

INFORMAL WORK SESSION MINUTES

January 27, 2010

9:30 a.m.

Oval Office

PRESENT: Commissioners Kathy George, Mary P. Stern, and Leslie Lewis.

Staff: Laura Tschabold and John Krawczyk.

Guests: Hannah Hoffman, News-Register.

Kathy called the meeting to order at 9:41 a.m.

John K stated that Kevin McCartin is projecting an increase in the county's medical insurance costs of up to 20% and a 12% increase in dental costs. He pointed out that these projections are always conservative, but the county won't know the final figure until May or June and the Board needs to give direction to departments on what to budget. Laura stated that the county had done a request for proposals about five years ago, which resulted in a rate reduction. She suggested discussing with the Benefits Committee the possibility of doing that again. Mary agreed.

The meeting recessed to executive session at 9:47 a.m. pursuant to ORS 192.660(2)(d) for the purpose of discussing labor negotiations. The meeting reconvened at 10:18 a.m. with no formal action taken and the sense of the Board conveyed to John K.

John K stated that the Board will need to start giving discretionary resources to the Planning Department and Clerk's Office, which are currently not receiving any. He said that Planning is more critical. He projected \$550,000 to \$575,000 in O&C revenue for 2010-11 and suggested saving about \$100,000 in reserve. Leslie stated that county should save a higher percentage, pointing out that although the Board agreed to use some of the O&C revenue for discretionary spending in 2009-10 due to the poor economy, the original intent of the Board was to use the O&C money for one-time projects only. Kathy suggested putting most or all of the O&C revenue into contingency and using some of that to backfill Planning and the Clerk's Office if necessary.

Kathy discussed the need to separate large expenditures from budgets in order to more easily see the operating expenses. John K stated that capital expenditures will be budgeted in a new account in Fund 40 starting with the 2010-11 budget. He said that he could run a different report to provide the detail needed by the commissioners in making budgeting decisions. He stated that he would include in the budget instructions a direction for Murray Paolo to transfer \$100,000 from his Information Systems balance to a new account set aside for future major software purchases. He added that the commissioners could do a more intense analysis of the 10-17 budget as part of their budget meeting in April. He noted that there would be over \$60,000 coming in over time from the sale of the hangar and parts and said that after the negative balance of the Air Support Fund is paid off, the balance would be distributed between IS and GIS as directed by Laura and the Board.

After some discussion, the commissioners agreed to budget a 1.5% increase in property tax

revenue. They also agreed to phase in cuts to the Treasurer's budget over the next three years, beginning with a 25% reduction in 2010-11. Laura noted that the Treasurer would no longer be responsible for doing YCOM payroll.

John K recommended budgeting \$220,000 for video lottery revenue. Mary requested that a line item be added for the McMinnville Economic Development Partnership, which has been receiving a \$10,000 allocation each year. Kathy suggested cutting the Water Master allocation because of the amount of state funding they are receiving. John K said that he would calculate the beginning balance for this fund and budget any unallocated money in Other Expenses.

The meeting adjourned at 11:41 a.m.

Anne Britt
Secretary