FORM OR-LB-1 **NOTICE OF BUDGET HEARING**

A public meeting of the Morrow County Board of Commissioners will be held on June 17, 2026 at 9:00 am at the Morrow County Government Center, Don Adams Conference Room, 215 NE Main Ave., Irrion, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2026 as approved by the Morrow County Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at 110 N Court St, Heppner, Oregon, between the hours of 8:00 a.m. and 5:00 p.m. or online at www.morrowcountyor.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

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FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2024-25	Adopted Budget This Year 2025-26	Approved Budget Next Year 2026-27
Beginning Fund Balance/Net Working Capital	60,453,162	67,932,932	69,965,821
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	6,771,955	5,660,548	7,249,101
Federal, State & all Other Grants, Gifts, Allocations & Donations	13,953,430	14,081,860	20,241,739
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers / Internal Service Reimbursements	20,211,768	9,759,589	15,595,971
All Other Resources Except Current Year Property Taxes	11,208,381	11,592,078	15,136,571
Current Year Property Taxes Estimated to be Received	15,435,558	15,602,938	16,545,311
Total Resources	**128,034,254**	**124,629,945**	**144,734,514**

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	17,047,227	20,613,127	21,670,673
Materials and Services	13,723,324	19,928,230	15,403,014
Capital Outlay	4,471,180	12,673,263	31,689,719
Debt Service	591,421	590,000	577,676
Interfund Transfers	20,211,768	9,759,589	15,595,971
Contingencies	0	3,298,720	1,916,789
Special Payments	3,907,407	5,742,158	6,712,074
Unappropriated Ending Balance and Reserved for Future Expenditure	0	52,024,858	51,168,598
Total Requirements	**59,952,327**	**124,629,945**	**144,734,514**

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program **FTE** for that unit or program			
BOARD & ADMINISTRATION	1,312,978	1,024,398	1,156,877
FTE	6.830	6.000	6.000
FINANCE	754,045	1,033,974	1,151,159
FTE	4.000	5.000	5.000
ASSESSMENT & TAX	1,114,269	1,338,320	1,249,950
FTE	8.000	8.000	8.000
TREASURER	192,582	221,517	186,416
FTE	1.000	1.000	1.000
COUNTY CLERK	482,598	690,294	509,957
FTE	3.860	3.860	3.870
VETERANS' SERVICES	135,655	158,144	192,119
FTE	1.480	1.480	1.480
BOARD OF PROPERTY TAX APPEALS	3,393	4,787	2,220
FTE	0.020	0.020	0.010
JUSTICE COURT	456,764	561,719	527,889
FTE	3.000	3.000	3.000
DISTRICT ATTORNEY	517,189	997,156	906,688
FTE	4.170	6.000	6.000
JUVENILE	458,952	539,490	514,233
FTE	3.000	3.000	3.000
SHERIFF'S OFFICE	5,427,724	7,151,073	7,214,757
FTE	30.480	30.480	30.480
COMMUNITY CORRECTIONS	819,728	1,117,137	927,444
FTE	5.000	5.000	5.000
EMERGENCY DISPATCH	1,302,502	1,885,635	1,857,128
FTE	13.000	13.000	13.000
PUBLIC HEALTH	3,318,334	3,914,696	4,056,484
FTE	11.900	11.900	12.980
PLANNING DEPARTMENT	789,385	1,043,512	1,070,737
FTE	6.000	6.000	6.000
COMMUNITY DEVELOPMENT	1,268,391	2,709,649	1,379,138
FTE	0.000	0.000	0.000
ECONOMIC DEVELOPMENT	5,813	152,000	1,263,000
FTE	0.000	0.000	0.000
EMERGENCY MANAGEMENT	219,407	239,035	263,248
FTE	1.000	1.000	1.000
COUNTY SURVEYOR	33,395	246,869	135,385
FTE	0.000	0.000	0.000

MUSEUM	25,170	28,283	36,356
FTE	0.000	0.000	0.000
PUBLIC WORKS ADMINISTRATION	455,221	288,382	280,302
FTE	1.200	1.510	1.500
FACILITIES & GENERAL MAINTENANCE	881,386	2,160,503	1,430,245
FTE	4.000	5.000	5.000
TRANSFER STATIONS	460,005	380,832	354,785
FTE	0.800	0.800	0.800
INFORMATION TECHNOLOGY	932,532	1,624,924	1,191,350
FTE	0.000	0.000	0.000
VEGETATION MANAGEMENT (WEED DEPT)	336,693	422,145	531,921
FTE	1.480	2.000	2.000
HUMAN RESOURCES	483,206	665,849	613,290
FTE	2.000	2.800	2.800
EMERGENCY MEDICAL SERIVCES	720,323	1,500,318	1,589,912
FTE	0.000	0.000	0.000
COMMUNITY SERVICES ADMINISTRATION	0	225,688	307,499
FTE	0.000	1.450	1.800
ROADS	6,939,867	11,173,453	7,030,489
FTE	22.410	22.450	19.100
COUNTY FAIR	217,670	1,700,715	1,414,779
FTE	0.480	0.480	0.480
PUBLIC TRANSPORTATION	882,922	1,121,387	1,387,464
FTE	16.130	9.900	9.900
COUNTY PARKS	1,015,572	1,141,142	1,419,602
FTE	6.610	6.050	5.700
AIRPORT	168,358	289,051	572,364
FTE	0.360	0.120	0.500
EDUCATION	268,020	289,380	326,873
FTE	0.000	0.000	0.000
LOCAL PUBLIC SAFETY COORDINATING COUNCIL	18,750	25,000	24,000
FTE	0.000	0.000	0.000
NOT ALLOCATED TO ORGANIZATIONAL UNIT OR PROGRAM	27,533,528	76,563,488	101,658,454
FTE	0.000	0.000	0.000
Total Requirements	**59,952,327**	**124,629,945**	**144,734,514**
Total FTE	**158.210**	**157.300**	**155.400**

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

In prior year Form LB-1 publication, "Capital Improvement Projects" were incorrectly identified as an organizational unit; in actuality they are not allocated to an organizational unit or program. That grouping has been corrected on this LB-1.

Total requirements have increased of the FY2026 Amended budget by $20.1 million; this is not an increase in operating expenditures, this reflects capital expenditures (primarily for the circuit court building) for planned projects in FY2027.

For FY2027, requires not allocated to an organizational unit or program are mostly comprised of 'Reserve for Future Expenditures' of $41.9 million, 'Operating Contingency' of $ 1.9 million, 'Unappropriated Fund Balance' of $ 9.3 million, and 'Capital Outlay' of $26.4 million.

Overall, Materials and Services expenditures are decreasing from the prior years budget amounts by almost 23% ($4.5 million). These reductions in materials and services budgets were the result of a county-wide effort to minimize "over budgeting" and ensure that departments in the County are only budgeting from amounts that are likely going to be expended in the coming fiscal year.

Changes in the allocation of the costs related to the County administered pension plan are responsbile from most of the signficant departemental budget variances. Previously, costs related to that plan were allocated only to participants in the plan. Since that plan closed in 2020, this was causing disporportionate financial impacts to many departments. Beginning in FY2027, those costs will be allocated across all full time employee hours resulting in more stable and equitable departmental impacts.

PROPERTY TAX LEVIES

	Rate or Amount Imposed 2024-25	Rate or Amount Imposed This Year 2025-26	Rate or Amount Approved Next Year 2026-27
Permanent Rate Levy (rate limit 4.1347 per $1,000)	4.1347	4.1347	4.1347
Local Option Levy	0	0	0
Levy For General Obligation Bonds	0	0	0

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	$0	$0
Other Bonds	$5,345,000	$0
Other Borrowings	$0	$0
Total	$5,345,000	$0