



***In the County Court of the State of Oregon for Harney County
Minutes of the Budget Committee (FY 20-21)***

April 29, 2020

The Harney County Budget Committee convened April 29, 2020 at 10:300 a.m., in the foyer of the Harney County Courthouse, to continue deliberations on the 2020-2021 Harney County Budget.

Members present were Judge/Budget Officer Pete Runnels, Commissioner Patty Dorroh, Commissioner Kristen Shelman, Committeepersons Terri Hellbusch, Holly Smith and Rick Paul. Also attending were County Clerk Derrin Robinson, County Treasurer Bobbi Jo Heany and Human Resource Manager Deanna Atwell.

Chair Hellbush called the meeting to order at 10:32 a.m.

Commissioner Dorroh asked to make a few comments. She stated revenues might not be realistic in light of the COVID pandemic. She shared the letter date July 3, 2019 from the County Court to the community regarding the 2019-2020 budget, in order to refresh the committee's memory. She stated "as a budget committee we must restore what we had for longer term, as the letter stated. We need to reset service levels and staffing to sustainable levels, and need to discuss what the priorities are to make progress." She continued, "Jail deficiencies, declining federal payments, the budget shows we expend 2 ½ times the expenses versus the revenue that comes in. Annual payroll is a million dollars more than we bring in from property taxes." Commissioner Dorroh then referred to several of the challenges, such as funding the county fair, and finding a way for the county court to do some long term financial strategic planning, and budget for it. She stated "FTE is the biggest issue to think about."

Treasurer Heany asked to comment, and stated at the last meeting it was mentioned that the furloughs need to be repaid. She doesn't believe it should be. She said those hours were not worked, so there shouldn't be repayment.

Deanna Atwell, Human Resource Manager; explained the total amount of the longevity. It amounts to \$1215 total in the budget, if for one year, and the difficulty in administering the removal of a 5.00 per month adjustments in payroll. She explained it is

programmed in to the payroll system, so each employee would have to be adjusted individually.

Holly Smith asked about steps and grades. Judge Runnels explained it is not automatic. Employees are given a step increase if dept. heads recommend a step increase, and there are steps available for the particular position, which in recent years has happened rarely.

Mrs. Smith said did feel comfortable rescinding the decision about the longevity matter due to administrative difficulty, and cost. She does believe we need to probably discontinue the longevity policy in entirety.

She asked what was the number of total county employees. Mrs. Atwell stated currently there are 82 Full-time employees including the 8 county elected officials and 11 union represented. The remaining 36 employees are part-time, totaling 118 persons. She stated the calculated average cost including benefits is \$35.00 give or take pennies, per hour per employee.

Commissioner Dorroh recommended consulting with counsel to see if the furlough can or cannot be paid, and discuss it in an executive session.

Holly Smith moved to rescind the longevity cut at the last meeting second by Rick Paul, motion carried unanimously.

Terri Hellbusch stated she hopes that every employee is thankful they are employed at the moment when so many in our country are not at the moment.

The committee began reviewing the following funds and departments:

101-011 Veterans Service Officer

Discussion: County historically contributes 25,000. Total budget \$101,673. Holly Smith moved to tentatively approve, Commissioner Dorroh second, motion carried.

101-012 Watermaster

Discussion: Space Rent is considered in-kind. Holly Smith moved to tentatively approve, Terri Hellbush second, motion carried.

101-015 Grants

Discussion: All Grants have been moved to one department for accounting purposes. Commissioner Dorroh moved to tentatively approve, Commissioner Shelman second, motion carried.

101-022 Emergency Disaster Preparedness

Discussion: Commissioner Shelman asked why the salary line was increased by \$2009. Judge runnels explained the position is grant funded, the grants were increased by a percentage, and the increase was warranted. He said the manager is well trained, well

respected, and can easily be employed at another county for a much higher salary. Commissioner Dorroh moved to tentatively approve, Holly Smith second, motion carried.

101-025 Non-Departmental

Discussion: postage, maintenance contracts, repair and maintenance for buildings, capital outlay, and interfund transfers. It was decided to move 100,000 to capital outlay for the sally port project instead of building maintenance line since it is capital construction. There was discussion regarding the amounts proposed to be transferred out of General Fund to outside funds including Info system reserve; for major hardware and software expenses. This repays the fund for what was borrowed last year. Commissioner Dorroh questioned the total revenue and total expenses in this department and the fact they were not balanced. Treasurer Heany attempted to explain the budgeted transfers and that General Fund department budgets are rarely in balance, as they are simply part of the General Fund. She stated “the transfers are similar to a savings account. If the revenue isn’t available we don’t do the transfer, but if it isn’t budgeted we are not allowed to transfer.” Commissioner Dorroh wished to table this Department and revisit.

101-026 Promotion

Discussion: County fair funding, and the scale back of this year’s fair by the fair board, economic development funding and Predator Control. Judge Runnels suggested passing discussion of Predator Control to the Natural Resource Advisory Committee to come up with an outside funding solution. This department was tabled for further discussion.

101-029- COOP Extension Service

Discussion: This was budgeted at the same amount as last year. Commissioner Dorroh moved to tentatively approve, Terri Hellbusch second, motion carried.

101-35 Senior Citizens

Discussion: Salary change. Commissioner Shelman stated she wants to ensure it isn’t an increase of any sort, unless it is only longevity. Rick Paul questioned electricity. Judge Runnels explained it is not for all the buildings. It was asked if the Center pays anything towards the Director Salary. Judge Runnels said the Senior and Community Services Center Board agreed to pay an additional 500.00 per month toward the salary since taking on the housing projects at the Senior Center. Rick Paul moved to tentatively approve, Terri Hellbusch second, the motion carried.

The issue of longevity was brought up again. Holly Smith said it was misunderstood how it was calculated. Mrs. Atwell explained total annual longevity for all eligible employees is \$23,640. Holly Smith stated her intent was to discontinue it period. No

further action was taken on the issue at this point as it was determined to be a County Court Policy decision.

101-036 Public Library

Discussion: County Clerk Robinson gave a brief history of the bequest of Time Warner stock from The Luce Estate that has become the endowment operated by the Library Foundation. Commissioner Dorroh asked if the Library Foundation has a lot of money. Robinson explained in the past the foundation has provided the County Court with an annual report. The committee discussed the variation in salaries over last year. Judge Runnels explained there were mid-year staffing changes, which alter the numbers. Terri Hellbush asked when the librarian was going to retire. Judge Runnels said he believed this year, but is not certain. She asked how many employees total. Judge Runnels state there are 4 full time positions and 2 part-time. Terri Hellbusch stated the library has one of the largest general fund department budgets, and understands how controversial it was last year, however, we need to see ways to cut costs here, the Foundation needs to take more responsibility for the expenses of the library, if they want to continue operation at the current level. Shelman and Dorroh both reiterated the committee has to do what is sustainable across all departments, and that means less personnel. Commissioner Dorroh recommended letting them know that positions will be not be replaced as they become vacant. If they want to keep it whole, they have to figure out a way to fund it. Commissioner Dorroh expressed “the library is frugal with spending, that is clear, but none their new programs bring in any revenue, not even a little bit, and they don’t seem to think that way, as they want to provide a public service and they do.” “Those programs aren’t bringing in new people, only the same. They are nice to have but it is not sustainable as a general fund expense.” Holly Smith pointed out the revenue here is decreased, yet expenses increase and it simply isn’t sustainable. Commissioner Dorroh asked about janitorial at the Library. Judge Runnels stated it is completed by the facilities department (formerly Courthouse Maintenance). Rick Paul asked if the foundation can come up with an extra 10,000 last year, why can’t they do that annually if they want the same continued service. Holly Smith stated “this department operates as though the shortages last year are over, now it’s on to normal spending.” Commissioner Dorroh asked if the landscaping project is funded by grants. Judge Runnels said the foundation is paying it. He said down the road, they need to come up with a solution to fund the library as a separate taxing district. The budget committee wants to have a conversation with the foundation board about their contribution to the library operations. The department budget was tabled for further discussion.

101-040 Planning

Discussion: Commissioner Dorroh asked if revenue was accurate. Judge Runnels stated Yes, most revenue comes in under the Building Department. Commissioner Dorroh would like director to pursue grant opportunities. Holly Smith moved to tentatively approve. Rick Paul second motion carried.

101-041 GIS

Discussion: Revenue for this department. The County now has contracts to provide mapping services for Wasco and Wheeler Counties. Further discussion on garnering support to gain contracts from more counties to do their mapping. Rick Paul would like to see contract revenue increase to increase to cover what the salary increase was. Judge Runnels moved, Shelman seconded motion carried.

245-045 Public Health

Discussion: Jolene Cawlfild, Public Health Director discussed each revenue and expense line item in detail. Items of note: Fees and donations are down. That revenue is now RHC revenue instead. \$150,000 is likely overbudgeted, Mrs. Cawlfild believes \$110,000 may be a more attainable number at this point. Modernization grant is proposed higher, as it didn't begin until October 2019. Immunizations depend upon number received. She stated she has attempted to budget expense lines as actual as possible to what they are this year.

245-055 RHC

Discussion: Rural Health Clinic Manager Kelley Singhose reviewed the budget revenue, current is up, With COVID, RHC is operating under Tela-health, and working successfully in ways to lower exposures. Now in phase one of introducing patients inside the clinic. Mrs. Singhose discussed Grant opportunities they have applied for. Commissioner Dorroh asked about contracted services, it is the contract physician, among other things. Physician is being moved to a separate line. Malpractice insurance is bundled with Public Health, Home Health and Hospice. Mrs. Singhose provided some patient statistics: total of 824 established patients. Current office visits are down, due to COVID. Currently fund balance sitting at -39,000, which is better than expected in current budget, and expected to be in positive before year end. Judge Runnels will tighten the numbers on wages, make adjustments, and committee will review again before final approval.

101-099 Non-Departmental Revenue

Discussion: Treasurer Heany explained interest earned is expected to be minimal. Refunds- This is mostly made up from SAIF refunds, OTEC, etc. Payments in Lieu of Taxes (PILT) will be 1.15 million. Tax revenue should be above budget, as several large new developments will be taxable in January, increasing property tax revenue. Committee expressed frustrations with Oster Professional Group as to not yet having provided the Audit from 2018-2019 that is far overdue. Mrs. Heany explained counsel has sent a letter to them, pointing out fines or fees will be deducted from the final bill for the audit. Discussion ensued regarding the projected ending fund balances, and the beginning fund balances of the following years.

The Committee will revisit Fair, Jail, Public Health and Library, for further review discussion before final approval. The next meeting of the Budget Committee will be May 13th, 2020 from 9:00 a.m. until 4:00 pm.

The meeting adjourned at 3:53 p.m.

A handwritten signature in black ink that reads "Derrin Robinson". The signature is written in a cursive style with a long, sweeping underline.

Derrin (Dag) Robinson
Harney County Clerk