

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO. 07-6-27-16

)ESTABLISHING A PROCESS AND TIME
)CERTAIN FOR ADDRESSING LANE
)COUNTY'S STRUCTURAL DEFICIT
)AND ITS FUTURE FEDERAL FOREST
)PAYMENTS

Whereas, Lane County, having received Federal forest payments (currently called the 'Secure Rural Schools and Community Self-determination Act of 2000') for nearly 70-years due to the vast presence of property tax exempt federal forests and O&C lands located in Lane County, recently came close to losing nearly \$40 million (all) of those payments; and

Whereas, Lane County, has attempted to pass many revenue enhancement measures in anticipation of this loss of Federal county forest revenue, and most recently lost two back-to-back Public Safety Income Tax Measures addressing this possibility; and

Whereas, Lane County, along with many other O&C Counties, continues to struggle with a structural deficit mostly brought on by Measures 5, 47 & 50, and ever increasing costs of providing services, mostly due to employee retirement and health programs; and

Whereas, Lane County, in an attempt to address declining revenue over the past 15 years, has systematically reduced its budget for a cumulative annual total of \$18 million; and

Whereas, there is a great likelihood Federal county forest payments may be completely eliminated in FY 08-09, or funded at a reduced level and/or slowly phased out over the next several years; and

Whereas, Lane County will approve the FY 07-08 budget June 27, 2007, without having resolved its structural deficit after many previous efforts, and without addressing the possible elimination and/or significant reduction in Federal county forest revenue; and

Whereas, Lane County recognizes the need to be proactive in addressing these serious and dire economic possibilities by trying to create a logical, sensible and pragmatic economic glide slope attempting to salvage as many essential public safety, public health and other essential programs as possible; and

THEREFORE IT IS ORDERED, the Board of County Commissioners, working with the County Administrator, shall commence formal budget deliberations within the first two weeks of October, 2007, and working until the following objectives have been accomplished:

- Reformulate the FY 07-08 budget to systematically ramp-down (right-size) Lane County's expenses/services based upon the most likely scenario of Federal county forest revenue re-authorization, including initial measures addressing the on-going structural deficit; and
- Commence preparations for the FY 08-09 budget based upon the most likely scenario of Federal county forest payments re-authorization revenue, now and beyond, including definitive measures addressing the on-going structural deficit; and
- The Board of County Commissioners, working with both the citizen members of the Lane County Budget Committee and Lane County's Leadership Team, shall develop and implement a budgeting process utilizing a combination of new ideas, techniques, objectives and goals based upon best practices and policy governance which will include, to the greatest extent possible, information, concerns, ideas, suggestions and data, obtained collectively from:
 - One or more facilitated employee focus groups.
 - One or more facilitated citizen focus groups.
 - Scientific polling of Lane County citizens.
 - Lane County's '2007 Listening Tour.'

Signed this 27th day of June, 2007

Chair, Lane County Board of Commissioners