

General Discussion: August 19, 2014

11:00 am. – BCC Conference Room

Commissioners Cherryl Walker, Keith Heck, and Simon G. Hare; Linda McElmurry, Recorder

Chair Cherryl Walker called the meeting to order at 11:00 a.m.

Managers Recommendation on Strengthening County Services, Exhibit A

Rob Brandes, Public Works Director explained that the genesis of this document was that they, as Department Heads and Program Managers wanted to show their support for the Board and encourage them to take broad steps. He said they were behind the Board with their professional expertise and suggested a good strong first step would be to prepare a draft budget for next year so they were not scrambling in March. He felt the Board needed a lot of institutional knowledge so they would be making a conscious effort to supply the Board with data. The Managers felt there was a need for citizen input because the budget shortcomings would affect the citizens. They will do as much as they can to reach out to those businesses that are affected.

Abe Huntley, Community Corrections Director emphasized that the spirit with which the letter was written was not a political paper; they felt it was their duty as they see this crisis coming. He said if they go into the next budget season \$5 million in the hole it was their duty to offer suggestions and start early.

Diane Hoover, Public Health Administrator explained the process in which the letter was drafted and said they were coming to the Board open handed and were there to help, asking what they needed from the Managers. Dennis Lewis, Planning Director said they wanted to emphasize their perception that significant issues were facing the County and they felt it was important to involve the community to validate the information that is generated. People need to have confidence that the information the County is generating is correct and need to decide what services are needed, what are mandated, what is the community interested in having the County provide and how they could be funded. The Managers felt that it would take credible information, widely disseminated to turn the situation around. Diane said they would welcome participating in the problem solving process with the Board.

Commissioner Hare thanked the Managers for expressing interest and moving forward and agreed they were in this together. He spoke of the Citizen Committee that the Managers felt should be formed and felt it should be made up of people who can pound the pavement and talk to their organizations. He has a group he meets with weekly to address funding issues and agreed the County will need triage. He added that he was not inclined to spend the reserve fund because that would risk the whole government.

Commissioner Heck complimented the Managers on pushing the issue in a proper way because it does involve everyone. He added that he didn't want to look at the past failures just look forward and focus on solutions. He wanted to work on how the County could adjust to prevent collapse and felt the community was already doing a lot of positive things. He said it was a community responsibility to make the decisions and asked the Managers what they felt should come next.

Commissioner Walker felt it was important to note the letter shows their willingness but cautioned them they need to realize that it comes with risk and they were putting themselves out there. She felt it was up to the Board to decide on a committee but since the Managers came up with the suggestion she felt they should make recommendations as to who should be on it. She asked each Manager to suggest two representatives that are active in the community in nonprofit, business, or church circles. She also asked them to submit suggestions regarding legislation that would help their departments to her.

Commissioner Hare said the Board would expand on the role of the committee, the time frame and what they are asked to do. He suggested the Board put out a directive to prepare preliminary budgets based on no General Fund support. The Board could make a preliminary allocation of the Public Safety Fund and give it to LPSCC to allocate and then prepare budgets on that. The Board agreed to meet on Tuesday, August 26th at 1:30 and directed staff to invite Arthur O'Hare, Finance Director. The Board agreed that the committee representatives should be someone that perhaps hasn't been involved in the process before so they are not predisposed. Commissioner Walker urged the

Managers to have ongoing conversations with their liaisons as they move forward and asked them to provide a one page summary or outline showing what they felt were necessary or mandated services, anything in their purview and how they thought it should be delivered would be helpful to the Board.

The Board briefly discussed that DSL service has returned to an unacceptable level in the Illinois Valley. They agreed that staff should find the letter written to Frontier so it could be re-worked and Commissioner Walker will meet with Cameron Camp to find out what his impediments were.

The Board briefly discussed the Airport Project to be submitted to the Regional Solutions team and agreed that Commissioner Hare would meet with Jeff Griffin prior to the next Regional meeting to see what he thought. Commissioner Walker will prepare two copies of the project for the meeting.

Commissioner Walker met with the Chamber and found that Public Health and the Fairgrounds are also members of the Chamber. The Board agreed the membership should be moved up to the level with the City and should be changed to Josephine County Government to include all departments of the County. Staff was directed to send a memo to all departments to notify them of this action.

The meeting adjourned at 12:02 p.m.

EXHIBITS

A, Manager Recommendation

8-19-14
EXhibit A
General Disc.

August 19, 2014



To: Board of County Commissioners
From: County Management Team *
Subject: Strengthening County Services

The recent history of declining revenue and the resultant decline in the level of services delivered to the citizens of Josephine County is widely known within the community. What is less widely known is the likely \$5M reduction in general fund dollars on July 1, 2015. Each of you are fully aware of the fiscal situation and likely have ideas on how to attack the problem. We recognize the challenge in finding solutions to the problem. While it is the prime responsibility of the Commissioners to propose solutions; as your county managers, we share in this responsibility.

In recognition of the impending situation and challenges that lie ahead, we believe;

- There is an urgent need to focus on the problem solving process now, to allow maximum time for problem solving and the possibility of placing one or more taxing measures on the May 2015 ballot.
- It is imperative that the problem solving process be open and inclusive of all segments of our community. **The problem of diminished county government services cannot be solved exclusively from within county government. Proactive citizen involvement is crucial as we all work together to chart the course for our future.**
- As the managers of county services, many of which would be directly affected by the impending loss of general fund support, we continue to offer our support and knowledge base in coming up with possible solutions.

The lack of sufficient, quality public services detracts from the county's desirability as a place to live and do business. The overall quality of life suffers, as does the county's economic and social vitality. Something must be done to reverse this downward trend of reduced services. **The citizens of Josephine County need to be clearly shown the benefit (and potential loss) of county services.** It is up to all of us in leadership positions to initiate efforts setting the county on a path to a better future.

A Proposed Strategy

We are proposing a problem solving strategy that focuses on both the immediate problem and also one that will offer solutions for the long term. We believe it is imperative that solutions to the problem of financing county services must be arrived at through a collaborative process involving the public and private sectors. Therefore, we think the keystone of a strategy to strengthen county services should be the formation of an ad-hoc citizen committee with expert leadership and representation from the public and private sectors. The mission of the committee would be to come up with short and long term actions that should be taken to strengthen county services. The committee should be free to consider all options. To that end, the committee will need the resources to assess the problem, consider alternative solutions,

establish priorities, and to engage the public in understanding and ultimately supporting the chosen solutions for the health and stability of our County as a whole. The County should provide the resources the committee will need to do its work (possibly by utilizing economic development funds and a professional moderator). Some of the specific tasks, at a minimum, the committee should be asked to undertake are the following.

- Identify what county services are mandated by state law and what level of those services is optimal. Determine what it would cost to provide these mandated services at an appropriate and sustainable level.
- Identify what other county services may be desired by the citizens of the county. Determine what it would cost to provide these elective services at an appropriate and sustainable level.
- Evaluate and assess the current organizational structure of the county and determine if reorganization of the structure could result in more efficient, more effective, and less costly delivery of services. This examination should include potential departmental consolidations, the utilization of a professional county operating officer, and changing the Board of County Commissioners to a five member part-time board.
- Receive input from the County Commissioners on the probability of receiving any federal or state funding which could alter the revenue outlook for FY 2015-2016 and beyond.
- Receive input from the County Budget Committee on the current fiscal status of the county and the projected decrease in general funds for FY 2015-2016, along with the estimated loss in services for each department that will occur due to the decrease in funding.
- Issue a report that outlines what near-term and longer-term actions the county should take to bring about reversal of the current decline in county services. The report should include specific recommendations on any levies that should be submitted to the voters and a timetable for when such levies should be scheduled for a vote.

While we see the committee's work as the keystone of a strategic problem solving process, there are actions that the County Commissioners should be taking independent of, and coordinated with, the work of the committee. Some of the specific things the County Commission should consider doing are the following.

- Immediately create a rough draft budget to assess how the anticipated loss in general fund dollars would translate into loss of services.
- Initiate the study of county building space needs, to determine if some properties can be liquidated.
- Provide direction to all county department heads, as deemed necessary, to further reduce, all FY 2014-2015 expenditures that rely upon general fund dollars to the extent practical.

*The county managers who have prepared these recommendations to the Board of County Commissioners are the following:

Rob Brandes-Public Works, Doreen Ferguson-Parks, Jim Goodwin-Juvenile Justice, Larry Graves-Airports, Vic Harris-Forestry, Diane Hoover-Public Health, Abe Huntley-Community Corrections, Ryan Johnson-Building Operations and Maintenance, Dennis Lewis-Planning, John McCafferty-Assessor's Office, Arthur O'Hare-Finance, Robert Rice-Building Safety, and Lisa Shipley-Veterans Services.