

Proposed Budget



2016-2017

Budget Committee Members

Board of Commissioners

Tom Mallams
Kelley Minty Morris
Jim Bellet

Citizen Committee Members

Del Fox
Bill Scally
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Klamath County, Oregon

2016-2017 Budget Presentation

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BUDGET PRESENTATION

Compensation Committee
General Government
Treasurer
Assessor
Tax Collector
Clerk
Commissioner
Surveyor
Other Funds
Agriculture
Taylor Grazing
Watermster
OSU Extension
Community Development
Community Development
Solid Waste
Parks
Planning
Building
Onsite
Code Enforcement
Other Funds

Klamath County, Oregon 2016-2017 Budget Presentation Table of Contents

BUDGET PRESENTATION (continued)

Community Services

- Law Library
- Museum
- Fairgrounds

Human Services

- Public Health
- Mental Health
- Veterans

Internal Services

- General Administration
- Human Resources
- Counsel
- Finance
- Information Technology
- Geographic Information Systems
- Multimedia
- Maintenance
- Other Funds

Public Safety

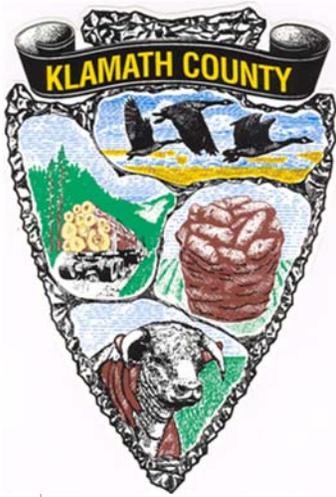
- District Attorney
- Justice Court
- Sheriff
- Animal Control
- Juvenile
- Community Corrections
- Emergency Management
- State Courts
- Other Funds

Public Works

- Public Works

INTRODUCTORY SECTION

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Klamath County Board of Commissioners

Klamath County adopted the Missions, Values and Vision statement to provide a framework for making decisions that impact Klamath County government and the community.

Knowing the mission, values and vision of the organization enables our leaders and employees to consider the greater good when making tough decisions.

Mission, Values and Vision Statement

Klamath County, Oregon

2016-17 Proposed Budget

Mission

Serving our Citizens through Stewardship

Values

Service

- **Integrity**—acting in a consistent method in regards to our values, methods, measures, principles, expectations, and outcomes.
- **Ethics**—acting in a responsible, honest and truthful manner.
- **Leadership**—the mark of true leadership is not power and privilege, but humble service that puts the needs of our community first.

Stewardship

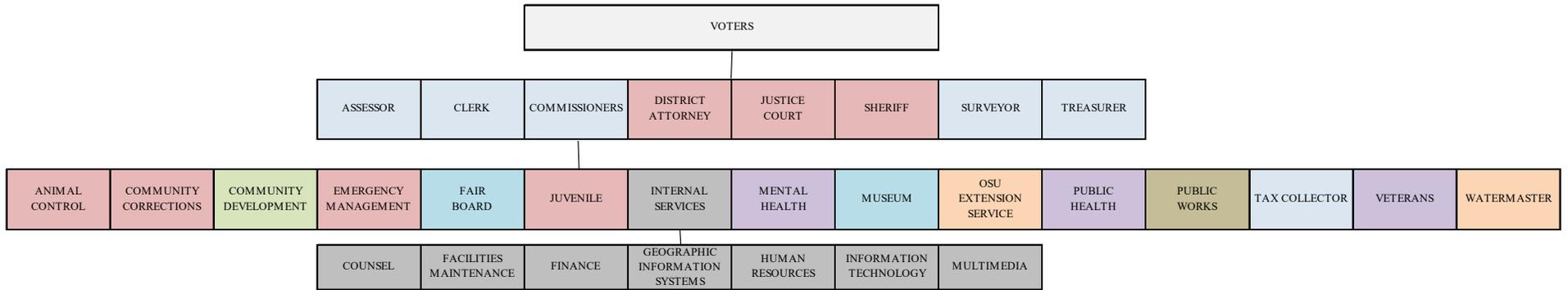
- **Protection**—protection of Life, Liberty and the Pursuit of Happiness is the primary role of government.
- **Environment**—responsible use and protection of the natural environment through conservation and sustainable practices.
- **Accountability**—responsible planning and management of resources through a fair and transparent process.

Vision

- **Community**—nurturing an environment that builds strong, healthy families through voluntary associations across diverse personal and family interests.
- **Relationships**—enhancing community cooperation and understanding between families, neighborhoods, businesses and individuals to achieve common goals.
- **Future**—strategic planning to maintain a fiscally sustainable organization.

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Klamath County, Oregon 2016-2017 Budget Presentation Organizational Chart



GENERAL GOVERNMENT
AGRICULTURE
COMMUNITY & ECONOMIC DEVELOPMENT
COMMUNITY SERVICES
HUMAN SERVICES
INTERNAL SERVICES
PUBLIC SAFETY
PUBLIC WORKS

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Klamath County, Oregon
2016-2017 Budget Presentation
List of Elected Officials

<u>Position</u>	<u>Name</u>	<u>Term Expires</u>
Assessor	Leonard Hill	January 2, 2017
Clerk	Linda Smith	January 7, 2019
Commissioners	Tom Mallams	January 2, 2017
	Kelley Minty Morris	January 7, 2019
	Jim Bellet	January 2, 2017
District Attorney	Rob Patridge	January 7, 2019
Justice of the Peace	Karen Oakes	January 2, 2017
Sheriff	Frank Skrah	January 2, 2017
Surveyor	Michael Markus	January 2, 2017
Treasurer	Jason Link	January 2, 2017

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Klamath County, Oregon
2016-2017 Budget Presentation
List of Appointed Officials

Position	Name
Animal Control Officer	James Nielsen
Building Official	Gregory Seger
Chief Financial Officer	Jason Link
Community Corrections Director	Kiki Parker-Rose
Community Development Manager	Stephanie Brown
County Counsel	Dave Groff
Developmental Disability Director	Carrie Buck
Emergency Manager	Morgan Lindsay
Fair Manager	Richard Hoggarth
Human Resources Director	Daneen Dail
Information Technology Director	Randall Paul
Juvenile Director	Dan Golden
Maintenance Director	Thomas Banks
Museum Manager	Todd Kepple
Onsite Manager	Debbie Lawhorn
Planning Director	Mark Gallagher
Public Health Director	Marilynn Sutherland
Public Works Director	Stan Strickland
Tax Collector & Property Manager	Rafael Hernandez
Solid Waste & Parks Manager	Tom Crist
Veterans Service Officer	Kathy Pierce

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Klamath County, Oregon
2016-2017 Budget Presentation
List of Boards, Committees and Commissions

Administrative Advisory Committee
Ambulance Advisory Board
Bicycle & Pedestrian 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
Developmental Disabilities Advisory Board
Dock Commission
Dog Commission
DUI Task Force Committee
Economic Development Advisory Committee
Board of Equalization
Energy Advisory Committee
Fair Board
Farm Use Board of Review
Grazing Advisory Committee
Health Board
Historical Landmark Commission
Law Library Advisory Board
Local Alcohol and Drug Planning Committee
Local Public Safety Advisory Committee
Local Public Safety Coordinating Council
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 Grant Review Panel
Veterans Advisory Council
Water Resources Advisory Committee
Weed Control Advisory Committee
Wolf Depredation Compensation Committee

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Klamath County, Oregon 2016-2017 Budget Presentation Budget Calendar

Prepare Budget Documents	January through April 10, 2016
Publish First Notice of Budget Committee Meeting (5 to 30 days before meeting)	March 25, 2016
Post Notice of Budget Committee Meeting on website	March 23, 2016
Budget Committee Meetings	April 11, 2016 through April 15, 2016
Submit CAFFA Grant to State of Oregon	May 2, 2016
Prepare Budget Summary	May 3, 2016 through June 12, 2016
Publish Budget Summary and Notice of Budget Hearing (5 to 30 days before hearing)	June 10, 2016
Public Hearing by Board of Commissioners	June 21, 2016
Board of Commissioners Adopts Budget, Makes Appropriations, Imposes Taxes, and Categorizes Taxes	June 21, 2016
Certify Taxes to County Assessor	July 15, 2016

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BUDGET MESSAGE

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April 11, 2016

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

The total proposed Klamath County budget for fiscal year 2016-2017 is \$185,676,009 compared to the adopted budget for fiscal year 2015-2016 of \$185,452,903. The proposed budget for fiscal year 2016-2017 continues on the principles adopted in fiscal year 2015-2016. However, there are some significant changes in operations projected in this budget and more changes are on the near horizon.

There were two money measures on the May, 2015, ballot, one that would form a special service district that would support Oregon State University (OSU) extension services and another for a five-year jail operations local option tax. The measure for the creation of the Klamath County Extension Service District passed, while the measure for the jail operations local option tax did not pass. Operations that were previously accounted for as part of the county budget (OSU Extension and Experiment Station) have been eliminated from the county's 2016-2017 proposed budget as these operations are now accounted for in the budget of the Klamath County Extension Service District. Finding funds to maintain service levels in public safety departments will continue to be of importance to the county as the general fund does not have sufficient sustainable revenues to maintain the current service level.

The two main federal revenue sources in the general fund are payment in lieu of taxes and shared revenues from the Oregon & California Railroad lands. Payment in lieu of taxes is a required payment of the federal government but is subject to annual budget appropriation. Klamath County has historically received an average of approximately \$750,000. The proposed budget does not contemplate the receipt of these funds. The federal government shares proceeds from the management of the Oregon & California Railroad lands with the local communities. These shared revenues have been impacted by the secure rural schools legislation. Klamath County's historical receipt of these funds is approximately \$900,000. In the proposed budget the county is estimating the receipt of \$420,000 due to the expiration of secure rural schools legislation. There are a number of proposed legislative measures that propose funding for these payments in the federal 2017 fiscal year and beyond, but none have been signed into law.

In addition, the Board of Commissioners have recommended the continued use of shared federal forest land revenues in the road fund to supplement the general fund resources allocated to the Sheriff department. In the proposed budget, \$850,000 is proposed to be transferred from the road fund to the general fund. Through the 2015-16 fiscal year a total of \$6.25 million has been used (2013 \$2.00 million; 2014 \$1.70 million; 2015 \$1.70 million; 2016 \$0.85 million). The Board of Commissioners commissioned a

task force to provide advice to them on the continued use of these funds. The task force recommended multiple options to the Board but overall recommended that the use of the funds not be used in perpetuity.

The Board of Commissioners with the consent of the budget committee approved (Budget Resolutions 2016-001 and 2016-004) an increase in the Sheriff department budget after adoption of the budget in fiscal year 2015-2016 to restore service level back to the level provided in fiscal year 2014-2015. These resolutions provided \$1,147,692 in additional support to the Sheriff department based on federal revenues of \$894,792 (payment in lieu of taxes and secure rural schools legislation related to the Oregon & California Railroad lands) and \$252,900 in funding from community corrections (House Bill 3194 funds). The Sheriff department was able to use these funds to leverage additional funds to restore the service level. The impact was an increase of \$2,109,235 in the budget. The Board of Commissioners has indicated their desire to restore funding to the Sheriff department if additional federal revenues are secured (\$800,000 from payment in lieu of taxes and \$425,000 in secure rural schools legislation related to the Oregon & California Railroad lands).

In the general fund, the Board of Commissioners have proposed a budget that does not match current anticipated revenues with expenses. The proposed budget will spend more money than is currently anticipated to be received by approximately \$1.67 million. If the road fund transfer is eliminated this would increase to \$2.52 million. This is primarily to maintain a minimal funding for base level programming. The proposed budget is not a sustainable budget. I define a sustainable budget as one in which current ongoing revenues are matched with current expenditures.

It is imperative that working capital is maintained in the general fund to provide resources to operate from July to November when property taxes are received. That working capital amount is estimated in a range of \$3.60 million to \$3.90 million. The proposed budget would provide for an ending fund balance of approximately \$2.80 million. This is \$0.80 million to \$1.10 million less than what is estimated. The general fund was able to start the 2016 fiscal year with funds in excess of that amount so therefore no loan was necessary this fiscal year. If the proposed budget is adopted it is likely that the general fund would need to borrow funds in the 2017-2018 fiscal year.

The Consumer Price Index (CPI-W) has risen 0.88% over the prior year. Fiscal year 2017 is the second half of the State's biennium budget so those portions of the County budget most affected by the State budget could see significant changes.

The State of Oregon just passed legislation that will increase the minimum wage in the state of Oregon from its current rate of \$9.25 per hour. The six-year plan would raise wages starting this July, to \$9.75 in urban areas and \$9.50 in a lower, rural tier. Increases would top out in 2022 at \$14.75 inside Portland's urban growth boundary, \$13.50 in mid-size counties and \$12.50 in so-called "frontier" areas. Klamath County is included in the rural "frontier" locations. The proposed budget does not contain any modifications for this change in Oregon's minimum wage. The county is likely to see significant increases in personnel costs as the minimum wage rate increases. This will require the county to reimagine how it delivers services to the community.

The budget includes a cost of living increase for most public safety unions of 2.00% and a 1.00% increase for other union and unrepresented groups. There is an \$80 a month increase in the health insurance medical contribution for most employees. The public safety union employees are budgeted on average to increase by \$105 per month. There are also increases budgeted to accommodate merit step increases for those who have not reached the top of their pay range.

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. The Oregon legislature has passed legislative changes to the PERS system which has caused the County contribution rates to increase moderately. In addition PERS announced in February 2016 that its unfunded liability had increased from \$18 billion to between \$21 and \$22 billion. Klamath County's mandatory contribution rates to PERS for the 2015-2017 state biennium have increased to 5.99% from 4.69% for Tier I and II and increased to 1.02% from 0.49% for OPSRP.

The County Pension Plan is also experiencing high unfunded actuarial liabilities. The recommended contribution rate from the actuary for the 2017 fiscal year is 13.03% a decrease of 2.69% from the prior report. The contribution rate proposed in the budget has remained constant at 17.00% for fiscal year 2017. The rate is projected to decrease from 13.03% in 2017 to approximately 11.00% in 2018. The Board of Commissioners felt it was prudent to leave it at the current rate to pay down some of the outstanding liability in the pension plan next year.

Current forecasts of the State budget for the current biennium are increasing in most areas as the state recovers from the recession and tax revenue increases. Property values appear to have stabilized and are increasing, which should have a positive impact on the amount of property taxes available.

The county, cities, and tax districts are continuing to face serious financial concerns as a result of flattening revenues and increasing costs. Property tax increases are not keeping pace with the cost of providing services. 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 lack of recovery in the local economy is continuing to effect individuals and families including taxing districts.

The budget was based on the target budget approved by the Board of Commissioners. This budget does have services that are changing due to changes in funding at the State level, including Community Corrections, Mental Health, and Public Health to name a few areas. Services in Community Development appear to have stabilized and are seeing a slight increase due to the recovering housing market.

We realize many programs costs are increasing faster than revenues will support. This is causing departments to ask for money from the general fund. Remember that any changes to the budget will affect other programs as directed by the Board.

If federal legislation for payment in lieu of taxes and secure rural schools are not reauthorized or funded and the economy continues to underperform, service levels provided by most departments will be impacted.

The Budget Committee and the Board of Commissioners need to plan strategically for how the County will operate on a sustainable basis without the use of these federal funds or encourage federal legislation to sustain them on an annual basis. Another consideration is the continued use of shared federal forest receipts in the road fund. If the county continues to use these funds the county will likely need to ask voters or other governmental agencies for support in maintaining its roads on an annual basis.

The general fund does not have sufficient reserves to weather the expiration of federal legislation for payment in lieu of taxes and secure rural schools and maintain service levels at the level in the 2017 proposed budget. I feel compelled to bring this to the Budget Committee's attention because there are those who look at the anticipated working capital and feel that it should be used to expand or maintain services at this time, by providing funding for governmental services, or non-mandated services and other governmental or non-profit organizations, and for a multitude of other possibilities. This is not the time to use working capital funds to increase operating expenditures. We need to think strategically and reach a point where current operating revenues are matching current expenditures. If additional resources present themselves, (e.g., secure rural schools reauthorization) then the Board of Commissioners should look to make strategic investments into departments or pay down the pension liability to reduce the employer contribution rates in the future.

Sufficient funds are not currently budgeted to provide appropriate cash flow for the 2018 fiscal year. The working capital in the general fund is not sufficient to provide operating cash until property taxes are received in November nor does it have sufficient funding for other contingencies within the fund. The Budget Committee is expected to deliberate and make decisions to ensure that appropriate resources are available to begin the following fiscal year. An operating loan for the general fund may be necessary in fiscal year 2018 if the proposed budget for fiscal year 2017 is adopted and no additional funding is available or expenditures are not reduced.

The proposed budget 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 Board of Commissioners. It also maintains minimum State-mandated services.

The Budget Committee has 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. Not that current operating revenues equal current operating expenditures. 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 Proposed Budget
- Short Term Financial and Other Initiatives that Impact the Proposed Budget
- Long Term Financial and Other Matters that Impact the Proposed Budget
- Significant Departmental and Fund Highlights and Issues
- 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 elected officials, department heads, program managers and my staff that participated to prepare this proposed budget.

Revenue and Expense Overview

The general fund revenues and expenditures are proposed at \$30,816,988, including transfer payments (counted twice). Proposed countywide revenues and expenditures are proposed at \$185,676,009, including transfer payments (counted twice), compared to the prior fiscal year countywide budget of \$185,452,903 and general fund budget of \$29,713,979. The majority of the revenue is cash carryover from the prior fiscal year, dedicated dollars earmarked for roads generated from federal forest receipts and gas taxes. The actual revenue and expenditures, excluding transfers, were as follows:

<u>Year</u>	<u>Revenues</u>	<u>Expenditures</u>
2014-15	\$193,121,050	\$61,106,965
2013-14	\$188,397,250	\$55,071,679
2012-13	\$197,808,146	\$65,542,041
2011-12	\$196,912,791	\$61,512,347
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

This year’s personnel budget includes cost of living increases as negotiated by various unions or matches to increases based on Board of Commissioners policy and merit steps per contract agreements. 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 11th 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 \$8,199,000 or \$1.6861 per \$1,000 of assessed value for the general fund

and \$227,000 or \$0.0465 per \$1,000 of assessed value for veterans' services. Tax estimates will be affected by the exemptions that the state legislators approve during the current session, plus any appeals approved by the State Tax Court. In addition, certain farm land in the county was changed from irrigated land to dry land during the fiscal year 2016 will likely return to irrigated land in the 2017 fiscal year. The water situation has improved this year and water distribution to farmers is expected to return to normal this coming fiscal year.

The state legislature held their short session in February 2016. There were many measures before the legislature and on the coming ballot in May that could affect this budget if approved. There are also many measures that the Federal congress is considering, that could have a major impact on the budget and the community. The involvement of our County officials during state and federal legislative cycles 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 Proposed Budget

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

Oregon House Bill 4175 permits certain counties to use federal forest reserve moneys in county road funds for law enforcement purposes related to roads. This legislation was made permanent. The 2017 budget before the Budget Committee contemplates the continued use of these fund, by including an \$850 thousand transfer from the road fund to the general fund to fund patrol services. As noted earlier, the Board of Commissioners commissioned a task force to advise it on the continued use of these funds. The task force did not recommend the use of these funds into perpetuity, therefore, the Board of Commissioners, Sheriff and Public Works Director will need to work together to determine an appropriate step down method of the use of these funds so that an abrupt cutoff or change in service is avoided.

Oregon House Bill 3453 provides that the Governor may proclaim in affected counties a public safety fiscal emergency, with unanimous agreement of the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House; permits consolidation or merger of units of local government and for intergovernmental agreements to provide services; allows imposition of income tax assessment on residents of affected counties, with the maximum rate to be specified in a proclamation and with approval of the county governing body. Several counties in Southwest Oregon are meeting to discuss how this could be implemented and what the ramifications are. If a solution to the degrading service levels of public safety in Klamath County are not adequately addressed, Klamath County may need to consider utilizing this provision.

There is currently no approved legislation that reauthorizes the secure rural schools or payment in lieu of taxes payments or sets their funding level for the 2017 fiscal year and beyond. Therefore, the budget for fiscal year 2017 before the Budget Committee contemplates the payments for shared payments from the Oregon and California Railroad land to return to levels based on the actual sales of timber and no payments for payment in lieu of taxes.

In order to trim the budget to a more balanced and sustainable level over the next few years, services will need to be reduced, eliminated, or an alternate funding source is needed to replace the declining funds from the federal government.

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

There are a number of factors affecting the proposed budget for fiscal year 2017. Some factors may continue beyond this fiscal year, 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 the Budget Committee reviews the proposed budget keep in mind what the state mandated services are and the funding level the Budget Committee approves to those mandates.

Contingency, Reserve for Future Expenditures & Unappropriated Fund Balance

At the direction of the Board of Commissioners, the fiscal year 2017 general fund proposed budget includes approximately \$2.90 million in operating contingency and reserve for future expenditures. The county has not budgeted for an unappropriated fund balance. This means the County could spend all available resources in the 2017 fiscal year with no carry forward to 2018 fiscal year.

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 \$3.6 million to \$3.9 million should be available to begin the following year. Otherwise, the general fund will borrow from another fund or an external source 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 Proposed Budget

County Facilities

During the 2016 fiscal year Developmental Disabilities and Veterans departments relocated to the space that was previously occupied by the OSU Extension and Experiment Station on Vandenberg Road. No major relocations or renovations are planned for the 2017 fiscal year.

The County is in possession of many vacant buildings and will need to develop a plan for which departments it may relocate to these facilities or the County may choose to dispose of the property. Also there are many other county owned buildings that are requiring significant remediation costs that are not being planned for.

The County needs to develop a long-term reserve funding solution to maintain building infrastructure. To further this endeavor the Board of Commissioners adopted a policy for facility service charges in fiscal year 2015 that instituted a new \$0.05 per square foot per month charge to go towards the capital project reserve fund. This is anticipated to generate approximately \$137 thousand annually towards large infrastructure repair projects.

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. If inflation returns to a hyper inflationary percentage similar to that of the 1970s the current property tax system will fail to provide funding for even the basic operations of local government. The current system has also created great inequity in the tax system as equivalent houses in the same neighborhoods are now paying significantly different taxes. Local governments need to work with the Oregon legislature to make sure that this situation is appropriately addressed.

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.

Internal Service Charges

A description of all internal service charges and how they are allocated can be found in Appendix F.

Wage Tables

The wage tables used in the preparation of the proposed budget can be found in Appendix G.

General Fund Budget Assumptions

A description of the assumptions used in developing the proposed budget for fiscal year 2017 can be found in Appendix H.

All Funds Summary

A summary of the proposed budget consolidating all funds may be found in Appendix I.

Significant Departmental and Fund Highlights and Issues

We are in a time of low interest rates, which translates into a lower growth rate on reserve funds. Those investment earnings that we have relied on in the past to supplement programs are no longer available this year. This has caused a further reduction in programs that relied upon those earnings to supplement operating revenues.

The general fund is anticipating an increase in revenue of \$0.90 million in fiscal year 2017 for intergovernmental and charges for services. A more complete analysis of the assumptions used to prepare the general fund budget can be found in Appendix H.

The transfer from the road fund to the general fund is a short-term solution to a long-term problem. There have been multiple committees and citizens groups that have proposed recommendations for short-term and long-term solutions to the declining service levels with public safety for Klamath County. To date, no action has been taken to resolve the issues. Service levels will continue to decline from the present.

The budget for fiscal year 2017 also contemplates a continued reduction in funding to the road fund by approximately \$5.0 million as a result of the loss of funding from secure rural schools. In addition to the \$850 thousand the Board of Commissioners is recommending be used to fund patrol services in the general fund.

The Sheriff is proposing to close the "B and C Pods" at the jail with a layoff of 13 employees and reduce the jail capacity by 88 beds. Also proposed is a reduced staffing level for patrol with a layoff of 12 employees and reduce patrol from 20 hours per day 7 days a week to 8 hours a day 5 days a week. The Sheriff is proposing not renewing contracts with multiple agencies due to staffing reductions that further compounds the loss of funding described above. The Sheriff has indicated this will have ripple effects throughout the public safety community.

Community Corrections currently utilizes the “C Pod” for treatment services. With the closure of that pod, Community Corrections will not be able to utilize those resources for treatment of offenders and will need to contract with other counties for jail beds.

The proposed budget contemplates a reduction in general fund resources to the Juvenile department of \$36 thousand. This reallocation of general fund resources away from probation has presented the need to eliminate one probation officer.

In addition the proposed budget contemplates an increase in general fund resources to the District Attorney department of \$25 thousand, however this is not sufficient to maintain the current service level and one position is proposed to be eliminated.

The subsidy from the general fund to the community development fund (\$64 thousand) has been reduced by \$13 thousand. The subsidy is targeted solely at the Planning division. This is anticipated to be offset by an increase in the new community development fee instituted in the 2015 fiscal year. In addition, the Watermaster department has been relocated at least temporarily to space that was previously occupied by the Planning division. This will help reduce the cost of the Planning division.

The subsidy from the general fund to the public health fund (\$98 thousand) has been increased by \$38,000 support the department’s efforts in communicable disease and environmental health.

Processes Used to Develop the Budget and Organization

The Board of Commissioners met on numerous occasions in January, February and March of 2016 to discuss the budget for fiscal year 2017. The Board of Commissioners used the principles established in the mission, values and vision statement (statement on page i) in setting the priorities and funding levels for the fiscal year 2017.

The Budget Committee hearings on the proposed budget will be held starting April 11, 2016. During the presentation and review, there will be scheduled opportunities for public input. Budget deliberations are scheduled to occur at the end of the process. All Budget Committee meetings are open to the public and public testimony is always welcome.

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.

The organizational chart (found on page ii) 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 the Budget Committee reviews the budgets with the departments, ask the Elected Officials and Department 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 the Budget Committee reviews and make the desired changes to the budget, it will approve the budget. The approved budget will be published for final public hearing on Tuesday, June 21, 2016, 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.

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 governments. The county faces extremely difficult choices, particularly those that rely entirely on local funding. There are many people whose lives will be directly impacted by the choices the Budget Committee must make. Ever mindful of that, the Board of Commissioners and departments 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 the County 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,



Jason Link, CPA
Klamath County Budget Officer

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Klamath County, Oregon
2016-2017 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 2016-2017. The total amount of property tax the County expects to levy on behalf of the General Fund is \$8,722,340. Of this amount, the County expects to collect 94 percent for a net of \$8,199,000.

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 71.4 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 (\$151,741,721). The County has no bonded debt outstanding at July 1, 2015.

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Klamath County, Oregon
2016-2017 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.

Fairgrounds Lease

On November 24, 2015, the County obtained a lease for \$17,054 from Klamath Basin Equipment, with an interest rate of 6.00% and due in monthly installments of \$519 for 36 months (maturity date November 2018). The debt service on this lease is made in the Fairgrounds Fund.

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Klamath County, Oregon

2016-2017 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

2016-2017 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 the 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.

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.

Klamath County, Oregon
2016-2017 Budget Presentation
Appendix C – Fiscal Policies and Definitions

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).

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Klamath County, Oregon

2016-2017 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 department's 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 including the Treasurer, Assessor, Tax Collector, County Clerk, Commissioners and the Surveyor.

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

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 Planning, Building, Onsite, and Code Enforcement.

Community Services Program – This program provides public services provided to the citizens of the county including Library, Law Library, Museum, Parks, and Fairgrounds.

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

Internal Support Program -These departments/programs provide needed support to all the actual public service programs. These include departments such as General Administration, Human Resources, County Counsel, Finance, Information Technology, Multimedia, and Maintenance.

Public Safety Program - This program is to encourage and facilitate the public safety of the county. Departments include District Attorney, Justice of the Peace, Sheriff, Animal Control, Juvenile, Community Corrections, Emergency Management, and State Courts.

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

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Klamath County, Oregon

2016-2017 Budget Presentation

Appendix E – Fund Descriptions

General - 1000

This fund is the general operating fund of the county. Its largest source of revenue is property taxes. 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, Clerk, Board of County Commissioners, District Attorney, Justice Court, Sheriff, Juvenile, Emergency Management, Watermaster, Agriculture Extension, and Experiment Station.

PERS Reserve - 2010

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.

County School Fund - 2020

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.

Taylor Grazing - 2030

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

Property Sales – 2130 (inactive)

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 with tax levies in the current fiscal year. This fund was closed in fiscal year 2014-15.

Transient Room Tax - 2131

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

Clerk Storage - 2140

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.

Clerk Overpayment - 2141

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.

Ambulance Advisory Training – 2150 (inactive)

This fund is used to account for monies raised by the Ambulance Advisory Training Committee to support training of committee members. This fund was closed in fiscal year 2013-14.

Surveyor - 2160

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.

Tourism Competitive Grant - 2180

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.

Klamath County, Oregon

2016-2017 Budget Presentation

Appendix E – Fund Descriptions

Economic Development - 2185

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.

District Attorney Special Revenue - 2210

This fund has five major functions: special grants, support enforcement, domestic violence, drug enforcement, and liquor law enforcement. The support enforcement function is funded from the State of Oregon for enhanced enforcement for child support cases and was closed in fiscal year 2014-15. The domestic violence function is funded by the U.S. Department of Justice for domestic violence cases and was closed in fiscal year 2012-13. The drug enforcement function 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. The liquor law enforcement function is for liquor law enforcement under ORS 471.670 and was closed in fiscal year 2012-13.

Sheriff Special Revenue - 2230

This fund has four major functions: special revenue, marine division, search and rescue, and court facility security. The special revenue function is used for forfeiture revenues for drugs operation expenses and homeland security grant funds. The marine function provides accounting of the State and County partnership of the parole and safety on the waterways of the County. The search and rescue function is used to provide operation funds for search and rescue. The court facility security function accounts for costs associated with security in the county courthouse.

Sheriff - Court Facilities Security - 2232 (inactive)

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. This fund was closed in fiscal year 2013-14.

Community Corrections - 2260

This fund is used to administer the contract with the State of Oregon for Community Corrections Services. This fund has four sub-departments: Klamath County, Lake County, Alcohol and Drug and Equipment Reserve. The Klamath County function provides parole and probation services in Klamath County. The Lake County function provided parole and probation services in Lake County. This function was closed in fiscal year 2012-13. The Alcohol and Drug function administers funds from the State of Oregon in compliance with ORS 430.380 for operation and maintenance of alcohol and drug abuse prevention, early intervention, and treatment services. The equipment reserve function provides the department with a tracking mechanism for funds set aside to replace equipment in future.

Animal Control - 2270

This fund is used under the provisions of ORS chapter 609 for control of dogs in the county.

Road Department - 2310

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 maintenance of roads in the county.

Klamath Falls Streets - 2311

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.

Public Health Services - 2410

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

Klamath County, Oregon

2016-2017 Budget Presentation

Appendix E – Fund Descriptions

Commission on Children & Families – 2440 (inactive)

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. This fund was closed in fiscal year 2013-14.

Mental Health Services - 2450

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

Veterans Services - 2470

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

Law Library - 2515

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

Museum - 2520

This fund is used for the museum operations. Major revenues include a transfer from the Transient Room Tax Fund and sales at the museum store. Additionally, it receives funds from grants and donations for items such as displays, etc.

Park - 2525

This fund is used to account for the dedicated resources that come from RV licenses and revenues derived from the RV parks to maintain county owned parks.

Title III - 2630

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

Experiment Station - 2720 (inactive)

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. This fund was closed in fiscal year 2014-15.

Equipment Reserve - 3010

This fund is a reserve fund to account for vehicle and major equipment replacements.

Capital Projects Reserve - 3020

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

Livestock Building - 3030 (inactive)

This fund is a reserve fund to account for building improvements to facilities at the fairgrounds. This fund was closed in fiscal year 2013-14.

Law Enforcement Memorial - 3040

This fund is a reserve fund to account for costs associated with the construction and maintenance of the law enforcement memorial located at the county courthouse.

Solid Waste - 5020

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.

Klamath County, Oregon

2016-2017 Budget Presentation

Appendix E – Fund Descriptions

Weed Control - 5030

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

Fairgrounds - 5040

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 seven 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.

Community Development - 5050

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.

Sheriff - Interoperable Radio Communications System - 5345

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

Internal Services - 6000

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, Multimedia and other costs that have benefits accruing to all county operations.

External Services – 6010

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).

Facility Services - 6020

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

Risk Management - 6030

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.

Klamath County, Oregon

2015-2016 Budget Presentation

Appendix F – Internal Service Charges

This appendix will present the methodology and assumptions used in the allocations for internal services and for self-insured claims.

Unemployment Compensation - 51560

Klamath County provides for a consolidated unemployment policy for all departments. The charge provides for a reserve to pay all claims (note: Klamath County is self-insured for all claims). The charge passed through to the departments is based on a percentage of gross wages. In the 2016-2017 budget that percentage is 1.50%. The revenue and the claims expense are accounted for in the Risk Management Fund.

Workers Compensation - 51570

Klamath County provides for a consolidated workers compensation policy for all departments. The charges provide for a reserve to pay the base premium and all self-insured claims (i.e., deductibles). The charge passed through to the departments is based on a percentage of gross wages. In the 2016-2017 budget that percentage is 2.00%. The revenue and the claims expense are accounted for in the Risk Management Fund.

Internal Services - 69900

Klamath County provides all provides certain administrative functions that are available for all county departments (General Administration, Human Resources, County Counsel, Finance, Information Technology, Geographic Information Systems and Multi-Media). The charge is broken down for each function utilized by the individual departments. Certain allocations are flat rate charges (e.g., every department pays the same charge), others are based on utilizations of resources (i.e., Information Technology), while others are based on a percentage of budget (e.g., percentage of a department's personnel services budget as compared to the total for the county personnel services budget). These allocations are based on information in arrears of the budget (i.e., the 2016-17 budget is based on the final amended budget for 2014-15) so departments see a lag in the calculation based on changes in the budget. The revenue and expenses are accounted for in the Internal Services Fund.

Facility Services - 69910

Klamath County provides for maintenance of most county owned building through a facility services charge. This charge is comprised of three components: 1) facility services charge of \$0.2592 per square foot per month, 2) utilities and 3) capital projects charge of \$0.05 per square foot per month. The facility service charge provides for the day to day upkeep of the buildings and facilities. The utilities charge provides for allocation of all utilities in the buildings, janitorial services and alarm systems. The capital projects charge provides for future major infrastructure needs of the buildings (i.e., roof replacements, windows, doors, flooring, electrical and HVAC units). The revenue and expenses are accounted for in the Facility Services Fund.

Steering Committee Hardware Charge - 69920

Klamath County provides for a consistent hardware component for all computers in the county system. This consistency drives a reduced cost structure for maintenance of technology. This charge provides for hardware replacement, server software licensing and network connectivity expenses. The revenue and expenses are accounted for in the Internal Services Fund.

Steering Committee User Charge - 69930

Klamath County provides for a consistent user component for all computers in the county system. This consistency drives a reduced cost structure for maintenance of technology. The charge provides for user software licensing (i.e., Microsoft Office applications), email, website, archiving of public records and storage/backup of electronic files. The revenue and expenses are accounted for in the Internal Services Fund.

Risk Management - 69940

Klamath County charges departments a fee to operate a risk management department that monitors compliance and incentives the use of best practices with the goal of reducing claims to departments. The charge is allocated based the insurance premium allocation as developed for the Insurance charge. The revenue and expenses are accounted for in Risk Management Fund.

Klamath County, Oregon
2015-2016 Budget Presentation
Appendix F – Internal Service Charges

Insurance - 69950

Klamath County provides for a consolidated insurance policy for general liability, occupancy, and vehicles for all departments. The charge is allocated based on insurable risks as determined by a breakdown of the premium performed by the insurance agent of record. The revenue and expenses are accounted for in the Risk Management Fund.

Klamath County, Oregon
2016-2017 Budget Presentation
Appendix G – Wage Tables

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Klamath County Human Resources

ELECTED OFFICIALS Salary Schedule

Effective July 1, 2015

In accordance with the Cost of Living Adjustment for County Employees, the following salaries will become effective on July 1, 2015 for the County's Elected Officials:

	<u>ANNUAL</u>	<u>MONTHLY</u>
Assessor	\$68,166	\$5,680.50
Clerk	\$66,989	\$5,582.42
Commissioner	\$68,749	\$5,729.08
District Attorney*	\$17,816	\$1,484.66
Justice of the Peace	\$40,376	\$3,364.66
Sheriff**	\$98,184	\$8,182.00
Surveyor	\$18,165	\$1,513.75
Treasurer***	\$17,907	\$1,492.25

Notes:

**This accounts only for compensation paid by Klamath County and does not include compensation paid to the District Attorney by the State of Oregon.*

***Sheriff Salary effective 07/01/2015 based on ORS*

****Treasurer salary based off of Budget Committee recommendation 7/1/2012*

Klamath County Human Resources

DEPARTMENT HEADS CLASSIFICATION PLAN

As of July 1, 2015

<i>DEPARTMENT HEAD CLASSIFICATION</i>	<i>RANGE</i>
Veterans Service Officer	DF 04
Animal Control Officer	DF 05
Manager – Fairgrounds	DF 10
Director – Maintenance Tax Collector & Property Manager	DF 11
Director - Public Health Director – Human Resources and Risk Management Director – Library Director – Juvenile Department Director – Mental Health DD	DF 13
Director – Community Corrections Director – Community Development	DF 15
Director – Management Information Systems	DF 16
Director - Public Works	DF 17
County Counsel Chief Financial Officer	DF19

DEPARTMENT HEAD Salary Schedule
Full-Time, FLSA Exempt
Effective July 1, 2015 (1%)

GRADE	STEP 1 Merit	STEP 2 Merit	STEP 3 Merit	STEP 4 Merit	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
DF1	\$2,897	\$3,013	\$3,133	\$3,259	\$3,389	\$3,525	\$3,666
DF2	\$3,042	\$3,164	\$3,290	\$3,422	\$3,559	\$3,701	\$3,849
DF3	\$3,194	\$3,322	\$3,455	\$3,593	\$3,736	\$3,886	\$4,041
DF4	\$3,354	\$3,488	\$3,627	\$3,772	\$3,923	\$4,080	\$4,243
DF5	\$3,521	\$3,662	\$3,809	\$3,961	\$4,119	\$4,284	\$4,456
DF6	\$3,697	\$3,845	\$3,999	\$4,159	\$4,325	\$4,498	\$4,678
DF7	\$3,882	\$4,038	\$4,199	\$4,367	\$4,542	\$4,723	\$4,912
DF8	\$4,076	\$4,239	\$4,409	\$4,585	\$4,769	\$4,960	\$5,158
DF9	\$4,280	\$4,451	\$4,629	\$4,815	\$5,007	\$5,208	\$5,416
DF10	\$4,494	\$4,674	\$4,861	\$5,055	\$5,258	\$5,468	\$5,687
DF11	\$4,719	\$4,908	\$5,104	\$5,308	\$5,520	\$5,741	\$5,971
DF12	\$4,955	\$5,153	\$5,359	\$5,574	\$5,796	\$6,028	\$6,269
DF13	\$5,203	\$5,411	\$5,627	\$5,852	\$6,086	\$6,330	\$6,583
DF14	\$5,463	\$5,681	\$5,908	\$6,145	\$6,391	\$6,646	\$6,912
DF15	\$5,736	\$5,965	\$6,204	\$6,452	\$6,710	\$6,979	\$7,258
DF16	\$6,023	\$6,264	\$6,514	\$6,775	\$7,046	\$7,327	\$7,621
DF17	\$6,324	\$6,577	\$6,840	\$7,113	\$7,398	\$7,694	\$8,002
DF18	\$6,640	\$6,906	\$7,182	\$7,469	\$7,768	\$8,079	\$8,402
DF19	\$6,972	\$7,251	\$7,541	\$7,843	\$8,156	\$8,482	\$8,822

Klamath County Human Resources

NON-UNION CLASSIFICATION PLAN

As of July 1, 2015

<i>NON-UNION CLASSIFICATION</i>	<i>RANGE</i>
Branch Assistant Library Assistant II Museum Aide Museum Collections Assistant Office Assistant I	8
Courier/Mail Clerk PT Office Assistant II Parks Attendant Solid Waste Site Attendant – Part-Time/On-Call/Temporary	9
Library Assistant III Office Assistant III	10
Juvenile Group Worker (P/T or On-Call)	12
Fairgrounds Maintenance Worker w/out CDL Human Resources Assistant	13
Fairgrounds Maintenance Worker w/CDL Secretary P/T - Fairgrounds	14
Human Resources Specialist Secretary I	15
Administrative Assistant Fairgrounds Maintenance Foreman Human Resources Representative Outreach & Enrollment Specialist Secretary II	16
Chemical Applicator Medical Assistant Work Crew Supervisor	17
	18
Sanitarian Trainee (P/T) Senior Chemical Applicator Victim's Assistance Coordinator	19
Address Permit Coordinator Administrative Assistant - Sheriff Assistant Animal Control Officer Civilian Evidence Technician Investigator - D.A. Juvenile Justice Specialist Lead Jail Medic Museum Manager	20

NON-UNION CLASSIFICATION	RANGE
Assistant Foreman – Solid Waste Community Corrections Counselor Office Manager Payroll Manager	21
Computer Support Technician (P/T) Library Department Supervisor Road Construction Inspector I Weed Control/Roadside Vegetation Manager	22
Chief of Party – Road Department Contracting & Risk Manager Management Assistant – Library Parks/Solid Waste Foreman Registered Nurse – P/T WIC Coordinator	23
Chief Office Deputy Paralegal – County Counsel Supervising Juvenile Counselor Financial Systems Admin.	24
Chief Deputy Clerk County Emergency Manager Engineer I Parks/Solid Waste Ops Manager Program Manager Road Construction Inspector II Supervising Librarian	25
Administrative Manager Community Corrections Manager Finance Budget Manager & Grant Specialist Foreman – Road Department On-Site Manager Planner III	26
Assistant Director of Juvenile Assistant Road Superintendent CDD Manager Environmental Health Manager Environmental Residential Manager Human Resources Manager Public Health Manager Public Works Manager Senior Chief Office Deputy	27
Program Administrator Road Superintendent	28
Assistant Finance Officer Engineer II Senior Plans Examiner Sr. Combination Inspector	29

NON-UNION CLASSIFICATION	RANGE
Assistant Building Official Community Corrections Supervisor County Engineer Deputy District Attorney I Solid Waste & Parks Manager	30
Assistant Public Works Director Assistant Director of Community Corrections Building Official Planning Director	31
	32
Deputy District Attorney II Nurse Practitioner Sr. Systems Administrator	33
Deputy District Attorney III	34

NON-UNION
Full-Time and Half-Time
 Salaried, FLSA Exempt
 Effective July 1, 2015

GRADE	STEP 1 Merit	STEP 2 Merit	STEP 3 Merit	STEP 4 Merit	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
UF08	\$1,684	\$1,760	\$1,838	\$1,920	\$2,007	\$2,100	\$2,194
UF09	\$1,768	\$1,849	\$1,931	\$2,015	\$2,109	\$2,202	\$2,303
UF10	\$1,856	\$1,941	\$2,026	\$2,118	\$2,214	\$2,313	\$2,418
UF11	\$1,949	\$2,039	\$2,129	\$2,226	\$2,326	\$2,428	\$2,539
UF12	\$2,046	\$2,140	\$2,235	\$2,336	\$2,440	\$2,551	\$2,670
UF13	\$2,149	\$2,245	\$2,346	\$2,452	\$2,564	\$2,679	\$2,801
UF14	\$2,258	\$2,359	\$2,464	\$2,575	\$2,690	\$2,813	\$2,940
UF15	\$2,370	\$2,480	\$2,585	\$2,703	\$2,826	\$2,952	\$3,086
UF16	\$2,489	\$2,600	\$2,718	\$2,838	\$2,969	\$3,102	\$3,242
UF17	\$2,612	\$2,729	\$2,854	\$2,981	\$3,114	\$3,255	\$3,401
UF18	\$2,742	\$2,865	\$2,995	\$3,129	\$3,272	\$3,418	\$3,574
UF19	\$2,880	\$3,009	\$3,145	\$3,285	\$3,436	\$3,589	\$3,749
UF20	\$3,023	\$3,159	\$3,303	\$3,452	\$3,604	\$3,770	\$3,938
UF21	\$3,177	\$3,318	\$3,465	\$3,626	\$3,784	\$3,958	\$4,133
UF22	\$3,332	\$3,484	\$3,640	\$3,806	\$3,974	\$4,154	\$4,340
UF23	\$3,501	\$3,657	\$3,822	\$3,995	\$4,177	\$4,365	\$4,560
UF24	\$3,674	\$3,841	\$4,015	\$4,194	\$4,382	\$4,580	\$4,788
UF25	\$3,858	\$4,032	\$4,213	\$4,404	\$4,603	\$4,809	\$5,028
UF26	\$4,054	\$4,237	\$4,427	\$4,627	\$4,831	\$5,050	\$5,278
UF27	\$4,257	\$4,447	\$4,647	\$4,858	\$5,072	\$5,302	\$5,543
UF28	\$4,466	\$4,670	\$4,877	\$5,099	\$5,326	\$5,566	\$5,820
UF29	\$4,691	\$4,905	\$5,125	\$5,353	\$5,592	\$5,845	\$6,111
UF30	\$4,926	\$5,146	\$5,377	\$5,622	\$5,873	\$6,136	\$6,413
UF31	\$5,173	\$5,405	\$5,650	\$5,905	\$6,167	\$6,446	\$6,737
UF32	\$5,432	\$5,676	\$5,930	\$6,198	\$6,472	\$6,768	\$7,072
UF33	\$5,702	\$5,960	\$6,227	\$6,509	\$6,798	\$7,104	\$7,427
UF34	\$5,989	\$6,258	\$6,537	\$6,833	\$7,138	\$7,463	\$7,797

NON-UNION
Full-Time, Half-Time & Part-Time
 Hourly, FLSA Non- Exempt
 Effective July 1, 2015

GRADE	STEP 1	STEP 2 Merit	STEP 3 Merit	STEP 4 Merit	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
UH08	\$ 10.18	\$ 10.65	\$ 11.17	\$ 11.67	\$ 12.15	\$ 12.60	\$ 13.29
UH09	\$ 10.72	\$ 11.20	\$ 11.72	\$ 12.23	\$ 12.76	\$ 13.33	\$ 13.96
UH10	\$ 11.26	\$ 11.77	\$ 12.28	\$ 12.82	\$ 13.41	\$ 14.01	\$ 14.63
UH11	\$ 11.55	\$ 11.93	\$ 12.30	\$ 12.82	\$ 13.33	\$ 13.88	\$ 14.42
UH12	\$ 11.81	\$ 12.34	\$ 12.89	\$ 13.46	\$ 14.06	\$ 14.73	\$ 15.38
UH13	\$ 12.40	\$ 12.95	\$ 13.52	\$ 14.15	\$ 14.78	\$ 15.44	\$ 16.16
UH14	\$ 13.00	\$ 13.60	\$ 14.21	\$ 14.83	\$ 15.49	\$ 16.24	\$ 16.93
UH15	\$ 13.68	\$ 14.25	\$ 14.90	\$ 15.59	\$ 16.31	\$ 17.05	\$ 17.78
UH16	\$ 14.38	\$ 15.01	\$ 15.69	\$ 16.37	\$ 17.11	\$ 17.88	\$ 18.70
UH17	\$ 15.09	\$ 15.79	\$ 16.45	\$ 17.19	\$ 18.01	\$ 18.77	\$ 19.63
UH18	\$ 15.85	\$ 16.54	\$ 17.28	\$ 18.07	\$ 18.84	\$ 19.73	\$ 20.60
UH19	\$ 16.61	\$ 17.35	\$ 18.15	\$ 18.97	\$ 19.84	\$ 20.71	\$ 21.64
UH20	\$ 17.43	\$ 18.21	\$ 19.04	\$ 19.93	\$ 20.79	\$ 21.78	\$ 22.73
UH21	\$ 18.31	\$ 19.14	\$ 20.02	\$ 20.88	\$ 21.85	\$ 22.81	\$ 23.86
UH22	\$ 19.24	\$ 20.09	\$ 21.03	\$ 21.95	\$ 22.97	\$ 23.95	\$ 25.03
UH23	\$ 20.18	\$ 21.10	\$ 22.03	\$ 23.07	\$ 24.08	\$ 25.15	\$ 26.31
UH24	\$ 21.20	\$ 22.15	\$ 23.15	\$ 24.22	\$ 25.30	\$ 26.43	\$ 27.62
UH25	\$ 22.28	\$ 23.27	\$ 24.34	\$ 25.40	\$ 26.55	\$ 27.74	\$ 29.01
UH26	\$ 23.36	\$ 24.44	\$ 25.53	\$ 26.70	\$ 27.88	\$ 29.12	\$ 30.45
UH27	\$ 24.54	\$ 25.65	\$ 26.80	\$ 28.00	\$ 29.27	\$ 30.59	\$ 31.98
UH28	\$ 25.77	\$ 26.91	\$ 28.17	\$ 29.41	\$ 30.72	\$ 32.13	\$ 33.56
UH29	\$ 27.08	\$ 28.27	\$ 29.56	\$ 30.87	\$ 32.27	\$ 33.72	\$ 35.26
UH30	\$ 28.45	\$ 29.69	\$ 31.05	\$ 32.43	\$ 33.90	\$ 35.40	\$ 37.01
UH31	\$ 29.85	\$ 31.18	\$ 32.56	\$ 34.05	\$ 35.58	\$ 37.18	\$ 38.87
UH32	\$ 31.34	\$ 32.75	\$ 34.20	\$ 35.76	\$ 37.36	\$ 39.04	\$ 40.80
UH33	\$ 32.91	\$ 34.40	\$ 35.93	\$ 37.53	\$ 39.24	\$ 40.99	\$ 42.81
UH34	\$ 34.53	\$ 36.11	\$ 37.71	\$ 39.41	\$ 41.20	\$ 43.07	\$ 44.98
UH35	\$ 36.29	\$ 37.91	\$ 39.61	\$ 41.41	\$ 43.27	\$ 45.22	\$ 47.24
UH36	\$ 38.10	\$ 39.81	\$ 41.57	\$ 43.46	\$ 45.42	\$ 47.46	\$ 49.58

Klamath County Human Resources

LOCAL 121 CLASSIFICATION PLAN

As of July 1, 2015

<i>Position</i>	<i>Salary</i>
Corrections Cook Library Assistant II Office Assistant II	6
Accounting Assistant I	7
Branch Assistant Chemical Applicator Trainee Legal Assistant I Library Assistant III Maintenance Technician I Office Assistant III Solid Waste Site Attendant	8
Accounting Assistant II Client/Patient Registration Community Health Worker/Receptionist Planning Assistant Transcriptionist	9
Maintenance Technician II Medical Assistant Office Technician Permits Clerk	10
Accounting Assistant III Juvenile Group Worker Legal Assistant II	11
Accounting Technician Office Specialist Registrar Senior Indexing Specialist	12
Assistant Veteran's Service Officer Justice Court Clerk Maintenance Worker II – Parks Museum Curator Natural Resources Specialist – Watermaster Program Specialist Victims' Assistance Specialist	13

Position	Salary
Accounting Specialist Assessment Specialist Billing Coordinator Community Corrections Assistant Community Nutrition Worker Election Specialist Legal Assistant III Recording Specialist	14
Corrections Food Services Manager Facility Maintenance Specialist Maintenance Technician III Permit Technician Purchasing Specialist Senior Community Corrections Assistant Tax/Property Specialist	15
Acquisitions Manager Chemult Landfill Operator Engineering Aide 2 Landfill Maintenance Worker Landfill Mechanic Maintenance Leadworker Planner Trainee Program Aide Property Appraiser Trainee Work Crew Leader	16
Assistant Animal Control Officer Code Enforcement Officer Health Educator – Public Health Senior Work Crew Leader User Support Specialist	17
DD Investigator/Case Manager Facility Maintenance Leadworker - Experiment Station GIS Planner GIS Specialist Planner I Plans Examiner Trainee Property Appraiser 1 Sales Analyst Sanitarian Trainee	18
Case Manager Computer Support Technician Program Coordinator – Public Health	19
Building Inspector I Facilities Control Systems Technician Juvenile Counselor Registered Environmental Health Specialist	20

<i>Position</i>	<i>Salary</i>
Maintenance/HVAC Technician Planner II Property Appraiser II Senior Registered Environmental Health Specialist	21
Building Inspector II	22
Property Appraiser III Residential Plans Examiner – Multi Family Sr. Sales Analyst	23
Building Inspector III Programmer Analyst Systems Administrator	24
Commercial Plans Fire & Life	25
	26
Sr. GIS Analyst	27

LOCAL 121
Full-Time and Half-Time
 Hourly, FLSA Non-Exempt
 Effective July 1, 2015

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
LH06	\$ 10.16	\$ 10.57	\$ 10.99	\$ 11.43	\$ 11.89	\$ 12.37	\$ 12.86
LH07	\$ 10.67	\$ 11.10	\$ 11.54	\$ 12.00	\$ 12.48	\$ 12.98	\$ 13.50
LH08	\$ 11.20	\$ 11.65	\$ 12.12	\$ 12.60	\$ 13.10	\$ 13.62	\$ 14.16
LH09	\$ 11.76	\$ 12.23	\$ 12.72	\$ 13.23	\$ 13.76	\$ 14.31	\$ 14.88
LH10	\$ 12.35	\$ 12.84	\$ 13.35	\$ 13.88	\$ 14.44	\$ 15.02	\$ 15.62
LH11	\$ 12.97	\$ 13.49	\$ 14.03	\$ 14.59	\$ 15.17	\$ 15.78	\$ 16.41
LH12	\$ 13.62	\$ 14.16	\$ 14.73	\$ 15.32	\$ 15.93	\$ 16.57	\$ 17.23
LH13	\$ 14.30	\$ 14.87	\$ 15.46	\$ 16.08	\$ 16.72	\$ 17.39	\$ 18.09
LH14	\$ 15.02	\$ 15.62	\$ 16.24	\$ 16.89	\$ 17.57	\$ 18.27	\$ 19.00
LH15	\$ 15.77	\$ 16.40	\$ 17.06	\$ 17.74	\$ 18.45	\$ 19.19	\$ 19.96
LH16	\$ 16.56	\$ 17.22	\$ 17.91	\$ 18.63	\$ 19.38	\$ 20.16	\$ 20.97
LH17	\$ 17.39	\$ 18.09	\$ 18.81	\$ 19.56	\$ 20.34	\$ 21.15	\$ 22.00
LH18	\$ 18.26	\$ 18.99	\$ 19.75	\$ 20.54	\$ 21.36	\$ 22.21	\$ 23.10
LH19	\$ 19.17	\$ 19.94	\$ 20.74	\$ 21.57	\$ 22.43	\$ 23.33	\$ 24.26
LH20	\$ 20.13	\$ 20.94	\$ 21.78	\$ 22.65	\$ 23.56	\$ 24.50	\$ 25.48
LH21	\$ 21.14	\$ 21.99	\$ 22.87	\$ 23.78	\$ 24.73	\$ 25.72	\$ 26.75
LH22	\$ 22.20	\$ 23.09	\$ 24.01	\$ 24.97	\$ 25.97	\$ 27.01	\$ 28.09
LH23	\$ 23.31	\$ 24.24	\$ 25.21	\$ 26.22	\$ 27.27	\$ 28.36	\$ 29.49
LH24	\$ 24.48	\$ 25.46	\$ 26.48	\$ 27.54	\$ 28.64	\$ 29.79	\$ 30.98
LH25	\$ 25.70	\$ 26.73	\$ 27.80	\$ 28.91	\$ 30.07	\$ 31.27	\$ 32.52
LH26	\$ 26.99	\$ 28.07	\$ 29.19	\$ 30.36	\$ 31.57	\$ 32.83	\$ 34.14
LH27	\$ 28.34	\$ 29.47	\$ 30.65	\$ 31.88	\$ 33.16	\$ 34.49	\$ 35.87

LOCAL 121
Salaried, FLSA Exempt
Effective July 1, 2015

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
LF06	\$ 1,761	\$ 1,831	\$ 1,905	\$ 1,981	\$ 2,060	\$ 2,143	\$ 2,228
LF07	\$ 1,849	\$ 1,923	\$ 2,000	\$ 2,080	\$ 2,163	\$ 2,250	\$ 2,340
LF08	\$ 1,942	\$ 2,019	\$ 2,100	\$ 2,184	\$ 2,271	\$ 2,362	\$ 2,457
LF09	\$ 2,039	\$ 2,120	\$ 2,205	\$ 2,293	\$ 2,385	\$ 2,480	\$ 2,579
LF10	\$ 2,141	\$ 2,226	\$ 2,315	\$ 2,408	\$ 2,504	\$ 2,604	\$ 2,708
LF11	\$ 2,248	\$ 2,337	\$ 2,431	\$ 2,528	\$ 2,629	\$ 2,734	\$ 2,844
LF12	\$ 2,360	\$ 2,454	\$ 2,552	\$ 2,655	\$ 2,761	\$ 2,871	\$ 2,986
LF13	\$ 2,478	\$ 2,577	\$ 2,680	\$ 2,787	\$ 2,899	\$ 3,015	\$ 3,135
LF14	\$ 2,602	\$ 2,706	\$ 2,814	\$ 2,927	\$ 3,044	\$ 3,165	\$ 3,292
LF15	\$ 2,732	\$ 2,841	\$ 2,955	\$ 3,073	\$ 3,196	\$ 3,324	\$ 3,457
LF16	\$ 2,868	\$ 2,983	\$ 3,103	\$ 3,227	\$ 3,356	\$ 3,490	\$ 3,630
LF17	\$ 3,012	\$ 3,132	\$ 3,258	\$ 3,388	\$ 3,524	\$ 3,664	\$ 3,811
LF18	\$ 3,163	\$ 3,289	\$ 3,421	\$ 3,557	\$ 3,700	\$ 3,848	\$ 4,002
LF19	\$ 3,321	\$ 3,453	\$ 3,592	\$ 3,735	\$ 3,885	\$ 4,040	\$ 4,202
LF20	\$ 3,487	\$ 3,626	\$ 3,771	\$ 3,922	\$ 4,079	\$ 4,242	\$ 4,412
LF21	\$ 3,661	\$ 3,807	\$ 3,960	\$ 4,118	\$ 4,283	\$ 4,454	\$ 4,632
LF22	\$ 3,844	\$ 3,998	\$ 4,158	\$ 4,324	\$ 4,497	\$ 4,677	\$ 4,864
LF23	\$ 4,036	\$ 4,198	\$ 4,366	\$ 4,540	\$ 4,722	\$ 4,911	\$ 5,107
LF24	\$ 4,238	\$ 4,408	\$ 4,584	\$ 4,767	\$ 4,958	\$ 5,156	\$ 5,362
LF25	\$ 4,450	\$ 4,628	\$ 4,813	\$ 5,006	\$ 5,206	\$ 5,414	\$ 5,631
LF26	\$ 4,672	\$ 4,859	\$ 5,054	\$ 5,256	\$ 5,466	\$ 5,685	\$ 5,912
LF27	\$ 4,906	\$ 5,102	\$ 5,306	\$ 5,519	\$ 5,739	\$ 5,969	\$ 6,208

KCPOA SALARY SCHEDULE

EFFECTIVE 7/1/2015

1.5% COLA

PLAN "B" - KLAMATH COUNTY EMPLOYEES' PENSION PLAN

PLAN "A" - PERS RETIREMENT

PAY PLAN "B"	GRADE	STEP 1 6 MO.	STEP 2 6 MO.	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
CLERK I	PH01	\$14.17	\$14.74	\$15.33	\$15.94	\$16.58	\$17.24	\$17.93
CLERK II	PH02	\$16.61	\$17.27	\$17.97	\$18.68	\$19.43	\$20.21	\$21.02
CIVIL DEPUTY & COURT SECURITY OFFICER	PH04	\$17.72	\$18.43	\$19.17	\$19.93	\$20.73	\$21.56	\$22.42
SENIOR CIVIL DEPUTY	PH05	\$20.12	\$20.93	\$21.76	\$22.63	\$23.54	\$24.48	\$25.46
PAY PLAN "A"	GRADE	STEP 1 6 MO.	STEP 2 6 MO.	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
JAIL	PH07	\$20.01	\$21.01	\$22.06	\$23.17	\$24.32	\$25.54	\$26.82
CORPORAL	PH08	\$21.01	\$22.06	\$23.16	\$24.32	\$25.54	\$26.82	\$28.16
PATROL	PH10	\$20.61	\$21.64	\$22.72	\$23.86	\$25.05	\$26.31	\$27.62
CORPORAL	PH11	\$21.65	\$22.73	\$23.87	\$25.06	\$26.32	\$27.63	\$29.02

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**.

SERGEANT'S Teamsters Salary Schedule
Full-Time, FLSA Exempt
Effective July 1, 2015

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
SF01	\$5,809	\$ 6,041	\$ 6,283	\$ 6,534	\$ 6,796	\$ 7,068	\$ 7,350

LIEUTENANT'S Salary Schedule
Full-Time, FLSA Exempt
Effective July 1, 2015

GRADE							
	\$7,718.00						

**FOPPO
Hourly Non-Exempt
Effective July 1, 2015**

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5 Merit	STEP 6 Merit	STEP 7 Merit
PO II	\$20.14	\$20.94	\$21.78	\$22.65	\$23.56	\$24.50	\$25.48
POIII	\$23.30	\$24.23	\$25.20	\$26.21	\$27.25	\$28.34	\$29.48
Lead PO***							

POII = Probation Officer II

POIII = Probation Officer III

*** Lead Probation Officer will be compensated with a 5% pay stipend.

**LOCAL 701
DIVISION CLASSIFICATION SCHEDULE**

Division	
Division 1 Utility Worker 1	Division 2 Utility Worker 2
(Movement from Utility Worker 1 to Utility Worker 2 will occur upon the successful completion of 2 years of service from date of hire)	
Division 3 Weed Control 1 Sign Person 1* Bridge Person 1 Truck Driver 1 Chip Spreader Lever Person Sander Driver Spray Truck Driver Parts Person1 Field Service Person Lube Person	Division 4 Truck Driver 2 Aerial Bucket Truck Driver Auger Truck Driver Flusher Truck Driver Sweeper Truck Driver Wing Plow Driver Wrecker Driver Light Equipment Operator Brooms Brush Chipper Crack-Sealing Machine Distributor Truck Forklift Legend Truck (2 Division 4 Operators) Mower Paint Nurse Truck w/ Crane Roller, Patching 2-3 Ton Screed Operator Parts Person2 Bridge Person 2 Weed Control 2 Asphalt Distributor Driver Sign Person 2
Division 5 Tire Person ** Mechanic Heavy Equipment Operator Backhoe Chip Spreader Gradall Grader Loaders, Front End 2 ½ Yd-Over Paver, Asphalt Roller, Asphalt & Base 4-12 Ton Roller, Pneumatic Tractors, Track Type Sign Person 3 Paint Truck Driver and Striper Equipment Procurement Specialist	
*Movement from Sign Person 1 to Sign Person 2 will occur following the successful completion of two years of service from date as Sign Person 1.	
**Tire Person will revert back to Division 4 when the position next becomes vacant.	

701
Hourly, FLSA Non-Exempt
Effective July 1, 2015 (1%)

Division	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
Div 1	\$ 15.91						
Div 2	\$ 17.29	\$ 17.98	\$ 18.71	\$ 19.46	\$ 20.23	\$ 21.03	\$ 21.87
Div 3	\$ 18.17	\$ 18.89	\$ 19.65	\$ 20.42	\$ 21.25	\$ 22.10	\$ 22.98
Div 4	\$ 19.08	\$ 19.83	\$ 20.64	\$ 21.46	\$ 22.32	\$ 23.21	\$ 24.15
Div 5	\$ 20.03	\$ 20.83	\$ 21.68	\$ 22.54	\$ 23.44	\$ 24.37	\$ 25.35

OREGON NURSE'S ASSOCIATION (ONA) SALARY SCHEDULE
Full and Half-Time, FLSA Exempt
Effective July 1, 2013

GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
OF01-FT (Full-time) FLSA Exempt	\$4,143	\$4,309	\$4,481	\$4,660	\$4,847	\$5,041	\$5,242
OF02-FT (Full-time) FLSA Exempt	\$4,557	\$4,739	\$4,929	\$5,126	\$5,331	\$5,544	\$5,766
OF01-HT (Half-time) FLSA Exempt	\$2,072	\$2,155	\$2,241	\$2,331	\$2,424	\$2,521	\$2,622
OF01-PT (Part-time) Hourly	\$23.90	\$24.86	\$25.85	\$26.88	\$27.96	\$29.08	\$30.24

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.

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Klamath County, Oregon
2016-2017 Budget Presentation
Appendix H – General Fund Budget Assumptions

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KLAMATH COUNTY

Home of Crater Lake

OREGON

FINANCE & BUDGET OFFICE

To: Elected Officials / Department Heads

CC: Finance Managers

From: Budget Officer

Date: 03/16/2016

Re: Assumptions for the 2016-17 Budget

The following memorandum contains a summary of the consensus opinion of the Board regarding the assumptions on which the fiscal year 2016-17 budget will be prepared.

Personnel Assumptions

This is a summary of the changes. Please see Human Resources more detail memorandum on the changes.

1. Personnel Changes (If you would like an updated copy of the grade and step tables please contact Human Resources.)
 - a. Benefit Group cost of living adjustment increases to wages: (1) Elected Officials, Department Head, Non-Union and Local Laborers 121, 1.0%; Deputy District Attorney, 1.0%; Engineers Local 701, 1.0%; Oregon Nurses Association, 1.0%; Peace Officers Association, 2.0%; Teamsters, 2.0%, Parole Probation Officers, 2.0%.
2. Benefit Changes
 - a. Short-term disability: \$183.00 per year for all employees except elected officials.
 - b. Life insurance: Elected Officials and Department Heads, \$58.08 per year; Civil Deputies, \$32.04 per year; Regular Deputies, \$58.08 per year; All other employees, \$14.28 per year.
 - c. Health insurance employer contributions: Elected Officials, Department Head, Non-Union, Local Laborers 121 and Oregon Nurses Association, \$12,060.00 per year; Deputy District Attorney, \$12,000.00 per year; Engineers Local 701, \$12,960.00; Peace Officers Association, \$18,162.00; Teamsters, \$18,989.00; Parole and Probation Officers, \$18,171.00.
 - d. Workers benefit fund: \$0.0165 per hour worked (no change).
 - e. Risk management workers compensation insurance charge – 2.00% of gross wages (no change).
 - f. Risk management unemployment charge – 1.50% of gross wages (decrease of 0.25%).
 - g. County pension charges – 17.00% of eligible wages (no change).
 - h. Oregon PERS charges – Tier 1 and 2, 5.99% of base wages; OPRS, 1.02% of base wages (updated to new rates as directed by Oregon PERS).

Internal Service Fees

1. Internal Service Fees
 - a. Total internal service fees will not increase in the initial budget.
 - b. Allocations methodology has been requested to be updated for a change in allocation for personnel costs and internal payments vs. external payments.
 - c. Contingent change to increase internal fees by a maximum of \$200,000 to be offset by a decrease in risk management charges to cover increased legal fees.

2. Facility Services Fees
 - a. No change in per square foot charge of \$0.2592 for operations and \$0.05 per square foot charge for capital improvements.
 - b. Utilities and other direct charges will increase based on anticipated increases from vendors.
3. Steering Committee Fees
 - a. Charges will change based on anticipated maintenance and replacement costs.
4. Risk Management Fees
 - a. Total risk management fees will not increase in the initial budget.
 - b. Allocation of fees will be updated to mirror allocation used in insurance liability fees.
 - c. Contingency change to decrease risk management fees by a maximum of \$200,000 to be offset by an increase in internal service fees to cover increased legal fees.
5. Insurance Liability Fees
 - a. Total insurance liability fees will not increase in the initial budget.
 - b. Allocation of fees will be updated based on insurance risk coming from insurance provider.

Road Funds for Sheriff Patrol

1. The Road Fund will transfer \$850,000 to the Sheriff Patrol budget as provided for in Oregon Statute. Unchanged from prior year.

General Fund Departments

General Fund departments and departments that receive transfers from the General Fund will build their budgets around the following numbers as support from the General Fund Non-Departmental transfer line.

The following table indicates funding level and change from 2016 adopted budget and comment on change:

Department	Amount of Support	Comparison
1010 Treasurer	\$14,000	\$3,092 decrease
1020 Assessor	\$1,023,675	No change
1030 Tax Collector	\$583,303	No change
1040 Clerk	\$246,606	No change
1050 Commissioner	\$363,172	No change
1060 Surveyor	\$11,000	\$1,886 decrease
2010 District Attorney	\$1,171,668	\$30,000 decrease
2020 Justice Court	(\$20,000)	(\$20,000) increase
2030 Sheriff	\$6,665,638	\$38,768 increase
2050 Juvenile	\$1,215,086	\$50,000 decrease
2080 Emergency Management	\$64,830	No change
2090 State Courts	\$365,082	No change
4010 Health Services	\$60,000	No change
6020 Planning	\$64,000	\$13,000 decrease
7020 Watermaster	\$81,940	No change
7030 OSU Extension	\$0	\$96,865 decrease
7040 Experiment Station	\$0	\$52,255 decrease

Subsequent changes: (1) change in allocation of internal service and risk management fees for general fund will be offset by change in support from general fund; (2) Assessor budget increased by \$58,000 to offset increased personnel costs; (3) change in allocation of CAFFA grant for general fund will be offset by change in support from general fund; (4) Commissioner budget increased by \$6,924 to maintain travel expenditures; (5) District Attorney budget increased by \$44,606 to offset increased personnel costs; (6) Public Health increased by \$38,000 to support communicable disease prevention.

Budget Committee Presentation Process

1. Public Comment Process (No change from prior year.)
 - a. Public comment taken on that day's discussion's topics as first agenda item of the day.
 - b. Public may make one comment on each department (even if department ultimately presents on multiple days).
2. Department Presentations (No change from prior year.)
 - a. Departments may present to the Budget Committee or elected to have Budget Officer present or any combination thereof. (Please communicate your department's intended presentation method to the Budget Officer, so that sufficient time can be allocated and preparations can be made.)
 - b. No change in material or format for Budget Committee. All material for the budget committee will be submitted in electronic format. No paper materials to be distributed to members. (Budget committee has implemented a completely electronic format of material and no longer have printed binders.)
3. Community Organizations
 - a. Community Organizations will NOT make direct requests for funding to the Budget Committee. These organizations will make their requests to the Board in work session and if the Board chooses to enter into a contractual relationship with the entity an amendment to the budget will be made.

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Klamath County, Oregon
2016-2017 Budget Presentation
Appendix I – All Funds Summary

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Klamath County, Oregon

2016-2017

Budget Financial Presentation

All Funds

	2013-14 Actual	2014-15 Actual	2015-16 Budget	2016-17 Budget
Requirements by Budgetary Category				
Personnel Services	25,585,297	26,390,200	28,467,069	29,553,580
Materials and Services	25,562,151	27,217,119	26,755,658	29,687,732
Capital Outlay	3,184,596	7,197,954	4,478,600	4,157,380
Debt Service	739,636	301,691	197,200	80,426
Subtotal Current Expenditures	55,071,680	61,106,964	59,898,527	63,479,118
Interfund Transfers	17,474,205	18,679,655	17,649,330	17,699,445
Reserves	-	-	79,942,962	76,721,747
Contingency	-	-	16,295,781	15,875,101
Unappropriated Fund Balance	133,365,315	131,700,867	11,666,303	11,900,598
Subtotal Noncurrent Expenditures	150,839,520	150,380,522	125,554,376	122,196,891
Total Requirements by Budgetary Category	205,911,200	211,487,486	185,452,903	185,676,009

Resources by Budgetary Category

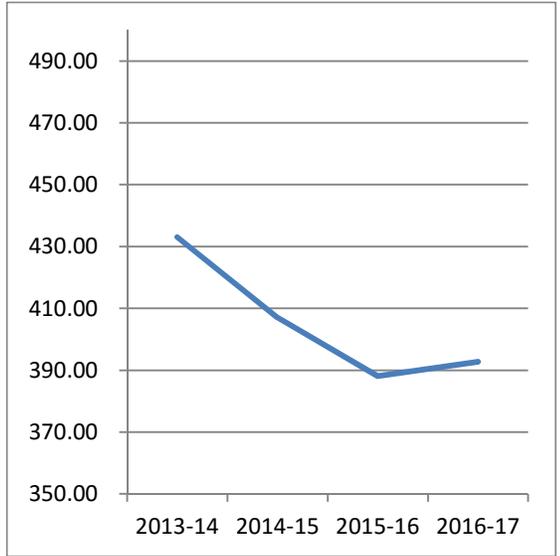
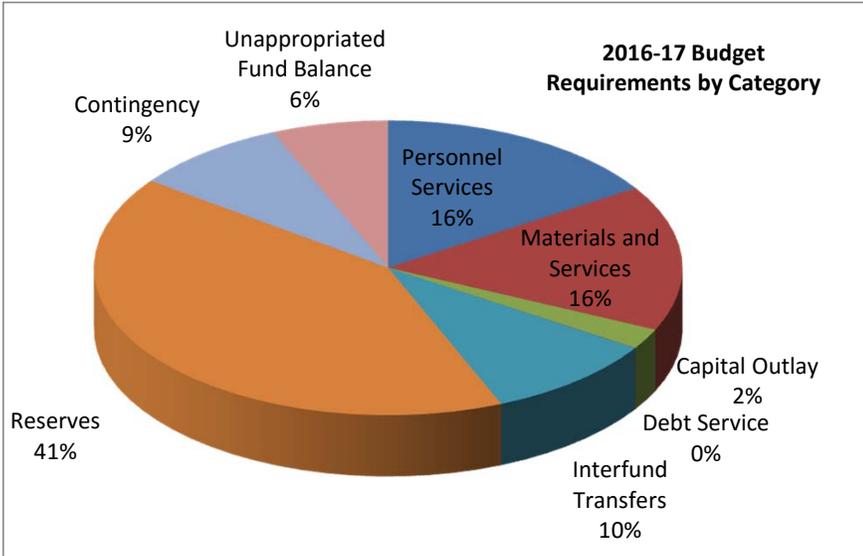
Taxes	11,087,831	11,668,012	11,063,613	11,703,613
Licenses and Permits	1,214,133	1,398,328	1,249,233	1,298,182
Intergovernmental	24,570,382	22,982,178	14,188,559	16,675,240
Charges for Services	17,166,393	19,004,798	17,429,312	18,015,888
Fines and Forfeitures	308,232	313,131	245,383	250,830
Investment Earnings	528,660	377,639	725,590	534,417
Sale of Capital Assets	72,748	41,963	15,000	10,000
Interfund Transfers	17,513,950	18,366,437	17,649,330	17,699,445
Debt Proceeds	721,509	288,075	184,000	61,000
Miscellaneous	490,482	3,681,611	211,092	148,660
Beginning Fund Balance	132,236,880	133,365,314	122,491,791	119,278,734
Total Resources by Budgetary Category	205,911,200	211,487,486	185,452,903	185,676,009

Full-Time Employee Equivalent	433.02	407.00	388.10	392.73
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Klamath County, Oregon
2016-2017
Budget Financial Presentation

<u>Mandate</u>	All Funds Total Cost	Personal Services	FTE
Non-Departmental (1000)	20,982,773	-	-
Treasurer (1010)	543,729	36,676	0.80
Assessor (1020)	1,334,812	921,938	13.00
Tax Collector (1030)	2,845,238	368,285	5.04
Clerk (1040)	727,964	372,233	5.00
Commissioners (1050)	374,992	305,752	3.00
Surveyor (1060)	1,209,336	23,288	0.30
County Schools (1070)	600,000	-	-
General Administration (1510)	176,141	149,064	2.00
Human Resources (1515)	5,045,858	386,070	5.00
County Counsel (1520)	396,377	242,415	2.00
Finance (1525)	1,040,239	575,556	7.00
Information Technology (1530)	1,311,528	674,502	7.00
GIS (1535)	379,994	146,661	1.50
Multimedia (1540)	118,356	70,585	1.00
Maintenance (1560)	2,713,574	454,191	7.00
District Attorney (2010)	1,824,963	1,301,096	16.50
Justice Court (2020)	215,946	124,981	2.00
Sheriff (2030)	8,446,900	5,744,389	62.56
Animal Control (2040)	400,200	223,316	3.96
Juvenile (2050)	2,054,502	1,532,777	28.91
Community Corrections (2060)	6,371,571	3,197,246	38.50
Emergency Management (2080)	129,674	75,754	1.00
State Courts (2090)	364,080	-	-
Public Works (3010)	96,046,400	3,945,272	42.50
Solid Waste (3030)	13,427,137	1,656,484	26.55
Public Health (4010)	2,635,773	1,785,601	25.20
Mental Health (4050)	4,041,599	1,043,745	13.75
Veterans Services (4070)	303,430	209,877	3.00
Library (5010)	1,749,347	1,512,641	33.36
Law Library (5015)	266,038	19,602	0.72
Museum (5020)	811,507	340,274	7.28
Parks (5025)	470,669	87,123	1.58
Fairgrounds (5030)	1,596,226	510,678	8.00
Planning (6020)	318,450	196,345	2.27
Building (6030)	1,637,736	1,041,492	11.75
Onsite (6040)	203,795	152,856	1.84
Code Enforcement (6050)	101,281	63,141	0.86
Tourism (6060)	273,750	-	-
Economic Development (6070)	518,500	-	-
Title III (6080)	1,578,000	-	-
Taylor Grazing (7010)	4,000	-	-
Watermaster (7020)	83,624	61,174	1.00
Total Mandates	185,676,009	29,553,080	392.73

Klamath County, Oregon
2016-2017
Budget Financial Presentation
All Funds



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