



# Josephine County, Oregon

## Finance Division

Josephine County Courthouse  
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### BUDGET COMMITTEE MEETING

Anne Basker Auditorium

604 NW 6<sup>th</sup> Street

Grants Pass, Oregon

Wednesday, April 20 2011

4:00 p.m. to 6:00 p.m.

Purpose of the meeting is to discuss the FY 2011-12 Budget for Josephine County and allow public comment.

Budget Committee members: Marie Hill, Larry West, Keith Heck, Dwight Ellis, Sandi Cassanelli, Simon Hare

Budget Officer: Rosemary Padgett, CFO

### AGENDA

- 1) Open Meeting
- 2) Elect Chair of Budget Committee
- 3) Elect Vice Chair/Secretary of Budget Committee
- 4) Budget Officer presents Budget Message and Proposed Budget for FY 2011-12
- 5) Elected Officials Compensation Committee Recommendation – Jeff Wolf
- 6) Department Presentations: Budget Officer
  - a. Summary of Funds
  - b. General Fund – OverviewPresentations:
  - Assessors- Connie Roach
  - Treasurers – John Harelson
  - County Clerk – Art Harvey
  - Forestry – Vic Harris
  - Planning – Dave Wechner
  - Transfer Overview – Rosemary Padgett

\*Presentation by Public Safety and Adult Corrections set for next meeting date.

- 7) Budget Committee establishes meeting calendar. Proposed dates: meet from 4 to 6 p.m. Tuesday, April 26 and Thursday, April 28 and Thursday, May 5 (if needed).
- 8) Public Comment (limit of three minutes each, public comment allowed at additional meetings)

**Josephine County  
Budget Message  
Fiscal Year 2011-12  
April 20, 2011**

As the Budget Officer for Josephine County, I am presenting to the Budget Committee a balanced budget as required by Oregon Budget Law. The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. The budgets include details on mandates, program outcomes, revenues, expenditures and personnel for each department within the respective fund. Although County government and the resulting budget is complex, our goal is to provide as much transparency in government as possible while following Oregon Budget Law.

The County is continuing with the "Budgeting for Outcomes" model, which is based on programs and service levels within the County. In FY 2010-11, the County adopted four goals related to the budget. Each Department was requested to relate how their programs met the following goals:

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to the citizens of Josephine County.
- 4) Ensure cost effective achievement of services to the County's citizens by providing an environment that fosters a highly qualified and professional workforce.

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don't rely on property taxes and/or the Federal SRS 2008 dollars. With the economy continuing in a downward trend and the State's current budget issues, many Departments will face challenges to provide services at minimal levels for our citizens. The proposed budgets reflect a net reduction in full time equivalent positions (FTE) of 21.35. Airport, Fleet and Transit (self sustaining) have requested increased FTE's based on workload demands. With the ongoing economic trends, the budget proposal does include requests for monies for the Public Health Solid Waste program, Veterans Services program, Animal Protection program and the Special Public Works Fund from the General Fund

As part of the SRS 2008 bailout, Congress included monies for O&C Counties through 2011. The amounts were based on the County's allotment in 2006 with each year's payment declining (90% down to 40%). Payments for general government purposes have been dedicated to the Public Safety Fund. Public Works and Title III SRS 2008 projects are also funded for the same time period. Currently, no new revenue sources have been identified or approved by Congress or the citizens to replace the SRS 2008 payments after the 2011-12 fiscal year.

### **Fund Structure Information**

- 1) Departments (Offices and Programs) that provide similar services and rely on common funding sources remain grouped together in separate funds such as the General Fund and the Public Safety Fund.
- 2) The Public Works Fund's major source of revenue continues to be State Gas Tax dollars. Public Works will be finishing road and bridge projects funded by the federal bailout monies (SRS 2008) and state stimulus dollars.
- 3) Funds, such as Fair, Parks and Public Health will continue to be required to be self sustaining from fees, grants or other revenue sources outside of the General Fund. These Funds have had a deficit fund balance for the last three years which will require program reductions and/or increased sources of revenues in order to become self sustaining. All other Funds that are for dedicated purposes are required to be shown as individual Funds in the budget.
- 4) In FY 10-11, the County entered into a settlement agreement with AFSCME to sustain the transfer of Mental Health programs (2006) to nonprofit agencies. Of the 125 FTE's, three positions were reinstated to County employment. Two FTE's to Mental Health and one department specialist to Information Technology. The County, in its role as the Mental Health Authority, will still provide oversight of the mental health programs which are funded by State grant/contract dollars.
- 5) The County is continuing to follow the Public Safety Plan, approved in January 2009, for funding public safety departments through FY 2011-12. Funding comes from Federal SRS 2008 monies, a transfer from General Fund of 3 million dollars and dedicated revenues. New funding will be required for FY 2012-13 and beyond in order to maintain Public Safety at the same level of service. With no new funding, projections estimate the Public Safety programs will decrease at least fifty (50) percent of current service levels in FY 2012-13.
- 6) Fund 210, Grant Project Fund is mainly a pass through fund for Title III monies from the federal government and Economic Development lottery dollars. With the loss of O&C monies for Title III programs, the County has enough reserves to fund programs such as Search and Rescue, community work crews and forest activities for approximately two to three more years. The monies available for Title III projects under SRS 2008 have more restrictions and have to be refunded if not obligated by 2012. Economic Development dollars continue to decline as lottery revenues decrease and the County expended the carry over reserves in FY 2010-11. No new applications have been requested for projects and the County Departments that receive economic dollars have been reduced by \$10,000 each (Parks, Fair and Planning). The Airport was reduced from \$37,000 to \$30,000.
- 7) The centralized overhead of the County is in Fund 401, Internal Service Fund. Current overhead charges were increased from 8.50% to 9.25%. The percentage allocation is applied to the personal service and material & services budgets of the operating funds (excluding pass through

monies). With declining operational budgets countywide, ISF fund revenues were decreased by \$225,000. Four (4) FTE's were eliminated. Fund 402 includes the programs for maintenance of county facilities and fleet. Departments are directly charged for services and those charges were slightly increased to reflect the increases in utilities and vehicle fuel. Fund 410, Insurance Fund reflects an increase due to large self insured worker compensation settlements and the remaining litigation costs for lawsuits filed in 2005 that depleted the carry over reserves of the Fund. Costs are expected to decline for county departments as the County continues to move totally away from being self insured.

- 8) Property sales and capital expenditures for facilities are shown under the Property Reserve Fund. This budget includes federal stimulus projects and projects funded by a portion of the rental charge to departments for depreciation. The Equipment Reserve Fund receives revenues from Fleet for vehicle replacement and direct monies from Funds that require capital purchases of \$5,000 or more.
- 9) The Personnel section includes the Organizational chart with positions county wide. Current salary tables are included. Current union contracts for AFSCME, SEIU/OPEU and the Sheriff's Association are due to expire June 30, 2012 and will require bargaining during FY 2011-12.

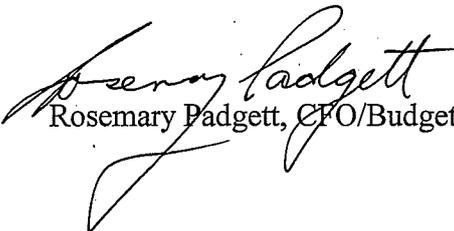
### **Impacts**

With the exception of Public Safety, the proposed Budget shows the continuing impacts of reduced service levels referred to as Service Level 1 budgets, both in dollars and positions (FTE's) budgeted. Departments that were reduced beginning in FY 07-08 will continue to operate under those constraints. The Public Safety Fund, which relies on General Fund transfers and the SRS 2008 federal monies, has increased service levels based on the Public Safety Plan. Without a sustainable funding source, Public Safety will be faced with service reductions beginning in FY 2012-13.

The General Fund contingency has decreased from a conservative 3 million dollars to approximately 1.8 million dollars for this fiscal year. Part of the decrease results from reducing the beginning fund balance to offset deficits that have occurred in the Public Health and Parks Funds in FY 2010-11. These General Fund carryover monies are used to cover payrolls and other costs of the County until property tax and other annual revenues are received in November.

### **Conclusion**

During the Josephine County FY 2011-12 Budget process, we will be discussing programs and related service levels that are currently available to our citizens. The citizens, through their representatives, need to identify the programs that are considered necessary to maintain the quality of life we expect in Josephine County. We then need to work together in providing sustainable long term funding for those important County government services.

  
Rosemary Padgett, CFO/Budget Officer

## **Recommendation of the Josephine County Elected Official Compensation Committee to 2011 Budget Committee**

The Josephine County Elected Official Compensation Committee thanks the Budget Committee and the Commissioners for this opportunity. The Committee met once to complete the assigned review, on April 8, 2011. The meeting was conducted in accordance with Oregon's open meetings laws and the ORSs relevant to the subject matter. Several Elected Officials and one private citizen were present.

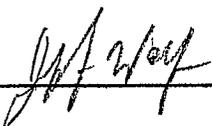
The recommendations of the Committee are as follows:

1. Elected officials should be granted a COLA on an annual basis as provided to the non-union employee group. The committee recommends this practice be reinstated in order to avoid wage compression and for equity with County department heads.
2. The review of Josephine County elected officials overall compensation shows they are satisfactorily aligned with their peers in the comparator counties at this time.
3. The salary for the Sheriff requires additional consideration due to an ORS requirement that the Sheriff be paid more than any other person in his Office. Last year, due to this requirement, an adjustment was necessary so that the Sheriff would make slightly more than the Undersheriff would. Since the Undersheriff would qualify for a step increase and possibly a COLA adjustment 1/1/2012 as a non-union employee, an adjustment at that time may be required for the Sheriff, particularly if, as has occurred in recent years, the Budget Committee decides to not grant the Elected Officials a COLA increase. The Committee recommends the Sheriff's pay be fixed at 2% above the Undersheriff.
4. The EOCC recommends no structural changes to Elected Official compensation at this time.

### Comments:

1. The Committee has again reviewed its county comparators and has found the counties used to be appropriate.
2. Several of the comparator Counties pay the Elected Officials 6% employee PERS contribution. Next year, the Committee would like to see this included in the salary comparison schedule provided by HR.
3. The Committee thanks Sara Moye and the HR Department for their efforts in providing the necessary information to the Committee in advance of the meeting.

Jeff Wolf, Chair     Date 4/11/2011

  
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**JOSEPHINE COUNTY  
SUMMARY OF ADOPTED BUDGETS  
2010-11 and 2011-12**

	2010-11			2011-12		
	Full Time Equivalents (FTE) (1)	Adopted Budget	Budgeted Expenditures (2)	Full Time Equivalents (FTE) (1)	Proposed Budget	Budgeted Expenditures (2)
<b>Major Operating Funds:</b>						
100 General Fund	45.90	\$ 10,406,000	\$ 3,758,500	45.65	\$ 9,610,000	\$ 3,854,800
201 Public Works Fund	63.55	13,652,500	6,350,500	63.30	12,645,800	6,442,900
240 Public Safety Fund	157.25	26,395,000	15,962,000	149.68	20,267,000	16,065,500
243 Adult Corrections Fund	32.25	3,922,000	3,327,300	28.00	3,665,500	3,107,200
250 Mental Health Fund	126.85	7,912,000	7,319,800	3.95	4,310,200	4,081,400
255 Public Health Fund	29.72	3,134,000	2,932,200	28.82	3,197,800	2,945,800
<b>Special Revenue Funds:</b>						
202 Public Works Special Programs Fund	-	216,500	129,000	-	209,000	87,000
210 Grant Projects Fund	2.25	5,380,000	1,396,000	2.25	4,577,400	1,601,500
212 DA Forfeiture Fund	-	258,900	50,000	-	273,000	50,000
221 Fairgrounds Fund	6.40	1,094,200	1,064,700	4.60	849,500	794,700
223 County Clerk Records Fund	-	140,000	14,500	-	146,000	86,500
224 Public Land Corner Preservation Fund	2.40	220,000	180,300	2.37	182,300	144,900
245 Transit Fund	15.02	1,229,800	850,800	17.00	1,830,100	1,063,800
246 Juvenile Justice Special Programs Fund	2.85	275,600	219,700	2.35	249,400	226,200
248 DA Special Programs Fund	0.20	188,600	40,800	0.20	199,300	49,300
258 Commission for Children & Families Fund	1.80	576,600	446,600	1.55	473,900	394,700
260 Parks Fund	9.40	1,067,000	983,800	7.00	930,000	851,300
262 Building and Safety Fund	8.00	2,402,300	749,400	6.00	2,132,600	619,900
275 Court Facilities and Security Fund	-	292,300	287,000	-	293,200	289,000
<b>Enterprise Funds:</b>						
501 Jail Commissary Fund	-	80,000	55,000	-	132,000	95,000
530 Airports Fund	1.75	3,500,800	3,293,000	2.27	2,386,300	2,235,200
<b>Internal Service and Internal Vendor Funds:</b>						
401 Internal Services Fund	33.60	4,296,000	3,778,000	29.60	3,960,600	3,683,000
402 County Buildings and Fleet Fund	18.25	3,505,000	2,569,100	18.50	3,768,100	2,826,700
410 Insurance Reserve Fund	-	1,200,000	1,110,000	-	1,240,000	1,201,000
415 Payroll Liability Reserve Fund	-	1,890,000	700,000	-	952,000	852,000
<b>Capital Project and Capital Reserve Funds:</b>						
303 County Bridge Construction Fund	-	2,985,000	2,970,000	-	2,910,000	2,910,000
425 Roads and Bridges Reserve Fund	-	2,218,000	2,162,400	-	1,732,600	1,522,700
430 Property Reserve Fund	-	3,555,000	1,817,100	-	3,888,200	978,200
435 Equipment Reserve Fund	-	2,259,000	1,791,800	-	1,757,000	1,199,100
<b>Debt Service Funds:</b>						
610 PERS Bond Debt Service Fund	-	1,070,594	1,070,594	-	1,115,600	1,115,600
625 Adult Jail Facility Debt Service Fund	-	1,048,000	1,048,000	-	1,048,000	1,048,000
<b>Trust Funds:</b>						
702 Library Programs Trust Fund	-	374,900	111,700	-	312,400	268,700
703 Human Service Programs Trust Fund	-	79,840	79,840	-	84,300	84,300
704 PEG Access Fund	-	62,200	46,200	-	58,200	38,200
715 County School Trust Fund	-	495,800	495,800	-	320,200	320,200
717 911 Excise Tax Fund	-	-	-	-	250,000	250,000
735 Sheriff Forfeiture Fund	-	330,000	105,000	-	225,000	110,000
736 Sheriff Programs Trust Fund	-	131,000	131,000	-	131,000	131,000
<b>Total Appropriation</b>	<b>557.44</b>	<b>\$ 107,844,434</b>	<b>\$ 69,397,434</b>	<b>413.09</b>	<b>\$ 91,313,500</b>	<b>\$ 63,625,300</b>
<b>Unappropriated Ending Fund Balances:</b>						
610 PERS Bond Debt Service Fund	-	57,306	-	-	54,900	-
625 Adult Jail Facility Debt Service Fund	-	106,200	-	-	89,100	-
702 Library Programs Trust Fund	-	305,600	-	-	305,600	-
703 Human Service Programs Trust Fund	-	47,300	-	-	47,300	-
715 County School Trust Fund	-	500	-	-	500	-
<b>Total Ending Fund Balances</b>	<b>-</b>	<b>516,906</b>	<b>-</b>	<b>-</b>	<b>497,400</b>	<b>-</b>
<b>Total Budget</b>	<b>557.44</b>	<b>\$ 108,361,340</b>	<b>\$ 69,397,434</b>	<b>413.09</b>	<b>\$ 91,810,900</b>	<b>\$ 63,625,300</b>

(1) FTE total in 2010-11 Adopted Budget included 125 Mental Health employees projected to be reinstated that did not occur.

(2) Excludes budget amounts for Interfund Transfers, Contingency and Ending Fund Balances.

**RESOURCES AND REQUIREMENTS**

Josephine County

**GENERAL FUND (100)**

Historical Data		Adopted Budget This Year 2010-11	DESCRIPTION RESOURCES AND REQUIREMENTS	Budget for Next Year 2011-12		
Actual	First Preceding Year 2009-10			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2008-09						
\$ 3,952,683	\$ 3,598,996	\$ 3,300,000	Beginning Fund Balance	\$ 2,475,000		
3,135,987	3,279,471	3,385,300	Property Taxes - Current year	3,458,600		
97,876	187,053	144,700	Property Taxes - Prior years	150,000		
			Revenues generated by departments:			
427,783	379,393	431,000	Assessor	401,700		
234,253	211,869	190,900	Treasurer	177,100		
627,601	578,283	513,500	Clerk	455,000		
58,362	33,773	45,000	Surveyor	33,000		
392,548	354,982	343,900	Planning	339,200		
1,180,668	574,075	728,000	Forestry	845,700		
-	-	-	Property Sales	-		
131,203	80,889	43,700	Interest Income	58,000		
710,383	231,521	200,000	Payment in Lieu of Tax	215,000		
232,076	214,933	220,000	Solid Waste Fees	220,000		
98,166	85,305	90,000	Cigarette Taxes	80,000		
34,252	7,447	20,000	Amusement Device Tax	26,000		
205,900	230,696	200,000	Franchise Taxes	200,000		
342,644	356,828	330,000	OLCC Fine Reimbursement	355,000		
8,847	16,113	10,000	Miscellaneous	10,000		
			Interfund Transfers:			
50,000	50,000	50,000	210 - Grant Projects Fund - ED for Planning	40,000		
290,604	255,547	160,000	210 - Grant Projects Fund - Title III for Forestry	60,000		
-	-	-	210 - Grant Projects Fund - SRS 2008 for Forestry	10,500		
\$ 12,211,836	\$ 10,727,174	\$ 10,406,000	<b>TOTAL RESOURCES</b>	\$ 9,609,800	\$ -	\$ -

RESOURCES AND REQUIREMENTS

Josephine County

GENERAL FUND (100)

Historical Data			Budget for Next Year 2011-12		
Actual	First Preceding Year 2009-10	Adopted Budget This Year 2010-11	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2008-09					
\$ 1,090,680	\$ 1,106,125	\$ 1,268,700	\$ 1,269,100		
488,011	461,172	500,200	512,200		
568,086	565,392	560,400	578,400		
64,765	56,828	67,500	69,600		
505,266	484,302	489,000	522,600		
946,332	773,739	872,700	902,900		
230,000	-	-	-		
110,000	-	-	-		
-	59,616	-	-		
21,400	22,300	72,000	12,300		
3,900,000	3,000,000	3,000,000	86,700		
-	45,000	45,000	3,000,000		
-	-	75,000	45,000		
225,000	250,000	220,000	75,000		
344,200	321,600	321,200	232,000		
82,100	81,400	81,800	356,600		
37,000	37,000	37,000	85,100		
-	-	2,795,500	37,000		
			1,825,300		
8,612,840	7,264,474	\$ 10,406,000	\$ 9,609,800	\$ -	\$ -
3,598,996	3,462,700				
\$ 12,211,836	\$ 10,727,174				
<b>REQUIREMENTS</b>					
Operating Expenditures:					
Assessor					
Treasurer					
Clerk					
Surveyor					
Planning					
Forestry					
Public Health Prior Year Payment					
Interfund Transfers:					
201 - Public Works Fund - Solid Waste					
202 - Public Works Special Programs Fund - Solid Waste					
210 - Grant Projects Fund for Veterans Service Office					
240 - Public Safety Fund					
255 - Public Health Fund - Solid Waste					
255 - Public Health Fund - Animal Control					
275 - Court Facilities and Security Fund					
401 - Internal Services Fund (ISF)					
435 - Equipment Reserve Fund - Assessor					
435 - Equipment Reserve Fund - Treasurer					
Contingency					
<b>TOTAL REQUIREMENTS</b>					
Ending Fund Balance					
<b>TOTAL ACTUAL</b>					