

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

April 14, 2022

The Jackson County Budget Committee meeting was reconvened by Chair Craig Morris on April 14, 2022, at 9:00 a.m. in the Jackson County Courthouse Auditorium and by audio/videoconference. Roll call was taken.

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

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

Members of the Public and Press

Public Comment

Chair Morris opened the public comment period at 9:01 a.m. No one wished to speak. Chair Morris closed the public comment period at 9:01 a.m.

Roads and Parks

Mr. Steve Lambert, Director, Roads and Parks Department, reviewed the Roads and Parks recommended budget for fiscal year 2022-2023 (*Submission No. 11*), and noted that there are 104.5 full-time equivalent (FTE) positions. He reviewed the Parks Program priorities and highlights, including the Southern Oregon RV Park loan being paid off and the acquisition of Joseph Stewart County Park. He explained the Parks Program revenue sources, and that they are working towards deferred maintenance projects. In addition, Mr. Lambert spoke about the Howard Prairie Marina Project that is underway. He spoke about additional Parks Program capital projects that are being addressed, and how deferred maintenance will be a focus. Mr. Lambert then reviewed the Roads Program priorities and that the goal is always to maintain current roads. He reviewed the Roads Program revenue sources, and noted that the majority of operational revenue goes toward maintenance. The Program is in financially stable condition with a growing cash balance. He reviewed County road projects that are to be completed in the next fiscal year, and explained that they are budgeting to replace several key pieces of equipment. He reviewed capital projects in the Roads Program, particularly the Foothill Road reconstruction, East Evans Creek Road safety improvements, and East Vilas Road widening. Mr. Lambert noted that 98 percent of County bridges meet Federal standards, leaving only three that do not; however, they are still safe to drive on.

Chair Morris asked about the planning for capital improvement needs, and how far out it goes. Mr. Lambert explained that it is part of a 20-year Transportation System Plan and they work with the County Roads Committee on a five-year, rolling Capital Plan. Mr. Jordan noted that the Capital Plan is presented to, and approved by, the Board of Commissioners. Commissioner Dyer expressed that it has been satisfying to see such a seamless transition under Mr. Lambert's leadership after losing Mr. John Vial, the previous Roads and Parks Department Director.

Mr. Rachor asked if property will need to be acquired for the Foothill Road project, and if those funds are in the budget. Mr. Lambert answered that, yes, they are included in the capital expense portion of the budget, and they are in that phase of right-of-way purchases now. Mr. Lambert answered additional questions from the Budget Committee.

Board of Commissioners

Mr. Bragg presented the Board of Commissioners' (BoC) recommended budget for fiscal year 2022-2023 (*Submission No. 12*). He noted that expenditures have remained stable, and that BoC revenues are allocated across all departments. He reviewed allocations by non-General Fund and General Fund departments. Mr. Bragg then reviewed how the BoC are positions created and directed by the Home Rule Charter of Jackson County to be the executive, quasi-judicial, and legislative governing body of the County. He shared the BoC accomplishments for the prior year, and objectives for the next year. Chair Morris noted that all three Commissioners are personally committed to the betterment of Jackson County and expressed appreciation for their service.

County Clerk

Ms. Chris Walker, County Clerk, presented the Clerk's Office recommended budget for fiscal year 2022-2023. She noted that the majority of revenues are from recording and marriage license fees. The Office received \$60,000 in grant funds from the Oregon Secretary of State's Office for election modernization. She spoke about the Special Election that was held in November 2021, and how the Office is currently preparing for the May 2022, Primary Election, which is paid for by the Clerk's Office and then reimbursed by districts. There are currently 160,036 registered voters. Ms. Walker reported on having a low number of Board of Property Tax Appeals (BoPTA) hearings, due to higher housing prices. She spoke about House Bill 3291, which is being implemented while working with the Secretary of State's Office, for acceptance of postmarked ballots for voting by mail. There is a plan in place to completely separate those from the ones received by election night. Ms. Walker explained that vote-by-mail ballots will no longer include the secrecy sleeve as it has been integrated into the return envelope. She reviewed ongoing paper supply chain issues and additional accomplishments of the Clerk's Office.

Chair Morris asked how the new envelope changes were communicated to voters. Ms. Walker explained that there is an educational insert in all ballots which will notice that. She is also looking into possible press releases on the changes. Mr. Rachor asked if refinancing triggers a fee. Ms. Walker said that, yes, they do. She explained that there are different types of fees which are split between different funds, and many go to the State.

Commissioner Dyer asked if there are any records that indicate what voter participation may have resulted from the automatic registration. Ms. Walker explained that the Oregon Department of Motor Vehicles automatically registers as a non-affiliated voter and, traditionally, less than half of non-affiliated voters participate. Commissioner Roberts noted that citizens are concerned about

legitimate voter rolls, and asked about centralized voter rolls. Ms. Walker explained that the centralized voter system has been in place since 2004, and everything possible is done to keep the rolls clean.

Assessor

Mr. Dave Arrasmith, Assessor, presented the recommended budget for the Assessor's Office (*Submission No. 13*). He gave an overview of the Office and a general review of the taxing districts and accounts. He explained the breakdown of taxes, special assessments, fees and charges, as well as the Summary of Assessment and Levies (SAL) imposed taxes. Mr. Arrasmith reviewed the Office's FTEs, which have been consistent. He noted that most of the Appraisers are generally busy working on adding new construction to the assessment roll. A small team works throughout the year for studies comparing tax roll values to actual property sales prices, the results of which are forwarded to the Oregon Department of Revenue (DOR). Mr. Arrasmith explained property inventory reviews that take place, normally October through December, which can change the appraised value of a property. He further explained the certification process, which is just a snapshot of that date in time. The tax bills are then sent out and the Assessor's Office will hear homeowners' complaints, with the ability to reduce the values by December 25th. They will complete tax roll corrections through the end of the year. If someone is still unsatisfied, they can appeal to BoPTA, which will also result in a tax roll correction if changed. He noted that inventory review did not take place last year, and likely will not this year, due to the wildfires. Mr. Arrasmith said that this review is not a statutory requirement, but good management to make sure that the records are accurate. Mr. Arrasmith continued by reviewing cartography and mapping of tax lots in the County. He explained the County Assessment Function Funding Assistance (CAFFA) Grant program, which provides funding to his Office from fees assessed on most recorded documents, and a percentage of the interest collected on delinquent property taxes. He also reviewed total revenues and expenditures.

Chair Morris asked if fall is the crunch time for the Office. Mr. Arrasmith said that, yes, it is a deadline. They work with County Taxation, and the Assessor completes half of the processing of tax corrections. He said that they like to get as much done as early as possible so that the Tax Collector can get the bills out; he has been encouraged to complete the certification as early as possible. Chair Morris said that there are added workloads this year with the addition of so much new construction, and asked what plans have been developed to deal with that and still make the deadlines. Mr. Arrasmith answered that they normally start that work in January, and not having Appraisers out doing inventory review is how it was completed last year, as well as how it will be completed this year. He said it is similar to having 10 extra Appraisers.

Mr. Jordan explained that, during the Administrator's Budget Review, he had noted that there are no plans to address these issues, and that Mr. Arrasmith inaccurately addressed the statutory requirements. He continued that the work done last year was fraught with errors by removing properties that were within the burn area, but were not burned; it does not resolve the issues to make corrections to the tax roll. Mr. Jordan said that, had those properties been included, they would have been included in the distribution of taxes. The Tax Collector is able to issue corrected statements, but the money is not distributed where it should have been and the taxing districts would have seen additional funds. Mr. Jordan also explained that, as there has been a lot of rebuilding being done, in the coming year, one big thing that will hit is the manufactured homes that will be placed. He said that there are 100 to 120 in Royal Oaks Mobile Manor alone that are

waiting to be installed, and there is nothing in the Assessor's budget that addresses this oncoming significant workload. Chair Morris expressed his concern with that issue as well.

Mr. Arrasmith respectfully disagreed with everything that Mr. Jordan stated. He feels that they do have plans in place and the intent was made with the best information available. He stated that when the mobile home parks were damaged or destroyed, they attempted to look and were not allowed on the properties. They were zeroed out in value with the idea that, once the cleanup was completed and new construction was completed, they would go back and review those that were zeroed out. He said that the certification deadline came up prior to that being able to be done. When it was discovered that some of the properties on the list were not actually burned, corrections were sent out. Chair Morris said that convincing the Budget Committee that what needs to happen is very complex, only exacerbates the concern that the work cannot be done in a timely manner. Mr. Jordan explained that the County's Development Services Department went to every single site and marked each one, as well as took pictures. He said that the Assessor did not coordinate with anyone outside of his Office, and the issue only came to light when a title company had issues closing escrow as properties that were showing as not having any taxes. The Tax Collector was told there were only a couple dozen affected when there were over 160, and the Assessor was told by the DOR that that was not best practices. Mr. Arrasmith said that, out of all the permits issued last year, which is what the Office works off of, they have over 50 percent completed. He feels that they are on target to finish by mid-summer. Chair Morris said that, while he appreciates the workload that the Assessor and his Office has, he hopes that Mr. Arrasmith appreciates the concerns of the Budget Committee. He encouraged him to meet and develop a more concrete plan to be able to manage the workload that is coming.

Surveyor

Mr. Scott Fein, Surveyor, spoke about how important the work is that his Office does as all land and legal locations tie back to surveying. He explained the United States Public Land Survey System which supports legal descriptions. The Surveyor's Office maintains all legal descriptions in the County, which is very important for all County land functions. The Surveyor is also responsible for the monuments that tie legal ownership and physical land; these records help citizens receive more cost-effective surveys overall. These monuments are the physical backbone of legal records and corner markers. Mr. Fein explained the two Programs for his Office, and that they are self-supporting and based completely on fees. They are one of the busiest Surveyor's Offices in the State, and receive zero General Fund support. He explained the Corner Restoration Program, and that it is funded from fees collected in the Clerk's Office. The revenues come on a monthly basis, and cannot entirely be predicted. He reviewed revenues, expenditures, and the percentage of Personnel Services, Materials and Services, and Capital Outlay. He described the Corner Restoration Fund personnel expenditures. Due to the 2020 wildfires, there are approximately 10 years of work to be done if all corners are to be restored; Federal Emergency Management Agency (FEMA) funding may allow for contracts and extra help to accomplish this large task. Mr. Fein said that the County Internal Audit team has been exceptional in supporting requests to FEMA for funding.

Mr. Fein continued by speaking about the Surveyor Fund, and how many things are being done differently in the rebuild process from the wildfires. He explained that there are not enough surveyors in Jackson County, or the State; however, they are working as fast as possible but the work done cannot be compromised. He reviewed revenues, which come from fees, and said that the Office saw an influx through recording fees that resulted from the COVID-19 pandemic and

wildfire rebuilds. He then reviewed expenditures and how there is a serious, statewide issue to hire licensed surveyors. There has been a challenge over the last two years of how to deliver information, but his Office was ready for it as they have had online records systems for many years. Mr. Fein stated that he is grateful for the resources provided by the Budget Committee and thanked County staff for supporting the Program. Chair Morris expressed appreciation for the job that the Surveyor's Office does.

Commissioner Dotterer asked if they have partnered with any school districts for this vocation. Mr. Fein answered that they work actively through the Professional Land Surveyors of Oregon; they have an outreach program geared towards motivating kids to get an engineering or surveying degree. The work cannot be made easier, so if the licensing requirements are made easier they may see an influx of errors.

Mr. Rachor asked about the procedure for increasing fees. Mr. Fein explained that it would have to come through the legislature, which would need support from county surveyors across the State. He said that there should be more local authority as the needs of each county can be very different. Mr. Jordan provided additional information on the Corner Restoration Fund balance from fees.

Human Service Agencies/Special Requests

Ms. Stacy Brubaker, Director, Health and Human Services (HHS) Department, presented the Human Service Agency grants (*Submission No. 14*), and noted that she has heard from these organizations and how appreciative they are for the funding; there are nine agencies and 14 different programs. She stated that there are no changes to the service grant award amounts for fiscal year 2022-2023.

Ms. Barbara Johnson, Executive Director, Community Works, spoke about everything that each of the agencies offers to assist those in the community that have been affected by abuse. She provided statistics of domestic violence abuse, and noted that these clients are dealing with many layers of complex trauma and mental health problems. She spoke about the services and advocacy provided through the Dunn House, and noted that the goal is to provide crisis intervention, create stability, and help with sustainability. She thanked the Budget Committee for considering these grants.

Ms. Brubaker explained that, two years ago, she was tasked with reviewing these grant programs. She is very impressed with what they receive from the County, and noted that some of them would not function without it. Chair Morris asked if there are any plans to revisit whether certain agencies should be added or deleted. Ms. Brubaker answered that, yes, that was one of the reasons for the review and all of the providers are aware that this has been a longstanding process that may need to be revisited. Commissioner Dyer noted that, while there are a lot of deserving agencies, it would be impossible to remove from the existing list.

Health and Human Services

Ms. Brubaker presented the recommended budget for HHS (*Submission No. 15*). She reviewed the requested operating budget for fiscal year 2022-2023, and the effects that COVID-19 has had on funding. She reviewed new FTEs and the highlights of each Program. She expects to see

growth in the Mental Health budget due to changes from the legislature. She also noted that Public Health has seen extreme increases in services due to the COVID-19 pandemic and wildfires.

Commissioner Dyer noted that Ms. Brubaker is another County employee who was moved from existing staff to this new position. He said it is a testament to the County as a national search was completed and she rose above everyone else.

At 11:23 a.m. Chair Morris recessed the meeting for five minutes. At 11:31 a.m., Chair Morris reconvened the Budget Committee Meeting.

Elected Officials' Salary Committee Report

Mr. Jordan began by reviewing the process for affixing the salaries of Elected Officials in compliance with Oregon Revised Statute (ORS) 204.112(3). He read the Statute into the record, making clarification on the use of the term Office not Officers. He also explained the required considerations of the Elected Officials' Salary Committee. Mr. Jordan stated that the Human Resources Office prepared a recommendation for the Salary Committee to consider, which includes assigning classifications based on equivalent, non-represented County positions and various compensation studies. Private agencies are not required to disclose their compensation plans. He also reviewed the qualifications for each non-represented position and how they account for education and experience. The Elected Officials' Salary Committee is not bound by the method described. Two exceptions to this classification are the District Attorney, who is an employee of the State of Oregon and receives a stipend from the County; and the Sheriff who, by ORS, must be the highest paid position in his Office. In addition, the Justice of the Peace, if elected or appointed to complete a vacancy, has to come in at the pay that the previous person serving had until that term is over.

Mr. Jordan continued by reading a draft of an Order that the Elected Officials' Salary Committee unanimously voted to approve, which includes information on how the salaries are determined. He reviewed the cost of living adjustment (COLA) for the Elected Officials of 4.13 percent, which is consistent with the COLA that Jackson County non-represented management and confidential employees will receive. He further explained that, with regard to the Assessor, the Chair of the Budget Committee requested a documented account of the errors that have occurred while he has been in Office. This document was reviewed during the Elected Officials' Salary Committee meeting, and the Salary Committee proposed to reduce the Assessor's salary from Step 5 to Step 4, but to not remove the COLA. Chair Morris explained that, when the Salary Committee first proposed this plan that is utilized for Elected Officials, it created a system that mirrors that of the County for non-represented employees, as well as best practices. The plan had six Steps that Elected Officials could move through and, in order to achieve all six Steps, they would need to be re-elected. They would move through the Steps automatically, provided there was no performance-based reason for the Salary Committee to reconsider. He noted that there has been a series of problems with the Assessor and, in one of his years in Office, the Salary Committee recommended to withhold the Step increase. This year, there was a very heated conversation about the consistency of problems, and the Salary Committee agreed to move him from Step 5 to Step 4 in recognition of the concerns that the Salary Committee has.

Mr. Jordan continued by reviewing each Elected Officials' salary within the draft Order. He explained changes that took place with regard to an 18 percent market adjustment for the District Attorney; the Justice of the Peace moving to Step 1 in January 2023, which will be the beginning

of his newly elected term; and remapped classification for the Surveyor. Chair Morris explained that the Salary Committee was persuaded to approve the classification change for the Surveyor due to all of the reasons indicated by his workload.

Mrs. Sevcik made a motion to approve Order No. 58-22 in the matter of adopting the fiscal year 2022-2023 Elected Officials' salaries for Jackson County, Oregon, as recommended by the Elected Officials' Salary Committee. Mr. Rachor seconded the motion.

Commissioner Roberts thanked the Elected Officials' Salary Committee for balancing the will of the people and performance levels. She noted that all accountability has a system of checks and balances. Mr. Jordan noted that there was a scrivener's error in the Order; the updated salary for the Justice of the Peace will be effective January 2, 2023, not January 1, 2023, and staff is having a corrected Order sent down. Commissioner Dyer said that they must address the concerns of citizens. Many of the errors in the Assessor's Office have been determined to have been avoidable, and the Salary Committee deliberated fully on what measures needed to be taken.

Those who voted aye: Mrs. Sevcik, Mr. Rachor, Commissioner Dotterrer, Commissioner Roberts, Commissioner Dyer, and Chair Morris. Motion passed.

Public Comment

Chair Morris opened the public comment period at 12:06 p.m. No one wished to speak. Chair Morris closed the public hearing at 12:06 p.m.

Chair Morris spoke about the budget process that took place starting in November 2021. The Budget Committee attended the Administrator's Budget Reviews in March, followed by these hearings, and noted that the Budget Committee takes the role of reviewing the budget quite seriously.

Deliberations

Chair Morris asked each member if there were any items they wished to deliberate.

Mr. Rachor said that he is impressed with how every year, as the workload increases, FTEs remain consistent. He asked if there were too many FTEs in the past, or if technology is to thank for doing more work with the FTEs that are available. Mr. Jordan clarified that there are 46 additional FTEs in this budget. They have been added incrementally over each year and the County has tried very hard to not add positions through the General Fund. He provided additional information on how the number of FTEs may be kept low, but there are also financial and resource costs.

Commissioner Roberts noted that, when citizens look at a \$500,000,000 budget, it is alarming, but looking at the increased costs from last year, much of the increase in account balances is due to COVID-19 relief funding. Mr. Jordan explained that the County is seeing an increase in personnel costs. He provided additional information on grant funding, and noted that roughly half of the \$209,000,000 in Reserves is in dedicated funds, which cannot be used for anything other than the fund it is in. Chair Morris said that Personnel Services, with salaries and benefits, is the biggest single expense that the General Fund experiences. The Department Directors are able to maintain their services and have been given tools to do so over the past few years. He also noted

that millions of dollars have been saved through self-insured health insurance. Ms. Sevcik commended everyone who presented, and noted that it is the first time she sensed deep comradery amongst the Department Directors.

Chair Morris confirmed that there were no further items for deliberation.

Commissioner Dyer made a motion to approve Order No. 59-22 in the matter of approving the fiscal year 2022-2023 budget for Jackson County, Oregon, as recommended by the County Administrator. Commissioner Dotterrer seconded the motion. Those who voted aye: Commissioner Dyer, Commissioner Dotterrer, Mrs. Sevcik, Commissioner Roberts, Mr. Rachor, and Chair Morris. Motion passed.

There being no further business, Chair Morris adjourned the Budget Committee meeting at 12:17 p.m.

Respectfully submitted,

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

/s/ Alycia Hartley
Alycia Hartley, Recording Secretary

Approved on: 11/28/2022