



Budget Committee Meeting Packet

May 16, 2019, 1:00 pm

Cascades West Center
1400 Queen Avenue, SE
2nd Floor, Large Conference Room
Albany, OR 97322

The meeting locations are wheelchair accessible. If you need special assistance, please contact Oregon Cascades West Council of Governments at 541-967-8720 or jhughes@ocwcog.org, forty-eight (48) hours prior to the meeting.



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**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
BUDGET COMMITTEE AGENDA
May 16, 2019
1:00 pm**

Cascades West Center
1400 Queen Avenue SE
Albany, OR 97322

An Executive Session may be called as deemed necessary by the Chair, pursuant to ORS 192.660.

1. **Public Comment** (*Budget Chair Sharon Konopa*)
(1:05 – 1:10 pm)

Floor will be open to the public for comment.

ACTION: Information only.

2. **Minutes of the Previous Meeting** (*Budget Chair Sharon Konopa*)
(1:00 – 1:05 pm)

Review of the March 21, 2019 Budget Committee minutes (Page 4).

ACTION: Motion to approve the minutes of the March 21, 2019 Budget Committee meeting.

3. **FY2019-2020 Work Program & Budget Review** (*Finance Director Sue Forty*)
(1:10 – 1:25 pm)

The FY2019-2020 Official Budget has been prepared to meet the budget requirements of ORS 294.900 to 294.930. This budget document is presented for review and action.

A copy of the *FY2019-2020 Work Program & Budget* (separate attachment) is included in your Committee packet with this agenda. Bound copies will be available at the meeting.

ACTION: Motion to recommend approval of the *FY2019-2020 Work Program & Budget* to the Board ([separate attachment](#), 13MB PDF).

ACTION: Motion to approve Official Budget and recommend adoption of Resolution #19-05-3 to the Board (Page 7).

4. **Other Business** (*Budget Committee Chair*)
(1:25 – 1:30 pm)
5. **Adjournment** (*Budget Committee Chair*)
(1:30 pm)

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**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
BUDGET COMMITTEE MINUTES
March 21, 2019**

MEMBERS: Mayor Sharon Konopa, Albany; Mayor Dann Cutter, Waldport; Mayor Biff Traber, Corvallis; and Mayor Jim Lepin, Millersburg.

VIDEO: Commissioner Claire Hall, Lincoln County.

VIA PHONE: Former Commissioner Anne Schuster, Benton County.

STAFF: Executive Director Fred Abousleman; Deputy Director Rachael Maddock-Hughes; Finance Director Sue Forty; Senior and Disability Services Director Randi Moore; Administrative Assistant Janet Hughes.

The Oregon Cascades West Council of Governments' (OCWCOG) Budget Committee Meeting was called to order by OCWCOG Executive Committee Chair Sharon Konopa at 1:08 pm on March 21, 2019 at the Cascades West Center in Albany.

1. Election of Budget Chair and Secretary

Executive Director Fred Abousleman stated that the first order of business was to nominate officers.

Mayor Biff Traber motioned to nominate Mayor Sharon Konopa as the Budget Committee Chair. Mayor Dann Cutter seconded the motion. Motion passed unanimously.

Chair Konopa stated that the Committee needs to nominate a Secretary. Due to some confusion on Bylaws and which positions are needed for the various committees, this position was tabled until the Bylaws are researched, as Committee members do not believe a Secretary position has ever been filled on this Committee previously.

2. Public Comment

There was no public comment.

3. Fiscal Year (FY) 2019-2020 Draft Work Program & Budget Review

Finance Director Sue Forty stated that the hard copy of the *FY2019-2020 Work Program & Budget* before everyone is a draft; she does not anticipate any changes to the document.

Finance Director Forty stated that the document is formatted exactly as it has been in the past, with no changes to the look or feel of it.

Executive Director Abousleman asked if anyone needed or wanted to expand on any items.

Finance Director Forty noted that the organization took a large hit with its annual set-aside of approximately \$366,000, the one year increase to the Public Employees Retirement System (PERS). She commented that OCWCOG has a PERS Reserve Fund set-up, which is not in the Budget, but is on the Balance Sheet and has approximately \$650,000 in the account.

Finance Director Forty noted that there are small increases to some Title 19 revenue, as Coordinated Care revenue increased by a small amount.

Executive Director Abousleman stated that this is the organization's largest Budget to date in terms of revenue and expenses.

Mayor Cutter asked if OCWCOG was seeing any pressure from low employment rates in terms of salary negotiations. Executive Director Abousleman commented that yes, to some extent, but this was not a large issue for OCWCOG. This was a larger issue for other regional planning organizations outside of Oregon.

Mayor Cutter asked if there are any untapped resources of revenue that the organization should be exploring and/or discussing? Alternatively, he asked if this was a discussion for a future date. Executive Director Abousleman replied that OCWCOG is looking at similar issues that Cities and Counties of PERS and increases in insurance costs. Both cost increases (at the current rate) could lead to unsustainable budgets within the next three years.

Executive Director Abousleman continued by noting that two of OCWCOG's programs – Community Services Programs (CSP) and Community and Economic Development (CED) – are mostly funded through contracts such as Federal Highways Administration (FHWA), Oregon Department of Transportation (ODOT), and Oregon Department of Human Services (DHS). Because of funding is largely through contracts, he commented that Staff and Directors need to do a better job of pushing these contracts forward and for finding more of these contracts. Executive Director Abousleman stated that the organization also has contracts within its Human Resources, Finance, Technology Services teams, which are services provided directly to member Cities; he would like to see these contracts grow in number. Finally, he noted that the Senior and Disability Services (SDS) Department knows their contracts about two years out, due to the fact that it is primarily reliant on Title 19 funding. Executive Director Abousleman was hopeful as these programs are set to grow.

Chair Konopa stated that the PERS increase is huge hit for the City of Albany budget. She commented that in the OCWCOG Budget, it looks like the budget for the In-Home Health Assistants has doubled, and asked if that was due to increased staffing. Finance Director Forty replied that the line item for In-Home Health Assistants were moved them out of the Administrative Assistants line item, which is where they had been. However, due to the uniqueness of their roll, it did not make sense to keep them under Administrative Assistants. So, their budget has not changed, but they now have their own budget line item to accurately identify them.

Mayor Cutter asked if we had enough staffing necessary to accomplish the needs of the organization.

Executive Director Abousleman commented that there were 15 – 20 open positions within the SDS staff in last six months. If the current Legislative package moves forward (regarding Case Managers study of hours needed to get their work done), an additional adjustment will be made to the Case Manager staff accordingly. He noted that the contract side of the organization operates like a contracting agency, the more contracts and work that the organization has, the more staff the organization will have.

Executive Director Abousleman noted that CED Director Phil Warnock has \$1M in potential contracts that he is waiting for confirmation on. CSP Director Jen Moore is looking at a program that Delaware is doing around financial empowerment, which amounts to \$85,000. Executive Director Abousleman stressed that the more grants and contracts that the organization goes after, the organization builds its capacity.

Mayor Traber commented that *Oregon Project Independence* is lower and asked if this was due to budgeting. SDS Director Moore said that the budget for this program was not down by much. Councilor Carol Korn from Tangent came in. She was early for the Board of Directors' meeting and was invited to stay.

Executive Director Abousleman said there will be a few changes to the Budget, but nothing big between this document and the final document. If anyone has any further questions, please reach out to Finance Director Forty.

He continued by noting that for the organization's budget, the biggest part of the budget is always going to be Title 19 funding - approximately \$20 million. For this reason, your Senior Leadership team is watching the State and Congressional Delegation closely to see if they decide to change any of this Medicaid funding stream.

Mayor Traber asked about the overall direction for the organization's budget; for instance, is the organization reducing materials and supplies? Finance Director Forty replied the budget dollar for this line item is improvements, transfers out, and other small dollars, so these all haven't been billed out yet. However, the organization is looking to curb costs in in other areas, for instance: trying to cut travel; slowing down on other items; more teleworking; and trying to keep Staff in cities where they are working instead of traveling to the main office and then going to the Cities, and to tighten up the belt to cover other costs.

Chair Konopa said the *FY2019-2020 Work Program & Budget* will move to the Full Board.

4. Other Business

There was no other business.

5. Adjournment

Chair Konopa adjourned the meeting at 1:20 pm.

Minutes recorded by Janet Hughes.



RESOLUTION #19-05-3

Adoption of the Agency Budget for Fiscal Year 2019-2020

WHEREAS, the Oregon Cascades West Council of Governments' Budget Committee has reviewed and approved on the 16th day of May 2019 the *Agency Budget for Fiscal Year 2019-2020* and recommended adoption to the Board of Directors; and

WHEREAS, the Board of Directors has reviewed that *Budget* and had an opportunity to hear public comment on that *Budget* at Board meeting on the 16th day of May;

NOW THEREFORE, BE IT RESOLVED:

1. That the Oregon Cascades West Council of Governments' Board of Directors does hereby adopt the *Budget* as approved and recommended by the Budget Committee and presented by the Chair, and
2. That the following amounts are hereby appropriated for the purposes specified for the Fiscal Year beginning the 1st of July 2019:

Personnel	\$16,301,769
Materials and Services	\$24,434,332
Principal Payment	\$43,333
Interest Payments	\$18,000
Total Appropriation	\$40,797,434

ADOPTED this 16th day of May 2019 at the Oregon Cascades West Council of Governments' Board meeting in Albany, Oregon.

Biff Traber
Chair

Fred Abousleman
Executive Director



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