

## JACKSON COUNTY BUDGET COMMITTEE

Minutes  
Courthouse Auditorium  
April 9, 2019  
1:30 p.m.

The Jackson County Budget Committee meeting was called to order by Chair Dick Rudisile at 1:30 p.m. in the Courthouse Auditorium, Medford, Oregon. Roll call was taken.

Present: Mr. Dick Rudisile, Presiding Officer/Chair, Budget Committee; Mrs. April Sevcik, Budget Committee; Mr. Craig Morris, Budget Committee; Commissioner Colleen Roberts; Commissioner Rick Dyer, and Commissioner Bob Strosser.

Staff: Mr. Danny Jordan, County Administrator; Mr. Harvey Bragg, Sr. Deputy County Administrator; Ms. Traci Carrier, Budget Analyst; Ms. Jennifer Drake, Recording Secretary.

Guests: Interested Members of the Public

### Election of Presiding Officer

**Mr. Rudisile made a motion to nominate Mr. Morris as the Chair and Presiding Officer of the Budget Committee. Commissioner Dyer seconded the motion. Those who voted aye: Mr. Rudisile, Mrs. Sevcik, Commissioner Dyer, Commissioner Roberts, Commissioner Strosser, and Mr. Morris. Motion passed.**

Mr. Morris presided over the rest of the meeting.

### Approval of Budget Committee Minutes

**Mrs. Sevcik made a motion to approve the minutes of the Jackson County Budget Committee Meeting for November 30, 2018. Mr. Rudisile seconded the motion. Those who voted aye: Mr. Rudisile, Mrs. Sevcik, Commissioner Dyer, Commissioner Roberts, Commissioner Strosser, and Mr. Morris. Motion passed.**

### Presentation of Budget Message

Mr. Jordan noted that the recommended budget is available to the public for review through the County website, or through written copies available from the County Administrator's Office. He read the entire Budget Message into the record and explained that more specific detail will be provided during the budget hearings. The recommended budget for fiscal year 2019-2020 is \$383,567,367 and the adopted budget for fiscal year 2018-2019 is \$358,062,146. The recommended budget continues on the principles set by the Budget Committee in prior years. He reviewed the financial devastation that occurred due to the depletion of timber payments. He noted at this point the revenue guarantees are sporadic. It was suggested by Senators and House Representatives that getting Federal guarantees will be very difficult and the final compromise is

to halt all logging permanently on 80 percent of the Oregon and California Railroad Lands (O&C lands), even though it is a direct contradiction to the O&C Act. Jackson County and other members of the Association of O&C Counties filed a lawsuit in an attempt to force the issue. Senators Wyden and Crapo introduced legislation which would create a Secure Rural Schools Endowment Fund, ensuring long-term financial certainty at levels not less than the Federal Fiscal Year 2017 payment. He explained that counties who received O&C payments have permanent tax rate limits much lower than those counties who did not receive O&C payments, and since the rates are set by the Oregon Constitution they can only be changed by a statewide measure.

Through the last 30 years neglected and unmanaged forests have grown to the point that they are now an extreme fire hazard. The Board of Commissioners has been working to make this situation known to those who control forest management and are giving the citizens of Jackson County a voice on this issue. Funds are included in the budget to continue this effort through fiscal year 2019-2020. The Board's goal is full wildfire suppression during State-declared fire season, to ensure forests are managed to reduce fire danger, and suppress the smoke that has filled the valley for the last several years. This will improve the economy and reduce the tax burden by implementing a sustained yield on these O&C forest lands.

The Public Employees Retirement System (PERS) modifies their rates at the beginning of each biennium. For fiscal year 2017-2018, the average increase was 4.19 percent and for fiscal year 2019-2020, the average increase is approximately 4.3 percent of salaries. Further increases will hit in fiscal year 2021-2022 and, unless investment returns improve, there may be another increase in the following biennium. Sufficient operating revenue was reserved during fiscal year 2018-2019 to offset the impact in fiscal year 2019-2020. The recommended budget includes a hedge against the next increase. This, along with inflation and fiscal spending restraint, will preserve service over the next four to five years.

The Jackson County Jail has been at capacity for many years and is no longer the proper size for the current population. Land has been acquired for a new facility which will be paid for over the next two fiscal years. This budget includes a General Fund match of \$60,000,000 in case a service district is formed to build and operate a new facility. The service district will possibly be considered on the ballot in November 2019. Ongoing jail operations will also require General Fund support. The district is meant to support additional cost of operations plus debt service. Mr. Jordan then showed a video made by the Sheriff's Office pertaining to the Jail's capacity crisis.

He continued by stating that non-represented employees are budgeted to receive a 3.53 percent cost of living increase, in addition to step increases for those who are eligible. He noted the Collective Bargaining Agreement with the Federation of Oregon Parole and Probation Officers is currently being negotiated. The Service Employees International Union is also in negotiations.

The recommended budget for fiscal year 2019-2020 has 878.05 full-time equivalent (FTE) positions, down from 884.15 in the prior fiscal year. The recommended budget reflects the priorities set by the Budget Committee and the Board of Commissioners to preserve safety and health services while providing minimum State-mandated services, when there are State funds to support these services. All funds are balanced. He communicated the mission statement and goals for the County. He explained the needs of County facilities and stated those would be addressed if there was funding and opportunity available.

The recommended budget includes a contingency of \$10,000,000 included in the General Fund budget, and one-time funds not available on a continued basis. The total contingency for all funds is \$20,291,866, which is less than the Board of Commissioners are allowed to reallocate without a supplemental budget public hearing.

Mr. Jordan explained the budget hearing process and provided the dates and times of each hearing. He explained the process for reviewing the Elected Officials' salaries. He then reviewed significant department highlights and issues for fiscal year 2019-2020, and the process by which this budget was prepared. He concluded his presentation noting the County is in good financial standing and thanked the staff for their efforts to complete the budget.

Chair Morris asked if there were any specific questions about the Budget Message and noted that the first budget hearing is scheduled for 8:30 a.m. on Tuesday, April 16, 2019. There being no further business, Chair Morris adjourned the meeting at 2:08 p.m.

Respectfully submitted,

/s/ Craig Morris  
Craig Morris, Presiding Officer/Chair

/s/ Jennifer Drake  
Jennifer Drake, Recording Secretary

Approved on: 11/19/2019