



JEFFERSON COUNTY ADMINISTRATOR

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TO: County Commissioners
FROM: Philip Morley, County Administrator
DATE: November 30, 2010
SUBJECT: Recommended 2011 Budget

This memo accompanies the Recommended 2011 Jefferson County Budget.

Public comment on the Recommended 2011 Budget is invited at the Board of County Commissioners' Public Hearing, 10:30 AM Monday, December 6 in the Jefferson County Courthouse. Written comments are also welcome up through the end of the hearing.

After receiving public testimony the Board of County Commissioners will consider the public comments as they deliberate, and will give direction for any final budget modifications. Board adoption of a final 2011 Jefferson County Budget is tentatively scheduled for December 13.

DISCUSSION

The Recommended 2011 Jefferson County Budget is \$ 52,752,238 for all funds, including:

- **General Fund:** \$15,636,049; and
- **Other Funds:** \$37,116,189.

Details of the Recommended 2011 Budget can be viewed and downloaded on-line at www.co.jefferson.wa.us.

The Recommended 2011 Budget continues to respond to both the prolonged economic downturn which has reduced revenues, plus an on-going structural funding gap as normal inflation in the cost of existing County services outstrips revenue from the county's existing property tax base that is subject to a state-imposed 1% annual growth limit without a public election. The 2011 budget was developed as part of a five-year budget strategy for 2011-2015.

The 2011 General Fund closes a \$1.1 Million gap between expected revenues and continuing into 2011 2010's (already reduced) service levels. The General Fund funds the criminal justice system, central government functions, and important community services. During the first ten months of 2010, county revenues have continued to decline, falling below the conservative revenue assumptions built into the adopted 2010 budget. Sales tax, investment income and timber revenues have been especially hard hit.

In adopting the 2010 budget a year ago, we strived to cut program and service expenditures sufficiently to last until 2012 before needing to make further significant cuts. But the 2010 under-performance of actual county revenues moved up the need for additional cuts to 2011. By October of this year, the projected 2011 gap between maintaining services and falling revenues had grown to \$1.1 Million.

The Board of County Commissioners, with the independent elected officials and directors, developed a 2010 Jefferson County Strategic Plan to guide county decisions for 2011 and beyond. The 2010 Strategic Plan updates the county's:

- Mission, Vision and Values,
- Goals & Strategies (5-10 years), and
- 2010-2011 Priorities.

The Strategic Plan was formalized by Resolution No. 26-10, adopted by the Board of County Commissioners on July 26, 2010. The Resolution also set the county's Goals and Objectives for the 2011 County Budget.

Developing the 2011 Recommended Budget has been a collaborative process. The cooperation of the independently elected officials, appointed department directors and County staff has been remarkable, and continues to be a unique strength that well serves the citizens of Jefferson County. Citizens have played a key role too.

To involve citizens in how to close part of the \$1.1 Million gap, the Board of County Commissioners placed Proposition 1 on the November 2010 General Election ballot. Prop-1 gave citizens a choice about half the funding gap: whether the county should cut specific programs and services, or whether those services should be retained with new funding from a 3/10^{ths} of 1% sales tax. This special sales tax would be collected county-wide and flow 60% to the county General Fund (about \$637,000 over 12 months) and 40% to the City of Port Townsend (about \$425,000 over 12 months).

On November 2nd, the public voted to approve Proposition 1 to by 56%. The new sales tax will be collected starting April 1, and the state will remit funds to the county and the city at the end of June, meaning we will receive 7 months of revenue in 2011.¹

County employees have also played an important role in closing part of the funding gap and maintaining services. General wages and step increases will be frozen in 2011 at 2010 levels for exempt personnel and county employees in United Food and Commercial Workers Local 21. UFCW staff deserve thanks and recognition for stepping forward and voting to participate in the one-year wage and step freeze. At this writing, discussions with

¹ The county and the City of Port Townsend signed an interlocal agreement whereby the City will for up to four years contribute half of its Prop-1 revenue for normal operations of Memorial Field, for programming and maintenance of the Port Townsend Recreation Center; and capital improvements to these facilities. Revenue will not begin flowing until June. Details of how this will be reflected in the 2011 budget will be determined before then and reflected in a budget amendment. The City sales tax contribution for Memorial Field and the Recreation Center is temporary support while the City and County jointly pursue sustainable and coordinated service delivery and funding of recreation facilities and services in the City and all or portions of the County, pursuant to a series of benchmarks.

representatives of Teamster employees are still in progress. A wage and step freeze helps contain the cost of continuing services and reduces staffing cuts next year and beyond. By shifting the cost curve, a one year freeze reduces status quo expenditures in 2011 and each year after that by at least as much.

The Recommended 2011 General Fund Budget closes county's \$1.1 Million revenue-expenditure gap as follows:

Program cuts of 2.1% to General Fund departments and transfers:	\$ 203,000
GF Labor Freezes, and on-going labor negotiations/departamental reductions:	\$ 260,000
Special Sales Tax (Prop 1) revenue, 7 mos prorated on \$637,000/full year:	\$ 372,000
<u>General Fund used to fund 5 months prior to Prop 1 revenues:</u>	<u>\$ 265,000</u>
Total:	\$1,100,000

2011 General Fund's proposed expenditure of \$15,636,049 is virtually the same as the original budget for 2010. General Fund revenues of \$15,357,260 are fairly flat as well, even with the new sales tax.

Recommended expenditures and revenues in the General Fund and all Other Funds are summarized below.

Summary of 2011 Recommended Budget

GENERAL FUND				
	2010 Original Budget	2010 Projected	2011 Proposed	% Change From 2010 Projected
General Fund Expenditures	\$15,636,626	\$15,679,626	\$15,636,049	- 0.3%
General Fund Revenues	\$15,095,052	\$15,178,314	\$15,357,260	+ 1.2%
Estimated Ending Fund Balance	\$ 2,030,457	\$ 2,136,498	\$ 2,014,070	- 5.7%
Unencumbered Fund Balance	\$ 466,795	\$ 568,536	\$ 450,465	-20.8%

ALL OTHER FUNDS			
	2010 Budget	2011 Proposed	% Change
Expenditures	\$37,203,601	\$37,116,189	- 0.2%
Revenues	\$31,114,208	\$32,883,293	+ 5.6%

Like the General Fund, Other Funds also significantly benefit from labor savings through a one-year step and wage freeze.

As recommended, staffing for all County government is 287.25 full time equivalents (FTEs) in 2011, compared to 287.33 FTEs budgeted in 2010. Overall county staffing continued to contract, but the extent is masked by 3.5 FTEs of limited-term grant-funded positions in Community Development.

Since 2002, budgeted staffing levels in 38 of 54 departments/funds have been reduced or stayed the same, while the population that the county serves grew 10%. The table below shows the biggest budgeted FTE reductions and gains since 2002.

**Major Budget FTE Changes
2002-2011**

Reductions:	FTE Change
County Roads	-5.35
Construction & Renovation	-2.97
Public Health	-1.99
Parks & Recreation	-1.78
Assessor	-1.44

Gains:	FTE Change
Sheriff Office	+6.42
JeffCom 911	+4.58
Water Quality	+2.84

County departments and the judicial branch submitted their budget requests in September. Significant changes made in the Recommended 2011 Jefferson County Budget differing from the September requests are summarized below.

GENERAL FUND SIGNIFICANT BUDGET CHANGES

EXPENDITURES - GENERAL FUND:

(Note: FTE refers to Full Time Equivalent-2080 hrs per year)

General Fund	Budget Change	Description
Assessor	(16,699)	Staff reduction of 1/10 th FTE. Reduce vehicle costs, reduce supplies. (Approximately \$2,200 in UFCW salary freeze savings will offset & restore some of these reductions)
Auditor	(17,921)	Staffing reduction in 3/10 ^{ths} FTE. (Approximately \$1,000 in UFCW salary freeze savings will offset & restore some of these reductions)
Clerk	(9,641)	Staffing reduction of 2/10 ^{ths} FTE, reduce travel training, supplies, postage. (Approximately \$1,500 in UFCW salary freeze savings will offset & restore some of these reductions)

General Fund	Budget Change	Description
Commissioners & County Admin.	(14,727)	Reduction in administrative staff of .15 FTE between BOCC and County Admin, reduction in professional services
Safety and Security	(1,481)	Supplies, travel and communications
District Court	(16,595)	Reduction of staff 2/10 th s FTE, reduction in other court related fees. (Approximately \$2,800 in UFCW salary freeze savings will offset & restore some of these reductions)
Juvenile Services	(8,200)	Reduction in detention costs, reduce vehicle costs. (Approximately \$2,100 in UFCW salary freeze savings will offset & restore some of these reductions)
Prosecutor	(18,030)	<ul style="list-style-type: none"> Staffing reduced by .5 Deputy Prosecutor Cost savings by reducing Prosecutor III position with Prosecutor II. (Approximately \$900 in UFCW salary freeze savings will offset & restore some of these reductions)
Sheriff	(48,200) (54,000)	<ul style="list-style-type: none"> Staffing reduced by 1 FTE - administrative clerk Reductions to be determined pending labor negotiations
Superior Court	(5,867)	Reduction in Court Commissioner, conflict attorney and expert services
Treasurer	(7,237)	Reduced staff hours, postage and supplies. (Approximately \$900 in UFCW salary freeze savings will offset & restore some of these reductions)
Non-Departmental	(62,500)	One time reduction of fund balance of facilities fund
Operating Transfer Adds	20,000	<ul style="list-style-type: none"> \$10,000 to 4H after school program (from Prop 1) \$10,000 to veterans relief fund
Operating Transfer Reductions	(59,579)	<ul style="list-style-type: none"> Substance Abuse reduced by \$958 (proportional share excluding Prop 1 funds) Public Health - reduced by \$12,490 Cooperative Extension transfer reduced \$3,608 Water Quality reduced \$1,703, One-time reduction in Transfer to Economic Development fund will use unreserved fund balance \$25,000 Parks and Recreation - Operating transfer reduced by \$7,185 Community Development transfer reduced \$8,635

TTL Change from Sept. GF Request: \$340,677 reductions, \$20,000 additions

REVENUES - GENERAL FUND

General Fund	Budget Change	Description
Property Tax- Levy Shift	3,500	Last year of 2-year Property Tax Levy Shift from Road Fund to General Fund. Estimated at \$219,500 in 2011 compared to \$216,000 in 2010.
Sales Tax	372,000	<ul style="list-style-type: none"> Special purpose sales tax (Prop 1) approved by voters November 2010 and implemented April 1, 2011 with revenues flowing to the County in June 2011. 7 months' revenues projected for June through December. Budget 2011 County Sales tax of \$1.9 million shows no increase from 2010 projected revenues, and is down almost \$300,000 from the original 2010 budgeted amount.
Private Harvest Tax	(50,000)	Private Harvest Tax down from estimate in June
Investment Income	(60,000)	Treasurer's investment income down from 2010 projected amounts. Investment income is projected to be about \$250,000 in 2011 down from a 2007 high of 1.1 Million.

OTHER FUNDS SIGNIFICANT BUDGET CHANGES

EXPENDITURES - OTHER FUNDS

Other Funds	Budget Change	Description
Cooperative Extension	(3,000)	Staffing hour reductions of 1/10 th FTE
Public Health	(29,206)	<ul style="list-style-type: none"> Reduction of .5 FTE in Community Health Educator and Public Health Nurse II positions, (Approximately \$16,000 in UFCW salary freeze savings will offset & restore some of these reductions)
Natural Resources	(1,703)	Reduction of operating and travel costs
Department of Community Dev.	330,000 37,000 (15,667)	<ul style="list-style-type: none"> Added staffing and other costs for 2011 Grants. Added 1 planning clerk FTE Professional services reduction for DRD and Building, reduction in insurance and advertising costs. (Approximately \$7,000 in UFCW salary freeze savings will offset & restore some of these reductions)

Other Funds	Budget Change	Description
Road Fund	(93,000)	<ul style="list-style-type: none"> • Reductions to be restored pending labor negotiations • In addition, Road Fund reduced overall staffing by 1.5 FTE
Facilities Mgmt	(14,885)	Reduced custodial hours by .25 FTE (Approximately \$7,500 in UFCW salary freeze savings will offset & restore some of these reductions)
Construction & Renovation	100,000	Added design costs for Courthouse roof stabilization project
County Capital Improvement	(10,000)	REET Revenues continue to come in low. \$251,000 from other capital reserves will supplement REET to pay annual debt service.
Solid Waste Fund	(15,913)	Reductions pending labor negotiations
Information Services	(17,230)	Reduction pending labor negotiations
ER&R	(7,066)	Savings from change in Mechanic III to Mech. I position. Savings will be restored pending labor negotiations

REVENUES - OTHER FUNDS

OTHER FUNDS	Budget Change	Description
JeffCom	385,000	Estimated Bond Revenues to complete E911 Capital Project revised from \$490,000 to \$875,000.
Department of Community Dev.	see note	Requested and Recommended budgets include \$330,000 in 2011 for 2 new federal grants.
Public Health	see note	Requested and Recommended budgets include \$245,900 in 2011 for a new federal grant.

Compliance Opinion & Basis for Budget Preparation

I believe that the 2011 Recommended Budget complies with all statutory and constitutional requirements.

I believe the 2011 Recommended Budget substantially complies with adopted county ordinances and resolutions, including:

- Resolution No. 26-10, 2011 Budget Goals and Objectives,
- Resolution No. 32-10, directing that Proposition 1 funds be used to retain or provide certain listed programs and projects or similar programs and projects within available funding - see attachment titled "Accounting for Special Purpose Sales Tax (Proposition 1) Use in 2011;" and
- Resolution No. 38-10, setting how sales tax revenues shall be budgeted, and setting aside sales tax exceeding the budgeted amount for use for future revenue downturns, capital facilities projects, one-time operating costs and reduction of property taxes.

	2010 Original Budget	2010 Projected Revenue	2011 Proposed Budget
Base Sales Tax:	\$ 2,200,000	\$ 1,909,332	\$ 1,916,000

- Each fund meets the minimum required reserve, established by Resolution, except Fund 506 Information Services, and improvements to the cost recovery methodology for this fund are being developed. A revised "2011 Other Funds Summary" showing the required reserve amount for each fund is attached to this memo.

This Recommended Budget was balanced with a combination of expenditure cuts, wage freezes, existing revenue, new revenue from Proposition 1, and careful and judicious use of Fund Balance. Expenses were prioritized using the 2011 Budget Goals & Objectives as adopted by the Commissioners, including three top priorities of Law & Justice, Roads, and Public Health. Under the Recommended 2011 Budget, Law & Justice is unchanged at almost 58% of all General Fund expenditures in 2011.

Other Notes

- The 2011 level of "diversion" of Road Fund property tax to the General Fund is \$720,000, the same dollar figure as 2010. It is equal to or less than the amount of money budgeted to be expended for traffic law enforcement by the Sheriff in 2011.
- Revenue: This 2011 Recommended Budget includes:
 - the allowable 1% property tax revenue increase for the Road Fund, accompanied by the second and anticipated last temporary levy shift to the General Fund - \$219,550 in 2011.
 - the allowable 1% property tax revenue increase for the General Fund, and the temporary levy shift from the Road Fund.
 - the allowable 1% property tax revenue increase for the Conservation Futures Fund
 - the base sales tax of 1%
 - the 0.1% sales tax for Criminal Justice to the General Fund
 - the 0.3% special purpose sales tax (Proposition 1) to the General Fund approved by the voters in November, 2010. Revenues begin to flow to the County in June, 2011.
 - the 0.1% sales tax for Mental Health/Chemical Dependency
 - the 0.1% sales tax for JeffComm 911
- Debt: This budget proposal includes new bond revenue in 2011 for JeffCom as well as Bond funds or other loans to finance final design of the Port Hadlock/Tri-Area Wastewater System. Among the current bonds, the shortest-term debt retires in 2012 and the longest term debt retires in 2026. At year end 2011 the County expects to have the following principal outstanding on the debt:

General Obligation Bonds	\$4,459,364
<u>Contractual Borrowing</u>	<u>\$1,854,023</u>
Existing Debt: Principal Outstanding 12/31/11	\$6,313,387
Estimated JeffCom G.O. Bond	\$ 875,000
Port Hadlock/Tri-Area Project Bonds or Loan	\$2,000,000
Estimated total outstanding debt 12-31-11	\$9,188,387

FUTURE ISSUES

The continued vulnerability of a reduced national and local economy and the slow recovery will affect both revenues and demand for County services.

In 2011 we will need to continue to carefully track actual revenues and expenditures, and adjust our operations to live within our means to prevent deeper service and program cuts in 2012 and beyond.

After closing a \$1.1 million General Fund expenditure-revenue gap in 2011, the General Fund still faces continued budget challenges in 2012 and beyond. The county revenues

will continue to be constrained, and county government and its services will likely continue to shrink. This is because of the continued erosion of the county's property tax base (constrained by the state's 1% cap) compared to normal cost inflation, plus the slow economic recovery. From 2012 through 2015, we project county government will need to find an additional \$675,000 in permanent program cuts or efficiencies.

Even as we grapple with this structural funding problem, we must also build for a better future. The 2010-2011 Priorities contained in the adopted 2010 Jefferson County Strategic Plan is a good road map for working toward both these ends. The 2010-2011 Priorities document is attached to this memo.

In the first quarter of 2011, the county will work from the Strategic Plan and begin a process to picture what county government could and should look like in 2015. This vision will be important as we build our budgets and work programs in each of the coming years.

Important elements for reinventing county government and how it delivers public services are already in place:

- Under an Interlocal Agreement **joint economic development planning** is underway between the city, the port, the county and Team Jefferson to develop a joint strategy for sustaining and growing our local economy, and to create the prosperity to support our citizens and the services and infrastructure they rely on;
- Under a separate Interlocal Agreement between the city and the county, a **Regional Parks and Recreation Committee** will convene in early 2011 to begin looking for a more efficient way for government, schools and non-profit organizations to collaborate to deliver parks and recreation services;
- A \$3.6 Million **federal Broadband grant** will bring broadband to the county and other public entities throughout east Jefferson County, opening the door to new ways for the county to harness information technology and deliver services more efficiently and grow e-government capability;

Planning will encompass all aspects of county government, as many of the county's funds outside the General Fund also face future challenges from constrained revenue. For example,

- **Fund 127:** Washington State recently made 6 ½ % mid-year budget reductions and is looking to make additional budget cuts of \$385 million for the remainder of this biennium (now through June 30, 2011). The state also must close an additional \$4 ½ Billion budget hole in the next biennium (July 1, 2011-June 30, 2013). Cuts to the state Department of Health, Department of Social and Health Services, and Department of Ecology are expected to impact a number of Jefferson County departments that have grant and service agreements with state agencies. Jefferson County Public Health (Fund 127) will be especially hard hit. Other county departments and funds will also be impacted.
- **Fund 143:** Permit revenues to the Department of Community Development (Fund 143) continue to be depressed by the economy and a weak housing market, whose recovery is likely to remain slow.

- **Fund 180:** Unless the federal Secure Rural Schools legislation is reauthorized, revenue to the Road Fund (Fund 180) will decline sharply. The adopted county Transportation Improvement Plan for roads and non-motorized transportation facilities shows the Road Fund running into the red starting 2014, requiring the county to scale back its transportation projects before then.
- **Fund 301:** The county's Construction and Renovation Fund (Fund 301) pays for repairs, preventative maintenance, remodeling, replacement, improvements and construction of county facilities. It normally is funded by Real Estate Income Tax, but has received none this year and next, instead relying on a diminishing fund balance.
- **Fund 506:** Funding for major investments in replacing the county's old telephone system and upgrading its computer systems – Information Services (**Fund 506**) are also challenges the county must face in the next several years.

Jefferson County will use 2011 as a time to continue looking for creative ways to increase our efficiency, reduce the cost of providing services, and continue reviewing our priorities of government.

In 2011, Jefferson County government will continue to help forge a regional public/private vision for economic development, engage actively with County citizens about their government, develop a strategy to better harness information technology, strengthen our capacity to manage our budgets and finances for the challenging times ahead, and plan to care for our physical infrastructure.

CONCLUSION

The Recommended 2011 Budget is a fiscally responsible budget that responds to today's economic realities, while preparing for the future. It successfully closes a \$1.1 Million projected funding gap for 2011. Still, significant challenges lay ahead. In 2011 the county will develop a vision for what county government should look like in 2015. This vision will guide our efforts to reformulate government in the intervening years.

Many individuals in every branch and department of our organization have worked hard to prepare the Recommended 2011 Budget. Special recognition and my personal thanks go to County Auditor Donna Eldridge, County Treasurer Judi Morris, County Assessor Jack Westerman III, Lorna Delaney, and Karen Bednarski. For a third year, Anne Sears has been invaluable in pulling mountains of information together, facilitating communication with each department, modeling trends, and developing strategies.

ATTACHMENTS:

- 2011 General Fund Summary
- 2011 Other Funds Summary (revised)
- 2011 Departmental Staffing Schedule (revised)
- 2011 Budget Detail (Not Attached: available on County Website)
- Accounting for Special Purpose Sales Tax (Proposition 1) Use in 2011
- 2010-2011 Priorities (from the adopted 2010 Jefferson County Strategic Plan)

ATTACHMENT 1: 2011 General Fund Summary

JEFFERSON COUNTY GENERAL FUND - 2011 Budget

November 17, 2010

BARS #	GENERAL FUND REVENUE TYPE	2008 Actual Revenues	2009 Actual Revenues	2010 Budget Revenues	2010 Projected Revenues	2011 Recommend Revenues
311	Property Tax	6,041,241	6,647,580	7,050,800	7,050,800	7,157,000
311	Diverted Road Taxes	634,763	676,648	720,000	720,000	720,000
311	Sale of Tax Title Property					0
312	Private Harvest Tax	296,940	92,729	165,000	120,580	108,000
312	Private Harvest Tax (div)	42,249	12,427	22,000	16,000	15,150
313	Sales Tax	2,410,507	2,136,768	2,200,000	1,909,332	1,916,000
313	Sales Tax-LOST	293,880	274,915	275,000	254,736	261,000
313	Sales Tax - Special Purpose					372,000
317	Leasehold Excise Tax	61,116	56,168	52,000	52,051	52,000
317	Treas Collection Fees	42,308	30,323	25,000	27,650	25,000
319	Penalties	258,871	246,911	197,500	212,101	200,500
TOTAL TAXES		10,081,875	10,174,469	10,707,300	10,363,250	10,826,650
332	Fed Entitlements-PILT	225,064	261,732	230,000	407,957	408,000
335	PUD Priv. Tax	84,161	73,092	75,000	50,666	50,000
336	Crim Just Hi Crime/DUI/Asst	329,361	325,688	336,000	329,739	339,000
336	Liquor Excise Tax	34,588	35,626	35,000	37,254	38,400
336	Liquor Profit	57,572	59,412	60,000	67,140	67,000
349	Interfund Serv.-Cost Alloc.	224,027	440,425	358,000	353,999	355,000
361	Investment Income	971,352	616,249	394,000	310,000	250,000
341	Treasurer's Investment Fees (361,362)	24,514	12,500	15,000	6,912	7,000
360	Miscellaneous Revenue	11,124	76,219	26,205	42,453	31,665
395	Timber Sales D.N.R.	322,657	148,007	175,000	79,006	230,000
395	Sale of Surplus Real Property		0		0	0
390	Other Non-Revenues	81,030	22,527	0	197,000	0
TOTAL OTHER TREAS. REVENUE		2,365,450	2,071,477	1,704,205	1,882,126	1,776,065
TOTAL TREASURER'S REVENUE		12,447,325	12,245,946	12,411,505	12,245,376	12,602,715
Dept #						0
010	Assessor	2,784	2,514	1,800	1,796	1,800
020	Auditor	258,691	263,342	268,628	251,339	256,742
021	Elections	92,776	130,781	53,200	125,064	190,447
050	Clerk	188,784	215,531	188,233	199,974	182,203
060	Commissioners	17,596	18,008	12,000	10,837	7,600
067	Safety & Security	40,013	96,234	113,801	110,795	102,437
068	Community Services		0	9,000	0	6,400
080	District Court	685,192	696,584	632,650	697,027	695,330
110	Juvenile Services	275,457	271,877	269,812	256,414	292,903
150	Prosecuting Attorney	136,442	209,021	302,880	292,191	230,236
151	Coroner	12,164	8,530	9,280	4,650	9,280
180	Sheriff	334,108	558,239	808,763	962,875	775,392
240	Superior Court		35,612	13,500	19,976	3,775
260	Non Departmental			0	0	0
TOTAL DEPARTMENTAL REVENUES		2,044,007	2,506,273	2,683,547	2,932,938	2,754,545
261	Transfer in	269,668				
TOTAL ALL REVENUES:		14,761,000	14,752,219	15,095,052	15,178,314	15,357,260
Percent increase from previous year		4.1%	-0.1%	2.3%	2.9%	1.2%

Dept.	GENERAL FUND EXPENDITURES	2008 Actual Expenditures	2009 Actual Expenditures	2010 Budget Expenditures	2010 Projected Expenditures	2011 Recommend Expenditures
010	ASSESSOR	612,084	665,016	682,310	682,310	690,819
020	AUDITOR	470,614	469,776	468,656	468,656	461,905
021	ELECTIONS	269,523	227,038	228,791	228,791	288,030
050	CLERK	376,999	367,203	389,849	389,849	386,909
059	COUNTY ADMINISTRATOR	360,109	276,073	306,376	306,376	312,944
060	COMMISSIONERS	358,737	378,159	392,147	392,147	388,645
061	BOARD OF EQUALIZATION	6,755	5,477	7,364	7,364	7,361
062	CIVIL SERVICE COMMISSION	2,207	1,938	2,100	2,100	2,100
063	PLANNING COMMISSION	22,172	24,419	34,644	34,644	33,944
067	SAFETY AND SECURITY	137,085	147,658	200,091	200,091	172,416
068	COMMUNITY SERVICES	153,353	153,353	146,350	146,350	146,350
080	DISTRICT COURT	633,646	640,144	649,942	649,942	651,384
110	JUVENILE SERVICES	869,699	850,292	904,414	904,414	915,920
150	PROSECUTING ATTORNEY	782,328	868,857	945,545	945,545	842,506
151	CORONER	32,159	20,347	32,850	32,850	32,850
180	SHERIFF	4,564,232	4,600,597	4,980,459	4,980,459	5,069,652
240	SUPERIOR COURT	309,650	421,919	273,289	366,289	266,786
250	TREASURER	312,866	316,759	340,707	340,707	343,141
	SUBTOTAL DEPARTMENTS:	10,274,218	10,435,025	10,985,884	11,078,884	11,013,662
260	NON-DEPARTMENTAL	2,051,830	2,109,297	2,713,008	2,713,008	2,730,833
261	OPERATING TRANSFERS					0
261	Op Trans- 10- Substance Abuse	48,894	48,894	46,599	46,599	46,600
261	Op Trans- 50- Coop. Extension	210,207	184,203	175,470	175,470	171,900
261	Op Trans- 70- County Cap. Improve.		251,000	0	0	0
261	Op Trans- 99- Parks & Recreation	326,176	349,548	349,477	349,477	342,300
261	Op Trans- 160-Health	746,043	615,774	607,623	557,623	595,200
261	Op Trans- 163-Animal Serv	108,750	104,059	108,705	108,705	108,000
261	Op Trans- 164-Water Qual.-Cons Dist	51,750	47,920	45,646	45,646	45,600
261	Op Trans- 165-Water Quality	76,664	86,933	82,852	82,852	81,200
261	Op Trans- 200-Community Develop.	602,476	420,000	420,000	420,000	411,400
261	Op Trans- 261-Info. Services	100,000	50,000			0
261	OTHER OPERATING TRANSFERS	683,072	467,904	101,362	101,362	89,354
	TOTAL:	15,280,080	15,170,557	15,636,626	15,679,626	15,636,049
	Percent increase from previous year	10.4%	-0.7%	3.1%	3.4%	-0.3%
	Beginning Cash and Investments	3,317,256	2,799,352	2,415,665	2,381,014	2,136,498
	Revenues	14,761,000	14,752,219	15,095,052	15,178,314	15,357,260
	Expenditures	15,280,080	15,170,557	15,636,626	15,679,626	15,636,049
	Ending Cash & Investments	2,798,176	2,381,014	1,874,091	1,879,702	1,857,709
	Equity Transfer from other funds				100,000	
	carryover (est at 1%)			156,366	156,796	156,360
	Adj. Ending Cash & Investments	2,798,176	2,381,014	2,030,457	2,136,498	2,014,070
	Required 10% of Exp. to Reserves	1,528,008	1,517,056	1,563,663	1,567,963	1,563,605
	Unreserved Fund Balance	1,270,168	863,958	466,795	568,536	450,465

ATTACHMENT 2: 2011 Other Funds Summary (revised)

JEFFERSON COUNTY OTHER FUNDS - 2011 Recommended Budget							
Revised December 2, 2010							
OTHER FUNDS	2010 Revenue BUDGET	2010 Expend BUDGET	2011 est. Beg. Cash BUDGET	2011 Revenue BUDGET	2011 Expend BUDGET	Est. Ending cash & invest 2011	Required Reserve
105-AUDITOR'S O&M	80,158	88,124	188,785	73,953	110,419	152,319	11,042
106-COURTHOUSE FACILITATOR	6,900	9,160	16,617	6,900	8,358	15,159	-
107-BOATING SAFETY PROGRAM	27,900	27,878	37,423	27,900	26,054	39,269	-
108-COOPERATIVE EXT. PROGRAMS	341,078	383,364	156,000	377,422	404,636	128,786	40,464
113-4-H AFTER SCHOOL	85,000	85,006	60,000	95,000	62,871	92,129	6,287
114-ECONOMIC DEVELOPMENT	-	25,000	100,000	-	25,000	75,000	6,250
119-JEFFCOM CAPITAL FUND (new 2011)	-	-	-	830,000	559,300	270,700	94,000
120-CRIME VICTIMS SERVICES	70,158	70,172	59,177	76,441	68,060	67,558	6,806
121-JEFFCOM ENHANCEMENT	193,720	2,254,220	633,000	875,500	1,508,500	-	-
122-E-911 TELEPHONE (JEFFCOM)	1,625,783	1,658,945	520,000	1,367,766	1,723,909	163,857	142,391
123-JEFF CO GRANT MANAGEMENT FUND	350,000	350,000	83,000	300,000	300,000	83,000	30,000
125-HOTEL-MOTEL	314,500	307,583	502,886	292,500	284,910	510,476	71,228
126-H&HS SITE ABATEMENT	22,500	28,500	27,229	3,000	9,000	21,229	-
127-PUBLIC HEALTH	3,518,612	3,703,572	975,041	3,560,824	3,849,936	685,929	384,994
128-NATURAL RESOURCES	1,009,067	1,028,210	199,447	852,845	836,337	215,955	83,634
129-ANIMAL SERVICES	223,132	231,461	57,348	213,127	238,690	31,785	23,869
130-MENTAL HEALTH	43,900	43,924	269	44,250	44,250	269	-
131-CHEMICAL DEPEND/MENTAL HEALTH	368,384	438,753	189,493	357,109	468,085	78,517	71,422
135-JEFFERSON COUNTY DRUG FUND	19,200	19,200	96,245	18,400	32,500	82,145	3,250
136-SHERIFF DRUG INVESTIGATION	-	20,000	22,815	-	10,000	12,815	1,000
140-LAW LIBRARY	10,893	10,981	29,593	9,066	9,000	29,659	900
141-TRIAL COURT IMPROVEMENT	12,000	26,041	22,301	16,000	26,036	12,265	2,604
142-PUBLIC DEFENSE FUNDING	36,162	36,162	-	35,000	35,000	-	-
143-COMMUNITY DEVELOPMENT	1,257,043	1,255,170	257,107	1,748,196	1,759,706	245,597	175,971
147-FEDERAL FOREST TITLE III	-	85,000	108,010	500	85,000	23,510	8,500
148-JEFF CO AFFORDABLE HOUSING	140,000	140,000	367,234	135,000	140,000	362,234	14,000
150-TREASURER'S O&M	12,787	22,482	5,000	27,110	30,987	1,123	-
151-REET TECHNOLOGY FUND	15,000	110,000	36,307	-	-	36,307	-
155-VETERANS RELIEF	40,000	48,442	25,000	50,850	72,800	3,050	3,050
160-WATER POLLUTION CNTRL LOAN FUND	5,000	15,000	114,584	5,540	1,883	118,241	188
174-PARKS AND RECREATION	438,077	438,077	85,506	441,691	436,077	91,120	43,608
175-COUNTY PARKS IMPROVEMENT FUND	51,000	68,916	14,895	55,000	62,791	7,104	-
177-SPECIAL PROJECTS FUND	-	-	31,962	122,889	118,974	35,877	-
178-POST HARVEST TIMBER MGMT RESV	150	15,060	9,758	50	3,616	6,192	-
180-COUNTY ROADS	10,142,228	11,436,779	4,776,429	9,446,253	10,834,766	3,387,916	1,249,675
181-EMERGENCY ROAD RESERVE	800	-	77,175	200	-	77,375	-
183-FACILITIES MANAGEMENT	934,907	1,016,858	248,800	941,580	1,004,080	186,300	100,408
185-FLOOD/STORM WATER MANAGEMENT	-	5,000	11,946	-	6,116	5,830	-
186-BRINNON FLOOD CONTROL SUB-ZONE	-	3,525	10,458	-	3,040	7,418	-
187-QUILCENE FLOOD CONTROL SUB-ZONE	175,000	286,552	145,978	-	21,656	124,322	-
301-CONSTRUCTION & RENOVATION	32,711	236,000	507,328	-	290,350	216,978	-
302-COUNTY CAPITAL IMPROVEMENT	756,000	743,067	356,202	710,000	710,000	356,202	355,000
303-CAP. IMPROV. CLOCKTOWER	-	32,711	-	-	-	-	-
304-H.J. CARROLL PARK	695	55,786	57,508	100	50,147	7,461	-
306-PUBLIC INFRASTRUCTURE	339,000	1,046,000	830,737	329,000	499,000	660,737	-
308-CONSERVATION FUTURES TAX	232,200	438,900	403,219	213,700	189,788	427,131	18,979
401-SOLID WASTE	2,442,020	2,775,756	744,063	2,192,616	2,429,363	507,316	242,936
402-SOLID WASTE POST CLOSURE	1,500	6,000	95,441	250	6,000	89,691	-
403-SOLID WASTE EQUIPMENT RESERVE	120,979	301,000	937,044	4,000	251,000	690,044	-
404-YARD WASTE EDUCATION FUND	6,000	6,000	5,886	6,000	6,000	5,886	-
405-TRI-AREA SEWER FUND	2,141,000	2,094,953	429,410	3,540,672	3,515,671	454,411	351,567
501-EQUIPMENT RENTAL & REVOLVING	1,697,000	1,760,622	3,175,081	1,804,000	1,965,211	3,013,870	1,115,672
502-RISK MANAGEMENT RESERVE	100,000	45,000	170,157	50,000	45,000	175,157	150,000
503-JC UNEMPLOYMENT RESERVE	118,000	218,000	281,202	114,000	213,000	182,202	21,300
504-INDUSTRIAL INSURANCE RESERVE	-	23,000	23,089	17,000	17,000	23,089	1,700
505-EMPLOYEE BENEFIT RESERVE	131,000	152,625	156,001	126,000	152,625	129,376	15,263
506-INFORMATION SERVICES	1,425,064	1,475,064	575,633	1,318,093	1,553,691	340,035	490,313
TOTAL OTHER FUNDS BUDGETS	31,114,208	37,203,601	19,050,819	32,833,293	37,116,189	14,767,923	5,338,267
GENERAL FUND	15,095,052	15,636,626	2,136,498	15,357,260	15,636,049	1,857,709	1,563,663
TOTAL ALL FUNDS	46,209,260	52,840,227	21,187,317	48,190,553	52,752,238	16,625,632	6,901,930

ATTACHMENT 4:

JEFFERSON COUNTY BUDGET 2011

ACCOUNTING FOR SPECIAL PURPOSE SALES TAX (PROPOSITION 1) USE IN 2011

Department	What	Prop 1 Revenue (June- Dec)	Revenue from General Fund (Jan- May)	TTL in 2011 Budget
Sheriff	1 deputy position, safety training, 1 animal control officer, misc programs	\$ 102,198	\$ 72,802	\$ 175,000
Prosecutor	1/2 deputy prosecutor retained	\$ 21,900	\$ 15,600	\$ 37,500
Juvenile Services	1 juvenile probation officer, support staff, diversion	\$ 43,799	\$ 31,201	\$ 75,000
Misc. Public Safety	costs in criminal justice departments	\$ 11,096	\$ 7,904	\$ 19,000
subttl public safety		\$ 178,992	\$ 127,508	\$ 306,500
Community Services: OlyCAP	Tri-Area, Quilcene & Brinnon Community Centers & Senior Services	\$ 73,582	\$ 52,418	\$ 126,000
Community Services: PT Sr Association	PT Community Center	\$ 7,300	\$ 5,200	\$ 12,500
Community Services: Gardiner Comm Ctr.	Gardiner Community Center	\$ 1,635	\$ 1,165	\$ 2,800
Community Services: Jefferson County Fair	County Fair	\$ 2,628	\$ 1,872	\$ 4,500
WSU Cooperative Extension	Afterschool program for youth and Extension	\$ 11,680	\$ 8,320	\$ 20,000
Transfer to Public Health	Maternal Health Nurse	\$ 29,199	\$ 20,801	\$ 50,000
Transfer to Substance Abuse	Programs including "Project Alert" that serves youth in PT, Chimacum and Quilcene	\$ 27,214	\$ 19,386	\$ 46,600
Transfer to Jefferson County Conservation District	Conservation District administration and programs	\$ 26,630	\$ 18,970	\$ 45,600
subttl community services		\$ 179,868	\$ 128,132	\$ 308,000
Misc. Core Services	Staffing and other costs in core administrative departments	\$ 13,140	\$ 9,360	\$ 22,500
subttl core services		\$ 13,140	\$ 9,360	\$ 22,500
TOTAL		\$ 372,000	\$ 265,000	\$ 637,000

2010 Jefferson County Strategic Plan

2010-2011 PRIORITIES:

- ➔ During the Recession Maintain Key Public Services Within Our Means
- ➔ Strengthen the Efficiency & Quality of County Services
- ➔ Put County Government on a Sustainable Financial Footing
- ➔ Strengthen Our Local Economy
- ➔ Plan for the Future
- ➔ Support our Unique Communities

Justice and Safety

Support safe communities & justice systems for all.

- Reduce justice costs by prioritizing evidence-based prevention, intervention & recovery programs that are cost effective & improve outcomes
- Support coordination among law & justice agencies (sheriff, prosecutor, courts, juvenile services, corrections, public defense) and with prevention/rehabilitation programs
- Recognize community emergency preparedness as part of a healthy community

Health and Quality of Life

Enhance the health & quality of life of individuals, families & communities.

- Provide oversight & services to protect residents from infection & environmental contamination, and promote healthy behaviors
- Be ready to respond to epidemics & public health hazards
- Support children & youth; e.g. with the Nurse Family Partnership, parks & recreation, and positive learning opportunities
- Maintain high quality mental health & substance abuse treatment & prevention with existing dedicated funds

Economic Prosperity & Strong Communities

Encourage a diverse economy with vibrant & sustainable communities that offer individual opportunities.

- Forge & begin implementing a shared public/private economic development strategy
- Fund final design, land acquisition & construction for the Port Hadlock Wastewater System
- Implement Broadband for anchor institutions & prepare for commercialization
- Use county government to advocate for the interests of each community
- Ensure the county has a sustainable & effective economic development organization to promote our economy
- Begin work on the 2014 Update of the County's Comprehensive Plan
- Identify & work to fill community infrastructure gaps, strengthen community assets & implement the County's Transportation Improvement Program (TIP)
- Protect working forests from conversion for development
- Collaborate with other jurisdictions & the private sector to meet long-term water needs
- Continue to improve a coordinated permitting process by the county, so applicants have consistent answers in the shortest time within our resources
- Work with government & non-governmental organizations to increase affordable housing

Environmental Sustainability

Safeguard the county's natural resources & environment.

- Maintain a healthy environment to support important shellfish, fisheries, agriculture, timber & tourism industries

- Utilize Conservation Futures funds, other grants & partners to preserve important open space & resource lands
- Implement a Resource Conservation Management program to reduce government utility costs

Service Excellence

Foster a culture of public service & deliver services that are timely & responsive to community needs.

- Review & establish Level of Service (LOS) goals
- Monitor & publish performance measures
- Improve service & efficiency through information technology with an IS strategic plan
- Harness the web & technology to expedite responses to public records requests & reduce staff time taken away from other essential services
- Continue the work of subcommittees of departments & branches to address cross-departmental issues, service improvements & efficiencies

Financial Stewardship

Exercise sound & transparent financial management to build Jefferson County's long-term fiscal sustainability.

- Maintain a balanced budget that plans for the future
- Find cost efficiencies that maintain service levels
- Find alternative providers or funding for services & facilities to reduce the burden on the county General Fund
- Inform county citizens about county finances, & size county services based on the revenues the state and our citizens choose to provide
- Update capital facility plans for county facilities
- Find adequate & stable funding for parks & recreation, county facilities, and the Transportation Improvement Program
- Utilize, empower & support community volunteers

Public Engagement

Promote public engagement that informs, involves, & empowers Jefferson County citizens & communities.

- Enhance information & resources available to citizens on-line
- Regularly conduct community meetings of elected officials & citizens
- Promote open civil dialogue between county government & those we serve

Quality Workforce

Develop & empower Jefferson County government's employees.

- Provide a supportive work environment
- Invest in our employees through training & career development
- Expand use of the internet to attract a talented county workforce
- Educate departments & prepare for succession planning
- Engage constructively with our unions in working toward financial stability
- Cross-train staff where appropriate

COUNTY OF JEFFERSON
State of Washington

In the Matter of Adoption of the Annual
Budget Including the General Fund, Public
Works, Special Funds, Jefferson County Road
Construction Program and County Tax Levy

RESOLUTION NO. _____

WHEREAS, State of Washington Laws of 1971, First Extraordinary Session, Chapter 36, and RCW. laws having been complied with, hearings held at which citizens were given an opportunity to question any part of the proposed budget, and the officials in charge of various departments were called in and consulted concerning the budget for their departments; and,

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners, Jefferson County, Washington, that the Jefferson County Road Construction Program and the County Capital Improvement Program for 2011 are hereby adopted as part of this budget document; and,

BE IT FURTHER RESOLVED, that the following attached budget (Exhibit I and II) be, and, is hereby adopted as the 2011 BUDGET for Jefferson County, including the General Fund and all other County Funds; with all BUDGETS being adopted at the "Department Level;" and,

APPROVED AND ADOPTED this ____ day of December, 2010.

JEFFERSON COUNTY
BOARD OF COMMISSIONERS

SEAL:

David Sullivan, Chairman

ATTEST:

Phil Johnson, Member

Lorna Delaney, CMC
Clerk of the Board

John Austin, Member