

# Financial & Planning Summary

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## Fund Structure

Lane County's financial activities are accounted for on a fund basis. A fund is a fiscal and accounting entity of self-balancing accounts to record cash and other financial resources and related liabilities all segregated for specific regulated activities and objectives. The County uses fund accounting to ensure compliance with state and federal laws and rules, charters, local government resolutions and ordinances, and the principles of good accounting. The County creates funds to control the use of restricted or dedicated revenues. The County adopts a balanced, annual appropriated budget for all of its funds.

All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. A fund structure chart is included at the end of this discussion. The chart reflects those funds for which the County has an appropriated budget, which then is followed by a complete list of each fund with descriptions.

### **Governmental Funds**

Governmental funds are those through which most governmental functions of the County are financed. These include the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

The purpose of a **General Fund** is to record financial transactions relating to all activities for which specific types of funds are not required. This fund is used for all receipts not dedicated for a specific purpose. In most counties, this includes such activities as law enforcement, youth services, assessment and taxation, and general administration.

**Special Revenue Funds** are set up for special tax levies and other dedicated revenues when required by federal law, Oregon statutes, charter provisions, or terms under which revenue is dedicated. The largest special revenue funds for Lane County are Road Fund, Health & Human Services Fund, and Title III Projects Fund.

**Capital Project Funds** record all resources used to finance building, rehabilitating, or acquiring capital facilities – non-recurring, major expenditures. Resources include the proceeds from the sale of general obligation bonds, grants, transfers, or other revenues authorized for financing capital projects. A separate fund is often established when a capital project or series of projects is authorized by the voters, such as those that require indebtedness. The fund is closed when the project is completed. Several related projects financed from one bond issue may be accounted for in one fund if there are no provisions to the contrary in the authorization to sell the bonds.

Taxing districts use **Debt Service Funds** to account for indebtedness as a result of borrowing money or issuing bonds. A voter-approved ballot measure authorizing a municipal corporation to sell bonds for a specific purpose is required if property taxes will be the source or repayment. The measure also authorizes a tax levy to pay off the bond principal and interest. The Debt Service Fund and a tax levy pay the principal and interest. Any cash on hand or unused working capital in the fund must be invested and the earnings used to pay bond principal and interest. Resources cannot be diverted or used for any other purpose. Transfers from a Debt Service Fund are only allowed in two situations. (1) Transfer to repay an interfund loan. (2) If a surplus remains after all interest and principal are paid, the fund may be dissolved and the balance transferred to any fund originally designated by the governing body, or as included in the bond contract.

A taxing district may set up **Reserve Funds** to accumulate money for specified purposes. A municipality, by ordinance, is permitted to set up a financial reserve fund. A question doesn't have to be submitted to the voters if the taxes levied, or other revenue used to establish the fund, are within the tax base. If it is necessary to exceed the tax base to obtain revenue for a new reserve, the voters must approve a tax levy question. The County does not have any Reserve Funds in effect at this time.

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### Proprietary Funds

The County maintains two different types of proprietary funds – enterprise funds and internal service funds. **Enterprise Funds** are used to finance and account for acquiring, operating, and maintaining facilities and services, which are self-supporting from user charges and fees. The County uses enterprise funds to account for its fairground operations, solid waste disposal utility, land management activities, corrections commissary operations, and information systems activities. **Internal Service Funds** are used to account for operations that provide services primarily to the other departments or agencies of the County, or to the other governments, on a cost-reimbursement basis. The County uses internal service funds to account for its self-insurance and employee benefits activities, motor pool operations, intergovernmental services activities, information services and computer replacement activities.

### Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The accounting used for fiduciary funds is similar to that used for proprietary funds. The County maintains one fiduciary fund, the Retiree Benefit Trust Fund.

## **Basis of Budgeting and Accounting**

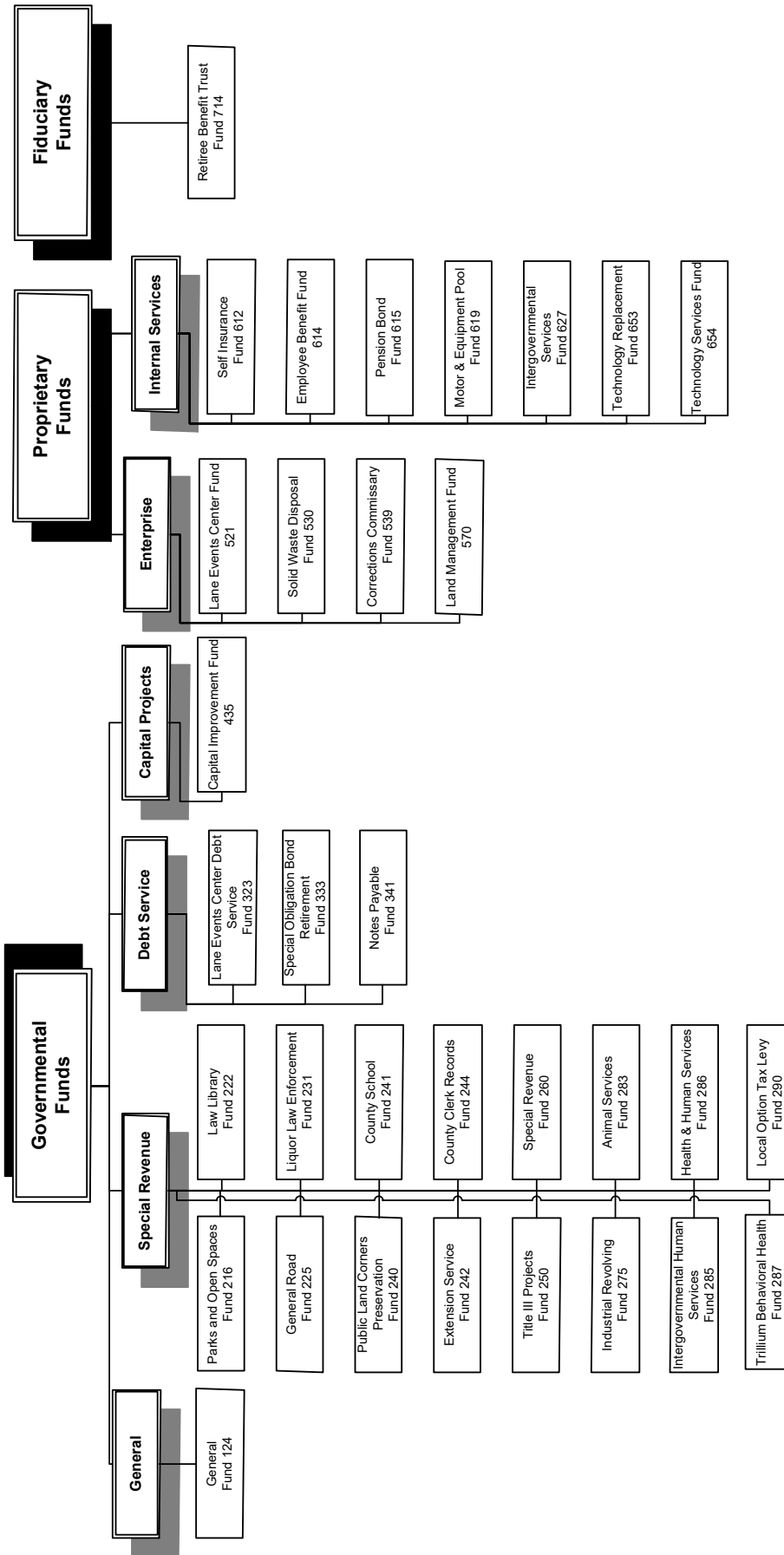
Lane County maintains its budget using the current financial resources measurement focus and the modified accrual basis of accounting as defined by Generally Accepted Accounting Principles (GAAP) and interpreted by the Governmental Accounting Standards Board (GASB), with certain exceptions. Under the current financial resources measurement focus revenues are recorded when they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recognized when the liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and vested compensated absences. Exceptions between the budget and modified accrual basis of accounting are as follows:

- Unrealized changes in the fair value of investments are not recognized on a budget basis
- Investment earnings are not accrued on a budget basis
- Intrafund transfers are recognized on a budget basis
- Prepaid expenditures for the Lane Events Center are reported on a budget basis

GAAP basis financial statements require governmental funds be recorded on the modified accrual basis of accounting and proprietary funds be recorded on the full accrual basis of accounting using the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Therefore, additional adjustments are required to convert proprietary fund types from the budget basis/modified accrual basis of accounting to the full accrual basis of accounting. For example, disbursements for the acquisition of proprietary fund capital assets would be considered expenditures under Oregon Local Budget Law and the modified accrual basis of accounting, but are capitalized as capital assets under full accrual reporting. Conversely, receipts of proceeds from proprietary fund debt financing are a budgetary resource under Oregon Local Budget Law and the modified accrual basis of accounting, but are reported as liabilities under full accrual reporting. Differences between the budget basis, modified accrual basis, and full accrual basis of accounting are reported at year-end in the Comprehensive Annual Financial Report in the Required Supplementary Information and Other Supplementary Information sections. You can view the Comprehensive Annual Financial Report at the Lane County website:

[http://lanecounty.org/government/county\\_departments/county\\_administration/operations/financial\\_services/](http://lanecounty.org/government/county_departments/county_administration/operations/financial_services/)

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## County Funds Overview

### **GENERAL FUND 124**

The primary operating fund for the County, this fund consists of discretionary revenues from tax collections, O&C timber receipts, investment earnings, cigarette and liquor taxes, and other state and local revenue sources. The remaining revenues are generated by activities such as grants and contracts, recording and election fees, and other revenues generated by department activities or services.

### **SPECIAL REVENUE FUNDS**

#### **Parks and Open Spaces 216**

This fund receives revenue from State and local sources for operations, maintenance and enhancement of County parks, campgrounds, and open spaces.

#### **Law Library Fund 222**

Revenues collected by the Courts as part of civil litigation filing fees support the Law Library. The library provides legal reference materials and assistance to patrons (attorneys, litigants, and public).

#### **General Road Fund 225**

Revenues are designated for the maintenance, preservation, and construction of the County road-and-bridge system. The major revenues are the state gas tax and highway user fees, along with National Forest timber receipts. These revenues are mandated by Federal and State law for road purposes. Presently, State law allows the use of National Forest timber receipts for police road patrols.

#### **Liquor Law Enforcement Fund 231**

Revenues are received from County Justice Courts, city municipal courts, and the District Court for fines on traffic violations related to the Liquor Control Act. Funds are administered by the District Attorney and are used for liquor law enforcement activities as well as for alcohol abuse prevention campaigns.

#### **Public Land Corner Preservation Fund 240**

Revenue from a Deeds and Records filing fee is dedicated to corner preservation activities. This program researches the records, locates government corners in the field, and re-establishes and records available to public on section, donation-land claim, and meander corners.

#### **County School Fund 241**

Revenue from this fund is distributed to County schools through the Lane Education Services District. State law requires that funding from 25% of the National Forest timber receipts received by the County and a portion of state timber sales receipts be paid by this fund.

#### **Extension Service Fund 242**

This fund was created following the passage of a five year local option levy of \$0.015 per \$1,000 assessed value in May, 2016 for operations and capital. While part of County's budget, the funds will be remitted directly to the Oregon State University (OSU) Extension Service in order to provide services specified within the ballot (4-H programs, Master Gardener, Master Food Preserver, secure local Extension positions, etc.) This current levy expires after the FY 20-21 tax year.

#### **County Clerk Records Fund 244**

Revenues received from recording of legal documents, including contracts, deeds, and other conveyances of real property for archival, indexing, and retrieval on computer and microfilm by the public. Marriage licenses are issued, ceremonies performed, and records indexed and maintained. The program also operates the County Record and Archive Center, administers the Records management program and

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micrographics program, and provides public assistance in the Records Research Room. These functions are performed in accordance with state and local mandates. (Commissioners' orders, ordinances, resolutions, and minutes are filed and maintained in the form of Commissioners' Journals).

### **Title III Projects Fund 250**

This fund holds the Title III revenue received from P.L. 106-393 (2000), P.L. 110-343 (2008), P.L. 112-141 (2012), P.L. 113-40 (2013), and P.L. 115-141 (2017) also referred to as the Federal Secure Rural Schools (SRS) legislation. There are specific allowable uses for these funds as detailed in the legislation and the BCC reviews requests and awards funds each fiscal year according to those uses.

### **Special Revenue Fund 260**

This fund consists of several dedicated revenue sources and programs. Transient Room Tax funds the Tourism program. Revenue generated from the sale of tax-foreclosed real property supports the management of these properties. Funding is also included for the Short Mountain Training Facility, Drug Enforcement, and rural and community development projects. Court fines fund Courthouse Security operations.

### **Industrial Revolving Fund 275**

This fund is established pursuant to ORS 275.318 and consists of funds received when a county sells or leases real property acquired in any manner by the county, if that property is located in an area planned and zoned for industrial use. The moneys shall be expended only for engineering, improvement, rehabilitation, construction, operations, or maintenance, in whole or in part, including the pre-project planning costs of any development project authorized by ORS 271.510 to 271.540 and 280.500 that is located in the county and could directly result in activities specified in ORS 275.318 (3)(a)-(g).

### **Animal Services Fund 283**

Animal regulation services are provided for unincorporated Lane County and other small cities. Funding is provided by General Fund. As of July 1, 2014 animal regulation services will be provided through the General Fund and the use of the Animal Services Fund will be discontinued.

### **Intergovernmental Human Services Fund 285**

This fund is a cooperative intergovernmental effort between Lane County and the Cities of Eugene and Springfield to provide pooled human services and homeless resources and coordinated policy. This also provides for leveraging of State and Federal funds. Services are provided through a mix of contracted services provided by public and non-profit organizations, direct services provided by County staff, and involvement in community initiatives. Programs include Human Services Administration, Family Mediation, Energy & Conservation Services, Human Services Management Information System, Human Services and Housing, and Veterans Services.

### **Health & Human Services Fund 286**

Revenues are received from Federal, State and local resources, enabling Lane County to provide a wide variety of health and human services to the community. Programs funded include, but are not limited to, Public Health, Adult & Child Behavioral Health services, Developmental Disabilities, and Environmental Health services. This fund also contains sub-funds to provide the services of the Community Health Centers and Juvenile Detention and Youth Services.

### **LaneCare Fund 287**

This fund was originally established in October 2003 for LaneCare, which was the mental health managed care organization for Lane County through August 2012. This fund now includes revenue to provide the administration of the behavioral health benefits to Oregon Health Plan members, which are funded through a contract with Trillium Community Health.

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### **Local Option Tax Levy Fund 290**

This fund was created following the passage a five year local option levy tax for the restoration of jail beds and critical youth services in May, 2013. This fund contains property tax revenue received from the approved levy of \$.055 per \$1,000 assessed value. The levy was last renewed by voters in May of 2017. The current levy expires after the FY 22-23 tax year.

### **DEBT SERVICE FUNDS**

#### **Lane Events Center Debt Service Fund 323**

This fund accounts for the accumulation of resources for and payment of debt service for the construction and renovation of facilities at the fairgrounds site. Fund resources come from transient room tax revenue funds, grants, and donations.

#### **Special Obligation Bond Retirement Fund 333**

This fund provides for the interest and principal payments to retire bonds sold to finance capital improvements and equipment purchases, using pledged revenue as the source of repayment. For the Capital Project Debt Retirement, the revenues are pledged from building rental income and an annual general fund appropriation.

#### **Notes Payable Fund 341**

This fund provides for the interest and principal payments to retire promissory notes sold to finance capital improvements and equipment purchases, using pledged revenue from the Capital Improvement Fund as the source of repayment.

### **CAPITAL PROJECTS FUNDS**

#### **Capital Improvements Fund 435**

The sale of County property, rental and parking revenue, and payments through the Indirect Cost Allocation Plan provide the resources for major capital equipment projects.

### **ENTERPRISE FUNDS**

#### **Lane Events Center Fund 521**

The fund receives revenue from local resources and user fees generated by activities at the Lane Events Center. The principal revenues are Convention Center rental fees, County Fair admission and amusements, and building use fees during the remainder of the year. The fund also receives Transient Room tax funds, which are designated for capital improvements and operations as approved through the budget process.

#### **Solid Waste Disposal Fund 530**

This fund operates solely on revenues generated from user fees. As of July 1, 1993 a portion of the user fees collected are allocated for the integrated solid waste management system through waste prevention, reuse and recycling, waste diversion and operation of outlying transfer sites throughout the County as well as the development, replacement, closure, and post closure requirements of County solid waste landfill sites and the Central Receiving Station in Glenwood.

#### **Corrections Commissary Fund 539**

The fund provides for the purchase of sundries by corrections facility inmates. Items offered for purchase are for personal use or consumption and do not duplicate necessities issued to inmates. Commissary profits provide recreational equipment for inmate use within the corrections facility. All revenues are received from inmates.

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### **Land Management Fund 570**

This fund contains revenue for the Land Management Division of Public Works that is generated from building permit, zoning fees, and user fees for land use planning, building, electrical subsurface sanitation, and code compliance services to the public and cities within the county.

### **INTERNAL SERVICE FUNDS**

#### **Self-Insurance Fund 612**

Lane County is self-insured for both Workers' Compensation and general liability, including property, equipment, employee faithful performance, and certain special coverage. Revenues are provided by departmental contributions made from other funds based on a combination of exposures and experience.

#### **Employee Benefit Fund 614**

The fund receives payments from all County departmental budgets to pay for all negotiated and statutory employee benefits such as FICA (Social Security), PERS, Unemployment, Health Insurance, and services including employee assistance, health promotion, and training. The County's Health Plan Self-Insurance Fund is also part of this Fund.

#### **Pension Bond Fund 615**

The Pension Bond Fund is an internal service fund established to account for the receipt of the payroll surcharge assessed against operating departments and used to make Public Employee Retirement System (PERS) bond payments.

#### **Motor and Equipment Pool Fund 619**

This fund provides vehicles and equipment for use by County departments and other governmental agencies. The payments to this fund are for vehicle operation and maintenance, as well as vehicle replacement.

#### **Intergovernmental Service Fund 627**

This fund provides administrative support services to all County departments and other agencies. Services are provided on a cost-reimbursement basis.

#### **Technology Replacement Fund 653**

This fund receives payments from all Lane County departments who intend to replace their personal computers, servers, copiers, and printers based on a scheduled replacement cycle. Monthly payments are made based upon the number and type of equipment. Once sufficient funds have accrued, the paying department can use the proceeds to purchase replacements. The Technology Services department manages this fund.

#### **Technology Services Fund 654**

This fund accounts for information technology core infrastructure and support services provided to County departments and regional customers on a cost-reimbursement basis by the Technology Services department. This fund was established with an effective date of July 1, 2004. Prior to the creation of this fund, the Technology Services department was budgeted within the General Fund.

### **TRUST AND AGENCY FUNDS**

#### **Retiree Benefit Trust Fund 714**

The County has an obligation for medical benefits for certain retired employees. This is a limited obligation in that no employees hired after 1997 are eligible to receive it. The Retiree Benefit Trust Fund was established to adhere to governmental accounting standards that require the County to provide dedicated funding for this defined liability for the duration of its existence and to place those funds in a trust fund. Monies will be placed into this fund each year to meet the obligation based upon an actuarial analysis. The Retiree Benefit Trust Fund will account for the receipt of the payroll surcharge assessed against operating departments and to account for the medical benefit payments.

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FY 21-22 PROPOSED DEPARTMENT EXPENDITURES AND REQUIREMENTS BY FUND									
Fund Name	Assessment & Taxation	Board of Commissioners	County Administration	County Counsel	District Attorney	Health And Human Svcs	Human Resources	Lane County Office of Data & Analytics	Lane County Office of Emergency Management
<b>GENERAL FUND</b>									
124: General	7,373,982	1,119,831	14,739,040	2,170,835	11,662,517	0	3,654,408	294,246	791,905
<b>Total</b>	<b>7,373,982</b>	<b>1,119,831</b>	<b>14,739,040</b>	<b>2,170,835</b>	<b>11,662,517</b>	<b>0</b>	<b>3,654,408</b>	<b>294,246</b>	<b>791,905</b>
<b>SPECIAL REVENUE FUNDS</b>									
216: Parks & Open Spaces	0	0	0	0	0	0	0	0	0
222: Law Library	0	0	322,587	0	0	0	0	0	0
225: General Road	0	0	0	0	0	0	0	0	0
231: Liquor Law Enforcement	0	0	0	0	15,157	0	0	0	0
240: Public Lnd Cmrs Preserv	0	0	0	0	0	0	0	0	0
241: County School	0	0	0	0	0	0	0	0	0
242: Extension Services	0	0	0	0	0	0	0	0	0
244: County Clerks	0	0	61,891	0	0	0	0	0	0
250: Title III Projects	0	0	0	0	0	0	0	0	0
260: Special Revenue	0	0	13,096,885	0	917	0	0	0	0
275: Industrial Revolving	0	0	0	0	0	0	0	0	0
283: Animal Services Fund	0	0	0	0	0	0	0	0	0
285: Intergov. Human Svcs	0	0	0	0	0	30,418,118	0	0	0
286: Heath & Human Services	0	0	0	0	0	122,647,730	0	0	0
287: LaneCare	0	0	0	0	0	0	0	0	0
290: Local Option Tax Levy	0	0	0	0	0	2,309,762	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>13,481,363</b>	<b>0</b>	<b>16,074</b>	<b>155,375,610</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DEBT SERVICE FUNDS</b>									
323: Lane Events Ctr Debt Svc	0	0	0	0	0	0	0	0	0
333: Spec Oblig Bond Retiremt	0	0	0	0	0	0	0	0	0
341: Notes Payable Debt Svc	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL PROJECT FUNDS</b>									
435: Capital Improvement	0	0	19,464,337	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>19,464,337</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ENTERPRISE FUNDS</b>									
521: Lane Events Ctr	0	0	0	0	0	0	0	0	0
530: Solid Waste Disposal	0	0	0	0	0	0	0	0	0
539: Corrections Commissary	0	0	0	0	0	0	0	0	0
570: Land Management	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>INTERNAL SERVICE FUNDS</b>									
612: Risk	0	0	0	0	0	0	0	0	0
614: Employee Benefit	0	0	0	0	0	0	0	0	0
615: Pension Bond	0	0	0	0	0	0	0	0	0
619: Motor & Equipment Pool	0	0	0	0	0	0	0	0	0
627: Intergovernmental Svcs	0	0	652,704	0	0	0	0	0	0
653: PC Replacement	0	0	0	0	0	0	0	0	0
654: Technology Services	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>652,704</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TRUST FUNDS</b>									
714: Retiree Benefit Trust	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 7,373,982</b>	<b>\$ 1,119,831</b>	<b>\$ 48,337,444</b>	<b>\$ 2,170,835</b>	<b>\$ 11,678,591</b>	<b>\$ 155,375,610</b>	<b>\$ 3,654,408</b>	<b>\$ 294,246</b>	<b>\$ 791,905</b>



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FY 21-22 PROPOSED DEPARTMENT EXPENDITURES AND REQUIREMENTS BY FUND									
Public Works	Sheriff's Office	Technology Services	Non-Departmental	Debt Service	Transfers	Contingency	Total Appropriations	Reserves	TOTAL
0	35,743,436	0	2,251,975	0	17,989,555	1,020,000	98,811,730	26,239,381	125,051,111
<b>0</b>	<b>35,743,436</b>	<b>0</b>	<b>2,251,975</b>	<b>0</b>	<b>17,989,555</b>	<b>1,020,000</b>	<b>98,811,730</b>	<b>26,239,381</b>	<b>125,051,111</b>
4,481,559	0	0	0	0	72,875	191,609	4,746,043	230,590	4,976,633
0	0	0	0	0	0	96,601	419,188	422,218	841,406
47,675,607	0	0	0	0	1,643,643	4,513,790	53,833,040	24,514,902	78,347,942
0	0	0	0	0	0	46,343	61,500	0	61,500
421,658	0	0	0	0	0	42,166	463,824	1,324,178	1,788,002
0	0	0	2,385,027	0	0	0	2,385,027	0	2,385,027
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	109,964	80,670	252,525	375,373	627,898
0	0	0	1,731,065	0	0	0	1,731,065	3,388,370	5,119,435
38,906	7,532,957	0	6,372,202	0	305,053	1,632,183	28,979,103	10,072,717	39,051,820
0	0	0	0	0	0	0	0	15,700	15,700
804,092	0	0	0	0	0	39,258	843,350	64,530	907,880
0	0	0	0	0	1,120,594	0	31,538,712	2,460,310	33,999,022
0	0	0	0	0	5,325,653	6,730,433	134,703,816	3,467,487	138,171,303
0	0	0	0	0	8,099,800	0	8,099,800	0	8,099,800
0	19,915,914	0	0	0	0	4,550,000	26,775,676	17,446,699	44,222,375
<b>53,421,822</b>	<b>27,448,871</b>	<b>0</b>	<b>10,488,294</b>	<b>0</b>	<b>16,677,582</b>	<b>17,923,053</b>	<b>294,832,669</b>	<b>63,783,074</b>	<b>358,615,743</b>
0	0	0	0	687,500	0	0	687,500	0	687,500
0	0	0	0	1,651,814	0	0	1,651,814	350,936	2,002,750
0	0	0	0	411,658	0	0	411,658	0	411,658
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,750,972</b>	<b>0</b>	<b>0</b>	<b>2,750,972</b>	<b>350,936</b>	<b>3,101,908</b>
0	0	0	0	0	1,181,249	247,538	20,893,124	0	20,893,124
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,181,249</b>	<b>247,538</b>	<b>20,893,124</b>	<b>0</b>	<b>20,893,124</b>
4,211,763	0	0	0	0	527,391	96,731	4,835,885	2,205,221	7,041,106
20,476,519	0	0	0	0	0	2,155,349	22,631,868	29,004,628	51,636,496
0	104,497	0	0	0	0	85,800	190,297	667,703	858,000
7,140,694	0	0	0	0	304,139	617,319	8,062,152	5,027,103	13,089,255
<b>31,828,976</b>	<b>104,497</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>831,530</b>	<b>2,955,199</b>	<b>35,720,202</b>	<b>36,904,655</b>	<b>72,624,857</b>
0	0	0	2,897,178	0	0	300,000	3,197,178	6,605,916	9,803,094
0	0	0	79,780,298	0	211,215	750,000	80,741,513	11,396,002	92,137,515
0	0	0	6,285	8,484,475	0	0	8,490,760	4,979,693	13,470,453
11,522,028	2,164,633	0	0	0	0	2,404,100	16,090,761	20,183,855	36,274,616
0	0	0	0	0	0	106,335	759,039	317,250	1,076,289
0	0	1,898,993	0	0	0	1,250,000	3,148,993	1,746,061	4,895,054
0	0	15,041,406	0	0	0	902,673	15,944,079	0	15,944,079
<b>11,522,028</b>	<b>2,164,633</b>	<b>16,940,399</b>	<b>82,683,761</b>	<b>8,484,475</b>	<b>211,215</b>	<b>5,713,108</b>	<b>128,372,323</b>	<b>45,228,777</b>	<b>173,601,100</b>
0	0	0	3,253,972	0	0	250,000	3,503,972	10,365,924	13,869,896
<b>0</b>	<b>0</b>	<b>0</b>	<b>3,253,972</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>3,503,972</b>	<b>10,365,924</b>	<b>13,869,896</b>
<b>\$ 96,772,826</b>	<b>\$65,461,437</b>	<b>\$16,940,399</b>	<b>\$98,678,002</b>	<b>\$11,235,447</b>	<b>\$36,891,131</b>	<b>\$ 28,108,898</b>	<b>\$584,884,992</b>	<b>\$182,872,747</b>	<b>\$767,757,739</b>

# Financial & Planning Summary

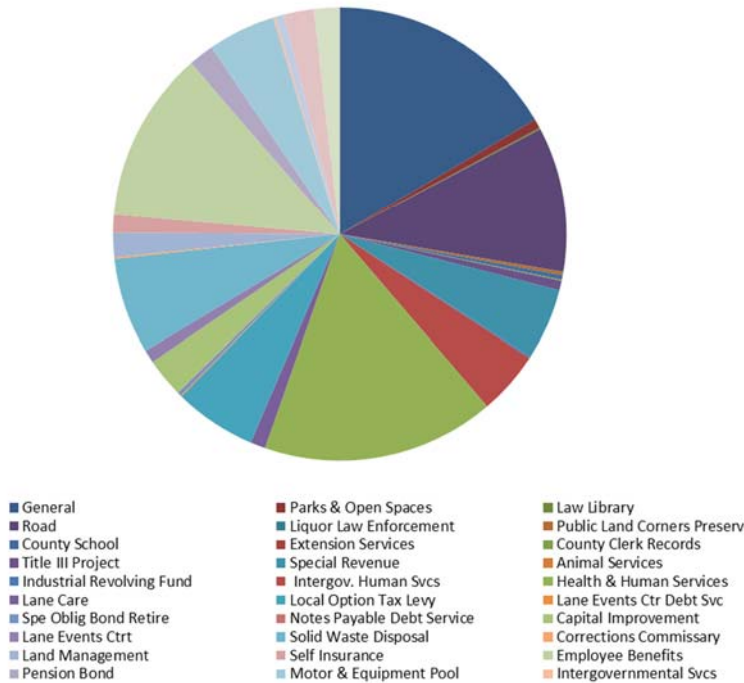
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## Understanding the County's Budget

### General Highlights

The Fiscal Year 2021-2022 Proposed Budget including expenditures, transfers and reserves for all funds is \$767,757,739 which is a \$120,523,641 or 13.6 % decrease from the current fiscal year budget.

The County has 33 different funds in the FY 21-22 budget, with the majority of the funds being restricted special use funds. The General Fund, which is the primary operating fund of the County, accounts for 16.5% of the entire requirements budget.



# Financial & Planning Summary

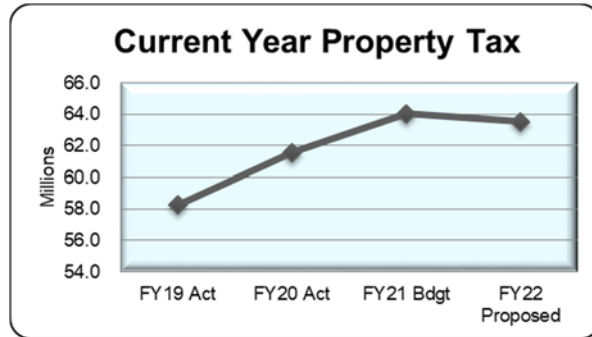
## Major Revenue & Resource Trends

### Revenues

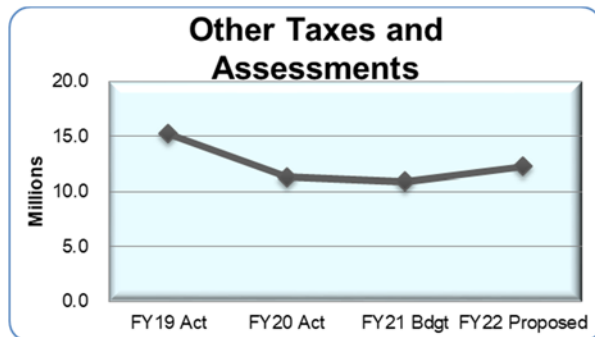
Revenues have been adjusted based upon anticipated or reported funding and current financial projections. The County also relies heavily upon comparisons to historical actuals for both revenue and expenditure projections. Major categories of revenue are described below.

### Current Year Property Tax

Current Year Property Tax revenue is anticipated to represent 13% of the County's total revenue in FY 21-22. Lane County's permanent tax rate under voter approved Measure 50 is \$1.2793 per \$1,000 of Assessed Value (AV). The current AV is increased by a constitutionally restricted limit of 3% plus additions for estimated new construction. It is estimated that the County will receive \$44.2 million from its permanent rate and a total of \$63.5 million from all of its property tax levies. Current Year Property Taxes are anticipated to stay flat for FY 21-22 due to COVID-19 impacts and anticipated property tax appeals. In addition to the permanent rate, the County also collects taxes on the voter approved local option levy for the Public Safety Levy with an authorized rate of \$.055 per \$1,000 AV passed by voters in 2013 and renewed in 2017 for restoration of jail beds and critical youth services. A levy for 4H Extension Services is currently on the ballot in May, 2021 and will be added to the County budget if that levy receives voter support.



### Other Taxes & Assessments

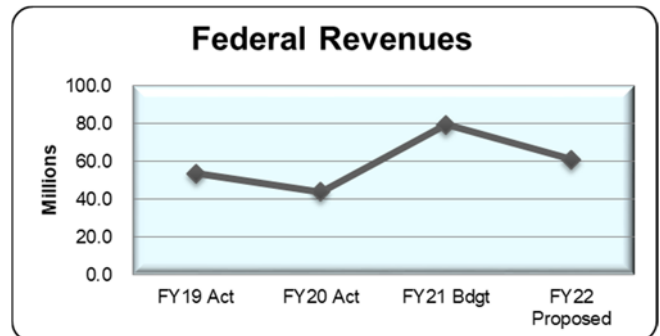


In addition to Current Year Property Tax receipts, the County also collects other taxes including Prior Year (late) Property Taxes, Payments in Lieu of Taxes (PILT), Car Rental, Transient Room occupancy and other miscellaneous taxes and assessments. This portion of Taxes & Assessments will represent 2.52% of total County revenue and is projected to stay relatively flat for FY 21-22. Federal PILT of just over \$700,000 are currently for FY 21-22. The spike in revenue shown on the chart to the left for FY19 Act was the result of a one-time increase in PILT. A 3%

local marijuana tax passed by voters has shown modest growth in most recent collections. State marijuana tax revenue is shown under State revenue found below.

### Federal Revenues

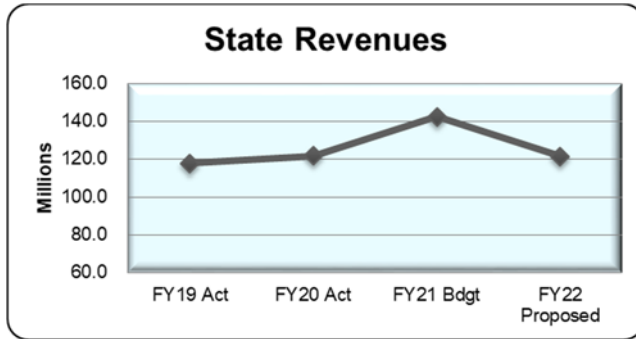
Federal revenue to the County will decrease by \$18.4 million or 23.2% in FY 21-20 due to the large amount of federal COVID-19 revenue received in FY 20-21 as well as the end of the most recently authorized Secure Rural Schools (SRS) Act payments. Those payments, meant to replace decreasing timber revenue to counties resulting from changes in federal logging practices have steadily declined by at least 5% annually since the first renewal of the Act in 2012. Given the volatility of the SRS funds



## Financial & Planning Summary

the County now budgets any authorized SRS payments above the anticipated timber revenue as one-time funds.

The County's largest source of federal funding is now from Medicaid Wrap payments received through the County's Community Health Centers within the Department of Health & Human Services. That revenue source has steadily increased in recent years with an anticipated amount of \$24.9 million in FY 21-22, up slightly from \$24.2 million in the current year.



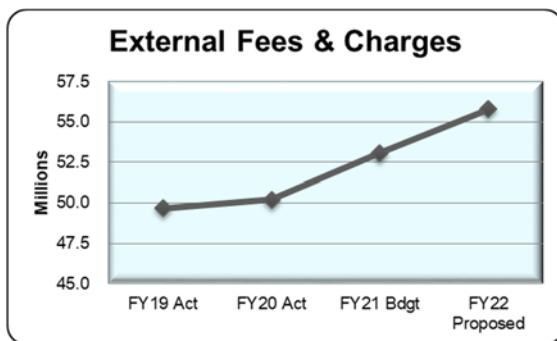
### State Revenues

State revenue consists of 24.9% of all County revenue and comes primarily in the form of specific use grants (\$77.8 million). Total State Revenue is budgeted at \$121 million, which is down \$20.9 million due to one-time COVID-19 revenue received in FY 20-21. FY 21-222 is the first year of the State Biennium which means that final State budgets have not yet been finalized in many areas.

Initial projections for State shared revenue taxes on cigarette, liquor, amusement device and a recreational vehicle fee were stable and expected to total \$3.4 million in FY 21-22. Video Lottery revenue, which must be spent on economic development, is projected to total \$2 million for FY 21-22. The State Marijuana Tax, implemented in calendar year 2016, is collected by the State and the County began receiving distributions in September of 2017. The County's current annual projected revenue is approximately \$1.55 million.

Highway Funds and Gas Tax are the largest source of non-grant funds from the State and are expected to total \$27.6 million in FY 21-22 which will be an increase of \$24.3 million currently budgeted in FY 20-21. Gas Tax revenue experienced steep declines from the impact of the COVID-19 pandemic.

### Fees and Charges

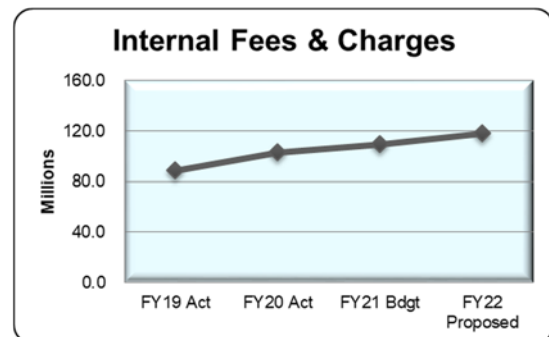


#### External Fees

The County charges fees for services rendered to residents in areas such as Short Mountain Landfill fees, Land Management permit fees and real property recording fees within Deeds & Records. These fees were projected at \$55.7 million in FY 21-22, which is an increase of \$2.7 million from FY 20-21. The County reviews its fees regularly to ensure cost of service is recovered wherever possible. Property recording fees have seen a marked increase over the past 12 months due to low interest rates resulting in refinancing of real property mortgages.

#### Internal Fees

The County budget also accounts for fees charged internally between departments and Internal Service Funds for benefit costs, finance, human resources and administrative services as well as legal and technology services necessary to enable departments to provide services to the public. Internal fees will total \$118 million in FY 21-22.



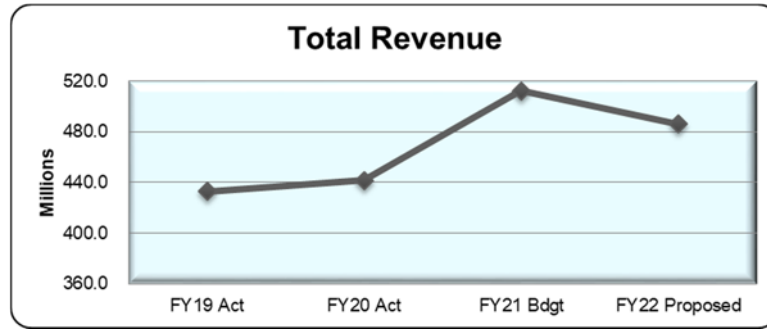
# Financial & Planning Summary

## Interest Earnings

The County invests cash on hand within all County funds in compliance with Oregon Revised Statutes 294 and 295, Lane Manual 4.015 to 4.020, and Lane County’s Administrative Procedures Manual Chapter 2, Section 20 with a focus on Safety, Liquidity and Yield. Interest earnings Countywide are projected at \$2.9 million in revenue for FY 21-22.

## Total Revenue

For FY 21-22, the County is also projecting the following other major revenue sources: Property and Rentals of \$12.3 million, Local Revenues of \$9.2 million, Fines Forfeitures and Penalties of \$1.1 million and internal Administrative Charges of \$23.9 million. Total County Revenue is projected at \$486,017,841. Revenue accounts for 63.3% of all County Resources within the County’s budget.



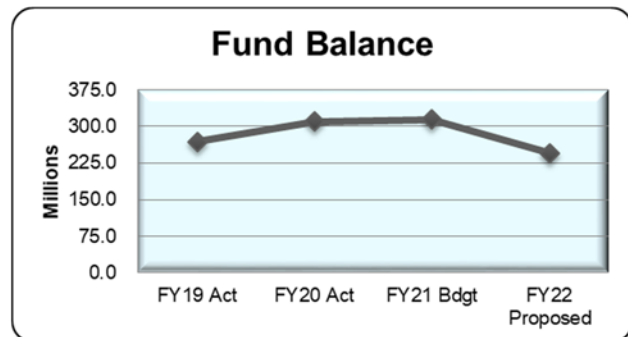
## Other Resources

In addition to the revenue that will be received by the County in FY 21-22, the County also maintains fund balances in each of its funds and transfers money between funds which are then available as a Resource in the budget year and beyond. Beginning fund balances maintain the same spending restrictions as the original revenue source. In addition, many of the County’s funds are required to maintain specific reserve levels for cash flow, self-insurance, bond ratings, service stabilization, maintenance of assets, and events such as the future closure of the Short Mountain landfill and disaster preparedness for roads and bridges.

## Fund Balance

Fund Balance represents the amount of money that is anticipated to be unspent and carried forward into FY 21-22 at the end of the current fiscal year. These funds will either be spent or reserved based upon reserve policies for the type of fund and service.

In some cases the County also relies on these funds to maintain stable service levels from year to year as revenues fluctuate. It is important to remember when reviewing Fund Balance is that the funds are available for “one-time” use only which means they do not replenish themselves once spent – unless additional funds are received or unspent elsewhere. In FY 21-22, the total beginning fund balance for all County funds is estimated at \$244.8 million, which is a decrease of \$69.3 million from the FY 20-21 budget. While in some cases this reduction is anticipated due to planned spending, the decrease also shows an overall decline in resources available to the County for providing services to the community.



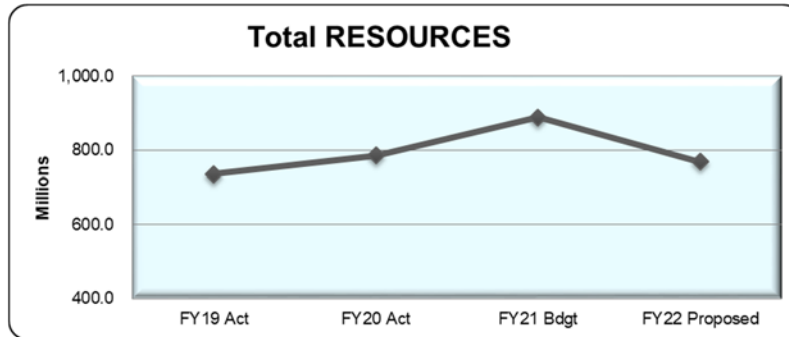
# Financial & Planning Summary

## Transfers

The Transfer of funds from one County Fund to another will amount to \$29.9 million in FY 21-22. The reasons for these types of transfers include payment of debt, transfer of General Fund to other funds for services, and payment transfer of administrative charges within a Department between funds. There is a decrease in transfers occurring as compared to FY 20-21 due to one-time transfers to the Capital Fund for various capital projects that occurred.

## Total Resources

All available Resources for FY 21-22 are budgeted to total \$767,757,739. This is a decrease of \$120,523,641 from the current year's budget of \$888,281,380.



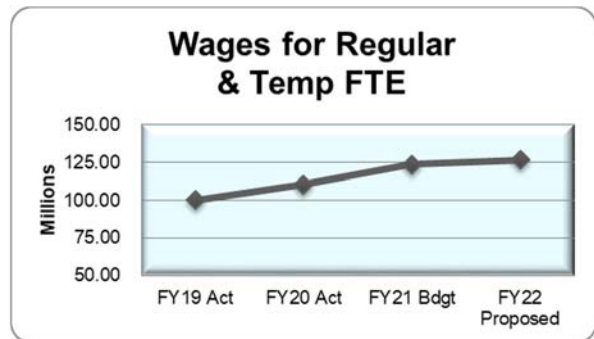
## Major Expenditure Trends

Expenditures are defined in Oregon local budget as personnel services, material and services, capital, and debt service.

## Personnel Services

### Wages

Lane County's services, like most governmental agencies, are labor intensive. The total wages for both regular and temporary employees (total of 1,804.18 FTE) are budgeted at \$126.3 million for FY 21-22, an increase of 2.15% from current year. The County also hires Extra Help employees (working no more than 520 hours in each fiscal year) throughout the year in various service areas for short-term needs.

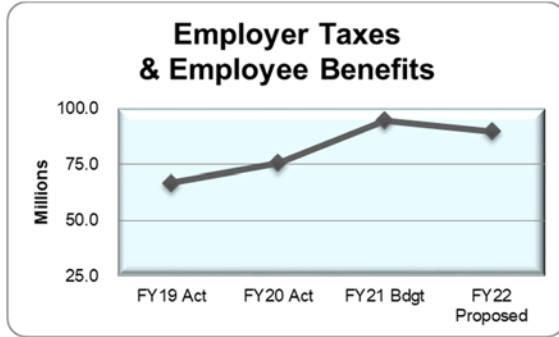


Extra Help Wages are projected to total \$3.1 million, bringing total projected wages to \$129.4 million for FY 21-22. Wages account for 24.9% of all County expenditures.

# Financial & Planning Summary

## Benefits

An additional \$89.8 million in expenses is budgeted for employer taxes such as Social Security and Medicare as well as benefit costs associated with medical insurance, retirement, deferred compensation and other employer paid benefits. Health insurance costs continue to remain fairly steady following the County's move to a self-funded model in 2015.

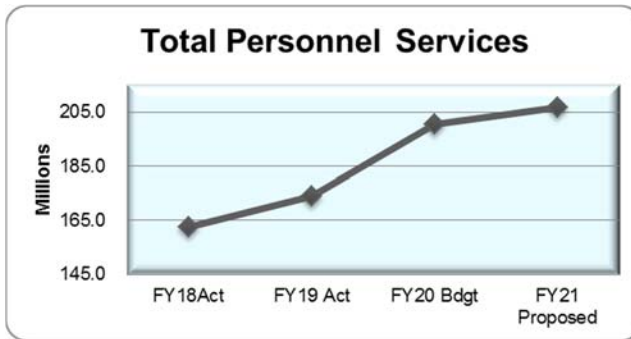


Public Employee Retirement System (PERS) employer rates are increasing for the 2021-2023 state biennium. The County's employer rate is different for each employee's tier enrollment in PERS (set by the State and based upon hire date). Current projections show that the County will continue to experience additional rate increases in future biennia due to the overall unfunded liability level of PERS. The County also has a PERS Bond payment each year from the prepayment of a portion of the unfunded liability back in the early 2000's. That bond payment is funded by internally

charging a rate against all PERS eligible wages. The County's PERS Bond rate will stay flat in FY 21-22. The Bond rate pays for a bond issued by the County in the early 2000's to prepay a portion of the County's unfunded PERS liability at that time. If that Bond had not been issued, the County's PERS employer rate would be higher than current. The FY21 Bdg amount shown on the chart above contains a one-time \$10 million PERS expense which established a side account which will help decrease the County's employer rate over the next 10 years.

## Total Personnel

Total Personnel expenses are projected to total \$220.1 million which is a decrease of \$1.9 million due to the one-time expense of \$10 million described in Employer benefits above. Personnel expenditures represent 42.33% of the County's total expenditure budget.

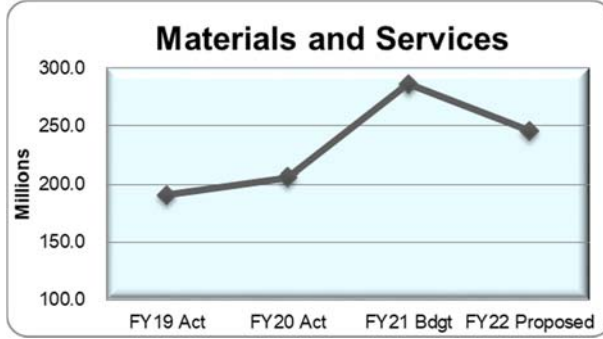


The County's Proposed Budget includes a Personnel expense budget built in accordance with recommended best practices and County policy which takes into account expected vacancies in positions throughout the budget year. While it is more common practice in government budgeting to budget for full employment (100% of positions filled throughout the entire fiscal year), that practice results in an inflated expenditure budget. Lane County began to adjust its Personnel expense budget for vacancies in FY 17-18 and will continue to refine the process and future vacancy projections. For the General Fund, an assumed 3% vacancy rate has been included in the FY 21-22 Budget. All other County funds have taken anticipated vacancy rates into account when projecting their Personnel expenses – with specific percentage rates built in specific to each Fund. The move towards more accurate budgeting of Personnel expenses provides more transparency and accuracy in the budget for projected expenses and documents the ongoing structural balance of County Funds.



# Financial & Planning Summary

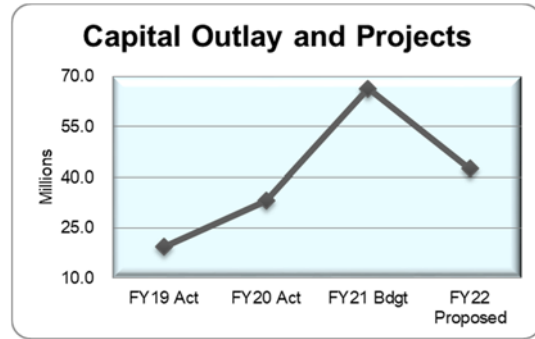
## Materials & Services



This category is projected to total \$246.1 million or 47.34% of the total expenditure budget for the County for FY 21-22. This a \$40.3 million decrease from current year fiscal year. The decrease is attributed to one-time spending in FY 20-21 for COVID-19 expenditures as well as pass through funds for business and rental assistance.

## Capital Outlay and Projects

Capital outlay and projects are budgeted at \$42.4 million, which represents 8.2 % of the County's total expenditure budget. The majority of the projects in this category are found in the County's Five-Year Capital Improvements Plan. The most recent increase is attributed to increased road and bridge projects resulting from additional State funding from the Transportation Package passed in 2017 and additional capital purchases and remodels occurring in various locations around the County.

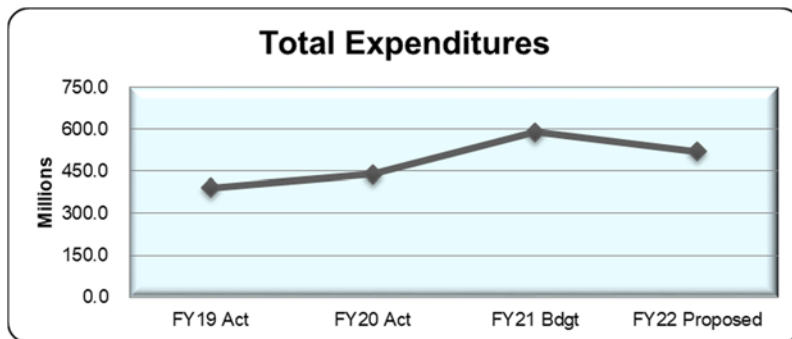


## Debt Service

The County pays debt service payments on various bonds issued for a variety of projects. Specific details on the bonds can be found in the Non Departmental section of this document. The payments consist of both principal and interest payments and are budgeted in FY 21-22 at a total of \$11.2 million. Payments are currently being made for the following major bonds: Heating, Ventilating and Air Conditioning (HVAC) and Fairgrounds' capital improvements bonds; Mental Health Building; Public Health and Community Health Clinics, the PERS Limited Tax Pension bond, and 2011 Improvements (Riverstone, Marina, Lane Events Center Roof and PSB HVAC).

## Total Expenditures

In FY 21-22, the County is projecting total expenditures of \$505,553,574. Expenditures account for 67.7% of all County budgeted requirements.





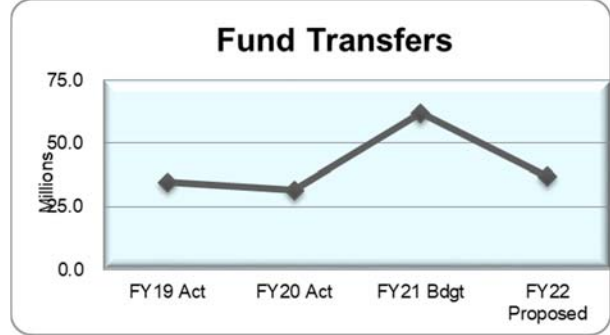
# Financial & Planning Summary

## Other Requirements

In addition to the expenditures described above, the County has other requirements detailed in the budget pursuant to budget law. These include fund transfers (transfer of monies from one fund to another) as well as contingencies and reserves.

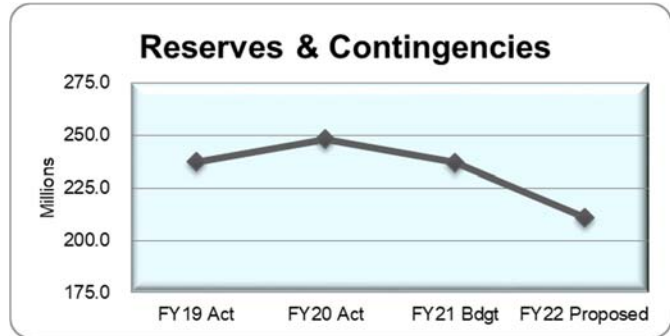
## Fund Transfers

Transfers between County funds will total \$29.9 million in FY 21-22. A large percentage of that total is a transfer of General Fund into Special Revenue Funds to pay for services such as Public Safety, Public Health, Mental Health, Developmental Disabilities and Youth Services. Funds are also transferred from Departments into Debt Service funds to make the bond payments referenced above. More detail on Transfers between Funds is available in the Non-Departmental section of this document. Fund Transfers fluctuate year to year based upon one-time expenditures. The decrease between FY 20-21 and FY 21-22 is primarily related to transfers to the Capital Fund related to the projects mentioned above.



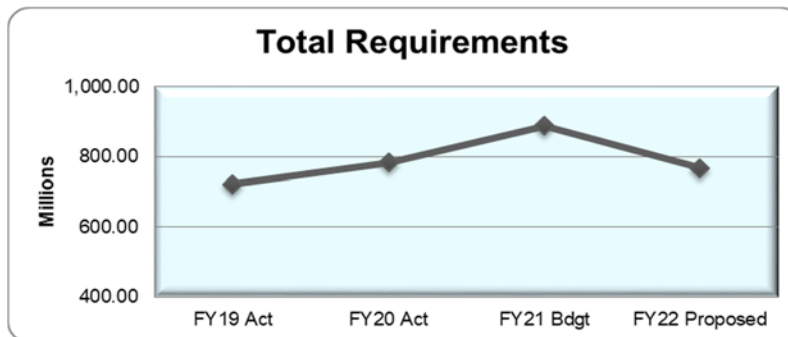
## Reserves & Contingencies

Reserves for all funds are estimated to total \$210.9 million by the end of FY 21-22 with an additional amount of \$28.1 million budgeted for contingency. Additional information on reserves and contingencies, including detail on amount by Fund, can be found in the Non-Departmental section of this document. The chart to the right contains final budget, current budget and adopted budget amounts because reserves & contingencies do not show up in Actuals given that they are not spent from that category. If contingencies or reserves need to be spent in a fiscal year, the amount will be moved to the appropriate expenditure or requirement category.



## Total Requirements

Total budgeted requirements for FY 21-22 total \$767,757,739, which is a decrease of \$120,523,641 from the current FY 20-21 budget of \$888,281,380. This amount matches available resources and therefore meets Oregon State Budget Law requirement for a balanced budget. The chart below documents budgeted amounts for the four year comparison period due to contingencies & reserves not being represented in prior year Actuals as described above.



## Financial & Planning Summary

RESOURCES & REQUIREMENTS - ALL FUNDS COMBINED							
PROPOSED BUDGET							
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	\$ Chng	% Chng	% of Total
	Actuals	Actuals	Cur Budget	Proposed	from Curr	from Curr	Bdgt
Taxes & Assessments	\$73,465,508	\$72,847,456	\$74,939,061	\$75,751,640	\$812,579	1.08%	9.87%
Licenses & Permits	\$4,710,510	\$4,644,191	\$4,240,573	\$4,711,449	470,876	11.10%	0.61%
Fines, Forf., Penalties	\$1,250,496	\$1,248,349	\$1,214,657	\$1,096,957	(117,700)	-9.69%	0.14%
Property & Rentals	\$10,416,988	\$7,422,155	\$10,635,501	\$12,346,485	1,710,984	16.09%	1.61%
Federal Revenue	\$53,692,364	\$43,840,935	\$79,296,420	\$60,871,919	(18,424,501)	-23.23%	7.93%
State Grant Revenue	\$72,420,214	\$82,402,175	\$103,099,896	\$77,860,789	(25,239,107)	-24.48%	10.14%
Other State Revenue	\$45,250,109	\$39,307,161	\$39,246,471	\$43,538,109	4,291,638	10.94%	5.67%
Local Grants	\$2,194,514	\$2,607,835	\$4,102,694	\$2,696,679	(1,406,015)	-34.27%	0.35%
Local Revenues	\$6,243,481	\$7,350,320	\$6,053,412	\$6,511,829	458,417	7.57%	0.85%
Fees & Charges	\$138,319,970	\$153,348,166	\$162,642,927	\$173,777,972	11,135,045	6.85%	22.63%
Administrative Charges	\$19,394,978	\$21,286,676	\$22,401,209	\$23,855,027	1,453,818	6.49%	3.11%
Interest Earnings	\$5,674,917	\$5,473,345	\$4,202,621	\$2,998,986	(1,203,635)	-28.64%	0.39%
Bond Sales	\$0	\$0	\$0	\$0	0	0.00%	0.00%
Resource Carryover	\$268,047,733	\$309,651,146	\$314,249,929	\$244,848,766	(69,401,163)	-22.08%	31.89%
Interfund Loans	\$973,688	\$692,804	\$0	\$110,000	110,000	0.00%	0.01%
Fund Transfers	\$33,741,610	\$30,762,220	\$61,956,009	\$36,781,132	(25,174,877)	-40.63%	4.79%
<b>Total Resources</b>	<b>735,797,081</b>	<b>782,884,934</b>	<b>888,281,380</b>	<b>767,757,739</b>	<b>(120,523,641)</b>	<b>-13.57%</b>	<b>100%</b>
Personnel Services	\$170,215,044	\$189,212,835	\$222,040,287	\$220,092,369	(1,947,918)	-0.88%	28.67%
Materials & Services	\$190,666,547	\$206,131,267	\$286,424,737	\$246,109,376	(40,315,361)	-14.08%	32.06%
Capital Outlay	\$4,598,278	\$8,702,600	\$14,246,405	\$7,675,042	(6,571,363)	-46.13%	1.00%
Capital Projects	\$14,776,229	\$24,342,510	\$52,051,201	\$34,772,729	(17,278,472)	-33.20%	4.53%
Debt Service	\$11,133,234	\$11,590,765	\$14,704,016	\$11,235,447	(3,468,569)	-23.59%	1.46%
Fund Transfers	\$34,715,298	\$31,455,024	\$61,956,010	\$36,891,131	(25,064,879)	-40.46%	4.81%
Interfund Loan	\$973,688	\$692,804	\$0	\$110,000	110,000	0.00%	0.01%
Operational Contingency	\$0	\$0	\$40,832,018	\$28,108,898	(12,723,120)	-31.16%	3.66%
Total Reserves	\$0	\$0	\$196,026,706	\$182,872,747	(13,153,959)	-6.71%	23.82%
<b>Total Requirements</b>	<b>427,078,317</b>	<b>472,127,806</b>	<b>888,281,380</b>	<b>767,757,739</b>	<b>(120,523,641)</b>	<b>-13.57%</b>	<b>100.00%</b>

## Financial & Planning Summary

FY 21-22 DEPARTMENT LEVEL PROPOSED RESOURCES BY FUND TYPE & DEPARTMENT						
Department Name	General	Special Revenue	Capital Projects	Enterprise	Internal Services	Total Dept
Assessment & Taxation	1,673,107	614,484				2,287,591
Board of County Commissioners	1,164,026					1,164,026
County Administration	13,357,199	15,575,217	20,893,124		1,076,289	50,901,829
County Counsel	1,874,902					1,874,902
District Attorney	2,857,160	62,417				2,919,577
Data & Analytics						0
Emergency Management	676,604					676,604
Health & Human Svcs		185,992,500				185,992,500
Human Resources	3,371,527					3,371,527
Public Works		86,847,921		71,766,857	32,238,426	190,853,204
Sheriff's Office	9,863,328	49,220,361		858,000	4,036,190	63,977,879
Technology Svcs					20,839,133	20,839,133
<b>Total Fund Resources</b>	<b>\$ 34,837,853</b>	<b>\$338,312,900</b>	<b>\$ 20,893,124</b>	<b>\$ 72,624,857</b>	<b>\$ 58,190,038</b>	<b>\$524,858,772</b>

FY 21-22 DEPARTMENT LEVEL PROPOSED EXPENDITURES BY FUND TYPE & DEPARTMENT						
Department Name	General	Special Revenue	Capital Projects	Enterprise	Internal Services	Total Dept
Assessment & Taxation	7,373,982					7,373,982
Board of County Commissioners	1,119,831					1,119,831
County Administration	14,739,040	13,481,363	19,464,337		652,704	48,337,444
County Counsel	2,170,835					2,170,835
District Attorney	11,662,517	16,074				11,678,591
Data & Analytics	294,246					294,246
Emergency Management	791,905					791,905
Health & Human Svcs		155,375,610				155,375,610
Human Resources	3,654,408					3,654,408
Public Works		53,421,822		31,828,976	11,522,028	96,772,826
Sheriff's Office	35,743,436	27,448,871		104,497	2,164,633	65,461,437
Technology Svcs					16,940,399	16,940,399
<b>Total Fund Resources</b>	<b>\$ 77,550,200</b>	<b>\$249,743,740</b>	<b>\$ 19,464,337</b>	<b>\$ 31,933,473</b>	<b>\$ 31,279,764</b>	<b>\$409,971,514</b>

# Financial & Planning Summary

## **EXPENDITURES BY SERVICE CATEGORY**

Local Oregon Budget Law defines expenditures as Personnel, Material & Services, Capital Expenditures and Debt Service payments. Below is a summary of the FY 21-22 budgeted amounts in each of these categories, broken down by Service Category.

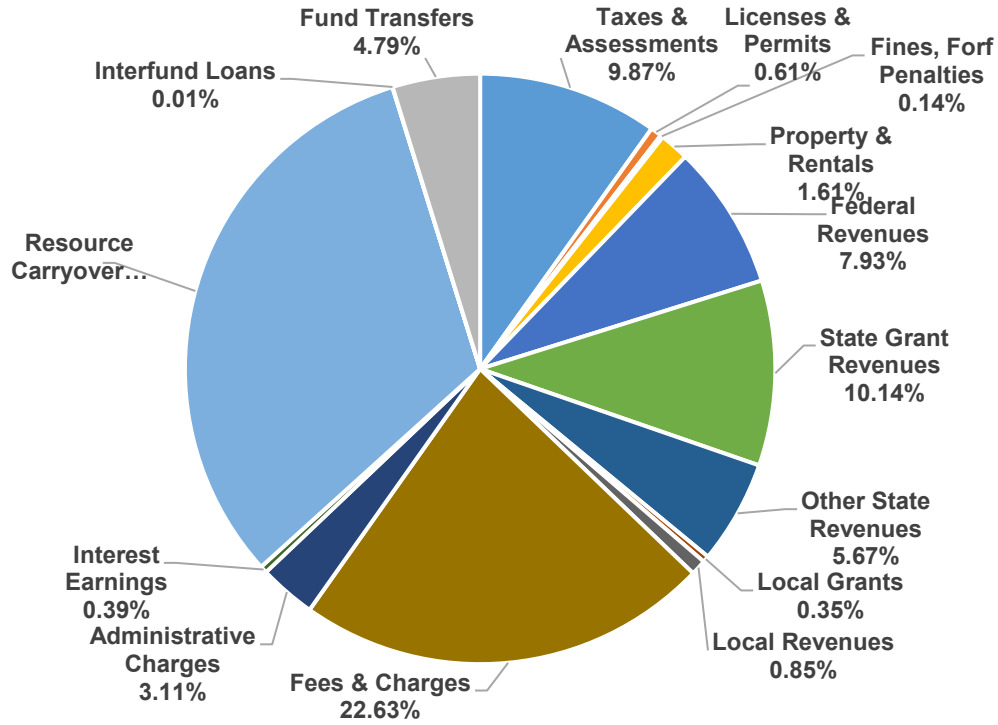
For more information on budgeted amounts for the remaining requirements within the FY 21-22 Proposed Budget, which includes Interfund Transfers, Contingencies and Reserves, please see the Non-Departmental Tab within this document.

FY 21-22 PROPOSED EXPENDITURES BY SERVICE CATEGORY								
ALL FUNDS COMBINED								
Expenditure Type	Culture & Recreation	Community Development	Gen Gov't	Public Health	Roads & Infrastructure	Public Safety	Non Operating	Total
Personnel	\$3,526,534	\$5,001,585	\$34,091,841	\$79,174,246	\$28,811,585	\$69,486,578	\$0	\$220,092,369
Material & Services	4,581,703	8,944,455	20,630,856	64,210,607	24,834,301	33,962,358	88,945,096	246,109,376
Capital Expenditures	601,309	-	24,738,564	100,000	14,927,898	2,030,000	50,000	42,447,771
Debt Service	869,888	-	522,689	918,469	-	182,038	8,742,364	11,235,447
<b>TOTAL:</b>	<b>\$9,579,434</b>	<b>\$13,946,040</b>	<b>\$79,983,950</b>	<b>\$144,403,322</b>	<b>\$68,573,784</b>	<b>\$105,660,974</b>	<b>\$97,737,460</b>	<b>\$519,884,963</b>

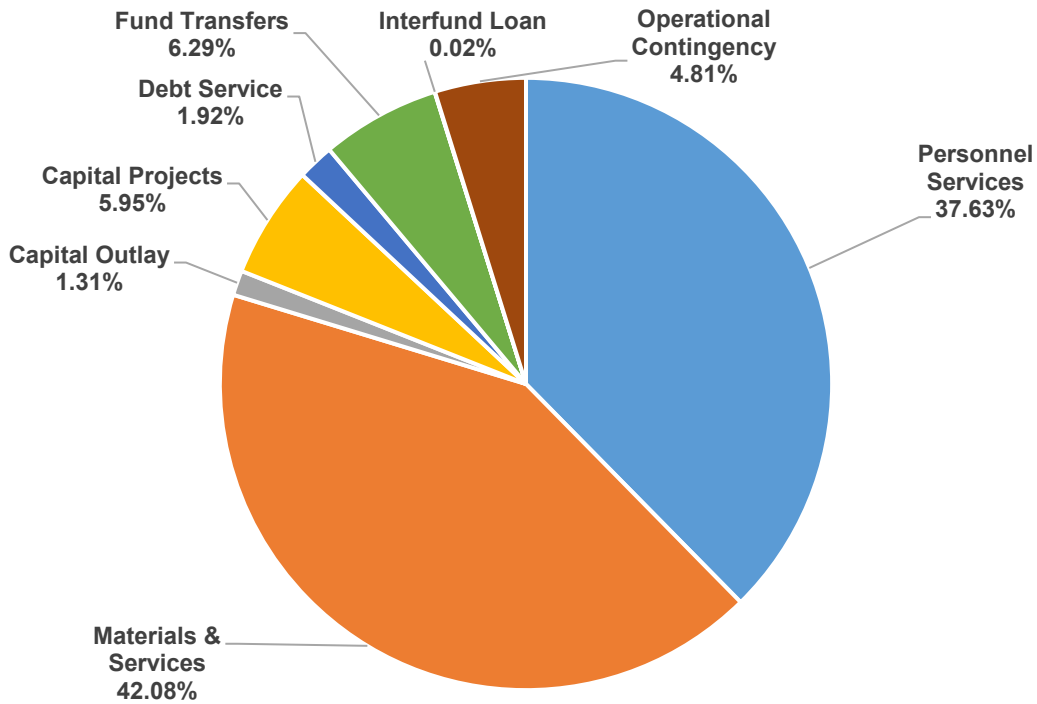
*PERS Bond Debt Service FY 21-22 payment of \$8,484,475 is found within Personnel in Service Category Budgets rather than Debt Service.*

# Financial & Planning Summary

## FY 21-22 Proposed Resources – All Funds



## FY 21-22 Proposed Requirements – All Funds



# Financial & Planning Summary

## Lane County Strategic Planning, Priorities, and Objectives

The Lane County 2018-2021 Strategic Plan was originally adopted in March of 2018 following a robust engagement effort with the community, staff and the Board of County Commissioners. On a quarterly basis, we check in with the project leads of each of the Activity Areas, receive progress updates and provide a comprehensive update to the Board.

To be most effective, the priorities and initiatives that the County sets and the resources that are allocated must be consistent with the purpose of the organization. Our purpose is, *To Improve Lives* and we see how that simple and straightforward purpose provides a very relatable opportunity to understand the variety of ways in which we can all impact the lives of others. Each employee, each workgroup, each department, each collaborative opportunity, and the overall priorities within the Strategic Plan play a big part in improving the lives of others. The priorities and initiatives found within the Strategic Plan further define out the ways in which we can meet our purpose and vision.

## Lane County Priorities

The 2018-2021 Strategic Plan lays out a vision of the future, focusing on our priorities of a Safe, Healthy County, Vibrant Communities, Robust Infrastructure and Our People and Partnerships. Under each of these Priorities, there are Key Strategic Initiatives and from there, we have Key Activity Areas, which are similar to tactics.



### Safe, Healthy County

Our objective is to protect and enhance the safety and health of Lane County residents with a focus on enhancing and managing resources, improving access to, prevention programs, and collaborative initiatives.

### Vibrant Communities

Our objective is to manage equitable services for urban and rural residents to enhance opportunities and access by embracing efficient systems and processes, collaboration with partners, and innovative approaches to solving problems.

### Robust Infrastructure

Our Objective is to focus on strategic infrastructure maintenance and investments that have the highest return for safety, vibrant communities, and long term environmental benefit.

### Our People and Partnerships

Our Objective is to provide a safe, healthy, and inclusive work environment that attracts and retains a diverse, highly skilled workforce with a deeply embedded commitment to delivering value and service to the residents of Lane County through operational effectiveness, fiscal resilience and partnerships.

For more detailed information about our Strategic Plan, please visit our website at: [www.lanecounty.org/strategicplan](http://www.lanecounty.org/strategicplan).

# Financial & Planning Summary

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## Our Lenses

Strategic lenses are perspectives from which strategies should be viewed, as well as questions that should be asked before strategies are implemented. These perspectives or questions include: How will we pay for this? How does this impact everyone in our community? Have we sought feedback from key stakeholders? Are we including the right partners? Is this the most effective solution?

Identifying strategic lenses ensures we have a thoughtful, consistent and intentional process for evaluating strategies before implementation. Based on feedback from the Board of Commissioners, executive leadership, employees and residents, we have identified the following three strategic lenses:

- Financial Stewardship
- Equity
- Collective Impact

Financial Stewardship Lens: Financial Stewardship is the prudent and transparent fiscal management of public funds and resources and serves as the basis for accountability and trust in Lane County. The County is guided by standards of performance and best practices, against which the taxpayers can judge its finances. The use of analytical tools in decision making processes determines how the County should best maintain, spend and invest its available resources.

Equity Lens: An equity lens is a set of questions we ask ourselves when we plan, develop or evaluate a policy, program or decision. An equity lens helps us identify potential impacts on under-served and marginalized individuals and groups, and to identify and potentially eliminate barriers. The purpose of an equity lens is to be deliberatively inclusive as we make decisions. It is explicit in drawing attention to the inclusion of under-served and marginalized populations, with an emphasis on communities of color, and can be adapted to focus on other communities.

Collective Impact Lens: Collective Impact is the commitment of a group of actors from different sectors to a common agenda for solving a complex community problem. The five key elements are to 1) have a common agenda 2) develop shared measurement 3) engage in mutually reinforcing activities 4) maintain open and continuous communications and 5) formation of a backbone organization.

## Public Participation

The development of the 2018-2021 Lane County Strategic Plan involved a considerable amount of employee and public engagement. We conducted two types of focus groups; employee and community focus groups, public meetings, including a kickoff event and presentations to the Board of County Commissioners. We developed employee surveys and community surveys and had an incredible response rate. Once we had a framework in place, we held several open houses for staff and the public to weigh in. Through all of these efforts, we heard consistent themes and that guided us in creating the Priorities, Initiatives and activities that make up the 2018-2021 Lane County Strategic Plan.

This summer, we plan to undertake preparations for an updated Strategic Plan, in which even greater public participation is desired. We will also be using an equity lens as we work through these planning stages together. If you are interested in participating in our next strategic plan effort, please stay in touch by visiting our website at: [www.lanecounty.org/strategicplan](http://www.lanecounty.org/strategicplan)

## **Financial & Planning Summary**

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### **Implementation into Budget Process**

The 2018-2021 Strategic Plan has been incorporated into the budget process in many ways. In each of the department sections, the text incorporates department goals and strategic planning. In addition, we have updated our performance measures throughout, and through this effort, each department identifies measures that relate back to the goals identified in the strategic plan and or in their department's goals.

During the Budget Committee presentations, we will hear how the County is incorporating the Strategic Priorities and Initiatives into the preparations for the upcoming budget year.





Revised: 12/17/2019

## 2018-2021 Lane County Strategic Plan Overview

**Vision:** Lane County is the best county in which to live, work, and play.

**Purpose:** To improve lives

**Core Behaviors:** Passion to serve | Driven to connect | Focused on solutions

**Lenses:** Financial Stewardship | Equity | Collective Impact

### Strategic Priority

### Key Strategic Initiative

### Measures



Protect and enhance the safety and health of Lane County residents with a focus on enhancing and managing resources, improving access to, prevention programs, and collaborative initiatives.

- Affordable Housing & Homelessness
- Behavioral & Community Health
- Public Safety Funding & Service Delivery
- Incarceration & Recidivism
- Transportation Safety

- Proportion of cost burdened low-income households
- Availability of supported housing units
- Number of Tier 2 and 3 Primary Care Patient Centered Medical Homes (PCPCH)
- Recidivism rate(s)
- Diversion program graduates
- Crashes and fatalities by mode



Manage equitable services for urban and rural residents to enhance opportunities and access by embracing efficient systems and processes, collaboration with partners, and innovative approaches to solving problems.

- Resilient, Diverse, & Sustainable Economy
- The Natural Environment
- Equity

- Percent of families with incomes below the living wage
- Total employment in targeted industry sectors
- Material diverted from waste stream
- Minority business outreach



Focus on strategic infrastructure maintenance and investments that have the highest return for safety, vibrant communities, and long term environmental benefit.

- Transportation Options and Efficiencies
- Facility Maintenance & Management
- New Facility Development

- Condition of capital assets
- Space utilization



Provide a safe, healthy, and inclusive work environment that attracts and retains a diverse, highly skilled workforce with a deeply embedded commitment to delivering value and service to the residents of Lane County through fiscal resilience and partnerships

- Fiscal Resilience & Operational Effectiveness
- Workplace Culture and Workforce Health
- Enhanced Partnerships

- General Fund reserves
- County bond rating
- Employee engagement, satisfaction and wellness
- Employee retention rate

*Motto: Lane County Proud*

[www.lanecounty.org/strategicplan](http://www.lanecounty.org/strategicplan)

# Financial & Planning Summary

## Lane County 2018-2021 Strategic Plan - Activity Areas by Priority Area

#	Key Activity Areas
<b>Priority 1) Safe, Healthy County</b>	
1a1	Affordable housing action plan
1a2	Implement the 10 Housing and Shelter recommendations from TAC report
1a3	Plan and implement winter strategies
1b1	Expand access to primary care, behavioral and oral health care in all areas - emphasis on rural areas
1b2	Implement the Community Health Improvement Plan (CHIP)
1c1	Collaborate with partners to further the Lane County Community Public Safety Repair Plan
1d1	Implement evidence-based practices in youth and adult corrections and parole and probation systems
1d2	Collaborate to improve behavioral health, homelessness and the public safety system
1d3	Establish a behavioral health crisis center
1e1	Enhance transportation safety in Lane County through engineering, education and enforcement
<b>Priority 2) Vibrant Communities</b>	
2a1	Increase broadband access in rural communities
2a2	Implement rural economic development plan - rural community priority projects
2a3	Focus on key economic strategies: impact industries, redevelopment investment, and rural prosperity
2a4	Develop and implement a policy for community benefits starting with Capital Projects
2b1	Develop and implement a comprehensive Climate Action Plan for Lane County
2b2	Pursue programs to reach a 63% waste recovery rate by 2025
2b3	Develop action plans and funding to implement the Parks Master Plan
2b4	Develop programs and resources to improve stormwater management
2c1	Normalize the understanding of and acceptance for all people
2c2	Organize and Implement the Equity 2.0 plan and support the GARE cohort
2c3	Operationalize greater service to, understanding of, and acceptance for all people we serve
2c4	Establish procurement processes to advance participation by minority- and woman-owned businesses
<b>Priority 3) Robust Infrastructure</b>	
3a1	Improve multi-modal transportation options
3a2	Improve transportation efficiencies
3b1	Implement recommendations from the Lane County Road & Bridge Maintenance Performance Audit
3b2	Create a Capital Management Plan that addresses the most efficient and effective uses for County property
3b3	Develop a Lane County Events Center Business Plan to attract new events and increase revenue
3c1	Fund and construct a new Justice Center
3c2	Construct a new location for Adult Parole and Probation and renovate the existing facility
3c3	Develop and construct a new location for Developmental Disabilities Services
<b>Priority 4) Our People and Partnerships</b>	
4a1	Maintain and enhance state funding levels for core mandated services
4a2	Maintain a structurally balanced budget
4a3	Enhance emergency preparedness and operational readiness within Lane County
4b1	Implement opportunities to promote a positive workplace culture and improve workforce health
4b2	Improve employee wellness
4c1	Expand data and data analytics capabilities within Lane County







# Financial & Planning Summary

## Performance Measures

Throughout the budget document, each department has performance measures that reflect priorities and initiatives of the Lane County Strategic Plan or in their department’s goals and priorities.

The following table is an example of what you will find in each department’s text section. An icon will show up on the far left if there is a direct connection back to a Strategic Plan priority. In the next column, if there is a number identified, then it also relates to a very specific Key Initiative or Key Activity Area. A summary of those Key Activity areas for the County can be found on the previous page, on a table titled, “Lane County 2018-2021 Strategic Plan – Activity Areas by Priority Area”. In the next column, the measures identified are simply measures that relate to the goal of that Initiative or Activity Area. If the table indicates “Dept Goal” in the place of a priority icon, then it is simply a measure of a department goal rather than a County Strategic Plan Goal.

Performance Measures - EXAMPLE							
PERFORMANCE MEASURES				FY 18-19 Actuals	FY 19-20 Actuals	FY 20-21 Projected	FY 21-22 Proposed
	1.a.2	Performance Measure		X	X	X	X
	2.a.1	Performance Measure		X	X	X	X
	3.a.2	Performance Measure		X	X	X	X
	4.a.2	Performance Measure		X	X	X	X
Dept Goal		Performance Measure		X	X	X	X
Dept Goal		Performance Measure		X	X	X	X
Notes:							

# Financial & Planning Summary

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## Balancing Options

The following list chronicles the key events, preparations, deliberations, and decision points that preceded the creation of the Proposed Budget for FY 21-22.

### ***September 2020***

Mckenzie River Valley in eastern Lane County experienced significant wildfire events starting on September 7, 2020 at 8:17 pm at Holiday Farm. The fires moved westward and resulted in widespread evacuations, human life loss, structure loss and disrupted communications. On September 14, 2020, Oregon Governor Kate Brown issued a major disaster declaration and on Tuesday, September 15, 2020 President Trump signed a Federal Emergency Declaration.

Total acres burned totaled over 170,000 and consisted of privately-owned land, Willamette National Forest, Bureau of Land Management and County land. Total damages exceeded \$24.4 million for public agencies with private loss totals still being determined.

### ***January 2021***

#### ***Budget Kickoff with Leadership Team***

The County held its annual budget kickoff meeting with Leadership Team, which consists of the Board of Commissioners, Department Directors and County Administrator. This meeting is the start of budget preparation for the coming year. Brian Rooney, Oregon's local economist, provided information on the Lane County economy during the pandemic including employment and unemployment information, Wildfires, and an economic forecast. The Team also heard presentations from the Assessor related to Property Tax, and heard presentations on the subject of State and Federal Legislative updates, Tracking Areas of Financial Pressures and Themes for the coming year. The meeting concluded with a review of the General Fund's initial 5-year Financial Forecast.

Initial budget direction for FY 21-22 consisted of:

- Budgeting wages to include Board adopted changes
- Including a vacancy variance rate in the personnel budget
- 0% increase in medical rates; adjusting rates by specific plan to account for actual costs
- Limiting Material & Services growth to the Oregon Economic Forecast of 2.1% where possible.

In addition to the specific direction stated above, the following goals were identified:

- Structurally balance all funds
- Continue to meet minimum 20% reserve in General Fund
- Maintain current service levels

#### ***Budget Kickoff w/Departments***

Departments received initial budget direction and began to build their budgets on January 19, 2021.

General Fund Departments were initially requested to enter their Adjusted Base Budgets, which is defined as "current budget year level of service with updated expenses and revenues." This phase helps to identify any previously unknown issues and verify the initial 5 year financial forecast amounts for FY 21-22.

## Financial & Planning Summary

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The Budget Office determined the rate for the vacancy variance for the General Fund for FY 21-22 would remain at 3% of regular salaries and benefits. The implementation of a vacancy variance rate is pursuant to best practices and County policy. All County funds have taken vacancy rates into account when developing their personnel expense budgets with varying adjustments based upon the projects for the specific fund/service.

### **March 2021**

On March 10, 2021, President Biden signed the American Rescue Plan Act which will provide direct funding to counties.

In mid and late March, the Budget Office and County Administrator met with each department to review service levels, anticipated changes in revenue and expenditures, and areas of concern or high need in their budget for FY 21-22. Following those meetings, the County Administrator identified key investments for the FY 21-22 Proposed Budget as detailed in his budget message. These items include:

- Funding for Mobile Assessor Software within Assessment & Taxation to improve efficiency for appraisers in the amount of \$159,440 with an additional annual ongoing maintenance fee of \$39,710 and an additional \$16,995 for a needed server replacement.
- \$100,000 one-time expense for carpet and furnishing for the Human Services Division Office Expansion.
- \$12,000 one-time expense for traffic safety education and advertising campaign within Public Works.
- \$25,000 one-time expense for a Hazard Mitigation Consultant to help prepare/submit grant/project applications applicable to wildfire recovery. Total cost \$100,000 with 75% believed to be reimbursable from Hazard Mitigation funds.
- \$426,229 one-time transfer into the Electronic Supervision Program within the Sheriff's Office. It is anticipated that the service will become self-sufficient in future years following full program development.
- \$50,000 one-time expense for a Failure Foundry workshop with the Centre for Public Impact.
- \$50,000 annually for two years additional funding for Elections Ballot Machine reserve.
- Addition of 3.0 FTE and \$191,128 beginning September, 2021 in Facilities to increase staffing levels closer to those recommended by the Facilities Review and support new buildings including the Four Corners Properties, Medication Assisted Treatment Building and future Development Disabilities Building now under construction. Additional \$22,492 for one-time vehicle purchase.
- Addition of 3.0 FTE and \$313,105 in Behavioral Health/Forensics within Health & Human Services for Trial Visits Monitor.
- Addition of 1.0 FTE and \$150,892 in County Counsel for legal support with Civil Commitment Hearings and to Behavioral Health.
- Creation of the Lane County Office of Data & Analytics within 2.0 FTE and \$294,246.
- Addition of 1.0 FTE and \$155,000 in Equity for the creation of an Equity Manager in the Department of County Administration.
- Addition of 1.0 FTE and \$158,511 in Youth Service Administration for a Program Manager.

### **May 2021**

The Budget Committee will begin their review of the FY 21-22 Proposed Budget at their first meeting on May 4, 2021 beginning at 5:30 pm with presentation of the Budget Message, Budget Overview and a Public Hearing. The meeting is anticipated to be held remotely due to the COVID-19 pandemic. There will also be additional remotely held Budget Committee work sessions on May 5, 6, 11, and 13 with final budget approval scheduled to occur on the evening of May 20, 2021.

## Financial & Planning Summary

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