EXECUTIVE SUMMARY

LINCOLN COUNTY 2024-2025 BUDGET

Lincoln County

LINCOLN COUNTY, OREGON

Established February 20, 1893

COUNTY COMMISSIONERS

Casey Miller, Chair

Claire Hall, Vice Chair

Kaety Jacobson

BUDGET COMMITTEE

Susan Woodruff, Co-Chair

John Heath, Co-Chair

Cristen Don

COUNTY ADMINISTRATOR &
BUDGET OFFICER

Tim Johnson

COUNTY COUNSEL

Kristin Yuille

ACTING FINANCE DIRECTOR

Deanne Gravelle

The mission of the County is to provide legally required and locally desired essential public services in an efficient, effective and respectful manner.

About Lincoln County

Lincoln County is a geographically diverse county. It has a coastline that varies from the rocky cliffs near stunning Cape Perpetua on the southern end to 7 miles of sandy beaches at Lincoln City.

There are navigable rivers, waterfalls, and old-growth giant Douglas firs.

Additionally, there is world class dining and a thriving art and culture scene..

Named for President Abraham Lincoln, Lincoln County was created by the Oregon Legislature in 1893 from western portions of Benton and Polk counties.

The climate is temperate with a short but productive growing season.

Although timber and fishing have been replaced by tourism as the county's largest industry, they still contribute hundreds of millions of dollars to the region's economy. The county's commercial fishing fleet is in Newport while recreational fishing is found in Depoe Bay and Waldport.

Budget Message from Commissioners

The Lincoln County Board of Commissioners is pleased to present this Executive Summary of the 2024-25 Annual Budget. It is approximately $184 million, similar to FY 23-24.

The budget has been prepared using budgetary practices and techniques recommended by the Governmental Accounting Standards Board (GASB).

The County budget is a focused plan that invests limited taxpayer resources to address the needs of our residents today and tomorrow. Responsible budgeting and financial management ensures that Lincoln County has and will continue to meet a structurally balanced budget for a safer, healthier, and more vibrant economy.

A structurally balanced budget means it is balanced without the use of reserves or any reductions in services or personnel, as opposed to deficit.

This budget is representative of conservative spending including reduced spending to achieve a balanced budget.

The Lincoln County Budget also includes the following legally separate entities.

- Lincoln County Transportation District
- Lincoln County Solid Waste District
- Lincoln County Animal Services District
- Siletz Area Enhanced Law Enforcement District
- Lincoln County Extension Service District

While these are legally separate district, the Board of Commissioners is responsible for the final approval of these budgets.

Summary readers will learn about the County's work with its partners to provide critical resources to vulnerable community members during the January ice storm; enhancement of services such as broadband expansion; major efforts related to the homelessness emergency, including the county's first full-season emergency shelter and the creation of two full-time housing navigation positions; an organizational transition of the Medical Examiner's service to our Health and Human Services Department; and capital improvements such as groundbreaking for a new Animal Shelter and progress on redevelopment of the Commons.

Also described in the summary is the County's extensive work to acquire and deploy millions in grant money for direct community improvement and development, including funding for childcare facility expansion, economic development, emergency management, nonprofit social service agencies, and animal spay and neutering.

The summary also describes exciting efforts to re-brand Lincoln County Transit buses – "Three Services, Three Brands." for the Intercity (Commuter), City Loop and Dial-A-Ride buses.

In his Budget Message, County Administrator Tim Johnson highlighted uncertainties that will likely require subsequent amendments to the adopted budget. Among those are funding expected to come through HB 4002, signed by the Governor earlier this year. The bill that reforms the model established under Ballot Measure 110 has potential implications for multiple departments' staffing, services and budget, including but not limited to the District Attorney's Office, Sheriff, Community Justice and Health and Human Services.

Ongoing negotiations in employee collective bargaining agreements represent another potential impact on the adopted budget that could require later amendment.

To read the full Budget Message and examine the Adopted Budget, visit: tinyurl.com/LCBudgetBook

County Fast Facts

- ◊ Established: February 20, 1893
- ◊ Land area: 992 square miles
- ◊ Coastline: Approximately 45 miles
- ◊ Population: 50,395 (2020 Census)
- ◊ Households: 22,483
- ◊ Employers: 1,579 (2021 Economic Surveys Business Patterns)

Acknowledgments

The Commissioners thank longtime Budget Committee members Cristen Don, John Heath and Susan Woodruff for their time and wise attention reviewing and approving the budget during several meetings in May and June. County Administrator Tim Johnson acted as Budget Officer while the County transitions to a new Finance Director. Huge thanks go to acting Finance Director Deanna Gravelle and Budget Analyst Renee Card, with support from our interim CPA Bill Mooso, for their hard work preparing the budget document and guiding the process through to adoption. Department heads and elected officials also deserve recognition for their individual budget submissions.

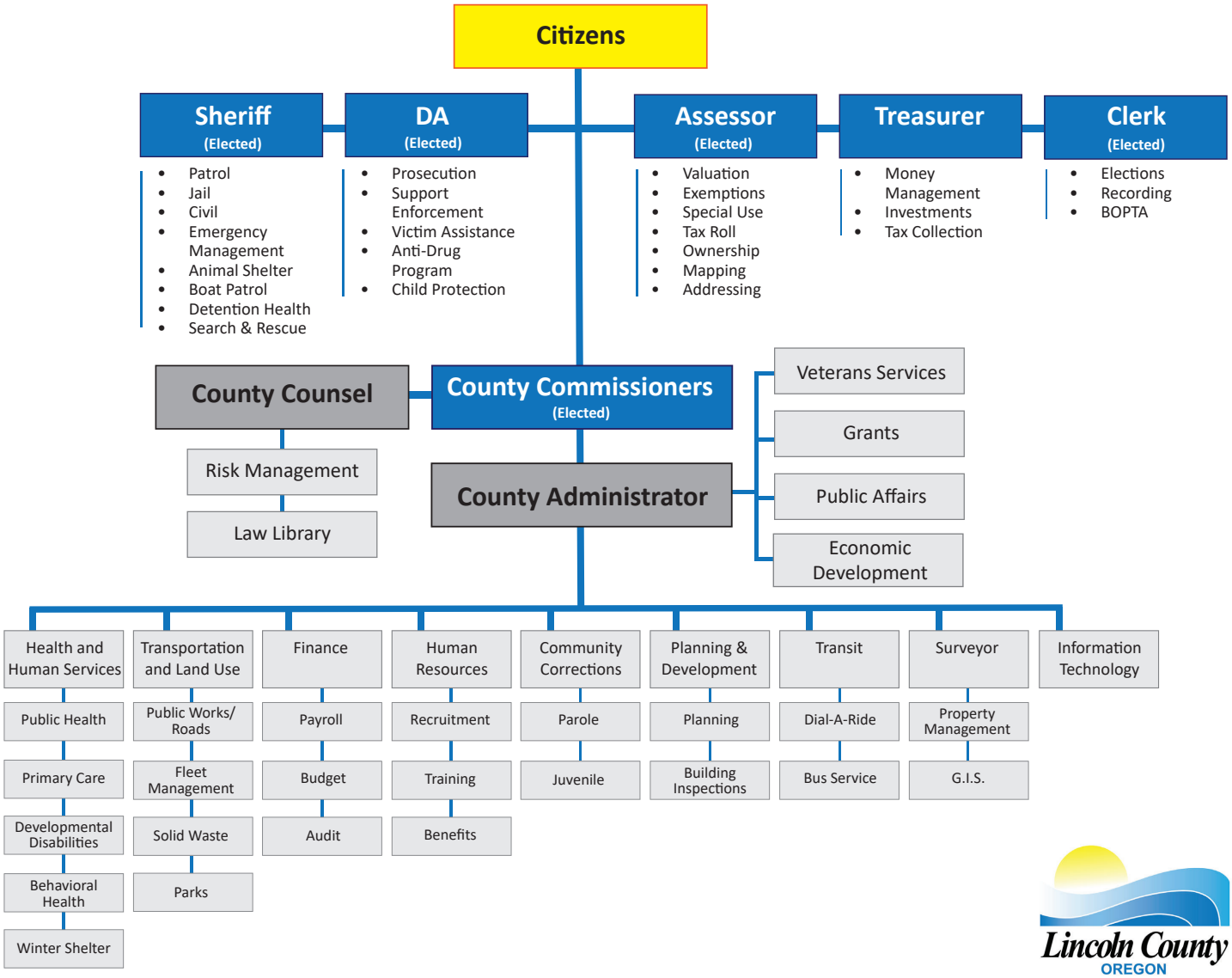
The 2024-25 Budget Committee - From left, Commissioner Claire Hall, Commissioner Kaety Jacobson, public Committee Members Sue Woodruff, Cristen Don, and John Heath, and Commissioner Casey Miller

Special Thanks

Department heads and elected officials also deserve recognition for their individual budget submissions. Sheriff Curtis Landers; District Attorney Jenna Wallace; County Clerk Amy Southwell; County Treasurer Jayne Welch; County Assessor Joe Davidson; Health and Human Services Director Jayne Romero; Public Works Director Mikel Diwan; Community Justice Director Tony Campa; Transit Director Cynda Bruce; Planning Director Onno Husing; Information & Technology Director Todd Richmond; and Human Resources Director David Collier.

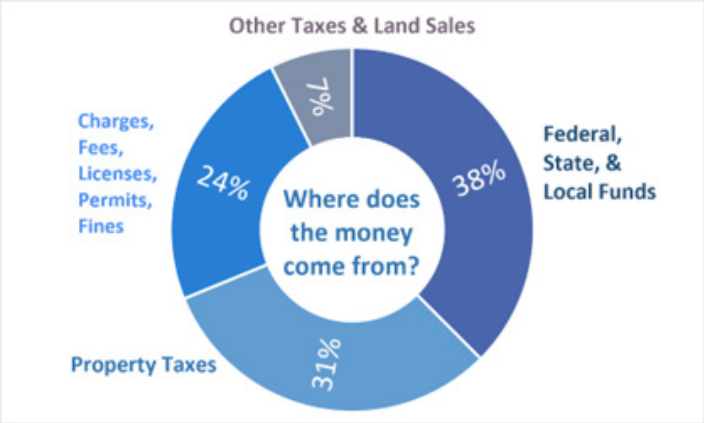
Our biggest thanks go to all of you, the Lincoln County Community.

Lincoln County Government



The Budget: Overview

The Lincoln County budget is the financial plan and operating guideline for the fiscal year. The 2025 Fiscal Year runs from July 1, 2024, to June 30, 2025. Budgets are never intended to be fixed or unalterable; they are intended to be the measuring stick for County operations throughout the year.



The budget for FY 24-25 is estimated to be $184 million. It is similar to the previous year.

Revenue

Other major revenues include intergovernmental revenue – grants and payments received from federal, state, and other local governments; a 12% transient room tax; permits and fees charged for specific activities in the county; and charges for services – amounts charged for direct service provided by the county.

Property Taxes

Below is a dollar bill that illustrates how property tax dollars are spent. Property tax revenue is the single biggest source of revenue for the county. The county's permanent tax rate remains at $2.8202/ $1,000 of assessed value. The county receives about 18 cents of every property tax dollar paid.

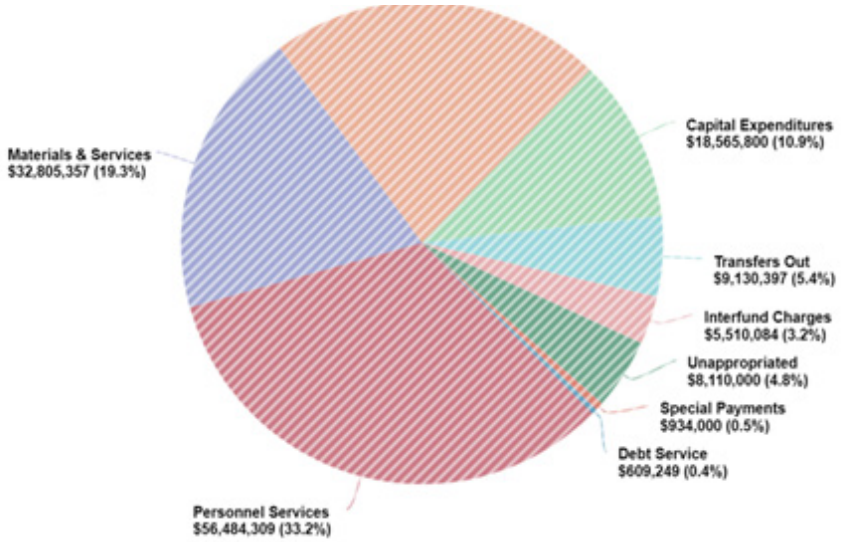
2023-2024 Budget vs 2024-2025 Budget

As can be seen in the graphs below, key increases in expenditures have risen in Personnel Services, which is forecast to rise by more than $6 million from the previous budget.

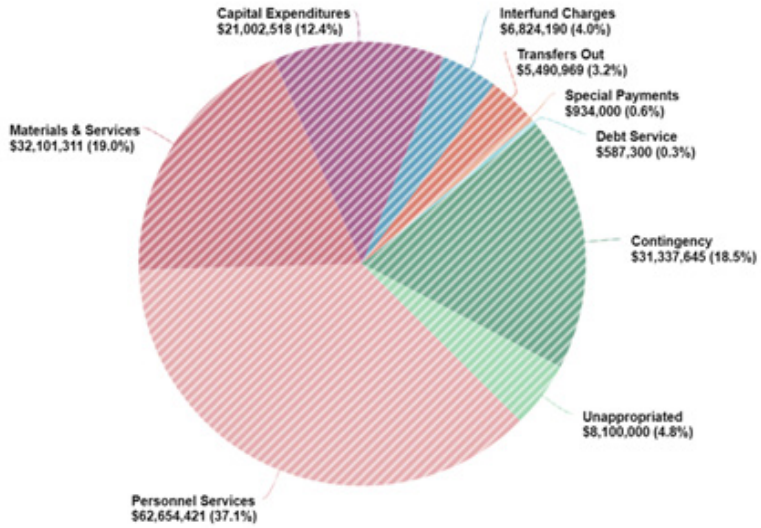
Budget staff and county administration are aware of other pending revenue sources that will serve as an increase to the budget. The voter approval of Ballot Measure 21-220 in November 2023, which garnered yes votes from more than two-thirds of county voters, will provide new funding for county parks and their maintenance and subsequent improvements to county parks.

The County Treasurer also identified healthier returns on investments due to the marketplace. This too will improve the county's revenue position.

2023-2024 Fiscal Year Budget

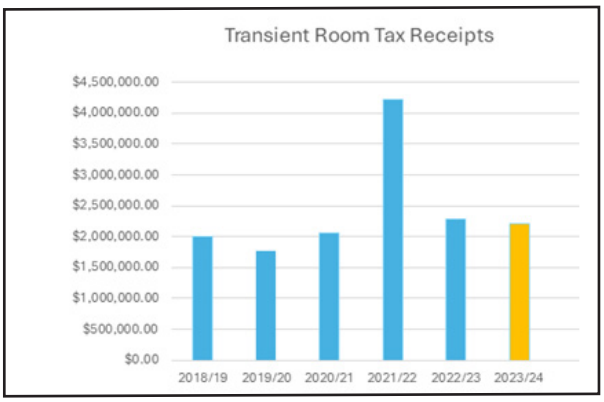


2024-2025 Fiscal Year Budget



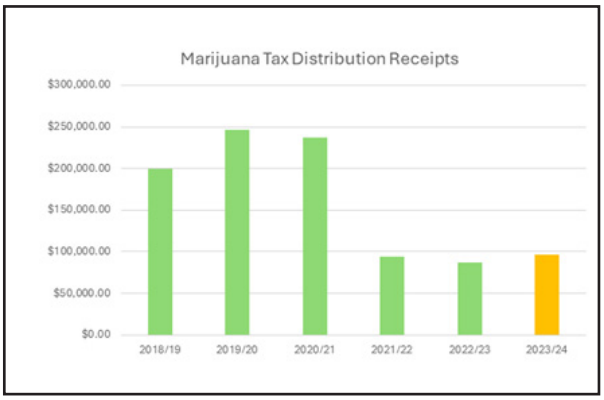
Transient Room Tax

This tax is paid by people staying overnight in all Lincoln County lodging establishments/transient lodging facilities for a period of up to 30 consecutive calendar days. Establishments must collect a 12 percent tax from occupants. As can be seen there was a spike during COVID as people could work anywhere, they chose the Oregon coast. Numbers have leveled off since the pandemic has officially been concluded and people have more options to travel, hence part of the reason for the reduction in room taxes.



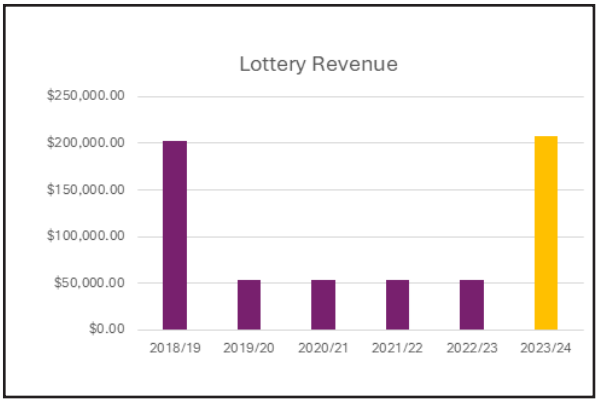
Marijuana Tax

Retailers licensed by the Oregon Liquor and Cannabis Commission (OLCC) are required to charge a retail sales tax of 17 percent for all recreational marijuana sold. In some cases, retailers must also charge customers an additional 3 percent for Oregon localities. Oregon State Senate Bill 864 would have allowed cities and counties to increase their tax percentages from the sale of marijuana, however, the legislation decriminalized small amounts of the drug, and the state capped how much cannabis tax local governments could keep. While revenues increased slightly last year, the state's formula changed again due to state legislative changes.



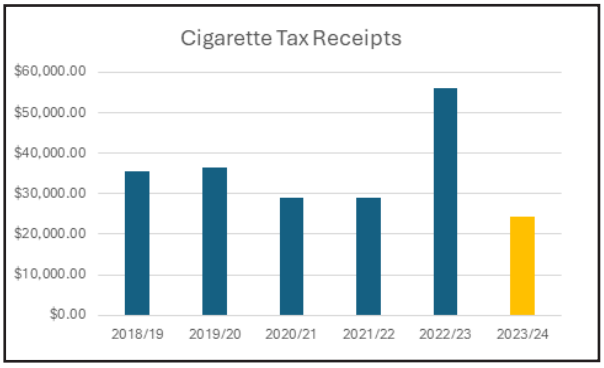
Lottery

Many Counties have seen lottery revenue reductions due to state legislation. The Oregon State Lottery Commission can transfer an amount equal to 2.5 percent of the net receipts from video lottery games allocated to the Administrative Services Economic Development Fund to counties for economic development activities. Ninety percent of the monies can be distributed to each county in proportion to the gross receipts from video lottery games from each county. Ten percent of the monies can be distributed in equal amounts to each county. Lincoln County saw a substantial increase in its lottery revenue from the state last year, a 300 percent increase from the four previous fiscal years



Cigarette Tax

After seeing a substantial increase last fiscal year in cigarette tax revenues as a result of a ballot measure approved by voters in 2021 (the taxes increased by $2.00 a pack, and for the first time, vaping products such as e-cigarettes were taxed), revenues to the county dropped dramatically in 2023-24. These revenues are used to support health-related activities for smoking cessation and prevention of youth tobacco use that would otherwise impact the General Fund.



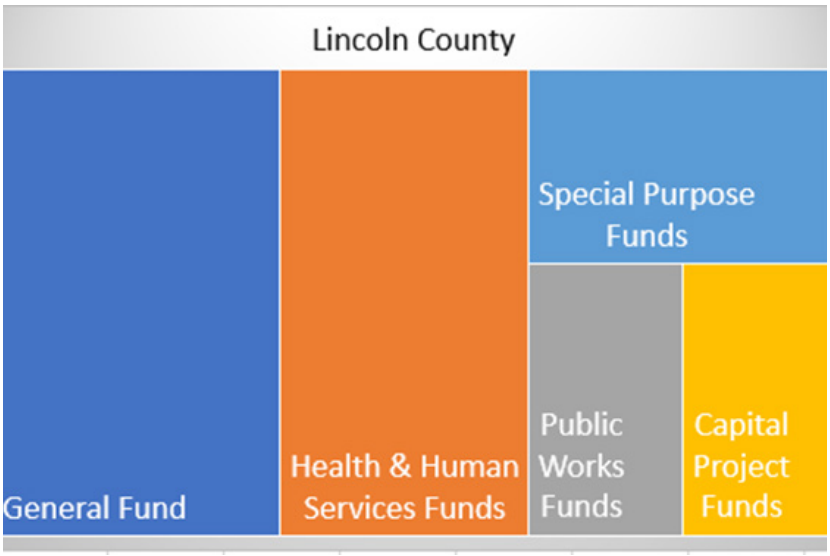
The inconsistency of the consumer-based tax revenues presents difficulties in forecasting revenues for Lincoln County. To help in this effort, the County enlisted the assistance of consultants to forecast revenues ensuring stability. Additionally, the continued mid-year review coupled with what will be monthly and quarterly reports on the funds of the county will be implemented. This is recommended to ensure the receipt of revenues and the corresponding direction of spending.

The Lincoln County Budget is comprised of many individual funds, all with a specific purpose or operational focus. As shown below, the General Fund is the largest of these funds, and contains the operations of our Elected Officials, Public Safety programs and functions, and general government and central services activities.

The Health & Human Services Funds are a group of funds dedicated to providing health and mental health services to Lincoln County residents. This is the next largest group of programs and services in the Lincoln County budget.

The Public Works Fund contains our County Roads program as well as the County Engineer and Fleet divisin.

Special Purpose and Capital Projects Funds are funds that contain resources and reserves that are restricted to a specific purpose or activity. These funds generally do not have significant employees associated with them and are largely operated using external contracts or service providers. These funds may also supplement the operations of the County's primary operating funds such as the General Fund, Health & Human Services funds, or Public Works fund.



Highlighting Significant Activities and Services During the Fiscal Year

The New Lincoln County Animal Shelter

The County announced its selection of the new site for the animal shelter in Waldport. County staff is working closely with the city of Waldport and other partners to finalize plans for the shelter.

Work is already underway at the site, and a groundbreaking ceremony was held October 9. A ribbon- cutting ceremony is expected September 2025.

Plans call for a 5,000-square-foot main building, parking for 22 vehicles, space for five full-time employees and five volunteers at a time, and room for 24 dogs and up to 60 cats.

The Commons

Lincoln County Commons, home of the Lincoln County Fair, has begun pre-construction phase l.

The redevelopment plan includes a new, 15,000-square-foot multi-purpose building to replace the existing main hall; a new, covered equestrian pavilion a new demonstration barn, floral building and garden along with new stage and entry feature The plan also includes a new outdoor theater/stage, outdoor plazas and green space (Fairgoers last year got a hint at what's to come with the Business Oregon-funded renovation of the 4-H barn).

The estimated cost of the redevelopment project is $25-30 million.

Countywide Homeless Response Strategy

The Lincoln County Homelessness Advisory Board is one of eight such bodies in Oregon selected and provided with a $1 million pilot grant to create a five-year strategic plan to counter epidemic homelessness. Consultant Morant McLeod was contracted to create the plan document, while the Housing Authority of Lincoln County was contracted to act as the board's coordinator.

The board operates under a first-of-its-kind intergovernmental agreement between the county, all municipalities within it, the Community Services Consortium, and in cooperation with the Confederated Tribes of Siletz Indians.

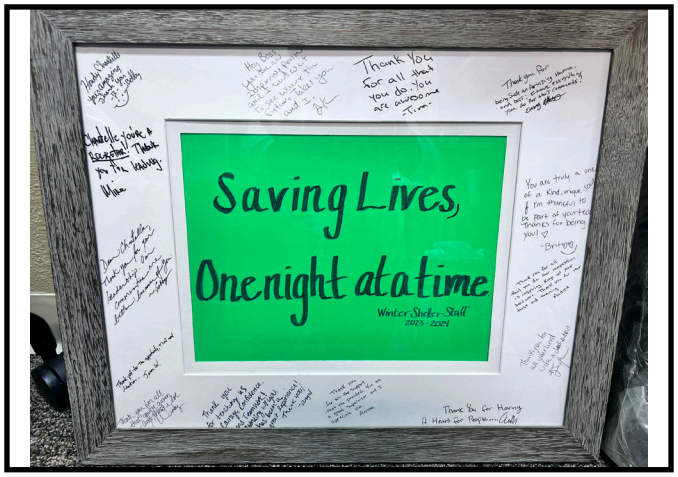
Morant McLeod produced a 178-page plan – "Where We Call Home" – estimating there to be as many as 2,000 unhoused individuals in Lincoln County. The plan calls for addressing housing as a continuum and for streamlining the links between various service providers to eliminate service gaps. The advisory board continues to meet and is making significant headway in providing services in concert with private non-profits along with local cities, the county and tribe.

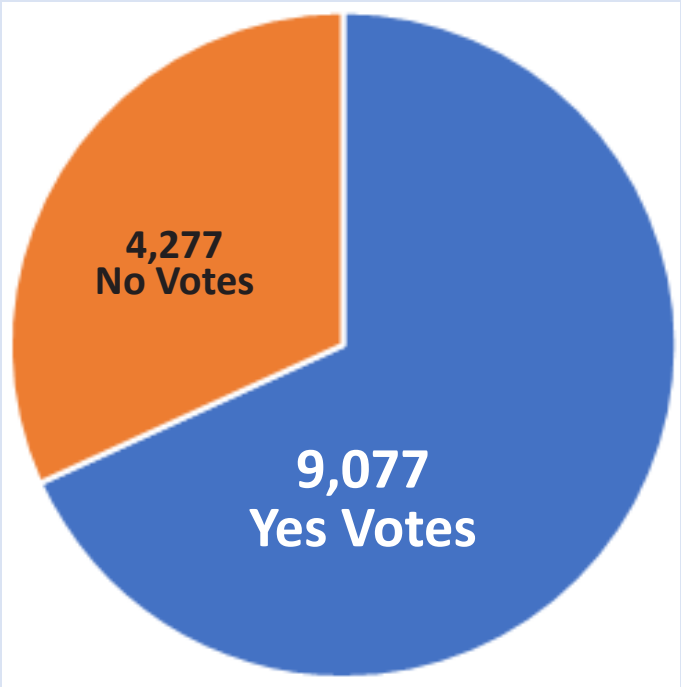
Commissioner Claire Hall is the county's voting representative to the Lincoln County Homelessness Advisory Board.

Winter Shelter

Lincoln County took a leap last winter by launching its own winter shelter operation, with a laser focus on preventing deaths from exposure due to lack of housing. In cooperation with the Housing Authority of Lincoln County, which purchased the building in Newport that the County rents as one shelter facility, we kept 230 unique individuals and 30 pets safe last winter through the Community Shelter and Resource Center. The total budget was $698,820, a combination of ARPA funds, HHS funds, contributions from cities and other partners, and the County General Fund, which paid the salary of the newly created shelter coordinator position. Twenty-six staff and 29 volunteers, who all received robust safety training, provided support over the course of the winter, while 44 individuals/organizations donated services, food, clothing, other goods.

All season long, only one call was made to law enforcement, and not by shelter staff; housing referrals were made for 57 individuals, with 33 achieving placement. Earlier this year, the County purchased property in Lincoln City as a second shelter location, having leased a block of hotel rooms last winter when no suitable real estate could be located in time for the cold weather.





Transient Room Tax Ballot Measure

Lincoln County voters resoundingly answered “yes” when asked last November if the county should collect another 2% in transient lodging tax – paid per night at all hotels, vacation rentals and campgrounds – to fund County Parks. Votes to raise the tax from 10% to 12% totaled 9,077 or 68.2%, versus 4,233 “no” votes.

This constitutes a new model for funding Parks operations and maintenance. Previously funded entirely through the General Fund, Parks is expected to see $568,000 in annual revenue from the increase, enhancing Lincoln County’s recreational opportunities for locals and visitors alike.

January 2024 Ice Storm

County departments joined forces at the beginning of the year to help residents through an unexpectedly severe ice storm that at one point saw the majority of county residents without power due to downed main transmission lines from the valley. The Board of Commissioners declared an emergency. Sheriff's office personnel worked with HHS staff to monitor vulnerable community members, such as those with health conditions that require powered equipment, while staff from the County's Transit Agency helped to evacuate a care home.

This cooperation amongst jurisdictions, special district, non-profits and the tribes stands ready to support future natural disasters or emergencies.

Broadband

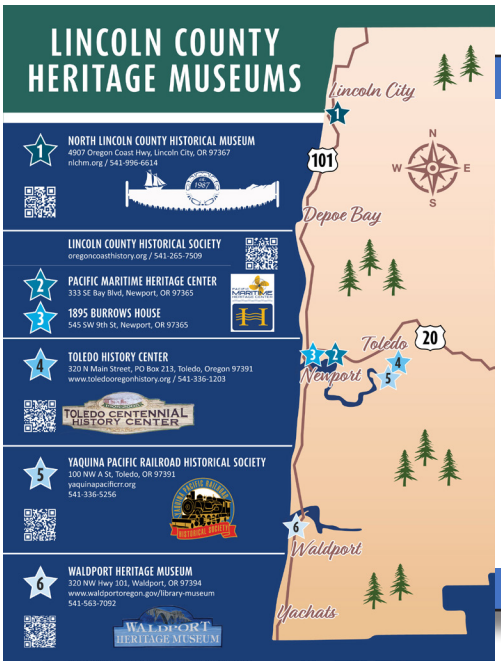
The County, in collaboration with the Oregon Cascades West Council of Governments along with Benton and Linn counties, developed a regional broadband strategic plan. This effort aligns with the federal funding opportunities managed by the state of Oregon Broadband Office, which oversees over $860 million in grants for broadband expansion. The plan outlines key strategies to enhance broadband infrastructure and adoption in underserved communities across these counties, with specific recommendations for Lincoln County. These include establishing a local broadband task force to address connectivity gaps, prioritizing broadband infrastructure as a county leadership priority, building partnerships with ISPs for competitive grant applications, utilizing the Rapid Design Study for decision-making on project prioritization, and focusing on affordability and digital equity.

This strategy leverages the ongoing support of the regional Broadband Action Team to maximize funding opportunities and ensure sustainable broadband access. Such activities are forecasted to continue with grants being awarded to entities providing broadband services to county residents.

TIDES Building Renovation

The County has been undertaking extensive renovations at its four homes for Community Justice clients, TIDES 1, 2, 3, and 4. These facilities provide structure, supervision, and an alternative to incarceration for adult clients (the separate Youth TIDES program provides prevention, emergency shelter and transitional living services for youth ages 12 to 20 years old).

TIDES 1 and TIDES 2 received new siding, and they will have their doors replaced. TIDES 3 will be repainted. At TIDES 4, problem trees were removed from the property, the roof was replaced, and a floor replacement is coming soon.



Support For Chambers and Museums

For more than a decade, Lincoln County has provided direct support to chambers of commerce and historical societies to enhance visitor experiences, and this budget year is no different. Thanks to a reporting system implemented by the County Administrator, the County is now able to track the impact of those funds on visitation trends.

This year, the county provided more than $500,000 to eight organizations operating in Lincoln County.

National Night Out

National Night Out is an annual community-building campaign that promotes police-community partnerships and neighborhood camaraderie to make neighborhoods safer, more caring places to live. The event enhances the relationship between neighbors and law enforcement while bringing back a true sense of community. Furthermore, it provides a great opportunity to bring police and neighbors together under positive circumstances.

County Commissioners and Sheriff's Office personnel attended National Night Out events all across Lincoln County this year. The Sheriff's Office hosted the Siletz event, providing hamburgers, hot dogs and cotton candy to attendees through the Siletz Area Enhanced Law Enforcement District budget. This event is expected to continue to grow across the county in future years.

Branding the County

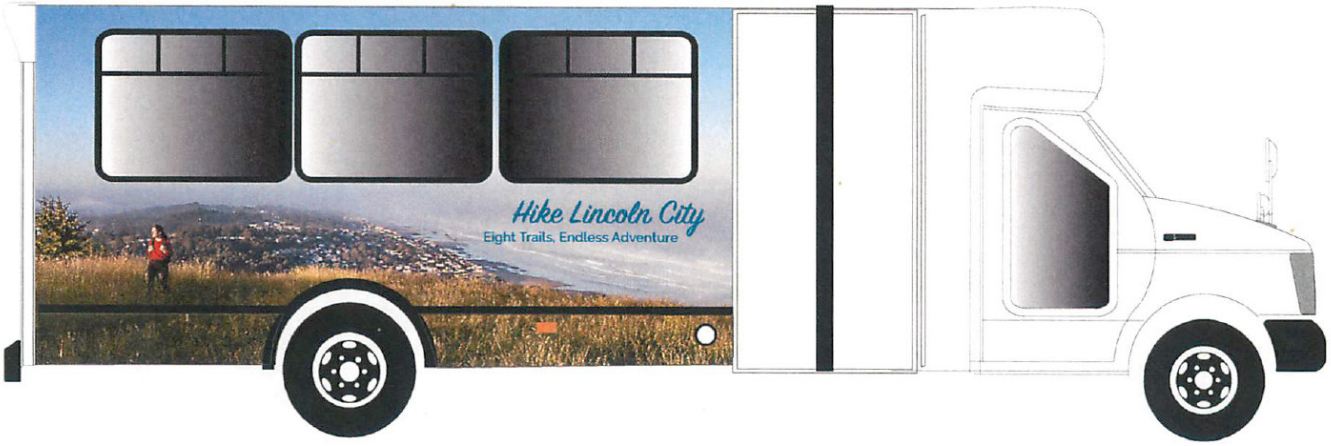
Transit – Three Services, Three Brands

Lincoln County Transit provides three main services. One is commuter services that operate north and south along the coast and east and west to and from the Willamette Valley. Second is the loop buses in the cities of Newport and Lincoln City. These provide intra-city service and specifically serve key tourism areas and major employers. Additionally, there is a Dial-A-Ride service that picks up passengers at their residence or other designated place.

In December 2023, the District expanded its service to east and south county, announcing all-new Sunday service to and from Waldport and Yachats, as well as Sunday service on the Blue Line and restoration of Saturday service on the East County route to Toledo and Siletz. Transit also adjusted pickup times for its Coast-to-Valley Express with Benton Area Transit to ensure riders can make the Amtrak train from Albany.

To ensure awareness, the District has branded its three services differently, specifically, the color and graphics on the buses. This is due in part to the concerns expressed by riders that they could not tell the difference between bus routes, as all vehicles had the same graphics and color schemes.

The County invited Lincoln City and Newport to pick a design for the buses on their respective “city loops.” Lincoln City opted to feature the incredible 8 hikes with majestic views in and around the city, while Newport chose to feature its status as the “Dungeness Crab Capital of the World.” Dial-A Ride buses will be wrapped in a blue Lincoln County color scheme. Below are mock ups of the future City Loop Buses.



Health & Human Services

During late summer 2024, the Lincoln Community Health Center, Health and Human Services' three primary care facilities and four school-based clinics, underwent a renaming and rebranding to Coastal Healthcare. It also included the phrase "Wellness for All." The new name is meant to emphasize the availability of the clinics to all members of the community.

Additionally, the department has used billboards to promote the rebranding and employment opportunities within HHS.

Health and Human Services also purchased a building in downtown Newport across the street from the courthouse and next to the Community Justice facility. It is projected that the building will open in 2025 and house Adult Behavioral Health staff and be a setting for skills training for county mental health clients.

Lincoln Community Health Center

Coastal Healthcare
WELLNESS FOR ALL

Veterans Services

The 2023-24 fiscal year also saw the creation of a new logo for Lincoln County Veterans Services.

The new logo adapts the main county logo to reflect the mission of Veterans Services, to cater to all who served and ensure they receive the benefits to which they are entitled.

The County will continue to provide services to qualifying veterans in Lincoln County and/or their dependents (including qualified, surviving spouses) with the following:

- Service-connected disability claims/ compensation
- Non-service-connected disability claims/pension
- Surviving Spouse benefits
- Burial, marker, and flag applications
- Dependent children's benefits.
- Education benefits
- Vocational Rehabilitation applications
- Locating military service/medical records
- Aid in upgrading the Veteran's disability rating
- VA Medical Enrollment applications
- Prescription refill assistance

Medical Examiner

Near the end of the 2023-24 budget year, Lincoln County adopted a new model for its Medical Examiner operations and moving it from the District Attorney's Office to the Department of Health and Human Services. In Fiscal Year 2024-25 the County initiated the model with Medical Examiners working remotely, while a chief medicolegal death investigator and two part- time investigators respond to present needs in the field under the Medical Examiners direction.

Pictured is Cassandra Mumford, Chief Medicolegal Death Investigator, standing next to the county vehicle used to respond to calls.

Public Meeting Technology

In late 2023, the County undertook an upgrade of the Board of Commissioners Chambers' audio-visual system. New wiring, microphones, cameras and monitors were installed, greatly enhancing the experience for remote participants and more easily allowing for on-screen presentations to the audience. The upgrade is still in process in 2024/25 with further monitors to be installed.

Grant Programs

LCSNiP

In April 2020 Lincoln County launched the Lincoln County Spay and Neuter Program. Known as "LC SNiP," it provides free spay and neuter services to low-income Lincoln County residents. Additional funds were set aside for spay and neuter of "community cats," commonly referred to as strays, in cooperation with the Central Oregon Coast Humane Society.

The COVID-19 pandemic lockdown resulted in a drastic reduction of veterinary surgeries, from which the industry has not yet recovered. The high level of spay-neuter achieved is the single most important driver of reduced pet overpopulation and euthanasia in animal shelters. The County received more than 500 applications, 384 were eligible for the program.

Child Care Grants

Lincoln County also provided grants to local child care providers to increase their capacity, an effort to reduce Lincoln County's status as a "child care desert." Seventeen providers were awarded grants for a total of $232,736 More is expected in 2024-25.

Applicants had the opportunity to apply for an award up to $15,000, and the average award amount was $13,690. The program has awarded funds for seven new child care businesses and the expansion of ten.

Water And Sanitary Grants

Recognizing the aging condition of public water systems in the county, the Board of Commissioners also allocated about $400,000 in ARPA funds to offer grants to local water and sanitary districts to improve their infrastructure.

Eligible projects could include construction of publicly owned treatment facilities, decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage, management and treatment of storm water or subsurface drainage water, development and implementation of a conservation and management plan, reuse or recycling of water, facilities to improve drinking water quality, transmission and distribution, new sources to replace contaminated drinking water or increase drought resilience, storage of drinking water, purchase of water systems and interconnection of systems, new community water systems, and technical assistance for any of the above categories.

Nonprofit Social Service Agency Grants

During the past two decades, the County has dedicated millions to funding the work of local nonprofits working for the public good. In 2024, the County awarded $209,804.75 to 20 local organizations: CASA - Voices for Children, Centro de Ayuda, Children's Advocacy Center of Lincoln County, Coastal Range Food Bank, Coastal Support Services, Food Share of Lincoln County, Hearts with a Mission, Neighbors for Kids, North End Senior Solutions, Northwest Coastal Housing, Senior Corps of Lincoln County, Olalla Center, Samaritan House Inc., Stone Soup Suppers, The Arc of Lincoln County, Toledo Food Share Pantry, Waldport Food Share, Yachats Presbyterian Church Food Pantry, Yachats Youth and Family Activities Program, and the Youth Development Coalition of Lincoln County. The County will continue provided the grants I FY2024-25.

Economic Development Grants

In cooperation with the Economic Development Alliance of Lincoln County, the County Commissioners also awarded $130,000 in grants for economic development projects throughout the county. These included grants specifically one to Pioneer Connect for $60,000 to pay for engineering work to help bring broadband internet service to 200 homes along Oregon Highway 34 east of Waldport. Other projects include a playground in Siletz, a commercial kitchen at the Logsden Community Club, and farmer's market revitalization in Lincoln City. The 2024-25 grant program launched in September and closes to applications in mid-November

Commissioner
Claire Hall

Commissioner
Kaety Jacobson

Commissioner
Casey Miller

Conclusion

The Lincoln County Board of Commissioners has adopted a balanced and forward-looking budget for the 2024-25 fiscal year, designed to address the community's needs with a focus on fiscal responsibility and strategic expansion of services. This $184 million budget underscores the County's commitment to maintaining essential public services without increasing total expenditures, while effectively managing taxpayer resources. Through key projects and partnerships, such as the future new Animal Shelter, homelessness response initiatives, and expanded public transit services, the County is working to enhance the quality of life for all residents. Significant investments in areas like child care, water and broadband infrastructure, and social services reflect a comprehensive approach to community development, while economic development grants support local growth and innovation.

This budget highlights the County's adaptability in the face of challenges, demonstrated by its responses to the January ice storm and recent updates to public meeting technology.

The Commissioners extend their gratitude to the Budget Committee, County staff, and community partners for their dedication and collaboration throughout the budget process. Together, these efforts contribute to a safer, healthier, and more vibrant Lincoln County.

The mission of the County is to provide legally required and locally desired essential public services in an efficient, effective and respectful manner.

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