



County
Budget Overview

Washington County Budget Committee

May 8, 2018



Agenda

- Introductions
- Election of officers
- Approve process and procedures
- County budget overview
- May 17 – public hearing, Budget Committee considers approval of the proposed budget
- June 19 – Washington County Board of Commissioners considers adoption of the approved budget



Election of Officers

- Washington County Service District for Lighting No. 1
 - Current Chair: Mark Bauer
 - Lay Citizen Members: Leroy Bentley, Janice Essenberg, Bonnie Hadley, 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, Daniel Reid



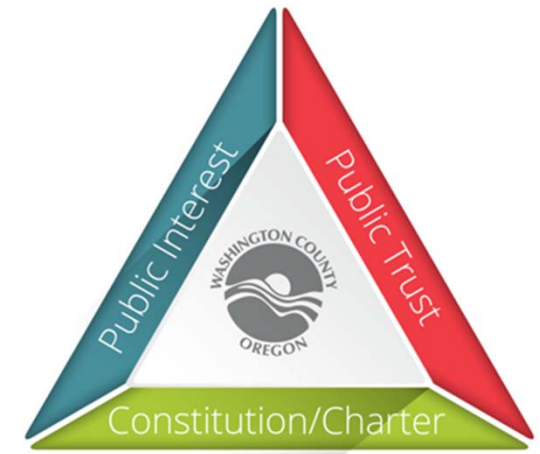
Process & Procedures for May 17

- Consider approval of process and procedures for the actions to be taken by the Budget Committee
- Time certain 10:30 a.m. for public testimony
- State law requires a quorum for any action



County Strategic Plan

- Expresses County mission:
 - Provide excellent and cost effective services that support healthy, peaceful, safe and sustainable communities; and encourage meaningful participation in community activities and County governance
- Outlines County's principles, including pursuing the public interest and maintaining the public's trust





County Strategic Plan

- Provides framework for:
 - Distinguishing among services (countywide vs. municipal)
 - Prioritizing resources
 - Associating revenue sources with service beneficiaries
- Led to the creation of ESPD & URMD
- Emphasizes community partnerships strategic approach



STRATEGIC
PLAN

COUNTY 2020



County Strategic Plan

Countywide Services	Municipal Services
<p>Assessment and taxation Elections Public health Human services Housing services Emergency medical services (ambulance) Major transportation systems Building services Surveyor Animal services Juvenile Community corrections Prosecution Jail and certain Sheriff's Office programs/services Emergency management</p>	<p>Neighborhood road and street maintenance Urban-level law enforcement patrol Urban-level code enforcement Economic development</p>

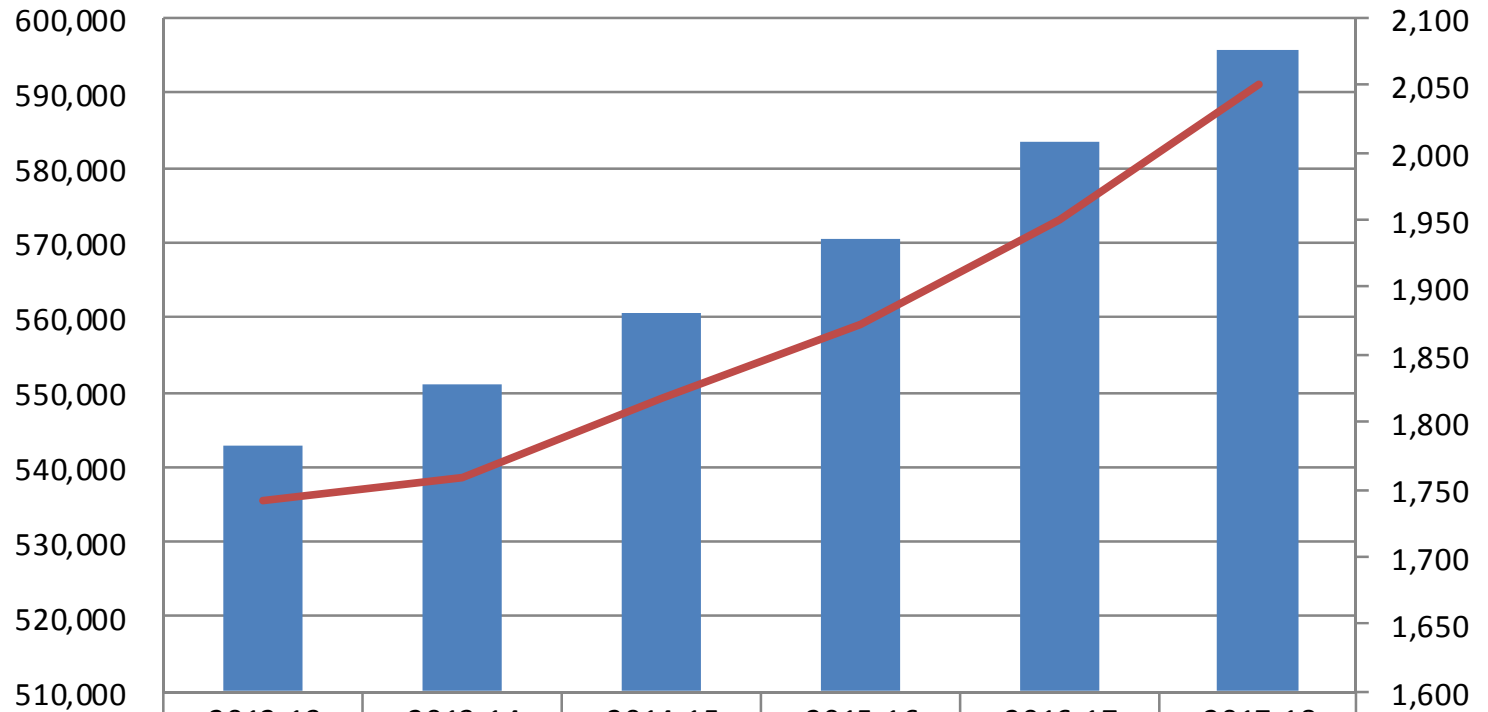


County Strategic Plan

- Establishes five functional areas:
 - General Government
 - Public Safety & Justice
 - Land Use & Transportation
 - Housing, Health & Human Services
 - Culture, Education & Recreation



Population Growth & Staffing Levels

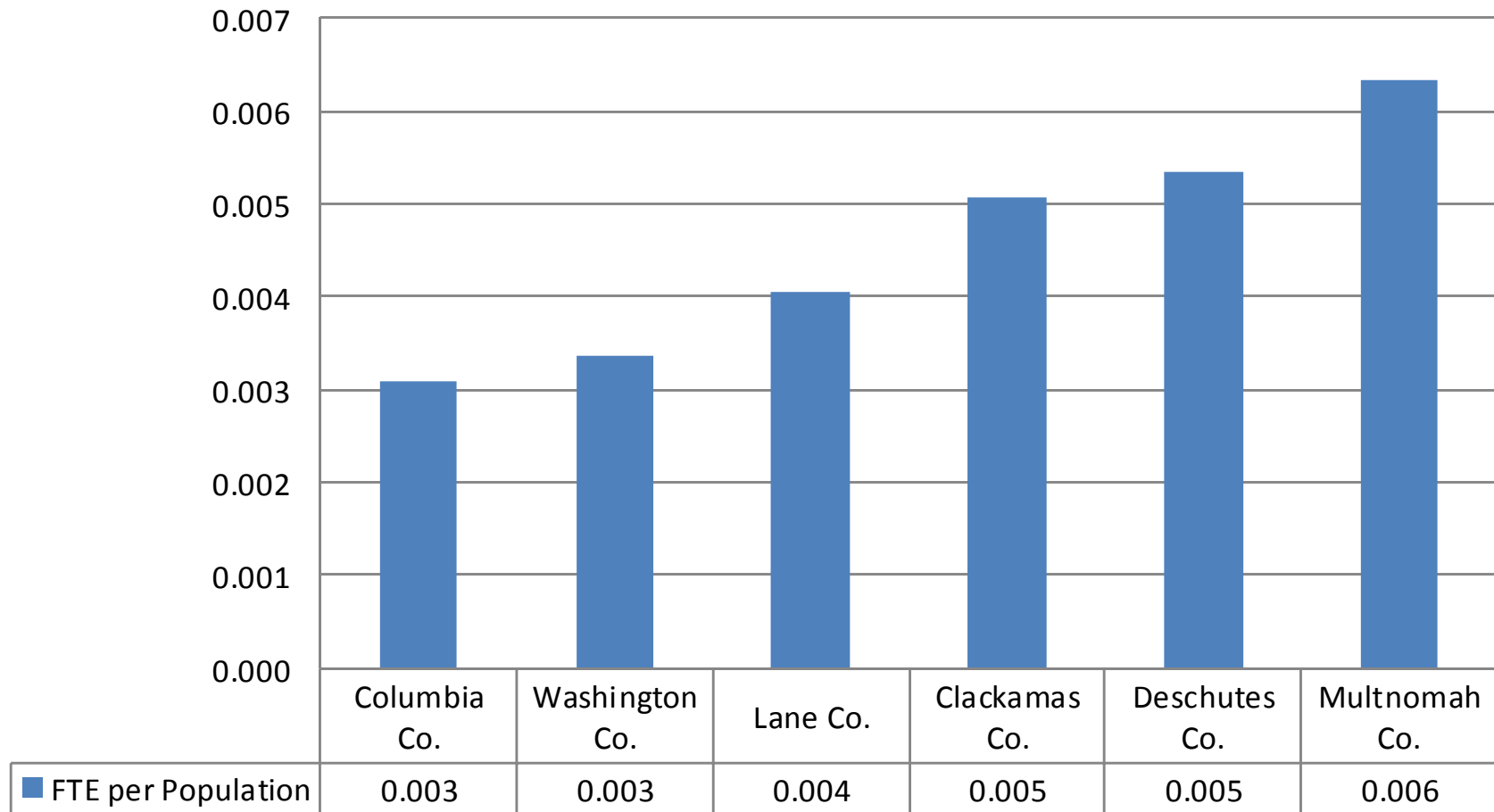


Population	542,845	550,990	560,465	570,510	583,595	595,860
FTE	1,741	1,758	1,817	1,872	1,951	2,050
FTE per 1,000 population	3.21	3.19	3.24	3.28	3.34	3.44

Source: Portland State University and County Adopted Budget



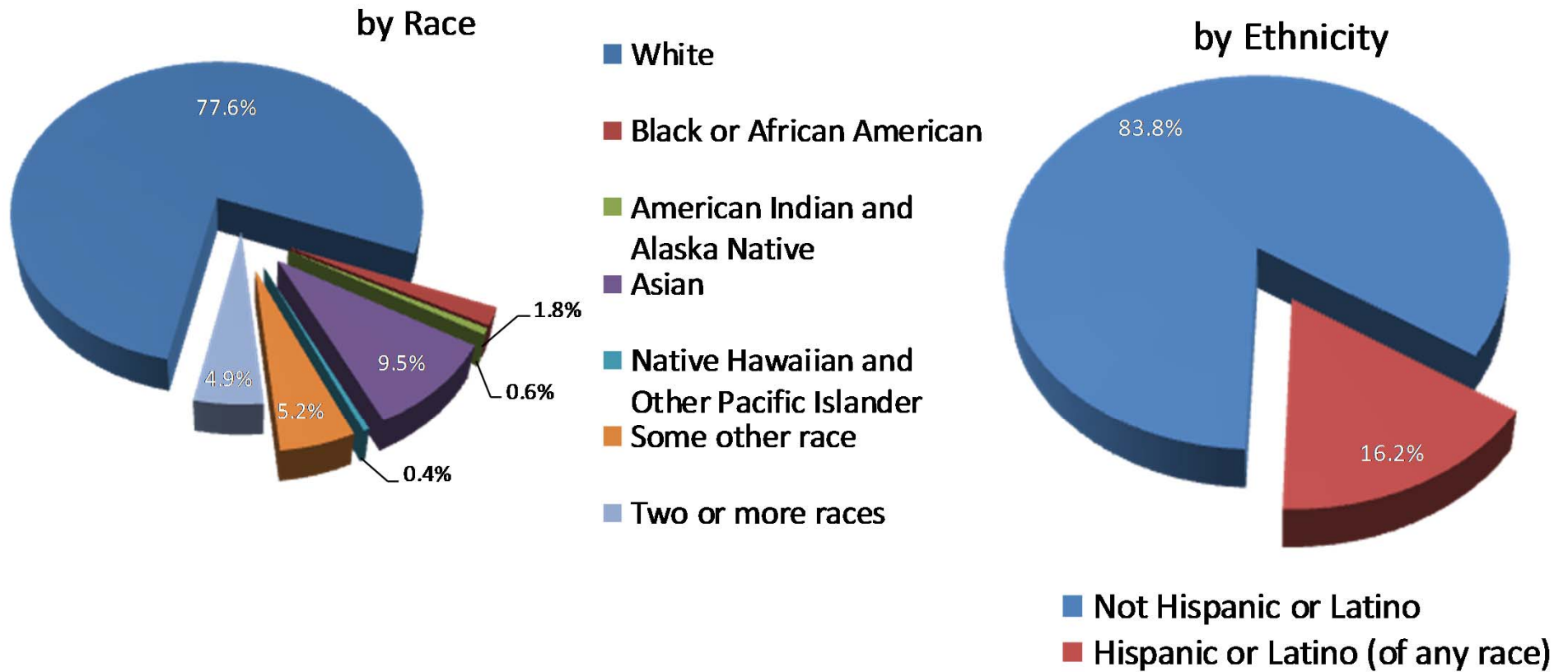
FTE per Population



Source: Portland State University and 2016-17 Comprehensive Annual Financial Reports (CAFR)



Community Diversity



Source: 2012-2016 American Community Survey Five-year Estimates

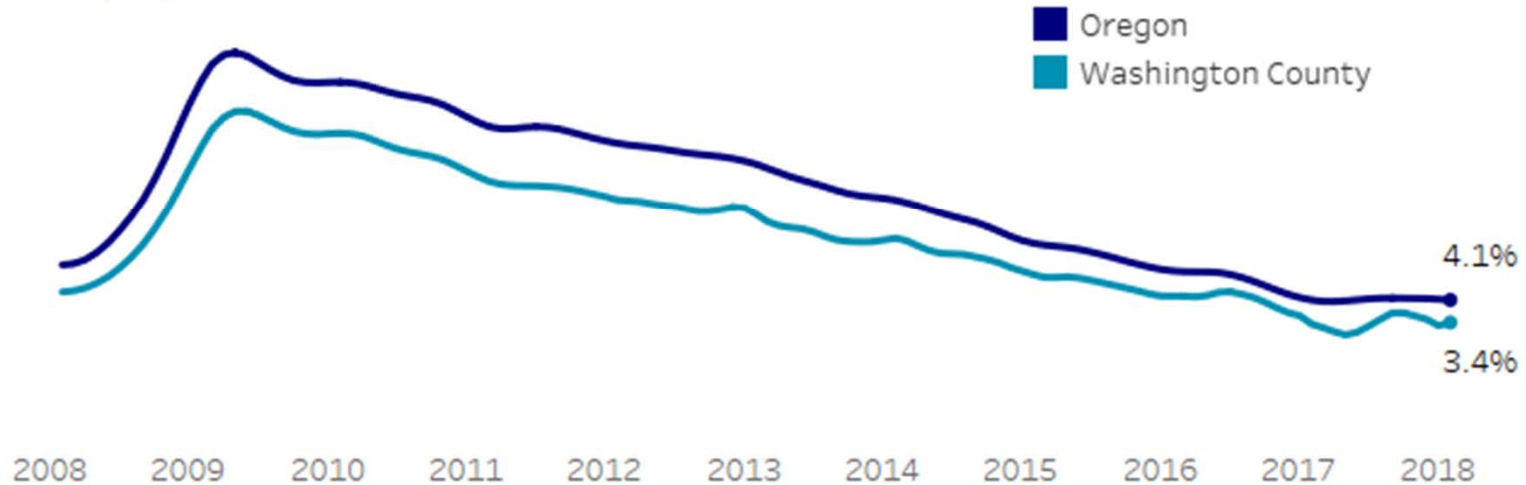


Unemployment Trends

Washington County Economic Indicators

April 2018

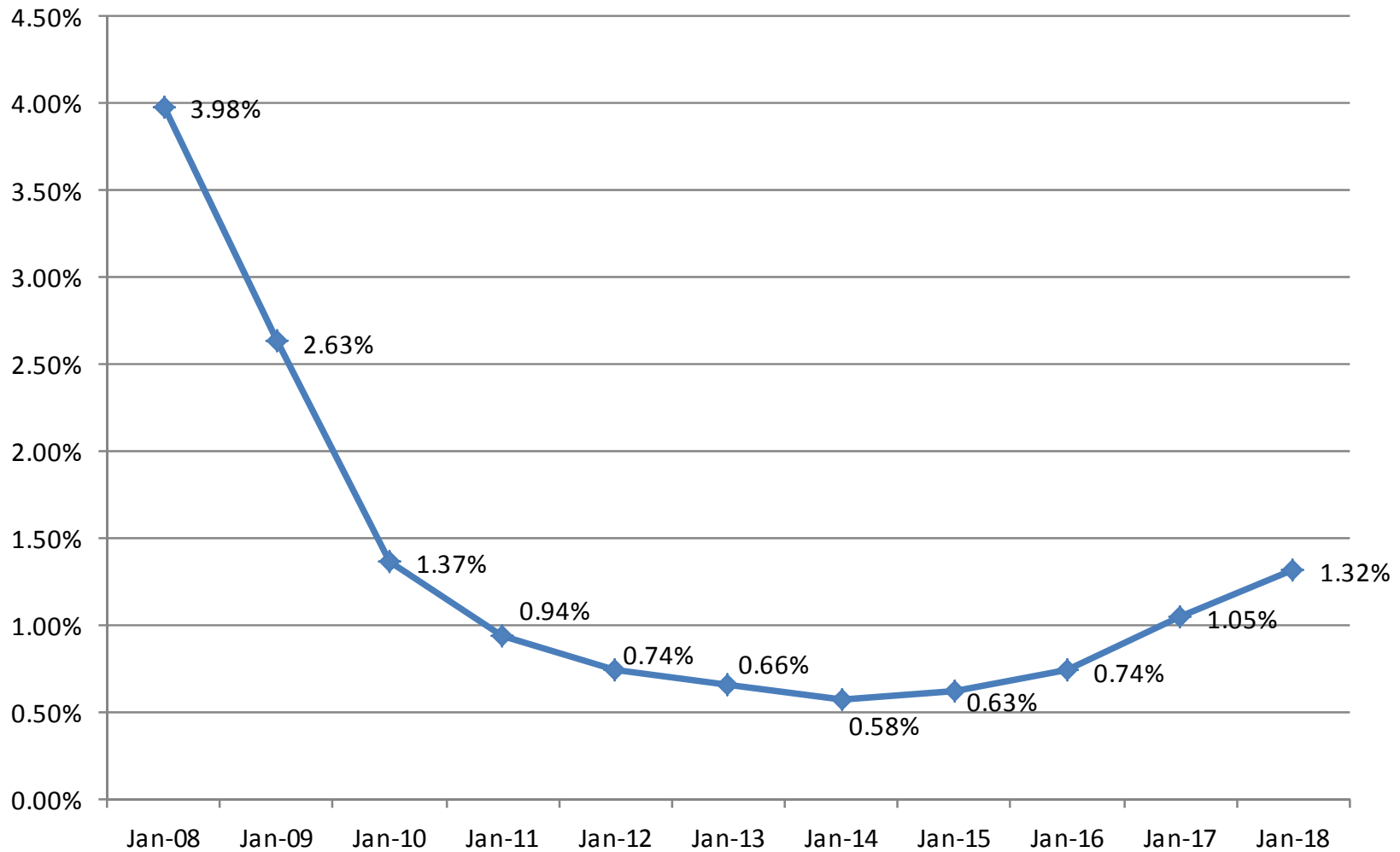
Unemployment Rate



Source: State of Oregon Employment Department



County Portfolio Interest Earnings Rates



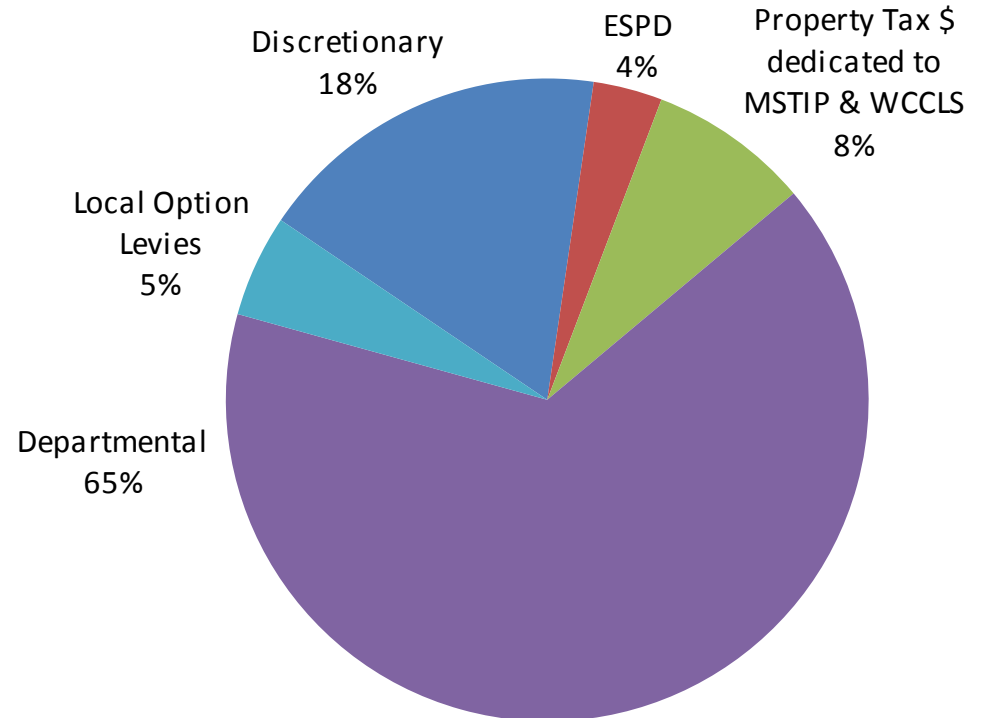
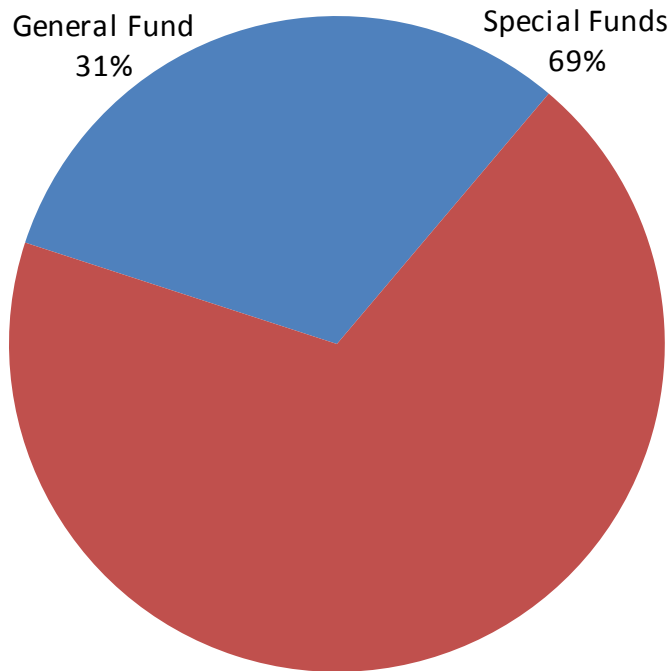


Trends

- Growing and diversifying community
- Stable AV and state funding growth
- Improved access to mental health & other social services
- Affordable housing remains a challenge
- Community support critical for levies & other initiatives
- Proposed budget focused on managed growth & long-term financial/organizational stability
 - New positions to keep pace with population/service demand
 - Seismic strengthening and expanded workspace



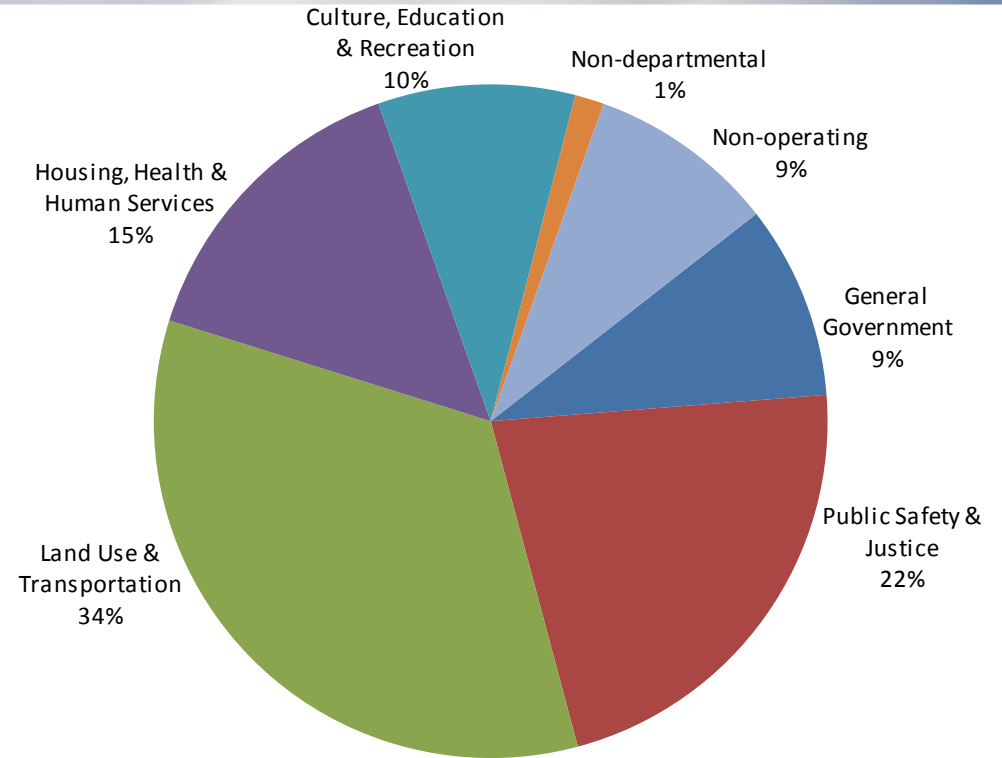
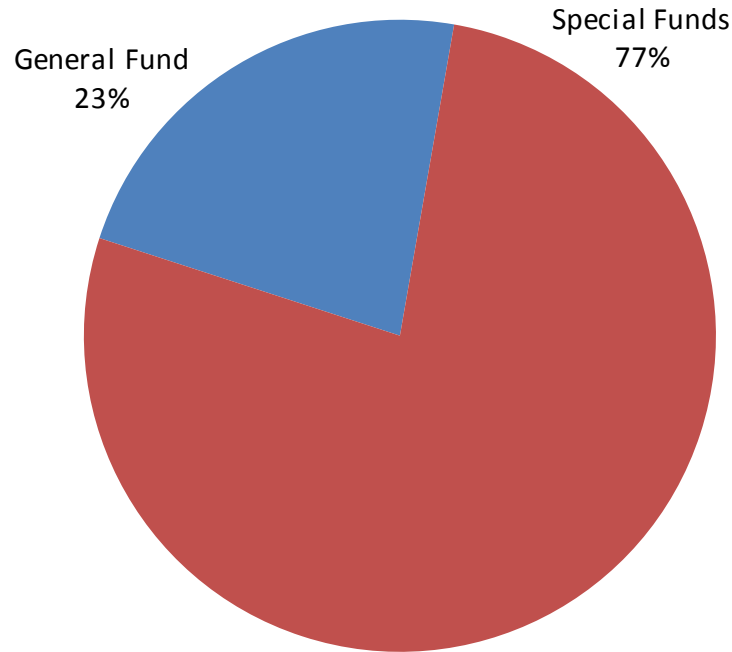
Total Revenues



	Fiscal Year				Change	
	2017-18		2018-19		\$	%
General Fund	\$ 232,000,000	30%	242,000,000	31%	10,000,000	4%
Special Funds	529,000,000	70%	535,000,000	69%	6,000,000	1%
	<u>\$ 761,000,000</u>	<u>100%</u>	<u>777,000,000</u>	<u>100%</u>	<u>16,000,000</u>	<u>2%</u>



Total Expenditures



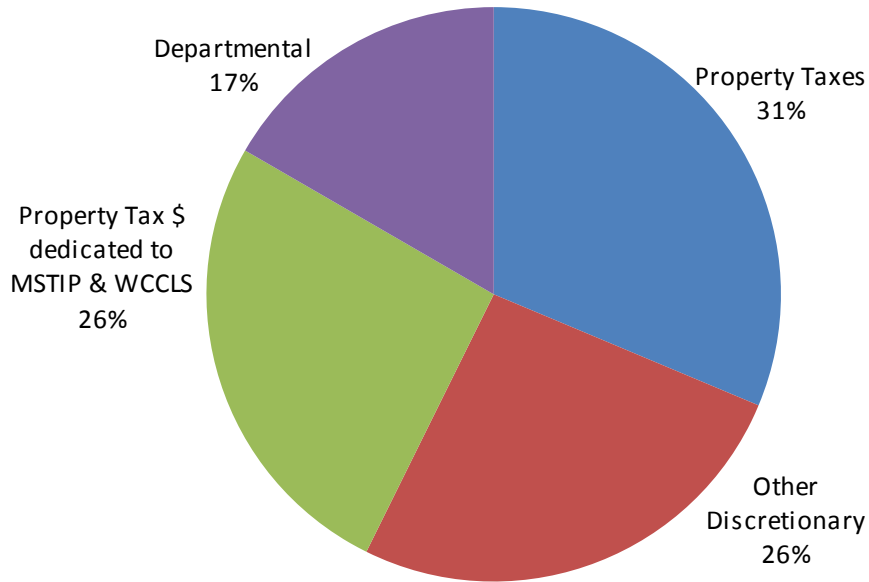
	Fiscal Year		Change	
	2017-18	2018-19	\$	%
General Fund	\$ 278,000,000	281,000,000	3,000,000	1%
Special Funds	993,000,000	954,000,000	(39,000,000)	-4%
	<u>\$ 1,271,000,000</u>	<u>1,235,000,000</u>	<u>(36,000,000)</u>	-3%
FTE	<u>2,050.07</u>	<u>2,082.97</u>	<u>32.90</u>	2%

Note: Capital Projects are included in their respective functional areas

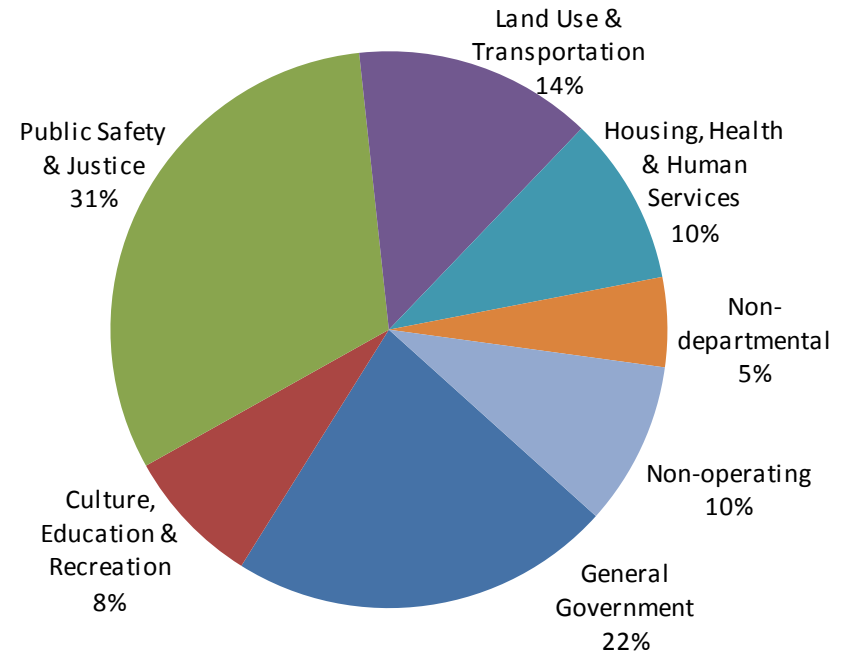


General Fund

Revenues



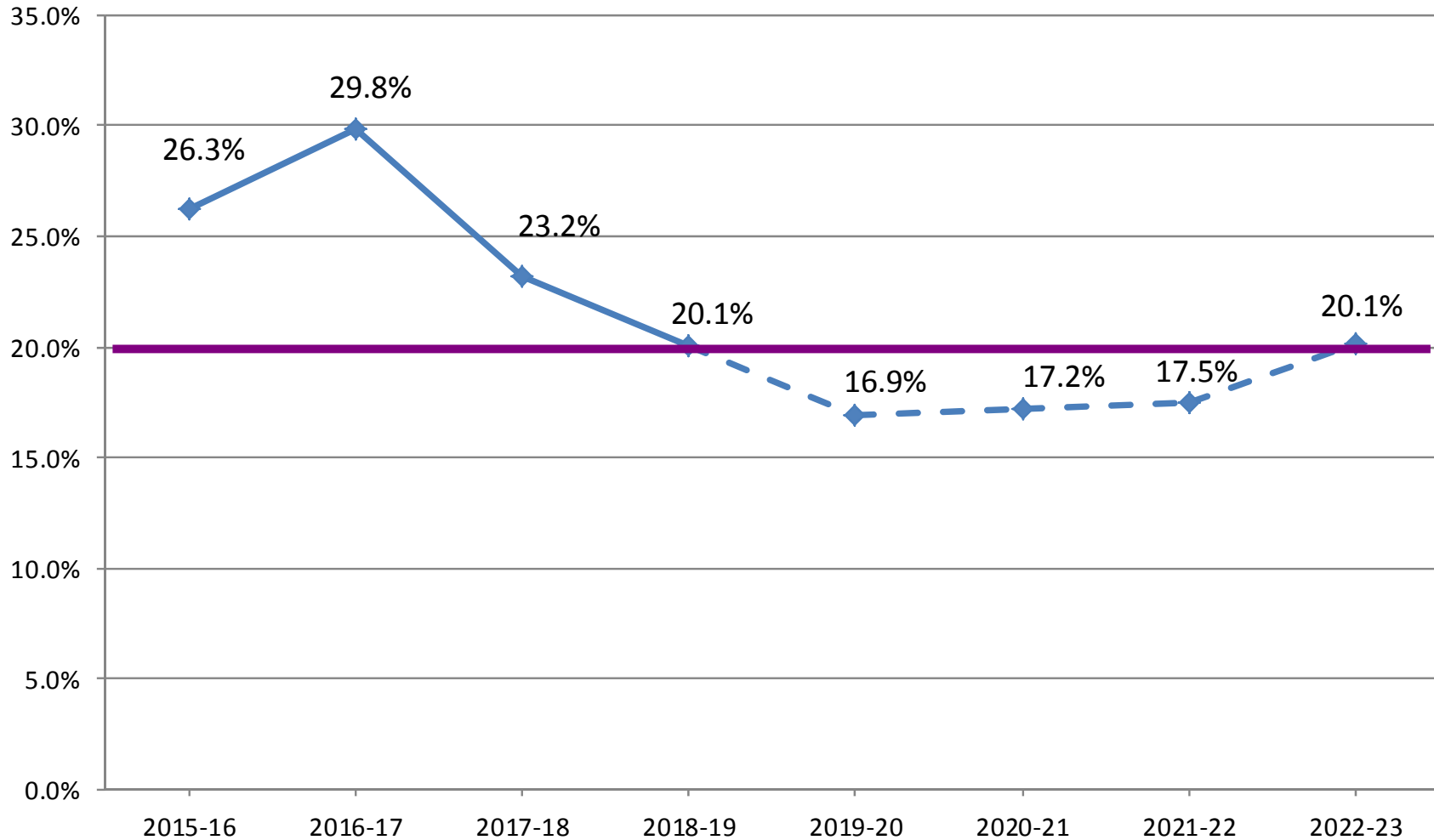
Expenditures



	General Fund Expenditures		Change	
	2017-18	2018-19	\$	%
Budget	\$ 278,000,000	281,000,000	3,000,000	1%
FTE's	1,052.61	1,078.56	25.95	2%



General Fund Reserves



The Board policy is to maintain an ending fund balance that is a minimum of 20% of net revenues



General Government

This functional area seeks to honor and build public trust in democracy through excellent management, leadership and support services; quality legal guidance and representation; effective and transparent financial administration; fair and accurate assessment and taxation; and honorable and impartial conduct of elections. Includes:

- Board of County Commissioners
- County Administrative Office
- County Auditor
- County Counsel
- Department of Assessment and Taxation
- Community Engagement
- County Emergency Management
- Department of Support Services



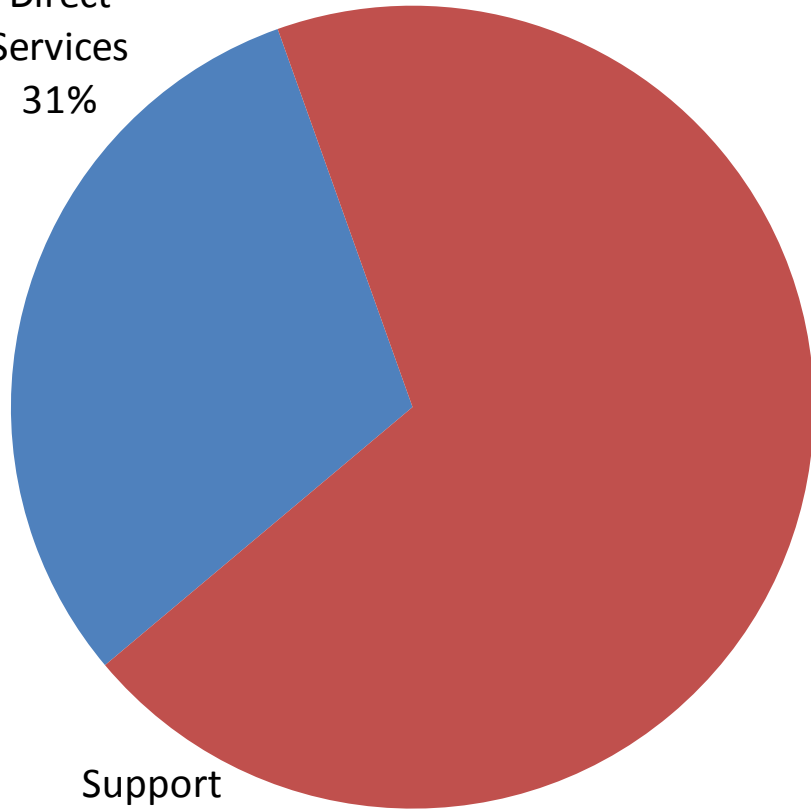
General Government *Objectives*

- Additional FTEs in A&T to meet workload needs and a multi-year planning effort to implement new A&T computer system
- Community Engagement Program under CAO to support community involvement and administer CPO Program
- Emergency Management to enhance county-specific emergency preparedness & continuity of operations (COOP)
- Additional FTEs in Support Services to actively manage challenges associated with growth in other parts of the organization & provide critical services



General Government

Direct
Services
31%



Support
Services
69%

Direct Services

Board of Commissioners
County Administrative Office
County Counsel
County Auditor
Elections
Assessment & Taxation
Community Engagement

Support Services

Emergency Management
Communications/Risk/Sustainability
Finance
Human Resources
Information Technology Services
Purchasing
Facilities and Parks Services
Fleet
Central Services

Funding Sources

Description	Funding Sources		Totals	FTE
	General Fund	Special Funds		
Direct Services	\$ 21,000,000	-	21,000,000	155.75
Support Services	39,000,000	7,000,000	46,000,000	216.30
Total	\$ 60,000,000	7,000,000	67,000,000	372.05

Fiscal Year

Change

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 61,000,000	67,000,000	6,000,000	10%
FTE's	357.55	372.05	14.50	4%



Public Safety & Justice

This functional area seeks to support peaceful and safe communities through a balanced and coordinated criminal justice system that is strong, fair, effective, efficient, responsive and prevention oriented. Includes:

- County Law Library
- Department of Community Corrections
- District Attorney's Office
- Juvenile Department
- Sheriff's Office
- Jail
- Jail Health Care
- Justice Court



Public Safety & Justice *Objectives*

- Public Safety is the largest user of discretionary General Fund revenues
 - Very reliant on levies to provide adequate service levels for a growing urban county population
 - Public Safety Levy and ESPD: 17% and 16% of PS&J budget, respectively
- Funding helps to:
 - Maintains one of the safest urban counties in the state
 - Uphold the laws of the state and US Constitution
 - Protect the rights of crime victims
 - Build and strengthen community relationships and maintain public trust
 - Maintain a balanced public safety system
 - Enhance collaboration between PSJ and HHS partnerships

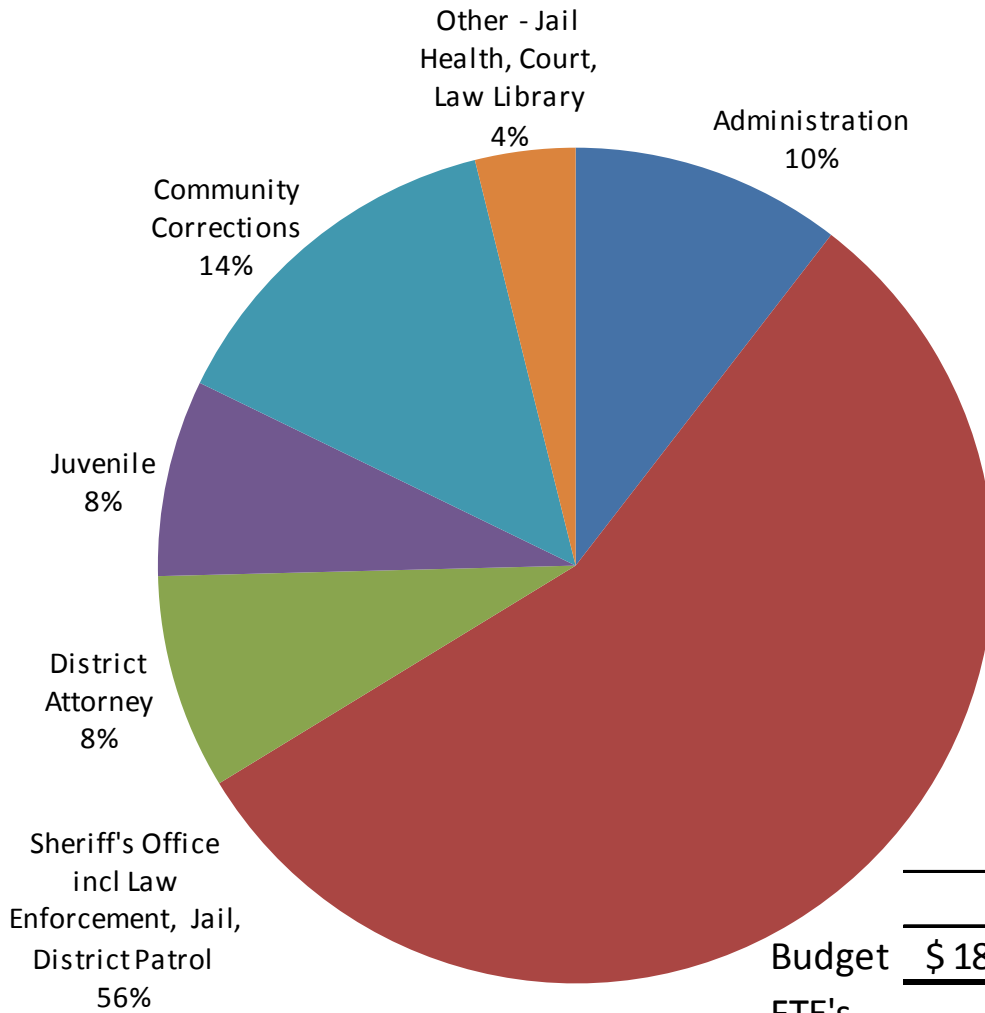


Public Safety & Justice *Objectives*

- Community Corrections received an additional \$2.3 million from state grant-in-aid funding and HB 3194
- Other highlights.....
 - Mental Health Response Team (MHRT)
 - Body-worn cameras
 - Sheriff's Officer recruitment efforts
 - Jail staffing levels
 - DA communications with public and media
- Emergency Communications System general obligation bond
- Sheriff's Office Capital improvements



Public Safety & Justice



Funding Sources

Description	2017-18	2018-19
General Fund	\$ 81,000,000	86,000,000
Other Special Funds	34,000,000	37,000,000
Local Option Levy	42,000,000	46,000,000
ESPD	27,000,000	26,000,000
Total	\$ 184,000,000	195,000,000

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 184,000,000	195,000,000	11,000,000	6%
FTE's	937.20	946.45	9.25	1%



Land Use & Transportation

This functional area seeks to support community livability and economic vitality by working in partnership with cities, the state and other public agencies to build and maintain the county's transportation system and by preparing, implementing and enforcing land use plans, policies and related state and county mandates. Includes:

- Long Range Planning
- Road Fund
- Public Land Corners
- Current Planning
- Building Services
- Watermaster
- Surveyor

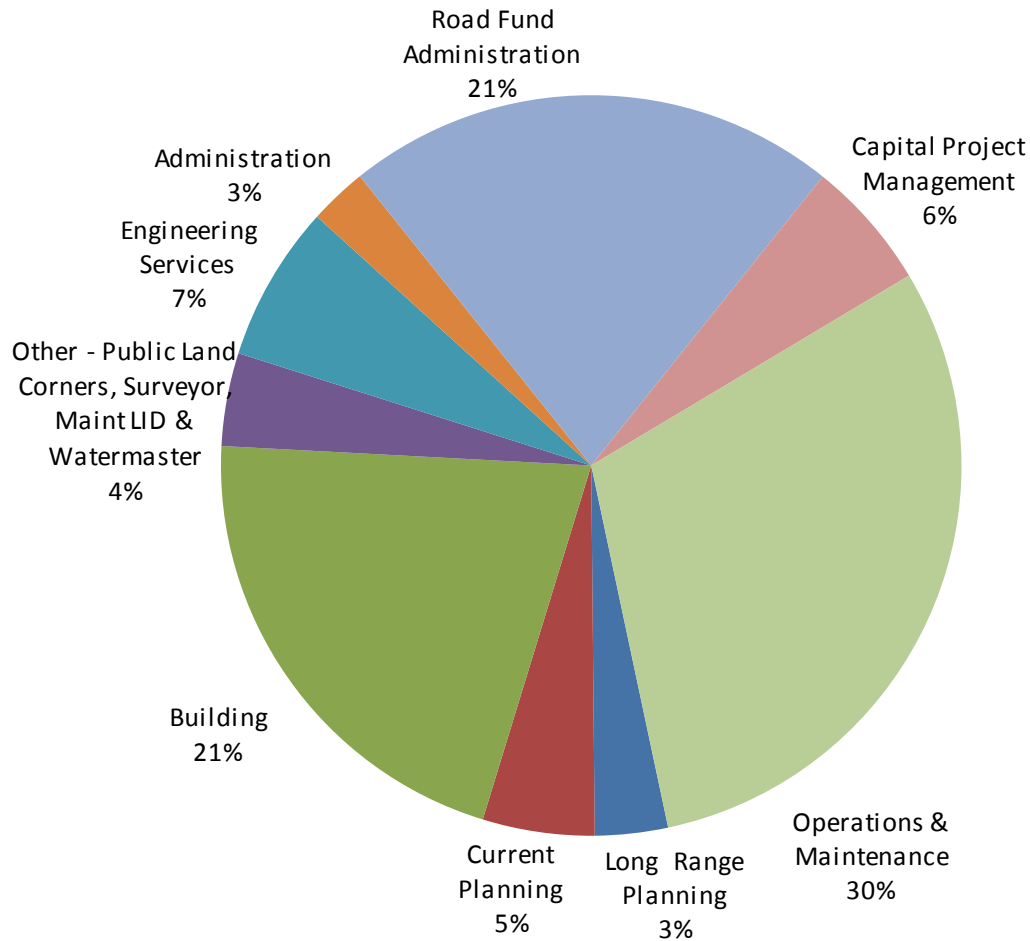


Land Use & Transportation *Objectives*

- Development activity is generally expected to remain at current levels
- Staffing challenges
- Revenues are increasing in Land Use & Transportation overall due to the implementation of a new state transportation package and a county vehicle registration fee
- Online plan review and permitting nearing the finish line



Land Use & Transportation



Funding Sources

Description	2017-18	2018-19
General Fund	\$ 4,000,000	4,000,000
Special Funds	104,000,000	120,000,000
Total	\$ 108,000,000	124,000,000

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 108,000,000	124,000,000	16,000,000	15%
FTE's	336.97	338.57	1.60	0%



Housing, Health & Human Services

This functional area seeks to promote health and well-being by influencing policies, systems and environments; providing education, programs and services; responding to the needs of vulnerable populations; and providing a continuum of affordable housing options that promote community strength. Includes:

- Department of Health and Human Services
- Department of Housing Services
- Office of Community Development
- Air Quality



Housing, Health & Human Services *Objectives*

- Health and Human Services
 - Public Health: Revenue increases \$2 million (almost 20%) from new grants
 - HHS Admin: New deputy director for HHS
 - Health Share of Oregon (HSO): FTE and contracted services expanded after FamilyCare closure in January 2018
 - Human Services: Mental Health Crisis Services supported by funds from County General Fund, HSO, and Human Services

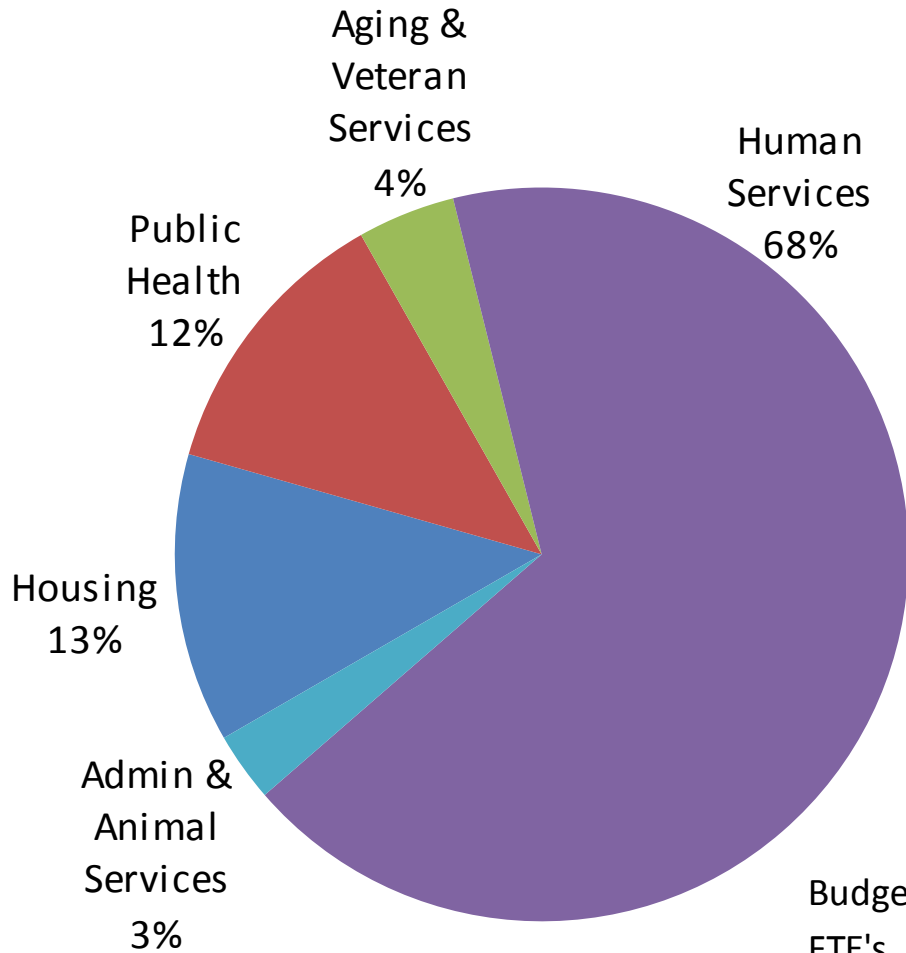


Housing, Health & Human Services *Objectives*

- Housing
 - Housing Authority budget Section 8 funding up 9%
 - General fund support increases \$222,000
 - Total of \$1.5 million in local support for affordable housing
 - 459 completed affordable housing units 2015-17
 - 580 affordable housing units currently in the pipeline
 - Proposed Metro affordable housing bond measure
- Community Development
 - Proposed budget assumed continuing resolution
 - CDBG funding up 16% and Home funding up 40%
 - With Hillsboro out of the consortium, gap in funding for administration
 - General Fund support increases \$150,000
 - Will explore options for stable administrative funding over next year



Housing, Health & Human Services



Funding Sources

Description	2017-18	2018-19
General Fund	\$ 21,000,000	23,000,000
Special Funds	127,000,000	131,000,000
Total	\$ 148,000,000	154,000,000

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 148,000,000	154,000,000	6,000,000	4%
FTE's	362.00	369.05	7.05	2%



Culture, Education & Recreation

This functional area seeks to support programs that serve the cultural, educational and recreational interests and diverse heritage of our community and includes:

- Parks
- Cooperative Library Services
- County Fair Complex
- Tourism

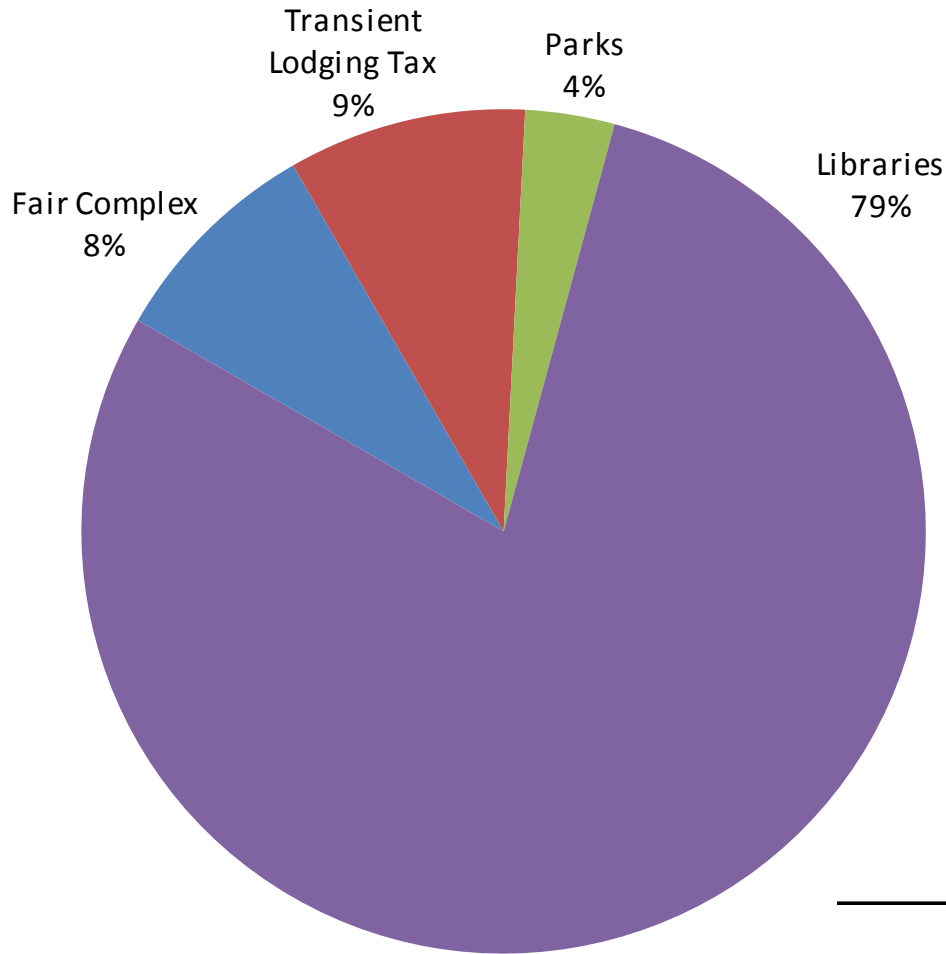


Culture, Education & Recreation *Objectives*

- Grant funding combined with County funds will provide \$688,000 in capital improvements at Scoggins Valley Park
- Voters approved replacement of WCCLS local option levy in November 2016
- WCCLS will begin strategic planning this year
- Fair Complex adds new Capital Improvements program for future improvements and major facility maintenance needs; FAC launches process to update Fairgrounds Master Plan
- Design and pre-construction planning continues for Event Center with groundbreaking in late 2018



Culture, Education & Recreation

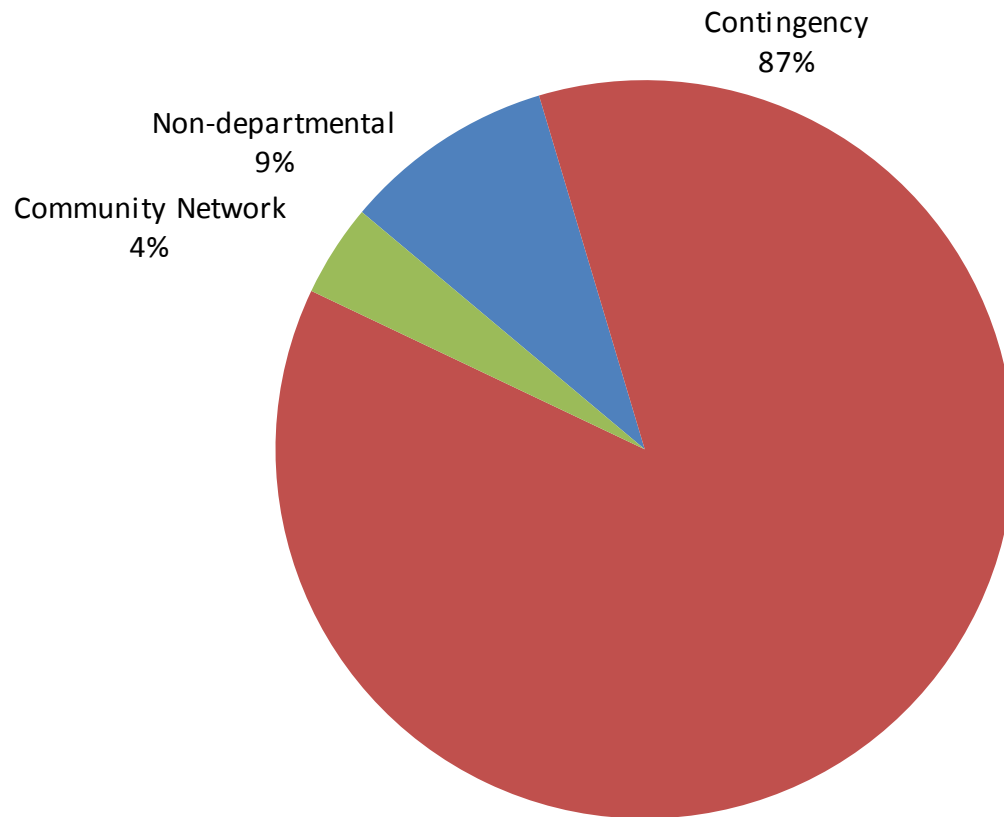


Description	2017-18	2018-19
General Fund	\$ 2,000,000	2,000,000
Special Funds	52,000,000	55,000,000
Total	\$54,000,000	57,000,000

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 54,000,000	57,000,000	3,000,000	6%
FTE's	56.35	56.85	0.50	1%



Non-departmental



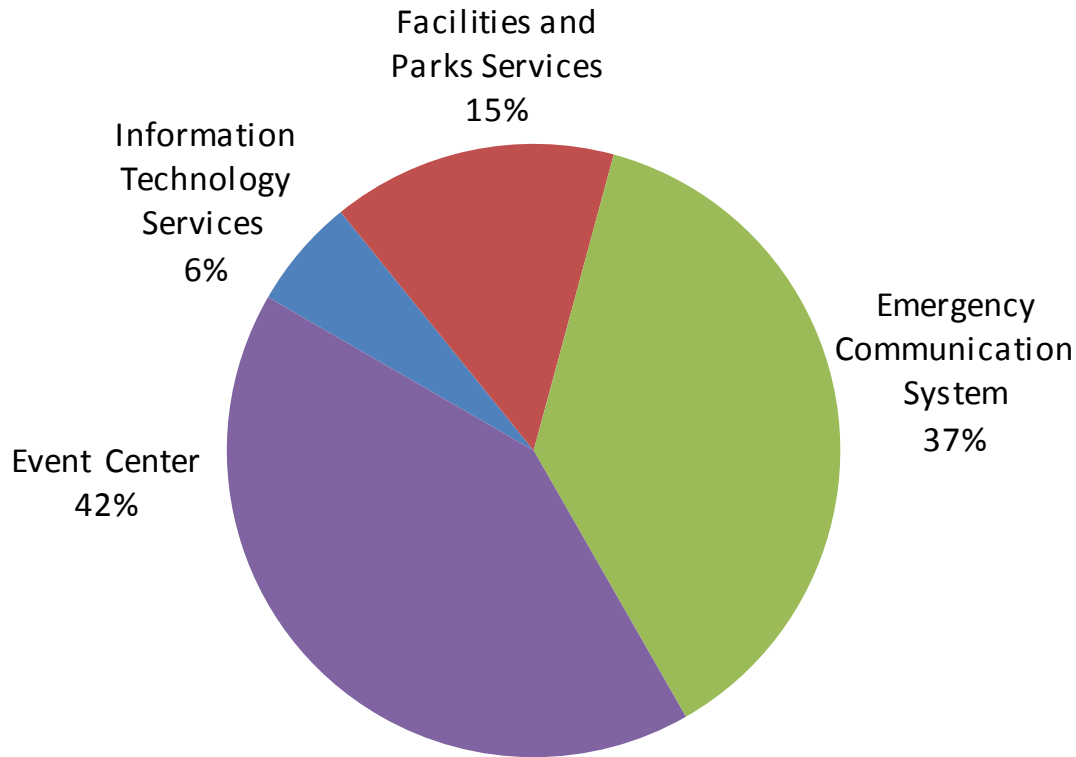
- **Regional Arts & Cultural Council/Westside Cultural Alliance** funding increases \$10,000
- **Housing Production Opportunity Fund** status quo funding
- **Washington County Museum** \$25,000 building maintenance fund
- **Contingency** decreases \$9.4 million
- **Ending fund balance** projected at 20.1% of net revenues June 30, 2018

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 24,000,000	15,000,000	(9,000,000)	-38%

Non-departmental is supported 100% by the General Fund



Capital – Facilities and ITS



ITS projects include:

- Replacement of A&T system
- Systems for:
 - Finance
 - Public Safety
 - Health & Human Services
 - Engineering
 - Asset Management
 - Cost Plan

Network infrastructure

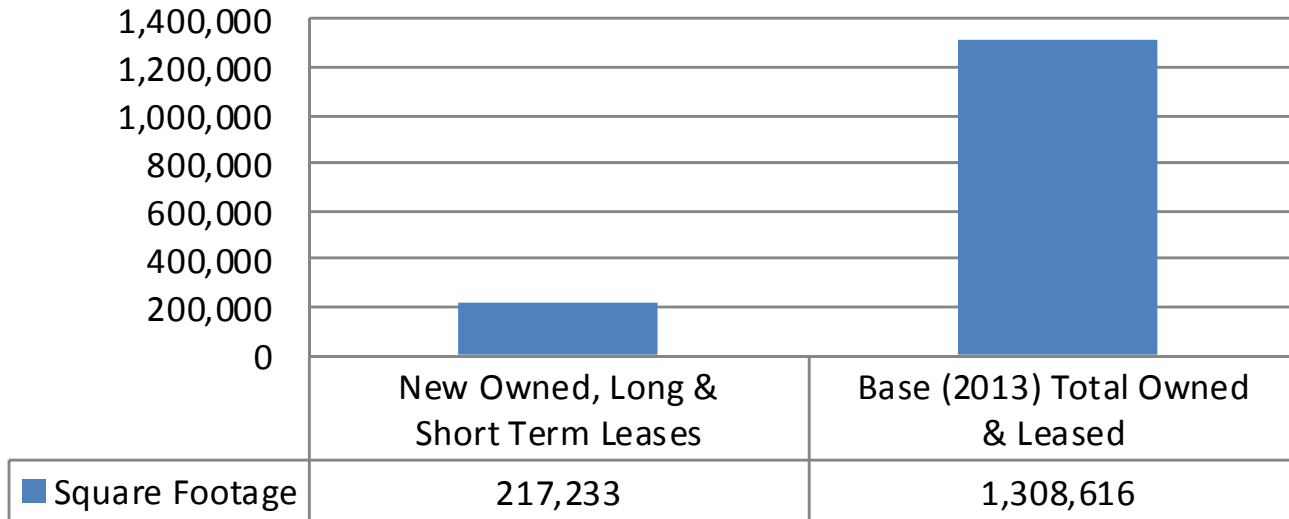
Facilities projects include:

- Seismic upgrades – PSB and Walnut Street Center
- Public Safety Training Center
- New Tigard Women, Infant & Children (WIC) clinic
- HVAC upgrades
- Parking structure suicide prevention upgrade
- 9-1-1 System
- Event Center

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
ITS	\$ 6,000,000	6,000,000	-	0%
Facilities	26,000,000	15,000,000	(11,000,000)	-42%
Em Comm Sys	80,000,000	38,000,000	(42,000,000)	-53%
Event Center	36,000,000	43,000,000	7,000,000	19%
	<u>\$ 148,000,000</u>	<u>102,000,000</u>	<u>(53,000,000)</u>	<u>-36%</u>



County Footprint in Square Feet



New Owned, Long & Short Term* Leases

- Training Center
- Adams Crossing
- Public Services Annex
- Elam Young
- Bethany Village
- Adams Annex*
- Tongue Estate*
- 1890 Building*

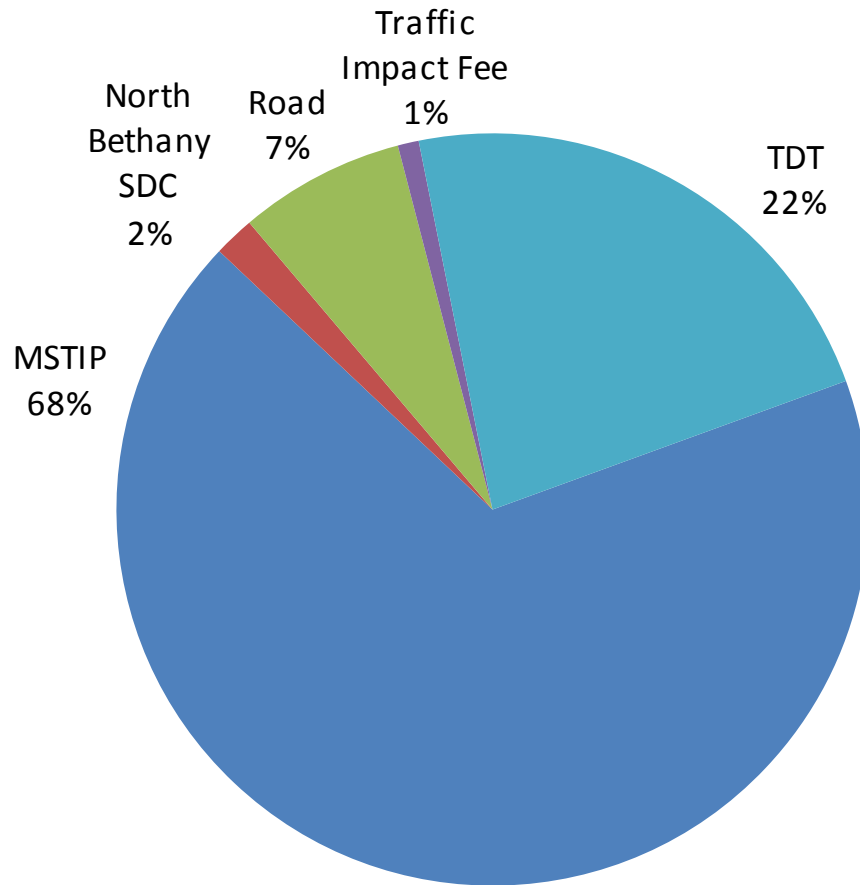
Short Term Leases 37,000 sq ft

Base

- Animal Shelter
- Beaverton Clinic
- Community Corrections Center
- Courthouse
- Jail
- Justice Services Building
- Juvenile Services Building
- Public Services Building
- Walnut Street Center



Capital – Land Use & Transportation



Road Capital includes new state transportation package and three bridge projects

MSTIP high growth program enters year three

MSTIP 3e is the 5th multi-year package of transportation projects developed since 1997

Transportation Development Tax includes the Cedar Hills Blvd and Hwy 26 intersection for both design and construction

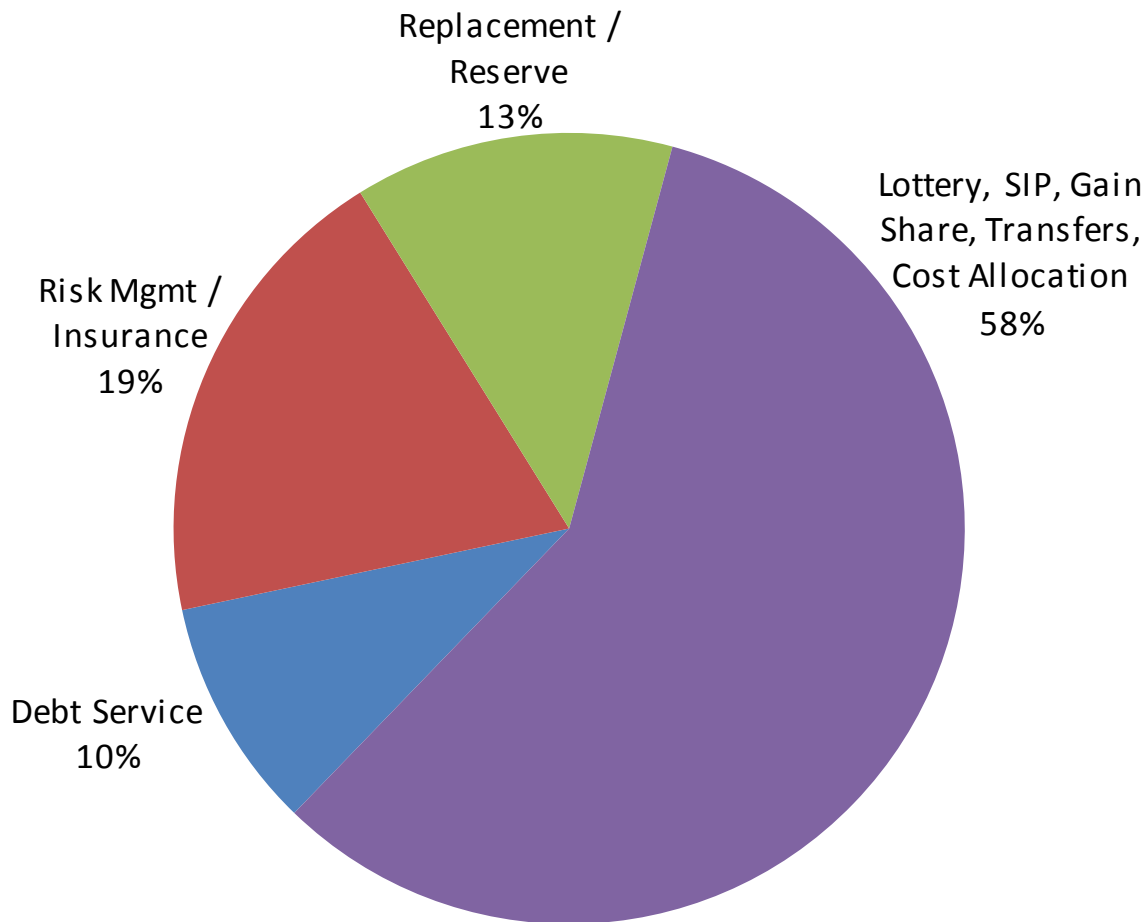
North Bethany SDC estimates development of 300 units

Bonny Slope SDC estimates development of 100 units

	Fiscal Year		Change	
	2017-18	2018-19	\$	%
MSTIP	\$ 157,000,000	149,000,000	(8,000,000)	-5%
Other	99,000,000	85,000,000	(14,000,000)	-14%
	<u>\$ 256,000,000</u>	<u>\$ 234,000,000</u>	<u>\$ (22,000,000)</u>	<u>-9%</u>



Non-operating



	Fiscal Year		Change	
	2017-18	2018-19	\$	%
Budget	\$ 263,000,000	278,000,000	15,000,000	6%

- **Debt Service** includes the 2016 general obligation bonds (emergency communications system) and full faith and credit obligations (facilities, MSTIP high growth and event center)
- **PERS Stabilization** balance at \$6.8 million for future rate stability
- **Strategic Investment Program** includes three active agreements – 2006 Genentech, 2005 Intel and 2014 Intel; revenue for all three is expected to grow
- **Gain Share** revenues expended per the Board adopted plan



Public Hearing May 17, 2018

- Hearing to begin at 8:30 a.m. at the Law Enforcement 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!

We will see you here on May 17 at 8:30 a.m.!