



Washington County

Budget Committees  
Meeting #2  
(continued)

Fiscal Year 2024-25

May 16, 2024

County Administrative Office / Finance Department



# Washington County & Service District for Lighting #1

## Schedule (approximate) – Thursday, May 16, 2024

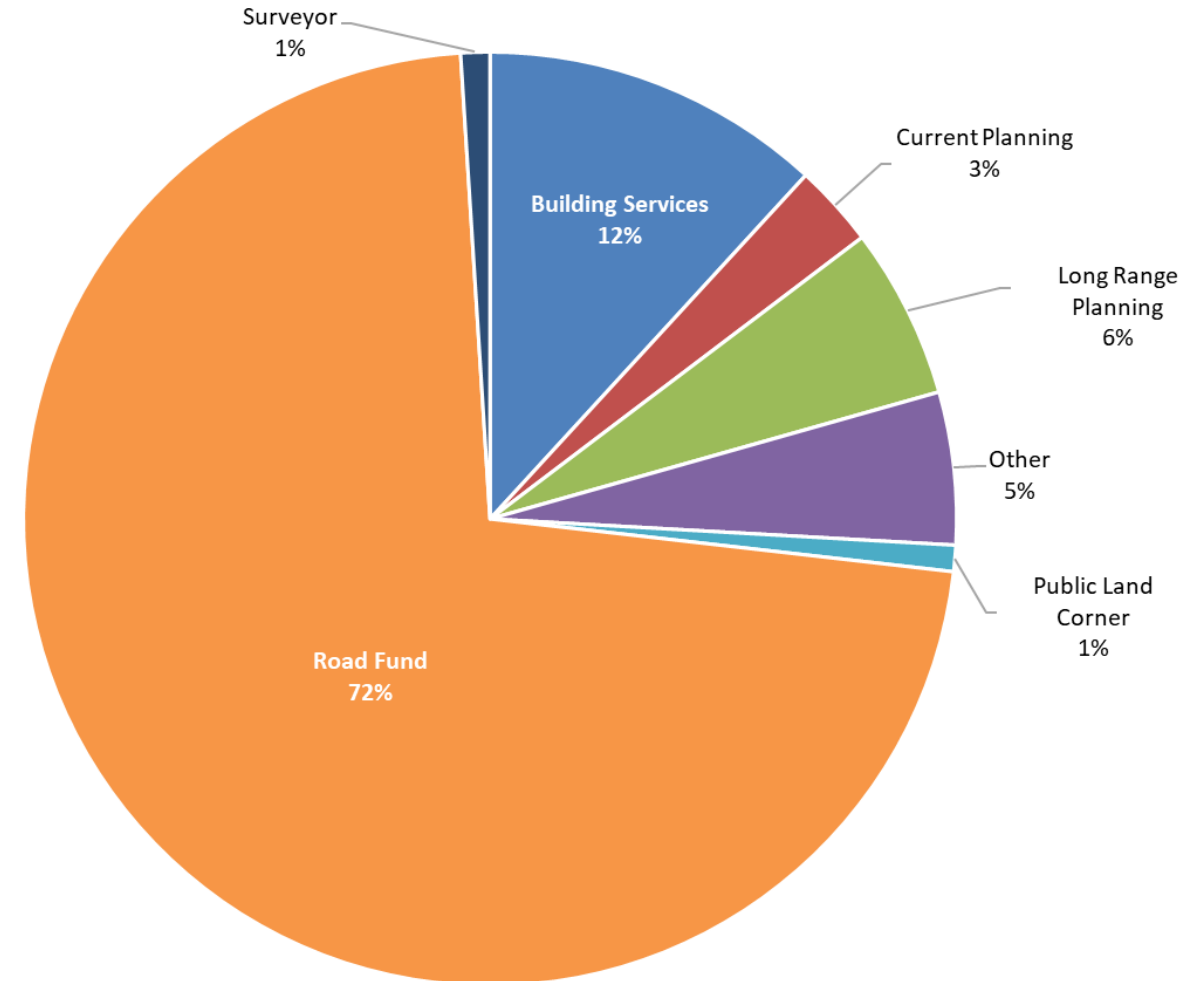
9:00 AM	Welcome, Introductions, Meeting Overview	Chair Everton
9:15 AM	Land Use & Transportation	Dani Ledezma
10:15 AM	Westside Commons & Fair Complex	Dani Ledezma
10:30 AM	Extension Services	Dani Ledezma
10:40 AM	Break	
10:50 AM	Library Services	Dani Ledezma
11:20 AM	Fiscal Entities	Greg Munn
12:35 PM	Break and working lunch	
12:50 PM	General Government – Internal Services	Greg Munn
2:15 PM	Public Comment	Chair Everton
	Continue meeting to May 17, 2024	



# Land Use and Transportation

	<u>Fiscal Year</u>		<u>Change</u>	
	<b>2023-24</b>	<b>2024-25</b>	<b>\$</b>	<b>%</b>
General Fund	\$ 6,548,803	3,752,857	(2,795,946)	-43%
Special Funds	\$ 96,014,273	105,336,444	9,322,171	10%
<b>Total</b>	<b>\$ 102,563,076</b>	<b>109,089,301</b>	<b>6,526,225</b>	<b>6%</b>
<b>FTE</b>	<b>334.50</b>	<b>336.50</b>	<b>2.00</b>	<b>1%</b>

<b>Service Areas</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>\$ Change</b>	<b>% Change</b>
Building Services	11,601,472	12,905,113	1,303,641	11%
Current Planning	2,952,604	3,124,633	172,029	6%
Long Range Planning	6,192,286	6,458,681	266,395	4%
Other	6,238,483	5,763,027	(475,456)	-8%
Public Land Corner	947,891	992,919	45,028	5%
Road Fund	73,451,370	78,745,238	5,293,868	7%
Surveyor	1,178,970	1,099,690	(79,280)	-7%
<b>Total</b>	<b>\$ 102,563,076</b>	<b>\$ 109,089,301</b>	<b>6,526,225</b>	<b>6%</b>







# Land Use and Transportation



## Equity Considerations

Continue to expand core activities:

- Language access (translation and interpretation)
- ADA curb ramp and pedestrian signal upgrades
- Equity-related staff training

Add staff capacity to improve systems to achieve more equitable outcomes, including:

- Standing up department equity committee(s) to support countywide equity committee initiatives
- Increasing MWESB/COBID firm utilization; recruitment of diverse staff
- Maintaining and increasing community engagement
- New Equity Policy Analyst and Community Engagement positions will help us ensure equitable outcomes for the public, customers and staff





# Land Use and Transportation

## Department Overview

### **Administrative Services**

*Mark Adams, Interim*

- Office of the Director
- Fiscal Management
- Personnel Management
- Information Systems
- Emergency Management
- Department Training
- Public Improvement Contracting
- SDL/MLID Formation

### **Capital Project Services**

*Russ Knoebel*

- Capital Project Delivery
- Capital Project Support
- Construction Management
- Right of Way Services

### **Communications and Public Affairs**

*Melissa De Lyser*

- Websites
- Public Engagement
- Publications
- Media Relations
- Social Media
- Internal Communications

### **Engineering, Traffic and Survey**

*Stacy Shetler – County Engineer*

- Road Design Engineering
- Traffic Engineering
- Road Survey
- Public Land Corner Survey
- County Surveyor

### **Operations & Maintenance**

*Todd Watkins*

- Road Maintenance
- Operations Engineering
- ROW Permits & Inspections
- Urban Road Maintenance District\*
- Emergency Response
- Watermaster

### **Planning & Development Services**

*Erin Wardell*

- Community Planning\*
- Transportation Planning
- Economic & Demographic
- Development Assistance\*
- Development Review\*
- Building Permits\*
- Plan Review\*
- Inspections\*
- Code Compliance/Enforcement\*

### **Policy and Regional Coordination**

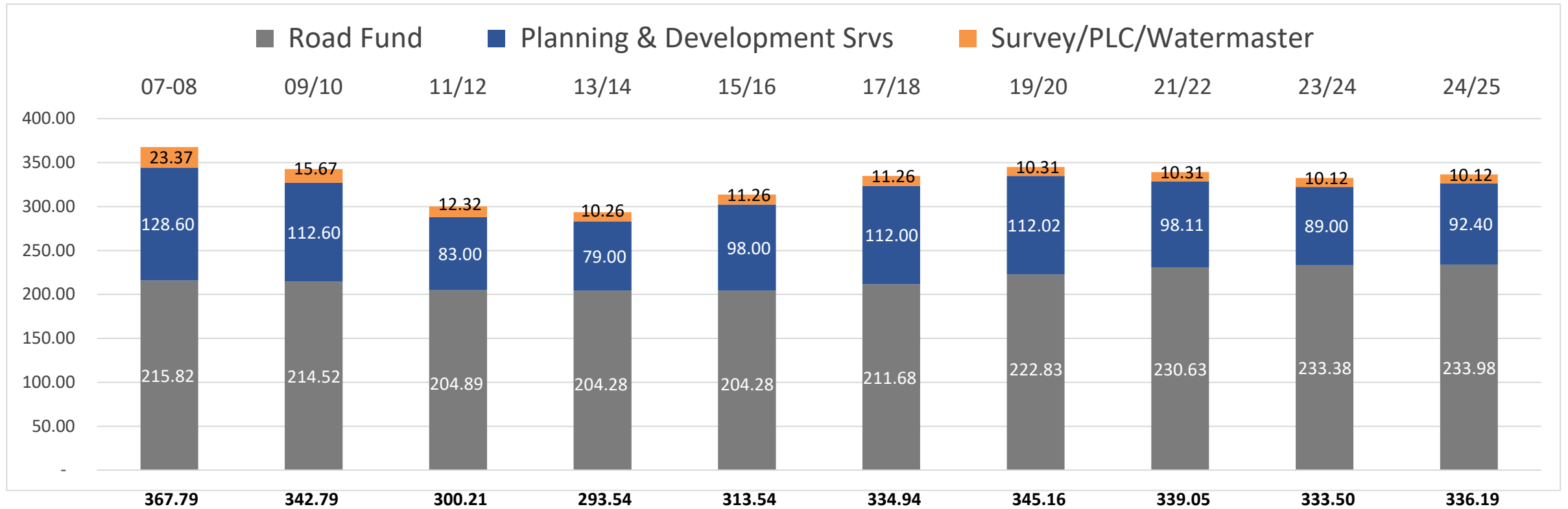
*Jessica Pelz*

- Regional Policy Coordination
- Interagency Coordination
- Legislative Coordination
- WCCC



# Land Use and Transportation

## Department-wide Staffing



Net increase of three positions for FY 2024-25 (1% increase). Continuing careful vacancy management.



# Land Use and Transportation

## Department-wide Initiatives

Department Work Plan and Strategic Plan updated:

- Review and refine department-wide and program goals objectives, priorities and performance metrics

Improve processes and efficiency:

- Assistant Director (new hire) will provide strategic leadership to develop department-wide initiatives that will improve processes and maximize efficiencies

Maintain plan review and service timelines:

- Continue ongoing evaluation of process and technology improvements to ensure all development-related services meet target timelines











# Land Use and Transportation

## Planning and Development Services

### Current Planning and Building Services:

- 8.5% across-the-board fee increase to ensure adequate staffing and full cost recovery as part of ongoing funding stabilization strategy

### Building Services:

- Adding two inspector positions to maintain one- to two-day inspection timeline

### Transportation Planning:

- Moving from General Fund (100) to Road Fund (168)

### Community Planning (Fund 100):

- Position reallocations to address General Fund and Video Lottery reductions











# Land Use and Transportation

## Capital Project Services



Road Construction  
41 Projects



Americans with Disabilities  
Act Ramps, Bike &  
Pedestrian Enhancement  
26 Projects



Bridge Construction  
4 Projects



Opportunity Fund, Gain Share,  
Intelligent Transportation Systems,  
Transportation Development Tax  
11 Projects

[www.washingtoncountyor.gov](http://www.washingtoncountyor.gov)





# Land Use and Transportation

## Capital Project Services

- Working to develop a more diverse transportation capital funding strategy
- Continuing to focus on building a complete, equitable transportation system rather than road capacity only
- Making strategic staffing changes to meet current and future program needs
- Ongoing cost escalation may be moderating – but we're watching this closely







# Land Use and Transportation

## Operations and Maintenance

- Filling critical vacancies to ensure adequate storm response
- Requesting \$1 million for new vehicles and equipment to maintain and improve service delivery
- Anticipating flat Road Fund revenue going forward
- Continuing to remain cautious due to ongoing cost pressures





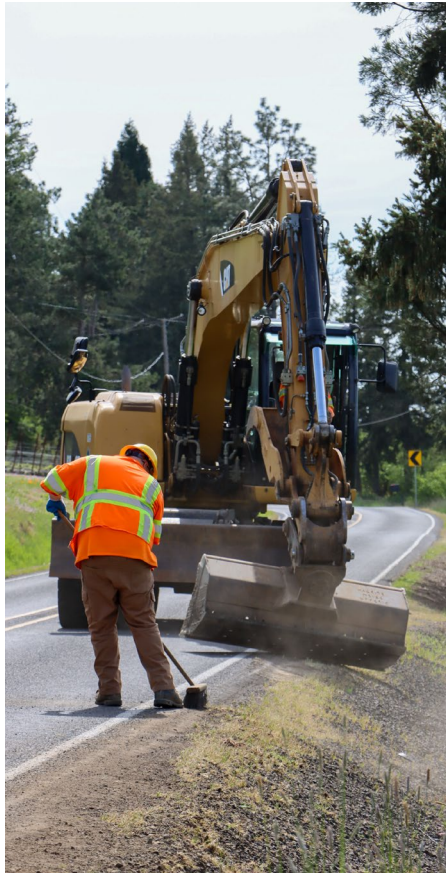


# Land Use and Transportation

## Operations and Maintenance Responsibilities



Bridges



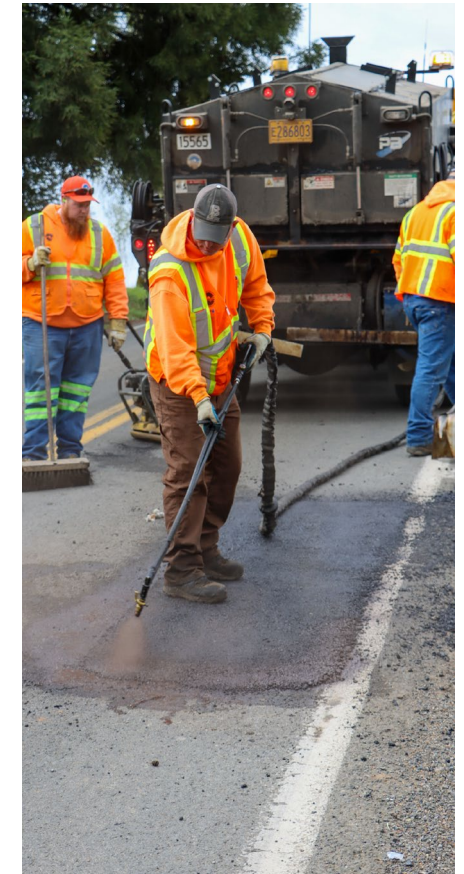
Drainage



Gravel Roads



Guardrails



Pavement





# Land Use and Transportation

## Operations and Maintenance Responsibilities



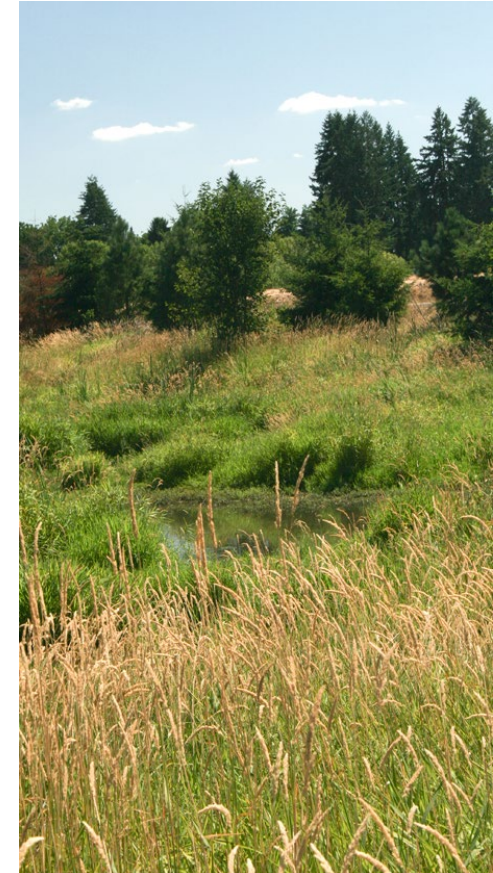
Storm Recovery



Traffic Devices



Vegetation



Watermaster





# Land Use and Transportation

## Engineering, Traffic and Survey

### Services:

- Provide road design and engineering review services for capital projects and private development improvements on County roads
- Investigate traffic complaints, monitor crash data and maintain traffic signals, signs and pavement markings, etc.
- Review surveys and plats, maintain public land corners and meet other statutory requirements

No significant budget changes







# Land Use and Transportation



Operations and Maintenance Team

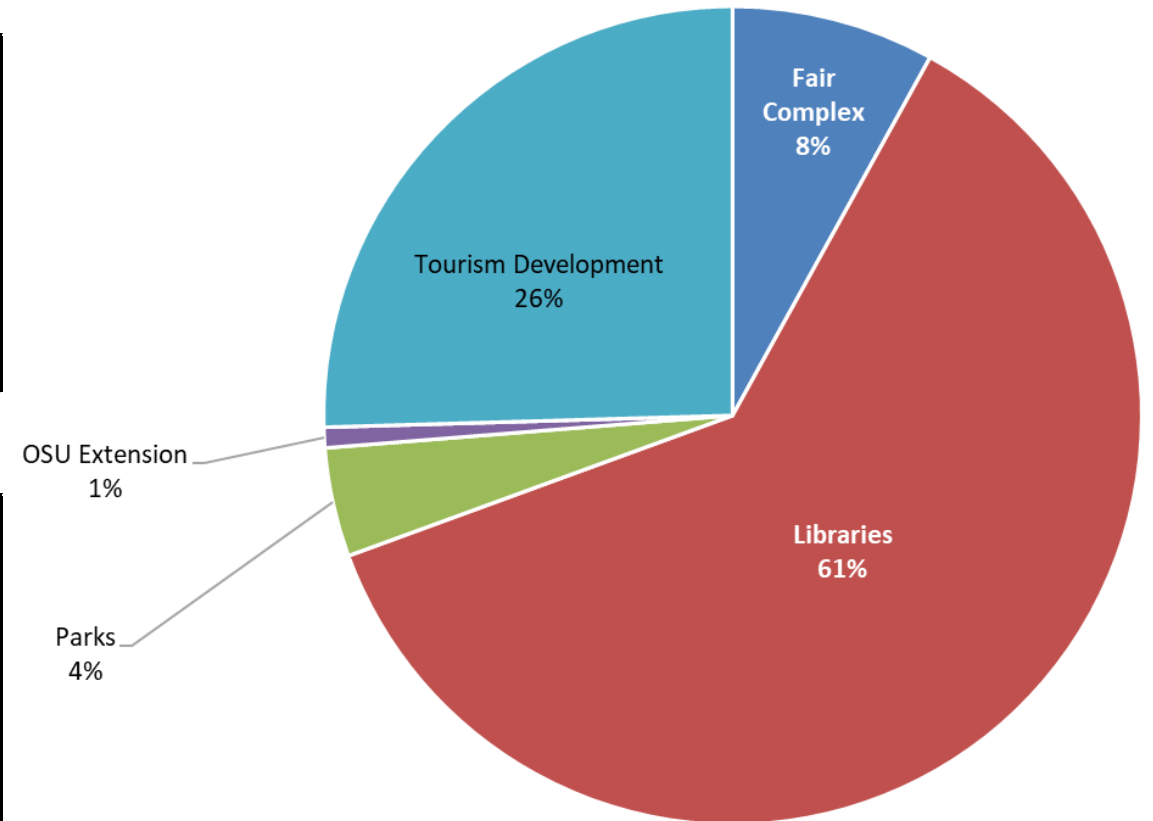




# Culture, Education and Recreation

	<u>Fiscal Year</u>		<u>Change</u>	
	<b>2023-24</b>	<b>2024-25</b>	<b>\$</b>	<b>%</b>
General Fund	\$ 3,174,028	568,647	(2,605,381)	-82%
Special Fund	63,810,699	70,071,264	6,260,565	10%
<b>Total</b>	<b>\$ 66,984,727</b>	<b>70,639,911</b>	<b>3,655,184</b>	<b>5%</b>
<b>FTE</b>	<b>73.00</b>	<b>76.40</b>	<b>3.40</b>	<b>5%</b>

<b>Service Areas</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>\$ Change</b>	<b>% Change</b>
Fair Complex	\$ 5,721,664	\$ 5,666,189	(55,475)	-1%
Libraries	41,986,193	43,377,320	1,391,127	3%
Parks	2,896,256	3,043,355	147,099	5%
OSU Extension	590,640	568,647	(21,993)	-4%
Tourism Development	15,789,974	17,984,400	2,194,426	14%
<b>Total</b>	<b>\$ 66,984,727</b>	<b>\$ 70,639,911</b>	<b>3,655,184</b>	<b>5%</b>





# Culture, Education and Recreation



## Culture, Education and Recreation Equity Considerations

- Programs with flat funding will be able to maintain or build internal capacity to support language access services and civil rights compliance which support the advancement of the County's equity and inclusion priorities
- Negative impacts may limit personnel resources that may impact organizational capacity to comprehensively support civil rights compliance

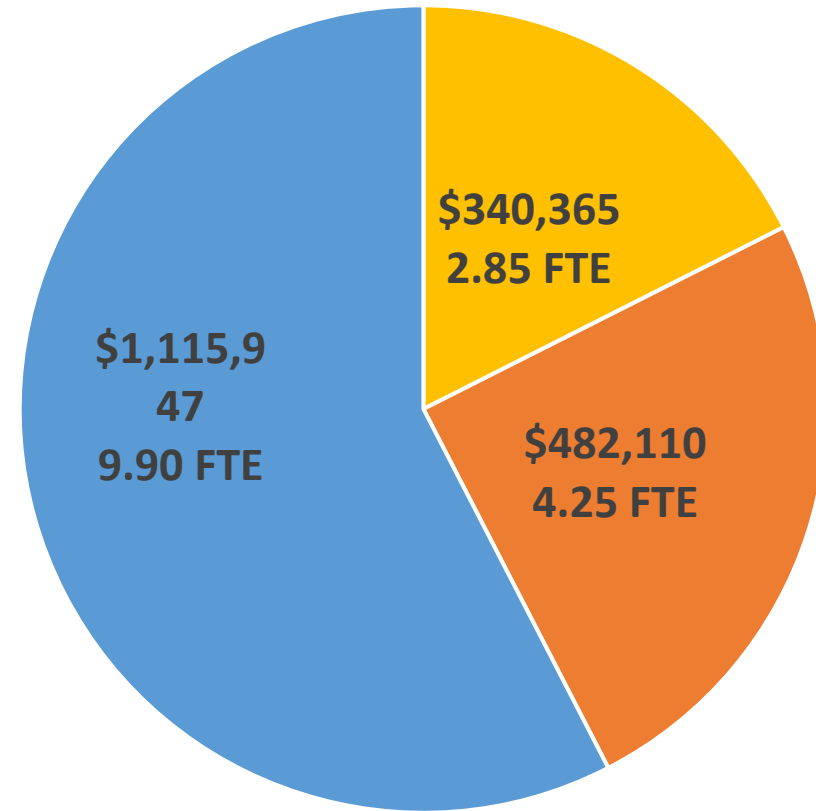


# Culture, Education and Recreation

## Westside Commons



## Westside Commons Personnel Costs



■ Fairgrounds ■ County Fair ■ Wingspan





# Culture, Education and Recreation

## Westside Commons Programs



**Fairgrounds Operations (200-981005):** This program accounts for all activities associated with operation of the Fairgrounds portion of Westside Commons



**Annual County Fair (200-981010):** This program accounts for all the activities associated with the annual County Fair that are planned, prepared, and produced by staff under fiscal and operational oversight from the Fair Board per Oregon Revised Statue 565 and the Fair and Fairgrounds Agreement between the Fair Board and the Washington County Board of Commissioners



**Fair Complex Capital Improvements (200-981030):** This program accounts for Capital Improvements, Maintenance Plan projects, and other major facilities needs for the Fairgrounds portions of Westside Commons



**Wingspan Event and Conference Center (200-981035):** This program accounts for all operations, activities and events held at the Wingspan Event and Conference Center



# Culture, Education and Recreation

## Fairgrounds Usage

# of Days Rented for Paying Events: 10

- No bathrooms on the Fairgrounds
- Fairgrounds is primarily an outdoor operation, use limited by weather

One Rentable Building

- Currently in use by Housing for 10-months per year as shelter for Houseless

Limited Free Use by 4-H

Available for Emergency Shelter



# Culture, Education and Recreation



## Wingspan

Staff continue to work on Wingspan financial and operational sustainability as outlined in the findings from the business and operations review

Operating Costs continue to exceed Generated Revenue:

**Total Operations Cost: \$1,944,692**

- Personnel: \$1,115,947
- Materials & Supplies: \$801,745

**Total Revenue Generated: \$1,110,000**

- Rental: \$700,000
- Parking: \$230,000
- Concessions/Catering: \$80,000
- Fees for Services: \$100,000
- A/V, Electrical Inventory





# Culture, Education and Recreation

## Wingspan Usage

### Number of Days Rented for Paying Events

FY 2021-2022 (COVID): 115

- 36% Occupancy Rate

FY 2022-2023 (First Full Year): 149

- 47% Occupancy Rate

FY 2023-2024 (Currently Booked):134

- 42% Occupancy Rate

FY 2024-2025 (Projected): 142

- 44% Occupancy Rate

### 70% is Industry Standard Maximum Occupancy Rate

- Based on 320 days of availability
- 224 days is 70%



# Culture, Education and Recreation



**Oregon State**  
University

## OSU Extension Service in Washington County Building resilient communities to help every Oregonian thrive



- 4-H Youth Development
- Family and Community Health
- Forestry/Natural Resources/Small Farms
- Master Gardener™ Program
- Open Campus and Juntos
- Oregon Naturalist Program







# Culture, Education and Recreation



## Extension Service

Provides funding to Oregon State University (OSU) Extension Service and Washington County Extension Service

### GROWING COUNTY RESOURCES



\$1 investment in OSU Extension by Washington County generates \$3 through other funding sources

**\$480,000**  
VALUE OF  
VOLUNTEER HOURS



More than 17,000 hours increase Extension program impact and develop community resiliency

**15** OSU  
FACULTY

Supporting work with youth, families, seniors, schools, gardeners, farmers, woodland owners, agencies and more



**Oregon State**  
University

Change: 5% reduction will require staffing restructure



# Culture, Education and Recreation



## Parks Services Division

- Transitioned to Enterprise Fund in FY 2024-25 in support of long-term objective of reducing general fund support
- Existing external revenue sources include:
  - Entry fees, facility rentals, citations
  - State and Federal funding
- Risk of deficit spending at the start of each fiscal year until reserves are built
- The 5% reduction to the operating budget reduces hours of seasonal staff

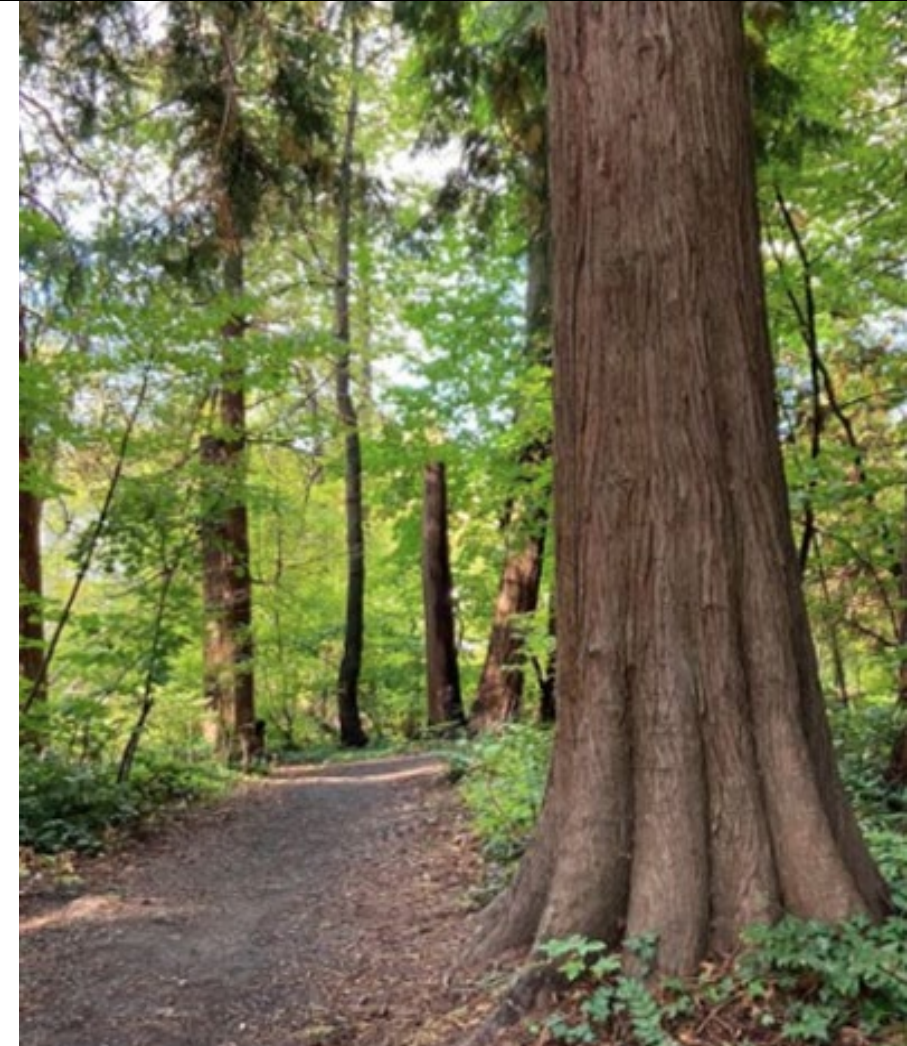




# Culture, Education and Recreation

## Metzger Park

- Community funded, seven-acre park in urbanized, unincorporated Washington County
- Amenities include play structures, sports courts, open lawn, natural areas and the Patricia D. Whiting Metzger Park Hall
- Assessment increase to align with costs of goods, services, labor and administrative costs
- Board of County Commissioners approved increase to Metzger Park Local Improvement District maximum assessment; removed need for general fund support





Break

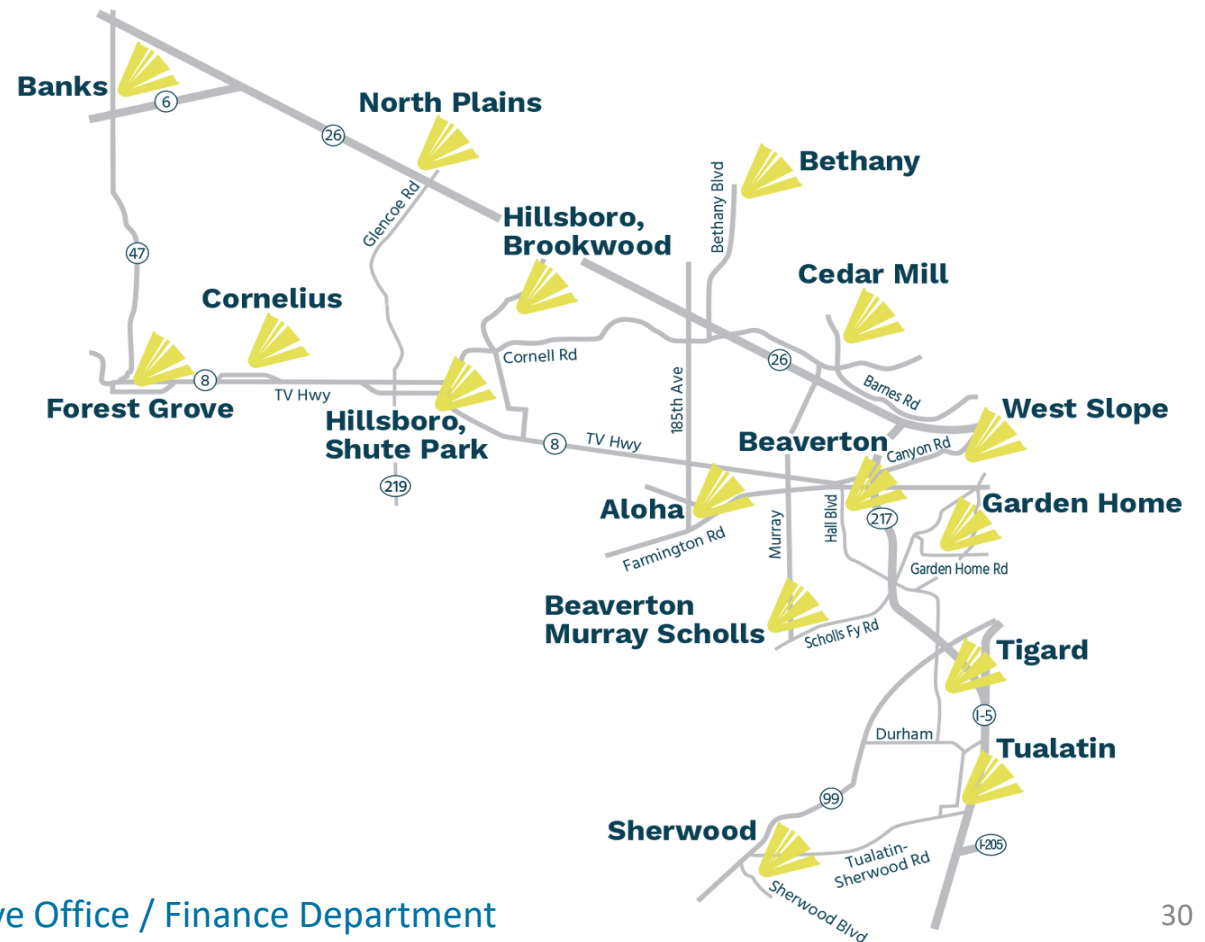






# Culture, Education and Recreation

## Washington County Cooperative Library Services (WCCLS)







# Culture, Education and Recreation



## Resources

- 2.6% net reduction in General Fund transfer
- 4.7% increase in local option levy revenue
- Fund balance strategy





# Culture, Education and Recreation

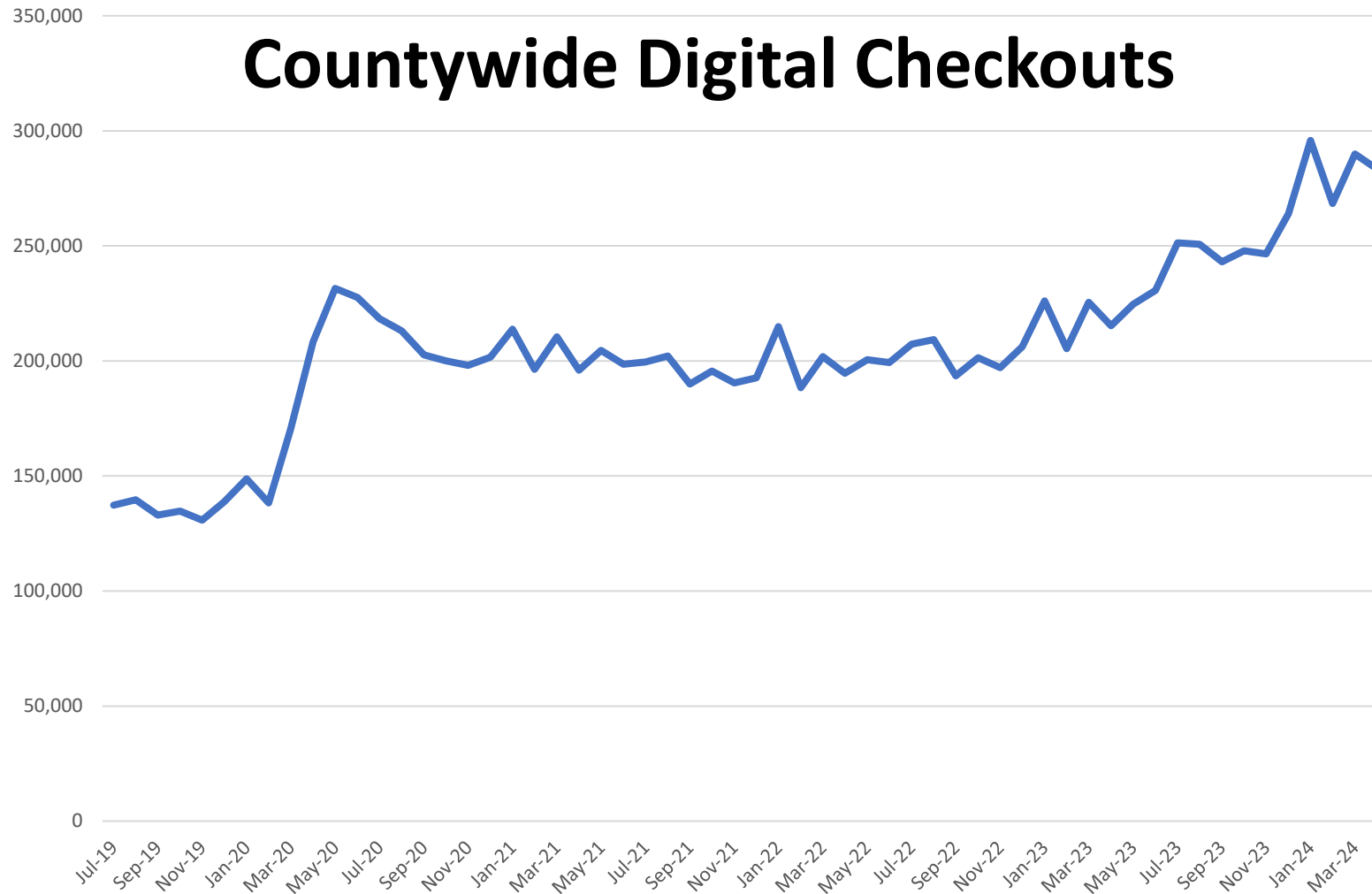


## Expenditures

- 2% increase in funding allocations to partner cities and nonprofits which operate libraries



# Culture, Education and Recreation







# Culture, Education and Recreation



## Sustainable future for libraries

- Improve service consistency and equity across the county
- Support community needs by creating a library system with a fiscally sustainable future



# Culture, Education and Recreation



## Washington County Cooperative Library Services Equity Considerations

- Expanding language access
- Advancing digital equity
- Culturally relevant services

## West Slope Library Equity Considerations

- Continuation of service for community members





# Fiscal Entities

A Fiscal Entity is a function that's activity is primarily financial in nature where a fund is established to track collection and disbursement of special purpose funds not connected to a specific operating program





# Fiscal Entities

## General Fund Revenue

Total General Fund resources for FY25 = \$327M  
(\$44M fund balance + \$283M new revenue)

- Beginning Fund Balance is the estimated amount of money carried forward from the prior year
- New FY25 revenue is 7% less than FY24 as a result of moving public health to a special revenue fund
- Property tax revenue is 64% of total FY25 revenue and 5% more than FY24
- Increase in operating transfers in from Strategic Investment Program (SIP)



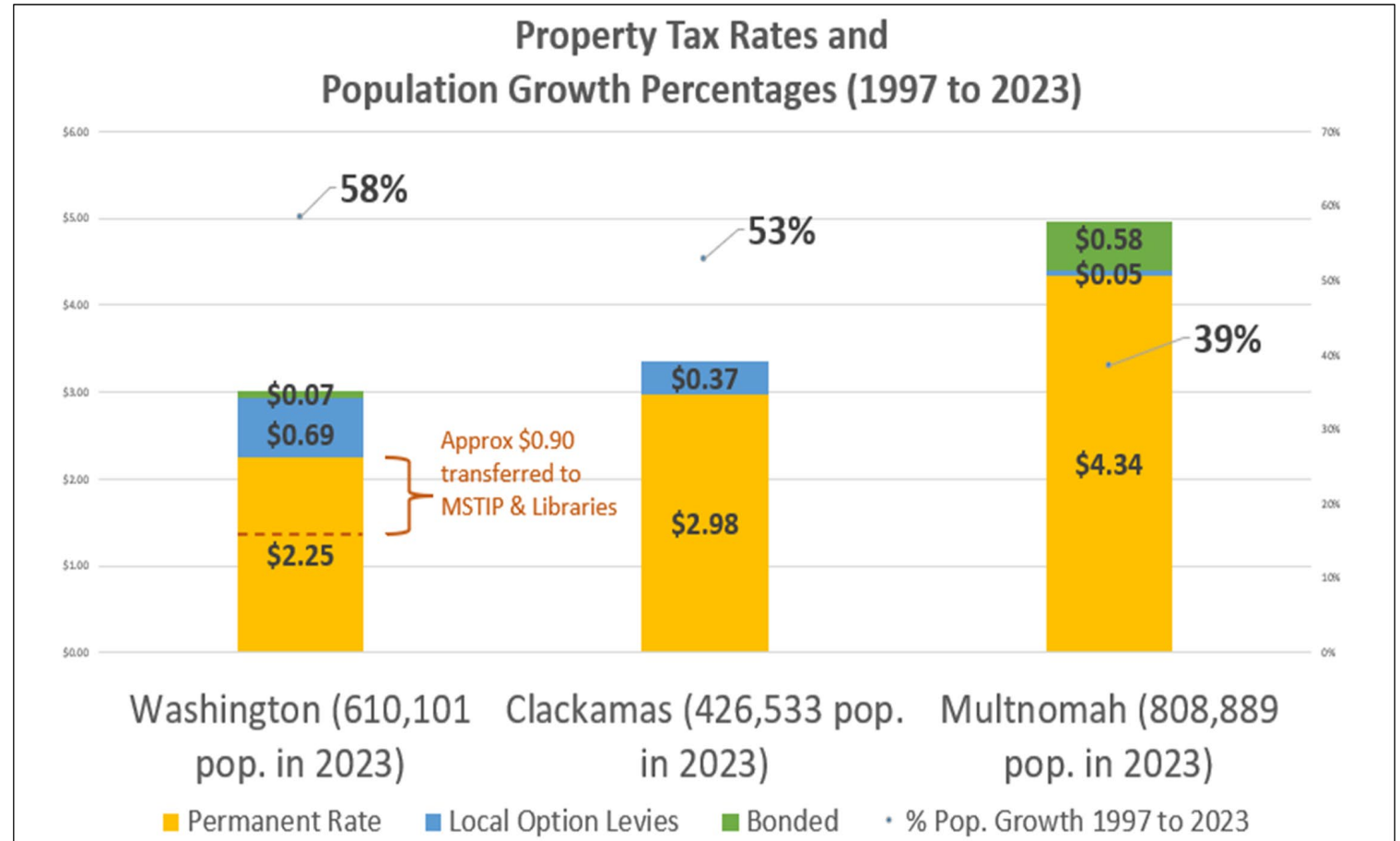




# Fiscal Entities

## Property Taxes

- Projected FY25 collections are \$180.6M, an increase of 5% over prior year
- \$109.2M retained for general operations, balance of \$71.4M allocated to MSTIP (\$49.6M) and WCCLS (\$21.8M)
- FY22 tax revenue per capita:  
\$151 Washington (net)  
\$448 Multnomah  
\$351 Clackamas





# Fiscal Entities

## History of Property Taxes in Oregon

- Prior to the 1990s taxes were assessed under a levy-based system
- District levy amounts were based on their budgetary needs
- The levy was applied to the Real Market Value (RMV) to arrive at a rate  
 **$\$ \text{ amount of levy} / \text{RMV of district} = \text{tax rate}$**
- Levies limited to 6% increase per year







# Fiscal Entities

## Measure 5 – 1990

- Accelerating property taxes and instability in public school funding
- Introduced tax rate limits and “compression”
- Rate limits per \$1,000 of RMV:
  - \$5.00 for education
  - \$10.00 for general government
- If the calculated rate exceeds the M5 limits then the levy reduced (or compressed) until limits are met

**\$ amount of levy / RMV of district = tax rate**

## Measure No. 5 STATE OF OREGON

Proposed by initiative petition to be voted on at the general election, November 6, 1990.

### BALLOT TITLE

#### **5** STATE CONSTITUTIONAL LIMIT ON PROPERTY TAXES FOR SCHOOLS, GOVERNMENT OPERATIONS

QUESTION—Shall constitution set limits on property taxes, and dedicate them to fund public schools and non-school government operations?

SUMMARY—Amends constitution. Limits 1991-1993 property taxes for public schools to \$15, and property taxes for non-school government operations to \$10 per \$1000 of market value. Schools limit gradually decreases to \$5 per \$1000 in 1995-1996 and after. Government operations limit remains same. Limits do not apply to government assessments, service charges, taxes to pay certain government bonds. Assessments, service charges shall not exceed cost of making improvements, providing services. General Fund to replace, until 1996, school funds lost due to school limits.

ESTIMATE OF FINANCIAL EFFECT—

YES   
NO



# Fiscal Entities

## Measure 50 – 1997

- What happened to property values in the 1990s?

$$\text{\$ amount of levy} / \text{RMV of district} = \text{tax rate}$$

- M50 – reduce and control future growth in taxes
  1. Created Assessed Value (AV) based on 90% of 1995-96 RMVs
  2. Limit annual growth in AVs to 3% plus new construction
  3. The Maximum Assessed Value (MAV) = lessor of RMV or AV
  4. Switch to permanent rates (from a levy-based system)

$$\text{\$ amount of levy} = \text{MAV of district} \times \text{permanent rate}$$





# Fiscal Entities

## An Example of Tax System Inequity and Compression Comparing Two Similar Homes

	Home A	Home B
Real Market Value	200,000	200,000
Assessed Value	155,000	190,000
Value Determination Year	1996	1996 + N
<b>Measure 5 Limits</b>		
Education: ( $\$5/\$1,000 \times \text{RMV}$ )	1,000	1,000
General Gov't: ( $\$10/\$1,000 \times \text{RMV}$ )	2,000	2,000
<b>Measure 50 Tax Rates</b>		
Education: ( $\$5.45/\$1,000 \times \text{AV}$ )	845	1,036
Measure 5 Limit	1,000	1,000
Measure 5 Compression	-	36
General Gov't: ( $\$11.80/\$1,000 \times \text{AV}$ )	1,829	2,242
Measure 5 Limit	2,000	2,000
Measure 5 Compression	-	242
<b>Total Tax</b>	<b>2,674</b>	<b>3,000</b>
<b>Total Compression</b>	<b>-</b>	<b>278</b>



# Fiscal Entities

## General Fund Transfers

- Community Corrections fully fund 215 beds
- Court security entrance costs
- Public Health moved from General Fund to own fund – now funded by a transfer

General Fund Transfer To	FY 2023-24	FY 2024-25	\$ Change	% Change
	Modified	Proposed		
<b>Public Safety and Justice Total</b>	<b>6,787,174</b>	<b>8,693,823</b>	<b>1,906,649</b>	<b>28%</b>
Community Corrections Fund 188	6,787,174	8,484,623	1,697,449	25%
Court Security Fund 202	-	209,200	209,200	100%
<b>Health and Human Services Total</b>	<b>3,462,620</b>	<b>14,744,943</b>	<b>11,282,323</b>	<b>326%</b>
Children's and Family Services Fund 166	442,148	-	(442,148)	-100%
Human Services Fund 192	2,027,310	2,249,378	222,068	11%
Aging Services Fund 198	416,604	371,011	(45,593)	-11%
Mental Health Urgent Care Center Fund 199	400,000	400,000	-	0%
Developmental Disability Services Fund 191	176,558	290,400	113,842	64%
Public Health Fund 189	-	11,434,154	11,434,154	100%
<b>Housing Total</b>	<b>2,139,691</b>	<b>1,888,989</b>	<b>(250,702)</b>	<b>-12%</b>
Housing Services Fund 218	1,226,200	1,174,060	(52,140)	-4%
Community Development Block Grant 164	548,265	355,495	(192,770)	-35%
Home Fund 220	16,122	19,873	3,751	23%
Air Quality Fund 244	9,543	-	(9,543)	-100%
Metro Affordable Housing Bond Fund 219	339,561	339,561	-	0%





# Fiscal Entities

## General Fund Transfers

- Parks moved from the General Fund to its own fund – now funded by a transfer
- Transfer to fund capital projects moved to SIP
- Misc. Debt Service fund increased based on amortization schedule

General Fund Transfer To	FY 2023-24	FY 2024-25	\$ Change	% Change
	Modified	Proposed		
<b>Land Use and Transportation Total</b>	<b>272,170</b>	<b>254,760</b>	<b>(17,410)</b>	<b>-6%</b>
Road Fund 168	149,225	161,712	12,487	8%
Development Services Fund 172	25,000	23,750	(1,250)	-5%
Survey Fund 216	72,945	69,298	(3,647)	-5%
Building Services Fund 174	25,000	-	(25,000)	-100%
<b>Other Transfers</b>	<b>8,351,296</b>	<b>7,594,499</b>	<b>(756,797)</b>	<b>-9%</b>
Metzger Park LID Fund 162	98,933	-	(98,933)	-100%
Parks Operations Fund 433	-	1,299,143	1,299,143	100%
General Capital Projects Fund 356	1,920,000	-	(1,920,000)	-100%
Info Svcs Capital Acquisition Fund 354	545,729	239,124	(306,605)	-56%
Vehicle Equipment Maintenance Fund 500	240,900	-	(240,900)	-100%
County Emergency Management Fund 532	-	42,165	42,165	100%
Miscellaneous Debt Service Fund 306	5,545,734	6,014,067	468,333	8%
<b>Subtotal Net of MSTIP &amp; WCCLS Allocations</b>	<b>21,012,951</b>	<b>33,177,014</b>	<b>12,164,063</b>	<b>58%</b>
Series 2016 B FFCO Debt Service Fund 305	1,426,557	1,424,627	(1,930)	0%
MSTIP 3 Fund 362	48,402,887	48,143,932	(258,955)	-1%
<b>Subtotal MSTIP Allocation</b>	<b>49,829,444</b>	<b>49,568,559</b>	<b>(260,885)</b>	<b>-1%</b>
Cooperative Library Fund 184	22,370,686	21,782,560	(588,126)	-3%
<b>Subtotal MSTIP &amp; WCCLS Allocations</b>	<b>72,200,130</b>	<b>71,351,119</b>	<b>(849,011)</b>	<b>-1%</b>
<b>Totals</b>	<b>\$ 93,213,081</b>	<b>\$ 104,528,133</b>	<b>\$ 11,315,052</b>	<b>12%</b>



# Fiscal Entities

## General Fund Contingency

Operating funds that rely on property tax revenue, including the General Fund and other operating funds supported by property taxes and local option levies, will budget a minimum of four month's (4/12th or 33.3%) of estimated annual property tax revenue retained in the fund as contingency

The General Fund's contingency amount is calculated based on the property tax revenue retained net of property tax collected for and transferred to the Major Streets Transportation Improvement Program (MSTIP) and Washington County Cooperative Library Services (WCCLS)

Property Taxes	\$180,629,516
Less: MSTIP/WCCLS	<u>-71,351,119</u>
Net Property Tax	<u>\$109,278,397</u>
Contingency	<u>\$ 36,898,021</u>





# Fiscal Entities

## Debt Service Funds

### Fund 304 – 2016 General Obligation Bonds

- May 2016 voter-approved bond for the Emergency Communications System (911)

### Fund 305 – 2016B Full Faith & Credit

- Capital projects for Washington County facilities, the building of an Event Center and various Major Street Transportation Improvement Program projects

### Fund 306 – Miscellaneous Debt

- Various debt and refinancings that occurred prior to 2016





# Fiscal Entities

## PERS Employer Stabilization Fund

- Established to collect funds to offset future PERS rate increases
- In FY 2019-20, the county established a PERS side account to offset the increasing PERS employer rates
- A balance of \$356,146 remains - the FY25 budget proposes to move these dollars back into the General Fund





# Fiscal Entities

## Strategic Investment Program

- Enacted by legislature in 1993
- The county has three active agreements – 2 expire at the end of FY25
- Forecasting the amount and timing of these payments is challenging
- Fund balance improving

<b>204 - Strategic Investment Program</b>	<b>Actual FY23</b>	<b>Budget FY24</b>	<b>Prop. FY25</b>
Beginning Fund Balance	10,388,386	15,071,201	50,220,787
Revenue	43,231,813	45,088,000	64,824,831
<u>Expenditures</u>			
Strategic Planning capacity		950,000	900,000
Broadband investment		2,000,000	1,900,000
GF Medical Examiner		281,499	
BOC grants		30,000	
General Fund operations	33,000,000	32,000,000	45,097,940
DA Specialty Court			1,000,000
Jail Housing Body Scanner			150,000
New Courtrooms			3,000,000
ERP/Critical Facilities projects			15,000,000
General Capital Projects Fund			1,920,000
HPOF Fund 245			1,125,000
Jail Expansion Schematic Design			200,000
CAO Temp Labor			18,240
HR Class & Comp Study			250,000
<b>Total</b>	<b>33,000,000</b>	<b>35,261,499</b>	<b>70,561,180</b>
Ending Balance/Contingency	20,620,199	24,897,702	44,484,438





# Fiscal Entities

## Gain Share

- Approved by the legislature in 2007
- Allowed local governments to share in state income tax revenues generated from jobs created under SIP agreements
- Modified in 2015 to change and cap the distribution formula
- Shared proportionally with other taxing districts – the county retains approximately \$9 million of the \$16 million payment
- The legislature extended the program to 2030. The county will collect approximately \$45 million under this extension
- The Board approved using up to \$27 million to partially fund the ERP and critical facilities projects



# Fiscal Entities

## Transient Lodging Tax (TLT)

- TLT is a tax collected from short-term lodging guests to fund tourism projects
- Cities may assess an additional tax and the state assesses a 1.5% tax
- The Board committed \$8 million of future TLT to the City of Hillsboro for a new stadium

Estimated FY25 Receipts and Distribution	Original 5% - 1972/74			Next 2% - 1985			Last 2% - 2006	Total County	City TLT
	Unincorporated	Incorporated	Total	1% WC Fair	1% Tourism(1)	Total	Tourism(1)		
<b>Lodging tax collections</b>	802,916	9,188,418	9,991,333	1,998,267	1,998,267	3,996,533	3,996,533	17,984,400	5,500,000
Less: administrative costs(2)	(7,640)	(87,427)	(95,067)	(19,013)	(19,013)	(38,027)	(38,027)	(171,120)	(18,150)
Balance to distribute	<b>795,276</b>	<b>9,100,991</b>	<b>9,896,267</b>	<b>1,979,253</b>	<b>1,979,253</b>	<b>3,958,507</b>	<b>3,958,507</b>	<b>17,813,280</b>	<b>5,481,850</b>
<b>Distributions</b>									
General Fund	795,276	4,550,495	5,345,771					5,345,771	
Cities		4,550,495	4,550,495					4,550,495	5,481,850
Fairground ops/County Fair				1,979,253		1,979,253		1,979,253	
WCVA					1,979,253	1,979,253	2,632,407	4,611,660	
Event Center debt service							1,326,100	1,326,100	
Total distributions	<b>795,276</b>	<b>9,100,991</b>	<b>9,896,267</b>	<b>1,979,253</b>	<b>1,979,253</b>	<b>3,958,507</b>	<b>3,958,507</b>	<b>17,813,280</b>	<b>5,481,850</b>



# Break and Working Lunch



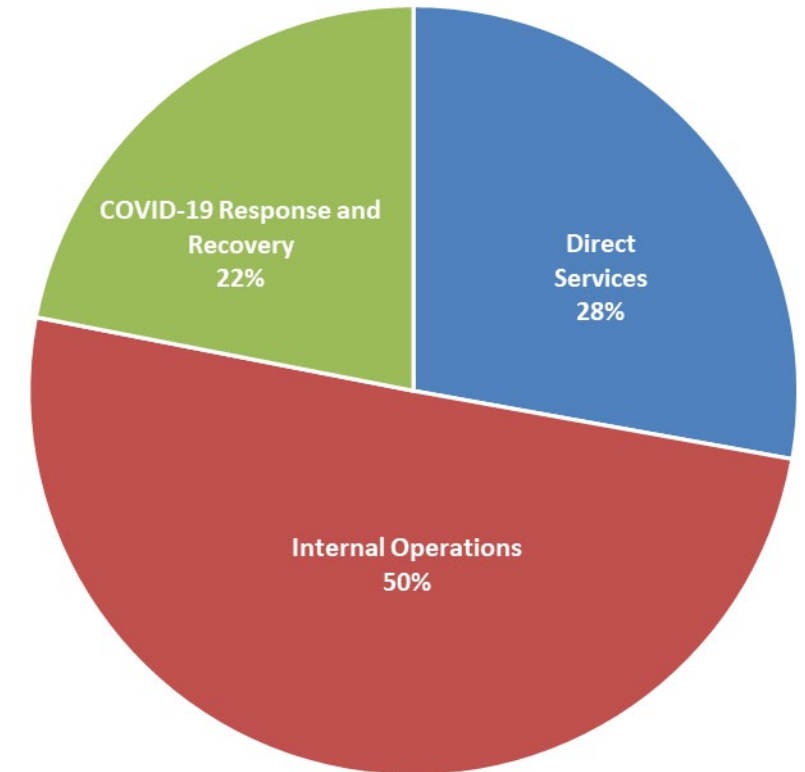




# General Government – Internal Services

	<u>Fiscal Year</u>		<u>Change</u>	
	<b>2023-24</b>	<b>2024-25</b>	<b>\$</b>	<b>%</b>
<b>Direct Services Budget</b>	\$ 39,617,795	41,720,454	2,102,659	5%
<b>Direct Services FTE</b>	182.50	183.70	1.20	1%
<b>Internal Operations Budget</b>	\$ 102,710,622	109,533,232	6,822,610	7%
<b>Internal Operations FTE</b>	278.60	278.40	(0.20)	0%

<b>Service Areas</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>\$ Change</b>	<b>% Change</b>
County Emergency Management	1,816,891	1,720,799	(96,092)	-5%
COVID-19 CARES Act	31,218,415	37,485,174	6,266,759	20%
Facility Operations	19,248,613	20,294,727	1,046,114	5%
Financial Management	5,821,348	5,948,297	126,949	2%
Fleet Services	7,206,697	7,244,324	37,627	1%
Human Resources	8,687,435	9,234,320	546,885	6%
Information Technology Services	26,833,864	25,823,845	(1,010,019)	-4%
Mail and Print Services	1,877,359	1,781,746	(95,613)	-5%
<b>Total</b>	<b>\$ 102,710,622</b>	<b>\$ 109,533,232</b>	<b>6,822,610</b>	<b>7%</b>





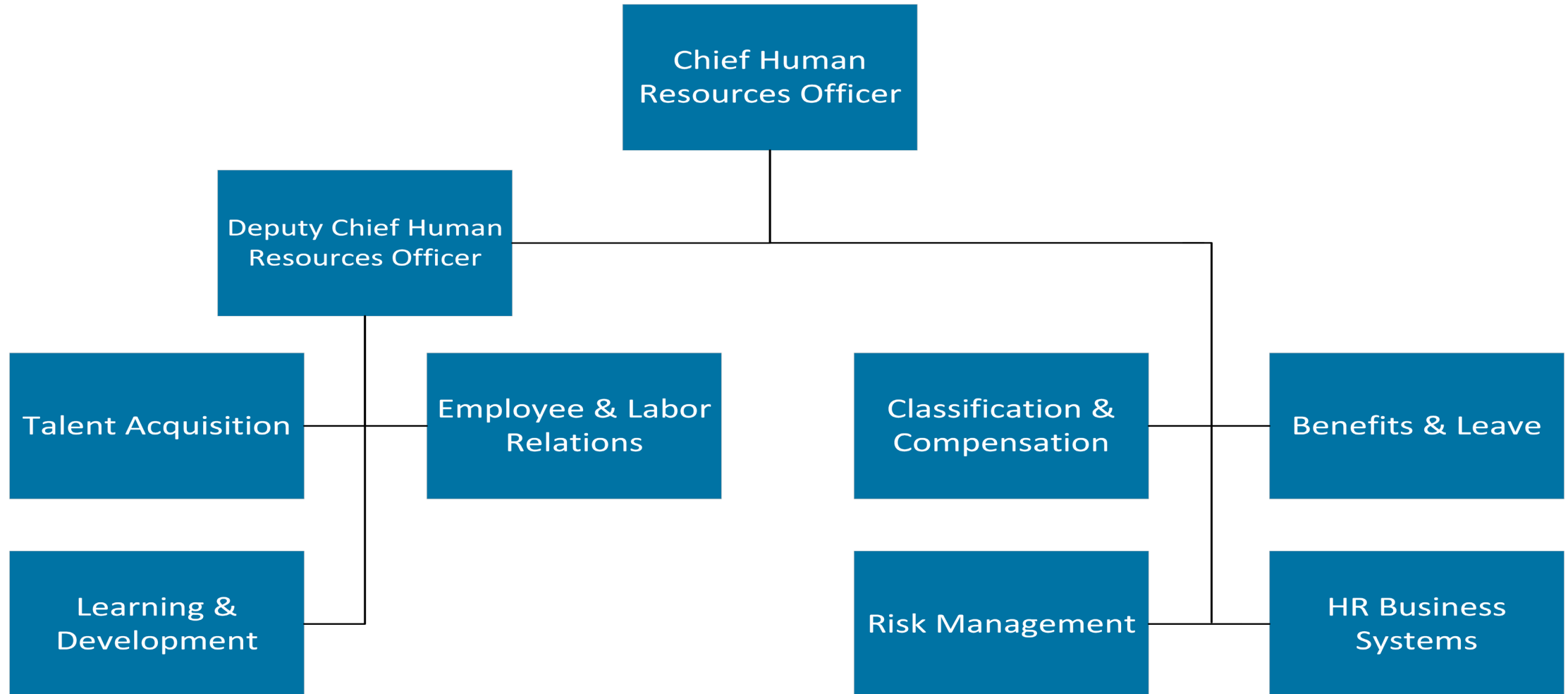
# General Government – Internal Services

## Internal Services Equity Considerations

- Use of the Budget Equity Tool highlights the effects of proposed reductions
- Negative impacts to EDI are mainly noted in contracting for professional services, staff training and community access to language services



# General Government – Internal Services







# General Government – Internal Services

## **Human Resources (HR) and Risk**

### Human Resources Department

- Provides leadership and support to Washington County for all human resource related activities

### Risk Management Division

- Responsible for management of the County's insurance programs and safety programs

### What's Changed?

- 3% Elimination of 1.00 FTE Human Resources Analyst II position and 1.00 FTE intern position
- SIP transfer of \$250,000 targeted for a Classification/Compensation study





# General Government – Internal Services

## HR Transformation

### One Washington County

- Consistency across department
- Support departments achieve objectives

### Design the Future

- Human centered approaches
- Build employee trust and confidence

### Strategic Plan Update Department Work Plan

- Investing in the development of employees
- Sustainable pay plan
- Transparency







# General Government – Internal Services

## HR and Risk Equity Considerations

### Add Package

Additional GF Support for classification/compensation study:

- Advances the County's equity and inclusion priorities by reviewing internal equity

### Reduction

Negatively impacts resources and staffing capacity:

- Ensure the timely and effective application of policies and procedures
- To develop systems and processes in support of employee learning and development
- To create meaningful professional experiences for students of color in conjunction with "Washington County Means Progress"
- To develop and maintain cutting edge human resources expertise in the areas outlined above





# General Government – Internal Services

## Insurance Funds

### Workers' Compensation Fund 508

- Pays costs associated with work injury claims
- Funded by departments through the cost allocation plan
  - Projecting expenditure reduction
  - Actuarial forecast
  - Catastrophic injury claim

### Healthcare Insurance Fund 510

- Pays costs associated with employee benefit programs
  - Overall budgeted expenditures increasing 7%
  - Cost drivers
  - Strategic changes to plans



# General Government – Internal Services

## Insurance Funds

- Liability/Casualty Insurance Fund 504
- Pays costs associated with liability self-insurance program
  - Expenditures estimated to increase by <6%
  - Actuarial review
- Self-insured program
  - Retention limit
  - Excess insurance
  - Actuarial report
- Pays premiums for County's other lines of insurance
- Funded through the cost allocation plan



# General Government – Internal Services



## Insurance Funds

### Life Insurance Fund 506

- Collects funds and pays life and long-term disability insurance premiums provided to employees

### • Unemployment Insurance Fund 512

- Collects funds from departments and pays unemployment claims





# General Government – Internal Services



## WASHINGTON COUNTY OREGON

## Finance Department

Revised  
05.01.24

Greg Munn  
Treasurer & CFO

Ethel Gallares  
Deputy CFO

BUDGET  
Steve Kang  
Manager

PROCUREMENT  
Suzi Fulcher  
Manager

ACCOUNTING  
Ling Huang-Dressel  
Controller

BUSINESS SYSTEMS  
Anita Erickson-Olsen  
Business Systems  
Administrator

GRANTS/ARPA  
REPORTING

FINANCIAL REPORTING  
Josh Salaets  
Chief Accountant

OPERATIONS  
Amanda Bewersdorff  
Manager

Christine Thornhill  
Sr. Budget Analyst

Yassamin Alayan  
Sr. Procurement Analyst

Chris Webber  
Budget Analyst

Kiersten Vanderhoof  
Procurement  
Analyst II

Tingting Wang  
Budget Analyst

Carolyn Kraaz  
Procurement  
Analyst I

ERP IMPLEMENTATION  
SUPPORT TEAM  
  
Audrey Medina-Payroll  
Gabriella Matney-AP/AR  
Linda Kroon-Treasury  
Fawn Crow-Budget  
Brenna McClamma-Purchasing  
Harmony Mosby-Accounting  
Michele Burton-Accounting

Will Culver  
Sr. Financial Analyst ARPA

Luis Palomar  
Sr. Accountant

PAYROLL  
Ceres Sanders  
Supervisor

ACCOUNTS PAY/REC  
Elizabeth Love  
Supervisor

CASH MANAGEMENT

Vacant  
TBD

Sharon Roest  
Sr. Software Apps Specialist

Greg Harris-Kopkau  
Grants Analyst  
LD ARPA

Justin Stratton  
Accountant II

Kim Ortman  
Payroll Specialist  
PERS

Irma Romero  
Sr. Accounting Asst.  
A/R

Dawn Smith  
LD Accountant II

Alma Guitron  
Payroll Specialist

Robin Polly  
Sr. Accounting Asst.  
A/P

Jennifer Bowlin  
Sr. Accounting Asst.  
A/R & TLT

Connie Wilson  
Sr. Admin Specialist

Mike Cooper  
VH – Software

Patty Crop  
VH

Charles Manigo  
Construction Careers  
Pathway LD ARPA



# General Government – Internal Services

## Finance Budget Highlights

- 8% revenue increase – primarily cost allocation plan
- 2% increase in expenses
- Reduced FTE by 1.0

## Finance Budget Reductions - \$140,365

- \$17,484 Reclass FTE
- \$31,881 Reduce Overtime
- \$87,000 Reduce Professional Services
- \$8,000 Reduce Government contract





# General Government – Internal Services



## **COVID 19 Response**

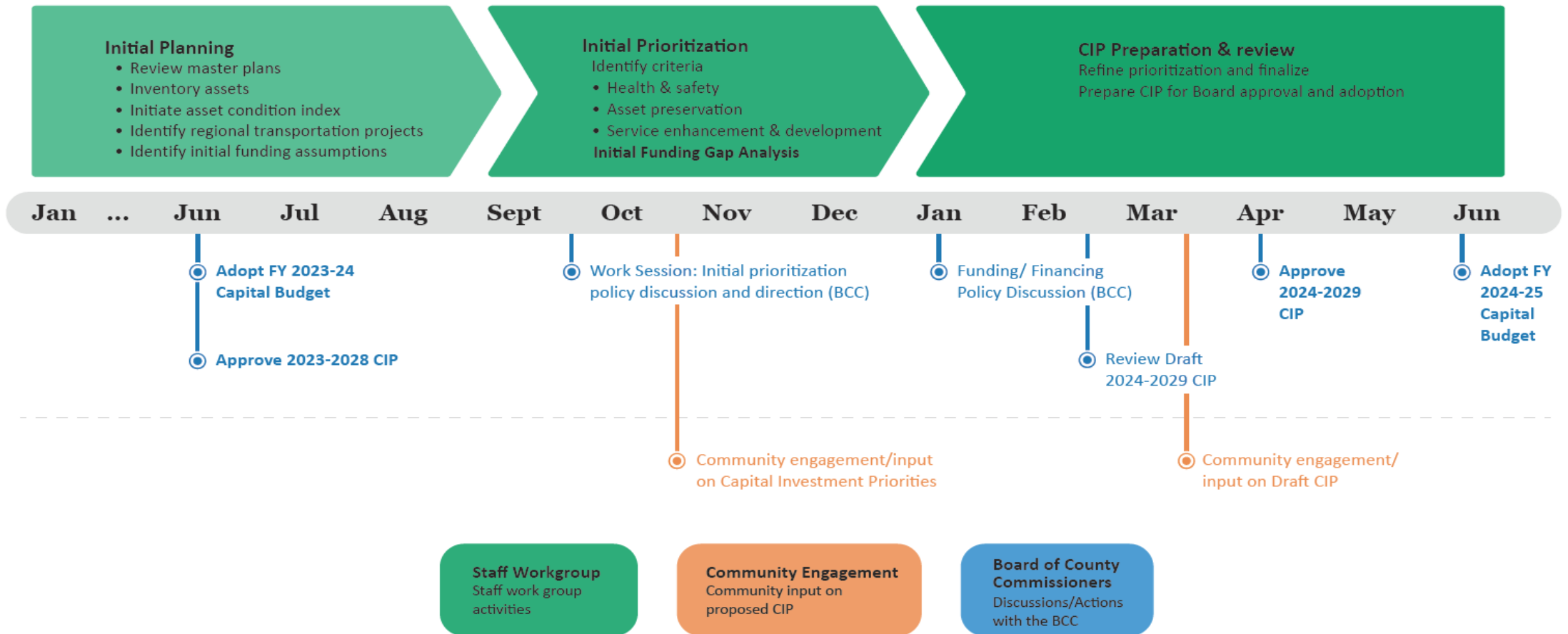
- Total ARPA allocation = \$116.8 million
- Funds must be committed by December 2024 and spent by December 2026
- FY25 Budget includes balance of committed funds = \$55.2M
- Remaining funds to be allocated and budgeted this summer





# General Government – Internal Services

## Capital Improvement Program Implementation

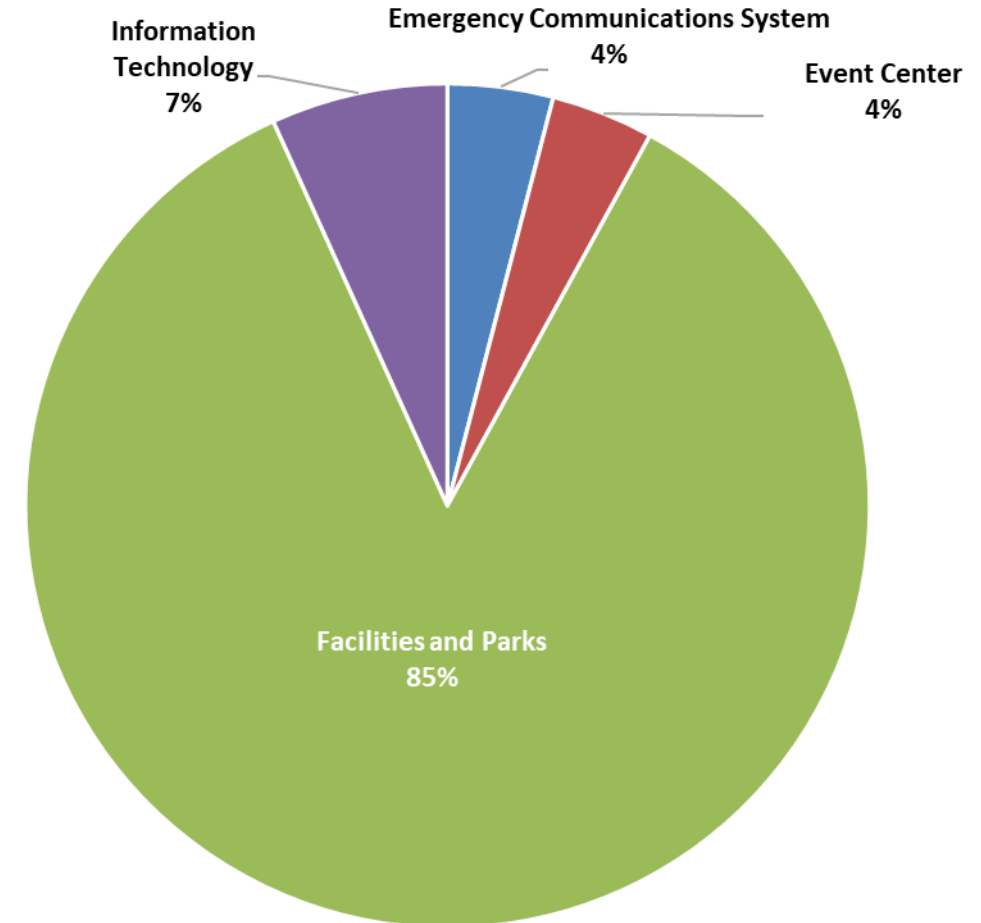




# General Government – Internal Services

## Facilities and Technology Capital

	<u>Fiscal Year</u>		<u>Change</u>	
	<u>2023-24</u>	<u>2024-25</u>	<u>\$</u>	<u>%</u>
Emergency Communications System	\$ 3,986,680	3,008,662	(978,018)	-25%
Event Center	2,881,926	2,930,633	48,707	2%
Facilities and Parks	45,129,207	63,540,128	18,410,921	41%
Information Technology	6,316,124	5,047,955	(1,268,169)	-20%
<b>Grand Total</b>	<b>\$ 58,313,937</b>	<b>74,527,378</b>	<b>16,213,441</b>	<b>28%</b>





# General Government – Internal Services



## Facilities and Technology Capital Equity Considerations

- Across Capital, use of the BET resulted in mixed outcomes/potential impacts to EDI in relation to proposed budget reductions in general fund programs
- Positive impacts to EDI demonstrated in programs include a proposed increase in Facilities Park System Development Charge which results in provision of language access services
- Negative impacts in reductions in capital and operations funds that results in limited infrastructure and equipment improvements that may impact the County's ability go beyond minimum standards for Americans with Disabilities Act accommodations





# General Government – Internal Services

## Emergency Management

Prepares Washington County and the community to respond to emergencies

### Highlights and Changes

- Fewer grant awards decrease revenue
- Budget reduction in the 3% range; maintained the Regional Disaster Preparedness Organization (RDPO) membership dues
  - Impact: reduced training, education, and communications services
- Emergency Management hosts the Washington County Emergency Management Cooperative







# General Government – Internal Services

## Facilities

Planning, acquisition, construction, operation, maintenance, and repair of county operated facilities, properties and associated grounds and provides mail and print services

- 65 FTE
- 1.9M square feet
- Average \$30M capital projects annually
- Creating internal policies/staff handbook
- Developing inventory management system
- Establishing formal workplace safety program
- \$22.2M Operating expenses

## Fleet

Administers the county motor pool and all vehicle related policies and provides full-service repair

- 20 FTE
- 750 vehicles
- Collective Bargaining Agreement
- New Fleet Management System
- Forms function in LaserFiche
- Expanding sustainable vehicles
- \$7.2M Operating Expenses

## Parks

Operates parklands, recreation programs and ensures equitable access to greenspace

- 10 FTE, 2 PTE, 6 seasonals
- 2,500 acres of parkland
- External facing
- Transition to Enterprise fund
- Complete capital projects
- Increase external revenue
- \$3.1M Operating expenses





# General Government – Internal Services

## Facilities Operations:

### Operations, Maintenance and Real Property

- Complement of County staff and outside contractors
- Impact of budget reductions – noticeable but manageable
  - Compounding on top of last year's reductions
  - Significant increase in utility costs countywide
- Addition of 1.00 FTE Safety & Security Coordinator







# General Government – Internal Services

## **Mail & Print Services (MPS):**

- Makes interoffice and USPS deliveries to all departments
- Processes bulk mailings to the public
- Manages office supply ordering system for departments
- Maintains the fleet of copier/printers and supplies paper
- Prepares booklets, pamphlets and business cards
- Recently taken on signage





# General Government – Internal Services

## Fleet

- Fleet Services is responsible for the procurement of safe, dependable, and cost-effective vehicles and equipment, and the management and maintenance of these assets through quality service programs
- Fleet Services is funded by fees charged to departments and other agencies
- The requested contingency amount is within a range adequate to support operations and reflects Fleet Services trim operations





# General Government – Internal Services



## Facilities Capital

- General Fund and Special Funds are primary resources for Capital Improvements
- FY 2024-25 includes a \$20 million-dollar Strategic Investment Program (SIP) transfer
- HVAC, ERP replacement, a new courtroom at the Law Enforcement Center, Jail & Community Corrections Expansion schematic design
- Center for Addiction, Treatment & Triage (CATT)
  - Beaverton Recovery Center and Hillsboro Recovery Center





# General Government – Internal Services

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Collectiv



## Emergency Communications System

- Voter approved General Obligation Bond in 2016 for \$77,000,000
  - Convert existing 911 system to current technology
  - Improve radio coverage by upgrading current towers/installing more
  - Strengthen facilities to withstand emergencies
  - Expand dispatch center & other county emergency facilities
  - Replace 3,000 analog radios
- Washington County Consolidated Communications Agency (WCCCA) successful move
- Project/completion expected FY2024-25



# General Government – Internal Services



## The Wingspan Event & Conference Center

- Certificate of Occupancy granted 09/2020 during pandemic
- Capital Projects and Facilities Operations are addressing latent construction defects and warranty issues
- Fund closeout process will be initiated upon project finalization



# General Government – Internal Services

## Building Equipment Replacement

- Routine, like-for-like replacements or modernizations of existing capitalizable equipment/systems
- Funded through Cost Allocation Plan based on 2.5% of capital
- Reinvestment rate assumes 25-year life span of equipment
- Staff will return to the commission this coming year to discuss funding based on the Facilities Condition Index







# General Government – Internal Services

## **Information Technology Services (ITS)**

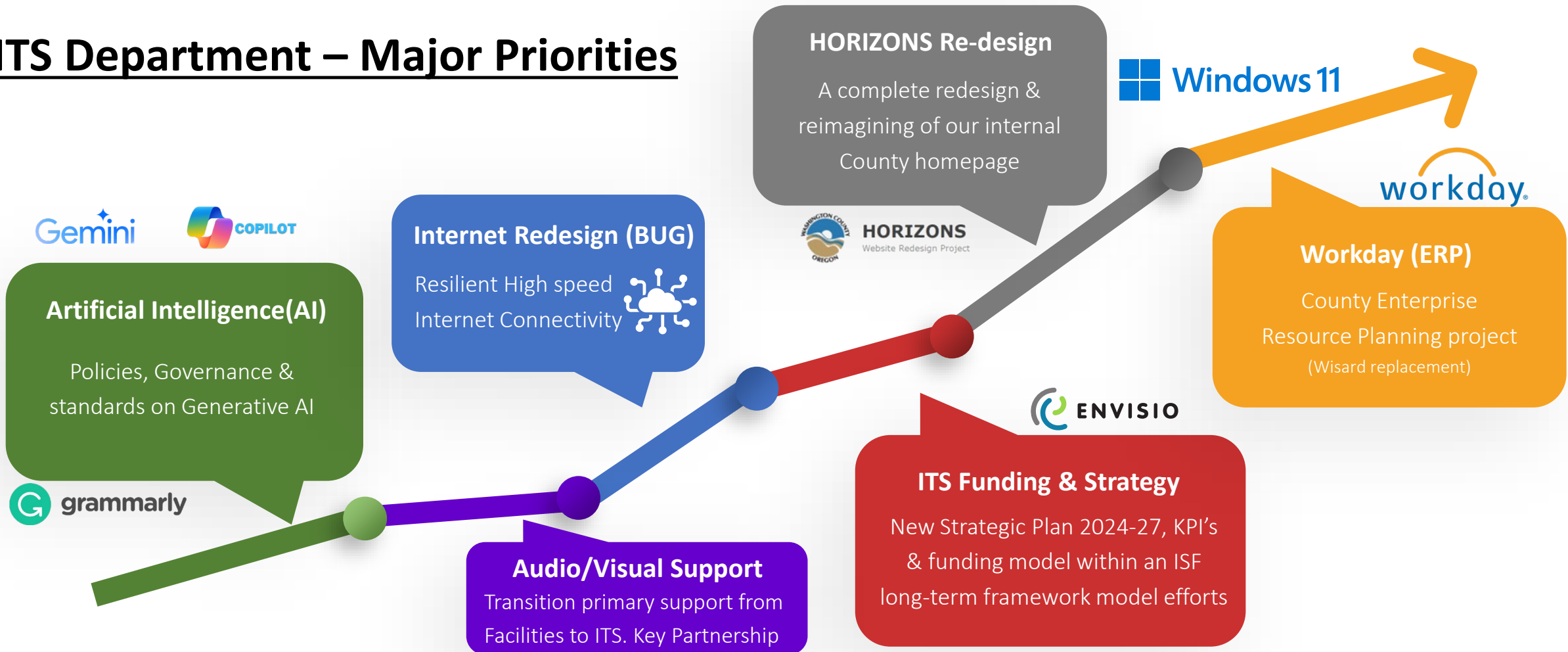
ITS delivers trusted and innovative technical solutions that provide community members, businesses and the county workforce with equitable, effective and efficient services

- Budget Analysis and FTE Resources
- Reduction Impacts
  - System Replacements
- Program Highlights
  - ERP



# General Government – Internal Services

## ITS Department – Major Priorities





# General Government – Internal Services

## **Reduction Impacts ITS System Replacement**

### Key Issues

- With the 94% reduction to revenue for this replacement fund, a new funding model needs to be considered to meet the unfunded replacement needs for Information Technology (IT) systems infrastructure
- ITS will need to use Contingency to backfill this gap as an interim approach until a new funding model for organization-wide IT infrastructure is operationalized





# General Government – Internal Services

## ITS Capital Projects: Enterprise Resource Planning Modernization (ERP)

- Business Case: The County's current ERP infrastructure operates on a framework that was state of the art when implemented over two decades ago. While these systems have been updated several times, the pace of technology and business change has outpaced Washington County's ability to stay current and provide real-time data for effective decision-making without dedicating a tremendous amount of people and financial resources year over year
- Scope: Replace/modernize decades old ERP infrastructure
- For more information: [ERP Modernization](#)

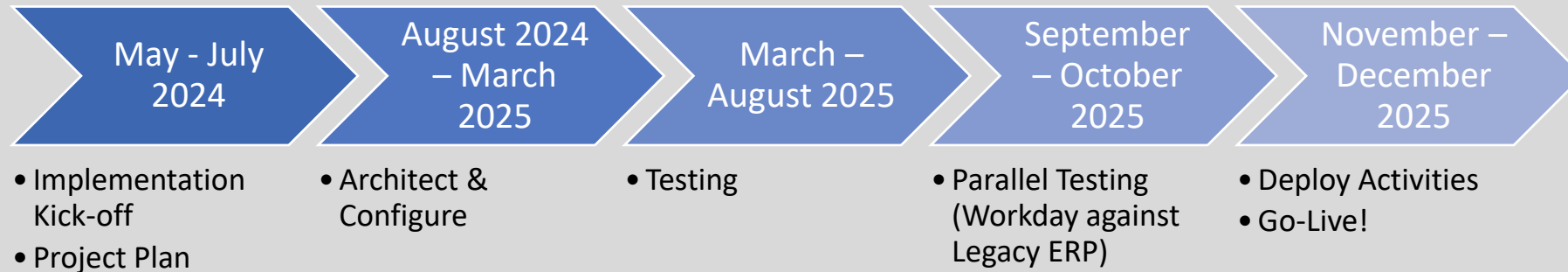




# General Government – Internal Services

## ERP Modernization – Vendor & Timeline

### High level Project Timeline





# General Government – Internal Services

## ERP Modernization – Value vs. Cost

Increased efficiency: By integrating HR and Finance data and functions into a single system, the County can eliminate data silos and redundancies to increase operational efficiencies

- Real-time data: provides real-time access to data across the organization. This allows for better informed decision-making based on up-to-date information
- Cloud-based deployment: Workday is a cloud-based solution, which means it's faster and easier to deploy and maintain compared to our current on-premise ERP system. It also allows for remote access and improvement in resiliency and business continuity to ensure a swift response to disruption

Total Estimated Budget:  
**\$19.8M**



People: Backfills & Consultants  
**\$13.5M**



Tools: ERP System  
**\$1.1M**



Process: System Integrator & Decommissioning  
**\$5.2M**

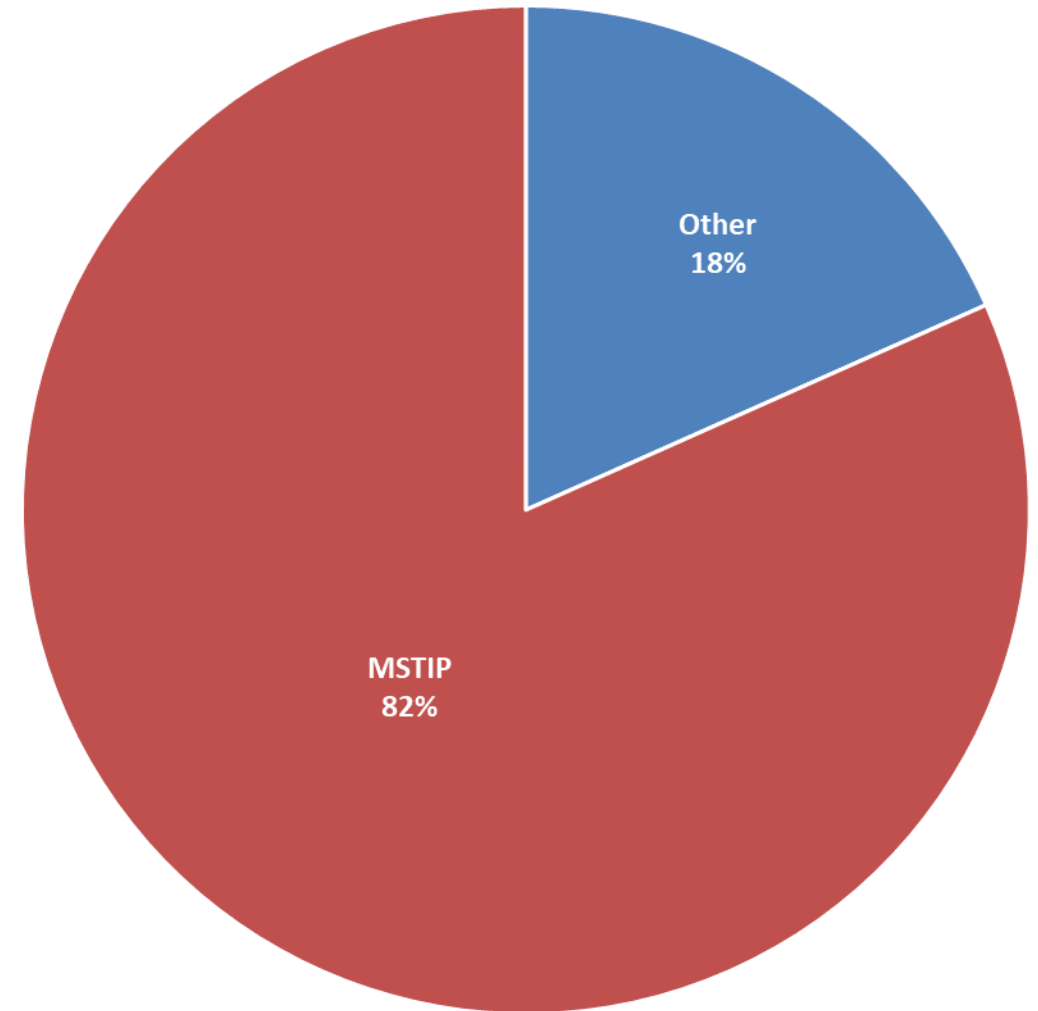




# General Government – Internal Services

## Transportation Capital

	<u>Fiscal Year</u>		<u>Change</u>	
	<b>2023-24</b>	<b>2024-25</b>	<b>\$</b>	<b>%</b>
MSTIP	153,545,427	118,838,153	(34,707,274)	-23%
Other	83,842,575	26,685,785	(57,156,790)	-68%
<b>Total</b>	<b>237,388,002</b>	<b>145,523,938</b>	<b>(91,864,064)</b>	<b>-39%</b>





# General Government – Internal Services



## Transportation Capital Equity Considerations

- Use of BET highlighted effects of proposed budget scenarios on EDI
- Across Capital, use of the BET resulted in mixed outcomes/potential impacts to EDI in relation to proposed budget reductions in general fund programs
- Positive impacts to EDI demonstrated in programs include a continuation of the use of existing equity consideration analysis for allocation of funding to Major Streets and Transportation Improvement Program (MSTIP)



# General Government – Internal Services

## Major Streets Transportation Improvement Program (MSTIP)

5% (\$2.5 million) General Fund transfer reduction to MSTIP

- 0.3% (\$258,955) year-over-year reduction after applying AV growth

Board commitments to transportation capital investments:

- Approved 2024-29 Capital Improvement Plan
- Approved sale of \$150 million in bonds to complete MSTIP 3d, 3e and Bonding Cost-sharing projects
- Upcoming Board approval of \$250 million MSTIP 3f program; first projects beginning in FY 2024-25





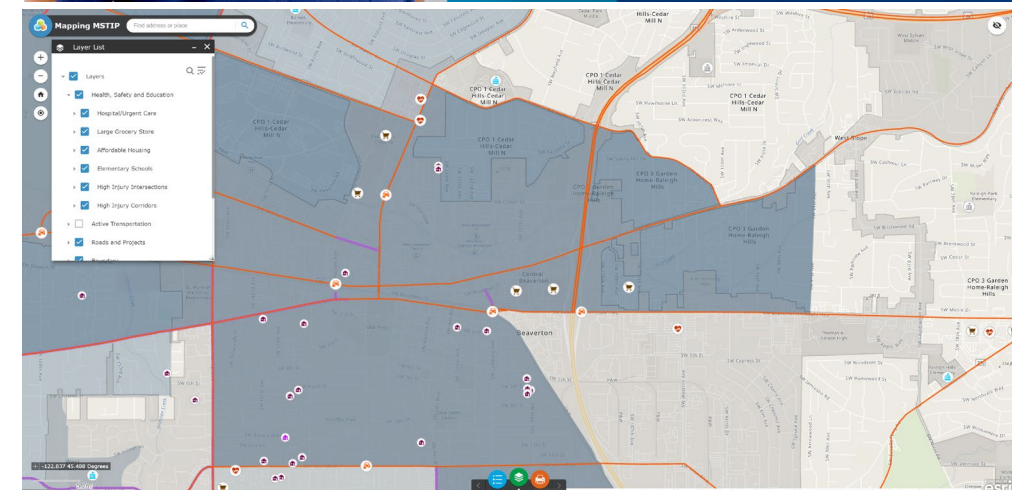


# General Government – Internal Services

## MSTIP

Centered equity in community engagement and project prioritization for upcoming MSTIP 3f projects

- Engaged 122 community members through multi-lingual community-based organization partnerships
- Conducted 15 in-person community events throughout the county
- Conducted bilingual online open house and survey; 975 responses
- Created Equity Index and mapping tool
- Developed equity-focused project evaluation metrics



# → Public Comment

