

FY 19-20 Budget Committee Questions and Answers – May 7, 2019 Meeting

1. **Question from Kamala Shugar:**

Our property tax 3rd lowest per capita but also other counties who have low property tax also have higher resources because of special districts. Can you give us some example of those?

1. **Answer:**

The best example would be Deschutes County and their public safety district.

https://www.oregon.gov/DOR/programs/gov-research/Documents/publication-or-pts_303-405_2018-19.pdf

2. **Question from Kamala Shugar:**

Youth Services considered 'Public Safety' but housed in HHS, why? How does this affect their budget?

2. **Answer:**

The FY13-14 adopted budget included reductions to General Fund spending as part of a comprehensive balancing strategy to mitigate the impact of both declining revenues and rising costs. As part of the reduction options reducing the spending on department management, or overhead, was identified.

As part of a larger review of County departments and operations for potential efficiencies and savings, the County merged three departments: Health & Human Services, Youth Services, and Children and Families. The initial suggestion came through the Innovate Lane County process of staff suggestions for innovation and cost savings, and then was evaluated by leadership and the County Administrator. The focus on prevention and treatment services within Youth Services and Children and Families provided an opportunity to better leverage resources in H&HS, both to strengthen the service and support array in YS, and also to access resource development infrastructure for elements such as billing and grant writing. Combining the departments eliminated the need for many of the overhead components of an individual department; director, fiscal, contracts and procurement staff and recruitment and hiring activities.

3. **Question from Kamala Shugar:**

Is there a place where we can compare the investment in dues, IGAs, and association costs with the measurable financial benefit to the county?

3. **Answer:**

This information is in the process of being presented in the materials in the Budget Committee binder under the tab "County Dues." We are still awaiting some additional information and will provide that to the committee upon receipt.

4. **Question from Kamala Shugar:**

Why is the state revenue decreasing? GF slide says it is going up?

4. **Answer:**

The first reference to state revenue decreasing is for all County Funds. The "GF" (General Fund) slide is only on the General Fund. The County number is decreasing primarily because of the elimination of a one-time payment from FY 18-19 for the transfer of Delta Highway and Territorial Highway between the State and County.

5. **Question from Unknown:**

What is the reserve county policy? Does it differ by department or is there a straight % of expenditures for all departments. I see 20% on some slides but just for general fund.

5. **Answer:**

Please see the County's reserve policy attached.

6. **Question from Timothy Morris:**

If county ends relationship with O&C what lands will we not have access to?

6. **Answer:**

There is no change in access to lands if membership in the Association of O&C Counties ended.

7. **Question from Timothy Morris:**

Why is the 20% amount for reserves important?

7. **Answer:**

Reserves are critical for cash flow, the County's bond rating and the ability to respond to emergencies, revenue fluctuations or economic downturns. Please see the Budget Overview Presentation from the evening of May 2, 2019, for the slide with additional information.

8. **Question from Jay Bozievich:**

Why such a large drop in Fund 614 reserves?

8. **Answer:**

There was a one-time transfer in FY 18-19 to fund a PERS Side Account to lower the County's PERS liability. Transferring those funds out of Fund 614 decreases the reserves within that fund.

The PERS Side Account proposal is still in progress.