

MINUTES OF MARCH 15, 2022

**MID-WILLAMETTE VALLEY
COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS**

**Hybrid meeting -
COG Conference Room/Zoom Webinar**

MEMBERS PRESENT

CHAIR: Councilor Sal Peralta, City of McMinnville (Zoom)-----
Commissioner Jeremy Gordon, Polk County (Zoom)
Commissioner Casey Kulla, Yamhill County (Zoom)
Mayor Brian Dalton, City of Dallas
Mayor Cathy Clark, City of Keizer (Zoom)
Councilor Roxanne Beltz, City of Monmouth (Zoom)
Mayor Rick Rogers, City of Newberg (Zoom)
Mayor Chuck Bennett, City of Salem
Mayor John McArdle, Independence, representing Small Cities of Polk County
Mayor Linda Watkins, Carlton, representing Small Cities of Yamhill County (Zoom)
Lisa Rogers, Board Member, Chehalem Park and Recreation District (Zoom)
Maria Hinojos Pressey, Member, Salem-Keizer School District Board of Directors (Zoom)
Ian Davidson, Salem-Keizer Transit District Board (Zoom)

MEMBERS ABSENT

VICE CHAIR: Lisa Leno, Tribal Council Member, Confederated Tribes of Grand Ronde
Mayor Jim Kingsbury, representing Small Cities of Marion County
Betsy Earls, Member, Chemeketa Community College Board of Education
Commissioner Danielle Bethell, Marion County
Frank W. Pender, Jr., Board Member, Willamette Education Service District (WESD)
Mayor Eric Swenson, City of Woodburn
Terry Hsu, Director, Marion Soil & Water Conservation District

OTHERS PRESENT

Scott Dadson, Executive Director
Renata Wakeley, Community Development Director
Amber Mathiesen, Finance Director (Zoom)
Mike Jaffe, Transportation Director (Zoom)
Denise VanDyke, Admin. Specialist II (Zoom)
Ryan Pasquarella, Grove Mueller Swank (Zoom)

CALL TO ORDER & INTRODUCTIONS

Chair Peralta called the meeting to order at 3:34 p.m. The presence of a quorum was noted. Attendance was noted.

PUBLIC COMMENT

None.

PRESENTATION OF THE AUDIT

Mr. Dadson introduced Ryan Pasquarella from Grove Mueller Swank, and discussed the audit that Mr. Pasquarella is about to present, mentioning that this audit was done using the old financial system, so it required data from both the old system and the new system currently being implemented.

Mr. Pasquarella shared his screen. Prior years combined the federal audit and the financial statements. This year, these were done separately to allow more flexibility in reporting corrections, if needed. The transition of software from the old dysfunctional system caused some difficulties, and journal entries were needed. Overall, however, we gave a clean opinion on the financial statements. The Management Discussion is a narrative of what happened during the year. The increase in revenue was mostly COVID relief funds. The Federal Complete Audit is the annual look at federally funded programs. This year, we looked at the coronavirus relief program, which was mostly pass through funds. There was a clean opinion on compliance. There were, however, two findings on the financial reporting side, which he went over. The main issue was that funds were passed through the COG to a recipient, the funds were not completely used, and the recipient returned the funds directly to the state – bypassing the COG. This led to the return of the funds not being recorded in the COG financials. Mr. Dadson clarified that it was partially related to the software transition, but also the need for policies that will be considered later in this meeting. Chair Peralta expressed his appreciation to staff for working with the old system while transitioning to the new system and ending up with fewer findings than last time. Mr. Pasquarella stated that the second extension was a request from the auditors. All reports have been filed in a timely manner and are officially done.

CONSENT CALENDAR

Chair Peralta asked for a motion to pull the staff reports from the Consent Calendar.

MOTION by Mr. Davidson, **SECONDED** by Commissioner Kulla, **TO PULL THE STAFF REPORTS (ITEMS 2 AND 3) FROM THE CONSENT CALENDAR TO BE HEARD AS SEPARATE ITEMS.**

Discussion: None.

Motion carried.

IN FAVOR: Peralta, Gordon, Kulla, Dalton, Clark, Beltz, R. Rogers, Bennett, McArdle, Watkins, L. Rogers, Hinojos Pressey, Davidson. **OPPOSED:** None. **ABSTAINED:** None.

MOTION by Mayor McArdle, **SECONDED** by Councilor Beltz, **TO APPROVE ITEMS 1 AND 4-10 OF THE CONSENT CALENDAR, AS PRESENTED.**

1. *MINUTES OF DECEMBER 14, 2021, MEETING OF THE BOARD OF DIRECTORS*
4. *APPOINTMENT OF 2022 BUDGET COMMITTEE*
5. *ADOPTION OF 2022-23 BUDGET SCHEDULE*
6. *RESOLUTION 2022-01 – ANNUAL SALEM/KEIZER AREA TRANSPORTATION PLANNING CONTRACTS*
7. *RESOLUTION 2022-02 – GIS SERVICES CONTRACTS*
8. *RESOLUTION 2022-03 – COMMUNITY DEVELOPMENT CONTRACTS*
9. *RESOLUTION 2022-04 – MEMBER SERVICES CONTRACTS*
10. *RESOLUTION 2022-07 – RECORDS RETENTION SCHEDULE*

Discussion: None.

Motion carried.

IN FAVOR: Peralta, Gordon, Kulla, Dalton, Clark, Beltz, R. Rogers, Bennett, McArdle, Watkins, L. Rogers, Hinojos Pressey, Davidson. **OPPOSED:** None. **ABSTAINED:** None.

Mr. Dadson reported that he is continuing work on two city manager recruitments, and two city manager evaluations have been done. In the Small Business Lending program, we are still recruiting for a program manager position and are now using the services of a professional recruiter. We have funds available to be lent, and CARES Act funds will be ending in April. There is a lot of money in the marketplace right now. Alison Boswell, who had retired from the loan program but returned to help in this transition, has been a big help. We have nine loans in the works.

Ms. Wakeley referred to the flyer provided on page 18 of the agenda packet. The Economic Development Districts (EDDs) are meeting monthly. There are funding opportunities through Business Oregon, and the Ford Family Foundation has asked how to help locally. They will be assisting with a more accurate survey for broadband availability in the region in partnership with LinkOregon. We need to put the word out that this is a real thing. The data will be used to confirm or deny FCC information on broadband availability. She also introduced Kiel Jenkins who has been with the COG for a little over a year and is performing planning services for Aumsville, Carlton, Dayton, Jefferson, Falls City, and Mt. Angel. He was formerly the regional representative for DLCD before coming to us.

Mr. Jaffe summarized the activities discussed in the packet, highlighting the January and February activities for the Mid-Willamette Area Commission on Transportation (MWACT) and Salem-Keizer Area Transportation Study (SKATS). The Safe Routes to School (SRTS) program is now doing in class education. The GIS department is very busy with redistricting and special projects for our members. We will be doing a GIS enterprise project for Yamhill County. Mayor Rogers thanked the GIS staff for assistance with redistricting for Newberg.

Ms. Mathiesen reported that the finance department is still transitioning to the new financial system, but we are finally to the last big piece – payroll. She referred to the financial statements provided in the agenda packet. Revenue stream is at 77 percent with 70 percent spent. There will probably be a supplemental budget at the June meeting due to new contracts that need to be recognized before the end of the fiscal year.

Chair Peralta recognized the high quality of services being provided thanks to management and all of the COG staff.

RESOLUTION 2022-05 – APPROVE RATES

Mr. Dadson stated that this resolution sets hourly rates for contract services. The rates are tied to the CPI-W Seattle, but the recommendation is slightly different. Our membership dues change based on the June CPI-W Seattle data, and hourly rates and COLA are based on the December CPI-W Seattle, which was 5.3 percent. Staff recommendation is that the COLA be raised at the full 5.3 percent, but the rates increase by 4.0 percent. This will leave us with a tighter margin, but management feels that we can handle this while still building capacity. Mr. Davidson noted that approving this resolution does not preclude raising rates later, if needed.

MOTION by Mayor Rogers, **SECONDED** by Mr. Davidson, **TO APPROVE THE HOURLY RATES, AS PRESENTED.**

Discussion: None.

Motion carried.

IN FAVOR: Peralta, Gordon, Kulla, Dalton, Clark, Beltz, R. Rogers, Bennett, McArdle, Watkins, L. Rogers, Hinojos Pressey, Davidson. **OPPOSED:** None. **ABSTAINED:** None.

RESOLUTION 2022-06 – ADOPTING COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES

Mr. Dadson explained that there are two reasons for this request. These policies are not only best practices but also show how we intend to manage our money. We have tried to follow these practices, anyway, but adopting these policies make it official and more transparent. The policies include better control in reporting of pass through dollars. It is important to not skip steps and transparency is also important. Ms. Mathiesen added that these best practices will help us move forward with transparency and responsibility. Chair Peralta agreed with this quick action after the findings from the audit.

MOTION by Ms. Hinojos Pressey, **SECONDED** by Mayor Dalton, **TO ADOPT THE COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES, AS PRESENTED.**

Discussion: None.

Motion carried.

IN FAVOR: Peralta, Gordon, Kulla, Dalton, Clark, Beltz, R. Rogers, Bennett, McArdle, Watkins, L. Rogers, Hinojos Pressey, Davidson. **OPPOSED:** None. **ABSTAINED:** None.

EXECUTIVE DIRECTOR'S REPORT

The Annual Meeting was entirely virtual, so there were no additional expenses to report. The Planning Committee wants an in-person Summer event, so we will keep the Committee together to plan for that.

The COG offices are completely open for business and this is our first real attempt at a hybrid meeting. The AV system in the conference room is thanks to a CARES Act grant awarded due to Ms. Wakeley's efforts. We have made it clear to staff that they are expected to attend live meetings as requested by our members.

Chair Peralta stated his appreciation of using Zoom because of the ease of attending, and chairing a meeting remotely is better than he expected.

BOARD DISCUSSION/ROUNDTABLE

Chair Peralta reported that the Legislative Committee has been working through the short session. A project we had hoped to get funded was not – funding for COGs to build capacity to better help their members. There may be a possibility of some funding from the E-Board. Those who testified before the OTC were thanked. Their efforts were very important. Mayor McArdle added that the Committee will be looking at identifying areas of interest and plans to start talking to legislative candidates to educate them about the region's needs. Mr. Dadson said that each elected official is welcome to talk about their local wants and needs, but mentioning regional needs is also important, especially the regional transportation projects. The main areas being prioritized include transportation, housing, and homelessness. The Committee meets Wednesdays at 7:00 a.m. The next meeting is in two weeks.

Mr. Davidson expressed his thanks to Senators Merkley and Wyden for their support for Cherriots funding for five new battery electric buses. They should be in service next year.

ADJOURNMENT

Hearing no further business, Chair Peralta thanked everyone for attending and adjourned the meeting at 4:37 p.m.

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

Scott Dadson, Executive Director