

**Report on issues discussed at the weekly
Management Update meeting on January 12, 2009**

Commissioners present: Commissioner Brentano and Commissioner Milne

INFORMATIONAL

2007/08 Comprehensive Annual Financial Report

Cynthia Granatir, chief accountant, distributed the 2007/08 Comprehensive Annual Financial Report (CAFR), introduced Chuck Swank and Devan Esch of Grove, Mueller & Swank, P.C., and discussed the county's financial statements. Cynthia pointed out the Certificate of Achievement for Excellence in Financial Reporting for the 2006/07 audit. The Government Finance Officers Association awards this certificate. Professionals review the financial statements using a lengthy checklist to guarantee compliance with government accounting and financial reporting standards. Those who meet the requirements are awarded the certificate. The 2007/08 financials have also been submitted for review. Cynthia reported on the statement of net assets and the reported long-term liabilities relating to Marion County retirees participating in the health care plan. She pointed out that specialists are employed for the most sensitive estimates affecting the financial statements. These include liability for post-employment benefits and self-insurance reserves, and future landfill costs. Chuck Swank said that as part of obtaining reasonable assurance that Marion County's financial statements are free of material misstatement, tests were performed for compliance with certain provisions of laws, regulations, contracts and grants. He said non-compliance could have a direct and material affect on the determination of financial statement amounts. The county was also examined in accordance with the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement. No significant difficulties were encountered in dealing with management in performing and completing the audit. No disagreements arose with management in financial accounting, reporting or auditing matters. The new audit approach examines systems, processes and controls. Examination rotates through all departments. There are three levels of internal controls beginning with the serious, (1) material weakness in internal controls, (2) significant deficiency, and (3) control deficiency. Six recommendations from the third level have been suggested. The auditor's opinion is unqualified, meaning that everything is in order. He commended Jeff White, chief financial officer and Cynthia for their superior work on financial reporting. Cynthia requested that the commissioners formally accept the financial statements.

MOTION: Commissioner Brentano made the motion to move acceptance of the 2007/08 Comprehensive Annual Financial Report to an action item. Seconded by Commissioner Milne; motion carried. A voice vote was unanimous.

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2008/09 Budgeted Positions

Richard Minaker, senior budget analyst, reported on the budget parameter of hiring new positions. He discussed a spreadsheet with new position requests from the adopted budget and the hiring status of those requests. All 15 positions have been filled except one. There has been a lack of applicants for the remaining position. Richard mentioned that two positions were filled prior to the beginning of the budget year. Richard also reported on replacement positions. He said these positions do not change the total FTE for the department and they are largely for similar amounts and occasionally lesser or greater amounts. From March 9 through June 30 human resources will not be processing classification changes, salary range adjustments, add/deletes of positions, FTE changes or new position requests.

Mid-Willamette Valley Community Development Partnership Economic Development Project list

Cindy Schmitt, acting county engineer, distributed and discussed the Mid-Willamette Valley Community Partnership economic development project list. She explained that the Mid-Willamette Valley Community Development Partnership maintains a list of economic development projects that is updated annually. She said MWVCOG has put out a request to update the regional economic development project list to identify projects that would be eligible for the proposed federal economic stimulus funding. The suggested projects are: the signalization of Lancaster Drive/Winema Place intersection, North Fork Road slide repair, and road upgrades of industrial streets. She said that they are open for suggestions for other projects that may qualify. Commissioner Brentano asked that Cindy check the lighting project at the Sublimity interchange for qualification. Commissioner Milne agreed that it be included and that the North Fork project take top priority.

Courthouse Square Styrofoam recycling

Jeff Bickford, senior environmental engineer, introduced Alan Pennington, waste reduction recycling coordinator. A discussion on the viability of making Styrofoam recycling available at Courthouse Square followed. It was determined that the Courthouse Square Styrofoam recycling could not be open to the public. Fresh Start Market has public Styrofoam recycling available.

COMMISSIONERS' UPDATE

Commissioner Brentano requested discussion on Economic Development Advisory Board (EDAB) membership. Dan Estes, senior policy advisor, said that he would draft information for presentation at a future management update.

Commissioner Milne expressed interest in additional road cameras to communicate weather conditions for outlying areas. John Lattimer, chief administrative officer, said that he and Bill Worcester, public works director, are working with the Oregon Department of Transportation (ODOT) and the City of Salem on this issue. Also, Bill is working on a plan for communicating road information on the county website as an interim measure.

WORK SESSIONS AND OTHER MEETINGS

- 1/19 Holiday – County offices closed
- 1/20 Work Session - Board of Commissioners' Issues Coordination, 2:00-3:30
- 1/21 Board Session, 9:00-11:00
Editorial Board meeting – Statesman Journal, 11:00-12:00
- 1/26 Commissioners' calendar review, 8:30-9:00
Management Update, 9:00-11:00