

JACKSON COUNTY BUDGET COMMITTEE

Minutes

Courthouse Auditorium
April 17, 2012

The Jackson County Budget Committee meeting of April 17, 2012, was called to order by Mr. Dick Rudisile at 8:30 a.m. in the Courthouse Auditorium. Roll call was taken.

Present: Mr. Dick Rudisile, Chair, Budget Committee; Mrs. April Sevcik, Budget Committee; Mr. Craig Morris, Budget Committee; Mr. Dennis C.W. Smith, Commissioner; Mr. Don Skundrick, Commissioner; and Mr. John Rachor, Commissioner.

Mr. Danny Jordan, County Administrator; Mr. Harvey Bragg, Sr. Deputy County Administrator; Mr. Matt Michaelis, Budget Analyst; and Cindy Hughes and Lynell Dewey, Recording Secretaries.

Guests: Interested Members of the Public and Press.

Budget Overview

Danny Jordan, County Administrator, made a PowerPoint presentation of the budget for fiscal year 2012-2013 (*Submission No. 1*) and noted that the Budget Message he had given last week is available to the public on the County website. The PowerPoint presentation included a brief video presentation regarding Curry County, which is facing bankruptcy. Mr. Jordan stated the video described a worst-case scenario and Jackson County is not in that position. Mr. Jordan also reviewed the economic challenges of Josephine, Lane and Klamath Counties and outlined the public safety budget cuts being proposed in these counties.

Mr. Jordan stated the numbers he used in his presentation are not exact, and have been rounded. He described the loss of Oregon and California Railroad Lands (O&C) Revenue, specifically \$15.6 million to the General Fund, \$3.4 million in Title II and Title III funds for Public Safety, and \$4 million to the Road Fund. He also reviewed losses in Interest Income, Property Tax Base growth, reductions in State funding, and the accompanying economic impacts. The loss of these funds equals \$26.93 million per year. Mr. Jordan then described the General Fund budget reduction savings which equals nearly \$62 million over the past five years. Additionally, there has been a 20 percent Full-Time Equivalent (FTE) reduction since fiscal year 2006-2007. Other cost savings changes since fiscal year 2008-2009 include managers moving to self-insurance coverage, bringing Employment Law in-house, and the creation of a Workers' Compensation Owner's Representative.

On a very positive note, Jackson County reduced taxes as a result of the Urban Renewal Agency ending, and the final payment being made on the Juvenile Bond. Mr. Jordan spoke about numerous Capital Projects funded by the General Fund. Approximately \$22 million in Capital Projects have been completed without asking for additional taxes from the citizens of Jackson County.

Mr. Jordan then detailed the four types of revenue: Operating (Constant and predictable); Non-Operating (fund balance, reserves and windfalls, can't be depended on in future); Dedicated (for a specific purpose); and Non-Dedicated (discretionary).

Additionally, Mr. Jordan reported approximately \$6.2 million will be spent in the current year from Reserve Funds. These non-dedicated operating funds are used for the Sheriff's Office, Community Justice, District Attorney's Office, Internal Services, Other (Assessment and Taxation, and Development Services), Libraries, and Health and Human Services. The total reserve and ending fund balance is approximately \$82 million. There is nearly \$32 million in General Fund Reserves, and the Dedicated Funds portion is approximately \$50 million.

Mr. Jordan then concluded his presentation by stating the budget will generally provide current service levels, and additional savings related to jail beds and insurance coverage could help to close the \$6.2 million gap in the budget.

Mr. Rudisile opened the meeting for questions or comments from the Budget Committee. Deficit spending was discussed in greater detail. Approximately \$5 million of the reported \$6.2 million deficit funds the library, and the remainder is applied to Development Services. We could legally increase Development Services fees, but the Budget Committee and Board of Commissioners have chosen to not place that burden on the citizens while we can afford to fund it. Approximately \$1.4 million of timber funding is included in the budget. There is the potential for an increase to that amount of approximately \$4 million, but we are not counting on it. Mr. Smith indicated that in a recent meeting with the Forest Service, they expressed they do not believe this authorization will happen. There were no other questions or comments. A copy of the presentation will be provided to the Budget Committee (*Submission No. 1*).

Airport

Mr. Bern Case stated the Airport's total budget is \$34.4 million, and his presentation (*Submission No. 2*) focused on Airport Operating Revenue, with a total budget of \$7.3 million, which includes Administration, Security, Operations and Diversification. Many of these items are compulsory, and the Airport uses County services whenever possible. Capital Revenue includes Fund Balance, AIP Grants, and ConnectOregon IV funds. Mr. Case feels the Airport is holding a healthy line between earning and spending, and is currently earning more than they are spending. Mr. Smith asked about the option of not using the Transportation Security Administration (TSA). Mr. Case stated that there is a process in place to apply to opt out of using TSA, but the incentive currently isn't sufficient. Using a private contractor would raise our liability and the savings would return to the Federal government, rather than us. Mr. Jordan noted the Debt Service and Revenue Bonds will be refinanced beginning in August and he expects this will cut another \$350,000 from the Airport's budget. Mr. Rachor complimented Mr. Case on the Airport.

Sheriff's Office

Sheriff Mike Winters thanked the Budget Committee for their support and feels they work as a team to provide services for the citizens. He distributed a hard copy of his presentation (*Submission No. 3*). Highlights for the past year include the construction of the new Sheriff's Office (expected to be complete in Spring 2012), transitioning into a paperless record-keeping system, maintaining a high level of training and qualifications for deputies (including a cross-training period for sergeants), and a Critical Incident Counselor was made available for all staff, their families and volunteers. The Sheriff's Office has hired a part-time Latent Fingerprint Examiner which has resulted in numerous arrests. Sheriff Winters noted the average number of calls per patrol deputy increased to over 1,300 a year over the past year, the medical examiner responded to nearly 600 cases, and the detective division clears 83 percent of their cases, which is admirable. Additionally they have completed the sally port remodel for the jail and

implemented use of debit and credit cards in the jail, and noted that forced releases continue to grow at high rates. The Search and Rescue program has a 100 percent find rate and Sheriff Winters noted they depend on a large number of volunteers, who have worked 18,348 hours in the past year. Between Medford Area Drug and Gang Enforcement (MADGE) and Southern Oregon Multi-Agency Marijuana Eradication and Reclamation (SOMMER) teams, approximately \$18.7 million worth of drugs have been taken out of the system. Mr. Jordan noted there was a \$2 million reduction to the Sheriff's budget, and the Sheriff worked with Mr. Jordan and the Community Justice Department to balance their budget.

Mr. Rachor asked him why a Sally Port is called that, and Mr. Case volunteered the etymology. He stated that the modern meaning for sally port is a secure, controlled entryway, and the origin comes from the saying "sally forth" when knights would be sent out to an outer section of the castle wall with two gates, and then one doorway (port) would close behind them, and an outer gate would then be opened so they could fight the enemy. The Sally Port allows passage without compromising the defensive strength of the castle. Everyone was very impressed with Mr. Case's knowledge.

Mr. Rudisile complimented Sheriff Winters on his cooperation and teamwork attitude. Sheriff Winters noted he is willing to cooperate because he trusts the Committee, the Commissioners and the County Administrator, because he knows they are concerned about public safety.

Justice Court

Judge Charter addressed the Committee (*Submission No. 4*) and noted House Bill (HB) 2712 drastically changed the court fine structure by decreasing the fees and increasing the amount of the fine that is paid to the State rather than to the County. Judge Charter reviewed the revenue for 2011, which averaged about \$200,000 a month. He also showed and reviewed graphs by quarter year, number of cases filed, traffic school referrals, on-line payments, and county traffic fatalities. While the fatalities increased slightly over the past few years, they are still half of what they were before the Traffic Team and Justice Court was established in 2004. The \$600,000 decrease in expected revenues is just a best guess at this time. Judge Charter noted that Lane County will be closing their Florence and Springfield Justice courts, and doesn't know yet how these closures will affect other courts. Mr. Smith thanked Judge Charter for his work and the efficiencies he and his staff have implemented. Mr. Smith stated that, in his opinion, HB 2712 basically destroys the ability of local communities to create an offender based traffic safety program at the county level. It is a theft of a program that was intended to reduce injuries and deaths, and HB 2712 will do absolutely nothing to help the public safety of our citizens. The legislators who voted for it failed all of us, and should be chastised. Judge Charter commended Mr. Smith for his work in establishing the traffic team in 2004.

Public Comment

No one wished to make a comment.

Mr. Rudisile recessed the meeting at 10:00 a.m. for a scheduled meeting break, and the meeting resumed at 10:21 a.m.

District Attorney

Mr. Mark Huddleston noted his department (*Submission No. 5*) is currently \$29,163 under target with 45.50 FTEs, including 19 Deputy District Attorneys (DDA's). The District Attorney's Office is 95 percent funded from the General Funds, with just 5 percent coming from

Federal/State/Local/Fees/Other revenues. He stated they are receiving a one-time grant through Southern Oregon Hi-Tech Crimes Task Force (SOHTCTF), and a grant has also been received for a Restitution Pilot Project. He noted that HB 2712 eliminated the liquor enforcement fund, and will result in a revenue loss of \$15,000. Forfeiture revenue has been less than expected, so projections for fiscal year 2012-2013 have been reduced to reflect that.

Mr. Huddleston also provided graphs showing a comparison between the ten largest Oregon Counties and the number of Law Enforcement Officers and number of Deputy District Attorneys (DDA's), as well as a comparison of total crimes handled by DDA's in the various counties. His department will prosecute over 8,000 adult criminal cases, 267 delinquency cases and 113 dependency (children) cases in the juvenile court, and provide 40 hours of training to local Law Enforcement Agencies (LEA). They are receiving an update to their outdated case management system, which they hope will delay the need for a new system. Mr. Huddleston also reminded the Committee that their offices are crowded and inefficient, and a new facility for the District Attorney should stay on the County's list of capital projects.

Mr. Huddleston described some of the work they do in Crime Victims Services. They are approximately 31 percent funded by Jackson County General Funds, and the rest comes from Federal/State/Local/Fees/Other Revenues. They will serve nearly 2,000 crime victims in a fiscal year, providing 2,289 hours of service through volunteers, and provide advocacy and victim's rights information. His office has 2.00 FTEs dedicated to documenting restitution for crime victims and this program has been recognized by the Oregon Department of Justice for having accurate, high-quality work.

Their work in Child Support is 82 percent funded by Federal/State/Local revenues and 17 percent by General Funds. They collected nearly \$9 million of child support during fiscal year 2010-2011 and plan to continue to use contempt of court as well as criminal non-support and license suspensions as enforcement tools. They also seek modification of existing child support orders when appropriate, and establish paternity when needed. Mr. Smith asked several questions about types of drug use, as well as involvement in abuse cases, and questions about illegal aliens being arrested and held in the jail. Mr. Rachor commended Mr. Huddleston for his work and how his department is making it work in a very cramped environment. Mr. Jordan noted that one in seven or one in ten people in the County are involved in the actions by the Sheriff's Office, Community Justice, or District Attorney's Office. Mr. Rudisile asked about the Restitution Pilot Project Grant, and Mr. Huddleston stated it is an 18-month grant, and it is understood that we do not backfill positions funded by grants.

Community Justice

Mr. Shane Hagey's presentation (*Submission No. 6*) noted that approximately 37 percent of their total funding comes from the General Fund. The rest of their funding comes from State, contracts, fees, and some grants and Title III monies. Their largest expenditure is for personnel, Operations, contracts, and chargebacks to various County Departments such as Information Technology and Human Resources.

Adult Services is funded 11 percent by the General Fund. Their contracts are with alcohol and drug services, sex offender treatment, statement mailing services, drug court, and a domestic violence grant. Community Justice provides parole and probation services, supervising approximately 1,750 felony/misdemeanor offenders, 206 domestic violence offenders and 303 sex offenders. They are also a participant in the Medford Area Drug and Gang Enforcement (MADGE) efforts, provide a prison re-entry probation officer, and two adult drug court probation officers. Their programs include alcohol and drug treatment, home detention, community

service, a Driving Under the Influence of Intoxicants (DUI) program, General Educational Development (GED) assistance, a day management program for job search, resume assistance, employment classes, sex offender treatment and pre-trial services.

The Community Justice Transition Center is 21 percent funded from the General Fund. They are very proud of this program, as both an alternative and a partner with jails. It is the most expensive tool in our system and can be very effective. Clients serve their jail time and then move into the transitional center to help them focus on how to change their behavior, get and keep jobs, and become successful contributors to society.

Mr. Smith asked how much carryover will be available from Title III next year. Mr. Jordan stated that there shouldn't be an issue next year, but will definitely be an issue the year after that. Title II and III monies were discussed at length.

Mr. Smith also asked about the listed \$1 million revenue from the work crews. Mr. Jordan noted that the direction from the Budget Committee and the Board of Commissioners has been to not use the work crews in competition with private enterprises. That is a policy decision, not a legal issue. Mr. Jordan also noted that one of the benefits of the Transition Center is that they can alleviate pressure in the jails when they are overcrowded. Mr. Rudisile asked what the cost comparison was between the Transition Center and the Jail, and Mr. Jordan stated the state-wide cost average for a jail bed is \$105, while the current cost for the Transition Center is \$48 per day. Mr. Jordan noted that if there is a federal offender in the Transition Center, the day rate for them is approximately \$109 per day.

Juvenile Services is 74 percent funded by General Fund and makes up about a third of Community Justice's total budget. They provide 24-hour intake services, community supervision of approximately 599 youth, perform risk assessments, case planning, diversion agreements, filing of legal documents in juvenile court, services to victims, community service and victim offender mediation. While youth are in the Juvenile Detention Center, they have access to life skills classes, mental health services, education, alcohol and drug services, a fire setter program, sex offender treatment and parent skills training.

Mr. Hagey's last slide showed a list of the local organizations that collaborate with Community Justice that create a system for public safety. He feels the system works better in Jackson County than in many other areas because we do a good job in getting people on the right committees and everyone keeps the common goal of public safety first.

Mr. Skundrick stated that it really works well in our community, and is a model for others. The work that is done in these areas saves taxpayers a lot of money, but more importantly, it is making a difference in some people's lives. Not everyone can be helped, but there have been some tremendous success stories in both the adult and juvenile programs. Mr. Rachor asked if the Job Council was involved in the job search activities, and Mr. Hagey said they have worked with them, although the actual classes are held in-house. Mr. Rudisile noted that at a recent meeting with a baseball group wanting to expand the seating capacity of the ballpark, they said they are short on labor. He asked if this be something they could contract with Community Justice and the answer was that this is the type of work the crews do, but it depends on how it fits into the ruling for competition with businesses.

Mr. Jordan noted that he calculated that, based on their operating budget, the day rate for the Transition Center is \$69 and \$120 a day for the Jail.

Public Comment

Colleen Roberts from Prospect addressed the Committee and thanked them for letting her eavesdrop on the budget process. She stated that with the double-digit unemployment and foreclosure rates in our area, she is not happy with what she heard in the budget. She sees big government trying to get bigger, if not from local citizens, then monies from the State or Federal governments, which are all tax monies from citizens. She doesn't understand how the County can operate in the red, as private citizens cannot not operate that way. Ms. Roberts stated that the Commissioners are making three times the average salary of the working people in Jackson County, if they even have a job, and they need to consider the citizens as they serve.

Mr. Rudisile asked if Ms. Roberts had been in the meeting from the beginning and heard all the savings that the County has been able to do, and she said she had been, but she was talking about the department managers.

Mr. Skundrick noted that all the budget meetings are public meetings, noticed and the public is invited to be part of the process. Sometimes people think it is fait accompli, but it isn't. Mr. Rudisile noted that many public meetings are scheduled prior to these Budget Hearings, providing opportunities for the public to provide their opinions, but no one ever seems to show up. Mr. Jordan noted that, for the purpose of informing the public, the County is not spending in deficit. That is illegal and our budget has to be balanced, and it is. We are spending money that is not in our operating budget, but we are pulling from the Rainy Day Fund. The Federal government can spend money that they don't have, but we are required to balance our budget.

There being no further comments, Mr. Rudisile recessed the meeting at 11:34 a.m. to resume on Thursday, April 19th at 9:00 a.m.

Respectfully submitted,

/s/ Dick Rudisile
Dick Rudisile, Presiding Officer

/s/ Lynell Dewey
Lynell Dewey, Recording Secretary

Approved on: December 6, 2012