



2017-18 BUDGET WORK SESSION

Delivered to the Board of County Councilors

October 19, 2016

2017-18 BUDGET WORK SESSION GOAL

- County Manager presents his recommendations for a balanced budget and receives feedback regarding final recommended budget.
- Work session on October 25th will finalize the recommended budget.
- Recommended budget must be published the first week in November. Further changes could be made during December public hearing.

AGENDA

- Brief quarterly update on the 2015-16 current General Fund status; five minutes
- 2017-18 budget process update; five minutes
- Overview of new budget requests for 2017-18; 10 minutes
- Property tax options; 10 minutes
- County Manager recommendations for the 2017-18 budget; 30 minutes
- Council discussion and input; 60 minutes



**BRIEF QUARTERLY UPDATE
ON THE 2015-16 CURRENT
GENERAL FUND STATUS**

2015-16 GENERAL FUND OUTLOOK

SUMMARY

Starting point

- General Fund available, unassigned reserves were \$24.8 million at start of 2015; excludes about \$400,000 dedicated to the Sheriff's Office.

Trends

- Expectation: ending fund balance for 2015-16 will be \$24.8 million after final supplemental. Depending on departmental spending and year-end bills, there may be an additional \$2 million in one-time savings.

Reserves

- Projected ending fund balance preserves minimum recommended level of unassigned reserves of \$23 million.

Economy

- Budget is built on cautiously optimistic forecast assumptions; positive trends continue; downside risks still exist.

2015-16 OUTLOOK FOR GENERAL FUND RESERVES POLICY TARGET: \$23 MILLION

	Available fund balance
Jan 1, 2015 starting point	25,221,466
Not available (dedicated Sheriff funds)	(417,881)
Not available (permanent reserve sales tax)	(743,490)
Budgeted fund balance use	(3,549,752)
Anticipated expense savings	1,200,000
Unspent carry-forward railroad grant	\$100,000
Final 2016 supplemental revenue forecast update	5,913,095
Final 2016 recommended packages	(2,836,863)
Dec 31, 2016 ending balance	24,886,575
<p><i>There may be up to an additional \$2 million in one time departmental expense savings; projected fund balance range is \$24.8 - \$26.8 million.</i></p>	



2017-18 BUDGET PROCESS UPDATE

2017-18 GENERAL FUND SHORTFALL UPDATE

- Expense growth rate continues to exceed revenue growth rate = structural deficit.
- Two thirds of General Fund expenses are FTE-related, with inflationary growth driven by increases in general wages, healthcare costs and state mandated retirement contributions.
- Approximately one third of General Fund expenses are related to supplies, services, technology and fleet.

2017-18 GENERAL FUND SHORTFALL UPDATE

- Baseline gap (revenues minus expenses) is now \$12.9 million instead of earlier \$14.7 million estimate.
 - Departments updated forecasted revenues as well as position costs by fund.
 - Expenses were lowered to reflect no growth in medical and dental employer costs.

- Baseline gap does not include \$3.3. million loss of City of Vancouver records contract or additional decision package requests to be approved; typically around \$2 million.

2017-2018 BUDGET PROCESS IMPROVEMENTS

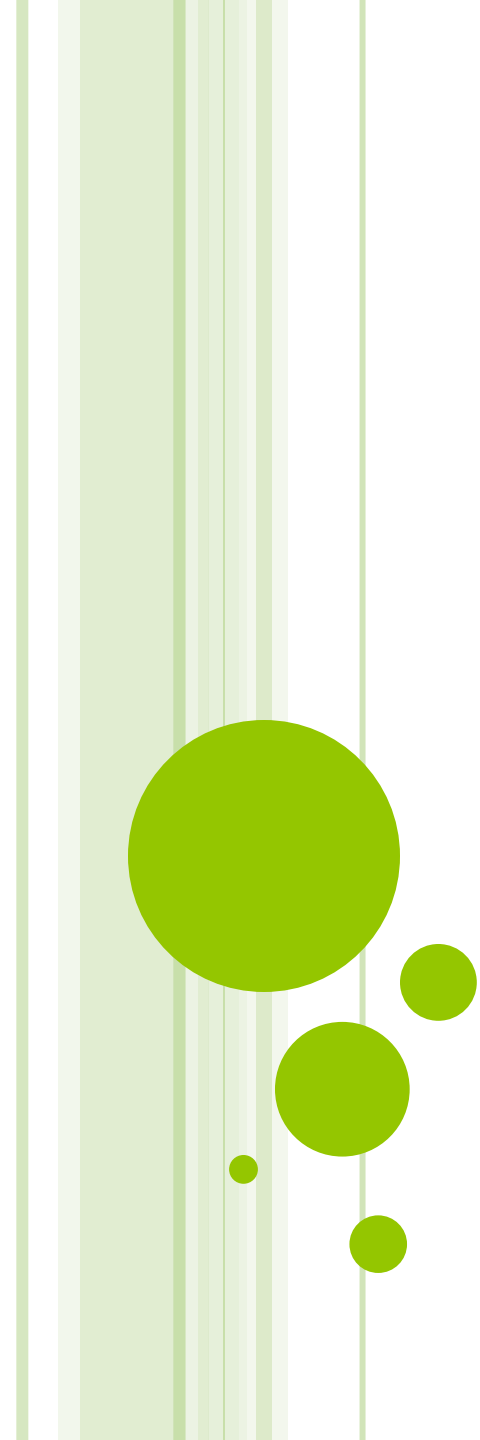
- ❑ Process changes were implemented based on feedback from focus group.
- ❑ Departments identified and described programs and capital projects.
- ❑ General Fund modified zero-based budgeting approach allows council to re-assess lowest 10% priority in each General Fund department budget.

2017-18 BUDGET PROCESS IMPROVEMENTS

- ❑ Finance Team developed evaluation criteria for new requests and General Fund reduction proposals; this increases transparency and quality of assessment process.
- ❑ Finance Team members held two open meetings to discuss requests with departmental input as needed.

INCREASED COLLABORATION

- ❑ Interventions proposed for balancing the 2017-18 General Fund budget are the result of a collaborative approach between elected officials, county manager, departments, Finance Team, and budget staff.
- ❑ Finance Team met with each department to discuss ideas; individual ideas were pursued through workgroups composed of all affected parties.
- ❑ IT CIO held meetings with departments countywide to brainstorm topics related to technology improvements and other ideas to cut costs and enhance revenues.



**OVERVIEW OF NEW
BUDGET REQUESTS
FOR 2017-18
(10 MINUTES)**

2017-18 NEW BUDGET REQUESTS:
GENERAL FUND
(BASED ON ORIGINAL DEPARTMENTAL SUBMISSIONS)

- General Fund total “all submit” departmental requests amount to net \$11.3 million. Packages were related to:
 - Maintaining service levels
 - Addressing aging infrastructure issues, mostly IT
 - Employee required training and learning.

2017-18 GENERAL FUND REDUCTION PACKAGES:

Departments submitted reduction packages totaling \$30.7 million. Finance Team grouped reduction packages into three categories:

- ❑ **Tier 1:** minimal impact on services and operations.
- ❑ **Tier 2:** moderate impact on services and operations.
- ❑ **Tier 3:** significant reductions in service levels.

2017-18 NEW BUDGET REQUESTS:
HIGHLIGHTS FOR OTHER FUNDS
(BASED ON ORIGINAL DEPARTMENTAL SUBMISSIONS)

- ❑ Mental health sales tax: \$2.9 million.
- ❑ Real estate excise tax requests for one time infrastructure projects: \$3.8 million.
- ❑ Campus Development Fund 1027 for one time projects: \$1.7 million.
- ❑ Road Fund: \$8.4 million, most is budget authority needed to implement TIP.
- ❑ Community Development Fund: \$3.2 million.



PROPERTY TAX DISCUSSION (10 MINUTES)

PROPERTY TAX

- Property tax is stable, grows with new construction and the possible one percent annual increase approved by the voters.
- In 2017, the allowed increase is 0.953% instead of one percent, due to the implicit price deflator factor. In addition, the Council can still opt to use “banked capacity”.
- Current baseline forecast includes growth from new construction at current levels.

PROPERTY TAX

The Council must adopt a levy supporting the budget. Each year, the Council considers the following property tax levies:

- General Fund, which includes three subordinate levies: Veterans, Mental Health and Developmental Disabilities
- Road Fund
- Conservation Futures.

The Greater Clark Parks District (GCPD) levy is considered separately when the Board convenes as the GCPD Board.

IMPACT OF FOREGONE 1% PROPERTY TAX INCREASES ON THE GENERAL FUND

Collection Year	Amount
2012	\$549,874
2013	\$1,110,638
2014	\$1,683,861
2015	\$2,302,097
2016	\$2,946,708
2017 (projected)	\$3,631,052
2018 (projected)	\$4,330,403
Total cumulative	\$16,554,631

PROPERTY TAX: GENERAL FUND

- A 0.953% increase over last year's levy in 2017, followed by 1% in 2018, would generate \$1.8 million additional revenue in 2017-18; the two-year total impact is estimated at \$10.29 for the median priced home. This is included in the county manager proposed budget (BGT-02).

OR

- A 0.953% increase over the highest lawful levy (aka using “banked capacity”), followed by 1% in 2018, would generate an additional \$3.8 million in 2017-18. The two-year total impact is estimated at \$21.50 for the median priced home. This option is not included in the county manager proposed budget.

PROPERTY TAX: ROAD FUND

- The Road Fund has not taken a one percent property tax increase since 2009 levy collection year.
- A 0.953% increase over last year's levy in 2017, followed by 1% in 2018, would generate \$1.1 million additional revenue in 2017-18; the two-year total impact is estimated at \$14.44 for the median priced home.

PROPERTY TAX: PARKS

- The Greater Clark Parks District (GCPD) levy was initially set at 27 cents per thousand of assessed value. The district currently includes 57,617 properties.
- The levy was pro-rationed in 2013 down to 16 cents per thousand of assessed value.
- The maximum that can be levied in 2017 generates a rate slightly below 23 cents per thousand of assessed value, which would translate to a total two-year estimated impact of \$12.61 for the median priced home. This option is included in the county manager proposed budget.

PROPERTY TAX: CONSERVATION FUTURES

- The Conservation Futures levy has not taken a one percent property tax increase since 2009 collection year.
- A 0.953% increase over last year's levy in 2017, followed by 1% in 2018, would generate \$67,000 additional revenue in 2017-18; the two-year total impact is estimated at 54 cents for the median priced home.



**COUNTY MANAGER
OPTIONS AND
RECOMMENDATIONS
FOR THE 2017-18
BUDGET**

GENERAL FUND PROPOSED INTERVENTIONS

- Led by county manager, Finance Team evaluated potential General Fund options to mitigate the 2017-2018 shortfall. They considered the following criteria:
 - Maintain appropriate level of reserves
 - Minimize impacts to services and citizens
 - Implement sustainable solutions
 - Address critical needs.

BUDGET INTERVENTIONS OPTIONS

- Organizational efficiencies
- Use of alternative funding sources
- Anticipating a reasonable amount of expense savings
- Responsible financing of critical projects
- Revenue options
- Selected reductions proposed by departments

PROPOSED GENERAL FUND BUDGET

- Balanced
- Minimal impacts to service delivery and citizens
- Maintains adequate reserves
- Addresses critical infrastructure needs
- Proposes adding only 1.0 operating FTE, paid for with pet licensing revenue.
- Permanently eliminates 15.5 operating FTE's from General Fund departments.

GENERAL FUND: PROPOSED BUDGET

	2017-2018 estimate
Estimated beginning fund balance (excludes \$417,881 dedicated CSO funds)	\$ 24,886,574
Baseline revenues	\$ 311,634,145
Baseline expenses	\$ (324,520,669)
Required baseline adjustments (includes pending final supplemental)	\$ (407,745)
CSO City of Vancouver records contract loss (SHR-09)	\$ (3,270,000)
Recommended one time new packages	\$ (3,713,990)
Recommended ongoing new packages	\$ (2,828,157)
Proposed budget interventions	\$ 21,598,759
Projected ending fund balance (minimum \$23 million per policy)	\$ 23,378,917

GENERAL FUND: PROPOSED BUDGET INTERVENTIONS CHANGE IN FUND BALANCE

Anticipated future savings (BGT-01)	\$ 2,000,000
1% property tax starting 2017 (BGT-02)	\$ 1,806,467
Centralize collections & retrieve supervision fees (BGT-03)	\$ 600,000
Reduce fleet replacement & repair costs (BGT-05)	\$ 1,000,000
Eliminate development engineering subsidy (BGT-12)	\$ 540,000
Finance \$4 million 2015-16 projects(7 years) net of debt svc (BGT-06)	\$ 2,779,064
Finance \$3.5 million 2017-18 projects (7 years) net of debt svc (BGT-06)	\$ 2,431,634
Fund JDAI with mental health sales tax (BGT-07)	\$ 418,299
Use REET for facilities maintenance (GEN-13)	\$ 1,322,774
Parks parking fees (PWK-13)	\$ 336,000
Parks shelter reservation fees (PWK-38)	\$ 32,300
Reduction packages tier 1 (low impact)	\$ 6,047,102
CSO reduction for records division equal to 50% of revenue loss (BGT-13)	\$ 1,316,000
Reductions: 1% HR, Assessor, PA & Sup. Court + 0.5% CSO (BGT-14)	\$ 969,119
Total proposed interventions	\$ 21,598,759

GENERAL FUND RECOMMENDED REQUESTS

CHANGE IN FUND BALANCE

Department	Package number	Short description	Ongoing	One-Time	FY 2017-18 Grand Total
General Services	GEN-02	Indigent Defense inflationary increase for private investigators	\$ (39,500)	\$ -	\$ (39,500)
General Services	GEN-05	Indigent Defense funding	\$ (750,000)	\$ -	\$ (750,000)
General Services	GEN-10	Allocate General Services Director salary and benefits to other funds	\$ 108,174	\$ -	\$ 108,174
Geographic Information Systems	GIS-01	Increase GIS budget capacity to offset rising software maintenance costs	\$ (40,000)	\$ -	\$ (40,000)
Human Resources	HRS-01	Countywide Organizational Learning & Development Training Program	\$ (80,740)	\$ (62,000)	\$ (142,740)
Information Services	ITS-02	IT security funding for project position, training, and new hardware & software	\$ (100,000)	\$ (572,900)	\$ (672,900)
Information Services	ITS-06	Fully fund the one-time and ongoing costs of replacing the current ERP system	\$ (800,000)	\$ (3,041,843)	\$ (3,841,843)
Juvenile Department	JUV-02	Replace 1970's era office furniture for Juvenile Court	\$ -	\$ (30,000)	\$ (30,000)
Prosecuting Attorney's Office	PAT-02	Provide on-going general fund support for Victim Assistance, Fund # 1022	\$ (280,000)	\$ -	\$ (280,000)
Public Works	PWK-22	Fund two John Deere Gator ATV's for Parks Ambassadors and maintenance crews	\$ (840)	\$ (16,800)	\$ (17,640)
Public Works	PWK-27	Fund two light-duty two wheel drive pick-up trucks for Vegetation Management	\$ (9,553)	\$ 9,553	\$ -
Risk Management	LOS-01	Increase General Liability budget to reflect projected expenses and rising insurance costs	\$ (659,598)	\$ -	\$ (659,598)
Sheriff's Office	SHR-04	Fund jail suicide prevention measures	\$ (10,100)	\$ -	\$ (10,100)
Sheriff's Office	SHR-12	Fund overtime cost of 2016-18 Corrections Guild contract	\$ (53,400)	\$ -	\$ (53,400)
Sheriff's Office	SHR-13	Fund overtime cost of pending Deputy Guild contract	\$ (112,600)	\$ -	\$ (112,600)
			\$ (2,828,157)	\$ (3,713,990)	\$ (6,542,147)

GENERAL FUND NOT RECOMMENDED REQUESTS CHANGE IN FUND BALANCE

Department	Package number	Short description	Ongoing	One-Time	FY 2017-18 Grand Total
BOCC	BCC-03	Graphic design professional services	\$ (48,000)	\$ -	\$ (48,000)
		Purchase new equipment to support Tyler Case Management system	\$ -	\$ (6,500)	\$ (6,500)
Clerk's Office	CLK-02				
Community Services	COS-02	Increase in revenue and expenditures for Veterans Fund	\$ (236,936)	\$ -	\$ (236,936)
		Community Corrections Case Management System automation and integration	\$ -	\$ (250,000)	\$ (250,000)
Corrections	CRR-02				
		Add two positions to expand Fire and Life Safety Inspection program	\$ (107,721)	\$ (57,756)	\$ (165,477)
Fire Marshal	FMO-01				
GIS	GIS-02	Increase GIS Training budget	\$ (20,000)	\$ -	\$ (20,000)
Information Services	ITS-01	Add 2 project positions to allow for IT knowledge transfer and succession planning	\$ -	\$ (570,000)	\$ (570,000)
Information Services	ITS-07	Fund partial replacement of current ERP system through a phased approach	\$ (400,000)	\$ (1,432,359)	\$ (1,832,359)
Juvenile Department	JUV-01	Increase Juvenile Detention overtime budget by \$85,408	\$ (85,408)	\$ -	\$ (85,408)
Juvenile Department	JUV-03	Add a Juvenile Department Finance Manager	\$ (205,717)	\$ -	\$ (205,717)
		Increase General Fund support of WSU Extension to minimum recommended level	\$ (32,963)	\$ -	\$ (32,963)
Public Health	PBH-06				
		Partially restore General Fund subsidy to support 12 parks currently funded by the MPD	\$ (148,500)	\$ -	\$ (148,500)
Public Works	PWK-19				
		Convert one Parks Program Assistant project position to a regular, full-time position	\$ (68,693)	\$ -	\$ (68,693)
Public Works	PWK-20				
		Fund new Parks Planner/Grants Specialist Position for the Parks Division	\$ (87,047)	\$ (1,900)	\$ (88,947)
Public Works	PWK-23				
Sheriff's Office	SHR-01	Fund study for the replacement of the Central Precinct	\$ -	\$ (200,000)	\$ (200,000)
Sheriff's Office	SHR-06	Replace Transport Vehicle	\$ (30,000)	\$ (150,000)	\$ (180,000)
Sheriff's Office	SHR-11	Provide ongoing funding to replace protective ballistic equipment	\$ (275,000)	\$ -	\$ (275,000)
			\$ (1,745,985)	\$ (2,668,515)	\$ (4,414,500)

TIER 1 RECOMMENDED REDUCTION PACKAGES

CHANGE IN FUND BALANCE

Department	Ongoing	One-Time	FY 2017-18 Grand Total
Animal Control	\$ 359,210	\$ (52,878)	\$ 306,332
Auditor's Office	\$ 780,758	\$ -	\$ 780,758
Board of County Councilors	\$ 460,037	\$ -	\$ 460,037
Clerk's Office	\$ 20,861	\$ -	\$ 20,861
Code Enforcement	\$ 96,624	\$ -	\$ 96,624
Community Development	\$ 105,000	\$ -	\$ 105,000
Community Planning	\$ 81,196	\$ -	\$ 81,196
Community Services	\$ 172,957	\$ -	\$ 172,957
Corrections	\$ 516,040	\$ -	\$ 516,040
District Court	\$ 126,227	\$ -	\$ 126,227
Environmental Services	\$ 336,764	\$ -	\$ 336,764
Event Center	\$ 55,069	\$ -	\$ 55,069
Fire Marshal	\$ 55,000	\$ -	\$ 55,000
General Services	\$ 679,634	\$ -	\$ 679,634
Geographic Information Systems	\$ 627,246	\$ -	\$ 627,246
Information Services	\$ 672,632	\$ -	\$ 672,632
Public Health	\$ 548,793	\$ -	\$ 548,793
Public Works	\$ 182,323	\$ -	\$ 182,323
Treasurer's Office	\$ 223,609	\$ -	\$ 223,609
Total	\$ 6,099,980	\$ (52,878)	\$ 6,047,102

REET RECOMMENDED REQUESTS: CHANGE IN FUND BALANCE

Package Type	Department	Package number	Short description	FY 2017-18 Grand Total One-time
Budget intervention	General Services	GEN-13	Allocate REET I and REET II for facilities maintenance one-time	\$ (1,835,226)
Budget neutral or technical adjustment	Budget Office	BGT-11	Change Public Services Building debt funding to REET II instead of REET I	\$ -
Infrastructure replacement or repair	District Court	DST-01	District Court JAVS Upgrades	\$ (321,706)
Infrastructure replacement or repair	General Services	GEN-07	Multiple building roof replacements	\$ (859,635)
Infrastructure replacement or repair	General Services	GEN-08	Juvenile Detention Center security system replacement	\$ (444,756)
Infrastructure replacement or repair	General Services	GEN-09	Courthouse security system replacement	\$ (263,400)
Infrastructure replacement or repair	Public Works	PWK-21	Request Real Estate Excise Tax (REET) for regional parks capital repairs & ADA improvements	\$ (289,500)
Infrastructure replacement or repair	Public Works	PWK-37	Fund remodel and updates to Building F at the 78th Street Operations Center	\$ (11,751)
Infrastructure replacement or repair	Sheriff's Office	SHR-02	Replace marine patrol boathouse	\$ (535,000)
Safety and security upgrades	Sheriff's Office	SHR-04	Fund jail suicide prevention measures	\$ (822,850)
Safety and security upgrades	Sheriff's Office	SHR-10	Install bullet resistant products to secure the Sheriff's Office reception desk area	\$ (200,000)
Infrastructure replacement or repair	Superior Court	SUP-03	Replace electronic court reporting system for Superior Court	\$ (387,000)
Total				\$ (5,970,824)

MENTAL HEALTH SALES TAX FUND RECOMMENDED REQUESTS: CHANGE IN FUND BALANCE

Package Type	Department	Package number	Short description	Ongoing	One-Time	FY 2017-18 Grand Total
Budget intervention	Budget Office	BGT-07	Move JDAI expenses to mental health sales tax fund	\$ (418,299)	\$ -	\$ (418,299)
Budget neutral or technical adjustment	Corrections	CRR-01	Move existing budget from Community Corrections to District Court	\$ -	\$ -	\$ -
Service level enhancement	Community Services	COS-09	Behavioral Health Client Recovery Support Services (Priority #2)	\$ -	\$ (300,000)	\$ (300,000)
Service level enhancement	Community Services	COS-11	Behavioral Health Client Housing and Recovery Support Services (Priority#1)	\$ -	\$ (700,000)	\$ (700,000)
Maintain service levels	Community Services	COS-07	Carryover unspent Mental Health Sales Tax Funds	\$ -	\$ (700,000)	\$ (700,000)
Maintain service levels	General Services	GEN-01	Indigent Defense cost increase for Family Treatment Court for Parents	\$ (51,500)	\$ -	\$ (51,500)
Maintain service levels	Risk Management	LOS-01	Increase General Liability budget to reflect projected expenses and rising insurance costs	\$ (7,394)	\$ -	\$ (7,394)
Training, employee engagement, and workforce planning	Superior Court	SUP-01	Increase training and education budget for Specialty Court professionals	\$ (16,000)	\$ -	\$ (16,000)
Required baseline updates	Budget Office	BGT-08	Update indirect central service costs	\$ (56,580)	\$ -	\$ (56,580)
Required baseline updates	Budget Office	BGT-10	Required baseline adjustments (for changes that occurred after baseline creation)	\$ (256,136)	\$ -	\$ (256,136)
Total				\$ (805,909)	\$ (1,700,000)	\$ (2,505,909)

ROAD FUND RECOMMENDED REQUESTS: CHANGE IN FUND BALANCE

Package Type	Department	Package number	Short description	Ongoing	One-Time	FY 2017-18 Grand Total
Budget intervention	Budget Office	BGT-12	Eliminate subsidy to development engineering	\$ (540,000)	\$ -	\$ (540,000)
Budget neutral or technical adjustment	General Services	GEN-12	Transfer major maintenance budget to Public Works	\$ -	\$ 35,891	\$ 35,891
Budget neutral or technical adjustment	Public Works	PWK-01	Request budget authority for utility reimbursables on county road projects	\$ -	\$ -	\$ -
Infrastructure replacement or repair	Information Services	ITS-02	IT security funding for project position, training, and new hardware & software	\$ -	\$ (89,930)	\$ (89,930)
Infrastructure replacement or repair	Information Services	ITS-06	Fully fund the one-time and ongoing costs of replacing the current ERP system	\$ -	\$ (597,168)	\$ (597,168)
Maintain service levels	Public Works	PWK-02	Request budget authority to implement the Transportation Improvement Program (TIP)	\$ -	\$ (7,616,600)	\$ (7,616,600)
Maintain service levels	Public Works	PWK-03	Fund the remaining 13 months of 18 month Planning Technician I project position	\$ -	\$ (75,561)	\$ (75,561)
Service level enhancement	Public Works	PWK-04	Add 4 Highway Maintenance Workers and 2 Highway Maintenance Specialists	\$ (740,444)	\$ -	\$ (740,444)
Service level enhancement	Public Works	PWK-05	Purchase of additional mechanical sweeper for the Specialty Services drainage crew	\$ (86,272)	\$ (225,000)	\$ (311,272)
Service level enhancement	Public Works	PWK-06	Fund purchase of additional roadside mower	\$ (29,568)	\$ (150,000)	\$ (179,568)
Service level enhancement	Public Works	PWK-40	Adjust budget for Park Impact Fee districts		\$ 307,000	\$ 307,000
Maintain service levels	Public Works	PWK-41	Adjust budget capacity for Traffic Impact Fees	\$ (84,000)	\$ 1,430,464	\$ 1,346,464
Maintain service levels	Public Works	PWK-44	Fund two 1 ½ Ton extended cab utility dump trucks for new staff	\$ (18,000)	\$ (160,000)	\$ (178,000)
Maintain service levels	Risk Management	LOS-01	Increase General Liability budget to reflect projected expenses and rising insurance costs	\$ (150,321)	\$ -	\$ (150,321)
Reduction package tier 1	Environmental Services	ENV-90	Eliminate Department of Environmental Services (DES) and consolidate functions	\$ (1,273,035)	\$ -	\$ (1,273,035)
Reduction package tier 1	GIS	GIS-90	Charge users appropriately for ongoing GIS maintenance and operations costs	\$ (446,704)	\$ -	\$ (446,704)
Reduction package tier 1	Public Works	PWK-90	Reduce General Fund subsidy for Development Engineering	\$ -	\$ -	\$ -
Required baseline updates	Budget Office	BGT-08	Update indirect central service costs	\$ (70,313)	\$ -	\$ (70,313)
Infrastructure replacement or repair	General Services	GEN-16	Fund remaining costs for the Council approved imaging software replacement	\$ (4,668)	\$ (7,504)	\$ (12,172)
Infrastructure replacement or repair	Information Services	ITS-03	Fund remaining portion the FMS Replacement Project Phase I - investigation & planning	\$ -	\$ (25,090)	\$ (25,090)
Total				\$ (3,443,325)	\$ (7,173,498)	\$ (10,616,823)

COMMUNITY DEVELOPMENT RECOMMENDED REQUESTS

CHANGE IN FUND BALANCE

Package Type	Department	Package number	Short description	Ongoing	One-Time	FY 2017-18 Grand Total
			Increase Planner II Position from 0.75 FTE to 1 FTE in the Land			
Maintain service levels	Comm Dev	COM-01	Use	\$ (38,156)	\$ -	\$ (38,156)
Maintain service levels	Comm Dev	COM-02	Add permanent Planner III position in the Land Use	\$ (200,897)	\$ -	\$ (200,897)
Maintain service levels	Comm Dev	COM-03	Add permanent Building Inspector position	\$ (173,919)	\$ (27,600)	\$ (201,519)
Maintain service levels	Comm Dev	COM-05	Add Natural Resources Specialist I position	\$ (141,905)		\$ (141,905)
Maintain service levels	Comm Dev	COM-06	Add DISC II position	\$ (187,956)	\$ -	\$ (187,956)
Infrastructure replacement or repair	Information Services	ITS-02	IT security funding for project position, training, and new hardware & software	\$ -	\$ (44,965)	\$ (44,965)
Infrastructure replacement or repair	Information Services	ITS-06	Fully fund the one-time and ongoing costs of replacing the current ERP system	\$ -	\$ (235,034)	\$ (235,034)
Maintain service levels	Public Works	PWK-34	Add Natural Resource Specialist project position	\$ -	\$ (26,237)	\$ (26,237)
			Increase General Liability budget to reflect projected expenses and rising insurance costs			
Maintain service levels	Risk Mngmt	LOS-01		\$ (31,439)	\$ -	\$ (31,439)
			Switch eligible Code Enforcement expenses to Community Development Fund 1011			
Reduction package tier 1	Code Enforcement	COD-90		\$ (96,624)	\$ -	\$ (96,624)
Reduction package tier 1	Comm Dev	COM-90	Reduce General Fund subsidy to land use by \$105,000 or 10%	\$ (105,000)	\$ -	\$ (105,000)
Required baseline updates	Budget Office	BGT-08	Update indirect central service costs	\$ (299,411)	\$ -	\$ (299,411)
Required baseline updates	Budget Office	BGT-10	Required baseline adjustments (for changes that occurred after baseline creation)	\$ (1,385,614)	\$ -	\$ (1,385,614)
Infrastructure replacement or repair	General Services	GEN-16	Fund remaining costs for the Council approved imaging software replacement	\$ (10,839)	\$ (19,508)	\$ (30,347)
Infrastructure replacement or repair	Information Services	ITS-03	Fund remaining portion the FMS Replacement Project Phase I - investigation & planning	\$ -	\$ (9,874)	\$ (9,874)
Total				\$ (2,671,760)	\$ (363,218)	\$ (3,034,978)

**COUNCIL DISCUSSION
& INPUT
GENERAL FUND
INTERACTIVE MODEL
(60 MINUTES)**



NEXT STEPS

- County manager needs input from council to finalize recommended budget.
- Work session is scheduled on October 25th to finalize council input.
- Further changes could be made in Dec. 5-7 hearings.
- Budget staff are available for discussion.