



Adopted Budget Fiscal Year 2014-15

*Draft Budget Approved by Chief Executive Officers Board
February 20, 2014*

*Proposed Budget Submitted to the Budget Committee
March 20, 2014*

*Approved Budget Adopted by the Board of Commissioners
June 19, 2014*

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BUDGET COMMITTEE

BOARD OF COMMISSIONERS

<u>Participating Agency</u>	<u>Board Representative</u>
<i>City of Beaverton</i>	Mayor Dennis Doyle, <i>Chair</i>
<i>City of Cornelius</i>	Fire Chief Michael Kinkade
<i>Washington County</i>	Don Bohn, Assistant County Administrator
<i>Tualatin Valley Fire & Rescue</i>	Bob Wyffels, Board of Directors
<i>City of Hillsboro</i>	Vacant
<i>City of Tualatin</i>	Councilor Joelle Davis
<i>City of Tigard</i>	Police Chief Alan Orr
<i>City of Sherwood</i>	Police Captain Mark Daniel
<i>City of Banks</i>	Councilor Mark Gregg
<i>City of Forest Grove</i>	Councilor Tom Johnston
<i>City of Gaston</i>	Mayor Rick Lorenz
<i>City of King City</i>	Police Chief Chuck Fessler
<i>City of North Plains</i>	Councilor Robert Kindel, Jr.
<i>City of Durham</i>	Councilor Chuck Van Meter
<i>Gaston Rural Fire District</i>	Phil Anderson, Board of Directors
<i>Banks Fire Protection District #13</i>	Fire Chief Brian Coussens
<i>Washington County Fire District #2</i>	Fire Chief Mark Prince
<i>Cornelius Rural Fire District</i>	Vacant

CITIZEN REPRESENTATIVES

<u>Representative</u>	<u>Appointed by:</u>	<u>Terms</u>
<i>Chair of the Budget</i>		
<i>Committee, Cleo Howell</i>	<i>City of Forest Grove</i>	<i>1/2013 - 12/2015</i>
<i>Karla Hernandez</i>	<i>City of Beaverton</i>	<i>1/2012 - 12/2014</i>
<i>Mark Haldeman</i>	<i>City of Tigard</i>	<i>1/2012 - 12/2014</i>
<i>Michael Mudrow</i>	<i>Tualatin Valley Fire & Rescue</i>	<i>1/2013 - 12/2015</i>
<i>Monte Akers</i>	<i>City of Hillsboro</i>	<i>1/2013 - 12/2015</i>
<i>Robert Kellogg</i>	<i>City of Tualatin</i>	<i>2/2013 - 12/2015</i>
<i>Donald Allen</i>	<i>Gaston Rural Fire</i>	<i>1/2013 - 12/2015</i>

MEMBERS OF BOARDS

BOARD OF COMMISSIONERS

<i>City of Beaverton</i>	Mayor Dennis Doyle, <i>Chair</i>
<i>City of Cornelius</i>	Fire Chief Michael Kinkade
<i>City of Hillsboro</i>	Vacant
<i>Tualatin Valley Fire & Rescue</i>	Bob Wyffels, Board of Directors
<i>Washington County</i>	Don Bohn, Assistant County Administrator
<i>City of Tualatin</i>	Councilor Joelle Davis
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<i>City of Forest Grove</i>	Councilor Tom Johnston
<i>City of Sherwood</i>	Police Captain Mark Daniel
<i>City of Gaston</i>	Mayor Rick Lorenz
<i>City of Banks</i>	Councilor Mark Gregg
<i>City of King City</i>	Police Chief Chuck Fessler
<i>City of North Plains</i>	Councilor Robert Kindel, Jr.
<i>City of Durham</i>	Councilor Chuck Van Meter
<i>Gaston Rural Fire District</i>	Phil Anderson, Board of Directors
<i>Banks Fire District # 13</i>	Fire Chief Brian Coussens
<i>Washington Co. Fire District #2</i>	Fire Chief Mark Prince
<i>Cornelius Rural Fire District</i>	Vacant

CHIEF EXECUTIVE OFFICERS BOARD

<i>City of Beaverton</i>	Mayor Dennis Doyle, <i>Board Chair</i>
<i>City of North Plains</i>	Police Chief Bill Snyder
<i>Washington County</i>	Don Bohn, Assistant County Administrator
<i>Tualatin Valley Fire & Rescue</i>	Fire Chief Mike Duyck
<i>City of Hillsboro</i>	Vacant



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Washington Co. Consolidated Communications Agency
Oregon**

For the Fiscal Year Beginning

July 1, 2013

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Washington County Consolidated Communications Agency, Oregon for its annual budget for the fiscal year beginning July 1, 2013.

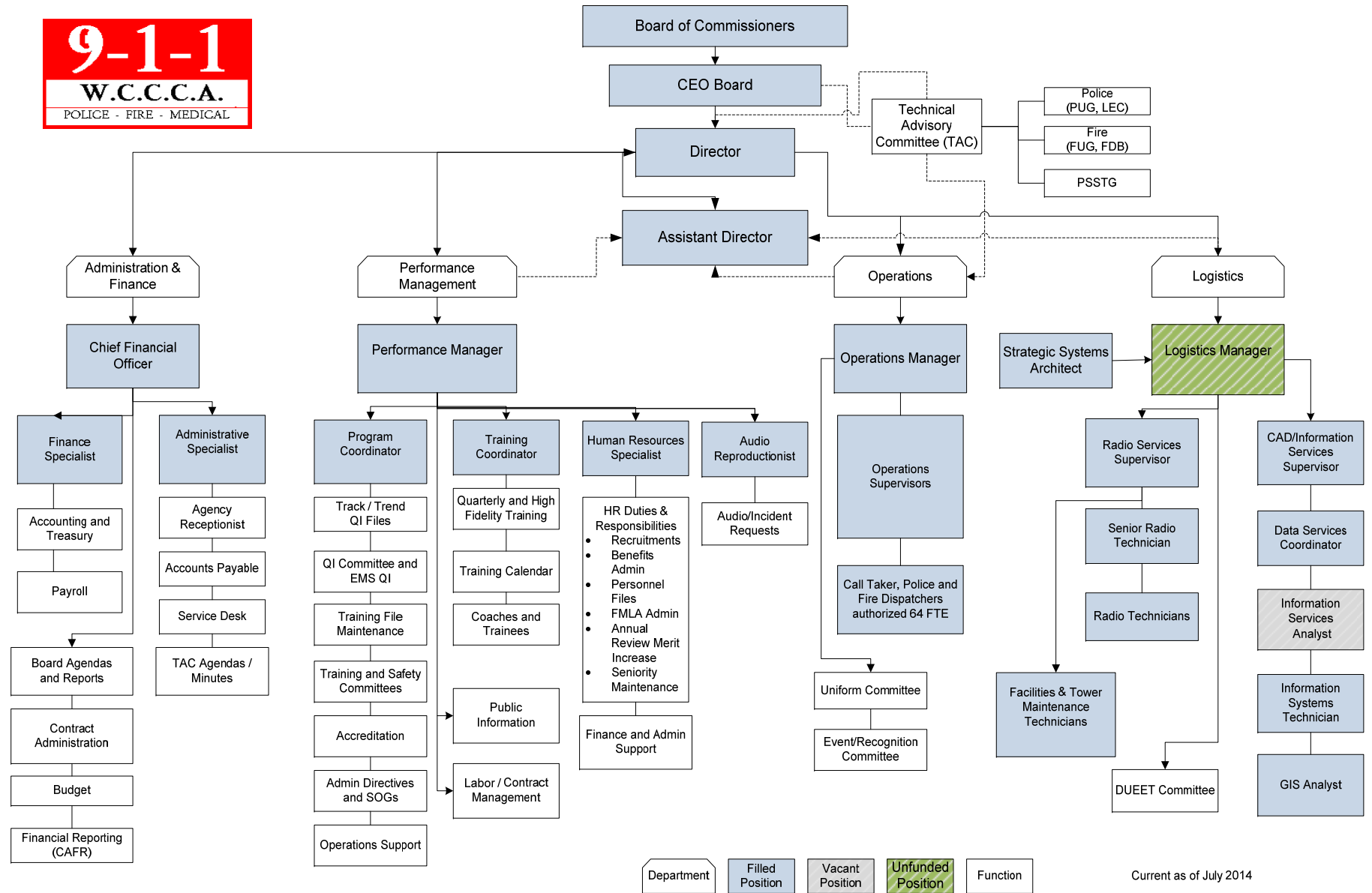
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. The Agency believes this current budget continues to conform to the program requirements, and will be submitting it to the GFOA to determine its eligibility for another award.

Adopted Budget
Fiscal Year 2014-2015

AGENCY OVERVIEW

ORGANIZATIONAL CHART



Department
Filled Position
Vacant Position
Unfunded Position
Function

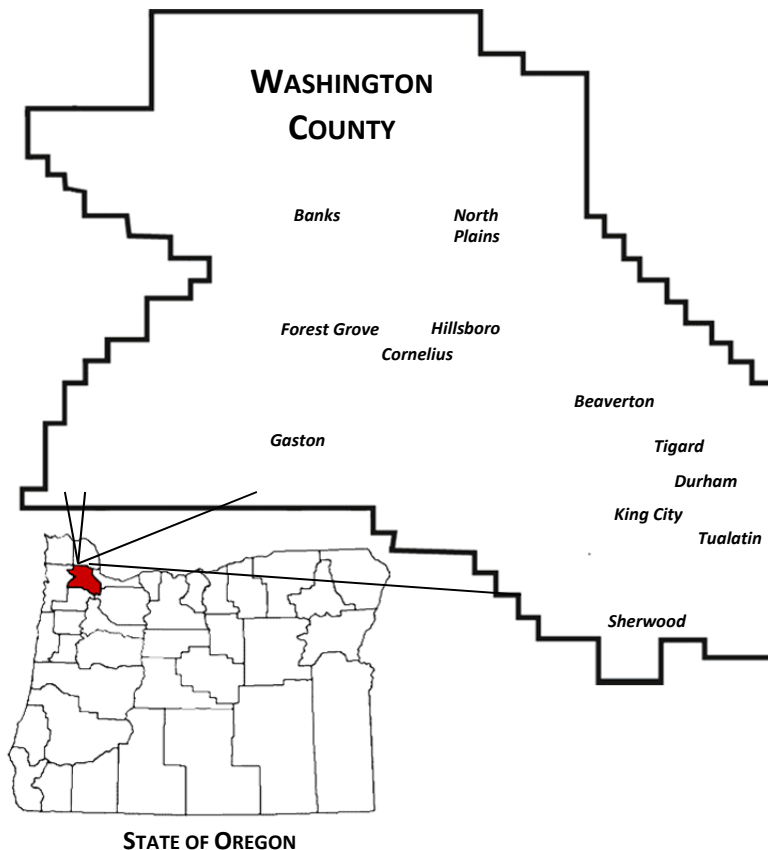
Current as of July 2014

AGENCY OVERVIEW

Washington County Consolidated Communications Agency (“WCCCA” or the “Agency”) was formed in 1985, under the authority of Oregon Revised Statutes (ORS) Chapter 190 by the execution of an Intergovernmental Agreement between Washington County and the cities of Beaverton, Hillsboro, Cornelius, North Plains, and Washington County Rural Fire Protection Districts No.1 (now Tualatin Valley Fire & Rescue) and No. 2. The Agency has subsequently entered into intergovernmental agreements with the cities of Durham, King City, Sherwood, Tigard, Gaston, Tualatin, Forest Grove, Banks and the fire districts of Forest Grove, Banks, Gaston and Cornelius. User agencies currently total 18. The Agency was established to provide 9-1-1 call answering service and public safety dispatch communications for police, fire, and emergency medical service for the participating jurisdictions and for other governments under contract. The Agency also provides the radio and microwave communications system, a series of towers across a two county region that offers high quality radio communications, for public safety responders.

WCCCA is governed by a Board of Commissioners consisting of one appointed official from each participating jurisdiction. The Board is responsible for appointing the Agency Director, establishing Agency service levels, adopting the annual budget, reviewing financial information, and approving personnel rules. A Chief Executive Officers Board consisting of the Chair of the Board of Commissioners, the representatives of the two largest participating agencies and two at-large members appointed by the Board meet monthly to address more timely issues, including contracting, policy changes, audit and financial reports and labor negotiations.

The Agency serves an area of 727 square miles and a population of approximately 543,000.



Through its broad geographic footprint, the Agency serves a rapidly developing and growing part of Oregon's economic base. The Agency's service population has experienced considerable growth over the past 10 years, but through the recession that growth has slowed. Slower growth is expected to continue over the next 20 years.

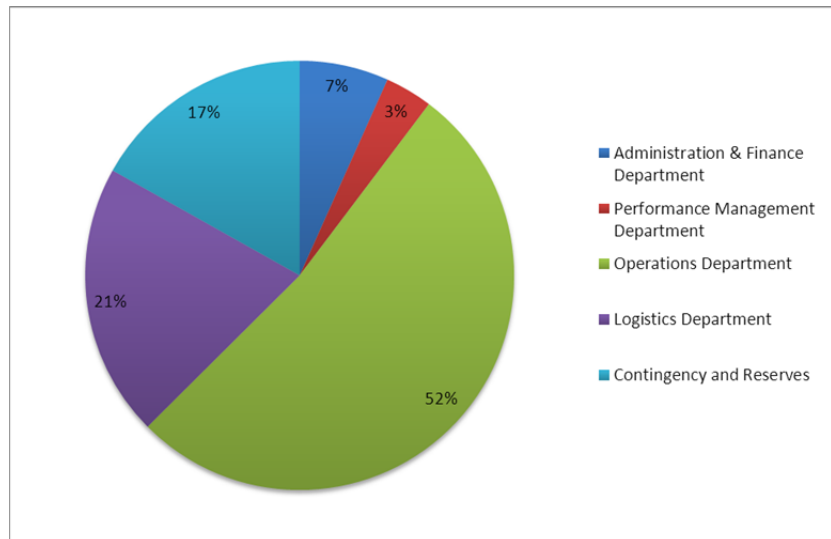
AGENCY OVERVIEW

The Agency is funded by user fees from the participating jurisdictions, State 9-1-1 excise taxes, contract revenues from Clackamas County's C800 Radio Group (a governmental partnership formed under Oregon Revised Statutes Chapter 190), the City of Newberg, and other smaller contracts. The Agency provides radio, paging and data infrastructure maintenance and development services to C800 and shares a CAD system (both hardware and software) with Clackamas County. This CAD is essentially one interoperable system providing redundancy for disaster recovery. These unique arrangements comprise the partnership with Clackamas County by contract.

The Agency is operated by a dedicated staff of 92.52 full time equivalent positions; its budget is organized on a department basis, consisting of Administration & Finance, Performance Management, Operations, and Logistics.

The Agency's organizational units are departments that provide different functions in support of the Agency's mission and goals.

The Agency's functions are organized by departments, as depicted in this pie chart, along with non-departmental appropriations for Contingency and Reserves. This chart represents the General Fund's proposed appropriations for Fiscal Year 2014-15.



AGENCY OVERVIEW

On an ongoing basis, but especially during the budget process, the Agency evaluates staffing, the structure of the organization and the feasibility of changes. At adoption of each year's budget, staffing levels are formally authorized by the Board.

Proposed Fiscal Year 2014-15 Full Time Equivalent Positions

	Adopted FY10/11	Adopted FY11/12	Adopted FY12/13	Adopted FY13/14	Proposed FY14/15	Change from prior FY
NON-REPRESENTED POSITIONS						
Director	1.00	1.00	1.00	1.00	1.00	-
Assistant Director	1.00	1.00	1.00	1.00	1.00	-
Performance Manager	1.00	1.00	1.00	1.00	1.00	-
Chief Financial Officer	1.00	1.00	1.00	1.00	1.00	-
Senior Administrative Specialist	2.00	3.00	3.00	3.00	-	(3.00)
Human Resources Specialist	-	-	-	-	1.00	1.00
Finance Specialist	-	-	-	-	1.00	1.00
Program Coordinator	-	-	-	-	1.00	1.00
Administrative Specialist	2.00	1.00	1.00	1.00	1.00	-
Operations Manager	1.00	1.00	1.00	1.00	1.00	-
Operations Supervisors	6.00	6.00	6.00	6.00	6.00	-
Training Coordinator	1.00	1.00	1.00	1.00	1.00	-
Strategic Systems Architect	0.35	0.35	0.35	0.35	0.35	-
Technical Systems Manager	-	-	-	-	-	-
Radio Systems Supervisor	1.00	1.00	1.00	1.00	1.00	-
Radio Technicians (I, II and Senior)	4.00	4.00	4.00	4.00	4.00	-
Facilities Maintenance Tech's I & II	1.50	1.50	1.50	1.50	1.60	0.10
CAD Supervisor	1.00	1.00	1.00	1.00	1.00	-
Data Services Coordinator	1.00	1.00	1.00	1.00	1.00	-
Info Systems Analyst	1.00	1.00	1.00	1.00	1.00	-
Info Systems Technician	1.00	1.00	1.00	1.00	1.00	-
GIS Analyst	1.00	1.00	1.00	1.00	1.00	-
Audio Recording Specialist	0.40	0.40	0.50	0.50	0.50	-
Background Investigator	-	-	0.07	0.07	0.07	-
REPRESENTED POSITIONS						
Dispatchers (incl. MDDs & Call Takers)	66.50	66.50	64.00	64.00	64.00	-
TOTAL FTE	94.75	94.75	92.42	92.42	92.52	0.10

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*Adopted Budget
Fiscal Year 2014-2015*

BUDGET MESSAGE

BUDGET MESSAGE

March 20, 2014

TO: Budget Committee Members
 Board of Commissioners
 Chief Executive Officers Board Members
 Sheriff, Chiefs and City Managers of
 WCCCA Participating Agencies
 Citizens of Washington County



FROM: Kelly Dutra, Director/Budget Officer

I am pleased to present the Fiscal Year 2014-15 Proposed Annual Budget to the Budget Committee of the Washington County Consolidated Communications Agency (the Agency). Members of the Budget Committee, which includes the Board of Commissioners, know the continued financial challenges facing this Agency and the governments each of them represents. The Agency's budget continues to look for cost saving measures to ensure that 9-1-1 call-taking, emergency services dispatching and maintenance of the radio system to public safety system standards are maintained.

The following is a consolidated picture of all Agency funds for a three year comparative view. In consolidating, inter-fund transfers (an equal amount of revenue and expense) are eliminated. The percentage changes compare the Proposed Budget for Fiscal Year 2014-15 (FY 2014-15) to the current year's budget.

All Funds Consolidated	FY 2012-13 Actual at June 30	FY 2013-14 Adopted Budget	FY 2014-15 Proposed Budget	% Change FY 15 over FY 14
Beginning Working Capital	3,726,611	4,290,989	4,247,674	-1.0%
Revenues				
Member Contract Fees	7,832,815	8,089,508	8,493,984	5.0%
911 Telephone Taxes	2,591,911	2,568,000	2,530,000	-1.5%
All other revenues	1,554,483	1,227,371	1,322,426	7.7%
TOTAL RESOURCES	15,705,820	16,175,868	16,594,084	2.6%
Expenditures/Appropriations				
Personnel Services	9,471,004	10,500,579	10,891,680	3.7%
Materials & Services	1,637,123	2,283,636	2,379,614	4.2%
Capital Outlay	251,543	52,500	277,034	427.7%
Contingency & Reserves	4,346,150	3,339,153	3,045,756	-8.8%
TOTAL REQUIREMENTS	15,705,820	16,175,868	16,594,084	3.0%

BUDGET MESSAGE

Financial Planning

Each year the Agency develops a long range financial forecast which is considered for adoption by the Board of Commissioners at the September Board retreat. The forecast only includes the General Fund which encompasses all of the operations of the Agency. The first year of the adopted forecast provides a plan for the Agency to use in developing the next year's budget. This annual financial forecasting provides the Boards and management with a long term view of the financial health of the Agency, and offers strategic approaches to planning for service levels and predictability of the cost to the member governments that own the Agency.

The major issues considered in the Board's September, 2013 retreat were:

- Addressing the question: "What does it cost to run WCCCA?"
- The Five Year Forecast, Member fees and Agency costs;
- The continued decline of 9-1-1 telephone tax revenue, the only major source of funding other than member fees;
- The failure of the legislature to enact a form of tax on prepaid cell phones for 9-1-1 service;
- Replacement of Computer Aided Dispatch system ("CAD")
- Long Term Capital planning for the Agency, primarily with regard to the Radio System

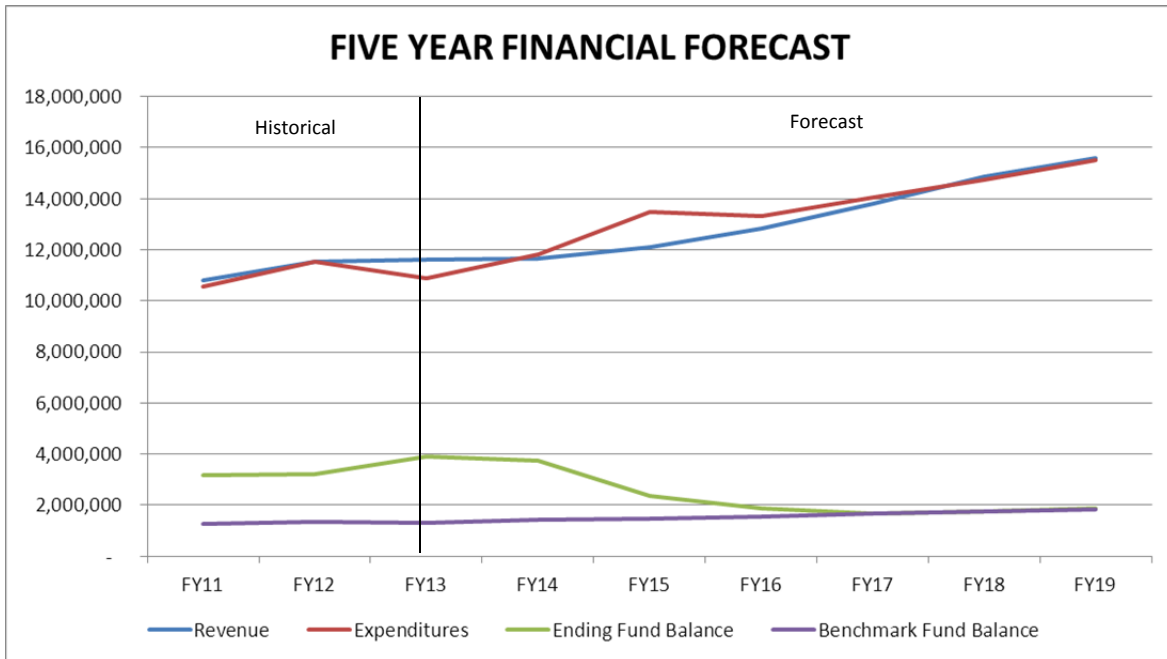
Annual membership rate increase predicted in the Board's adopted financial forecast is 5.0%. Because the Agency has a relatively small membership base, the growing gap between 9-1-1 tax funding and operational expenses exponentially affects the membership fees, particularly impacting certain individual government members beyond the average rate of fee increases used in the forecast. (Calculations for each member government's fees use data sets that can cause wide variations from the established rate of increase.)

9-1-1 taxes received by the Agency have been on the decline over the past several years, and the Agency forecasts them to be flat or decline slightly in the future. While this major source of revenue declines, Agency partners have continued their commitment to this Agency's services and one another, and increased their funding levels. This is shifting the funding pattern of the Agency:

	FY 2012-13	FY 2013-14	FY 2014-15
Member Contract Fees	67%	69%	70%
911 Telephone Taxes	22%	22%	21%
All other revenues	11%	9%	9%

(This chart excludes one time revenues such as transfers from closing funds and all miscellaneous revenue, which includes highly variable one time revenues. Its purpose is to show the changing trends in the stable revenues that are relied upon to fund Agency operations.)

BUDGET MESSAGE



As discussed before the Budget Committee at its February 20, 2014 meeting, the approach to forecasting going forward is “What does it cost to run WCCCA?” The graph above shows the impact on revenues, expenditures and ending fund balance for the Agency by using the Agency’s fund balance to acquire a new CAD system. The forecast will continue to be discussed by the Boards of the Agency as part of a multi-year Strategic Plan.

The Proposed Budget for the General Fund was developed considering the financial forecast adopted by the Board. The Proposed Budget meets the parameters and the target of that plan. The following is a comparison of the FY 2014-15 Proposed Budget to the updated Financial Forecast:

BUDGET MESSAGE

	Fiscal Year 2014-15			
	Financial Forecast	Proposed Budget	Difference	% Change
Resources				
Beginning Working Capital	3,762,014	3,877,521	115,507	3.1%
Member Contract Fees	8,493,984	8,493,984	-	0.0%
911 Telephone Taxes	2,542,320	2,530,000	(12,320)	-0.5%
All other revenues	1,057,701	1,102,236	44,535	4.2%
TOTAL RESOURCES	15,856,019	16,003,741	147,722	0.9%
Expenditures/Appropriations				
Personnel Services	10,450,569	10,891,680	441,111	4.2%
Materials & Services	1,705,719	1,954,060	248,341	14.6%
Capital Outlay	85,200	277,034	191,834	225.2%
Transfers	1,238,000	250,000	(988,000)	-79.8%
TOTAL REQUIREMENTS	13,479,488	13,372,774	(106,714)	-0.8%
ENDING FUND BALANCE	2,376,531	2,630,967	254,436	10.7%

As presented, if all of the appropriations in the Proposed Budget were completely spent, the financial plan would not be met. However, because a budget is a legal limitation on spending, the Agency ensures management of expenses to amount to less than budget. Given a realistic 3% budget savings, this one year financial plan (the budget) meets the targets for the Agency's multi-year Financial Forecast.

Agency management is very much aware and continually mindful of the financial constraints all government partners are facing. Staff has scrutinized expenses through budget development and financial forecast monitoring and continues to encourage the talents of staff in exploring efficiencies and cost savings. Although the 9-1-1 tax on prepaid wireless communication devices was enacted by the legislature, revenue levels from this source are uncertain and have not been included in the current budget.

Discretionary expenses are few and small, if any. At this point, reducing operating expenses sufficient to reduce membership fees can only be achieved through a reduction in personnel which will impact service levels, unless significant efficiencies or bolstered revenues are realized.

General Fund (Operating Fund)

The General Fund comprises 96.4% of the Agency's finances shown in the chart on page 11, and as the sole operating fund for the Agency accounts for all personnel and material and services expenses in support of Agency operations.

Overall, the operational expenses (the combined Personnel Services, Materials & Services and Capital Outlay categories) for the General Fund increased 5.73% from the prior fiscal year's budget.

BUDGET MESSAGE

The revenues of the General Fund include 9-1-1 taxes, the only major source of funding other than member fees. Declining 9-1-1 taxes is a trend that appears to be continuing and that may continue into the foreseeable future although this may be tempered with collections from prepaid wireless communication devices. The Agency will continue to monitor new legislation and its impact on the Agency and its Members.

The following are the significant budget changes in this Fiscal Year 2014-15 Proposed Budget for the General Fund, as compared to the current year budget:

Personnel Services (3.7% increase over prior year's budget):

- Salaries and wages will increase by \$246,075, a 3.9% increase (see the Line Item Budget, page 2, line 18). This is due to a budgeted 2.0% cost of living increase and employees earning merit increases within their salary range or promoting upward during the year.
- Health insurance premiums are budgeted for an average 10% increase for the second half of the fiscal year on the Agency's two medical plans, a \$58,883 increase (page 2, line 20). The amount budgeted appears to be a 3.7% increase over the prior year's budgeted amount, because of budgeting of this expense specifically by employee and their coverage, rather than using an overall average rate for all.
- Public Employees Retirement System (PERS) contributions are budgeted to increase \$46,985, which is a 3.6% increase over the prior year budget (page 2, line 21). The blended PERS rate, which includes the 6% employer portion, is 19.34%.

Materials and Services:

The budget category of Materials and Services increases in next year's Proposed Budget by \$95,978, a 5.2% increase (see page 2, line 26). This is primarily due to the first year of an eight year subscription to the new CAD system at \$266,000 per year. The Agency continues to focus on potential savings in Material and Services expense which is why the increase is not the full amount of the CAD subscription for the year.

Capital Outlay:

Capital Outlay increased \$224,534, a 427.7% increase (see page 2, line 28). This is largely due to the purchase of computer equipment (servers, routers, switches, etc.) for the new CAD system.

BUDGET MESSAGE

Capital Projects Fund

The Capital Projects Fund is continuing to receive \$125,000 per year from Washington County's Public Safety Local Option Tax Levy. The levy was renewed by the voters in November, 2010, so this fund will continue to receive \$125,000 through Fiscal Year 2015-16.

This fund has amounts budgeted for:

- The second of seven annual \$275,554 payments to Washington County for the lease of the radio system zone controller. The C800 Radio Group of Clackamas County is participating in this payment at a rate of 34.0% which correlates to its use of the radio system's zone controller. \$93,688 is shown as revenue in this fund.
- \$150,000 to fund the efforts to implement the Capital Plan.

Fiscal Year 2013-14 Accomplishments

The Agency as a whole is a high risk operation, and as such, continues its commitment to functioning as a high reliability organization in the context of a just culture. This includes ongoing attention to its Quality Improvement processes (offering analysis of root causes to practical issues, 20 accomplished in 2013), involving dispatch personnel as well as representatives from police and fire services in the study of root causes, and advancing training tools from the results learned from each analysis.

The Agency recruited and is in the process of training 10 new dispatchers. This group was part of the 88th Basic Telecommunications Academy at the Oregon State Department of Public Safety Standards and Training facility which is a requirement for all 9-1-1 call takers and dispatchers in the state. Two of our new dispatchers received the Carol Fagan Award for Academic Achievement which honors the dispatcher with the highest overall score/grade – they tied, and another received the Victor Atiyeh Award which is given to the student who demonstrates exemplary attitude and outstanding achievement in leadership and academics. This group was also the first telecommunications academy to receive the academic ribbon to fly on their flag which indicates that the class average overall final test score was 92% or above. The Agency is very proud of the accomplishments of our new dispatchers.

BUDGET MESSAGE

Dispatcher FTEs

	Fully Trained	Call Taker	Trainee	Total
March 2014	55	0	10	65
June 2013	55	0	0	55
June 2012	57	0	7	64
June 2011	55	1	5	61

Additional accomplishments:

- The Agency was reaccredited by the Oregon Accreditation Alliance
- Agency staff continued the process to update administrative directives and standard operating guidelines
- Increased involvement of Administrative staff in the development of the departmental budgets, providing assistance to department managers for analysis and research
- Twelve known CPR saves in Calendar year 2013
- Received two APCO State “Critical Incident Awards”
- Received two APCO “Stork Awards” for delivery of a child prior to EMS arrival
- Handled 478,358 various phone calls; involved in 526,155 CAD incidents and worked 96 hours at community events, including public education opportunities
- Agency personnel received a total of 4,455 hours of training, largely in-house
- Installation of a microwave link between the City of Portland and WCCCA to support radio system zone controller, IT, and Radio interconnectivity/interoperability
- Completed a technically challenging CAD server swap
- Received both the Government Finance Officers Association Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting.

Initiatives For the Year and For the Future

The Agency planning process, from both the strategic and capital perspectives, has been underway and will continue into the foreseeable future. This planning process will lay the foundation for the path to the future for WCCCA, particularly in the areas of Agency operational issues and capital needs.

The long range capital planning efforts focus on the Agency’s primary needs: the radio system infrastructure and associated communications equipment, and the facility that

BUDGET MESSAGE

houses operations. This process began with internal needs assessments and will continue through work with the members to incorporate their needs.

In regard to operational issues, the Agency is committed to exploring various possibilities for strengthening or opening new doors to partnerships that may lead to operational and/or cost efficiencies.

The Budget Document

The Agency matches the processes of its partners by following State of Oregon Local Budget Law to a large extent. It fully complies with the Council of Governments budget law which is required of it as an organization formed under Oregon Revised Statutes (ORS), Chapter 190. The Agency follows generally accepted accounting principles (GAAP) as prescribed by the Oregon Revised Statutes (ORS). This Proposed Budget is structured on a fund basis, which the Governmental Accounting Standards Board (the promulgating authority for GAAP for governments) requires.

The General Fund accounts for all operations of the Agency; a Capital Projects Fund is maintained as a matter of Board policy and is considered a major fund for qualitative reasons. The Agency accounts for these funds using the modified accrual basis of accounting.

Conclusion

The partnership that owns WCCCA continues to demonstrate remarkable commitment to this Agency and to each other. It is with sincere appreciation that we acknowledge their commitment to provide the ongoing leadership and resources necessary for this Agency to conduct its emergency 9-1-1 call taking and dispatching services.

WCCCA's success stems from the cohesive teams that make up the Agency. We are truly blessed to have such a talented and dedicated group of people who are committed to the achievement of excellence in everything they do.

I would especially like to recognize our team of highly skilled, dedicated dispatchers who serve the citizens and public safety community of Washington County with ongoing commitment to excellence in public service.

Respectfully submitted,

Kelly Dutra, Director
Budget Officer

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*Adopted Budget
Fiscal Year 2014-2015*

**MISSION STATEMENT
& GOALS**

MISSION STATEMENT & GOALS

GOALS

Call-Taking/Dispatching

“WCCCA will provide timely and compassionate service to assure that the necessary response is initiated.”

Radio Services

“WCCCA will design, implement, and maintain the communications infrastructure and field equipment to provide effective radio communications for system users.”

Delivery of Data

“WCCCA will provide the necessary technical services to ensure data availability to Users and Member Agencies.”

Fiscal Responsibility

“WCCCA will provide financial plans and forecast to provide decision makers and Members the necessary information to make sound business decisions.”

MISSION STATEMENT & GOALS

MISSION STATEMENT

WCCCA is committed to providing timely, efficient and compassionate communication services to all citizens through innovation, employee excellence and partnerships with public safety providers.

CORE SERVICES

Emergency Call-Taking and Dispatching

Radio Services

Data Services

Fiscal Responsibility

Excellence in Emergency Communications

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Adopted Budget
Fiscal Year 2014-2015

FINANCIAL SUMMARY

CONSOLIDATED BUDGET SUMMARY

INTRODUCTION

The Agency is a partnership formed by an intergovernmental agreement under State of Oregon law, and as such, it is a unique government: it levies no property taxes; charges no fees to the public (except small amounts for reproducing 9-1-1 calls and related information) and issues no debt.

Below is the consolidated view of the Agency budget for the Agency's two funds. (A "fund" is an accounting entity which has its own set of revenues, expenditures and balance sheet accounts.) The Agency uses the modified accrual basis of accounting for budgeting purposes for all funds.

All Funds Combined	Actual FY 2012-13	Fiscal Year 2013-14		Adopted Budget FY2014-15
		Adopted Budget	Estimated To June 30	
RESOURCES				
Beginning Working Capital	3,726,611	4,290,989	4,346,150	4,289,517
Revenues				
Interest	24,534	19,500	26,837	18,500
9-1-1 Telephone Tax	2,591,911	2,568,000	2,560,982	2,530,000
Member & Associate User Fees	7,832,815	8,089,508	8,076,706	8,493,984
C800 Contract Revenue	431,715	467,841	469,609	480,108
Non-Member Contract Revenue	224,804	236,800	245,262	280,000
Maintenance Services	148,414	238,500	239,689	125,000
Rental Revenue	97,622	104,000	112,518	113,395
Intergovernmental Revenues	353,727	223,730	218,689	218,690
Grant Revenue	-	-	-	-
Miscellaneous Income	273,667	83,000	97,114	99,000
Interfund Transfers	-	-	-	250,000
Total Revenues	11,979,209	12,030,879	12,047,406	12,608,677
TOTAL RESOURCES	15,705,820	16,321,868	16,393,556	16,898,194
REQUIREMENTS				
By Category				
Personnel Services	9,471,004	10,500,579	9,730,174	10,898,282
Materials & Services	1,637,123	2,695,636	2,338,793	2,392,162
Capital Outlay	251,543	52,500	34,622	277,034
Interfund Transfers	-	-	-	250,000
Contingency	-	1,714,283	-	1,958,126
TOTAL REQUIREMENTS	11,359,670	14,962,998	12,103,589	15,775,604
Unappropriated Ending Fund Balance (UEFB)		1,624,870		1,122,590
Fiscal Year End Fund Balance	4,346,150		4,289,967	
TOTAL BUDGET	15,705,820	16,587,868	16,393,556	16,898,194

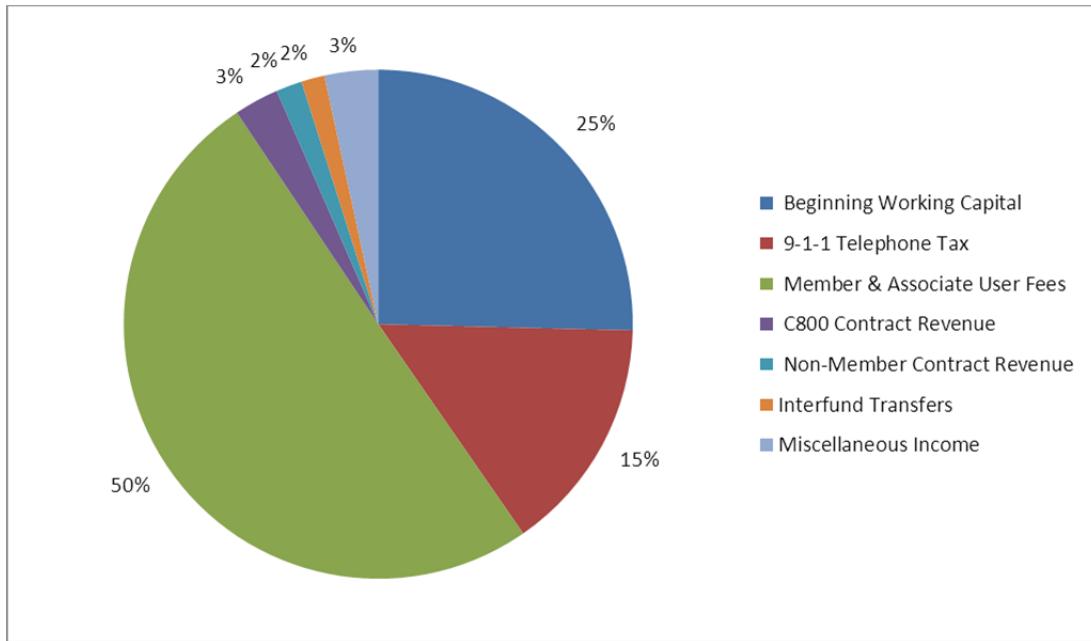
In the presentation above, the combined funds include the General Fund and the Capital Projects Fund.

CONSOLIDATED BUDGET SUMMARY

FISCAL YEAR 2014-15 BUDGETED RESOURCES – ALL FUNDS

Governments distinguish between “Resources” and “Revenues”. “Resources” include Beginning Working Capital plus all new incoming revenues for the year; “Revenues” exclude Beginning Working Capital. These terms are used to differentiate between the two presentations.

Total budgeted Resources for all funds for FY 2014-15 are as follows:



The following is a narrative regarding the major Resources budgeted for FY 2014-15, but first, the components of “Miscellaneous Income” are described.

Miscellaneous Income totals \$574,585 and is comprised of the following:

- \$117,500 (20.5% of the total) is miscellaneous revenue; contracting out an employee; fees for reproducing 9-1-1 call recordings, and interest.
- \$93,690 (16.3% of the total) is from the C800 Radio Group for its participation in the lease expense and other project expenses of a new Zone Controller for the radio system.
- \$125,000 (21.7% of the total) is for radio, data and paging maintenance and management services provided to the C800 Radio Group and maintenance services on radio communication devices provided to governmental agencies.
- \$125,000 (21.7% of the total) is the Washington County Public Safety Local Option Levy funds. The Capital Projects Fund receives these property tax revenues under a contract with Washington County.
- \$113,395 (19.8% of the total) is for radio tower space rents from cell phone and internet companies.

CONSOLIDATED BUDGET SUMMARY

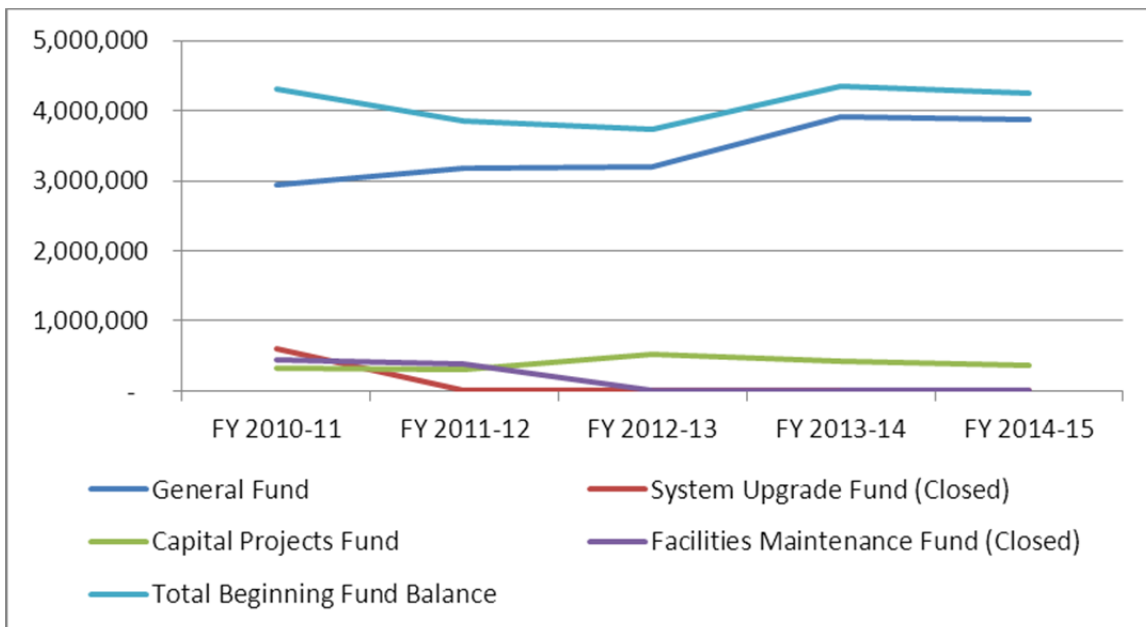
BEGINNING WORKING CAPITAL AS A BUDGET RESOURCE – ALL FUNDS

All funds of the Agency are governmental type funds, which by definition use the modified accrual basis of accounting. Long term liabilities and fixed assets are excluded from the accounting for governmental funds. The difference between the short term assets and short term liabilities results in an amount that will be realized in cash in the near term and is therefore available to fund operations. Governments schedule this amount as Beginning Working Capital (also known as Beginning Fund Balance) as a resource in their budgets to start each new fiscal year.

Five years of Beginning Working Capital are shown below. The amounts for FY 2013-14 and FY 2014-15 are as estimated and budgeted; all prior year numbers are actual and audited.

All funds combined:

\$4.3M \$3.9M \$3.7M \$4.3M \$4.2M



The Beginning Working Capital for all funds combined has declined over the recent years and is projected to decline in years to come, in accordance with the Board of Commissioners’ long term financial planning.

The General Fund accounts for all Agency operations. This fund is experiencing increasing expenses for personnel, primarily for health insurance premiums and required PERS contributions. On the revenue side, while member fees are set annually to slowly draw down working capital in subsequent years, this draw down has not been consistent because of one-time revenues and an extraordinary number of vacancies in operations during FY12-13. Additionally, the Board of Commissioners has approved non-member radio contract and other fee increases.

On an annual basis, the Agency’s Board of Commissioners reviews its plans towards a financially sustainable future, which includes drawing down the General Fund’s Beginning Working Capital to the level of reserves deemed prudent for operations.

CONSOLIDATED BUDGET SUMMARY

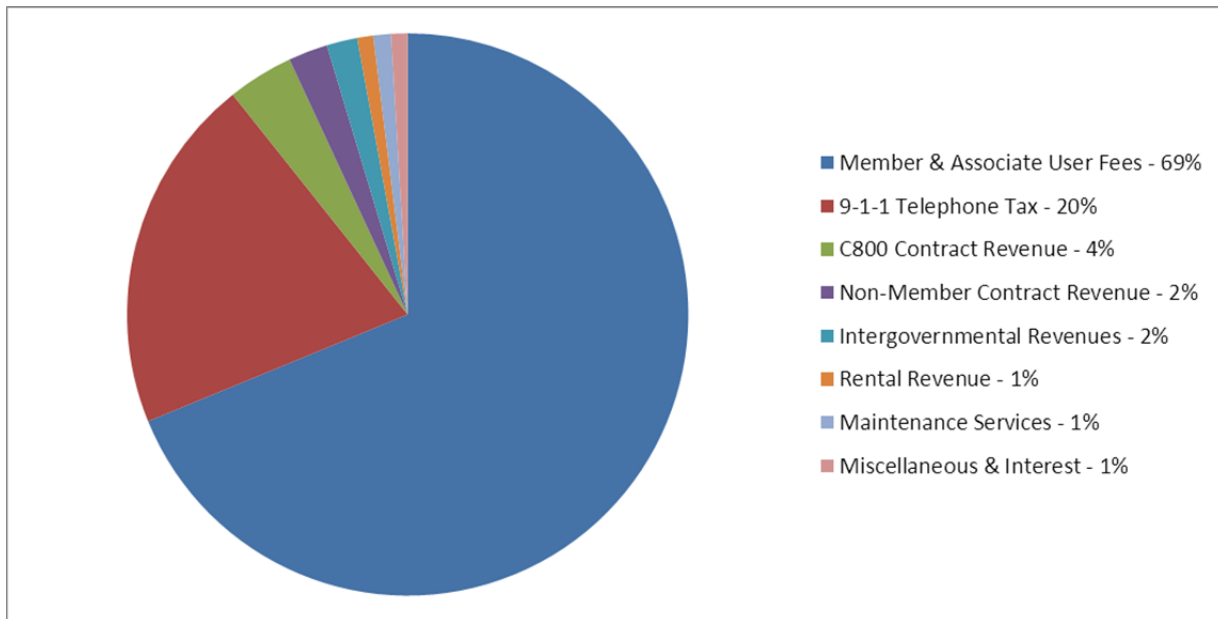
BEGINNING WORKING CAPITAL AS A BUDGET RESOURCE – ALL FUNDS (CONTINUED)

In regards to other funds shown in the graph on the prior page:

- The System Upgrade Fund utilized its funds in constructing and equipping the expanded radio communications tower system, for which those funds were dedicated. The project was completed and the fund was closed in FY 2010-11.
- The Capital Projects Fund purchased a CAD system over the course of two earlier years (FY 2008-09 and FY 2009-10), and its fund balance was drawn down as a result. A General Fund transfer into this fund in FY 2011-12 increased Beginning Working Capital for FY 2012-13.
- The Facilities Maintenance Fund no longer meets the definition of a special revenue fund under GASB 54 - *Fund Balance Reporting and Governmental Fund Type Definitions* and was closed in FY 2011-12. Its remaining fund balance was transferred to the General Fund.

REVENUE – ALL FUNDS

The following graph depicts Agency-wide revenues (General Fund and Capital Projects Fund combined) excluding Beginning Working Capital. In the consolidation of funds, the activity of transfers between funds is typically eliminated.



It should be noted that the General Fund’s revenues account for 98% of the Agency-wide revenues shown in the graph above. The Capital Projects Fund’s revenue comprises the remainder.

A discussion of the Agency’s two primary sources of revenue, Member Contract Fees and 9-1-1 Telephone Tax, follows.

CONSOLIDATED BUDGET SUMMARY

REVENUE – ALL FUNDS (CONTINUED)

The primary source of revenue to the Agency is the member intergovernmental agreement (IGA) user fees. These annual member fees are paid by the governmental partners that formed the Agency. These fees account for 69% of the revenues of the Agency as a whole and 70% of the General Fund revenues. The 9-1-1 telephone tax is the only other significant source of revenue to the Agency, accounting for 20% of the total Agency revenues and 21% of the General Fund revenues. With the decline in 9-1-1 tax revenue and increasing membership fees, the Agency has been undergoing a shift in its funding sources for operations. Please see the Budget Message for further discussion.

Together, these two sources of revenue account for 89% of the Agency's estimated revenues in the FY 2014-15 Adopted Budget and 90% of the General Fund.

Intergovernmental Agreement and Fees

The member governments that formed the Agency signed an intergovernmental agreement to share in funding the Agency's operations: 9-1-1 and non-emergency call answering service, emergency services dispatching and communications, and management and maintenance of the microwave/radio communications system. The intergovernmental agreement included a prescribed mathematical mechanism to use in distributing the needed funding amongst all participating entities.

When any revenue source other than membership fees does not rise as fast as the increase in annual operating expenses of the Agency, the burden of making up the difference falls to the member governments. This has been the partnership's experience as the 9-1-1 state telephone excise taxes have flattened and slightly declined. Additionally, the rate of increase to make up for these flattened revenues is exacerbated by the limited number of partners funding the Agency's operations.

FY 2012-13 Budget was the first year of the 3X3 Plan, where membership fees were fixed to only increase by an overall rate of 3.0%. However, one of the Agency's members was shown to experience a 12.3% increase. This wide divergence in percentages is due to the membership's fee distribution mechanism and its prescribed data sets (i.e., calls for service for fire agencies, population for police agencies and number of radios in service). Under the direction of the CEO Board, the Agency organized a group to study alternatives to this distribution mechanism. The group put forth a cost distribution model that will use population, airtime and public calls for service for police and population and calls for service for fire. As the cost distribution model is part of the Agency's IGA with the members, a revised IGA is currently in process to incorporate these changes.

According to the Board of Commissioners' financial plan, the Fund Balance of the General Fund will be consumed down to the established policy level of reserves over the next few years. At its September, 2013 Retreat, the Board of Commissioners adopted a 5.0% membership fee increase for FY 2014-15. Throughout these processes, it was understood that member rates would continue to significantly increase unless the manner of doing business changed.

CONSOLIDATED BUDGET SUMMARY

Intergovernmental Agreement and Fees (continued)

The following chart is a listing of the member governments of the Agency and their intergovernmental agreement fees. The fees represent the amounts to be paid for dispatch services, emergency communications, radio system usage and management and maintenance of the radio communications system, but it excludes maintenance service repair fees (which the Agency provides on a direct bill basis).

Member Governments:	FY 11-12 Actual	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Budget
Washington County (Sheriff's Office)	1,904,485	1,911,820	1,978,146	2,086,956
Tualatin Valley Fire & Rescue	1,515,372	1,555,067	1,586,956	1,664,264
City of Hillsboro (Police & Fire)	1,469,702	1,499,095	1,550,239	1,642,972
City of Beaverton (Police)	1,077,303	1,102,843	1,139,911	1,199,416
City of Tigard (Police)	546,984	557,754	569,245	600,057
City of Forest Grove (Police & Fire)	325,589	336,037	355,666	370,718
City of Tualatin (Police)	300,832	301,142	311,603	326,281
City of Sherwood (Police)	194,424	206,116	213,020	223,437
City of Cornelius (Police & Fire)	134,950	148,115	152,003	155,692
Washington Co. Fire Dist. No. 2	57,144	58,860	60,628	62,445
Banks Fire District No. 13	26,184	26,972	27,780	28,614
City of King City (Police)	18,872	19,440	20,024	20,624
Gaston Rural Fire District	17,876	18,412	18,412	18,963
City of Durham (Police)	12,052	12,412	12,784	13,168
City of North Plains (Police)	11,368	11,708	12,060	12,421
City of Banks (Police)	6,556	6,756	6,960	7,168
City of Gaston (Police)	5,448	5,612	5,780	5,953
Public Safety Member Contract Fees	7,625,141	7,778,161	8,021,217	8,439,149
Member Government Radio (only) Fees	41,837	54,654	55,489	54,835
Total Member Contract Fees	7,666,978	7,832,815	8,076,706	8,493,984

Intergovernmental contract fees are billed quarterly to member governments, and are due and payable in advance of each quarter in accordance with the underlying intergovernmental agreement. There is a 100% collection rate for the Agency from member governments.

In regards to a separate source of revenue (not listed above): Non-member Contract Fees for radio system access are set 154% higher than the radio access fees for members. This is because these "external" radio contract fees include recovery of some of the cost of the radio system assets (depreciation) in their rates, the assets of which member governments have funded. Fees for members' use of the radio system are based upon annual operational expense, excluding depreciation expense.

CONSOLIDATED BUDGET SUMMARY

9-1-1 Telephone Excise Taxes

The State of Oregon levies and collects 9-1-1 telephone excise taxes for land lines, cell phones and voice over internet protocol at a rate of \$0.75 per communication device per month in accordance with authorizing Oregon Revised Statutes (401.706 - 401.790). \$0.50 of these collections is distributed quarterly to cities and counties on a per capita basis.

The 9-1-1 taxes received by the Agency are subject to variation and have declined over recent years. Annual tax revenues for the FY 2013-14 and adopted for FY 2014-15 are anticipated to be less than what these revenues were over the prior five years (with one exception). 9-1-1 tax collections are subject to economic effects and challenges in collection. During the 2009 State Legislature, a portion of the 9-1-1 funds retained by the State were legislatively absorbed into the State's General Fund due to a serious budget shortfall. Additionally, interest earnings on funds held before distributions are no longer credited to the fund for distribution with the tax turnovers. Although the legislature enacted a 9-1-1 tax on prepaid wireless devices, the Agency does not expect a significant impact on revenues going forward.

The 9-1-1 telephone excise tax revenue comprises 20% of the revenues budgeted in the Agency's General Fund for FY 2014-15 (~22% in the prior years). In the chart below, the tax amounts reported by the Agency for financial reporting purposes vary somewhat from amounts reported by the State of Oregon due to the need to estimate the final quarter of each fiscal year.

The budgeted amount for FY 2014-15 is estimated from historical experience and considers the ongoing effects of the recession, the trend towards prepaid wireless services and challenges with collection. A decreased amount of 9-1-1 tax revenue is anticipated in next year's Adopted Budget.

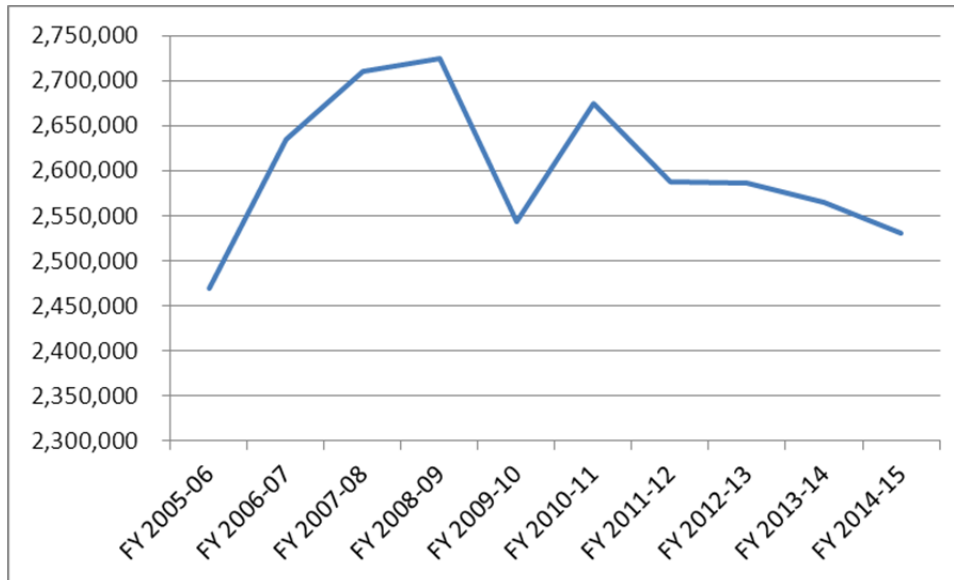
9-1-1 Tax Revenues

<u>Fiscal Year</u>	<u>Annual \$</u>	<u>% Change</u>	
FY 2014-15	2,530,000 (A)	-1.3%	Chart Notes:
FY 2013-14	2,564,361 (B)	-0.8%	(A) Budgeted amount
FY 2012-13	2,585,911	0.0%	(B) Projected amount
FY 2011-12	2,587,085	-3.3%	All other amounts shown are actual,
FY 2010-11	2,674,076	5.1%	per the Statement of Activities in
FY 2009-10	2,543,855	-6.6%	the Comprehensive Annual Financial
FY 2008-09	2,724,400	0.5%	Report, which accounts for tax revenue
FY 2007-08	2,710,321	2.9%	on a full accrual basis of accounting
FY 2006-07	2,634,950	6.7%	(most nearly matching state reports).
FY 2005-06	2,469,119	10.6%	

CONSOLIDATED BUDGET SUMMARY

9-1-1 Telephone Excise Taxes (continued)

The following graph shows the trend over a ten year period for the 9-1-1 telephone taxes.



Effective January, 2013, the State began forwarding 9-1-1 taxes to Public Safety Answering Points (PSAPs) directly due to legislative changes in 2012.

BUDGET REQUIREMENTS AND UNAPPROPRIATED ENDING FUND BALANCE – ALL FUNDS

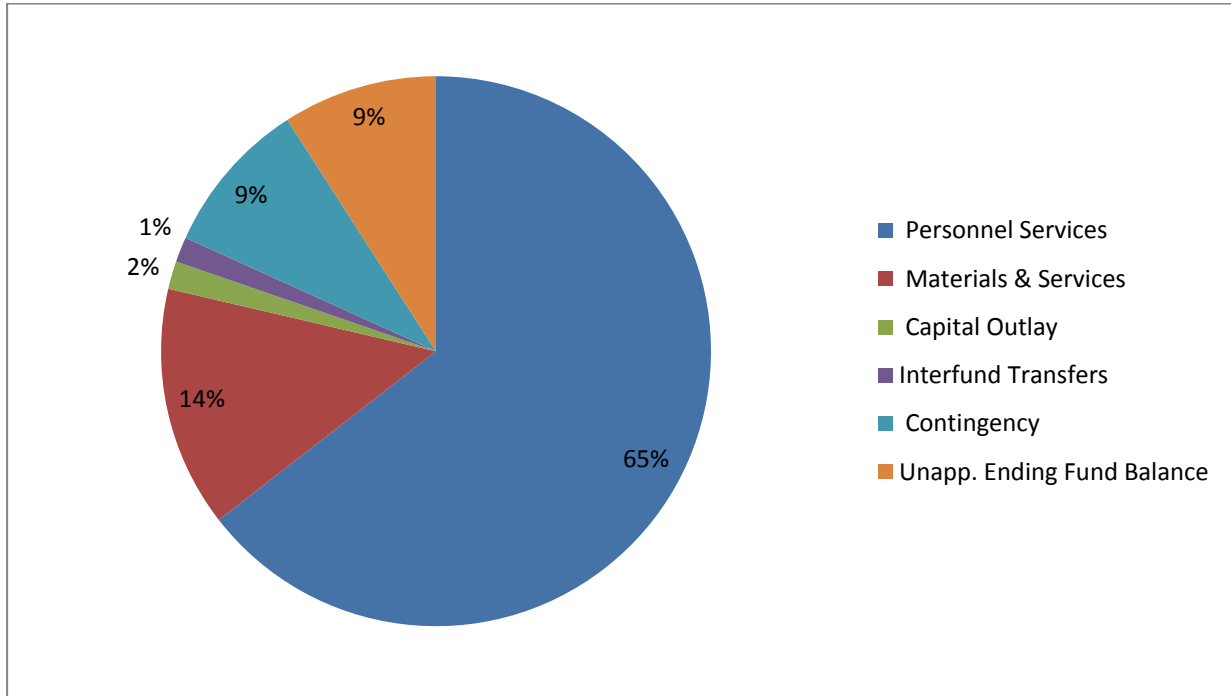
Under State of Oregon Local Budget Law, governments are required to present budgets showing all expenditures authorized to be spent (appropriated) along with any amounts estimated to be reserved for emergency or unforeseen appropriations needs during the year (Contingency). Expenditure appropriations plus Contingency are the “Budget Requirements” for the new fiscal year. Finally, governments may also estimate an amount to be formally reserved for use in future years, which is scheduled as “Unappropriated Ending Fund Balance”. Unappropriated Ending Fund Balance may not be spent except by official resolution of the Board of Commissioners.

Oregon State Law defines the expenditure categories to be presented in a government’s budget: Personnel Services (accounting for salaries, wages, overtime and all payroll expenses); Materials and Services (accounting for supplies, operational materials, small equipment and fixtures, contracted services, utilities and repairs), and Capital Outlay (accounting for those purchases or projects that will become an asset to be used in future years of operations of the government). Other Requirements include Contingency while Unappropriated Ending Fund Balance is a separate category.

CONSOLIDATED BUDGET SUMMARY

BUDGET REQUIREMENTS AND UNAPPROPRIATED ENDING FUND BALANCE – ALL FUNDS (CONTINUED)

Total Budget Requirements by budget category and Unappropriated Ending Fund Balance for both funds of the Agency for FY 2014-15 are shown as follows:



Contingency is presented in the graph above at 9% of the total. This is calculated as a percent of the total amounts scheduled in the FY 2014-15 Budget (including Contingency itself and Unappropriated Ending Fund Balance). The level of Contingency is set at the Board policy of 12%, but is calculated on total operating appropriations (excluding Contingency and Unappropriated Ending Fund Balance).

SIGNIFICANT EXPENDITURE APPROPRIATION CHANGES

Personnel Services

As a labor intensive organization, the Personnel Services budget category continues to be the largest expenditure category. All of the Agency's personnel are accounted for in the General Fund.

Compared to the prior year budget, total Personnel Services increases by \$397,703 (3.8%). Cost of living increases of 2.0% are budgeted for most employees, as are 5% merit increases for approximately 30% of the employees who are expected to continue to advance through their salary ranges. Health insurance premiums are budgeted to increase by \$58,883, a 3.7% increase. The percent rate increase of health insurance premiums is higher, but the Agency calculated health insurance premiums specifically by each employee for next year's budget rather than using historical averages (as had been done in the past) in an effort to create a more accurate budget.

CONSOLIDATED BUDGET SUMMARY

SIGNIFICANT EXPENDITURE APPROPRIATION CHANGES (CONTINUED)

Personnel Services (continued)

Of the \$10,898,282 total Personnel Services in the FY 2014-15 Adopted Budget, \$7,116,771 (65.3%) is for salaries, wages and overtime. \$3,781,511 (34.7%) is budgeted for benefits and payroll expenses. The largest portion of these benefits is comprised of Public Employees Retirement System (PERS) required contributions of \$1,368,621 (12.6%) and health insurances at \$1,648,565 (15.1% of total Personnel Services). Employees pay a share of their health insurance premiums and the Agency pays for the employees' 6.0% PERS contribution.

Materials and Services

Total Materials and Services (M&S) for both funds of the Agency decreases by \$303,474 (11.3%) in comparison to the prior year's budget. This is primarily due to a onetime expense for work done on behalf of C800 on their Timberline tower site and in spite of the fact that M&S for the General Fund includes the first full year of the Command CAD software as a software as a service agreement.

Capital Outlay

Capital Outlay for all funds combined in the FY 2014-15 Adopted Budget will increase by \$224,534 (up 427.7%) from the prior year's budget, amounting to \$277,034. The reason for this increase is primarily due to the Agency's acquisition of computer equipment related to the new CAD system.

The near term future provides a different perspective: the radio system infrastructure (mostly comprised of electronic equipment) is approaching end of life and the new technology will require a greater number of radio transmission towers, and the building which houses the Agency's operations is aged and may soon be undersized for its operations, particularly if new partners or customers are added. Please see the Budget Message for discussion of capital planning.

The Agency's capitalization policy requires items or projects of less than \$5,000 in value and having a serviceable life of less than one year to be expensed in the year acquired (charged to Materials and Services). Capital Outlay items costing more than \$5,000 include durable fixed equipment, such as vehicles, communications equipment and computers, and are accounted for as fixed assets at the close of the fiscal year, becoming long term assets in the Agency's Comprehensive Annual Financial Report. Because the building that houses this Agency's operations is leased from Washington County (and given the terms of that lease) improvement projects to the building that would normally be considered Capital Outlay are expensed in the year acquired.

CONSOLIDATED BUDGET SUMMARY

Interfund Transfers

Interfund transfers between funds over recent years are as follows:

	Actual FY 10-11	Actual FY 11-12	Actual FY 12-13	Actual FY 13-14	Budget FY 14-15
From:					
General Fund	250,000	220,500	-	-	250,000
Facilities Maintenance Fund	-	378,593	-	-	-
Total	250,000	599,093	-	-	250,000
To:					
General Fund	-	378,593	-	-	-
Capital Projects Fund	-	220,500	-	-	250,000
System Upgrade Fund	53,700	-	-	-	-
Total	53,700	599,093	-	-	250,000

Contingency and Unappropriated Ending Fund Balance

Reserves of the Agency are comprised of the total amount of Fund Balance (which can also be called Working Capital) that the Agency holds. While Beginning Working Capital, the amount of Fund Balance at July 1, 2014, is scheduled as a resource in the budget, the Ending Fund Balance (the amount anticipated at June 30, 2015) is scheduled as Contingency and Unappropriated Ending Fund Balance.

Total Reserves budgeted for the Agency (both funds combined) for FY 2014-15 is \$3,080,716 (\$1,958,126 in Contingency and \$1,122,590 in Unappropriated Ending Fund Balance). This is a decline from prior years. Please see the Budget Message – Financial Planning, for further discussion.

OTHER

Grant Revenues

For the FY 2014-15 Adopted Budget, no grant revenues are anticipated.

Debt

The Agency is a Chapter 190 organization under Oregon Revised Statutes. Under the current state statutes, bonded indebtedness and other debt is allowable, if the formation agreement authorized debt. However, the Chapter 190 law in effect when this Agency's partnership was formed did not include the authority to issue debt. Therefore, the Agency's formation papers could not authorize it to indebted itself.

The Agency has issued no debt and has no debt service requirements.

CONSOLIDATED BUDGET SUMMARY

Budget Adoption

In compliance with the State of Oregon Local Budget Law, the FY 2014-15 Proposed budgets for the Agency were presented to the Budget Committee at its March 20, 2014 meeting, where the Budget Committee deliberated and approved the budget. On June 19, 2014, the Approved budget was presented to the Board of Commissioners for its consideration. A public hearing on the Approved budget was held and changes were considered by the Board. The Board then adopted the FY 2014-15 budgets by resolution.

These annual budgets are intended to serve as a financial and operational plan to achieve the Agency's goals and objectives.

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*Adopted Budget
Fiscal Year 2014-2015*

INDIVIDUAL FUNDS

BUDGET SUMMARIES – INDIVIDUAL FUNDS

THE GENERAL FUND

The General Fund is the Agency's sole operating fund, accounting for all revenues not restricted for other purposes, and all expenditures related to operations such as:

- personnel expenses,
- materials and services in support of operations,
- maintenance and utilities for the office building, radio towers and communications equipment, and
- operational capital needs.

The General Fund is organized by departments correlating to the various functions provided by the Agency, as described earlier.

The Board-approved policy for the amount of Contingency in the General Fund is for it to be no less than 12% of operating expenditures. This Contingency is for unforeseen events of significant cost and operational emergencies. Contingency is an operational reserve and is not intended as a reserve for large capital needs. In accordance with Board policy, \$1,543,787 is appropriated as Contingency in FY 2014-15. The remainder of the estimated ending fund balance (\$1,122,590) is scheduled as Unappropriated Ending Fund Balance, reserving it for a future year.

The General Fund of governmental entities is always disclosed as a major fund for the Comprehensive Annual Financial Report (CAFR).

CAPITAL PROJECTS FUND

The Capital Projects Fund is designated for large capital replacement needs, and in past years has provided radio system equipment, major office computer equipment and the Computer Aided Dispatch (CAD) replacement project. This fund continues to receive \$125,000 per year from the Washington County Public Safety Local Option Tax Levy, approval for which was renewed by the voters to extend through FY 2015-16. This fund's Contingency of \$414,339 is reserved for future large capital needs.

The Agency, with the assistance of its largest partner, Washington County, arranged for the purchase of a \$2.3 million Zone Controller for the radio system, for which \$630,000 in grant funds was secured in FY 2011-12 (\$130,000 of these grant funds were received in FY 2012-13). \$1.8 million of the purchase has been financed through Washington County, with the Agency funding the \$500,000 down payment and the annual \$275,554 lease payment. The Local Option Levy tax funds from Washington County will be used to pay a portion of this annual expense, as will the C800 Radio Group's 34% share of the annual payment. The financial arrangement with Washington County resulted in no asset and no indebtedness on the Agency's books.

The Capital Projects Fund is reported as a major fund by the Agency as a matter of policy, for qualitative reasons.

BUDGET SUMMARIES – INDIVIDUAL FUNDS

General Fund	Actual FY 2012-13	Fiscal Year 2013-14		Adopted
		Adopted Budget	Estimated To June 30	Budget FY2014-15
RESOURCES				
Beginning Working Capital	3,200,219	3,865,721	3,920,958	3,919,814
Revenues				
Interest	22,215	18,000	25,011	17,000
9-1-1 Telephone Tax	2,591,911	2,568,000	2,560,982	2,530,000
Member & Associate User Fees	7,832,815	8,089,508	8,076,706	8,493,984
C800 Contract Revenue	431,715	467,841	469,609	480,108
Non-Member Contract Revenue	224,804	236,800	245,262	280,000
Maintenance Services	148,414	238,500	239,689	125,000
Rental Revenue	97,622	104,000	112,518	113,395
Miscellaneous Income	273,667	83,000	97,114	99,000
Interfund Transfers	-	-	-	-
Total Revenues	11,623,163	11,805,649	11,826,891	12,138,487
TOTAL RESOURCES	14,823,382	15,671,370	15,747,849	16,058,301
REQUIREMENTS				
By Category				
Personnel Services	9,471,004	10,500,579	9,730,174	10,898,282
Materials & Services	1,361,569	2,270,082	2,063,239	1,966,608
Capital Outlay	69,851	52,500	34,622	277,034
Interfund Transfers	-	-	-	250,000
Contingency	-	1,489,339	-	1,543,787
TOTAL REQUIREMENTS	10,902,424	14,312,500	11,828,035	14,935,711
Unappropriated Ending Fund Balance (UEFB)		1,624,870		1,122,590
Fiscal Year End Fund Balance	3,920,958		3,919,814	
TOTAL BUDGET	14,823,382	15,937,370	15,747,849	16,058,301

TOTAL FY2014-15 BUDGET BY DEPARTMENT:

By Category:	Personnel Services	Materials & Services	Capital Outlay	Total Requirements
By Department:				
Administration & Finance	740,282	321,658	-	1,061,940
Performance Management	511,637	54,159	-	565,796
Operations	8,104,503	155,380	-	8,259,883
Logistics:				
<i>Data Services Division</i>	635,268	554,168	203,034	1,392,470
<i>Radio Services Division</i>	906,592	267,725	74,000	1,248,317
<i>Facilities Maintenance Division</i>	-	481,850	-	481,850
<i>Direct Bill Services Division</i>	-	131,668	-	131,668
Total Operational Expenditures	10,898,282	1,966,608	277,034	13,141,924
Nondepartmental:				
Transfer to Other Funds				250,000
Contingency				1,543,787
Unapprop. Ending Fund Balance				1,122,590
TOTAL BUDGET				16,058,301

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Capital Projects Fund

	Actual FY 2012-13	Fiscal Year 2013-14		Adopted Budget FY2014-15
		Adopted Budget	Estimated To June 30	
RESOURCES				
Beginning Working Capital	526,392	425,268	425,192	369,703
Revenues				
Interest	2,319	1,500	1,826	1,500
Grant Revenue	-	-	-	-
Intergovernmental Revenue	353,727	223,730	218,689	218,690
Interfund Transfers	-	-	-	250,000
Total Revenues	356,046	225,230	220,515	470,190
TOTAL RESOURCES	882,438	650,498	645,707	839,893
REQUIREMENTS				
By Category				
Materials & Services	275,554	425,554	275,554	425,554
Capital Outlay	181,692	-	-	-
Contingency	-	224,944	-	414,339
TOTAL REQUIREMENTS	457,246	650,498	275,554	839,893
Unappropriated Ending				
Fund Balance (UEFB)	-	-	-	-
Fiscal Year End Fund Balance	425,192	-	370,153	-
TOTAL BUDGET	882,438	650,498	645,707	839,893

BUDGET SUMMARIES – INDIVIDUAL FUNDS

ADMINISTRATION & FINANCE DEPARTMENT

Department Goals:

- Administration will maintain the Agency’s health and sustainability through:
 - Financial Planning
 - Ensuring that the necessary staff, equipment, and maintenance are available.
 - Analysis of “data driven” staff deployment plans
 - Continued recruitment and training to ensure talent resources are available to cover attrition and retirements
- Ensure that the Center has redundancy capabilities in order to maintain operations
- Prepare an annual budget document that complies with Oregon Budget Law and the Agency’s internal policies.
- Prepare the Agency’s Comprehensive Annual Financial Report (CAFR) in compliance with GASB and GAAP requirements.
- Prepare and distribute monthly budget to actual financial reports by the 10th business day of the month.

Accomplishments and Performance Measures:

- Received the GFOA Budget Award for Fiscal Year FY2013/14
- Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2012/13 CAFR
- Maintained operating efficiency during a period of reduced staffing

Departmental Budget:

		FY13/14	FY14/15
General Fund	FY12/13	Estimated	Adopted
<u>Administration & Finance Department</u>	<u>Actual</u>	<u>to June 30</u>	<u>Budget</u>
Personnel Services	453,009	517,551	740,282
Materials & Services	289,093	296,728	321,658
Total Expenditures / Appropriations	742,102	814,279	1,061,940
<u>Non-Departmental</u>			
Contingency			1,543,787
Unappropriated Ending Fund Balance			1,122,590
Fiscal Year Ending Fund Balance	3,920,958	3,919,814	
Total	3,920,958	3,919,814	2,666,377

The Administration and Finance Department has the management responsibility over the “Non-Departmental” appropriations and reserves of the Agency, as shown above.

BUDGET SUMMARIES – INDIVIDUAL FUNDS

The Administration and Finance Department is responsible for ensuring that the Agency's goals and objectives, as defined by the Boards, are fulfilled. To ensure the long term overall health and financial sustainability of the Agency, current objectives include completing the strategic plan and a long term capital plan with funding alternatives; seeking efficiencies through cooperative initiatives, and a studied approach to reducing membership fees. Ongoing efforts are towards providing the leadership within the Agency by guiding, supporting and assisting departments in fulfilling Agency-wide goals; maximizing the utilization of existing resources; ensuring financial stability through financial planning and budget management, and ensuring emergency preparedness through business continuity planning. Other administrative business and internal services of the Agency include a service desk for internal and external customers, Agency reception, accounting, financial reporting, treasury and payroll.

This department is staffed with an Administrative Specialist, a Finance Specialist, part-time Background Investigator, Chief Financial Officer, Assistant Director/Logistics Manager and the Director of the Agency (5.07 FTE), all of whom work with the other employees, other Departments, member agencies, and the community to ensure that WCCCA's services meet the high professional standards of its many partners and users.

PERFORMANCE MANAGEMENT

Department Goals:

- *Maintain Agency Accreditation*
- *Human Resources: Maintain a two year dispatcher new hire retention rate of 75% or greater.*
- *Public Education: Host or attend 12 events/classroom sessions per year.*

Accomplishments and Performance Measures:

- *Agency was re-accredited in 2013 and will be used as a model for other Agencies to achieve accreditation.*
- *Maintained a dispatcher new hire retention rate of above 75% for the past two years.*

Departmental Budget:

		FY13/14	FY14/15
General Fund	FY12/13	Estimated	Adopted
<i>Performance Management Department</i>	Actual	to June 30	Budget
Personnel Services	448,549	522,484	611,637
Materials & Services	26,012	33,580	54,159
Total Expenditures / Appropriations	474,561	556,064	665,796

BUDGET SUMMARIES – INDIVIDUAL FUNDS

The Performance Management Department is responsible for:

- Developing, implementing and maintaining quality training programs that enhance the knowledge base and skills of the Agency's dispatch and supervisory personnel;
- Managing the human resources function of the Agency;
- Managing the ongoing administrative policy updates;
- Maintaining all Agency records in accordance with State law, including training and certification records, and
- Implementing the Quality Improvement processes, conducting systemic cause analyses and providing recommendations for training, equipment changes and system improvements, thereby ensuring that the Agency continues to grow as a high reliability organization providing high quality services.
- Public information and education, including information dissemination.
- Maintaining Agency accreditation.

Performance Management is staffed by an on-call, part time Audio Reproduction Specialist, Human Resources Specialist, Program Coordinator, Training Coordinator and the Performance Manager (4.5 FTE).

OPERATIONS DEPARTMENT

Department Goals:

- *Answer 90% of all 9-1-1 calls in 20 seconds or less*
- *Provide professional, prompt and accurately detailed services to our police, fire and emergency medical services field users.*

Accomplishments and Performance Measures:

- *Achieved an average calendar year 2013 9-1-1 call answer time of 9 seconds for wireline calls and 18 seconds for wireless calls.*
- *Received 2 APCO State "Critical Incident Awards"*
- *Received 2 APCO "Stork Awards" for delivery of a child prior to EMS arrival*
- *22 known CPR Saves in calendar year 2013*

Departmental Budget:

		FY13/14	FY14/15
General Fund	FY12/13	Estimated	Adopted
<i>Operations Department</i>	Actual	to June 30	Budget
Personnel Services	7,018,781	7,193,856	8,104,503
Materials & Services	122,333	132,059	155,380
Total Expenditures / Appropriations	7,141,114	7,325,915	8,259,883

BUDGET SUMMARIES – INDIVIDUAL FUNDS



The primary function of the Operations Department is to provide 24 hours per day, 7 days per week, 9-1-1 and emergency call answering and radio dispatching services for 18 of the Agency’s Member governments, which include both Police and Fire services. The Operations Department is authorized for 64 Dispatchers, 6 Operations Supervisors and an Operations Manager (71 FTE). Dispatchers handle over 467,000 calls and over 533,000 radio dispatch requests each year, and are the Agency’s front-line service providers for citizens, police officers, firefighters and emergency medical responders alike. They continually strive to accomplish the mission to provide timely, efficient and compassionate communications services to all.

LOGISTICS DEPARTMENT

The Logistics Department is subdivided into the following divisions:

- Radio Services Division
- Data Services Division
- Facilities Division
- Direct Bill Services Division

Radio Services Division

Department Goals:

- Maintain voice communication systems to achieve 99.98% or better reliability.
- Ensure paging and notification systems achieve 98% or better reliability
- Maintain microwave transport systems to achieve 99.99% reliability.

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Accomplishments and Performance Measures:

- Performed preventative maintenance services on 25 user agencies' communications equipment
- Installed a microwave link between the City of Portland and WCCCA to support radio interconnectivity and interoperability.
- Upgraded the 48VDC battery backup system at two tower sites to avoid potential outages.
- Relocated the Chehalem Communications site to improve coverage for Washington, Yamhill and Clackamas Counties.

Departmental Budget:

General Fund		FY13/14	FY14/15
Logistics Department	FY12/13	Estimated	Adopted
Radio Services Division	Actual	to June 30	Budget
Personnel Services	998,284	1,024,296	906,592
Materials & Services	156,170	289,222	267,725
Capital Outlay	43,834	34,622	74,000
Total Expenditures / Appropriations	1,198,288	1,348,140	1,248,317

The Radio Services Division is responsible for maintaining the Agency's radio tower infrastructure and microwave/radio system, and radio equipment for user agencies and Agency facilities. The Radio Services Division is also responsible for maintaining Clackamas County's radio tower infrastructure and microwave/radio system, as well as its user radio equipment through an intergovernmental contractual arrangement. This Division is staffed for FY14-15 by four Technicians, one and a half Facilities Maintenance Technicians (II and I, respectively), one Radio Services Supervisor, and a 0.35 FTE Systems and Architecture (6.95 FTE).

Data Services Division

Goals:

- Manage the Agency's portion of the CAD system to ensure it meets operational needs;
- Maintain necessary GIS and MSAG databases for efficient operation of the dispatch center, and
- Maintain the Agency's public and private web presence.

Accomplishments and Performance Measures:

- Completed in excess of 400 work orders for external customers during 2013.
- Completed a technically challenging CAD server swap and decommissioned an aging and slower server.
- Maintenance of the CAD system resulted in no unplanned outages.

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Departmental Budget:

General Fund		FY13/14	FY14/15
Logistics Department	FY12/13	Estimated	Adopted
<i>Data Services Division</i>	Actual	to June 30	Budget
Personnel Services	552,381	471,987	635,268
Materials & Services	315,686	587,567	554,168
Capital Outlay	15,237	-	203,034
Total Expenditures / Appropriations	883,304	1,059,554	1,392,470

The Data Services Division maintains the software and programs that enable computer aided dispatching (CAD) services and information services to the Agency departments. Additionally, Data Services provides information to users and the public upon request. This division is staffed by a GIS Analyst, an Information Systems Technician, an Information Systems Analyst II, a Data Services Coordinator, and one CAD/ IT Services Supervisor (5 FTE).

Facilities Division

The Facilities Division of the Logistics Department is a separately budgeted division within the General Fund for appropriations made for major facilities repair and maintenance projects. This division has no personnel.

Departmental Budget:

General Fund		FY13/14	FY14/15
Logistics Department	FY12/13	Estimated	Adopted
<i>Facilities Division</i>	Actual	to June 30	Budget
Materials & Services	381,527	494,052	481,850
Capital Outlay	10,780	-	-
Total Expenditures / Appropriations	392,307	494,052	481,850

Direct Bill Services Division

This “division” provides an accounting mechanism and ease of managerial oversight for all technical radio services delivered to Members and Non-Members on a direct bill basis. The Radio Services Division provides radio and mobile data computer repair services, radio tower communications equipment repair and upgrade services, and other related services.

Departmental Budget:

General Fund		FY13/14	FY14/15
Logistics Department	FY12/13	Estimated	Adopted
<i>Direct Bill Services Division</i>	Actual	to June 30	Budget
Materials & Services	70,748	230,031	131,668

BUDGET SUMMARIES – INDIVIDUAL FUNDS

SIGNIFICANT NON-RECURRING CAPITAL EXPENDITURES

The Agency is in a period of time where capital expenditures have been reduced. Capital expenditures currently budgeted for Fiscal Year 2014-15 are primarily annual operational needs.

General Fund

The Radio Services Division (\$74,000) and Data Services Division (\$203,034) of the Logistics Department in the General Fund are budgeted for \$277,034 of Capital Outlay for FY 2014-15. This capital expenditure is to purchase a new server and related computer equipment for the new CAD system, upgrade the radio system monitoring capability, and battery replacement.

Capital Projects Fund

There are no significant non-recurring capital expenditures budgeted in the Capital Projects Fund for FY 2014-15.

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*Adopted Budget
Fiscal Year 2014-2015*

BUDGET POLICIES & PROCESS

BUDGET & FINANCIAL POLICIES

- I. **Balanced Budget:** The budget shall be presented in balance as to total projected resources and requirements, and shall operate as such throughout the fiscal year. The levels of expenditure control for each fund shall be established as Personnel Services, Materials and Services, Capital Outlay and Fund Transfers. No expenditures are allowed directly from Contingency. In anticipation of deviations from the adopted budget at these levels, or in total resources, staff shall make recommendations to the Board of Commissioners to bring the budget back into balance.

- II. **Implementation of Service Levels:** The budget process will aim ultimately for the implementation of the coordinated directives of its contracting entities in fulfilling service priorities and service levels. Ideally, these service priorities and service levels should be identified and agreed upon well in advance of the release of the Proposed Budget Document. Gaps between the current service levels/corresponding funding levels and new demands/corresponding funding from the users should be clearly identified along with the full cost impacts and options associated with filling those gaps.

- III. **Budget Emphasis:** In accordance with the service level discussion above, the budget will identify the resources needed to meet current service priorities and levels identified by its users. The budget will attempt to balance the need to minimize user fee increases with the need to fulfill current service priorities, maintain quality of services and meet demands identified by its users. If there is a need to move beyond current service levels because of a user-identified demand or a public demand (e.g. population increase), options for responding to those demands will be presented. Examples of potential options include: a) creative approaches to service delivery to increase efficiency and maintain quality; b) the erosion of the existing service level, or c) user-approved funding of the new service demand.

- IV. **Staffing Levels:** Staff will continue to assess staffing levels to ensure the necessary number of employees to meet the service standards established by user agencies. New staff will be considered at the request of users, and in accordance with goals established by the Board, and in the context of the processes outlined in #2 and #3 above.

- V. **Materials and Services:** The Agency's obligation to minimize user fee increases must be balanced with the need to maintain a viable 9-1-1 communications center and reliable radio tower equipment and infrastructure. Accordingly, staff will develop a budget that will allow for adequate maintenance and growth, while striving for efficiencies and cost-reduction measures. Actual expenditures shall be compared to budget periodically, and any significant variations justified. If necessary, staff shall recommend a course of action to bring the budget back into balance along with the implications to the long term financial plan.

BUDGET & FINANCIAL POLICIES

- VI. **Unpredictable Revenues:** The budget shall avoid the use of one-time revenues to fund ongoing expenditures. Any new programs/projects that will have ongoing expenditures shall be established in accordance with #2 and #3 above. Regarding unpredictable revenues, staff shall conservatively estimate revenues, using historical collection trends and advance knowledge of future changes. If during the adopted budget cycle, it becomes apparent that estimated revenues will be significantly less than budgeted, staff shall recommend a course of action to the Board of Commissioners.
- VII. **Financial Planning:** Staff will present annually for Board consideration an updated five year financial forecast using current economic indicators and projections of growth (or decline) to maintain a long term perspective of the financial health of the Agency and predicted impacts upon user fee rates.
- VIII. **Pursuit of New Revenues:** Staff shall continue to pursue new revenues from contract users and other revenue sources wherever and whenever possible as long as new users are assigned a fair portion for infrastructure and overhead development costs of the 9-1-1 system where applicable. New users should not be allowed onto the system if long-term capacity for current members under contract is impacted, or if system depreciation or inefficiency is accelerated.
- IX. **Strategic Investments:** Staff will continue to identify for Board consideration, opportunities to make strategic investments in training, technology, and other infrastructure aimed at modernizing or enhancing the efficiency of the Agency.
- X. **Reserves and Contingencies:** The Agency will continue to maintain a contingency fund for unforeseen expenditures. The goal for the General Fund contingency is for it to be maintained at not less than 12% of operating expenditures. Additionally, WCCCA shall maintain a prudent level of financial reserves to protect against the need to reduce service levels and/or raise fees due to temporary revenue shortfalls or unpredicted one-time expenditures.
- XI. **Purchasing:** The Agency shall maintain a Purchasing Manual that complies with State Law, including ethics and fair and full competition in the expenditure of public funds, and which delineates the dollar amount thresholds of authorities for purchasing and contracting, and defines procedures for complying with state statutes, federal regulations and Agency policy.
- XII. **Capital Projects Fund:** The Agency shall maintain a separate fund to account for the restricted revenue of shared Local Option Levy tax funds from Washington County, together with other revenue associated with large capital funding, interest and Board authorized expenditures. This fund is considered a major fund for financial reporting purposes for qualitative reasons.

BUDGET PROCESS AND CALENDAR

The accounting reflected in this Proposed Budget for Fiscal Year 2014-15 conforms to generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board. The Agency's finances are organized on a fund basis, each of which is considered a separate budgetary and accounting entity. The Agency uses the modified accrual basis of accounting for budgeting as well as for accounting as all funds are governmental fund types, which require the modified accrual basis of accounting under GAAP.

The Board of Commissioners' resolution authorizing appropriations for each fund at the end of the budget process sets the legal level limitations on authorized expenditures. Total Personnel Services, Materials and Services, Capital Outlay and Inter-fund Transfers are the budgetary category levels for expenditure appropriations and budgetary control for each fund. Amounts are also scheduled for Contingency and Unappropriated Ending Fund Balance. Appropriations lapse at fiscal year-end.

Original budgets may be modified by the use of appropriation transfers between the budgetary categories only upon adoption of a resolution by the Board of Commissioners. If it becomes necessary to amend the budget during the fiscal year to increase a fund by more than 10%, a supplemental budget is prepared and published pursuant to state law. Staff presents the supplemental budget to the CEO Board, who makes a recommendation to the Board of Commissioners regarding adoption. A public hearing is held, and the supplemental budget is considered for adoption.

A draft Fiscal Year 2014-15 budget was reviewed by the CEO Board on February 20, 2014 and recommended to the Budget Committee as the Proposed Budget. The Budget Committee met to review and deliberate upon the Proposed Budget on March 20, 2014. On June 19, 2014, the Board of Commissioners held a public hearing regarding the Approved Budget and adopted the budget. The Adopted Budget included changes as allowable under state Budget Law.

BUDGET PROCESS AND CALENDAR

November 21: Chief Executive Officer (CEO) Board reviews FY 2014/15 budget policies, budget calendar and preliminary calculation of member fees by Agency.

November, 2013						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 19: Board of Commissioners approves FY 2014/15 fees, budget policies and calendar. Any further appointments to the Budget Committee to be considered.

December, 2013						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 14: CEO Board packets issued with draft budget document. Budget Committee packets issued with Board of Commissioners' September, 2013 Financial Forecast and CEO Board's draft budget.

February, 2014						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

February 20: CEO Board (2:30 pm) to consider FY 2014/15 draft line item Budget; recommends Proposed Budget to the Budget Committee; consider any FY 2014/15 Budget adjustments for recommendation to Board of Commissioners.

(4:00 pm) Budget Committee Work Session: Orientation and overview; financial forecast; member fees; major issues (9-1-1 taxes; fees).

March, 2014						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

March 20: CEO Board, Board of Commissioners and Budget Committee meetings. Budget Committee deliberates towards an Approved Budget.

June 19: Board of Commissioners adopts FY 2014/15 Budget.

June, 2014						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Calendar Color Key Code
CEO Board meeting
CEO & Board of Comm. Meeting
Both Boards & Budget Committee

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Adopted Budget
Fiscal Year 2014-2015

MEMBER FEES

MEMBER FEES

WASHINGTON COUNTY CONSOLIDATED COMMUNICATIONS AGENCY

FY 2014/15 WCCA Member User Fees by Agency

FY 13/14 Fees by Agency	Agency	Member Fees	800 System Radio Fees	Subtotal Costs	Amount over Prior Year Fee	% Increase % above capped fee*	3% Cap Adjustment	Total \$ Increase over prior year	FY 14/15 TOTAL	% Inc. after 3% Adj.
\$1,973,253	Sheriff's Office	\$ 1,913,289	\$ 152,819	\$ 2,066,108	\$ 92,855	4.7%	\$ 20,848	\$ 113,703	\$ 2,086,956	5.8%
1,139,641	Beaverton Police	1,118,936	68,499	1,187,434	47,793	4.2%	11,982	59,775	1,199,416	5.2%
1,138,008	Hillsboro Police	1,118,936	55,015	1,173,950	35,942	3.2%	11,846	47,788	1,185,796	4.2%
575,849	Tigard Police	558,105	35,957	594,062	18,213	3.2%	5,994	24,208	600,057	4.2%
311,423	Tualatin Police	299,110	23,912	323,021	11,598	3.7%	3,259	14,858	326,281	4.8%
212,885	Sherwood Police	209,159	12,046	221,205	8,320	3.9%	2,232	10,552	223,437	5.0%
191,878	Forest Grove Police	184,371	13,844	198,214	6,336	3.3%	2,000	8,336	200,214	4.3%
108,389	Cornelius Police	102,366	6,293	108,659	270	0.2%	1,096	1,366	109,755	1.3%
20,023	King City Police	36,931	3,955	40,886	20,863	104.2%*	(20,262)	601	20,624	3.0%
12,784	City of Durham	15,631		15,631	2,847	22.3%*	(2,464)	384	13,168	3.0%
12,059	North Plains Police	17,097	5,753	22,850	10,791	89.5%*	(10,429)	362	12,421	3.0%
6,959	Banks Police	15,250		15,250	8,291	119.1%*	(8,082)	209	7,168	3.0%
5,780	Gaston Police	5,498	1,618	7,117	1,337	23.1%*	(1,163)	173	5,953	3.0%
\$5,708,931	Total Police Costs	\$ 5,594,678	\$ 379,709	\$ 5,974,387	\$ 265,456		\$ 16,858	\$ 282,315	\$ 5,991,246	4.9%
	Cost per Console	\$ 1,118,936								
\$1,585,837	TVFR	\$ 1,534,743	\$ 112,896	\$ 1,647,639	\$ 61,802	3.9%	\$ 16,626	\$ 78,427	\$ 1,664,264	4.9%
423,778	Hillsboro Fire	419,802	32,806	452,608	28,830	6.8%	4,567	33,397	457,175	7.9%
164,730	Forest Grove Fire	147,908	20,893	168,801	4,071	2.5%	1,703	5,774	170,504	3.5%
60,626	WCFD #2	51,686	18,510	70,197	9,571	15.8%*	(7,752)	1,819	62,445	3.0%
44,599	Cornelius Fire	46,301	13,929	60,230	15,631	35.0%*	(14,293)	1,338	45,937	3.0%
27,781	Banks Fire #13	21,584	14,845	36,429	8,648	31.1%*	(7,814)	833	28,614	3.0%
18,411	Gaston Fire	15,846	13,012	28,858	10,447	56.7%*	(9,895)	552	18,963	3.0%
\$2,325,762	Total Fire Costs	\$ 2,237,871	\$ 226,891	\$ 2,464,762	\$ 139,000		\$ (16,858)	\$ 122,141	\$ 2,447,903	5.3%
	Cost per Console	\$ 1,118,936								

* = subject to a cap of 3% increase

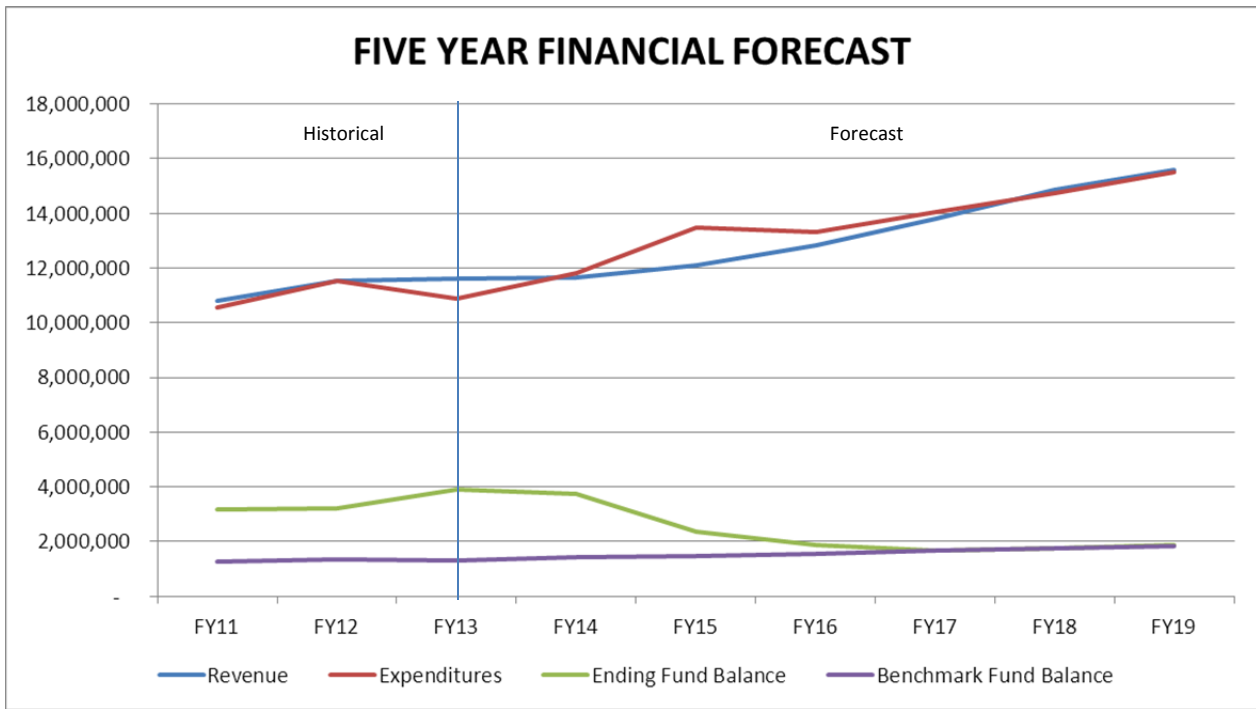
Total Member & Associate Dispatch Contracts

Combined Police & Fire member fees, above:	\$ 8,439,149
Associate members (Wash Co Dept.s; Hillsboro & Sherwood PWks):	54,835
Total	\$ 8,493,984

Adopted Budget
Fiscal Year 2014-2015

GENERAL FUND
5 YEAR FINANCIAL PLAN

GENERAL FUND – FIVE YEAR FINANCIAL PLAN



The above graph depicts the Agency’s “Financial Forecast” for FY 2014 through FY 2019. The Agency customarily uses the terminology “Forecast” because of the dynamic nature of this planning, particularly for the second and ensuing years. The first year of each forecast, however, is used to develop the upcoming year’s budget, and the member agencies place some reliance upon the ensuing years unfolding as planned.

The Board of Commissioners adopts a financial forecast as part of the Board Retreat each year. The following February, management’s financial performance measured against the financial forecast of the current year is formally presented to the Chief Executive Officers Board, and the draft budget for the ensuing fiscal year must be demonstrated to comply with the financial plan. Financial performance against the forecast for the current year is then also reported to both Boards in June. Effectively, this Agency manages and reports its finances from two perspectives and separate processes – the long term, based upon the forecast, and the near term, based upon the annual budget.

GENERAL FUND – FIVE YEAR FINANCIAL PLAN

	FY10-11 Actual	FY11-12 Actual	FY12-13 Actual	FY13-14 Projected	FY14-15 Forecast	FY15-16 Forecast	FY16-17 Forecast	FY17-18 Forecast	FY18-19 Forecast
RESOURCES									
Beginning Working Capital	2,938,036	3,177,191	3,200,219	3,920,958	3,762,014	2,376,531	1,893,296	1,669,858	1,774,148
Revenues									
Interest	17,308	19,127	22,215	18,000	22,572	14,259	11,360	10,019	10,645
911 Excise Tax	2,708,898	2,605,085	2,591,910	2,568,000	2,542,320	2,516,897	2,491,728	2,466,811	2,442,142
IGA User Fees / Member & Associate Fees	6,952,832	7,625,138	7,832,815	8,089,508	8,493,984	9,215,973	10,183,650	11,202,015	11,930,146
System User Contracts (C800 only)	428,448	437,743	431,715	467,841	477,198	486,742	496,477	506,406	516,534
Non-Member Contracts	161,447	184,595	224,804	236,800	258,112	281,342	306,663	334,263	364,346
Tower Site Rent Revenue	126,331	92,963	97,622	104,000	110,000	116,000	122,000	128,000	134,000
Grant Revenue	-	-	-	-	-	-	-	-	-
Maintenance Services	194,619	109,313	148,415	92,500	97,819	103,443	109,391	115,681	122,333
Miscellaneous Income	222,691	463,038	273,667	83,000	92,000	92,000	92,000	92,000	92,000
Total Current Revenues	10,812,574	11,537,002	11,623,163	11,659,649	12,094,005	12,826,656	13,813,269	14,855,195	15,612,147
Total Resources	13,750,610	14,714,193	14,823,382	15,580,607	15,856,019	15,203,187	15,706,564	16,525,053	17,386,295
EXPENDITURES									
Personnel Services									
Salaries & Wages & Overtime	6,269,825	6,331,522	6,320,174	6,580,167	6,826,573	7,108,281	7,463,695	7,836,880	8,228,724
Medical Insurance	1,234,798	1,345,550	1,341,437	1,554,652	1,596,107	1,771,965	1,949,162	2,144,078	2,358,486
PERS	774,371	1,176,523	1,187,673	1,265,151	1,311,040	1,365,127	1,443,479	1,515,653	1,591,435
Social Security	470,556	469,925	470,278	481,324	499,814	520,644	559,777	587,766	617,154
Other Payroll Costs & Benefits	154,157	177,985	151,441	212,526	217,035	223,290	225,523	227,778	230,056
Total Personnel Services	8,903,707	9,501,505	9,471,003	10,093,819	10,450,569	10,989,308	11,641,636	12,312,155	13,025,856
Materials & Services	1,524,793	1,593,772	1,361,570	1,672,274	1,705,719	2,007,834	2,047,990	2,088,950	2,130,729
Capital Outlay	91,219	198,197	69,851	52,500	85,200	87,750	90,380	93,100	95,880
Subtotal Operating Expenditures	10,519,719	11,293,474	10,902,424	11,818,593	12,241,488	13,084,891	13,780,006	14,494,205	15,252,465
Operating Revenue Over (Under) Oper. Exp.	292,855	243,528	720,739	(158,944)	(147,483)	(258,235)	33,262	360,990	359,682
Transfers - Capital Projects Fund	53,700	220,500			1,238,000	225,000	256,700	256,700	256,700
Total Expenditures	10,573,419	11,513,974	10,902,424	11,818,593	13,479,488	13,309,891	14,036,706	14,750,905	15,509,165
Increase (Decrease) in Fund Balance	239,155	23,028	720,739	(158,944)	(1,385,483)	(483,235)	(223,438)	104,290	102,982
ENDING FUND BALANCE	3,177,191	3,200,219	3,920,958	3,762,014	2,376,531	1,893,296	1,669,858	1,774,148	1,877,130
	30.0%	27.8%	36.0%	31.8%	19.4%	14.5%	12.1%	12.2%	12.3%
Benchmark: Ending Fund Balance @ 12%	1,262,366	1,355,217	1,308,291	1,418,231	1,468,979	1,570,187	1,653,601	1,739,305	1,830,296
% User Fee Increase	9.9%	9.9%	3.0%	3.0%	5.0%	8.5%	10.5%	10.0%	6.5%

The above chart is the basis of the preceding graph. Its assumptions are as follows:

1. No new partners or contracted members (no new significant sources of revenue);
2. 9-1-1 taxes will continue to decline;
3. Non-member radio fees and contracted radio fees will continue to increase;
4. Inflation and interest earnings will remain moderate;
5. Member fees are set to maintain an ending fund balance at a minimum of 12%;
6. Consumption of Working Capital/Fund Balance down to the policy level of 12%;
7. Inclusive of all operational expenses, including the Zone Controller annual maintenance expense;
8. Use of fund balance to acquire a new CAD system;
9. Capital funding to be included in the Long Term Capital Plan, with funding options;
10. Performance against the forecast will be monitored and reported regularly;
11. Adjustable annually and not to be considered set for the full forecasted period.

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*Adopted Budget
Fiscal Year 2014-2015*

GLOSSARY

GLOSSARY

Account

A record collecting related debits or credits of like expenditures or revenues.

Example: "Office Supplies" is a record of expenditure charges or debits called an account.

Appropriation

"An authorization granted by the governing body to make expenditures and to incur obligations for specific purposes. An appropriation is limited to a single fiscal year for municipal corporations preparing annual budgets, or to the budget period for municipal corporations preparing biennial budgets."¹ Appropriations limit the amount that may be legally expended and lapse at the end of the budget time frame.

Budget

A financial plan for operational and capital purposes embodying an estimate of expenditures for a given period (e.g., fiscal year), and the means of financing them (estimates of resources, revenues and debt).

Budget Message

An overview and discussion of the budget as presented by or at the direction of the executive officer of the agency. State of Oregon Local Budget Law (ORS 294.391 requires that the budget message shall:

- (1) Explain the budget document;
- (2) Contain a brief description of the proposed financial policies of the municipal corporation for the ensuing year or ensuing budget period;
- (3) Describe in connection with the financial policies of the municipal corporation, the important features of the budget document;
- (4) Set forth the reason for salient changes from the previous year or budget period in appropriation and revenue items; and
- (5) Explain the major changes in financial policy.

Budgetary Control

The established system and efforts of management (at an administrative level) and governing bodies (at a legal level) to maintain expenditures within the limitation of authorized appropriations and available resources in accordance with an adopted budget.

CAD

Computer Aided Dispatch - The computer system used by dispatchers to enter calls for service and dispatch to field units. CAD is also used to track officer activity, such as traffic stops.

CAD Incident

Every call for service or officer activity entered into the CAD system is a separate incident and is assigned an incident number.

GLOSSARY

Call for Service

An incident which is reported to, or called in to, the dispatch center and is then sent to the appropriate user agency for action.

Capital Expenditures

Expenditures for items considered to have a life of more than one year, an original cost in excess of \$5,000, which are of a durable nature and used in the operations of the entity (e.g., buildings, land, equipment, furnishings, vehicles, communications equipment, radio infrastructure).

Capital Projects Fund

A fund used to account for resources, such as a property tax levy, to be used for major capital purchase or construction.

Beginning Working Capital /Beginning Fund Balance

The excess of a government's current assets over its current liabilities at the start of a new fiscal year.

CEO Board

For Washington County Consolidated Communications Agency: the Chief Executive Officers Board with specific delegated authority of the Board.

Contract Users

As used in this document: entities using the Washington County Consolidated Communications Agency radio infrastructure system through a negotiated contract.

Debt

An obligation resulting from the borrowing of money or from the purchase of goods and services on credit. WCCCA does not incur debt due to its formation under a former version of ORS Chapter 190.

Ending Fund Balance

The excess of a government's current assets over its current liabilities at the end of a fiscal year.

Expenditures

The incurrence of an outflow of financial resources for goods, services or other (interest; penalties) by a government. "Expenditure" correlates with "expenses" of private enterprise but can be measured differently.

Fiscal Year

A twelve-month period of time in which revenues and expenditures are allocated and reported for budget and financial reporting purposes.

GLOSSARY

FTE

Full Time Equivalent – the number of positions calculated on the basis that one FTE equates to a 40-hour work week for twelve months. For example, two part-time positions working 20 hours per week for twelve months equals one FTE.

Fund

A distinct financial accounting entity with a self-balancing set of accounts for resources set aside for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. A fund's accounts include revenues, expenditures and "equity" accounts, the latter of which is referred to as "fund balance".

Fund Balance

The amount of total assets in excess of total liabilities in a governmental financial entity.

General Fund

The general operating fund which is used to account for all transactions of a government not accounted for in another fund.

Governmental Funds

"The funds through which most governmental functions are typically financed"², including the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds and Permanent Funds. The Agency has only two funds, both of which are Governmental Funds.

IGA

Intergovernmental Agreement –a written contract among governmental entities.

Interfund Transfers

Transfers of resources between funds.

Levy

(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities.

(Noun) An amount of taxes imposed by a governmental unit.

Line Item: An account used for budget and accounting purposes.

Long Term Capital Plan:

An operational and financial plan that looks at the future capital needs of the Agency, typically 3-5 years in the future.

M&R: Maintenance and Repair.

GLOSSARY

Materials and Services

A category of budgeted expenditures comprised of general expenses in support of operations, such as supplies, utilities, travel and training, contractual services, maintenance, etc.

Modified Accrual Basis

“The basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measureable and available and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).”²

OPSRP

Oregon Public Service Retirement Plan. A State of Oregon defined contribution/defined benefit pension plan to which members make contributions; employers may or may not also make contributions. OPSRP members are employees hired by a public employer participating in the OPSRP Pension Plan into a qualifying position on or after August 29, 2003.

ORS: Oregon Revised Statutes adopted by the State of Oregon Legislature.

ORS Chapter 190

An Oregon Revised Statute which states that a unit of local government may enter into a written agreement with any other unit or units of local government for the performance of any or all functions and activities that a party to the agreement, its officers or agencies, have authority to perform. The agreement may provide for the performance of a function or activity. The resulting “Chapter 190” organization is a governmental entity under law.

PERS

The Public Employees Retirement System. A State of Oregon defined benefit pension plan to which both employee and employer have defined contribution rates.

Personnel Services

A category of budgeted expenditures comprised of salaries, wages, payroll expenses and benefits for all budgeted staff positions.

PSAP

Public Safety Answering Point – an industry term for an emergency communications (or 9-1-1) center.

Radio Infrastructure

The facilities and networks employed to transmit and receive information by electronic, microwave and radio means. This includes, but is not limited to, point-to-point microwave radio, data base stations, voice radio repeaters, and metallic cables.

GLOSSARY

Requirements

The set of appropriation categories that comprise the budget and define the level of funding required to support operations.

Resources

Current revenues plus the Beginning Fund Balance of a governmental unit.

Revenue

An amount of inflow resulting from a financial transaction within a fiscal year.

Self-Initiated Activity

Activity initiated by a field unit and reported to dispatch from a field unit and entered into CAD as an incident.

Unappropriated Ending Fund Balance

An estimated amount of a fund's budgeted resources that is established to be available to the ensuing year's budget and specifically reserved as such. This amount can be transferred to expenditure appropriations only by resolution of the governing body.

Users

Refers to any of the 18 police or fire emergency response agencies that are members of the intergovernmental partnership forming the Agency, or by other contract.

WCCCA

An acronym for Washington County Consolidated Communications Agency.

WCDA

Washington County Dispatchers Association – refers to the collective bargaining unit for union representation at WCCCA

Sources cited:

1. Oregon Revised Statutes, Chapter 294.311, Salem: State of Oregon, 2011.
2. Gauthier, Stephen J., *Governmental Accounting Auditing and Financial Reporting*, Chicago: Government Finance Officers Association, 2012.

