



Finance Committee Meeting Agenda Packet

March 15, 2018, 1:30 pm

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

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.

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**COUNCIL OF GOVERNMENTS
FINANCE COMMITTEE AGENDA
March 15, 2018
1:30 p.m.**

Cascades West Center
1400 Queen Avenue SE
Albany, OR 97322

An Executive Session may be called as deemed necessary by the Chair, pursuant to ORS 192.660.

1. Minutes of Previous Meetings (Treasurer Bill Hall)
(1:30 – 1:35 p.m.)

Review of the January 18, 2018 Finance Committee minutes. (Page 2).

ACTION: Motion to approve the minutes of the January 18, 2018 Finance Committee meeting.

2. Presentation of the Fiscal Year (FY) 2016-2017 Annual Financial Report (Audit) (Glen Kearns, CPA)
(1:35 – 1:45 p.m.)

Glen Kearns, CPA from Accuity, will present the *FY2016-2017 Annual Financial Report (Audit)* for recommendation to the Board for approval (separate attachment).

ACTION: Motion to recommend the *FY2016-2017 Annual Financial Report (Audit)* to the Board for approval.

3. Financial Report (Finance Director Sue Forty)
(1:45 – 1:50 p.m.)

Finance Director Sue Forty will review the Financial Report and respond to questions (Page 4).

ACTION: Information only.

4. Other Business
(1:50 – 1:55 p.m.)

5. Adjournment
(1:55 p.m.)

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
FINANCE COMMITTEE MINUTES
January 18, 2018**

MEMBERS: Mayor Sharon Konopa, Albany; Commissioner Bill Hall, Lincoln County; Mayor Biff Traber, Corvallis; Councilor Bob Elliott, Lebanon; and Councilor Dann Cutter, Waldport.

STAFF: Executive Director Fred Abousleman; Finance Director Sue Forty; Senior and Disability Services (SDS) Director Randi Moore; Community and Economic Development (CED) Program Manager Brenda Mainord; Community Services Program (CSP) Manager Jennifer Moore; Executive Assistant Jennifer Kelley; and Communications Consultant Lindsey Riley.

The Oregon Cascades West Council of Governments' (OCWCOG) Finance Committee Meeting was called to order by Chair Bill Hall at 1:05 p.m. on January 18, 2018 at the Cascades West Center in Albany.

1. Minutes of Previous Meetings

Mayor Sharon Konopa motioned to approve the minutes of the December 7, 2017 Finance Committee meeting, Councilor Bob Elliott seconded. Motion passed unanimously.

2. Finance Committee 2018 Meeting Schedule

Councilor Dann Cutter motioned to approve the 2018 Finance Committee meeting schedule, Councilor Elliott seconded. Motion passed unanimously.

3. Financial Report

Finance Director Sue Forty stated that revenues received from State contracts are low, as some projects have been pushed back, or have start dates later than anticipated. She added that Oregon Department of Veterans Affairs funds are late coming from Benton County. We have talked with County and the funds are on their way; these funds are pass-through dollars.

Councilor Cutter asked whether delayed projects would be completed in this fiscal year. Finance Director Forty responded that some are ongoing, and some are multi-year projects. She stated that with the brownfield project, for example, Community and Economic Development (CED) Director Phil Warnock has been tracking progress, and that delays are from other agencies.

Finance Director Forty stated that donations are somewhat higher than anticipated. A new solicitation went out for *Meals on Wheels (MOW)*, in addition to receiving donation revenue from *CelebrateLBL*. She stated that previously, when *MOW* had used a third-party direct-mail solicitation company, donors from that solicitation were added to the *MOW* mailing list. For the most recent mailer, the third party was not used. However *MOW* got nearly the same return, saving around \$13,000.

Community Services Program (CSP) Manager Moore stated that the return on the mailer was approximately 17%, which is very good. She anticipated seeing donations arrive through mid-February. She stated that approximately 8% of donations were \$250 or more, and these higher-value donations comprised around 36% of donation dollars received.

Mayor Biff Traber asked how donation sizes compare to last year. CSP Manager Moore stated that this data had not yet been analyzed, due to a change in tracking databases.

Councilor Cutter suggested that proposed tax law changes may have prompted more end-of-year donations. CSP Manager Moore stated that once data has been converted to the new system, it may be possible to give an educated guess, based on previous years.

Executive Director Fred Abousleman stated that he believes more funding could be captured from current donors, and while he is happy with the amount raised, he believes there is room for improvement.

Councilor Cutter stated that he has seen many foundations worried about tax law changes, as many of their lower-end donors are giving smaller amounts, due to not having tax incentives.

4. Fiscal Year (FY) 2018-2019 Dues

Executive Director Abousleman stated that annual dues are adjusted based on population, and the Consumer Price Index for All Urban Consumers (CPI-U). He stated that total dues increases were approximately \$15,000.

Mayor Sharon Konopa stated that some jurisdictions may not be comfortable with a 4.4% increase, and that Committee members may want to prepare for some pushback. She suggested potentially having a cap on dues increases. Executive Director Abousleman stated that he has no concerns about capping increases if the issue comes up, but reiterated that increases are formula-driven. Therefore, if the Region does well, dues increase. He also stated that dues are match dollars, and therefore leverage other resources.

Councilor Cutter stated that he likes having it indexed, Chair Hall agreed. Chair Hall also stated that the Association of Oregon Counties' dues increased by 5% this year.

Councilor Cutter asked how OCWCOG dues compare, per capita, with other Councils of Government (COGs). Executive Director Abousleman stated that they are on par with other COGs.

Mayor Traber stated that the increase for the City of Corvallis is noticeable, and he may get a question from his Council. He stated that he doesn't think it will be a problem, though. Executive Director Abousleman stated that most jurisdictions feel that there is value in OCWCOG dues because they are direct-service dollars. Dues are leveraged for additional funds, and reinvested in local community projects.

Finance Director Forty stated that OCWCOG is working on finding contracts that can be for general funds, so those funds can also be used as matching dollars. That will enable the hiring of more staff.

Councilor Cutter motioned to recommend approval of the proposed FY2018-2019 dues to the Board of Directors, Mayor Traber seconded. Motion passed unanimously.

5. Other Business

There was no other business.

6. Adjournment

Chair Hall adjourned the meeting at 1:27 p.m.

Minutes recorded by Jennifer Kelley.



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M E M O R A N D U M

DATE: March 15, 2018
TO: OCWCOG Finance Committee
FROM: Sue Forty, Finance Director
RE: **OCWCOG Financial Update**

Please accept the following snapshot, and Consolidated Revenue and Expense Statement, for period ending January 31, 2018 with notes to pertinent items. We strive to make the following financial information consistent, accessible, and transparent.

Snapshot by Major Line Item

	FY2018 Budget	January YTD	Percentage YTD	Prior Year YTD
Dues	281,205.00	279,203.86	99.29%	103.79%
Contracts	2,713,797.00	1,310,754.26	48.30%	62.90%
Grants	245,955.00	96,420.98	39.20%	65.47%
Donations	222,982.00	156,528.56	70.20%	90.24%
State Revenue	1,240,203.00	432,541.60	34.88%	41.63%
Federal Revenue	11,806,284.00	6,162,991.52	52.20%	49.10%
Coordinated Care	7,267,487.00	3,084,740.55	42.45%	50.46%
Total Income (all line items)	36,739,228.00	13,597,409.47	37.01%	65.87%
Total Payroll Expense	14,045,992.00	7,247,380.23	51.60%	51.57%
Contract Expense	9,203,892.00	5,162,996.20	56.10%	57.52%
Indirect Expense	2,052,862.00	1,197,503.87	58.33%	58.28%
Maintenance & Repair	248,145.00	75,113.76	30.27%	30.77%
Supplies	100,750.00	53,763.61	53.36%	43.42%
Telephone	223,936.00	91,271.04	40.76%	47.96%
Travel / Training	263,550.00	144,867.62	54.97%	50.59%
Total Expense (all line items)	36,739,228.00	15,323,777.01	41.71%	43.03%
Net Gain / (Loss)		(1,726,367.54)		

Fiscal Year (FY) FY2017-2018 Financial Narrative (Revenue)

- a. Net/Gain (Loss) FY2017-2018 Budget, OCWCOG has a balanced budget. Net Gain/Loss reflects a loss because Beginning Balance numbers are not currently recorded. We will record these numbers in the financial system, once the annual audit is complete.
- b. All member regular dues have been received.
- c. Contract revenue is low, the majority of contracts are billed quarterly.
- d. Grant revenue is low. Some budgeted contracts are beginning later than anticipated.
- e. Donations revenue is up. OCWCOG is working on increasing community awareness about program needs.
- f. The organization's State contract percentages are low, due to programs being reimbursement-based, and are billed in the month after the expense is incurred.
- g. Federal revenue contract percentages are low, due to the programs being reimbursement-based, and are billed in the month after the expense is incurred.
- h. Coordinated Care revenue will be adjusted to reflect true costs at the end of the year.

FY2017-2018 Financial Narrative (Personnel and Material & Supplies)

- a. The organization's Personnel Expense is currently on budget. All critical vacant positions are filled as soon as possible. The organization is reviewing all positions when vacant, to ensure funding is utilized in the most equitable way.
- b. Contract expense is on budget.
- c. Indirect expenses are on budget. Indirect rates are charged to all program areas, based on the number of staff employed in each program, and are used to fund General Administration, Human Resources, Finance, and Technology Services.
- d. Maintenance and Repair expenses are low. Budgeted projects being scheduled.
- e. The organization continues to monitor the implementation of the centralized purchasing program, and as a result, supply costs are on budget.
- f. Telephone costs are low; this is a result of the Technology Services team researching more efficient services that have resulted in a reduction in cost.
- g. Travel/Training is on budget. Management staff continually review staff travel to ensure the best use of staff time and program expenses.

If you need additional information or clarification, please contact Finance Director Forty or Finance Manager Janet Cline.

Consolidate Revenue and Expense Statement

Finance Committee Financial Report

For Period Ended January 31, 2018

Revenues year-to-date under budget

Revenues year-to-date over budget

Percent of budget to date 58.33%

Acct No	Description	Budget	YTD Bal	YTD %	
000710	Beg Bal-Restricted for Grants	\$ 4,239.00	\$ -	0.00%	Beginning fund balances will be populated after annual audit is complete.
000725	Beg Bal Restrict for Contracts	\$ 1,662,444.59	\$ -	0.00%	
000735	Beg Bal-Restricted Reconcile	\$ 1,606,793.00	\$ -	0.00%	
000740	Beg Bal-Restricted for Other	\$ 1,948,856.50	\$ -	0.00%	
000745	Beg Bal-Restrict Reserve	\$ 2,230,000.00	\$ -	0.00%	
000750	Beg Bal-Unrestricted	\$ 1,895,477.00	\$ -	0.00%	
000801	Dues	\$ 281,204.87	\$ 279,203.86	99.29%	Some special dues are still outstanding.
000802	Fees For Service	\$ 115,775.00	\$ 55,032.16	47.53%	
000803	Internal Transfer	\$ 2,057,863.00	\$ 1,199,584.08	58.29%	
000804	Miscellaneous Revenue	\$ -	\$ 796.50	0.00%	
000804	Miscellaneous Revenue	\$ 1,015.00	\$ 34,748.12	3423.46%	Employee Settlement
000805	Contract Revenue	\$ 2,713,797.00	\$ 1,310,754.26	48.30%	
000806	Grant Revenue	\$ 245,955.00	\$ 96,420.98	39.20%	
000807	Donations	\$ 222,982.00	\$ 156,528.56	70.20%	
000808	Interest Revenue	\$ 215,205.00	\$ 160,458.35	74.56%	
000809	Transfers In	\$ 189,292.00	\$ 30,416.69	16.07%	Transfers in will be done at the end of the year.
000812	Sponsorship	\$ 26,500.00	\$ 9,250.00	34.91%	
000819	Special Event Revenue	\$ -	\$ 9,595.92	0.00%	This account was created for the <i>CelebrateLBL</i> event expense.
000820	Program Meals Revenue	\$ 165,000.00	\$ 77,204.41	46.79%	
000822	Loan Packaging Fees	\$ 2,000.00	\$ 9,681.68	484.08%	Payment for prior year closed loan, payment was after June 30.
000823	Program Income	\$ 628,767.00	\$ 373,447.08	59.39%	
000824	Regional Revenue	\$ 205,588.00	\$ 110,521.99	53.76%	
000826	Borrowers Fees	\$ 1,500.00	\$ 476.16	31.74%	Lending department is closing on loans, fees have not yet been received.
000828	Service Fees	\$ 5,000.00	\$ 3,015.00	60.30%	
000840	Veterans	\$ 55,000.00	\$ 26,291.50	47.80%	
000841	Oregon Project Independence	\$ 575,000.00	\$ 274,354.39	47.71%	
000843	ODOT	\$ 610,203.00	\$ 131,895.71	21.62%	This is a quarterly payment.
000846	Coordinated Care	\$ 7,267,487.00	\$ 3,084,740.55	42.45%	Year-end settlement
000860	Economic Development Admin	\$ 75,000.00	\$ -	0.00%	This is a semi-annual report and payment.
000862	Older Americans Act	\$ 1,051,151.00	\$ 459,216.00	43.69%	State contract payments are a month behind.
000863	Title XIX	\$ 9,956,008.00	\$ 5,312,278.37	53.36%	
000864	Federal Senior Meals	\$ 378,000.00	\$ 194,036.81	51.33%	

000865	USDA	\$	132,000.00	\$	55,640.00	42.15%	The USDA payments are a month behind.
000867	Federal Match	\$	210,125.00	\$	137,131.34	65.26%	
000869	Siletz Revenue	\$	4,000.00	\$	4,689.00	117.23%	More tribal meals served than anticipated.
	REVENUE	\$	36,739,227.96	\$	13,597,409.47	37.01%	
000410	Leave Benefits	\$	490,894.00	\$	267,400.82	54.47%	
000420	Fringe Benefits	\$	757,864.00	\$	392,879.35	51.84%	
000421	Insurance Benefits	\$	2,313,029.00	\$	1,393,209.12	60.23%	
000425	PERS Benefits	\$	2,163,514.00	\$	850,237.89	39.30%	
000430	PERS Reserve	\$	82,377.00	\$	39,759.90	48.27%	
0001ED	Executive Director	\$	132,842.00	\$	79,847.69	60.11%	
0004DD	Deputy Director	\$	108,348.00	\$	51,889.99	47.89%	
0004PD	Program Director	\$	194,670.00	\$	139,862.67	71.85%	
0010PM	Program Manager	\$	364,301.00	\$	141,594.98	38.87%	
0013PS	Program Supervisor	\$	597,146.00	\$	329,770.29	55.22%	
0016LO	Loan Officer	\$	71,603.00	\$	37,250.00	52.02%	
0019CA	Clerical Assistant	\$	30,540.00	\$	7,114.49	23.30%	
0019PM	Personnel Manager	\$	85,796.00	\$	50,124.13	58.42%	
0019TM	Technology Services Manager	\$	74,552.00	\$	47,088.40	63.16%	
0046CM	Case Manager	\$	1,840,663.00	\$	980,578.39	53.27%	
0053CC	Contracts Coordinator	\$	56,030.00	\$	30,807.92	54.98%	
0055CS	Clerical Supervisor	\$	48,425.00	\$	29,019.98	59.93%	
0060AS	Accounting Specialist	\$	51,597.00	\$	28,923.30	56.06%	
0064ES	Eligibility Specialist	\$	1,025,826.00	\$	534,586.03	52.11%	
0067EA	Executive Assistant	\$	49,424.00	\$	22,255.31	45.03%	
0070AC	Accounting Clerk II	\$	37,409.00	\$	22,851.54	61.09%	
0076AA	Administrative Assistant	\$	440,939.00	\$	211,427.86	47.95%	
0085CS	Clerical Specialist	\$	227,456.00	\$	146,909.76	64.59%	
0085WS	Workstation Support Specialist	\$	50,444.00	\$	28,206.43	55.92%	
013CDP	CED Planner II	\$	58,792.00	\$	25,194.47	42.85%	Employee was reclassified.
013MDR	MPO Director	\$	95,855.00	\$	52,580.41	54.85%	
025NSS	Network Support Specialist	\$	76,122.00	\$	44,470.68	58.42%	
031CDP	CED Planner	\$	180,406.00	\$	85,784.09	47.55%	
034APS	Adult Protective Services Spec	\$	345,897.00	\$	183,472.47	53.04%	
037DTC	Diversion & Transition Coord	\$	183,878.00	\$	104,266.12	56.70%	
037LCM	Lead Case Manager	\$	335,339.00	\$	107,674.13	32.11%	
045ISS	Information Support Specialist	\$	63,987.00	\$	37,247.10	58.21%	
052ALO	Assistant Loan Officer	\$	28,015.00	\$	-	0.00%	This is a vacant position.
055VSO	Veterans Service Officer	\$	58,622.00	\$	31,684.49	54.05%	

060FMC	Facility Maint. Coordinator	\$	50,748.00	\$	30,264.36	59.64%
061LES	Lead Eligibility Specialist	\$	32,626.00	\$	10,960.71	33.60%
064ADR	ADRC Specialist	\$	226,027.00	\$	106,028.48	46.91%
064ALW	Licensing & Monitoring Spec	\$	48,653.00	\$	33,548.61	68.95%
067CEA	Confidential Executive Assist	\$	51,569.00	\$	29,161.27	56.55%
075LTB	Lead Trans Brokerage Spec.	\$	43,617.00	\$	24,664.93	56.55%
075TBS	Transportation Brokerage Spec.	\$	424,735.00	\$	215,332.46	50.70%
076CAA	Conf. Administrative Assistant	\$	40,112.00	\$	23,050.43	57.47%
076CAA	In Home Assistant	\$	-	\$	21,727.02	0.00%
082SMC	Senior Meals Coordinator	\$	43,789.00	\$	20,312.02	46.39%
090RSM	Relief Site Manager	\$	18,917.00	\$	13,723.11	72.54%
099EXH	Extra Hire	\$	149,286.00	\$	73,530.75	49.25% Employee settlement
88MSM3	Meal Site Manager 3	\$	193,311.00	\$	109,105.88	56.44%
	PERSONNEL	\$	14,045,992.00	\$	7,247,380.23	51.60%

Expenses year-to-date over budget

000504	Advertising	\$	13,450.00	\$	5,135.59	38.18%
000506	Auto Expense	\$	12,500.00	\$	8,474.04	67.79%
000510	Bank Charges	\$	15,700.00	\$	7,747.61	49.35%
000513	Board/Comm/Meeting Expense	\$	32,700.00	\$	10,217.99	31.25%
000516	Computer Maintenance	\$	77,260.00	\$	97,624.36	126.36% Computers for SDS (14 desktop and 11 laptops)
000521	Contract Administration	\$	2,500.00	\$	1,706.00	68.24%
000522	Contract Expense	\$	9,203,891.65	\$	5,162,996.20	56.10%
000523	Admin Contract Expense	\$	350,000.00	\$	219,594.34	62.74%
000525	Copying	\$	77,095.00	\$	44,339.07	57.51%
000531	Dues and Memberships	\$	60,625.00	\$	46,382.21	76.51% Most dues are paid at the beginning of Fiscal Year.
000532	Equipment Expense	\$	4,000.00	\$	3,500.24	87.51% One-time purchase of equipment.
000533	Finance Indirect	\$	487,215.00	\$	284,209.88	58.33%
000534	Indirect Expense	\$	974,023.00	\$	568,179.99	58.33%
000535	Furniture & Fixtures	\$	4,200.00	\$	4,080.99	97.17% Alarm locks (one-time purchase)
000537	Insurance	\$	62,250.00	\$	62,637.32	100.62% One-time payment at the beginning of Fiscal Year.
000540	Interest Expense	\$	19,200.00	\$	9,674.97	50.39%
000541	Loan Legal Expense	\$	2,000.00	\$	-	0.00%
000542	Legal Services	\$	12,350.00	\$	18,744.00	151.77% Settlement
000543	Licenses and Fees	\$	55,560.00	\$	28,012.24	50.42%
000546	Loan Fees	\$	1,500.00	\$	667.45	44.50%
000549	Maintenance and Repair	\$	248,145.00	\$	75,113.76	30.27%
000550	Marketing Expense	\$	12,900.00	\$	7,838.53	60.76%
000551	Taxes	\$	3,500.00	\$	3,446.76	98.48% One-time annual expense.

000553	Loan Admin Exp	\$	120,000.00	\$	70,602.17	58.84%
000555	Postage	\$	66,200.00	\$	31,837.60	48.09%
000558	Printing	\$	13,430.00	\$	3,723.85	27.73%
000561	Rent	\$	645,307.00	\$	373,793.54	57.92%
000564	Resource Reserve	\$	189,108.00	\$	68,565.67	36.26%
000567	Supplies	\$	100,750.00	\$	53,763.61	53.36%
000568	Stipend	\$	87,877.00	\$	51,178.05	58.24%
000570	Technology Indirect	\$	591,624.00	\$	345,114.00	58.33%
000573	Telephone	\$	223,936.00	\$	91,271.04	40.76%
000575	Special Event	\$	-	\$	13,474.60	0.00% <i>CelebrateLBL expense</i>
000576	Training	\$	90,600.00	\$	38,737.42	42.76%
000577	Volunteer Recognition	\$	10,000.00	\$	11,144.73	111.45% <i>Foster Grandparent Program uniforms and meal reimbursements</i>
000578	Volunteer Travel	\$	35,000.00	\$	32,712.79	93.47% <i>Transportation-based program assisting seniors with non-medical transportation. RSVP Friendly Visitors program, a new Federal grant will be award July 1st.</i>
000579	Travel	\$	137,950.00	\$	73,417.41	53.22%
000580	Transfers Out	\$	88,411.88	\$	10,000.00	11.31%
000582	Utilities	\$	70,145.00	\$	38,149.77	54.39%
000583	Operating Contingency	\$	3,001,954.51	\$	-	0.00%
000584	Janitorial	\$	56,400.00	\$	27,762.00	49.22%
000585	Unappropriated EFB for future	\$	5,258,644.92	\$	-	0.00%
	MATERIALS AND SUPPLIES	\$	22,519,902.96	\$	8,005,571.79	35.55%
000595	Capital Purchase	\$	15,000.00	\$	14,600.00	97.33% <i>Server (one-time purchase)</i>
000596	Leasehold Improvement	\$	95,000.00	\$	-	0.00%
	CAPITAL OUTLAY	\$	110,000.00	\$	14,600.00	13.27%
000598	Principal Payment	\$	43,333.00	\$	43,333.33	100.00%
000599	Interest Expense	\$	20,000.00	\$	12,891.66	64.46%
	DEBT SERVICES	\$	63,333.00	\$	56,224.99	88.78%
	EXPENSE	\$	36,739,227.96	\$	15,323,777.01	41.71%
		\$	-	\$	(1,726,367.54)	



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