

**MINUTES FOR THE
JACKSON COUNTY BUDGET COMMITTEE MEETING**

April 14, 2020

The Jackson County Budget Committee meeting was called to order by Chair Craig Morris at 8:30 a.m. by videoconference. Roll call was taken.

Present: Craig Morris, Chair; April Sevcik, Budget Committee Member; John Rachor, Budget Committee Member; Rick Dyer, Commissioner; Bob Strosser, Commissioner; and Colleen Roberts, Commissioner

Staff: Danny Jordan, County Administrator; Harvey Bragg, Sr. Deputy County Administrator; Traci Carrier, Budget Analyst; Alycia Hartley, Recording Secretary

Members of the Public and Press

Chair Morris spoke about the videoconference format of the meeting and read a statement for the benefit of the public relaying the different ways in which they can participate in the Budget Committee meetings and the options available to provide public comment.

Budget Overview

Mr. Jordan explained the budget process for the public. He presented the Budget Overview (*Submission No. 1*), including a video regarding the Comprehensive Annual Financial Report by Moss Adams, LLC. He explained operating, non-operating, dedicated, and non-dedicated revenue sources, and the percentage of each in the recommended budget. The General Fund reserves are approximately \$81,543,537 in the recommended budget, with the total reserves, contingency, and ending fund balance at approximately \$173,573,500. He spoke about the possibility of building a new jail and how funds have been designated for that, although due in part to economic impacts of the novel coronavirus (COVID-19), the proposed district may not be passed by the voters. He also provided details about employer rates for the Public Employees Retirement System (PERS) and how the State has recently provided a partial match for funds the County designated in a side account to address future PERS costs.

Commissioner Dyer asked about the potential that bond payments may need to be paid from the General Fund if departments have significant impacts from COVID-19. Mr. Jordan explained that departmental fund balances and congressional funding will likely cover the losses.

Airport

Mr. Jerry Brienza, Airport Director, presented the recommended budget (*Submission No. 2*) for the Airport. He explained the potential for expansion through increased development by several companies currently located on Airport grounds. He explained increases in the safety and security

allocation which may be necessary due to potential contracting with a private armed checkpoint security company or local law enforcement agency.

Mr. Brienza provided current statistics related to the drastic reduction in Airport activity due to COVID-19. He explained the various impacts it has had on air travel locally, including reduction in staffing and management's need to prioritize essential services. Currently, the Airport anticipates receiving approximately \$2,000,000 in revenue funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Commissioner Dyer asked if projects had been delayed due to the reduction in funding. Mr. Brienza explained that some maintenance projects have been placed on hold; however, all Federal Aviation Administration projects are continuing as they are funded through various grants.

Sheriff

Sheriff Nathan Sickler began his presentation (*Submission No. 3*) by reviewing the Sheriff's Office Mission and Values, and how his Office includes them in the organization. He spoke about many of the awards received by staff during the year and the successes of multiple programs. He continued by explaining the details of the budget and the reasons for some of the changes compared to previous years.

Mr. Rachor asked about the increased number of full-time equivalent (FTE) positions, and Mr. Jordan explained that the projected increase was based on last year's adopted budget and anticipated revenues from the Justice Court. Current COVID-19 impacts will affect the Sheriff's ability to increase FTEs, so that will be adjusted accordingly. Mr. Jordan added that he anticipates some expenditure from the fund balance to support patrol coverage in the rural areas of the County, which are vital to the success of the Sheriff's programs.

Justice Court District

Judge Joe Charter began by answering a previous question of the Budget Committee regarding legislation related to driver's license suspensions. He continued by presenting the fiscal year 2020-2021 recommended budget to the Budget Committee (*Submission No. 4*). He reviewed the number of cases referred to the Justice Court by the Sheriff's Office as well as other jurisdictions, and how each category related to revenue.

The Budget Committee did not have any questions for Judge Charter.

District Attorney

Ms. Beth Heckert, District Attorney, presented the fiscal year 2020-2021 recommended budget (*Submission No. 5*) for the District Attorney's Office. She reviewed the accomplishments of several programs that have been implemented to address needs of children and young people, and the positive impacts they have had on the community. She spoke about the Victims' Services Division and highlighted the benefits of revenue from restitution payments received.

Commissioner Dyer asked if Ms. Heckert knew the percentage of total restitution that was actually collected. Ms. Heckert explained that the funds are collected through the Circuit Court, and Mr. Jordan explained that restitution measures are managed through the Community Justice Department.

Community Justice

Mr. Eric Guyer, Community Justice Director, began his presentation (*Submission No. 6*) by describing the essential functions of the Community Justice Department. He highlighted several recent successes and provided details about the diversion program, wildland firefighting program, and juvenile peer support program. He spoke about the impacts of community-wide collaborations and how the multi-agency coordination of services has had a positive effect at many levels.

Commissioner Dyer asked about the potential for early jail releases due to the pandemic. Mr. Guyer explained the potential for releases statewide, and stated that there are no early release plans at this time.

Development Services

Mr. Ted Zuk, Development Services Director, presented the recommended budget for the Development Services Department (*Submission No. 7*). He began by reviewing the overall Department organization, goals, and how performance measures are used to assess if goals are being met. He explained how a recent internal audit provided suggestions for ways to more efficiently track data within the processes of the Department. The recommendations from the audit have been implemented and have generated measurable improvements in various areas. He reminded the Budget Committee that the Department is funded in large part from fees, which may create issues as the impacts from COVID-19 continue. There was some explanation given by Mr. Zuk and Mr. Jordan related to how solid waste funding has been utilized to improve code enforcement processes, and how this is not anticipated to be an ongoing funding stream, but it has successfully stabilized the County's response to code violations.

Chair Morris commended Mr. Zuk and his staff on implementing the recommendations of the audit in order to improve efficiency.

At 10:40 a.m. Chair Morris recessed the meeting for ten minutes, and at 10:50 a.m. he reconvened the Budget Committee.

County Clerk

Ms. Chris Walker, County Clerk, began her presentation (*Submission No. 8*) by explaining the current and upcoming activities of the Clerk's Office, including the election processes. She noted an increase in voter registrations that she anticipates will continue to rise. She explained investments that both the Elections and Clerk's Offices have made in hardware and software upgrades and the positive impacts that they will have on productivity.

Commissioner Dyer asked if there had been an increase in voter registrations due to the motor voter program. Ms. Walker explained that there has been, but there could still be increased interest in voting and she is hopeful that the current pandemic may prompt an increase in interest.

Finance

Ms. Shannon Bell, Finance Director, presented the recommended budget for the Finance Department (*Submission No. 9*). Ms. Bell reviewed the investment objectives of safety and liquidity and mentioned that the investment portfolio yield is 2.42 percent. She reviewed each of the programs in the Department and the objectives and outcomes for the past year. She reviewed

the objectives of the Taxation Office to process collections in an efficient and cost-effective manner. She noted that the Program is currently processing statements for Curry and Douglas Counties, and will soon begin processing Klamath County's as well. This season the office will process 163,000 documents.

Mr. Jordan and Ms. Bell noted that the County was recently given a revised credit rating, which is the second highest rating a local government can receive.

Expo

Ms. Shannon Bell, Finance Director, gave the Expo's recommended budget presentation (*Submission No. 10*). Ms. Bell began by highlighting the key events during the previous fiscal year, and how the success has established a solid fund balance and contingency balance for the Expo. She reviewed the financial aspects of the program, and gave an overview of the challenges and opportunities for fiscal year 2020-2021. She closed by speaking about scheduled events, such as the fair, which will hopefully generate revenue in the wake of cancellations and postponements of events due to COVID-19.

Chair Morris asked if there were any projections of financial impact due to COVID-19. Ms. Bell stated the Department could suffer losses of up to \$400,000. Mr. Jordan added that the Expo grounds have been utilized for COVID-19 related community efforts, and the losses are being documented in anticipation that they may be eligible for Federal Emergency Management Agency reimbursements or Congressional relief funding. Chair Morris further expressed concern that funds from the County General Fund may be needed to assist the Expo. Mr. Jordan explained that the Expo is in good financial standing and he does not anticipate that being necessary.

Mr. Jordan added that he had just received an update from the Airport, and they now expect to receive approximately \$15,000,000 in revenue funds from the CARES Act.

Information Technology

Mr. Mark Decker, IT Director, presented the Information Technology (IT) recommended budget presentation (*Submission No. 11*). He explained the two Programs of this budget; the Computer Replacement Fund and Information Technology Services. He spoke about accomplishments during fiscal year 2019-2020 and gave information on the impacts of, and response to, COVID-19. He explained that in the coming fiscal year there will be an investment made in necessary network upgrades, which will cost approximately \$1,000,000.

There were no questions from the Budget Committee; however, Commissioner Dyer spoke about the seamless transition provided by the IT Department for the County during this challenging time, and the outstanding efficiency in setting up all of the remote access options.

County Administration

Mr. Harvey Bragg, Sr. Deputy County Administrator, presented the County Administration's (CAO) recommended budget for fiscal year 2020-2021 (*Submission No. 12*). He explained an increase in the budget graph, which is due to the Self-Insurance Fund being based on actual costs showing in past years, and current years shown are budgeted costs. This budget includes the Self-Insurance Fund which must be budgeted for, including an actuarial liability which, in most

cases, is not spent. He then reviewed all of the components in the CAO budget which showed the dollar amount for each component, noting that insurance was the largest portion of the budget.

Chair Morris noted that the Elected Officials' Salary Committee will meet at 12:00 p.m. and will report back for deliberations at the Jackson County Budget Committee meeting on Thursday, April 16, 2020. He again read a statement for the benefit of the public relaying the different ways in which they can participate in the Budget Committee meetings and the options available to provide public comment.

Chair Morris recessed the meeting at 11:43 a.m. to reconvene on Thursday, April 16, 2020, at 9:00 a.m.

Respectfully submitted,

/s/ Craig Morris
Craig Morris, Presiding Officer/Chair

/s/ Alycia Hartley
Alycia Hartley, Recording Secretary

Approved on: 11/19/2020

Due to the existing novel coronavirus (COVID-19) pandemic and the need to promote physical distancing, the Jackson County Budget Committee is conducting meetings through electronic and telephonic means. On April 16, 2020, the Jackson County Budget Committee approved Order No. 58-20 authorizing the use of their electronic signatures on Orders and other documents. Following the motion and roll call vote, Chair Morris authorized the use of his electronic signatures on these minutes of April 14, 2020.