



AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

Department: BOCC

WORK SESSION ☐ **Meeting Date:**

REGULAR AGENDA ☒ **Meeting Date:** 9/08/2015

Required Originals Approved and Attached? ☒
Will be provided on:

Item Summary:*

- ☐ Call for Hearing
- ☐ Resolution
- ☐ Draft Ordinance

- ☐ Contract/Agreement/MOU**
- ☐ Proclamation
- ☐ Final Ordinance

- Contract #
- ☒ Budget Item
- ☐ Other

Documents exempt from public disclosure attached: ☐

Executive Summary:

The 2016 Preliminary Roll-up Budget is hereby presented for discussion as required by the Clallam County Home Rule Charter, and thus continues the budget adoption process that will result in a final public hearing, on Dec 1st and an adopted budget by December 08, 2015.

General Fund Revenues are expected to stay relatively flat compared to the 2015 budget, at \$32,544,088. This is so (despite planning for a full year of the 2/10ths reduction in Sales Tax in the unincorporated portions of the county, and not taking the allowed 1% increase in the county portion of Property Tax), because of an expected continuation of the local economic recovery first noted in the 2015 Mid Year Review. On the expenditure side, the addition of 3.5 new employees and moving all full-time workers to a 40 hour work week has resulted in a 2.95% increase in Full Time Equivalent (FTE) workers (+8.10) and together with the 1% COLA on January 1st and again July 1st salaries are increasing by \$788,189 to \$18,035,995, and benefits are going up \$268,307 to \$6,246,987. Despite the combined salary and benefit increase of \$1,056,496, the total General Fund Expenditures only go up by \$526,308 (1.58%), to \$33,740,055, as contracted services and supplies are each projected to go down somewhat. This results in using reserves of \$1,195,967 to balance the budget, as planned by the BOCC, to cover the following year's cost of the tax reductions and hourly increases enacted during 2015. Due to the aforementioned improvement in our local economy, we expect to start the year with a reserve balance of \$12,187,311 with this preliminary budget using \$1,195,967, leaving \$10,991,344 at the end of the year (\$7,250,000 of which is specifically restricted, and 5% is another \$1,687,003), meaning that there is approximately \$2,054,341 of "excess reserves" that could be used, or saved for future needs, as the board wishes. To that end, Department Heads have submitted requests (that are not yet included in this preliminary budget) for new funding in 2016 totaling \$2,215,030 from the General Fund.

In other funds, the Roads Department is projecting \$961,240 (+7.3%) more revenue for 2016 (\$14,056,187) than was in the 2015 budget as the anticipated decline in State and Federal project reimbursements has not yet materialized, and is projecting to spend \$18,551,751 for 2016, using \$4,495,564 of their reserves for 2016 projects, operations and maintenance. The other major

* Submit original and 5 copies

** Submit 3 originals and 5 copies

spending increase will be for the Carlsborg Sewer Project as we expect to finally start (and finish) construction in 2016, after permitting delays preventing us from construction in 2015. We are budgeting expenditures of \$11,009,110 and should receive the remaining \$9,216,955 worth of loan proceeds from the Department of Commerce through the Opportunity Fund during 2016. New expenditure requests from Department Heads in 2016 (not yet included in this preliminary budget) in Other Funds, totals \$4,184,826.

Please review the attached budget schedule data and feel free to ask me, or our Budget Director, Debi Cook any questions.

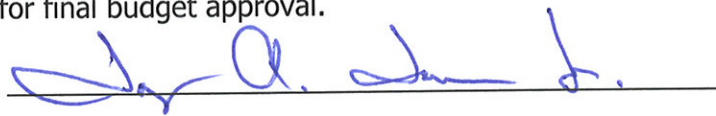
Budgetary Impact : (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget Action is required, has it been submitted and a copy attached?** ☐

This is the preliminary, roll-up budget for 2016.

Recommended Action : (Does the Board need to act? If so, what is the department's recommendation?)

Ask questions, suggest direction for final budget approval.

County Official Signature:



Date Submitted: 9/02/2015