

FINANCE

# FISCAL YEAR 2021 PROPOSED BUDGET OVERVIEW



# FY 2021 PROPOSED BUDGET OVERVIEW



# 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

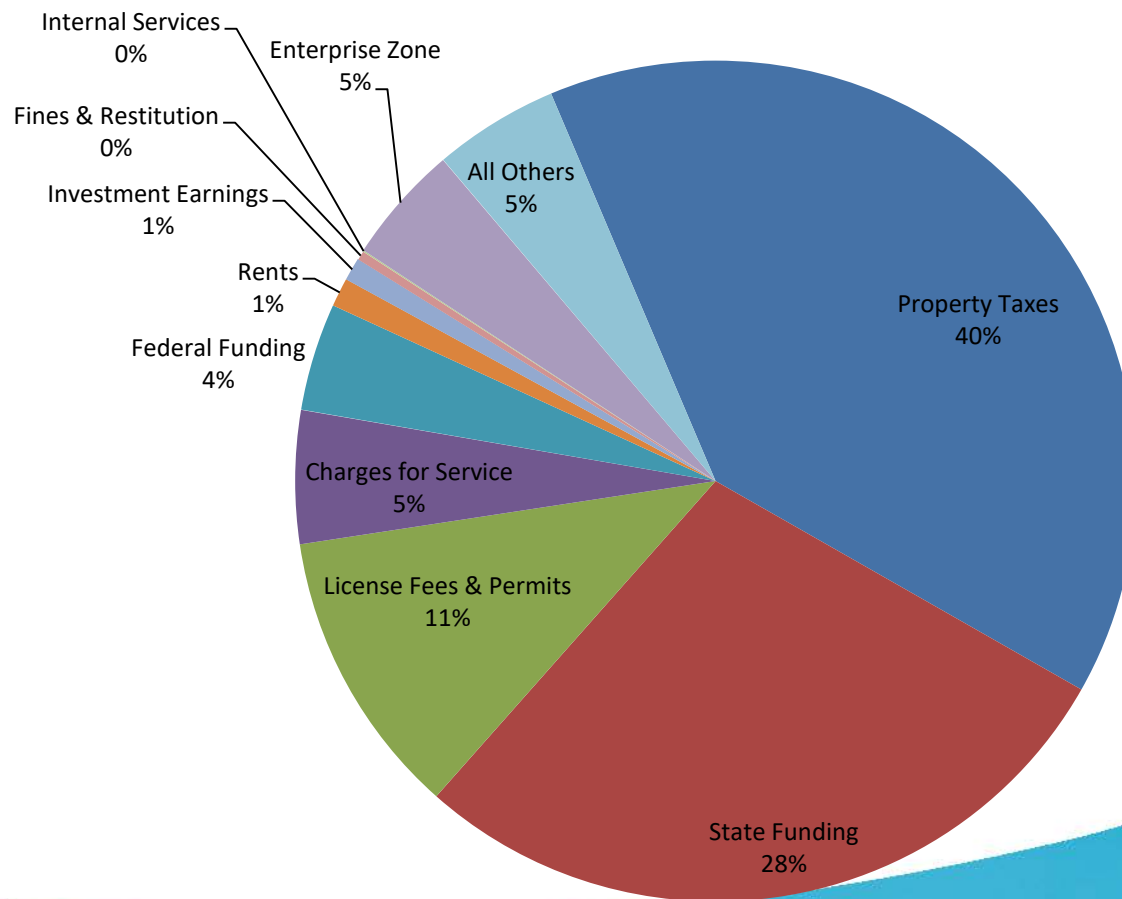
- **What is the role of the Budget Committee?**
  - **To review the Budget proposed by the Budget Officer**
  - **Study the Budget by comparing prior year data, current data and proposed budget**
  - **If a majority agree – make changes to the resources (revenues) or requirements (expenses)**
    - **Not 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**

# Housekeeping

- **An impact sheet was missed**
  - I blame COVID-19 inspired chaos
  - General Fund – Youth Services & Youth Think
  - A copy was sent to the Budget Committee & the Budget Book has been updated

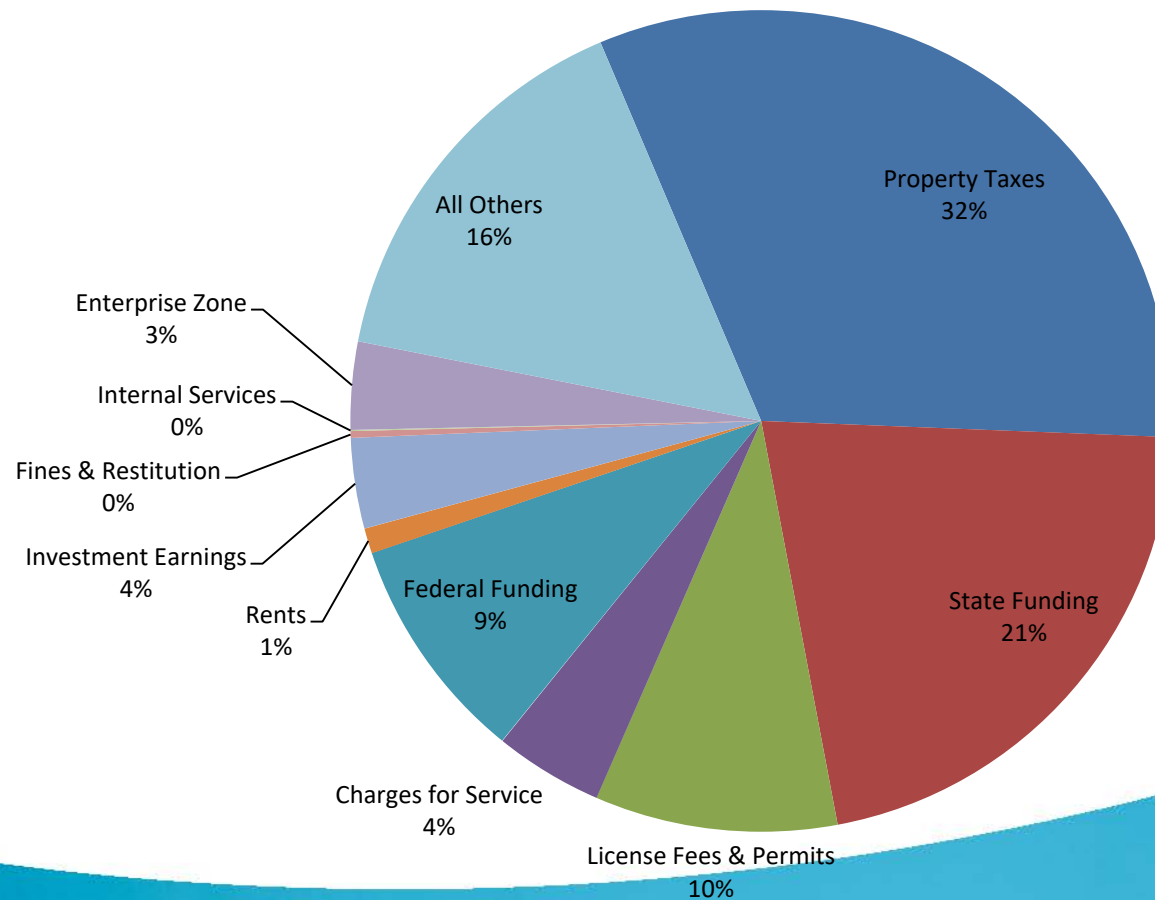
# Government-wide Revenues

## FY18 OPERATING REVENUE GOVERNMENTWIDE - \$22,975,072



# Government-wide Revenues

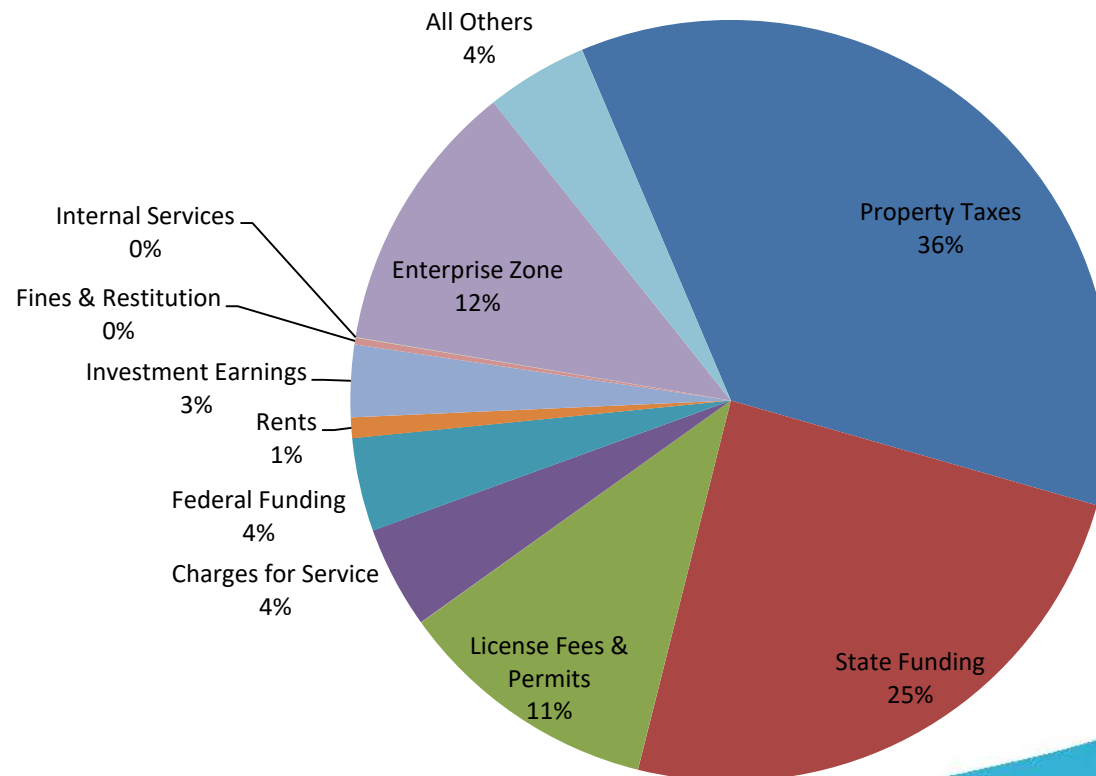
**FY19 OPERATING REVENUE GOVERNMENTWIDE - \$30,253,008**





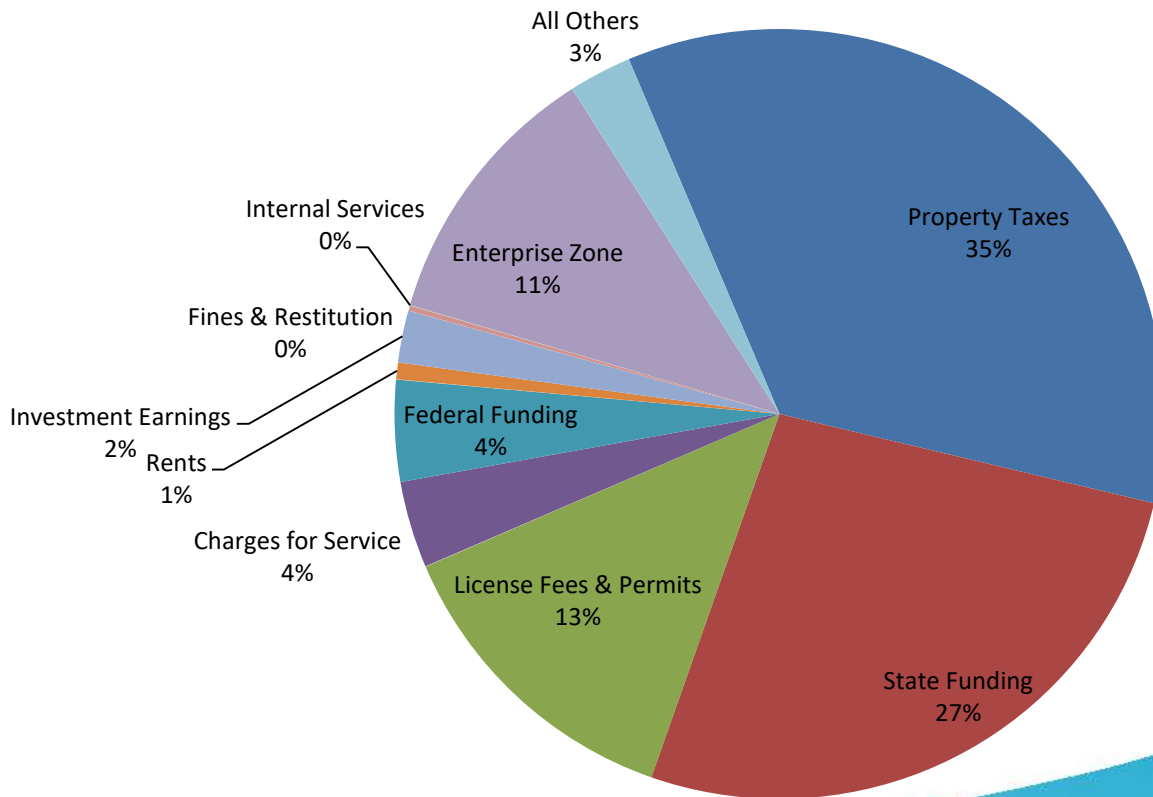
# Government-wide Revenues

**FY20 PROJECTED OPERATING REVENUE GOVERNMENTWIDE -  
\$28,029,698**



# Government-wide Revenues

**FY21 PROPOSED OPERATING REVENUE GOVERNMENTWIDE -  
\$29,426,767**

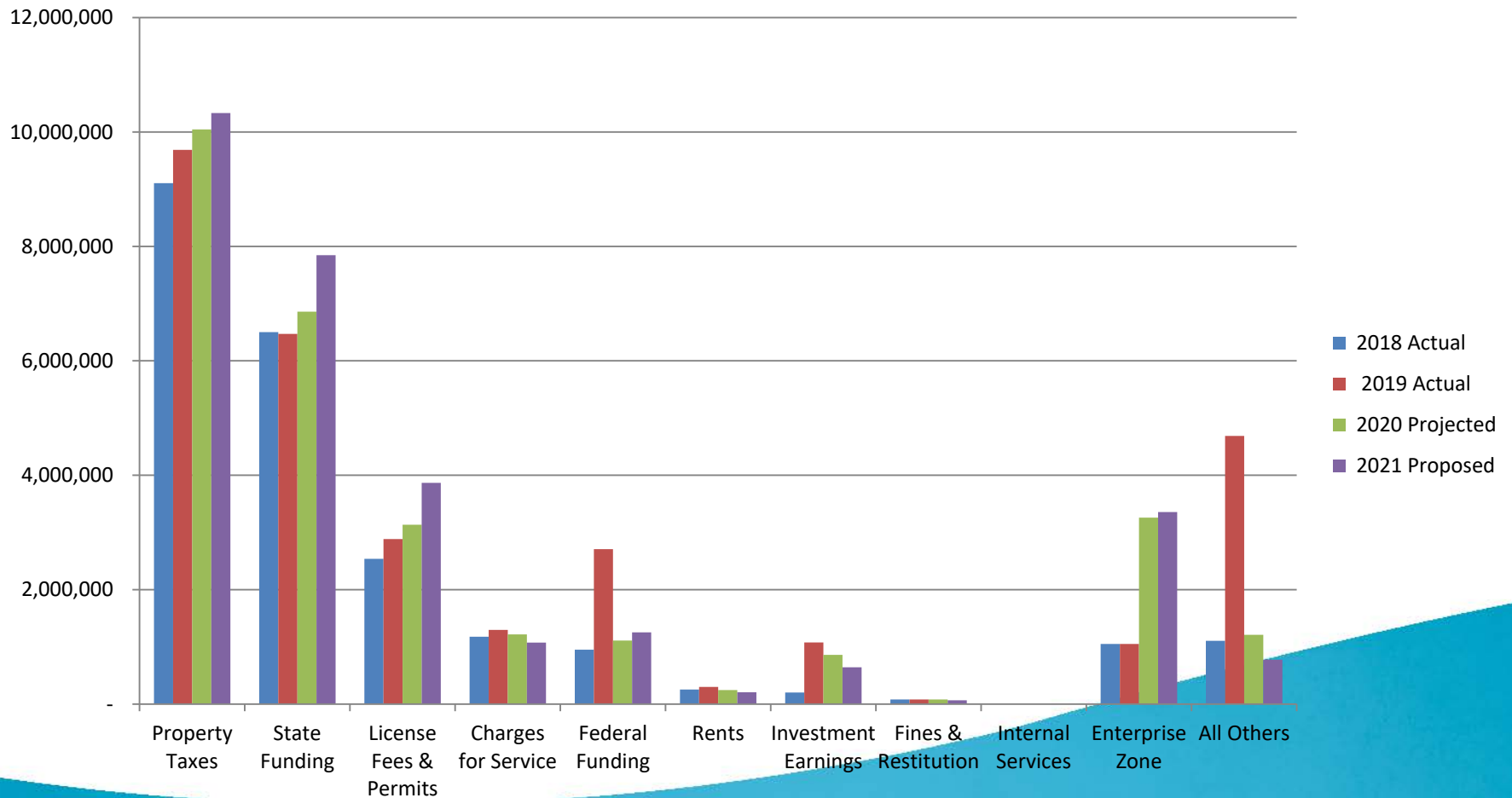


# Government-wide Revenues

- **Ignores Beginning Fund Balance**
- **State Funding trending up & down**
  - **28% - 21% - 25% - 27%**
  - **Budget is Pre-COVID-19 projection**
- **FY21 Revenue 5% increase over FY20 Projected**
  - **71% is due to State Funding - \$985,312 of the increase**
    - **COVID-19 will decrease this**
  - **All Others – Transfers due to one-time transfers are down**
- **Government-wide**

# Government-wide Revenues

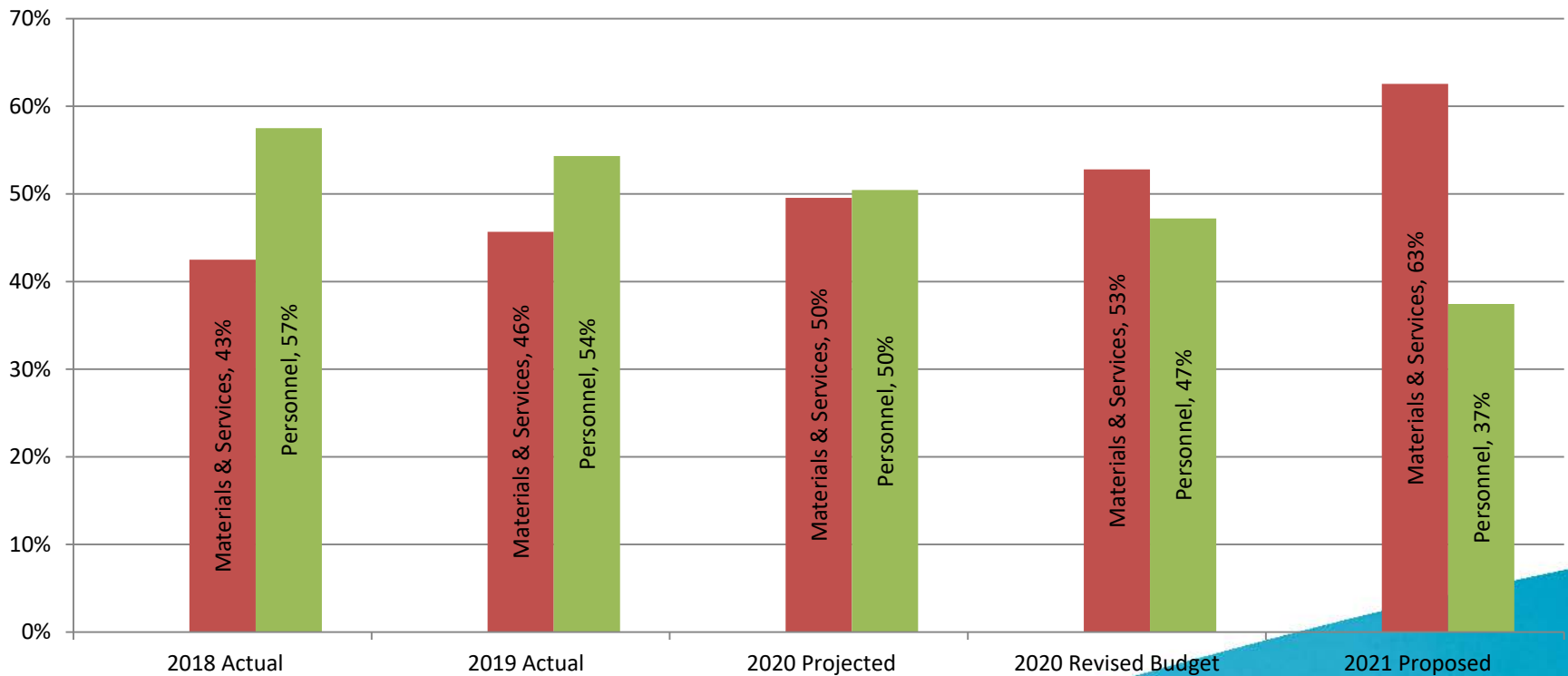
## GOVERNMENT-WIDE REVENUE COMPARISON FY18 to FY21



# Government-wide Operating Expense

## (Personnel + Materials & Services)

### FY18 - FY21 Operations Expense



# Government-wide Operating Expense

(Personnel + Materials & Services)

- **Personnel amount increasing but % decreases**
  - **FY18 57% - \$10,257,584**
  - **FY21 37% - \$12,535,332**
  - **Increase in 4 years: 22.2% or \$2,277,748**
- **Materials & Services increasing but % grows from 43% and 63%**
  - **FY18 43% - \$7,582,248**
  - **FY21 63% - \$20,937,236**
  - **Increase in 4 years: 176.1% or \$13,354,988**
- **WHAT?!? Something changed.**

# Government-wide Operating Expense

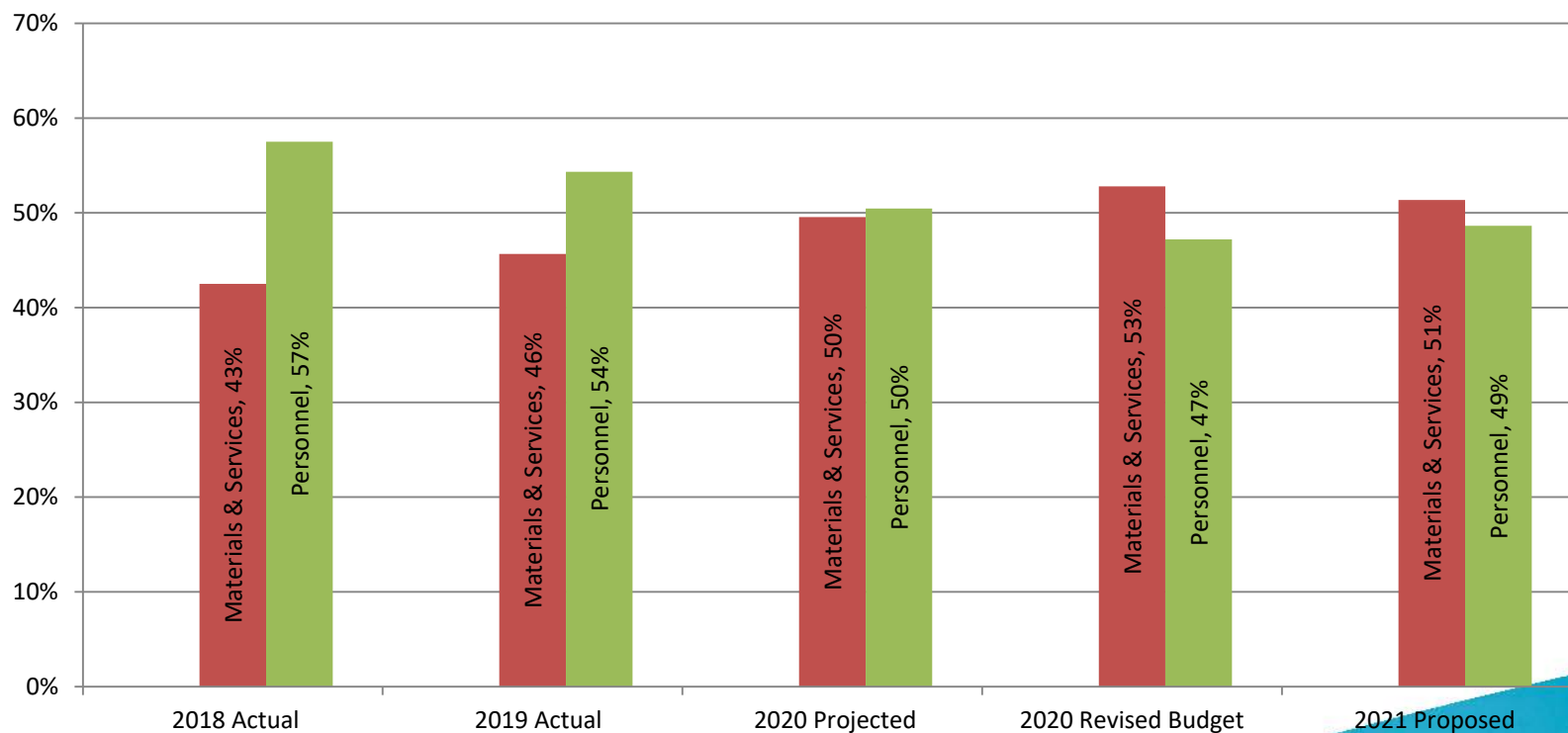
(Personnel + Materials & Services)

- **Significant Changes**
  - **Special Economic Development Fund increased \$1.7M**
  - **Operation Reserve Fund**
    - \$0 Actual in prior FY
    - \$0 Projected in FY20
    - \$6,061,853 in FY21 Proposed budget
- **When these changes are considered – percentages smooth out**
  - **Personnel FY21 49% - \$12,535,332**
  - **M&S FY21 51% - \$13,237,236**

# Government-wide Operating Expense

## (Personnel + Materials & Services)

### FY18 - FY21 Operations Expense – Special Transactions Removed

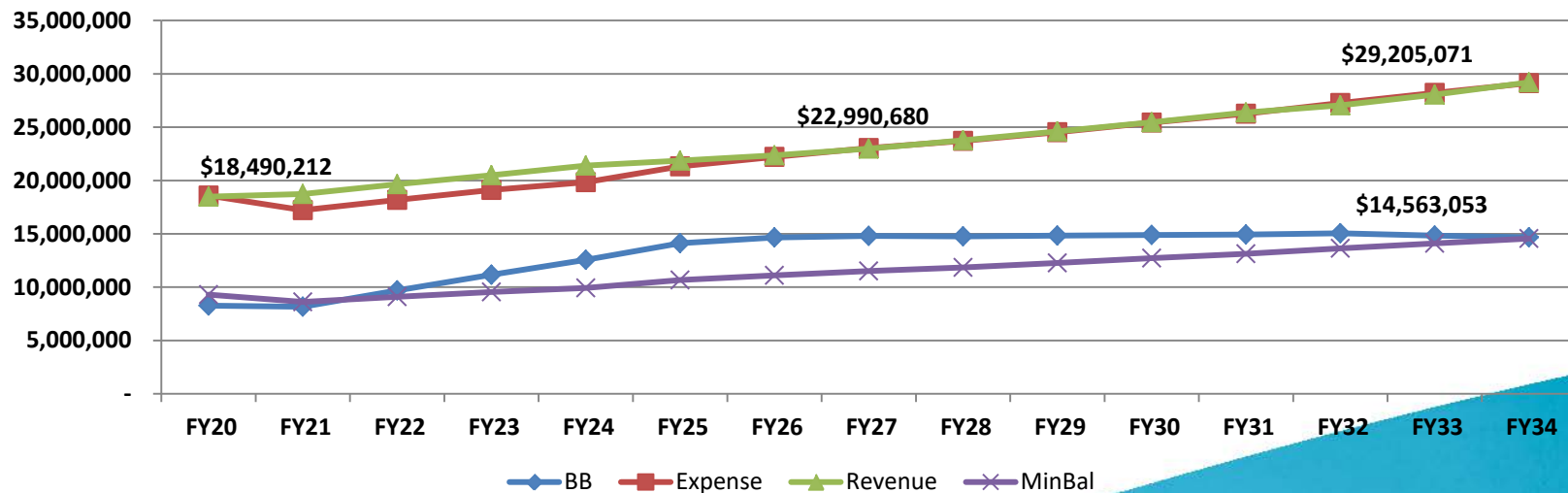




# General Fund 15 Year Projection

- **Revenues exceed Expense for next 6 years**
- **In FY26 and forward Revenues = Expense**
  - In FY26 increases to \$63K or 0.4% of revenue
- **Ending Fund Balance meets Minimum Fund Balance in FY34**

Revenue & Expense - General Fund with Fund Balance



# General Fund 15 Year Projection

- **Revenues & Expense generate fund balance until FY26 then matched to revenues**
  - Meet point is sooner than projected last year (FY27) due to added Deputy position
  - Separation of Revenues > Expense greater than last year's projection
- **Fund Balance above Minimum FB until FY34**
  - Better than projected last year despite the Revenue & Expense change – result of PERS Side Account “taming” PERS increases
  - Meeting point was in FY28 – Now in FY34
    - Result of revenue projections trending and PERS Side Account

# General Fund 15 Year Projection

- **The General Fund is heading to a balanced point going forward**
  - **If Projections are Headlights on a road – this is a straightaway to a curve**
- **Curve is not as tight as projected last fiscal year**
  - **Meeting point moved sooner but generate fund balance FY21 to FY25**
  - **PERS Side Account has help significantly**
- **Options**
  - **Ignore it – 6 years is still way out there and long term looks fine so not a problem to worry about**
  - **Be aware and plan – Execute to minimize the curve – as we are**
    - **Additional PERS Side Account request**

# General Fund 15 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**
  - Note: This is the same projected last budget cycle so is holding true

# Unknowns

- **Don't have a crystal ball – ALL PROJECTIONS PRE COVID-19**
- **What will the COVID-19 ultimate impact be?**
- **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%**
  - **Health insurance up 8% on 1/1/21**

# Major Areas to Watch - Personnel

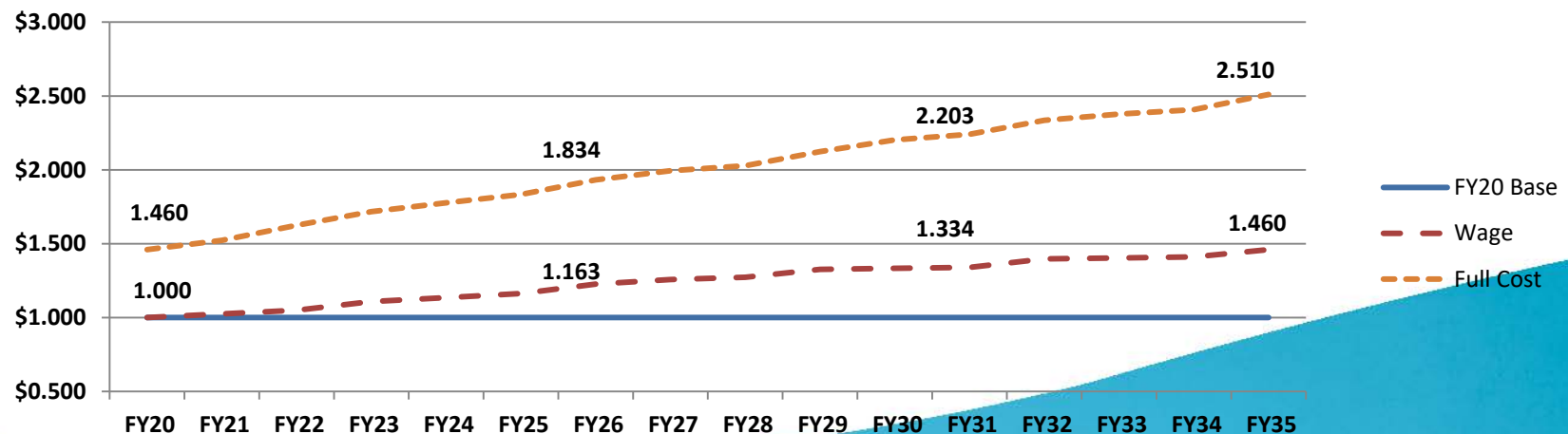
- **Personnel**

- **PERS rate increased in FY20 – before PERS Side Account**
  - **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**
- **Impact of PERS Side Account – 4.3% rate credit**
  - **Tier1/2 – up 1.08% to 20.88% - a 5.4% increase**
  - **OPSRP-General – up 1.38% to 12.90% - a 12.0% increase**
  - **OPSRP-Police/Fire – up 1.34% to 17.63% - a 8.2% increase**

# Major Areas to Watch - Personnel

- FY21 – Wage = \$1
- Fully loaded with benefits costs \$1.460
- FY25 (5 years) – \$1.163 base & \$1.834 fully loaded
- FY30 (10 years) – \$1.334 base & \$2.203 fully loaded
- FY35 (15 years) – \$1.460 base and \$2.510 fully loaded

## Projected Government-wide Personnel Growth - 15 years





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

- **Property Tax average growth \$419K/year or 4.9%**
  - **FY21 Projected Property Tax Revenue \$498K**
- **Personnel increases \$691K in FY21**
  - **Personnel increase exceeds Property Tax increase by \$193K**

# Major Areas to Watch – State Funding

- **Marijuana Tax revenues**
  - **FY21 Budget at \$88K**
- **PERS unfunded liability has not been resolved**
  - **Current UAL (Unfunded Actuarial Liability) \$12M**
  - **Side Account created in FY20 for \$3.8M – Net UAL = \$8.2M**
  - **Missed first round of Employer Incentive (up to 25% Match on Side Account)**
    - **On waiting list if additional funding provided**
    - **With COVID-19 concerns – would not recommend counting on this**

# Major Areas to Watch – Federal Funding

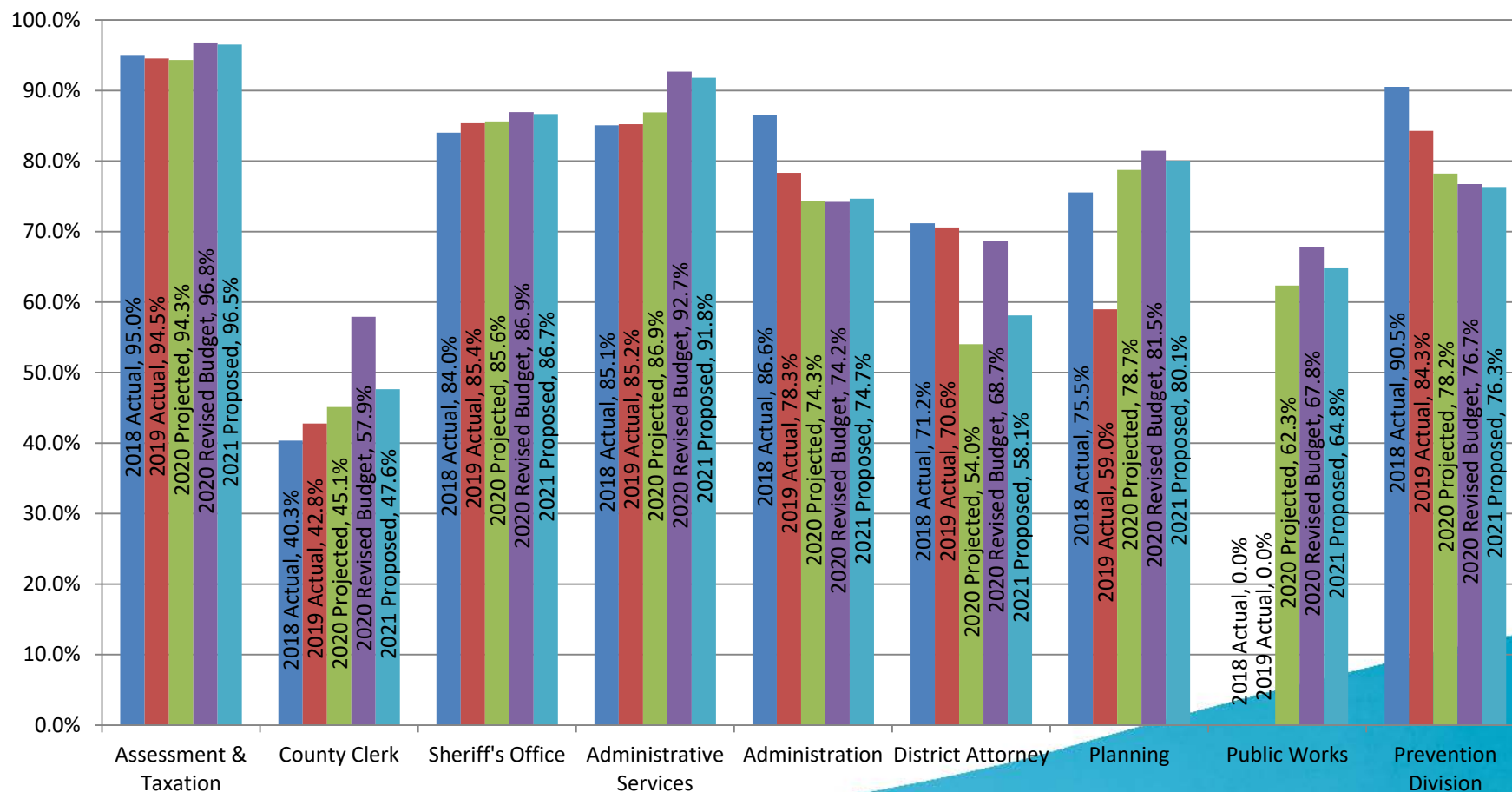
- **Current pattern**
  - **Forest Receipts projected to be \$483K**
  - **FEMA potential for reimbursement of some COVID-19 costs**
  - **Federal Funding in only 4% of proposed budget**
- **So, Management is not counting on increases in the Federal Funds**

# 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 FY21 is 18.4% of Departmental Expense**
- **FY20 Projected and Budget were 20.9% and 16.7% respectively**
- **FY21 Proposed is 1.7% more than the FY20 Budget**

# Major Areas to Watch – Fees!

## TAX COVERAGE RATE OF GENERAL FUND DEPARTMENTS



# Management Budget Direction

- **Hire the “Right” person**
  - **Cultural fit**
- **No New Permanent Positions**
  - **Only Temporary Project Based Staffing or Succession Planning**
  - **\$1 now equals \$2.510 in 15 years**
    - **Maybe “No” isn’t the right word but it works as a starting point**
- **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**
  - **Building Codes – New department still finding a path**

# Proposed Budget Highlights

- **25 Funds totaling \$69,476,161**
  - **1.9% Decrease over FY20**
    - **PERS Side Account slowing PERS growth**
    - **Loan funded to Center For Living out of Facility Capital Reserve - \$2M in expense in FY20 will see payback over next 10 years**



# Proposed Budget Highlights – by Fund

- **General Fund expense increase \$541,338 – up 2.3%**
  - **Personnel Budget increased \$69,688**
    - 10.1% increase over FY20 Projected - \$702,389
  - **Capital Outlay Budget decreased \$780,158**
    - Decreased funding for buildings – budgeted out of Reserve (capital) funds
    - FY20 budget has purchase of FY19 & FY20 patrol vehicles
  - **Materials & Services Budget increased \$181,296**
  - **Increase in Contingency Budget \$107,581 (page 66)**
  - **Transfer Budget decreased \$984,517 (page 66)**
    - FY20 transferred \$3.3M to reserves to cover PERS Side Account
    - FY21 budget transfers \$2.4M to reserves
  - **Unappropriated increased \$1,947,488 (page 66)**
    - \$1.4M of the capital budgeted to be spend was not spent & not budgeted in GF

# Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Transfers In decreased \$652,845 or 53.7% (page 66)**
  - No transfers from Building Codes – Department on own
  - Youth Think was a closeout in FY20 - \$0 in FY21
  - No residual Video Poker left in Special Economic Development
- **Assessing – overall decrease \$19,750 – 2.2% (page 32)**
  - Primarily due to savings on PERS – Side Account effect
  - Will be replacing Assessing Software in FY21
    - Direct budget impact in Reserve (Capital) fund

# Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Administrative Services decreased \$628,759 – 14.3% (page 55-65)**
  - **Capital Outlays – Decreased \$663K**
    - Put budget for remodels in Reserve (Capital) funds
- **Administration – increased \$66,077 – 1.8% (page 68-75)**
  - **FY20 Capital included purchase of FY19 & FY20 vehicles**
    - For changes and REALLY late delivery
    - Budget Decrease of \$120,000
  - **Materials & Services increased to make the overall an increase**

# Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Clerk's Office – Increase \$11,811 – 3.2% (page 35)**
  - **Recommend budget change entry – missed adjustment**
    - 101.15.5115.52711 Meals, Lodging & Registration has a miss-keyed amount of \$13,080; This was looked at by the Budget Team and \$10,000 was to be removed. This did not happen.
    - Adjust offset to 101.99.9101.57101 - Contingency \$10,000
  - **Seasonal positions are a duplication of the Election workers**
    - 101.15.5125.51269 Seasonal/Temporary is a duplication of the Election workers budgeted and should be removed \$(5,996)
    - Adjust offset to 101.99.9101.57101 – Contingency \$5,996
- **Leaves true decrease at \$4,185**

# Proposed Budget Highlights – by Fund

- **General Fund Department Highlights**
- **Youth Services (Prevention Division) decreased \$8,868 – 1.0% (page 113)**
  - **Youth Think was moved into the General Fund in FY20**
  - **There are minor increases – primarily in personnel but are offset by decreases in Contracted Services (-\$9,956) & Supplies – Program Activities (-\$7,000)**

# Proposed Budget Highlights – by Fund

- **Building Codes – General & Electrical (page 117-129)**
  - **FY20 was first year of operation**
  - **Starting with Beginning Balance of \$4,258,711 combined**
    - **\$3,468,579 Building Codes – General**
    - **\$790,162 Building Codes - Electrical**
- **Beginning Balance estimated based on allocation from funds held in trust from closure of MCCOG**
  - **The agreement with other agencies was reached and Wasco County's share is \$3,677,759. This needs to be split between General & Electrical**

# Proposed Budget Highlights – by Fund

- **Refined estimates of revenues and expenses**
  - **FY20 included 2 more positions – not filled or used so eliminated**
    - **Plan Examiners**
  - **Budgeted Transfers in and out between the two new funds incase a reallocation is needed on the setup funds**
    - **Is not anticipated to be used/needed**
- **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

- **Space needs**
  - **Building Codes housed with Planning & Public Works**
  - **Not enough room**
  - **In budget to expand**
  - **Building Codes – General is to contribute \$600K**
  - **This is an allowable use of funds – Leasehold improvement**
  - **Was budgeted in FY20 but did not happen**
- **Building Codes – General should not decrease fund balance with a fully executed budget**
- **Building Codes – Electrical will decrease fund balance by \$100,710 with a fully executed budget**



# Proposed Budget Highlights – by Fund

- **Public Works decrease \$645,197 – down 8.9% (page 103)**
  - **FY20 transferred \$1M to Road Reserve – none in FY21**
  - **Increase Contingency by \$288,680**
  - **Decrease Unappropriated \$363,687**
  - **Decreased Beginning Fund Balance \$1,259,196**
    - **Primarily due to FY20 transferring \$1M to Road Reserve**
- **Road Reserve Decrease \$636,640 (page 112)**
  - **FY20 paid \$801K for the PER Side Account**
  - **The \$1M transfer from the Public Works Fund**
  - **Budget Expansion Request for an Additional PERS Side Account would pay out \$801K if approved/included**

# Proposed Budget Highlights – by Fund

- **County Fair increase \$35,939 – up 11.2% (page 88)**
  - **The BFB for FY20 was \$35,111 more than budgeted**
  - **Kept mostly flat – Revenue & Expense**
    - **Increases/decreases in line with trending**
- **Increase to Contingency \$30,244**
- **Unappropriated remains flat**
- **Heading to a strong position due to ties to Park Fund**
- **And now COVID-19 after budget built**
  - **If Fair does not happen expense & revenues down**
  - **Fund balance has enough to cover the costs for the year**

# Proposed Budget Highlights – by Fund

- **Park Fund decrease \$22,769 – down 6.3% (page 91)**
- **BFB decreased \$28,350**
- **RV Allocation increased \$2,281**
- **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**
  - **Budgeted FY20 but not executed**
- **FY21 Unappropriated = \$72,897**
- **FY21 Personnel + M&S = \$119,758**
- **And now COVID-19 after budget built**
  - **Fund balance has enough to cover the costs for the year**

# Proposed Budget Highlights – by Fund

- **County School no change– flat 0.0% (page 78)**
  - **FY20 BFB was \$85 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 \$6,873 – up 6.6% (page 111)**
  - **\$500 growth in Materials & Services**
  - **Unappropriated increased \$7,088**
- **Forest Health increase \$42,967 – up 11.5% (page 82)**
  - **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 \$81,494 – up 9.2% (page 102)**
  - **BFB grew from FY20 Budgeted to FY21 Budget \$76,994**
  - **Personnel in FY20 saved \$42K due to not filling a position**
  - **Increase Contingency from \$159,499 to \$205,738**
  - **Unappropriated unchanged at \$200,000**
  - **Fund balance is growing**

# Proposed Budget Highlights – by Fund

- **Special Economic Development increase \$1,624,830 – up 67.8% (page 77)**
  - **Initial payment billed out in FY20 but not collected as of early May**
    - **Budget in FY21**
  - **Budget Expansion would spend \$50K of the expense if approved**
  - **Pledge to CGCC for \$1.75M will have available by end of FY21 due to initial abatement**

# Proposed Budget Highlights – by Fund

- **Process for Wasco share of Abatement Funds**
  - Shares as agreed to The Dalles & School District by check
  - Still transfer County Share 1<sup>st</sup> and 2<sup>nd</sup> Abatements to GF & Museum
  - **Distribute to Wasco \$1,153,682**
    - Show as Contra Expense in 5207
    - The expense out under 5207
    - Used to track Wasco share of Abatement and pay for Projects out of here instead of merging with other County Funds
  - **All fund balance is Wasco County's to spend**

# Proposed Budget Highlights – by Fund

- **Law Library no change – flat 0.0% (page 95)**
  - Basically flat but not spending full amount on Books
- **District Attorney decrease \$3,223 – down 21.1% (page 96)**
  - Basically flat but beginning fund balance for FY20 was \$1,400 less than budgeted
  - No Contingency or Unappropriated set up



# Proposed Budget Highlights – by Fund

- **Museum decrease \$13,864 – down 4.0% (page 81)**
  - **COVID-19 shutdown taken into consideration**
  - **Admissions decreasing \$15,000 based on COVID-19**
  - **Memberships increasing \$1,000 based on trending**
  - **Contingency to \$196,209**
    - **Full amount of Martin Donation with earned interest \$143,133**
    - **General Contingency of \$53,076 – over half of Operating Costs**
  - **Fund Balance is sufficient to cover the total loss of operating revenues for the year**
    - **The support from Wasco and The Dalles is assumed to remain**

# Proposed Budget Highlights – by Fund

- **911 Communications increase \$218,833 – up 17.2% (page 48)**
  - **Increased Personnel \$134,765 – additional position drives**
  - **Materials & Services increases \$2,804**
  - **Contingency increased \$81,264**
  - **Cell phone tax increases by \$0.50 per phone allows to decrease partner/Wasco funding**
- **911 Equipment Reserve increase \$32,737 – up 52.4%**
  - **None expended – growing for future equipment needs**
  - **Progressing as planned**

# Proposed Budget Highlights – by Fund

- **Community Corrections decrease \$328,413 – down 11.2% (page 52)**
  - **Grant in Aid decreased \$9,192**
    - Prior years this grew – Changing priorities at State cause this estimation
    - COVID-19 may cause a 16% reduction in this – to be determined
  - **Still have increases in Personnel \$14,562**
  - **Decrease in Transitional Housing \$315,512 – 61.3% decrease**
  - **With possible State reductions – fund balance will be reduced**
- **Court Facilities Fund increase \$23,438 – up 11.6% (page 79)**
  - **BFB is growing – up \$20,438 from FY19 to FY21**
  - **No spending in FY21 at this point**

# Proposed Budget Highlights – by Fund

- **Kramer Field increase \$1,266 – up 3.7% (page 81)**
  - **Fund Balance is growing due to interest and no expenditures**
- **Clerk Records increase \$2,147 – up 4.6% (page 39)**
  - **BFB up \$1,797**
  - **\$4,800 Capital Equipment budgeted for Plat Cabinet**
    - **Was budgeted in FY20 but did not happen**

# Proposed Budget Highlights – by Fund

- **Capital Acquisitions Reserve increase - \$918,773 up 23.8% (page 122)**
  - **Transferred in \$800K for FY21**
    - **Proposing to change with Budget Expansion for additional PERS Side Account**
  - **Interest Earnings at \$43,213**
  - **Identify \$500,000 to replace Assessing software did not happen in FY20 but started the search**
  - **Identify \$500,000 to replace Finance software**
  - **\$2.5M available for building improvements**
  - **\$1,271,646 available for Capital Equipment**

# Proposed Budget Highlights – by Fund

- **Facilities Capital Reserve decrease - \$805,929 down 17.4% (page 122)**
  - **Transfer in \$800K**
    - May change if fund the Budget Expansion for an additional PERS Side Account
  - **Interest earnings – increased to \$115,409**
    - Normal interest from LGIP/Investing plus \$90K for CFL loan
    - Expended \$2.3M in FY20 to fund the loan to CFL
  - **\$3,827,294 available for Facility purchase**

# Proposed Budget Highlights – by Fund

- **General Operating Reserve decrease - \$2,177,272 down 26.4% (page 122)**
  - **Transferring in \$800,000**
  - **Paid out \$3,124,533 from this fund for PERS Side Account in FY20**
  - **Still receive transfer from 911 Communications - \$43,333**
  - **Interest earnings at \$57,637**
  - **\$6,061,853 available for Contracted Services**
  - **Budget Expansion request to create an additional PERS Side Account would increase the transfers in and have a net reduction of \$600K on the fund balance**

# Proposed Budget Highlights – by Fund

- **CDBG Grant will close out (page 78)**
  - **Loan will be paid out to Facilities Capital Reserve Fund so this fund unneeded**
  - **Should not use all the funds – just to clean up and close out in FY21**



# Funds with Difficulties

- **911 Communications & 911 Reserve**
  - **Success story now**
    - Decrease cost to Wasco County and Partners due to increase cellphone tax
    - Despite adding a position – discussed with partners
  - **911 Communications started FY19 with \$27,211 Budgeted BFB on \$1,220,712 budget – Just 9 DAYS worth of Operating costs**
  - **FY21 Contingency \$144,170 on \$1,347,548 operating budget – 10.7% coverage**
  - **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**

- **COVID-19 has shut down the Museum during prime earning time**
- **Minimizing costs but with the fund balance the fund will be able to wait out the shutdown**
- **Budget has been adjusted to reflect COVID-19 impact expected at that time – may be stronger**
- **Support from Wasco County and The Dalles is needed**

# Funds with Difficulties

- **Fair**
  - **COVID-19 is wreaking havoc**
  - **Fairground/Park are closed and governor's order has been extended**
  - **No camping/use revenue**
  - **Fair Canceled based on Governor's plan**
    - **All Fairs – even the State fair**
  - **Fund balance is sufficient to survive this shutdown**
    - **Expenses will be less if no fair**
  - **Also – No carnival**

# Funds with Difficulties

- **Park**
  - **COVID-19 is wreaking havoc**
  - **Fairground/Park are closed and governor's order has been extended**
  - **No camping/use revenue – prime earning time**
  - **Fund balance is sufficient to survive this shutdown**

# Funds with Difficulties

## ■ **Community Corrections**

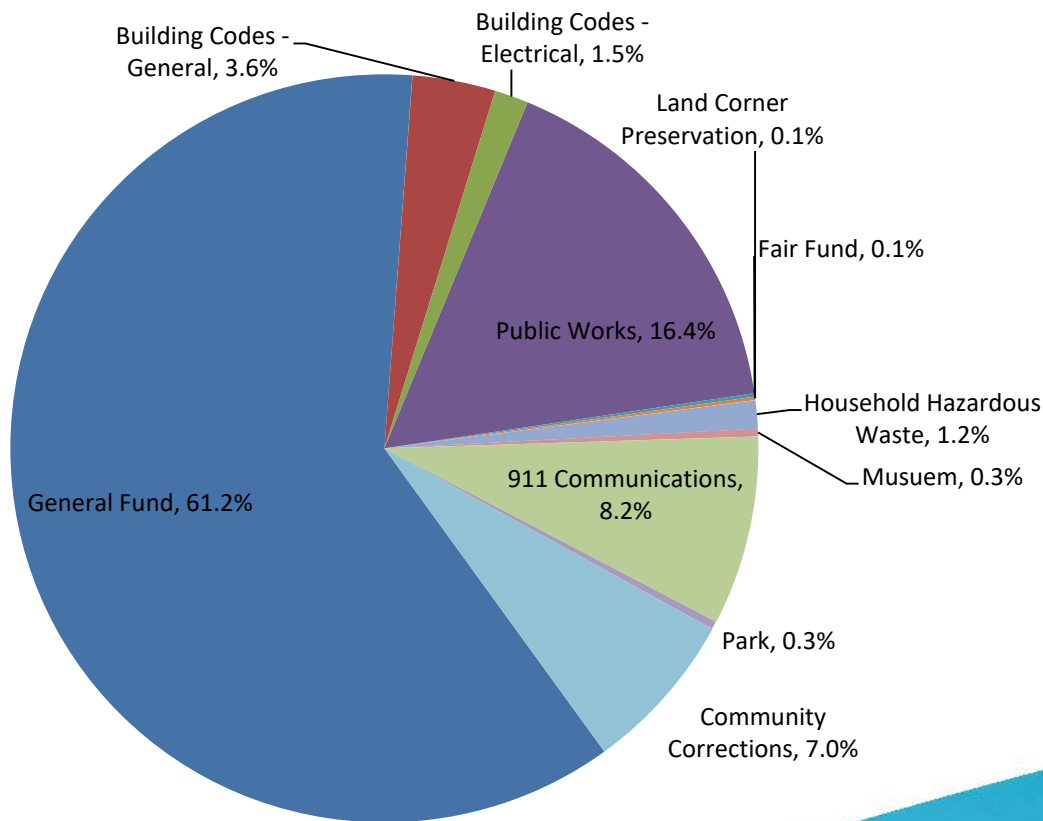
- **The Current year has reductions in expense as planned use of fund balance**
- **New Revenues for FY21 - \$1,900,438**
- **Operating Expense for FY20 - \$1,925,571**
- **Indicates a potential \$25,133 use of Fund Balance**
- **Looks great**
- **COVID-19 – State is considering a 16% cut to next years funding**
  - **\$224,929 at risk with Grant in Aid; another \$49,070 for Justice Reinvestment**
- **Social Distancing is making supervision less efficient**

# Staffing Changes

- **District Attorney's Office – Temporary Part-time Scanning**
  - Renewed the temporary position for another year
- **911 Communications**
  - Additional Dispatch position added – approved by partners
- **PERS Side Account impact**
  - \$13K per pay period starting 8/1/2019 = \$286,000
  - FY20 PERS budgeted \$1,607,213; PERS Actual \$1,231,381
    - Savings \$375,832 – partially due to unfilled positions
  - FY21 PERS budgeted \$1,327,384 - \$279,829 LESS than FY20 Budget
    - Despite step increases and additional position

# Staffing Breakdown by Department

## Fiscal Year 2021 Budgeted Personnel Expense by Fund Government-wide



# Staffing Breakdown by Fund

<b>Fund</b>	<b>2020 Revised Budget</b>	<b>2021 Proposed</b>	<b>Change \$</b>	<b>Change %</b>
General Fund	7,602,074	7,671,762	69,688	0.9%
Building Codes - General	594,637	448,828	(145,809)	-24.5%
Building Codes - Electrical	215,906	183,497	(32,409)	-15.0%
Public Works	1,994,060	2,055,520	61,460	3.1%
Fair Fund	19,171	18,766	(405)	-2.1%
Land Corner Preservation	19,013	18,298	(715)	-3.8%
Household Hazardous Waste	166,007	152,362	(13,645)	-8.2%
Museum	42,773	42,392	(381)	-0.9%
911 Communications	890,232	1,024,997	134,765	15.1%
Park	44,734	43,788	(946)	-2.1%
Community Corrections	860,560	875,122	14,562	1.7%
<b>Governmentwide Total</b>	<b>12,449,167</b>	<b>12,535,332</b>	<b>86,165</b>	<b>0.7%</b>



# 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 – \$2,213,150 Total funding from Wasco County**
  - **Community Corrections \$566,242 (Grant in Aid)**
  - **General Fund – Adult \$1,139,013**
  - **General Fund – Juvenile \$482,895**
  - **General Fund – Medical Care \$25,000 (as needed/used)**
  - **If Grant in Aid does decrease 16%, will move \$90,599 from Community Corrections to General Fund**

# 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 \$2.4 million from General Fund to Reserves**
  - \$800K each to Capital Acquisitions, Facility Capital Reserve & General Operating Reserve
- **Transferring \$43,333 from 911 Communications to General Operating Reserve Fund to repay purchase of Harris Consoles**
  - Will take 1 more year to pay off
- **Transferring \$30,000 from 911 Communications to 911 Equipment Reserve to build fund for future use**

# Transfers

- **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
  
- **Economic Development Fund transfer to the General Fund \$400,000 (& \$5K to Museum)**
  - \$400,000 – Fund General Fund Operations from 1<sup>st</sup> two Abatements

# Budget Expansions

- **Budget Expansions**
  - **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**
  - **None are in the Budget at this point**
  - **Reviewed by Management Team – recommendations provided**

# Budget Expansions

- **#1 – Temporary Staffing for Planning Department**
  - **0.5 FTE - \$21,792 per year**
  - **Anticipated to last 2 years**
  - **Prepare records for scanning**
  - **Strategic Planning project “Magic Button” will need this to proceed**
  - **Management team recognizes the complexities of the preparation to scan. This was unanimous with the caveat the project hold to the two-year timeline**
- **Recommended by Management Team**

# Budget Expansions

- **#2 – Contract for scanning in the Planning Department**
  - \$200,000 estimated
  - **Dependent on Request #1 – can't proceed if that Budget Expansion does not happen**
  - **Scan, index, sort**
  - **Strategic Planning project “Magic Button” will need this to proceed**
  - **The cost for the scanning was more than the Management Team is comfortable with. This was not unanimous, but the majority felt either no, not yet, and/or explore options. It was thought the costs could be managed.**
- **Not Recommended by Management Team**



# Budget Expansions

- **#3 PERS Side Account (additional account)**
  - **\$3,840,000 to create account**
  - **Last PERS Side Account generated a rate credit of 4.3%**
    - **Expect similar results**
  - **Amortizing over 20 years**
  - **FY20 Savings \$286K**
  - **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**
- **Recommended Unanimously by Management Team**

# Budget Expansions - Recommended & Included

- **#4 River Trail**
  - **\$50,000 to participate in the \$300K in repairs needed**
  - **Utilize the Enterprise Zone funds**
    - **Still don't have the \$1.75M promised to CGCC but will before the 3 years as planned**
  - **Benefit to the County as a whole**
  - **Management Team struggled – some liked, some didn't, and some thought this was not a decision the Management Team could/should make**
- **Management Team does not have a consensus recommendation**

# How to Proceed

- **Wow – that was long...**
- **How to proceed**
  - **Questions raised**
  - **Address Recommended Adjustments**
  - **Address Budget Expansions**
  - **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 3<sup>rd</sup>, 2020**

# Finance Director/Budget Officer Recommended Adjustments

- **Clerk's Office – Adjust overstated Personnel down \$(5,996)**
  - Decrease 101.15.5115.51269 – Seasonal/Temporary \$(5,996)
  - Increase 101.99.9101.57101 – Contingency \$5,996
- **Clerk's Office – Adjust overstated Meals, Lodging & Registration \$10,000**
  - Decrease 101.15.5115.52117 – Meals, Lodging & Registration \$(10,000)
  - Increase 101.99.9101.57101 – Contingency \$10,000

# Budget Expansion #1-Potential Adjustment

- **Planning Department – Temporary Staffing \$21,792**
  - Increase 101.21.5121.51269 – Seasonal/ Temporary \$21,792
  - Decrease 101.99.9101.59101 – Unappropriated \$(21,792)
- **Decrease the General Fund Unappropriated to offset the increase in Temporary Staffing**

## Budget Expansion #2-Potential Adjustment

- **Planning Department – Contract for scanning services \$200,000**
  - Increase 101.21.5121.52401 – Contracted Services \$200,000
  - Decrease 101.99.9101.59101 – Unappropriated \$(200,000)
- **Decrease the General Fund Unappropriated to offset the increase in Contracted Services**

# Budget Expansion #3-Potential Adjustment

- **PERS Side Account – \$3,840,000**
  - Increase 101.99.9101.55327 – Transfer to General Operating Reserve \$1,600,000
  - Decrease 101.99.9101.55322 – Transfer to Capital Acquisition \$(800,000)
  - Decrease 101.99.9101.55326 – Transfer to Facilities Capital Replacement \$(800,000)
  - Decrease 322.18.6122.53102 – Building Improvements \$(800,000)
  - Decrease 322.00.1322.450.101 – Transfer from General Fund \$(800,000)
  - Decrease 326.18.5326.53111 – Capital Expenditures \$(800,000)
  - Decrease 326.00.1326.450.101 – Transfer from General Fund \$(800,000)
  - Increase 327.00.1327.450.101 – Transfer from General Fund \$1,600,000
  - Increase 327.18.5327.51723 – PERS Side Account \$3,000,000
  - Decrease 327.18.5327.52401 – Contracted Services \$1,400,000
  - Increase 150.25.5500.51723 – PERS Side Account \$24,000
  - Decrease 150.99.5500.59101 – Unappropriated \$(24,000)
  - Increase 160.25.5500.51723 – PERS Side Account \$15,000
  - Decrease 160.99.5500.59101 – Unappropriated \$(15,000)
  - Increase 321.22.5321.51723 – PERS Side Account \$801,000
  - Decrease 321.22.5321.53108 – Operating Reserve \$(801,000)
- **Establish an additional PERS Side Account**



## Budget Expansion #4-Potential Adjustment

- **NO entry created**
- **Will utilize the current appropriation already in the budget**
  - No Change 208.18.5207.52348 – Special Projects

# Thank You

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