

PASSED 1/9/01

Lane County Leadership Team

February 6, 2001

Public Works Delta, Large Training Room

9:00 a.m.

PRESENT: Commissioners Anna Morrison, Bill Dwyer, Bobby Green, Cindy Weeldreyer (arrived 10:10 a.m.); Steve Carmichael, Jan Clements, Chuck Forster, Jim Gangle, John Goodson, Doug Harclerod, Gary Ingram, Rob Rockstroh, Pat Rogers, David Suchart, Bill Van Vactor, Paul White and Terry Wilson.

Staff Present: David Garnick, Tanya Heaton, Mike Moskovitz, Greta Utecht, Ollie Snowden, Lynne Schroeder, Arlene Marshall, Karen Gaffney, Tony Bieda and Rick Schulz. Zoe Gilstrap, Recording Secretary

1. **Approval of Minutes:**

April 11, 2000, Leadership Team Meeting, 9:00 a.m.

MOTION: Approval of Minutes

White MOVED. Green SECONDED. VOTE: Unanimous.

2. **REVIEW/Board Action re: P.L. 106-393, "Secure Rural Schools and Community Self-Determination Act of 2000." Decision Summary:**

Anthony Bieda, Intergovernmental Relations Manager, reviewed material (see fact sheet).

He noted the Board opted for the full payment amount rather than a percentage of the net actual timber receipts. Bieda stated elections made by the Board are laid out in the fact sheet.

Bieda said the fact sheet explains five of the six categories that qualify county projects for funding under Title III. He said he left off category 6, the Community Forestry Act, because he does not have enough information to specify what could qualify for that category. Bieda said he will forward that information when he receives it.

David Garnick, Senior Management Analysis, reviewed the Board Agenda Cover Memo attachments. He noted that Attachment A not only shows who can apply but also who has authority to make decisions about awarding money. He noted the Board chose Option 2 in Attachment B.

3. **REVIEW/Discretionary General Fund Long Range Financial Forecast (FinPlan)**

Garnick distributed and reviewed the FinPlan (see material on file). He said he took off HMT due to their closure, which is about a \$38,000 loss to Lane County. Garnick stated FY 01-02 projected includes the 5% reserve, the extension service reserve, the 2% lapse

and the additional year-end cash. He said that would leave approximately \$900,000 over and above the full costs of this year's COLA, next year's COLA, an adjustment for the change to 12 steps and healthcare costs. Garnick stated that if that full amount were spent next year, that amount would be required each year thereafter to sustain the additions. He noted that Hyundai is still an unknown because they may try for a tax extension. Garnick said he made assumptions regarding energy based on what the state has forecasted. He pointed out that last year they only came in \$113,000 over and above what the FinPlan projected. Garnick said the FinPlan does not include anything for the Juvenile Justice Center, the Forest Work Camp or Title III.

3. **REVIEW/Road Fund Long Range Forecast**

Ollie Snowden, County Engineer, reviewed the plan (see material). He said it is assumed that there will be no gas tax increase bills. Snowden stated that Lane County's percent of registered vehicles, relative to the state, has dropped. He assumed Lane County will stay as it is now. He said expenses assume that level of services will stay at their current level and includes the Sheriff's Office for the weigh master and work crew. Snowden said a big percentage of the budget is in capital projects, which are difficult to predict when they will go on line. He explained that environmental permitting is the biggest reason why projects do not go out when projected. Snowden said he does not expect all projects on the current CIP to go out as programmed. He stated there will be a \$26 million reserve in 05/06.

Morrison asked about e-government and the road fund. Snowden said he wants an online interactive application for facility and heavy haul permits and electronic bidding. He said he would need a legally binding electronic signature for bidding.

Responding to Morrison, Snowden said that "other" revenues refer to contracting with ODOT for striping, strip sealing, and assessment payments.

4. **DISCUSSION/New Reserve Fund above 5% Prudent Person Reserve**

Morrison stated they discussed establishing additional reserves for a rainy day fund. Garnick distributed and reviewed material (see material on file). He said this includes two examples: the first assumes a one-year bridge before the timber act is renewed and shows how much would be needed each year for a full amount of revenue for the 7th year; the second shows the amount needed in each year to have a full two years of revenue.

Clements said there are not adequate sinking funds for replacement and improvement of the current infrastructure. He said that they are doing a good job with Fleet and PC replacement but not with communications and the jail. Gangle said he will need a new server in a few years to keep up with technology. Morrison said she is not opposed to setting the reserve higher than 5%. Harclerod stated that he also has technology issues. Ingram agreed and said he will be bringing requests for projects to the Budget Committee. He said they have a replacement fund for desktops but nothing beyond that for servers and e-government.

Garnick said there are other costs besides technology such as the state building, health care costs, peace officers expenses and the SCAT fund, which will reduce the reserve. He suggested a no growth budget.

Morrison stated that a reserve higher than 5% and criteria to access those funds should be established. Dwyer said the Management Team should come up with a mechanism to have in-house payment streams to fund these needs.

5. **Video Lottery Strategic Plan *** For Information Only *****

Morrison noted that a citizen committee has been appointed to review video lottery expenditures. She said their recommendation is ready for Policy and Procedures. Morrison acknowledged that this would impact budgets if approved.

Harclerod stated this money has been creatively used in the past and, if narrowed, might take away from the reserve or require cuts.

Weeldreyer said the committee tried to build parameters as a tool for the Budget Committee.

Morrison stated that if there is an economic downturn, some funds will need to be reinvested.

6. **Decision Tree for Allocating Resources**

Utecht distributed material, explaining that examples were submitted by departments to reflect actual public services in each category. Garnick asked if they decide not to fund many add packages, should they review current programs to see where they fall in this decision tree? Morrison suggested starting review of current services next year.

Chuck Forster, Workforce Partnership, asked if they could use the decision tree with the Title III projects. Morrison said Title III is very narrow and she had not considered using the decision tree. Clements said there has to be a connection to the Strategic Plan because they are not going to fund the Forest Work Camp or Juvenile Justice Center fully without general fund. He suggested that Title III go through this grid. Morrison said few departments would be impacted with Title III.

8. **BUDGET DEVELOPMENT PARAMETERS/Direction to County Admin and Departments**

Green stated that Lane County has gone to the public several times for critical public safety measures. He referred to the Forest Work Camp and the Juvenile Justice Center and said they should look at why they told the public the funds are needed. Morrison said some of the FWC could be opened through Title III. Green said capacity has always been a theme, but never addressed. Garnick said that if dollars are freed up in Title III, general

fund could then be used for the FWC and JJC. He said the Board needs to be clear about CCA money as well. There was agreement that the budgets stay status quo.

Van Vactor summarized that departments should prepare a proposed budget at current service levels; turn to Title II and III to get savings to use for FWC and JJC; and increase the reserve above 5%. He said Management Team will work on criteria to tap that reserve. Van Vactor noted that add packages will be allowed.

9. **REVIEW/Budget Schedule**

Tanya Heaton, Management Analyst, distributed and reviewed the budget schedule.

There being no further business, this meeting adjourned at 11:20 a.m.



Zoe Gilstrap, Recording Secretary