

## **County could transfer road money to the sheriff, but the issue is complicated**

By Jim Moore of the Daily Courier

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Photo. Timothy Bullard/Daily Courier. A Josephine County road crew waits for an asphalt truck to bring a load, adding to the area they are working on at Gordon Way near Green Creek Thursday.

County officials are pondering whether to transfer all or a portion of \$1 million in federal road money to the Sheriff's Office at the expense of the Public Works Department.

Given the well-publicized financial woes of the Sheriff's Office, it may seem like an easy decision, but it's proving to be a complicated choice that county officials fear could have unintended consequences.

"It's a bridge to nowhere," Finance Director Arthur O'Hare said.

But Margaret Goodwin of the Josephine County Budget Committee believes it makes sense to transfer the money to public safety and she said as much at the committee's May 21 meeting.

O'Hare is concerned because the law that permits the transfer will expire in January, meaning similar funds won't be available next year. The law also restricts any use of the money to law enforcement purposes related to roads, meaning it couldn't be used to pay for jail deputies, prosecutors or other public safety costs. Hiring and training patrol deputies would not be a good use of the money, he said.

"It is not sound fiscal practice to spend the time and money in recruitment and training, only to lay off your new hires at the end of June 2016," O'Hare said.

The Budget Committee is comprised of the three county commissioners and three citizen members, including Goodwin. At the committee's May 21 meeting, she made a motion to pull \$1 million from the road and bridge reserve fund of Public Works and move the money to public safety, in anticipation of another \$1 million in federal road and bridge money coming this way.

However, because of uncertainties about the amount of federal money that would actually be received, Goodwin made a subsequent motion to take \$500,000 rather than \$1 million. Committee member Pat Fahey seconded the motion.

Fahey was a strong supporter of a countywide public safety levy that failed May 19, the fourth in three years. Josephine County's base property tax rate of 58 cents per \$1,000 assessed property value is the lowest for a county government in Oregon, which averages about \$2.50 per county.

Although Fahey didn't see the proposed transfer as a solution to the funding problem, he did say, "I thought we should do everything we could do to provide more money to public safety."

Not everyone on the Budget Committee agreed. County Commissioners Keith Heck and Simon Hare and Budget Committee member Jim Brumbach voted no to defeat the proposal. Commissioner Cheryl Walker, the sixth and final member of the Budget Committee, was absent.

Goodwin told the Daily Courier that, of the \$500,000 transfer she recommended, she would have proposed allocating \$150,000 to the District Attorney's Office and putting the remainder in reserves.

Goodwin's proposal came during final scheduled meeting of the Budget Committee.

"The difficulty comes when proposals are made without any prior notification of what the proposals may be," Heck said. "To simply say, 'Let's take \$1 million out of roads' on the spur of the moment, then the answer is 'no.'"

Goodwin's idea is not without precedent in Josephine County.

The law that permits the transfer, Oregon House Bill 4175, was approved in 2012. In May of that year the Josephine County Board transferred \$425,000 from public works to public safety as a loan to be used for road patrols. That "loan" has not been repaid.

Hare is the only current board member who participated in that vote. He recalled that it took several months to actually get deputies on the road after transferring the money.

Heck may not support Goodwin's proposal, but he did ask O'Hare, the county budget director, to provide the Board of Commissioners with the potential ramifications of transferring the money.

At a commissioners' meeting on Thursday, O'Hare presented his findings.

O'Hare pointed out that because the city of Grants Pass decided to lease 28 jail beds next fiscal year for \$972,000 and because Congress approved a two-year extension of the federal county payments program, the 2015-16 approved budget maintains patrols and most jail services at current levels.

The county could transfer money from the roads fund and use it in one of three ways, according to O'Hare: 1) All of the money could be used in the first year. 2) It could be spread over two years. 3) It could be saved and be used in 2017 when county payments are scheduled to expire.

O'Hare said that without replacement revenue in 2017 each option is a short-term fix, not a solution. However, if a source of replacement revenue can be found within a year or two, this could be a bridge rather than a dead-end.

"It should be mentioned that if we transfer road dollars, then there will be a negative impact on Public Works and county road maintenance as well as a negative impact on the county's ability to have adequate road reserves to respond to an emergency," O'Hare said.

For instance, fires and floods are not uncommon in Josephine County and Public Works uses its reserve fund to react to such disasters.

Walker said she was concerned that even a small disaster could wipe out the reserves.

O'Hare's presentation came on the heels of comments made by Sheriff Dave Daniel and Public Works Director Rob Brandes at a board meeting on Wednesday morning.

Daniel told the board the additional money would allow him to increase rural patrols.

According to the 2015-16 budget, the county has 7.65 patrol positions, which includes one position dedicated to Cave Junction and paid for by Cave Junction.

"I think it would be irresponsible of me to not ask for these funds," Daniel said.

He also acknowledged that there would be a time gap between when he receives the money and when he gets patrols on the road.

He said if he made "lateral" hires, which means hiring people who are already trained for the job, he could have additional patrols on the road in a couple of months. Brand new hires, who need to be trained and certified, can take several months to be ready for road patrol, Daniel added.

Meanwhile, Brandes said there are 16 bridges in the county in need of repairs. It will cost an estimated \$40 million for those projects and Brandes will need at least \$4 million in reserves to use as matching funds in order to obtain federal money for the work.

Public Works has only \$3.9 million in reserve now and that needs to be used for other purposes such as culvert replacement, chip sealing and other road work.

After listening to both men, Hare said, "I don't like robbing Peter to pay Paul."

Goodwin said she made the motion because she believes public works reserves are the highest they have been in the past five years. Not only that, the county roads are in good shape, she said.

"We're driving around on good roads," Goodwin said. Comparatively speaking, the roads are in better shape than the Sheriff's Office, she added.

However, Brandes said next year's reserve fund, which was created in 2008-09, is actually "on the low-end of our historical range."

The fund does have \$3.9 million in it now, the lowest it has been, and after the pending federal money is added the total will be \$4.9 million. According to county records, the prior low was \$5.46 million in 2008-09 when it was created. It reached a high of \$6.6 million in 2013-14.

The board is scheduled to adopt the 2015-16 budget on June 17, meaning the three commissioners have 10 days to decide what to do with the road money.