



Finance Committee Meeting Agenda Packet

December 1, 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.

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1400 Queen Ave SE • Suite 201 • Albany, OR 97322
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**COUNCIL OF GOVERNMENTS
FINANCE COMMITTEE AGENDA
December 1, 2016**

Cascades West Center in Albany
1400 Queen Avenue
Albany, OR. 97322

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

1. Minutes of the Previous Meeting (Treasurer Bill Hall)
(2:00 – 2:05 p.m.)

Review of the September 15, 2016 Finance Committee minutes (Page 2).

ACTION: Motion to approve the minutes of the September 15, 2016 Finance Committee meeting.

2. Financial Report (Finance Director Sue Forty)
(2:05 – 2:15 p.m.)

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

ACTION: Information only.

3. Other Business
(2:15 – 2:25 p.m.)

4. Adjournment
(2:30 p.m.)

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
FINANCE COMMITTEE MINUTES
September 15, 2016**

MEMBERS: Mayor Sharon Konopa, Albany; Commissioner Anne Schuster, Benton County; Mayor Biff Traber, Corvallis; Councilor Bob Elliott, Lebanon; and Bob Daley, Senior and Disability Services Chair.

VIDEO: Councilor Dann Cutter, Waldport.

STAFF: Executive Director Fred Abousleman; Deputy Director Lydia George; Finance Director Sue Forty; Senior and Disability Services Director Dave Toler; Ride Line Operations Manager Brenda Mainord; Communications Consultant Lindsey Riley; and General Administration Assistant Betu Case.

The Finance Committee meeting was called to order by Finance Vice Chair Sharon Konopa at 2:02 p.m. on September 15, 2016 at the Cascades West Center in Albany, Oregon.

1. Minutes of the Previous Meeting

Motion to approve the July 21, 2016 minutes of the Finance Committee made by Mayor Biff Traber, seconded by Councilor Bob Elliott. Motion passed unanimously.

2. Financial Report

Finance Director Sue Forty reported that to date, Oregon Cascades West Council of Governments (OCWCOG) has a balanced budget and all member dues have been received.

Vice Chair Konopa asked why the Maintenance and Repair line item is only 32% of what has been budgeted. Finance Director Sue Forty said the budgeted amount includes Albany building remodel costs, which have not yet started.

Mayor Traber asked why the contracts expenditures are so high. Finance Director Forty said part of this increase is due to the Senior and Disability Services' home care workers wage and overtime increase, negotiated in their Collective Bargaining Agreement.

Commissioner Anne Schuster asked what some of the other contracts were. Finance Director Forty said there are several new contracts, one being the Non-Emergent Medical Transportation pilot program, which is approximately \$477,750.00 of the increase.

Executive Director Fred Abousleman said that donations are low; however, staff anticipates more donations this year with the new *Meals on Wheels* resource development strategy being developed by Westby and Associates.

3. Public Employees Retirement System (PERS) Reserve Fund

Finance Director Forty said that in 2004, the OCWCOG Board established a PERS Reserve Liability Account to address PERS increases. OCWCOG will be faced with a similar situation in the coming biennium. Beginning fiscal year 2017, OCWCOG PERS will begin to increase on an average of 20% of total wages each year, which equals to approximately \$300,000.00.

Finance Director Forty requested the Finance Committee approve reactivating the PERS Reserve Liability Account, starting with the September 2016 payroll to help offset the escalating costs for the organization.

OCWCOG will contribute 3% of total monthly payroll costs by program into the PERS Reserve Liability Account. The funds will not cover the total cost of the increase, but will help offset the additional costs moving forward.

There was discussion about the PERS increases to all PERS covered employers, and the budget impact this would cause. Executive Director Abousleman said staff are doing what they can to buffer the negative impacts PERS could cause. Additionally, Finance Director Forty said the OCWCOG Directors agreed that instead of refunding indirect funds that were not spent this year back to the programs, the money should go into the PERS Reserve Liability Account. This is an approximate one-time deposit of \$118,000.

Motion made by Mayor Traber to recommend to the Board of Directors for approval to activate and use the PERS Reserve Liability Account, and to enable staff to move unspent indirect funds into the Reserve Liability Account, and begin contributing 3% of monthly payroll costs starting with the September 2016, seconded by Councilor Elliott. Motion passed with 5 ayes; 1 nay by Commissioner Schuster.

Vice Chair Konopa requested the Finance Committee be updated on PERS at each meeting. Finance Director Forty said she would add a line item in the budget for the PERS Reserve Liability Account. Executive Director Abousleman said the Directors are in discussions about how the organization can continue to sustain, given the continuing increases. Finance Director Forty is working on five-year budget projections. There are a lot of factors to consider when projecting, i.e., new revenue streams, future retirements, and negotiations.

4. Other Business

There was no other business to discuss.

5. Adjournment

Meeting adjourned at 2:40 p.m.

Minutes recorded by Betu Case



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MEMORANDUM

DATE: December 1, 2016
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 October 31, 2016, with notes to items that I felt were pertinent. We strive to make the following financial information consistent, accessible, and transparent. It is provided as a Consent Item, however, no official action is needed.

Snapshot by Major Line Item

	FY2017 Budget	October YTD	Percentage YTD	Prior Year YTD
Dues	251,501.00	261,025.29	103.79%	100%
Contracts	2,322,731.00	685,521.28	29.51%	17.82%
Grants	157,500.00	82,414.82	52.33%	43.32%
Donations	251,501.00	28,492.52	15.40%	9.6%
State Revenue	1,453,284.00	329,322.68	22.66%	22.00%
Federal Revenue	11,605,651.00	2,941,855.88	25.35%	24.69%
Coordinated Care	6,125,000.00	1,790,279.58	29.23%	32.93%
Total Income (all line items)	32,568,319.00	7,214,449.86	22.15%	20.04%
Total Payroll Expense	13,153,601.00	3,735,126.35	28.40%	27.06%
Contract Expense	7,826,679.00	2,619,282.50	33.47%	38.38%
Indirect Expense	1,851,207.00	606,033.79	33.28%	33.33%
Maintenance & Repair	197,061.00	43,930.79	22.29%	13.57%
Supplies	131,234.00	30,488.73	23.23%	18.56%
Telephone	216,306.00	60,260.96	27.86%	33.84%
Travel / Training	309,970.00	104,958.60	33.86%	41.20%
Total Expense (all line items)	32,568,320.00	7,932,099.64	24.36%	23.31%
Net Gain / (Loss)		(714,049.78)		

FY2016-2017 Financial Narrative (Revenue)

- a. Net/Gain (Loss) FY2016-2017 Budget, OCWCOG has a balanced budget. Net Gain/Loss is reflected as a loss because the financial statement does not include beginning balance numbers, and because the State and Federal Contract payments are paid a month behind.
- b. Member dues have all been received and distributed.
- c. Contract revenue is on budget.
- d. Year-to-date grant revenue is up due to additional grant awards to the *RSVP* and *Foster Grand Parent* programs.
- e. Donations revenue for the 1st quarter is low. *Meals on Wheels* launched a direct mail solicitation letter in October 2016, which generated incoming donations in early November. The program has added a special hand written "Thank You" for all donations over \$100.00, and a personal call and letter for all donations over \$250.00. As of November 15th, over \$10,000.00 has been received due to this solicitation.
- f. The organization's State contracts percent are low due to payments being received a month after they are billed. The Oregon Department of Transportation contract line has budgeted revenue for a project that has not started in the 1st quarter.
- g. Federal revenue is low due to payments being received a month after billed.
- h. Coordinated Care revenue is on budget.

FY2016 - 2017 Financial Narrative (Personnel and Material & Supplies)

- a. The organization's Personnel Expense is below budget due to several unfilled vacant positions. The organization has implemented a process to determine the need to rapidly fill all vacant positions. All critical vacant positions are filled as soon as possible.
- 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 & Repair expenses are low. New projects are starting to ramp up.
- e. In 2015-2016, the organization implemented a centralized purchasing program that resulted in a 42% savings. Efforts continue to find ways to reduce supply costs in the coming year.
- f. Telephone costs are on budget.
- g. Travel/Training is on budget. The organizations' management staff continue reviewing staff travel to ensure the best use of staff time and program expenses.

If you find you need additional information or clarification, please contact Finance Director Sue Forty.

Consolidate Revenue and Expense Statement

Executive Committee Financial Report

For Period Ended October 31, 2016

Acct No	Description	Budget	YTD Bal	YTD %	
000710	Beg Bal-Restricted for Grants	\$ 8,942.00	\$ -	0.00%	
000725	Beg Bal Restrict for Contracts	\$ 716,251.00	\$ -	0.00%	
000735	Beg Bal-Restricted Reconcile	\$ 1,530,643.00	\$ -	0.00%	
000740	Beg Bal-Restricted for Other	\$ 562,186.00	\$ -	0.00%	
000745	Beg Bal-Restrict Reserve	\$ 2,230,000.00	\$ -	0.00%	
000750	Beg Bal-Unrestricted	\$ 2,165,082.00	\$ -	0.00%	
000801	Dues	\$ 251,501.00	\$ 261,025.29	103.79%	
000802	Fees For Service	\$ 87,000.00	\$ 31,004.09	35.64%	
000803	Internal Transfer	\$ 1,863,093.00	\$ 617,981.31	33.17%	
000804	Miscellaneous Revenue	\$ 8,883.00	\$ 824.95	9.29%	
000805	Contract Revenue	\$ 2,322,731.00	\$ 685,521.28	29.51%	
000806	Grant Revenue	\$ 157,500.00	\$ 82,414.82	52.33%	
000807	Donations	\$ 185,000.00	\$ 28,492.52	15.40%	
000808	Interest Revenue	\$ 122,000.00	\$ 85,185.23	69.82%	Loan interest was budgeted low and will exceed the budget
000809	Transfers In	\$ 232,987.00	\$ 21,500.00	9.23%	
000812	Sponsorship	\$ -	\$ 12,500.00	0.00%	
000820	Program Meals Revenue	\$ 165,000.00	\$ 54,040.06	32.75%	
000821	Program Fee For Service	\$ 500.00	\$ -	0.00%	
000822	Loan Packaging Fees	\$ 6,000.00	\$ -	0.00%	
000823	Program Income	\$ 602,885.00	\$ 196,359.40	32.57%	
000824	Lending Administration	\$ 90,000.00	\$ 48,099.10	53.44%	
000824	Program Match Revenue	\$ 70,200.00	\$ 25,457.82	36.26%	
000826	Borrowers Fees	\$ 1,000.00	\$ 223.00	22.30%	
000828	Service Fees	\$ 5,000.00	\$ 2,362.85	47.26%	
000840	Veterans	\$ 57,261.00	\$ -	0.00%	Funds received in November
000841	Oregon Project Independence	\$ 710,940.00	\$ 232,440.38	32.69%	
000843	ODOT	\$ 682,083.00	\$ 96,882.30	14.20%	
000844	Dept. Of Land Conservation Dev	\$ 3,000.00	\$ -	0.00%	
000846	Coordinated Care	\$ 6,125,000.00	\$ 1,790,279.58	29.23%	
000860	Economic Development Admin	\$ 75,000.00	\$ 18,750.00	25.00%	

000862	Older Americans Act	\$	1,051,151.00	\$	260,762.00	24.81%
000863	Title XIX	\$	9,841,500.00	\$	2,501,340.31	25.42%
000864	Federal Senior Meals	\$	340,000.00	\$	126,064.57	37.08%
000865	USDA	\$	130,000.00	\$	33,238.00	25.57%
000867	504 Program Revenue	\$	155,000.00	\$	-	0.00%
000869	Siletz Revenue	\$	13,000.00	\$	1,701.00	13.08%
	REVENUE	\$	32,568,319.00	\$	7,214,449.86	22.15%

000410	Leave Benefits	\$	493,092.00	\$	157,329.11	31.91%
000420	Fringe Benefits	\$	2,794,228.00	\$	878,989.21	31.46%
000425	PERS Benefits	\$	1,777,069.00	\$	425,023.36	23.92%
000430	PERS Reserve	\$	-	\$	5,312.60	0.00%
0001ED	Executive Director	\$	130,415.00	\$	44,972.00	34.48%
0004DD	Deputy Director	\$	98,412.00	\$	34,812.00	35.37%
0004PD	Program Director	\$	273,961.00	\$	87,387.41	31.90%
0010PM	CED Program Manager	\$	439,321.00	\$	137,831.97	31.37%
0013PS	Program Supervisor	\$	453,613.00	\$	123,698.89	27.27%
0016LO	Loan Officer	\$	68,869.00	\$	17,965.73	26.09%
0019CA	Clerical Assistant	\$	14,104.00	\$	7,935.05	56.26%
0019PM	Personnel Manager	\$	80,580.00	\$	26,919.00	33.41%
0022SA	Senior Accountant	\$	58,947.00	\$	-	0.00%
0046CM	Case Manager	\$	1,981,955.00	\$	558,466.90	28.18%
0053CC	Contracts Coordinator	\$	50,642.00	\$	13,395.74	26.45%
0055CS	Clerical Supervisor	\$	102,901.00	\$	37,460.16	36.40%
0060AS	Accounting Specialist	\$	50,573.00	\$	15,451.43	30.55%
0064ES	Eligibility Specialist	\$	1,010,034.00	\$	273,805.09	27.11%
0067EA	Executive Assistant	\$	47,987.00	\$	14,160.80	29.51%
0070AC	Accounting Clerk II	\$	37,895.00	\$	6,244.80	16.48%
0076AA	Administrative Assistant	\$	440,215.00	\$	113,105.09	25.69%
0085CS	Clerical Specialist	\$	216,370.00	\$	68,314.19	31.57%
0085TS	Technology Support Specialist	\$	19,675.00	\$	-	0.00%
0085WS	Workstation Support Specialist	\$	22,054.00	\$	7,508.66	34.05%
013CDP	CED Planner II	\$	106,075.00	\$	-	0.00%
013MDR	MPO Director	\$	94,161.00	\$	28,864.04	30.65%
025NSS	Network Support Specialist	\$	74,635.00	\$	25,198.76	33.76%
031CDP	CED Planner	\$	113,446.00	\$	34,356.55	28.99%
034APS	Adult Protective Services Spec	\$	335,011.00	\$	111,025.90	33.14%
037DTC	Diversion & Transition Cord	\$	190,905.00	\$	58,492.82	30.64%
037LCM	Lead Case Manager	\$	149,616.00	\$	51,767.88	34.60%
045ISS	Information Support Specialist	\$	61,339.00	\$	18,307.53	29.85%

Was not in the budget

Position vacant

Position vacant

Position vacant

One position reclassified and one vacant

052ALO	Assistant Loan Officer	\$	34,478.00	\$	6,715.57	19.48%	
055VSO	Veterans Service Officer	\$	58,622.00	\$	18,358.17	31.32%	
060FMC	Facility Main. Coordinator	\$	49,772.00	\$	15,732.98	31.61%	
061LES	Lead Eligibility Specialist	\$	31,083.00	\$	9,561.09	30.76%	
064ADR	ADRC Specialist	\$	214,978.00	\$	64,726.25	30.11%	
064ALW	Asst. AFH Licensing Worker	\$	87,229.00	\$	21,280.38	24.40%	
067CEA	Confidential Executive Assist	\$	50,556.00	\$	16,091.52	31.83%	
075LTB	Lead Trans Brokerage Spec.	\$	81,486.00	\$	11,607.24	14.24%	
075TBS	Transportation Brokerage Spec.	\$	340,681.00	\$	91,776.21	26.94%	
082SMC	Senior Meals Coordinator	\$	41,917.00	\$	11,836.43	28.24%	
090RSM	Relief Site Manager	\$	15,210.00	\$	2,759.25	18.14%	
099EXH	Extra Hire	\$	169,853.00	\$	20,250.19	15.43%	
88MSM3	Meal Site Manager 3	\$	189,636.00	\$	60,328.40	31.81%	
	PERSONNEL	\$	13,153,601.00	\$	3,735,126.35	28.40%	
000504	Advertising	\$	16,400.00	\$	4,329.93	26.40%	
000506	Auto Expense	\$	13,500.00	\$	2,962.66	21.95%	
000510	Bank Charges	\$	14,360.00	\$	5,409.59	37.67%	
000513	Board/Comma/Meeting Expense	\$	52,500.00	\$	4,721.92	8.99%	
000516	Computer Maintenance	\$	51,500.00	\$	22,447.88	43.59%	Additional computer replacement
000521	Contract Administration	\$	2,500.00	\$	242.00	9.68%	
000522	Contract Expense	\$	7,826,679.00	\$	2,619,282.50	33.47%	
000523	Admin Contract Expense	\$	415,284.00	\$	193,152.83	46.51%	Homecare Workers contracts
000525	Copying	\$	85,630.00	\$	25,105.76	29.32%	
000531	Dues and Memberships	\$	50,100.00	\$	8,483.34	16.93%	
000532	Equipment Expense	\$	53,200.00	\$	-	0.00%	
000533	Finance Indirect	\$	468,077.00	\$	156,025.76	33.33%	
000534	Indirect Expense	\$	861,891.00	\$	287,297.36	33.33%	
000535	Furniture & Fixtures	\$	5,500.00	\$	-	0.00%	
000537	Insurance	\$	56,700.00	\$	58,230.00	102.70%	One time expense
000540	Interest Expense	\$	12,000.00	\$	10,608.91	88.41%	USDA Loan odd payment times
000542	Legal Services	\$	17,450.00	\$	224.00	1.28%	
000543	Licenses and Fees	\$	70,914.00	\$	14,216.57	20.05%	
000546	Loan Fees	\$	1,600.00	\$	275.98	17.25%	
000549	Maintenance and Repair	\$	197,060.00	\$	43,930.79	22.29%	
000550	Marketing Expense	\$	10,000.00	\$	5,681.73	56.82%	
000551	Taxes	\$	3,238.00	\$	3,212.70	99.22%	One time expense
000553	Loan Admin Expense	\$	90,000.00	\$	50,726.50	56.36%	
000555	Postage	\$	69,143.00	\$	28,395.78	41.07%	
000558	Printing	\$	24,450.00	\$	2,183.36	8.93%	

000561	Rent	\$	614,358.00	\$	204,399.12	33.27%	
000564	Resource Reserve	\$	155,000.00	\$	-	0.00%	XIX match
000567	Supplies	\$	131,234.00	\$	30,488.73	23.23%	
000568	Stipend	\$	87,877.00	\$	14,401.18	16.39%	
000570	Technology Indirect	\$	521,239.00	\$	172,710.67	33.13%	
000573	Telephone	\$	216,302.00	\$	60,260.96	27.86%	
000576	Training	\$	87,250.00	\$	40,090.11	45.95%	
000577	Volunteer Recognition	\$	11,000.00	\$	6,783.96	61.67%	
000578	Meal Delivery Travel	\$	41,000.00	\$	12,075.25	29.45%	
000579	Travel	\$	181,720.00	\$	52,793.24	29.05%	
000580	Transfers Out	\$	88,665.00	\$	10,000.00	11.28%	
000582	Utilities	\$	72,871.00	\$	22,104.58	30.33%	
000584	Janitorial	\$	49,260.00	\$	15,979.64	32.44%	
000585	Unappropriated EFB for future	\$	6,474,309.00	\$	-	0.00%	
	MATERIALS AND SUPPLIES	\$	19,201,761.00	\$	4,185,638.29	21.80%	
000595	Capital Purchase	\$	151,575.00	\$	-	0.00%	
	CAPITAL OUTLAY	\$	151,575.00	\$	-	0.00%	
000598	Principal Payment	\$	43,333.00	\$	-	0.00%	
000599	Interest Expense	\$	18,049.00	\$	7,735.00	42.86%	
	DEBT SERVICES	\$	61,382.00	\$	7,735.00	12.60%	
	Expense	\$	32,568,319.00	\$	7,928,499.64	24.36%	
	Net Gain/(Loss)	\$	-	\$	(714,049.78)		



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