature and volume of our criminal caseload requires us to maintain two grand jury panels that review felony

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cases throughout their month-long obligation, so no additional grand jury costs were incurred as a result of prosecuting these cases.

2) There was only one trial, not three, as two of the three protestors were willing to accept responsibility and, at least in court, admit their criminal conduct and apologize for it.

3) The cases were managed by Deputy DA Bob Lane. He worked additional hours, at no additional cost to the county, to complete the related work without sacrificing other cases.

As I told the media when I was interviewed at the conclusion of the Van Ornum case, I would have preferred it if it had taken less time and resource to get to the truth in this matter, but that decision was at all times within the control of Mr. Van Ornum and his lawyers, and they did everything they could to delay his unremarkable day of reckoning. Had he and his codefendants been willing to honestly and publicly accept responsibility for escalation from peaceful protest to the threats/violence that forced police intervention, the whole matter would have been addressed promptly and without all of the misplaced political grandstanding. This was comparatively minor criminal misconduct, but the community needs to know the truth when incidents like this are thrust into the public spotlight. Had the case not been vigorously investigated, analyzed by the grand jury and prosecuted, the initial media and political spin, wholly incorrect and still alive and well in the "Eugene Weekly", would have stood as the record of what happened that day, and it would have been held against the individuals and agencies involved.

Was this investigation and prosecution worth the time and effort? We have thousands of cases which present greater short-term risk to our community. At the same time, this community has allowed our public safety system to fall into disrepair over the last thirty years. I assume the conscious choice to de-fund public safety was at least partly based upon incorrect assumptions about the nature of public safety personnel and the critical work we do. Failure to support public safety agencies and programs has done great and irreparable harm to our community and the families in it by failing to prevent thousands of crimes that might otherwise have been prevented if the system had been properly resourced. Allowing falsehoods involving the pesticide case to stand would have added more false testimony to the confusion which has choked support for our public safety system, so it was certainly worth some time and effort to set the record straight.

Last, it's important to maintain perspective on the work represented by this investigation and prosecution; it represents one incident of the approximately 7,000 my office will review this year. That means it's about 0.00014 of our total volume — certainly not representative of what we do with the remaining 99% of our effort.

*Sincerely,
Alex Gardner*

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SHERIFF'S OFFICE

In the proposed budget 84 beds are added. What is the cost of the 84 beds per year?

The cost is \$3.2 million in FY 09-10, and then that amount plus any inflation thereafter.

EXTENSION SERVICE

Is there more information about how the \$244,000 add request will bridge to new funding in 2010-2011?

We in Extension have learned a lot about trying to become financially self-sufficient at the local level over the past ten months.

Fundraising has been fairly successful—even in a difficult economic environment—but it's taken a toll on our volunteers. Many are burned out. Increased fees generated additional revenue, but also reduced participation in some of our programs. Grant writing has generated new funds, but only for new and innovative programming. It is difficult to convince foundations to commit to grants for existing programs, or to fill a funding gap caused by reductions in state or local tax revenues.

Looking forward, I believe we are on the right track developing a diversified portfolio of funding sources. We will continue to do fundraising, but in a targeted fashion that doesn't burn out our volunteers. We will continue to institute reasonable fees for most Extension programs. Grant writing will receive additional emphasis in the year ahead, as we dedicate a .5 FTE position to researching and writing grants. In addition, some of our supporters are expressing interest in advancing a local option tax in May 2010. I don't know whether this will materialize, but it could become another part of our portfolio.

As I mentioned during the public hearing on April 30, I estimate that our current reserves are going to be depleted around March 1, 2010. In planning for the worst case scenario—that we secure no additional grants between now and then—Extension's last chance to maintain local 4-H, Master Gardener, Compost Specialist, and Master Food Preserver programs would likely be a local option tax. Assuming our supporters were to run a successful campaign, revenue from such a measure would not be distributed until late November or early December of 2010. The \$244,000 that Extension is requesting is what would be necessary to pay our local operating expenses from the time current reserves run out, around March 1, through the time that tax revenue from a successful local option election would be distributed in late November or early December.

Assuming such a measure moves forward and is successful, Extension would be able to start making its rent payments again as early as January 2011.

Please let me know if you need additional information or clarifications. I'm happy to provide them. - Steve Dodrill

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MuniCast

Dave has received the following requests for forecast information and is preparing MuniCast options for your review. Several scenarios were duplicates, summarized here.

- With proposed budget, when will SRS run out?
- Service Adds included in Proposed Budget
 - 5 Prosecutors - Adult Offenders
 - Communicable Disease Control nurse, soc worker, and other support
 - 2 DD Case managers
 - Youth Services Security Station
 - 84 Jail Beds
 - Half time resource development for prevention
- Service Adds requested of Budget Committee (not in proposed)
 - LCAS welfare officer and vet tech
 - Human Service Commission – basic/crisis needs
 - BCC Outreach and remote recording of meetings by MetroTV
 - Strategic Planning (one time) and year-round budget committee meetings
- Community Service Adds requested of Budget committee (not in proposed)
 - Extension Service
 - Watermaster
- Extension of SRS for two additional years (at Yr 4 level)
- How much would need to be cut to stabilize services through
 - Jun 30, 2012 (3 years)
 - Jun 30, 2013 (4 years)
 - Jun 30, 2014 (5 years)
- Cuts to State Revenue (currently \$10.3 m) of
 - 15%
 - 20%
 - 25%
 - 30%
- Impact of an across the board cut of 5%