



**SHERMAN COUNTY
BUDGET COMMITTEE
2018 – 2019 MINUTES**

APRIL 23-24, 2018

Present: Judge Gary Thompson, Commissioner Tom McCoy, Commissioner Joe Dabulskis, Forest Peters, Larry Hctor, Stacy Eakin – Budget Committee Members; Debbie Hayden, Budget Officer; Kayla von Borstel, Court Administrative Assistant.

April 23, 2018:
Open – 9:05 a.m.

Election of Officers

Motion by Forest Peters, second by Commissioner Dabulskis, to appoint Larry Hctor as Budget Committee Chair

Vote: 5-0

Yes: Thompson, McCoy, Dabulskis, Eakin, Peters

No: 0

Abstain: 1

Motion by Stacy Eakin, second by Judge Thompson, to appoint Forest Peters as Budget Committee Secretary.

Vote: 5-0

Yes: Thompson, McCoy, Dabulskis, Eakin, Hctor

No: 0

Abstain: 1

Budget Message

Judge Thompson welcomed the committee members to the 2017 budget meeting and presented the budget message noting changes proposed for this year's budget including:

- A 2% cost of living increase (COLA)
- Recommended merit increases by department heads
- Proposed allocation of SIP funds
- Allocation for new courthouse building
- Allocation to school district from 515 Fund
- Allocation to cities from 515 Fund

- Allocation to the Resident Incentive Program
- Federal Land Access Program Grant match
- Fiber Project phase III (Wasco to Rufus)
- Adjustments for elected officials to be considered by citizen members only
- Resource Assistant got Rural Environments (RARE) Student Internship

Page 1-3: County General, Non – Departmental

Line MHAD (Mental Health Alcohol and Drugs) hasn't changed much since last year. There was a slight change due to money received by the State. Discussion was held on line item CAC (Community Advisory Council) and the yearly fluctuations. Predator Control also had fluctuations; a supplemental letter had been received by the County requesting \$62,000 in support. A meeting will be held with the head of Wildlife Services to inquire on reducing the amount requested of Sherman County, but still maintain the same level of service. Dean Dark, Trapper, is currently being shared with Gilliam County until further notice. Pioneer Potlatch is no longer operating in Sherman County at this time resulting in a zero in the budget. Mid-Columbia Council of Government (MCCOG) recently dissolved; funds allocated to MCCOG from the County were used for senior programs. Once the dissolution settles, and each senior program gets established to run independently, the County will look at adding funds back into the programs. MCCOG use to run the building codes program which State has taken over temporarily since the dissolution. North Central Public Health District's request increased by \$20,000 as Wasco County has reversed its previous funding cuts. Commissioner McCoy worked out a funding formula for Wasco County to pay 62% of the total budget, and Sherman and Gilliam Counties each pay 19%.

Page 4-5: County General, Assessor

The Assessor's Office asked that an additional position be added to their office. Ross Turney, Assessor, provided Debbie with a job description for a full time Office Manager; however; upon further clarification, it was determined the duties did not meet the standards of such title and it was changed to Office Deputy. The budgeted salary will remain as proposed in case the new employee's qualification warrants a higher starting wage. The position will not do any assessing or appraisal, but could include some data entry. Ross gave a brief background of what his office is in charge of in regards to assessment, taxation, mapping, record keeping, etc. This individual would assist with as many items as they would be capable of, and to keep the office going as the two current employees are at their max capacity of success; there is a new software system that will need to be learned which will consume a large amount of time of the current employees. The Goal would be to hire the new person starting after July 2018.

Page 6-7: County General, County Clerk

Jenine McDermid, Clerk, and Debbie Hayden, Finance Officer have worked in same office, and shared Rita Wilson, Deputy Clerk, as an employee for many years. As the years have progressed, the work load has increased and currently there is more work than one person can complete alone. Debbie would like to keep Rita full time as a Finance Clerk, and hire a full Deputy Clerk to assist Jenine, as there are many busy times during the year. Advertising for the position will be sent out right away to have a July 2018 start date as all construction on the offices should be complete. Personnel costs in the new budget have increased to include the new hire and associated health care insurance. Board of Property Tax Appeals line item had funds added, in the event there would be the need for legal assistance, and an appraiser to do an appeal. The current software provider for the Clerk, Finance, Treasurer, and Assessors Offices is retiring, and has given the County a few years to find a replacement and offered to help with the transition. Each office is looking at a few different

options, and has been budgeted for, in the next fiscal year. The Assessor is looking at a provider that is used by many other counties in Oregon; due to purchase price, a Request For Proposal would need to be administered.

Page 8: County General, Computer Related Expenses

Discussion was held on Microsphere providing IT services for the County. The budget for Microsphere doubled from the 2016-2017 fiscal year due to a computer replacement schedule, and adding computers to the Sheriff's Office, so each Deputy could have their own computer.

Page 9: County General, County Court

There were no changes and/or discussion on this fund.

Page 10-11: County General, Courthouse

The Courthouse decided to hold off buying new photo copy machine this last year due to all the construction dust; one will be priced out after the beginning of the fiscal year. The old one needs to be replaced as it is ten years old. Judge Thompson inquired if each building would have a copy machine; Debbie responded no as she believes each office has one of their own already.

Page 12-13: County General, Justice Court

Justice Court revenue was below average due to the Sheriff's Department being two deputies short this last year. Revenue should start increasing as the Sheriff's Department is in the process of becoming fully staffed again.

Page 14-15: County General, Parks

Discussion was held on what County parks are included in the Parks budget: DeMoss Park, and both RV Parks. Debbie reminded the Committee of the State Transit Tax line item that will start this next fiscal year; it is part of every budget and is 0.001% of everyone's salary.

Page 16: County General, Planning

Planning Department receives grants every other year. Funds were not used this year, and will be seen under Contractual Services next year as a placeholder.

Page 17: County General, Solid Waste/Recycling

Transfer Disposal fees fluctuate heavily every year; currently this is in part to China no longer taking recycling, and there is more going into landfills.

Page 20: County General, Treasurer

Personnel Services has increased due to the result of the compensation evaluation performed last year, moving the Treasurers Position to the Elected Official category, as well as, Marnene Benson, Treasurer, having longevity in her position. It was asked why postage and freight increased to \$3,000; Debbie stated that was an error, the proposed amount should be \$300.

Page 27-28: County General, Weed Control/Grounds Maintenance – Rod Asher

Rod Asher, Weed District, spoke to Budget Committee on a few minor adjustments made to the budget compared to last year. The Oregon Department of Agriculture grant for the Grass Valley Project isn't applied for until December 2018, with work starting in spring of 2019, and continuing into 2020; the proposed \$20,000 is a place holder. The Soil and Water Conservation District grant decreased as it is an additional fund source for the Grass Valley Project (Assessment) for the year, and Rod is hoping to transition into the new project of implementing treatment. Deschutes WMA Crew line has increased for seasonal help; however, it is 100% grant dependent; money is not spent unless it has been received from the grants. The Weed District has hired a few new employees since 2016, which has progressively increased the Medical, Life, and AD&D line. Larry inquired on the use of the Weed District drone; Rod stated it's not as beneficial as he thought it would be. Materials & Services has also increased due to more seasonal employees working out of the shop which leads extra supplies, training/education, fuel, and equipment maintenance. Additionally, Building Utilities has never been needed in the budget before, but due to the new building it is required.

Page 113-114: Weed Sinking Fund – Rod Asher

Rod asked the Budget Committee to continue the annual transfer of \$40,000 that will be used this fiscal year to replace a 2002 Ford F-150 that was previously inherited from the Sheriff's Department in 2013 to keep expenses down; it's worn out and underweighted for their needs. Rod is looking to purchase an F-350 with a lock box, to be used specifically for the Deschutes Project. Any remaining funds would be for a potential new lawn mower to use for Grounds Maintenance.

Page 21: County General, Sheriff – Marine Control

The Marine Deputy is on duty only during the summer months. The Deputy used to be shared with Gilliam County, however, currently only works for Sherman County due to liability. This position is fully funded by a State Marine Board grant. Brief discussion was held on Marine licenses.

Page 22: County General, Financial Services

As discussed previously under County Clerk, a request has been made to increase the Financial Clerk position from 0.5 FTE to 1.0 FTE.

Page 23-24: County General, Juvenile

Juvenile Crime Prevention grant has slightly increased. There is some difficulty obtaining lawyers for Juvenile cases in the County. A new way being considered by the State to obtain Counsel through a contract where the individual would earn a certain amount per case which could be expensive. The Juvenile Aid line item increased due to a contribution to the YES (Youth Empowerment Solutions) House in The Dalles for children who need help.

Page 25: County General, County Vehicle

There are three County vehicles. They do not get used much as before, as insurance dictates exactly where the vehicles can be used; personal use is not allowed.

Page 26: County General, NORCOR

There were no changes and/or discussion on this fund.

Page 29: County General, Burnet Building

The Burnet Building needs to be re-stained; the proposed \$5,000 will most likely not be enough to cover expenses. Budget Committee agreed to raise the amount to \$20,000.

Page 30-31: County General, District Attorney

For background purposes it was stated the State pays for the District Attorney (DA), but the County pays for the Office Staff and office expenses. There was some concern on the large influx of the Office Supplies line item. Debbie explained the DA's Office will have to start recording Grand Jury Sessions. The State will inform the DA's Office of the type of system that will be bought at a later date. The total cost of the system is unclear at this time; the proposed amount is a placeholder to insure there will be plenty of funds when needed.

Page 32: County General, Extension

The State pays for the Extension Agent, and the County pays for Support Staff, supplies, etc. A quarterly payment is made to the Extension Office. The acting Extension Agent is Brian Tuck. Cindy Brown, 4-H Coordinator, used to be a County employee but became a State employee last year; her position is paid by the State, and part of the money the County gives to the State funds her position.

Page 33: County General, Wasco Annex

The County will continue to make yearly payments of \$50,000 to the City of Wasco for the Annex until the Strategic Investment Program funds end in approximately five years. The County also previously awarded the Wasco Annex \$250,000 for rehabilitation costs.

Page 34: County General, Transfer To Other Funds

As previously discussed, the Computer Reserve line item increased due to the need for upgraded systems. The Drivers Education Fund will keep its remaining funds, with no additions, due to the inability to find a replacement for the Drivers Education Teacher at this time.

Page 35: County General, All Other Requirements

There were no changes and/or discussion on this fund.

Page 36: County General, General Fund Ending Balance

This is money held in order to start the next fiscal year.

Page 37-39: Community Transit

Federal Capital Grant/Vehicle will vary as it is grant dependent. Every year there are special grants to apply for operations and purchase of new vehicles. The \$229,000 proposed for that line will need to be lowered to \$50,000 as it will be allotted over time as opposed to a lump sum payment. It is unsure how much will be received from the Veteran's grant, but it is estimated to be lower than before. Marnene Benson splits her time is 40% as the Transit Director and 60% as Treasurer. There was a significant jump in the Office Help line item which is due to the 2% Cost of Living Adjustment and Paula King, Office Staff, will now receive longevity as she has been with the County for ten years. Community Transit services stay consistently busy, and is a self-funded program through grants and donations. Office Supplies has largely varied over the years; Marnene is

now breaking out supplies for different services into their own category versus all supplies coming from one line item.

Page 40-42: Ambulance

Discussion was held on why it's good to have a Life Flight and Ambulance Membership. If an individual uses the service, they save money with the membership compared to paying for the service outright. Training line item has fluctuated over the last few years; there were many training programs recently completed, and they do not need as much in the budget in the upcoming year. Shawn Payne, Emergency Services Director, is the only full time paid employee; they are always looking for volunteers.

Page 43-44: Family Caregiver Support

This program stopped many years ago, however, the funds must stay in the fund until they are requested to be used by an individual. The maximum request from this fund is \$100.

Page 45-46: Courthouse Repair & Improvements Reserve

This is a reserve to maintain the newly constructed and renovated Courthouse buildings. The heating, ventilation and air conditioning are still the same in the original building, as the system was installed five years ago; new lights have also been installed, so electricity should decrease. Debbie will not know what the average cost for maintaining the buildings will be for approximately one year.

Page 50-51: County School per Capita

This is a pass through grant where State funds flow through the County budget for the School District. This is a different payment than their regular tax payment.

Page 52-53: County Surveyor

County Surveyor must approve all partition plats.

Page 54-55: CAMI

The Coordinator was reduced last year. The Child Abuse Summit for Deputies is paid for from this fund.

Page 56-57: Community Development

Georgia Macnab, County Planner, receives payment from this fund for Economic Development. The Wireless Internet Project line is the stipend the County receives from Rural Technology Group.

Page 58-59: Court Security

Discussion was held on Courthouse Security.

Page 60-62: Emergency Services

The majority of funds come from grants, services billed to the local fire departments, and a transfer from the County General Fund for \$39,700.

Page 63-64: Victims Assistance

It was noted there would be more grant money this next year.

Page 65: Wasco Road District

The Road Department receives property tax money; Marnene Benson, Treasurer, puts the Cities share of the tax money into the City Road District Fund (Wasco, Moro, Grass Valley, Rufus).

Page 66: Moro Road District

There were no changes and/or discussion on this fund.

Page 67: Grass Valley Road District

There were no changes and/or discussion on this fund.

Page 68: Rufus Road District

There were no changes and/or discussion on this fund.

Page 75-77: County Fair

Fair Board has been able to turn around their financing by increasing their starting fund balance by \$10,000 every year. They are no longer borrowing money from the County, and only spend what they need to. Admissions have been proposed to decrease. There were very few participants and viewers for the derby and other events last year due to neighboring fairs events scheduled on the same days. Additionally, money was saved last year by hosting their own kick off dinner as opposed to hiring a caterer. A special line had to be brought in previously during fair for the ATM machine, which was not cancelled right away, and was paid for several additional months. There are funds available for training if they want it.

Page 78-80: Tri-County Corrections

The Supervision/UA Fees are steadily dropping every year; everyone who is on probation pays a monthly fee until they are no longer on probation. Tina Potter is the Director, Kimi Hulke is the Office Assistant, and they budget for an Officer every year in hopes they will be able to hire one someday. Electronic monitoring (ankle monitors, etc.) was something new that had been added to the budget for this fiscal year.

Page 81-82: Wellness Center

There continues to be a ten dollar membership fee per month, and member count continues to dwindle. The Wasco Event Center offers classes, and is establishing a membership as well; this could be drawing some members from the Wellness Center away. There is a required buddy system to use the Wellness Center, and the space inside is very limited.

Page 83-85: Tri-County Veterans

There were no changes and/or discussion on this fund.

Page 86-88: Drivers Education

Currently the Drivers Education Instructor position is vacant; the County is having a tough time finding a replacement. To be an instructor requires a lot of training and certification, which must be renewed every year. These would be paid for by the County if an individual was hired. The program was well taken advantage of with 8-14 kids per year completing the program.

Recessed: 12:00 p.m.

Reconvene: 1:37 p.m.

Page 89-90: Early Learning Services

There were no changes and/or discussion on this fund.

Page 91-94: – Senior Center

County subsidizes approximately \$92,000 per year to the Senior Center which the Center tries hard to reduce by cooking from scratch and smart shopping.

Page 95-96: SIP Income Tax Distribution

It is never known how much this amount will be per year.

Page 97-98: Courthouse Facility

Steering Committee started with a \$9 million budget to build the facility. They requested an additional \$300,000 for project items to complete the Courthouse such as closets, vaults, and backdoor entrance. The official request from SIP Additional Fees was \$9.3 million.

Page 99-100: Fairgrounds Project – Bryce Coelsch

This fund was for a proposed new Fairgrounds facility. Money could be transferred from SIP Additional Fees to this budget to be spent on the project without being commingled with regular fair funds. It has been suggested if the project is approved, to have a project manager. Bryce Coelsch, Fair Board Chair, requested \$300,000 to start preliminary work on an Events Center, approximately 200 x 300 in size, with a lean-to shed 30 x 50 in size, to replace old buildings and the heart of the fair (beef, swine, equine barns, and show area). The building would be structured to include restrooms and concessions, and have available space to accommodate various uses such as the Crab Feed, AG Shows, June Livestock Show, Car shows, etc. The grandstands, pavilion, and restaurant will remain. They do not know what it would cost to build the facility yet; they have a rough idea of where to start however. Umatilla County recently relocated their fairgrounds; Bryce will be getting in touch to obtain more info. He has also researched other fairgrounds to get a sense of what would work in their location. The Fair Board would like the new facility built as soon as possible due to the condition of some structures at the grounds currently. They will be assembling a Fair Building Committee during this process to include community members as well. There is also a wiring issue at the fairgrounds which will be included in the project plan to repair. It was suggested to make certain the fairgrounds is not listed on the Historic Register and to search for additional funds to put toward the implementation of the facility.

There will also need to be a full time grounds keeper/manager to maintain the grounds year round once the facility is in place. Bryce has also been approached by an individual who is interested in installing a building on the grounds as well called a small business incubator. This is garage and office space to rent out; the individual

would rent out the ground space from the Fair for the building, and then the Fair Board would rent out the building space to someone who needs it. The Fair would receive a certain amount of money per square foot, and after 20 years the Fair would assume the building; this is one avenue being explored as supplemental income.

Motion by Commissioner McCoy, second by Forest Peters, to approve \$300,000 for the Sherman County Fair Board to move forward on the hiring of an Architect and Project Manager for the preliminary work on a new Events Center.

Vote: 6-0

Yes: Thompson, Dabulskis, McCoy, Hocter, Eakin, Peters

No: 0

Abstain: 0

Page 101-102: Renewable Resources

There were no changes and/or discussion on this fund.

Page 103-104: – Workforce Housing

Awarded money for the Housing Incentive grants are paid out from this fund after project completion. A brief explanation was given to Committee members who didn't know about the programs: \$10,000 for rental housing construction, up to \$20,000 in rental rehabilitation, and a bridge Loan program. There is a housing shortage within the County, and currently houses can only be built within city limits unless the individual is a farmer due to land use. Exceptions can be made if a conditional land use permit can be obtained. Special Strategic Investment Program (SIP) payments can only be used for certain items. If more money wants to be allocated for housing, the County will need to use up the current line item first, and add new SIP money to a separate line item to use later.

Page 105-106: Infrastructure Study

This fund is for the Main Street Improvement Program to help each city beautify the structures lining their main streets. Moro is the only city utilizing the program currently. Each city was allocated \$15,000; Grass Valley has asked that their funds be retained and not reallocated to other cities if a request for additional funds is made. Moro requested an additional \$20,000 during a previous County Court Session. The program requires the City, owner, and County each supply one-third of match funds. Brief discussion held on the last project in Moro.

Page 107-108: Resident Incentive Program Fund

There were no changes and/or discussion on this fund.

Page 109-110: Resident Incentive Annuity Fund

The County introduced confirmation cards when receiving applications to prevent any accusations of the County misplacing applications.

Page 111-112: Ambulance Sinking Fund

The Ambulance Sinking Fund is going away.

Page 115-116: Community Transit Reserve

There were no changes and/or discussion on this fund.

Page117: Ambulance Reserve Fund

There were no changes and/or discussion on this fund.

Page119-120: Computer Reserve Fund

There were no changes and/or discussion on this fund.

Page 121-122: Parks Reserve Fund

Tom inquired if there would be funds available to fix the DeMoss Park stage that is falling apart. The stage is being evaluated for repair cost and the County is applying for a grant as the Park is on the Historical Registry. The stage was built in 1907-1908.

Page123-124: Emergency Services Reserve

There were no changes and/or discussion on this fund.

Page 127-128: PERS Payback Reserve Fund

Due to the stock market crisis that hit so many retirement funds years ago, including Public Employees Retirement System (PERS), every County ended up with unfunded liability. This fund was created in hopes that money could be put in monthly to pay off the liability. For right now the County is just letting this fund be as it is, since there is fluctuation with liability from PERS year to year.

Page 129-130: Sheriff vehicle

There were no changes and/or discussion on this fund.

Page 131-132: SIP Community Service Fees

There were no changes and/or discussion on this fund.

Page 133-135: SIP Additional Fees

(SIP Additional Fees) South Sherman Fire & Rescue: Discussion and Request – Glenn Fluhr

The Committee stated it needs to be careful with how much money is allocated to the South Sherman Fire & Rescue (SSFR) as no other Fire Department is receiving money; a counter statement was made the other Fire Departments receive Strategic Investment Program (SIP) funds which is a lot more compared to the Pipeline Funds that SSFR receive. It was also stated by the Committee, SSFR has more equipment than volunteers to run them, as the majority of their volunteers do not live within the County. There is some concern the proposed fire hall is more expensive and designed more extravagantly than what is truly needed for the Department. A house was previously given to SSFR by the County for their volunteers, in addition to the \$150,000 to be used for planning, plus allocated \$250,000 to use as grant match funds for the fire hall. Currently SSFR has spent \$62,000 of the total \$400,000 allocated. Discussion was also held on SSFR having the option of using space within the old Grass Valley grade school; however, the individual teaching the Emergency Medical Technician classes did not approve of the company who owns the building, therefore, the Fire Department would not utilize the space provided. Glenn Fluhr, SSFR Chief, came to keep the Committee informed on progress with their Department on grants/previous requests of the County for the proposed Fire Hall. To date SSFR has secured

\$431,000 in funding, with \$400,000 of that total being from the County. Pending funding totals \$525,000, with \$250,000 requested from the County and the remaining from granting agencies. Future funding from grants in progress total another \$390,000. If all funding is received, the grand total would amount to \$1,346,000. Funding was denied for \$300,000 with the MJ Murdock grant, as the project did not fit the criteria this cycle. To date funds used totals \$106,297 for building plans, capital campaign plan, permits from Oregon Department Of Transportation, land survey, engineered site plan, deed filings, applications for four grants, attorney's fees, and three acres of land purchase. Glenn hoped to receive another \$250,000 as stated above under pending funding; this would total the County at \$650,000 in contributions. The Fire Hall has a 50 year life expectancy as well; June 28th, 2018 is the projected start date with September 7th, 2018 as the completion date. The total estimated cost for the building is \$1.2 – \$1.3 million. North Sherman Fire District recently received a bid for their new fire hall in Rufus which came in at \$1.8 million. Discussion held on size and set up of the fire halls. Glenn's goal is to get the bays built to put all equipment under cover and the office space can be a second phase. There are enough funds secured for prep work, but not to construct the building. Budget Committee reminded Glenn the County would provide funds if SSFR could provide the equivalent matching funds, which they have not been able to do so thus far. Glenn hopes to have more secured grant money within the next few months; if they don't they will need to consider reducing the fire hall from six bays to four bays. Between tax payments and SIP payments last fiscal year, North Sherman Fire District received \$280,399, Moro Rural Fire received \$118,486, and SSFR received \$49,116. The City of Moro also contributes some funds to Moro Rural Fire. SIP payments are based on how many towers are in each District. In order to increase the tax rate for SSFR, voters would have to vote the dissolution of the Fire District, and re-vote a new Fire District in at a new higher rate. A concern was mentioned by the Committee is if SSFR will have funds after the building is constructed to maintain every year. Budget committee decided the previously allocated \$250,000 will only be released if they can produce a viable plan with matching funds, and before being allowed to request further funding.

It was asked who was paying the County back for a loan payment in the SIP Additional Fees fund. Debbie stated Moro and Rufus cities, and Sherman Development League.

Tom asked that the \$800,000 for the State Fiber Optic Project Grant be added into the revenue side. Brief discussion held on money allocated for fiber in previous years.

It was suggested to consider putting money in for a new 911 center in Rufus. Previously it had been discussed that Sherman would only allocate funds towards a new center if other Counties put in match funding as well, since the facility would serve more than Sherman County. Sherman County provided all of their 911 funds to the 911 center located Gilliam County. Another suggestion was made to see if Frontier TeleNet would build the facility.

The Starvation Lane grant was explained as the FLAP grant for rebuilding the road down to Cottonwood Canyon State Park and boat launch.

Debbie received an email from Carrie Pipinich, Mid-Columbia Economic Development District (MCEDD), that there had been some discussion on the County providing the interim financing for the Biggs Service District Water System Project, and there would need to be a special fund containing \$2.3 million in it. Debbie didn't know that any more than the current \$512,100 in the Biggs Service District line item was needed. There was some confusion as to why this needed to be done, and why the money from the grant and loan were not covering expenses. It was suggested to speak with Carrie to clear up some details. The County and MCEDD submitted a grant to United States Department of Agriculture (USDA) to fund the Water System. USDA requires interim financing to cover project costs on the loan/grant process; upon project progress and completion, reimbursements would be made. Carrie asked the County if they would consider supplying the interim financing as opposed to Biggs Service District obtaining a bank loan. Total project cost for the Water System is \$2,184,900; County Courts contribution is \$512,100, leaving the remaining loan/grant portion of the project at \$1,672,900. It is unknown at this time what USDA will provide as grant money and what will be

considered a loan; it is thought to be roughly \$500,000 in grant funds, while the remaining would be paid back by the users over time. USDA also requires the District to be bonded before moving forward. Commissioner McCoy asked Debbie if providing a bridge loan was feasible; she responded they would need to know the length of the loan. Carrie would gather more information and report back. USDA will require provided evidence of the funds in an existing account, and the funds would need to be specifically designated for the Water System Project. Those funds would need to be deposited into a construction account for monthly construction pay draws, and have a designated authorizer to make monthly pay requests. Additionally, the County would need to have a commitment letter stating reasonable rates, terms, and conditions. All application pieces should be submitted by the end of June. Discussion held on some concern of the interim financing, and the project being completed on time. The construction loan would need to be part of the Biggs Service District Budget; the County would make transfers into the Districts fund, to which they would make the payments for construction. The County could have a separate line item with the requested funds which should be sufficient.

Motion Commissioner McCoy, second by Forest Peters, to support decision to give Biggs Service District Water System project \$512,000, and an additional up to \$1.7 million to be used as a bridge loan for the project.

Vote: 6-0

Yes: Thompson, Dabulskis, McCoy, Hctor, Eakin, Peters

No: 0

Abstain: 0

Moro Rural Fire Protection is requesting \$51,211 in match funds to aid in the purchase of a rescue truck; due to \$50,000 of unanticipated repairs to their building and a paving project, their funds set aside for the rescue truck are now depleted, and they cannot complete the purchase. Tom inquired if County Court supplies trucks to all Fire Departments; Debbie stated no, this was a special request. It was asked if anything had been provided in the past; a mule and trailer for field rescue were provided only to Emergency Services. It was noted South Sherman Fire and Rescue does a great job finding vehicles at no cost to the County. The Committee agreed to deny the request as to not set a precedent on vehicle purchases.

Judge Thompson informed Budget Committee the County was working on a project in progress with MCEDD for fiber to the homes in all four cities (Rufus, Wasco, Moro, and Grass Valley). Three Request for Proposal bids were received to install last mile fiber; a decision to hire a specific provider has not been made. Gorge Net could accomplish this for \$500,000. MCEDD is requesting the Cities provide \$30,000 in combined funds, and the County provide a matching \$30,000 in funds. Judge Thompson suggested allocation of \$30,000 under SIP Additional Fees; the Committee agreed. Discussion was held on fiber; the County's fiber would be the back bone to this project. If an individual lives outside of city limits and uses Rural Technology Group, there would be an increase in speed connection as there would be some pressure relief. Some of the Committee wondered if Gorge Net could obtain the numbers they need, and if they don't, will they pull out of the project. Judge Thompson replied Gorge Net is confident profitability with all Cities combined; they expect 30% of each city would be hooked up.

Page 136-138, County Reserve

There were no changes and/or discussion on this fund.

Adjourn – 4:19 p.m.

*April 24, 2018:
Open – 8:45 a.m.*

Page 69-74: General Road & Road Improvement – Mark Coles

It was inquired as to why taxes are going down; Debbie responded the Property tax line item is what balances the Road Department budget. This fluctuates depending on what the rest of the revenue and expenses are each year. Taxes have been decreasing steadily over the years, as his carryover has been more than normal. Mark Coles, Road Master, stated revenue will increase due to Senate Bill 2017 which will increase Department of Motor Vehicle fees and registrations by almost 200%. These funds must be used for road improvement and reporting requirements as it has specific uses. Sale of Gravel line item has dramatically decreased since 2016. The Soil and Water Conservation District implemented a Haul Road program in 2016 that skyrocketed sales during the first year of the program; there are less requiring gravel currently and generally sales are not high on a year to year basis.

Money allocated to Materials and Services is to allow for a pit shot this upcoming year. The Committee inquired to any big road projects planned for the year. Mark stated they will be working on Helm Springs on some earth material mixed with aggregate, to lay out like hot mix as a test for this high maintenance area; if it works he would like to try it in other areas around the County. The Road Department also will be implementing two years' worth of chip seals this year. Finnegan Creek Bridge replacement will take place starting in the next fiscal year; this is a fund exchange where Oregon Department of Transportation is willing to exchange State and Federal money. Additionally, the last payment on the grader will occur this year. Strategic Investment Program money goes into the Road Improvement Fund for the Chip Seal program; half of the funding for the pit shot will also come from this fund and the other half will come from the General Road Fund.

Page 125-126: General Road Reserve Fund – Mark Coles

Money in this reserve fund is for purchasing large scale equipment.

Page 18-19: County General, Sheriff

No funds were allocated under Miscellaneous State Grants as they are every other year. The JR Grant Coordinator line item had funds allocated for 2018-2019 as Amy Asher has now taken over that position part time. Brad Lohrey, Sheriff, spoke to Budget Committee concerning his request on behalf of Northern Oregon Regional Correctional Facility (NORCOR). In the last several years, they have had several inmates in possession of drugs within body cavities; due to liability, body cavity searches are no longer administered. There have been six cases this year that were discovered, who inmates were sent to the hospital for extraction to avoid death if the balloon containing the drugs were to break. If the inmate dies while in custody, it becomes NORCOR responsibility. NORCOR budget is struggling; the four Sheriff's Department that make up NORCOR, agreed to speak with their Counties on purchasing a full body scanner to be housed at NORCOR for the safety of the deputies and inmates. The request was for a one-time payment of \$40,000. Body scanners typically cost over \$200,000, however the State of Oregon is buying in bulk which gives a discount down to \$160,000. Brad asks if the Committee will set aside \$40,000 to be used only if the other three Counties (Wasco, Gilliam, and Hood River) and NORCOR put forth equivalent match.

Motion by Commissioner McCoy, second by Forest Peters, to approve \$40,000 from the SIP Additional Fees fund to purchase a body scanner to be housed at Northern Oregon Correctional Facility.

Vote: 6-0

Yes: Thompson, Dabulskis, McCoy, Hactor, Eakin, Peters

No: 0

Abstain: 0

Discussion held on a replacement Drug Recognition Expert for the County; Deputy Pfeifer would like to be trained. Brad stated currently every deputy in Sherman possesses a body camera with both audio and video as well.

Page 47-49: Prevention Program

Amy Asher, Prevention Coordinator, requested additional support for the Oregon Youth Conservation Corp (OYCC) program. There was \$10,000 proposed in the budget to aid in this program. A majority of the program funding is grant based which is received every year; Amy missed the submission deadline for 2018. She applied for the OYCC Marine Board grant which was denied. Amy asked the County if they could supply the remaining funds needed to implement the program during the summer of 2018; she was seeking an additional \$10,000 which would be a total contribution of \$20,000 from the County. There are also some old prevention funds that could be used for the program this summer as well. Amy will also be applying for the Soil and Water Conservation District Education Grant which awards up to \$2,000. She stated the program is very beneficial and the kids look forward to it every year. The program can be scaled down slightly this year since there will be no need to follow all the grant requirements.

Motion by Forest Peters, second by Commissioner Dabulskis, to approve continued support of the Oregon Youth Conservation Corp (OYCC) program by proving the necessary funds from either the Prevention Fund or County General for the 2018-2019 fiscal year.

Vote: 6-0

Yes: Thompson, Dabulskis, McCoy, Hctor, Eakin, Peters

No: 0

Abstain: 0

Entered Elected Officials Compensation Board: 11:05 a.m.

Compensations were in the proposed budgets for review; employees are evaluated and Elected Officials are step increases. All Officials are at their max step with the exception of the Commissioners. Commissioner McCoy will go to the max step and Commissioner Dabulskis will go to step C. When the new Judge starts his term, he will start at step A. Brief discussion held on longevity pay.

Motion by Forest Peters, second by Stacy Eakin, to accept the salary schedule as presented for Elected Officials to include a 2% COLA.

Vote: 3-0

Yes: Hctor, Eakin, Peters

No: 0

Abstain: 3

Exited Elected Officials Compensation Board: 11:12 p.m.

New Committee Member Question & Answer Session

There was some concern regarding new hires and how much money is spent as it seems there is a lot of training for a person who should have a Commercial Driver's License already and doesn't. It was stated Mark Coles, Road Master, spoke to Court about the situation; the time frame was extended and the step increase would not be given until the individual was certified. Similarly, when Sheriff's Department hires uncertified deputies, the County pays for them to get certifications.

Recessed: 1120 a.m.

Reconvened: 12:21 p.m.

Review of Changes to Proposed Budget

- Changed Officer Manager to Office Deputy for the Assessor's Office.
- Corrected error in the Treasurer's Budget for Postage and Freight from \$3,000 to \$300.
- Increased the proposed \$5,000 to \$20,000 under repairs and supplies in the Burnet Building budget for staining the building.
- Community Transit grant stream reduced by \$150,000 in both revenue and expenditures.
- SIP Additional Fees: added \$800,000 to revenue for the State funded fiber project to Rufus, added \$40,000 for a body scanner to be housed at Northern Oregon Regional Correctional Facility, added \$30,000 for the city internet access, Biggs Service District Water System grant lowered to \$272,000, added a Biggs Service District bridge loan of \$1.7 million, which leaves \$2.9 million left in contingency that has not been allocated.

Total amended budget: \$51,520,484

Motion by Forest Peters, second by Commissioner McCoy, to approve the budget of \$51,520,484 as amended for fiscal year 2018-2019.

Vote: 6-0

Yes: Thompson, Dabulskis, McCoy, Hctor, Eakin, Peters

No: 0

Abstain: 0

Motion by Stacy Eakin, second by Forest Peters, to approve a tax rate of 8.7141 percent for fiscal year 2018-2019.

Vote: 6-0

Yes: Thompson, Dabulskis, McCoy, Hctor, Eakin, Peters

No: 0

Abstain: 0

Being no further business before the Court, the meeting was adjourned at 12:32 p.m.

Sherman County Court

Forest Peters

Forest Peters, Budget Committee Secretary

Gary Thompson

Gary Thompson, Judge

Attest:

Kayla von Borstel

Kayla von Borstel, Administrative Assistant

Tom McCoy

Tom McCoy, Commissioner

Joe Dabulskis

Joe Dabulskis, Commissioner