

CLALLAM COUNTY
GENERAL FUND PROPOSED FINAL 2021 BUDGET
BREAKDOWN OF PROPOSED BUDGET DEFICIT
\$ IN 000s

	2021	NOTES
TOTAL DRAFT GENERAL FUND OPERATING DEFICIT	-3,527	
MAJOR COMPONENTS OF OPERATING DEFICIT		
COVID-RELATED COSTS--TRANSFER TO FUND ISOLATION SHELTER	-450	Absent securing additional grant funding, represents funding needed to operate isolation shelter from Jan-May 2021. Install costs of JAVS Courtroom IT project scheduled for Jan/Feb 2021, needed for Courtrooms to operate during COVID emergency.
COVID-RELATED COSTS--CAPITAL	-90	Transfer to HHS to fund 2 additional COVID dedicated staff added in 2020
COVID-RELATED COSTS--TRANSFER TO HHS TO FUND COVID DEDICATED HHS PERSONNEL	-145	JAVS Project AOC CARES reimbursement expected to be received in 2021.
COVID-RELATED REVENUE--INTERGOVERNMENTAL REVENUE--CARES REIMBURSEMENT	529	
FACILITIES/IT CAPITAL PROJECT TRANSFERS	-433	Relating to completion of design phase of EOC Relocation project, remaining IT infrastructure project costs.
ESTIMATED INCREASE IN PAYROLL RELATED TO BUDGETING BEING FULLY STAFFED VS HISTORICAL AVERAGE UNDERSPEND DUE TO DARK TIME	-1,000	Increase due to base budget assuming all positions staffed per current policy (vs savings from position darktime and hiring freeze during most of 2020)--see below for estimated dark-time projected underspend; increase also due to 1% COLAs in July 2020/Jan 2021, and other law enforcement incentive pay following completion of new collective bargaining agreement, step increases, as partially offset by savings due to turnover. Adjusting for historic budget underspend of approx \$.1 million over past 3 years, budget as adjusted reflects a \$651k or 3.1% increase over 2020 projected salaries and wages.
ESTIMATED INCREASE IN BENEFITS RELATED TO BUDGETING BEING FULLY STAFFED VS HISTORICAL AVERAGE UNDERSPEND DUE TO DARK TIME	-683	Increase due to base budget assuming all positions staffed (vs hiring freeze during most of 2020)--see below; also due to \$35/\$50 County-paid health premium increases in July 2020/Jan 2021 under new collective bargaining agreement (approx annual cost impact--\$325k), and increase in DRS contribution rates. Adjusting for historic budget underspend of approx \$683k over past 3 years, budget as adjusted reflects a \$339k or 4% increase over 2020 projected benefits.
DECLINE IN INTEREST INCOME	-495	Projected decrease in interest income from 2020 due to COVID impact on economy and market interest rates.
ADDITIONAL DEPARTMENT REQUESTS--ONE-TIME RELATING TO THE MULTIPLE HOMICIDE CASES (Prosecution & Defense)	-251	One-time requests from Prosecuting Attorney (\$175k) and Superior Court (\$76k).
ADDITIONAL DEPARTMENT REQUESTS--ONE-TIME EXCLUDING MULTIPLE HOMICIDE CASE COSTS	-10	One-Time Requests (excluding Multiple Homicide Costs above)--reference "2021 Department Requests Over Base Budget--Recommended Budget"
ADDITIONAL DEPARTMENT REQUESTS--ONGOING REMAINING PROJECTED OPERATING DEFICIT-- OTHER	-157 -342	Ongoing Requests--reference "2020 Department Requests Over Base Budget--Draft Budget"--mainly new IT infrastructure related.
TOTAL GENERAL FUND OPERATING DEFICIT--DRAFT BUDGET	-3,527	

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BREAKDOWN OF PROPOSED BUDGET DEFICIT
 \$ IN 000s

2021 **NOTES**

Historically, the general fund has underspent its salary/benefits budgets on average by \$1.68 million over the last 3 years, and by \$1.43 million over the last 5 years. Many factors contribute to this, with the most significant being that per County policy, each department has to be budgeted assuming it is fully staffed the entire year. In reality, for many departments, this has rarely been the case. Open positions (or "dark time") that occur due to retirements, voluntary terminations/turnover and delays in filling positions create cost savings to budget, as does refilling positions open due to retirement at often lower salary rates than budgeted. While current policy does not allow for budgeting for "dark time" and there is no assurance similar savings will occur at the same level of employment trends/economic conditions change, it is nonetheless an important component in understanding how our actual spending in this area compares to our budget.

1,683

LESS: HISTORICAL AVERAGE BUDGET UNDERSPEND--SALARY AND BENEFITS

-1,844

PROJECTED GENERAL FUND OPERATING DEFICIT--ADJUSTED FOR AVG COMP UNDERSPEND, EXCLUDING ONE-TIME 2021 COSTS

251
685
-529

LESS: ONE-TIME COSTS EXCLUDING MULTIPLE HOMICIDE CASE COSTS (SEE ABOVE)
 LESS: COVID-RELATED COSTS (SEE ABOVE)
 LESS: COVID-RELATED CARES REVENUE (SEE ABOVE)

-908

PROJECTED GENERAL FUND OPERATING DEFICIT--EXCLUDING ONE-TIME MULTIPLE HOMICIDE AND COVID-RELATED COSTS

PROJECTED 2021 GENERAL FUND BALANCE--BASED ON DRAFT BUDGET AS ADJUSTED	
2021 PROJECTED FUND BALANCE--BEGINNING	13,879
PROJECTED 2021 GENERAL FUND OPERATING DEFICIT	-1,844
2021 PROJECTED FUND BALANCE--ENDING	12,036
PROJECTED FUND BALANCE AS A % OF OPERATING EXPENDITURES	27.0%