



FY19 PROPOSED BUDGET

**Lane Council of Governments
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For the Fiscal Year Ending June 30, 2019

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DRAFT

READERS GUIDE

READERS GUIDE TO THE FY19 BUDGET

For the Fiscal Year Ending June 30, 2019

The proposed annual operating budget is a guidebook for achieving the goals set by LCOG's Board, members, committees, and LCOG management. The annual budget is based on a fiscal year which runs from July 1, 2018 to June 30, 2019.

The Budget Document

The budget document is arranged in separate sections. They are:

- Readers Guide
- Introduction
- Budget Message
- Financial
- Supplemental Information

This section, the **Readers Guide**, provides the reader with a description of each major section of the budget plan to facilitate the overall review of the document. A description of LCOG's annual budget process and timeline, and a list of scheduled meetings regarding the budget review and approval process is also provided.

The **Introduction** section provides a profile of LCOG, mission statement, a list of member governments, and a brief description of LCOG services. What follows is an organization chart which provides a view of how LCOG's services are organized, a list of LCOG Board of Directors, Executive Committee members, and Budget Committee members.

The **Budget Message** section includes the Budget Message, which is a letter to the members of the Budget Committee and the Board of Directors from the LCOG Executive Director. The budget message from the Executive Director outlines the overall direction and key goals used in developing the budget. The message highlights major service changes, organization changes, or budgetary changes that are part of the proposed budget.

The **Financial** section consists of information and schedules which detail revenues and expenditures across the organization as a whole. The Board of Directors of LCOG has elected to adopt its budget on the basis of organizational service units. As a result, the Financial Section of this document presents fund statements based on LCOG's four organizational service units and the three major reporting fund groups: General Fund (Administrative Services), Special Revenue Fund (Government Services and Senior and Disability Services), and Enterprise Fund (Business Services).

The **Supplemental Information** section provides additional reference information, a glossary of terms used in this document, and goals and accomplishments for each of the major work program areas.

LCOG Budget Process

Pursuant to the Oregon Revised Statutes 294.900 to 294.930, LCOG is required to follow certain procedures related to the adoption of a budget. The annual budget serves as the foundation for LCOG's financial planning and control. The budget process begins in December with the LCOG management and staff identifying projects for the subsequent fiscal year as well as estimating grant projects not expected to be completed by the end of the current fiscal year.

READERS GUIDE, Continued

Over the course of several months, LCOG management and staff, the Board of Directors, Budget Committee, and others are involved in defining the goals and objectives, as well as the projects, to be included in the work program.

Budget Timeline

The FY19 Budget process, review and approval timeline is as follows:

- | | |
|----------|--|
| 11/14/17 | LCOG Executive Committee establishes FY19 Budget Assumptions.
LCOG Executive Committee reviews FY19 Proposed member dues rates. |
| 11/30/17 | LCOG Board adopts FY19 Budget Process and Assumptions.
LCOG Board approves FY19 member dues rates based on proposed schedule. |
| 2/22/18 | LCOG Board appoints Budget Committee members. |
| 5/10/18 | FY18 Proposed Budget document is delivered to LCOG Budget Committee. |
| 5/22/18 | LCOG Budget Committee Meeting to review, deliberate, and consider recommending FY19 Proposed Budget to the LCOG Board. |
| 6/12/18 | Executive Committee meetings to review, deliberate, and recommend FY19 Proposed Budget to the LCOG Board. |
| 6/28/18 | Public Hearing on Budget; Adoption of FY19 Proposed Budget by LCOG Board. |

Budget Meetings

LCOG Budget Committee meetings are held at the Lane Council of Governments, 859 Willamette Street Suite 500, Eugene, OR 97401.

Contact Information

Lane Council of Governments
www.lcog.org
Finance Unit
(541) 682-3494
Email: kwolf@lcog.org

INTRODUCTION

INTRODUCTION

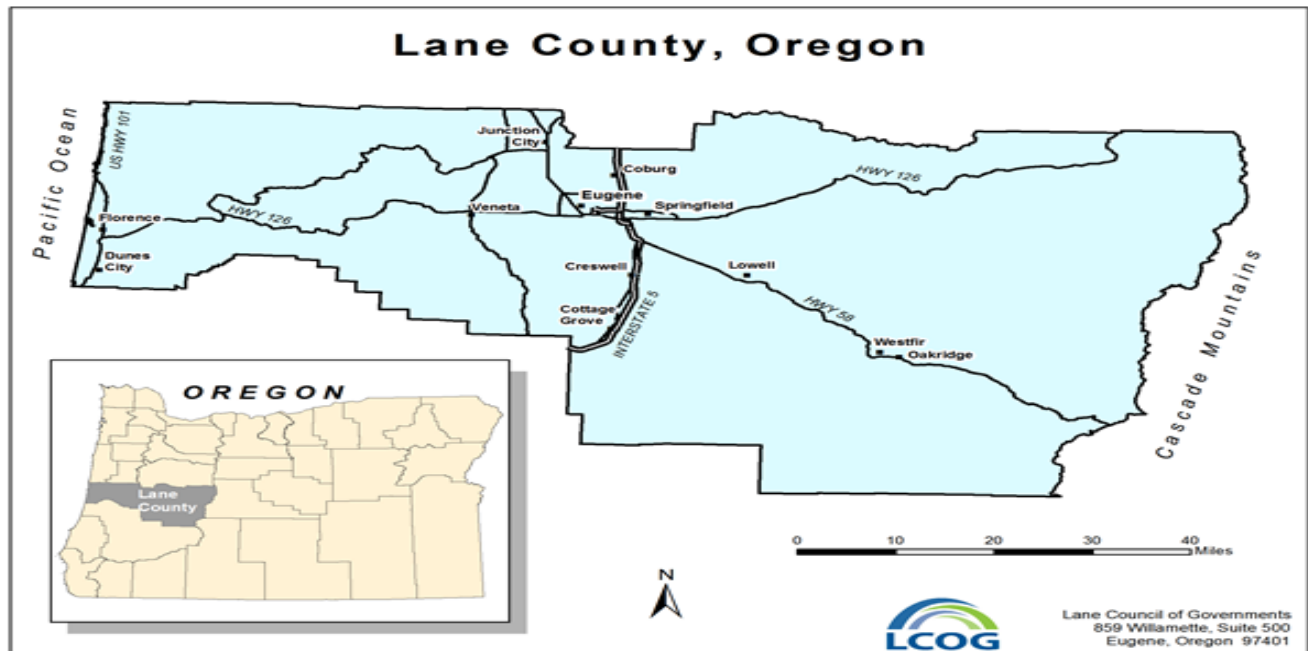
For the Fiscal Year Ending June 30, 2019

Profile of Lane Council of Governments (LCOG)

Councils of Governments (COGs) serve as regional planning, coordination, program development, and service delivery organizations in local communities across the nation. Local issues often cross jurisdictional boundaries and can be most effectively addressed by communities working together within a regional forum.

COGs differ in size and range of activities from one region to another, but their common purpose and function is solving area-wide problems. COGs are designed to help the public sector operate more efficiently and effectively through the pooling of resources so that communities accomplish more than they could individually.

LCOG is located in Lane County, Oregon, the fourth most populous county in Oregon. LCOG's region is the entire Lane County area. Lane County's population is 368,218. The size of Lane County is approximately 4,554 square miles.



If a separate state, Lane County would be the size of Connecticut with a population half the size of Vermont. The LCOG region is also the state's third largest Metropolitan Statistical Area (MSA) and the 144th largest MSA in the country.

The governing body of LCOG is its Board of Directors, comprised of local elected and appointed officials designated to represent member governments and agencies. LCOG is one of the oldest councils of governments in the nation. LCOG was first organized in 1945 under the name Central Lane County Planning Commission and had only six members.

INTRODUCTION, Continued

LCOG was reorganized in 1971 under an intergovernmental agreement pursuant to Oregon Revised Statutes Chapter 190 and the name was changed to Lane Council of Governments. It does not act under the direction and control of any single governmental entity and has the following characteristics:

- It is governed by a board of directors consisting of one appointed director from each of its 34 member organizations.
- It is a legally separate entity.
- It is fiscally independent of all member organizations and all other local government entities.
- It is vested with all the powers, rights, and duties relating to those functions and activities that are vested by law in each separate party to the intergovernmental agreement.

Our Membership

Our members represent 34 local governments and agencies including Lane County, twelve cities, six school districts, one education district, one college, two parks and recreation organizations, three library districts, three utilities, a transit district, two fire districts, an ambulance district, and a port.

Member Governments

Bethel School District #52	City of Veneta	Lane Education Service District
Lane Library District	City of Westfir	Lane Transit District
City of Coburg	Creswell School District	McKenzie School District
City of Cottage Grove	Emerald People's Utility District	Port of Siuslaw
City of Creswell	Eugene 4j School District	River Road Park & Rec District
City of Dunes City	Eugene Water & Electric Board	Siuslaw Library District
City of Eugene	Fern Ridge Library District	Siuslaw Valley Fire District
City of Florence	Heceta Water People's Utility District	South Lane School District
City of Junction City	Junction City RFPD	Springfield School District
City of Lowell	Lane Community College	Western Lane Ambulance Dist.
City of Oakridge	Lane County	Willamalane Park & Rec District
City of Springfield		

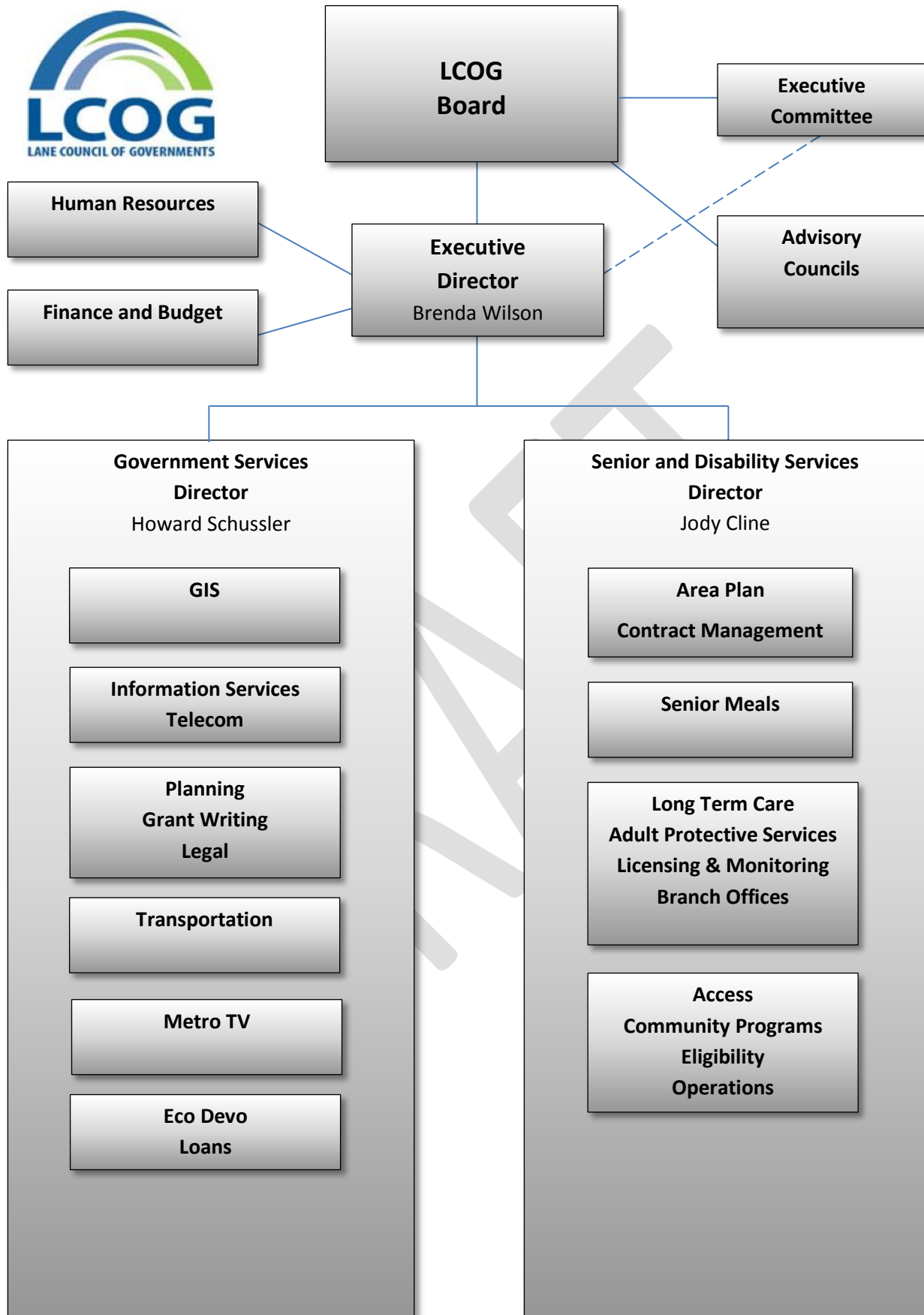
Our Mission

LCOG's mission is to coordinate and provide high quality public services in Lane County. Lane Council of Governments is dedicated to serving the public interest and enhancing the quality of life for citizens of Lane County.

Together with our member governments, we seek to create more accessible, sustainable, prosperous, and livable communities.

LCOG Services

LCOG services are offered over four broad areas: Administration, Government Services, Senior and Disability Services, and Business Services. LCOG employs over 240 people and is the designated comprehensive planning and review agency for a number of federal and state programs. LCOG also serves as the fiscal agent for various federal and state programs carried out by member entities and serves as a coordinating agency for local government long-range planning activities.



BOARD OF DIRECTORS

For the Fiscal Year Ending June 30, 2019

(#) Executive Committee Member; (*) Budget Committee Member (^) Audit Committee Member

Bethel School District 52 Alan Laisure	Fern Ridge Library District Steve Brock
City of Coburg Ray Smith	Heceta Water District Debby Todd (#)
City of Cottage Grove Jeff Gowing	Junction City Rural Fire Protection District Don Lighty
City of Creswell Richard Zettervall	Lane Community College Matt Keating
City of Dunes City Robert Forsythe	Lane County Gary Williams (#)
City of Eugene Chris Pryor (#)(*)	Lane Education Service District Sherry Duerst-Higgins (#)(*)(^) Vice-Chair of the Board of Directors
City of Florence Susy Lacer	Lane Library District Vacant
City of Junction City Mike Crenshaw	McKenzie School District 68 Vacant
City of Lowell Don Bennett	Port of Siuslaw Nancy Rickard
City of Oakridge Jim Coey (#)	River Road Park & Recreation District Wayne Helikson
City of Springfield Leonard Stoehr	Siuslaw Library District Susy Lacer
City of Veneta Tom Cotter (#)	Siuslaw Valley Fire & Rescue District Jim Langborg
City of Westfir Matt Meske	South Lane School District 45J Alan Baas
Creswell School District 40 Mike Anderson	Springfield School District 19 Zach Bessett
Emerald Peoples Utility District Brandon Jordan (*)	Western Lane Ambulance District Bob Sneddon
Eugene School District 4J Mary Walston (#)(^) Vice-Chair of the Board of Directors	Willamalane Park & Recreation District Greg James (#)(^)
Eugene Water & Electric Board John Simpson (#)(*)	Non-Voting Member: Lane Transit District Carl Yeh

Non-Board Members of the Budget Committee: Jessica Mumme, Joy Olgyay, Robin Zygaitis

BUDGET MESSAGE

EXECUTIVE DIRECTOR'S BUDGET MESSAGE
For the Fiscal Year Ending June 30, 2019

Members of the LCOG Board of Directors, Budget Committee, regional partners, valued employees, and citizens:

This FY19 *Proposed Budget and Work Program* represents my sixth year presenting the budget as your Executive Director. This proposed budget totals \$43,587,791, which is \$4,025,930 more than the FY18 *Adopted Budget*, and represents management's best current assessment of the obligations and financial capability of LCOG for the year that lies ahead.

LCOG's commitment to fiscal stability is reflected in this Proposed Budget and is the result of strong financial oversight, effective financial management policies, long-term financial planning, and innovative and comprehensive efforts to address rising costs and keep our rates stable while maintaining a high level of service to the region. This Proposed Budget is a reasonable recommendation on what can be expected for FY19.

SUMMARY OF THE BUDGET

The LCOG FY19 Proposed Budget is developed strategically, using the best information available beginning with the Budget Assumptions (see Supplemental Information Section on page 35) adopted by the LCOG Board in December of each year. Combined with known and expected revenues, a Work Program is created with a goal of keeping costs down, stabilizing rates, and providing outstanding services to the region.

Revenues

The revenues in the FY19 *Proposed Budget* reflect an overall net increase of 10.2%, or \$4,025,930 more than FY18 *Adopted Budget* revenues. The following table compares FY19 *Proposed Revenues* to FY18 *Adopted Revenues* by source of revenue.

REVENUES	Federal and State	Local	Transfers In	Beginning Reserves	Total Budget
FY19 Proposed	\$ 23,761,174	\$ 7,600,825	\$ 3,988,956	\$ 8,236,836	\$ 43,587,791
FY18 Adopted	<u>\$ 20,315,456</u>	<u>\$ 8,084,492</u>	<u>\$ 4,050,873</u>	<u>\$ 7,111,040</u>	<u>\$ 39,561,861</u>
Dollar Change	\$ 3,445,718	\$ (483,667)	\$ (61,917)	\$ 1,125,796	\$ 4,025,930
Percent Change	17.0%	-6.0%	-1.5%	15.8%	10.2%

In terms of increases in the budget for FY19, beginning reserves are higher than FY18, primarily due to the increase in Senior and Disability Services' allocation from the state for the 2017-2019 biennium (see Schedule on page 27), as well as increases in Transportation and Tele-Management programs (see Schedule on page 24). Federal and State Revenues are projected to increase by \$3,445,718 over the FY18 *Adopted Budget* with the majority of the increase in our Transportation / MPO Program area. Local Revenues are expected to decrease by a net \$483,667, or 6.0% compared to the FY18 *Adopted Budget*, but may increase as contracts are realized throughout the fiscal year.

Transfers In are interfund transfers and match Transfers Out. The net \$61,917 amount is 1.5% less than in the FY18 *Adopted Budget* primarily due to a decrease in administrative support for the Business Loans program because of a reduction of 1 staff member. In addition, there was a \$390,966 transfer in FY18 to move the Park Place Building Capital Contingency account from the General Fund to the Building Management Fund, which contributes to the difference in the amount of transfers.

EXECUTIVE DIRECTOR'S BUDGET MESSAGE, Continued

Expenditures

The FY19 *Proposed Budget* reflects an expenditure increase of a net 10.2% or \$4,025,930. This increase matches the increase in revenues as noted previously. The following table provides a comparison between the FY19 *Proposed Budget* and the FY18 *Adopted Budget* by expense type:

EXPENDITURES	Personal Services	Materials & Services	Capital Outlay	Services by Others	Debt Service	Transfers Out	Ending Reserves	Total Budget
FY19 Proposed	\$ 21,087,974	\$ 6,755,536	\$ 282,267	\$ 2,898,817	\$ 484,326	\$ 3,988,956	\$ 8,089,915	\$ 43,587,791
FY18 Adopted	\$ 19,783,711	\$ 6,451,249	\$ 59,499	\$ 2,560,136	\$ 457,937	\$ 4,050,873	\$ 6,198,456	\$ 39,561,861
Dollar Change	\$ 1,304,263	\$ 304,287	\$ 222,768	\$ 338,681	\$ 26,389	\$ (61,917)	\$ 1,891,459	\$ 4,025,930
Percent Change	6.6%	4.7%	374.4%	13.2%	5.8%	-1.5%	30.5%	10.2%

Personal Services is LCOG's largest expenditure, with the overall net increase for FY19 proposed at \$1,304,263 or a 6.6% net increase. The majority of the increase in FTE – from 201.12 to 221.12 FTE, is attributed to S&DS because of additional funds from the state which allowed us to hire additional staff in FY18 and FY19 over the FY18 *Adopted Budget*.

Effective July 1, 2018, represented S&DS employees will receive a 2.0% COLA; all other employees will receive a 1.3% COLA, which is the 5-year average of the CPI-U. Also in FY19, merit increases are expected to increase total compensation for LCOG employees. Employees are eligible for 3.5% annual merit increases with 82% of Government and Administrative Services non-management employees and 83% of S&DS non-management employees eligible for merit increases. Over 40% of management employees will be at the top step of their salary range, which means that they are not eligible for merit increases. Staff at the top step will receive a top step bonus of \$350.

LCOG provides medical, dental and vision coverage on behalf of its employees. We are currently looking at health care insurance options for calendar year 2019 and we will not have health insurance costs for calendar year 2019 until fall of 2018. Even so, the FY19 *Proposed Budget* assumes an 8 percent increase in health care premiums over the current year, beginning January 1, 2019, based on information from the health care plan LCOG is currently enrolled in. All represented S&DS employees pay a 2.5% cost-share of their health insurance premium; all other employees pay a 5.0% cost-share.

The balance of the change in the FY19 *Proposed Budget* expenditures over the FY18 *Adopted Budget* – consists of a 4.7% increase in Materials and Services (\$304,287); a 374.4% increase in Capital Outlay (\$222,768); a 13.2% increase in Services By Others (\$338,681); a 5.8% increase in Debt Service (\$26,389); a 1.5% decrease in Transfers Out (-\$61,917); and a 30.5% increase in Ending Reserves (\$1,891,459).

The \$222,768 Capital Outlay increase is due to the expected final expenditures for the Telecom System Replacement project. The increase in Services by Other Organizations is primarily due to the Oregon State Legislature funding the Oregon Project Independence (OPI) and the OPI Pilot Programs. Debt Service is only increasing over the FY18 *Adopted Budget* to correct the amount that is actually due (this has also been corrected in the FY18 *Revised Budget*). Transfers Out always match Transfers In and is explained under the Revenue Section, above. The Ending Reserves increase is due primarily to Transportation Program Funds crossing fiscal years; Telecommunications Management Funds crossing fiscal years; the payoff of loans in the EDA Revolving Loan Fund; and carryover funds in the S&DS Type B Fund.

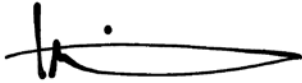
EXECUTIVE DIRECTOR'S BUDGET MESSAGE, Continued

In addition, LCOG has continued to stabilize internal operating costs to decrease Indirect Rates by over \$1 million from FY13 to FY17. While some costs for Central Services have increased, such as Personal Costs and some Materials and Services costs, like property liability insurance and the cost of computer storage, we have managed these costs responsibly and reduced the overall rate even as costs have increased. Indirect rates have increased slightly in FY19 because of the unexpected costs for the Telecommunications System Replacement project. For more information on Indirect costs, see page 52 in the Supplemental Information Section.

I believe this FY19 *Proposed Budget* sets a responsible course for the organization and represents a continued high level of fiscal responsibility and greater levels of accountability and transparency, making for a more efficient organization. I expect LCOG to continue to be as innovative as the members it represents in FY19 and to improve service to our members, partners, and the citizens of Lane County.

Once again, I would like to thank LCOG's staff for their continued commitment to providing outstanding service to our members and consumers. And thank you to the LCOG Board, the Budget Committee, the Board's Advisory committees, and our membership for your ongoing support and I look forward to another year in your service.

Respectfully submitted,



Brendalee S. Wilson
Executive Director

FINANCIAL SECTION

ALL FUNDS

LCOG'S FUNDING BREAKDOWN

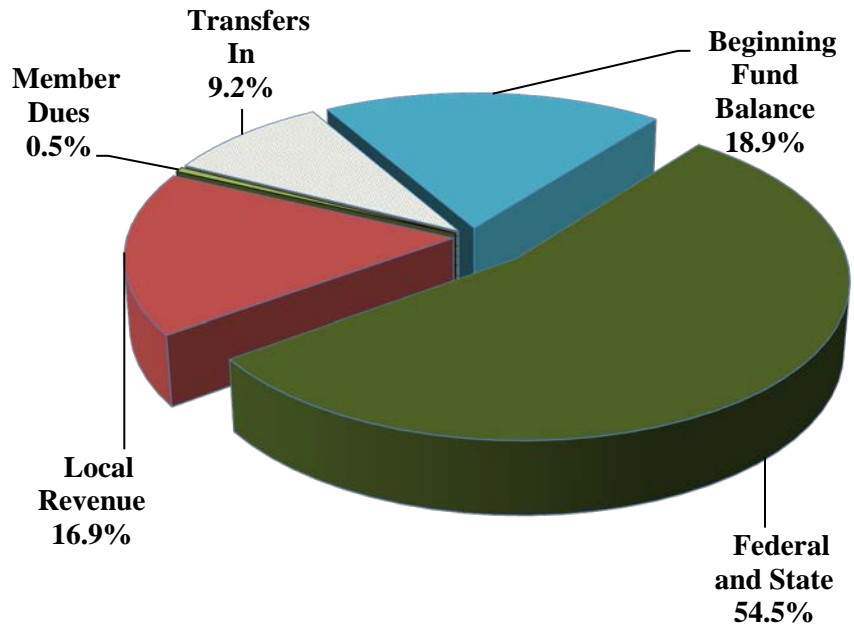
For the Fiscal Year Ending June 30, 2019

Current Revenues

Current revenues are all revenues available for LCOG operations during the fiscal year, and come from three primary sources: Federal, State, and Local Revenues; Internal Transfers; and Beginning Reserves. The principal sources of current revenues are grant and contract funds. Current revenues percentages per service area: General Fund: 1.9%; Special Revenue Fund: 88.7%; Enterprise Fund: 9.4%.

FY19 Proposed Resources:
\$43,587,791

Federal and State: \$23,761,174
Local Revenue: \$7,386,125
Local Revenue - Member Dues: \$214,700
Transfers In: \$3,988,956
Beg. Revenues: \$8,236,836



Federal and State – 54.5%
 Revenue from federal and/or state grants and contracts includes Transportation, S&DS Long-Term Care, and Business Financing.

Local Revenue – 16.9%
 Revenue from local contracts, interest, donations, and sales of products.

Local Revenue, Member Dues – 0.5%
 Dues paid by 33 of LCOG's 34 members (LTD does not pay dues).

Internal Transfers – 9.2%
 Internal Transfers are payments from one fund to another fund usually for services rendered.

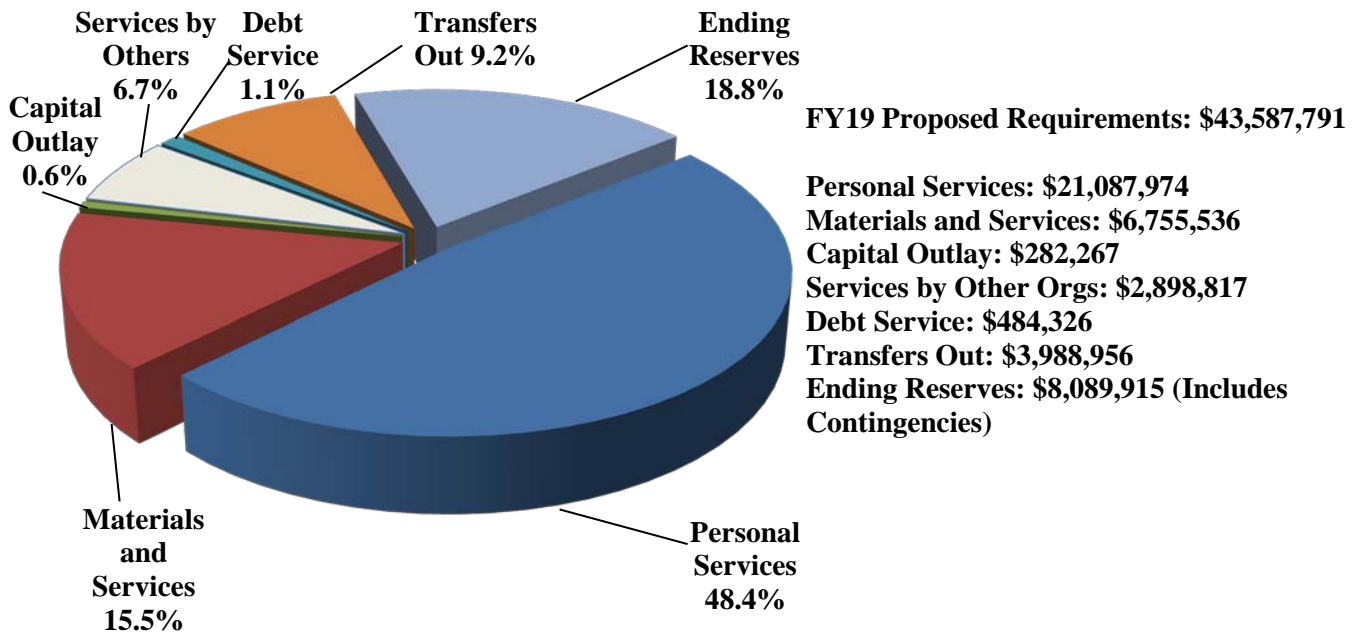
Beginning Reserves – 18.9%
 Beginning Fund Balance consists of resources carried forward from previous fiscal years, including grant funds and reserves for specific purposes (e.g., loans, contingency accounts, contract funds).

Special Revenue Fund activities generate the largest piece of current revenues at \$38,655,067, comprised of activities in the Government Services and Senior and Disability Services Divisions.

LCOG'S FUNDING BREAKDOWN, Continued

Current Expenditures

Current expenditures consist of amounts to be paid out in the current fiscal year by categories defined in budget law. This includes payments for operations, debt service, and services.



Personal Services – 48.4%

Employee related costs such as compensation, pension, and healthcare costs.

Materials and Services – 15.5%

Includes services, materials, supplies, and other charges ranging from telephones to travel.

Capital Outlay – 0.6%

These funds provide for major capital improvements.

Services by Other Organizations – 6.7%

Funds paid to other organizations for services or business loans made.

Debt Service – 1.1%

Debt service provides for payments on loans.

Transfers Out – 9.2%

Internal Transfers appear as both a resource to the receiving fund and a requirement for the transferring fund in the budget.

Ending Reserves – 18.8%

These are resources that are not spent during the year but carried over to subsequent year(s). They include reserves, monies for cash flow purposes, and LCOG's Contingency Accounts.

**ALL ORGANIZATIONAL FUNDS
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019**

FTE	185.31	192.02	204.79	201.12	221.16
	FY15	FY16	FY17	FY18	FY19
	Actual	Actual	Actual	Adopted	Proposed
Resources:					
Federal and State	\$ 17,628,691	\$ 20,042,495	\$ 19,502,141	\$ 20,315,456	\$ 23,761,174
Local Revenue	\$ 11,148,317	\$ 14,891,297	\$ 10,313,038	\$ 7,873,292	\$ 7,386,125
Local Revenue - Member Dues	\$ 197,825	\$ 206,671	\$ 211,946	\$ 211,200	\$ 214,700
Transfers In	\$ 4,325,488	\$ 3,172,909	\$ 3,282,156	\$ 4,050,873	\$ 3,988,956
Beginning Reserves	\$ 6,632,893	\$ 6,755,081	\$ 8,608,316	\$ 7,111,040	\$ 8,236,836
Total Resources	<u>\$ 39,933,214</u>	<u>\$ 45,068,453</u>	<u>\$ 41,917,597</u>	<u>\$ 39,561,861</u>	<u>\$ 43,587,791</u>
Requirements:					
Personal Services*	\$ 16,358,871	\$ 17,544,658	\$ 18,881,398	\$ 19,783,711	\$ 21,087,974
Materials and Services*	\$ 7,935,748	\$ 7,957,329	\$ 7,807,472	\$ 6,451,249	\$ 6,755,536
Capital Outlay	\$ -	\$ 198,286	\$ 508,127	\$ 59,499	\$ 282,267
Services by Other Organizations	\$ 3,098,044	\$ 2,885,134	\$ 2,322,333	\$ 2,560,136	\$ 2,898,817
Debt Service	\$ 1,131,107	\$ 5,346,016	\$ 455,117	\$ 457,937	\$ 484,326
Transfers Out	\$ 4,325,488	\$ 3,172,909	\$ 3,282,156	\$ 4,050,873	\$ 3,988,956
Ending Reserves	\$ 7,083,956	\$ 7,964,121	\$ 8,660,994	\$ 6,198,456	\$ 8,089,915
Total Requirements	<u>\$ 39,933,214</u>	<u>\$ 45,068,453</u>	<u>\$ 41,917,597</u>	<u>\$ 39,561,861</u>	<u>\$ 43,587,791</u>

This schedule includes total service budgets for the three reporting funds: General Fund (page 17), Special Revenue Fund (page 21), and Enterprise Fund (page 30). These reporting funds are for Administration (General Fund), Government Services and Senior and Disability Services (Special Revenue Fund), and Business Services (Enterprise Fund).

Totals By Services:					
Administration	\$ 1,656,509	\$ 1,111,011	\$ 1,444,244	\$ 1,318,274	\$ 845,429
Government Services	\$ 8,985,346	\$ 8,319,936	\$ 9,712,585	\$ 9,476,111	\$ 11,023,271
Senior and Disability Services	\$ 23,980,061	\$ 26,254,849	\$ 26,106,022	\$ 24,196,622	\$ 27,631,796
Business Services	\$ 5,311,298	\$ 9,382,657	\$ 4,654,746	\$ 4,570,854	\$ 4,087,295
Total All Services	<u>\$ 39,933,214</u>	<u>\$ 45,068,453</u>	<u>\$ 41,917,597</u>	<u>\$ 39,561,861</u>	<u>\$ 43,587,791</u>
Indirect (Overhead)	<u>\$ 2,857,959</u>	<u>\$ 2,831,855</u>	<u>\$ 2,317,565</u>	<u>\$ 2,377,780</u>	<u>\$ 2,683,387</u>

*This statement removes the duplicative activities for Indirect/Overhead (Administrative Services) as Indirect expenses also appear as Support Services charges in the receiving subfund. For accuracy we are reporting the origin of those charges in Personal Services and Materials and Services. (For more detail, see the Indirect Charges statement in the Supplemental Information Section of this document).

ALL ORGANIZATIONAL FUNDS
FY19 PROPOSED BUDGET COMPARED TO FY18 ADOPTED BUDGET
SCHEDULE OF RESOURCES AND REQUIREMENTS
For the Fiscal Year Ending June 30, 2019

	FY19 Proposed	FY18 Adopted	Difference
Resources:			
Federal and State	\$ 23,761,174	\$ 20,315,456	\$ 3,445,718
Local Revenue	\$ 7,386,125	\$ 7,873,292	\$ (487,167)
Local Revenue - Member Dues	\$ 214,700	\$ 211,200	\$ 3,500
Transfers In	\$ 3,988,956	\$ 4,050,873	\$ (61,917)
Beginning Reserves	\$ 8,236,836	\$ 7,111,040	\$ 1,125,796
Total Resources	<u>\$ 43,587,791</u>	<u>\$ 39,561,861</u>	<u>\$ 4,025,930</u>
Requirements:			
Personal Services*	\$ 21,087,974	\$ 19,783,711	\$ 1,304,263
Materials and Services*	\$ 6,755,536	\$ 6,451,249	\$ 304,287
Capital Outlay	\$ 282,267	\$ 59,499	\$ 222,768
Services by Other Organizations	\$ 2,898,817	\$ 2,560,136	\$ 338,681
Debt Service	\$ 484,326	\$ 457,937	\$ 26,389
Transfers Out	\$ 3,988,956	\$ 4,050,873	\$ (61,917)
Reserves	<u>\$ 8,089,915</u>	<u>\$ 6,198,456</u>	<u>\$ 1,891,459</u>
Total Requirements	<u>\$ 43,587,791</u>	<u>\$ 39,561,861</u>	<u>\$ 4,025,930</u>
FTE by Service Area:			
Administration	13.77	12.26	1.51
Government Services	28.91	29.87	(0.96)
Senior and Disability Services	177.36	157.52	19.84
Business Services	<u>1.12</u>	<u>1.47</u>	<u>(0.35)</u>
Total FTE	<u>221.16</u>	<u>201.12</u>	<u>\$ 20.04</u>

*This statement removes the duplicative activities for Indirect (Overhead) Services as Indirect expenses also appear as internal Support Services charges in the receiving fund. For accuracy we are reporting expenses based on the origin of those charges (Personal Services and Materials and Services).

Indirect (Overhead)	<u>\$ 2,683,387</u>	<u>\$ 2,377,780</u>	<u>\$ 305,607</u>
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GENERAL FUND

**GENERAL FUND – ADMINISTRATION SERVICES
WORK PROGRAM BUDGET
For the Fiscal Year Ending June 30, 2019**

Budget for Funds in this Service Area

General Fund - LCOG Operating		\$834,429
General Fund - Member Support Services		\$11,000
	Total:	\$845,429

Total FTE:

LCOG Operating		1.25	FTE
Member Support Services		0.00	FTE
	Total:	1.25	FTE

Service Areas funded by General Fund: **LCOG Operating**
 Member Support Services

LCOG OPERATING

Service Budget: \$834,429
 Service Funds: General Fund - LCOG Operating
 FTE: 1.25 (.75 FTE Executive Director; .50 FTE Government Services Division Director)

Description

Financing for the tasks described in this section is provided through the agency’s General Fund, which is supported in part by the dues paid by member agencies. LCOG’s Executive Director provides organizational support, professional counsel, and policy recommendations to the Lane Council of Governments’ Board of Directors, Executive Committee, Budget Committee, and Audit Committee. The Executive Director and Government Services Division Director provide information and other support services to LCOG members.

MEMBER SUPPORT SERVICES

Service Budget: \$11,000
 Service Funds: General Fund - Member Support Services
 FTE: 0.00

Description

LCOG Members pay annual membership dues. Level 2 members receive 12 hours of member services each year. Tasks in this section are provided when members request services. The cost of services depends on the specific service requested.

GENERAL FUND – SUMMARY
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	0.75	0.83	1.54	1.25	1.25
	FY15	FY16	FY17	FY18	FY19
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>
Resources:					
Local Revenue - Member Dues	\$ 197,825	\$ 206,671	\$ 211,946	\$ 211,200	\$ 214,700
Local Revenue - Rental Income	\$ 100,760	\$ 44,963 (a)	\$ -	\$ -	\$ -
Local Revenue - Other Sources	\$ 880,403	\$ 314,274	\$ 4,742	\$ 49,295	\$ 75,495
Local Revenue - Overhead Carryforward	\$ -	\$ 141,481	\$ 59,128	\$ 29,153 (b)	\$ -
Transfers In - From Direct Subfunds	\$ 78,873	\$ 97,998	\$ -	\$ 69,120	\$ 33,961
Beginning Reserves	<u>\$ 391,355</u>	<u>\$ 300,058</u>	<u>\$ 1,163,807</u>	<u>\$ 948,506 (c)</u>	<u>\$ 510,273 (d)</u>
Total Resources	<u><u>\$ 1,649,216</u></u>	<u><u>\$ 1,105,445</u></u>	<u><u>\$ 1,439,623</u></u>	<u><u>\$ 1,307,274</u></u>	<u><u>\$ 834,429</u></u>
Requirements:					
Personal Services	\$ 176,397	\$ 324,451	\$ 302,277	\$ 250,231	\$ 273,875
Materials and Services	\$ 152,895	\$ 151,782	\$ 116,224	\$ 147,209	\$ 101,570
Capital Outlay	\$ -	\$ 65,764	\$ -	\$ 4,499	\$ 500
Debt Service	\$ 100,760	\$ 41,196 (a)	\$ -	\$ -	\$ -
Overhead Support to Indirect	\$ -	\$ 29,153 (b)	\$ -	\$ -	\$ -
Transfers Out - to Member Support Services	\$ -	\$ -	\$ -	\$ 11,000	\$ 11,000
Transfers Out - to Direct subfunds	\$ 590,232	\$ 27,569	\$ 4,928	\$ 390,966 (d)	\$ -
Ending Reserves	<u>\$ 628,932</u>	<u>\$ 465,530</u>	<u>\$ 1,016,194</u>	<u>\$ 503,369 (d)</u>	<u>\$ 447,484 (e)</u>
Total Requirements	<u><u>\$ 1,649,216</u></u>	<u><u>\$ 1,105,445</u></u>	<u><u>\$ 1,439,623</u></u>	<u><u>\$ 1,307,274</u></u>	<u><u>\$ 834,429</u></u>

This schedule does not include Indirect Central Services - Support Services costs; see Indirect Schedule in the Supplemental Information Section.

Notes:

- (a) In 2015, LCOG sold the Springfield Building. As a result, there were no further rental revenues to be received. LCOG used proceeds from the sale of the building to pay off all outstanding debt. Therefore, debt service was eliminated.
- (b) Support provided Indirect Fund for funding shortfall. I.e., FY18 amount is the FY16 support provided Indirect Fund for funding shortfall in FY16. (Per Cost Allocation Plan, support provided Indirect is recoverable in the second fiscal year following the year of support).
- (c) FY16: Prior period adjustment for Compensated Absences Liability reduced reserves (\$328,475). In FY17, Compensated Absences Liability was adjusted back to beginning reserves in General Fund.
- (d) Moved \$390,966 Capital Contingency Fund to Enterprise Fund - Building Management.
- (e) \$337,00 of this amount is in a restricted Contingency Account.

**LCOG OPERATING FUND
MEMBER SUPPORT SERVICES FUND**

**GENERAL FUND DETAIL – LCOG OPERATING
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019**

FTE	0.75	0.83	1.54	1.25	1.25
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Adopted	FY19 Proposed
Resources:					
Local Revenue - Member Dues	\$ 197,825	\$ 206,671	\$ 211,946	\$ 211,200	\$ 214,700
Local Revenue - Rental Income	\$ 100,760	\$ 44,963 (a)	\$ -	\$ -	\$ -
Local Revenue - Other Sources	\$ 880,403	\$ 314,274	\$ 4,742	\$ 49,295	\$ 75,495
Local Revenue - Overhead Carryforward	\$ -	\$ 141,481	\$ 59,128	\$ 29,153 (b)	\$ -
Transfers In - From Direct Subfunds	\$ 78,873	\$ 97,998	\$ -	\$ 69,120	\$ 33,961
Beginning Reserves	\$ 391,355	\$ 300,058	\$ 1,163,807	\$ 948,506 (c)	\$ 510,273 (d)
Total Resources	<u>\$ 1,649,216</u>	<u>\$ 1,105,445</u>	<u>\$ 1,439,623</u>	<u>\$ 1,307,274</u>	<u>\$ 834,429</u>
Requirements:					
Personal Services	\$ 176,397	\$ 324,451	\$ 302,277	\$ 250,231	\$ 273,875
Materials and Services	\$ 152,895	\$ 151,782	\$ 116,224	\$ 147,209	\$ 101,570
Capital Outlay	\$ -	\$ 65,764	\$ -	\$ 4,499	\$ 500
Debt Service	\$ 100,760	\$ 41,196 (a)	\$ -	\$ -	\$ -
Overhead Support to Indirect	\$ -	\$ 29,153 (b)	\$ -	\$ -	\$ -
Transfers Out - to Member Support Services	\$ -	\$ -	\$ -	\$ 11,000	\$ 11,000
Transfers Out - to Direct subfunds	\$ 590,232	\$ 27,569	\$ 4,928	\$ 390,966 (d)	\$ -
Ending Reserves - Contingencies	\$ 628,932	\$ 465,530	\$ 1,016,194	\$ 503,369 (d)	\$ 447,484
Total Requirements	<u>\$ 1,649,216</u>	<u>\$ 1,105,445</u>	<u>\$ 1,439,623</u>	<u>\$ 1,307,274</u>	<u>\$ 834,429</u>

This schedule does not include Indirect Central Services - Support Services costs; see Indirect Schedule in the Supplemental Information Section.

Notes:

- (a) In 2015, LCOG sold the Springfield Building. As a result, there were no further rental revenues to be received. LCOG used proceeds from the sale of the building to pay off all outstanding debt. Therefore, debt service was eliminated.
- (b) Support provided Indirect Fund for funding shortfall. I.e., FY18 amount is the FY16 support provided Indirect Fund for funding shortfall in FY16. (Per Cost Allocation Plan, support provided Indirect is recoverable in the second fiscal year following the year of support).
- (c) FY16: Prior period adjustment for Compensated Absences Liability reduced reserves (\$328,475). In FY17, Compensated Absences Liability was adjusted back to beginning reserves in General Fund.
- (d) Moved \$390,966 Capital Contingency Fund to Enterprise Fund - Building Management.

GENERAL FUND DETAIL – MEMBER SUPPORT SERVICES
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

	<u>FY15</u> <u>Actual</u>	<u>FY16</u> <u>Actual</u>	<u>FY17</u> <u>Actual</u>	<u>FY18</u> <u>Adopted</u>	<u>FY19</u> <u>Proposed</u>
Resources:					
Transfers In - Member Services	\$ 7,293	\$ 5,566	\$ 4,621	\$11,000	\$11,000 (a)
Total Resources	<u>\$ 7,293</u>	<u>\$ 5,566</u>	<u>\$ 4,621</u>	<u>\$11,000</u>	<u>\$11,000</u>
Requirements:					
Personal Services - Member Services	\$ 5,317	\$ 3,291	\$ 3,184	\$ 3,400	\$ 3,400
Materials and Services - Member Services	\$ 1,976	\$ 1,000	\$ -	\$ 6,400	\$ 6,400 (b)
Transfers Out	<u>\$ -</u>	<u>\$ 1,275</u>	<u>\$ 1,437</u>	<u>\$ 1,200</u>	<u>\$ 1,200 (c)</u>
Total Requirements	<u>\$ 7,293</u>	<u>\$ 5,566</u>	<u>\$ 4,621</u>	<u>\$11,000</u>	<u>\$11,000</u>

Actual expenses are charged to this fund based on the member's request for services.

Notes:

- (a) LCOG share of costs/funding is entirely provided by a matching transfer from LCOG Operating fund to Member Support Services fund.
- (b) We establish a budget in materials and services; at the time of budget development there is no way to identify what will be requested or the identification of staff providing the service. In that FTE/staff are already budgeted in the FTE's home fund, LCOG budgets a placeholder value in materials and services - otherwise we would duplicate FTE/costs.
- (c) This is an estimated Government Services Administration cost reimbursement (Transfer).

SPECIAL REVENUE FUND

SPECIAL REVENUE SUMMARY
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	170.33	176.94	190.70	187.39	206.27
	FY15	FY16	FY17	FY18	FY19
	Actual	Actual	Actual	Adopted	Proposed
Resources:					
Federal and State	\$17,444,690	\$ 19,932,495	\$ 19,327,141	\$ 20,315,456	\$ 23,761,174
Local Revenue	\$ 7,918,938	\$ 7,298,801	\$ 8,246,236	\$ 6,014,309 (a)	\$ 5,983,201
Transfers In	\$ 3,843,261	\$ 2,974,517	\$ 3,168,504	\$ 3,545,385	\$ 3,912,171
Beginning Reserves	\$ 3,758,518	\$ 4,368,972	\$ 5,076,726	\$ 3,797,583	\$ 4,998,521 (b)
Total Resources	<u>\$32,965,407</u>	<u>\$ 34,574,785</u>	<u>\$ 35,818,607</u>	<u>\$ 33,672,733</u>	<u>\$ 38,655,067</u>
Requirements:					
Personal Services	\$14,595,699	\$ 15,499,371	\$ 17,087,667	\$ 17,981,634	\$ 19,102,295
Support Services	\$ 2,744,522	\$ 2,632,671	\$ 2,254,516	\$ 2,316,497	\$ 2,630,841
Materials and Services	\$ 5,578,447	\$ 5,875,646	\$ 6,253,911	\$ 4,677,607 (a)	\$ 4,954,000
Capital Outlay	\$ -	\$ 77,020	\$ 408,067	\$ 25,000	\$ 251,767
Services by Other Organizations	\$ 2,397,044	\$ 2,463,134	\$ 1,722,333	\$ 1,935,136	\$ 2,398,817
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	\$ 3,276,320	\$ 2,950,218	\$ 3,165,673	\$ 3,611,888	\$ 3,918,324
Ending reserves	\$ 4,373,375	\$ 5,076,725	\$ 4,926,440	\$ 3,124,971	\$ 5,399,023
Total Requirements	<u>\$32,965,407</u>	<u>\$ 34,574,785</u>	<u>\$ 35,818,607</u>	<u>\$ 33,672,733</u>	<u>\$ 38,655,067</u>

This schedule includes Government Services (page 24) and Senior and Disability Services (page 27).

Total By Service Area:

Government Services	\$8,985,346	\$8,319,936	\$9,712,585	\$9,476,111	\$11,023,271 (c)
Senior and Disability Services	<u>\$23,980,061</u>	<u>\$26,254,849</u>	<u>\$26,106,022</u>	<u>\$24,196,622</u>	<u>\$27,631,796 (c)</u>
Total Special Revenue Fund	<u>\$32,965,407</u>	<u>\$34,574,785</u>	<u>\$35,818,607</u>	<u>\$33,672,733</u>	<u>\$38,655,067</u>

Notes:

- (a) Prior to FY18, some Materials and Supplies were reported as both Local Revenues and Materials and Supplies. In FY18, we closed the S&DS Administration Fund and are reporting those Materials and Supplies as Requirements only.
- (b) Primary reason for material amount is the result of carryover of unspent, earmarked resources from the prior year for grants, contracts and projects to the current year. See Government Services (page 24) and Senior and Disability Services (page 27) Schedules for details.
- (c) See Government Services (page 24) and Senior and Disability Services (page 27) Schedules for detail.

GOVERNMENT SERVICES

**SPECIAL REVENUE FUND - GOVERNMENT SERVICES
WORK PROGRAM BUDGET
For the Fiscal Year Ending June 30, 2019**

Budget for Funds in this Service Area

Special Revenue Fund - Government Services Administration	\$926,393	
Special Revenue Fund - Planning and Transportation	\$6,262,654	
Special Revenue Fund - Telecommunications	\$3,834,224	
Total:	\$11,023,271	

Total FTE:

Government Services Administration	4.88	FTE
Planning and Transportation	20.71	FTE
Telecommunications	3.32	FTE
Total:	28.91	FTE

Service Areas funded by Special Revenue Fund: Government Services Administration
Planning and Transportation
Telecommunications

LCOG's Government Services (GS) provides Planning, Transportation, and Telecommunications services to LCOG member agencies, LCOG staff, tribal governments, other government agencies, and the public. Services are funded through intergovernmental agreements, contracts, and federal and state-funded grants and programs.

GOVERNMENT SERVICES ADMINISTRATION

Service Budget: \$926,393
Service Funds: Special Revenue Funds
FTE: 4.88

Description

Government Services Administration (GSA) provides management functions necessary for the efficient operation of the Division. In addition, costs that are not billable directly to projects and clients are reported in GSA. These costs cannot be assigned directly to a contract or service agreement and include holiday pay, leaves, administrative meetings, and training time.

PLANNING AND TRANSPORTATION SERVICES

Service Budget: \$6,262,654
Service Funds: Special Revenue Funds
FTE: 20.71

Description

Planning, operational, and technical expertise is available in the following program areas: Urban and Regional Planning, Transportation, Grant Writing and Resource Development, Community Safety, Legal Services, Geographic Information Systems (GIS) and Data Services, Regional Land Information Database Services (RLID), Metro TV Services, and Regional Technology Services.

Specific descriptions of the programs within this service area can be found in the Glossary starting on page 62.

SPECIAL REVENUE FUND – GS WORK PROGRAM BUDGET, Continued

TELECOMMUNICATIONS SERVICES

Service Budget: \$3,834,224
Service Funds: Special Revenue Funds
FTE: 3.32

Description

Services in this area are funded through intergovernmental agreements and by leases with private sector service providers. Specifically, services include: Telecommunications Management, Operations, Projects and Reserve; Broadband Services: PAN (Public Area Network) and Regional Fiber; and the Milo Mecham Willamette Internet Exchange (MMWIX).

Specific descriptions of the programs within this service area can be found in the Glossary starting on page 62.

SPECIAL REVENUE FUND DETAIL – GOVERNMENT SERVICES
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	25.04	25.04	24.79	29.87	28.91
	FY15	FY16	FY17	FY18	FY19
	Actual	Actual	Actual	Adopted	Proposed
Resources:					
Federal and State	\$ 1,318,298	\$ 1,294,642	\$ 1,527,328	\$ 2,185,857	\$ 2,558,869
Local Revenue	\$ 4,313,853	\$ 3,951,336	\$ 4,839,609	\$ 4,818,575	\$ 4,664,246
Transfers In	\$ 1,046,768	\$ 899,690	\$ 1,122,682	\$ 1,122,691	\$ 1,667,862 (a)
Beginning Reserves	\$ 2,306,427	\$ 2,174,268	\$ 2,222,966	\$ 1,348,988	\$ 2,132,294 (b)
Total Resources	<u>\$ 8,985,346</u>	<u>\$ 8,319,936</u>	<u>\$ 9,712,585</u>	<u>\$ 9,476,111</u>	<u>\$ 11,023,271</u>
Requirements:					
Personal Services	\$ 2,714,900	\$ 2,400,340	\$ 2,938,277	\$ 3,385,461	\$ 3,346,297
Support Services	\$ 1,023,943	\$ 794,140	\$ 677,610	\$ 764,252	\$ 807,444
Materials and Services	\$ 1,015,181	\$ 1,061,784	\$ 1,341,119	\$ 1,954,705	\$ 2,004,956
Capital Outlay	\$ -	\$ 24,023	\$ 327,189	\$ -	\$ 216,767 (c)
Services by Other Organizations	\$ 1,060,261	\$ 941,292	\$ 706,648	\$ 684,000	\$ 722,300
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	\$ 992,390	\$ 875,391	\$ 1,119,851	\$ 1,189,194	\$ 1,674,015 (a)
Ending Reserves	\$ 2,178,671	\$ 2,222,966	\$ 2,601,891	\$ 1,498,499	\$ 2,251,492 (d)
Total Requirements	<u>\$ 8,985,346</u>	<u>\$ 8,319,936</u>	<u>\$ 9,712,585</u>	<u>\$ 9,476,111</u>	<u>\$ 11,023,271</u>

Included in this Schedule are Government Services Administration, Planning and Transportation, and Telecommunications:

Government Services Administration	\$ 759,722	\$ 612,606	\$ 781,995	\$ 880,320	\$ 926,393
Planning and Transportation	\$ 4,380,136	\$ 4,053,959	\$ 5,343,593	\$ 5,244,907	\$ 6,262,654
Telecommunications	\$ 3,845,488	\$ 3,653,371	\$ 3,586,997	\$ 3,350,884	\$ 3,834,224
Total	\$ 8,985,346	\$ 8,319,936	\$ 9,712,585	\$ 9,476,111	\$ 11,023,271

Notes:

- (a) Transfers in and Transfers out activity have increased over the past five years; this is primarily due Government Services recovering the unit's internal administration costs - charging costs to a direct service fund (Transfers Out) and recovering the funds in the division's administration budget (Transfers In).
- (b) Increase in Beginning Reserves due primarily to funds for telephone replacement project that was delayed from FY17.
- (c) Includes telephone system replacement costs and pass through monies for a Community Safety grant.
- (d) \$1,148,443 of this amount is unrestricted.

SENIOR AND DISABILITY SERVICES

SPECIAL REVENUE FUND – S&DS WORK PROGRAM BUDGET
For the Fiscal Year Ending June 30, 2019

Budget for Funds in this Service Area

Special Revenue Fund - S&DS Administration	\$446,757
Special Revenue Fund - Medicaid and SNAP - Title XIX	\$18,216,069
Special Revenue Fund - Older Americans Act, Other Funding - Title III	<u>\$8,968,970</u>
Total:	\$27,631,796

Total FTE:

S&DS Administration	2.70	FTE
Medicaid and SNAP - Title XIX	144.42	FTE
Older Americans Act, Other Funding - Title III	<u>30.24</u>	FTE
Total:	177.36	FTE

Service Areas funded by Special Revenue Fund: S&DS Administration
 Medicaid and SNAP - Title XIX
 Older Americans Act, Other - Title III

LCOG’s Senior and Disability Services (S&DS) is the designated Area Agency on Aging and Disability Services (AAA) in Lane County. S&DS has two full-service offices located in Eugene and Florence. An additional four small outstations provide limited services in Cottage Grove, Creswell, Junction City, Oakridge, and Veneta. Federal, state, and local resources, including participants’ fees, donations, proceeds of fundraising activities, private pay services and grant awards, are used to provide services to individuals and families.

The mission S&DS is to “*advocate for older adults and persons with disabilities and to provide to them quality services and information that promote dignity, independence, and choice.*” S&DS staff plan, coordinate, deliver, and advocate for social and health services for persons 60 years of age and over and for persons with physical disabilities (18 to 64 years).

S&DS ADMINISTRATION

Service Budget: \$446,757
 Service Funds: Special Revenue Funds
 FTE: 2.70

Description

S&DS Administration provides direct support services to all areas of the division. Services provided include: contract management, administrative services, and the Division Director. Costs are recovered through allocation of expenses for services provided to other funds within S&DS operations.

MEDICAID AND SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP, formerly Food Stamps) – TITLE XIX

Service Budget: \$18,216,069
 Service Funds: Special Revenue Funds
 FTE: 144.42

SPECIAL REVENUE FUND – S&DS WORK PROGRAM BUDGET, Continued

Description

Under contract with the Oregon Department of Human Services, S&DS administers the State's long-term care, medical assistance / SNAP programs for people age 65 and older and adults with physical disabilities (18 to 64 years) in Lane County. Specifically, Medicaid and SNAP – Title XIX services includes the following program areas: Adult Protective Services, Case Management, Eligibility Determination, Screening and Referral, Home Care Worker Program, Licensing and Monitoring of Adult Foster Homes, and Quality Assurance.

Specific descriptions of the programs within this service area can be found in the Glossary starting on page 62.

OLDER AMERICANS ACT, OTHER GRANTS AND STATE FUNDING – TITLE III

Service Budget: \$8,968,970
Service Funds: Special Revenue Funds
FTE: 30.24

Description

The federal Older Americans Act is the foundation of our country's older adult aging network known as Title III. Under contract with the state, local service providers, utilizing other local and state funding, provide a wide range of critical outreach services, hunger relief, and energy assistance programs for older adults.

Specifically, Older Americans Act, Other Grants and State Funding - Title III services includes the following program areas: Family Caregiver Support, Senior Meals, Living Well, Options Counseling, Oregon Project Independence, PEARLS , Senior Connections, Transportation Coordination, and Oregon Money Management.

Specific descriptions of the programs within this service area can be found in the Glossary starting on page 62.

SPECIAL REVENUE FUND DETAIL – S&DS SERVICES
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	145.29	151.90	165.91	157.52	177.36
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Adopted	FY19 Proposed
Resources:					
Federal and State	\$16,126,392	\$ 18,637,853	\$17,799,813	\$ 18,129,599	\$ 21,202,305
Local Revenues	\$ 3,605,085	\$ 3,347,465	\$ 3,406,627	\$ 1,195,734 (a)	\$ 1,318,955
Transfers In	\$ 2,796,493	\$ 2,074,827	\$ 2,045,822	\$ 2,422,694	\$ 2,244,309
Beginning Reserves	\$ 1,452,091	\$ 2,194,704	\$ 2,853,760	\$ 2,448,595	\$ 2,866,227
Total Resources	<u>\$23,980,061</u>	<u>\$ 26,254,849</u>	<u>\$26,106,022</u>	<u>\$ 24,196,622</u>	<u>\$ 27,631,796</u>
Requirements:					
Personal Services	\$11,880,799	\$ 13,099,031	\$14,149,390	\$ 14,596,173	\$ 15,755,998
Support Services	\$ 1,720,579	\$ 1,838,531	\$ 1,576,906	\$ 1,552,245	\$ 1,823,397
Materials and Services	\$ 4,563,266	\$ 4,813,862	\$ 4,912,792	\$ 2,722,902 (a)	\$ 2,949,044
Capital Outlay	\$ -	\$ 52,997	\$ 80,878	\$ 25,000	\$ 35,000 (b)
Services by Other Organizations	\$ 1,336,783	\$ 1,521,842	\$ 1,015,685	\$ 1,251,136	\$ 1,676,517 (c)
Transfers Out	\$ 2,283,930	\$ 2,074,827	\$ 2,045,822	\$ 2,422,694	\$ 2,244,309
Ending Reserves	\$ 2,194,704	\$ 2,853,759	\$ 2,324,549	\$ 1,626,472	\$ 3,147,531 (d)
Total Requirements	<u>\$23,980,061</u>	<u>\$ 26,254,849</u>	<u>\$26,106,022</u>	<u>\$ 24,196,622</u>	<u>\$ 27,631,796</u>

Included in this Schedule are S&DS Administration, Medicaid and SNAP - Title XIX, and Older Americans Act (OAA), Other Funding - Title III:

S&DS - Administration	\$ 1,934,939	\$ 2,002,580	\$ 2,373,281	\$ 420,719	\$ 446,757
Medicaid/SNAP - Title XIX	\$12,526,946	\$ 14,832,072	\$15,504,693	\$ 15,603,600	\$ 18,216,069
OAA, Other Funding - Title III	<u>\$ 9,518,176</u>	<u>\$ 9,420,197</u>	<u>\$ 8,228,048</u>	<u>\$ 8,172,303</u>	<u>\$ 8,968,970</u>
Total	<u>\$23,980,061</u>	<u>\$ 26,254,849</u>	<u>\$26,106,022</u>	<u>\$ 24,196,622</u>	<u>\$ 27,631,796</u>

Notes:

- (a) Prior to FY18, some Materials and Supplies were reported as both Local Revenues and Materials and Supplies. In FY18, we closed the S&DS Administration Fund and are reporting those Materials and Supplies as Requirements only.
- (b) Senior Meals Kitchen Equipment.
- (c) Increases due primarily to Title XIX-Type B Funds (\$1,512,736); OPI (\$887,643) for home and personal care programs; Senior Meals Fundraising (\$783,462); and OPI Pilot (\$322,471).
- (d) This entire amount is restricted to S&DS.

ENTERPRISE FUND

**ENTERPRISE FUND - BUSINESS SERVICES
WORK PROGRAM BUDGET
For the Fiscal Year Ending June 30, 2019**

Budget for Funds in this Service Area

Enterprise Fund - Business Loans/Business Services Administration	\$2,506,581
Enterprise Fund - Economic Development	\$35,064
Enterprise Fund - Building Management	\$1,458,153
Enterprise Fund - Minutes Recording Services	\$87,497
Total:	\$4,087,295

Total FTE:

Business Loans/Business Services Administration	0.93	FTE
Economic Development	0.11	FTE
Building Management	0.03	FTE
Minutes Recording Services	0.05	FTE
Total:	1.12	FTE

Service Areas funded by Enterprise Fund: **Business Loans/Business Services Administration**
 Economic Development
 Building Management
 Minutes Recording Services

BUSINESS LOANS AND BUSINESS SERVICES ADMINISTRATION (BSA)

Service Budget: \$2,506,581 (\$2,474,756 Business Loans; \$31,825 BSA)
Service Funds: Enterprise Fund – Business Loans
FTE: 0.93 (.78 FTE Business Loans; .15 FTE BSA)

Description

The Business Loan Program provides business financing opportunities for businesses in Lane County. LCOG helps small businesses to take advantage of loans from the c, and the State of Oregon.

For reporting purposes, the BSA fund sits in the Business Loan Program. This service area includes the administration of the Business Loan, Economic Development, and Building Management programs.

ECONOMIC DEVELOPMENT

Service Budget: \$35,064
Service Funds: Enterprise Fund - Economic Development
FTE: 0.11 FTE

Description

Staff supports activities of the Lane Economic Committee, which represents the public and private sectors and the

ENTERPRISE FUND - BUSINESS SERVICES WORK PROGRAM BUDGET, Continued

geographic regions of Lane County. Staff manages Lane County's portion of the four-county Cascades West Economic Development District, which also includes Linn, Benton, and Lincoln counties, and assists in the development of periodic updates of the Comprehensive Economic Development Strategy (CEDs), strategic planning, and special project development in Lane County cities with special emphasis on small communities.

BUILDING MANAGEMENT

Service Budget: \$1,458,153
Service Funds: Enterprise Fund - Building Management
FTE: 0.03 FTE

Description

Staff provides internal property management for the LCOG Park Place Building. Costs for FTE and expenses (including debt service) for building management are charged against the rent revenue collected on the building.

MINUTES RECORDING SERVICES

Service Budget: \$87,497
Service Funds: Enterprise Fund - Minutes Recording
FTE: 0.05 FTE

Description

Minutes Recording Services are provided to member agencies. A majority of the service costs for this program are provided through contracted labor. Costs are recovered through fees for service.

**ENTERPRISE FUND – SUMMARY
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019**

FTE	1.58	1.57	1.50	1.47	1.12
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Adopted	FY19 Proposed
Resources:					
Federal and State	\$ 184,000	\$ 110,000	\$ 175,000	\$ -	\$ -
Local Revenue	\$ 2,248,216	\$ 7,091,778 (a)	\$ 2,002,933	\$ 1,780,535	\$ 1,327,429
Transfers In	\$ 396,061	\$ 94,828	\$ 109,030	\$ 425,368	\$ 31,824 (c)
Beginning Reserves	<u>\$ 2,483,020</u>	<u>\$ 2,086,051</u>	<u>\$ 2,367,782</u>	<u>\$ 2,364,951</u>	<u>\$ 2,728,042</u>
Total Resources	<u><u>\$ 5,311,297</u></u>	<u><u>\$ 9,382,657</u></u>	<u><u>\$ 4,654,745</u></u>	<u><u>\$ 4,570,854</u></u>	<u><u>\$ 4,087,295</u></u>
Requirements:					
Personal Services	\$ 221,383	\$ 240,899	\$ 222,587	\$ 225,061	\$ 168,107
Support Services	\$ 85,826	\$ 75,160	\$ 63,048	\$ 61,283	\$ 52,546
Materials and Services	\$ 732,158	\$ 672,854	\$ 447,081	\$ 565,638	\$ 550,476
Capital Outlay	\$ -	\$ 55,502	\$ 100,060	\$ 30,000	\$ 30,000
Services by Other Organizations - Loans	\$ 701,000	\$ 422,000	\$ 600,000	\$ 625,000	\$ 500,000
Debt Service	\$ 1,030,347 (b)	\$ 5,304,820 (a)	\$ 455,117	\$ 457,937 (c)	\$ 484,326 (d)
Transfers Out	\$ 458,935	\$ 189,556	\$ 110,118	\$ 35,819	\$ 58,432
Ending Reserves	<u>\$ 2,081,648</u>	<u>\$ 2,421,866</u>	<u>\$ 2,656,734</u>	<u>\$ 2,570,116</u>	<u>\$ 2,243,408 (e)</u>
Total Requirements	<u><u>\$ 5,311,297</u></u>	<u><u>\$ 9,382,657</u></u>	<u><u>\$ 4,654,745</u></u>	<u><u>\$ 4,570,854</u></u>	<u><u>\$ 4,087,295</u></u>

Included in this Schedule are Business Loans and Business Services Administration (page 31), Economic Development (page 32), Building Management (page 33), and Minutes Recording Services (page 34).

Business Loans Program/Business Administration	\$ 3,204,658	\$ 3,082,354	\$ 3,382,360	\$ 2,939,888	\$ 2,506,581
Economic Development	\$ -	\$ 35,537	\$ 39,670	\$ 37,352	\$ 35,064
Building Management	\$ 2,034,546	\$ 6,158,460	\$ 1,096,981	\$ 1,501,169	\$ 1,458,153
Minutes Recording	<u>\$ 72,093</u>	<u>\$ 106,306</u>	<u>\$ 135,734</u>	<u>\$ 92,445</u>	<u>\$ 87,497</u>
Total: Enterprise Fund	<u><u>\$ 5,311,297</u></u>	<u><u>\$ 9,382,657</u></u>	<u><u>\$ 4,654,745</u></u>	<u><u>\$ 4,570,854</u></u>	<u><u>\$ 4,087,295</u></u>

Notes:

(a) Includes loan Refinance proceeds \$4,825,000 on Park Place Building; Park Place loan payoff expenditure \$4,810,515 and Springfield loan payoff \$13,237 included in expenditures.

(b) Amount includes \$315,510 for accelerated payoff of two Park Place Building loans.

(c) Material decrease is due to \$390,966 transferred to Building Management Fund from General Fund in FY18.

(d) For details to the outstanding debt, see the Supplemental Information Section of this document on page 49.

(e) \$2,214,999 of this amount is restricted.

**BUSINESS LOAN PROGRAM
ECONOMIC DEVELOPMENT
BUILDING MANAGEMENT PROGRAM
MINUTES RECORDING**

ENTERPRISE FUND DETAIL – BUSINESS LOAN PROGRAM
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	1.36	1.40	1.24	1.05	0.93
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Adopted	FY19 Proposed
Resources:					
Federal and State	\$ 184,000	\$ 110,000	\$ 175,000 (a)	\$ -	\$ -
Local Revenue	\$ 898,901	\$ 921,964	\$ 970,318	\$ 760,000	\$ 397,815
Transfers In	\$ 60,499	\$ 94,828	\$ 109,030	\$ 34,402	\$ 31,824 (b)
Beginning Reserves	<u>\$ 2,061,259</u>	<u>\$ 1,955,562</u>	<u>\$ 2,128,012</u>	<u>\$ 2,145,486</u>	<u>\$ 2,076,942</u>
Total Resources	<u><u>\$ 3,204,659</u></u>	<u><u>\$ 3,082,354</u></u>	<u><u>\$ 3,382,360</u></u>	<u><u>\$ 2,939,888</u></u>	<u><u>\$ 2,506,581</u></u>
Requirements:					
Personal Services	\$ 199,958	\$ 209,167	\$ 196,046	\$ 189,573	\$ 143,790
Support Services	\$ 77,477	\$ 65,260	\$ 54,491	\$ 51,619	\$ 44,946
Materials and Services	\$ 98,670	\$ 59,994	\$ 2,768	\$ 7,883	\$ 4,048
Services by Other Organizations - Loans	\$ 701,000	\$ 422,000	\$ 600,000	\$ 625,000	\$ 500,000
Debt Service	\$ 122,172	\$ 130,889	\$ 131,142	\$ 125,000	\$ 125,000 (c)
Transfers Out	\$ 49,821	\$ 84,449	\$ 95,658	\$ 29,492	\$ 29,822
Ending Reserves	<u>\$ 1,955,561</u>	<u>\$ 2,110,595</u>	<u>\$ 2,302,255</u>	<u>\$ 1,911,321</u>	<u>\$ 1,658,975</u>
Total Requirements	<u><u>\$ 3,204,659</u></u>	<u><u>\$ 3,082,354</u></u>	<u><u>\$ 3,382,360</u></u>	<u><u>\$ 2,939,888</u></u>	<u><u>\$ 2,506,581</u></u>

This Schedule includes Business Services Administration Fund.

Notes:

(a) Source is a grant from EDA, matched by local resources.

(b) Business Services Administration funding is shown as a transfer of revenue into this Fund.

(c) For detail on the USDA loans, see Debt Schedule in the Supplemental Information Section of this document on page 49.

ENTERPRISE FUND DETAIL - ECONOMIC DEVELOPMENT
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE		0.12	0.15	0.11	
	FY15	FY16	FY17	FY18	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	
				<u>FY19</u>	
				<u>Proposed</u>	
Resources:					
Local Revenue	\$ -	\$ 31,134	\$34,742	\$ 32,500	\$ 32,500 (a)
Beginning Reserves	\$ -	\$ 4,403	\$ 4,928	\$ 4,852	\$ 2,564
Total Resources	<u>\$ -</u>	<u>\$ 35,537</u>	<u>\$39,670</u>	<u>\$ 37,352</u>	<u>\$ 35,064</u>
Requirements:					
Personal Services	\$ -	\$ 15,529	\$15,869	\$ 23,685	\$ 15,364
Support Services	\$ -	\$ 4,845	\$ 4,411	\$ 6,449	\$ 4,802
Materials and Services	\$ -	\$ 2,410	\$ 8,497	\$ 2,839	\$ 2,000
Transfers Out	\$ -	\$ 7,825	\$ 9,445	\$ 4,379	\$ 6,874
Ending Reserves	\$ -	\$ 4,928	\$ 1,448	\$ -	\$ 6,024
Total Requirements	<u>\$ -</u>	<u>\$ 35,537</u>	<u>\$39,670</u>	<u>\$ 37,352</u>	<u>\$ 35,064</u>

Economic Development Program was previously reported as a Special Revenue activity, but moved in FY16 to Enterprise Fund program.

Notes:

(a) Program receives \$32,500 for program services and runs different than the LCOG fiscal year: April to March. Program activity fluctuates based upon the level of revenues earned in prior fiscal year and carried into current fiscal year. For example, FY18 Beginning Reserves is \$4,852, which is \$2,279 less than FY17 actuals which is a timing difference.

ENTERPRISE FUND DETAIL – BUILDING MANAGEMENT PROGRAM
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	0.12	0.07	0.04	0.05	0.03
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Adopted	FY19 Proposed
Resources:					
Local Revenue - Rental Income	\$ 825,873	\$ 772,076	\$ 614,249	\$ 587,000	\$ 558,716
Local Revenue - Occupancy	\$ 464,292	\$ 446,431	\$ 298,174	\$ 351,035	\$ 287,398 (d)
Local Revenue - Building Sale Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Local Revenue - Refinance Proceeds	\$ -	\$ 4,825,000 (a)	\$ -	\$ -	\$ -
Local Revenue - Interest Earned	\$ 309	\$ 873	\$ 940	\$ -	\$ 1,000
Local Revenue - Reimbursed Costs	\$ -	\$ 3,576	\$ -	\$ -	\$ -
Transfers In	\$ 335,562	\$ -	\$ -	\$ 390,966 (c)	
Beginning Reserves	\$ 408,510	\$ 110,505	\$ 183,618	\$ 172,168	\$ 611,039 (c)
Total Resources	<u>\$ 2,034,546</u>	<u>\$ 6,158,461</u>	<u>\$ 1,096,981</u>	<u>\$ 1,501,169</u>	<u>\$ 1,458,153</u>
Requirements:					
Personal Services	\$ 13,736	\$ 10,604	\$ 7,366	\$ 7,378	\$ 4,352
Support Services	\$ 5,360	\$ 3,308	\$ 3,227	\$ 2,009	\$ 1,360
Materials and Services	\$ 587,657	\$ 562,714	\$ 385,048	\$ 506,000	\$ 494,328
Capital Outlay	\$ -	\$ 55,502	\$ 100,060	\$ 30,000	\$ 30,000
Debt Service	\$ 908,175	\$ 5,215,205 (a)	\$ 323,975 (b)	\$ 332,937	\$ 359,326 (e)
Transfers Out	\$ 409,114	\$ 97,282	\$ 4,841	\$ 1,548	\$ 1,336
Ending Reserves	\$ 110,504	\$ 213,846	\$ 272,464	\$ 621,297 (c)	\$ 567,451 (f)
Total Requirements	<u>\$ 2,034,546</u>	<u>\$ 6,158,461</u>	<u>\$ 1,096,981</u>	<u>\$ 1,501,169</u>	<u>\$ 1,458,153</u>
Details to the Building Program, by Building:					
Park Place Building	\$ 1,354,248	\$ 5,932,390	\$ 1,096,981	\$ 1,501,169	\$ 1,458,153
Springfield Building	\$ 271,788	\$ 226,070	\$ -	\$ -	\$ -
Schaefers Building	\$ 408,510	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ 2,034,546</u>	<u>\$ 6,158,460</u>	<u>\$ 1,096,981</u>	<u>\$ 1,501,169</u>	<u>\$ 1,458,153</u>

Prior to FY16, this statement included activity for three LCOG owned Buildings: Park Place, Schaefers, and Springfield Buildings. LCOG sold Schaefers Building 6/27/14 (FY14) and Springfield Building 12/11/15 (FY16). Only Park Place Building remains.

(a) Loan Refinance proceeds \$4,825,000 on Park Place Building in FY16; Park Place loan payoff expenditure \$4,810,515 and Springfield payoff \$13,237 included in expenditures.

(b) LCOG sold Springfield Building (12/11/15) and has reduced outstanding loans to one loan on Park Place Building. This line item also includes the annual Park Place Building interfund FY12 Loan repayment to General Fund. For detail to this internal loan, see Supplemental Information Section of this document (page).

(c) Moved \$390,966 Capital Contingency Fund from General Fund.

(d) Reduced occupancy costs in FY19 to keep Indirect costs stable due to increased costs for telephone replacement project.

(e) For information on debt service, see Supplemental Information Section on page 49.

(f) \$550,000 of this is in a restricted Contingency Account.

ENTERPRISE FUND DETAIL – MINUTES RECORDING SERVICES
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019

FTE	0.10	0.10	0.10	0.05	0.05
	FY15	FY16	FY17	FY18	FY19
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>
Resources:					
Local Revenues	\$ 58,842	\$ 90,722	\$ 84,510	\$ 50,000	\$ 50,000
Beginning Reserves	<u>\$ 13,251</u>	<u>\$ 15,583</u>	<u>\$ 51,224</u>	<u>\$ 42,445</u>	<u>\$ 37,497</u>
Total Resources	<u>\$ 72,093</u>	<u>\$ 106,305</u>	<u>\$ 135,734</u>	<u>\$ 92,445</u>	<u>\$ 87,497</u>
Requirements:					
Personal Services	\$ 7,689	\$ 5,598	\$ 3,306	\$ 4,425	\$ 4,601 (a)
Support Services	\$ 2,988	\$ 1,746	\$ 919	\$ 1,206	\$ 1,438
Materials and Services	\$ 45,833	\$ 47,737	\$ 50,768	\$ 48,916	\$ 50,100
Transfers Out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174</u>	<u>\$ 400</u>	<u>\$ 20,400 (b)</u>
Ending Reserves	<u>\$ 15,583</u>	<u>\$ 51,224</u>	<u>\$ 80,567</u>	<u>\$ 37,498</u>	<u>\$ 10,958</u>
Total Requirements	<u>\$ 72,093</u>	<u>\$ 106,305</u>	<u>\$ 135,734</u>	<u>\$ 92,445</u>	<u>\$ 87,497</u>

This program provides minutes recording services to requesting parties. LCOG hires contractors to provide the service.

(a) The Personal Services costs here are for program oversight/coordination.

(b) Includes transfer to General Fund.

SUPPLEMENTAL INFORMATION

FY19 BUDGET ASSUMPTIONS

For the Fiscal Year Ending June 30, 2019

Overall Guiding Principles for the FY19 Budget

- LCOG will continue to stabilize the General Fund.
- LCOG will continue to build reserves that are consistent with reserve policies adopted by the Board.
- LCOG will continue to stabilize Indirect rates, while making sure the rates accurately reflect actual internal costs and are in line with *OMB Circular A87*.
- To the maximum extent possible, all direct programs and contracts will be self-supporting. LCOG General Fund dollars will only be used to support programs and contracts when required as match or to provide temporary support to a program or to support a strategic initiative that has received Executive Director prior approval to fund.
- LCOG will continue to find efficiencies in Senior and Disability Services to address the large workload while continuing to provide services that levels required and expected.
- LCOG will continue to balance its budget and will continue to ensure a stable budget, consistent with Board adopted policies.

FY19 Budget Assumptions – As of 11/1/17

1. **Member Dues:** In past years, the CPI was used to determine the inflation adjustment to Member Dues. In May 2014, the Board adopted a new Member Dues structure. A two-tier structure was adopted with Level One having a minimum \$500 Member Dues amount; Level Two has a \$1,000 Member Dues amount and would provide the member with 12 hours of staff time. Note that the base rate and structure does not put every member under the Two-Level structure.

The Board also increased all of the rates since the rates have been held steady for several years or the dues have been reduced. The current rates are: a rate of 0.22 for the County; a rate of 0.4 for cities; a rate of 0.1 for school districts; and a rate of 0.1 for utilities.

I am making the recommendation to keep the FY19 rates the same as the new dues structure is serving LCOG's members well. The rates will be presented to the Board for final approval at the 11/30/17 Board Meeting.

2. **Health Insurance:** A joint labor-management insurance committee was established this year to identify health insurance options for the agency and to make recommendations to the Executive Director. The HIAC recommended that LCOG renew our current medical/vision insurance plan for calendar year 2018. This is the CIS Regence plan, along with the employer-paid contribution into the HRA at the rates of \$150 per month (for employee-only coverage) and \$200 per month (for employee-plus coverage).

Health Insurance premiums are going to decrease by about 9% on January 1, 2018. This is due to switching pools and a lower claims experience than we have seen in several years. This decrease will save about \$324,000 for calendar year 2018. The cost of health care for the second half of FY19 is currently unknown. For this reason, we will estimate the costs for the second half of FY19. For 2018, should health insurance costs increase beyond what is assumed, LCOG will present the increase as part of its Revised FY19 Budget for Board approval in the spring of 2019. Dental insurance premiums on January 1, 2018, for Met Life and Willamette will stay the same as 2017.

The current Employees Association (EA) contract, which expires on December 31, 2017, provides for a 5% cost-share for health insurance premiums and an LCOG funded Health Reimbursement Account (HRA) contribution of \$1,800 or \$2,400, depending on the level of health coverage the employee chooses (single coverage, family, etc.).

FY18 BUDGET ASSUMPTIONS, Continued

The current Service Employees International Union (SEIU) contract (July 1, 2016 through June 30, 2019), provides for a 2.5% cost-share for health insurance premiums and an LCOG funded Health Reimbursement Account (HRA) contribution of \$1,800 or \$2,400, depending on the level of health coverage the employee chooses (single coverage, family, etc.), starting January 1, 2018.

3. **Wage Increases:** We entered into new collective bargaining agreements for the Employees Association (EA) on January 1, 2016, and SEIU on July 1, 2016. Effective July 1, 2018, SEIU and S&DS management will receive a 2.0% COLA. No additional COLA increases are due in FY19. We are currently in bargaining with the EA so we are recommending we budget for a COLA based on a 5-year average of the CPI-U, which is what they have received in recent years under the current CBA. Administrative and Government Services management employees will receive a similar COLA. For budgeting purposes, we will assume a 1.2% COLA given the current CPI-U trend.
4. **Merit Increases:** In FY19, merit increases are expected to increase total compensation for LCOG employees. Employees are eligible for 3.5% annual merit increases; however, 28% of Government and Administrative Services employees will be at the top step of their salary range, which means that they will not be eligible for merit increases. In S&DS, 83% are not at top-step and thus are eligible for merit increases. Over 40% of management employees will be at the top step of their salary range, which means that they are not eligible for merit increases. S&DS staff at the top step will receive a top step bonus of \$350. Currently, EA staff receive a top step bonus of \$250, but we are currently in bargaining and that may change. For budgeting purposes we will assume \$350.
5. **Salary Surveys:** LCOG will complete a Salary Survey for EA employees per the current Collective Bargaining Agreements. Salaries will be adjusted per the results of the survey. No SEIU Salary Survey is required for FY19.
6. **Executive Director Compensation:** The Executive Director's compensation is set by the LCOG Board under a contract. The current contract expires June 30, 2019, and will be re-evaluated in the spring of 2019. Beginning July 1, 2018, the contract provides for a 1.3% COLA; a \$150 per month increase in transportation benefits; and a lump sum payment if the Executive Director has a satisfactory annual evaluation for FY18.
7. **PERS:** The current PERS rate, which covers the 2016-2018 biennial and began July 1, 2017, are as follows: Tier 1 / Tier 2: from 17.12% to 21.46%; OPSRP: from 10.94% to 14.11%.
8. **Workers' Compensation Insurance:** Workers' Compensation Insurance premiums increased by 15% for FY18. While our claims experience continues to decrease, we have more employees. While we will not know our FY19 rates until spring of 2018, our carrier expects an 8.5% increase for FY19.
9. **Other Insurance:** Life, Accidental Death and Dismemberment, and Long-Term Disability rates are expected to remain the same as in FY18.
10. **Equipment and Training:** LCOG will provide effective workspace, equipment, and training to enable employees to be productive and effective. The replacement of the phone system is currently underway. A \$15 per phone charge is being added to each telecom device in order to cover the costs of the new system. This fee will be included in the appropriate funds for FY19.

FY18 BUDGET ASSUMPTIONS, Continued

- 11. Government Services:** We will continue to stabilize our billing rates, making sure our rates cover our costs and keep us competitive and affordable. We will also continue to ensure our billing invoices are transparent and standardized.

- 12. Senior and Disability Services:** S&DS has two primary sources of funding. First, as a Type B Transfer agency, S&DS has a contract with Oregon's Department of Human Services to provide Medicaid and Food Stamp services to seniors and people with disabilities in Lane County. Second, as an Area Agency on Aging, S&DS receives funding through the Older Americans Act (OAA).

For the 2017 – 2019 biennium, funding for Senior and Disability Services was increased by \$4,496,765 over the previous biennium. As a result, we will be able to increase Materials and Supplies (M&S) spending and staffing levels in FY18 and we expect to keep the M&S budget and staffing levels the same for FY19.

**GOALS FOR FY19
BY ORGANIZATIONAL SERVICE UNIT
For the Fiscal Year Ending June 30, 2019**

EXECUTIVE MANAGEMENT

- Develop long-term maintenance and rental strategy for LCOG's real estate.
- Develop strategy on Compensated Absences funding.
- Develop new partnerships with other COGs and the League of Oregon Cities.
- Engage in internal strategic planning.
- Strengthen LCOG's partnerships with members.

ADMINISTRATION AND FISCAL

- Work towards the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the fiscal year ending June 30, 2018.
- Maintain and ensure internal control compliance over general ledger, cash management, and employee compensation.
- Provide key support to the Executive Director during the budget process.
- Provide quarterly fund financial reports to Board and Executive Committee.
- Draft a Final comprehensive Financial Policies and Procedures Manual to compliment the new Caselle financial system by June 30, 2019.

HUMAN RESOURCES

- Maintain reduction of agency risk involving Workers' Compensation results and Safety implementations.
- Finalize updating of all Government Services and Administrative Services Position Descriptions at the agency.
- Finalize the review of the employee evaluation process, and develop and implement changes as needed.
- Re-constitute and facilitate Facilitated Health Insurance Advisory Committee, with representatives from staff, management, S&DS, and Government Services. HIAC will look at health insurance information, including possible new options, and then recommended a renewal of the current plan, with a goal of continuing good coverage that employees will use and that LCOG can afford.
- Plan and hold fourth annual benefits and health fair for employees.

INFORMATION SERVICES

- Deploy new virtualized infrastructure for faster provisioning of applications and services, to reduce capital and operating costs, and to simplify data center management.
- Build an applications roadmap for meeting key business objectives.
- Provide project management and technical assistance to the agency in order to support internal program areas in meeting the technical needs for program initiatives.
- Act in a key support role to the Fiscal Unit for ongoing fiscal system issues and reporting.

GOALS, Continued

GOVERNMENT SERVICES - PLANNING AND TRANSPORTATION

- Work with the GIS Cooperative Project Agreement partners to complete a comprehensive review of the agreement and RLID, focusing on technology, business model, and governance to ensure the program continues to meet partner needs and interests now and into the future.
- Begin broadcasting Metro TV over the air.
- Develop internal capacity and assess external needs and potential strategies intended to assist cities and the county in complying with new Federal Emergency Management Agency (FEMA) floodplain requirements associated with the 2016 Biological Opinion of the National Oceanic Atmospheric Administration (NOAA).
- Initiate a regional water resource management forum to provide a platform for dialogue among water managers to understand regional issues.
- Expand the Safe Communities program through branding, public outreach, and funding small enforcement and education programs across Lane County. Raise awareness of safety issues on our transportation network to reduce fatal and severe crashes.
- Begin work on a pilot planning process that combines the Regional Transportation Plan, safety planning, Congestion Management Process, and Regional Intelligent Transportation Systems.
- The MPO will launch a regional traffic counts program to capture vehicle traffic counts to support modeling and infrastructure projects.

GOVERNMENT SERVICES - TELECOMMUNICATIONS

- Finalize replacement of the Telecom System project.
- Complete mapping of regional fiber assets.
- Migrate to SIP trunking and reduce communications costs.
- Refine the business systems for managing the MMWIX, Downtown Fiber, and Middle Mile projects to ensure the greatest confidence, efficiency and return on investment for participating partners.
- Complete mapping of PAN fiber to ensure long term stability and service continuity; perform a system-wide fiber audit.
- Complete MMWIX upgrades and expansion of the MMWIX facility.
- Successfully negotiate renewal of rights of use for Regional Fiber Consortium.

SENIOR AND DISABILITY SERVICES

- Work towards compliance with state contracts despite an increased demand for services and many changes in rules and processes.
- Continue to explore new potential revenue sources, working with the Oregon Wellness Network to enhance and expand services.
- Implement an S&DS Project Office and continue to conduct targeted Rapid Process Improvement activities to find efficiencies and streamline workload.
- Encourage continuous improvement ideas from staff; implement these ideas when feasible.
- Work to achieve the goals in the Area Plan on Aging.

GOALS, Continued

BUSINESS SERVICES

- Fund 20 small business loans which will help small businesses to create 250 new jobs.
- Continue rebuilding the Small Business Loan portfolio.
- Coordinate with the Cascades West Council of Governments and the Lane Economic Committee to fully implement the Comprehensive Economic Development Strategy (CEDS).
- Plan for and conduct facility asset assessment of the Park Place Building; developing a long range plan for managing the projected use-life of the building and its facility infrastructure systems, i.e. building, heating and air conditioning system, elevators, MMWIX.
- Revise Service Agreements For Minutes Recorder Services.
- Increase member agency awareness of the Minutes Recorder Program.

TRANSFERS

For the Fiscal Year Ending June 30, 2019

TRANSFERS OUT		Amount
General Fund		
From General Fund to:		
102	104 Member Support Services	11,000
From General Fund - Member Support Services to:		
104	201 Government Services Admin	1,200
Total General Fund - Transfer Out:		12,200
Special Revenue Funds		
From Special Revenue Fund - Government Services To:		
248	102 LCOG Operating	12,000
204	201 Government Services Admin	79,581
205	201 Government Services Admin	96,389
206	201 Government Services Admin	217,473
207	201 Government Services Admin	103,405
208	201 Government Services Admin	35,242
210	201 Government Services Admin	18,426
211	201 Government Services Admin	35,952
212	201 Government Services Admin	2,947
214	201 Government Services Admin	42,681
218	201 Government Services Admin	1,781
219	201 Government Services Admin	57,033
220	201 Government Services Admin	12,281
222	201 Government Services Admin	66,917
235	201 Government Services Admin	694
242	201 Government Services Admin	4,381
243	201 Government Services Admin	15,201
244	201 Government Services Admin	13,178
248	201 Government Services Admin	30,584
219	221 Transportation Services Admin	187,670
220	221 Transportation Services Admin	248,455
244	243 Telecommunications Management	171,123
247	243 Telecommunications Management	40,000
247	246 Telecommunications Projects	180,622
Total Special Revenue Funds (Govt Svcs) - Transfers Out:		1,674,015
From Special Revenue Fund - Senior and Disability Services To:		
282	267 Senior Connections	299,655
296	267 Senior Connections	303,386
269	268 Senior Meals	268,478
283	268 Senior Meals	510,554
284	268 Senior Meals	204,867
288	268 Senior Meals	114,780
289	268 Senior Meals	25,784
293	268 Senior Meals	33,397
294	268 Senior Meals	21,359
296	274 Options Counseling	15,291
272	281 Title III - Area Plan Admin	5,153
282	281 Title III - Area Plan Admin	40,972
283	281 Title III - Area Plan Admin	56,029
284	281 Title III - Area Plan Admin	33,651
286	281 Title III - Area Plan Admin	19,274
293	281 Title III - Area Plan Admin	131,779
294	281 Title III - Area Plan Admin	59,900
296	281 Title III - Area Plan Admin	100,000
Total Special Revenue Funds (S&DS) - Transfers Out:		2,244,309
Enterprise Funds		
From Enterprise Fund - Business Loans To:		
302	391 Business Services Admin	5,660
303	391 Business Services Admin	13,264
304	391 Business Services Admin	162
305	391 Business Services Admin	162
306	102 LCOG Operating	1,961
306	391 Business Services Admin	1,700
307	391 Business Services Admin	707
308	391 Business Services Admin	5,685
391	201 Government Services Admin	520
From Enterprise Fund - Building Management To:		
321	201 Government Services Admin	347
321	391 Business Services Admin	990
From Enterprise Fund - Economic Development To:		
331	201 Government Services Admin	3,380
331	391 Business Services Admin	3,494
From Enterprise Fund - Minutes Recording To:		
332	102 General Fund	20,000
332	201 Government Services Admin	400
Total Enterprise Funds - Transfers Out:		58,432
TOTAL TRANSFER OUT ACTIVITY		3,988,956

TRANSFERS IN		Amount
General Fund		
To General Fund - LCOG Operating From:		
102	248 MMWIX	12,000
102	306 Business Loans	1,961
102	332 Minutes Recording	20,000
To General Fund - Member Support Services From:		
104	102 LCOG Operating	11,000
Total General Fund - Transfers In:		44,961
Special Revenue Funds		
To Special Revenue Fund - Government Services Admin From:		
201	104 Member Support Services	1,200
201	204 Community Safety	79,581
201	205 General Planning	96,389
201	206 GIS CPA	217,473
201	207 GIS Other	103,405
201	208 Hearing Official	35,242
201	210 Natural Resource Planning	18,426
201	211 OR Emergency Mgmt & State Police	35,952
201	212 Publications/Information (Lane Info Center)	2,947
201	214 RTS Other	42,681
201	218 Tax Collections	1,781
201	222 Urban Regional Planning	66,917
201	235 Metro TV	694
201	219 Transportation Operations	57,033
201	220 Transportation Projects	12,281
201	242 Public Area Network (PAN)	4,381
201	243 Telecommunications Operations	15,201
201	244 Telecommunications Management	13,178
201	248 MMWIX	30,584
201	321 Building Management	347
201	331 Economic Development	3,380
201	391 Business Services Admin	520
201	332 Minutes Recording	400
To Special Revenue Fund - Transportation Services Admin From:		
221	219 Transportation Operations	187,670
221	220 Transportation Projects	248,455
To Special Revenue Fund - Telecom Management From:		
243	244 Telecommunications Operations	171,123
243	247 Telecommunications Reserve	40,000
To Special Revenue Fund - Telecom Projects From:		
246	247 Telecommunications Projects	180,622
Total Special Revenue Funds (Govt Svcs) - Transfers In:		1,667,862
To Special Revenue Fund - S&DS - Senior Connections From:		
267	282 Title III-B	299,655
267	296 Title XIX-Type B Funds	303,386
To Special Revenue Fund - S&DS - Senior Meals From:		
268	269 Senior Meals Fundraising	268,478
268	283 Title III-C-1	510,554
268	284 Title III-C-2	204,867
268	288 Title III-USDA/NSIP	114,780
268	289 Intergovernment Human Svcs	25,784
268	293 Title III-Oregon Project	33,397
268	294 Title III-OPI Pilot	21,359
To Special Revenue Fund - S&DS - Options Counseling From:		
274	296 Title XIX-Type B Funds	15,291
To Special Revenue Fund - S&DS - Title III - Area Plan Admin From:		
281	293 Title III-B	40,972
281	294 Title III-C-1	56,029
281	282 Title III-C-2	33,651
281	283 Title III-E	19,274
281	284 Title III-Oregon Project	131,779
281	286 OPI Pilot	59,900
281	272 Title XIX-Type B	100,000
281	296 Living Well	5,153
Total Special Revenue Funds (S&DS) - Transfers In:		2,244,309
Enterprise Funds		
To Enterprise Fund - Business Services Administration From:		
391	302 Business Loans	5,660
391	303 Business Loans	13,264
391	304 Business Loans	162
391	305 Business Loans	162
391	306 Business Loans	1,700
391	307 Business Loans	707
391	308 Business Loans	5,685
391	321 Building Management	990
391	331 Economic Development	3,494
Total Enterprise Funds - Transfers In:		31,825
TOTAL TRANSFER IN ACTIVITY		3,988,956

FTE BY FUND FY15 – FY19
For the Fiscal Year Ending June 30, 2019

Reporting Fund/Service/Managerial Fund Name		FY15 Adopted	FY16 Adopted	FY17 Adopted	FY18 Adopted	FY19 Proposed
General Fund						
102	LCOG Operating	0.75	0.83	1.54	1.25	1.25
103	Indirect Support Services	<u>12.65</u>	<u>12.69</u>	<u>11.05</u>	<u>11.01</u>	<u>12.52</u>
Total Administrative Services FTE		13.40	13.52	12.59	12.26	13.77
Special Revenue Funds						
Government Services - Planning and Transportation						
Closed/Inactive Funds						
201	Government Services - Administration	0.83	0.00	0.00	0.00	0.00
204	Community Safety	4.36	4.32	4.40	5.49	4.88
	Economic Development	0.81	1.18	1.16	1.00	1.32
205	General Planning	0.13	0.13	0.00	0.00	0.00
206	GISCPA	0.68	1.84	1.24	1.39	1.6
207	GIS - Other	4.79	3.43	3.48	3.43	3.62
208	Hearings and Land Use Law	1.77	2.34	2.40	3.00	1.72
210	Natural Resource Planning	0.27	0.51	0.35	0.46	0.59
211	Oregon Emergency Management and State Police	0.82	0.66	1.05	0.54	0.31
212	Publications and Information	0.69	0.49	0.35	0.49	0.6
213	Regional Planning - Closed	0.16	0.08	0.05	0.05	0.05
214	RTS - Other	0.24	0.26	0.44	0.00	0.00
218	Tax Collections	0.17	0.13	0.35	0.76	0.71
219	Transportation Operations	0.03	0.11	0.02	0.03	0.03
220	Transportation Projects	4.96	4.18	4.09	4.92	4.86
221	Transportation Services Administration	0.68	0.43	0.59	0.69	1.35
222	Urban and Regional Planning	0.00	0.00	0.43	0.74	0.65
235	Metro TV	0.95	0.73	0.19	0.88	1.11
	Total Government Services - P/T FTE	<u>0.00</u>	<u>0.00</u>	<u>2.00</u>	<u>2.35</u>	<u>2.19</u> (a)
		22.34	20.82	20.59	23.86	25.59
Government Services - Telecommunications						
Metro TV						
242	Public Agency Network	1.26	1.25	0.00	0.00	(a)
243	Telecommunications Management	0.42	0.13	0.13	0.24	0.19
244	Telecommunications Operations	2.92	2.84	1.90	2.69	2.4
248	Willamette Internet Exchange	0.00	0.00	0.10	0.24	0.22
	Total Government Services - Telecommunications FTE	<u>0.00</u>	<u>0.00</u>	<u>0.07</u>	<u>0.49</u>	<u>0.51</u>
		4.60	4.22	2.20	3.66	3.32
Senior and Disability Services						
267	Senior Connections	7.04	7.84	8.94	5.07	6.09
268	Senior Meals	6.75	8.02	9.05	8.97	9.65
269	Senior Meals Fundraising	0.00	0.00	0.00	0.50	0.25
271	Money Management	0.00	0.00	0.00	1.00	1.50
272	Living Well	0.00	0.00	0.00	1.00	1.00
274	Options Counseling	0.00	0.00	0.00	0.97	3.00
275	Mental Health	0.00	0.00	0.00	0.84	0.93
276	Veterans Specialist	0.00	0.00	0.00	1.00	0.00
277	Transportation Assessments	0.00	0.00	0.00	1.90	1.90
278	LIHEAP	0.00	0.00	0.00	0.31	0.22
279	MOW Fundraising	0.00	0.00	0.00	0.50	0.25
281	Title III - Area Plan Administration	0.00	0.00	0.00	3.00	2.70
286	Title III - E Family Caregiver	0.00	0.00	0.00	0.51	0.45
293	Title III - Oregon Project Independence	3.47	5.00	2.50	1.50	2.50
294	Title III - Oregon Project Independence Pilot	0.00	0.00	0.00	0.00	2.50 (b)
296	Title XIX - Type B	100.32	101.46	113.08	130.45	144.42
267	Aging and Disability Resources Center	3.79	4.01	1.92	0.00	0.00 (c)
262	Community Programs	3.32	4.07	4.73	0.00	0.00
263	Florence Transportation Donation	0.08	0.08	0.00	0.00	0.00
265	Senior & Disability Services - Administration	20.22	21.42	19.32	0.00	0.00
285	Title III - D	0.30	0.00	0.00	0.00	0.00
287	Title III - VII	0.00	0.00	0.00	0.00	0.00
	Total Senior and Disability Services FTE	<u>145.29</u>	<u>151.90</u>	<u>159.54</u>	<u>157.52</u>	<u>177.36</u>
Business Services						
391	Business Services - Administration	0.33	0.32	0.25	0.17	0.15
331	Economic Development	0.00	0.00	0.12	0.15	0.11
302	Loans: Economic Development Agency	0.16	0.16	0.14	0.16	0.16
303	Loans: Intermediary Relending Program/RBDF	0.29	0.28	0.37	0.37	0.37
304	Loans: Rural Investment Board/RIB	0.00	0.01	0.01	0.01	0.0046
305	Loans: Rural Business Enterprise Grant/RBEG	0.01	0.01	0.00	0.01	0.0046
306	Loans: Small Business Administration - 504	0.50	0.48	0.16	0.21	0.05
307	Loans: Other Packaging	0.07	0.06	0.17	0.12	0.02
308	Loans: Economic Development Agency #2	0.00	0.08	0.14	0.16	0.16
332	Minutes Recording Services	0.10	0.10	0.10	0.05	0.05
321	Building Management	0.07	0.07	0.04	0.05	0.03
	Total Business Services FTE	<u>1.53</u>	<u>1.57</u>	<u>1.50</u>	<u>1.47</u>	<u>1.12</u>
TOTAL BUDGETED FTE		<u>187.16</u>	<u>192.02</u>	<u>196.42</u>	<u>198.76</u>	<u>221.16</u>

Notes:

(a) Metro TV was moved to Government Services - Planning and Transportation (from Telecommunications) as of FY17.

(b) Pilot Project.

(c) ADRC Reallocated to Type B - Title XI.

LONG-TERM DEBT SCHEDULE
For the Fiscal Year Ending June 30, 2019

Fiscal Year Ending	Park Place Building		Intermediary Relending Program			
	Umpqua Bank Loan		USDA Loan #2		USDA Loan #3	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 122,924	\$ 193,658	\$ 38,430	\$ 4,019	\$ 17,831	\$ 2,461
2020	\$ 128,252	\$ 188,331	\$ 38,815	\$ 3,635	\$ 18,009	\$ 2,283
2021	\$ 133,810	\$ 182,773	\$ 39,203	\$ 3,247	\$ 18,189	\$ 2,103
2022	\$ 139,609	\$ 176,973	\$ 39,595	\$ 2,855	\$ 18,371	\$ 1,921
2023	\$ 145,659	\$ 170,923	\$ 39,991	\$ 2,459	\$ 18,555	\$ 1,737
2024	\$ 151,972	\$ 164,611	\$ 40,391	\$ 2,059	\$ 18,740	\$ 1,552
2025	\$ 158,558	\$ 158,025	\$ 40,795	\$ 1,655	\$ 18,928	\$ 1,364
2026	\$ 165,429	\$ 151,153	\$ 41,203	\$ 1,247	\$ 19,117	\$ 1,175
2027	\$ 3,466,353	\$ 12,276	\$ 41,615	\$ 835	\$ 19,308	\$ 984
2028	\$ -	\$ -	\$ 41,664	\$ 419	\$ 19,501	\$ 791
2029	\$ -	\$ -	\$ -	\$ -	\$ 19,696	\$ 596
2030	\$ -	\$ -	\$ -	\$ -	\$ 19,893	\$ 399
2031	\$ -	\$ -	\$ -	\$ -	\$ 19,808	\$ 200
2032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ 4,612,566</u>	<u>\$ 1,398,723</u>	<u>\$ 401,702</u>	<u>\$ 22,430</u>	<u>\$ 245,946</u>	<u>\$ 17,566</u>

Original loan	Date of loan	Original loan	Date of loan	Original loan	Date of loan
\$4,825,000	6/16/2016	\$1,000,000	5/21/1998	\$478,000	10/11/2000

By Service:	<u>Principal</u>	<u>Interest</u>
Building	\$ 4,612,566	\$ 1,398,723
Business	<u>\$ 1,510,124</u>	<u>\$ 114,978</u>
Total	\$ 6,122,690	\$ 1,513,701

This schedule is continued on the following page.

LONG-TERM DEBT SCHEDULE, Continued
For the Fiscal Year Ending June 30, 2019

Fiscal Year	USDA Loan #4		USDA Loan #5		USDA Loan #6		Total - All Debt		
	Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 14,773	\$ 2,207	\$ 18,283	\$ 2,943	\$ 17,745	\$ 3,480	\$ 229,986	\$ 208,768	
2020	\$ 14,920	\$ 2,060	\$ 18,466	\$ 2,760	\$ 17,922	\$ 3,303	\$ 236,384	\$ 202,372	
2021	\$ 15,069	\$ 1,911	\$ 18,650	\$ 2,575	\$ 18,102	\$ 3,124	\$ 243,023	\$ 195,733	
2022	\$ 15,220	\$ 1,760	\$ 18,837	\$ 2,389	\$ 18,283	\$ 2,943	\$ 249,915	\$ 188,841	
2023	\$ 15,372	\$ 1,608	\$ 19,025	\$ 2,201	\$ 18,466	\$ 2,760	\$ 257,068	\$ 181,688	
2024	\$ 15,526	\$ 1,454	\$ 19,215	\$ 2,010	\$ 18,650	\$ 2,575	\$ 264,494	\$ 174,261	
2025	\$ 15,681	\$ 1,299	\$ 19,408	\$ 1,818	\$ 18,837	\$ 2,389	\$ 272,207	\$ 166,550	
2026	\$ 15,838	\$ 1,142	\$ 19,601	\$ 1,624	\$ 19,025	\$ 2,200	\$ 280,213	\$ 158,541	
2027	\$ 15,997	\$ 983	\$ 19,797	\$ 1,428	\$ 19,215	\$ 2,010	\$3,582,285	\$ 18,516	
2028	\$ 16,156	\$ 824	\$ 19,996	\$ 1,230	\$ 19,407	\$ 1,818	\$ 116,724	\$ 5,082	
2029	\$ 16,318	\$ 662	\$ 20,196	\$ 1,030	\$ 19,602	\$ 1,624	\$ 75,812	\$ 3,912	
2030	\$ 16,481	\$ 499	\$ 20,397	\$ 827	\$ 19,798	\$ 1,428	\$ 76,569	\$ 3,153	
2031	\$ 16,646	\$ 334	\$ 20,601	\$ 624	\$ 19,996	\$ 1,230	\$ 77,051	\$ 2,388	
2032	\$ 16,598	\$ 166	\$ 20,808	\$ 417	\$ 20,196	\$ 1,030	\$ 57,602	\$ 1,613	
2033	\$ -	\$ -	\$ 20,960	\$ 203	\$ 20,397	\$ 828	\$ 41,357	\$ 1,031	
2034	\$ -	\$ -	\$ -	\$ -	\$ 20,601	\$ 624	\$ 20,601	\$ 624	
2035	\$ -	\$ -	\$ -	\$ -	\$ 20,807	\$ 418	\$ 20,807	\$ 418	
2036	\$ -	\$ -	\$ -	\$ -	\$ 20,592	\$ 210	\$ 20,592	\$ 210	
	<u>\$220,595</u>	<u>\$ 16,909</u>	<u>\$294,240</u>	<u>\$ 24,079</u>	<u>\$347,641</u>	<u>\$ 33,994</u>	<u>\$6,122,690</u>	<u>\$ 1,513,701</u>	*

Original loan	Date of loan	Original loan	Date of loan	Original loan	Date of loan
\$400,000	7/30/2001	\$500,000	8/22/2002	\$500,000	6/29/2006

*Numbers are rounded

INTERFUND LOAN PAYMENT SCHEDULE

For the Fiscal Year Ending June 30, 2019

This loan was authorized May 12, 2012, per Resolution 2012-03. Loan purpose was to fund tenant improvements to Park Place Building 3rd Floor. Payments are made annually on or before August 15 of each fiscal year.

Fiscal Year	Principal Payment	Interest Payment		Total Payment	Principal Balance Outstanding
FY19	\$41,897	\$847	=	\$42,744	\$127,589
FY20	\$42,106	\$638	=	\$42,744	\$85,483
FY21	\$42,317	\$427	=	\$42,744	\$43,166
FY22	\$43,166	\$216	=	\$43,382	\$ -

Interfund Loan: General Fund - LCOG Operating to Enterprise Fund - Building Management

Original Loan Amount:	\$418,000
Principal paid through FY18:	<u>\$247,514</u>
Outstanding Principal Balance as of 7/1/18:	<u>\$170,486</u>

Information regarding interest payments on loan:

Interest paid through FY18:	\$ 7,952
Remaining estimated interest payments:	<u>\$ 2,128</u>
Total Interest to be paid on loan:	<u>\$10,080</u>

**INDIRECT FUND – CENTRAL SERVICES
WORK PROGRAM BUDGET
For the Fiscal Year Ending June 30, 2019**

Budget for Funds in this Service Area

Indirect Fund – Central Services		<u>\$2,683,387</u>	
	Total:	<u>\$2,683,387</u>	

Total FTE:

Central Services		<u>12.52</u>	FTE
	Total:	<u>12.52</u>	FTE

Service Areas funded by Central Services:

- Administration Management**
- Administration Support**
- Finance and Budget**
- Human Resources**
- Information Technology**

CENTRAL SERVICES

Service Budget: \$2,683,387 (\$1,540,297 Personal Services; \$1,143,090 Materials and Supplies)
 Service Funds: General Fund - Indirect Support Services
 FTE: 12.52 FTE

The number of FTE for each area within Central Services:

Administration Management:	0.25	FTE	
Administration Support:	1.00	FTE	
Finance and Budget:	4.95	FTE	
Human Resources:	2.00	FTE	
Information Technology:	<u>4.32</u>	FTE	
	12.52	FTE	

Description

Central Services provides functions necessary for the efficient operation of the organization and provides support services to the agency ranging from maintaining LCOG’s computer system to preparing the annual budget. Funding for the tasks described in this section is provided by indirect charges to benefitting programs.

The following sections make up Central Services: Administration Management; Administrative Support; Finance and Budget; Human Resources; and Information Services (IS).

Specific descriptions of the above services within Central Services are as follows. Each area’s share of the Personal Services budget is shown; the Materials and Services’ budget serves all areas of the organization, and therefore, is not broken out by service area. For information on Indirect Support Services, see Supplemental Information Section on page 52.

INDIRECT FUND - CENTRAL SERVICES WORK PROGRAM BUDGET, Continued

Administration Management

Personal Service Budget: \$54,652 of the total \$1,540,297 Personal Services budget
Service Funds: General Fund - Indirect - Central Services
FTE: .25 FTE of the total 12.52 FTE

Administration Management provides coordination of agency-wide support functions necessary for the efficient operation of the agency. This service area covers .25 FTE of the Executive Director, who provides day-to-day management of LCOG's resources, programs, facilities, and workforce.

Administrative Support

Personal Service Budget: \$78,576 of the total \$1,540,297 Personal Services budget
Service Funds: General Fund - Indirect - Central Services
FTE: 1.00 FTE of the total 12.52 FTE

Administration Support provides clerical support which includes: LCOG Board, Executive Committee, and committees designated by the Board, Reception, and support to Administration and Government Services service areas.

Finance and Budget

Personal Service Budget: \$529,231 of the total \$1,540,297 Personal Services budget
Service Funds: General Fund - Indirect - Central Services
FTE: 4.95 FTE of the total 12.52 FTE

Finance and Budget provides financial reporting, financial analysis, fiscal controls, and oversight to LCOG operations. Services provided to the organization include accounting, payroll, cash management, investment oversight, grants management, account disbursements, and preparation of the Revised and Adopted budgets, as well as overseeing the annual audit and preparation of the annual financial statements.

Human Resources

Personal Service Budget: \$264,252 of the total \$1,540,297 Personal Services budget
Service Funds: General Fund - Indirect - Central Services
FTE: 2.00 FTE of the total 12.52 FTE

Human Resources oversees the development, refinement, and administration of staff procedures, recruitment, collective bargaining, the management of the classification, compensation, and employee evaluation systems, health insurance and benefits management, and the provision of professional growth resources to staff members.

Information Services

Personal Service Budget: \$613,584 of the total \$1,540,297 Personal Services budget
Service Funds: General Fund - Indirect - Central Services
FTE: 4.32 FTE of the total 12.52 FTE

Information Services (IS) develops and implements a variety of information technology solutions to maintain and support the hardware, software and network infrastructure necessary for optimal operation of the agency's computing environment. This service area only includes IS staff who serve the entire organization and does not include IS staff directly assigned to a grant, contract, or billable project.

**INDIRECT SUMMARY
SCHEDULE OF RESOURCES AND REQUIREMENTS
BUDGET AND ACTUAL
For the Fiscal Year Ending June 30, 2019**

FTE	12.65	12.69	11.05	11.01	12.52
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Adopted	FY19 Proposed
Resources:					
Support Services	\$ 2,857,959	\$ 2,802,702	\$ 2,317,565	\$ 2,348,627	\$ 2,683,387
Local Revenue - Overhead Adjustment	\$ -	\$ -	\$ -	\$ 29,153 (a)	\$ -
Local Revenue - Administrative Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Total Resources	<u>\$ 2,857,959</u>	<u>\$ 2,802,702</u>	<u>\$ 2,317,565</u>	<u>\$ 2,377,780</u>	<u>\$ 2,683,387</u>
Requirements:					
Personal Services	\$ 1,416,289	\$ 1,495,107	\$ 1,265,682	\$ 1,323,385	\$ 1,540,297
Materials and Services	<u>\$ 1,441,670</u>	<u>\$ 1,336,748</u>	<u>\$ 990,256</u>	<u>\$ 1,054,395</u>	<u>\$ 1,143,090</u>
Total Requirements	<u>\$ 2,857,959</u>	<u>\$ 2,831,855</u>	<u>\$ 2,255,938</u> (b)	<u>\$ 2,377,780</u> (c)	<u>\$ 2,683,387</u> (d)
Over / Under Recovery	\$ -	\$ (29,153)	\$ 61,627 (e)		

Resources are internal charges to direct funds: costs appear as Support Services expense in the direct fund. The basis for the expense is the total Personal Services and Materials and Services noted above.

Notes:

- (a) Amount of shortfall experienced in the fund (under-recovery of Indirect costs). Support provided by the General Fund.
- (b) FY15 and FY16 included expenses related to the purchase, installation and conversion of the LCOG financial system.
- (c) Over the past six fiscal years, LCOG has been restructuring and reorganizing to maximize services to members. This effort has resulted in a cumulative reduction in overhead costs totaling more than \$1 million from FY13 to FY17. While LCOG has continued to reduce Indirect rates by reducing and revising internal operating costs, some costs have continued to rise, including personal costs, liability insurance, and other operational costs.
- (d) While we have continued to control overhead costs, increases in costs are expected; however, this increase includes costs associated for the new network and unknown costs associated with services from Lane County for current network services.
- (e) In FY17, Indirect was over-collected. The funds were used for capital expenditures - wiring and cameras in Schaefer's Building.

INDIRECT COST ALLOCATION PLAN

For the Fiscal Year Ending June 30, 2019

As part of the annual budget process, LCOG develops an Indirect Cost Allocation Plan (ICAP) for the fiscal year. LCOG finalizes the ICAP and receives Board approval on or around June 30 of each year for the following fiscal year (for example, June 30, 2018, for FY19). The final approved ICAP is submitted for review to ODOT, our identified federal cognizant agency, for official approval of the plan.

I. INTRODUCTION

The Indirect Cost Allocation Plan (ICAP) is prepared and submitted to ODOT in accordance with procedures of the Office of Management and Budget, 2 CFR Part 225, *Cost Principles for State and Local, and Indian Tribal Governments (OMB Circular A-87)*. Rates are negotiated by LCOG and ODOT according to the authority contained in *Appendix C, Section D.2 of 2 CFR Part 225*.

Purpose and Scope

The purpose of the ICAP is to conform to *OMB Circular A-87(as noted above)* and identify and define the cost allocation/overhead cost allocation system used by the Lane Council of Governments (LCOG). The ICAP documents how overhead expenses, which are those costs that cannot be directly attributed to a specific program or contract, can be fairly charged to the benefitting programs. This plan will apply to all overhead costs incurred by LCOG and will specify the distribution of those costs so that each individual service or program will bear its fair share of the general overhead, except where restricted or prohibited by law.

LCOG charges expenses directly to the benefitting program or contract to the maximum extent possible and in compliance with the principles contained in *OMB Circular A-87*.

Definitions

Central Service: Cost centers that provide services, usually administrative in nature, to other services/programs on a centralized basis.

Allocation Basis: A measurement related to service provided by central service departments/divisions to operating departments/divisions.

Allocated Central Services: Costs that are allocated to direct services based on an equitable basis. Examples would include general accounting, personnel administration, purchasing, etc.

Carryforward Adjustment: Allocated central service costs that are usually negotiated and approved for a future fiscal year on a fixed with carry forward basis. The fixed amounts for the future year covered by agreement are not subject to adjustment for that year. When the actual costs of the year involved become known, the differences between the fixed amounts previously approved and the actual costs will be carried forward and used as an adjustment to the fixed amounts established for a later year. Excluded would be any activities that were not included in the approved plan, or for unallowable costs that must be reimbursed immediately.

Direct Labor: All salary and fringe benefits directly charged to a specified program or contract.

Direct Costs: Charges, such as travel, which are specifically for the benefit of an individual program or contract.

Indirect: The terms overhead and indirect are used interchangeably.

INDIRECT COST ALLOCATION PLAN, Continued

I. INTRODUCTION, Continued

Definitions, Continued

Overhead Credit: A payment received by LCOG for the use of an overhead expense category from another agency, LCOG program, or contract that does not pay overhead charges.

Overhead Expense: A general expense which cannot be reasonably attributed to a specific program or contract and has benefit for the entire LCOG organization or all funds in a LCOG service and is allowable under *OMB Circular A-87*.

Overhead Pool: The summation of all overhead expenses LCOG charged during the accounting period, less any overhead credits.

II. METHODOLOGY/PROCEDURE

The purpose of the ICAP is to document how overhead expenses, which are those costs that cannot be directly attributed to a specific program or contract, can be fairly charged to the benefiting programs. LCOG charges expenses directly to the benefiting program or contract to the maximum extent possible.

This ICAP references the services provided by each operating department/division within LCOG. Agency Administration Services (for example central reception, human resources, administration, and finance and budget management) directly benefit all areas of LCOG, whereas direct service areas offer services that are directly incurred by specific programs or contracts within the service area. Grants and contracts that do not allow indirect costs are charged directly for their proportionate share of overhead costs to the extent allowed.

A. Each individual item of cost (salary and other expenses) is coded using the appropriate budget code. The budget code includes the Fund, Account Group, Account, and where applicable, Contract, Project and Project codes. Salary and fringe line items include employee name.

The indirect cost rate is computed at the beginning of the fiscal year using the adopted budget for the fiscal year. The appropriate indirect rate is then applied monthly to the direct labor cost (salary and fringe) for each service.

B. Direct labor is estimated based on the adopted budget. It consists of salary and fringe benefit cost for all programs and services except those that are overhead or exempt.

C. Each cost item is assigned to direct activities wherever possible. Costs not allowable to be directly charged to the service incurring the expense is coded as overhead expense.

D. An applicable overhead allocation basis is determined for overhead costs via an allocation measurement (for example, number of personal computers, number of FTE, percent of square footage for office space cost). Allocation measurements are updated annually to reflect the most current applicable value.

E. Overhead cost items are allocated to services using the appropriate allocation basis. After allocating each cost item, the total overhead cost for each service is computed. This provides the gross overhead (or total indirect)

F. Overhead expense is adjusted by all overhead credits anticipated to be earned in the upcoming budget year and the carryforward adjustment (if any) from the prior two fiscal year actual charges if applicable (for example, FY18 would include the FY16 overhead actual under collection of revenues or expenditure overages identified at June 30, 2016).

INDIRECT COST ALLOCATION PLAN, Continued

II. METHODOLOGY/PROCEDURE, Continued

G. Overhead for personnel that can be directly attributed to FTE in specific program areas are subtracted from total fiscal year FTE of indirect personnel that have program specific and indirect services that they perform during the fiscal year. The remaining indirect portion of the FTE is then allocated to indirect central services that provide benefits to the overall agency. Any direct program services provided by these personnel are budgeted and paid from the direct fund that benefits from those services and not budgeted or paid from indirect central services.

The allocation process for central services personnel costs (salary and fringe) begins with identifying what portion of each personnel costs benefit all LCOG agency wide services as delineated above. These amounts are considered the agency wide central services pool of costs that are utilized to allocate these personnel and fringe costs.

The next step in the allocation process for central services personnel is to determine what the specific allocation measurement methodology that correlates to the driver of the positions service basis should be. For example, personal computers – or PC count - is the allocation basis for Information Services staff in central services. The resulting quotient for each position is then applied to the total position costs to arrive at the total personnel costs charged to each direct service area.

The allocation process for central services materials and services costs begins with identifying what portion of each cost benefits all LCOG agency wide services as delineated above. For example, the central services cost for RIS Usage is based on Server Usage % in each service area; audit costs are based on the % of total funds in each service area that need to be audited. The resulting quotient for each materials and services line item is allocated to the direct service area benefiting from the central services support to arrive at the total materials and services costs charged to each direct service area.

H. The overhead cost is the sum of the total personnel services costs allocated to service areas and the total materials and supplies costs allocated to service areas. The sum totals the LCOG Indirect/Overhead dollar amount allocated to each service direct service area.

I. The final calculation is the total dollar amount allocated to each direct service area divided by the direct salary for that direct service area. The result is the percentage or rate charged each service area. This is the cost allocation or indirect rate. Cost Allocation rate by service/program is multiplied by the direct labor (salary and fringe) by service/program area.

III. SERVICES/PROGRAMS

As part of LCOG's redesigning of service delivery a focus on services and programs resulted in a more direct correlation between the programs being offered and the service category those programs were associated to. This resulted in a refinement of the service areas represented in the ICAP. Services that are associated with the ICAP are:

Agency Administration – Central Services Division:

LCOG central administration services is located at 859 Willamette Street, Suite 500, Eugene, Oregon. This service area is the basis for the cost plan. Administration services include:

INDIRECT COST ALLOCATION PLAN, Continued

Agency Administration – Central Services Division, Continued

- Executive Director Support
- Finance and Budget
- Administrative Support
- Human Resources
- Information Services

Government Services:

The Government Services division is located at 859 Willamette Street, Suite 400 and Suite 500, Eugene, Oregon, and 125 E. 8th Ave., Eugene, Oregon. Government Services Division provides the following services:

- Government Services Administration
- Information Services and Telecommunications
- Planning and Transportation
- GIS
- Grant Writing
- Legal
- Metro TV

Senior and Disability Services:

The Senior and Disability Services (S&DS) division is located at 1025 Willamette Street, Eugene, Oregon and has satellite offices in rural Lane County (Creswell, Cottage Grove, Florence, Oakridge, Junction City, and Veneta). The S&DS division provides the following services:

- S&DS Administration
- Area Plan/Contract Management
- Senior Meals
- Long Term Care/Adult Protective Services/Licensing & Monitoring/Branch Offices
- Access/Community Programs/Eligibility/Operations

Business Services:

The Business Services division is located at 859 Willamette Street, Suite 500, Eugene, Oregon. Business Services area includes the following services:

- Business Administration
- Business Loans
- Economic Development
- Building Management
- Minutes Recorder

Technology/Communication Services:

Technology/Communication services are located at 859 Willamette Street, Suite 500, Eugene, Oregon and provides the following technology services:

- Telecommunications Management
- Telecommunications Operations
- Telecommunications Projects

INDIRECT COST ALLOCATION PLAN, Continued

IV. OVERHEAD RATE

Historical and projected overhead percentages are presented below. Actual cost is based on a fixed carryforward rate. Data below is for the most recent four fiscal years (FY16 through FY19). The largest share of pooled costs is charged to Government Services and Senior & Disability Services.

<u>YEAR</u>	<u>SERVICE / PROGRAM</u>	<u>RATE USED</u>	<u>ACTUAL COST</u>
FY 16	Government Services	36.4530%	Fixed-carry forward
	Senior & Disability Services	14.0030%	Fixed-carry forward
	Business Services	31.2000%	Fixed-carry forward
	Technology/Communications	17.3680%	Fixed-carry forward
FY 17	Government Services	22.2590%	Fixed-carry forward
	Senior & Disability Services	11.1260%	Fixed-carry forward
	Business Services	27.7950%	Fixed-carry forward
	Technology/Communications	32.4350%	Fixed-carry forward
FY 18	Government Services	21.4750%	Fixed-carry forward
	Senior & Disability Services	10.6350%	Fixed-carry forward
	Business Services	27.2290%	Fixed-carry forward
	Technology/Communications	31.2400%	Fixed-carry forward
FY 19 *	Government Services	23.1240%	Fixed-carry forward
	Senior & Disability Services	11.5730%	Fixed-carry forward
	Business Services	31.2580%	Fixed-carry forward
	Technology/Communications	31.8050%	Fixed-carry forward

*FY19 rates are preliminary rates and are not final until the budget is approved by LCOG Board (June, 2018).

V. FRINGE BENEFITS

Number of Employees:

Total employees and total salaried employees (with health insurance) for FY18 budget is as follows:

Total Employees	238
Total without health insurance	40
Salaried employees*	198

Salary and Fringe per month and Detail to Fringe:

The average salary and fringe benefit per month is noted below. In addition, the average cost for each fringe detail line item is noted and the percent of fringe for that benefit is indicated.

*Fringe average data is based on salaried employees only; the data excludes number of employees without insurance.

INDIRECT COST ALLOCATION PLAN, Continued

V. FRINGE BENEFITS, Continued

	Monthly	Percent (of Fringe)	Average (rounded)
Total Salary per month	\$979,764		\$4,948
Total Fringe per month	<u>\$636,658</u>		\$3,216
Total Salary and Fringe per month (rounded)	\$1,616,422		
Detail to Fringe Benefits:			
FICA	\$60,730	9.55%	\$307
PERS/Employer and Employee pickup	\$217,928	34.23%	\$1,101
Health/Dental Insurance	\$288,160	45.34%	\$1,454
Health Reimbursement Account (/Employer Funded)	\$36,034	5.66%	\$182
Life Insurance	\$6,239	0.98%	\$32
Long Term Disability	\$6,239	0.98%	\$32
Workers Compensation	\$5,412	0.85%	\$28
Deferred Compensation	\$15,280	2.40%	\$77
Other -Misc	<u>\$636</u>	0.01%	<u>\$3</u>
Total Fringe Per Month	\$636,658		
Fringe Per Employee Per Month			\$3,216

* Fringe per employee per month data is based on salaried employees only on page 62 (excludes number of employees without insurance).

Notes:

- (1) Fringe benefits are applied to actual salaries before they are charged to the overhead pool and other programs.
- (2) Fringe benefit costs as a percentage of salary vary by individual because some costs are fixed (medical insurance), some only apply to a certain salary cap (FICA), some are based on days worked in the month (worker's compensation), and some are percentage based.
- (3) Non chargeable costs to direct service costs (in some cases, holiday, sick and vacation costs) are recovered within the direct service division as that division's support cost recovery and are not included in central services costs.

INDIRECT COST ALLOCATION PLAN, Continued

VI. COST ALLOCATION MEASUREMENTS

- A. Direct Salary/Fringe: Direct Salary/Fringe includes all salaries and fringe benefits as of the FY18 budget by service area. (See measurement: Salary/Fringe by Service Area).
- B. Number of Employees by service area: The number of employees by service area, as reflected in the FY19 budget.
- C. Number of Employees/Excluding S&DS: This is the number of employees excluding the service area S&DS. Some costs included in the indirect cost pool are not applicable to the S&DS service area. This is the cost for administrative receptionist support. S&DS service area does not bear any of the allocated cost pool for reception support.
- D. Employees as a percentage by service area: The total number of FY19 projected employees by service area expressed as a percentage.
- E. Employees as a percentage /Excluding S&DS: This is the number of employees, excluding S&DS, expressed as a percentage.
- F. Reception Support: This is the cost for administrative receptionist support. (S&DS service area does not bear any of the allocated cost pool for reception support).
- G. Occupancy Square Footage: The square feet occupied by direct staff and indirect central services staff in Park Place Building (LCOG owned building), allocated to the specific service area based on the services square footage occupancy, as budgeted in the FY19 budget.
- H. Direct Services Occupancy Space Cost (Direct Use): This is the cost of space in Park Place Building (LCOG owned building) occupied by direct services as budgeted in the FY19 budget. Costs are directly allocated to the service area square footage occupancy of space in the building. (For FY19, S&DS service area does not occupy space in the Park Place Building and as such has no direct occupancy space cost).
- I. Central Services Occupancy Space Cost (Indirect Use): This is the cost of space in Park Place Building (LCOG owned building) occupied by the central services staff as budgeted in the FY19 budget. Cost is allocated to the service areas based on the service area's percent of the square footage occupancy of space in the building.
- J. PC Count: The number of personal computers which are identified specific to each employee within each service/program area. The allocation is determined by the total PCs within a service area as of April 2018.
- K. PC Count as a percentage: Number of personal computers by service area, expressed as a percentage (based on the number of PC's in each service area as of April 2018).
- L. Server Usage as a percentage: Server usage is allocated as a percentage to the benefitting service area based on projected usage in the FY19 budget and past experience.
- M. Fleet as a percentage (Parking): Fleet - Parking is allocated as a percentage to the benefitting service area based on that service area's projected parking usage in the FY19 budget.

INDIRECT COST ALLOCATION PLAN, Continued

VI. COST ALLOCATION MEASUREMENTS, Continued

N. Fleet as a percentage (Maintenance): Fleet - Maintenance is allocated as a percentage to the benefitting service area based on that service area's projected maintenance service usage in the FY19 budget.

O. Funds as a percentage: The total number of budget and financial funds for each service area as budgeted in the FY19 budget, expressed as a percent of total funds. FY19 budget has more individual funds than previous years due to expansion of needs within the organization.

P. Direct Service Area as a percent: Direct Service Area as a percent is based on the projected time and effort expected hours to be spent within the benefitting service area as a percent of total time spent in all service areas. (Example is the Executive Director, whose time is spent based on varying needs of the service area).

GENERAL FUND CONTINGENCY POLICY

For the Fiscal Year Ending June 30, 2019

EXECUTIVE SUMMARY

In order to provide a mechanism to stabilize priority services for our members, Lane Council of Governments will establish and maintain an Operation Contingency Fund. This will enable Lane Council of Governments (LCOG) to support strategic business practices necessary to:

- Meet current commitments, obligations or other current contingencies;
- Stabilize current service delivery;
- Manage current cash flow interruptions;
- Provide flexibility for new current organizational priorities.

The Fund is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, or unanticipated loss in funding. The Fund may also be used for one-time, nonrecurring expenses that can be substantiated as creating long-term organizational capacity or investment in innovative new programs that can be proven to create sustainable additional long term revenue. The Fund is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

This policy will provide clarification on the establishment and maintenance of the Fund for LCOG. The Fund is set aside by the Board of Directors to meet any unexpected costs or losses that may arise in the future as well as provide a balance necessary to offset any negative fund balance that might exist at current year end.

The objectives of this Policy are to (1) provide a clear understanding of the goals and objectives of Fund establishment and funding; (2) offer guidance and limitations regarding the use and replenishment of this Contingency Fund; and (3) establish a process for reporting and review of this Contingency Fund policy.

BASIS

A Fund will be established to cover a portion of LCOG's operating costs. Personnel costs are required to operate in uncertain times and they are the basis of the services provided LCOG customers. The majority of LCOG's revenue comes from federal, state and local contracts and grants and is therefore vulnerable to inaccurate budgeting and the timing of such revenues is in arrears of costs being incurred. In addition, potential large capital expenditures are a risk LCOG must anticipate. Based on LCOG's assessment of its vulnerabilities and goal to be an anticipatory service, a Fund is necessary in order to stabilize program services and deliverables.

Unanticipated expenditures are expenditures for a specific purpose for which there is no or insufficient appropriation. Unanticipated expenditures takes effect or occurs after final adoption of the annual budget and cannot be reasonably anticipated prior to final adoption of the annual budget.

Unanticipated revenue loss is revenues for a specific non grant based service where services were provided but could not be received due to changes in contract terms or discontinuance of a service before payments were provided and are not recoverable. This takes effect or occurs after final adoption of the annual budget and could not have been reasonably anticipated prior to the final adoption of the annual budget.

TARGET

Operating costs that form the basis of the Fund amount are costs that are expenditures for non-federal and state contracts or grants in that such costs are funded by stable funding sources and are funds that must be utilized

CONTINGENCY POLICY, Continued

specifically for designated funded programs. Accordingly, composition of the Fund will be based on budgetary appropriations and revenues not required by law to be paid into any particular fund or account. Specifically, two months of operating costs consisting of personnel costs for non-federal, non-state, and non-grant support and the equivalent of one quarterly mortgage loan payment, including principle and interest. The time period for reaching the full Fund amount is by December 31, 2016.

FUNDING OF FUND

The Fund will be seeded with amounts available as carry-over from Fiscal Year 2013. The Fund will continue to be funded from amounts identified through the annual budgeting process.

USE OF FUND

To the extent that there is an imbalance between revenues and Budgeted Expenditures, it is important that this Contingency Fund is utilized carefully and judiciously. Except in the case of an emergency, use of the Fund must be approved by the full Board by Resolution and a decision approving the use of the Fund is required in advance of use of the Fund. The Board Resolution must include specifics about the amount to be transferred and the area of the budget where the funds will be expended. A request for the use of the Fund must use a "Use of Fund" form. Emergency use of the Fund may be approved by the Executive Committee in accordance with state laws regarding Emergency Resolutions. All requests for using the Fund require a justification for the use which includes the identification of other options.

REPLENISHMENT OF FUND

The long-term health of the Fund requires that a material reduction of the Fund balance must be addressed promptly. If this occurs, a multi-year plan shall be developed to address the Fund draw-down. A Replenishment Plan will be done in accordance with the guidelines below. Ranges are established based upon the percentage (%) of the Fund used as compared to the Fund target. The goal of this Policy is to maintain the Fund at or near the maximum of the range.

Minimum/Maximum Range

The following criteria should be used to restore the Fund based upon the remaining Fund compared to the respective maximum Fund target:

1. If the Fund is drawn down below 75% of the maximum target, then a budgetary plan shall be implemented to return the Fund level to between 75% and 100% of the maximum over a 2 year period.
2. If the Fund is drawn down below the midpoint of the target, then the budgetary plan to restore the Fund shall be structured over a 3 to 5 year period.

ANNUAL STATUS REPORTING AND PERIODIC REVIEW

This policy will be reviewed during the FY15 budget process and annually for the next two years and then every other year or sooner if conditions warrant. A Fund Status report will be prepared at the end of the fiscal year (June 30), with the first report presented no later than the end of the first quarter. Beginning in January 2016, the Executive Director will ask the LCOG Board to review and reaffirm or revise the Policy.

GLOSSARY

For the Fiscal Year Ending June 30, 2019

AAA: See *Area Agency on Aging*.

ADRC: See *Aging & Disability Resource Connection*.

Adult Protective Services Program (APS): The Oregon Department of Human Services (DHS) contracts with S&DS to investigate allegations of abuse or neglect of older adults and persons with a physical disability, both in the home and in licensed care facilities. S&DS coordinates with local law enforcement and the judicial system regarding matters of a criminal nature. S&DS also works closely with other social service agencies to provide crisis and risk intervention.

Aging & Disability Resource Connection (ADRC): The Aging and Disability Resource Connection (ADRC), is a free service that offers the public a single source for information and assistance on issues affecting older people, people with disabilities, and their caregivers, regardless of their income

APS: See *Adult Protective Services Program*.

Area Agency on Aging (AAA): LCOG is the designated Area Agency on Aging and Disability Services (AAA) in Lane County. Within LCOG, AAA operational responsibilities and services for older adults and adults with disabilities rests with Senior & Disability Services (S&DS) Division. As the AAA in Lane County, S&DS administers and supports community-based care services, advocates for older adults and adults with disabilities, develops community-based long-term care services and administers funds from sources such as the Older Americans Act, to implement services. In addition, S&DS is also contracted by the State of Oregon, Department of Human Services (DHS) to administer Medicaid eligibility and Adult Protective Services. S&DS coordinates services with other local agencies to help provide a wide range of quality options for consumers.

Area Plan on Aging: In accordance with federal and state policy, Senior and Disability Services (S&DS) is required to help create and maintain a service delivery system to meet the needs of older adults and adults with disabilities in Lane County. To document its work toward this goal, S&DS is required by the State of Oregon Department of Human Services to develop an Area Plan on Aging and Disability Services. The Area Plan is a multi-year document, with annual updates. The current Area Plan was submitted to the State on October 3, 2016, with an annual update completed in 2017.

Beginning Fund Balance: Net resources (cash and non-cash) available in a fund at the beginning of a fiscal year, carried over from the prior fiscal year. Beginning balances are either designated balances or undesignated balances. Designated balances are revenues carried over from the prior year for a specific purpose and are not available for general expenditure. Undesignated balances are revenue carried over from the prior year that is available for any expenditure requirement.

Board Visioning Project: A process started in late 2015 to evaluate the organization's performance and consider a vision for future years.

Broadband Services Program: This program includes the PAN and MMWIX. This program develops and coordinates a local, wide area fiber optic system for data communications. LCOG has taken a lead role in the development of fiber optic networks in Lane County for the purpose of economic development, especially in downtown Eugene. LCOG continues operations of the Milo Mecham Willamette Internet Exchange (MMWIX) a local peering point for public and private telecommunications systems and providers. The MMWIX is becoming the premier local carrier exchange and peering point for improved broadband services in a four county area. LCOG provides staff support for the Regional Fiber Consortium, a regional member agency that provides broadband improvement opportunities in Lane, Douglas, Coos and Klamath counties.

GLOSSARY, Continued

BSA: See *Business Services Administration*.

Budget: A plan for receiving and spending money in a fiscal year. The budget is the financial plan for LCOG's allocation of resources to provide services, accomplish LCOG's objectives, and perform activities.

Budget Calendar: The schedule of key dates and major events in the budget process.

Budget Committee: The LCOG Budget Committee sits as a special committee under Oregon Budget Law to review the Executive Director's proposed budget and to adopt the budget for the following fiscal year.

Building Management Program: The enterprise managerial fund that tracks the activity of the building owned by LCOG – Park Place Building - and includes oversight and management of the building. LCOG also occupies space in the Park Place Building and pays an occupancy fee. Park Place Building also includes leased space.

Business Services Administration (BSA): Costs that are not billable directly to projects and clients are reported in BSA. These funds are restricted for use in the Building Loans and Economic Development Service areas. Costs include holiday pay, leaves, administrative meetings, training time, and a prudent person reserve that cannot be assigned directly to a contract or service agreement.

Café 60: LCOG operates 11 dining rooms around Lane County to serve people age 60 and older.

CAFR: See *Comprehensive Annual Financial Report*.

Capital Contingency Account: Reserve account in the Building Management fund for Capital Outlay Projects in the Park Place Building.

Capital Outlay: Costs for purchases that are tangible in nature are recorded initially as capital outlay. A capital purchase is the acquisition of a tangible item that has a useful life of greater than one year and a value greater than \$5,000. These items are placed on LCOG's inventory and treated as assets on the balance sheet.

Capital Project: A capital project is any physical asset acquired, constructed, or financed by LCOG with a total capital cost of \$5,000 or more and a useful life of over one year. It can include facilities, other infrastructure, major equipment, and parts. It can include renewal and replacement projects as well as new acquisitions and construction projects. Acquisition or construction of a capital project may be staged over several years.

Cascades West Economic Development District: Four county district, which includes Lane, Linn, Benton, and Lincoln counties, and assists in the development of periodic updates of the Comprehensive Economic Development Strategy (CEDs).

Caselle: LCOG's fiscal system.

CEDS: See *Comprehensive Economic Development Strategy*.

Census Bureau's Annual Boundary and Annexation Survey: Conducted annually by the U.S. Census to collect information about selected legally defined geographic areas and used to update information about the legal boundaries and names of all governments.

Central Lane Communication Center: The communications gateway for regional emergency services in Eugene.

GLOSSARY, Continued

Central Services: Services provided internally to LCOG departments by another LCOG department or departments. These are primarily business services, such as finance and budget, accounting, information services, human resources, and legal services.

CMAQ: See *Congestion Mitigation and Air Quality*.

COG: Council of Governments.

COLA: Cost of Living Adjustment.

Compensation Plan: A listing of all LCOG position classifications, their classification number, and the rates of pay authorized.

Comprehensive Annual Financial Report (CAFR): The official public record of LCOG's financial condition and results of operations, prepared at the close of each fiscal year, subject to audit.

Comprehensive Economic Development Strategy (CEDS): Prepared by the CWEDD, it guides regionally significant economic development projects and activities in the District over a five year period.

Community Safety Program: This program provides analytical and staff support to the Public Safety Coordinating Council (PSCC) through a contract with Lane County. Staff work with partners to develop and write grant applications, administer grant-funded projects, and leverage other resources.

Congestion Management Process: A systematic approach, collaboratively developed and implemented throughout a metropolitan region, that provides for the safe and effective management and operation of new and existing transportation facilities through the use of demand reduction and operational management strategies.

Congestion Mitigation and Air Quality (CMAQ) Program: Program to support surface transportation projects and other related efforts that contribute air quality improvements and provide congestion relief.

Consolidated Regional Address Points: LCOG maintains the MSAG (Master Street Address Guide) or emergency maps to support 911. LCOG maintains the regional address points and road centerlines by performing a range of activities to ensure the address file is complete and up-to-date. LCOG performs this separately for Lane and Tillamook Counties.

Contingency: A major expenditure category that includes appropriations set aside for unforeseen expenses. The Board must approve, by resolution, any transfers from a contingency account to an expenditure account.

Contract: An agreement in writing between two parties where there is an exchange of goods or services. A contract is enforceable by law.

Core Network Switch: A high-capacity switch generally positioned within the backbone or physical core of a network and serve as the gateway to an area network.

CPI: Consumer Price Index.

CWEDD: See *Cascades West Economic Development District*.

Debt Service: Payments for principal and interest to amortize loans. Currently loans are: the existing mortgage on the Park Place Building, the DMG loan with payment to the General Fund, and loans for lending funds in the Business Loan Program.

GLOSSARY, Continued

Department: A functional program unit of LCOG.

Department of Human Services (DHS): The Oregon Department of Human Services, a state agency, which LCOG contracts with to provide Senior and Disability services.

DHS: See *Department of Human Services*.

Direct Costs: The amount of charges to a department or Division for specific services provided by another department.

Diversion and Transition: Staff whose role is to divert individuals from entering nursing homes and transitioning those who are able out of nursing homes. The goal is to place the consumer in the setting with most freedom that still meets their needs.

Division: A functional set of programs in LCOG. LCOG has two Divisions: Government Services and Senior and Disability Services.

DLCD: See *Oregon Department of Land Conservation & Development*.

Downtown Fiber: The largest open access fiber network in Oregon, located in Eugene.

Drinking Water Source Protection Program: EWEB's plan to protect the McKenzie River as the sole source of drinking water for the community of Eugene.

DSL: See *Oregon Department of State Lands*.

EA: See *Employees Association*.

Economic Development Association (EDA): Federal agency that provides grants and technical assistance to economically distressed communities in order to generate new employment, help retain existing jobs and stimulate industrial and commercial growth through a variety of investment programs

EDA: See *Economic Development Association*.

EDA Revolving Loan Fund: Loan fund with matching funds from Lane county with goal of spurring economic development in rural Lane County.

Eligibility Determination/Screening and Referral Program: Each month, through the Aging and Disability Resource Connection Navigators, S&DS staff receive inquiries about Medicaid and/or SNAP. Most requests are received via telephone. S&DS staff determine the most appropriate program for the individual and make referrals to other community resources that may be of help to the inquirer. Additionally, S&DS staff determine initial program eligibility and re-certifications for each program as required.

Employees Association (EA): One of two collective bargaining units in LCOG. The EA represents non-supervisory employees primarily in the Government Services and Administrative Services areas of LCOG in such employment matters as, but not limited to, the following: wages, hours, fringe benefits, vacation benefits, grievance procedures, terms, and other working conditions.

Ending Reserve: Unspent and unobligated net resources at the end of a fiscal year, usually generated by cash reserves and under-spending of appropriations.

GLOSSARY, Continued

Enterprise Fund: Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises – where the intent is for the costs of providing goods or services to be financed or recovered primarily through user charges. An enterprise program is managed much like a business in that it is self-supporting in nature. LCOG’s Enterprise Fund consists of 11 managerial funds. The direct service areas accounted for in the enterprise fund are: Business Loan Program, Economic Development, Building Management, and Minutes Recorder.

Enterprise Revenues: Revenues earned through the sale of LCOG goods or services, including loans, space and occupancy rentals, and minutes recording services.

EWEB: Eugene Water and Electric Board.

EWEB’s Drinking Water Source Protection Program: A source water protection program to evaluate and mitigate water quality risks in the McKenzie River, EWEB’s sole source of drinking water.

Exempt Employee: Employees who are not guaranteed overtime pay or minimum wage under the Fair Labor Standards Act (FLSA).

Expenditure: The actual outlay of, or obligation to pay, cash.

Family Caregiver Support: A senior Connections program which provides assistance to unpaid family caregivers, including information and assistance, Options Counseling, respite care, and caregiver support. S&DS contracts with several local agencies to provide both in-home and day facility respite care.

FAST Act: See *Fixing America's Surface Transportation Act*.

Federal and State Revenue: Revenue from federal and/or state grants and contracts including Transportation, S&DS Long-Term Care, and Business Financing.

Fiscal Year: LCOG’s annual budget and accounting period, from July 1 through June 30.

Fixing America's Surface Transportation (FAST) Act: Funding and authorization bill to govern federal surface transportation spending. It was passed by Congress on December 3, 2015.

Fringe Benefits: Non-salary employee benefits provided in accordance with state and federal law, union contracts, and/or LCOG policy. Such benefits for regular employees include pension plans (including PERS and Social Security); medical, dental, vision and life insurance; vacation, holiday, and sick leave; workers’ compensation and unemployment insurance.

Full-time Equivalent (FTE): The ratio of time expended in any position to that of a full-time position. One person working full-time for one year is one FTE.

FTE: See *Full-time Equivalent*.

Fund: A legal separate set of books for each fund using generally accepted accounting principles and are in compliance with Government Accounting Standards. LCOG has three reporting funds (General Fund; Special Revenue Fund, and Enterprise Fund). Within the reporting funds are 62 managerial funds – 3 general subfunds, 48 special revenue subfunds, and 11 enterprise subfunds. See also *General Fund, Special Revenue Fund, and Enterprise Fund*.

GLOSSARY, Continued

Fund Balance: The difference between a fund's assets and its liabilities; a fund's net resources.

FY: Fiscal Year.

GS: See *Government Services*.

GASB: See *Governmental Accounting Standards Board*.

GASB 75: Requires the accounting and financial reporting by state and local governments for postemployment benefits other than pensions.

General Fund: The General Fund serves as the primary reporting vehicle for current operating functions. The General Fund accounts for the general cost of the organization doing business which cannot be paid for by other, more restrictive, funding sources, such as General Administration, Human Resources, Fiscal Services, Information Technology, and Special Projects. The General Fund has three managerial subfunds: LCOG Board, Indirect, and Member Support Services. LCOG Board accounts for the activities for the Board of Directors and Executive Management of LCOG. The Indirect subfund is similar to an internal service fund where the costs of the expenditures are recovered through direct charging the benefitting funds. Charges supporting the expenditure recovery are based on a federally approved Indirect Cost Allocation Plan. Member Support Services subfund tracks the services and costs we provide member agencies as part of the member's support hours included in their member dues. Funding for Member Support Services comes from a transfer from the LCOG Operating Fund (provided by member dues revenue).

Geographic Information Systems (GIS) and Data Services Program: LCOG's Geographic Information Systems (GIS) and Data Services use the latest GIS development tools and database technology as well as the best available data to provide clients with professional custom maps, web applications, data extracts, analytical models, spatial analysis including demographic and census data reporting, staff technical assistance, and training. LCOG staff developed computer mapping tools and the Master Street Address Guide (MSAG) to support 9-1-1 call routing and computer-aided dispatch of emergency service providers throughout Lane County. In addition, LCOG develops and maintains GIS data to support state and local agency computer aided dispatch (CAD), safety radio systems, and public safety systems providing E 9-1-1 with vital address, routing, and jurisdictional boundaries information for emergency response.

Geographic Information System Cooperative Project Agreement: Local governments in Lane County have cooperated in developing geospatial data and technology for more than 40 years. The Cooperative Project Partnership share a need for consistent data across their respective jurisdictions and the desire to minimize redundancy and costs where possible through shared data, systems, and collaboration. The Partner Agencies include the Cities of Eugene and Springfield, Lane County, the Eugene Water & Electric Board (EWEB), and LCOG.

GFOA: See *Government Finance Officers Association*.

Gigabit: Gigabit internet service is the next generation of broadband internet service which is typically delivered over fiber optic lines and provides speeds of 1,000Mbps, which is also referred to as "1 Gbps" or "Gigabit" internet.

GIS: See *Geographical Information System*.

GISCPA: See *Geographic Information System Cooperative Project Agreement*.

GLOSSARY, Continued

Government Services Division: One of the two Divisions of LCOG containing Transportation, Planning, GIS, Metro TV, Legal Services, Telecommunications, and Grant Writing.

Governmental Accounting Standards Board (GASB): A private, non-profit organization established in 1984; responsible for setting generally accepted accounting principals for state and local governments.

Government Finance Officers Association (GFOA): A professional association of approximately 19,000 state, provincial, and local government finance officers in the United States and Canada.

Grant: A contribution of assets by one entity to another. Grants are generally designated for a specific expenditure or project.

Grant Writing and Resource Development Program: Staff seeks and develops new resource opportunities for LCOG and member agencies. Grant identification, writing, and submission as well as grant administration are the primary activities.

ICAP: See *Indirect Cost Allocation Plan*.

IGA: See *Intergovernmental Agreement*.

Indirect Charges: Indirect costs are costs that cannot be charged as direct costs to a program. LCOG prepares an annual Indirect Cost Allocation Plan (ICAP) and submits the proposal to the federal cognizant agency (ODOT) for approval. The Plan provides for direct programs and services to share in the general, non-direct operating expenses for LCOG. Indirect charges pay for Administrative Services expenses.

Indirect Cost Allocation Plan (ICAP): A document prepared each fiscal year that identifies costs for central services and assigns them to operating units based on the best estimate of use or benefit received. The plan is used in preparing the annual budget to determine the amount of Internal Transfers for the Central Service funds. After adoption of the budget, the plan is sent to LCOG's cognizant federal agency, the Oregon Department of Transportation, for approval.

Indirect Costs: The central overhead costs (i.e., payroll, accounts payable, human resources, legal counsel) necessary for the operation of a department or execution of a grant and not directly attributable to a specific function or grant. These costs are computed and charged to the appropriate department or grant based on the Indirect Cost Allocation Plan (ICAP).

Information Services (IS): Information Services includes staff that serve the entire organization and does not include IS staff directly assigned to a grant, contract or other billable projects.

In-Kind Service: Service by other agencies that can be used as matching funds on LCOG contracts that require local matching dollars.

Integrated Eligibility System: A new software system under development by the State of Oregon to streamline application for assistance across all Department of Human Services offices including Senior and Disability Services and state Self Sufficiency offices.

Integrated Transit Health Impact Model (ITHIM): Model that forecasts the health impact of travel behavior and of interventions.

GLOSSARY, Continued

Intelligent Transportation System (ITS): Advanced application which aims to provide innovative services relating to different modes of transport and traffic management and enable users to be better informed and make safer, more coordinated, and smarter use of transport networks.

Intergovernmental Agreement (IGA): A signed agreement between two or more units of government, often approved by governing bodies, that provides for the exchange of goods or services between the governments.

Intergovernmental Revenue: Funds received from a unit of government other than LCOG in support of a LCOG activity.

Internal Transfer: Also called Interfund Transfer. An amount of money distributed from one fund to finance activities in another fund. The most common types of internal transfers are for central services, payment for specific services performed, or for general financial support.

Internet Protocol (IP): The principal communications protocol in the Internet protocol suite for relaying datagrams across network boundaries. Its routing function enables internetworking and essentially establishes the Internet.

IP: See *Internet Protocol*.

IS: See *Information Services*.

ITHIM: See *Integrated Transit Health Impact Model*.

ITS: See *Intelligent Transportation System*.

Justice Reinvestment Program: Program targeted to financially support Oregon counties to plan, implement, or expand initiatives that reduce recidivism, reduce prison population, increase public safety, and hold offenders accountable.

LACT or LaneACT: See *Lane Area Commission on Transportation*.

Lane Area Commission on Transportation (LACT or LaneACT): A 31- member body which meets monthly to discuss regional transportation issues and provide guidance to ODOT and the Oregon Transportation Commission (OTC), is staffed by LCOG under a contract with ODOT.

Lane Economic Committee: An advisory committee to the LCOG Board, they meet monthly to discuss the direction and scope of LCOG's economic development program.

Lane Fire and Defense Board (LFDB): The 24 fire districts and departments, and seven associated agencies throughout Lane County.

LaneVoices: An online public engagement platform, used as a creative and alternative approach to involve the public in MPO matters.

LEC: See *Lane Economic Committee*.

GLOSSARY, Continued

Legal Services Program: LCOG attorneys serve as hearings officials for land use, animal regulation, and other quasi-judicial issues. LCOG also provides city attorney services and assistance with cable franchise administration. In addition, LCOG provides ordinance development and ordinance administration assistance to several cities throughout Oregon for telecommunications business licensing fees. Staff has specialized skills and experience in the development and revision of land use code.

Living Well Program: An evidence-based practice that helps people with chronic conditions effectively manage their lifestyle to maintain health and independence. Using a combination of Older Americans Act funds, state grant funds, and local support from trillium, S&DS coordinates and trains volunteers to lead the workshops in accordance with the standards of practice set by Stanford University.

LFDB: See *Lane Fire and Defense Board*.

LIFT: See *Leadership and Innovation for Transformation process*.

Line Item: An individual object of expenditure. See *Chart of Accounts*.

Local Revenue: Revenue from local contracts, interest, donations, sales of products, and other revenue that is not federal or state. Local revenue also includes Member Dues.

Long Term Care Services: Provides assistance to seniors and adults with disabilities with activities of daily living including assisting the consumer with employing a Home Care Worker and the Case Manager coordinating other services and supports.

Master Plan: A comprehensive plan for a program or facility that establishes policies and goals for the program or facility, for a period of five years or longer.

Master Street Address Guide (MSAG): A database of street names and house number ranges that define emergency zones to enable 911 calls to route to the correct call center, and to help identify which district should respond to a call.

Materials and Services: A major expenditure category that includes contractual and other services, materials, supplies, and other charges ranging from office supplies to telephones to travel.

Meals on Wheels: Program where volunteers deliver lunches and safety checks for their home-bound older neighbors.

Medicaid: See *Title XIX*.

Metro Fire Radio Group: A 2-way radio group designed to keep it's members in reliable communication with each other. The group is made up of Police, Fire, emergency management, OEM, and other Emergency Service personnel.

Metropolitan Planning Organization (MPO): Federal highway and transit statutes require, as a condition for spending federal highway or transit funds in urbanized areas, the designation of MPOs, which have responsibility for planning, programming, and coordination of federal highway and transit investments. ODOT provides financial assistance to assist MPOs with the planning activities required, including the transit element of the Unified Planning Work Program (UPWP). MPOs assure that projects financed with FTA funds within the urbanized areas are included in the Metropolitan Transportation Improvement Program. LCOG is the Eugene/Springfield metropolitan area's federally designated MPO.

GLOSSARY, Continued

Metropolitan Policy Committee (MPC): The MPC serves as the MPO Policy Board under delegation from the LCOG Board of Directors.

Metro TV: Metro TV is an in-house video production center that provides services for our members as well as 24 hour programming on Comcast channel 21. LCOG provides staff services necessary to operate the governmental channel of the metropolitan cable system. Metro TV cablecasts and encodes for the internet, regularly scheduled meetings of Lane County, the City of Eugene, and the Metropolitan Policy Committee (MPC). Metro TV also produces special shows, special programming, training, and provides award-winning video production services.

Middle Mile Project: A partnership between LCOG, the City of Eugene, and EWEB to construct a publicly owned fiber network in Eugene.

Milliman LLC: Accounting firm hired by LCOG to provide analysis of GASB 75 liabilities.

Milo Mecham Willamette Internet Exchange (MMWIX): The fiber-optic hub located in the Park Place building owned and operated by LCOG.

MMWIX: See *Milo Mecham Willamette Internet Exchange*.

Mozilla Gigabit City: This program provides funding and other resources to leverage gigabit fiber networks in communities. Eugene is one of only five nationwide.

MPC: See *Metropolitan Policy Committee*.

MPO: See *Metropolitan Planning Organization*.

MSAG: See *Lane County Master Street Address Guide*.

Non-Exempt Employee: A non-exempt employee is entitled to overtime pay through the Fair Labor Standards Act (FLSA). Employers are required to pay time and a half the employee's regular rate of pay when they work more than 40 hours in a given pay week. Most employees must be paid the federal minimum wage for regular time and at least time and a half for any hours worked over the standard 40.

OAA: Older Americans Act; See *Title III*.

ODOT: See *Oregon Department of Transportation*.

OEM: See *Oregon Office of Emergency Management*.

Office 365: Subscription plans that include access to Office applications plus other productivity services that are enabled over the Internet.

OMPOC: See *Oregon Metropolitan Planning Organization Consortium*.

Older Americans Act (OAA): See *Title III*.

OPI: See *Oregon Project Independence Program*.

GLOSSARY, Continued

Options Counseling: Services provided through ADRC to all seniors and people with disabilities (18 and over) to help them plan for their long-term care needs by connecting people to community resources and setting up action plans to address individual's needs. Services also include volunteers who provide direct in-home services such as minor housekeeping, grocery shopping, running errands, money management, meal preparation, and transportation.

Oregon Department of Land Conservation & Development (DLCD): State agency responsible for administering Oregon's statewide land use planning program and Oregon's federally approved coastal management program.

Oregon Department of State Lands (DSL): State agency responsible for managing Oregon's land and other resources.

Oregon Department of Transportation (ODOT): A department of the Oregon state government responsible for systems and transportation. ODOT also serves as LCOG's cognizant federal agency for the purposes of approving the ICAP.

Oregon Metropolitan Planning Organization Consortium (OMPOC): The state-wide consortium made up of representatives from each of the state's eight Metropolitan Planning Organizations (MPOs).

Oregon Money Management:

Oregon Office of Emergency Management (OEM): State agency that coordinates and maintains a statewide emergency services system for emergency and disaster communications.

Oregon Project Independence Program (OPI): Oregon Project Independence is a State-funded program directed towards helping people remain in their own home for as long as possible. The intent is to offer a lower cost alternative to more costly funded programs such as Medicaid, delaying or preventing the need for public assistance. Recipients currently include people over the age of 60 who need some assistance with daily activities, such as bathing, dressing or walking. In 2005, the Oregon State Legislature approved expanding services to people between the ages of 18 and 59 with a physical disability.

Oregon Wellness Network: An organization created by the Association of Area Agencies on Aging in Oregon to provide services billable to Medicare and other health related funding sources.

ORS: Oregon Revised Statute.

PAN: See *Public Area Network*.

Park Place Building: Building located at 859 Willamette Street, Eugene, Oregon, and owned by LCOG. It houses LCOG's Government Services Division and Administrative Services unit. The building also has leased space.

Pass-through: Resources given by one government or organization to another with a requirement that it be given to a third government or organization.

PEARLS: An evidence-based program for older adults with mild depression. Sessions are offered in the person's home.

PERS: See *Public Employees Retirement System*.

GLOSSARY, Continued

Personal Services: Salary and fringe costs for staff are expressed under the line item heading of Personal Services.

Position: A budgeted authorization for employment, which can be full-time or part-time. One position may be budgeted as any fraction of an FTE but cannot be budgeted in excess of one FTE.

Program: Defined as either a group of related projects managed in a coordinated way or a distinct set of offerings targeted at a specific audience to yield a specific outcome (such as the Regional Lane Information Database (RLID) program). Multiple programs can roll up to a budget program. Programs are based upon outcomes of offerings, target audience, and delivery method, and do not have a defined life.

Project: A temporary endeavor to create a unique work product, service or result.

PSCC: See *Public Safety Coordinating Council*.

Public Area Network (PAN): This consortium is a partnership between participating public entities to dramatically improve the bandwidth for all agencies, through agreements to share certain fiber optic assets and transmission facilities.

Public Employees Retirement System (PERS): The retirement benefit package offered by most public jurisdictions in the state.

Public Safety Coordinating Council (PSCC): a regional advisory council for the Board of County Commissioners is charged with ensuring every effort is taken to effectively use resources to prevent crime, reduce crime, and increase the sense of safety within our communities.

Rapid Process Improvement: An accelerated exercise in identifying, analyzing and improving upon existing business processes within an organization for optimization and to meet standards of quality.

Region: The area inside LCOG's boundary which is Lane County.

Regional Fiber Consortium: A public entity whose members include cities, counties, or other public entities allowed under the statute and whose purpose is to improve broadband opportunities for all residents, businesses, and governments in the four county area of Coos, Douglas, Klamath, and Lane Counties.

Regional Intelligent Transportation Systems: The application of advanced sensor, computer, electronics, and communication technologies and management strategies to improve the safety and efficiency of the surface transportation system.

Regional Land Information Database (RLID): LCOG's computerized mapping system, which has the capability to apply demographic, topographic, land-use, infrastructure, and other data and information in map form.

Regional Land Information Database (RLID) Services Program: LCOG has coordinated and maintained the regional geographic information system for over 35 years and RLID since 1999. This county-wide project, through which a shared multi-agency Geographic Information System (GIS) is developed and maintained, is partially funded through an annual Cooperative Project Agreement among the Cities of Eugene and Springfield, Lane County, LCOG, and the Eugene Water & Electric Board (EWEB). The RLID system supports an extensive integrated database of shared land records created by local governments and tools for analyzing, mapping, and reporting the information.

GLOSSARY, Continued

Regional Technology Services Program: LCOG provides information systems services for numerous agencies for regional information services including computer support, network services, network security, web services, data base development and maintenance, the RLID/GIS system and a regional telecommunications system.

Regional Transportation Plan (RTP): The plan required by the federal government in order to receive federal transportation funds that includes regional transportation policies and goals as well as a list of major transportation projects contemplated for a six-year period. This plan must be approved by the Metropolitan Policy Committee (MPC), the policy advisory committee on transportation for the Metropolitan Planning Organization (MPO). See also *Metropolitan Planning Organization (MPO)*.

Requirements: Total budgeted expenditures (including contingency) plus the amount of unappropriated balance.

Reserves-Designated: Resources that will be carried forward into the next fiscal year that can only be used for a specific contract or purpose.

Reserves-Undesignated: Resources that will be carried over from the prior year that is available for any expenditure requirement.

Resources: The total of all resources that can be used to offset requirements. Resources are current revenues and carried over revenues (Beginning Fund Balance) in a fund.

Revenue: Assets earned or received by a LCOG fund during a fiscal year.

Revised Budget: A change to an adopted budget that is undertaken during the fiscal year a budget is in effect, as defined by Oregon local budget law. A revised or supplemental budget is required to create a new fund or appropriation category or to increase appropriation authority.

RLID: See *Regional Land Information Database*.

RTP: See *Regional Transportation Plan*.

S&DS: See *Senior and Disability Services*.

S&DS Project Office: This area focuses on Rapid Process Improvement and other projects with the goal of serving consumers more cost effectively.

Scenario Planning/Strategic Assessment Project: In 2001, the Oregon State Legislature directed the Central Lane Metropolitan Planning Organization (MPO) to undertake scenario planning efforts aimed at reducing greenhouse gas emissions. Using the scenario planning models, outcomes related to varying scenarios around autonomous vehicles, bicycle, pedestrian and transportation options policies, and investments in the transportation system are tested. Outcomes that may be quantified include but are not limited to percent of population in mixed use areas, annual walk and bike trips, greenhouse gas emissions, and travel costs.

Schaefer's Building: Building located at 1015 Willamette Street, Eugene, Oregon. LCOG leases the space to house the S&DS Division.

SEIU: See *Service Employees International Union*.

GLOSSARY, Continued

Senior and Disability Services (S&DS): Under contract with the Oregon Department of Human Services (DHS), S&DS administers the State's long-term care, medical assistance / SNAP (Formally Food Stamps) programs, and protective services for people age 65 and older and adults with physical disabilities (18 to 64 years) in Lane County. Additionally, S&DS licenses and monitors adult foster homes that serve older adults and people with physical disabilities in Lane County.

Senior Connections: This program provides an access point in several Lane County communities for older adults and their families with questions about available resources. S&DS Senior Connections offices are located in Creswell, Cottage Grove, Eugene, Florence, Junction City, Oakridge, and Veneta.

Senior Meals Program: The Senior Meals Program consists of two components: The Group Dining (Café 60) component and the Meals on Wheels component. For FY19, S&DS will contract with Food for Lane County to deliver a portion of the meals within the Eugene metropolitan area. S&DS' Meals on Wheels Program delivers all of the meals in Springfield and throughout the rest of the county. Most program participants are not charged for meals, but are encouraged to donate what they can to help cover the cost of each meal. Some participants who are not eligible for a subsidized meal are charged for the full cost of service under a private pay program that operates in tandem with the publicly financed program. The number of subsidized meals is capped at the number that can be funded with readily available funds, and a separate, parallel private pay Meals on Wheels program is available for those on the waiting list for subsidized meals or who are not eligible for the subsidized meals. The Senior Meals Program is funded by a variety of sources, including the Older Americans Act, the U.S. Department of Agriculture, Medicaid, Oregon Project Independence, Lane County's Human Services Program, participants' donations for meals, and community fundraising. Each year, the Meals Program actively solicits charitable private donations to supplement public sources of funds for these services. Some fundraising is done in conjunction with Food for Lane County, other fundraising is done by the Senior Meals Program directly.

Service: An LCOG organizational unit that is designed to specifically deliver a service. The service is part of the Division but its focus is on service deliverables to our customers. The services include: Board and Executive, Administration, Government Services (GS), Senior & Disability Services (S&DS), and Enterprise Funds.

Services by Other Organizations: Services by Other Organizations accounts for monies that LCOG receives and then passes through to other organizations that provide a specified service (Government Services and Senior & Disability Services) or business loans made (Business Loans Program).

Service Employees International Union (SEIU): One of two collective bargaining units in LCOG. SEIU Local 503 represents non-supervisory employees in the S&DS Division of LCOG in such employment matters as, but not limited to, the following: wages, hours, fringe benefits, vacation benefits, grievance procedures, terms, and other working conditions.

Shared Workload Model: SNAP (Food Stamp) and Medical cases are shared across the entire Eligibility team. Each worker no longer has a separate caseload.

SIP Trunking: A voice over Internet Protocol (VoIP) technology and streaming media service by which Internet telephony service providers (ITSPs) deliver telephone services and unified communications.

SNAP: See *Supplemental Nutrition Assistance Program*.

GLOSSARY, Continued

Special Revenue Fund: Resources are restricted to expenditures for specific purposes, generally in support of the department or Division that manages the fund. For LCOG these funds account for revenues from specific sources that include federal grants, state grants, and various local grants and contracts revenue. The direct service areas that are accounted for in the special revenue funds are: Government Services and Senior and Disability Services. LCOG's Special Revenue Fund has 48 managerial funds.

STBG Program: See *Surface Transportation Block Grant program*.

Surface Transportation Block Grant program (STBG): Provides flexible funding that may be used for projects to preserve and improve the conditions and performance on any Federal-aid highway, bridge and tunnel projects on any public road, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals.

TEA: See *Temporary Employment Agreements*.

Telecommunications Program: This program includes the Management, Planning, Operations, Projects, and Reserve. LCOG operates and maintains a regional telephone system consortium, providing basic and advanced telephone services to participating members.

Telly Award: Award honoring the best in TV and Cable, Digital and Streaming, and Non-Broadcast Productions. On average, the Telly Awards receives over 13,000 entries yearly from all 50 states and 5 continents.

Temporary Employment Agreement (TEA): A contract used to hire temporary staff in cases of temporary vacancies or temporary workload or project increases. A TEA sets out the conditions of the temporary position, and defines the duties of the newly hired employee, and how and when they'll be paid. Temporary employees receive only those benefits mandated by law, such as Social Security, workers' compensation, and unemployment insurance, and any other benefit agreed upon through a TEA.

TGM: See *Transportation Growth Management program*.

Title III: The Older Americans Act (OAA), originally enacted in 1965, supports a range of home and community-based services, such as meals-on-wheels and other nutrition programs, in-home services, transportation, legal services, elder abuse prevention, and caregivers support.

Title XIX: The federal Medicaid program, established in 1965 as Title XIX of the Social Security Act, which is administered by the states to provide funds to low-asset individuals and their service providers for health care services.

Transfers: Transfers describe the process of internally moving resources from one LCOG division or program to another. Transfers are displayed as a resource for the program receiving the resources and as a requirement for the program providing the resources.

Transportation Coordination Program: S&DS contracts with Lane Transit District's RideSource program to provide eligibility assessments for para-transit riders. Para-transit is defined as an alternative mode of flexible passenger transportation that does not follow fixed routes or schedules. Additionally, RideSource has contracted with the Senior Connections program to provide transportation assessments and coordination for Medicaid recipients. These services are key components of the comprehensive human services transportation plan for Lane County.

GLOSSARY, Continued

Transportation Growth Management (TGM) program: Program to help communities plan for streets and land use in a way that leads to more livable, economically vital, and sustainable communities and that increases opportunities for transit, walking, and bicycling.

Transportation Program: LCOG coordinates regional transportation planning as the designated Metropolitan Planning Organization (MPO) for the Eugene-Springfield metropolitan area. The MPO program is a cooperative planning effort with the cities of Eugene, Springfield and Coburg, Lane County, Lane Transit District, and the Oregon Department of Transportation. In addition to supporting the functions of the MPO and LaneACT, LCOG Transportation staff provides transportation analyses and planning for certain State highway corridors within Lane County under contracts with ODOT and provides transportation planning assistance and develops transportation system plans for municipalities under contracts with local jurisdictions.

Transportation System Plans (TSPs): Defines a transportation system desired for the future and how it can be achieved.

Travel Demand Model: A travel demand model includes elements such as roadway and transit networks, and population and employment data to calculate the expected demand for transportation facilities.

TSPs: See *Transportation System Plans*.

Unified Planning Work Program (UPWP): Required plan that sets out the transportation planning activities and products to be developed by the Metropolitan Planning Organization (MPO) and other transportation planning agencies for the current and next fiscal year.

UPWP: See *Unified Planning Work Program*.

Urban and Regional Planning Program: LCOG provides contract planning assistance to cities throughout the region as well as “overflow” and specialized planning services.

US Ignite City: Program that spurs the creation of next-generation applications and services that leverage advanced networking technologies to build the foundation for smart communities, including cities, rural areas, regions, and states. The nonprofit organization helps to accelerate new wired and wireless networking advances from research to prototype to full-scale smart community and interconnected national deployments.

VOIP Over IP: A methodology and group of technologies for the delivery of voice communications and multimedia sessions over Internet Protocol (IP) networks, such as the Internet.