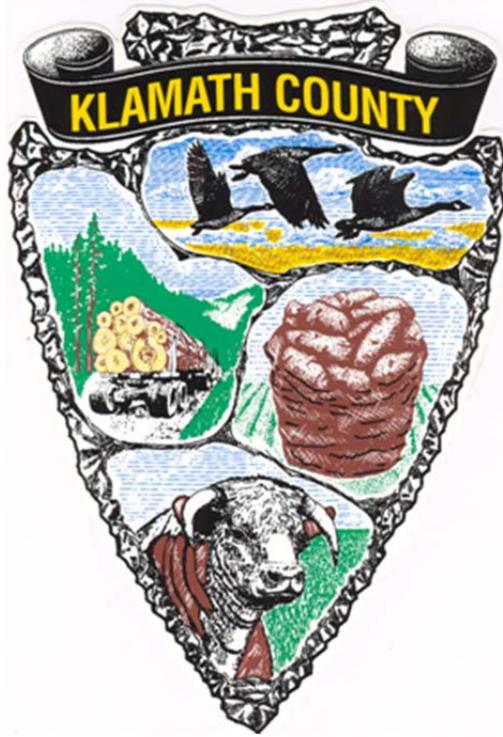


Proposed Budget



2012-2013

Budget Committee Members

Board of Commissioners

Dennis Linthicum
Cheryl Hukill
Al Switzer

Citizen Committee Members

Kirk Glick
Terrie Mumford
Allan Craigmiles

Budget Officer: Jason Link

KLAMATH COUNTY, OREGON
305 MAIN STREET
KLAMATH FALLS, OREGON 97601
(541) 883-4202

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Klamath County, Oregon

2012-2013 Budget Presentation

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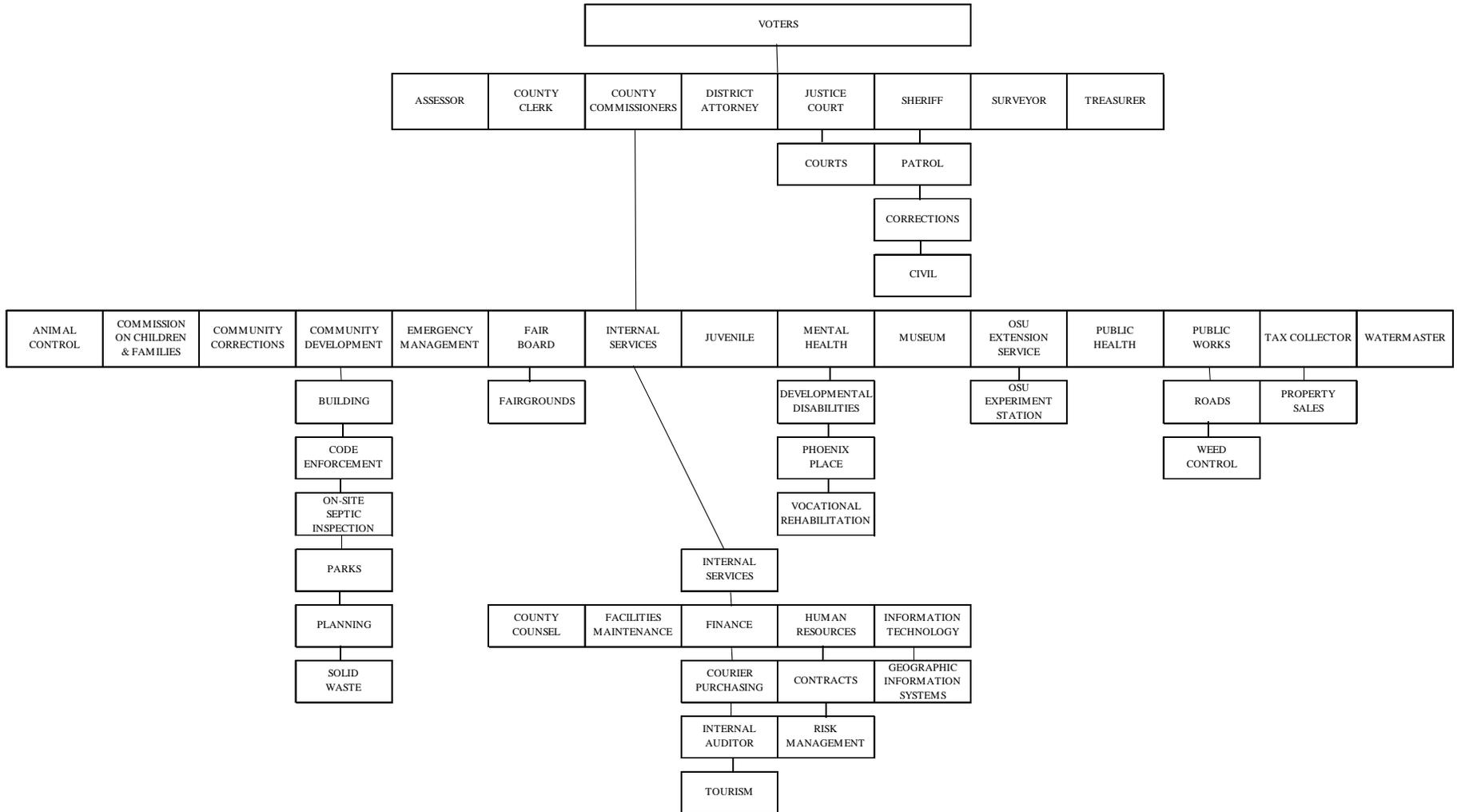
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Klamath County, Oregon 2012-2013 Budget Presentation Organizational Chart



Klamath County, Oregon
2012-2013 Budget Presentation
List of Elected Officials

<u>Position</u>	<u>Name</u>	<u>Term Expires</u>
Assessor	Rafael Hernandez	January 3, 2013
Clerk	Linda Smith	January 3, 2015
Commissioners	Al Switzer Dennis Linthicum Cheryl Hukill	January 3, 2013 January 3, 2015 January 3, 2013
District Attorney	Ed Caleb	January 3, 2015
Justice of the Peace	Karen Oakes	January 3, 2015
Sheriff	Timothy Evinger	January 3, 2013
Surveyor	Michael Markus	January 3, 2013
Treasurer	Jason Link	January 3, 2013

Klamath County, Oregon
2012-2013 Budget Presentation
List of Appointed Officials

Position	Name
Agricultural Experiment Station (State Appointed)	William Riggs
Animal Control	Mike Horton
Budget & Finance	Jason Link
Cooperative Extension (State Appointed)	William Riggs
Community Corrections	Kiki Parker-Rose
Commission on Children & Families	Kim Estes
Community Development	Sidney Mitchell
County Counsel	Dave Groff
Emergency Management	George Buckingham
Fair Manager	Jerry Golden
Human Resources	Daneen Dail
Juvenile	Dan Golden
Maintenance	Thomas Banks
Information Technology	Randall Paul
Mental Health	Amanda Bunger
Museum	Todd Kepple
Public Health	Marilynn Sutherland
Public Works	Stan Strickland
Tax Collector	Linda Seater
Watermaster (State Appointed)	Scott White
Veteran's Services	Kathy Pierce

Klamath County, Oregon
2012-2013 Budget Presentation
List of Boards, Committees and Commissions

Local Alcohol and Drug Planning Committee
Ambulance Advisory Board
Bicycle Trails Advisory Board
Budget Committee
Budget Task Force Committee
Citizens Safety and Building Advisory Committee
Commission on Children and Families
Community College Services Advisory Committee
Community Corrections Committee
County Charter Committee
County Compensation Board
Courthouse Task Force Committee
Dock Commission (City of Klamath Falls, Oregon)
Dog Commission
DUII Task Force Committee
Board of Equalization
Fair Board
Farm Use Board of Review
Grazing Advisory Committee
Health Board (Not a County Appointed Board)
Historical Landmark Commission
Klamath Housing Authority
Long-Term Financial Planning Committee
Mental Health Advisory Board
Museum Advisory Board
Natural Resource Advisory Committee
Overall Economic Development Program Committee
Park Board
Planning Commission
Board of Ratio Review
Roads Advisory Committee
Solid Waste Management Advisory Committee
Tourism Advisory Committee
Water Resources Advisory Committee
Weed Control Advisory Committee

Klamath County, Oregon

2012-2013 Budget Presentation

Budget Calendar

Prepare Budget Documents	January through April 11, 2012
Publish First Notice of Budget Committee Meeting (5 to 30 days before meeting)	April 3, 2012
Post Notice of Budget Committee Meeting on website	April 7, 2012
Budget Committee Meetings	April 16, 2012 through April 20, 2012
Submit CAFFA Grant to State of Oregon	May 1, 2012
Prepare Budget Summary	May 2, 2012 through June 22, 2012
Publish Budget Summary and Notice of Budget Hearing (5 to 30 days before hearing)	June 12, 2012
Public Hearing by Board of Commissioners	June 19, 2012
Board of Commissioners Adopts Budget, Makes Appropriations, Imposes Taxes, and Categorizes Taxes	June 19, 2012
Certify Taxes to County Assessor	July 16, 2012



KLAMATH COUNTY

Home of Crater Lake

OREGON

FINANCE & BUDGET OFFICE

April 16, 2012

Members of the Budget Committee, Board of Commissioners, and Citizens of Klamath County:

We find ourselves in a precarious position, along with others, waiting to see what will happen with the economy. In the General Fund, we continue to operate at a deficit as operating revenues are not projected to be sufficient to cover expenses. In addition, revenues in the following year are projected to be significantly less than for 2012-2013. It is imperative that we build a reserve until, at the least, stable sources of revenue are located.

The recommended budget for fiscal year 2012-2013 continues on the principles adopted in fiscal year 2011-2012.

The Consumer Price Index (CPI-W) has risen 3.10% over the prior year. The budget includes no cost of living increases for all Elected Officials and county employees. There are increases budgeted to accommodate merit step increases for those who have not hit the top of their pay range. The County is currently in negotiations with most of its unions, but given the current economy we expect a fairly small financial impact and little effect on levels of service. Fiscal year 2012-2013 is the second half of the State's biennium budget so those portions of the County budget most affected by the State budget will could see significant changes.

Klamath County has two pension plans covering substantially all employees. Sheriff's department employees and certain employees of the Community Corrections department are participants in the State of Oregon Public Employees Retirement System (PERS). All other Elected Officials and county employees are participants in the Pension Plan for Employees of Klamath County (Pension Plan).

PERS is experiencing high unfunded actuarial liabilities that have increased mandatory contribution rates to 10.98% in the current fiscal year. Projected mandatory contribution rates for the fiscal year starting July 1, 2013 range from 9.03% to 21.07%. Our own Pension Plan is also experiencing high unfunded actuarial liabilities. The recommended contribution rate from the actuary for the 2012-2013 fiscal year is 13.62% an increase of 1.58% from the prior report. The contribution rate being made by the County has been increased by 1.00% to 11.00% for 2012-2013. Unless underlying investments significantly outperform actuarial rates or changes are made to the plan, the County's unfunded actuarial liability will continue to grow.

Current forecasts of the State budget for the remainder of the biennium are dismal. The State is already projecting a multibillion dollar short fall in revenues. Property values continue to drop to levels that are approaching the maximum assessed value trend line imposed by Measure 50, which could have an effect on the amount of property taxes available.

The county, cities, and tax districts are facing a serious financial crisis not seen in many years as a result of shrinking revenues, record-high gas and energy prices, and more recently a municipal credit crunch which is making it extremely difficult and more expensive for counties to borrow money. The State is considering legislation that is affecting the resources that come to counties to provide the services that the State and Federal Government mandates. The slowdown in the economy is having a major effect on individuals and families including taxing districts. The Federal Government passed significant changes in health care, which will affect the County's budget in this fiscal year and in years to come.

This budget does have services that are reduced due to the State cutting funds to programs in Community Corrections; Commission on Children and Families, video lottery funds, Mental Health, Public Health to name a few areas, also services in Community Development are down due to a slowdown in housing. The budget was based on the target budget approved by the Budget Committee on March 5, 2012. We realize many programs that are state funded have been reduced and are still being reduced so some departments may be asking for money from the general fund. Remember that any changes to the budget will affect other programs as directed by the Board.

This proposed budget was prepared with the possibility of an ongoing stagnant economy in mind. If the economy continues to underperform, service levels provided by most departments will be impacted. The Budget Committee's decision on January 5, 2012 to reduce expenditures for the remainder of the 2011-2012 fiscal year (\$494 thousand estimated) offset by reduced collection of other revenues in the General Fund (\$294 thousand) resulted in the anticipation of a reserve of \$200 thousand to go into the 2012-2013 fiscal year.

The General Fund does not have sufficient reserves to weather the ominous impending storm. I feel compelled to bring this to your attention because there are those who look at the anticipated reserves and feel they should be used to expand services at this time, by providing funding for non-mandated services and other governmental or non-profit organizations, and for a multitude of other possibilities. This is not the time to increase operating expenditures.

Sufficient funds are not budgeted to provide appropriate cash flow for the following year. There is not sufficient reserves in the General Fund to provide operating cash until property taxes are received in November. It is anticipated that the General Fund will borrow money from other funds until those taxes are received. You are expected to deliberate and make decisions to ensure that appropriate resources are available to begin the following fiscal year.

The recommended budget is a "reduced" budget that takes into consideration increases for contract agreements, county retirement, insurance costs, and other costs that the departments do not have control over. This budget reflects our best effort to address the issues we face given the priorities set by the Budget Committee and the Board of Commissioners. It also maintains minimum State-mandated services.

You have the opportunity to make any revisions on how the county will utilize resources to provide programs to the residents of Klamath County as demographics vary and change. All funds are required to be balanced per ORS 294.331. A balanced budget means that revenues and expenditures match. All funds including those with debt service are balanced in accordance with Oregon municipal debt law.

This budget message is organized into six major categories designed to give the reader an overview of County issues, priorities, and finances. They are:

- Revenue and Expense Overview
- Legislative Initiatives that Impact the Recommended Budget
- Short Term Financial and Other Initiatives that Impact the Recommended Budget
- Long Term Financial and Other Matters that Impact the Recommended Budget
- Significant Departmental and Fund Highlights and Issues for 2012-2013
- Processes Used to Develop the Budget and Organization

The preparation of a budget this complex would not be possible without the hard work and contributions of many. I would like to acknowledge the efforts of each of the department heads and program managers that participated to complete this recommendation.

Revenue and Expense Overview

The county general fund revenues and expenditures are proposed at \$24,536,806, including transfer payments (counted twice). Proposed countywide revenues and expenditures are proposed at \$202,876,403, including transfer payments (counted twice), compared to 2011-12 countywide budget of \$204,932,453 and general fund budget of \$25,825,275. The majority of the revenue is cash carryover from the 2011-12 fiscal year dedicated dollars earmarked for roads generated from federal forest receipts and gas taxes. The actual revenue and expenditures, excluding transfers, were the following:

Year	Revenues	Expenditures
2010-11	\$187,370,955	\$64,644,527
2009-10	\$198,638,933	\$99,091,364
2008-09	\$214,294,774	\$75,045,385
2007-08	\$205,788,776	\$75,483,184
2006-07	\$208,871,992	\$80,408,776
2005-06	\$194,716,854	\$70,480,204
2004-05	\$182,634,357	\$63,921,174
2003-04	\$172,904,000	\$66,478,386
2002-03	\$167,536,840	\$61,219,640

This year's staffing includes merit steps per contract agreements. The Board of Commissioners have requested that the budget be prepared with no cost of living and medical cap increases. The insurance cap for most employees is remaining at \$675 per month. The County Compensation Board is required by state law to conduct an annual review of Elected Official's compensation each year. The Compensation Board will make a report to the Budget Committee on Monday, April 16th regarding the Elected Officials. A copy of their recommendations is included elsewhere in this document.

Klamath County's permanent tax rate is \$1.7326 per \$1,000 of assessed value. Measure 50 allows a three percent increase in assessed value on existing property, plus an increase for new improvements each year. Our estimated revenue will be \$8,043,950 or \$1.68885 per \$1,000 of assessed value for the general fund and \$182,350 or \$0.04375 per \$1,000 of assessed value for veterans' services. Tax estimates will be affected by the exemptions that the state legislators approve during the last session, plus any appeals approved by the State Tax Court. As the housing economy slows, this will affect the potential growth of property taxes.

The state legislature will begin their session in January 2013. There will be many measures before the legislature and on ballots that could affect this budget if approved. There are also many measures that the Federal legislature is considering, that will have a major impact on the budget and the community. If legislation passes any of the proposed measures, the county will have financial changes to address. The involvement of our County officials during state and federal legislation is vital. We need to support the Board of Commissioners and community leaders' roles in working for our community with the state and federal legislatures this coming year.

Legislative Initiatives that Impact the Recommended Budget

Significant legislation that will impact the recommended budget includes the following legislation:

Oregon House Bill 4165 expands the oversight of Early Learning Council. Establishes Youth Development Council to oversee unified system that provides services to children and youth in manner that supports academic success and reduces criminal involvement. Continuously appropriates moneys in account to Early Learning Council for distribution to counties for purposes related to preventing or reducing child abuse. Abolishes Juvenile Crime Prevention Advisory Committee and transfers functions of committee to Youth Development Council. Abolishes State Commission on Children and Families and transfers functions of commission to Early Learning Council and Youth Development Council. Abolishes local commissions on children and families. Abolishes Commission for Child Care and transfers functions to Early Learning Council. This is anticipated to have a significant impact on the Klamath County Commission on Children and Family's budget in 2013-2014.

Oregon House Bill 4175 permits certain counties to use federal forest reserve moneys in county road funds for law enforcement purposes related to roads. The 2012-2013 budget before you contemplates the implementation of this law. The budget includes a \$2 million transfer from the Road Fund to the General Fund to fund patrol services.

Oregon House Bill 4177 permits counties, under certain conditions, to receive assistance payments from County Assessment Function Funding Assistance Account for 2011-2012 and 2012-2013

fiscal years that do not reflect changes in federal payments to county. It also provides that the amount of certain expenditures previously not included in payments made under County Assessment Function Funding Assistance Account grant program are included, but transferred to Assessment and Taxation County Account. It further requires the Oregon Department of Revenue to determine the percentage distribution for counties not enrolled in the program as if those counties were enrolled in program and to transfer that amount into the Assessment and Taxation County Account. Requires transfers not resulting from action taken by county court or board of county commissioners to be transferred back to County Assessment Function Funding Assistance Account. The 2012-2013 budget before you contemplates the implementation of this law. The budget includes a projection of the distribution from the Oregon Department of Revenue on the same percentage as last year based on the current projected revenues to the Assessment and Taxation County Account.

The Federal Government passed H.R. 1424, the Emergency Economic Stabilization Act of 2008, which reauthorized the Secure Rural Schools program through federal fiscal year 2011 and full funding for the Payment in Lieu of Taxes (PILT) program through federal fiscal year 2012. The budget for 2012-2013 before you does not contemplate the renewal of the Secure Rural Schools program.

United States Senate Bill 1813, Moving Ahead for Progress in the 21st Century America Fast Forward Financing Innovation Act of 2011, was amended on March 8, 2012 with amendment 1825 to reauthorize for 1 year the Secure Rural Schools and Community Self-Determination Act of 2000 and to provide full funding for the Payments in Lieu of Taxes program for 1 year, and for other purposes. This bill was passed in the United States Senate on March 14, 2012. The bill now moves to the United States House of Representatives where its future is uncertain. No further action has taken place in regards to this bill.

The County has recognized, since 1990, that these Federal funds may have a limited life span. Therefore, the County has accumulated a "Road Fund Reserve", which is designed to sustain reduced services on roads for several years in the future and take care of deteriorating county bridges, or until alternatives can be devised for funds impacted by Public Law 106-393. However, in order to trim the budget to a more balanced and sustainable level, the next few years, services will need to be reduced, eliminated, or an alternate funding source to replace the declining funds from the federal funds.

Short-Term Financial and Other Initiatives that Impact the Recommended Budget

There are a number of factors affecting the recommended budget for 2012-2013. Some may continue beyond 2012-2013. However, they are presented here as factors with a direct impact on this recommended budget.

State Mandated Services

The County is mandated by Oregon Statute to provide certain services to the public. The current economic environment has impressed upon us an acknowledgement that we can no longer perform all the services we have in the past to the same level. This necessitates a policy level decision as to what services the county will provide and to what service level it will be provided. Each department was asked to prepare a budget request

to the Budget Committee. In those budget requests these state mandated services were given a high level of visibility. As you review the recommended budget keep in mind what the state mandated services are and the funding level you approve to those mandates.

Contingency & Unappropriated Fund Balance

At the direction of the Board of Commissioners, the 2012-2013 General Fund recommended budget includes an operating contingency of \$598 thousand and no unappropriated fund balance. This means the County could spend all available resources in the 2012-2013 fiscal year with no carry forward to 2013-2014 fiscal year. Revenues in 2013-2014 are projected to decrease a further \$800 thousand if no further action is taken at the federal level to reauthorize Secure Rural Schools in some form.

The purpose of an unappropriated ending fund balance is to provide the County with a cash or working capital balance with which to begin the fiscal year following the one for which this budget is being prepared (ORS 294.371 and OAR 150-294.371). The amount of an unappropriated ending fund balance, should be based on our cash requirements between July 1 of the fiscal year following the one for which we are budgeting, and the time sufficient revenues will become available from other sources to meet cash flow needs (generally November).

This would mean a reserve of five months of operating revenues or approximately \$3.5 million should be available to begin the following year. Otherwise, the General Fund will borrow from another fund to provide operating resources to the departments within the fund until such time as property taxes are received.

Long-Term Financial and Other Matters that Impact the Recommended Budget

County Facilities

During the prior fiscal year, Mental Health's building on Vandenberg Road experienced a devastating fire that has required the department to relocate to other county facilities. It is anticipated that construction will be completed in October of 2012 and Mental Health will relocate from temporary facilities to the Vandenberg Road location.

During the 2012-2013 fiscal year, certain departments are contemplating relocations.

OSU Extension and Experimentation Station are anticipating consolidating all personnel and services to the Washburn Way location from the Vandenberg Road location. This will reduce their budget by the anticipated space rent charge of \$50,000.

Public Health is anticipating relocating to the space that is currently being occupied by the OSU Extension and Experiment Station on Vandenberg Road. This is anticipated to save the department \$40,000 in space rent.

Emergency Management is anticipating relocating to a shared space with the Watermaster on Summers Lane from their Pine Street location. This is anticipated to increase costs by \$10 thousand in space rent.

Once Public Health and Emergency Management relocate from the Pine Street building, the County anticipates closing the Pine Street building as it is in need of extensive repairs.

Also there are many other county owned buildings that are requiring significant remediation costs that are not being planned for.

Property Taxes and Debt Limitations

The County is subject to a number of property tax and debt limitations imposed by Oregon Law. A complete schedule of these limitations is found in Appendix A.

Debt Service

Information specific to debt and planned projects is included in Appendix B.

Fiscal Policies & Definitions

A complete list of adopted fiscal policies that have been applied to this budget are found in Appendix C. Every effort is being made to find less expensive ways to provide quality services.

Budget Format

The budget format and program descriptions are discussed in Appendix D.

Fund Descriptions

A description of the individual funds and their purposes can be found in Appendix E.

Wage Tables

The wage table used in the preparation of the 2012-2013 can be found in Appendix F.

Significant Departmental and Fund Highlights and Issues for 2012-2013

We are in a time of low interest rates, which translates into a lower growth rate on our reserve funds. And those investment earnings that we have relied on in the past to supplement programs are not available this year. This has cause a further reduction in some programs that relied upon those earnings to supplement operating revenues.

Some departments reduced operating hours to 32 hours weeks due to funding cuts. Other departments have been reduced to the point that further cuts would require the County to turn this service back to the State of Oregon. Requiring services to be provided by individuals from out of the area, reducing the timeliness of services provided to county residents.

The General Fund was anticipating a reduction in revenue of \$2.5 million in fiscal year 2012-2013 to maintain the same levels of service provided in the past. The primary sources of this decline are the loss of funding from Secure Rural Schools (\$800 thousand), the complete spending of the beginning fund balance (\$1 million) that was budgeted for fiscal year 2011-2012, and the expiration of the agreement with the City of Klamath Falls, Oregon for funding related to B pod at the jail (\$700 thousand). The Budget Committee met on January 5, 2012 to discuss the implications of this anticipated shortfall and concluded to cut various departments subsidies by \$494 thousand.

On March 5, 2012, the Budget Committee met again and recommended various cuts on which to build the 2012-2013 budget. Those cuts included: District Attorney, \$266 thousand; Juvenile, \$219 thousand; Community Development, \$351 thousand; Public Health, \$318 thousand; Sheriff, \$158 thousand; community organizations, \$87 thousand; and television broad casting expenses for \$99 thousand.

The Board of Commissioners has made a decision to implement Oregon HB 4175 and transfer \$2 million from the Road Reserve to the General Fund for Sheriff Patrol services. The Board of Commissioners then chose to reduce the General Fund support to Sheriff Patrol services by \$2 million to establish an operating contingency in the General Fund. The Board of Commissioner agreed to restore funding to certain departments: Sheriff Corrections (\$1 million) to keep the B pod at the jail open; \$100 thousand to District Attorney; \$100 thousand to Juvenile; \$158 thousand to Sheriff Patrol; \$20 thousand to Tax Collector; and \$24 thousand to Public Health. This has left \$598 thousand in operating contingency. The Board of Commissioners has indicated their desire to make this same transfer into the Sheriff's patrol division in the 2013-2014 budget.

This transfer from the Road Reserve to the General Fund is a short-term solution to a long-term problem. The Board of Commissioners along with the City of Klamath Falls, Oregon have formed a joint committee to develop a long-term solution to funding public safety in Klamath County. The Board of Commissioners hopes these scheduled transfers will give this new committee sufficient time to develop a solution and educate the public regarding the solution.

The budget for 2012-2013 also contemplates a significant reduction in funding to the Road Fund by \$4.6 million as a result of the loss of funding from Secure Rural Schools. In addition to the \$2 million the Board of Commissioners is recommending be used to fund patrol services in the General Fund.

The Fair Board has brought to the Budget Committee a budget for 2012-2013 that is significantly different than in prior years. The Fairgrounds Fund has exhausted their reserve and will be borrowing money from the Equipment Rent & Revolving Reserve Fund on an annual basis until their loan is paid off. The Fair Board is researching expanding their revenue streams and cutting costs to provide a more efficient operation.

The subsidy from the General Fund to the Community Development Fund (\$351 thousand) has been completely eliminated. The subsidy to Community Development Fund has been replaced by a subsidy from the Solid Waste Fund (\$255 thousand). With the reduced funding levels provided by the Solid Waste Fund there will be a significant impact to the public's ability to interact with the Community Development Department through reduced staffing levels.

The subsidy from the General Fund to the Public Health Fund (\$348 thousand) has been reduced to \$30 thousand. The subsidy to Public Health Fund is providing only support for the state mandated medical examiner costs. In the past this subsidy was utilized to provide support for programs that could not support themselves on a full costing method. As a result several public health programs have either been eliminated or are operating at significantly reduced levels.

Processes Used to Develop the Budget and Organization

The Budget Committee was convened in a special public meeting on March 5, 2012, to communicate and define priorities for budget development. Pursuant to Oregon law, the budget is reviewed and approved by a Budget Committee consisting of the three members of the Board of Commissioners and three lay members.

A series of public meetings were held where Department Directors and Elected Officials had a chance to talk about the financial aspects of their proposed budget. These meetings took place the months leading up to this meeting. No public testimony was heard at those meetings.

The Budget Committee hearings on the recommended budget will be held April 16 through 20, 2012. During each day of presentation and review, there will be scheduled opportunities for public input. Budget deliberations are scheduled to occur throughout the process. All Budget Committee meetings are open to the public and public testimony is always welcome.

Community organizations have in the past have been provided an opportunity to present to the Budget Committee. Their presentation will take place in a time period provided by the Chair in a public comment period. I have not scheduled them for a specific time.

The County's Elected Official Salary Committee has met previously and developed a recommendation for Elected Officials' salaries and will present it to the full Budget Committee for action.

Following approval and publication of the Budget Committee's recommended budget, the Board of Commissioners is tentatively scheduled to adopt the budget on June 19, 2012. The Board of Commissioners also meets in public session and encourages public input. The Board of Commissioners is authorized to amend expenditures in the Budget Committee's approved budget up to 10 percent of any fund without reconvening the Budget Committee.

The organizational chart, found on page i, includes a view of the County with its departments. For each County department there is a discussion at the beginning of their section. An overview of each department, significant accomplishments in the prior year, as well as information on all programs within the department are found behind their tab. For each program, the budget reflects a statement of purpose, mandated services, self-imposed services, measures of effectiveness, and significant issues facing the department. Additionally, financial information is included.

The budget is organized around the County's functional areas. Although the County has adopted a program budget format, the State of Oregon requires retention of a line-item budget format.

Throughout the budget, the specific goals that each program strives to meet are identified in a description of the particular program. The narrative for each program includes a statement of the revenues generated by specific programs.

Conclusion

As you review the budgets with the departments, ask the Directors what kind of service will be provided to the community with the funds provided, understanding there are limited resources (funds) available. Ask questions about programs and spend less time looking at individual line items. The budget is appropriated by category, not individual line items. After you review and make the desired changes to the budget, you will approve the budget. The approved budget will be published for final public hearing on Tuesday, June 19, 2012, where the Board of Commissioners will meet in a public session to adopt the budget. The Board of Commissioners are authorized to amend expenditures in the Budget Committee’s approved budget, up to 10 percent of any fund, without reconvening the Budget Committee. The Board of Commissioners always encourages public input.

This budget has been prepared in a time of extraordinary financial stress. County governments must provide state, federal, and self-imposed mandated services at the local level, many of them without adequate funding from the State and Federal Government, face extremely difficult choices, particularly those that rely entirely on local funding. There are many people whose lives will be directly impacted by the budget choices we must make. Ever mindful of that, we have worked hard to prepare a budget that preserves direct services to the greatest extent possible and keep in mind long-term strategies that will allow us to do so in the future. I would like to extend my personal thanks to the citizen members of the Budget Committee for their time, concern, and constructive insights. I wish also to acknowledge the Board of Commissioners’ support and leadership in these most challenging times.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jason Link".

Jason Link, CPA
Klamath County Budget Officer

Klamath County, Oregon
2012-2013 Budget Presentation
Appendix A – Property Taxes and Debt Limitations

Property Taxes

The County will certify its State-provided permanent tax rate in the amount of \$1.7326 per thousand dollars of assessed valuation for 2012-2013. The total amount of property tax the County expects to levy on behalf of the General Fund is \$8,557,395. Of this amount, the County expects to collect 94 percent for a net of \$8,043,950.

Property Tax Limitations

In 1997, voters approved a constitutional amendment known as Ballot Measure 50. Ballot Measure 50 established a permanent tax rate limit for all local governments. Klamath County's rate is \$1.7326 per thousand of calculated assessed value. The assessed value is approximately 66.4 percent of real market value. This permanent rate is set by the Oregon constitution.

Other limits were imposed by Ballot Measure 5, another constitutional amendment approved by Oregon voters. This measure limits all local governments to a combined total of \$10 per thousand of real market value. Schools were limited to \$5 per thousand.

Debt Limitations

The County has a general obligation bonded debt limit set by Oregon Revised Statute (ORS) 287.054, which is 2 percent of the real market value of all taxable property in the County (\$155,549,362). The County has no bonded debt outstanding at July 1, 2012.

Klamath County, Oregon
2012-2013 Budget Presentation
Appendix B – Debt Service

Mental Health Loans

On August 26, 1988, the County obtained a mortgage loan for \$80,394 from Siuslaw Valley Bank, with an interest rate of 8.97%, and due in monthly installments of \$640 for 350 months (maturity date October 2017). In addition, on February 2, 1989, the County obtained a mortgage loan for \$55,690 from Siuslaw Valley Bank, with interest rate of 8.97%, and due in monthly installments of \$450 for 352 months (maturity date June 2018). The debt service on these loans is made in the Mental Health Fund.

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix C – Fiscal Policies and Definitions

Fund Accounting

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Klamath County has the following types of funds:

Governmental Funds – These funds are typically used to account for tax supported activities. They have a short-term emphasis and generally measure and account for cash and “other assets that can easily convert to cash.” The funds use the modified accrual basis of accounting. Revenues, including funds received from other governmental units and the issuance of debt, are recorded when they are susceptible to accrual. For revenue to be considered susceptible to accrual it must be both measureable and available to the current financial expenditures of the fund. Revenue is considered available when it is collectible during the current period, and the actual collection will occur either (1) during the current period or (2) after the end of the period but in time to pay current year-end liabilities. Expenditures are recorded on an accrual basis because they are measureable when they are incurred. Expenditures include salaries, wages, and other operating expenditures; payments for supplies; transfers to other funds; capital outlays for fixed assets; and payments for the service of debt. Although most expenditures are recorded on an accrual basis (timing emphasis), the measurement focus of a governmental fund significantly affects what items are to be considered expenditures in the governmental fund. Thus, expenditures for a governmental fund cannot be equated to expenses of a business enterprise. Governmental funds applicable to the County consist of:

General Fund – The purpose of a general fund is to record financial transactions relating to all activities for which other specific types of funds are not required.

Special Revenue Funds – Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Capital Project Funds – A capital project fund is a type of special revenue fund that is used to account for financial resources to be used for the acquisition or construction of major capital facilities that are nonrecurring major expenditure items.

Debt Service Funds – A debt service fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Proprietary Funds – These funds are used to account for a government’s business-type activities. The funds use the accrual basis of accounting. Accrual accounting attempts to record the financial effects on an enterprise of transactions and other events and circumstances that have cash consequences for an enterprise in the periods in which those transactions, events, and circumstances occur rather than only in the periods in which cash is received or paid by an enterprise. The essential elements of the accrual accounting method include the (1) deferral of expenditures and the subsequent amortization of the deferred costs, (2) deferral of revenues until they are earned, (3) capitalization of certain expenditures and the subsequent depreciation of the capitalized costs, (4) accrual of revenues that have been earned and expenses that have been incurred. Proprietary funds applicable to the County consist of:

Enterprise Funds – An enterprise fund is established to finance and account for acquiring, operating, and maintaining facilities and services which are primarily self-supporting from external user charges and fees. It is required when one of the following criteria is satisfied: (1) the activity is financed with debt that is secured solely by the pledge of net revenues from fees and charges of the activity; (2) laws or regulations require that the activity’s costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues; (3) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix C – Fiscal Policies and Definitions

Internal Service Funds – An internal service fund is established to finance and account for services furnished to one department or agency to another department or agency of the same local government or its component units, or other governments on a cost-reimbursement basis.

Fiduciary Funds – These funds are used “to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government’s own programs.” Fiduciary funds utilize the accrual basis of accounting. Fiduciary funds applicable to the County consist of:

Pension Trust Funds – A pension trust fund is used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. These funds are exempt from Oregon Budget Law by ORS 294.338(7).

Investment Trust Funds – An investment trust fund is used by a governmental entity to report the external portion of an investment pool. The County sponsor’s investment pool, in which legally separate government’s commingle or pool their resources in an investment portfolio for the benefit of all participants. The external portion of the investment pool is exempt from Oregon Budget Law by OAR 150-294.361(1)-(A).

Agency Funds – An agency fund is used to account for all assets that are held in a custodial relationship, such as the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Agency funds are most commonly used to account for taxes collected by the County on behalf of other governments. These funds are exempt from Oregon Budget Law by OAR 150-294.361(1)-(A) and 150-294.361(2).

The County budgets all funds using the modified accrual basis of accounting, except interfund loans and repayments are budgeted as debt proceeds (repayments) and debt service (repayments).

Definitions

Beginning Fund Balance - This is a revenue classification indicating those financial resources which, because they were not expended in one fiscal year, are available in the following year. Included in this total are projects known as carry-forwards. Also included are the unappropriated ending fund balances, contingencies, reserves, and any excess revenue or under expenditures from previous fiscal year.

Capital Outlay - This is an expenditure category. This includes all equipment purchases costing more than \$5,000, all vehicle purchases regardless of cost, as well as land, buildings and infrastructure improvements in excess of \$10,000.

Change in Fund Balance - This is the difference between the anticipated beginning fund balance and the anticipated ending fund balance.

Debt Service - This is the payment of interest and principal on an obligation resulting from the issuance of bonds, loans or capital leases.

Ending Fund Balance - This amount represents the funds’ total unappropriated ending fund balance, reserves, and contingencies.

Expenditures - A fund liability incurred for operation, capital outlay, or their requirements, during a budgetary period.

Klamath County, Oregon
2012-2013 Budget Presentation
Appendix C – Fiscal Policies and Definitions

Materials and Services - This includes transportation, operating expenses, minor equipment purchases, data processing, maintenance and repairs, contracted services, and direct funding to non-County agencies.

Personnel Services - This includes total compensation paid to employees including salaries, benefits, and payroll taxes.

Revenues - This is income for the fiscal year and includes transfers and proceeds from the sale of bonds and notes.

Transfers From - This line item represents the amount of money transferred to the fund indicated from another fund inside the County organization.

Transfers To - This line represents the total amount of money transferred to other funds inside the County.

Unappropriated Ending Fund Balance - This is the amount set aside in the budget to be used as a cash carryover to the next year's budget. It provides the local government with cash until tax money is received from the County Treasurer in November. This amount cannot generally be transferred by resolution or used through a Supplement Budget unless there is a qualifying emergency (ORS 294.371).

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix D – Budget Format

The Klamath County budget is composed of three basic units: major program categories, departments/ funds, and in some cases subprogram. The individual departments budgets are grouped into eight major program categories: General Government, Agriculture Services, Community & Economic Development, Community Services, Human Services, Internal Support, Public Safety, and Public Works.

General Government Program - This includes the general government offices such as the Commissioners, Treasurer, Assessor, Tax Collector and the County Clerk.

Agricultural Services Program – These departments/programs provide support and assistance to the community through Cooperative Extension, Agricultural Experiment Station, Watermaster, Taylor Grazing, and Weed Control.

Community & Economic Development Program - This program facilitates and stimulates the economic health of the community through development and redevelopment efforts. Included in this program are departments such as Building, Planning, Surveyor, Tourism, and Economic Development.

Community Services Program - These are public services such as Parks, Library, Museum, and Fairgrounds. This program also includes the miscellaneous public service grants to outside agencies although they are located in the Community Services budget which is in the community and Economic Development section.

Human Services Program - This includes all departments of a human caring and welfare capacity. These include departments such as Mental Health, Public Health, Veterans, and Youth Services.

Internal Support Program -These departments/programs provide needed support to all the actual public service programs. These include departments such as Personnel, Finance, Budget, Data Processing, Risk Management, and Maintenance.

Public Safety Program - This program is to encourage and facilitate the public safety of the county. Departments include Sheriff, Juvenile, District Attorney, Justice Court, and Animal Control.

Public Works Program - This program provides the community with care and construction of roads within the County. It also includes care and construction of bicycle trails and operations of the county landfills.

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix E – Fund Descriptions

General Fund - 100

This fund is the general operating fund of the county. Its two largest sources of revenue are property taxes and the Oregon and California land grant distribution. It also receives various intergovernmental revenues, fees, fines, and interest on investments. Its purpose is carrying out the legislative and executive functions of the county. The General Fund provides such services as Treasurer, Assessor, Tax Collector, Board of County Commissioners, Clerk, Justice Court, District Attorney, Sheriff's patrol, county jail, Juvenile services, emergency management, agriculture experiment station and extension, and the Watermaster.

Domestic Violence - 120

This fund is used to account for the federal grant from the Department of Justice to assist the county in dealing with domestic violence throughout the communities of Klamath County.

Internal Services - 150

This fund is used to identify and locate the costs of internal support departments among the County's operating funds. The fund contains General Administration, Human Resources, Counsel, Finance, Information Technology, Geographic Information Systems and other costs that have benefits accruing to all county operations.

External Services – 151

This fund is used to account for personnel costs associated with county employees providing services directly to component units of the County (Klamath County Library Service District).

Veterans Services - 212

This fund utilizes a percentage of the county's permanent tax base to stabilize funding to support services to veterans.

Commission on Children & Families - 220

This fund receives grants from the state Commission on Children and Families. A portion is used to fund administration of the program with the remainder of grant funds being used to fund youth programs and services in the community.

District Attorney Enforcement - 222

This fund has two major functions: liquor law enforcement and drug enforcement. The liquor law enforcement program is for liquor law enforcement under ORS 471.670. Revenues from fines imposed in the enforcement of the liquor control act and administered by the District Attorney. The enforcement is funded from drug arrests and is for the specific purpose of increasing drug enforcement efforts in Klamath County. Once the fund reaches \$100,000 the surplus will accrue to the general fund.

Tourism - 226

This fund is used to account for revenue received from the transient room tax, which the Klamath County Code directs to be used for the promotion of tourism within Klamath County.

Community Grants – 228

This fund was established for grant funds for woodstove replacement. The fund was closed in the fiscal year 2009-2010.

Sheriff Special Revenue - 229

This fund is used for forfeiture revenues for drugs operation expenses and homeland security grant funds.

Road Department - 230

This fund receives federal forest reserve apportionments as per ORS 294.060 and State Highway Fund apportionments as per ORS 366.525 as its major sources of revenue. Other revenue comes from interest on investments, reimbursement for work done, intergovernmental revenues, and miscellaneous sources. Expenditures are limited by article IX Section 3 of the Constitution of the State of Oregon, and are for the construction and

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix E – Fund Descriptions

maintenance of roads in the county. The Road Reserve Fund 421 was merged with this fund as a separate department in fiscal year 2011-2012.

Bicycle Trails - 240

This fund receives the required allocation of 1% of the state motor vehicle registration on all vehicles registered in Klamath County for the purpose of constructing and maintaining bike paths in the community. A joint city/county board administers the fund in the Klamath Falls area.

Marine Board (Sheriff) - 245

This fund provides accounting of the State and County partnership of the parole and safety on the waterways of the County

Taylor Grazing - 280

This fund is for range improvements under ORS 294.070. Monies are federal monies passed through the State Execution Department to counties and expended through written offer of the Grazing Advisory Board. There are three such boards in Klamath County.

Federal Forest Title III - 285

This fund is used to account for the special revenues from the federal rural school funds law for use on federal forest lands.

Court Facilities Security - 290

This fund is used to account for funds received under ORS 137.308(2) and maintained by the county treasurer per ORS 1.182 to provide court security for the courts.

O&C Title III - 295

This fund is used to account for the special revenues from the federal rural school funds law for use on bureau of land management lands.

Klamath Falls Streets - 315

This fund is used to account for the federal forest receipts assigned to the City of Klamath Falls per the contract regarding city street projects.

Courthouse Bond - 340

This fund was established to receive the proceeds from property tax serial levy and expenditures for the retirement of the County's general obligation bond issue for construction of the new courthouse and administrative buildings. The annual levy of about \$1.7 million will continue until the 2010-11 fiscal year. This fund was closed in the 2011-2012 fiscal year.

Fairground Bond - 350

This fund was established to receive the proceeds from property tax serial levy and expenditures for the retirement of the County's general obligation bond issue for construction of an event center at the fairgrounds. The annual levy of about \$500 thousand will continue until the 2009-2010 fiscal year. This fund was closed in the 2011-2012 fiscal year.

Road Reserves - 421

This fund was created as a reserve fund to account and track various road construction projects. This fund was closed in the fiscal year 2011-2012 and merged with Road Department Fund 230 as a department.

Landfill Site Reserve - 435

This fund is a reserve fund to account for landfill cover closure/post-closure costs. The reserve fund is funded by the Solid Waste Fund 520.

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix E – Fund Descriptions

Surveyor/Land Corner Restoration - 437

This fund is used to receive monies from all land transactions recorded in Klamath County for the purpose of re-establishing the major section corners in the county and for accounting for the cost of the surveyor program.

Equipment Rent & Revolving Reserve - 438

This fund is a reserve fund to account for vehicle and major equipment replacements. Also included are two other programs: telephone equipment reserve and technology reserve funded by all departments.

Space Rent and Revolving - 439

This fund is used to ensure adequate maintenance, operation and major maintenance for all county owned facilities and real property. A rent policy has been enacted for most county occupied facilities.

Capital Projects Reserve – 440

This fund is a reserve fund to account for major infrastructure improvements to county owned facilities.

Park Reserves - 460

This fund was established to reserve funds from sales of timber on park lands to improve future county parks. This fund was closed in fiscal year 2011-2012 and merged with Parks Fund 465 as a separate department.

Park - 465

This fund is used to account for the dedicated resources that come from RV licenses and revenues derived from the RV parks. The Parks Reserve Fund 460 was merged into this fund as a separate department in fiscal year 2011-2012.

Solid Waste - 520

This fund is used for the operation of the county sanitary landfills and the recycling education program. Revenues are derived from landfill user fees, franchise fees and the sale of scrape metals. The Recycling Fund 521 was merged into this fund in fiscal year 2012-2013.

Recycling - 521

This fund was used to account for the recycling education program. This fund was closed in fiscal year 2012-2013 to the Solid Waste Fund 520.

Weed Control - 530

This fund is used to account for noxious weed eradication in the county. Revenues are derived primarily from charges for services.

Juvenile Special Projects - 601

This fund was used to receive and expend the proceeds from juvenile projects. This fund was closed in 2011-2012 and merged with the Equipment Rent & Revolving Reserve Fund 438.

Experiment Station Field Research Project - 602

This fund is used to receive and expend the proceeds of the sales of agriculture products produced by the Klamath County/OSU Agriculture Research Station.

Community Development - 603

This fund is used to receive and expend planning, building and electrical permit fees, in providing inspection and compliance to building and electrical codes, including code and violation enforcement. This is a dedicated fund.

Property Sales - 604

This fund receives the proceeds from the sale of tax delinquent properties. A portion of the revenues are used for administration of the foreclosure and sales activities. The remainder is transferred to all taxing districts.

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix E – Fund Descriptions

Museum Complex / Sales and Donations - 605

This fund is used for the museum complex and for purchases and sales at the museum store. Additionally, it receives funds from grants and donations for items such as displays, etc.

Economic Development - 610

This fund is used to receive Economic Development monies, such as state lottery funding for regional strategies and video poker revenues, for the purpose of retention and development of Klamath County business and industry.

Community Corrections - 613

This fund is used to administer the contract with the State of Oregon for Community Corrections Services in Lake and Klamath Counties. The county has chosen to go with the Option II level of administration for Community Corrections Services. This entails having the state provide adult parole and probation services, while the county provides for utilization of enhancement grant funds.

Risk Management - 640

This fund is used to account for the county's self-insurance and risk management programs. Insurance programs administered through this fund include liability and property damage insurance, workers compensation insurance and unemployment insurance.

County School Fund - 650

This fund is established under ORS 328.005 and is the recipient of federal forest reserve apportionments under ORS 294.060, other intergovernmental revenues, and interest of investments. Expenditures are apportionments to the two school districts within the county and to the state agencies for special education costs.

Search and Rescue Operation Fund - 700

This fund is used to provide operation funds for search and rescue.

Animal Control Fund - 710

This fund is used under the provisions of ORS chapter 609 for control of dogs in the county. Revenues are from license fees and fines.

Health Services Fund - 720

This fund administers public health programs and is the recipient of intergovernmental (primarily state) revenues, client fees, and a General Fund Subsidy.

Mental Health Fund - 730

This fund administers mental health programs and is the recipient of intergovernmental (primarily state) revenues, and client fees.

Fairgrounds Fund - 740

This fund operates as a function of Klamath County, Oregon under ORS 565.210 to 565.990 inclusive. The affairs of the fairgrounds are managed by a five member Board of Directors who serve without salary. These directors are appointed for three year terms by the Klamath County Board of Commissioners. Primary revenues for the year are the county's transient room tax and user fees. Expenditures are for the maintenance, operation, and improvement of the fairgrounds.

Law Library - 760

This fund is used for the operation of the county Law Library. Revenues are primarily from an allocation of court fees.

Emergency Telephone Excise Tax - 800

This fund is used under ORS 403.240(9), which requires the County to recognize the amounts distributed by the Oregon Emergency Management to the Klamath 9-1-1 Emergency Communications District on its behalf.

Klamath County, Oregon

2012-2013 Budget Presentation

Appendix E – Fund Descriptions

Clerk Storage Fund - 9305

This fund is used to account for fees eligible to be collected and retained by the County Clerk under ORS 294.320 to 294.400.

Ambulance Advisory Training Fund - 9321

This fund is used to account for monies raised by the Ambulance Advisory Training Committee to support training of committee members.

Public Works ODOT Reserve Fund - 9323

This fund is used to account for monies transferred to a restricted account from which the Oregon Department of Transportation is performing work on behalf of the County.

Mental Health Building Reserve - 9332

This fund is a reserve fund to account for the maintenance of county buildings previously occupied by the Mental Health Department. The buildings are currently vacant and require a substantial amount of remediation.

Clerk Overpayment Fund – 9334

This fund is used to account for overpayment of clerk fees that by County policy maybe retained and used to support the operation of the County Clerk’s office.

Mental Health Rent Reserve - 9338

This fund is used to account for rental income and expenses associated with properties the Mental Health Department maintains for the benefit of its Developmentally Disabilities department.

Interoperable Radio Communications System Fund - 9345

This fund is used to construct, operate and maintain a county wide interoperable radio communications system. The primary revenues are from user fees.

PERS Reserve Fund - 9347

This fund is a reserve fund to account for contributions from the departments with employees who participate in the State of Oregon Public Employee Retirement System. It is intended to build a reserve to smooth contribution rates to the State plan in future years.

Transient Room Tax Fund - 9700

This fund is used for the collection and distribution of County’s transient room tax as established by Klamath County Code Section 603.

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Klamath County, Oregon
2012-2013 Budget Presentation
Appendix F – Wage Tables

LOCAL 121
Full-Time and Half-Time
 Hourly, FLSA Non-Exempt
 Effective July 1, 2011 (2.1%)

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
LH03	\$ 8.65	\$ 9.00	\$ 9.36	\$ 9.73	\$ 10.12	\$ 10.52	\$ 10.94
LH04	\$ 9.08	\$ 9.44	\$ 9.82	\$ 10.21	\$ 10.62	\$ 11.04	\$ 11.48
LH05	\$ 9.53	\$ 9.91	\$ 10.31	\$ 10.72	\$ 11.15	\$ 11.60	\$ 12.06
LH06	\$ 10.01	\$ 10.41	\$ 10.83	\$ 11.26	\$ 11.71	\$ 12.18	\$ 12.67
LH07	\$ 10.51	\$ 10.93	\$ 11.37	\$ 11.82	\$ 12.29	\$ 12.78	\$ 13.29
LH08	\$ 11.04	\$ 11.48	\$ 11.94	\$ 12.42	\$ 12.92	\$ 13.44	\$ 13.98
LH09	\$ 11.59	\$ 12.05	\$ 12.53	\$ 13.03	\$ 13.55	\$ 14.09	\$ 14.65
LH10	\$ 12.17	\$ 12.66	\$ 13.17	\$ 13.70	\$ 14.25	\$ 14.82	\$ 15.41
LH11	\$ 12.78	\$ 13.29	\$ 13.82	\$ 14.37	\$ 14.94	\$ 15.54	\$ 16.16
LH12	\$ 13.42	\$ 13.96	\$ 14.52	\$ 15.10	\$ 15.70	\$ 16.33	\$ 16.98
LH13	\$ 14.09	\$ 14.65	\$ 15.24	\$ 15.85	\$ 16.48	\$ 17.14	\$ 17.83
LH14	\$ 14.79	\$ 15.38	\$ 16.00	\$ 16.64	\$ 17.31	\$ 18.00	\$ 18.72
LH15	\$ 15.53	\$ 16.15	\$ 16.80	\$ 17.47	\$ 18.17	\$ 18.90	\$ 19.66
LH16	\$ 16.31	\$ 16.96	\$ 17.64	\$ 18.35	\$ 19.08	\$ 19.84	\$ 20.63
LH17	\$ 17.13	\$ 17.82	\$ 18.53	\$ 19.27	\$ 20.04	\$ 20.84	\$ 21.67
LH18	\$ 17.99	\$ 18.71	\$ 19.46	\$ 20.24	\$ 21.05	\$ 21.89	\$ 22.77
LH19	\$ 18.89	\$ 19.65	\$ 20.44	\$ 21.26	\$ 22.11	\$ 22.99	\$ 23.91
LH20	\$ 19.83	\$ 20.62	\$ 21.44	\$ 22.30	\$ 23.19	\$ 24.12	\$ 25.08
LH21	\$ 20.82	\$ 21.65	\$ 22.52	\$ 23.42	\$ 24.36	\$ 25.33	\$ 26.34
LH22	\$ 21.86	\$ 22.73	\$ 23.64	\$ 24.59	\$ 25.57	\$ 26.59	\$ 27.65
LH23	\$ 22.95	\$ 23.87	\$ 24.82	\$ 25.81	\$ 26.84	\$ 27.91	\$ 29.03
LH24	\$ 24.10	\$ 25.06	\$ 26.06	\$ 27.10	\$ 28.18	\$ 29.31	\$ 30.48
LH25	\$ 25.31	\$ 26.32	\$ 27.37	\$ 28.46	\$ 29.60	\$ 30.78	\$ 32.01
LH26	\$ 26.58	\$ 27.64	\$ 28.75	\$ 29.90	\$ 31.10	\$ 32.34	\$ 33.63
LH27	\$ 27.91	\$ 29.03	\$ 30.19	\$ 31.40	\$ 32.66	\$ 33.97	\$ 35.33

LOCAL 121
Salaried, FLSA Exempt
Effective July 1, 2011 (2.1%)

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
LF03	\$ 1,499	\$ 1,559	\$ 1,621	\$ 1,686	\$ 1,754	\$ 1,824	\$ 1,897
LF04	\$ 1,574	\$ 1,637	\$ 1,702	\$ 1,770	\$ 1,841	\$ 1,915	\$ 1,992
LF05	\$ 1,653	\$ 1,719	\$ 1,788	\$ 1,859	\$ 1,933	\$ 2,011	\$ 2,091
LF06	\$ 1,735	\$ 1,805	\$ 1,877	\$ 1,952	\$ 2,030	\$ 2,111	\$ 2,196
LF07	\$ 1,822	\$ 1,895	\$ 1,971	\$ 2,050	\$ 2,132	\$ 2,217	\$ 2,305
LF08	\$ 1,913	\$ 1,990	\$ 2,069	\$ 2,152	\$ 2,238	\$ 2,328	\$ 2,421
LF09	\$ 2,009	\$ 2,089	\$ 2,173	\$ 2,260	\$ 2,350	\$ 2,444	\$ 2,542
LF10	\$ 2,109	\$ 2,194	\$ 2,281	\$ 2,373	\$ 2,468	\$ 2,566	\$ 2,669
LF11	\$ 2,215	\$ 2,303	\$ 2,395	\$ 2,491	\$ 2,591	\$ 2,695	\$ 2,802
LF12	\$ 2,325	\$ 2,418	\$ 2,515	\$ 2,616	\$ 2,720	\$ 2,829	\$ 2,942
LF13	\$ 2,442	\$ 2,539	\$ 2,641	\$ 2,747	\$ 2,856	\$ 2,971	\$ 3,090
LF14	\$ 2,564	\$ 2,666	\$ 2,773	\$ 2,884	\$ 2,999	\$ 3,119	\$ 3,244
LF15	\$ 2,692	\$ 2,800	\$ 2,912	\$ 3,028	\$ 3,149	\$ 3,275	\$ 3,406
LF16	\$ 2,827	\$ 2,940	\$ 3,057	\$ 3,180	\$ 3,307	\$ 3,439	\$ 3,577
LF17	\$ 2,968	\$ 3,087	\$ 3,210	\$ 3,339	\$ 3,472	\$ 3,611	\$ 3,755
LF18	\$ 3,116	\$ 3,241	\$ 3,371	\$ 3,505	\$ 3,646	\$ 3,791	\$ 3,943
LF19	\$ 3,272	\$ 3,403	\$ 3,539	\$ 3,681	\$ 3,828	\$ 3,981	\$ 4,140
LF20	\$ 3,436	\$ 3,573	\$ 3,716	\$ 3,865	\$ 4,019	\$ 4,180	\$ 4,347
LF21	\$ 3,608	\$ 3,752	\$ 3,902	\$ 4,058	\$ 4,220	\$ 4,389	\$ 4,565
LF22	\$ 3,788	\$ 3,939	\$ 4,097	\$ 4,261	\$ 4,431	\$ 4,609	\$ 4,793
LF23	\$ 3,977	\$ 4,136	\$ 4,302	\$ 4,474	\$ 4,653	\$ 4,839	\$ 5,033
LF24	\$ 4,176	\$ 4,343	\$ 4,517	\$ 4,698	\$ 4,886	\$ 5,081	\$ 5,284
LF25	\$ 4,385	\$ 4,560	\$ 4,743	\$ 4,932	\$ 5,130	\$ 5,335	\$ 5,548
LF26	\$ 4,604	\$ 4,788	\$ 4,980	\$ 5,179	\$ 5,386	\$ 5,602	\$ 5,826
LF27	\$ 4,834	\$ 5,028	\$ 5,229	\$ 5,438	\$ 5,656	\$ 5,882	\$ 6,117

NON-UNION
Full-Time, Half-Time & Part-Time
 Hourly, FLSA Non- Exempt
 Effective July 1, 2011 (2.1%)

GRADE	STEP 1	STEP 2 Merit	STEP 3 Merit	STEP 4 Merit	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
UH03	\$ 8.23	\$ 8.48	\$ 8.78	\$ 9.13	\$ 9.52	\$ 9.88	\$ 10.25
UH04	\$ 8.47	\$ 8.75	\$ 9.04	\$ 9.41	\$ 9.80	\$ 10.16	\$ 10.60
UH05	\$ 8.91	\$ 9.19	\$ 9.50	\$ 9.87	\$ 10.31	\$ 10.69	\$ 11.14
UH06	\$ 9.37	\$ 9.65	\$ 9.96	\$ 10.38	\$ 10.75	\$ 11.22	\$ 11.68
UH07	\$ 9.59	\$ 9.99	\$ 10.44	\$ 10.92	\$ 11.39	\$ 11.90	\$ 12.47
UH08	\$ 10.03	\$ 10.49	\$ 11.00	\$ 11.49	\$ 11.97	\$ 12.42	\$ 13.09
UH09	\$ 10.56	\$ 11.03	\$ 11.54	\$ 12.05	\$ 12.57	\$ 13.13	\$ 13.75
UH10	\$ 11.09	\$ 11.59	\$ 12.10	\$ 12.63	\$ 13.21	\$ 13.80	\$ 14.42
UH11	\$ 11.38	\$ 11.75	\$ 12.12	\$ 12.63	\$ 13.13	\$ 13.67	\$ 14.21
UH12	\$ 11.63	\$ 12.16	\$ 12.70	\$ 13.26	\$ 13.85	\$ 14.51	\$ 15.15
UH13	\$ 12.22	\$ 12.76	\$ 13.32	\$ 13.94	\$ 14.56	\$ 15.21	\$ 15.92
UH14	\$ 12.81	\$ 13.40	\$ 14.00	\$ 14.61	\$ 15.26	\$ 16.00	\$ 16.68
UH15	\$ 13.47	\$ 14.04	\$ 14.68	\$ 15.36	\$ 16.07	\$ 16.80	\$ 17.51
UH16	\$ 14.17	\$ 14.79	\$ 15.45	\$ 16.13	\$ 16.86	\$ 17.61	\$ 18.42
UH17	\$ 14.87	\$ 15.55	\$ 16.21	\$ 16.94	\$ 17.74	\$ 18.49	\$ 19.34
UH18	\$ 15.61	\$ 16.30	\$ 17.02	\$ 17.80	\$ 18.56	\$ 19.43	\$ 20.30
UH19	\$ 16.37	\$ 17.09	\$ 17.88	\$ 18.69	\$ 19.54	\$ 20.40	\$ 21.32
UH20	\$ 17.17	\$ 17.94	\$ 18.76	\$ 19.63	\$ 20.48	\$ 21.45	\$ 22.39
UH21	\$ 18.04	\$ 18.86	\$ 19.72	\$ 20.57	\$ 21.52	\$ 22.47	\$ 23.50
UH22	\$ 18.96	\$ 19.79	\$ 20.72	\$ 21.62	\$ 22.63	\$ 23.59	\$ 24.66
UH23	\$ 19.88	\$ 20.79	\$ 21.70	\$ 22.73	\$ 23.72	\$ 24.78	\$ 25.92
UH24	\$ 20.89	\$ 21.82	\$ 22.81	\$ 23.86	\$ 24.93	\$ 26.04	\$ 27.21
UH25	\$ 21.95	\$ 22.93	\$ 23.98	\$ 25.02	\$ 26.16	\$ 27.33	\$ 28.58
UH26	\$ 23.01	\$ 24.08	\$ 25.15	\$ 26.31	\$ 27.46	\$ 28.69	\$ 30.00
UH27	\$ 24.18	\$ 25.27	\$ 26.40	\$ 27.58	\$ 28.84	\$ 30.14	\$ 31.50
UH28	\$ 25.38	\$ 26.51	\$ 27.75	\$ 28.98	\$ 30.27	\$ 31.65	\$ 33.06
UH29	\$ 26.68	\$ 27.85	\$ 29.12	\$ 30.41	\$ 31.79	\$ 33.22	\$ 34.74
UH30	\$ 28.03	\$ 29.25	\$ 30.59	\$ 31.95	\$ 33.39	\$ 34.88	\$ 36.46
UH31	\$ 29.40	\$ 30.72	\$ 32.08	\$ 33.54	\$ 35.05	\$ 36.63	\$ 38.30
UH32	\$ 30.88	\$ 32.27	\$ 33.69	\$ 35.23	\$ 36.81	\$ 38.46	\$ 40.20
UH33	\$ 32.42	\$ 33.89	\$ 35.39	\$ 36.98	\$ 38.66	\$ 40.38	\$ 42.18
UH34	\$ 34.02	\$ 35.57	\$ 37.15	\$ 38.83	\$ 40.59	\$ 42.43	\$ 44.31
UH35	\$ 35.75	\$ 37.34	\$ 39.02	\$ 40.80	\$ 42.63	\$ 44.55	\$ 46.54
UH36	\$ 37.53	\$ 39.22	\$ 40.96	\$ 42.82	\$ 44.75	\$ 46.76	\$ 48.85

NON-UNION
Full-Time and Half-Time
 Salaried, FLSA Exempt
 Effective July 1, 2011 (2.1%)

GRADE	STEP 1 Merit	STEP 2 Merit	STEP 3 Merit	STEP 4 Merit	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
UF08	\$1,659	\$1,734	\$1,811	\$1,892	\$1,977	\$2,069	\$2,161
UF09	\$1,742	\$1,822	\$1,902	\$1,985	\$2,078	\$2,169	\$2,269
UF10	\$1,828	\$1,912	\$1,996	\$2,087	\$2,181	\$2,279	\$2,382
UF11	\$1,920	\$2,009	\$2,097	\$2,193	\$2,292	\$2,392	\$2,501
UF12	\$2,016	\$2,108	\$2,202	\$2,301	\$2,404	\$2,513	\$2,630
UF13	\$2,117	\$2,212	\$2,311	\$2,416	\$2,526	\$2,639	\$2,759
UF14	\$2,225	\$2,324	\$2,427	\$2,537	\$2,650	\$2,771	\$2,896
UF15	\$2,335	\$2,443	\$2,547	\$2,663	\$2,784	\$2,908	\$3,040
UF16	\$2,452	\$2,561	\$2,678	\$2,796	\$2,925	\$3,056	\$3,194
UF17	\$2,573	\$2,689	\$2,812	\$2,937	\$3,068	\$3,207	\$3,351
UF18	\$2,701	\$2,823	\$2,951	\$3,083	\$3,223	\$3,367	\$3,521
UF19	\$2,837	\$2,964	\$3,098	\$3,236	\$3,385	\$3,536	\$3,693
UF20	\$2,978	\$3,112	\$3,254	\$3,401	\$3,551	\$3,714	\$3,880
UF21	\$3,130	\$3,269	\$3,414	\$3,572	\$3,728	\$3,899	\$4,072
UF22	\$3,283	\$3,432	\$3,586	\$3,750	\$3,915	\$4,092	\$4,276
UF23	\$3,449	\$3,603	\$3,765	\$3,936	\$4,115	\$4,300	\$4,492
UF24	\$3,620	\$3,784	\$3,955	\$4,132	\$4,317	\$4,512	\$4,717
UF25	\$3,801	\$3,972	\$4,151	\$4,339	\$4,535	\$4,738	\$4,953
UF26	\$3,994	\$4,174	\$4,361	\$4,558	\$4,759	\$4,975	\$5,200
UF27	\$4,194	\$4,381	\$4,578	\$4,786	\$4,997	\$5,223	\$5,461
UF28	\$4,400	\$4,601	\$4,805	\$5,023	\$5,247	\$5,483	\$5,734
UF29	\$4,621	\$4,832	\$5,049	\$5,274	\$5,509	\$5,758	\$6,020
UF30	\$4,853	\$5,070	\$5,297	\$5,539	\$5,786	\$6,045	\$6,318
UF31	\$5,096	\$5,325	\$5,566	\$5,817	\$6,076	\$6,350	\$6,637
UF32	\$5,351	\$5,592	\$5,842	\$6,106	\$6,376	\$6,668	\$6,967
UF33	\$5,617	\$5,872	\$6,135	\$6,412	\$6,697	\$6,999	\$7,317
UF34	\$5,900	\$6,165	\$6,440	\$6,732	\$7,032	\$7,352	\$7,681

DEPARTMENT HEAD Salary Schedule
Full-Time, FLSA Exempt
Effective July 1, 2011 (2.1%)

GRADE	STEP 1 Merit	STEP 2 Merit	STEP 3 Merit	STEP 4 Merit	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
DF1	\$2,854	\$2,968	\$3,087	\$3,210	\$3,339	\$3,472	\$3,611
DF2	\$2,997	\$3,117	\$3,241	\$3,371	\$3,506	\$3,646	\$3,792
DF3	\$3,147	\$3,272	\$3,403	\$3,539	\$3,681	\$3,828	\$3,981
DF4	\$3,304	\$3,436	\$3,573	\$3,716	\$3,865	\$4,020	\$4,180
DF5	\$3,469	\$3,608	\$3,752	\$3,902	\$4,058	\$4,221	\$4,389
DF6	\$3,643	\$3,788	\$3,940	\$4,097	\$4,261	\$4,432	\$4,609
DF7	\$3,825	\$3,978	\$4,137	\$4,302	\$4,474	\$4,653	\$4,839
DF8	\$4,016	\$4,176	\$4,344	\$4,517	\$4,698	\$4,886	\$5,081
DF9	\$4,217	\$4,385	\$4,561	\$4,743	\$4,933	\$5,130	\$5,335
DF10	\$4,427	\$4,605	\$4,789	\$4,980	\$5,180	\$5,387	\$5,602
DF11	\$4,649	\$4,835	\$5,028	\$5,229	\$5,439	\$5,656	\$5,882
DF12	\$4,881	\$5,077	\$5,280	\$5,491	\$5,710	\$5,939	\$6,176
DF13	\$5,125	\$5,330	\$5,544	\$5,765	\$5,996	\$6,236	\$6,485
DF14	\$5,382	\$5,597	\$5,821	\$6,054	\$6,296	\$6,548	\$6,809
DF15	\$5,651	\$5,877	\$6,112	\$6,356	\$6,611	\$6,875	\$7,150
DF16	\$5,933	\$6,171	\$6,417	\$6,674	\$6,941	\$7,219	\$7,507
DF17	\$6,230	\$6,479	\$6,738	\$7,008	\$7,288	\$7,580	\$7,883
DF18	\$6,541	\$6,803	\$7,075	\$7,358	\$7,653	\$7,959	\$8,277
DF19	\$6,868	\$7,143	\$7,429	\$7,726	\$8,035	\$8,357	\$8,691

701
Hourly, FLSA Non-Exempt
Effective July 1, 2011 (2.1%)

Division	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
Div 1	\$ 15.34						
Div 2	\$ 16.66	\$ 17.33	\$ 18.02	\$ 18.75	\$ 19.49	\$ 20.27	\$ 21.07
Div 3	\$ 17.50	\$ 18.20	\$ 18.93	\$ 19.68	\$ 20.47	\$ 21.29	\$ 22.14
Div 4	\$ 18.38	\$ 19.11	\$ 19.88	\$ 20.68	\$ 21.50	\$ 22.36	\$ 23.26
Div 5	\$ 19.30	\$ 20.07	\$ 20.88	\$ 21.72	\$ 22.58	\$ 23.48	\$ 24.42

OREGON NURSE'S ASSOCIATION (ONA) SALARY SCHEDULE
Full and Half-Time, FLSA Exempt
Effective July 1, 2010 (2.0%)

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
OF01-FT (Full-time) FLSA Exempt	\$3,887	\$4,010	\$4,143	\$4,304	\$4,481	\$4,658	\$4,848
OF02-FT (Full-time) FLSA Exempt	\$4,275	\$4,410	\$4,557	\$4,735	\$4,928	\$5,124	\$5,333
OF01-HT (Half-time) FLSA Exempt	\$1,943	\$2,005	\$2,071	\$2,153	\$2,240	\$2,328	\$2,424
OF01-PT (Part-time) Hourly	\$22.42	\$23.14	\$23.90	\$24.83	\$25.85	\$26.87	\$27.97

Effective July 1, 2010 the wage rates shall be adjusted in the amount of the annual average percentage increase of the Consumer Price Index (All Urban Consumers) US Cities West for the prior calendar year, not less than two (2) percent nor more than six (6) percent.

All ONA nurses shall, for purposes of the FLSA, be considered exempt, salaried, professional employees.

Each full time Public Health Nurse (PHN) or Community Outreach Nurse (CON) shall be advanced one step in the salary schedule on his/her anniversary date.

Effective January 1, 2005 the bilingual nurse shall be compensated for bilingual responsibilities with a 5% stipend on base salary.

FOPPO
 Hourly Non-Exempt
 Effective July 1, 2011 (2.1% COLA)

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
PO II	\$ 19.35	\$ 20.12	\$ 20.92	\$ 21.76	\$ 22.63	\$ 23.54	\$ 24.48
POIII/C	\$ 21.31	\$ 22.16	\$ 23.05	\$ 23.97	\$ 24.93	\$ 25.93	\$ 26.97
POIII/S	\$ 22.39	\$ 23.28	\$ 24.21	\$ 25.18	\$ 26.19	\$ 27.24	\$ 28.33
Lead PO	***See Below***						

POII = Probation Officer II
 POIII/C = Probation Officer III - County
 POIII/S = Probation Officer III - State

KCPOA SALARY SCHEDULE

EFFECTIVE 7/1/2011

2.1% COLA

PLAN "B" - KLAMATH COUNTY EMPLOYEES' PENSION PLAN

PLAN "A" - PERS RETIREMENT

<i>PAY PLAN "B"</i>	GRADE	STEP 1 6 MO.	STEP 2 6 MO.	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
CLERK I	PH01	\$13.61	\$14.15	\$14.72	\$15.31	\$15.92	\$16.56	\$17.22
CLERK II	PH02	\$15.96	\$16.60	\$17.26	\$17.95	\$18.67	\$19.42	\$20.19
CIVIL DEPUTY & COURT SECURITY OFFICER	PH04	\$17.03	\$17.71	\$18.42	\$19.16	\$19.92	\$20.72	\$21.55
SENIOR CIVIL DEPUTY	PH05	\$19.34	\$20.11	\$20.92	\$21.76	\$22.63	\$23.53	\$24.47
<i>PAY PLAN "A"</i>	GRADE	STEP 1 6 MO.	STEP 2 6 MO.	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
JAIL	PH07	\$19.23	\$20.19	\$21.20	\$22.26	\$23.38	\$24.54	\$25.77
CORPORAL	PH08	\$20.20	\$21.21	\$22.27	\$23.39	\$24.55	\$25.78	\$27.07
PATROL	PH10	\$19.81	\$20.80	\$21.84	\$22.93	\$24.08	\$25.28	\$26.55
CORPORAL	PH11	\$20.78	\$21.82	\$22.91	\$24.06	\$25.26	\$26.52	\$27.85

Section 19.4 Certification/Education Pay. Eligible employees shall receive monthly certification and education pay calculated as a percentage of base hourly salary and added thereto to the following:

- 1 Intermediate BPSST Certification - 3.0%
- 2 Associate Degree in Law Enforcement or related subject matter - 2.5%
- 3 Advanced BPSST Certification - 6%
- 4 Bachelors of Arts or Science - 5%
- 5 Bilingual in Spanish or Sign Language 2.5%

Spanish fluency in street-Spanish as spoken in Klamath County. Bilingual proficiency to be determined by a court interpreter who shall verify fluency to an extent which is reliable and admissible in judicial proceedings. The maximum allowable premium pay for any combination premiums listed above shall be ten percent (10%). An employee may claim only *one certification premium and in addition one education premium.*

Revised 3/14/11

SERGEANT'S Teamsters Salary Schedule
Full-Time, FLSA Exempt
Effective July 1, 2011 (2.1% COLA)

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
SF01	\$5,315	\$ 5,528	\$ 5,749	\$ 5,979	\$ 6,218	\$ 6,467	\$ 6,725

LIEUTENANT'S Salary Schedule
Full-Time, FLSA Exempt
Effective July 1, 2011 (2.1% COLA)

GRADE							
	\$7,061.25						

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