

**Board of Okanogan County Commissioners**  
**Tuesday October 10th<sup>th</sup>, 2023, 3:30 p.m.**

*"These notes were taken by a County Watch volunteer. Every attempt is made to be accurate. Notes are verbatim when possible, and otherwise summarized. Note taker comments or clarifications are in italics. These notes are published at <https://countywatch.org> and are not the official county record of the meeting. For officially approved minutes, which are normally published at a later time, see the Okanogan County Commissioners' website at <https://www.okanogancounty.org>."*

**Present:**

Andy Hover (AH), BOCC District 2  
John Neil (JN), BOCC District 3  
Chris Branch (CB), BOCC District 1  
Laney Johns (LJ), Clerk of the Board  
Cari Hall (CH), Auditor  
Pam Johnson (PJ), Treasurer  
Lisa Shreckengost, Finance Manager

*Time stamps refer to the time on the wall clock. An AV Capture archive of the meeting on this date is available at:*

[https://okanogancounty.org/departments/boards/live\\_streaming\\_of\\_meetings.php](https://okanogancounty.org/departments/boards/live_streaming_of_meetings.php)

**Summary of Important Discussions:**

- *Budget workshop covers: Courthouse matching funds grant re-allocation of \$750,000, work already done includes architectural assessment, geothermal in jail; fairgrounds improvement costs of \$33,593; financing courthouse security—moving the licensing office, bullet-proof countertops, \$140,000 single point entry project; bond totaling \$12,194,119 requires annual payments of \$522,000, generates around \$540,000 yearly in interest; \$300,000 allocated for HVAC project at Virginia Grainger; new budget must adjust for 13% Sheriff's office wage hike*
- *Oroville EMS agreement approved*
- *Fairgrounds has new employee in training*
- *Brief mention of expense and revenue implications of water banking*
- *Meeting adjourned at 4:54*

3:33 - AH: So this \$600 (\$600,000) is debt cost for bond.

PJ: So we need to allocate that for next year.

AH: So we have courthouse improvement projects, \$750,000, (what they budgeted last year for that). Have we been spending anything, Laney?

LJ: We are spending, for getting the project started with MJ Neal, for the assessment. That was all paid for last year.

CH: We're showing \$15,553 spent for that.

AH: Fairgrounds improvement. We're not going to use any more for that out of capital improvement funds between now and the end of the year. *CH says except for taking from one line item to put into another. As of now fairground improvement is \$33,593. They are already over budget.*

AH: Bottom line, that would be included in Pam's cash to us. Need find out from LJ what that invoice is.

CH: The full amount will come out from the bond.

PJ: We'll still have more bond money coming out.

AH: I'm assuming there's some kind of debt registration cost with the QECB bond.

PJ: It's at \$800 now. *(The conversation refers to the spread sheet, not clear what is being referred to.)*

AH: Laney, how much do you guess we're going to spend on courthouse improvement in the next three months?

LJ: I don't know how much ...

AH: My guess is \$50,000, for architectural costs. *(Talk about jail kitchen remodeling, not spending anything soon. More figures without reference.)*

PJ: For the QECV \$71,393 in one transfer, that's only interest.

LS: \$140,000 last year was for the geo-thermal fix. In this line we have \$250,000 for adding kitchen equipment.

PJ: In December the bond payment will be \$358,000. (\$572,000 for the year?)

CH: The geo thermal formula needs to be fixed. (Spread sheet corrections)

AH: \$1,330,000 for total operational cost. (Excise tax, budget more? Less? CH says count on slow-down and budget conservatively.)

PJ: When the Dept. of Revenue doesn't audit, we go for some months without anything and then pay something. *Recommends not adding in the excise tax, letting it be bonus.*

*AH says QECV bond interest payment looks pretty constant.*

PJ: It's been running around \$11,000. They said it would still be the same percentage.

AH: \$643,000 is expense branch for our DAHP grant *(for courthouse improvement)* ?

LJ: (inaudible)

AH: we've collected \$62,000 of that. *AH asks about some \$600,000. LJ talks about matching funds for the courthouse, a million dollar total, it includes what they've already spent, the grant, 625,000 was for 45,000 contingency.* AH: If we're getting in 670,000 we have to spend 670,000. LJ : I have 250,000 as our prior capital expenditure but also have 80,000 in in-kind expenditures...

AH: Professional services, \$150,000? For county projects?

LJ: The expenditure is from 20 year master plan. It makes me think it's for architectural services.

AH: Let's drop that by \$100,000. I don't know anything we'll need professional services for.

PJ: Anything to do with courthouse?

AH: HVAC is coming out of here, single point entry we have some put away for that.

CB: Coroner's building?

AH: That's out of the bond. We do need to put money into the auditor's office.

CH: For the licensing transfer.

AH: Where are we going to pay for that?

CH: That comes out of security.

AH: Was \$140,000 a guesstimate for the single point?

LJ: That came out of the capital improvement plan.

AH: We need to add whatever it's going to cost to do that. \$100,000 a quarter?

PJ: I'm concentrated on getting the grant money spent, then Tim *(Meadows, Maintenance Dept.)* said he was going to do the counter tops, how it's being done in the auditor's office could be done in the licensing office. Tim found bullet-proof fabric he was going to put on the outside of the counter tops, \$6,000 or \$7,000. *AH writes it in.*

CH: On the revenue side, there's nothing on interest on investments.

PJ: Right now it's \$35,727.

AH: ...Now in the years to come we've got to be mindful of our spending because we have a \$522,000 bond payment out of here. If we look at this, we're only calculating bringing in \$600,000 so we're just barely making the bond payment.

LJ: The DAHP grant?

AH: That's money in and out. ...We should lighten the load on this fund. If we spent all of it we'd only have a \$915,000 carry over. If you're looking at it as a 2-year bond payment, we'd only want to spend \$330,000. To spend this much stuff, we might want to look at something else if we want to get all this done.

CH: The \$125,000 you've added was for the single point entry as well as for the security for the licensing office to move. Do you feel like it's going to be that much?

AH: No, but right now we're at that threshold.

CH: Do you want to put a note by the professional services?

AH: I would put "unknown". This is a placeholder. Try not to spend.

PJ: Bond payments for next year?

AH: \$87,788 plus \$800 registration cost, then we have \$522,200 plus a \$600 bond fee... If we don't want to spend out this fund, this match we're going to have, we could just bill it to LATCF (*The Local Assistance and Tribal Consistency Fund*). So if we go to that, for expenses, right here we would want to put in \$125,000 for that department of Ag grant for the match. This is going to be weird because ... we need to make sure we know where we're going to take it out.

CH: Does this need to be in the 2024 budget?

AH: It's a two-year deal. The Department of AG fairgrounds grant match. What's the cash on hand for this?

PJ: \$172,000.

AH: Any outstanding HVAC invoices we're supposed to pay out of this one?

LJ: Just some on order.

PJ: It's \$12,194,119. (*For bond debt.*)

AH: Too much. So for investment interest. Let's say it's 5% and we carry over ...

PJ: It comes to \$45,609 per month, what we've been averaging. I've been holding out between \$50,000 and \$100,000 for expenditures.

AH: For budgeting purposes, \$540,000 worth of (annual) interest? ...So we could throw \$300,000 worth of interest to be on the safe side in case interest rates go down. And do you remember how much that HVAC stuff was?

PJ: Out of the \$81,000 budget adjustment we've spent \$43,577.

CH: But that was all reflected in cash on hand she gave you. The HVAC improvements, is that for the courthouse? The \$300,000?

AH: It's for the Virginia Granger Building.

AH: From LATCF we're going to take out the grant match and the HVAC stuff. That still leaves us with \$70,000 above our principal, and that's conservative.

PJ: You've got a capital expenditure for public works so I want to make sure you don't ignore those.

CH: What she's saying is that after those adjustments there's still money left to spend in those line items that makes about \$80,000, do you want to take that into consideration for your beginning fund balance?...

AH: Yes. ...The other thing that isn't taken into account in this budget is that the Sheriff's budget got ratified, and there's going to be a 13% wage increase.

CH: If you notify us, we'll do a pay roll update. We already did that with HR's roll... *They talk about computers, work stations. CB says the problem with the laptop is using it as a camera and to view the spread sheets.*

4:29 - Finance officers leave.

*They discuss the Lifeline levy and how the budget is just under the total of the levy to allow for graduating costs.* LJ: you've been paying \$17,033 since July.

AH: "Term is from July 2023 to January 2025. For first six months County will pay \$17,844. Sum will be adjust according to State minimum wage. Are we going to be able to cover that? ...\$18,398 starting in 2024. *He is concerned the levy money will run out. JN reminds him they have an operational reserve.*

LJ: \$221,302 is this year's levy plus new construction \$5,500, estimating 225,000.

AH: So we're paying 100% of the levy now. ...I'm a little bit nervous about that. So since this is for two and a half years... So are you okay with going into the reserve if minimum wage goes up too much? I'm okay with it.

JN: Not knowing where our assessments are going to go... *AH moves to sign the agreement. Motion carried. Vouchers approved for Air Methow EMS district. AH has not read minutes but since he is not chairman is off the hook. CB didn't finish. Vouchers approved. A question about the consent agenda.*

LJ: Kyle was approved for the fairgrounds. He's getting training. *Consent agenda approved. CB mentions an interview for the following day. An employee candidate? A discussion on water banking is scheduled for following week. The \$608 invoice can wait. AH says take it out Planning's professional services line.*

CB: There will be more.

AH: We should have a discussion because there will be expense and revenue implications.

CB: Let's wait at least until Monday, talk to Cari about it.

AH: The purpose of the water bank is to sell water litigation credits for people who are building.

CB: Let's pay it and charge it to Planning. *They talk about how Chelan does it through their Natural Resources Department.*

4:54 - Meeting adjourned.

.

..