

**Public Testimony: Restoring Fiscal Integrity & Oversight**  
Presented to: Columbia County Board of Commissioners / Budget Committee

Date: February 4, 2026 (Board Meeting) | April 30, 2026 (Budget Hearing)

**1. THE CASE FOR RESTORING ROSS PIT REVENUE**

In 2017, the County diverted rock mining royalties to the General Fund. FY17 Budget Message (Page 10) explicitly categorized this as a "one-time revenue source" to address a temporary deficit. Ten years later, this has become a permanent "infrastructure liquidation" policy. An embarrassing county slush fund causing embarrassing county infrastructure.

The "Double-Dip" Problem:

IGS Fees: Public Works already pays a 9.1% administrative fee to the General Fund for central services (Board Order 28-2018).

The Royalty Grab: On top of that fee, the General Fund extracts \$1.35 of every \$1.50 generated per ton of rock.

The Result: The General Fund is taking the profit while our roads (PCI 52/100) are failing. Restoring this \$540,000 annually would fund 2.5 miles of chip seal every year.

**2. PROPOSAL: REVENUE-NEUTRAL BOARD EXPANSION**

Since the County added the Public Health Department in 2018 (Resolution 12-2018), the administrative and oversight workload has outpaced the capacity of a 3-member board. **We propose expanding to 5 Commissioners** using a model that does not burden the General Fund or the Road Fund.

The Funding Solution:

Grant Indirect Cost Recovery: Public Health manages millions in state and federal grants. By aggressively applying a 10% de minimis indirect cost rate, the County can capture \$400,000–\$600,000 in administrative revenue from the state to pay for the new oversight positions.

**Salary Redistribution:** Many 5-member boards in Oregon use a "Liaison Model" where total board compensation is redistributed to remain revenue-neutral.

**Dedicated Oversight:** The **two new members** would serve as Public Health & Human Services Liaisons, ensuring compliance and maximizing federal reimbursement for services, which pays for their own roles.

### 3. ESTIMATED SAVINGS & FISCAL OPPORTUNITIES

**Exhibit A.** To balance the General Fund without the Ross Pit "crutch,":

- 1.) \$448,000 through a 5% reduction in central administrative bloat via a consumption-based IGS model.
- 2.) \$400k - \$600k in "new" money from better grant management (Indirect Cost Recovery).
- 3.) \$80k - \$160k by implementing a Voluntary Separation Incentive Program (VSIP) for high-salary administrative vacancies.

### 4. ROADS REQUIRING IMMEDIATE ATTENTION (2026)

The Ross Pit royalties should be dedicated specifically to the preservation of these critical routes currently in "reactive" maintenance:

**Apiary Road:** Currently "failing"; needs structural preservation rather than just patching.

**Pittsburg Road:** High-traffic timber and school route requiring high-intensity overlay near St. Helens.

**Hermo Road:** Industrial corridor needing improvements to support port and energy growth.

We Request a Study: We formally move that the Board direct the Finance Director to study the feasibility of a 5-member board funded specifically by Public Health Indirect Cost Recovery. Attached for further reference Exhibit A.