



**WASCO COUNTY 4-H AND EXTENSION SERVICE DISTRICT
BUDGET COMMITTEE
ANNUAL MEETING
MAY 17, 2018**

PRESENT: Pat Davis, Committee Member
John Carter, Committee Member
Ken Polehn, Committee Member
Scott Hege, County Commissioner/Committee Member
Steve Kramer, County Commissioner/Committee Member

STAFF: Brian Tuck, Budget Officer
Lynette Black, County Leader
Kayla Nelson, Finance Manager

ABSENT: Rod Runyon, County Commissioner/Committee Member

At 9:01 a.m., Chair Davis opened the Annual Meeting of the Wasco County Extension and 4-H Service District Budget Committee.

BUDGET PRESENTATION AND DISCUSSION

Ms. Black shared the Oregon 4-H impact reports.

Budget Message

Mr. Tuck explained some of the proposed staffing changes, with one long term goal to create an additional professional position. He explained the additional accountability that professional faculty have and the value that brings to the organization.

Commissioner Hege asked if the district is moving forward with the AmeriCorps volunteer. Mr. Tuck explained that the volunteer has been hired within the current year and will finish in June. The program can continue for three years.

Review of Financials

Mr. Tuck explained that the lowered beginning fund balance is related to a budget audit completed this year, resulting in a recommended adjustment. The district's focus is on retaining reserve and attempts to work within their tax base each year.

Mr. Tuck explained that they provide standard increases to their employees. They currently have two classified employees, two professional faculty members, and one additional going professional in June. Increased travel expenses are due to more staff responsibility.

WASCO COUNTY BUDGET COMMITTEE ANNUAL MEETING

MAY 16, 2018

PAGE 2

Chair Davis complimented the district's outreach efforts and stated he was surprised how low the cost was. Mr. Tuck explained that the District makes good use of internal resources, a recurring Chronicle column, and lots of internal coordination between SWCD, Sherman and Wasco counties.

Commissioner Kramer stated that he was pleased to see that the dryland and livestock funding is in the budget. He described past conversations and reiterated his appreciation for the district's efforts but wants to ensure that voice is being heard in Corvallis so that these folks aren't left out. Mr. Tuck explained that they are in process of hiring new dean of the agriculture department, hopefully by fall. It would be helpful to write letters of support to keep this program funded. There are budget challenges, lots of work between Sherman County and the district, they truly miss having livestock support. He also described the loss of the agent from Crook County who provided program support. Mr. Carter added that this isn't new, and support for these programs has been occurring for about a decade. He said that at last count, there's an approximate 30% decrease in agriculture support. The District has focused on relationships with partner agencies, but that only gets so far, and the District counts on the OSU support.

Mr. Tuck stated that because there will be new auditors this next year they tried to adjust the budget accordingly. Mr. Stone stated that the County withholds these audit dollars on behalf of the District and was curious why it was included in the budget. Mr. Tuck stated that the prior auditor instructed them to include it as a line item in their budget as well.

Chair Davis inquired about the lower reserve number and asked if was reflective of a trend. When the District was first set up, the plan was to continue to add to that until the expenditures and the budget crossed. Mr. Tuck explained that the beginning fund balance is less and will end up close to \$830k in reserve for next year. The District would like to continue the regular increase. Chair Davis stated that at some point the District won't be able to. In reviewing the County budget yesterday, it was predicted that these lines will cross in fiscal year 2023. He asked if Mr. Tuck if the trend we are seeing this year is such that we will have to start dipping into the reserve sooner. Does the committee need to evaluate how get those back in balance? Mr. Tuck stated that the District definitely does not want to spend more than it takes in, and continue to maintain \$800k plus in the reserve. They do not anticipate use of the reserves, but do anticipate interest revenue. Chair Davis then reiterated that the intent was to use those dollars at some point to "smooth the curve". He stated he was still not clear if the District has met that crossing point or if this is an audit adjustment. Mr. Tuck stated he thought the bulk of this relates to the audit adjustment. It's the faculty job to seek revenue, through grant writing, in order to take pressure off of our budget. Chair Davis stated that it has reflected for years that the District lives within its means. All of the budgets that he's seen recently are facing this crossing point and budget pressure.

Mr. Kramer stated that he didn't recall the audited numbers at their past work sessions. A memo regarding the audited numbers would be helpful. He thought the changes were the cause, not attributed to the audited numbers. Mr. Tuck stated that they can send a memo following approval, to clarify that this is an audit adjustment. 12 years into the District's operation and the goal is to maximize use of the dollars. The budget is very heavily focused on personnel costs. He thinks they are about level as to what they can accomplish within our budget.

WASCO COUNTY BUDGET COMMITTEE ANNUAL MEETING

MAY 16, 2018

PAGE 3

Mr. Stone highlighted that YTD actuals were not a part of the presentation and inquired as to whether or not they would come in under budget. Mr. Tuck stated that they are currently under budget within current year. Mr. Stone said the District is budgeting to spend within the same level, which means that if things stay linear, he would expect to see more spend in reserves in beg fund balance numbers.

APPROVAL OF MINUTES

{{{Mr. Polehn moved to approve the 5.17.2017 minutes. Commissioner Hege seconded the motion, which passed unanimously.}}}

PUBLIC COMMENT

No members of the public in attendance.

APPROVAL

{{{Commissioner Kramer moved to approve the Wasco County 4-H and Extension Service District 2019 Fiscal Year Budget for \$1,382,738. Mr. Polehn seconded the motion, which passed unanimously.}}}

{{{Commissioner Kramer moved to set the Wasco County 4-H and Extension Service District tax rate at \$0.25 per \$1,000 of assessed value. Commissioner Hege seconded the motion, which passed unanimously.}}}

Commissioner Kramer requested an address for where to send the letter of support for livestock, and search committee for the dean.

Chair Davis adjourned the meeting at 9:45.

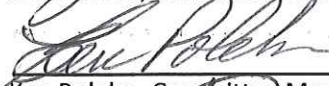
**WASCO COUNTY EXTENSION AND 4-H
SERVICE DISTRICT BUDGET COMMITTEE**



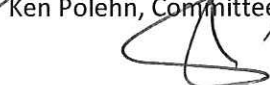
Pat Davis, Committee Chair



John Carter, Committee Member



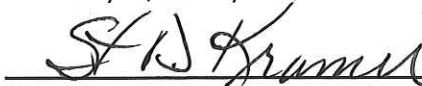
Ken Polehn, Committee Member



Scott C. Hege, County Commissioner

ABSENT

Rod Runyon, County Commissioner



Steve Kramer, County Commissioner