

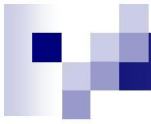


Public Hearing

Recommended 2022-2023

Jefferson County Mid-biennium Review and Modification

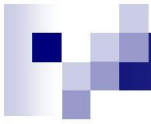
Presentation on December 5, 2022



Today's Public Hearing:

- Budget Presentation
- Hear public testimony to inform Commissioners' deliberations on the Recommended 2020-2023 Mid-biennium Review and Modification
- Board of Commissioners may direct changes for the Final Mid-biennium Review and Modification

Adoption tentatively scheduled December 12, 2022



Overview:

- Emerging from Covid-19 pandemic health emergency
- Extraordinary demands on Public Health, and Emergency Management, the County at large and our citizens
- Significant changes to the way the County does business – thanks to our citizens for their help on this
- Budget is largely status quo with minor increases
- Significant federal revenue: American Rescue Plan Act
- Inflation at 7.5% for 2022 causing major headaches
- Consensus is a recession is on the way

Summary of 2023 Recommended Budget

GENERAL FUND			
	2022 Budget Through 3rd Quarter Appropriation	2023 Recommended Budget	% Change From 2022
GF Revenues	\$23,377,627	\$24,257,084	3.76%
GF Expenditures	\$26,556,391	\$25,681,640	-3.29%
Estimated Ending Fund Balance	\$6,900,740	\$6,112,131	-11.4%
Unreserved Fund Balance	\$3,330,440	\$2,259,885	-32%

58 OTHER FUNDS			
	2022 Budget Through 3rd Quarter Appropriation	2023 Recommended Budget	% Change From 2022
Revenues	\$ 47,165,939	\$ 54,704,985	16%
Expenditures	\$ 54,078,260	\$ 60,149,553	11.2%

2022-2023 Mid-biennium Review and Modification Overview

General Fund 5 Year Projection 2023-2027

Updated 11-30-22						
		2023	2024	2025	2026	2027
GENERAL FUND	2022	Projected	Projected	Projected	Projected	Projected
	Projected	Budget	Budget	Budget	Budget	Budget
Beginning Fund Balance	6,952,740	6,900,740	6,112,131	5,633,620	5,485,691	5,689,830
REVENUES	23,750,000	24,250,990	25,187,078	26,159,299	27,169,048	28,217,774
EXPENDITURES:	(23,802,000)	(25,681,640)	(26,323,681)	(26,981,773)	(27,656,317)	(28,347,725)
Estimated carryover		642,041	658,092	674,544	691,408	708,693
Ending Fund Balance	6,900,740	6,112,131	5,633,620	5,485,691	5,689,830	6,268,571
Recommended Reserves - 15% of Expenditures	3,570,300	3,852,246	3,948,552	4,047,266	4,148,448	4,252,159
Unreserved Fund Balance	3,330,440	2,259,885	1,685,068	1,438,425	1,541,382	2,016,413

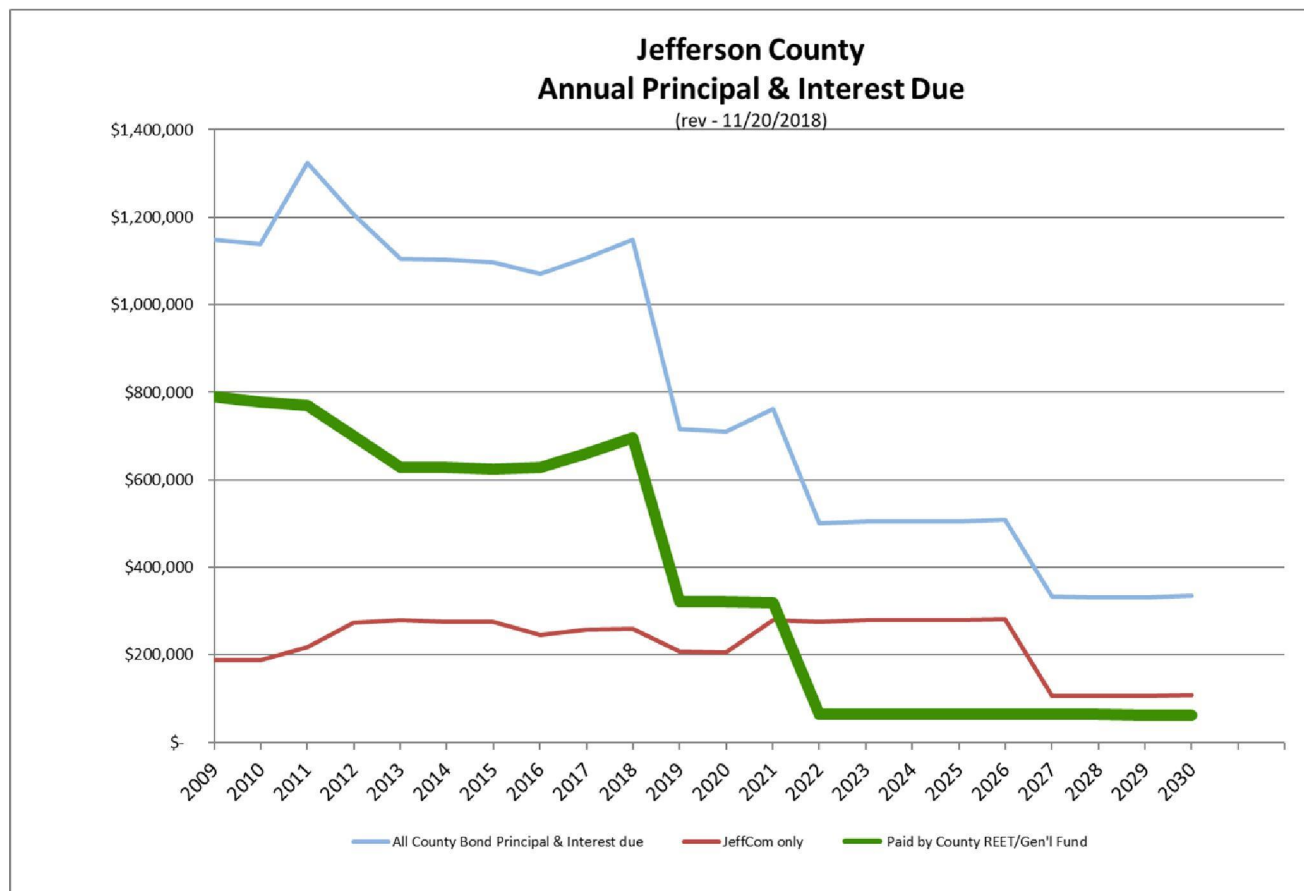
General Fund Enhancement Highlights in 2023 – Base Budget:

2023 Budget Amendment		Revenue		Expenditure			Updated 11-29-2022
Fund	Department	Base Budget Add	One-time Add	Base Budget Add	One-time Add	Description	Notes
<i>General Fund</i>							
067	Emergency Management			8,916		Additional Starting Salary for Program Coordinator	Position previously approved by BoCC
250	Treasurer			6,001		Restoring position for Clerk Hire.	Position removed in error in 2023 Original Budget
261	Operating Transfer			38,000		Operating Transfer increase for Fund 174 Parks	See details in Add Form request.
	Total	-	-	52,917	-		

Debt:

The County's annual debt service schedule is shown below. The **green line** shows bond debt service paid by REET or General Fund.

We retired our Castle Hill debt at the end of 2021. We now have the capacity to issue bonds for needed capital facilities.





County Challenges and Opportunities:

- The 2022-2023 Review and Modification is mostly status quo, however, we are faced with numerous challenges and opportunities:
 - Inflation at a 40 year high
 - Looming recession
 - Competition for employees – housing/childcare
 - American Rescue Plan Act funds
 - Continued intergovernmental cooperation - ICG
 - Sustainable forestry program
 - Capital project and property management
 - Chronic Road Fund funding shortages
 - Continuing structural funding problem for counties



Budget Policies:

The 2022-2023 Recommended Mid-biennium Review and Modification complies with all statutory and constitutional requirements, and substantially complies with adopted county ordinances and resolutions, including:

- **Resolution No. 38-22:** Goals and Objectives for the 2022-2023 Mid-Biennium Review and Modification;
- **Resolution No. 32-10:** use of Special Purpose Tax (Proposition 1);
- **Resolution 41-19** setting minimum recommended reserve amounts for each fund (General Fund increased from 10% to 15%);
- Each fund is projected to meet the minimum recommended reserve, established by Resolution 41-19.

Recommended 2023 General Fund Budget

ATTACHMENT 1: GENERAL FUND SUMMARY - 2023 Amendment

updated 11-21-2022

Page 1 of 2

REVENUES		2022 BUDGET	2023 Budget	
Categories	Description	Through 3rd Qtr Appropriations	Orig Budget (Dec 2021)	Budget Amendment
Taxes				
311	Property Tax	8,567,268	8,824,286	8,824,286
311	Diverted Road Taxes	670,000	620,000	620,000
3174010	Timber Excise Tax	300,000	300,000	300,000
3174020	Timber Excise Tax (div)	39,599	39,599	39,599
31310	Sales Tax	5,100,000	5,233,290	5,233,290
31371	Sales Tax - Local Option Criminal Justice	523,399	543,288	543,288
31315	Sales Tax - Special Purpose	1,255,574	1,303,286	1,303,286
317	Leasehold Excise Tax	85,354	87,061	87,061
34142/313233	Treas Collection Fees REET	111,142	111,142	111,142
359	Interest & Penalties	406,136	414,258	320,000
Total Taxes		17,058,472	17,476,210	17,381,952
Other Treasurer's Revenue				
33215 33602	Fed Entitlements-PILT (includes state)	1,754,261	1,545,762	1,765,762
335	PUD Privledge Tax	413,131	425,431	425,431
336064142	Marijuana Tax	45,557	46,923	46,923
3360610/51	Crim Just Hi Crime/DUI/Asst	480,000	494,400	494,400
3360694	Liquor Excise Tax	70,494	71,904	71,904
3360695	Liquor Profit	84,971	86,671	86,671
36250180/671	Interfund Serv.-Cost Allocation	216,993	223,502	223,502
36111	Investment Income	29,278	447,767	600,000
3414215-20/50	Treasurer's Invest Fees & other fees	66,080	67,290	67,290
360	Miscellaneous Revenue	11,252	11,252	10,962
3951010	Timber Sales D.N.R.	100,000	100,000	500,000
397	Transfer in to Treas. from other funds	41,297	41,297	41,297
Total Other Treasurer's Revenue		3,313,314	3,562,199	4,334,142
TOTAL TREASURER'S REVENUE		20,371,786	21,038,409	21,716,094
Revenue by General Fund Dept				
Dept #	Description			
010	Assessor	8,300	8,300	8,300
020	Auditor	389,594	398,125	398,125
021	Elections	196,029	221,940	237,745
050	Clerk	322,184	128,538	115,853
059	County Administrator	3,812	3,927	4,142
060	Commissioners	8,241	8,489	8,489
067	Emergency Management	101,301	104,341	63,872
068	Community Services	10,299	4,429	603
080	District Court	607,956	555,834	575,834
110	Juvenile Services	322,817	306,904	357,483
150	Prosecuting Attorney	243,341	250,643	232,831
151	Coroner	34,625	35,409	35,409
180	Sheriff	659,966	390,498	390,498
240	Superior Court	59,275	59,695	79,419
270	Non Departmental	38,101	39,245	32,387
TOTAL DEPARTMENTAL REVENUES		3,005,841	2,516,317	2,540,990
TOTAL REVENUE		23,377,627	23,554,726	24,257,084

Recommended 2023 General Fund Budget - continued

EXPENDITURES		2022 Budget	2023 Budget	
Dept.	Description	Through 3rd Qtr Appropriations	Orig Budget (Dec 2021)	Budget Amendment
010	ASSESSOR	1,040,437	979,917	972,427
020	AUDITOR	1,057,661	924,969	911,668
021	ELECTIONS	511,518	417,867	435,588
050	CLERK	814,123	523,542	517,539
059	COUNTY ADMINISTRATOR	687,185	630,412	641,215
060	COMMISSIONERS	737,521	615,902	670,755
061	BOARD OF EQUALIZATION	28,492	29,182	27,816
062	CIVIL SERVICE COMMISSION	6,593	6,477	6,477
063	PLANNING COMMISSION	42,578	43,855	43,830
067	EMERGENCY MANAGEMENT	360,528	339,321	308,684
068	COMMUNITY SERVICES	245,593	230,171	227,419
080	DISTRICT COURT	1,095,703	949,584	938,487
110	JUVENILE SERVICES	1,345,964	1,267,011	1,269,890
150	PROSECUTING ATTORNEY	1,583,266	1,342,251	1,443,106
151	CORONER	59,778	61,157	60,675
180	SHERIFF	7,578,228	7,248,551	8,333,461
240	SUPERIOR COURT	396,901	391,502	389,443
250	TREASURER	675,356	613,953	613,765
270	NON-DEPARTMENTAL	5,002,955	4,885,402	5,295,048
Total Departments		23,270,380	21,501,026	23,107,293
261	<u>OPERATING TRANSFERS</u>			
	Auditor's O&M	130,219	130,219	260,438
	Community Development	835,637	668,957	450,000
	Cooperative Extension	278,939	284,286	283,580
	County Lakes	22,732	18,264	22,732
	Parks & Recreation	704,005	673,427	721,559
	Public Health	1,064,832	707,681	532,068
	Public Health Nurse	64,297	66,226	63,748
	Roads	93,042	155,116	240,222
	Substance Abuse	59,495	61,280	0
	Other Misc. Transfers	32,813	29,164	
<i>Total Operating Transfers</i>		<i>3,286,011</i>	<i>2,794,620</i>	<i>2,574,347</i>
TOTAL EXPENDITURES		26,556,391	24,295,647	25,681,640

Recommended 2023 Budget - Other Funds

ATTACHMENT 2: OTHER FUNDS SUMMARY - 2023 Amendment

updated 11-29-2022

OTHER FUNDS	2022 Budget (thru 3rd Qtr Appr)		2023 Orig Budget (12/2021)		2023 Budget Amendment	
	Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures
104-HAVA 3 GRANT	-	56,011	-	56,011	-	47,337
105-AUDITOR'S O&M	212,524	114,350	77,900	74,720	338,338	78,900
106-COURTHOUSE FACILITATOR	5,662	5,678	5,660	5,678	5,000	5,480
107-BOATING SAFETY PROGRAM	44,503	99,140	44,500	44,500	44,500	44,500
108-COOPERATIVE EXT. PROGRAMS	451,765	565,418	407,193	442,810	492,738	531,048
109-NOXIOUS WEED CONTROL	201,717	230,796	167,717	167,717	189,517	321
119-JEFFCOM BOND FUND	276,600	275,920	288,000	280,345	288,000	280,345
120-CRIME VICTIMS SERVICES	94,793	174,404	81,543	174,395	81,543	173,226
123-JEFF CO GRANT MANAGEMENT FUND	3,694,824	3,541,048	1,940,552	1,940,552	2,042,000	4,362,518
125-HOTEL-MOTEL	537,090	885,892	537,087	885,892	655,000	804,142
126-H&HS SITE ABATEMENT	-	20,000	10,000	10,000	-	9,000
127-PUBLIC HEALTH	6,072,467	6,465,943	5,468,085	5,643,708	6,528,760	6,115,462
128-WATER QUALITY FUND	1,093,827	1,481,276	1,085,245	1,246,077	862,791	1,055,973
129-LAND ACQUISITIONS	325,000	325,000	150,000	150,000	345,000	345,000
130-MENTAL HEALTH	51,736	69,252	51,732	69,250	51,732	74,000
131-CHEMICAL DEPEND/MENTAL HEALTH	625,000	756,152	625,000	694,734	768,777	872,370
134-JC INMATE COMMISSARY	39,003	41,506	39,000	41,500	39,000	39,000
135-JEFFERSON COUNTY DRUG FUND	14,242	16,790	14,240	16,789	600	-
140-LAW/LIBRARY	16,424	16,419	16,418	16,418	16,418	16,418
141-TRIAL COURT IMPROVEMENT	23,691	17,242	23,690	17,240	23,690	17,240
143-COMMUNITY DEVELOPMENT	2,052,723	2,215,246	1,793,745	1,735,582	1,878,160	2,225,395
147-FEDERAL FOREST TITLE III	21,002	100,015	21,000	-	20,500	100,050
148-JEFF CO AFFORDABLE HOUSING	705,103	1,478,500	705,103	-	687,350	687,000
149-HOMELESS HOUSING	545,250	365,271	500,250	-	245,500	528,000
150-TREASURER'S O&M	58,120	57,544	58,120	57,546	57,700	57,709
151-REET TECHNOLOGY FUND	14,000	14,000	14,000	14,000	14,000	14,000
155-VETERANS RELIEF	66,055	77,382	66,050	77,769	67,172	77,451
160-WATER POLLUTION CNTRL LOAN	-	7,000	-	7,000	-	7,000
174-PARKS AND RECREATION	834,755	919,534	914,374	957,742	862,059	906,785
175-COUNTY PARKS IMPROVEMENT	345,000	350,045	220,000	224,843	168,450	194,515
178-POST HARVEST TIMBER MGMT RESV	-	1,500	-	1,500	-	1,500
180-COUNTY ROADS (INCL 181)	10,636,422	12,111,305	14,264,381	15,221,665	11,582,153	11,856,570
185-FLOOD/STORM WATER MANAGEMENT	-	3,208	-	2,500	-	2,574
186-BRINNON FLOOD CONTROL	-	2,500	-	2,500	-	2,500
187-QUILCENE FLOOD CONTROL	-	12,360	-	2,623	-	5,522
301-CONSTRUCTION & RENOVATION	1,032,450	595,047	2,482,674	566,111	1,182,341	2,760,577
302-COUNTY CAPITAL IMPROVEMENT	1,744,688	2,552,194	1,553,875	2,600,000	1,793,875	1,939,284
304-HJC JUMP PLAYGROUND	1,364,848	1,345,710	200,000	200,000	-	12,565
306-PUBLIC INFRASTRUCTURE	630,750	1,616,530	651,500	265,750	651,500	361,410
308-CONSERVATION FUTURES TAX	264,900	545,112	267,380	264,180	270,350	866,901
401-SOLID WASTE	4,029,053	4,770,610	3,986,265	4,393,560	4,115,940	4,745,181
402-SOLID WASTE POST CLOSURE	-	6,050	-	6,000	100	6,100
403-SOLID WASTE EQUIPMENT RESERVE	1,200	600	1,200	-	2,000	600
404-YARD WASTE EDUCATION FUND	8,000	10,000	8,000	10,000	8,000	10,000
405-TRI-AREA SEWER FUND	1,748,500	1,730,646	10,323,500	10,354,556	11,307,435	10,463,787
501-EQUIPMENT RENTAL & REVOLVING	3,011,080	3,296,286	3,094,690	3,517,928	3,094,690	3,518,345
502-RISK MANAGEMENT RESERVE	150,000	150,000	150,000	150,000	150,000	150,000
505-EMPLOYEE BENEFIT RESERVE	275,003	433,378	275,000	213,200	290,600	313,200
506-INFORMATION SERVICES	2,541,431	2,847,712	2,090,657	1,983,855	2,127,979	2,109,025
507-FACILITIES MANAGEMENT	1,304,738	1,304,738	1,318,026	1,318,026	1,353,727	1,353,727
TOTAL OTHER FUNDS BUDGETS	47,165,939	54,078,260	55,993,352	56,126,772	54,704,985	60,149,553

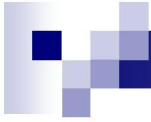
Recommended 2023 Staffing Schedule

STAFFING SCHEDULE - 2023 BUDGET AMENDMENT

updated 11/4/2022 jfs

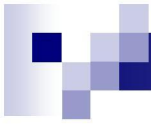
(Full Time Equivalents - FTEs)

Department	Recession	5 YR HISTORICAL					Budget 2022	Budget 2023	Budget Amendment 2023	2023 to 2023 Amendment Change
	Budget 2008	Budget 2017	Budget 2018	Budget 2019	Budget 2020	Budget 2021				
Assessor	10.63	9.50	9.50	9.39	10.39	9.39	9.50	10.50	10.50	-
Auditor	8.05	7.88	7.88	7.75	8.50	8.50	10.81	10.81	11.40	0.59
Elections	2.19	2.12	2.12	2.12	2.12	2.12	2.12	2.12	2.12	-
Clerk	7.00	6.10	6.04	6.04	6.04	6.04	5.97	5.97	5.97	-
County Administrator	3.16	2.94	3.13	3.13	3.13	3.13	5.03	4.53	5.13	0.60
Commissioners	5.36	5.08	4.87	4.87	4.87	4.87	5.90	5.90	5.90	-
Board of Equalization	0.22	0.60	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-
Planning Commission	0.50	-	-	-	-	-	-	-	-	-
Safety & Security (Emer Mgmt)	2.69	2.53	2.80	2.59	2.59	2.59	4.30	4.30	4.30	-
District Court	9.11	8.96	8.96	8.96	8.96	8.96	8.96	8.96	9.16	0.20
Juvenile Services	8.19	7.55	7.75	7.75	7.75	7.75	7.68	7.68	8.20	0.52
Prosecuting Attorney	11.85	10.25	9.95	9.80	11.40	10.40	11.60	11.60	11.60	-
Sheriff	48.46	51.68	50.70	51.10	49.63	49.63	50.63	50.63	51.00	0.37
Superior Court	2.15	2.25	2.25	2.25	2.25	2.25	2.44	2.44	2.25	(0.19)
Treasurer	4.61	4.40	4.71	4.46	4.67	4.67	5.67	5.67	5.81	0.14
	124.17	121.84	121.16	120.71	122.80	120.80	131.11	131.61	133.84	2.23
Auditor's O & M	0.00	0.38	0.38	0.38	0.38	0.38	-	-	-	-
Courthouse Facilitator	0.00	0.18	0.15	0.08	0.08	0.08	0.08	0.08	0.08	-
Boating Safety	0.26	0.33	0.25	0.25	0.23	0.23	0.23	0.23	-	(0.23)
Cooperative Extension	4.10	5.30	4.25	4.35	3.29	3.29	3.02	3.02	2.85	(0.17)
Noxious Weed Control				-	1.00	1.00	1.50	1.50	1.50	-
4H After School	1.26	0.60	0.40	0.95	1.40	1.40	0.62	0.62	1.07	0.45
Crime Victims	1.05	1.18	1.18	1.20	1.20	1.20	1.20	1.20	1.58	0.38
Public Health	38.79	36.31	33.50	35.80	37.60	38.19	42.41	42.13	45.32	3.19
Water Quality	6.03	9.09	8.94	8.55	8.42	8.42	8.41	8.41	8.44	0.03
Animal Services	2.64			-						-
JC Drug Fund	0.12			-						-
Trial Court Improvement	0.00	-	-	-	-	-				-
Community Development	25.89	16.98	16.40	17.18	16.03	16.03	18.20	18.20	19.03	0.83
Treasurer's O & M	0.15	0.29	0.29	0.29	0.33	0.33	0.33	0.33	0.33	-
Veteran's Relief			0.13	0.13	0.13	0.13	0.13	0.13	0.13	-
Parks & Recreation	7.58	5.59	6.01	5.95	6.27	5.76	6.90	6.90	6.85	(0.05)
County Parks Improvement	0.71	0.18	0.18	0.18	0.42	0.26	0.26	0.08	0.19	0.18
County Roads	50.63	45.41	46.63	46.84	45.56	45.37	46.80	46.90	45.77	(1.13)
Facilities Management	8.23	7.87	7.71	7.68	7.58	7.58	7.68	7.68	8.17	0.49
Flood/Stormwater Mgmt.	0.00	0.01	0.02	-	-	-	0.01	0.01	0.01	-
Brinnon Flood Control	0.01	-	-	-	-	-	-	-	-	-
Quilcene Flood Control	0.01	0.03	0.03	0.03	-	-	-	-	-	-
Construction & Renovation	0.53	0.01	0.37	0.37	0.54	0.40	0.60	0.59	0.60	0.01
HJ Carroll Park JUMP	0.28			-			0.38	0.28	0.02	(0.26)
Solid Waste	8.28	11.26	10.21	10.00	11.26	10.10	11.07	11.07	11.13	0.06
Tri Area Sewer	1.12	0.15	0.19	-	0.33	1.53	1.76	1.76	2.15	0.39
ER & R	6.60	6.64	6.65	6.63	6.63	6.63	6.63	6.63	7.19	0.56
Information Services	7.14	7.45	8.45	8.43	8.66	8.66	9.02	9.02	9.13	0.11
	171.41	155.24	152.32	155.27	157.34	156.97	167.24	166.77	171.55	4.85
	295.58	277.08	273.48	275.98	280.14	277.77	298.35	298.38	305.39	7.08



Recommended 2022-2023 Mid-biennium Review and Modification changes or corrections:

Any changes or corrections to the recommended budget will be noted in a memo that will accompany the final budget for approval, scheduled for December 12, 2022.

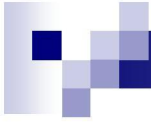


Conclusion:

The 2022-2023 Recommended Mid-biennium Review and Modification is fiscally sustainable. We anticipate a recession in 2023 and have developed a budget that will help mitigate the effects a recession might have on County operations.

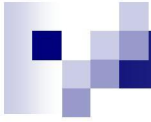
Staff, directors and elected officials in every branch and department of our organization have worked hard to prepare the Recommended 2022-2023 Mid-biennium Review and Modification.

Many other individuals in every branch and department of our organization work hard to prepare the budget submissions for the Board's consideration. Particular recognition and my personal thanks go to Rose Ann Carroll, Jeff Chapman, Carolyn Gallaway, Adiel McKnight, Sarah Melancon, Stacie Prada, Julie Shannon, Veronica Shaw, Judy Shepherd, Renee Talley and Cathy Taylor.



Conclusion - continued:

Jefferson County is losing some distinguished public servants as we move towards 2023. Our Auditor, Rose Ann Carroll, and our Clerk, Ruth Gordon, are retiring after decades of public service for which we thank them. They are being followed by new elected public servants: Amanda Hamilton as our new Clerk and Brenda Huntingford as our new Auditor. We wish them well in their new roles. We reluctantly say farewell to our outstanding Juvenile and Family Court Department Director, Barbara Carr. Fortunately, she has prepared her office well for her departure. We are also losing our Superior Court Judge, Keith Harper, to a well-deserved retirement in January 2023. We thank him for his service to our county and the cause of justice.



- Questions?**
- Public Hearing**