

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

November 18, 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, Sr. Deputy County Administrator; Joel Benton, County Counsel; Traci Carrier, Budget Analyst; and Alycia Hartley, Recording Secretary.

Approval of Budget Committee Minutes

The first item on the agenda was approval of the minutes from the Jackson County Budget Committee meetings held on April 6, 2021; April 13, 2021; and April 15, 2021. Chair Morris asked if anyone had any corrections or additions to the minutes; upon hearing none, he asked for a motion.

Commissioner Dyer made a motion to approve the minutes of the Jackson County Budget Committee meetings for April 6, 2021; April 13, 2021; and April 15, 2021; as presented. Ms. Sevcik seconded the motion. Those who voted aye: Commissioner Dyer, Ms. Sevcik, Commissioner Dotterer, Commissioner Roberts, Mr. Rachor, and Chair Morris. Motion passed.

Following the motion and roll call vote, Chair Morris authorized the use of his electronic signature on the minutes presented, pursuant to Order No. 49-21.

Executive Session

Chair Morris explained that the general session of the meeting would reconvene at 2:00 p.m.

The Executive Session began at 1:34 p.m. under Oregon Revised Statute (ORS) 192.660(2)(d), Labor Negotiations – Press Excluded ORS 192.660(4). The Executive Session ended at 2:00 p.m.

County Budget Policies

Mr. Jordan referenced the budget policies and reported that no changes have been made; however, discussion of the budget policies can occur if anyone has concerns, or changes are desired. There were no concerns or changes requested.

Home Rule Charter Section 15 – Local Budget Law

Mr. Jordan spoke about the Jackson County Home Rule Charter and Local Budget Law regarding supplemental budgets. He explained that the Charter requires that the Budget Committee (Committee) be convened for each supplemental budget. The County's practice has been to provide supplemental budgets to the Committee by email. If a Committee member communicates a concern, or the item is substantial or unusual, the full Committee is convened; otherwise, the Board of Commissioners (Board) holds a supplemental budget public hearing. The Committee authorized the Board to continue to process supplemental budgets in this manner.

Budget Impacts From COVID-19 and Fires

Mr. Jordan stated that the Budget Committee has asked about these impacts throughout the budget process. He explained that costs associated with the COVID-19 pandemic were previously being tracked and, when the 2020 wildfires happened, the County's Internal Audit was designated as the Finance Branch at the Emergency Operations Center. He explained some of the reimbursable expenses through the Federal Emergency Management Agency (FEMA) for both emergencies. He went over reimbursements that have been processed across most all County departments (*Submission No. 1*), totaling \$7,725,942 for COVID-19 and \$914,696 for the wildfires. He noted other reimbursement requests that have been submitted as well. Mr. Rachor asked why the Airport's reimbursement from COVID-19 was less than Pedestrian and Bicycle Trails. Mr. Jordan explained that the Airport was directly funded through the United States, Federal Aviation Administration, and it received approximately \$18,000,000.

Fiscal Year 2021-2022 Beginning Fund Balances/Cash Balances

Mr. Jordan reviewed fund balances (*Submission No. 2*) and stated that the Budget Committee could review and ask any questions they may have.

At 2:17 p.m., the Budget Committee discussed Agenda Item: American Rescue Plan Act.

At 2:28 p.m., the Budget Committee agreed to return to this Agenda Item: Fiscal Year 2021-2022 Beginning Fund Balances/Cash Balances.

Mr. Jordan noted a significant increase in the Surveyor Fund. He explained that fees in the Surveyor's Office were recently raised, and there has been a large increase in services due to the 2020 wildfires. The County Clerk and Development Services budgets were also affected by this. Mr. Rachor noted a large increase in the Solid Waste Fund, and asked if this was due to the removal of fire debris. Ms. Carrier explained that it was not directly related to the fires, but due to a large number of people staying home and completing remodels during the COVID-19 pandemic, which resulted in a lot more debris going to the landfill.

At 2:32 p.m., the Budget Committee returned to Agenda Item: Budget Targets for FY 2022-2023.

American Rescue Plan Act

Mr. Jordan explained that the County was awarded \$43,000,000 in American Rescue Plan Act (ARPA) funds. During the last budget period, about \$21,500,000 was put into the budget; however, it was pulled out and set aside as anticipated revenue per guidance from the County's Internal Audit staff. Mr. Jordan suggested to the Board of Commissioners, and they agreed, to wait and see how the Federal government guidelines are finalized for the use of ARPA funds. He

explained how the funds are able to be used based on the current guidelines, and different projects that these funds are being earmarked for. He noted that he suggested waiting before the funds are programmed into the budget as the guidelines have not been finalized.

Government Finance Officers Association (GFOA) Budget Award Criteria – Strategic Plan

At 2:25 p.m., Commissioner Roberts left the meeting.

Mr. Bragg explained that the County applies for this award each year. The budget document must meet certain criteria and it changes from time to time. The GFOA has instituted a requirement for a separate document that represents a strategic plan. He noted that the County has always had strategic plans incorporated throughout the budget document, and those portions have been copied and incorporated into a separate Strategic Plan (*Submission No. 3*). Mr. Bragg explained the steps of incorporating the Plan, which includes a process to receive input from the public. It is now being brought before the Budget Committee for input and any changes they may see a need for. Mr. Bragg explained additional changes that have occurred within the budget document and how certain aspects were transitioned into the Plan. There were no additions or changes suggested by the Budget Committee.

Budget Targets for FY 2022-2023

At 2:28 p.m., the Budget Committee agreed to return to Agenda Item: Fiscal Year 2021-2022 Beginning Fund Balances/Cash Balances.

At 2:32 p.m., the Budget Committee returned to this Agenda Item: Budget Targets for FY 2022-2023.

Mr. Jordan reviewed the General Fund revenues and General Fund targets for fiscal year 2022-2023 (*Submission No. 4*). He noted that there is a 4 percent increase in budget targets with a 1 percent increase in revenues. This will still be tight for the departments due to inflation. He spoke about the impacts from Ballot Measure 110 and the reduction of State-shared marijuana tax. He noted that, at 4 percent, 80 percent of the General Fund budget goes to public safety, and he does not expect an increase in General Fund positions, although the Sheriff will likely ask for additional positions. Mr. Jordan explained that the Board of Commissioners declared an emergency related to illegal cannabis, which has allowed the County to gain some traction in its request for resources. He put together a funding package request to the State for an additional 37 positions. He provided details about this request and how it relates to cautioning the use of the General Fund. He does not see inflation slowing down; therefore, adding additional General Fund positions would not be recommended. Chair Morris expressed that allowing the Sheriff to add positions within the current years' budget is a concern. Mr. Jordan provided additional information related to marijuana tax in the County, and potential legislation that would allow the County to tax directly as well. There was additional discussion regarding the potential of the Sheriff requesting additional positions from the General Fund. Mr. Jordan noted that the budget he recommends would not include any alternative General Fund positions; however, the Sheriff could still make an argument for them.

At 2:54 p.m., Commissioner Dotterer left the meeting.

There was a brief continued discussion regarding options within the Sheriff's Office for adding personnel. Mr. Bragg noted that jail medical costs will be rising next year as well, and Mr. Jordan spoke about funds possibly being redirected from the Health and Human Services Department.

Mr. Rachor thanked the Commissioners for their support of the Prospect State Airport receiving grant funds. He said that the State came and repaired the runway last week, and will be completely replacing it in the future.

Mr. Jordan concluded by stating that he will have the general direction, moving forward, to not add General Fund positions, and any department could then make an argument for their needs.

Other Discussion Items

There being no further business, Chair Morris adjourned the meeting at 3:02 p.m.

Respectfully submitted,

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

/s/ Alycia Hartley
Alycia Hartley, Recording Secretary

Approved on: 04/05/2022