



FINANCE

FISCAL YEAR 2020 PROPOSED BUDGET OVERVIEW



FY 2020 PROPOSED BUDGET OVERVIEW



V

Overview

- **Prepared in compliance with State of Oregon local budget law**
- **Provide a financial plan for next fiscal year**
 - **Management**
 - **Public**
- **Authorize County Spending**
- **Justify property tax levy**

Approach

- **Cost of service**
- **Fiscally sound**
- **Sustainability**
- **Maintain**
 - **Responsive local government**
 - **Comparatively low taxes & fees**
 - **High service levels**
 - **Strong financial position**

Role of Budget Committee

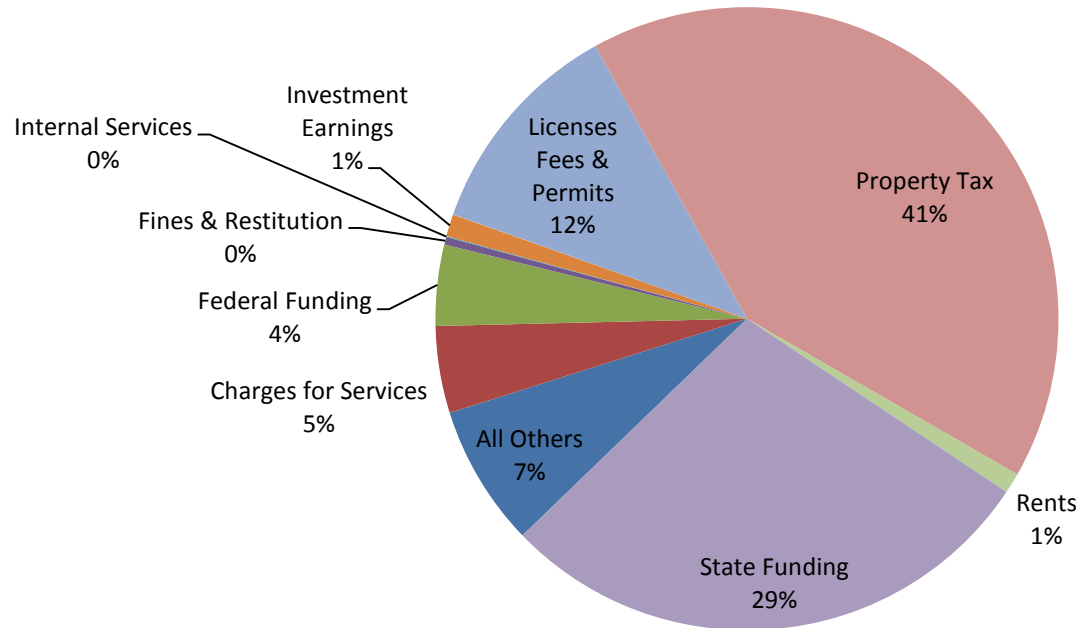
- **What is the role of the Budget Committee?**
 - **To review the Budget proposed by the Budget Officer**
 - **Study the Budget by comparing prior year data, current data and proposed budget**
 - **If a majority agree – make changes to the resources (revenues) or requirements (expenses)**
 - **Not Policies or Operating Procedures**
 - **Policies are set by the Board of County Commissioners**
 - **Outlined in Oregon Local Budget Law – see ORS 294.305 to 294.565**

Pay Equity Act

- **What is the Pay Equity Act?**
 - **Glad you asked. Take it away Nichole Biechler, HR Director**

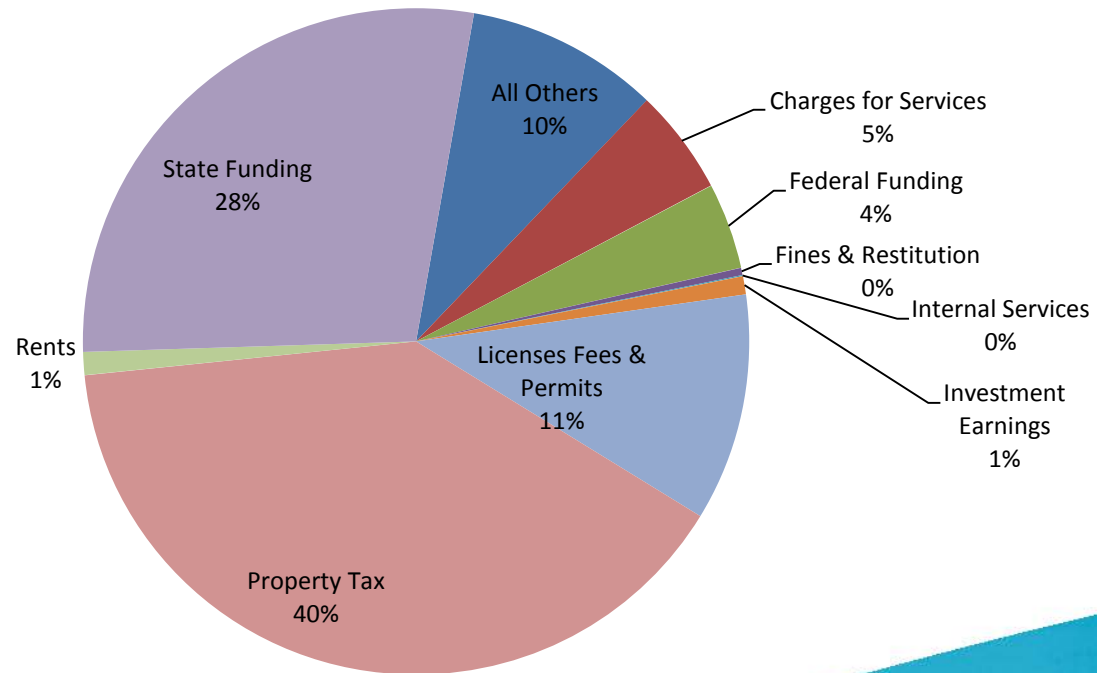
Government-wide Revenues

FY17 OPERATING REVENUE GOVERNMENT-WIDE - \$21,130,071



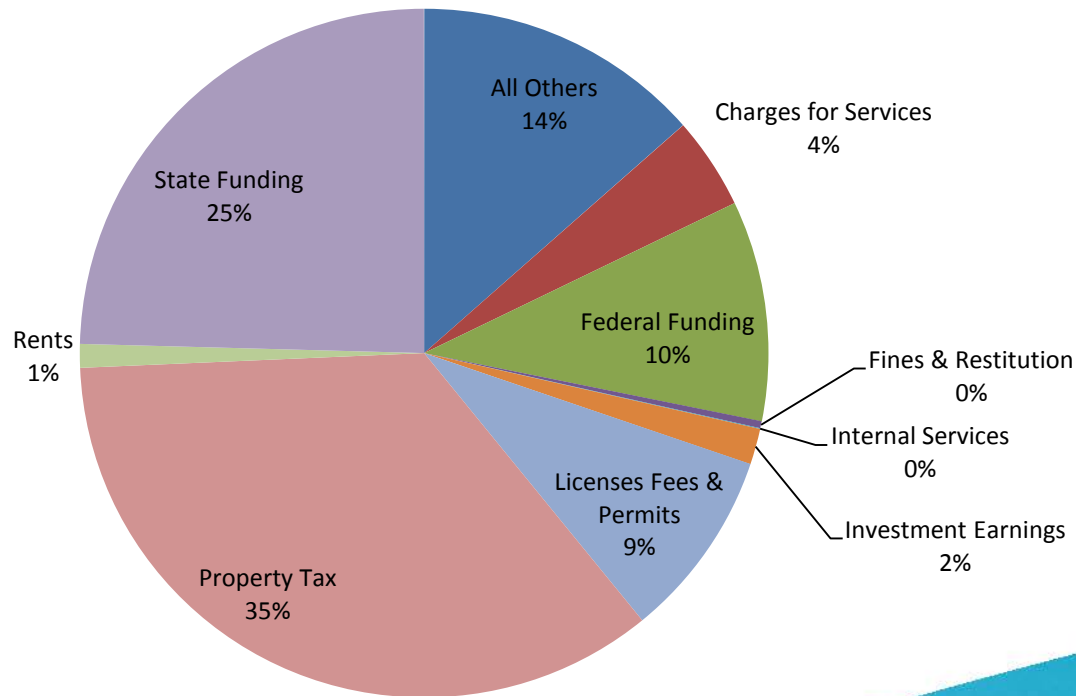
Government-wide Revenues

**FY18 OPERATING REVENUE GOVERNMENT-WIDE -
\$22,991,373**



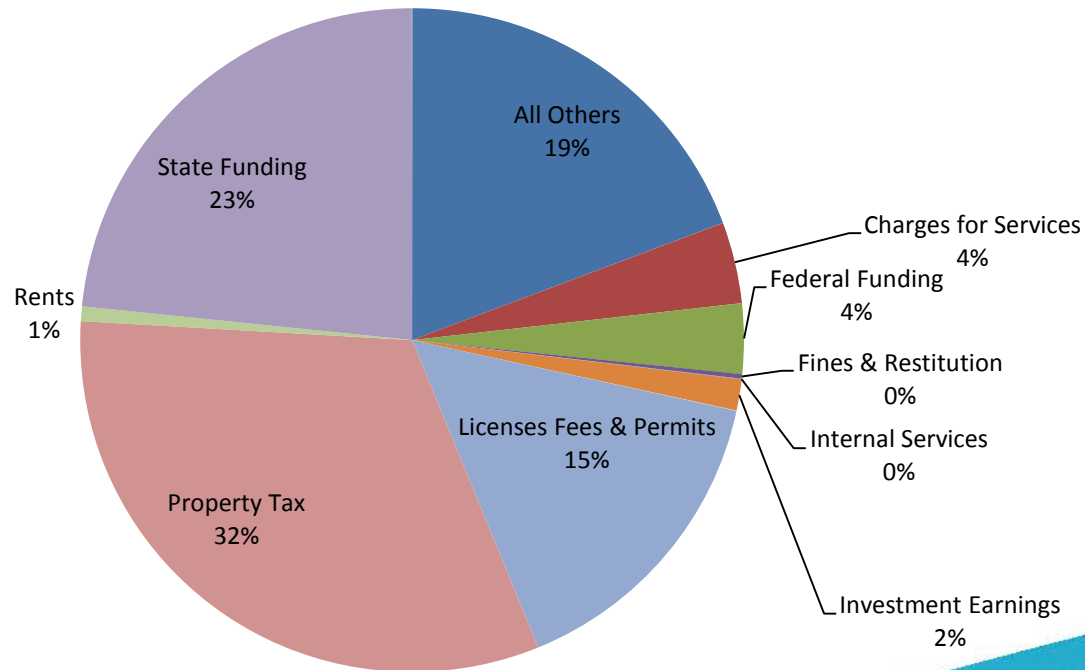
Government-wide Revenues

FY19 PROJECTED OPERATING REVENUE GOVERNMENT-WIDE - \$27,142,785



Government-wide Revenues

FY20 PROPOSED OPERATING REVENUE GOVERNMENT-WIDE
- \$30,442,845

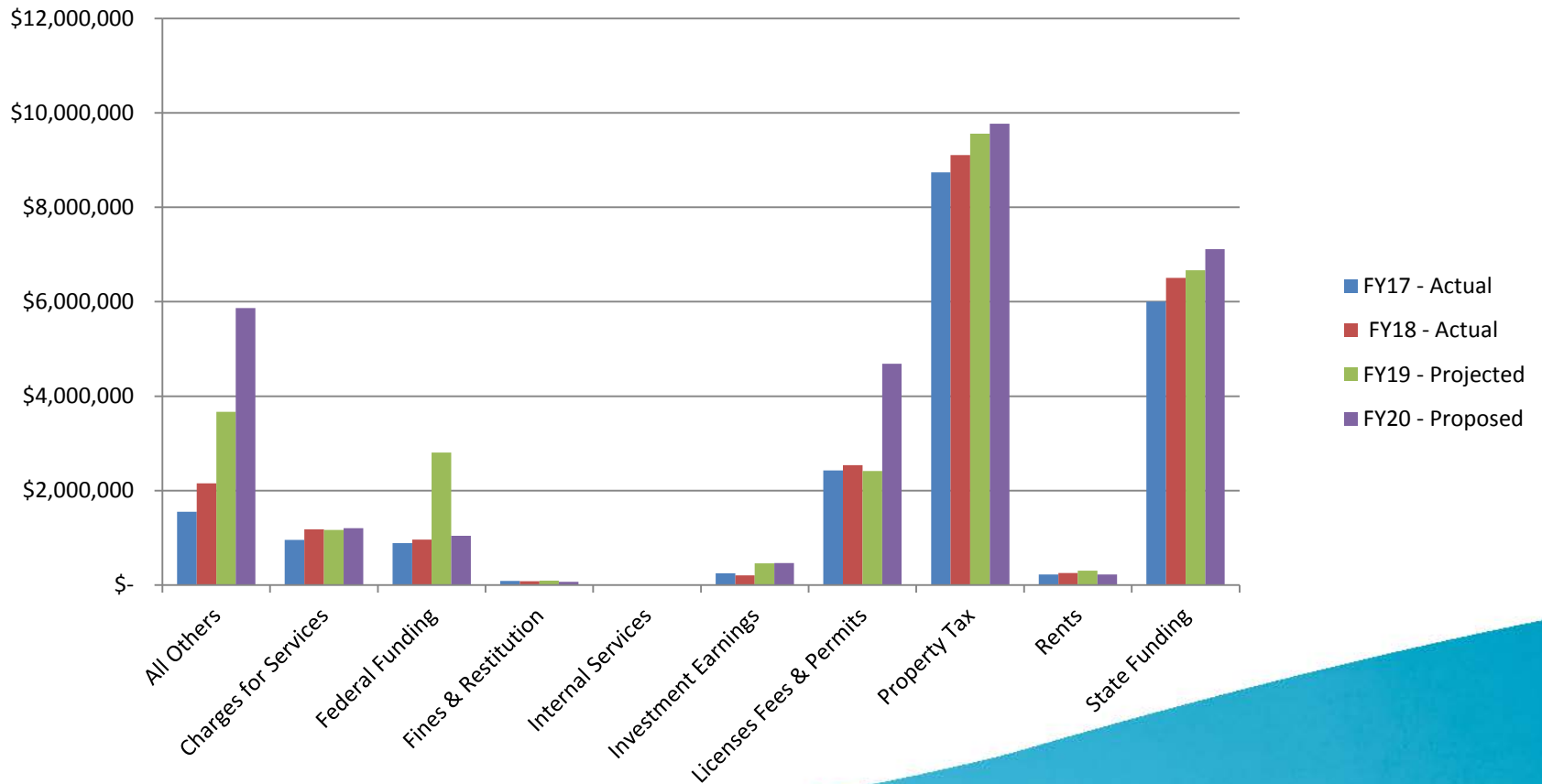


Government-wide Revenues

- **Ignores Beginning Fund Balance**
- **State Funding trending down**
 - 29% - 28% - 25% - 23%
- **FY20 Revenue Large increase over FY19 Projected**
 - **Addition of Building Codes Department**
 - An additional \$2.6M in fees
 - **All Others – Transfers due to one-time transfers**
- **Government-wide**

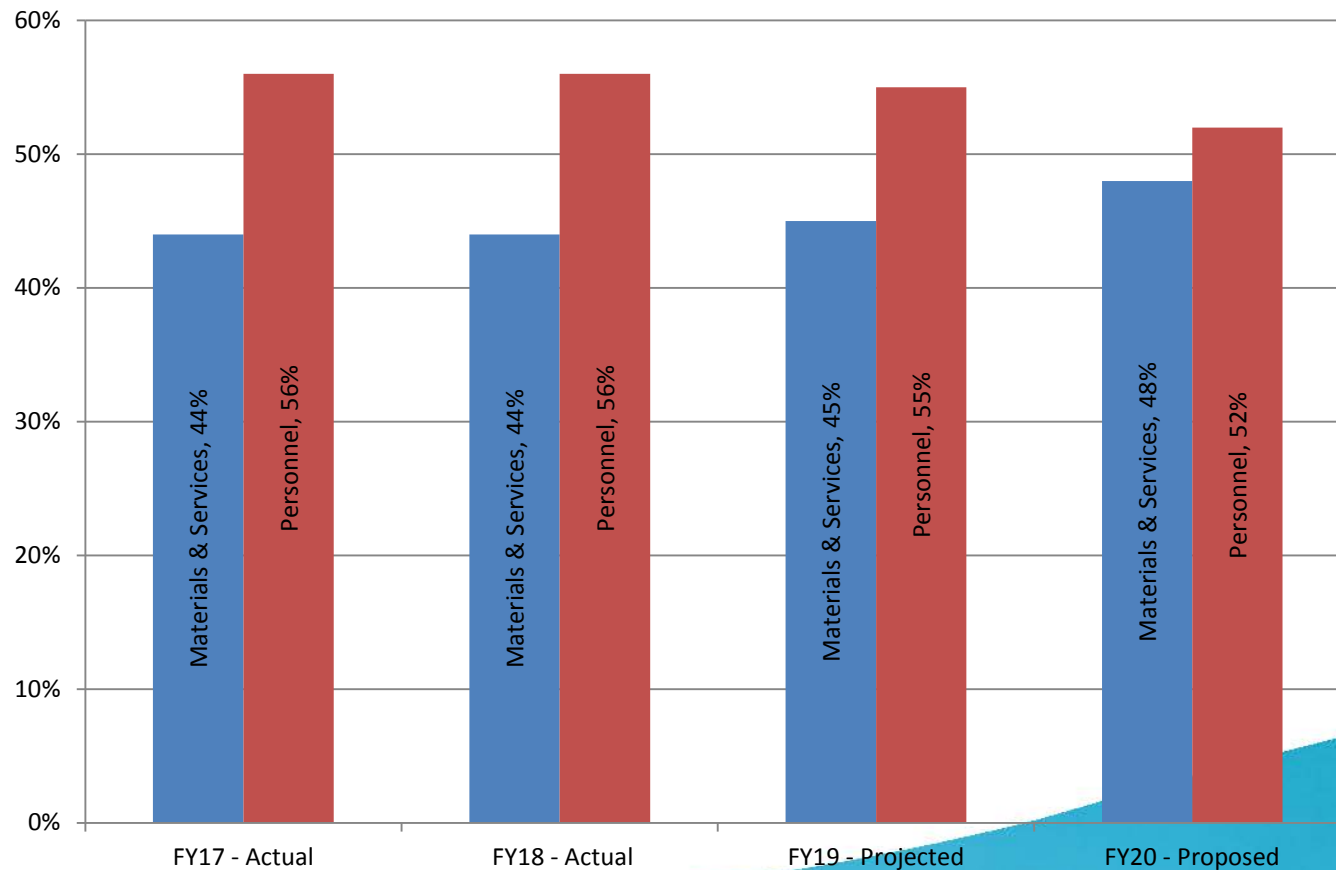
Government-wide Revenues

GOVERNMENT-WIDE REVENUE TYPE COMPARISON



Government-wide Operating Expense (Personnel + Materials & Services)

FY17 - FY20 Operations Expense



Government-wide Operating Expense

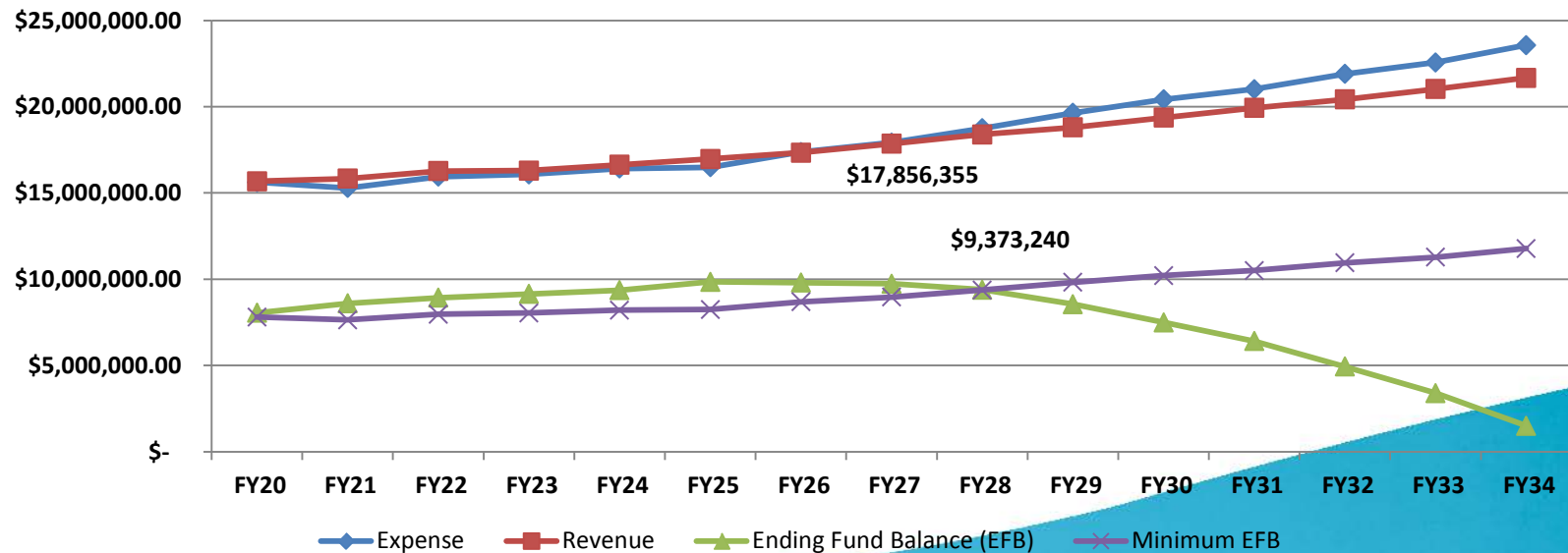
(Personnel + Materials & Services)

- **Personnel amount increasing but % stays between 56% and 52%**
 - **FY17 56% - \$9,773,429**
 - **FY20 52% - \$12,517,037 –**
 - **Increase in 4 years: 28.1% or \$2,743,608**
- **Materials & Services increasing but % stays between 44% and 47%**
 - **FY17 44% - \$7,778,258**
 - **FY20 48% - \$11,741,368**
 - **Increase in 4 years: 51.0% or \$3,963,110**
- **Percentage basis M&S growing slightly faster**

General Fund 15 Year Projection

- Looks good for next 8 years
- Expense barely exceeds Revenue in FY26 - \$41K or 0.2% of Revenue
 - In FY26 increases to \$63K or 0.4% of revenue
- Ending Fund Balance crosses Minimum Fund Balance in FY28

General Fund 15 Year Projection



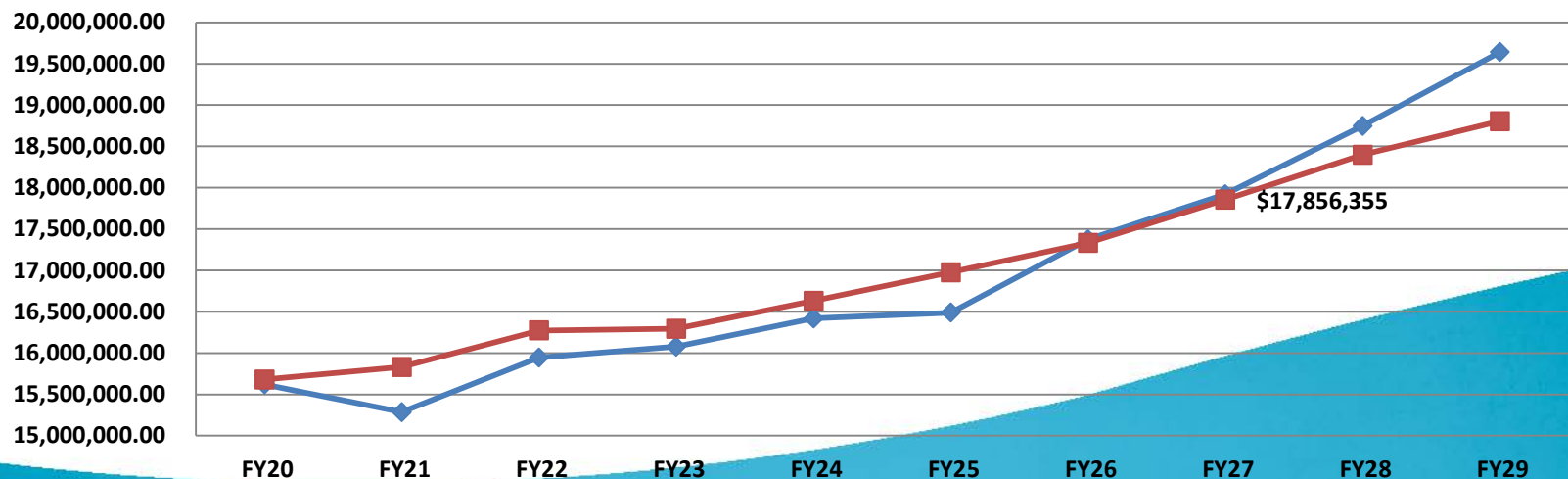
General Fund 15 Year Projection

- **Revenues & Expense is closely matched until FY27 – 8 years**
- **Fund Balance above Minimum FB until FY28**
 - **Results of Expense > Revenue compound**

General Fund 10 Year Projection

- Look at 10 years to more closely see difference
- Difference between Revenue & Expense for FY20-29
 - FY20 \$57K
 - FY21 \$546K
 - FY22 \$329K
 - FY23 \$217K
 - FY24 \$212K
 - FY25 \$486K
 - FY26 \$(41)K
 - FY27 \$(63)K
 - FY28 \$(349)K
 - FY29 \$(836)K

General Fund Revenue & Expense 10 Years



General Fund 10 Year Projection

- **The General Fund is near a balance point for 8 years**
 - **If Projections are Headlights on a road – this is a straightaway to a curve**
- **Curve is not as tight as projected last fiscal year**
 - **Moved out a year**
 - **Still heads south**
 - **Includes PERS Side Account**
- **Options**
 - **Ignore it – 8 years is still way out there and something will happen between now and then**
 - **Panic – Over react**
 - **Be aware and plan – Execute to minimize the curve – as we are**
 - **PERS Side Account**

General Fund 10 Year Projection

- **Balancing on the point right now**
- **Not just Wasco County – all connected government agencies facing same difficulties**
 - **Some sooner than others – some may not be aware yet**
- **Plan to hold partner agencies to the same standard Wasco Management uses**
 - **Ensure they are prepared to address increases without a Wasco Bail-out**
- **Remember: \$1 in wage today = \$2.535 in full cost in 15 years**

Unknowns

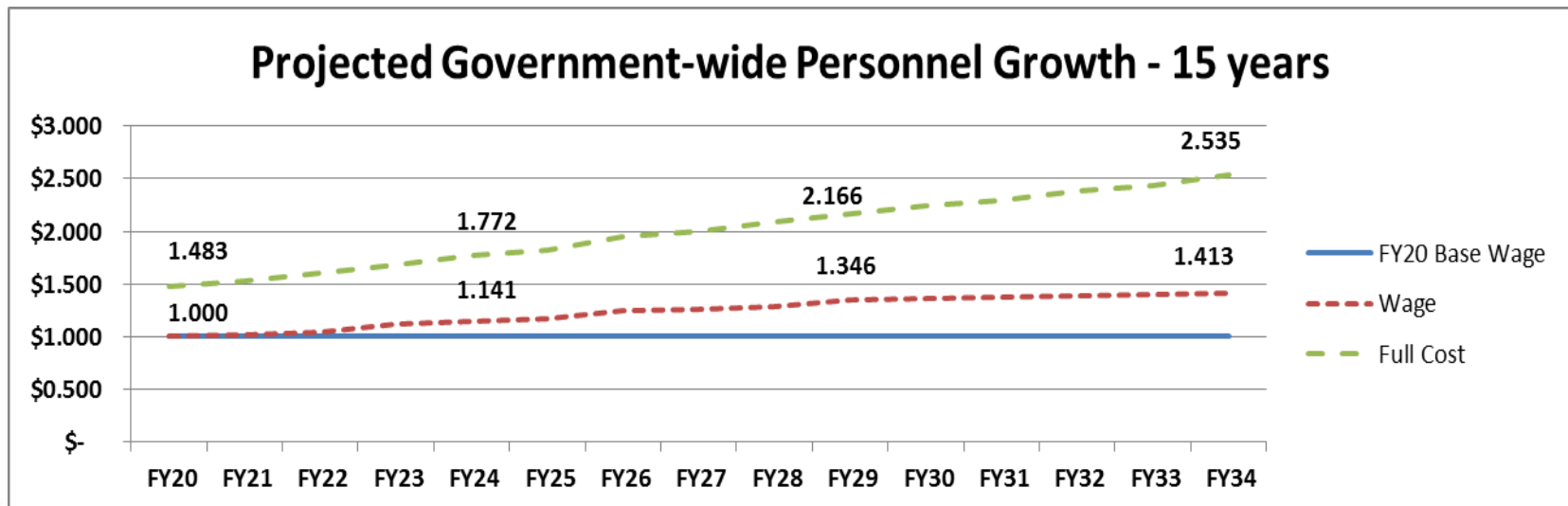
- **Don't have a crystal ball**
- **PERS – How will the unfunded portion be managed?**
- **Medical Insurance**
- **County Growth – Population, Business**
- **Federal/State Funding**
- **Other Revenue Sources**
 - **Marijuana Tax – Trend seems set – about \$90K**
- **County Resident Expectations**

Major Areas to Watch - Personnel

- **Personnel**
 - **Annual step increase 2.5%**
 - **Market adjustment every 3 years – FY20 3.1%**
 - **Average since inception 3.6%**
 - **PERS rate increases FY20**
 - **Tier1/2 – up 5.38% to 25.18% - a 27.2% increase**
 - **OPSRP-General – up 5.68% to 17.20% - a 49.3% increase**
 - **OPSRP-Police/Fire – up 5.64% to 21.93% - a 34.6% increase**
 - **Health insurance up 8% on 1/1/20**

Major Areas to Watch - Personnel

- FY20 – Wage = \$1
- With benefits costs \$1.483
- FY24 (5 years) – same \$1 wage now costs \$1.772
- FY29 (10 years) – same \$1 wage now costs \$2.166
- FY34 (15 years) – same \$1 wage now costs \$2.535



Major Areas to Watch – But Surely Property Tax Growth will cover this?

- **Property Tax trends are increasing by +\$300K annually**
 - 4.2% average
- **This covers the Personnel increases through FY21**
 - FY22 GF Personnel increase - \$513K
- **In FY22 Personnel growth will exceed Property Tax growth**

Major Areas to Watch – State Funding

- **Marijuana Tax revenues**
 - **FY20 Budget at \$88K**
- **PERS unfunded liability has not been resolved**
 - **Current UAL (Unfunded Actuarial Liability) \$12M**
 - **Side Account proposed in current budget (\$3.8M)**
 - **Potential State match for the Side Account up to 25%**
 - **Has not been funded**
 - **Priority will be to organizations with a UAL of +200% payroll (not Wasco)**

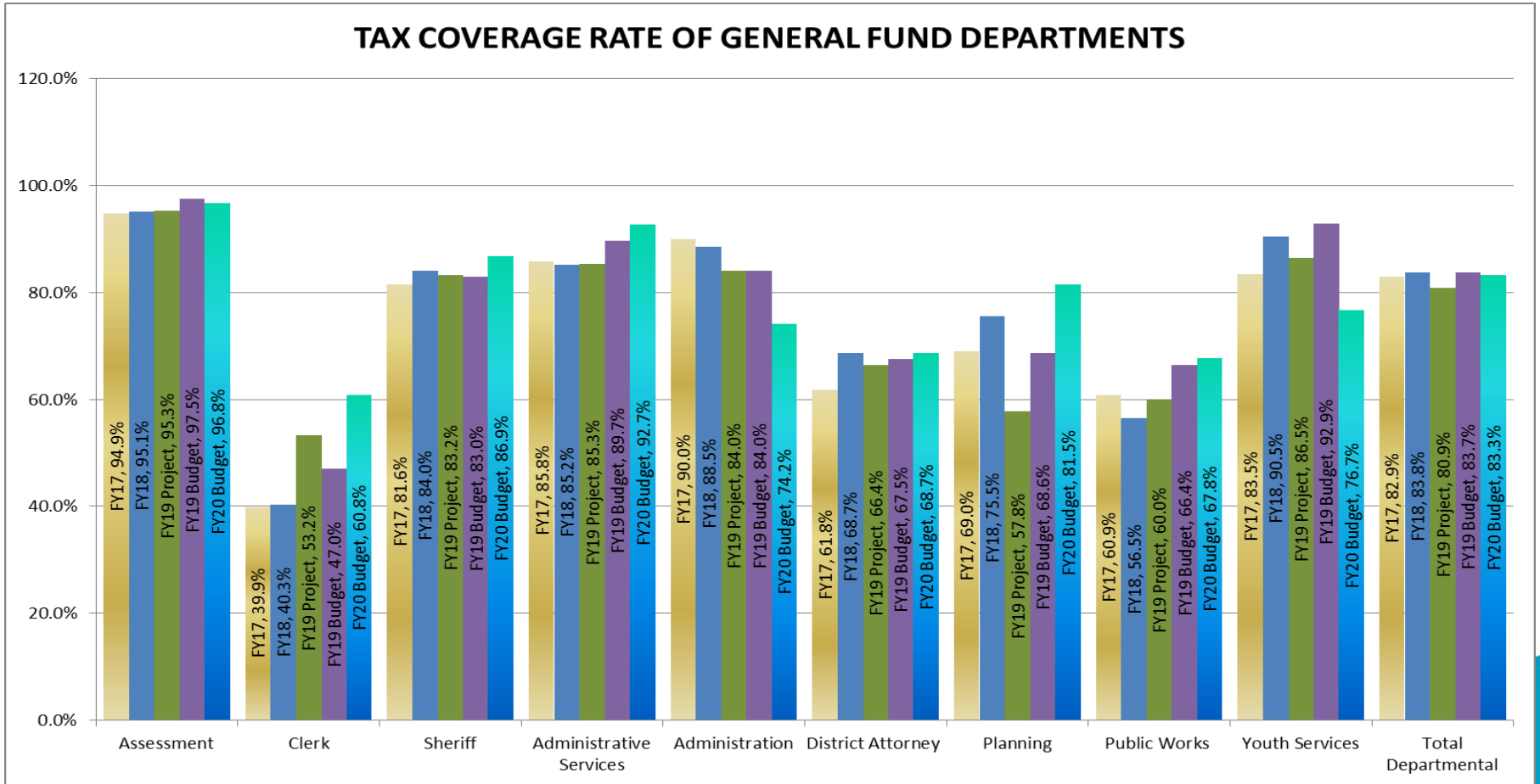
Major Areas to Watch – Federal Funding

- **Current pattern**
 - **Sequestration of Title I & III in FY19**
 - **Decrease of \$47K**
 - **As of 5/10/19 – this was resolved and will be dispersed**
 - **CDBG Grant should be ending – trail out in FY20**
- **So, Management is not counting on increases in the Federal Funds**

Major Areas to Watch – Fees!

- **No General Fund Department generates enough fees to cover costs**
- **All are subsidized by Non-Departmental Revenue**
 - **Primarily property tax**
- **Total Departmental Revenue in General Fund Proposed Budget for FY20 is 16.7% of Departmental Expense**
- **FY19 Projected and Budget were 19.1% and 16.3% respectively**
- **FY20 Proposed is 0.4% less than the FY19 Budget**

Major Areas to Watch – Fees!



Management Budget Direction

- **Hire the “Right” person**
 - **Cultural fit**
- **No New Permanent Positions**
 - **Only Temporary Project Based Staffing or Succession Planning**
 - **\$1 now equals \$2.535 in 15 years**
 - **Maybe “No” isn’t the right word but it works as a starting point**
 - **Except adding a new Department – Building Codes**
 - **Restricted Funds in a self-contained Fund**
- **Reexamining workload and processes**
- **PERS Side Account**

Management Budget Direction

- **Focus on Sustainability**
 - **Cannot increase Personnel if Fund Balance is declining**
- **Look Down the Road for Trends**
 - **See the curve – apply brakes**
 - **Be Aware of changing conditions**
- **Build Reserves**
- **Avoid taking on new services with no sustainable funding source**
 - **Again – Building Codes**

Proposed Budget Highlights

- **26 Funds totaling \$72,505,946**
 - **21.0% Increase over FY19**
 - **Majority of the increase is due to Building Codes Funds being created**
 - **Budgeted PERS Side Account funding \$3.8M – 6.3%**
 - **More details later in the presentation**

Proposed Budget Highlights – by Fund

- **General Fund expense increase \$1,685,570 – up 7.8%**
 - **\$583,560 increase in Personnel (35% of the 7.8%)**
 - **PERS \$273,839; \$98,778 Insurance**
 - **Capital Outlay increased \$395,279 (23% of the 7.8%)**
 - **Materials & Services increased \$980,404 (58% of the 7.8%)**
 - **Decreases in Contingency and Transfers Out make up difference (-16%)**

Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Transfers In increased \$537,271 or 78.7%**
 - **\$500K From Building Codes Funds**
 - Full amount not probable – will be repayment for Dept setup;
 - Up to \$250K from Each Fund
 - **\$120K from Youth Think**
 - Up to full amount to merge fund into General Fund
 - **Video Poker transfer from Economic Development removed**
 - Process change
- **Assessing – Contracted Services increase \$22,200 – 86%**
 - Increase in support for Assessing Software
 - Now a 4-way split; was 6-way

Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Administrative Services increased \$379,280**
 - **Capital Outlays – Putting an additional \$400K toward Building remodels**
- **Administration – State Transportation Bill**
 - **FY20 - \$639,952; increase of \$489,925; offset by increase spending**
 - **This is pass-through funding**

Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Clerk's Office – need to adjust Seasonal/Temporary**
 - **Overstated planned expense for Clerk Seasonal/Temporary by \$13,272**
 - 101.15.5115.51602 – should be \$0
 - **Understated planned expense for Election Seasonal/Temporary \$2,940**
 - 101.15.5125.51040
 - **FICA is over budgeted by \$790**

Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Youth Services (Prevention Division) increased \$290,299 – 45.6%**
 - **Result of merging the Youth Think Fund into the General Fund under the Youth Services Department**

Proposed Budget Highlights – by Fund

- **Building Codes – General & Electrical**
 - **Two new funds for the New Department**
 - **Starting with Beginning Balance of \$3,277,179 combined**
 - **\$2,621,743 Building Codes – General**
 - **\$665,436 Building Codes - Electrical**
- **Beginning Balance estimated based on allocation from funds held in trust from closure of MCCOG**
 - **Need agreement from other agencies or tapping this funds will cause difficulties**

Proposed Budget Highlights – by Fund

- **All revenues and expenses estimated based on historical information provided by the State from MCCOG records**
 - **Budgeted \$250,000 transfer out of each fund to the General Fund to repay Startup costs**
 - **Budgeted Transfers in and out between the two new funds incase a reallocation is needed on the setup funds**
- **May provide services to other Counties**
 - **Not determined at the time of budget creation so not considered**
- **As this fund is new, Contingencies are set up and may be needed.**

Proposed Budget Highlights – by Fund

- **A missed budget item**
 - **Building Codes housed with Planning & Public Works**
 - **Not enough room**
 - **In budget to expand**
 - **Building Codes is to contribute \$600K**
 - **Not in the Proposed Budget – Propose to add**
 - **Increase Building Improvements – 150.25.5500.53102 - \$600,000**
 - **Decrease Contingency – 150.99.5500.57101**

Proposed Budget Highlights – by Fund

- **Public Works increase \$1,232,730 – up 20.6%**
 - **Transferring \$1M to Road Reserve**
 - **Increase Contingency by \$827,723**
 - **Decrease Unappropriated \$693,120**
 - **Offset by Increased Beginning Fund Balance \$1,542,828**
 - **Late information came in – should adjust M&S + \$42,500**
 - **202.22.5281.52426-Contracted Services increase by \$15,000**
 - **202.22.5281.52974-Emulsified Asphalt increase by \$27,500**
 - **Offset to Unappropriated**

Proposed Budget Highlights – by Fund

- **Road Reserve increase \$1,057,240**
 - **Interest for FY19 and growing BFB**
 - **The \$1M transfer from the Public Works Fund**
 - **Paying out \$801K for the PERS Side Account setup**

Proposed Budget Highlights – by Fund

- **County Fair increase \$71,274 – up 28.4%**
 - **The BFB for FY19 was \$38,273 more than budgeted**
 - **Kept mostly flat – Revenue & Expense**
 - **Increases/decreases in line with trending**
 - **Insurance changed lines – it didn't disappear**
- **Increase to Contingency & Unappropriated \$59,711 total**
 - **Minimum FY21 BFB – shows fund balance growing**
 - **Total combined \$127,065 – compare to M&S for FY20 \$176,080**
- **Heading to a strong position due to ties to Park Fund**

Proposed Budget Highlights – by Fund

- **Park Fund increase \$18,491 – up 5.4%**
- **BFB increased \$12,772**
- **RV Allocation increased \$5,719**
- **Personnel had significant increase - \$9,504**
 - **Primarily Health Insurance - \$8,161 Due to change in coverage by staff member**
- **Budgeted \$30,000 for Capital Outlay**
 - **Fair Board wants to replace the tractor due to maintenance issues**
 - **Still to be researched, vetted and would go through BOCC**
- **FY20 Unappropriated = \$157,685**
- **FY20 Personnel + M&S = \$114,704**

Proposed Budget Highlights – by Fund

- **County School decrease \$18,675 – down 4.2%**
 - **FY19 BFB was \$6 not \$25,350 projected**
 - **Push out as much to Schools as this is only to distribute**
 - **Trended tax revenue, kept Federal Forest Receipts flat**
- **Land Corner Preservation increase \$9,519 – up 10.1%**
 - **Fund Balance is growing \$16,219 from FY19 Budget to FY20 Budget**
 - **Surveyor Fees trended down \$6K**
- **Forest Health increase \$94,459 – up 33.8%**
 - **BFB is growing**
 - **Nothing is being spent as can only be spent to reimburse for Search & Rescue on Federal Land**
 - **Can purchase equipment – so budgeted \$50K in Capital Equipment**

Proposed Budget Highlights – by Fund

- **Household Hazardous Waste increase \$216,032 – up 33.7%**
 - **BFB grew from FY19 Budgeted to FY20 Budget \$193,532**
 - **Personnel in FY19 saved \$\$49,799 due to not filling a position**
 - **Increase Contingency from \$63K to \$159,499**
 - **Increase Unappropriated from \$89K to \$200,000**
 - **Fund balance is growing**

Proposed Budget Highlights – by Fund

- **Special Economic Development increase \$827,755 – up 52.7%**
 - **A new tax abatement in December 2019**
 - \$544,613 to County
 - \$544,613 to City
 - Only distributed if received
 - **Change in Video Poker funding processing**
 - Now straight into General Fund – used for Planning
 - Prevents inflating budget with the transfers as all was (supposed) to transfer over
 - **Remaining \$75,816 of Video Poker funds transferred to GF**
 - In years past, amount transferred did not match amount received; this will clean up the fund

Proposed Budget Highlights – by Fund

- **New Process for Wasco share of Abatement Funds**
 - Shares as agreed to The Dalles & School District by check
 - Still transfer County Share 1st and 2nd Abatements to GF & Museum
 - **Distribute to Wasco \$719,015**
 - Show as Contra Expense in 5207
 - The expense out under 5207
 - Will be used to track Wasco share of Abatement and pay for Projects out of here instead of merging with other County Funds
 - \$169,902 of total is one time due to Wasco Share not distributed in prior years

Proposed Budget Highlights – by Fund

- **Law Library increase \$13,921 – up 8.7%**
 - **BFB growth is the entire increase**
 - **Increase Unappropriated \$14,056**
 - **Net decrease to Materials & Services \$135**
 - **Basically flat but not spending full amount on Books**
- **District Attorney decrease \$818 – down 5.1%**
 - **Basically flat**
 - **No Contingency or Unappropriated set up**

Proposed Budget Highlights – by Fund

- **Museum increase \$26,387 – up 8.2%**
 - **Admissions increasing \$5,500 based on trending**
 - **Memberships increasing \$1,500 based on trending**
 - **PUD Grant/funding being pursued for \$18,565**
 - **If not awarded, will not be spent – in Contracted Services**
 - **Contingency to \$177,904**
 - **Full amount of Martin Donation with earned interest \$144,828**
 - **General Contingency of \$33,076 – about 1/3 of Operating Costs**

Proposed Budget Highlights – by Fund

- **911 Communications increase \$52,173 – up 4.27%**
 - **Increased Personnel \$24,945 due to WCLEA CBA**
 - **Maintenance Agreement increased \$10K for the Consoles**
 - **Non-Capital Equipment increased \$9,500 to replace CAD computers and 2 chairs**
 - **Contingency increased \$7,111**
- **911 Equipment Reserve increase \$32,384 – up 107.8%**
 - **None expended – growing for future equipment needs**
 - **Progressing as planned**

Proposed Budget Highlights – by Fund

- **Community Corrections decrease \$102,293 – down 3.9%**
 - **Grant in Aid decreased \$165,007**
 - Prior years this grew – Changing priorities at State cause this estimation
 - **Still have increases in Personnel \$68,439**
 - **Decrease in Transitional Housing \$205,000**
 - Still matches FY19 actual/projected
- **Court Facilities Fund increase \$20,579 – up 13.0%**
 - **BFB is growing – up \$19,579 from FY19 to FY20**
 - **Only been spending about 10% of the budgeted amount**

Proposed Budget Highlights – by Fund

- **Youth Think decrease \$102,293 – down 46.2%**
 - **Merging this fund into General Fund as part of Youth Services**
 - **Only BFB and an equal transfer to GF to close it out**
- **Kramer Field increase \$633 – up 1.9%**
 - **Fund Balance is growing due to interest and no expenditures**
- **Clerk Records increase \$2,071 – up 4.7%**
 - **BFB up \$2,771**
 - **A&T Fees trending down \$400 to \$4,000**
 - **No Non-Capital Equipment budgeted**
 - **\$4,800 Capital Equipment budgeted for Plat Cabinet**

Proposed Budget Highlights – by Fund

- **Capital Acquisitions Reserve decrease - \$158,163 down 3.9%**
 - **No funds are transferred in for FY20**
 - **Due to funding PERS Side Account**
 - **Only growth is Interest Earnings flat at \$29K**
 - **Identify \$500,000 to replace Assessing software**
 - **\$2M available for building improvements**
 - **\$1,352,873 available for Capital Equipment**

Proposed Budget Highlights – by Fund

- **Facilities Capital Reserve increase - \$75,187 up 1.65%**
 - **No funds are transferred in for FY20**
 - **Due to funding PERS Side Account**
 - **Only growth is Interest earnings – increased to \$50K**
 - **\$4,633,223 available for Facility purchase**

Proposed Budget Highlights – by Fund

- **General Operating Reserve increase - \$3,193,844 up 67.7%**
 - **Transferring in \$3,000,000 to fund PERS Side Account**
 - **Will pay out \$3M from this fund for PERS Side Account**
 - **Budget Amendment to increase Transfer In & PERS Side Account by \$124,533**
 - **Will still receive transfer from 911 Communications - \$43,333**
 - **Interest earnings at \$25,000**
 - **\$4,914,592 available for Contracted Services**

Proposed Budget Highlights – by Fund

- **CDBG Grant decrease - \$1,728,267 down 32.6%**
 - **Project has amount to complete budgeted in FY19**
 - **Only decrease in FY20 is due to portion completed in FY19**
 - **Created early in the Budget Process, since then the project is nearing completion**
 - **Amending the budget may be appropriate**

Funds with Difficulties

- **911 Communications & 911 Reserve**
 - **Actually a success story**
 - **Very minimal increase to Wasco & Partners for FY20 (1.7%)**
 - **Covered increases after WCLEA CBA signed**
 - **Contingency will still be increased by \$7,111**
 - **911 Communications started FY19 with \$27,211 Budgeted BFB on \$1,220,712 budget – Just 9 DAYS worth of Operating costs**
 - **911 Reserve is growing – by the \$30,000 contributed and not spent**
- **Balanced on a fine line and needs to be actively managed**

Funds with Difficulties

- **Museum**
 - **The Upward trend is continuing**
 - **Want additional staff but cannot sustain at this time**
 - **Revenues are growing – just slowly**
 - **A new cruise ship/line has been added under a contract**
 - **Will result in more visits**
 - **Still needs the support from Wasco County and The Dalles to function but is progressing to the ability to self-fund**

Funds with Difficulties

- **Fair**
 - **The steps taken in FY19 have been working**
 - **Fund balance is growing**
 - **Still could not exist in current form without the Park Fund**
 - **Has Capital needs that can't be met yet**
 - **Infrastructure**
 - **Electrical distribution/accounts**
 - **Fund Balance is projected to grow in FY20**

Funds with Difficulties

- **CDBG Grant**
 - **Flow through grant for Center for Living**
 - **Construction should be finishing in FY19**
 - **County already on the hook as the grant flows through the County**
 - **Loan is being drawn on (From County to CFL to pay for Building)**
 - **Budget Created in Jan-Feb in meantime, construction finished**
 - **Recommend change to the Proposed budget to accommodate**

Funds with Difficulties

- **CDBG Grant – Suggested change to Proposed Budget**
 - **Decrease Capital Expense to \$560,000 – (from \$3,578,760)**
 - **Decrease Resources to \$560,000 also (\$3,018,760 decrease)**
 - **Center For Living Contribution decrease \$1,936,022 (to \$0)**
 - **Loan Proceeds decrease \$1,082,738 (to \$417,262)**
 - **This will leave funds available for tail-out expense by drawing down on the Loan**

Funds with Difficulties

- **Community Corrections**
 - **The Current year has no problems**
 - **The trends can be troubling though**
 - **New Revenues for FY20 - \$1,765,000**
 - **Operating Expense for FY20 - \$2,283,998**
 - **Indicates a potential \$518,998 use of Fund Balance**
 - **Not sustainable**
 - **Management is aware and looking to ensure this is not a trend and just a year**
 - **The Governors proposed budget decreases funding CC depends on**
 - **Partially, the Fund Balance is a bit too high, so not necessarily all a bad thing**

Staffing Changes

- **Youth Services – Moved staff member to General Fund**
 - **Eliminating separate fund – still Grant Funded**
- **District Attorney’s Office – Temporary Part-time Scanning**
 - **Renewed the temporary position for another year**
- **PERS Increase**
 - **PERS Side Account will decrease the impact**

PERS Plan	Rates				Rate Credit Effect	
	FY19	FY20	Rate Change	% Growth	Rate Credit	Adj % Growth
Tier1/2	19.80%	25.18%	5.38%	27.2%	3.97%	7.1%
OPSRP-General	11.52%	17.20%	5.68%	49.3%	3.97%	14.8%
OPSRP-Police & Fire	16.29%	21.93%	5.64%	34.6%	3.97%	10.3%

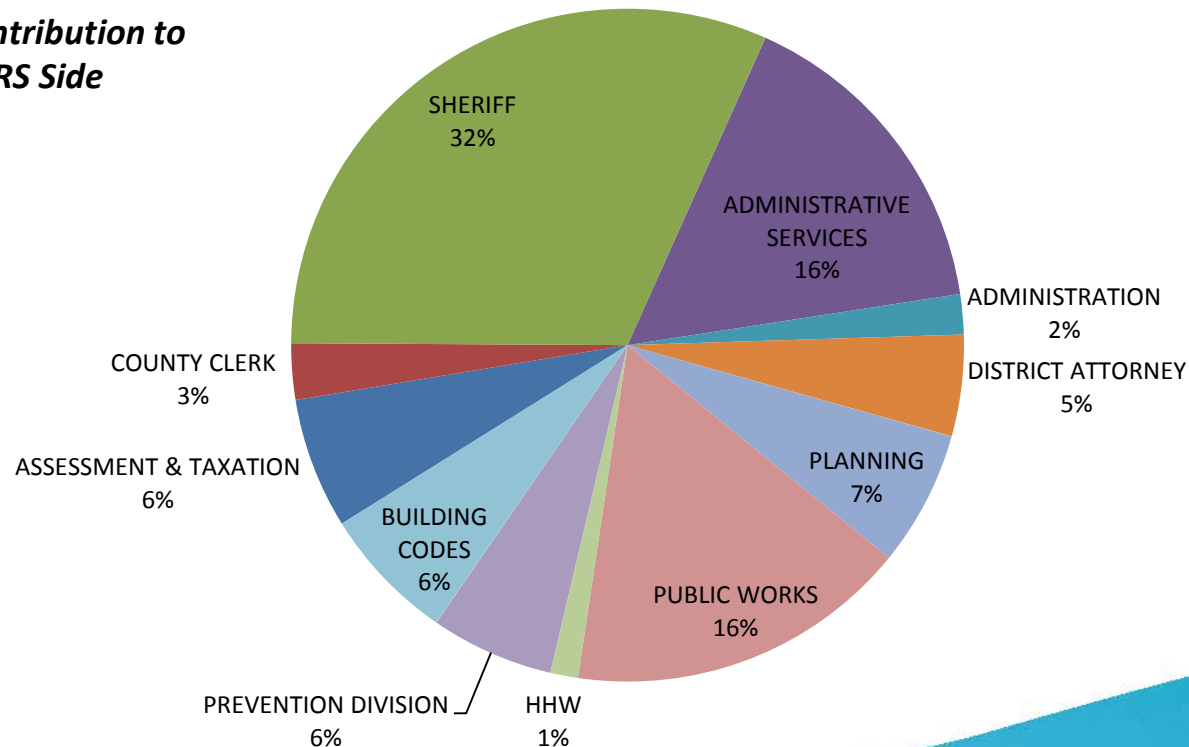
Staffing Changes

- **Cost of Labor adjustment – 3.1%**
 - **For all Staff on Compensation Philosophy**
 - **Compensation Committee recommended same adjustment for all Elected**
- **Compensation Committee**
 - **Move elected to matrix**
 - **Adjust Clerk Salary to make Stipends part of base pay**

Staffing Breakdown by Department

Fiscal Year 2020 Budgeted Personnel Expense Government-wide \$12,478,037

Does not include contribution to PERS Side



Staffing Breakdown by Fund

Fund	FY19 Budget	FY20 Budget	Change \$	% +/-
GENERAL FUND	7,045,784	7,629,344	583,560	8.3%
BUILDING CODES GENERAL	-	594,637	594,637	NA
BUILDING CODES - ELECTRICAL	-	216,906	216,906	NA
PUBLIC WORKS FUND	1,920,597	1,994,060	73,463	3.8%
COUNTY FAIR FUND	15,097	19,171	4,074	27.0%
LAND CORNER PRESERVATION FUND	16,581	19,013	2,432	14.7%
HOUSEHOLD HAZARDOUS WASTE FUND	152,189	166,607	14,418	9.5%
MUSEUM	39,254	42,773	3,519	9.0%
911 COMMUNICATIONS FUND	865,287	890,232	24,945	2.9%
PARKS FUND	35,230	44,734	9,504	27.0%
COMMUNITY CORRECTIONS FUND	792,121	860,560	68,439	8.6%
YOUTH THINK FUND	83,046	-	(83,046)	-100.0%
GOVERNMENT-WIDE TOTAL	10,965,186	12,478,037	1,512,851	13.8%

Outside Agencies

- **NCPHD – 3.0% to meet rising costs**
 - **Part of agreement in FY19 – set amount so organization can expect 3% increases going forward**
 - **Based on assumption of 3% tax basis increase**

Outside Agencies

- **Norcor – Increased Funding ~~\$311,297~~ (change to \$186,800)**
- **Partner agency only funding 60% of their portion of the increase – Decrease Wasco increase to match**
 - **Revised Increased Funding \$186,800 – will need an amendment**
 - **Transfer changed amount \$124,533 to Gen. Op Reserve for PERS Side Account**
 - **Adult Costs**
 - **General Fund: \$1,103,506 (Need to amend to decrease \$124,533)**
 - **Community Corrections: \$629,158**
 - **Juvenile Costs**
 - **General Fund: \$495,417**
 - **Total Funding: \$2,228,081 (\$2,103,548 after Adjustment)**
 - **Another \$25,000 for medical care**

Outside Agencies

- **MCEDD – Services provided to County**
 - \$75,000 from Special Economic Development Fund
- **MCEDD – Flow through Grants/Funding**
 - Link - \$92,969
 - Special Transportation Tax - \$67,700
 - State Transportation Bill - \$639,925
- **Center For Living - \$25,000**
 - Flow through CFL Alcohol/Drug Funding

Transfers

- **Transferring \$3.0 million from General Fund to General Operating Reserve**
 - **To fund \$3.0 million of the PERS Side Account**
 - **Budget amendment to increase amount by \$124,533 due to Norcor reduction**
- **Transferring \$43,333 from 911 Communications to General Operating Reserve Fund to repay purchase of Harris Consoles**
 - **Will take 2 more years to pay off**
- **Transferring \$30,000 from 911 Communications to 911 Equipment Reserve to build fund for future use**

Transfers

- **Building Codes General & Electric each transferring up to \$250K to General Fund**
 - To reimburse for costs to set up the Department incurred in FY19
 - Will not use the full amount
- **Youth Think Fund transferring \$120,000 to General Fund**
 - Closing out the fund – this will allow moving all the Fund Balance
- **Building Codes General to Building Codes Electric**
 - Each budgeted to transfer up to \$200K to the other
 - If reallocation of Beginning Fund Balance needs to be done

Transfers

- **Public Works transferring \$1.0 million to Road Reserve**
 - Will use \$801K of this to fund PERS Side Account
- **Economic Development Fund transfer to the General Fund \$457,812 (& \$5K to Museum)**
 - **\$75,812 – Fund Balance associated with Video Poker**
 - FY20 Video Poker will go straight to General Fund instead of through here and transfer
 - **\$400,000 – Fund General Fund Operations from 1st two Abatements**

Budget Expansions

- **New title – old idea**
 - **Request for an increase in the budget by a department**
 - **Additional service level**
 - **Not part of the standard processes**
 - **Can be ongoing or one-time**

Included

Fund	Revenue	Expense
General Fund	248,500	369,485
Building Codes - General	-	24,000
Building Codes - Electrical	-	15,000
Youth Think Fund	120,000	120,000
Road Reserve Fund	-	801,000
General Operating Reserve	-	3,000,000
Total Included	368,500	4,329,485

Not Included

Fund	Revenue	Expense
General Fund	-	525,048

Budget Expansions - Recommended & Included

- **PERS Side Account**
 - **\$3,840,000 to create account**
 - **Generate a 3.97% rate credit**
 - **Amortizing over 20 years**
 - **FY20 Savings \$275,915**
 - (Typo pg 20 of book – “\$287,411” should be “\$551,829”)
 - **UAL (Unfunded Actuarial Liability) = +\$11M**
 - **General Reserve Operating Fund - \$3,000,000**
 - **Road Reserve - \$801,000**
 - **Building Codes – General - \$24,000**
 - **Building Codes – Electrical - \$15,000**
- **Proposed Budget Change raises rate credit to 4.1% - \$8,949 savings FY20**

Budget Expansions - Recommended & Included

- **Youth Think to General Fund - \$362,035**
 - **Close out the Youth Think Fund to General Fund**
 - **FY20 transfer all remaining BFB to General Fund**
 - **Inflates costs \$120K**
 - **Position remains grant funded**
 - **Part of the Youth Services, but tracked separately within Dept**
 - **Removes unnecessary complications as only 1 person in the fund**
 - **Allows General Fund support without additional transfers or earmarking funds**

Budget Expansions - Recommended & Included

- **Temporary Staff for Digital Scanning - \$6,950**
 - **District Attorney's Office**
 - **Has been in place for two years**
 - **Expectation the project will be done within two years**

Budget Expansions - Recommended & Included

- **Replace 7 MDT Systems - \$17,500**
 - **Sheriff's Office Mobile Data Terminals**
 - **Current systems over 8 years old**
 - **Need to be replaced – maintenance issues**
 - **Will also serve to replace desktops**

Budget Expansions - Recommended & Included

- **AS400 Data Conversion - \$13,000**
 - **Assessor information – old data**
 - **Still need access to data but technology is old and at risk**
 - **AS400 system is “on it’s last leg” per IS Department**

Budget Expansions - Recommended & Included

- **“Magic Button” - \$90,000**
 - **No, this will not complete the project**
 - **Overall project is to have all information available on a property come up or be available by clicking on the map**
 - **900 hour project on tasks the IS Director has identified**
 - **IS staff just do not have the bandwidth to get to this currently/timely**
 - **Will be the biggest public access to data from several depts**
 - **Has been on the strategic Plan for several years and has a cross functional team addressing it**
 - **Support it, but Mgmt Team wants to get a better understanding of the implications**

Budget Expansions – Not Recommended, Not Included

- **Additional Sheriff's Deputies (3) - \$420,693**
 - **Includes 3 vehicles**
 - **Would move the point of GF Expense > Revenue to FY22/FY23**
 - **Lose 3-4 years**
 - **Management Team put funding in Contingency of one (1) position to start BUT:**
 - **Have a cross functional team review and assist**
 - **Finding new funding is critical**
 - **Not in Personnel Budget, but specifically identify a portion of Contingency to fund this if appropriate**
 - **Sheriff is already looking for Directors to assist the review team**
 - **Preliminary discussions for funding not utilized yet**
 - **OPRD has up to \$100K available, only use \$40K currently**

Budget Expansions – Not Recommended, Not Included

- **Compensation Package for Sheriff's Office - \$94,355**
 - **Result of frustration over staffing**
 - Net take-home pay loss possible when promotions to Sergeant
 - Depending on step, insurance and years of service
 - **Has problems – specifically regarding Pay Equity Act**
 - **Address through the Compensation Philosophy in the upcoming year**

Budget Expansions – Not Recommended, Not Included

- **Position/Salary evaluation for DBA/Programmer/
System Administrator - \$10,000**
 - **Result of frustration over staffing**
 - IS believes the current pay is too far below comparables
 - **Address through the Compensation Philosophy in the upcoming year**
 - **On a related note – this was one of the positions the Cost of Labor review identified as needing to have the pay scale increased more than the 3.1% of most positions**

How to Proceed

- **Wow – that was long...**
- **How to proceed**
 - **Questions raised**
 - **Address Recommended Amendments**
 - **Address Budget Expansions not included**
 - **Address Budget Expansions included**
 - **If changes are made – identify where the balance account**
 - **Typically Contingency or Unappropriated**
 - **Approve the document**
 - **Recommend document as a whole at the end**

How to Proceed

- **Any changes made by the Committee will be put on the hard copy and the new electronic (or hard copy) will be sent to each Committee member before the Board of Commissioners meeting to Adopt**
- **Budget Hearing is scheduled for Wednesday, June 5th, 2019**

Finance Director/Budget Officer Recommended Adjustments

- **Clerk's Office – Adjust overstated Personnel down \$(11,122)**
 - Decrease 101.15.5115.51269 – Seasonal/Temporary \$(13,272) to zero \$
 - Decrease 101.15.5115.51701 – FICA \$(1,015)
 - Increase 101.15.5125.51269 – Seasonal/Temporary \$2,940
 - Increase 101.15.5125.51701 – FICA \$225
 - Increase 101.99.9101.59101 – Unappropriated \$11,122
- **Public Works – Increase Materials & Services up \$42,500**
 - Increase 202.22.5281.52426 – Contracted Services – Work \$15,000
 - Increase 202.22.5281.52974 – Emulsified Asphalt \$27,500
 - Decrease 202.99.9202.59202 – Unappropriated Public Works Fund \$(42,500)
- **CDBG – Decrease overall appropriation \$(3,018,760) due to majority completion of the project**
 - Decrease 330.18.5330.53111 – Capital Expenditures \$(3,018,760)
 - Decrease 330.18.5330.419.454 – Center For Living Contribution \$(1,936,022)
 - Decrease 330.18.5330.490.490 – Loan Proceeds \$(1,082,738)
- **Norcor – Decrease Norcor funding and put towards PERS Side Account \$124,533**
 - Decrease 101.18.5135.52209 – Norcor Adult Facility \$(124,533)
 - Increase 101.99.9101.55327 – Transfer Out to General Operating Reserve \$124,533
 - Increase 327.00.1327.450.101 – Transfer In from General Fund \$124,533
 - Increase 327.18.5327.51723 – PERS Side Account \$124,533
- **Building Codes – Contribute to remodel \$600,000**
 - Increase 150.25.5500.53102 – Building Improvements \$600,000
 - Decrease 150.99.5500.57101 – Contingency \$(600,000)

Thank You

- **We appreciate and value the time you have taken from your schedule to contribute to the County Budget Process.**