



AGENDA ITEM SUMMARY

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

Department: BOCC

WORK SESSION **Meeting Date: 10/15/2018**

REGULAR AGENDA **Meeting Date:**

Required Originals Approved and Attached?

Will be provided on:

Item Summary:*

- | | | |
|---|---|---|
| <input type="checkbox"/> Call for Hearing | <input type="checkbox"/> Contract/Agreement/MOU** | Contract # |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Proclamation | <input checked="" type="checkbox"/> Budget Item |
| <input type="checkbox"/> Draft Ordinance | <input type="checkbox"/> Final Ordinance | <input type="checkbox"/> Other |

Documents exempt from public disclosure attached:

Executive Summary:

The 2019 Administrator's Recommended 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 4th and an adopted budget by no later than Dec 11, 2018. The Recommended Budget projects a beginning General Fund Balance of \$12,000,000, with Revenues of \$47,025,869, Expenditures of \$49,283,137, using Reserves of \$2,257,268, leaving a "still-robust" Reserve Balance of \$9,742,732 at year end. This \$8 million dollar increase, in both expenditures and revenues, is primarily the result of anticipated grant receipts and expenditures of \$7,144,871 for the Lower Dungeness Floodplain Enhancement project in the Community Development - Long Range Planning Department. It is very likely that the full amounts will not be used during 2019, as the project may take a couple of years to complete, but it is possible. This budget also anticipates the local economy stays strong, for at least one more year, and projects continuing the last two years of strong increases in Sales Tax Revenues and Property Taxes from new construction, as well as a full year of the Juvenile Detention Facilities Tax, but expects only \$600,000 from Sale of County Timber. On the expenditure side, our number one cost area, Personnel Salaries & Benefits is projected to increase by \$1,700,556 (up 6.09% more than the 2018 Budget), to \$29,606,501. We added 6.33 FTE more staff, and approved salary increases for most Elected Officials, including a 12.47% increase to the Prosecutor which triggered an automatic adjustment to Deputy Prosecuting Attorneys and Public Defenders in the same amount. Other than the offsetting expenditures of grant revenues for the Lower Dungeness floodplain, most other objects of expenditure are projected to be equal to or only slightly higher than last year, including \$1,105,129 in "one-time" monies for replacement and upgrades to software and equipment that Department Heads, universally, believe are needed to maintain the high quality of service that the County has become known for. I did not recommend (or add in) \$238,948 of other departmental requests, almost all of which are on-going costs to the General Fund, but they are listed on the attached pages (without yellow shading) should you wish to consider adding them yourselves. Likely the biggest decisions you will need to make is how to prioritize spending on \$2,010,100 worth of 2019 Capital Project requests, with remaining funding (not already committed) from REET I, REET II and Capital Projects Fund only totaling \$1,507,815.

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 Administrator's Recommended Budget for 2019.

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

Ask questions to prepare for your upcoming departmental budget meetings.

County Official Signature: _____

Date Submitted: 10/09/2018

* Submit original and 5 copies

** Submit 3 originals and 5 copies