



Budget Committee Meeting Agenda Packet

May 19, 2016, 2:00 pm

Cascades West Center
1400 Queen Avenue, SE
2nd Floor, Large Conference Room
Albany, OR 97322

The meeting locations are wheelchair accessible. If you need special assistance please contact Oregon Cascades West Council of Governments at 541-967-8720, forty-eight (48) hours prior to the meeting.



1400 Queen Ave SE • Suite 201 • Albany, OR 97322
(541) 967-8720 • FAX (541) 967-6123

COUNCIL OF GOVERNMENTS BUDGET COMMITTEE AGENDA

1. **Minutes of the Previous Meeting** (*Budget Chair Bill Hall*)

(2:00 – 2:05 p.m.)

Review of the March 17, 2016 Budget Committee minutes (Attachment 1, Page 2).

ACTION: Motion to approve the minutes of the March 17, 2016 Budget Committee meeting.

2. **Public Comment**

(2:05 – 2:10 p.m.)

Floor will be open to the public for comment.

3. **FY 2016-2017 Budget** (*Finance Director Sue Forty*)

(2:10 – 2:35 p.m.)

The FY2016-2017 Official Budget has been prepared to meet the budget requirements of ORS 294.900 to 294.930. This budget document will be presented for review and action.

An electronic copy of the updated *Work Program & Budget* document to be proposed as the final *Work Program & Budget* is included as a separate attachment with this agenda. Bound copies will be available at the meeting. A summary of the revisions from the draft to the final document is provided. (Attachment 2, Page 4).

ACTION: Motion to recommend approval of the FY2016-2017 Work Program & Budget to the Board.

ACTION: Motion to approve the FY2016-2017 Official Budget and recommend adoption of Resolution #16-05-02 to the Board (Attachment 3, Page 6).

4. **Other Business** (*Budget Chair Bill Hall*)

(2:35 – 2:45 p.m.)

5. **Adjournment**

(2:45 – 2:50 p.m.)

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
BUDGET COMMITTEE AGENDA
March 17, 2016
MINUTES**

MEMBERS: Mayor Sharon Konopa, Albany; Commissioner Anne Schuster, Benton County; Mayor Biff Traber, Corvallis; Councilor Bob Elliott, Lebanon; and Commissioner Bill Hall, Lincoln County.

STAFF: Executive Director Fred Abousleman, Deputy Director Lydia George, Finance Director Sue Forty, and Administrative Assistant Terri Sharpe.

VISITORS:

The Budget Committee meeting was called to order by Finance Chair Bill Hall at 2:03 pm on March 17, 2016 at the Cascades West Center in Albany, Oregon.

1. Election of Budget Chair and Secretary

A nomination was made to elect Commissioner Bill Hall as the Budget Committee Chair and Commissioner Anne Schuster as Budget Secretary. There were no other nominees from the floor. Motion to nominate Commissioner Bill Hall as the Budget Committee Chair and Commissioner Anne Schuster as Budget Secretary made by Mayor Sharon Konopa, seconded by Councilor Bob Elliott. Motion passed unanimously.

2. Public Comment

No comment.

3. Approval of Budget Committee Minutes

Motion to pass the January 21, 2016 FY2015-2016 Special Budget Meeting Minutes made by Commissioner Schuster, seconded by Mayor Konopa. Motion passed unanimously.

4. FY2016-2017 Draft Work Program and Budget Review

Finance Director Sue Forty presented the *FY2016-2017 Draft Work Program & Budget*. There were no large increases or decreases in revenue. Changes to the document included:

- Removing the individual program matrixes to provide a cleaner read;
- A new "Federal Match" revenue line was added to better track the programs that require it;
- All interests were consolidated into one interest line; and,
- The term carryover or carryforward is being phased out so all beginning balances will reflect a dollar amount.

Finance Director Forty stated that the final budget that will be presented in May will have PERS cost broken out of the fringe benefit line and into its own line for better tracking and reporting ability.

Commissioner Schuster asked about the Public Employees Retirement System (PERS) and what the OCWCOG is doing in anticipation of the increase in cost to payroll. Executive Director Fred Abousleman stated that Staff is estimating a 17% increase in PERS cost from the current budget. Mayor Biff Traber found a 17% increase to be high and offered volunteer services from the City of Corvallis's Finance Director to help the OCWCOG with their estimates. Finance Director Forty stated that the original estimate was around 7%, but as

more information comes in, the estimation became larger. Executive Director Abousleman said he prefers to budget using the higher expense estimate, but would happily take any guidance from Mayor Traber in predicting the cost increase. To save for the coming PERS cost increase, the OCWCOG is trying to extend filling vacant positions along with setting up a 1% - 2% PERS reserve in all programs.

Other changes to the *Work Program & Budget* document include:

- a slight increase in payroll expense with Relief Site Managers (due to the minimum wage increase starting in July);
- a new budget line item called “Contracts” for all one-time funding projects and pilot programs;
- additional expenditure budget lines to separate disposable supplies;
- a legend explaining what the revenues and expenditures are for each program; and
- a pie chart with each program’s budget.

Executive Director Abousleman reviewed the *Work Program & Budget* document covering the programs’ goals. When the Board approves this document, they will be approving the OCWCOG’s expenditures and services for the next year.

Mayor Konopa would like to see the budget reflect Full-time Equivalent (FTE) staffing. Finance Director Forty will prepare a five-year FTE report for the Budget Committee with a two-year FTE report that will be included in the budget either as a separate document or addendum.

With the clearer format of the Draft *Work Program & Budget*, there will be less need to walk through it with the Full Board. Executive Director Abousleman foresees, over the next four months, scheduling some targeted departmental brief walkthroughs.

Mayor Konopa stated the acronym EFB (Ending Fund Balance) needed to be added to the list of acronyms.

5. Other Business

No other business to discuss.

6. Adjournment

The meeting was adjourned at 2:34 p.m.

Minutes recorded for Budget Secretary Ann Schuster by Terri Sharpe.



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MEMORANDUM

Date: May 19, 2015
To: OCWCOG Budget Committee
From: Sue Forty, Finance Director
Re: **Revised FY2016-2017 Draft Work Program & Budget**

The draft *FY2016-2017 Work Program & Budget* presented at the March 17 Budget Committee meeting has been updated to provide a more comprehensive document. The entire document has been updated to add clearer information by program area. There have been very minor changes to the actual budget section of the document.

- The Agency Revenue Chart has been updated with a legend that details the agency revenue sources. Revenue sources are now better defined throughout the budget to coincide with the legend. This modification also created a change in the Program and Local Revenue on the agency consolidated budget summary.
- Program Revenue reflects an increase due to the award of an additional contract in Senior and Disability Services' (SDS) Special Contract and Grants department for Older Adult Behavioral Health.
- An additional chart has been added to reflect the agency's expenses by category listed on the Budget Summary.
- Each program section of the Work Program now has a Budget Summary and a Revenue and Expense Chart.
- In Community and Economic Development, Business Lending, and SDS, we have added an additional revenue legend that breaks down the revenue by payer. This breakdown provides a better visual of the breadth of OCWCOG's reach into the communities.
- We have removed the Public Employees Retirement System (PERS) cost from the Fringe Benefit line and created a new budget line called PERS Cost. This will provide a better way to see the impact of PERS increases on the agency budget.
- OCWCOG continues to reserve funds for reconciliation to ensure program sustainability. The beginning balance has increased to reflect current 2015-2016 estimated actual.
- The Non-Departmental and SDS budgets reflect fully funded Reserves, as directed by the Board.

The revised budget is sound with no additional staffing, and will allow OCWCOG to continue providing the same level of service to our consumers and through our programs for the 2016-2017 budget year.

If you have any questions or need further clarification, please contact Executive Director Fred Abousleman or Finance Director Sue Forty.

OREGON CASCADES WEST COUNCIL OF GOVERNMENTS

RESOLUTION #16-05-03

Adoption of the Agency Budget for Fiscal Year 2016-2017

WHEREAS, the Oregon Cascades West Council of Governments' Budget Committee has reviewed and approved on May 19, 2016 a fiscal year 2016-2017 budget and recommended adoption to the Board of Directors; and

WHEREAS, the Board of Directors has reviewed that budget and had an opportunity to hear public comment on that budget at the May 19, 2016 Board meeting;

NOW THEREFORE, BE IT RESOLVED:

1. That the Oregon Cascades West Council of Governments' Board of Directors does hereby adopt the budget as approved and recommended by the Budget Committee and presented by the Chair, and
2. That the following amounts are hereby appropriated for the purposes specified for the fiscal year beginning July 1, 2016:

Personnel	\$13,153,600
Materials and Services	\$19,341,337
Principal Payment	\$43,333
Interest Payments	\$30,049
Total Appropriation	\$32,568,319

ADOPTED this 19th day of May 2016 at Albany, Oregon.

Sharon Konopa
Chair

Date

Fred Abousleman
Executive Director

Date

Vote: Yes _____ No _____ Abstention _____



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