

## LANE COUNTY BUDGET COMMITTEE

Thursday, May 25, 2017

5:30 p.m.

Harris Hall

Chair Denis Hijmans presided with Budget Committee members present: Commissioner Gary Williams, Herb Vloedman, Commissioner Jay Bozievich, Larry Abel, Commissioner Peter Sorenson, Dale Stoneburg, Commissioner Pat Farr, and Phil Carrasco. Commissioner Sid Leiken was not physically present, but participated via telephone.

In addition, County Administrator, Steve Mokrohisky; Budget and Financial Planning Manager, Christine Moody; Strategic Planning and Budget Supervisor, Judy Williams; Sue Herron and John Mosby from the Budget Office, were also present.

### **I. CALL MEETING TO ORDER**

Chair Denis Hijmans calling the meeting to Order and thanked all those involved in this year's budget cycle for their hard work.

### **II. PUBLIC COMMENT**

Chair Hijmans introduced the two individuals signed up to speak: Jeannine Parisi and Merlin Huff from Lane Regional Air Protection Agency (LRAPA).

Jeanine Parisi introduced herself as the Board Chair for LRAPA this year and expressed her request for support from the Budget Committee to continue LRAPA's successful work at the local level to improve the air quality of Lane County. Current projects for LRAPA include:

- Supporting Oakridge as they move towards compliance.
- Monitoring for air toxics
- Responding to community members' concerns and complaints
- Insuring proper asbestos abatement procedures
- Educating the community during the wood burning season

LRAPA receives funding from industry permits, federal and state sources, and local dues from partners. The local dues were significantly reduced during the economic recession. This is the first time in ten budget cycles LRAPA is requesting an increase in local dues.

- Every \$1 of increased local dues is matched with \$3 in state and federal sources.
- An increase will allow LRAPA to improve public health and respond to new regulatory requirements.

Merlin Huff introduced himself as the Executive Director of LRAPA to the Budget Committee. He expressed the importance of the local dues from Lane County – Eugene, Springfield, Cottage Grove, and Oakridge – as LRAPA is able to leverage state and federal funds.

- Local dues account for approximately 7% of the budget, but ultimately result in about four times that number.

- LRAPA incurred a 60% reduction in local dues and state funds during the recession.

LRAPA's Board of Directors has put together a 10-year plan to attempt to reacquire a portion of the lost funds.

- A 10% increase is requested for this first year.
- \$49,410 would replace the \$45,017 in the proposed budget for Lane County this year – a \$4,440 increase.

Transportation in Lane County is a major contributor to all major air pollution categories, establishing a basis for using Road Fund reserves.

Chair Hijmans closed the Public Comment session.

### **III. COMMITTEE BUSINESS**

Budget and Financial Planning Manager, Christine Moody addressed the Budget Committee regarding information available in the Dropbox including answers to questions proposed by Committee members and handouts with requested health insurance data provided in the previous meeting. The health insurance document includes a correction to the numbers presented in the previous meeting.

- Consultants were asked what the costs would be for health insurance in FY17-18 and indicated a savings of \$2.6 million annually by being self-funding.

The Committee reviewed the minutes from Tuesday, May 23, 2017 for corrections and approval.

- Herb Vloedman noted a correction regarding his motion to approve the minutes as corrected, not as presented.
- Herb Vloedman noted a spelling correction regarding cyber security.

Larry Abel motioned for approval of the minutes as amended. The minutes were approved with corrections.

Christine Moody commented Commissioner Leiken would be participating in the meeting via telephone.

### **IV. COMMITTEE DISCUSSION / DELIBERATION**

Chair Hijmans noted there were no additions, other than the two presented earlier.

Chair Hijmans opened Item 1 up for discussion out of Fund 124 Human Services Commission: Dusk to Dawn Shelter Program.

- Commissioner Farr moved to reallocate \$23,304 from reserve into the program, and the motion was seconded by Commissioner Bozievich.
- Commissioner Farr noted an approved motion by City Counsel to also allocate \$153,000 to the program, which should be sufficient funding for success.
- Commissioner Sorenson asked Christine Moody to address how moving the \$23,304 will affect the reserve.

- Ms. Moody noted the change in reserve policy with the FY17-18 budget. The policy is 20% and the proposed budget is 17%. This amount will not have an impact and will remain at about 17%, and the 20% goal is expected to be reached in another year or so.
- Commissioner Sorenson expressed his support for this motion, but asked for clarification as to whether or not the reserve policy is violated by moving funds of less than 1%.
  - Ms. Moody responded: the policy is not violated. The current policy remains at 10%.
- Commissioner Bozievich expressed his support for the motion and asked the staff which fund the reserve would be drawn from, and whether the motion needed to be amended to state “General Fund reserves”.
  - Commissioner Farr amended his motion to specify the General Fund reserve.
- Commissioner Farr commented about the City of Eugene’s recent work session on the Human Services Commission and his desire to establish a Board of County Commissioners work session for the same commission, with potentially a joint session with the city of Springfield.
- Chair Hijmans called for a vote to approve the motion, and the motion was approved unanimously

Chair Hijmans opened Item 2 for discussion: Public Works

- Commissioner Bozievich presented a motion to add \$4,393 in expenditures to the Lane Regional Air Protection Agency (LRAPA) from the Road Fund reserve.
  - Commissioner Farr seconded the motion.
- Commissioner Bozievich noted the total Road Fund reserve of \$23,004,023 and the minimal percentage of its proposed reduction.
- Commissioner Williams noted the value of the services provided by LRAPA and the ability to add and additional FTE to the organization with this funding.
- Chair Hijmans called for a vote to approve the motion and the motion was approved unanimously.

Christine Moody presented previously requested information regarding the levy and a comparison of the projections given to the Budget Committee last year with the FY17-18 proposed budget.

- Expenses are about \$100,000 higher in Youth Services, which changes the proposed budget in terms of reserve percentage. They do however anticipate achieving the 150% of reserves by the end of FY16-17.
- Expenses are also higher for the Jail and Sheriff’s Office due to additional FTEs. The anticipated reserve is presented at 141%, which may also change at the end of the year.

Motion 1: Herb Vloedman moved for approval of the FY17-18 Lane County Permanent Tax Rate of \$1.2793 per \$1,000 assessed value.

- Commissioner Bozievich seconded the motion.
- Motion 1 carried unanimously.

Motion 2: Larry Abel moved for approval of the FY17-18 Local Option Tax for Jail and critical Youth Services in the amount of \$0.38 per \$1,000 of assessed value with \$0.30 for Jail Services and \$0.08 for Youth Services.

- Chair Hijmans seconded the motion.
- Motion 2 passed unanimously.

Motion 3: Commissioner Bozievich moved approval of the FY17-18 Local Option Tax to support 4H and OSU Extension Programs in the amount of \$0.015 per \$1,000 Assessed Value.

- Dale Stoneburg seconded the motion.
- Motion 3 carried unanimously.

Motion 4: Herb Vloedman moved for approval to allow the use of transient room tax dollars for operational purposes consistent with Lane Codes as follows: Lane Events Center – \$841,469 and Lane County Park Division - \$711,337.

- Phil Carrasco seconded the motion.
- Motion 4 carried unanimously.

Motion 5: Commissioner Leiken moved for approval of the entire FY17-18 Budget with all the adjustments approved by the Budget Committee.

- The motion was seconded.
- Commissioner Bozievich commented about the overall adjustments made to the budget to save expenses while approving a reduction in the tax rate and praised the work done to balance a budget without reserves or new revenues.
- Larry Abel commented about the County Commission and Board's reduction in internal expenses.
- Commissioner Sorenson noted thanks to the volunteer citizen members, budget staff, and county employees for their innovation and commitment to this year's budget cycle.
- Herb Vloedman commented about the feedback he has received from the public during this budget cycle and expressed an overall satisfaction and trust in the County from his assessment.
- Commissioner Farr thanked Sheriff Trapp, Assessor Cowles, and DA Perlow for their work as well as those newly involved in the past four years.
- Chair Hijmans discussed the importance of the work done in Lane County to support internal services without cutting direct services, when possible. He addressed the need to support Lane County employees with high risk jobs in order to keep our community prepared and secure.
- Motion 5 was approved.

Christine Moody reminded the Committee to complete the feedback survey presented at the previous meeting.

Chair Hijmans adjourned the meeting.