

# Introduction



# Josephine County

## Budget Committee

**Brian Bayley**

**Charlie Didato**

**Dwight F. Ellis**

**Jim Raffenburg**

**Ron Strom**

**Dave Toler**



*Rosemary Padgett, Budget Officer*

**Josephine County  
Budget Message  
Fiscal Year 2008-09**

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County. The budget before you today 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. Also included in the budget is the detail on expenditure line items and a listing of personnel with classifications and compensation packages for each program. With the support of the Board of County Commissioners and the cooperation of the Elected Officials, Division Managers and Program Supervisors in the preparation of this budget, I am able to present to the Budget Committee a balanced budget as required by Local Budget Law. Although County government and the resulting Budget is complex, our goal is to provide as much transparency in government as possible and still abide by Oregon Budget Law.

Josephine County made major changes to county government in FY 07-08. Because of these changes, the majority of county government programs became self sustaining through fees, grants, and other revenue sources that did not rely on property tax and/or O&C monies from the Federal Government. Currently, no new revenue sources have been put in place or have been approved by the voters to replace the O&C monies in FY 08-09. With no replacement dollars for the approximately 12 million dollar loss of O&C funds, the FY 08-09 budget reflects additional reductions to operations and services that are not self funded.

For FY 07-08, the Budget Committee approved and the Board of County Commissioners adopted a budget that funded most county government programs at a Service Level 1, which was based on mandated and/or self funded services. After the County received a one year extension of approximately twelve million dollars of O&C monies, the Public Safety Fund (Sheriff, District Attorney and Juvenile Justice) was allotted fifty percent of the monies for FY 07-08 and fifty percent for FY 08-09. With six million dollars of O&C monies and a transfer of 4.8 million dollars from the General Fund, Public Safety was able to continue to provide services (with some reductions), that were comparable to the prior year. For FY 08-09, however, the General Fund has limited monies available to transfer and will reduce the transfer from 4.8 million to 3 million dollars. This will require additional reductions in service provided by the Offices/Division of Public Safety.

Because of challenges faced by the County, the Board did not replace the Chief Operating Officer position. A hiring freeze was put in place in February, 2008 to mitigate the potential reduction in personnel because of the loss of sustainable funding for the County. In the budget before you, new proposed positions include a “Justification” paper on the purpose of the position and how it will be funded in future years.

## **Fund Structure Changes**

Changes include:

1. Offices, Divisions, and Programs that provide similar services and rely on common funding sources remain grouped together in one fund such as General Fund and Public Safety.
2. The Public Works Fund major funding source continues to be State Gas Tax dollars. Public Works will lose approximately \$2 million in O&C revenues for roads in FY 08-09.
3. Funds, such as Fair, Parks and Public Health Funds, continue to be required to be self sustaining from fees, grants or other revenue sources outside of the General Fund. Funds that are for dedicated purposes are required to be shown as individual funds in the Budget Book.
4. In FY 08-09, the County, as the Mental Health Authority, will continue to provide oversight to the mental health programs contracted to non-profit providers. The County will also maintain the Alcohol and Drug programs at the county level. These programs are funded by State grant dollars.
5. Fund 290, The Regional Hospital Fund provided state monies to pay for hospitalization of indigent mental health clients for six counties in southern Oregon. The monies had been administered by the County for several years. In FY 07-08, the six County members decided to move the administrative services and monies to a regional non profit provider, Jefferson Behavioral Health. This fund will be closed in FY 08-09.
6. The centralized overhead of the County continues to be shown in Internal Service Fund 401. Current overhead charge is 8.5% of the personal service plus material & services budgets of the operating funds. Programs for maintenance of county facilities and fleet continue to be directly charged to the budgets that utilize the services and their budgets are shown in Fund 402. The Insurance Fund assessment was reduced substantially as the County moved from being self insured to first dollar coverage.
7. Property sales and capital expenditures for facilities are shown under the Property Reserve Fund. The Equipment Reserve Fund receives revenues from fleet replacement assessments and direct monies from funds that require capital purchases of \$5,000 or more.
8. With the major format change in the Budget in FY 06-07, prior year budget information is included in the Historical Section.

## **Impacts**

The proposed Budget shows the continuing impacts of a Service Level 1 budget, both in dollars and positions (FTE's) budgeted. The Offices/Divisions and Programs that were reduced in FY 07-08 will continue to operate under those constraints. The Public Safety Fund that relies on General Fund transfers and O&C dollars will have service reductions in FY 08-09. The Public Safety Fund includes the Office of Sheriff, District Attorney, and Juvenile Justice Division. The Fund's main revenue source had been O&C monies of approximately \$12 million. With the one year extension in FY 07-08, fifty percent of the monies were set aside to fund FY 08-09. The General Fund will transfer \$3 million to the Public Safety Fund in the proposed budget. This is a reduction from the \$4.8 million dollar transfer in FY 07-08.

As the savings from previous year's reductions in General Fund are depleted by transfers to Public Safety, the General Fund contingency will drop to less than 3 million dollars. These carryover monies are used to cover payrolls and other costs until property tax and other revenues arrive in November.

The libraries will continue to be closed, but the \$300,000 matching grant is included in the General Fund budget if a non profit can raise adequate funds to provide library services.

Fund 210, Grants Project Fund is mainly a pass through fund for community Development Block Grants, Title III monies from O&C 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 and forest fuel reduction activities for approximately three more years after FY 08-09.

The Personnel section includes the Organizational chart with the proposed positions county wide. Current salary tables for Elected Officials and Non Union (includes both management, professional, and confidential employees) and the current tables for the four Unions are included. Union contracts for AFSCME and SEIU/OPEU have been approved as of July 1, 2008. FOPPO and the Sheriff's Association are still in bargaining. Both contracts have the ability to go to binding arbitration (decision made by a third party) because of the inability of the members to strike.

## **Conclusion**

Josephine County is at a turning point in its history. Without a sustainable funding source for public safety and the criminal justice system, the County will be greatly impacted. The County currently has approximately thirteen million in available dollars (including contingencies) to fund services that are not dedicated and/or required by law. In FY 09-10, if the County utilizes every dollar available, the available funding drops to approximately six million dollars but leaves no monies for General Fund contingencies.

It is in the best interest of Josephine County and its citizens, that we work together to find a long term sustainable way to fund essential county government services.

Rosemary Padgett, Budget Officer  
April 17, 2008

**JOSEPHINE COUNTY  
SUMMARY OF ADOPTED BUDGETS  
2007-08 and 2008-09**

	2007-08		2008-09	
	Full Time Equivalents (FTE)	Adopted Budget	Full Time Equivalents (FTE)	Adopted Budget
<b>Major Operating Funds:</b>				
100 General Fund	50.69	\$ 13,004,860	48.50	\$ 11,212,000
201 Public Works Fund	53.75	14,586,000	59.25	14,074,500
240 Public Safety Fund	142.15	21,429,272	131.35	14,180,000
243 Adult Corrections Fund	34.25	3,500,000	33.50	3,849,400
250 Mental Health Fund	1.95	4,087,671	1.40	4,043,100
255 Public Health Fund	30.20	2,946,766	27.00	2,953,500
<b>Internal Service and Internal Vendor Funds:</b>				
401 Internal Services Fund	31.10	3,385,000	30.40	3,852,700
402 County Buildings and Fleet Fund	17.25	3,240,000	18.75	2,990,000
<b>Reserve Funds:</b>				
410 Self Insurance Reserve Fund	-	2,311,750	-	1,800,000
415 Payroll Liability Reserve Fund	-	326,000	-	740,400
430 Property Reserve Fund	-	2,762,377	-	3,000,000
435 Equipment Reserve Fund	-	2,553,397	-	2,705,000
<b>Special Revenue Funds:</b>				
205 Library Fund	-	-	-	1,000
210 Grant Projects Fund	1.75	6,672,196	1.80	6,115,200
212 DA Forfeiture Fund	-	6,100	-	141,000
221 Fairgrounds Fund	4.00	989,000	4.00	1,055,800
223 County Clerk Records Fund	-	97,300	-	113,500
224 Public Land Corner Preservation Fund	2.16	267,000	1.70	202,000
245 Transit Fund	13.25	780,000	12.50	865,000
246 Juvenile Justice Special Programs Fund	1.00	430,275	2.35	346,400
248 DA Special Programs Fund	-	166,900	0.40	158,200
258 Commission for Children & Families Fund	2.55	614,530	2.60	681,800
260 Parks Fund	9.00	1,247,200	9.00	1,259,900
262 Building and Safety Fund	6.50	2,582,000	8.50	3,096,200
275 Court Facilities and Security Fund	-	233,000	-	282,000
290 Regional Hospital Fund	-	3,730,000	-	-
<b>Capital Project Fund:</b>				
303 County Bridge Construction Fund	-	3,480,000	-	43,000
<b>Enterprise Funds:</b>				
501 Jail Commissary Fund	-	130,000	-	100,000
530 Airports Fund	1.75	2,063,000	1.50	1,193,000
<b>Debt Service Funds:</b>				
610 PERS Bond Debt Service Fund	-	945,594	-	985,600
625 Adult Jail Facility Debt Service Fund	-	1,131,465	-	1,132,500
<b>Trust Funds:</b>				
702 Library Trust Fund	-	55,500	-	106,000
704 PEG Access Fund	-	112,000	-	144,500
705 Jennifer Patton Memorial Fund	-	7,800	-	6,100
710 Kaye Jean Turner Trust Fund	-	64,000	-	62,500
712 William MacKenzie Trust Fund	-	29,700	-	30,700
715 County School Trust Fund	-	675,200	-	684,000
726 Zelzie Reed Trust Fund	-	18,000	-	18,100
735 JOINT (Forfeiture) Fund	-	480,000	-	521,500
744 George Borders Memorial Trust Fund	-	179,320	-	243,400
<b>Total Appropriation</b>	<b>403.30</b>	<b>\$ 101,320,173</b>	<b>394.50</b>	<b>\$ 84,989,500</b>
<b>Unappropriated Ending Fund Balances:</b>				
430 Property Reserve Fund	-	750,000	-	-
435 Equipment Reserve Fund	-	600,000	-	-
610 PERS Bond Debt Service Fund	-	28,006	-	49,400
625 Adult Jail Facility Debt Service Fund	-	123,935	-	91,500
712 William MacKenzie Trust Fund	-	47,300	-	47,300
715 County School Trust Fund	-	-	-	200
744 George Borders Memorial Trust Fund	-	306,000	-	305,600
<b>Total Ending Fund Balances</b>	<b>-</b>	<b>1,855,241</b>	<b>-</b>	<b>494,000</b>
<b>Total Budget</b>	<b>403.30</b>	<b>\$ 103,175,414</b>	<b>394.50</b>	<b>\$ 85,483,500</b>

**Note:** Interfund transfers equal \$14,011,274 and 11,165,500 in 2007-08 and 2008-09, respectively.

**JOSEPHINE COUNTY  
FIVE YEAR PROJECTION OF BUDGET  
2008-09 through 2013-13**

	Adopted Budget 2008-09	Projection			
		2009-10	2010-11	2011-12	2012-13
<b>Major Operating Funds:</b>					
100 General Fund	\$ 11,212,000	\$ 10,612,000	\$ 10,930,360	\$ 11,258,271	\$ 11,596,019
201 Public Works Fund	14,074,500	11,934,500	12,292,535	12,661,311	13,041,150
240 Public Safety Fund	14,180,000	6,980,000	7,189,400	7,405,082	7,627,234
243 Adult Corrections Fund	3,849,400	3,600,000	3,708,000	3,819,240	3,933,817
250 Mental Health Fund	4,043,100	4,043,100	4,164,393	4,289,325	4,418,005
255 Public Health Fund	2,953,500	2,861,200	2,947,036	3,035,447	3,126,510
<b>Internal Service and Internal Vendor Funds:</b>					
401 Internal Services Fund	3,852,700	2,870,000	2,956,100	3,044,783	3,136,126
402 County Buildings and Fleet Fund	2,990,000	2,900,000	2,987,000	3,076,610	3,168,908
410 Self Insurance Reserve Fund	1,800,000	1,500,000	1,000,000	300,000	100,000
415 Payroll Liability Reserve Fund	740,400	740,400	400,000	400,000	400,000
430 Property Reserve Fund	3,000,000	134,500	270,000	220,000	220,000
435 Equipment Reserve Fund	2,705,000	680,000	517,000	557,000	372,000
<b>Special Revenue Funds:</b>					
205 Library Operating Fund	1,000	1,000	1,000	1,000	1,000
210 Grant Projects Fund	6,115,200	4,300,000	3,500,000	2,800,000	2,100,000
212 DA Forfeiture Fund	141,000	100,000	10,000	10,000	10,000
221 Fairgrounds Fund	1,055,800	1,055,800	1,087,474	1,120,098	1,153,701
223 County Clerk Records Fund	113,500	113,500	116,905	120,412	124,025
224 Public Land Corner Preservation Fund	202,000	202,000	208,060	214,302	220,731
245 Transit Fund	865,000	865,000	890,950	917,679	945,209
246 Juvenile Justice Special Programs Fund	346,400	346,400	356,792	367,496	378,521
248 DA Special Programs Fund	158,200	158,200	162,946	167,834	172,869
258 Commission for Children & Families	681,800	681,800	702,254	723,322	745,021
260 Parks Fund	1,259,900	1,259,900	1,297,697	1,336,628	1,376,727
262 Building and Safety Fund	3,096,200	2,496,200	2,571,086	2,648,219	2,727,665
275 Court Facilities and Security Fund	282,000	282,000	290,460	299,174	308,149
<b>Capital Project Fund:</b>					
303 County Bridge Construction Fund	43,000	-	-	-	-
<b>Enterprise Funds:</b>					
501 Jail Commissary Fund	100,000	100,000	103,000	106,090	109,273
530 Airports Fund	1,193,000	4,500,000	2,800,000	1,400,000	4,750,000
<b>Debt Service Funds:</b>					
610 PERS Bond Debt Service Fund	985,600	985,600	1,070,600	1,115,600	1,165,600
625 Adult Jail Facility Debt Service Fund	1,132,500	1,132,500	1,134,400	1,134,500	1,137,600
<b>Trust Funds:</b>					
702 Library Trust Fund	106,000	106,000	109,180	112,455	115,829
704 PEG Access Fund	144,500	144,500	148,835	153,300	157,899
705 Jennifer Patton Memorial Fund	6,100	6,100	6,283	6,471	6,666
710 Kaye Jean Turner Trust Fund	62,500	62,500	64,375	66,306	68,295
712 William MacKenzie Trust Fund	30,700	30,700	31,621	32,570	33,547
715 County School Trust Fund	684,000	684,000	704,520	725,656	747,425
726 Zeliz Reed Trust Fund	18,100	18,100	18,643	19,202	19,778
735 JOINT (Forfeiture) Fund	521,500	521,500	537,145	553,259	569,857
744 George Borders Memorial Trust Fund	243,400	243,400	250,702	258,223	265,970
<b>Total Appropriation</b>	<b>\$ 84,989,500</b>	<b>\$ 69,252,400</b>	<b>\$ 67,536,752</b>	<b>\$ 66,476,865</b>	<b>\$ 70,551,127</b>
<b>Unappropriated Ending Fund Balances:</b>					
610 PERS Bond Debt Service Fund	49,400	49,400	49,400	49,400	49,400
625 Adult Jail Facility Debt Service Fund	91,500	91,500	91,500	91,500	91,500
712 William MacKenzie Trust Fund	47,300	47,300	47,300	47,300	47,300
715 County School Trust Fund	200	200	200	200	200
744 George Borders Memorial Trust Fund	305,600	305,600	305,600	305,600	305,600
Total Ending Fund Balances	494,000	494,000	494,000	494,000	494,000
<b>Total Budget</b>	<b>\$ 85,483,500</b>	<b>\$ 69,746,400</b>	<b>\$ 68,030,752</b>	<b>\$ 66,970,865</b>	<b>\$ 71,045,127</b>

**Assumptions used:**

The projection for 2009-10 is equal to 2007-08, adjusted for planned changes in beginning fund balances, capital projects and actual debt service obligations. **O & C funding is assumed not to be reinstated or replaced.**

The projection for the next 3 years assumes a 3% inflation factor, adjusted for planned changes in capital projects and actual debt service obligations.

Unappropriated ending fund balances are projected not to change.

**JOSEPHINE COUNTY**  
**Adopted Budget**  
**Memorandum About Historical Data**  
**2008-09**

In September 2005 and again in November 2006, the Board of County Commissioners reorganized the County's management structure. The current organization chart is included in the Personnel section of this budget book. The 2006-07, 2007-08 and 2008-09 budgets reflect the new organization. They also reflect the fundamental change in the fund structure and budget categories which has been done with the purpose to bring greater clarity to the County's budget for the Budget Committee and the County's citizens. Many funds have been combined to substantially reduce the number of funds, and budget categories within the funds are broken down by department and program, rather than by expenditure type (Personal Services, Materials and Services, etc.), as in the past. Accordingly, 2005-06 historical data in the old format is presented in a separate Historical Budget Section rather than with the 2006-07, 2007-08 and 2008-09 budget data because it is not directly comparable.

In addition, funds that were discontinued in the 2007-08 and 2008-09 budgets are listed in the Historical Budget Section.