

July 23, 1990
12:00 Noon

BUDGET COMMITTEE
BOARD OF COUNTY COMMISSIONERS

Commissioners'
Conference Room

Chair Karsten Rasmussen presided with Peter Bartel, Steve Cornacchia, Jami Counard, Rob Laney, Jack Roberts, Bill Rogers and Jerry Rust present. Betty Selfridge, recording secretary.

1. CALL TO ORDER

Rasmussen called the meeting to order.

2. APPROVAL OF MINUTES OF MAY 21 AND MAY 23

MOTION: Rogers MOVED, Roberts SECONDED. VOTE: 8-0.

3. BOARD OF EQUALIZATION APPOINTMENT

Roberts presented this item to the committee. He said the screening committee had interviewed five applicants. Recommendation was made to move one of the people that is currently on Board I to a Budget Committee designation and then select Richard Blakehorn as the other. This will provide two strong budget committee representatives for the three boards. This would result in one additional person being named to three boards. Roberts MOVED approval of Stephen May and Richard Blakehorn for the two Budget Committee appointments. Rogers SECONDED. VOTE: 8-0

4. BUDGET UPDATE/SPENDING LIMIT

Two items of information were presented to the Budget Committee by Margo Drivas.

- a. The labor agreements coming before the Board for approval on Tuesday reflect a five percent increase which is one percent over the anticipated four percent range. However, agreements have been reached with the health care providers and some very favorable rates are in effect. For the general fund, the additional one percent in wages offset by the reduction in the benefit costs has netted about \$250,000 dollars.

Not all of that is discretionary, as some of it belongs to some of the grant funded programs.

- b. Drivas made reference to a memo from the Finance & Audit Committee that was directed to the Budget Committee. It affects the spending limit provision in the charter. Roberts questioned the estimated expenditure that was shown in the report; specifically how the general fund transfer to the building reserve fund was treated for spending limitation purposes. Roberts stated that his reading of the

spending limitation provision of the charter seems to indicate that (assuming it is tantamount to the capital improvement fund), the amount that is designated up to a million dollars adjusted for the cost of living and population growth, really should not be included as part of that limitation if this appropriation can really be over and above the spending limit. This interpretation was generally shared by those present. Cornacchia said he felt that they need to begin to establish an understood policy of the Board and it needs to be set in the Lane Manual, or wherever, so that it is fully understood and well established. Rust requested that County Counsel make a finding for the Committee on the language in the charter and from there move to make any changes necessary. The committee discussed the spending limitation issue and had questions about the interpretation of language concerning budgeting beyond the spending limitations. The committee would like Legal Counsel to review the understanding of "spending" and "expenditures," versus appropriations, as recorded in the County's general ledger and confirmed through the annual audit process.

5. TIMBER RECEIPTS UPDATE

Cornacchia reported on the O & C meeting he had attended. He reported that, to date, which is through June, the total receipts are \$156.5 million of which the County receives 15.27 percent of half of that amount. Compared to last year at this date, the total receipts were \$158 million, so it is about \$1.5 million under last year's total receipts. If this continues, it would still put the County over the projected \$16 million. Cornacchia anticipates revenues will exceed predictions for next year.

6. ELECTED OFFICIALS COMPENSATION BOARD UPDATE

Johnson reported that the Elected Officials Compensation Board had met for the first meeting. He gave the Committee a summary of the members that he has appointed to serve on the board. He explained that the first meeting was basically organizational and to provide the members with background information. The next meeting will be in one week in which to consider the Justice Court Judge salaries. Recommendations of the compensation board will be forwarded to the Budget Committee which can then modify, change, accept or reject the recommendation.

There being no further business, this meeting adjourned at 12:46 p.m.


Betty Selfridge
Recording Secretary