Dear Yamhill County residents,

On behalf of the Board of Commissioners and our Citizen Budget Committee, I am pleased to present the annual budget as approved for fiscal year 2023–24. I want to thank our budget committee members Denny Eimer, Doreen App, and Jason Fields for their commitment to service and our county. We strongly feel that the private sector perspectives of our citizen-members are a critical component of priority-based budgeting practices. I also want to thank our dedicated staff and leadership teams for the countless hours invested in preparing the budget each year.

Despite the aftermath of the COVID-19 pandemic and sustained inflation that we are experiencing, the county’s rate of receipt of property taxes continues to be very high. Often, governments don’t feel the effects of economic strain until several budget cycles later. This reality was at the forefront of our discussions this year. While the budget committee was cautious last year and exercised restraint when it came to spending down limited discretionary funds, the impact of several collective bargaining contracts and increased cost of goods and services continues to trim department budgets this cycle. State revenue forecasts continue to signal the possibility of an actual recessionary period, and our decisions on expenditures were based in part on these warning signs.

The approved budget for 2023-24 is $189,069,945, making this the second largest budget ever approved by the County. The budget reflects a decrease from fiscal year 2022-23 mostly due to the end of government programs like the CARES Act and the American Rescue Plan Act (ARPA). The Board of Commissioners is still considering proposals on how to release the remaining $3,136,343 of ARPA funds for investments in Childcare and Rural Broadband.

When ARPA funds are deducted from the General Fund balance, we get a better picture of whether the County stands financially. Twenty years ago, discretionary revenue accounted for 27% of actual revenue, with dedicated revenue at 73%. Today, discretionary revenue stands at just 17% of overall revenue. This is important because discretionary funds are used to backfill department needs when inflationary, personnel, healthcare and pension costs squeeze budgets.

Despite tax revenues trending slightly higher each year, the increases are not enough to keep pace with unsustainable demands on the county’s general fund budget. Because of this, departments were asked to budget a 2% reduction to their annual base allocations and use existing beginning balances to offset budget shortfalls.

The county is anticipating an increase of 5% in personnel costs along with increases to the cost of healthcare and retirement contributions. Four of the county’s five collective bargaining agreements are still under negotiation, adding to the uncertainty.

With 70% of general fund discretionary allocation going to Criminal Justice, the Sheriff’s Department experienced significant shortfalls going into budget committee discussions. With add-back requests totaling almost $500,000, the committee voted to allocate $157,598 of discretionary funds to the Sheriff’s budget and asked the Sheriff to find the remaining savings in vacant positions, efficiencies, and cuts to materials & services. The overriding concern of budget committee members was to avoid major cuts in the next fiscal year by solving budgetary constraints in this current year. We don’t want to lose deputies and we certainly don’t want to hire individuals now only to have to face layoffs next fiscal year. We appreciate the Sheriff’s effort in working towards those goals.

Notable actions:
1) The property tax rate was set at $2.5775 per thousand and that rate has not changed for 25 years.
2) Discretionary dollars funded critical add-back positions and requests in the District Attorney, Sheriff, and Parks departments.
3) The county created an Economic Development Department this year, after ending the SEDCOR contract and bringing the position in-house. We are in the process of hiring a new director and setting a strategic plan for supporting county businesses and expanding economic growth.
4) The budget committee voted unanimously to award a portion of remaining ARPA funds to the Yamhill County Gospel Rescue Mission in the amount of $50,000 to complete the construction of a commercial kitchen at the women’s/children’s facility in McMinnville.
5) An increase to the Yamhill County Clerk’s salary was approved to bring the clerk in line with comparable counties, and a 2% salary increase was approved for the County Assessor for the same reason. No other elected official salaries were increased.
6) The committee protected the General Fund balance by keeping reserves above $1 Million, preserving our Contingency Fund, and protecting the Retirement Reserve Fund in case of future budgetary pressures.

I am grateful that Yamhill County has had fiscally prudent commissioners and budget committee members in past years as their actions have created stable and healthy budgets during uncertain times. I am also grateful for County Administrator Ken Huffer’s ability to look long-term and identify why fiscal constraint is necessary for the success of our county. This year, we sharpened our pencils to trim expenses where possible and found savings in vacant positions to ensure that service levels to our community were not impacted. Yamhill County’s families are experiencing intense inflationary pressures and are having to stretch household budgets. We acknowledge that fact and will continue to strive to meet the needs of our residents in the most efficient way possible.

In Service,

Lindsay Berschauer
Chair, Yamhill County Board of Commissioners

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### NOTICE OF BUDGET HEARING

A meeting of the Yamhill County Board of Commissioners will be held at 10:00 a.m. on Thursday, June 15, 2023, in the Yamhill County Courthouse, 535 NE Fifth St., McMinnville, OR, and virtually via Zoom (Zoom ID 875 8872 4876) to discuss the budget for the fiscal year beginning July 1, 2023. Written comments may be submitted in advance to County Administrator Kenneth Huffer by email at hufferk@co.yamhill.or or by mail to the address above. A summary of the budget as approved by the Yamhill County Budget Committee may be inspected or obtained free of charge by visiting the county’s website at www.co.yamhill.or. The budget was prepared on a basis of accounting consistent with the previous fiscal year.

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### 2023–2024 Yamhill County Budget

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Taxes Needed to Balance 2023–24 (1)</th>
<th>Estimated Taxes not to be Collected (2)</th>
<th>Estimated Property Tax Levy</th>
<th>Property Tax Rate</th>
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<tbody>
<tr>
<td>Total Levy</td>
<td>$27,376,402</td>
<td>$2,219,708</td>
<td>$29,596,110</td>
<td>2.5775</td>
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<tr>
<td>Operations (Permanent Rate)</td>
<td>$28,565,885</td>
<td>$2,5775</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) The levy equals the property tax rate times the assessed value. The county’s assessed value was estimated at $11.96 billion. The assessed value is only an estimate at this time. The actual assessed value will not be available until October. Tax offsets (if any) may reduce the estimated property tax levy.

(2) Discounts and past-due property taxes.

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### NOTICE OF PROPERTY TAX LEVY

On May 3, 2023, the Yamhill County Budget Committee approved a property tax rate for Yamhill County Government of $2.5775 per $1,000 of assessed value for the 2023-24 fiscal year. This rate has been the same since 1995. The property tax rate will become final after the Board of Commissioners holds the public hearing and adopts the budget for 2023-24. The Board cannot increase the tax levy above the rate approved by the Budget Committee.
obligations. We also continue to focus on gender-specific needs via use of a gender-specific risk assessment and accountability for our local JII. This program allows us to provide maintenance to our local Yamhill Work Crew Program.

State Justice Reinvestment (JRI) Grant Funds, primarily intended for the safe reduction of incarceration levels within the Department of Corrections (DOC). YCDCJ also receives local general fund allocations for the supervision of misdemeanors. State Justice Reinvestment (JRI) Grant Funds, primarily intended for the safe reduction of incarceration levels within the Department of Corrections (DOC). YCDCJ also receives local general fund allocations for the supervision of misdemeanors.

Yamhill Work Crew Program — The Adult Division provides community probation, parole and post-supervision services for adults on parole.

Report SMART Sentencing Program.

The program receives funding from the Oregon State Marine Board and County discretionary funds.

Patrol provides 24 hour law enforcement services to 718 square miles in Yamhill County and a population of nearly 110,000 with 49,3 FTE. The Sheriff’s Office will continue contracting direct enforcement services with the cities of Amity, Dayton, Lafayette, Sheridan, and Willamina, as well as providing emergency backup and investigative expertise to the cities of Carlton, Dundee, McMinnville, Newberg, and Yamhill. Narcotics Investigation is funded through forfeiture dollars from drug conviction seizures and grants reimbursement funds as part of regional enforcement teams. Funds are used in support of drug enforcement programs managed by the Federal and State Departments of Justice.

Radio System represents funding associated with the maintenance and support of the public safety radio system, with a 0.2 FTE program manager. This system serves all public safety agencies throughout Yamhill County, including sixteen law enforcement, fire, and emergency medical services (EMS) public safety member organizations.

Funding comes from an annual transfer of revenue from Yamhill Communications (YCOM) and radio tower site rentals.

Dal provides continuous 24-hour operation for the safe incarceration of all received and committed adults in the correctional facilities operated by the Sheriff’s Office.

This budget has four direct service programs: Elections & Voter Registration, Public Records and Licenses & Passports) are fee-driven and historically have kept our office self-sustaining. There are some programs that are required to make it available to interested parties. This information is also readily available on the county’s website.

Commissioner — The Treasurer provides investment portfolio management and cash flow management for the county. In addition, the Treasurer implements and adheres to all Oregon State Statutes regarding county finance areas.

The Treasurer prepares all investment and cash flow reports. The Treasurer works closely with the Deputy Treasurer who is responsible for all other county finance areas.

The Treasurer provides for the salaries and expenses of the three members of the Board of Commissioners.

Commissioners — This budget provides for the salaries and expenses of the three members of the Board of Commissioners. It also includes two board administrative staff salaries. Resources come from general fund revenue and interdepartmental charges.

Administrative Services — This budget funds accounting, personnel payroll, and budgeting for Yamhill County. This budget also includes the payroll and benefits costs for all non-salaried personnel.

This budget comprises resources that come from a mixture of general resources, internal service charges, and grant funds in support of assessment and taxation activities.

Assessment — The Assessor’s Office is responsible for assessing all properties in Yamhill County, which includes commercial, industrial, rural, and urban properties, manufactured structures, and business personal property. The office also administers many property tax programs including agricultural, business, deferral, farm and forestland deferrals, and other property tax exemption programs and special assessments.

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The Sheriff’s Office — The Sheriff’s Office provides security services to the county. Services include building security, adult in custody courtroom escort, and inter-facility adult in custody transports.

Facilities Maintenance — This budget provides for the salaries and expenses of the three members of the Board of Commissioners. It also includes two board administrative staff salaries. Resources come from general fund revenue and interdepartmental charges.

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PUBLIC WORKS PROGRAM

Public Works is comprised of three divisions: Road, Fleet, and Engineering & Administration. It relies on state-shared revenues (gas tax, weight-mile fees, license fees, title transfer fees, etc.) for the majority of its revenue, and also receives federal Surface Transportation Fund allocations, and a variable contribution from federal forest receipts.

Motor Vehicle Fund – This fund is managed through the Fleet division, handles the County’s vehicle collision insurance, fleet and equipment replacement funds, and the fuel storage tank replacement fund.

Bicycle/Footpath Fund – The revenue for the Bicycle/Footpath Fund, which is managed through the Road division, comes from 1% of the state-shared revenues as required by the Oregon Constitution.

Habitat Conservation Fund – This fund is also managed through the Road division, is in response to a 30-year old mandate for protecting and enhancing the roadside habitat for the endangered Fender’s blue butterfly and for Kincad Lupine mitigation activities at Deer Creek Park. The fund’s revenue comes primarily from state Highway taxes, adjusted each year per the CPI. Other funding comes from the O&C Reserve (Fund 50).

LAND USE PROGRAM

Planning & Development - This department administers land use planning, plumbing, mechanical, electrical and building inspection services, subsurface sanitation, and solid waste programs for the county. Building Inspection and Environmental Health programs have been delegated by the state to the county. The department is funded entirely by fees and charges.

Surveyor - This office is established by state law to file and index survey records in the county and to maintain and restore corners of the U.S. Rectangular Survey as well as donation land claims. The department also performs field and office checks on partitions, subdivisions, and condominiums, and checks plots for county approval. The department is financed by survey and plat filing fees, general fund as well as by revenues received from filing certain instruments in the Clerk’s Office (Corner Restoration Fund).

Geographic Information Systems (GIS) - The mission of the GIS department is to develop and support technology related to land-based software applications. This includes coordination with all updates received in the assessor’s base maps, updates to the geodetic survey provided by the county surveyor, and the inclusion of numerous other sources of related data for use in the GIS system. Resources supporting this program come from service charges and discretionary revenue.

Corner Restoration Fund - Funds are derived from filing certain instruments in the Clerk’s Office and are deposited to supplement the surveyor’s activities in the preservation and restoration of government survey corners.

CULTURE & RECREATION PROGRAM

Fairgrounds – The Fair Board and staff are proud of the success of the 2022 Fair and Rodeo, Oregon’s oldest fair. The interim usage of the facility has increased every year and because of ongoing improvements and added event space, the fair offers a unique entertainment offering and is a valuable asset to the county.

Parks – Yamhill County Parks Division provides a wide variety of benefits and opportunities to the community through affordable access to a wide variety of outdoor recreation including 17 parks and 212 acres of parkland and open space. Our mission is to manage, preserve, and restore these unique natural, cultural, and historic places for people to enjoy outdoor recreation and educational activities. Research indicates that local parks and green spaces directly influence and increase the quality of life for local neighborhoods and communities, often leading to increased property value for neighboring residents as well as health and wellness of the local community through the clean air, water, and reduced stress parks provide. Moreover, the Parks Division offers open spaces for physical activity which result in improved physical health and lower health care costs. The annual Summer Puzzle Quest offers families and the community a fun recreational opportunity as well as familiarization and orientation to county spaces that may be less utilized or unknown. A long-term partnership between the Parks Division and the Sheriff’s Office allows local work crews to assist in the maintenance the parks system throughout the year and continue park improvement projects. The Parks Division budget is funded through general county allocation, grants, and park user fees. In the next fiscal year, the Parks Division plans to focus on updating the Yamhill County Comprehensive and Open Space Master Plan. Future Park projects planned include bridge replacement at Collins Bridge, earthquake加固 at Dayton Landing, and ADA improvements throughout the park system. To learn more about Yamhill County Parks, visit our website at www.co.yamhill.or.us/yamhillparks/index.htm.

Systems Development – The County collects a systems developmentcharge (SDC) for parks and the county fair facility. The county also collects the parks SDC for the Chehalem Valley Parks and Recreation District in unincorporated areas. All income is derived from SDCs and interest earnings.

COMMUNITY SERVICES PROGRAM

Law Library – Yamhill County provides a law library for the convenience of citizens and members of the bar. It is funded via a portion of court civil filing fees.

Transit – Yamhill County Transit Area (YCTA) provides public transit service for all of Yamhill County, making connections with Tri-Met, MAX, WEL, TCTD and S&MT. YCTA contracts with a private vendor, First Transit, to provide the daily operation of the service.

Economic Development – Video lottery dollars received from the state are expended on activities that stimulate the economy in Yamhill County. These include both internal county functions and community projects.

Mediation Services – This program is a part of the county budget but is actually funded and administered by the state court system. It provides an alternative means of resolving domestic disputes in divorces. The program is funded through court filing fees.

County Schools – By law, the county is required to share 25% of its federal forest income with county schools.

INTERNAL SERVICES PROGRAM

Non-Departmental – This is the “miscellaneous” portion of the general fund budget. Included here are insurance payments, postage, grants, and other items. Dollars come from general revenue, service charges, and grants.

Capital Improvement – This fund holds money in reserve to allow the county to participate in insurance programs that reduce overall premium costs. The reserves in this fund also protect departments from cost “spikes” that occur when insurance costs rise due to changes in the economic climate. It contains a PERS reserve, which is helping to buffer the cost increases in PERS. The resources come from service charges and discretionary revenue.

Landfill License Reserve – This fund holds a portion of landfill tipping fee resources beyond what is needed for solid waste administration and closed landfill oversight and may be used for one-time projects.

BUDGET SUMMARY – PUBLIC WORKS

BUDGET SUMMARY – ALL PROGRAMS

BUDGET SUMMARY – CULTURE & RECREATION

BUDGET SUMMARY – COMMUNITY SERVICES

BUDGET SUMMARY – INTERNAL SERVICES