

February 4, 1992  
5:15 p.m.

LANE COUNTY  
BUDGET COMMITTEE

Harris Hall  
Main Floor

PRESENT: Chair Karsten Rasmussen, Scott Bartlett, Peter Bartel, Steve Cornacchia, Ellie Dumdi, Marie Frazier, Ron Hanson, Kate Jones, Jack Roberts and Jerry Rust.

1. Call to Order

Rust, Vice-Chair, Board of Commissioners, called the meeting to order.

2. Election of Chair and Vice-Chair

MOTION: To nominate Karsten Rasmussen for Chair of the Lane County Budget Committee. Roberts MOVED, Hanson SECONDED. VOTE: 9-0. (Dumdi entered after the vote.)

MOTION: To nominate Ron Hanson for Vice-Chair of the Lane County Budget Committee. Roberts MOVED, Frazier SECONDED. VOTE: 9-0.

3. Approval of Minutes of November 26, 1991.

MOTION: Approval of the Minutes of November 26, 1991. Hanson MOVED, Rust SECONDED. VOTE: 9-0.

4. Presentation of Lane County Financial Plan

Jim Johnson, County Administrator, reviewed the expenditure reductions and controls which have been done by the County over the past few years, though he stated much more must be done in the future, given the reduction in projected timber receipts. Services are currently thin throughout the organization and could be further impacted by Ballot Measure 5 in Mental Health, Youth Services, Community Corrections and the District Attorney's Office. He stated that this document focuses on revenues, expenditures and services for Lane County; there is an ever-increasing demand for services at a time when revenues are decreasing.

Margo Drivas, Assistant County Administrator, reviewed the Discretionary General Fund forecast model, noting that personnel services continue to be the largest expense for the County. Johnson presented his reduction package of \$4.4 million. He stated that the departments have been working on this budget since October and that it is based on the philosophy that some service is better than no service. Drivas stated that there were two proposals presented by the Revenue Task Force last week: 1) income tax - corporate tax, with an O&C rebate to raise \$13 million and 2) a smorgasbord of tax measures. Johnson stressed that service delivery was a large part of the Financial Plan document with key policy issues listed at the back.

## 5. Discussion

Rasmussen asked the Committee if it would like to discuss or change the charge to the County Administrator regarding the budget cuts. Rust noted that there were few higher level administrative reductions in this budget. He asked if a process could be outlined for PERS reductions if the Committee requested one. Johnson responded that this would have to be negotiated with the labor unions. Rasmussen commented that he would prefer to have the budget prepared with the cuts; new revenue would be an uphill battle and the Committee must look long and hard at reductions. Dumdi added that she had heard from some constituents that they would support an alternative revenue such as a tax base increase.

Cornacchia commented that these proposed cuts were not in the fat but in the lean; the plan shows cutting out \$4 million plus in spending while retaining the reserves. He does not support that plan. He stated that there is some possibility of potential revenue in the form of right-of-way franchise fees, O&C dollars and serial levies which could offset cuts. He supported the use of some reserves.

Rust commented that he felt that \$4.4 million was too steep and suggested \$2.2 million in cuts for the proposed budget with the assumption that there will be revenue raised. He stated that he agreed that there was no fat in the organization but greater efficiencies could be had. Roberts commented that he would agree with Rasmussen that the Committee should stick with the current budget instructions to cut \$4.2 million until the County addresses alternative revenues. He would support holding on to the reserves in case O&C revenues fall drastically, though he would use some of the reserve if it is part of a bridge to a solution for the County. Bartlett observed that the number of people losing their jobs could be significantly reduced if there was an amicable sense of shared sacrifice. Roberts commented that the catch would be to provide the same service level to the public. Bartlett added that the human job loss level must be the primary focus.

MOTION: To reiterate the charge to the County Administrator to prepare a balanced budget based on \$4.4 million in reductions and to further instruct him to prioritize the department reductions. Rust MOVED, Roberts SECONDED. Rust commented that this would give the County a starting point for the Public Hearing and for a discussion toward a long-term solution. Hanson stated that he agreed that the Committee had to plan for the \$4.4 million, but he could not personally support that kind of reduction this year and would like to see some offsetting revenues to lessen the impact. Dumdi agreed that it was imperative to look at offsetting revenues. She said that rural residents would be negatively impacted by the cuts in Public Safety and that is her biggest concern. Frazier commented that she would favor an action package with less impact to the overall service delivery system. She asked how much money was being spent on merit increases for the County per year and Johnson stated that he would get that information for her. Rust stated that he assumed that Johnson would be looking at the total department budget to determine the whole picture

prior to ranking the cuts. Johnson stated that he would and that he would also give the departments one more chance to set their priorities, as well. VOTE: 10-0.

Johnson stated that he would like the challenge to take the recommendations and facts from the revenue report and come back with alternatives such as retiring the serial levy early. The Committee concurred. Roberts suggested that the Committee schedule time with department heads for questions regarding the proposed cuts. Rasmussen agreed that this would be a good idea and Roberts suggested that it happen early in the process.

6. Next Meeting and Adjournment

The Committee will meet every other Tuesday as a general rule, though the next meeting will be Wednesday, February 19 at 5:15 p.m.

There being no further business, this meeting adjourned at 6:50 p.m.

  
Judy Haldeman  
Recording Secretary