

Morrow County Budget Committee Meeting Minutes
Tuesday, May 10, 2022
Bartholomew Building Upper Conference Room
Heppner, Oregon

Present In-Person

Commissioner Jim Doherty, Commissioner Melissa Lindsay, Commissioner Don Russell, Darrell J. Green, Linda LaRue, Kim Cutsforth, Jeff Wenholz, Roberta Lutcher, Bobbi Childers, Jaylene Papineau, Tamra Mabbott, George Nairns, Ken Matlack, SaBrina Bailey-Cave, Eric Imes

Present Via Zoom

Christa Wolfe, Ronda Fox, Kirsti Cason, Tracie Diehl, Aaron Moss, Sandi Pointer, Greg Sweek

Call to Order & Pledge of Allegiance: 9:01 a.m.

Election of Budget Committee Chair & Secretary

Commissioner Russell nominated Linda LaRue as Chair. Ms. Cutsforth seconded. Vote: Unanimous approval.

Commissioner Lindsay nominated Ms. Cutsforth as Secretary. Commissioner Doherty seconded. Vote: Unanimous Approval.

Approval of 2020-21 Meeting Minutes

It was clarified that Julia Finch assisted with last year's minutes. Minutes were suspended for additional time to review.

Budget Message

Darrell Green, Administrator and Budget Officer

Mr. Green noted the following:

- Total Proposed Budget, including all funds: \$82,351,674.
- Increase from prior year's Amended Budget: \$4,073,626 or 5.2%.
- Increase largely due to growth in the Beginning Fund Balance (BFB) and property taxes.
- County's Operating Budget: \$52,829,778.
- Decrease from prior year's Amended Operating Budget: \$4,048,946 or 7.1%.
- FY 21-22 BFB was \$20,884,908; FY 22-23 BFB will be \$38,232,647, an increase of \$17,347,739 or 83.1%. About \$4 million of that increase is from the General Fund and the remainder from increases across the funds where expenditures are expected to be less than budgeted, and revenues are outpacing forecasted amounts.
- This year's budget process was converted to OpenGov, an on-line budget software system.
- Due to the departure of the Finance Director and Financial Analyst in March, the budget presented was similar to last year's adopted budget. The intention was to "true-up" the budget in July with any necessary budget adjustments.
- The County contracted with certified public accountant, Christa Wolfe, Wolfe Consulting, LLC, to assist with the budget process and OpenGov.

Explanation of the Budget Process and Documents

Darrell Green, Administrator/Budget Officer

Christa Wolfe, Wolfe Consulting, LLC

Mr. Green reviewed documents outlining the County's budget process, as well as the County's organizational chart. He noted the organizational chart needed to be updated.

Ms. Wolfe explained former Finance Director, Kate Knop, completed about 50% of the conversion to OpenGov. Ms. Wolfe said she was tasked with completing the other half in a compressed timeframe. She said as outlined by Mr. Green, the BFB continues to grow and the County is very healthy, financially.

Presentation of Revenue

Mike Gorman, Assessor/Tax Collector

Mr. Gorman reviewed his PowerPoint presentation, which included:

- The County experienced substantial growth in both real market value and assessed value in recent years. The real market value graph showed a straight line going up.
- The major contributor to that growth has been industrial investment in the north part of the County, particularly at the Port of Morrow (POM).
- North County continues to experience incredible residential and commercial growth. There have been hundreds of permits issued for new homes, a new motel and other commercial properties.
- The amount of recorded partition and subdivision plats significantly increased in the last few years. These resulted in the creation of many new parcels, the majority of which will be residential parcels for new homes.
- This growth has kept County Departments extremely busy.
- The COVID pandemic did not appear to slow growth.
- Timelines for current tax abatements were discussed (Strategic Investment Program, or SIP Agreements, and Enterprise Zone Agreements).

Compensation & Benefits Update

Ms. Wolfe said the proposed Personnel Budget was based on the FY21-22 Personnel Budget, plus 10 new requested positions. The total for 155.5 Full-Time Equivalent (FTE) positions stood at \$14,727,129.17. Since this was an estimate, she said, it was not included in the Proposed Budget and the new Finance Director will need to amend the budget later.

Ronda Fox, Payroll & Benefits Administrator, reviewed the changes to health benefits. She said the estimated 11.5% increase for medical insurance was the largest increase in several years.

Ms. Fox relayed the current year cost-of-living adjustments (COLA):

- General & Road Employees: 3.0%
- Sheriff's Office Employees: 2.5%
- Board of Commissioners (BOC) recommendation for non-union/management: 3%

Compensation Board Recommendations

Mr. Green said the Compensation Board met on January 20th and put forth the following recommendations:

- 4.5% COLA for the Sheriff, Assessor, Treasurer and Justice of the Peace.
- 5.0% increase in salary for the Clerk, plus the 4.5% COLA.
- Increase the salary for the Commissioners to \$79,000 with no COLA.

Budget Requests/Decision Packages

Mr. Green said three requests were not included in OpenGov, they were 1.) Airport Fund, \$118,407 for grant match funds; 2.) Programming Reserve Fund, \$85,000 for new audio/visual system in the Bartholomew Building Upper Conference Room; and 3.) Water Planning Fund, \$16,000 for the Lower Umatilla Basin Groundwater Management Area (LUBGWMA) research projects, and dues for the Northeast Oregon Water Association (NOWA). They will be addressed at the appropriate times on the agenda, he said.

Community Development – Dept. 116

Mr. Green said the budget was substantially the same.

Commissioner Lindsay said the Community Development Director position was vacant and it had been something the Board wrestled around but the purpose was clear to her. She said it should revolve around water quality and quantity, grant writing, and be a person who partners with the economic development engines in bringing services to the table. She suggested doubling the budget for the future as needs have been growing.

Commissioner Doherty asked if Community Development funds were used for the Tourism consultant. Commissioner Lindsay said they were for the current FY but not in the next – those were in the Planning Department.

Commissioner Lindsay moved tentative approval of the Community Development Budget at \$156,757. Commissioner Doherty seconded. Vote: Unanimous approval.

Planning Department – Dept. 115

Tamra Mabbott, Planning Director

Ms. Mabbott discussed recent activities by staff and asked about a budget line for gas for Planning Commission members. In the ensuing discussion, it was mentioned that the members were told by prior staff they would need to file an IRS Form 1099. Ms. Wolfe informed the group there was no such requirement.

Ms. Mabbott continued to review the budget and said the \$4,000 for office space in Heppner could be removed. Discussion continued on an additional \$20,000 in Contract Services that could be used for several upcoming projects, including the potential need for specialized outside legal counsel. Ms. Cutsforth summed it up by saying there would be \$20,000 added to Contract Services and \$4,000 would be removed from Program Maintenance for the office space rental, with a net increase of \$16,000.

Commissioner Lindsay moved tentative approval of the Planning Department Budget in the amount of \$772,377. Commissioner Russell seconded. Vote: Unanimous approval.

Heritage Trail – Fund 200

Tamra Mabbott, Planning Director

George Nairns, Office Manager, Planning Department

Ms. Mabbott said the primary request was a \$10,000 increase to continue the work on the trail, which is on federal land. Ms. Nairns explained Planning had a student intern working on rewriting the plan for the Heritage Trail.

Commissioner Lindsay moved tentative approval of the Heritage Trail Fund Budget in the amount of \$51,726. Ms. Cutsforth seconded. Vote: Unanimous approval.

Building Permit – Fund 237

Ms. Mabbott said the County renegotiated the intergovernmental agreement with the City of Boardman for building department services, plan review and building inspections. (The IGA specified building permit fees will be divided 50/50 between the County and the City, while the City retains 100% of plan review fees.) Building Permit funds have very strict requirements as to how they can be spent, which has led to an accumulation of more than \$1.5 million in the County's Building Permit Fund. Discussion took place on possible legislative fixes to allow more spending flexibility.

Commissioner Lindsay moved tentative approval of the Building Permit Fund Budget in the amount of \$1,506,440. Mr. Wenholz seconded. Vote: Unanimous approval.

Water Planning – Fund 245

Ms. Mabbott described the additional request - \$6,000 for NOWA and \$10,000 for the Oregon State University/LUBGWMA research project. She said last year's NOWA dues came from a different line (Court Discretionary) but she was asked to include the dues in this fund.

Ms. Cutsforth moved tentative approval of the Water Planning Fund Budget in the amount of \$16,258. Mr. Wenholz seconded. Vote: Aye: Chair LaRue, Ms. Cutsforth, Mr. Wenholz, Commissioner Lindsay, Commissioner Russell. Nay: Commissioner Doherty. Motion carried.

Ms. Wolfe asked the group where the revenue was coming from because it was depleted, with a current balance of \$258. After discussion, Commissioner Doherty said the motion passed. Ms. Cutsforth said it did not pass because it was not balanced so the vote was negated.

Commissioner Russell moved tentative approval of taking funds for the Water Planning Fund Budget out of the General Fund. Commissioner Lindsay seconded. Commissioner Doherty said he may reach out to both organizations and vote differently as the budget concluded. Vote: Aye: Chair LaRue, Ms. Cutsforth, Mr. Wenholz, Commissioner Lindsay, Commissioner Russell. Nay: Commissioner Doherty. Motion carried.

Break: 10:37-10:43 a.m.

Sheriff's Department – Department 113

Sheriff Ken Matlack, Undersheriff John Bowles, Lt. Brian Snyder, Sgt. Sarah Baker, Lt. Kristen Bowles, Lt. Dan Robbins

Sheriff Matlack said two new FTEs were included in the budget (Communications Deputy and Corrections Assistant) that will be funded by the state, not the General Fund. He then talked about the Canine Budget, saying the donations originally used to purchase the dog have since dried up. He asked for \$10,000 from the General Fund to continue the program. Undersheriff Bowles said if donations come in, they would be listed as revenue in that budget and not viewed as more money to spend, we won't look at it that way.

Discussion continued on the \$96,822 shortfall in the budget due to the loss of the contract with the City of Irrigon for law enforcement services. Ms. Wolfe said the County had funds to allocate because the General Fund still had a very significant amount in Contingency (\$4.8 million) that could be allocated to needs, as determined by the Committee. This will give the County flexibility to cover Personnel and other things, she said. Regarding the questions about the Sheriff's Budget and where the dollars come from, Fund 113 is part of the General Fund, so it makes up the difference. If it's \$100,000 short, it comes from Contingency to balance the budget, she said. Ms. Wolfe responded to Ms. Cutsforth's question about the estimated difference in personnel costs that haven't been discussed yet - \$2 million.

Ms. Cutsforth moved tentative approval of the Sheriff's Department Budget – Revenues of \$650,383 and Expenditures of \$4,681,053 for Department 113 of the General Fund. Commissioner Lindsay seconded. Vote: Aye: Chair LaRue, Ms. Cutsforth, Mr. Wenholz, Commissioner Doherty, Commissioner Lindsay. Nay: Commissioner Russell. Discussion: Commissioner Russell said by losing the Irrigon contract, the County doesn't need to fund that position. He added he didn't agree with Irrigon's decision, they haven't looked through everything well...the position was funded through the Irrigon contract so the position should now go away. Motion carried.

911 Emergency – Fund 207

Undersheriff Bowles said the \$2,000 increase to the Gasoline line (2251) did not get added. Ms. Wolfe recommended reducing Contingency by \$10,000 to balance.

Commissioner Russell moved tentative approval of the 911 Emergency Fund Budget with an increase to the Gasoline line of \$10,000 and reducing Contingency by the same amount. Mr. Wenholz seconded. Vote: Unanimous approval.

Community Corrections – Department 510

Undersheriff Bowles said this was where the Corrections Assistant FTE was added.

Mr. Wenholz moved tentative approval of the Community Corrections Fund Budget in the amount of \$840,100. Commissioner Russell seconded. Vote: Unanimous approval.

Sheriff's Reserve – Fund 522

This fund included the canine, explained Undersheriff Bowles.

Commissioner Lindsay moved tentative approval of the Sheriff's Reserve Fund Budget in the amount of \$19,000. Commissioner Doherty seconded. Vote: Unanimous approval.

Justice Court – Department 109

Judge Glen Diehl

Judge Diehl said he tried to keep any increases to within 10%, for example vehicle costs and gasoline. He explained a few of the impacts of COVID on the Justice Court – the number of citations by the Sheriff’s Office decreased, as did the number of people paying their fines. However, both have recently picked up a bit. There were also changes made by the state, such as removing the ability to collect from people on public assistance, as well as the ability to suspend a drivers license when fines haven’t been paid.

Mr. Green noted there was a \$70,000 deficit in this fund. Ms. Wolfe said as part of the General Fund, it will make up the difference.

Commissioner Lindsay moved tentative approval of the Justice Court Budget in the amount of \$343,083. Commissioner Russell seconded. Vote: Unanimous approval.

Bails & Fines – Fund 231

Commissioner Russell moved tentative approval of the Bails & Fines Budget in the amount of \$540,000. Mr. Wenholz seconded. Vote: Unanimous approval.

District Attorney – Department 111

Justin Nelson, District Attorney/County Counsel

Mr. Nelson said all of the budgets didn’t change very much. He did request the salary amount for a new Deputy District Attorney remain the same as the previous DDA, Richard Tovey, so someone with experience could be hired.

Commissioner Lindsay moved tentative approval of the District Attorney Budget in the amount of \$439,246. Commissioner Doherty seconded. Vote: Unanimous approval.

Alcohol Enforcement – Fund 218

Commissioner Lindsay moved tentative approval of the Alcohol Enforcement Fund Budget in the amount of \$21,275. Commissioner Doherty seconded. Vote: Unanimous approval.

Victim Witness – Fund 220

Mr. Nelson said this was a complicated grant and his office relied on the assistance of the Finance Office. It’s federal funding that is passed through to the state, he added.

Commissioner Russell moved tentative approval of the Victim Witness Fund Budget in the amount of \$129,082. Commissioner Doherty seconded. Vote: Unanimous approval.

CAMI (Child Abuse Multidisciplinary Intervention) Grant – Fund 231

Mr. Nelson said this grant paid for the contract with the Mt. Emily Safe Center, trainings, and child forensic interviews for child sex abuse cases.

Commissioner Russell moved tentative approval of the CAMI Grant Fund Budget in the amount of \$36,920. Mr. Wenholz seconded. Vote: Unanimous approval.

Law Library – Fund 206

Commissioner Russell moved tentative approval of the Law Library Fund Budget in the amount of \$40,379. Mr. Wenzholz seconded. Vote: Unanimous approval.

DUII Impact – Fund 234

Commissioner Russell moved tentative approval of the DUII Impact Fund Budget in the amount of \$30,290. Ms. Cutsforth seconded. Vote: Unanimous approval.

Liquor Control – Fund 243

Commissioner Russell moved tentative approval of the Liquor Control Fund Budget in the amount of \$893. Mr. Wenzholz seconded. Vote: Unanimous approval.

Court Security – Fund 322

Mr. Nelson said this was a pass-through fund for Sheriff's Office billing for court security. There's been quite a bit of usage in Irrigon and by Circuit Court. It will get to the point where funding from the state won't cover actual costs, he concluded.

Commissioner Russell moved tentative approval of the Court Security Fund Budget in the amount of \$87,500. Mr. Wenzholz seconded. Vote: Unanimous approval.

Public Comment: None

Lunch Break: 11:56 a.m.-12:33 p.m.

Ms. Wolfe provided an updated spreadsheet to show the changes made. The General Fund had \$4.8 million in Contingency – setting aside \$1.2 million to cover Personnel increases, leaving \$3.62 million to cover the \$151,000 in changes made this morning.

Road – Fund 202

Eric Imes, Public Works Director

Mr. Imes reviewed some of the minor changes to budget lines. He said since he was new to the Director position, he left things basically the same as the year before. After fielding several questions about his budget, the discussion centered on the \$1 million in Contingency. Commissioner Lindsay said that amount was carried over every year for the Road Department and she'd always questioned it.

Commissioner Russell moved tentative approval of the Road Fund Budget in the amount of \$8,987,106, with the understanding as the Committee goes through the budget, if more money is found, this budget will be revisited. Commissioner Lindsay seconded. Vote: Unanimous approval.

Equipment Reserve – Fund 201

Mr. Wenzholz moved tentative approval of the Equipment Reserve Fund Budget in the amount of \$1,771,000. Commissioner Doherty seconded. Vote: Unanimous approval.

Finley Buttes Road – Fund 203

This fund is to maintain Bombing Range Road from the Finley Buttes turn-off to the interstate. Mr. Imes said maintenance was current and he preferred to leave the budget at the amount requested.

Commissioner Russell moved tentative approval of the Finley Buttes Road Fund Budget in the amount of \$2,248,382. Mr. Wenholz seconded. Vote: Unanimous approval.

Parks – Fund 238

Greg Close, Parks General Manager

Mr. Close detailed the changes in his budget and noted Park revenues increased. He said one significant change was \$10,000 for cabin upgrades. He said they get a lot of use and needed to be nicer. He planned to add sheetrock and install new windows. Mr. Close mentioned the confusion in reading the OpenGov documents because they mingled the three Parks together instead of separating them out by each Park, as in the past.

Commissioner Russell moved tentative approval of the Parks Fund Budget in the amount of \$937,500. Mr. Wenholz seconded. Vote: Unanimous approval.

Miscellaneous

Ms. Wolfe said when the County hires a new Finance Director, please consider the following: A decision needed to be made as to whether the County will do funds- or program-based budgeting. It needed to be consistent, across the board. Clackamas County opted to do program-based budgeting but it can “explode” a budget book, she said. It takes an already large process and makes it even larger. Without a significant staffing increase, she said it’s something she would not undertake lightly.

Airport – Fund 205

Sandi Pointer, Public Works Management Assistant

Ms. Pointer explained the matching funds for a potential Connect Oregon grant were not included in the budget. She distributed paperwork that showed the figure for the 30% match as \$117,240 (prior reference on page three was \$118,407). After discussing several options, the Committee decided to consider the request on the last day.

Commissioner Lindsay moved tentative approval of the Airport Fund Budget in the amount of \$814,154, with the \$117,240 to be looked at later in the meetings. Commissioner Russell seconded. Vote: Unanimous approval.

Public Works Administration – Department 120

Commissioner Russell moved tentative approval of the Public Works Administration Budget in the amount of \$76,085. Mr. Wenholz seconded. Vote: Unanimous approval.

Public Works North Transfer – Department 122

Ms. Pointer said one new item in the budget was an increase of about \$5,000 in Personnel Services. This would be to increase the wage for Transfer Station Attendants to \$18 an hour.

Ms. Fox explained the Attendants were part-time, don't receive COLAs, and haven't seen an increase in quite a while and will fall below minimum wage shortly. Discussion.

Commissioner Russell moved tentative approval of the Public Works Transfer Station North Budget in the amount of \$64,250, increasing Personnel Services by \$2,500, and the extra revenue to come out of the General Fund. Commissioner Lindsay seconded. Vote: Unanimous approval.

Public Works South Transfer – Department 123

Ms. Pointer requested the same increase for Attendants at the South Transfer Station (\$2,500). She reviewed new additions to this budget: a 40-yard container (\$11,000) and a mini-excavator (\$100,000).

Ms. Wolfe said the budget increased \$100,000 over the prior year, plus \$2,500. Commissioner Russell suggested using current equipment at Public Works to crush garbage on weekends at the Transfer Stations.

Ms. Cutsforth moved tentative approval of the Public Works South Transfer Budget in the amount of \$163,206. Mr. Wenholz seconded. Vote: Unanimous approval.

Public Works General Maintenance – Department 121

Tony Clement, General Maintenance Supervisor

Mr. Clement explained the situation with getting the Sheriff's Office reroofed. He said the original quote was \$48,000 but with changes since then, he proposed \$100,000 to accomplish the task. Discussion took place on the difficulties in getting people to bid on the job.

Other changes requested: Increase Capital Outlay for a new pickup from \$60,000 to \$72,000; increase fuel and propane lines by 20% (additional \$1,300 for gas; additional \$4,950 for propane). Ms. Wolfe said it was a total of \$16,150 in increases, meaning the budget would go from \$764,264 up to \$780,414.

Ms. Cutsforth moved tentative approval of the Public Works General Maintenance Budget in the amount of \$780,414. Commissioner Lindsay seconded. Vote: Unanimous approval.

Weed – Department 128

Dave Pranger, Weed Coordinator/Inspector

Mr. Pranger said there were very few changes over last year's budget. Due to his upcoming retirement, he suggested bringing someone in early for training purposes.

Commissioner Russell moved tentative approval of the Weed Department Budget in the amount of \$142,668. Mr. Wenholz seconded. Vote: Unanimous approval.

Weed Equipment Reserve – Fund 224

Mr. Pranger said the sprayer on the pickup will need to be upgraded or replaced in the next one or two years.

Commissioner Russell moved tentative approval of the Weed Equipment Reserve Fund Budget in the amount of \$30,915. Commissioner Lindsay seconded. Vote: Unanimous approval.

Fair – Fund 214

Ann Jones, Fair Secretary

Commissioner Lindsay noted the BFB of \$275,000 and a Contingency of \$183,418. She said there needed to be discussion on getting it into budgeting instead of carrying it over. She also said the Committee removed \$5,000 last year but it didn't appear to have come out, based on the motion. She suggested \$10,000 be moved to "furniture" from the dollars already here and then not use the grant from the Willow Creek Valley Economic Development Group (WCVEDG).

After discussion, Ms. Cutsforth recommended the new line be called "Equipment" and that \$15,000 be moved to that line.

Commissioner Russell clarified Contingency would be reduced to \$178,418 and a new "Equipment" line would be added.

Commissioner Russell moved to approve the Fair Fund Budget in the amount of \$445,140, with no changes to the total dollar amount, just line items. Commissioner Lindsay seconded. Vote: Unanimous approval.

Fair Roof Reserve – Fund 236

Commissioner Lindsay moved tentative approval of the Fair Roof Reserve Fund Budget in the amount of \$31,307. Commissioner Doherty seconded. Vote: Unanimous approval.

Fair Improvement – Fund 226

Commissioner Russell moved tentative approval of the Fair Improvement Fund Budget in the amount of \$36,485. Commissioner Lindsay seconded. Vote: Unanimous approval.

Rodeo – Fund 230

Judy Healy, Rodeo Board

Ms. Healy said the Rodeo has been receiving \$10,000 from Video Lottery Funds but she didn't see the new request for an additional \$2,500 for activities around the 100th anniversary of the rodeo.

Ms. Wolfe said the funds were not in the amended budget and there were no additional funds to transfer out of Video Lottery. She said the Committee could consider the General Fund.

Commissioner Lindsay moved tentative approval of the Rodeo Fund Budget in the amount of \$10,000 with the additional request for \$2,500 set aside until the last day of the meetings. Ms. Cutsforth seconded. Vote: Unanimous approval.

Bleacher Reserve – Fund 229

Commissioner Lindsay moved tentative approval of the Bleacher Reserve Fund Budget in the amount of \$26,231. Commissioner Doherty seconded. Vote: Unanimous approval.

Break: 2:19-2:32 p.m.

STF – Fund 216 (Special Transportation Fund)

Katie Imes, Coordinator, Public Transit/The Loop

Ms. Imes reviewed the various changes to this budget. She also talked about funds to support the planning for the Hermiston/Boardman Connector and the Port of Morrow/Boardman Circular.

Commissioner Russell moved tentative approval of the STF Fund 216 Budget in the amount of \$1,612,676. Commissioner Doherty seconded. Vote: Unanimous approval.

STF Vehicle Reserve – Fund 225

Ms. Imes said there were some increases in this budget and then and listed upcoming vehicle purchases.

Commissioner Russell moved tentative approval of the STF Vehicle Reserve Fund Budget in the amount of \$669,874. Commissioner Doherty seconded. Vote: Unanimous approval.

5310 Grant Fund – Fund 504

Ms. Imes said this budget was for federal funds. She just received notice of funding that will be used for preventive maintenance, bus barn development, and to purchase a demand response vehicle. She mentioned the \$400,000 listed for project management was not correct.

Discussion.

Commissioner Russell moved tentative approval of the 5310 Grant Fund Budget in the amount of \$1,054,777, changing Contract Services from \$425,000 to \$275,000, reducing it by \$150,000 and increasing Contingency so the balance was still the same. Mr. Wenholz seconded. Vote: Unanimous approval.

5311 Grant Fund

Ms. Imes said this should not have been included because she's never operated out of this fund.

Ms. Wolfe explained it was left in as a placeholder in case discussion was needed.

Break: 2:45-3:15 p.m.

Surveyor Department – Department 118

Mr. Green recommended keeping the Surveyor Department budget as-is because the position remained open. The current contracted Surveyor, Matt Kenny, did not suggest any changes, said Mr. Green.

Commissioner Lindsay moved tentative approval of the Surveyor Department Budget in the amount of \$172,883. Ms. Cutsforth seconded. Vote: Unanimous approval.

Surveyor Preservation – Fund 208

Mr. Green said the BFB was \$271,984. The fund receives a percentage of fees when certain documents are recorded in the Clerk's Office. The funds will accumulate until someone does the work to establish the corner markers, which will probably entail a request for proposals.

Ms. Cutsforth moved tentative approval of the Surveyor Preservation Fund Budget in the amount of \$288,984. Mr. Wenholz seconded. Vote: Unanimous approval.

Mr. Green suggested the Committee take time to review the 2021 minutes.

Break: 3:22-3:45 p.m.

Public Comment: None

Minutes

Commissioner Doherty moved to accept the 2021-22 Budget Committee Meeting minutes, as presented. Mr. Wenholz seconded. Vote: Unanimous approval.

Ms. Cutsforth asked that her motion on page 6 be corrected to \$45,000.

3:47 p.m.: Chair LaRue recessed the meeting until Wednesday, May 11th at 9:00 a.m.

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Bartholomew Building Upper Conference Room
Heppner, Oregon

Present In-Person

Commissioner Jim Doherty, Commissioner Melissa Lindsay, Commissioner Don Russell, Chair Linda LaRue, Kim Cutsforth, Jeff Wenholz, Darrell J. Green, Roberta Lutcher, SaBrina Bailey-Cave, Ronda Fox, Mike Gorman, Jaylene Papineau, Sheryll Bates

Present Via Zoom

Christa Wolfe, Kirsti Cason, Sandi Pointer, Patrick Collins, Tracie Diehl, Katie Imes, Erika Lasater, Jasmine Garcia, Christy Kenny, Paul Gray, Brenda Profitt, Tamra Mabbott, Nicole Strong

Call to Order & Pledge of Allegiance: 9:00 a.m.

Budget Update

Christa Wolfe, CPA, Wolfe Consulting, LLC

Ms. Wolfe said yesterday started with a proposed budget of \$82,351,674 and after the changes were incorporated, it was \$82,270,842. The impacts to the General Fund amounted to \$170,022. She said she would continue to track the changes throughout the day that impacted the General Fund and enter them into OpenGov.

Public Comment: None

Administration (Finance & Human Resources) – Department 102

Ronda Fox, Payroll & Benefits Administrator

Ms. Fox said there were two requests that were not in the budget:

1. Request to purchase pay equity analysis - \$50,000: Ms. Cutsforth asked if the analysis would encompass all employees; Ms. Fox replied, yes.
2. Request to update JobMeas™ program - \$15,000: Ms. Fox said this program determines where positions fall on the pay scale. Administrator, Darrell Green, said the program needed to include more government-related jobs and a recent update included that information.

In the ensuing discussion, it was agreed to add \$70,000 for both requests to Contract Services, necessitating the creation of a new line item.

Commissioner Russell moved tentative approval of the General Fund Administrative Services Budget in the amount of \$671,144 and to add a line item for Contract Services for \$70,000. Ms. Cutsforth seconded. Vote: Unanimous approval.

Assessment & Taxation – Department 103

Mike Gorman, Assessor/Tax Collector

Mr. Gorman reviewed the changes to his budget, in comparison to last year's.

Commissioner Lindsay moved tentative approval of the Assessment & Taxation Budget in the amount of \$920,695. Commissioner Doherty seconded. Vote: Unanimous approval.

Break: 9:24-9:45 a.m. to maintain the times listed on the agenda

Treasurer – Department 104

Jaylene Papineau, Treasurer

Ms. Papineau said the budget remained primarily the same as last year's.

Commissioner Russell moved tentative approval of the Treasurer's Budget in the amount of \$137,565. Mr. Wenholz seconded. Vote: Unanimous approval.

County School – Fund 211

Mr. Wenholz moved tentative approval of the County School Fund Budget in the amount of \$201,350. Commissioner Russell seconded. Vote: Unanimous approval.

Ione School – Fund 212

Commissioner Lindsay moved tentative approval of the Ione School Fund Budget in the amount of \$212,265. Commissioner Doherty seconded. Vote: Unanimous approval.

County Clerk – Department 105

Bobbi Childers, Clerk

Ms. Childers discussed how fees taken in by her department for the recording of various documents are actually split between multiple departments. She handed out papers that showed the breakdown of disbursements to other departments for fiscal year 2020-21 and 2021-22. Ms. Childers went on to talk about the State Housing Fee, a new requirement in the last few years by Oregon that takes a portion of specific fees paid at the county level. In the first year, it was \$9, then \$20 and now \$60. It's hard on elderly people with fixed incomes who want to record a death certificate, she said. In the current fiscal year, which hasn't been completed, there was already \$105,420 going to the state from Morrow County. The funds were intended to trickle back to the counties but she said she didn't know if Morrow County was getting anything back. The state website is very vague, she stated. Ms. Childers reviewed other items in her budget. She mentioned the experience of her staff members and encouraged the Committee to remember the employees.

Mr. Wenholz moved tentative approval of the County Clerk's Budget in the amount of \$376,074. Commissioner Russell seconded. Vote: Unanimous approval.

Board of Property Tax Appeals (BOPTA) – Department 107

Ms. Childers said there was one BOPTA hearing this year, which was appealed to the state. She discussed the increase in the Stipend line.

Commissioner Russell moved tentative approval of the BOPTA Budget in the amount of \$3,036. Ms. Cutsforth seconded. Vote: Unanimous approval.

Clerk's Records Fund – Fund 233

Ms. Childers explained the funds can be used on items related to recording documents. She said she purchased a large printer for scanning and printing, and the next item purchased will relate to plats, such as a flat plat holder.

Ms. Cutsforth moved tentative approval of the Clerk's Records Fund Budget in the amount of \$22,850. Mr. Wenholz seconded. Vote: Unanimous approval.

Ms. Childers informed the Committee that the election machines were never connected to the internet and thumb drives were never used. "I enter things manually, we're a closed system," she said.

Break: 10:22-10:39 a.m.

Board of Commissioners – Department 101

Darrell Green, Administrator

Mr. Green said the \$85,000 for the audio/visual upgrades to the Bartholomew Building Upper Conference Room were somehow included in this budget. He suggested it be moved to Programming Reserve or Capital Projects but deferred to Ms. Wolfe, who deferred to the Committee. (See Programming Reserve discussion, page 4.) Mr. Green requested to add \$15,000 for work to develop a strategic plan/vision, mission statement, etc.

Commissioner Russell noted there would be a net decrease of \$70,000.

Ms. Cutsforth moved tentative approval of the Board of Commissioners Budget in the amount of \$709,643. Mr. Wenholz seconded. Vote: Unanimous approval.

Building Maintenance Reserve – Fund 241

Discussion took place on the potential grant funding from the state to upgrade the Courthouse, and the feasibility study the County undertook. Counties are required to furnish space for state Circuit Courts and Morrow County has been evaluating whether to remodel the Courthouse to better accommodate the needs of the Circuit Court and the County, or to build a new facility for Circuit Court. The state grant funds would be a lesser amount if the County remodeled the Courthouse versus building a new facility for Circuit Court. Mr. Green said based on the Courthouse feasibility study, needed Courthouse upgrades, including bringing it up to seismic standards, would be \$8.7 million. As the discussion veered into the Resiliency Fund, Ms. Wolfe said, based on her experience in Clackamas County, many policy and planning discussions with the Board of Commissioners would be needed but the group was on the right path in discussing and prioritizing building maintenance needs but life safety should come first. The balance in the Resiliency Fund was about \$9 million, she said.

Ms. Cutsforth moved to table this until tomorrow. Commissioner Lindsay seconded. Vote: Unanimous approval.

Equity – Fund 240

Commissioner Lindsay moved tentative approval of the Equity Fund Budget in the amount of \$626,000. Commissioner Doherty seconded. Vote: Unanimous approval.

Resiliency – Fund 540

After discussing the balance of “in lieu of taxes” funds, some of which were still being held by the Treasurer pending the Board’s okay to release them (\$3.6 million to Blue Mountain Community College and the two school districts), Ms. Wolfe said this would be a budget of about \$7 million. Funds will be expended directly from here and would not be transferred elsewhere. This would be the fund the Committee comes back to as it discusses other options, such as Capital Improvement Projects (CIP), Building Maintenance Reserve, Courthouse improvements, etc. Later in the conversation, she said the Committee could come back and adjust this if they proposed any transfers out.

Commissioner Lindsay moved tentative approval of the Resiliency – Fund 540 Budget at \$7 million. Commissioner Russell seconded. Vote: Unanimous approval.

Computer – Department 125

Darrell Green, Administrator

Mr. Green said he and Jordan Standley, IT Server Specialist with InterMountain Education Service District (IMESD) estimated computer replacements for the next fiscal year at \$47,000. There have also been discussions about switching IT service providers to the City of Hermiston and Mr. Green went on to compare the costs and services provided by each entity.

11:29 a.m.: Commissioner Doherty left the meeting to take a call and returned at 12:15 p.m.

Commissioner Russell moved tentative approval of the Computer Department Budget at \$355,500, including the increase in Material & Services, Contract Services from \$133,259 up to \$250,000. Commissioner Lindsay seconded. Vote: Unanimous approval with Commissioner Doherty not in attendance.

Computer Reserve – Fund 215

Darrell Green, Administrator

Mr. Green said the budget included a \$30,000 increase in order to immediately deal with any server problems.

Commissioner Russell moved tentative approval of the Computer Reserve Budget in the amount of \$107,350. Mr. Wenholz seconded. Vote: Unanimous approval with Commissioner Doherty not in attendance.

Programming Reserve – Fund 217

Darrell Green, Administrator

Mr. Green said this fund was meant to build over time to cover such things as significant software upgrades, telecommunication needs and computer programming. He talked about the current phone system expiring in 2024 and proposed to start the system change-over in the spring of 2023. The estimate from IMESD was \$53,840. He then proposed adding the \$85,000 in the BOC Budget for the audio/visual upgrades for the Bartholomew Building Conference Room to this budget. Ms. Wolfe said after updating this budget, there was room in it for the \$85,000.

Another request involved moving the County from a server-based system to a cloud-based system – Microsoft Office 365 G1. He said Mr. Standley’s estimate was \$19,050.

Ms. Cutsforth moved tentative approval of the Programming Reserve Budget in the amount of \$187,100. Commissioner Russell seconded. Vote: Unanimous approval with Commissioner Doherty not in attendance.

Emergency Management – Department 117

Paul Gray, Emergency Manager

Mr. Gray discussed various grants for which he planned to apply that he had not included in the budget. If he was successful in receiving a State Homeland Security Grant for a new generator, it would be considered an asset and be listed in Capital Outlay. Discussion. Ms. Wolfe said the new amount for expenses would be \$534,252.

Commissioner Russell moved tentative approval of the Emergency Management Budget in the amount of \$534,252 with an increase going to Capital Outlay. Ms. Cutsforth seconded. Vote: Unanimous approval with Commissioner Doherty not in attendance.

Juvenile – Department 112

Christy Kenny, Juvenile Department Director

Ms. Kenny reviewed her budget, which she said contained very few changes.

Commissioner Russell moved tentative approval of the Juvenile Department Budget in the amount of \$410,074. Commissioner Lindsay seconded. Vote: Unanimous approval with Commissioner Doherty not in attendance.

Public Health – Department 114

Robin Canaday, Interim Public Health Director

Ms. Canaday reviewed her Department’s budget. She requested to increase the wage for the vacant Nurse Supervisor position. Ms. Canaday also said funding will be needed to assist with nitrate and groundwater issues moving forward but she wasn’t sure where that would end up. Commissioner Lindsay said she too was not sure where the water conversation would go but the County will need a match, perhaps in Contract Services as a placeholder, for an additional \$30,000-\$55,000.

Commissioner Russell suggested adding \$30,000 in Contract Services and \$20,000 to the Nurse Supervisor line (101-114-5-10-1003), making the new total \$1,605,874.

Commissioner Russell moved tentative approval of the Public Health Department Budget in the amount of \$1,605,874. Ms. Cutsforth seconded. Vote: Unanimous approval with Commissioner Doherty not in attendance.

Public Comment: None

12:15 p.m.: Commissioner Doherty returned to the meeting

Lunch Break: 12:15-12:45 p.m.

Willow Creek Valley Economic Development Group (WCVEDG)

Sheryll Bates, WCVEDG

Ms. Cutsforth noted this budget has remained unchanged at \$25,000 for quite a few years.

Commissioner Russell moved tentative approval of the WCVEDG Budget in the amount of \$25,000. Commissioner Lindsay seconded. Vote: Unanimous approval.

Morrow County Tourism

Sheryll Bates

Ms. Bates said she was filling in for Boardman Chamber Director, Torrie Griggs. She then explained how the funds would be divided between the five communities for their unique celebrations.

Commissioner Russell moved tentative approval of the Morrow County Tourism Budget in the amount of \$15,000. Mr. Wenholz seconded. Vote: Unanimous approval.

Morrow County/Oregon State University Extension

Julie Baker and Anna Browne (in-person); Nicole Strong (via Zoom)

Ms. Baker read a narrative of staff accomplishments and duties. She reviewed the budget request spreadsheet, as well. Ms. Baker noted Ms. Browne accepted Umatilla County's 4H Program Coordinator position. Morrow County's 4-H Outreach Program Coordinator, Erin Heideman returned to teaching, effective December 31, 2021. The Morrow County Extension Office wanted to provide more dedicated support to Morrow County, by adding a half-time position for 4-H to serve Morrow County exclusively. This position would be more involved in the schools and other non-traditional 4-H offerings but it would not be filled until the new 4-H agent was in place and involved in the process, she said.

Commissioner Russell moved tentative approval of the Morrow County/OSU Extension Budget in the amount of \$195,437. Ms. Cutsforth seconded. Vote: Unanimous approval.

U.S.D.A. Animal & Plant Health Inspection Services (APHIS) Wildlife Services

Chris Lulay, Wildlife Trapper, Morrow County

Shane Koyle, District Supervisor

Mr. Lulay announced he was taking a similar position with the agency in Union County to be closer to family. He then reviewed his activities in Morrow County over the past year. Discussion.

Commissioner Doherty moved tentative approval of the U.S.D.A./APHIS Wildlife Services Budget in the amount of \$61,800. Commissioner Lindsay seconded. Vote: Unanimous approval.

Soil & Water Conservation District (SWCD)

Kevin Payne, District Manager

Mr. Payne reviewed the budget request, which he said stayed basically the same. He then talked about grant revenue and how it's been used.

Commissioner Russell moved tentative approval of the SWCD Budget in the amount of \$55,000. Ms. Cutsforth seconded. Vote: Unanimous approval.

Oregon Water Resources Department – Watermaster

Greg Silbernagel, District 5 Watermaster

Ken Thiemann, District 21 Watermaster

Mr. Silbernagel said the funds helped support his and Jasmine Loupe's travel expenses in taking care of the Butter Creek drainage, and Willow Creek. Ms. Loupe is the North Central Region Assistant Watermaster.

Commissioner Lindsay asked about the history of counties funding state agencies, and said it felt like a backfill of the state budget. Mr. Thiemann agreed and talked about some of the landowners they've assisted with projects. The department is spread thin and if there is buy-in from counties, it helps, he said.

Commissioner Lindsay moved tentative approval of the OWRD – Watermaster Budget in the amount of \$12,200. Mr. Wenholz seconded. Vote: Unanimous approval.

Irrigon/Boardman Emergency Assistance Center

Ina Abercrombie, Coordinator

Shirley David, Secretary/Bookkeeper

The representatives discussed the increased need in the last year for the services offered by the Center.

Ms. Cutsforth asked about the source of funds for these types of requests and Ms. Wolfe responded Contingency dollars in the General Fund were used.

The Committee decided to hear the requests from the other two assistance entities before making a decision.

Neighborhood Center of South Morrow County

Lisa Patton, Coordinator

Ms. Patton provided an overview on how the Center operates and serves its clients.

Boardman Food Pantry

Mary Killion, President

Perla Martinez, Manager

Rick Weiss, Vice President

Ms. Killion said the Food Pantry didn't request funds last year (2021) because of the County's generosity in helping them purchase their building (2020), but they felt it appropriate to ask this year. She also expressed a desire to hold a fundraiser for all the food pantries in the County so people know they aren't competing against each other, but exist for the same purpose.

Commissioner Doherty moved tentative approval to set \$100,000 aside to be held by the County and paid out quarterly to the three pantries. Commissioner Russell offered a friendly amendment to pay out on a monthly basis instead of quarterly. Ms. Wolfe said because of the individual line items, do \$33,333 for each line item. Commissioner Doherty said he was happy with that and restated his motion as \$100,000 set aside and paid out monthly but directed \$33,333.33 individually over the course of the year. Commissioner Russell seconded. Vote: Unanimous approval.

Morrow County Museum – Dept. 119

Merle Cowett

On behalf of the Museum Board, Mr. Cowett thanked the Committee for the funds each year saying it really helped them. He talked about upcoming programs and events at the museums and then reviewed the budget for the Committee.

Commissioner Russell moved tentative approval of the Museum Budget in the amount of \$11,000. Ms. Cutsforth seconded. Vote: Unanimous approval.

Break: 2:17-2:33 p.m.

Video Lottery – Fund 219

Ms. Wolfe said she needed clarity on the history of Video Lottery funds going to the various entities because they were to be used for economic development. The budget within the General Fund was sufficient to cover the costs, she said (in reference to \$23,680 to OSU Extension). Do you still want a portion covered by Video Lottery dollars and what is that allocation, she asked? After a discussion of the budgets that received Video Lottery funds in the past, the Committee opted to continue the discussion tomorrow.

Veterans – Dept. 106

Linda Skendzel, Veterans Services Officer

The Committee discussed the minimal changes to the budget until Ms. Skendzel was available for input. After joining via Zoom, she talked about a \$4,000 placeholder in the budget in the event she received another grant with a specific focus.

Ms. Cutsforth moved tentative approval of the Veterans Department Budget in the amount of \$119,954. Commissioner Russell seconded. Vote: Unanimous approval.

Capital Improvement Projects (CIP) – Fund 227

Darrell Green, Administrator

Mr. Green said the two major projects for FY 2022-23 were:

- The Bus Barn Transit Facility: \$2.5 million
- The new building for Circuit Court: \$6.5 million for the matching funds associated with the state grant. Estimated cost for the new building: \$13 million

It was noted there was \$1.5 million in a line item for matching dollars for Courthouse improvements that could be carried forward. Ms. Cutsforth commented it would bring the total for Courthouse improvements to \$2.8 million, which gets it closer to the amount needed.

Discussion turned to the dollar amount needed for matching funds for the Bus Barn Facility and from which funds they will transfer in and out in order to balance. Katie Imes, Transit Coordinator, said she needed some time to verify the figures so the Committee postponed further discussion until tomorrow.

Succession Planning Fund

Darrell Green, Administrator

Mr. Green said in meetings with former Finance Director, Kate Knop, and Ms. Grogan, Ms. Knop recommended creating a reserve fund to build over time for succession planning.

Ms. Wolfe said she disagreed with that position and wouldn't recommend that approach. Because department budgets should be the fully loaded cost of the budget for that department, it's important to keep that personnel cost within that department even if they have to do a double bill and even if they have to bring back someone from retirement. When they start pulling it out and throwing it out into other departments, trend analysis can't be done anymore because that data has been lost. Respectfully, she said she disagreed with Ms. Knop's recommendation.

The other item in the proposed Succession Planning Fund was for funding to support trainings. Ms. Wolfe said if it was important to the County, those dollars should be added to the different department budgets and those budgets increased.

Public Comment: None

Recessed: 3:23 p.m.

Morrow County Budget Committee Meeting Minutes
Thursday, May 12, 2022
Bartholomew Building Upper Conference Room
Heppner, Oregon

Present In-Person

Commissioner Jim Doherty, Commissioner Melissa Lindsay, Commissioner Don Russell, Darrell J. Green, Mike Gorman, Roberta Lutchter, Jaylene Papineau, SaBrina Bailey-Cave

Present Via Zoom

Ronda Fox, Christa Wolfe

Call to Order & Pledge of Allegiance: 9:00 a.m.

Budget Update

Christa Wolfe, CPA, Wolfe Consulting, LLC

Ms. Wolfe said after yesterdays' changes, total revenues and total expenditures decreased, largely due to changes in the Beginning Fund Balance (BFB). She said it was around \$13 million but decreased to \$6.5 million. There was discussion yesterday that the General Fund, Contingency, had \$4.8 million but covering Personnel increases left a balance of \$3.6 million. Expenditures of \$420,000 were added to Contingency, now making it \$3.2 million. She said the proposed Ending Fund Balance (EFB) was still at \$3.6 million and that the Committee had been adjusting Contingency numbers only.

Public Comment: None

Willow Creek Wind Fees – Fund 222

Commissioner Russell moved tentative approval of the Willow Creek Wind Fees Fund Budget in the amount of \$91,000 with the change in the transfer to the General Fund to put \$46,000 in the Capital Improvement Fund. Commissioner Lindsay seconded. Vote: Unanimous approval.

Echo Wind Fees – Fund 500

Commissioner Lindsay moved tentative approval of the Echo Wind Fees Fund Budget in the amount of \$101,885, adjusting \$25,785 to the Capital Improvement Fund, not the General Fund. Commissioner Russell seconded. Vote: Unanimous approval.

Shepherds Flat Fees – Fund 322

Commissioner Lindsay moved tentative approval of the Shepherds Flat Fee Fund Budget in the amount of \$1,661,000. Commissioner Russell seconded. Vote: Unanimous approval.

PGE Carty – Fund 521

Commissioner Russell moved tentative approval of the PGE Carty Fund Budget in the amount of \$3,503,500 with a line item correction of \$126,117 going to Capital Investments, rather than Long-Term Goals. Mr. Wenholz seconded. Vote: Unanimous approval.

Wheatridge Wind – Fund 523

Commissioner Russell moved tentative approval of the Wheatridge Wind Fund Budget in the amount of \$2,430,000, and the additional \$930,000, with \$430,000 of it being additional monies

and \$500,000 going to Community Service Fees, and an additional \$430,000 from a solar project coming on line, to go to the Capital Improvement line again. After a lengthy discussion, Commissioner Russell said his motion was for the balance, \$930,000, to go to Capital Improvement. Commissioner Lindsay seconded. Vote: Unanimous approval.

Orchard Wind – Fund 524

Mike Gorman, Assessor/Tax Collector, explained this project was a smaller 48-50 megawatt project and the developer wanted to pay the bulk in later years. The community service fee (CSF) increases over time and the additional fees are the County's. Since the CSF line was at \$0, Mr. Gorman recommended to Ms. Wolfe that it be similar to prior years or \$150,000. Discussion.

Commissioner Russell moved tentative approval of the Orchard Wind Fund Budget in the amount of \$154,850 with \$150,000 going to CSF and the remaining \$4,850 to the Capital Improvement Fund. Ms. Cutsforth seconded. Vote: Unanimous approval.

Video Lottery – Fund 219

During the discussion, Ms. Wolfe said the fourth payment of Video Lottery funds hadn't been received. The Extension Agent fee was removed and was zeroed out. General Fund will pay for this instead of multiple lines for Oregon State University Extension. It puts it in one place and will be easy to find. She recommended not budgeting \$150,000 in Video Lottery unless the Committee was comfortable there'd be growth.

Mr. Wenholz suggested a conservative approach by budgeting \$130,000. Ms. Wolfe said that would make the budget total \$172,750.

Commissioner Lindsay reminded the Committee of the \$117,000 grant match for the Lexington Airport, and Ms. Cutsforth recommended \$51,250 be the figure used. Commissioner Russell proposed putting it in the Capital Improvement Fund in case the grant wasn't successful, the funds would be there for capital improvements. Ms. Wolfe said there was an Airport Contingency Fund if the grant match was higher, and given more pressing needs, it would be wise to have them tap into that, especially when dealing with fire, life and safety issues in the other buildings. Commissioner Lindsay said Video Lottery Funds had to be used for economic development. Leave here and note in the minutes it's a match for the airport, she said (BFB, Contingency for next year).

Ms. Cutsforth moved tentative approval of the Video Lottery Fund Budget in the amount of \$172,750 with the changes discussed – increase the Revenues to \$130,000; transfer to Heritage Trail \$28,000; increase the Rodeo Fund by \$2,500 to make it \$12,500; put the balance of \$51,250 in Contingency. Mr. Wenholz seconded. Vote: Unanimous approval.

Finley Buttes License Fees – Fund 210

Commissioner Lindsay moved tentative approval of the Finley Buttes License Fees Fund in the amount of \$2,346,665. Mr. Wenholz seconded. Vote: Unanimous approval.

Forest Service Title III – Fund 322

Ms. Wolfe said the federal funds have always been very restrictive and that the new Finance Director and County Counsel needed to be aware the funds were slated to be returned in 2023, unless the date was extended. Commissioner Lindsay talked about the process to begin to expend the funds for search and rescue efforts. A rules advisory committee needed to be established and she and Mr. Gorman were working on that with Heppner District Ranger, Doug McKay, she said.

Commissioner Lindsay moved tentative approval of the Forest Service Title III Fund Budget in the amount of \$87,700. Commissioner Russell seconded. Vote: Aye: Commissioner Russell, Commissioner Lindsay, Linda LaRue, Kim Cutsforth, Jeff Wenholz. Absent: Commissioner Doherty. Motion carried.

Break: 10:10-10:30 a.m.

Ms. Wolfe said she updated the numbers during the break. The changes were significant because as the Committee made changes to transfers, it impacted a lot of things. She said she updated the transfers within the General Fund and suggested going through Department 124, Transfers to Other Funds, and the Department 100 budget – Non-Departmental Revenues. She suggested waiting until the others were done before working on the 199 budget.

Transfer to Other Funds – Department 124

Ms. Wolfe said what changed between the budget book and OpenGov was the \$16,000 to the Water Planning Fund.

Non-Departmental Revenue & Expenditures – Departments 100 & 199

Ms. Wolfe said the estimated General Fund BFB was \$10,621,773. It's from looking at prior year audited financial statements. It's increasing but she proposed the \$10 million figure, even though it should come in higher. If the County had additional needs, it could be "trued up" again as they come in and get audited balances, and through budget or supplemental budget adjustments. If not, it would rollover into the EFB. She talked about estimated property taxes of \$12.1 million, grants, interest rates, nothing budgeted in Miscellaneous, and removing the transfers to Echo Winds and Willow Creek Wind.

Commissioner Russell moved tentative approval of the General Fund Non-Departmental Budget in the amount of \$22,908,481. Ms. Cutsforth seconded. Vote: Unanimous approval.

Ms. Wolfe said the 199 budget should be the last thing so she can continue to update and have accurate numbers for it.

Youth Community Service – Fund 204

Ms. Wolfe recommended closing the fund and doing a budget transfer \$66,158 out to the General Fund. Once that's completed, she said it allows the Finance team to complete the closure process in the accounting system.

Commissioner Russell moved tentative approval of the inactive Youth Community Service Fund 204 Budget in the amount of \$66,158, transferring the full amount to the General Fund. Mr. Wenholz seconded. Vote: Unanimous approval.

Programming Reserve, Fund – 217 & Administration, Department 102

Administrator, Darrell Green, said while OpenGov and Ascentis were countywide systems, they needed to be budgeted and managed in the departments that worked with those programs – Finance and Human Resources, and he had discussions with both Directors. Ms. Wolfe clarified the budget for Department 102, Administration (Finance and Human Resources) would increase by \$60,272.

Commissioner Lindsay moved tentative approval of the Administration Budget, Department 102, in the amount of \$721,416. Commissioner Doherty seconded. Vote: Unanimous approval.

Resiliency – Fund 540

During the discussion, multiple projects were mentioned. Ms. Wolfe encouraged the Committee to budget for transfers, saying it was better to budget the transfer even if the County didn't end up making it. The projects mentioned as needing to be addressed were the Public Health Department Building in Boardman; Public Health Department accreditation process; Courthouse improvements; projects around water; and broadband. Ms. Wolfe said setting aside the \$4 million gives flexibility to pay for things like that.

Commissioner Lindsay moved tentative approval of the transfer of \$4 million to Capital Improvement Projects. Commissioner Doherty seconded. Discussion: Commissioner Russell said it's approving the Resiliency Fund at \$8.2 million with leaving \$4.2 million in the fund and transferring the other \$4 million to Capital Improvement Projects. Vote: Unanimous approval.

The discussion turned to funds anticipated from the Columbia River Enterprise Zone in the coming years. After discussing the pros and cons of budgeting for those funds, Ms. Wolfe said the Committee should put them in the budget. There will be less to do later, she added.

Ms. LaRue moved tentative approval of adding \$1.2 million to revenue in the Resiliency Fund, with it being labeled as "In Lieu of Tax Dollars." Discussion: It was agreed to create a new Materials & Services line called "Enterprise Zone Expenditures." Commissioner Russell seconded. Vote: Unanimous approval.

Mr. Wenholz moved tentative approval of adjusting the Resiliency Fund amount to \$9.4 million. Commissioner Russell seconded. Vote: Unanimous approval.

Discussion took place on the Resiliency Fund and past long-range planning sessions by the Board of Commissioners and how some of the projects identified as future priorities were not listed in the budget. Ms. Wolfe suggested a different approach, saying the County's Budget Meetings included a lot of funds and transferring and every time a transfer was made, history was lost. Align the revenue source with expenditures in the same fund, she said. She said she had a few ideas that worked for other counties she would share with the County's new Finance Director.

Building Reserve – Fund 241

The Committee discussed several areas to be considered for funding – Courthouse improvements, Public Health Department Building in Boardman, Sheriff’s Office Building in Heppner, and a new Circuit Court facility in Heppner along with a possible land purchase. Ms. Wolfe said she would need an hour to update OpenGov.

Lunch Break: 12:00-1:00 p.m.

Transfer to Other Funds – Department 124

Ms. Wolfe said the only change was the \$16,000 for the Water Planning Fund and the rest went into other funds. The current amount stood at \$3,169,794, she said.

Commissioner Russell moved tentative approval of the General Fund, Transfer to Other Funds Budget in the amount of \$3,169,794. Commissioner Lindsay seconded. Vote: Unanimous approval.

Capital Improvement Projects (CIP) - Fund 227

Ms. Wolfe said the changes, mainly due to transfers from other funds, resulted in revenues increasing to \$9.1 million.

Mr. Green said Katie Imes, Coordinator for the The Loop, confirmed 20% was the County’s contribution, or match, required for federal grant funds. Of the \$387,000 required, she has \$113,000 in the STIF Plan (Statewide Transportation Improvement Fund). Ms. Imes will continue to look at other funding for the match or for any opportunities to waive the match, said Mr. Green.

Discussion continued. Ms. Wolfe asked the Committee to review Building Reserve – Fund 241, while she updated the numbers further.

Building Reserve – Fund 241

Mr. Wenzholz moved tentative approval of the Building Reserve, Fund 241 Budget in the amount of \$1,073,871. Ms. Cutsforth seconded. Vote: Unanimous approval.

Capital Improvement Projects (CIP) - Fund 227, continued

Ms. Wolfe said the projects discussed were: \$814,806 for the Administration Building; \$1.5 million for Courthouse improvements; \$500,000 for The Loop bus barn; \$2 million for Circuit Court; \$750,000 for a Public Health Building; and \$500,000 for a Public Works building. The fund was back in balance with a total budget of \$9,119,040, she said.

Commissioner Russell moved tentative approval of the CIP Budget in the amount of \$9,119,040. Ms. Cutsforth seconded. Vote: Unanimous approval.

Non-Departmental Revenues & Expenditures – Department 100

Ms. Wolfe reported the General Fund was still balanced but something was wrong with Transfers. She asked for 30 minutes to perform an audit. Commissioner Lindsay suggested the Committee take up the COLA (cost of living adjustments) conversation.

Ronda Fox, Payroll & Benefits Administrator, said the COLAs were:

- Road & General Employees: 3%*
- Sheriff's Office Employees: 2.5%
- Recommendation for Non-Union Management: 3%
- Compensation Board recommendation for Elected Officials: 4.5%

*COLA for years one and two of the Collective Bargaining Agreement (CBA): 3%. COLA for year three of CBA: 2.5%.

Commissioner Russell moved tentative approval of a 3% COLA for all the Elected Officials and to look at the special circumstances that the Compensation Board had for the Clerk and Commissioners, knowing that everybody gets a 3% COLA and the Elected Officials. Mr. Wenholz seconded. Vote: Aye: Commissioner Russell, Ms. LaRue, Ms. Cutsforth, Mr. Wenholz. Nay: Commissioner Doherty. Recused: Commissioner Lindsay. Motion carried.

Commissioner Russell moved to tentatively accept the recommendation of a 5% increase for the Clerk, based on the Compensation Board recommendation. Commissioner Lindsay seconded. Vote: Unanimous approval.

Commissioner Russell moved tentative approval of a 3% COLA for Non-Represented Employees and to look at everything, holistically, later. Commissioner Lindsay seconded. Vote: Aye: Commissioner Russell, Commissioner Lindsay, Ms. LaRue, Ms. Cutsforth, Mr. Wenholz. Nay: Commissioner Doherty. Motion carried.

Capital Improvement Projects (CIP) - Fund 227, continued

Rodeo Fund – Fund 230, continued

Ms. Wolfe said she found the discrepancies and the two funds impacted were:

- Rodeo Fund – transferred another \$2,500. It now received transfers in of \$12,500 instead of \$10,000. Ms. Wolfe increased the Materials & Services line to balance the budget.
- CIP Fund – was missing the \$930,000 transfer in from Wheatridge Wind.

She said she increased the line item for Building Improvements to balance, creating a new total of \$3.2 million. The total fund increased to \$10,049,040, she said.

Mr. Wenholz moved tentative approval of the Rodeo Fund Budget in the amount of \$12,500. Commissioner Lindsay seconded. Vote: Unanimous approval.

Commissioner Russell moved tentative approval of the CIP Fund Budget in the amount of \$10,049,040. Mr. Wenholz seconded. Vote: Unanimous approval.

Non-Departmental Revenues & Expenditures – Department 199

Ms. Wolfe said transfers in equaled transfers out and the total budget, all funds, had a balanced budget. She reviewed some of the revenues in Department 199 and said the unappropriated fund balance was in line with prior years at \$3.6 million. Contingency dollars were healthy but needed to be appropriated somewhere. Personnel had increases that needed to be factored in, so a healthy contingency balance will be needed to increase all Personnel budgets.

Mr. Wenholz moved tentative approval of the 199 Budget in the amount of \$11,186,548. Commissioner Russell seconded. Vote: Unanimous approval.

Budget Committee Approval of the Morrow County Budget

Commissioner Doherty moved tentative approval of the Morrow County Budget and taxes for the 2022-2023 fiscal year at the rate of \$4.1347 per \$1,000 of assessed value for operating purposes. Ms. Cutsforth seconded. Vote: Unanimous approval.

Ms. Wolfe suggested the total budget also be approved.

Ms. Cutsforth moved to approve the Budget in the total amount of \$83,674,523, not including compensation packages. Discussion: Commissioner Doherty noted as the individual interim budgets came through and we passed them or didn't pass them, that by passing the overall budget, it doesn't mean that anyone backs away from their potential stance on any given portion of the budget. I'm still not voting for the Water Planning budget, he said. Commissioner Lindsay added she recused herself from the vote on COLAs for Elected Officials. Ms. Cutsforth said those things would be reflected in the minutes. Commissioner Russell seconded. Vote: Unanimous approval.

COLAs for Commissioners

Brief discussion.

Ms. Cutsforth said after reviewing the Compensation Board's recommendation, she moved to approve a 20% increase in pay for the Commissioner positions. Ms. LaRue seconded. Vote: Aye: Ms. Cutsforth, Ms. LaRue. Nay: Commissioner Doherty, Commissioner Russell, Mr. Wenholz. Recused: Commissioner Lindsay. Motion failed.

Public Comment

Mike Gorman, Assessor/Tax Collector, thanked the Budget Committee members for their work. He talked about times in the past when the Budget Committee had to make budget cuts and said the work of current and prior Budget Committee members helped put the County in a better position. He said he felt fortunate to be in this point in time to be able to experience this, along with all the other residents of the County. The time the Budget Committee members put in was so appreciated, he added.

Ms. Cutsforth said she was certain there were people in this room who worked on budgets where cuts had to be made to find money. We do appreciate how things have changed in the last several years and it's much easier now, she said.

Commissioner Doherty said when former County Judge, Terry Tallman, came on, one of the first things he had to do was layoff nine staff members. Commissioner Doherty said the County was doing much better now but he suggested that with the high cost of living, County employees were probably underpaid and understaffed, and buildings needed stuff done, so there was still work to do.

Adjourned: 2:42 p.m.