Feasibility Study for a Polk Co. 4-H, Master Gardener, Agriculture, Forestry Extension District

Introduction

Losses in county general fund revenue have forced Polk County's Board of Commissioners to announce the reduction and eventual elimination of funding for its Extension office. Reduced funding began in FY 2008-09 and will continue to decline through FY 2011-12 when funding will be cut. Community supporters of Extension have asked the Board to support the beginning of the petition process to place a county-wide 4-H and Extension Service District, with authority to levy ad valorem property taxes, to ensure Extension's continued service to the citizens of Polk County.

This document examines Extension's contributions to Polk County, its relationship to other county service providers, and the feasibility of supporting it through formation of a district.

Extension's Role in Polk County

The Extension Service is part of Oregon State University’s off-campus educational system. It makes the research and knowledge base of the University available in communities throughout the state, a role it has played in Polk County since 1918. It offers educational programs in youth development, food safety and nutrition, agriculture, forestry and family and community development.

As the outreach arm of Oregon State University, Extension Service is in a unique position to provide lifelong educational opportunities. Extension is community-based and responsive to community needs. Its programs are relevant, credible, and supported by the research base of the University. Extension works cooperatively with numerous community partners, and develops networks of volunteers that expand its reach into all corners of Polk County.

The Extension Service relies on a variety of funding sources to carry out its mission. Extension Agents and Specialists (faculty members of Oregon State University) are funded by state and federal dollars. Support for office space, secretaries and supplies at the county level have traditionally been provided by county general fund dollars with a variety of grants that support special projects.

Extension enhances its capacity many fold through the efforts of numerous volunteers who serve as 4-H leaders and Master Gardeners. Over 225 Extension volunteers serve Polk County.

Extension activities in Polk County are currently organized into the following program areas, each of which provides a combination of educational programs, skills
development activities and information services, supplemented by a vast library of user-friendly publications and web-based resources:

4-H Youth Development
- Club projects in civics and leadership, science and technology, animal science, family science, natural science, horticulture, and expressive arts
- After-school, no-school-day, Home school and summer youth natural resource programs
- Latino Outreach
- Interstate Exchange
- International Exchange
- Youth and Adult Leadership development retreats/opportunities
- Know Your State Government
- OSU Summer Conference
- 4-H Leader volunteer program
- Camps, Outdoor schools, Workshops, Judging Contests

Livestock & Forages
- Beef, Sheep, and Swine production, marketing, nutrition and reproduction
- Pasture and hay-ground management
- Grazing management and long term resource management
- Hay quality and utilization education
- Hay feeding regimen assistance
- Noxious weed management and pesticide safety
- Soil fertility management and fertilization recommendations
- Research projects related to soil fertility and animal health

Forest natural resource management & Wood Products
- Woodland management: Reforestation, forest health, forest ecology, silviculture (forest tending), timber harvesting and marketing, wildlife habitat development, riparian and watershed management, vegetation management, pesticide safety
- Forest management plan development, including intergenerational transfer and estate planning.
- Master Woodland Manager Program

Horticulture
- Master Gardener volunteer program
- Plant Clinic (plant health advice for homeowners)
- Commercial horticulture production, marketing and integrated pest management
- Water-wise plant selection and water conservation, pruning and grafting,
- Landscape maintenance, efficient use of fertilizers and pesticides

Family and Consumer Science
• Food preservation, preparation and safety
• Nutrition education
• Family financial literacy and money management
• Health management with chronic diseases
• Healthy aging
• Outreach to Latino community

While other organizations and agencies provide educational services in Polk County, Extension is unique in scope and capacity. Consider the following examples:

The county's K-12 schools educate youth, while Extension's 4-H Youth program provides an array of after-school and club-based learning opportunities that build leadership skills, foster responsibility, engage youth in citizenship, and enhance their appreciation of natural resources and our environment.

Chemeketa Community College provides critical higher education and workforce training opportunities; Extension brings cutting-edge research knowledge to farmers, ranchers, foresters and other natural resource managers, and helps them integrate this information into their production and marketing efforts.

Various state, federal and county programs provide technical and financial assistance to landowners and enforce land use regulations; Extension works proactively to teach landowners the best management practices that maintain productivity and financial viability on a sustainable basis—a major contributor to Polk County's economy.

The county's health and human services division, and our local health care industry, provide services to treat health conditions; Extension's nutrition and food safety programs help Polk County residents avoid food-related health problems and take advantage of our abundant, locally-grown produce.

Extension is not in competition with these other organizations and agencies. In contrast, it works cooperatively with them to more effectively serve Polk County's people. The Polk County OSU Extension Service teaches dozens of educational programs and makes over 20,000 educational contacts each year. Several hundred youth participate in 4-H and youth development programs and several hundred more in Natural Resources Education programs. In recent years there has been a concerted effort to expand Polk County Extension programs to the Latino Community. Extension serves county residents across all age groups, social classes, occupations and avocations. Extension is also an important information broker - if Extension's faculty, staff or volunteers can't answer your question they will direct you to someone who can.

Polk County Funding Situation

Polk County has traditionally received a large amount of its funding through revenue-sharing agreements on federally-managed timberlands. Timber harvest levels on these lands have declined dramatically since the late 1980s, greatly reducing these
payments to the county. This loss of funding was offset for a period of time by the Secure Rural Schools and Communities Self Determination Act of 2000. The act expired in 2006, leaving Polk County with the immediate prospect of a 17 percent reduction in its county general fund income. A one-year continuation of this funding in FY 2008 and a scaled down and diminishing program approved by the federal government to last until 2012, will merely forestall the inevitable loss of this revenue to the county. In response, Polk County has identified no alternative but to scale back on expenditures, and will no longer be able to support a number of valued public services. Extension Service has been notified that general fund revenue to support Extension programs will be phased out over the next few years with the prospect of no funding after 2012. A new source of operating funds must be secured if OSU Extension Service is to remain active in Polk County.

Concurrent with the county’s reduced funding for Extension is their reduced funding for the Polk County fairgrounds. Extension and the Fair have a symbiotic relationship. Extension has been dependent on the fairgrounds facilities for delivery of many educational programs, and the Fair has been dependent on 4-H in particular for a strong county fair program (Appendix A).

**Extension Funding Options**

Extension stakeholders (persons who actively utilize and/or demand Extension services) have met and considered an array of potential funding alternatives, including development of an endowment account, recruitment of grant funds, short-term fund-raising, and formation of a service district. Endowment programs should be considered as a long-term mechanism to allow Extension to expand its program efforts using privately-generated revenues, but it will take many years (perhaps decades) to generate sufficient revenues to provide a meaningful funding stream. Grant writing is a regular component of Extension faculty members’ jobs, but it yields funds targeted to specific applications. Shifting any significant portion of Extension’s programs to grants would, in all likelihood, result in a dramatic change in faculty emphasis and fail to preserve the programs and services to which Polk County residents have become accustomed. Fund raisers are being planned to fill funding gaps should the need arise, but it would be extremely difficult to maintain a viable Extension presence in Polk County on fund-raisers alone. Thus, at the request of a group of Polk County citizens, the Polk County Board of Commissioners has consented to allow for the formation of a county service district by the initiative process with an associated tax base specifically allocated to the support of OSU Extension programs in Polk County. The district would provide operational support for the Polk County Extension Office, including office space, secretarial support and program assistance, office and program supplies, utilities and equipment.

**Needed Extension Capacity**

A program review was conducted in Polk County in 2003 showing that current Extension programs in the county were well positioned to respond to the needs of
citizens in the county. These programs including, strong programs in agriculture, which included one local faculty member and several housed in surrounding counties were adequate to address local concerns. Urban horticulture needs are addressed by a part time faculty member and an active Master Gardener volunteer base. In addition the issues of the wood products industry are addressed by an agent housed in a neighboring county. At that time, our 4-H program was adequate to maintain the existing program in youth development. However, recently our 4-H faculty FTE was cut to 0.50, a level that will hopefully increase back to 1.0 in the near future. In addition, family programs addressing nutrition, health and financial literacy issues are addressed adequately by a local faculty member. Faculty positions, whether housed in Polk County or surrounding counties are funded by state and federal dollars, and should continue in these programming areas, but their continuation is dependent upon county-based resources for program support, and campus level funding for faculty.

Proposal

The Extension Citizen Leadership Council (comprised of Extension stakeholders and volunteers) recommends that a county-wide 4-H and Extension Service District be formed to provide support for continued Extension services in Polk County. The Council recommends that the Polk County Extension Office maintain its current programs in 4-H youth development, livestock and forages, community horticulture, and family community health. Staff, materials and educational facility support for this level of faculty presence and programs would be funded by the proposed service district.

District Governance

By statute (ORS 451.485), the county's Board of Commissioners would serve as the district's Board of Directors. Financial management would be carried out in compliance with local budget law, which requires annual preparation of a publicly reviewed budget. The District's Board of Directors would appoint the district's budget officer. Funds collected by the district would be used solely in support of Extension programs/services, which would be provided by the Oregon State University Extension Service. Program priorities would be established by Extension faculty members working in concert with citizen advisory groups.

Proposed Budget

Budgets for the proposed district's first and third years of operation are attached as Appendix B. They reflect the anticipated salaries and other payroll expenses (OPE) for the level of staffing described above, and supplies and services adequate to facilitate Extension programs of the nature reflected in the needs assessment. The first-year personnel budget was based upon contract rates for OSU classified staff and current OPE rates, adjusted for cost of living and length of service. The associated supplies and services budget was based on historical expense levels of the Polk County Extension Office, adjusted for inflation. The third-year budget assumes a six percent
annual increase in personnel costs and a four percent annual increase in supplies and services costs (both historically typical). Total costs in both years have been offset by anticipated generated revenue where feasible. Thus, anticipated needs to be covered by district revenues total $331,518 in the first year and $363,838 in the third year.

Note that the proposed budget includes funding for rent, utilities and telephone. These items have, in the past, been provided as in-kind (no-cost) contributions from Polk County. The budget assumes that Polk County will require Extension to begin paying for these items.

The total taxable value for Polk County in Fiscal Year 2008-2009 was $4,236,089,344. For year-one budgeting purposes, this value was increased by 4 percent per year to arrive at the anticipated total taxable value for Fiscal Year 2010-2011. The scaling factor is the rate suggested by the Polk County Assessor. Current economic conditions have slowed any increase in assessed value of Polk County properties resulting in a reduction of tax revenues for the next several years. Factoring in a first-year collection rate of 94 percent (after communication with the County Treasurer), the tax rate necessary to generate the district's targeted first-year revenue level is $0.0767 per thousand dollars of taxable value. For year-three the tax rate drops to $0.0749 per thousand, based on a collection rate of 98 percent. Notes: Although Extension provides educational services, by law a district supporting it would fall into the general government category. Thus, an Extension Service District would not compete with schools for tax revenue, even if compression were a significant factor.

Based on these calculations, the Polk County Extension Citizen Leadership Council recommends a permanent tax rate limit of $0.075 per $1,000 assessed value be adopted for the Polk County 4-H and Extension Service District.

Summary

OSU Extension Service provides valued non-formal education and a wealth of practical information to Polk County residents. The Extension office has traditionally received the majority of its direct financial support from the county general fund. Reductions in general fund revenues have forced the county to eliminate funding for the Extension office. The Extension Citizens’ Leadership Council recommends formation of a county-wide Extension Service District, with a permanent tax rate limit of $0.075 per $1,000 assessed value, to provide base operating support for the Extension office and ensure OSU Extension Service continues to serve the citizens of Polk County.

 注1: In Polk County, historically approximately 96.25% of property taxes are collected in the year they are initially billed, however through March of 2009, collection rate is estimated at 94% In each following year a portion of the outstanding taxes are collected. For a newly formed district, first year collection would be about 94%, but by the third year collection on past-due accounts would result in a higher overall collection rate, estimated in this document at 98%.

 注2: Note: Although Extension provides educational services, by law a district supporting it would fall into the general government category. Thus, an Extension Service District would not compete with schools for tax revenue, even if compression were a significant factor.
Appendix A

Polk County OSU Extension and Polk County Fair Partnership

Close connections
In the late 30’s Walter Leth, Polk Co. Extension Agent, was secretary and an ex-officio member of the three person Polk Co. Fair Board. The fair originally was in Dallas where the county shops are now located. It then was moved to what is now Western Oregon University. It was held in space under the grandstand and a small barn built for the 4-H and FFA livestock.

In 1949 the Extension Staff Chair, N. John Hansen, who replaced Walter Leth, was invited to continue on as Fair Secretary. The Extension staff worked closely with the Fair Board to find a new location for the expanded County Fair in the early 50’s, when the property at Rickreall was purchased. In the early years Extension continued to assist the Fair Board. For 5 years in the early 60’s the County Agent was Secretary/Manager, as a trade off for free use of the fair facilities for Extension programs. This relationship continued until usage of fairgrounds facilities grew so a full time manager was needed. 4-H and other Extension activities as well as FFA programs continue to be an important part of the Fair and continue to receive free use of its facilities to this day.

Today’s challenge

Because of the recent reduction of the federal O&C timber harvest receipts payments to counties, both the Polk County Fair Program and County support for the Polk County OSU Extension program face reductions and eventual elimination of County financial support.

A combined Extension and Fair Service District and Permanent Tax Base is not legal, since seeking a tax rate through a ballot measure is limited by statute to only one topic. The process of seeking an Extension Service District through a petition process has been considered by several groups served by Extension, namely 4-H and the Master Gardeners. This process has evolved to seek the formation of an Extension tax district and permanent tax rate on the May 2010 general election.

To accommodate the needs of the Polk County Fair, the proposed budget of the Extension Service District to determine the permanent tax rate includes provisions for the payment of facility or user costs for Extension programs. Historically, Extension programs were concentrated at the Polk County Fairground because of their central location in the county. It is therefore anticipated that most of these funds would go to the Polk County Fair in payment for use of facilities for Extension related programs during the year and at the annual fair.
Once a tax rate is approved, the details of the budget items will be developed under the public budget law process.

The future

Longer term the hope is that the Extension Office will be able relocate to the fairgrounds. Its central location, easy access, and the historical relationship between Extension and the fair suggest this could be a prudent move. Time and circumstance will determine the suitability of such an eventual move.