

**FY 20-21 Budget Committee Questions and Answers – May 19, 2020**

1. **Question from Commissioner Bozievich:**

FY 20-21 proposed budget with regard to overall state revenue increasing. Why, even if we don't have specific reduction data, would we be projecting increases, should we at least be holding the budget flat given that we know the State will have some budget challenges in the future?

1. **Answer:**

Departments have reviewed their state budgets and either does not have enough data to indicate the amount of a decrease, are confident in the increase amount because it is a source of funds not at risk such as a grant, or will be providing adjustments to the budget committee as part of the deliberation process on Thursday. Please see the deliberation checklist to be sent out on Wednesday afternoon for the adjustment details.

2. **Question from Commissioner Bozievich:**

Public Works: What is the cost of the climate action planning work for FY 19-20 and the projected cost for FY 20-21

2. **Answer:**

Projected expenses for the Climate Action Program

FY19-20:

Professional Services: \$99,664

1FTE Salary & benefits FY 20: \$52,570 (partial year)

TOTAL: \$152,234

FY20-21:

Professional Services: \$150,000

1FTE Salary & benefits FY 21: \$129,649

TOTAL: \$279,649

FY19-20 covers Phase 1. FY20-21 covers Phase 2.

3. **Question from Larry Abel:**

County Administration Operations: Why is there a \$1,379,582 decrease in the Facilities details on page 135 of the Proposed Budget Document when there are 4 FTE being added?

3 **Answer:**

Public Works has historically paid for their own facilities staff and expenses out of the Road Fund to take care of the Delta Campus, rather than being part of the County's indirect plan like other departments. That Road Fund Facilities budget contained 1

custodian, 1 maintenance specialist plus various capital expenditures for work on the Delta Campus. Public Works also managed the Countywide General Fund Facilities staff and expenses since 2015.

In FY 20-21, a few things have occurred in the Facilities Budget:

1. The 2 FTE previously dedicated only to the Delta Campus and budgeted in the Road Fund have been moved into the same program as the General Fund Countywide Facilities Budget and Public Works will begin participating in the Countywide Indirect Plan for Delta Campus facilities services.
2. Capital expenses that were specific to the Delta Campus have stayed in the Public Works Road Fund budget.
3. 4 FTE have been added to the General fund County Facilities Budget.

All of these changes have made the tracking between years more difficult. Here is a breakdown of the changes by Fund to help better display the budget change:

	Current Budget	Initial Budget w/Delta Staff	4.0 FTE Addition	Proposed Budget	Difference
General Fund Facilities	\$ 3,542,531	\$ 4,276,161	\$ 308,017	\$ 4,585,178	
Road Fund Facilities	\$ 2,421,229	\$ -	\$ -	\$ -	
<b>TOTALS</b>	<b>\$5,963,760</b>	<b>\$4,276,161</b>	<b>\$308,017</b>	<b>\$4,585,178</b>	<b>(\$1,378,582)</b>

In FY 19-20, there was \$1,632,630 in capital expenses budgeted within the Facilities Road Fund Budget. That amount is not part of the FY 20-21 Facilities Budget.

4. **Question from Chris Hazen:**

1. Lane Events Center:

A: What is the net revenue of this venue? In other words, what % of annual costs are subsidized by the County vs. recouped by use fees.

4. **Answer:**

The Lane Events Center does not receive any General Funds. Lane Events Center hosts multiple events and visitors that encourage tourism throughout Lane County and beyond and receives a portion of the Transient Room Tax Revenue received by Lane County. In the FY 2021 Budget, Annual Costs are \$5.5 million and TRT revenue is \$2.1 million. This is split between operations (\$1.0m) and facilities maintenance and improvements (\$1.1m). This places the TRT operations support at 18% of annual costs.

5. **Question from Chris Hazen:**

B: With very few events planned at this time, has the venue furloughed some of its staff or reduced its operating budget for this year?

5. **Answer:**

The FY 19-20 Operating Budget has been reduced by approximately \$300,000 which corresponds to the loss of events for the current fiscal year. There are currently four vacant positions. One is being reviewed and the others are being held open at this time.

6. **Question from Chris Hazen:**

2. Parks:

A: What have the results been of the Parks Funding Task Force identifying new sources of funds?

6. **Answer:**

The first Parks Funding Task Force meeting was held in February. The Task Force members identified the top six categories for funding needs: routine/preventative maintenance, deferred maintenance, capital development, conservation, revenue generation, and cost reduction. Each Task Force member was asked to identify their number one priority, followed by their subsequent top three priorities.

Collectively, the Task Force identified routine maintenance as the number one priority, followed by deferred maintenance. The second meeting was scheduled in April but this was canceled after the COVID-19 outbreak. The April meeting agenda included brainstorming funding options to tackle the identified funding priorities. The County amended the contract with the consultant to postpone meetings until September and extend the contract an additional 6 months to account for the time missed during the pandemic. We will have more information on possible funding options after our meetings this fall.

7. **Question from Chris Hazen:**

4. Roads:

A: Where are annual road safety metrics tracked by the county?

7. **Answer:**

The Lane County website - Towards Zero Deaths.

(<https://lanecounty.org/cms/One.aspx?portalId=3585881&pageId=14873741> )

The following information is included: traffic deaths and injuries, and safety engineering implementation. It looks like the data does need to be updated, but this is probably the most easily accessible “metrics” that we have publicly available.

8. **Question from Chris Hazen:**

B: How does the county track the economic development impact of roads in the County? In particular, rural roads/economic development.

8. **Answer:**

Historically, we have not tracked economic development impact. Yet, this year we wanted to know what impact the construction contracts would have on providing jobs this summer and estimated that we could see up to 434 field positions this construction season. Also, ECS and the PW Grants Analyst will review economic impacts as needed for fund requests as part of grant applications on a case by case basis.

9. **Question from Chris Hazen:**

5. General Services:

A: What is the cost of annual vehicle maintenance as a % of asset value?

9. **Answer:**

The target will move as the asset ages and vary on class of equipment and its potential break-point/disposal value.

A new vehicle in the example is below:

Class 3 sedan – 22%

“EV” class – 3% to 5% (small car class, likely higher on a light duty truck class or HD equipment class with tire costs and secondary system maintenance).

10. **Question from Chris Hazen:**

B: What is the projected lifetime ownership cost of the proposed EVs vs. traditional gasoline fleet vehicles?

10. **Answer:**

While it's always subject to gas and electric rates regionally, fuel costs by most studies suggest about only 50% of what ICE vehicles cost. Maintenance should be substantially less, maybe 85 -90% for Fleet? Especially since we will likely dispose most of these vehicles prior to or at their warrantable coverage on the systems likely to be the most costly to repair. Canada did a recent study (in which I'll be honest...I didn't read it line for line yet) that suggested a mixed average savings of 71% over a 10 year life cycle which should reflect our cycle = Cost average of \$18,000 per vehicle (\*market adjustable retail rates, not LC Fleet).

On ICE vehicles that math (to use apples to apples example per study):

**\*10 year ownership cost of ICE vehicle (maintenance and fuel) - \$37,934**

**\*10 year ownership cost of EV vehicle (maintenance and fuel) - \$10,987**

**(\*cited study calculated average on a 1.5 vehicle household expense)**

Our last two purchase cycles;

EV was a \$33,300 cost (\*Chevy Bolt, which reflects state contract price for the range capability we want moving forward) minus \$3000 in rebates = **\$30,300**

ICE was a \$17,225 cost (\*Nissan Sentra compact sedan, state contract price, no rebates)

**ICE – 17,225 + 37,934 = \$55,159**  
**EV – 30,300 + 10,987 = \$41,287**

Suggests (in theory) we will reduce total life cycle costs by 25%, only hardship would be initial purchase difference due to the imbalance in a departments RF if its replacing a Class 1 or Class 3 vehicle that was accumulating funds towards replacement of a lower up front cost.

11. **Question from Dawn Lesley:**

How much \$ the County collects in rent every year, flat dollars and also indexed (\$ per sqft)?

11. **Answer:**

The Department of Public Works is budgeted to receive \$412,447 in the account for "Rent – Other Properties" in FY 19-20 and \$525,073 in FY 20-21. This includes office space, houses, vacant land, covered garage space, parking, Cell Towers and other spaces. The department works in partnerships to effectively rent available space at the current market rate.

Some of these space rental revenues may be impacted by COVID-19.

12. **Question from Dawn Lesley:**

Are there vacant County spaces that could be earning rent?

12. **Answer:**

Full inventory space availability with square footage, space classification and vacancy status will take several hours spread over several days to request, collect, and consolidate.

Please let me know if the Budget Committee would like this information.

13. **Question from Dawn Lesley:**

What is the square footage of these spaces?

13. **Answer:**

See above.

14. **Question from Commissioner Buch:**

There are seven community requests that total \$339,624. The notes on their individual requests state due to Oregon public contracting laws, they may need competitive processes to award funds. Do any of these asks need a competitive process to be granted funds?

14. **Answer:**

Due to the Purchasing Manager currently serving in the County's Emergency Operations Center he has been unavailable to answer this question to date. However, legal counsel will be available during the deliberation meeting to answer this question as needed.

15. **Question from Commissioner Bozievich:**

Public Works: Can I get some kind of summary of the restrictions on the Solid Waste Fund? I asked about the current and projected cost of the Climate Action Plan I am sure the answer is in the works but I want to add a request to identify the funding source for those expenditures.

15. **Answer:**

The Solid Waste Disposal Fund is an Enterprise Fund that was established to account for solid waste collection and transfer operations, waste stream planning, waste reduction programs, and landfill development, construction, closure and post closure. At this time there are no State laws that restrict the use of revenue generated through disposal fees. The System Benefit Fee was established in partnership with cities and waste haulers to provide waste reductions services and education to the communities, schools, occupants and visitors of Lane County.

The department of Environmental Quality (DEQ) regulates and monitors the closure and post closure reserves to ensure that Lane County has retained sufficient resources to close and monitor all landfills for the required amount of time.

Source of funding is the Solid Waste Disposal Fund.

16. **Question from Commissioner Buch:**

Regarding FTE changes: A. Is there a breakdown of the changes in FTE per position? I see the service category breakdown on page 363, but it is a challenge to determine how they equate to the changes noted during the meetings within departments.

16. **Answer:**

We do not have a breakdown by every position but attached is an explanation of the changes in FTE by Department for each service category that you are seeing on Page 363.

\*Please also see attached

17. **Question from Commissioner Buch:**

B. In the budget message I count 25 new FTE but page 363 shows 23.55 and the SOSs only state .5 COA ops (SOS C9) and 4 facilities (SOS C19). Another example is under county admin: operations show 4.75 FTE but the narrative says 5 FTE.

17. **Answer:**

The description in text is focused on the additions but does not take into account smaller adjustments that may occur to existing FTE. The information provided in response to Question A above is the detail on the 23.55.

18. **Question from Commissioner Buch:**

2. SOS questions:

A. SOS 24 - shows \$1M Behavioral Health Crisis Center. Is this the Housing First facility?

18. **Answer:**

No, this is the \$1 million in funds set aside in FY 19-20 with the plan to establish a Behavioral Crisis Center (see SOS Form 24). The funds were not spent, but the Budget Committee received an update on this plan at the May 14, 2020 meeting. The funds continue to be set aside in the non-departmental portion of the County's budget until additional information is known.

19. **Question from Commissioner Buch:**

B. SOS 28 - Is this a grant writer?

19. **Answer:**

The 1.24 FTE on the SOS Form includes 1.0 FTE Homeless and Supportive Housing Supervisor and .24FTE Homeless Services Coordinator. Many staff contribute to grant writing and we work with the 1.0 Resource Developer/Grant Writer in the H&HS Administration Division.

20. **Question from Commissioner Buch:**

C. SOS 34a - Starts with the word 'achieved', are we missing a sentence? Also, the narrative says is proposes funding of \$170,033 vs the expense total of \$172,208. What is the difference?

20. **Answer:**

There was a typo in the summary that included the \$170,033 from FY 19-20, that has been removed. Part of the text was cutoff and the form has been revised and reposted on-line.

21. **Question from Commissioner Buch:**

D. SOS 40. - It shows <\$51,429> in general fund but it not listed below in the line 'back to the Discretionary General Fund' a SOS 41 does. There are several other SOS sheets (SOS C8, C10, C11, C13, C14, C17) that also don't list it below. Do you know why SOS 41 does but not the others?

21. **Answer:**

SOS Form 40 should be showing the amount down in the leverage category – this is a typo and will be corrected.

Leverage is shown only if the general fund spent on the service results in an ongoing payment back to the General Fund. All SOS Forms beginning with “C” are Central Service and while it can temporarily end up with a negative discretionary general fund amount showing, that will not happen in the long term. The negative occurs if a service has decreased in size – and because the payment through the indirect plan is delayed, the fund is receiving a payback of funds spent in a prior year. When the current year’s cost is lower, then the indirect plan “Payment” appears to be higher than needed. However, in future years the indirect plan payment will be decreased to match actual expenditures occurring. With Central Services, the general fund “fronts” the cost and is then paid back in future years.

22. **Question from Commissioner Buch:**

E. SOS 42 - Property management sheet mislabeled as SOS 40. Is also shows a different amount back into the discretionary General fund account than the General Fund amount <\$180,968>. Do you know what the difference is?

22. **Answer:**

The amount listed was a typo and has been corrected. The numbering has been corrected and the form has been reposted.

23. **Question from Commissioner Buch:**

F. SOS 36 - This shows \$1M for the Navigation Center, but page 2 of the budget message says \$1.3M, are these two different things?

23. **Answer:**

The budget message is discussing both the Navigation Center (SOS Form 36) and additional funds (shown on SOS Form 34b) for rapid resolution and assessment/rehousing/tenant supports, to be further identified.

24. **Question from Commissioner Buch:**

G. SOS 39 - Elections sheet mislabeled as SOS 37

24. **Answer:**

This form has been corrected and reposted.

25. **Question from Commissioner Buch:**

A. Page 69 - states July 2020, but I think you mean July 2019?

25. **Answer:**

Correct. This typo will be corrected in the Adopted Budget document, thank you.

26. **Question from Commissioner Buch:**

Page 89& 93 - Contingencies down \$6,076,861, general reserves are down \$8,099,540 and total reserves are down \$32,852,99. Seems like a large decrease and wondering what big items it consists of?

26. **Answer:**

The changes vary by fund. A few examples of changes impacting contingency/reserves

Road Fund (225) – Transfer of over \$2.5 million out of reserves for Territorial Highway Project.

H&HS Fund (286) – Transfer of \$6 million out of reserves from LaneCare to Behavioral Health.

General Fund (124) – Transfer in FY 19-20 for Developmental Disabilities of \$5 million and transfer of \$3.2 million for Parole & Probation Building in FY 20-21 will result in less reserves.

FY 20-21 budgeted amounts are also dependent on the actual beginning fund balance in each fund which has been estimated, but will be adjusted in Supplemental #1, at which time reserves are also typically adjusted.

27. **Question from Commissioner Buch:**

C. Commissioner Section - It would be nice to have the Performance Auditor position separated out from the Board of Commissioners sheet. What are agency payments in this section? Does it really cost \$46k/yr to maintain six computers? It seems really high when I believe commissioners buy computers/equipment from a different pot of funds.

27. **Answer:**

The Financial Summary by Program on page 101 shows the breakdown for total expenditures with Board of Commissioners separate from Performance Audit Program. We are happy to provide additional detail as requested.

The agency payments line is used within the individual commissioner accounts – it is a placeholder and expenses are coded to the correct line type as funds are spent.

The \$45,948 Indirect/Technology Service expense line contains not only support of the computer, but also the share of countywide programs and equipment such as the County's servers, financial and budget software, as well as TS staff to support the entire system. Indirect charges are calculated using FTE and computer numbers depending on the service being charged for. Computer hardware replacement is funded out of the PC Replacement Services line which shows a total of \$1,350 for FY 20-21.

28. **Question from Commissioner Buch:**

Some definitions are provided in sections but I can't find ones for Title II reimbursements, Title III funds or misc. federal. That would be helpful.

28. **Answer:**

Title II and Title III are both part of the Secure Rural Schools and Community Self-Determination Act. The Title III Projects Fund 250 is described on page 47. We will look at adding both terms to the glossary for future reference.

29. **Question from Commissioner Buch:**

Page 373 - Shows a \$5M bond. What is that for?

29. **Answer:**

This will be for the Development Disabilities building to be built on the site of the current armory. Development Disabilities will make the bond payments.

**Programs included:**

Culture and Recreation	Parks, PW - LEC
Community Development	Economic Development, Workforce Partnership, PW- Land Mgmt Programs
General Government	Assessment & Taxation, County Admin.County Counsel, Human Resources, TS PW
Public Safety Services	Sheriff's Office, Parole and Probation, H&HS - Youth Services
Public Health & Welfare	H&HS, PW - Animal Services
Public Roads & Infrastructure	Public Works Programs

KNOWN CHANGES			
2.00		Parks	CULREC
0.00		None	COMMDEV
10.25			GENGOVT
-2.00	County Administration		PUBSAFETY
1.04		Pub Health	PUBHEALTH
9.80		CHC	
-3.00		BH	
1.00		Admin	
0.50		Animal Services	
-0.04		Environmental Health	
3.00		LaneCare	
1.00		Public Works	ROADINFRA
23.55			

**Culture & Recreation:**

There are 2.0 FTE being added in Parks for Park Maintenance 2.

**General Government:**

1	Assessment & Taxation	Deputy Assessor position starting 01/20210
-23.5	Public Works	Facilities moving to County Administration Operations
-0.25	Facilities Planning & Construction County Administration	Reduction of 1.0 FTE to .75 FTE for the Supervisor
1	Operations	Added an Accounting Analyst in Financial Services  Moved from Public Works to County Administration Operations. In the FY 20-21 budget 4.0 FTE is being added: 2 Custodians, 1 Maintenance, and 1 Program Specialist.
30	Facilities	
2	Technology Services	1.0 FTE in CSS and 1.0 FTE in BSD
<u>10.25</u>		

**Public Safety:**

There is a reduction by 1.0 FTE this is in Parole and Probation due the SAMHSA Grant ending 9/30/2020.

There is a reduction by 1.0 FTE this is in the District Attorney Office for a Domestic Violence Investigator position that moved to the Sheriff's Office to continue this work as a Deputy Sheriff.

**Public Health:**

PH – adding 1.0 CSW2 that was approved in the HIV-EIO Grant Jan 2020 – Dec 2020.

PH – shifting one of the physician .04 FTE from CHC to PH

Admin – adding 1.0 Accounting Analyst

Animal Welfare Officer – adding .50 FTE

0.5 PW Animal Services - LCAS  
-0.04 Environmental Health  
3.00 LaneCare  
1.04 Public Health  
0.00 CFS  
9.80 CHC  
-3.00 Behavior Health  
1.00 Admin  
12.30

**Roads and Infrastructure:**

There is 1.0 FTE being added for a Maintenance Specialist Lead.