



Washington County

2010-11 Budget Committee Meeting

May 4, 2010



Meeting Agenda

- Introductions
- Elections
 - Chair and Secretary for County & SDL Budget Committee
 - Chair for ESPD/URMD Budget Committee
- Administrator's Message
- Budget Overview
- May 20, 2010 Budget Committee Hearing
 - Adopt Budget Committee Process & Procedures

Elections

- Washington County & SDL
 - Current Chair – John Cook
 - Current Secretary – Bob Terry

- ESPD & URMD
 - Current Chair – vacant

Administrator's Budget Message

- Recession continues to impact County's complex financial portfolio.
- Continued flat or declining revenues in some funds; moderate increases anticipated in others
- Preserving the General Fund Balance reserve is a key element in County's financial strategy
 - Board goal to have the Fund Balance at 20% of annual General Fund Revenue with a minimal level of 15%

Administrator's Budget Message

- Growth in assessed value estimated at 3.5%
- Reliance on levy funding
- Discipline in spending is a priority; anticipate spending at 95% of budget
- Federal stimulus revenue will be incorporated as funds become available
- Attracting and retaining a highly qualified workforce continues to be a priority

Administrator's Budget Message

- **Cost of Living (COLA):** A recommended 2.5% cost of living adjustment is included in proposed budget
- **Medical:** Plan modifications have been recommended for fiscal year 2010-11 to reduce anticipated premium increase
- **PERS:** In July 2011, employer costs may increase based on actuary

Administrator's Budget Message

- **General Fund – Reserves Management**
 - County no longer has the flexibility draw further on reserves
 - For foreseeable future, current revenues = current expenditures
 - COLA and other inflation factors to be absorbed into current appropriation levels
 - Even if revenues rebound, the County will hold-the-line on expenditures until fund balance is fortified.

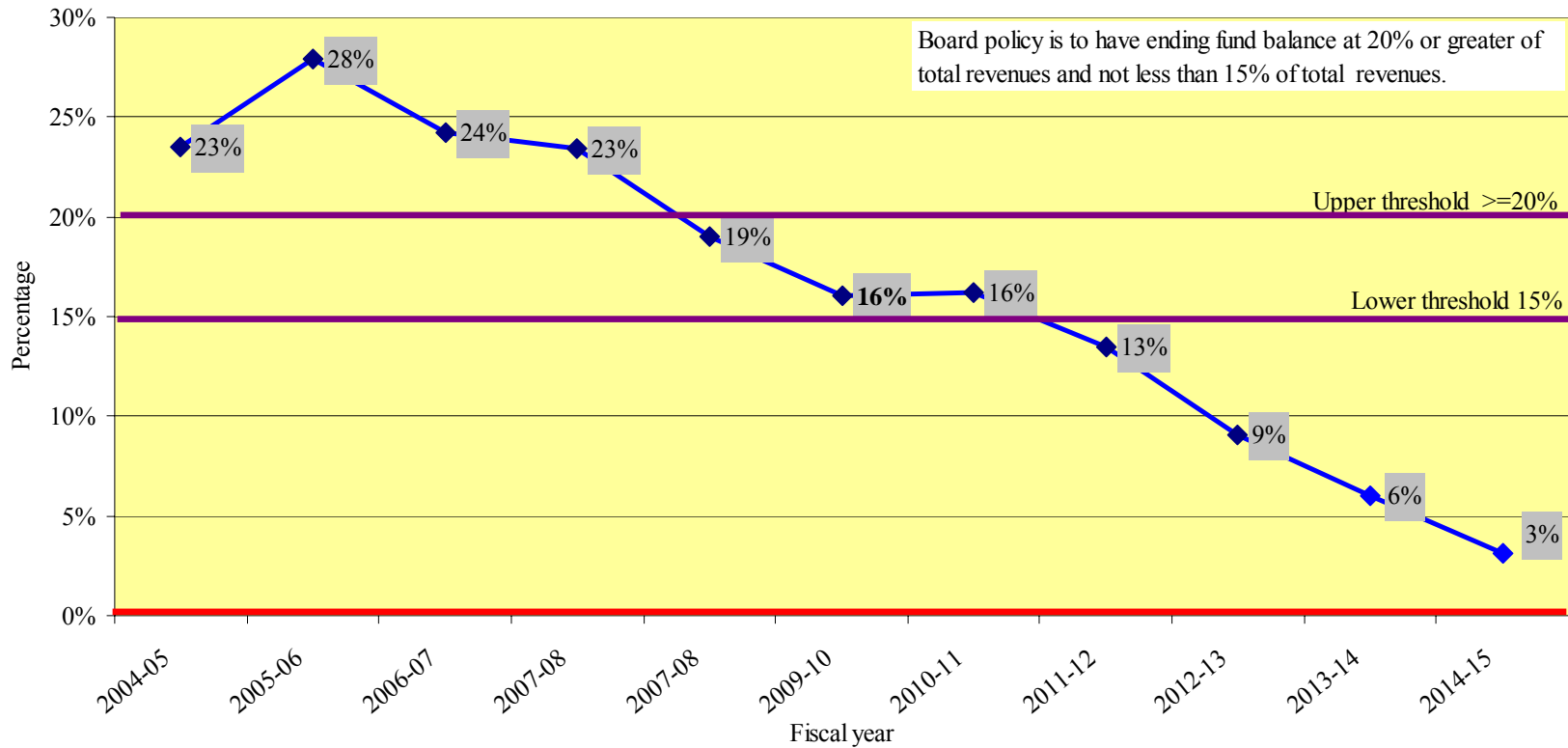
Administrator's Budget Message

County-wide Budget	Modified	Proposed	change from prior year		% of
	2009-10	2010-11	\$	%	Total
Operating	\$ 375,604,763	380,778,774	5,174,011	1%	57%
Capital Outlay	124,816,283	128,810,034	3,993,751	3%	19%
Non-operating	160,161,507	162,244,432	2,082,925	1%	24%
Total	660,582,553	671,833,240	11,250,687	2%	100%
General Fund	195,172,958	195,011,666	(161,292)	0%	29%
Special Funds	465,409,595	476,821,574	11,411,979	2%	71%
Total	\$ 660,582,553	671,833,240	11,250,687	2%	100%
General Fund	930.24	932.09	1.85	0%	52%
Special Funds	881.13	853.80	(27.33)	-3%	48%
FTE Total	1,811.37	1,785.89	(25.48)	-1%	100%



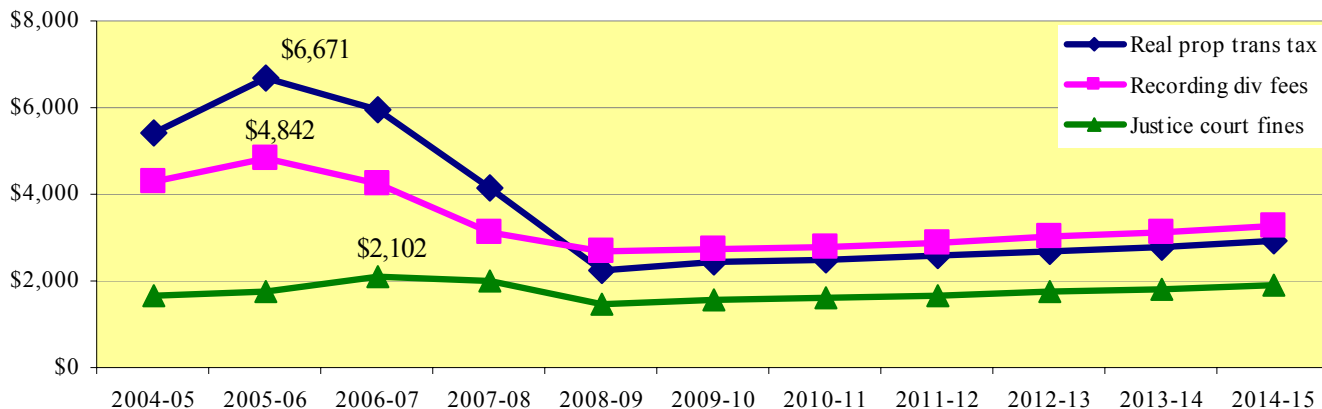
Administrator's Budget Message

Ending Fund Balance as a % of Total Revenues



Administrator's Budget Message

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- Real property transfer tax, recording fees and Justice Court fines are marginally increasing
- Assessed value is projected to increase slightly above the statutory 3%

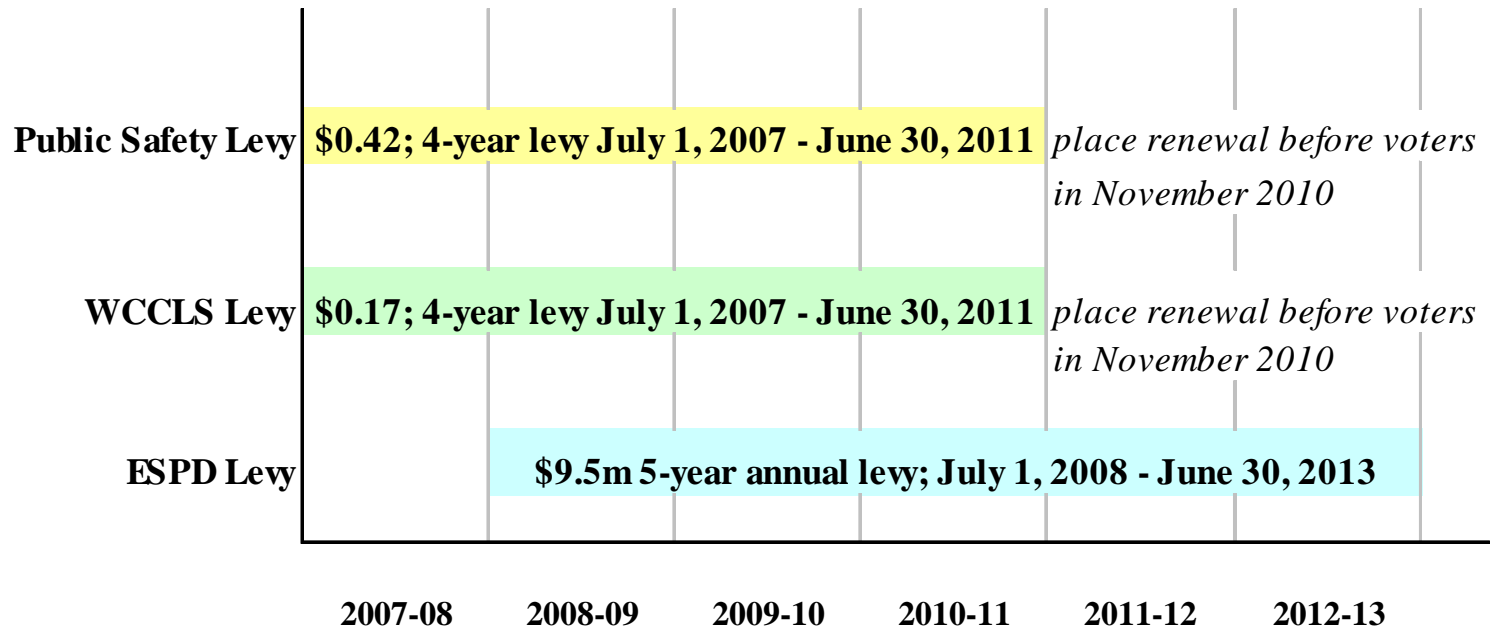
	2009-10	2010-11	change from prior year	
			\$	%
Assessed Value	\$ 44,775,991,809	46,343,151,522	1,567,159,713	3.50%



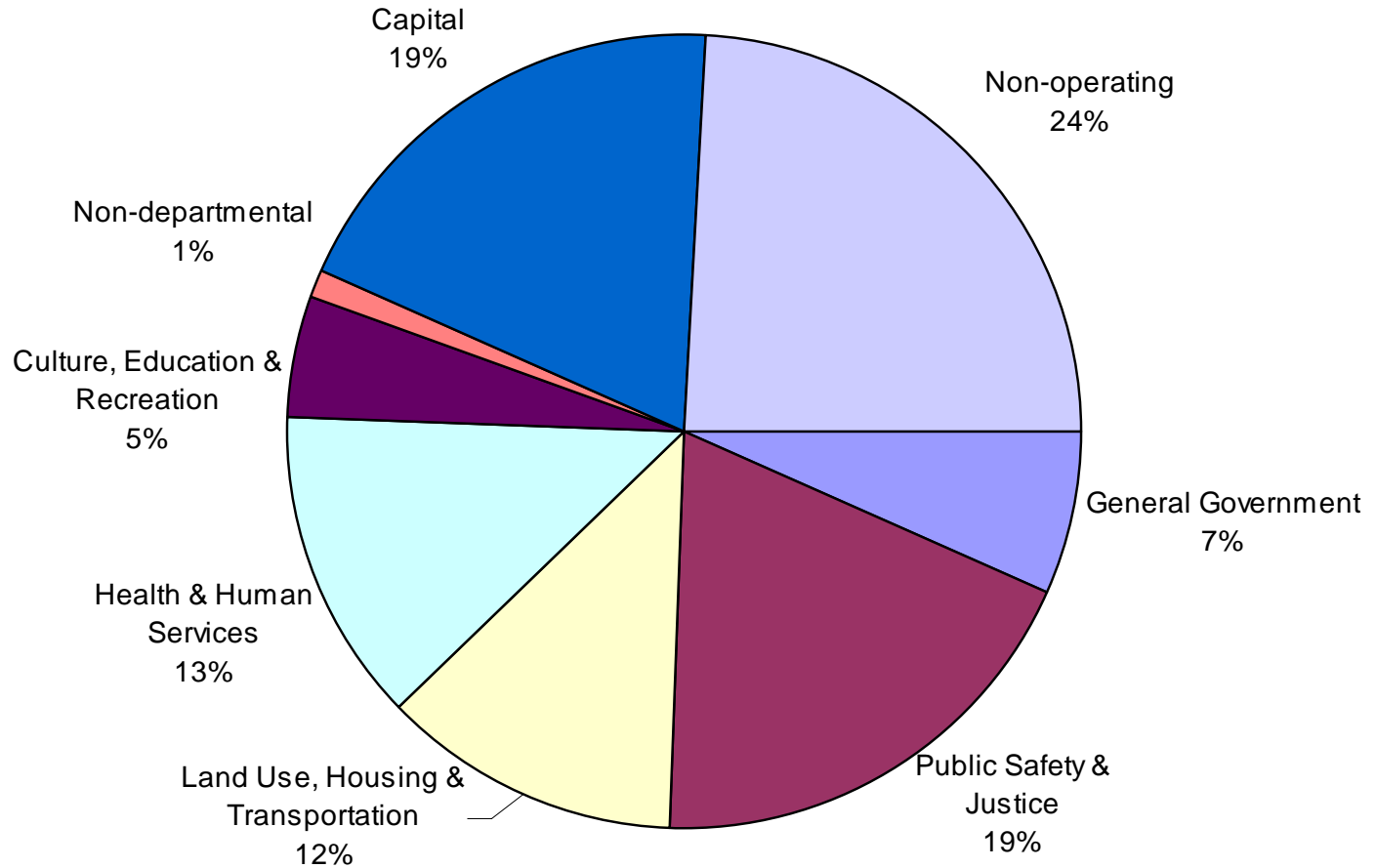
Administrator's Budget Message

- 2009-10 Budget Management:
 - Expenditure reductions of varying degrees
County-wide:
 - Select reductions in work schedules and work force
 - Holding vacant positions open
 - Reduction in overtime and use of temporary employees
 - Defer capital projects and other one-time purchases
 - Reduction in materials & services and other forms of discretionary spending

Local Option Levies



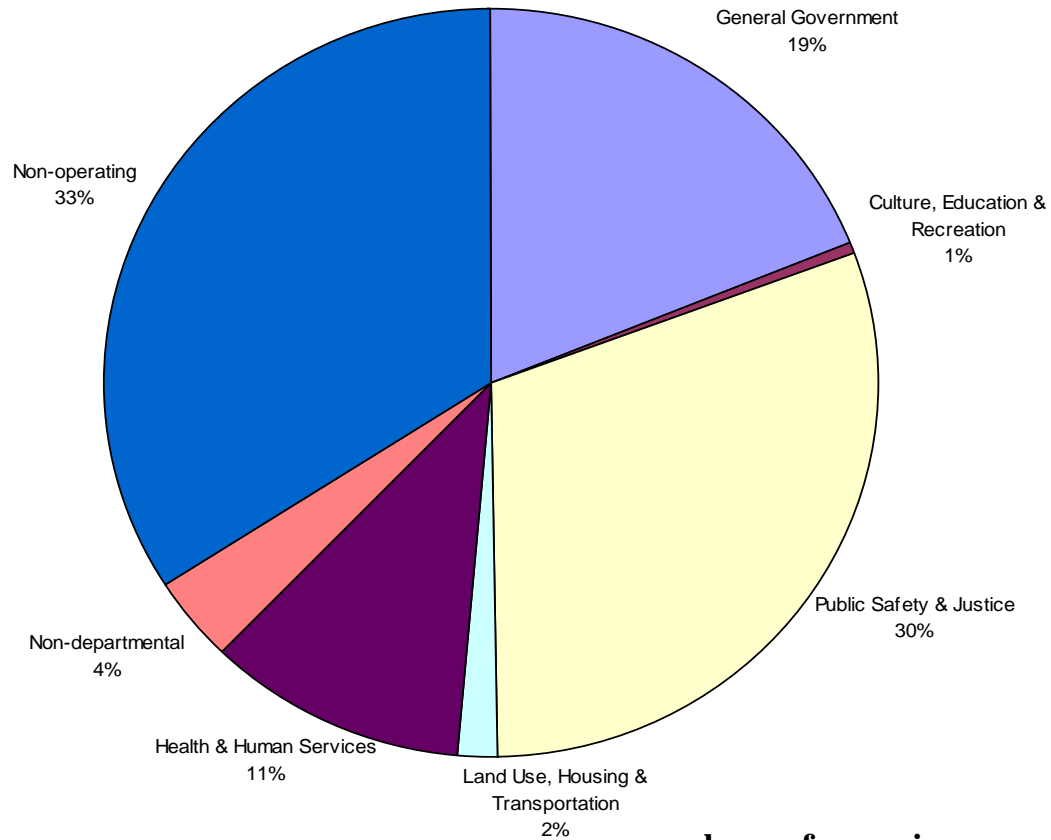
Total County-wide Budget



	2009-10	2010-11	change from prior year	
			\$	%
Budget	\$ 660,582,553	671,833,240	11,250,687	2%
FTE's	1,811.37	1,785.89	(25.48)	-1%



General Fund



			<u>change from prior year</u>	
	2009-10	2010-11	\$	%
Budget	\$ 195,172,958	195,011,666	(161,292)	0%
FTE's	930.24	932.09	1.85	0%

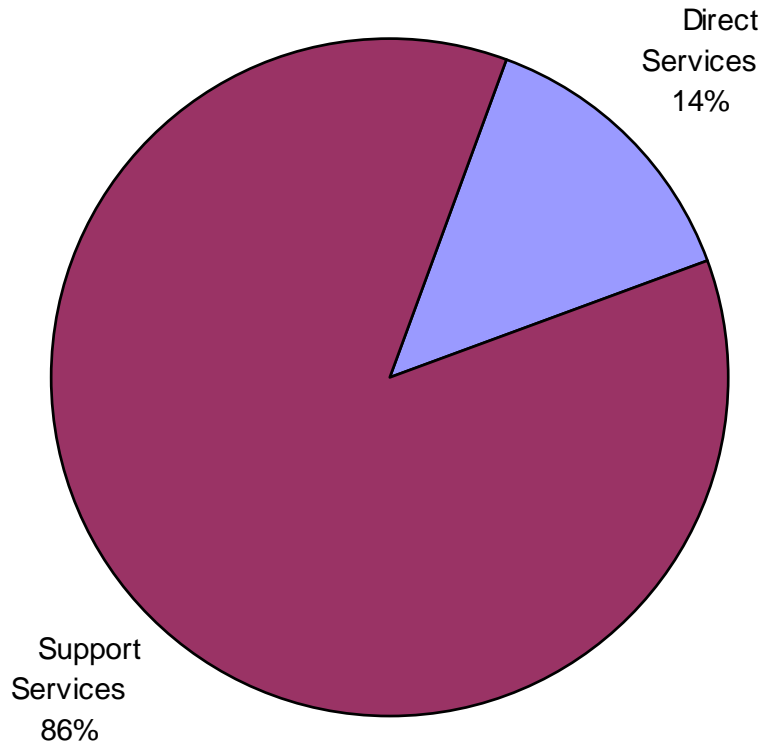


General Fund Subsidy & Transfers

FUNCTIONAL AREA	Modified 2009-10	Proposed 2010-11	change from prior year		% Alloc
			\$	%	
General Government	\$ 29,472,386	29,155,461	(316,925)	-1%	18%
Public Safety & Justice	52,166,883	52,832,235	665,352	1%	33%
Land Use, Housing & Transportation	2,413,242	2,120,748	(292,494)	-12%	1%
Health & Human Services	7,232,814	7,243,679	10,865	0%	5%
Culture, Education & Recreation	14,971,655	15,563,371	591,716	4%	10%
Non-departmental	21,429,595	18,546,377	(2,883,218)	-13%	12%
Capital	30,028,919	29,042,808	(986,111)	-3%	18%
Non-operating	5,467,899	5,461,860	(6,039)	0%	3%
sub-total General Fund Subsidy & Transfers	163,183,393	159,966,539	(3,216,854)	-2%	100%
Plus departmental revenues	31,989,565	35,045,127	3,055,562	10%	
Total General Fund Budget	\$ 195,172,958	195,011,666	(161,292)	0%	



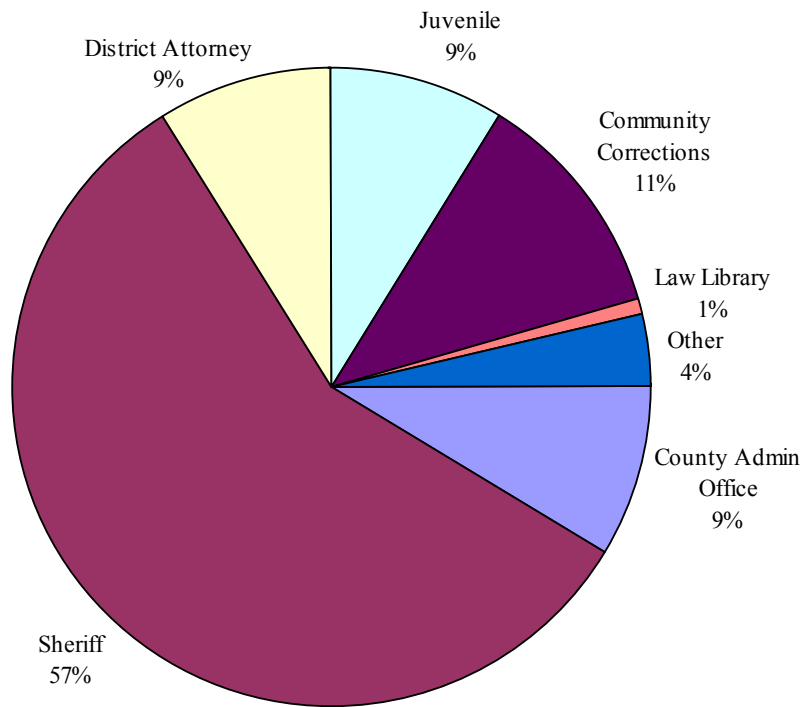
General Government



- Slight increase in FTE due primarily to the transfer of a .40 FTE from Animal Services to Support Services Administration
- A&T – \$900,000 increase in recording fees
- Human Resources – continue efforts in benefits redesign, implementation of advanced benefits system
- ITS – migration to new web environment, document imaging
- Facilities – actively trying to minimize the consumption of electricity and natural gas, efforts underway to increase recycling and deploy green practices

	2009-10	2010-11	change from prior year	
			\$	%
Budget	\$ 43,390,168	43,986,935	596,767	1%
FTE's	297.00	297.34	0.34	0%

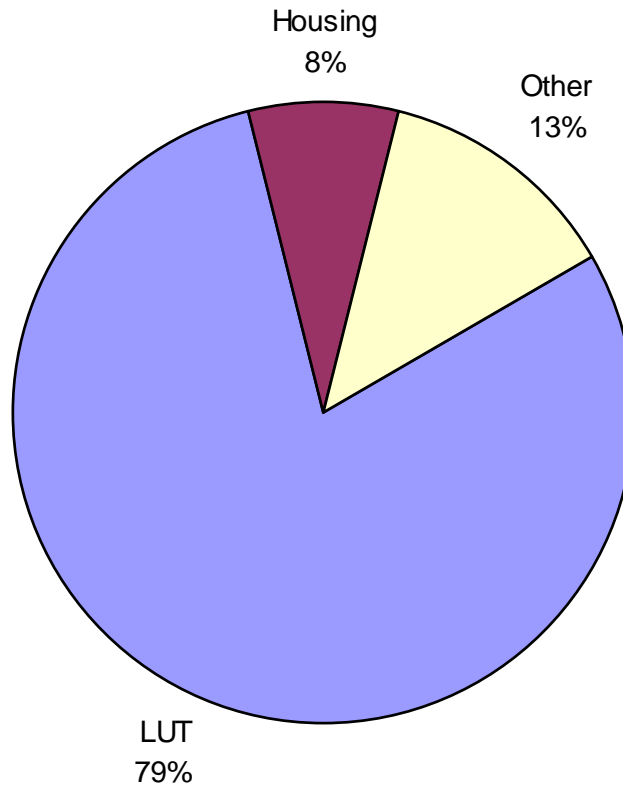
Public Safety & Justice



- Third year of a 5-year, \$9.5 million per year local option levy (ESPD)
- Fourth year of a 4-year Public Safety local option levy
- Jail – reduction in overtime to reflect flexible hiring practices for Corrections Officers
- \$323,000 increase in Jail Health General Fund subsidy due to a reduction in inmate co-payment revenue and increased service provider and pharmaceutical costs
- District Patrol budget increases \$1.4m to maintain existing staff & service levels, funding for mobile data computer upgrades and increased 911 dispatch costs
- Decreases in State funding and General Fund transfer to Community Corrections

	2009-10	2010-11	change from prior year	
			\$	%
Budget	\$ 125,068,991	127,936,294	2,867,303	2%
FTE's	837.92	833.42	(4.50)	-1%

Land Use, Housing & Transportation



- **Development Activity**

- **Current Planning** – \$400,000 decrease in beginning fund balance, reduced work force by 3.0 FTE, developing a plan to further stabilize the Division
- **Building Services** – \$2.7 million decrease in beginning fund balance; decrease of 8.0 FTE with plans to propose an additional 12.0 FTE reduction
- **Survey Funds** – \$275,000 decrease in beginning fund balances; reduction of 3.0 FTE

- **Planning** major work tasks:

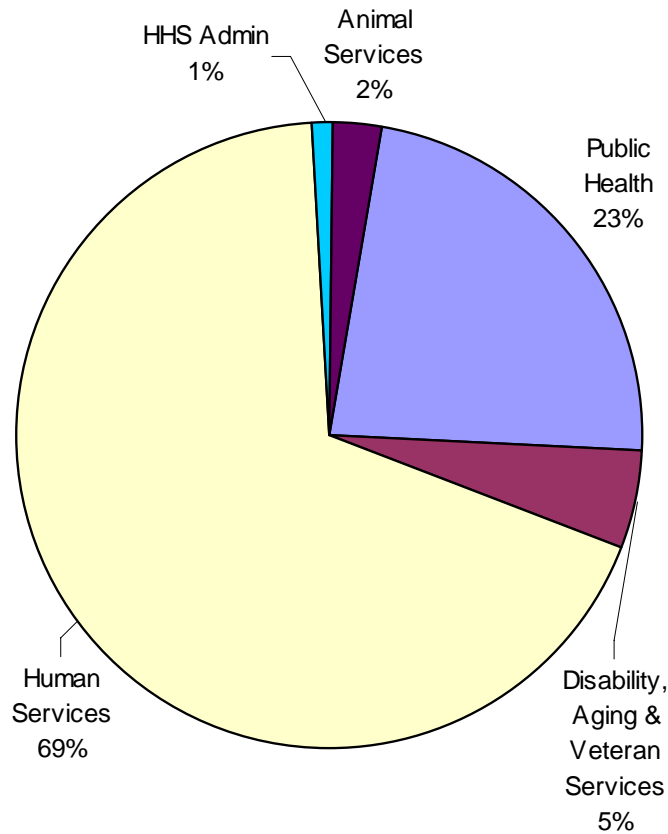
- Urban and rural reserve
- North Bethany and West Bull Mountain urban growth boundary (UGB) expansion planning
- Cooper Mountain UGB planning
- TGM/Energy grants – bike/pedestrian improvement prioritization, boulevard implementation

- **Road Fund**

- \$4 million or 23% increase in state gas tax due an increase in vehicle registration fees
- Reduction of 12.3 FTE
- \$1.8 million decrease in beginning fund balance

	2009-10	2010-11	<u>change from prior year</u>	
			\$	%
Budget	\$ 83,545,081	81,150,080	(2,395,001)	-3%
FTE's	391.75	364.85	(26.90)	-7%

Health & Human Services



- **Overview**

- Expenditure increase driven by departmental revenue.
- State funding in Human Services and Aging Services accounts for most of increase.

- **Public Health** – Revenue increases in State and Metro grant funds, decreases in solid waste and environmental health fees. Expenditure increases associated with new revenue. Includes 3.0 new FTE funded with dedicated revenue.

- **Animal Services** – Moderate revenue and expenditure growth. General Fund subsidy decreases \$14,600 (2%). Decrease 0.4 FTE for position shared with Support Services.

- **Veteran Services** – \$8,500 revenue decrease due to depletion of Senate Bill 1100 funds. General Fund subsidy increases \$17,800 (1%) to support personal services.

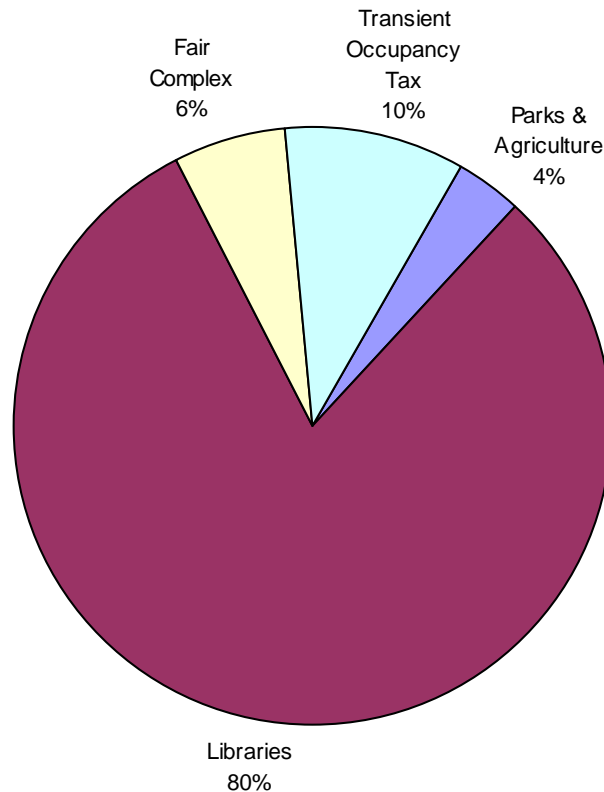
- **Aging Services** – Revenue and expenditure increase due to new state and federal funds. Contingency for future appropriations increases \$325,000 (70%). 1.65 FTE increase.

- **Children & Family Services** – Revenue decreases \$240,000 (6%) with state and federal funding cuts. Expenditures excluding contingency drop \$48,000. Contingency for future appropriations declines 86% to \$53,500.

- **Human Services** – Revenue growth due to State funding increase, mostly in Mental Health. Expenditure increases associated with new revenue, including 0.5 new FTE. This unit accounts for over 90% of the department's expenditure increase.

	2009-10	2010-11	<u>change from prior year</u>	
			\$	%
Budget	\$ 78,969,303	85,757,896	6,788,593	9%
FTE's	241.43	246.03	4.60	2%

Culture, Education & Recreation

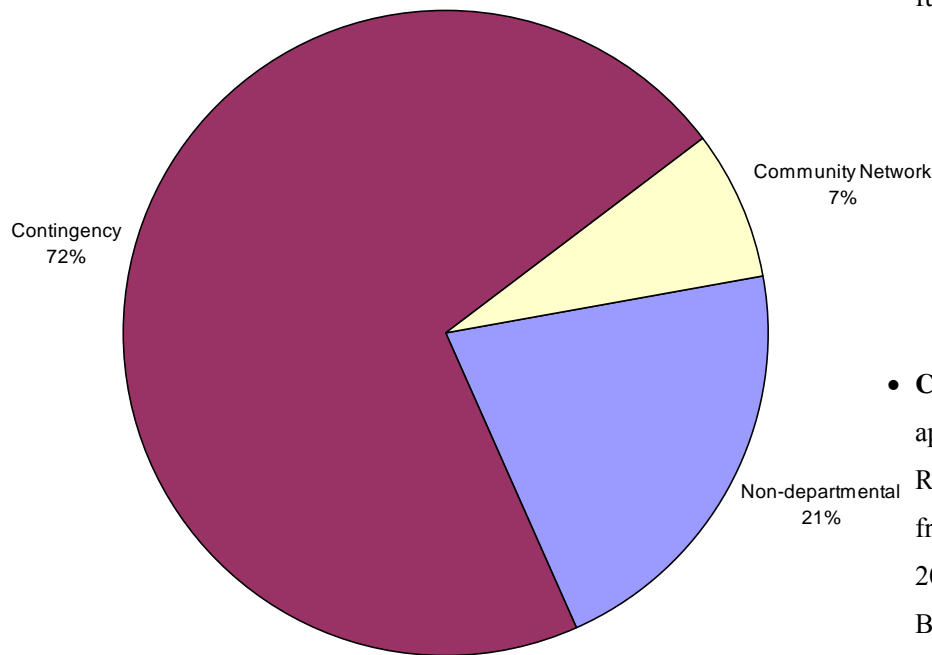


- **Cooperative Library Services** – \$420,043 increase in the distribution of funds to libraries
 - Revenues are comprised of:
 - 4-year local option levy
 - Transfer from the General Fund
- **Fair Complex** - \$338,533 or 14% decrease in the proposed budget
 - Fair and Fairgrounds agreement
 - Lower than anticipated lodging tax revenues due to economic downturn
 - Decrease in personal services due to the elimination of the Executive Director position
 - \$140,000 reduction in capital outlay
 - Status quo funding for fair event with a slight enhancement for entertainment

			<u>change from prior year</u>	
	2009-10	2010-11	\$	%
Budget	\$ 34,811,448	34,996,780	185,332	1%
FTE's	45.25	44.25	(1.00)	-2%



Non-departmental



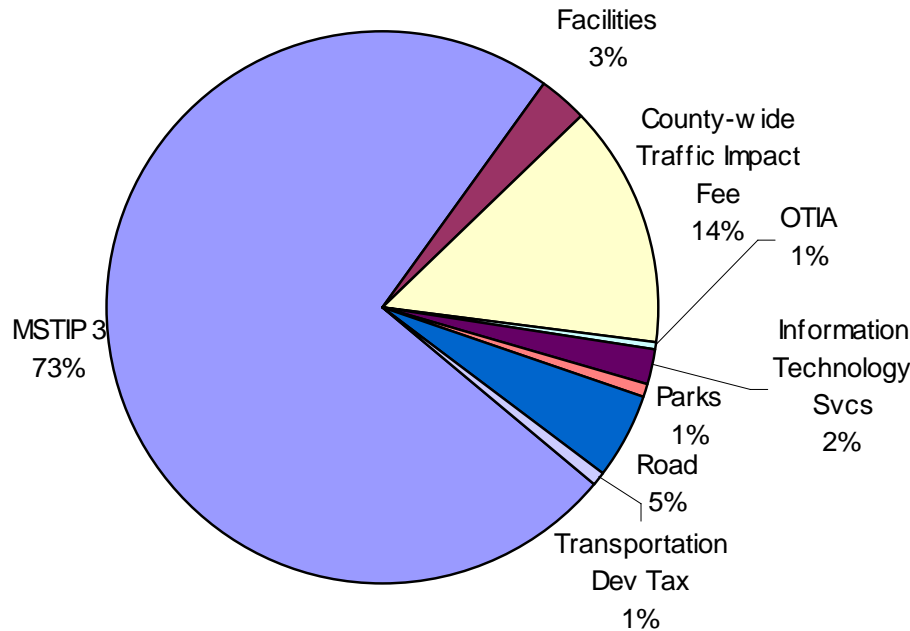
- **Non-departmental** – Cost of living adjustment to the Historical Society per agreement; status quo funding to RACC
 - **Community Network** – status quo funding for nonprofit partners. Funding also provided for shelter providers for building-component replacement funds. 2009-10 was the final year of a challenge grant to Community Action
- **Contingency** budgeted at \$4,971,065, a decrease of approximately \$2.8 million; combined with the Revenue Stabilization Fund and projected 5% return from the proposed budget, the reserve on June 30, 2011 will be above 15% and complies with the Board adopted policy regarding fund balance

change from prior year

	2009-10	2010-11	\$	%
Budget	\$ 9,819,772	6,950,789	(2,868,983)	-29%



Capital Outlay

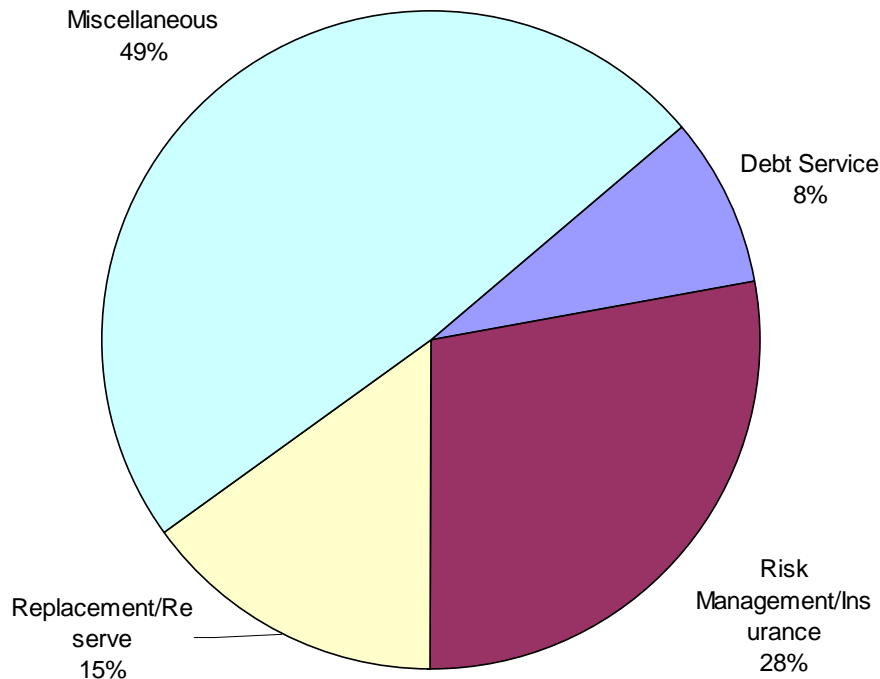


- Facilities Capital Projects** budget includes \$200,000 in General Fund, \$1,642,794 in Special Funds, and \$1,916,900 in Federal Stimulus projects that include the following highlights:
 - Parking lot expansion at Service Center East
 - Projects to increase the energy efficiency of County buildings & properties (Federal Stimulus dollars)
- Information Technology Services Capital Acquisition** proposed budget includes \$959,419 in General Fund and \$1,645,622 in Special Funds and include the following highlights:
 - Replacement of Sheriff's Office mobile data computers (\$ 873,657)
 - Road Operations System (\$ 304,300)
 - Client Services/Help Desk (\$ 186,182)
 - Oracle Advance Benefits module (\$ 335,766)
- MSTIP 3** includes \$42.4 million for transportation projects
- Transportation Development Tax (TDT)**
 - Approved by voters in November 2008, replaces TIF
 - Collection began July 1, 2009
- OTIA Capital Projects** proposed expenditures total \$846,543 to fund three remaining bridge projects

	2009-10	2010-11	change from prior year	
	\$	\$	\$	%
Capital Outlay	\$ 124,816,283	128,810,034	3,993,751	3%
Facilities & Technology	6,727,297	7,157,911	430,614	6%
Transportation	118,088,986	121,652,123	3,563,137	3%
	\$ 124,816,283	128,810,034	3,993,751	3%



Non-operating



- **Medical Insurance**

- Rate increases for health insurance premiums are:
 - Providence Medical 10.4%
 - Kaiser Medical 7.2%
 - ODS Dental 4.5%
 - Willamette Dental -.3% decrease
- Recommendations from the Benefits Committee will be forwarded to the Board in 2010

- **PERS Stabilization Fund**— established in 2003-04

- Purpose was to accumulate resources to offset potential rate increases
- Non-discretionary

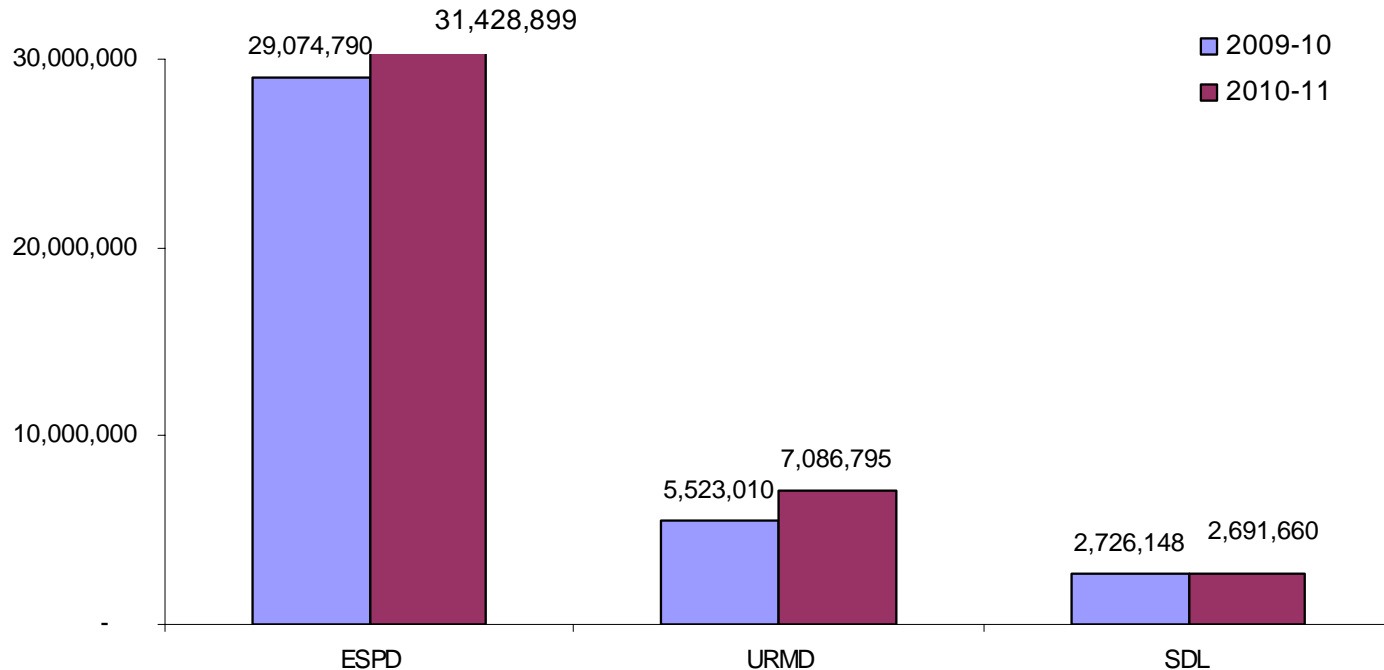
- **General Fund Transfers** decrease \$508,068

- **SIP** includes strategic investment program agreements entered into with Intel and Genentech

	2009-10	2010-11	<u>change from prior year</u>	
			\$	%
Budget	\$ 160,161,507	162,244,432	2,082,925	1%



Service Districts



Organization Unit	2009-10	2010-11	change from 2009-10		Permanent Rate
			\$	%	
Enhanced Sheriff's Patrol	\$ 29,074,790	31,428,899	2,354,109	8%	\$ 0.6365
Urban Road Maintenance	5,523,010	7,086,795	1,563,785	28%	0.2456
Service District for Lighting	\$ 2,726,148	2,691,660	(34,488)	-1%	\$ -



May 20, 2010 Public Hearing

- Order of budget presentation and review
 - Enhanced Sheriff's Patrol District
 - Urban Road Maintenance District
 - Service District for Lighting
 - Washington County
- Public Testimony
 - Three (3) minutes per person or 10 minutes per organization
 - Outside Organizations
 - Time certain 10:30 a.m.
- Approve property tax rates and general obligation bond amounts



Public Hearing

May 20, 2010

8:30 a.m.

Auditorium

Charles D. Cameron

Public Services Building

