

Marion County Extension and 4-H Service District



FY 2017-2018 Annual Budget

Building a stronger economy by fostering successful agriculture and forestry businesses; healthy youth and families; sustainable communities; and natural resources with education services

MARION COUNTY EXTENSION AND 4-H SERVICE DISTRICT
FY 2017-18 Annual Budget

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FY 2017-2018 Budget Message

The Honorable Board of County Commissioners and Budget Committee Members for Marion County Extension and 4H Service District

Budget Committee

The Budget Committee is comprised of the Board of Commissioners and three citizen members, as assisted by County Administration, Finance, Business Services, and Finance staff.

Governing Board Members:

Sam Brentano, Chair
Janet Carlson, Vice-Chair
Kevin Cameron

Citizen Members:

Ian Dixon-McDonald
Bill Sutkus
Bob Zielinski

Administrative Staff:

Tamra Goettsch,
Community Services
Department Director/
District Budget Officer

Daniel Adatto,
Budget Analyst

Krista Ulm,
Administrative Support

OSU Extension Services Contact:

Derek Godwin,
Oregon State University
Extension Services, Regional
Administrator

May 30, 2017

Introduction

I am pleased to present the FY 2017-18 Annual Proposed Budget for Marion County Extension and 4H Service District totaling \$1,832,140 projected annual requirements. The budget is comprised of resources generated through an ad valorem tax imposed in Marion County at a rate of \$0.05 per \$1,000 assessed value; the maximum allowed.

The 2017-18 budget was developed using the Marion County Extension and 4H Service District's (District) funding priorities that were established in May 2016: Stabilizing funding for contracted services (positions); establishing reserve funding for future capital and operational priorities; and addressing the District's ability to provide education and services to the public.

Economic Indicators

Oregon's economy continues to grow and is anticipated to remain steady for the next biennium. Marion County's assessed values are still rising and are estimated to increase more than 4.5% in the coming fiscal year, while compression continues to decline.

Marion County Property Tax Growth

(Source: Marion County Assessor's Office)

*No data due to first operational year of the District

Tax Year	Assessed Value	% of Change
2015-16	\$22,490,480,722	*
2016-17	\$23,371,520,094	3.92
2017-18	\$24,455,278,056	4.64

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The median home sale price in Marion County has grown 13.9% from March 2016 to March 2017.

Median Home Sale Price Marion County

Source: <https://www.zillow.com/marion-county-or/home-values/>

Year/Month	Median Home Sale Price
December 2015	\$196,000
December 2016	\$227,000
March 2017	\$230,000

Marion County's unemployment rate has continued to drop. In March 2017, Marion County's unemployment rate reduced to 4.3%, which is more than a one percent improvement since the start of the District.

Unemployment Rate U.S., State of Oregon, and Marion County

(Source Oregon Employment Department)

Month/Year	U.S.	Oregon	Marion County
December 2015	5.0	5.1	5.7
December 2016	4.7	4.5	4.3
March 2017	4.5	3.8	4.3

Marion County continues to be ranked 1st in the state for its total value of agricultural products sold in Oregon and has many commodities and crops that are ranked in the top five in the state, including fruits, tree nuts, and berries; hogs and pigs; fields and grass seed crops; and cut Christmas trees and short rotation woody crops, just to name a few. Additionally Marion County is home to 24 dairy farms; second only to Tillamook County.

Marion County's Agriculture Profile

(Source: 2012 Census of Agriculture, County Profile)

Farm Information	2007	2012
Number of Farms	2,670	2,567
Farm Acreage	307,647 acres	286,194 acres
Average Size of Farm	115 acres	111 acres

Product	Products Sold (\$1,000)	State Rank
Total value of agricultural products sold	592,856	1
Fruits, tree nuts, and berries	77,074	1
Nursery, greenhouse, floriculture, and sod	202,503	1
Other crops and hay	113,184	1
Other animals and other animal products	Not available	1

Budget Development

Revenues

- ↑ Countywide, property tax revenue continues to grow at a steady pace overall with modest fluctuations year to year.

Expenditures

- ↑ Total Material and Services are estimated to increase by more than \$46,000 or 4.1%.

Services to the Community

The heart of the district is the work and services that are provided to communities throughout Marion County. Through contracted professional services and volunteers, informal education programs for youth and adults are provided, educational materials are produced as a resource for those in need, and the district merges together professional and volunteer assets to empower our citizens through learning, sharing and community engagement.

Many of the Extension programs provided in Marion County wouldn't be possible without the commitment and expertise of Extension program volunteers.

2016 OSU Extension Services Volunteer Report

(Source: 2016 Marion County Department Volunteer & Hour Report)

Volunteer Program	Number of Volunteers	Number of Hours Served
Master Gardener	130	17,489
Public Health Internship	9	1,680
Master Food Preservers	20	571
Master Woodland Managers	15	105
4-H Youth Development	241	27,824
TOTAL	415	47,669

Overarching Considerations

In looking forward, continued progress to the District's program development is anticipated in FY2017-18. Though the District is still filling position through its contract with Oregon State University, it's expected to fill all targeted positions by the end of the coming fiscal year.

The Proposed Budget assumes continued support for agricultural and community education; expanded youth development through 4-H and the county fair; continued contracted support from Marion County for administrative, legal counsel, fiscal, treasury, and leased property

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oversight; and to be fiscally responsible and responsive to emerging and long-term opportunities.

Budget Officer Recommendations

I am recommending a Proposed Budget at a stable level of financial resources to maintain current services that are responsive to the current needs of the county's agricultural, Forestry, Natural Resources and 4-H communities.

The majority of the District's budget continues to be dedicated to contracted services provided by Oregon State University (OSU) Extension Services (see chart below). The reduction in OSU FTE dedicated to the District's work is a combination of position funding diversification from non-district resources and adjustments based on actuals.

District Funded OSU Extension FTE (Full Time Equivalent)

Position Category	2014 Feasibility Study FTE	Actual FY16-17 FTE	Proposed FY17-18 FTE
4-H Youth & Families	2.0	2.0	2.0
Community Horticulture & Nat'l Resources	1.0	1.0	1.2
Farms & Forestry	3.4	2.7	1.1
Small Farms & Community Food Systems	1.0	0.75	.70
Marketing & Administrative	3.0	3.6	3.79
TOTAL	10.40 FTE	10.05 FTE	8.79 FTE

In addition, I have built flexibility into the District's budget through a growing contingency level and have maintained unappropriated reserves. These will allow the district to continue to serve the community, address emerging prospects or issues, and plan for long-term opportunities. Lastly, county contracted services level is in compliance with the District's policy.

Closing

In closing, I am proud to present to the Marion County Extension and 4-H Service District Budget Committee a balanced and prudent budget. I want to express my appreciation to all who worked creatively to manage and continue the development of the service district's budget and service delivery. Through the district, a wide array of excellent and needed services continues to be provided to farms, communities, families and youth throughout our county.

Producing the annual budget is an important and collective task and I extend my sincere thanks to Daniel Adatto, Budget Analyst who undertook various production tasks. Thanks also to the Budget Committee for its continued review of the budget.

**MARION COUNTY EXTENSION AND 4-H SERVICE DISTRICT
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**Marion County Extension & 4-H Service District
FY 17-18 Adopted Budget**

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 17-18	FY 17-18	FY 17-18
		ACTUAL	AMENDED	PROPOSED	APPROVED	ADOPTED	% +/-
RESOURCES							
Current Year Taxes	0	1,043,398.15	1,081,674	1,130,373	1,130,373	1,130,373	4.5%
Previous Year Taxes	0	0.00	11,000	10,000	10,000	10,000	-9.1%
Property Tax Interest and Penalties	0	625.59	0	1,000	1,000	1,000	n/a
Chapter 530 Forest Rehab	0	2,310.00	0	3,000	3,000	3,000	n/a
Interest	0	3,193.22	2,500	6,000	6,000	6,000	140.0%
County General Fund Support	0	348,828.00	0	0	0	0	n/a
Net Working Capital	0	0.00	575,155	681,767	681,767	681,767	18.5%
TOTAL RESOURCES	0	1,398,354.96	1,670,329	1,832,140	1,832,140	1,832,140	9.7%
REQUIREMENTS							
Materials and Services							
Publications	0	1,590.91	3,000	3,000	3,000	3,000	0.0%
Audit	0	0.00	2,900	2,950	2,950	2,950	1.7%
OSU Extension Contracted Services	0	650,339.75	965,823	992,178	992,178	992,178	2.7%
Legal Services	0	7,909.00	0	0	0	0	n/a
Fair Events and Activities (4-H)	0	11,000.00	16,000	17,000	17,000	17,000	6.3%
Contracted Services Provided by Marion County	0	44,565.65	56,930	59,493	59,493	59,493	4.5%
Other Contracted Services	0	0.00	0	10,000	10,000	10,000	n/a
Building Rental Private	0	71,737.00	77,706	83,322	83,322	83,322	7.2%
Insurance, SDAO	0	2,538.00	1,500	2,500	2,500	2,500	66.7%
Election Costs	0	33,394.61	0	0	0	0	n/a
Dues and Memberships	0	125.00	1,100	1,000	1,000	1,000	-9.1%
Total Materials and Services	0	823,199.92	1,124,959	1,171,443	1,171,443	1,171,443	4.1%
Contingency	0	0.00	196,542	269,697	269,697	269,697	37.2%
Unappropriated Ending Fund Balance	0	0.00	348,828	391,000	391,000	391,000	12.1%
TOTAL REQUIREMENTS	0	823,199.92	1,670,329	1,832,140	1,832,140	1,832,140	9.7%

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Marion County Extension & 4-H Service District
FY 17-18 Adopted Budget
OSU Extension Contracted Services

	FY 15-16	FY 16-17	FY 17-18	FY 17-18
CONTRACTED SERVICES	ACTUAL	APPROVED	ADOPTED	+/-%
Personnel (Wages & Benefits)	485,832.28	795,483	785,678	-1%
Various Income	(1,100.50)	(1,100)	(1,100)	0%
Service Credits	(3,345.93)	(3,000)	(3,300)	10%
Office, Operating, Instructional Supplies	10,733.60	11,000	11,500	5%
Minor Equipment (under \$5,000)	16,784.97	15,000	15,000	0%
Telecommunications	7,441.32	14,400	5,000	-65%
Line & Network Access Charges	17,692.98	16,620	15,000	-10%
Postage/Freight	2,032.75	2,000	2,000	0%
Utilities	40.00	120	1,200	900%
Building Equipment and Repairs	804.00	500	1,400	180%
Equipment Rental	322.89	300	400	33%
Other Professional Services	2,741.94	3,000	18,500	517%
Insurance, Licenses, Dues, Memberships	2,102.99	1,500	2,400	60%
Duplicating, Printing, Publishing	14,437.59	10,000	13,000	30%
Public Education Materials	-	15,000	5,000	n/a
Advertising, public relations, hosting	2,742.88	5,000	5,500	10%
Travel and Professional Development	41,075.99	30,000	55,000	83%
North Willamette Research & Extension Center	50,000.00	50,000	60,000	20%
Total Costs	650,339.75	965,823	992,178	3%

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Marion County Extension & 4-H Service District
 FY 17-18 Adopted Budget
 OSU Extension Contracted Services - Personnel Budget Detail

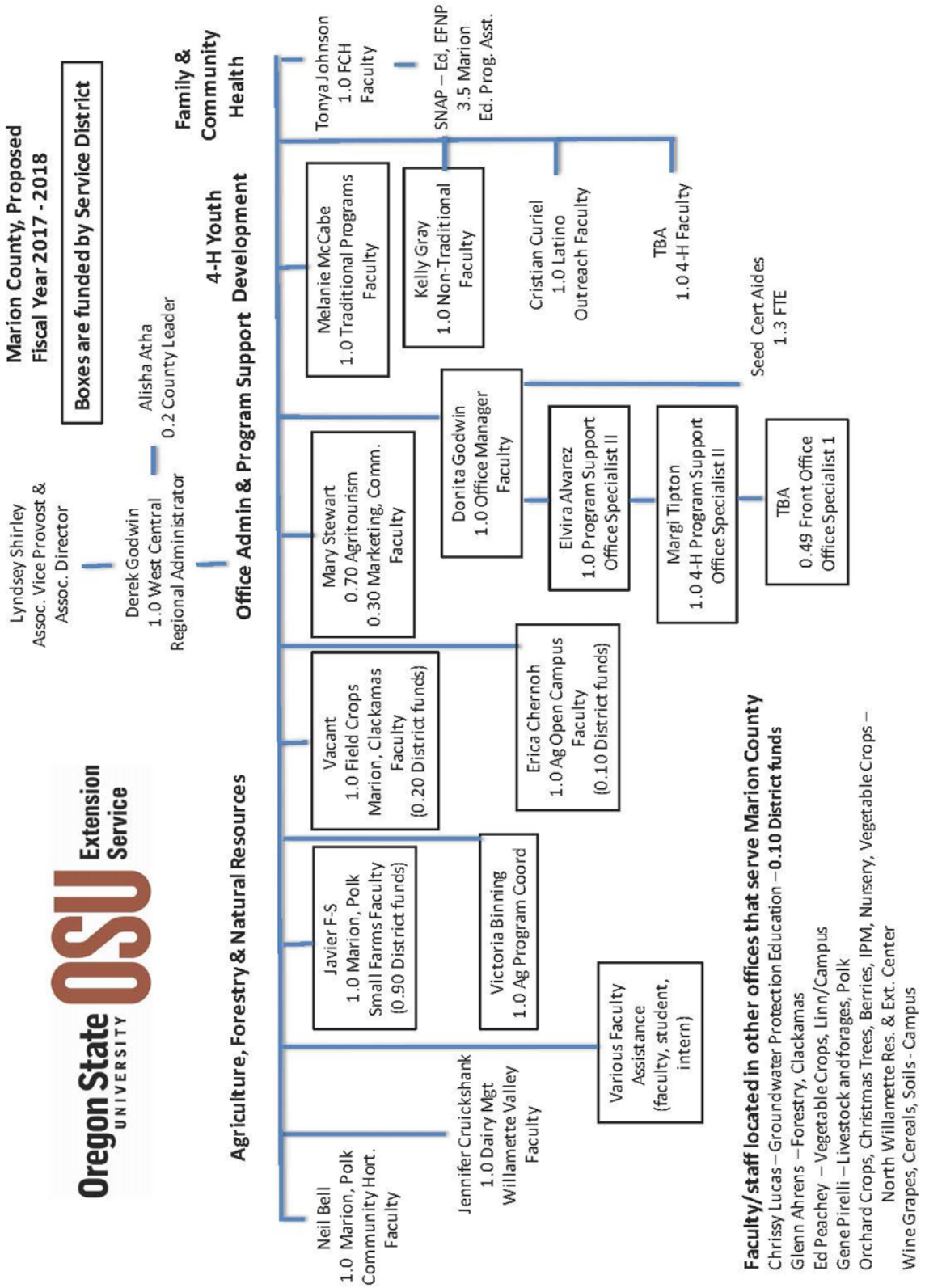
POSITION	FTE	FY 17-18 PROJECTED FTE COST	DISTRICT FTE	ADOPTED DISTRICT BUDGET
4-H Club and Camp Coordinator, Professional Faculty	1.00	82,729	1.00	82,729
4-H School Enrichment Coordinator, Professional Faculty	1.00	76,042	1.00	76,042
Agriculture Open Campus Coordinator ¹	1.00	100,000	0.10	-
Agriculture Outreach Coordinator, Professional Faculty	1.00	81,372	1.00	81,372
Agriculture, Faculty Research Assistants ²	1.00	85,000	n/a	59,500
Agritourism and Marketing, Professional Faculty	1.00	100,859	1.00	100,859
Field Crops, Professor of Practice, Marion/Clackamas	1.00	100,000	0.20	20,000
Groundwater Education Program Assistant	1.00	78,812	0.10	7,881
Office Manager and Program Support, Professional faculty	1.00	90,948	1.00	90,948
Office Specialist 1	1.00	43,559	0.49	21,344
Office Specialist 2	1.00	71,280	1.00	71,280
Office Specialist 2	1.00	70,033	1.00	70,033
Small Farms & Community Food Systems (SF), Prof of Practice Faculty	1.00	101,322	0.90	91,190
Student, Intern, Temp Services ³	n/a	50,000	n/a	12,500
TOTALS	14.00	1,131,956	8.79	785,678

¹ OSU subcontracts with Chemeketa Community College for the Agriculture Open Campus Coordinator position. Since the position is subcontracted, position expenses are budgeted in Other Professional Services. In FY 17-18, the budget for the Agriculture Open Campus Coordinator is \$10,000.

² The Agriculture Faculty Research Assistant is a temporary position and is therefore not reflected in the total FTE count.

³ Student, Intern, and Temp Services are not reflected in the total FTE count.

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OSU Extension Services Position & Program Update

May 30, 2017

Presented to: Marion County Extension & 4-H Service District Budget Committee

Presented by: Derek Godwin

The following is an update on OSU Extension positions, related programs and projects since the previous update in January 2017. The positions listed below are funded in part or in full with district resources in the FY 2017-2018 Proposed Budget. *Note: Items in red below indicate updated information since the January 2017 meeting.*

1. Field Crops – A new position announcement was submitted to OSU for review for the now classified fixed-term Professor of Practice position (not tenure-track). **The position will be partially funded by Marion and Clackamas counties (0.20 Marion, 0.05 Clackamas). The classification change became an OSU requirement in order to fill both vacant field crops positions in the valley.**
2. 4-H Professional Faculty Traditional Programs – **Melanie McCabe has been serving in this position for several years. She manages and provides education to youth and adults in the traditional club program, camps and the statewide ambassador program. Since this program is a high priority for the district, the proposed budget uses district funds for this 1.0 FTE position, instead of the 4-H Sustainable Communities position.**
3. 4-H Sustainable Communities – Dan Hoynacki is retiring June 30, 2017. **This position will be modified and funded with OSU state funds. We are conducting needs assessments to decide the focus of this new position.**
4. Small Farms and Community Food Systems – Javier Fernandez-Salvador started May 2016. He quickly became involved in teaching several education programs, conducting needs assessments and working with the City of Salem on a local food system project. I modified the small farms faculty assignments and added funding to Javier so he could cover Polk County. Javier is currently at 1.0 FTE **(Increase to 0.90 Marion, 0.10 Polk)**
5. Agritourism – Mary Stewart completed a needs assessment and database of information for agritourism operations. There are currently 74 operations in Marion County conducting some type of agritourism effort. She organized an Agritourism Summit on February 28th at the Oregon Garden for agritourism operations in Marion and Polk Counties. This was in collaboration with Travel Salem, Travel Oregon, and other folks working with the industry. **(Increase to 0.70 FTE.)**
6. Agriculture Education Program Coordinator – Victoria Binning started working in December 2016. She provides coordination, outreach and education for the Master Gardener, Small Farms and Agritourism programs. **(Increase to 1.0 FTE Marion, eliminated part-time agritourism support staff.)**
7. Groundwater Education Program Assistant 2 - Chrissy Lucas delivers education programs on well water and septic system maintenance, testing and protection. Her workshops are very well attended. She partners with the Marion Public Health and the SWCD on events,

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and has also served as a non-regulatory support person for people trying to meet DEQ standards. (Decrease to 0.10 FTE due to other funding in the region.)

8. 4-H Professional Faculty Non-Traditional Programs – Kelly Noack started March 1, 2016. The purpose of this position is to reach underserved areas of the county and address priority needs pertaining to youth in these communities. She has developed several Junior Master Gardener programs that incorporate culinary and nutrition education in Mill City, Woodburn and Salem. She partnered with Alison McKenzie (GROW Santiam) on a college and career readiness program. (1.0 FTE Marion)
9. Agriculture Open Campus Coordinator – OSU and Chemeketa have partnered to hire a horticulture instructor that also serves as a part-time OSU Open Campus Coordinator. Erica Chernoh started on November 1, 2016. The District is funding 0.10 FTE of this position. She is an on-site advisor for students wanting to transfer to OSU's agriculture program on campus or on-line. She also helps students line up internships and seek professional development. Part of her time will be spent delivering agriculture education programs for Extension and OSU.
10. Dairy Management – Jennifer Cruickshank started work June 2016. She serves about 94 dairies in the Willamette Valley. She has been conducting needs assessments, started applying for grants for priority research projects, and has been working with Troy Downing (Tillamook) and the Animal Sciences department on new research and education efforts.
11. Faculty Assistants/Students – Jessica Green and Aaron Heinrich have been working on a variety of applied research, demonstrations and Extension publications projects with Ed Peachey, Vegetable and Weed Specialist. Jessica specializes in integrated pest management, and Aaron specializes in soil fertility. I will fund faculty assistants, students or interns to work on high priority projects for the year. First priority goes to commercial agriculture and 4-H faculty. Projects must support Marion County and fill a niche that is not being funded by other organizations and grants.

About Marion County Extension and 4H Service District

History

On May 19, 2015, Marion County voters approved the formation of the Marion County Extension and 4-H Service District, which established a property tax rate of \$0.05 per \$1,000 assessed value to fund Extension programs.

The district serves all 20 incorporated cities, as well as the unincorporated areas of Marion County and works in cooperation with Oregon State University Extension Service to bring important services and supports to local residents.

District Governance

The Marion County Board of Commissioners serves as the governing board for the district as directed by state statute (ORS 451.485). Community Services Department Director, Tamra Goettsch, serves as the District Administrative Officer and Budget Officer. In addition, financial, legal, clerical, treasurer, and procurement services are provided by county positions.

Staffing and Service Delivery

The district has no staff and no functional operating departments. Service delivery is provided primarily by Intergovernmental Agreements (IGAs). The district contracts with Oregon State University to deliver educational programs and services. The district also contracts with Marion County for legal, financial and administrative support services. It also holds a lease with the Oregon Farm Bureau for the housing of the OSU Extension Services staff members and storage.

Purpose of District

The district's purpose is to build a stronger economy by fostering successful agriculture and forestry businesses; healthy youth and families; sustainable communities; and natural resources with education services including:

- Applied research for farmers, family forest owners, and nursery growers to solve disease, insect, production and conservation challenges.
- Volunteer-lead programs, such as 4-H, Master Gardener, Master Food Preserver, food safety, nutrition, Master Woodland Manager, and Master Naturalist.
- Small farm development for food supply, community and school gardens, farmers markets, and agritourism.

Quick Facts and Financial Information about the District

Quick Facts

- Population (2016 Estimate) : 333,950*
- Established: May 19, 2015
- Cities: 20 incorporated
- Land Area: 1,174 square miles

*Portland State University, Population Research Center

Financial and Tax Information

- Staffing - full time equivalent: 0
- Assessed Property Value (FY 17-18 Estimate): \$24,455,278,056
- Tax rate: \$0.05
- Imposed Tax Levy (FY 17-18): \$1,189,866
- Property Tax Loss Due to Compression (FY 17-18 Estimate): \$4,000

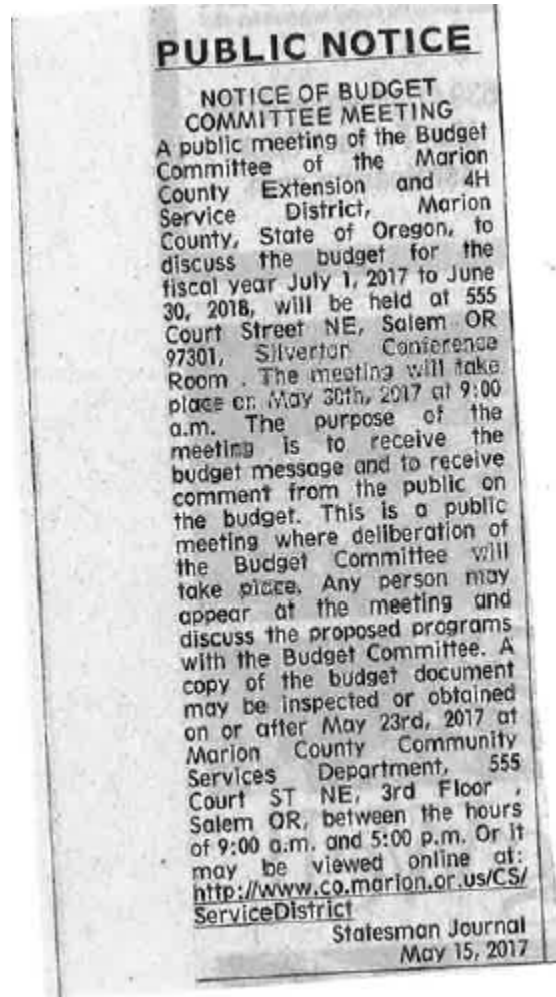
Fund and Program Structure

The District accounts for its operations in a single governmental type fund. The fund has a single operating program for the purpose of budget allocations and appropriations.

Basis of Accounting

The district budgets all funds using the modified accrual basis of accounting as required by Oregon Revised Statutes 294.305 to 294.565.

Public Notice of Budget Committee Meeting on May 30, 2017



FY 2017-18 Budget Calendar

April - Marion County Community Services meet with representatives from Oregon State University Extension Services to develop the proposed OSU contract budget for FY 2017-18. Community Services develops proposed budget figures and budget document so that it may be posted on the county website on May 15.

May 15 – Publish Notice in Statesman Journal of Budget Committee meeting on May 30 for the purpose of receiving the FY 2017-18 proposed budget. Post on website legal notice of Budget Committee meeting on May 30.

May 30 - Budget Committee meeting. Budget Officer presents proposed budget and budget message. Budget Committee deliberates proposed budget. After deliberation, the Budget Committee may pass a motion recommending to the Board of Directors a budget for FY 2017-18 and approving an amount or rate of total property taxes to be certified for collection.

June 4 – Publish in Statesman Journal legal notice that contains the financial summary and notice of Budget Hearing on June 19 Board of Directors meeting.

June 19 – Regular Board of Directors meeting. Public hearing is held on the proposed FY 17-18 Budget. Board of Directors adopts a resolution that adopts the budget, makes appropriations, imposes the tax levy, and categorizes the tax by its Measure 5 category.

June 30 – Certify Property Tax Levy to Marion County Assessor.

July – Send all budget documents to Marion County Clerk’s Office.