

WASHINGTON COUNTY



**Budget Committee Meeting
May 9, 2017
11:30 a.m.**



Agenda

- Introductions
- Election of officers
- County budget overview
- May 18th & June 20th Meeting schedule





Election of Officers

- Washington County & Service District for Lighting No. 1
 - Current Chair: Bonnie Hadley
 - Lay Citizen Members: Mark Bauer, Leroy Bentley, Janice Essenberg, Rachael Twitty
- ESPD & URMD
 - Current Chair: Leroy Bentley
 - Lay Citizen Members: Karen Bolin, Bonnie Hadley, Anthony Mills, Donna Tyner
- North Bethany CSDR
 - Current Chair: Commissioner Malinowski
 - Lay Citizen Members: Murali Balan, Sarah Beachy, Rick Mallette, Dennis Masi, Daniel Reid





Budget Message

- Pursuing our mission during challenging times:
 - Population growth and change
 - High-wage employment growth
 - Low housing affordability
- Financial picture for fiscal year 2017-18
 - Improving revenue trends
 - Property taxes
 - Real estate fees
 - Hotel/motel taxes
 - Favorable credit environment
 - Low debt load
 - Favorable credit rating
 - General Fund reserves within Board policy goal





Budget Message

- Maintaining Stability
 - Addressing current transportation capacity (MSTIP 3d & 3e, Vehicle Registration Fee)
 - Keeping pace with technology
 - Upgrades in Jail
 - Continue Assessment & Taxation system replacement
 - Organization-wide transition to Office 365
 - Adjusting to median of salary market for non-represented employees
 - Actively managing health care costs





Budget Message

- Offering Opportunities
 - Focusing transportation resources on high-growth areas
 - Continuing Community Engagement transition goals
 - Addressing housing affordability/Thrives priorities
 - Public Safety Training Center
 - Expanding options for mental health care
 - Hawthorn Walk-in Center
 - Events Center





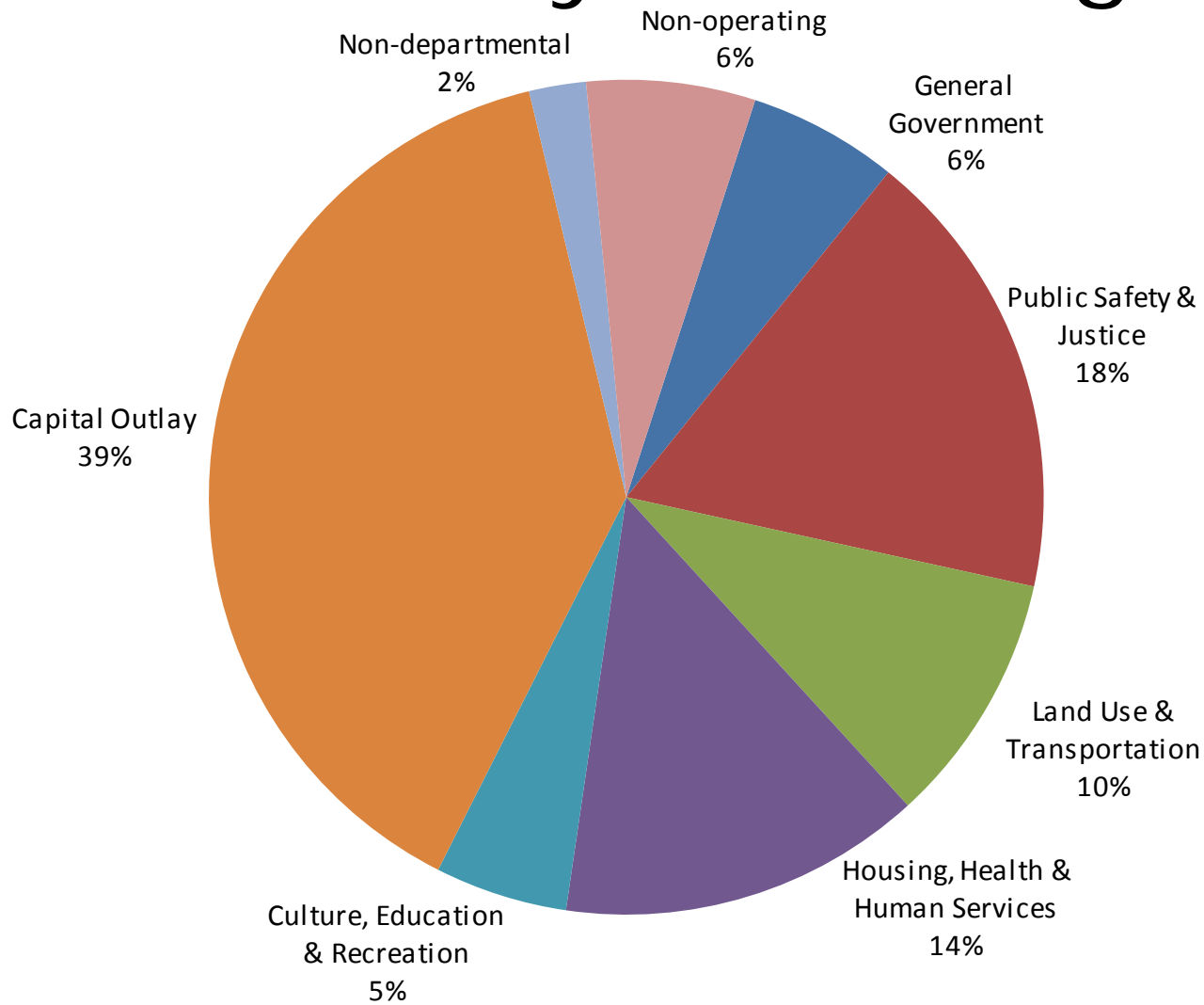
Budget Message

- Managing Complexity and Risk
 - Uncertainty around PERS reform
 - ESPD local option levy
 - 9-1-1 systems improvements and facility strengthening
 - Seismic retrofitting (PSB & LEC)





Total Countywide Budget

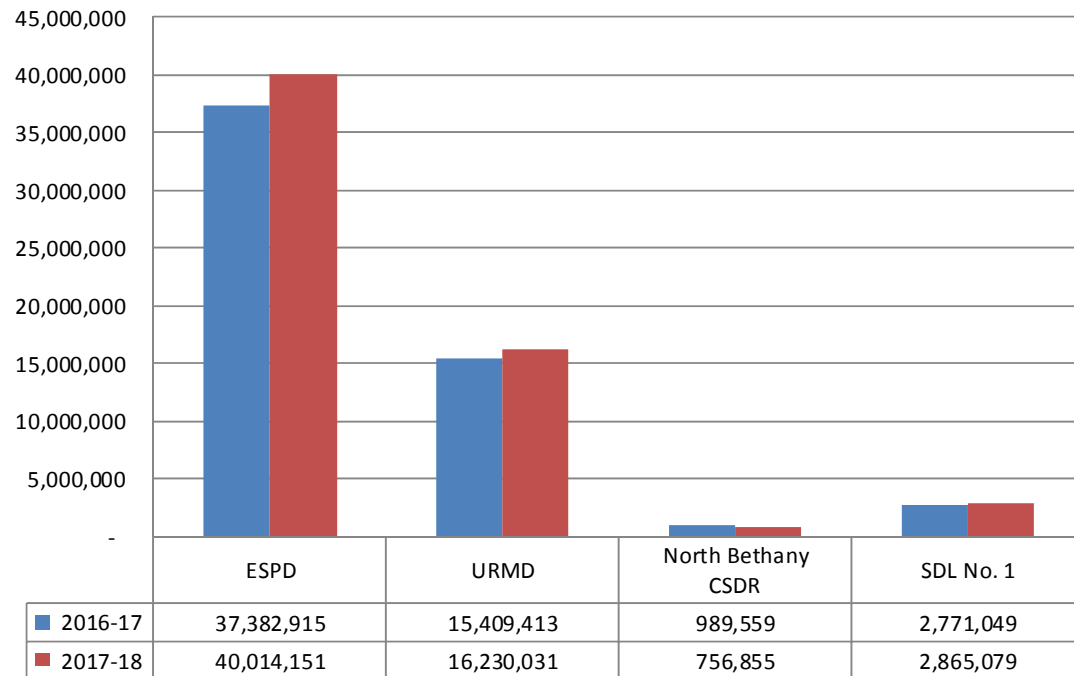


	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budgeted Expenditures	\$ 1,197,606,183	1,236,161,345	38,555,162	3%
FTE's	1,955.51	1,999.68	44.17	2%

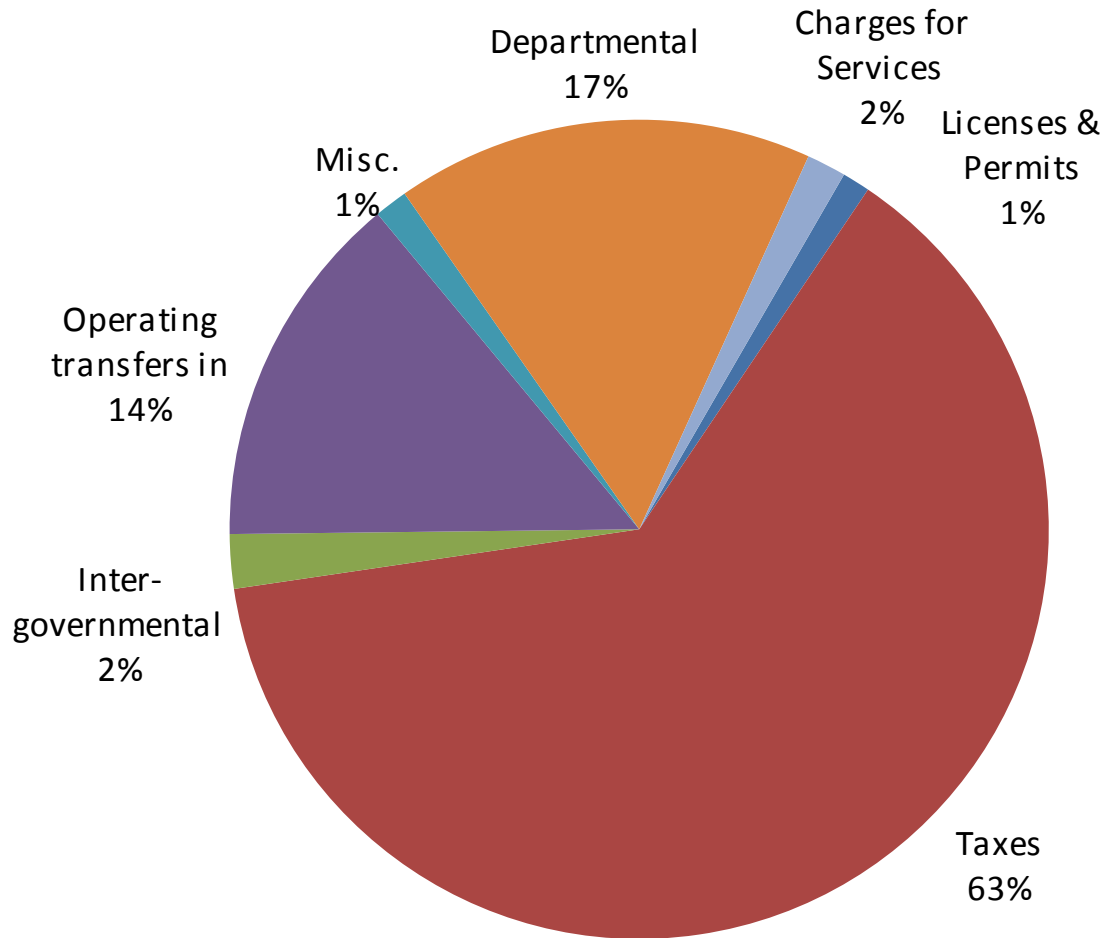


Service Districts

Organization Unit	Adopted	Modified	Proposed	Change	
	2016-17	2016-17	2017-18	\$	%
Enhanced Sheriff's Patrol District	\$ 37,382,915	37,382,915	40,014,151	2,631,236	7%
Urban Road Maintenance District	15,409,413	15,409,413	16,230,031	820,618	5%
North Bethany County Service District for Roads	989,559	989,559	756,855	(232,704)	-24%
Service District for Lighting No. 1	\$ 2,771,049	2,771,049	2,865,079	94,030	3%



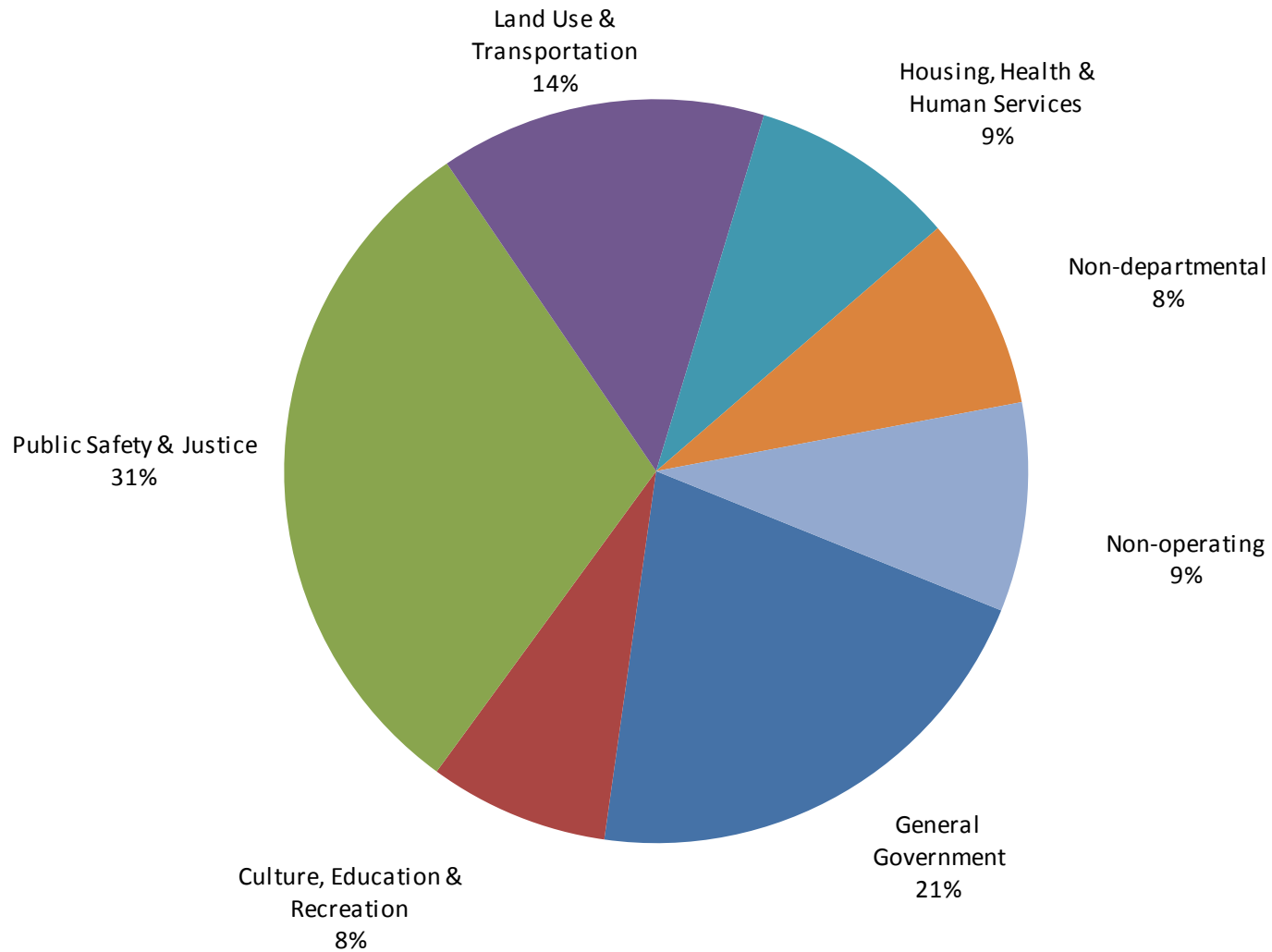
General Fund Revenues



Fiscal Year		Change	
2016-17	2017-18	\$	%
\$ 215,767,266	228,963,955	13,196,689	6%

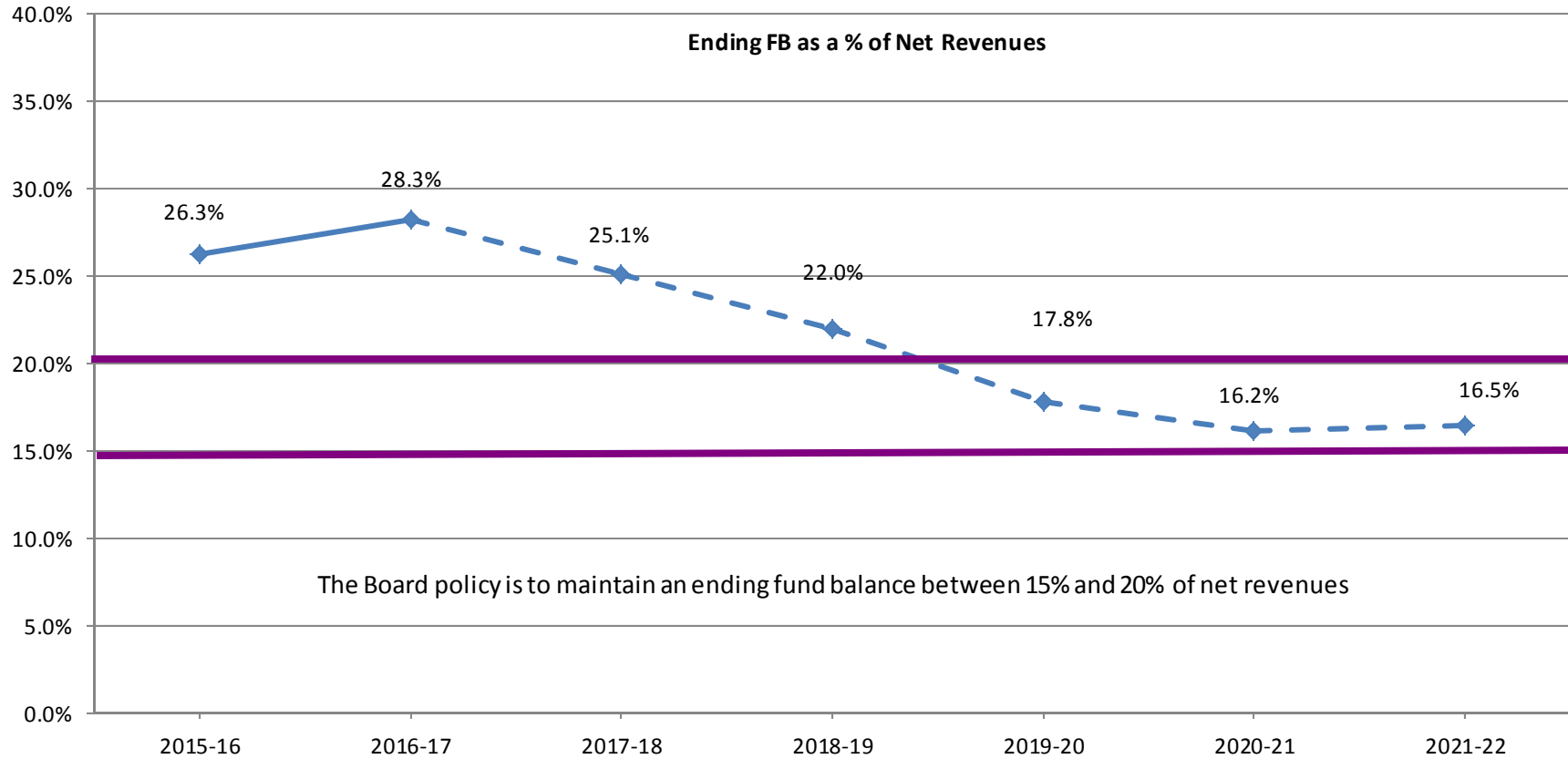


General Fund Expenditures

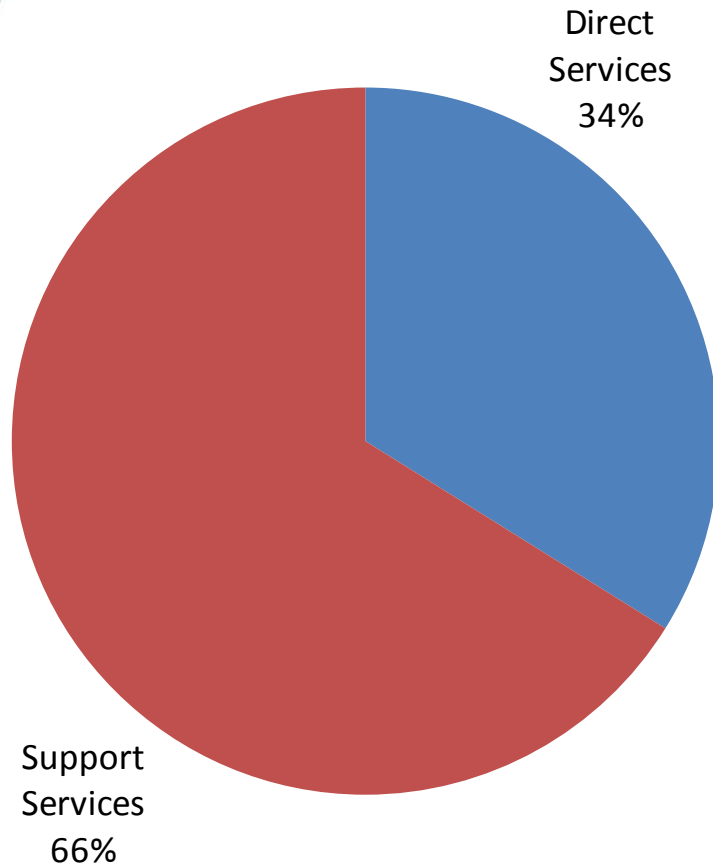


	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budget	\$ 251,731,741	274,727,442	22,995,701	9%
FTE's	992.98	1,028.49	35.51	4%

General Fund Reserves



General Government



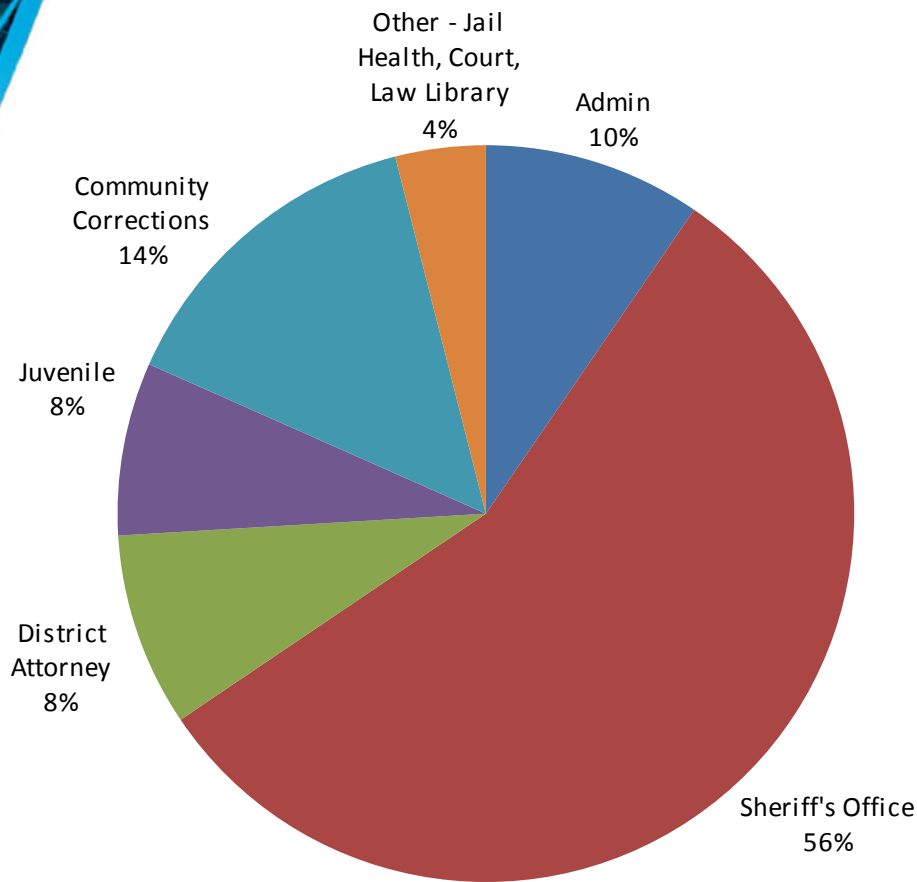
- **County Counsel** adds 1.00 FTE due to expanding workload in litigation and condemnations
- **County Auditor** adds \$40,000 for contracted external expertise
- **Assessment & Taxation** adds 3.00 FTE to align with workload requirements
- **Community Engagement** adds 1.00 FTE to support administrative functions
- **County Emergency Management** adds \$90,000 project fund for the work of the Emergency Management Cooperative (funded by members)
- **ITS** adds 3.00 FTE to add depth in critical technology areas and 1.00 FTE to add capacity to actively pursue comprehensive work flow solutions
- **Facilities Management** adds 3.00 FTE and additional resources to support new facilities and projects



	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budget	\$ 55,473,675	60,473,492	4,999,817	9%
FTE's	337.18	349.43	12.25	4%



Public Safety & Justice

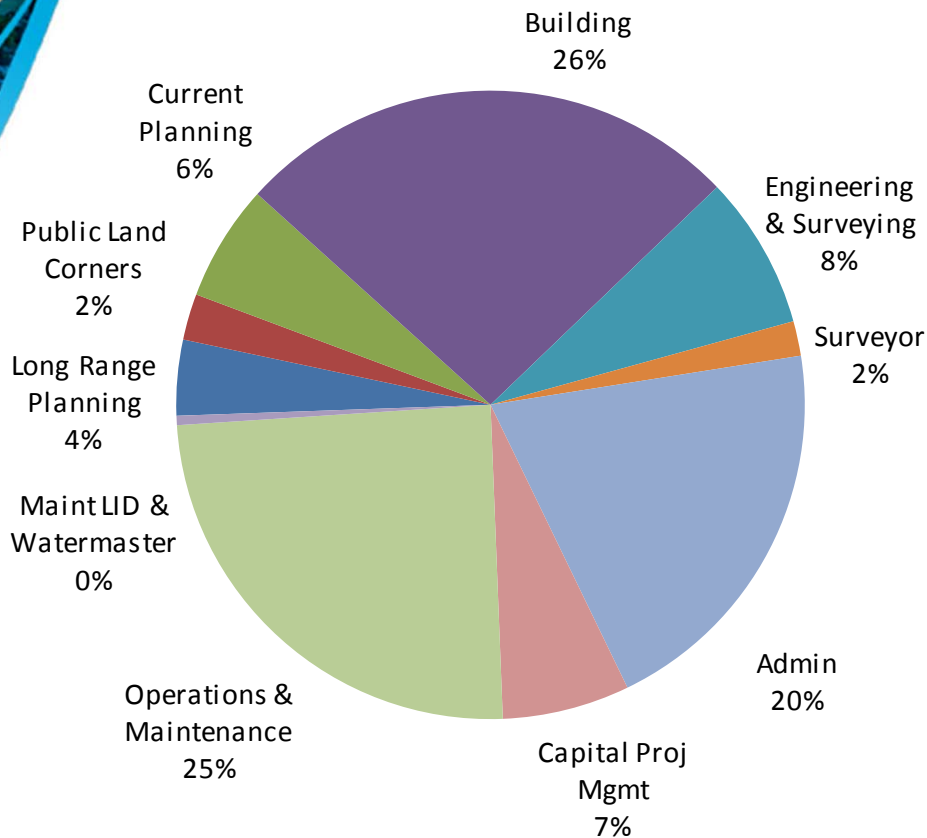


- **Jail** added 2.00 FTE Lieutenant to improve span of control and a 1.00 FTE Management Analyst II for contract management responsibilities
- **Public Safety Training Center** anticipate completion of construction by the end of 2017-18
- **Law Enforcement** adds 4.00 FTE Patrol Deputies, funding from ESPD for one in District Patrol, one funded by the Public Safety Levy and two by the General Fund
- **Community Corrections** focus on Justice Reinvestment initiatives
- **Juvenile** increase in population of Measure 11 youth in detention centers
- **District Attorney** adds 0.50 FTE Management Analyst II in the General Fund; 1.0 FTE Deputy District Attorney IV, 1.00 FTE Administrative Specialist and a 0.50 FTE Management Analyst funded by the Public Safety Levy



	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budget	\$ 170,551,899	182,669,597	12,117,698	7%
FTE's	910.70	922.20	11.50	1%

Land Use & Transportation

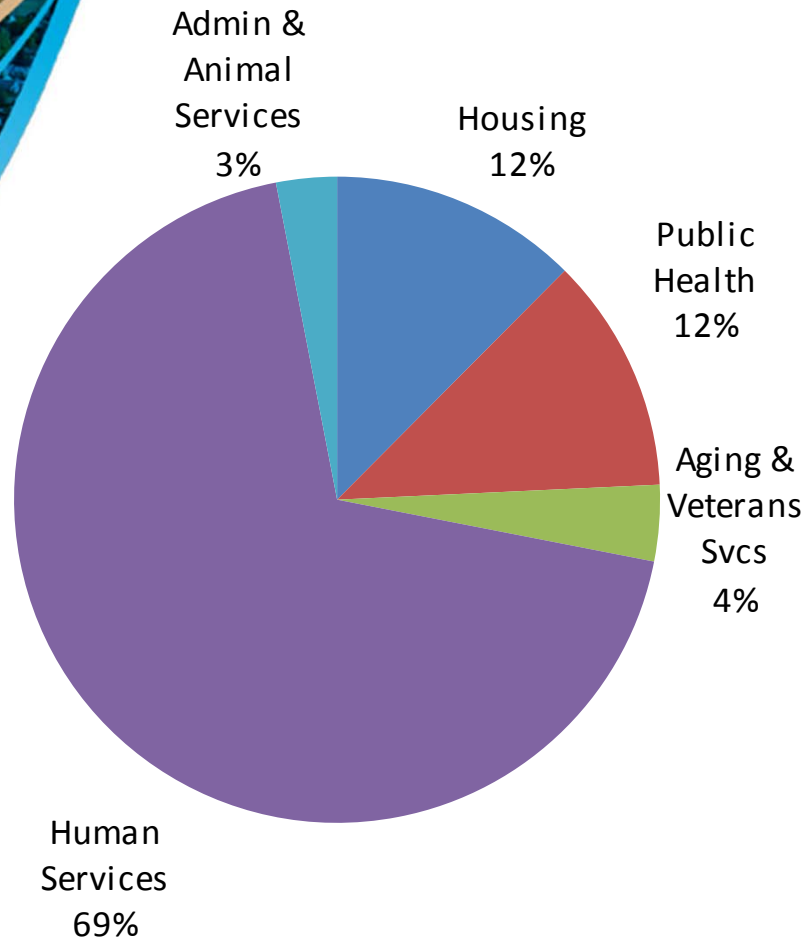
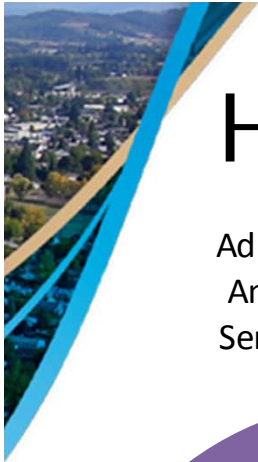


- **Planning & Development divisions** increase reserves due to sustained development activity while operations reserves decline as drawdown supplements road maintenance
- **Long Range Planning major** work program highlights in addition to non-discretionary tasks:
 - Aloha Tomorrow
 - Affordable Housing
 - Quarry Study
 - North Bethany implementation
 - Urban Planning Area Agreements and UGB expansion area planning
 - SW Corridor and TV Highway Corridor Transit Operations
 - Regional Transportation plan update
- **Current Planning** adds 1.80 FTE Administrative Specialist II and Principal Planner
- **Building** adds 3.00 FTE Building Inspectors, a 0.20 Principal Planner and continues work towards implementation of new technology to create a more efficient permitting process
- **Engineering** adds 1.00 FTE Senior Engineer
- **Road pavement condition index** continues to decline

	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budget	\$ 102,395,595	101,898,001	(497,594)	0%
FTE's	328.94	334.94	6.00	2%



Housing, Health & Human Services



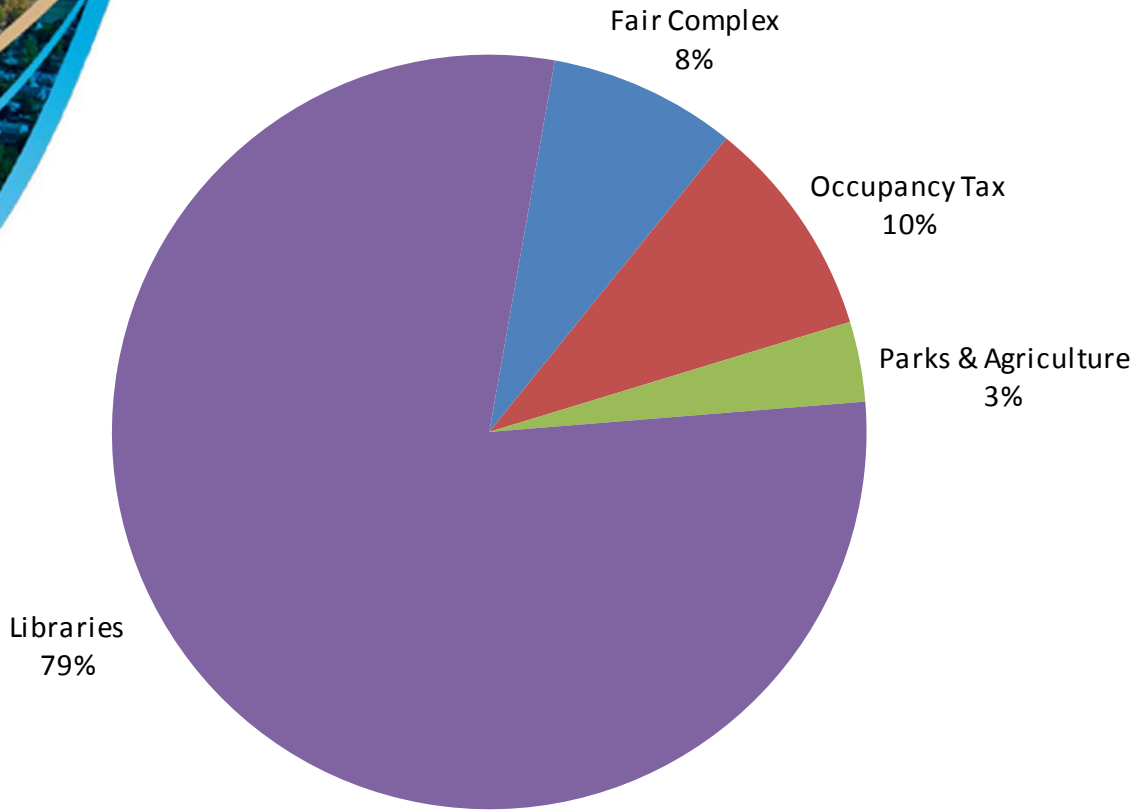
- **Public Health** adds 1.00 FTE to monitor lead in drinking water and eliminates a 0.75 FTE limited duration position
- **Animal Services** eliminates an unfilled 1.00 FTE due to slower-than-expected revenue growth after dog license code changes
- **Human Services** includes \$56,000 for child abuse services and adds 12.00 FTE for the Developmental Disabilities program
- **Aging Services** eliminates 3.00 unfilled positions
- **Veteran Services** adds a 1.00 FTE Veteran Services Officer
- **Mental Health Crisis Services** Hawthorn Center opens May 2017
- **Tri-County Risk Reserve** grows \$7.0 million to \$10.5 million
- **Housing Services** adds 1.00 FTE Housing Development Project Coordinator
- **Air Quality's** first year wood stove replacements exceed projections



	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budget	\$ 144,240,941	147,557,046	3,316,105	2%
FTE's	326.44	336.75	10.31	3%



Culture, Education & Recreation

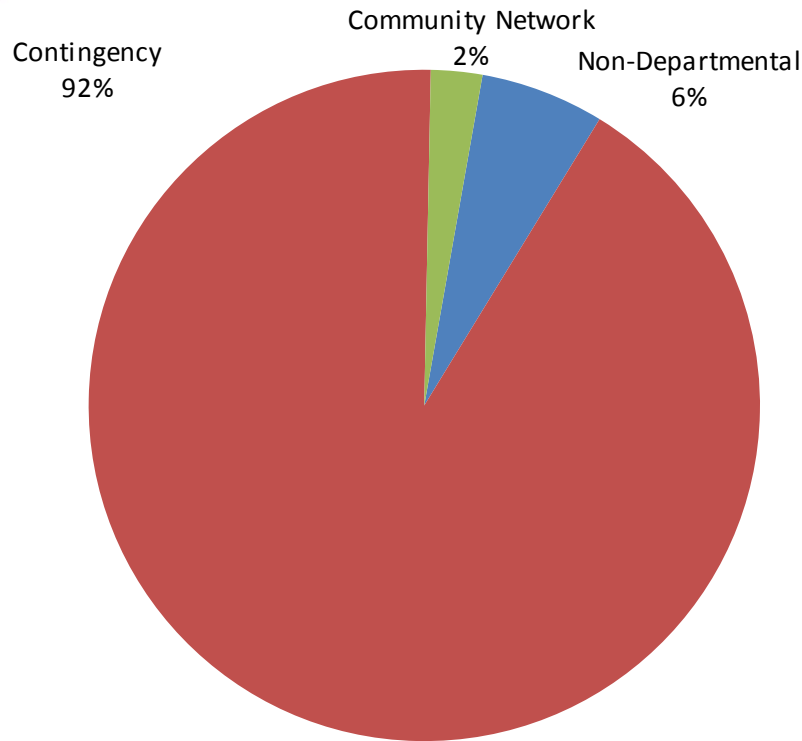


- **Parks** additional resources focused on water safety, hazardous tree removal and trail/bridge maintenance. Adds a 1.00 FTE Maintenance Worker to enhance repairs and maintenance.
- **WCCLS** adds 2.75 FTE to implement additions in the local option levy
- **Transient Lodging Tax** revenue redirected from WCVA to help fund Events Center project
- **Fair Complex** fund balance grows \$700,000 for future maintenance/infrastructure needs



	Fiscal Year		Change	
	2016-17	2017-18	\$	%
Budget	\$ 50,271,083	53,474,886	3,203,803	6%
FTE's	52.25	56.35	4.10	8%

Non-departmental



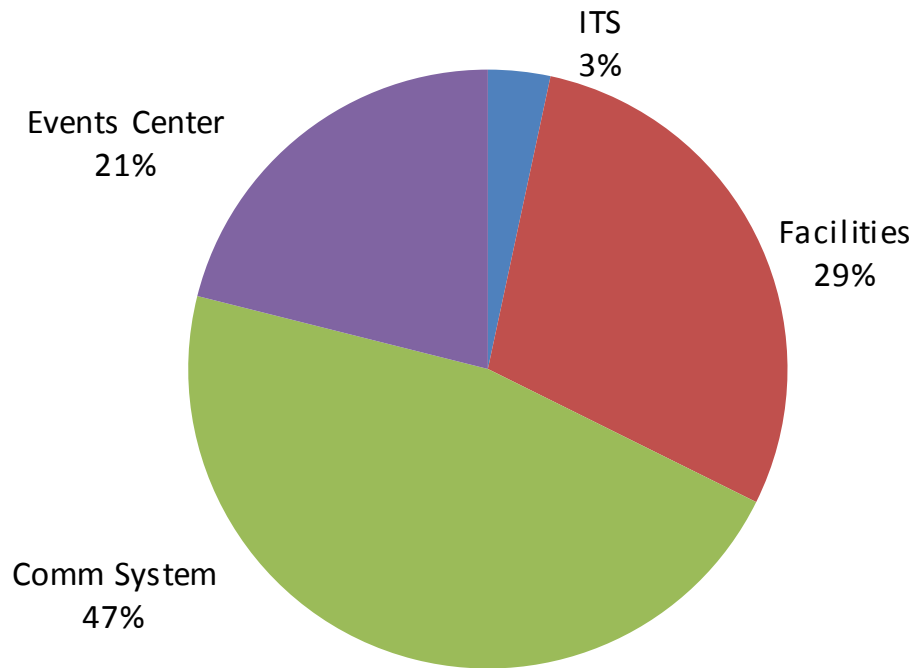
- **Regional Arts & Cultural Council/ Westside Cultural Alliance** funding increases \$10,000
- **Coordinated Referral System** \$56,000 increase in Community Action funding for this program
- **Community Network** status quo funding for nonprofit partners including Vision Action Network, Community Housing Fund, Centro Cultural, 211 Information and Hands on Greater Portland
- **Contingency** increases \$4.9 million
- **Ending fund balance** projected at 25.1% of net revenues June 30, 2018



Fiscal Year		Change	
2016-17	2017-18	\$	%
\$ 18,227,945	22,963,705	4,735,760	26%



General Capital



ITS projects include:

- Assessment & Tax system replacement
- Network infrastructure
- Public safety systems
- Health & Human Services electronic medical records
- Finance/Budget systems

Facilities projects include:

- Seismic upgrades – PSB and LEC
- Jail security improvements
- Public Safety Training Center

Emergency Communications System:

- Infrastructure and radio purchases for member agencies
- \$11.3 million premium to be spent in accordance with ballot measure

Events Center:

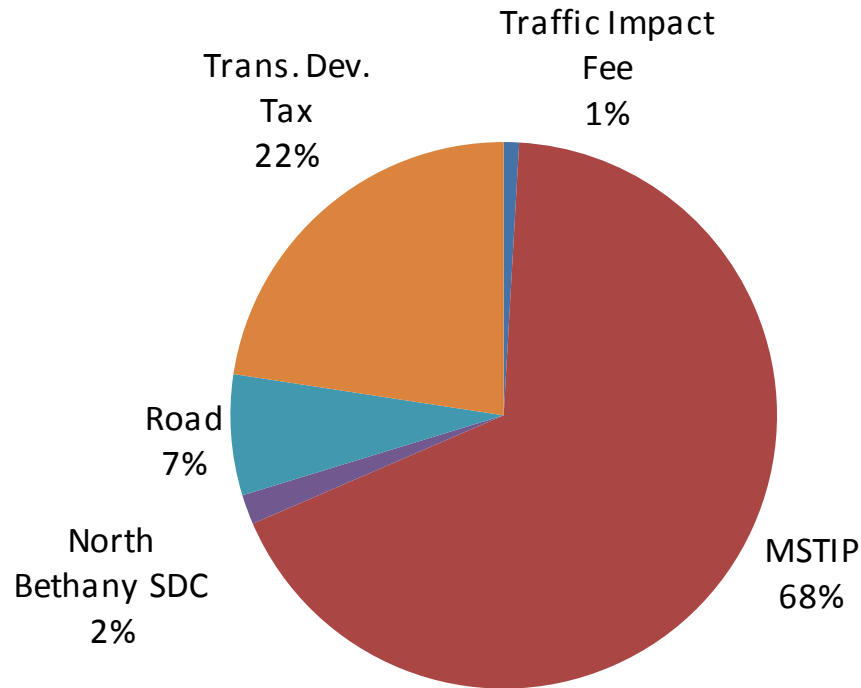
- Design work continues through FY 2017-18 with construction expected to begin in fiscal year 2018-19



	Fiscal Year		Change	
	2016-17	2017-18	\$	%
ITS	\$ 8,690,288	5,752,855	(2,937,433)	-34%
Facilities	67,018,060	49,715,955	(17,302,105)	-26%
Communications Sys	77,077,000	79,945,368	2,868,368	4%
	<u>152,785,348</u>	<u>135,414,178</u>	<u>(17,371,170)</u>	<u>-11%</u>
Events Center	\$ 37,144,980	36,172,572	(972,408)	



Transportation Capital



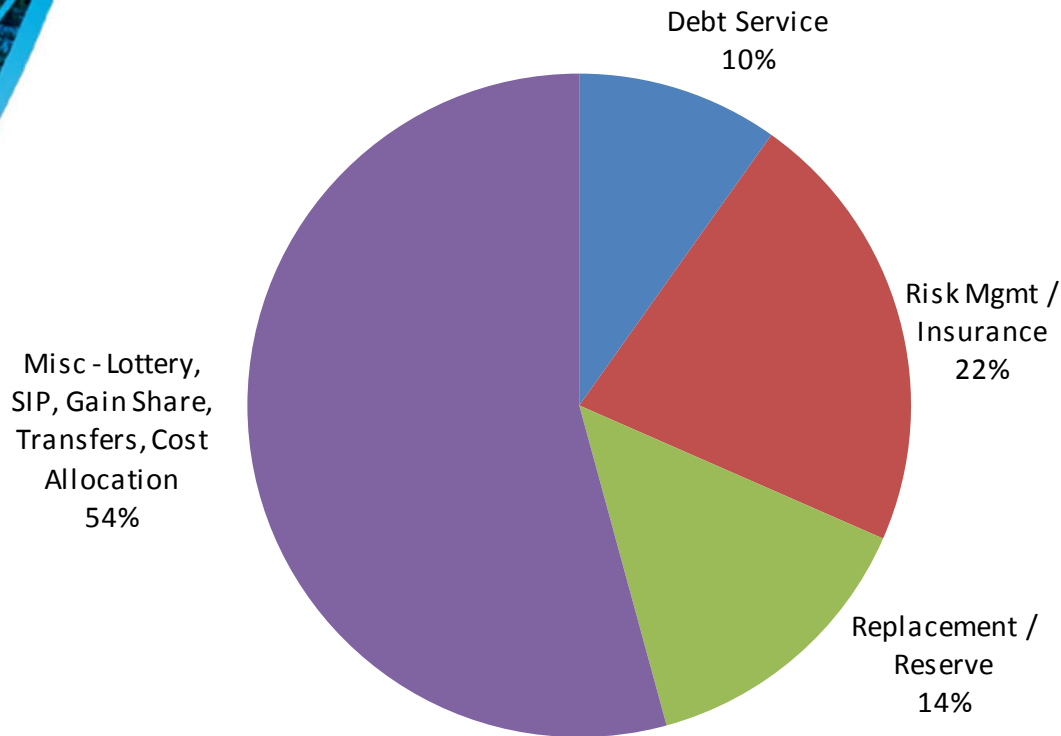
- **MSTIP 3d** projects continue to be scheduled for design and construction
- **MSTIP 3e** program begins design of several new projects
- **High Growth Transportation program** is in its second year of design and construction
- **Bike, pedestrian and Intelligent Traffic Signal** programs continue
- **Hagg Lake** perimeter road improvements – repair slides, guardrails, culverts and paving



MSTIP
Other

	Fiscal Year		Change	
	2016-17	2017-18	\$	%
MSTIP	\$ 172,888,543	156,636,430	(16,252,113)	-9%
Other	58,459,535	75,824,360	17,364,825	30%
	<u>\$ 231,348,078</u>	<u>\$ 232,460,790</u>	<u>\$ 1,112,712</u>	<u>0%</u>

Non-operating



- **Debt Service** includes the 2016 general obligation bonds and full, faith & credit bonds
- **Health care** premium adjustments being actively managed and negotiated
- **PERS Stabilization** balance at \$6.63 million for future rate stability
- **General Fund transfers** increase to restore transfer to Community Corrections to historic level and General Fund's share of new 2016 full faith & credit obligations
- **Strategic Investment Program** additional community service fee revenue from new 2014 SIP agreement with Intel
- **Gain Share** revenues expended per the Board adopted Gain Share Plan



Fiscal Year		Change	
2016-17	2017-18	\$	%
\$ 235,166,639	239,714,669	4,548,030	2%



Public Hearing May 18, 2017

- Hearing to begin at 8:30 a.m. in the Walnut Street Center Training Rooms
- 10:30 a.m. time certain for public comment
- Presentation and consider approval of the service district budgets:
 - North Bethany CSDR
 - ESPD
 - URMD
 - SDL No. 1
- Consider approval of the County budget
- Local budget law requires a quorum for any action





Thank you
and we will see you here
on May 18th at 8:30 a.m.!



General Fund Revenues

	Adopted 2016-17	Modified 2016-17	Proposed 2017-18	Change		% of Total
				\$	%	
Taxes	\$ 139,585,298	139,585,298	144,785,672	5,200,374	4%	63%
Licenses & Permits	2,431,316	2,431,316	2,528,569	97,253	4%	1%
Intergovernmental	4,781,879	4,781,879	4,906,889	125,010	3%	2%
Charges for Services	3,416,500	3,416,500	3,553,160	136,660	4%	2%
Fines & Forfeitures	795,740	795,740	827,570	31,830	4%	0%
Miscellaneous	2,089,459	2,089,459	2,173,038	83,579	4%	1%
Operating Transfers In	26,874,036	26,874,036	32,421,530	5,547,494	21%	14%
subtotal - Other	40,388,930	40,388,930	46,410,756	6,021,826	15%	20%
Total Discretionary	179,974,228	179,974,228	191,196,428	11,222,200	6%	84%
Departmental Revenues	35,793,038	35,793,038	37,767,527	1,974,489	6%	16%
Total General Fund						
Revenues	\$ 215,767,266	215,767,266	228,963,955	13,196,689	6%	100%



General Fund Expenditures

Expenditure Description	Modified 2016-17	2017-18	\$ change	% change
Wages and salaries	72,758,281	78,929,509	6,171,228	8.48%
Pers contribution	11,512,304	15,065,916	3,553,612	30.87%
Health insurance	16,670,371	17,783,770	1,113,399	6.68%
Remaining personnel services	1,233,719	1,524,057	290,338	23.53%
Personnel services	113,331,201	125,425,120	12,093,919	10.67%
Materials & Services	33,778,831	35,177,787	1,398,956	4.14%
Other	3,002,215	2,890,155	(112,060)	-3.73%
Interfund	611,532	193,728	(417,804)	-68.32%
General Fund share of 2016 FF&C debt		1,425,668		
Property taxes allocated to MSTIP for 2016 FF&C debt		5,678,097		
Transfer to Series 2016 B FFCO Debt Service Fund		7,103,765	7,103,765	
Transfer to MSTIP 3 Fund	38,813,107	34,599,903	(4,213,204)	-10.86%
Transfer to Cooperative Library Fund	19,021,580	19,782,443	760,863	4.00%
Transfer to Community Corrections Fund	1,437,454	2,606,428	1,168,974	81.32%
Transfer to Miscellaneous Debt Service Fund	5,469,202	6,241,184	771,982	14.12%
Transfer to Mental Health Crisis Services	200,000	400,000	200,000	100.00%
Transfer to Info Svcs Capital Acquisition Fund	1,694,841	1,539,751	(155,090)	-9.15%
Transfer to General Capital Projects Fund	2,960,000	2,140,817	(819,183)	-27.68%
Remaining operating transfers out	3,076,971	3,340,603	263,632	8.57%
Operating Transfers Out	72,673,155	77,754,894	5,081,739	6.99%
Capital outlay	622,911	641,865	18,954	3.04%
Contingency	27,711,896	32,643,893	4,931,997	17.80%
Totals	251,731,741	274,727,442	22,995,701	9.14%





Multi-year Capital Projects

Project Name	2014-15	2015-16	2016-17	2017-18	2018-19*	2019-20*	2020-21*	Totals
PSB (Public Services Building) Seismic	\$ 388,173	1,830,067	1,958,508	22,076,309	2,979,878			29,232,935
LEC (Law Enforcement Center) Seismic	18,838	66,861	500,000	4,648,118				5,233,817
Public Safety Training Center Tenant Improvements		271,734	948,686	11,239,467				12,459,887
Public Services Annex Building + Tenant Improvements			1,272,951					1,272,951
Law Enforcement Center Blanton			2,600		12,997,400			13,000,000
Jail Security	67,458	354,332	2,000,000	2,107,210				4,529,000
Law Enforcement Center Courtroom #2						2,000,000		2,000,000
WSC (Walnut Street Center) Seismic			30,000					30,000
WSC Emergency Operations Center							1,000,000	1,000,000
Adams Crossing Building + Tenant Improvements			3,865,875					3,865,875
Service Center East Hagg Lake			1,900,000			2,000,000		2,000,000
								1,900,000
subtotals	474,469	2,522,994	12,478,620	40,071,104	15,977,278	4,000,000	1,000,000	76,524,465
Misc. one year projects Fund 356				3,266,419				3,266,419
Misc. one year projects Fund 353				300,000				300,000
Events Center			208,462	36,172,572				36,381,034
MSTIP High Growth Projects			30,000,000	23,362,409				53,362,409
Emergency Communications System Replacement			10,028,221	68,945,368				78,973,589
Totals	474,469	2,522,994	52,715,303	172,117,872	15,977,278	4,000,000	1,000,000	248,807,916



* subject to approval by the Washington County Board of Commissioners

Multi-year Capital Projects

Funding Sources	2014-15	2015-16	2016-17	2017-18	2018-19*	2019-20*	2020-21*	Totals
Building Equipment Replacement			110,923	2,300,000	2,979,878			5,390,801
Enhanced Sheriff's Patrol District		85,593	3,488,508	2,733,484				6,307,585
Facilities Capital				209,459				209,459
Gain Share	474,469	2,251,260	138,826	16,734,780				19,599,335
General Fund		186,141		2,040,817				2,226,958
Grant				1,500,000				1,500,000
Local Option Levy						2,000,000		2,000,000
Other/Special Funds				1,513,000			1,000,000	2,513,000
Real Property				100,000				100,000
Full Faith & Credit - Facilities			8,740,363	16,505,983	1,997,400	2,000,000		29,243,746
Full Faith & Credit - Events Center				36,172,572				36,172,572
Full Faith & Credit - MSTIP High Growth			30,000,000	23,362,409				53,362,409
General Obligation Bonds - Blanton			208,462		11,000,000			11,208,462
General Obligation Bonds - Emergency Communications System Replacement			10,028,221	68,945,368				78,973,589
Totals	\$ 474,469	2,522,994	52,715,303	172,117,872	15,977,278	4,000,000	1,000,000	248,807,916

* subject to approval by the Washington County Board of Commissioners

