

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

April 6, 2021

The Jackson County Budget Committee meeting was called to order by Chair Craig Morris at 1:30 p.m. by videoconference. Roll call was taken.

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

Staff: Danny Jordan, County Administrator; Harvey Bragg, Senior Deputy County Administrator; Traci Carrier, Budget Analyst; and Jennifer Drake, Recording Secretary

Members of the Press

Chair Morris extended condolences to the family of former Budget Committee Chair Dick Rudisile. Each member of the Budget Committee also extended their condolences.

Election of Presiding Officer

Mrs. Sevcik made a motion to nominate Mr. Morris as the Chair and Presiding Officer of the Budget Committee. Mr. Rachor seconded the motion. Those who voted aye: Mrs. Sevcik, Mr. Rachor, Commissioner Roberts, Commissioner Dotterer, Commissioner Dyer, and Chair Morris. Motion passed.

Order authorizing the use of electronic signatures on orders or other documents when those documents are required to be signed by members of the Jackson County Budget Committee. Order No. 49-21.

Commissioner Roberts made a motion to approve Order No. 49-21 as read. Commissioner Dyer seconded the motion. Those who voted aye: Commissioner Roberts, Commissioner Dyer, Commissioner Dotterer, Mrs. Sevcik, Mr. Rachor, and Chair Morris. Motion passed.

Approval of Budget Committee Minutes

Commissioner Dyer made a motion to approve the minutes of the Jackson County Budget Committee Meeting for November 19, 2020. Mrs. Sevcik seconded the motion. Those who voted aye: Commissioner Dyer, Mrs. Sevcik, Mr. Rachor, Commissioner Roberts, Commissioner Dotterer, and Chair Morris. Motion passed.

Presentation of Budget Message

Mr. Jordan explained the budget process for the benefit of the public, beginning with the process of planning in November of the prior year. In March, the Administrator reviews each budget with the Department Director, these meetings are open to the public and the budget committee is invited for observation, but there are no deliberations. He stated that the budget message is delivered a week prior to the hearings so that the public has the opportunity to review and formulate comments. He provided the budget hearing schedule for the week of April 12th, and explained that public comment would be accepted on April 15, 2021, at 9:00 a.m., and then again at the end of the hearings that same day. The Elected Officials' Salary Committee meeting is also scheduled for April 13, 2021, at noon. He read the entire budget message into the record and explained that more specific detail will be provided during the budget hearings. In preparing for the year ahead, the total recommended Jackson County budget for fiscal year 2021-2022 is \$474,025,874. The adopted budget for fiscal year 2020-2021 totaled \$429,811,647. The recommended budget for fiscal year 2021-2022 continues on the principles adopted in fiscal year 2020-2021. The recommended budget continues on the principles set by the Budget Committee in prior years.

He explained the effects of the coronavirus (COVID-19) pandemic on County departments and operations. The financial impact has been lessened by the actions that departments and programs have put into place. Additional funding from the State and Federal governments has aided in the County's ability to proactively respond to the impacts of the virus. The American Rescue Plan Act is expected to provide approximately \$42,800,000 to Jackson County. The actual timing of the payments to the County is currently unknown, and Federal guidance on acceptable usage of the funding will be forthcoming.

He then provided information about the impacts of the Alameda and South Obenchain Fires that affected the citizens of Jackson County in September 2020. He spoke to the number of residents involved and their locations in the County. He explained the recovery efforts that have taken place since then in coordination with the Federal Emergency Management Agency (FEMA), the Oregon Office of Emergency Management (OEM), and city representatives. There was already a housing shortage in Jackson County before all of these homes were destroyed; however, there is a determination to build back better. He then took this opportunity to mention the use of the Jackson County Expo Park throughout both of these emergency situations, and the realized need for a place to house people indoors and separate those with medical needs in the event of an emergency. A multi-functional facility may be considered in the future.

He explained that the Public Employees Retirement System (PERS) has announced a 2 percent rate increase which counteracts the savings allowed by opening the side account allowed by Senate Bill (SB) 1566. The side account caused the rate increase to not be such a large impact to the budget; however, it another large expense that will be seen across all departments.

He explained various items that may affect each department's budget. Assessment will be undertaking a software conversion, which will be updated to the most current software, but will be an additional expense moving forward. The State funding for Community Justice may change as there have been several public safety funding cuts proposed. Also, due to Ballot Measure 110, the projected number of supervised cases is expected to decline. The Department has reduced staffing by 8.00 full-time equivalent (FTE) positions; no layoffs are expected as this has been accomplished by not hiring after the retirement of some employees and a structure reorganization.

The Emergency Management Program will be increasing by 2.00 FTEs, one Assistant Emergency Manager, and one Project/Program Coordinator, which will be partially funded by Josephine County for work on the Rogue Valley Integrated Fire Plan.

He noted that, due to COVID-19, the Expo had to cancel the 2020 Jackson County Fair and may still have to cancel the Fair in 2021. The Expo staff was altered to take on additional responsibilities and aid other departments in emergency response and finance. Operations at the Expo are in a holding pattern for events, but revenues have been generated from the additional responsibilities in emergency response. He noted that the Health and Human Services (HHS) Department is essential to the pandemic response and has been extremely busy throughout the year. There is a reduction of 3.75 FTEs in the HHS budget due to a project that was expected to begin, but that funding was never received for.

The Information Technology Department has a reduction of 1.00 FTE due to a staff retirement and the decision to reorganize and use contract work to fill the position.

The Parks Program will be adding 1.00 FTE for a Park Ranger at Joseph Stewart County Park, which had its grand opening as a County park this past weekend.

The Sheriff's Office will be increasing 3.50 FTEs and, due to grants and contracts, these additions remain within the budget targets. The Sheriff will still be working on building a new jail since the Ballot Measure to support it was not approved by the voters in May 2020.

Mr. Jordan then reviewed the budgeting process, beginning by explaining each of the Budget Committee meetings held to date and the County Administrator reviews which were all held by videoconference this year. He announced the dates for the upcoming budget hearings and informed the public of the scheduled opportunities for public input on April 15, 2021, at the beginning of the meeting and prior to deliberations after the conclusion of all department presentations. All meetings are open to the public, the Elected Officials' Salary Committee will meet April 13, 2021, at noon. A report will then be presented from the Elected Officials' Salary Committee for action from the Budget Committee on April 15, 2021. The Board of Commissioners' public hearing for adoption of the budget will be held in June.

Mr. Jordan stated that the County is in good financial condition, but there are a number of factors affecting the recommended budget for 2021-2022. As previously mentioned, the COVID-19 pandemic has impacted every County department. Additionally, the wildfires have also added to the workload of County staff as the County supports and helps the community recover from the events of the past year. The depth of those impacts is changing daily as new information, guidance, and funding streams become available. He reviewed some of the impacts by department.

Mr. Jordan asked if there were any questions, and went on to explain how to obtain written information for the general public. Chair Morris stated that every time bonds have been refinanced during his tenure, it has always been advantageous to the County and the taxpayers. Chair Morris stated he would like to have a future discussion about the County reserves and what the target number may be. Mr. Jordan explained that there really is not a set target number for the reserves and one large capital project could easily deplete the fund. Currently, the fund is used to leverage additional funding for the County to aid with special projects.

Budget Overview Presentation

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 MossAdams, LLC. He explained operating, non-operating, dedicated, and non-dedicated revenue sources, and the percentage of each in the recommended budget. He explained that over 80 percent of discretionary spending is spent on public safety. He then reviewed the discretionary spending for each of the other departments. The General Fund Reserves are approximately \$96,646,538 in the recommended budget, with the total Reserves, Contingency, and Ending Fund Balance at approximately \$190,788,406. He explained that many local governments have to borrow money to operate each year and the Reserves make that unnecessary for the County, and also saves the taxpayers money. He explained that some funds are not budgeted in Reserves because COVID-19 funds were budgeted as expenses. COVID-19 reimbursements have not been included in the budget so that will grow the Reserves as well; this recommended budget represents the expected minimum. Chair Morris thanked Mr. Jordan for his presentation and asked about the possibility of discussing the target number of the Rainy Day Fund in the future. Mr. Jordan explained that the fund balance in the Rainy Day Fund and that the discussion should be on how the money should be spent; currently, it is used to leverage grants and other funding. There are plenty of needs to be addressed with the balance of the fund. He stated that it would be a good discussion to be included in the future planning process. There were no other questions or comments from the Budget Committee.

Chair Morris announced that the department budget hearings would begin on Tuesday, April 13, 2021, at 8:30 a.m. by videoconference, and would continue on Thursday, April 15, 2021, at 9:00 a.m.

There being no further business, Chair Morris adjourned the Budget Committee meeting at 2:47 p.m.

Respectfully submitted,

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

/s/ Jennifer Drake
Jennifer Drake, Recording Secretary

Approved on: 11/18/2021

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 6, 2021, the Jackson County Budget Committee approved Order No. 49-21 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 signature on these minutes of April 6, 2021.