



MARION COUNTY BOARD OF COMMISSIONERS

Management Update Minutes

Thursday, January 11, 2018, 9:30 a.m.

Courthouse Square, 555 Court St. NE, Salem
5th Floor, Suite 5232, Silverton Conference Room

ATTENDANCE:

Commissioner Sam Brentano, Commissioner Kevin Cameron, Tom Rohlfing, John Lattimer, Jan Fritz, Bruce Armstrong, Jeff White, Tami Goettsch, Lisa Trauernicht, Cynthia Granatir, Steve Miner, Jolene Kelley, and Kristy Witherell as Recorder

GUESTS:

Ryan Pasquarella and Chuck Swank, Grove Mueller & Swank, PC

John Lattimer called the meeting to order at 9:30 am.

INFORMATIONAL:

Review the 2016-17 Comprehensive Annual Financial Report (CAFR)

- Cynthia Granatir & Jeff White
- Ryan Pasquarella, Grove Mueller & Swank, PC

Summary of presentation:

- Once the board approves the CAFR, it will be added to the website, which is Finance's main form of distribution of financial statements;
- Received an unmodified audit opinion on the financial statements;
- New note disclosure in accordance with governmental accounting standards regarding tax abatements:
 - The purpose is for governments to disclose the impact on their revenues of tax abatement programs; and
 - Only property taxes are subject to the new requirement.
- The Finance Department, along with the Assessor's Office, obtained the information needed to estimate the impact of tax abatements:
 - All tax abatements that impacted Marion County were issued by other government agencies; and
 - The disclosures are fairly minor.
- All property tax accounts that have an exemption are in a spread sheet on Finance's website;
- For fiscal year 17-18, Finance will be implementing new reporting standards for post-employment benefits other than pensions:
 - This will impact the countywide bottom line;
 - The only benefit that Marion County has that falls under the standard is the Implicit Rate Subsidy;

- Statutorily required to allow retirees to participate in the health insurance plans as the same rates as county employees.
- The deficiencies noted were minor:
 - The items do not meet the threshold of reporting.
- This will be added to Board Session for approval next Wednesday.

Discuss selling Tax Foreclosed Property located at 7681 Rambler Drive NE, Salem back to the Prior Owner

- Jeff White

Summary of presentation:

- Parcel was taken into foreclosure a few years ago;
- Attempt to contact previous owner, which was a bank, with no response;
- Put the property on the auction list;
- The neighbor to the property was interested in buying property;
- Received a letter from a previous owner to purchase the property back;
- Pulled off of the auction list to bring to board's attention;
- In the past, Finance has honored the request of previous owners to buy the property back;
- The prior owner was foreclosed on, is stating that the bank foreclosed on his property and lost track of the second lot, and Marion County took it over:
 - He has been negotiating with the bank to get the property back.
- Marion County only recovers pass due property taxes and recovered costs.

Board discussion:

- The commissioners are in agreement to sell the property back to the previous owner; and
- The commissioners would like to know what code issues there were with the previous owner.

Review Applications for the Vacant Seat on the Oregon Garden Foundation that Marion County Appoints

- Tamra Goettsch

Summary of presentation:

- In the bylaws, there are five seats on the foundation board:
 - Two seats are under the authority of Silverton; and
 - Three seats are under the authority of Marion County.
- Gloria Roy is the most knowledgeable about the Oregon Garden properties:
 - Would bring a broader representation to the foundation; and
 - Interest in agriculture and farming is well suited.
- On Board Session for next week;
- Bylaw revisions will be before the board at the end of the month:
 - The foundation board is proposing to grow from five to seven seats;
 - The two added seats would be appointed by the Oregon Garden Foundation; and
 - The Oregon Garden Foundation currently does not have appointment authority.
- Ms. Goettsch is recommending Ms. Roy for the position.

Board discussion:

- Marion County would have the majority of the members on the board;
- Once all three seats are filled, there is a need to advocate diversifying membership; and
- The commissioners agree with appointing Gloria Roy.

Discuss Personal Property Taxes for Agribusinesses

- Tom Rohlfiing

Summary of presentation:

- On the first of the year, the Assessor's Office mailed business personal property letters to property owners:
 - 128 agricultural businesses; and
 - 6,455 went out to existing personal property accounts.
- Still hasn't received a single phone call regarding the letters;
- Included is a copy of a letter of explanation;
- Interested in treating all businesses the same;
- Has not received filings of personal property returns to agricultural businesses;
- There are various exemptions on property taxes:
 - Machinery and equipment are taxable, but exempt under certain categories; and
 - Any personal property associated with planting or harvest is exempt.
- Very complicated process;
- Trucks for planting and harvesting are exempt;
- Received a public records request from Kevin Mannix's Office for a list of the agricultural properties that the letters were mailed out;
- There is a personal property tax liability of \$16,000;
- This is an accounting problem for property owners;
- It is an accounting and administrative problem for the Assessor's Office;
- Generates revenue for the county, but it is more costly in employee hours to process the paperwork;
- Cannot foreclose on personal property;
- Looking to create equity across the board; and
- The program is based on the honesty of the business owner.

Communications Update

- Jolene Kelley

- Ms. Kelley gave a brief update of events happening in the community that the commissioners will be attending.

Commissioners' Committee Assignments and Update

Sam Brentano:

- Attending the O&C meeting next Wednesday;
- Went to the Oregon Garden Foundation meeting last Tuesday:
 - Need to put create a Memorandum of Understanding between both parties.

Kevin Cameron:

- Rep. Lewis has filed a Runway Extension Bill for the Aurora Airport at the legislature:
 - Residents from Wilsonville are trying to get it stopped; and
 - Rep. Lewis would like a letter of support from the commissioners.
- Cap and Trade bill:
 - Senator Courtney didn't consider landfills or the waste-to-energy facility:
 - Willing to listen to the amendments proposed.
 - They do not have the votes to pass the bill in the House or Senate at this time;
 - The amendments exempts Covanta; and
 - Trying to get the bill amended before it comes out.
- Toured GEM Equipment;
- Attended Regional Solutions;
- Touring Detroit Dam on Saturday, January 13th; and
- Attended Marion County Public Safety Coordinating Council.

Meeting dismissed at 11:06 a.m.

COMPLETED BY: **Kristy Witherell**

Reviewed by: