



Adopted Budget Fiscal Year 2016-17

***Draft Budget Approved by Chief Executive Officers Board
February 18, 2016***

***Proposed Budget Submitted to the Budget Committee
March 17, 2016***

***Approved Budget Adopted by the Board of Commissioners
June 23, 2016***

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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>	Michael Brown, City Manager
<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 Dey
<i>Banks Fire Protection District #13</i>	Fire Chief Rodney Linz
<i>Washington County Fire District #2</i>	Fire Chief Jim Stearns
<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 - 12/2016</i>
Michael Riedel	<i>City of Beaverton</i>	<i>1/2015 - 12/2018</i>
Keith Mays	<i>City of Sherwood</i>	<i>1/2016 - 12/2019</i>
Michael Mudrow	<i>Tualatin Valley Fire & Rescue</i>	<i>1/2013 - 12/2016</i>
Monte Akers	<i>City of Hillsboro</i>	<i>1/2013 - 12/2016</i>
Robert Kellogg	<i>City of Tualatin</i>	<i>2/2013 - 12/2016</i>
Donald Allen	<i>Gaston Rural Fire</i>	<i>1/2013 - 12/2016</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>	Michael Brown, City Manager
<i>Tualatin Valley Fire & Rescue</i>	Bob Wyffels, Board of Directors
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<i>City of Sherwood</i>	Police Captain Mark Daniel
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<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 Dey
<i>Banks Fire District # 13</i>	Fire Chief Rodney Linz
<i>Washington Co. Fire District #2</i>	Fire Chief Jim Stearns
<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 Forest Grove</i>	Fire Chief Michael Kinkade



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Washington Co. Consolidated Communications Agency
Oregon**

For the Fiscal Year Beginning

July 1, 2015

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, 2015.

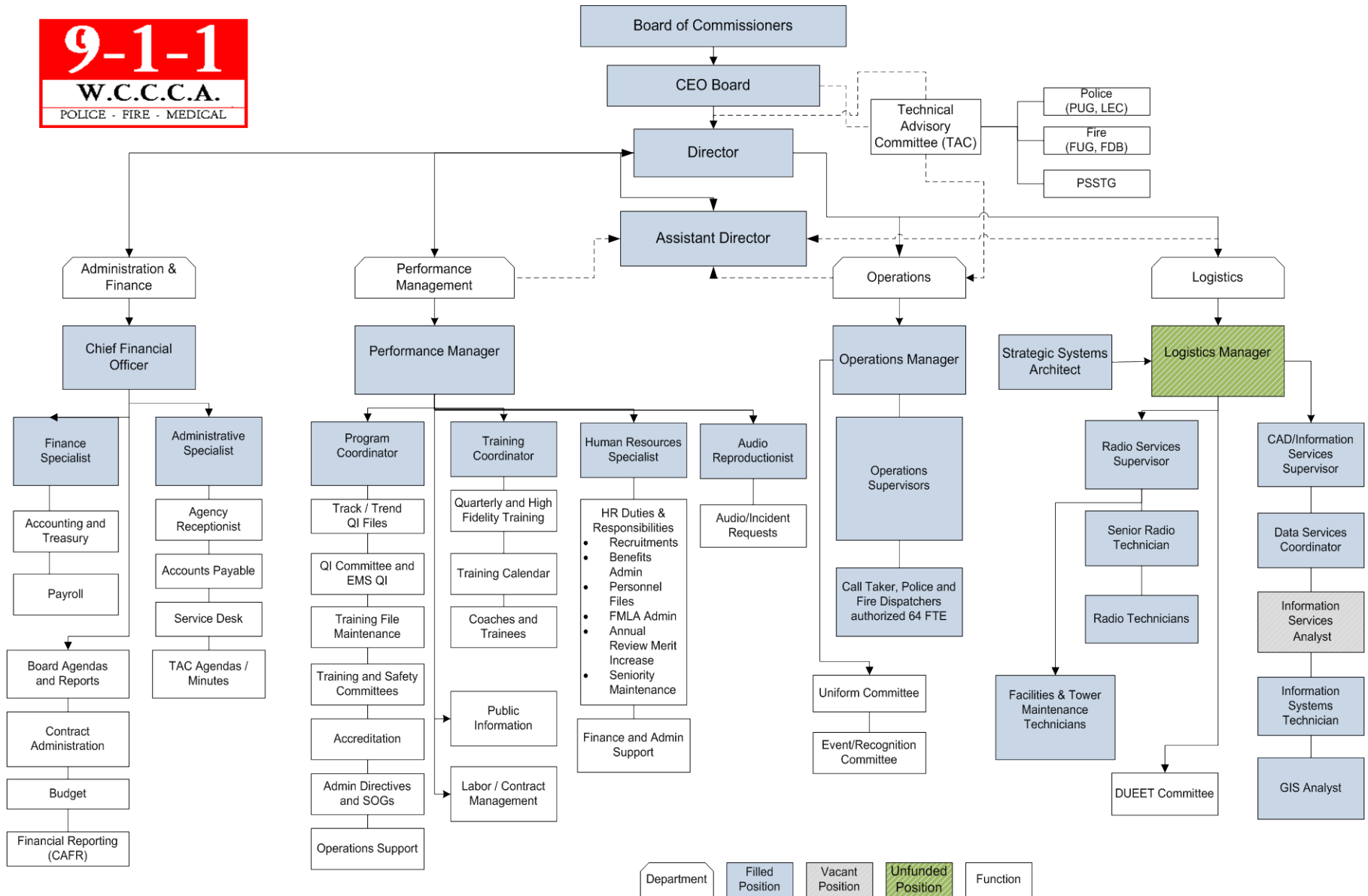
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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 2016-2017

AGENCY OVERVIEW

ORGANIZATIONAL CHART

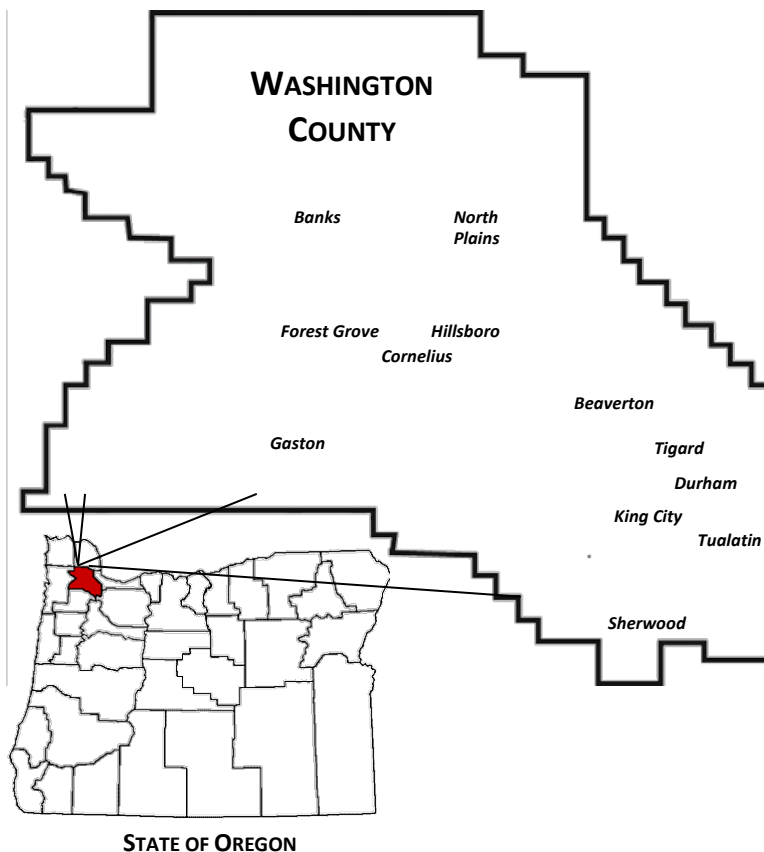


AGENCY OVERVIEW

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 570,500.



Through its broad geographic footprint, the Agency serves a rapidly developing and growing part of Oregon's economic base. The population serviced by the Agency has experienced considerable growth over the past 25 years and is expected to continue to grow over the next 20 years.

AGENCY OVERVIEW

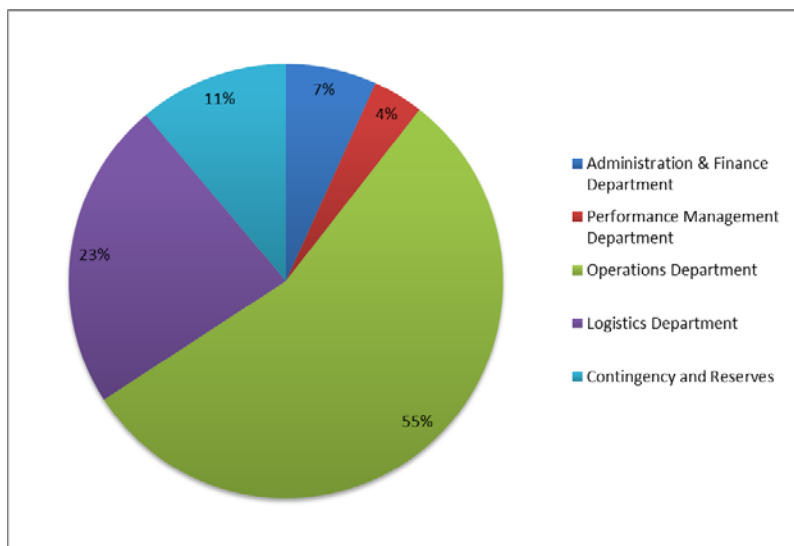
The Agency is funded by user fees from the participating jurisdictions, State 9-1-1 excise taxes, contract revenues from Clackamas County’s C800 Radio Group (a governmental partnership formed under Oregon Revised Statutes Chapter 190), the City of Newberg, and other smaller contracts. The Agency provides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

In March of 2014 the Agency entered into an intergovernmental agreement with Clackamas County and the City of Lake Oswego to form the Metropolitan Area Joint CAD System (“MAJCS”). The purpose of the agreement was to share resources under a jointly operated and managed CAD system. In April of 2014 the group entered into a contract with Tiburon, the current CAD provider, to upgrade from Stratus CAD to Tiburon’s CommandCAD system. A significant effort was put forth in planning for the new system and uniting the MAJCS group under one CAD platform. On February 6, 2015, TriTech Software Systems (“TriTech”) announced that they had purchased Tiburon, Inc. and although they would support CommandCAD there would be no enhancements to the product and no new systems would be sold under Tiburon’s CommandCAD product line. MAJCS determined that the best course of actions was to work under the existing Tiburon/TriTech contract but amend it to move to TriTech’s flagship product, Inform CAD. Inform CAD had been a top rated product when looking at CAD systems but previously it had been cost prohibitive to move to that platform. The Agency expects to go live with the Inform CAD system in the fall of 2017.

The Agency is operated by a dedicated staff of 93.52 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 2016-17.



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 2016-17 Full Time Equivalent Positions

NON-REPRESENTED POSITIONS	Adopted FY12/13	Adopted FY13/14	Adopted FY14/15	Adopted FY15/16	Proposed FY16/17	Change from prior FY
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	3.00	3.00	-	-	-	-
Human Resources Specialist	-	-	1.00	1.00	1.00	-
Finance Specialist	-	-	1.00	1.00	1.00	-
Program Coordinator	-	-	1.00	1.00	1.00	-
Administrative Specialist	1.00	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	-
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	5.00	5.00	-
Facilities Maintenance Tech's I & II	1.50	1.50	1.60	1.60	1.60	-
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/Mapping Analyst	1.00	1.00	1.00	1.00	1.00	-
Audio Recording Specialist	0.50	0.50	0.50	0.50	0.50	-
Background Investigator	0.07	0.07	0.07	0.07	0.07	-
REPRESENTED POSITIONS						
Dispatchers (incl. MDDs & Call Takers)	64.00	64.00	64.00	64.00	64.00	-
TOTAL FTE	92.42	92.42	92.52	93.52	93.52	-

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Adopted Budget
Fiscal Year 2016-2017

BUDGET MESSAGE

BUDGET MESSAGE

March 17, 2016

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 2016-17 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 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 2016-17 (FY 2016-17) to the current year's budget.

All Funds Consolidated	FY 2014-15 Actual at June 30	FY 2015-16 Adopted Budget	FY 2016-17 Proposed Budget	% Change FY 17 over FY 16
Beginning Working Capital	4,495,607	4,426,236	3,792,140	-14.3%
Revenues				
Member Contract Fees	8,491,934	8,833,742	9,202,195	4.2%
911 Telephone Taxes	2,566,276	2,590,000	2,672,000	3.2%
All other revenues	1,726,806	1,936,124	1,316,467	-32.0%
TOTAL RESOURCES	<u>17,280,623</u>	<u>17,786,102</u>	<u>16,982,802</u>	<u>-4.5%</u>
Expenditures/Appropriations				
Personnel Services	10,220,029	11,522,455	11,874,138	3.1%
Materials & Services	2,225,607	2,216,509	2,085,249	-5.9%
Capital Outlay	274,667	1,705,460	764,098	-55.2%
Contingency & Reserves	4,560,320	2,341,678	2,259,317	-3.5%
TOTAL REQUIREMENTS	<u>17,280,623</u>	<u>17,786,102</u>	<u>16,982,802</u>	<u>-4.5%</u>

BUDGET MESSAGE

Financial Planning

Each year the Agency develops a long range financial forecast for consideration and adoption by the Board of Commissioners. Historically this was done at the fall Board retreat and was used to set Member User Fees ahead of the development of the budget. 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 topics of discussion and consideration coming from this year's Board Retreat, held October 1, 2015, included the need for long term capital planning, the impacts on fees to WCCCA's member agencies and a review of how we are utilizing the financial forecast within our financial planning process. Details include:

- Going forward, member fees to be determined not by the forecast in the Fall of each year but rather by the budget which WCCCA will have completed in January of the new calendar year;
- Inclusive sessions involving all member agencies' Command Staff Personnel and Finance representatives to elicit input during both forecasting and budgeting processes;
- Shifting how we think of reserves – establishing a benchmark of 45 days' operating expenses;
- Capital needs continued from prior year
 - Progress on procurement of Computer Aided Dispatch System (CAD) which is expected to be implemented no later than Fall of 2017
 - Emergency Communications System Replacement Plan, including facility plans – funding requests through a Washington County general obligation bond to be put before the voters of Washington County in May of 2016
- Small capital replacement savings;
- Partnerships that create revenue and economies of scale;
- Strategic planning that keeps us focused on the future and planning ahead to keep costs controlled

Annual membership rate increase is estimated to be ~4.2%. Because the Agency has a relatively small membership base, the gap between 9-1-1 tax funding and operational expenses exponentially affects the membership fees.

9-1-1 taxes received by the Agency have been on the decline over the past several years, and as forecasted appear to have flattened out with the addition of the tax on prepaid wireless devices. While this major source of revenue has stabilized, Agency partners have continued their commitment to this Agency's services and one another, and increased their funding levels to ensure that the Agency can maintain service levels. The chart below outlines the shift in the funding sources of the Agency:

BUDGET MESSAGE

	<u>FY 2014-15</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>
Member Contract Fees	69%	70%	70%
911 Telephone Taxes	22%	21%	21%
All other revenues	9%	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.)

As discussed before the Budget Committee at its February 18, 2016 meeting, the approach to budgeting going forward is “What does it cost to run WCCCA?”

Agency management is very much aware and continually mindful of the financial constraints all government partners continue to face. 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. Even with the 9-1-1 tax on prepaid wireless communication devices enacted by the legislature, revenue levels from this source are uncertain with only minimal expected amounts included in the proposed 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 2.6% from the prior fiscal year’s budget.

The revenues of the General Fund include 9-1-1 taxes, the only major source of funding other than member fees. 9-1-1 taxes have trended downward for the past several years but appear to be stabilizing with the collections from prepaid wireless communication devices. The Agency will continue to monitor the impact on the Agency and its Members.

BUDGET MESSAGE

The following are the significant budget changes in this Fiscal Year 2016-17 Proposed Budget for the General Fund, as compared to the current year budget:

Personnel Services (3.1% increase over prior year's budget):

- Salaries and wages will increase by \$191,633, a 2.6% increase (see the Line Item Budget, page 2, line 18). This is due to a 3.0% cost of living increase per the union contract, employees earning merit increases within their salary range or promoting upward, and expected turnover of employees during the year.
- Health insurance premiums are budgeted for an average increase of 5.5% for the second half of the fiscal year on the Agency's two medical plans, a \$189,274 increase (page 2, line 21). The amount budgeted reflects an increase of 11.2 % over the prior year's budgeted amount. This increase is calculated using the actual expense for each employee and their specific coverage, rather than using an overall average rate.
- Public Employees Retirement System (PERS) contributions are budgeted to decrease \$9,314, which is a 0.6% decrease over the prior year budget (page 2, line 22). The blended PERS rate, which includes the 6% employee portion, is 20.02%. The amount budgeted appears low as compared to the prior year's budgeted amount due to switching to a weighted average blending of the PERS rate between actual Tier 1/Tier 2 employees as compared to OPSRP which carries a lower rate as well as accounting for newly hired employees who do not become eligible for PERS until employed for six months.

Materials and Services:

The budget category of Materials and Services decreased in next year's Proposed Budget by \$131,260, a 6.8% decrease (see page 2, line 27). This is primarily due to the Agency's continued focus on efficiencies and savings in Material and Services expense.

Capital Outlay:

Capital Outlay increased \$144,038, a 23.2% increase (see page 2, line 29). This is largely due to the purchase of the new computer aided dispatch system, continuation of the replacement of the security and fire alarm systems, replacement of two radio services vehicles and partial replacement of dispatch workstation furniture.

BUDGET MESSAGE

Capital Projects Fund

The Capital Projects Fund is continuing to receive funds from Washington County's Public Safety Local Option Tax Levy. The levy was renewed by the voters in November, 2015, so this fund will receive \$175,000 per year (up from \$125,000 per year) through Fiscal Year 2020-21.

This fund has amounts budgeted for:

- The fifth 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.

Fiscal Year 2015-16 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, which is grounded in the core values of the Agency. Ongoing attention to its Quality Improvement processes is at the foundation of learning, improving and ultimately succeeding in carrying out the Agency's goal of "Excellence in Emergency Communications." To that end, WCCCA involves dispatch personnel as well as representatives from the police and fire services with whom it works to analyze root causes, pursue answers to the issues raised and ultimately advance training recommendations and tools from the results learned through these processes.

WCCCA is an accredited Agency through the Oregon Accreditation Alliance (OAA). In addition, WCCCA's Program Coordinator works to manage WCCCA's accreditation and holds a position on the OAA Board, representing both WCCCA and the State Chapter of the Association of Public-Safety Communications Officials (APCO). In this capacity, she is assisting the OAA in their focus, research and further development of the accreditation standards for 9-1-1 dispatch centers.

With the wave of technology and technological advancements moving toward WCCCA in every facet of our business, we are looking out toward the horizon and bringing our stakeholders together to strategize through our current and future capital needs, including the associated funding of capital projects. There are inevitable changes that will take place with the advent of Next Generation 9-1-1 and its expanded capabilities; these changes to 9-1-1 centers are currently being studied with implementations locally, statewide and nationally. On the horizon of technological advancements for WCCCA in the coming year we will see an interim solution for Text to 9-1-1, the implementation of a new Computer Aided Dispatch (CAD) system and an upgrade to the 9-1-1 phone system, bringing it into the next generation of technology.

BUDGET MESSAGE

Over the past several years, work has been done to assess reasonable options in addressing numerous issues with our current aging facility and its infrastructure. Most notable, as we have considered our capital needs, has been the replacement of our emergency communications (radio) system. The change in technology from analog to digital also includes a lifecycle plan that will provide for ongoing updates that keep the system up to date with the current technology for years to come. Given the technical work ahead, we anticipate growth in the demands upon WCCCA's Radio Services and Data Services departments, in addition to the myriad of changes that will take place within the 9-1-1 center.

Additional accomplishments:

- Received both the Government Finance Officers Association Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting
- Ongoing process to update administrative directives and standard operating guidelines to support and/or maintain Agency accreditation through the Oregon Accreditation Alliance
- Strategic focus on call-taking function including adjustment of minimum staffing to provide peak time coverage as well as the analysis of existing systems and processes to identify efficiencies and enhance quality of service
- Employee driven efforts to define WCCCA's internal culture and identify actionable goals in enhancing and maintaining an attractive work environment for all
- Maintained the treadmill program at the dispatch work stations to promote physical and mental well-being
- GIS Analyst recipient of State APCO Impact Award
- Public Education Team recipient of State APCO Commitment to Excellence Award
- Agency Chaplain recipient of State APCO Telecommunications Partner Award
- Dispatcher recipient of State APCO Commitment to Excellence Award
- Handled 450,014 various phone calls; involved in 529,298 CAD incidents
- In process of replacing the generator, the backup power source for the WCCCA operations building
- Relationships built through the Metro Area Joint CAD System (MAJCS) Executive Team between WCCCA, CCOM and LOCOM as we bring our agencies together in the shared CAD system and welcome additional partner agencies to effect operational efficiencies

BUDGET MESSAGE

Initiatives For the Year and For the Future

The Agency capital planning process has been underway for several years and will continue into the foreseeable future as part of the WCCCA Strategic Plan, which is also underway. While we have seen success in the areas of contracting with a new vendor for Computer Aided Dispatch and have seen much collaboration between WCCCA, Washington County and our member agencies in producing a plan to replace the aged and nearly obsolete emergency communications system, the creation of a strategic plan that envisions our future and defines the path forward will ensure WCCCA's continued preparedness for Agency operational issues, emerging technologies, equipment life cycles, staffing and capital needs.

WCCCA also remains committed to the pursuit of efficiency and innovation, exploring possibilities of system sharing with our member agencies and with other partners within Washington County and beyond. The current technologically driven environment suggests a variety of opportunities for collaboration and partnering with other public and private entities.

As the state of Oregon works to build Next Generation 9-1-1 infrastructure that we will eventually connect into, we contemplate the changes that will be upon us in the Next Generation 9-1-1 Center. Through networking locally, at the state level and nationally as well, we strive to educate ourselves and prepare for the capabilities that will be made possible to us in voice and data transmissions. Information transfer and dissemination is going to become a "larger than ever" portion of what we do at WCCCA and we'll be ready, providing excellence in emergency communications to our citizens, our member and partner agencies.

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.

BUDGET MESSAGE

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 2016-2017*

**MISSION STATEMENT
& GOALS**

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

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.”

Data Services

“WCCCA will provide the necessary assistance with technology to ensure system connectivity and 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 successful business decisions.”

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Adopted Budget
Fiscal Year 2016-2017

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 2014-15	Fiscal Year 2015-16		Adopted Budget FY2016-17
		Adopted Budget	Estimated To June 30	
RESOURCES				
Beginning Working Capital	4,495,607	4,426,236	4,560,320	4,256,547
Revenues				
Interest	24,940	21,500	32,032	20,000
9-1-1 Telephone Tax	2,566,276	2,590,000	2,698,994	2,672,000
Member & Associate User Fees	8,491,934	8,833,742	8,852,471	9,202,195
C800 Contract Revenue	482,108	530,134	530,384	567,119
Non-Member Contract Revenue	278,376	294,000	304,401	259,104
Maintenance Services	208,757	125,000	121,480	115,000
Rental Revenue	130,586	116,800	133,668	126,238
Wash.Co. Bond Distribution	-	-	-	12,013,643
Intergovernmental Revenues	218,688	393,690	393,688	93,690
Grant Revenue	194,400	350,000	350,000	-
Miscellaneous Income	188,951	105,000	124,182	105,000
Interfund Transfers	250,000	250,000	250,000	250,000
Total Revenues	<u>13,035,016</u>	<u>13,609,866</u>	<u>13,791,300</u>	<u>25,423,989</u>
TOTAL RESOURCES	<u>17,530,623</u>	<u>18,036,102</u>	<u>18,351,620</u>	<u>29,680,536</u>
REQUIREMENTS				
By Category				
Personnel Services	10,220,029	11,522,455	10,519,526	11,874,137
Materials & Services	2,225,607	2,216,509	2,139,738	2,107,249
Capital Outlay	274,667	1,705,460	1,190,809	13,150,194
Interfund Transfers	250,000	250,000	250,000	250,000
Contingency	-	1,885,636	-	2,036,243
TOTAL REQUIREMENTS	<u>12,970,303</u>	<u>17,580,060</u>	<u>14,100,073</u>	<u>29,417,823</u>
Unappropriated Ending Fund Balance (UEFB)		456,042		262,713
Fiscal Year End Fund Balance	4,560,320		4,251,547	
TOTAL BUDGET	<u>17,530,623</u>	<u>18,036,102</u>	<u>18,351,620</u>	<u>29,680,536</u>

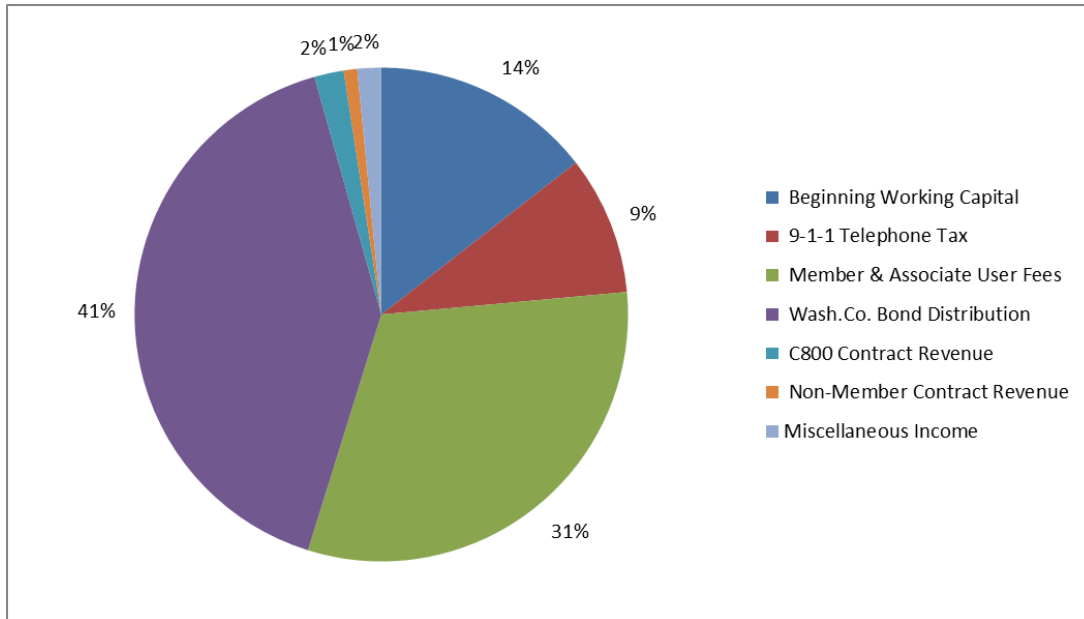
In the presentation above, the combined funds include the General Fund and the Capital Projects Fund.

CONSOLIDATED BUDGET SUMMARY

FISCAL YEAR 2016-17 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 2016-17 are as follows:



The following is a narrative regarding the major Resources budgeted for FY 2016-17, but first, the components of “Miscellaneous Income” are described.

Miscellaneous Income totals \$459,928 and is comprised of the following:

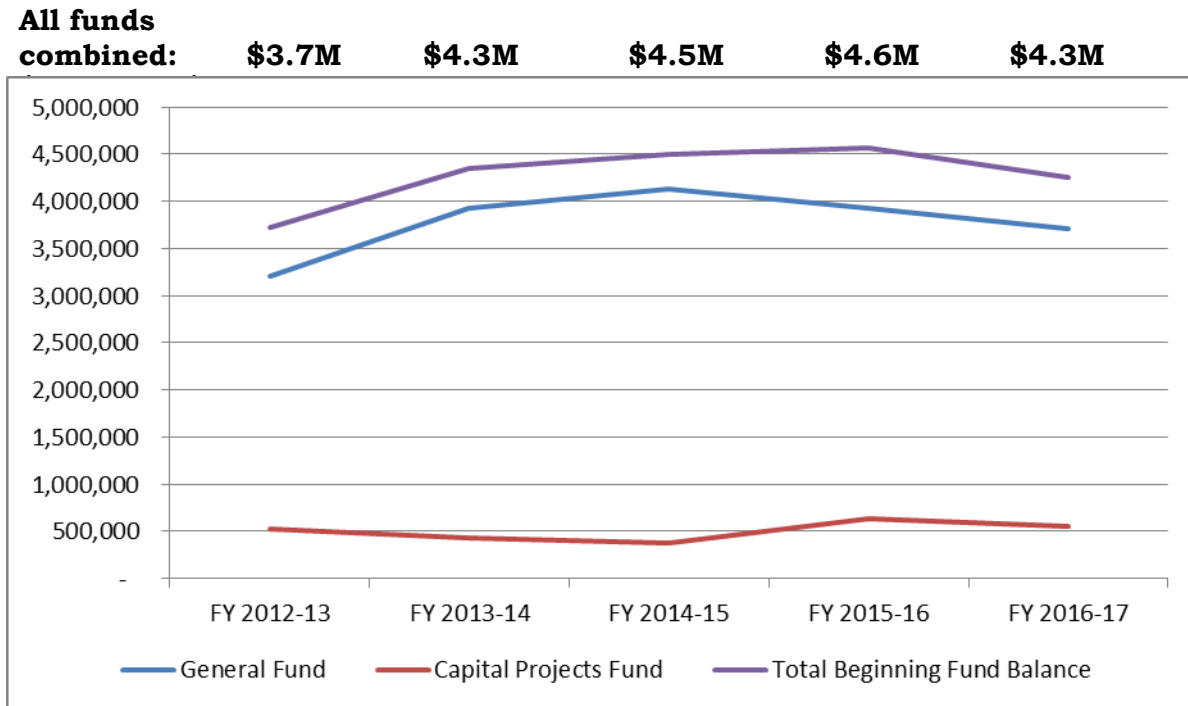
- \$125,000 (27.2% of the total) is miscellaneous revenue; contracting out an employee; fees for reproducing 9-1-1 call recordings, and interest.
- \$93,690 (20.4% of the total) is from the C800 Radio Group for its portion of the Zone Controller for the radio system.
- \$115,000 (25.0% of the total) 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.
- Note: The \$175,000 from the Washington County Public Safety Local Option Levy for the Capital Projects Fund was advanced by Washington County to the Agency in February 2016, thus this amount will not be available in FY16-17.
- \$126,238 (27.4% of the total) is from radio tower space which WCCCA rents to 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 2015-16 and FY 2016-17 are as estimated and budgeted; all prior year numbers are actual and audited.



The Beginning Working Capital for all funds combined has increased over the past few years due primarily to staffing levels and is projected to decline in future years, 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 2013. Additionally, the Board of Commissioners has approved non-member radio contract and other fee increases.

CONSOLIDATED BUDGET SUMMARY

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

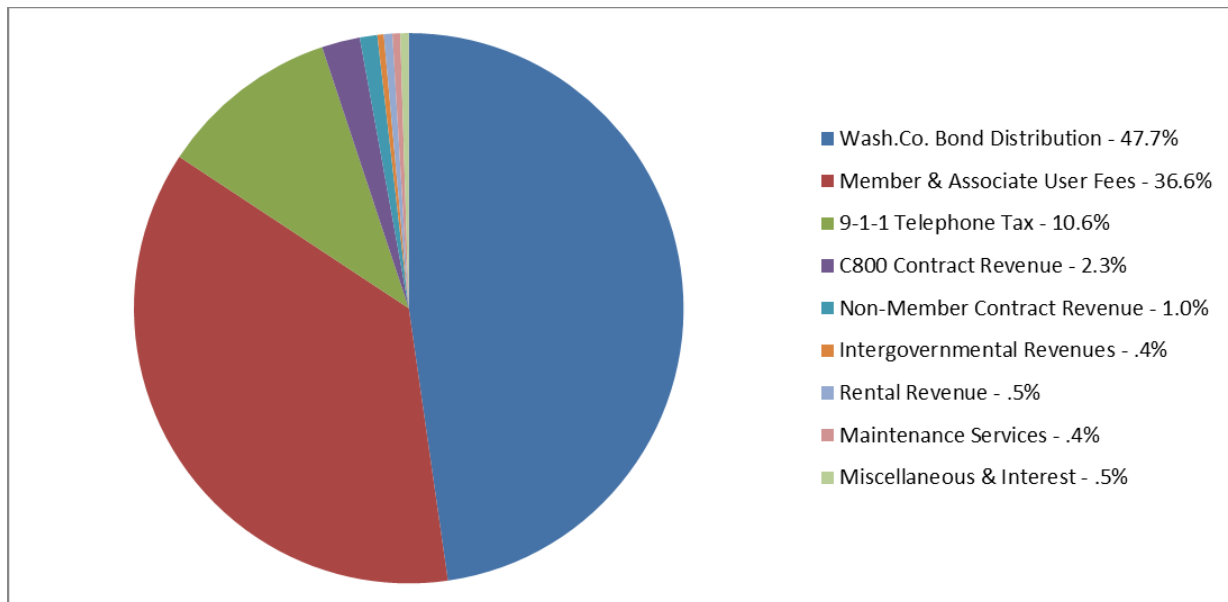
On an annual basis, the Agency’s Board of Commissioners reviews its plans towards a financially sustainable future, which includes drawing down the General Fund’s Beginning Working Capital to the level of reserves deemed prudent for operations.

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

- The Capital Projects Fund is used to fund radio equipment replacement in order to maintain the radio system’s operating effectiveness. Transfers of \$250k beginning in FY 2014-15, FY 2015-16 and budgeted for FY 2016-17 in order to pay for the replacement of the radio equipment which in the near term is primarily comprised of the microwave network which connects all of the Agency’s tower sites and WCCCA.

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 99.3% of the Agency-wide operating revenues shown in the graph above. The Capital Projects Fund’s revenue comprises the remainder of which a significant portion (47.7%) is the budgeted transfer from the Washington County bond to replace the emergency communication system.

A discussion of the Agency’s two primary sources of revenue for operations, 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 70.0% of the operating revenues of the Agency as a whole and 70.4% of the General Fund revenues. The 9-1-1 telephone tax is the only other significant source of revenue to the Agency, accounting for 20.3% of the total Agency operating revenues and 20.4% of the General Fund revenues. Please see the Budget Message for further discussion. Together, these two sources of revenue account for 70% of the Agency's estimated operating revenues in the FY 2016-17 Proposed Budget and 91% 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 communications system infrastructure and the users' subscriber devices. 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 declined. Additionally, the rate of increase to make up for these revenues is exacerbated by the limited number of partners funding the Agency's operations.

In 2013, 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 includes population, airtime and public calls for service for police and population and calls for service for fire. In 2014, a revised IGA was adopted to incorporate these changes and allow changes to the fee formula without the need to amend or modify the IGA. The FY 2015-16 budget was the first year of the "new" member fee formula, where membership fees are no longer set by console but based on relevant inputs that impact WCCCA. During this conversion away from the console based fee formula to a strictly input based allocation, one of the uncapped agencies' experienced a very large increase in their net fee for police and fire service. This significant change was due to the agency being grouped with a very large agency on a console which made their portion of the console cost under the old formula relatively small as compared to similarly sized agencies on other consoles. This caused a significant amount of discussion but it was ultimately determined to move forward with the new fee formula as proposed for FY 2015-16. For FY 2016-17 it appears that fluctuations have normalized and are consistent with usage of the Agency's resources.

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).

	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Member Governments:	Actual	Actual	Actual	Budget
Washington County (Sheriff's Office)	1,978,146	2,086,956	2,266,353	2,396,513
Tualatin Valley Fire & Rescue	1,586,956	1,664,264	1,772,440	1,870,718
City of Hillsboro (Police & Fire)	1,550,239	1,642,972	1,614,167	1,688,433
City of Beaverton (Police)	1,139,911	1,199,416	1,252,225	1,296,460
City of Tigard (Police)	569,245	600,057	578,949	576,537
City of Forest Grove (Police & Fire)	355,666	370,718	428,847	434,740
City of Tualatin (Police)	311,603	326,281	328,121	330,352
City of Sherwood (Police)	213,020	223,437	186,122	190,425
City of Cornelius (Police & Fire)	152,003	155,692	152,160	158,621
Washington Co. Fire Dist. No. 2	60,628	62,445	64,318	66,248
Banks Fire District No. 13	27,780	28,614	29,472	30,356
City of King City (Police)	20,024	20,624	21,243	21,880
Gaston Rural Fire District	18,412	18,963	19,532	20,118
City of Durham (Police)	12,784	13,168	13,563	13,970
City of North Plains (Police)	12,060	12,421	12,794	13,178
City of Banks (Police)	6,960	7,168	7,383	7,604
City of Gaston (Police)	5,780	5,953	6,132	6,316
Public Safety Member Contract Fees	8,021,217	8,439,149	8,753,821	9,122,469
Member Government Radio (only) Fees	55,594	54,835	79,921	79,726
Total Member Contract Fees	<u>8,076,811</u>	<u>8,493,984</u>	<u>8,833,742</u>	<u>9,202,195</u>

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 85% higher than the radio access fees for members (\$496 vs. \$268). This is due to "external" radio contract fees including recovery of a portion 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 (403.200 - 403.250).

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 2015-16 and budgeted for FY 2016-17 are anticipated to increase slightly as compared to revenues over the prior five years. 9-1-1 tax collections are subject to economic effects and challenges in collection. Although the legislature enacted a 9-1-1 tax on prepaid wireless devices, which appears to have stabilized the downward trend and shown a slight increase in collections as a percentage, the Agency has yet to realize a significant “dollar” impact on revenues to fund operations.

The 9-1-1 telephone excise tax revenue comprises ~20% of the revenues budgeted in the Agency’s General Fund for FY 2016-17. 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.

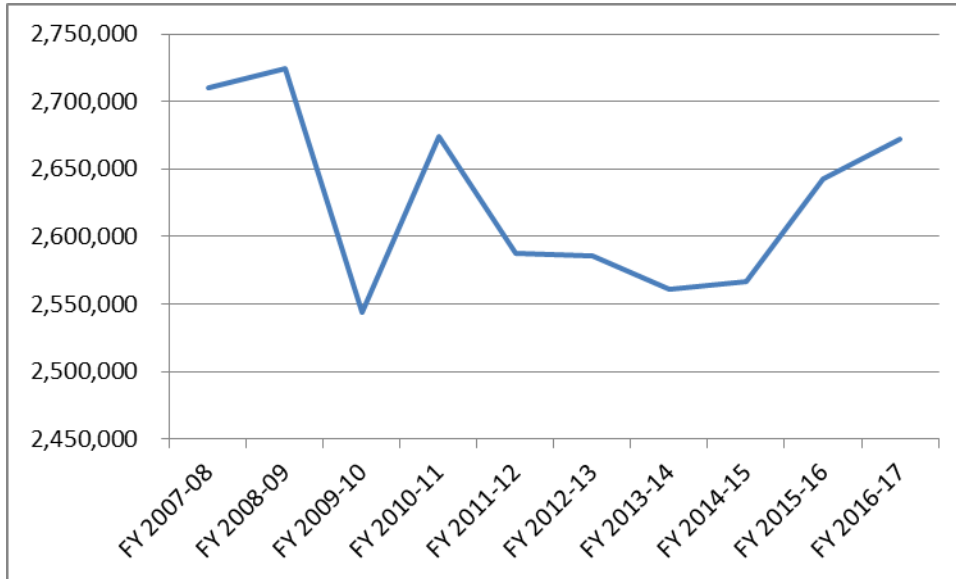
The budgeted amount for FY 2016-17 is estimated from historical experience and considers an increase due to collection of the tax from prepaid wireless services and challenges with collection. A slight increased amount in 9-1-1 tax revenue is anticipated in next year’s Proposed Budget.

9-1-1 Tax Revenues			Chart Notes:
Fiscal Year	Annual \$	% Change	
FY 2016-17	2,672,000 (A)	1.1%	(A) Budgeted amount
FY 2015-16	2,643,007 (B)	3.0%	(B) Projected amount
FY 2014-15	2,566,276	0.2%	All other amounts shown are actual, per the Statement of Activities in the Comprehensive Annual Financial Report, which accounts for tax revenue on a full accrual basis of accounting (most nearly matching state reports).
FY 2013-14	2,560,815	-1.0%	
FY 2012-13	2,585,911	0.0%	
FY 2011-12	2,587,085	-3.3%	
FY 2010-11	2,674,076	5.1%	
FY 2009-10	2,543,855	-6.6%	
FY 2008-09	2,724,400	0.5%	
FY 2007-08	2,710,321	2.9%	

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.



EMERGENCY COMMUNICATIONS SYSTEM BOND MEASURE

On May 17, 2016, Washington County went to the voters for funding replacement of the emergency communications system which WCCCA operates for its member agencies. Measure 34-243 was passed by the voters in Washington County to issue \$77 million in general obligation bonds by Washington County to fund the replacement of the emergency communications system including capital equipment and facilities. WCCCA estimates the yearly distribution requests from Washington County related to the emergency communications system project to be approximately \$12 million in the first year, \$21 million in the second year, and \$32 million in the third year of the project. The difference in the balance to the bond amount relates to facilities replacement which falls under Washington County, who owns the building in which WCCCA operates.

BUDGET REQUIREMENTS AND UNAPPROPRIATED ENDING FUND BALANCE – ALL FUNDS

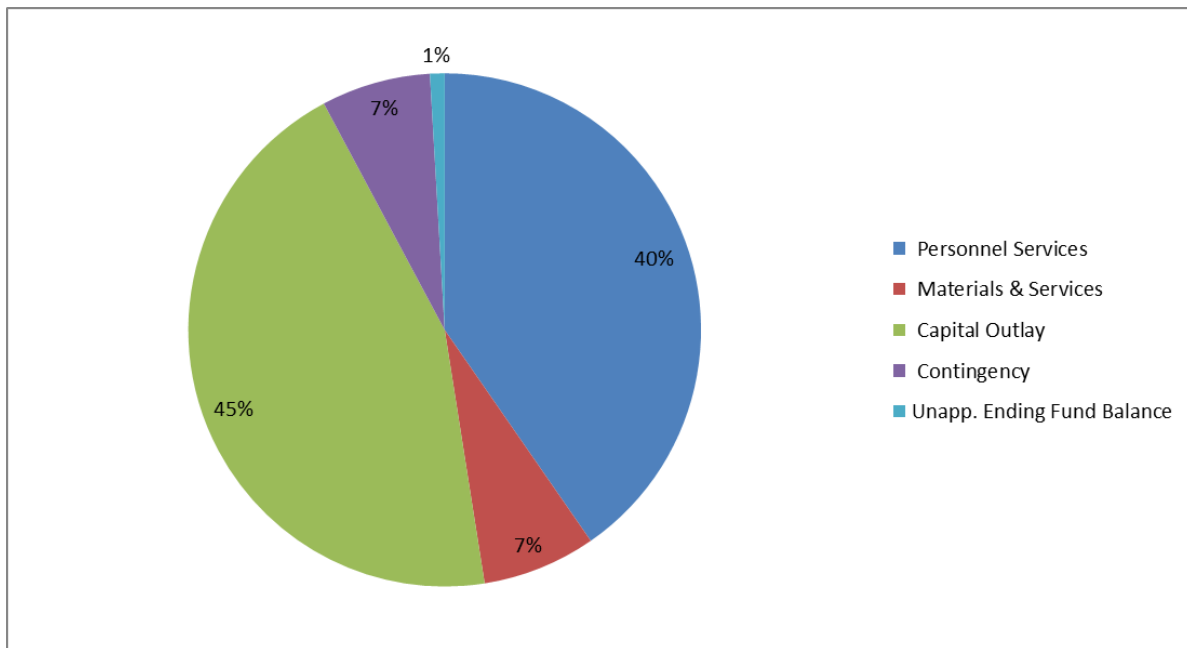
Under State of Oregon Local Budget Law, governments are required to present budgets showing all expenditures authorized to be spent (appropriated) along with any amounts estimated to be reserved for emergency or unforeseen appropriations needs during the year (Contingency). Expenditure appropriations 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.

CONSOLIDATED BUDGET SUMMARY

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

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.

Total Budget Requirements by budget category and Unappropriated Ending Fund Balance for both funds of the Agency for FY 2016-17 are shown as follows:



Contingency is presented in the graph above at ~12% of the total. This is calculated as a percent of the total amounts scheduled in the FY 2016-17 Budget (including Contingency itself and Unappropriated Ending Fund Balance). The level of Contingency is set at the Board policy of a target of ~12% (which approximates 45 days of operating expenditures), but is calculated on total operating appropriations (excluding Capital Outlay, Contingency and Unappropriated Ending Fund Balance).

CONSOLIDATED BUDGET SUMMARY

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 increased by \$351,682 (3.1%). A cost of living increase of 3.0% is 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 \$189,274, an 11.2% increase. The percent rate increase of health insurance premiums is higher than the average increase as the Agency calculates health insurance premiums specifically by each employee's coverage for next year's budget rather than using historical averages in an effort to create a more accurate budget.

Of the \$11,874,137 total Personnel Services in the FY 2016-17 Proposed Budget, \$7,669,333 (64.6%) is for salaries, wages and overtime. \$4,204,804 (35.4%) is budgeted for benefits and payroll expenses. The largest portion of these benefits is comprised of Public Employees Retirement System (PERS) required contributions of \$1,526,940 (12.9%) and health insurances at \$1,884,014 (15.9% 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 \$131,260 (6.8%) as compared to the prior year's budget.

Capital Outlay

By far the most significant impact on Capital Outlay going forward will relate to the replacement of the emergency communications system. This replacement is completely funded by bond proceeds passed through to WCCCA from Washington County as outlined below. For FY 2016-2017, WCCCA is budgeted to spend over \$12 million primarily related to acquiring and building new radio tower sites as part of the conversion from analog technology to P25 digital technology. The new radio tower sites will preserve and improve radio coverage for emergency personnel.

CONSOLIDATED BUDGET SUMMARY

SIGNIFICANT EXPENDITURE APPROPRIATION CHANGES (CONTINUED)

Capital Outlay	
Emergency Communications System Budget:	
Simulcast Equipment	\$ 13,823,851
Member Radios	12,184,000
Dispatch center upgrade	10,000,000
Additional Radio Sites	8,363,810
Master Site Equipment	4,910,567
System Refresh/Upgrade	4,134,200
Generator/Commercial Power	3,831,430
Microwave Backhaul	2,137,081
Console Equipment	1,907,807
Fire Station Alerting Systems	1,839,876
Site Alarms and Monitoring	1,246,096
Spare and Materials	893,200
48 VDC Power System	832,776
Contingency Equipment	455,532
Backup Dispatch	451,256
Test Equipment	393,000
Paging	284,998
Unified PTT (mobile dev)	246,550
Logging Recorder	231,568

Excluding the increase in Capital Outlay due to the emergency communications system bond discussed above, Capital Outlay for all funds combined in the FY 2016-17 Adopted Budget will decrease by \$568,909 (down 33.4%) from the prior year's budget, amounting to \$1,705,460. The reason for this decrease is primarily due to the replacement of the microwave radio system connecting WCCCA to its' tower sites. The Agency will continue to replace aging equipment and components of the facility as required to maintain operations until the new P25 emergency communications system can be fully installed and operational.

The near term future provides a different perspective: the radio system infrastructure (mostly comprised of electronic equipment) is rapidly approaching end of life and the conversion to digital technologies will take a number of years and require a greater number of radio transmission towers. Also, 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. As part of the emergency communications bond, Washington County is working with WCCCA to replace the current dispatch facility. As the current building is owned by Washington County and leased to WCCCA for a nominal amount per year, Washington County plans to continue the relationship by using bond funds and possibly proceeds from the sale of the current facility to buy or construct a new facility to meet the Agency's future needs as well as incorporate synergies by collocating operations facilities. Please see the Budget Message for discussion of capital planning.

CONSOLIDATED BUDGET SUMMARY

SIGNIFICANT EXPENDITURE APPROPRIATION CHANGES (CONTINUED)

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.

Interfund Transfers

Interfund transfers between funds over recent years are as follows:

	Actual FY 12-13	Actual FY 13-14	Actual FY 14-15	Actual FY 15-16	Budget FY 16-17
<u>From:</u>					
General Fund	-	-	250,000	250,000	250,000
Facilities Maintenance Fund	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
<u>To:</u>					
General Fund	-	-	-	-	-
Capital Projects Fund	-	-	250,000	250,000	250,000
Total	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

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, 2016, is scheduled as a resource in the budget, the Ending Fund Balance (the amount anticipated at June 30, 2016) is scheduled as Contingency and Unappropriated Ending Fund Balance.

Total Reserves budgeted for the Agency (both funds combined) for FY 2016-17 is \$2,298,956 (\$2,036,243 in Contingency and \$262,713 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 2016-17 Proposed Budget, the Agency has applied for a grant but has not budgeted the amount as it is currently unknown if the grant will be awarded. The

CONSOLIDATED BUDGET SUMMARY

OTHER (CONTINUED)

purpose of the grant is to assist in funding part of the microwave radio network connection to a neighboring radio system.

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.

Budget Adoption

In compliance with the State of Oregon Local Budget Law, the FY 2016-17 proposed budgets for the Agency will be presented to the Budget Committee at its March 17, 2016 meeting, where the Budget Committee deliberated and approved the budget. On June 23, 2016, the Approved budget will be presented to the Board of Commissioners for its consideration. A public hearing on the Approved budget will be held and changes will be considered by the Board. The Board then adopts the FY 2016-17 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 2016-2017*

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 the current 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. Staff is considering moving forward with a “number of days operating expenditures” approach to establishing the amount to be held as contingency. Currently it is thought that 45 days would be reasonable and equates to a contingency of 12.3%, which is consistent with current practice. Contingency is an operational reserve and is not intended as a reserve for large capital needs. In accordance with Board policy, \$1,689,760 is appropriated as Contingency in FY 2016-17. The remainder of the estimated ending fund balance (\$262,713) 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 funding from the Washington County Public Safety Local Option Tax Levy. Approval of which was renewed by the voters to extend through FY 2020-21. As part of the renewal, the Agency’s allocation of the levy was increased from \$125,000 to \$175,000. This fund’s Contingency of \$342,269 is reserved for future 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 2014-15	Fiscal Year 2015-16		Adopted
		Adopted Budget	Estimated To June 30	Budget FY2016-17
RESOURCES				
Beginning Working Capital	4,125,388	3,790,445	3,924,404	3,704,674
Revenues				
Interest	22,121	20,000	27,335	20,000
9-1-1 Telephone Tax	2,566,276	2,590,000	2,698,994	2,672,000
Member & Associate User Fees	8,491,934	8,833,742	8,852,471	9,202,195
C800 Contract Revenue	482,108	530,134	530,384	567,119
Non-Member Contract Revenue	278,376	294,000	304,401	259,104
Maintenance Services	208,757	125,000	121,480	115,000
Rental Revenue	130,586	116,800	133,668	126,238
Grant Revenue	194,400	-	-	-
Miscellaneous Income	119,207	105,000	124,182	105,000
Interfund Transfers	-	-	-	-
Total Revenues	12,493,765	12,614,676	12,792,915	13,066,656
TOTAL RESOURCES	16,619,153	16,405,121	16,717,319	16,771,330
REQUIREMENTS				
By Category				
Personnel Services	10,220,029	11,522,455	10,519,526	11,874,137
Materials & Services	1,950,053	1,940,955	1,864,184	1,831,695
Capital Outlay	274,667	620,060	378,935	863,025
Interfund Transfers	250,000	250,000	250,000	250,000
Contingency	-	1,615,609	-	1,689,760
TOTAL REQUIREMENTS	12,694,749	15,949,079	13,012,645	16,508,617
Unappropriated Ending Fund Balance (UEFB)		456,042		262,713
Fiscal Year End Fund Balance	3,924,404		3,704,674	
TOTAL BUDGET	16,619,153	16,405,121	16,717,319	16,771,330

TOTAL FY2016-17 BUDGET BY DEPARTMENT:

By Category:	Personnel	Materials	Capital	Total
	Services	& Services	Outlay	Requirements
By Department:				
Administration & Finance	779,545	346,795	20,000	1,146,340
Performance Management	557,178	32,153	-	589,331
Operations	8,796,491	146,305	80,000	9,022,796
Logistics:				
Data Services Division	661,092	475,765	401,968	1,538,825
Radio Services Division	1,079,831	262,997	120,600	1,463,428
Facilities Maintenance Division	-	481,917	240,457	722,374
Direct Bill Services Division	-	85,763	-	85,763
Total Operational Expenditures	11,874,137	1,831,695	863,025	14,568,857
Nondepartmental:				
Transfer to Other Funds				250,000
Contingency				1,689,760
Unapprop. Ending Fund Balance				262,713
TOTAL BUDGET				16,771,330

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Capital Projects Fund

	Actual FY 2014-15	Fiscal Year 2015-16		Adopted Budget FY2016-17
		Adopted Budget	Estimated To June 30	
RESOURCES				
Beginning Working Capital	370,219	635,791	635,916	551,873
Revenues				
Interest	2,819	1,500	4,697	-
Grant Revenue	-	350,000	350,000	-
Misc. Revenue	69,744	-	-	-
Wash.Co. Bond Distribution	-	-	-	12,013,643
Intergovernmental Revenue	218,688	393,690	393,688	93,690
Interfund Transfers	250,000	250,000	250,000	250,000
Total Revenues	541,251	995,190	998,385	12,357,333
TOTAL RESOURCES	911,470	1,630,981	1,634,301	12,909,206
REQUIREMENTS				
By Category				
Materials & Services	275,554	275,554	275,554	275,554
Capital Outlay	-	1,085,400	811,874	12,287,169
Contingency	-	270,027	-	346,483
TOTAL REQUIREMENTS	275,554	1,630,981	1,087,428	12,909,206
Unappropriated Ending Fund Balance (UEFB)	-	-	-	-
Fiscal Year End Fund Balance	635,916	-	546,873	-
TOTAL BUDGET	911,470	1,630,981	1,634,301	12,909,206

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
- 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 FY2015/16
- Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2014/15 CAFR
- Continually met the goal of budget to actual financial report distribution by the 10th business day of the month.

Departmental Budget:

		FY15/16	FY16/17
General Fund	FY14/15	Estimated	Adopted
Administration & Finance Department	Actual	to June 30	Budget
Personnel Services	768,990	710,906	779,545
Materials & Services	291,239	329,237	346,795
Capital Outlay	-	-	20,000
Total Expenditures / Appropriations	1,060,229	1,040,143	1,146,340
Non-Departmental			
Contingency			1,689,760
Unappropriated Ending Fund Balance			262,713
Fiscal Year Ending Fund Balance	3,924,404	3,704,674	
Total	3,924,404	3,704,674	1,952,473

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, Departments, member agencies, and 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 25 events/classroom sessions per year.*

Accomplishments and Performance Measures:

- *Agency was re-accredited in 2014 and will be used as a model for other Agencies to achieve accreditation.*
- *Maintained a dispatcher new hire retention rate of above 80% for the past two years.*

Departmental Budget:

		FY15/16	FY16/17
General Fund	FY14/15	Estimated	Adopted
<i>Performance Management Department</i>	Actual	to June 30	Budget
Personnel Services	425,031	526,887	557,178
Materials & Services	39,450	33,620	32,153
Total Expenditures / Appropriations	464,481	560,507	589,331

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 and standard operating guidelines updates;
- Managing the Agency's role in EMS;
- 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.
- 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 Generalist, Program Coordinator, Training Coordinator and the Performance Manager (4.7 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:

- *A Dispatcher received the APCO State "Commitment to Excellence Award"*
- *Public Education Team received APCO "Commitment to Excellence Award"*

Departmental Budget:

		FY15/16	FY16/17
General Fund	FY14/15	Estimated	Adopted
<i>Operations Department</i>	Actual	to June 30	Budget
Personnel Services	7,656,717	7,803,274	8,796,491
Materials & Services	129,899	131,999	146,305
Capital Outlay	-	78,133	80,000
Total Expenditures / Appropriations	7,786,616	8,013,406	9,022,796

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 493,000 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 and data communication systems to achieve 99.98% or better reliability
- Ensure paging and notification systems achieve 98.00% or better reliability
- Maintain microwave transport systems to achieve 99.99% reliability
- Maintain, calibrate and repair member and non-member communications equipment

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Accomplishments and Performance Measures:

- *Performed preventative maintenance services on 18 user agencies' communications equipment*
- *Optimized WCCCA & C800 Central Simulcast System*
- *Upgraded East County microwave systems to enhance reliability and performance*
- *Performed annual maintenance on 54 microwave backhaul radios*
- *Completed 80% of the design requirements for the new Voice Communications Systems replacement*

Departmental Budget:

General Fund		FY15/16	FY16/17
Logistics Department	FY14/15	Estimated	Adopted
Radio Services Division	Actual	to June 30	Budget
Personnel Services	918,650	967,719	1,079,832
Materials & Services	443,478	219,471	262,997
Capital Outlay	69,584	81,355	120,600
Total Expenditures / Appropriations	1,431,712	1,268,545	1,463,429

The Radio Services Division is responsible for maintaining the Agency's communications systems infrastructure and microwave backbone, as well as communications equipment for user agencies and Agency facilities. The Radio Services Division is also responsible for maintaining Clackamas County's communications system and related infrastructure, as well as its user radio equipment through an intergovernmental contractual arrangement. This Division is staffed for FY16-17 by five Technicians (+1 Technician in preparation for a retirement), Facilities Maintenance Technicians (Senior and I, 1.0 & 0.6 FTE, respectively), one Radio Services Supervisor, and a 0.35 FTE Systems and Architecture (7.95 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:

- *Maintenance of the CAD system resulted in no unplanned outages*
- *Agreement reached with TriTech to migrate to the new CAD platform*

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Departmental Budget:

General Fund		FY15/16	FY16/17
Logistics Department	FY14/15	Estimated	Adopted
<i>Data Services Division</i>	Actual	to June 30	Budget
Personnel Services	450,641	510,741	661,092
Materials & Services	438,168	589,283	475,765
Capital Outlay	205,083	33,773	401,968
Total Expenditures / Appropriations	1,093,892	1,133,797	1,538,825

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		FY15/16	FY16/17
Logistics Department	FY14/15	Estimated	Adopted
<i>Facilities Division</i>	Actual	to June 30	Budget
Materials & Services	409,431	437,685	481,917
Capital Outlay	-	185,674	240,457
Total Expenditures / Appropriations	409,431	623,359	722,374

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		FY15/16	FY16/17
Logistics Department	FY14/15	Estimated	Adopted
<i>Direct Bill Services Division</i>	Actual	to June 30	Budget
Materials & Services	198,389	122,890	85,763

BUDGET SUMMARIES – INDIVIDUAL FUNDS

SIGNIFICANT NON-RECURRING CAPITAL EXPENDITURES

Over the past few years, the Agency has been in a period of time where capital expenditures were set to a level that maintained operational effectiveness but did not prepare the Agency for the known end of life issues with some of its radio infrastructure and facilities equipment. With restrictions on funding, capital expenditures were budgeted to meet the minimal annual operational needs. Capital expenditures currently budgeted for FY 2016-17 are primarily related to radio infrastructure and facilities.

General Fund

In the Operations department, \$80,000 is budgeted to begin the replacement of the consoles (dispatch workstation furniture for call takers and dispatchers). The existing consoles were purchased and installed in and around 2002 and are now to the point where mechanical parts are beginning to fail and replacement parts are not available to make repairs.

In the Radio Services Division of the Logistics Department, a total of \$120,600 is budgeted as capital expenditures. \$70,000 to replace two (2) radio services vehicles, \$22,000 of this amount is to replace the 48 VDC battery systems at one tower site, replacement radios for service technicians, and \$16,000 for a VHF combining system.

In the Facilities Division of the Logistics Department, a total of \$240,457 is budgeted as capital expenditures. \$87,500 which is a carry-forward of the amount budgeted in the prior year to replace the building access control and security system. This amount is carried forward to complete the project due to timing and limited staff to coordinate the replacement. In a separate but related project, \$73,560 is carried forward from the prior year budget for the replacement of the building fire alarm system which was installed in 1991 and is no longer supported. Both the security and fire alarm systems have performed well over their respective service lives but have reached the point where replacement is necessary. \$79,397 is budgeted to replace batteries at two tower sites which are beginning to fail after the end of their useful lives and reconfiguration of the radio techs work area.

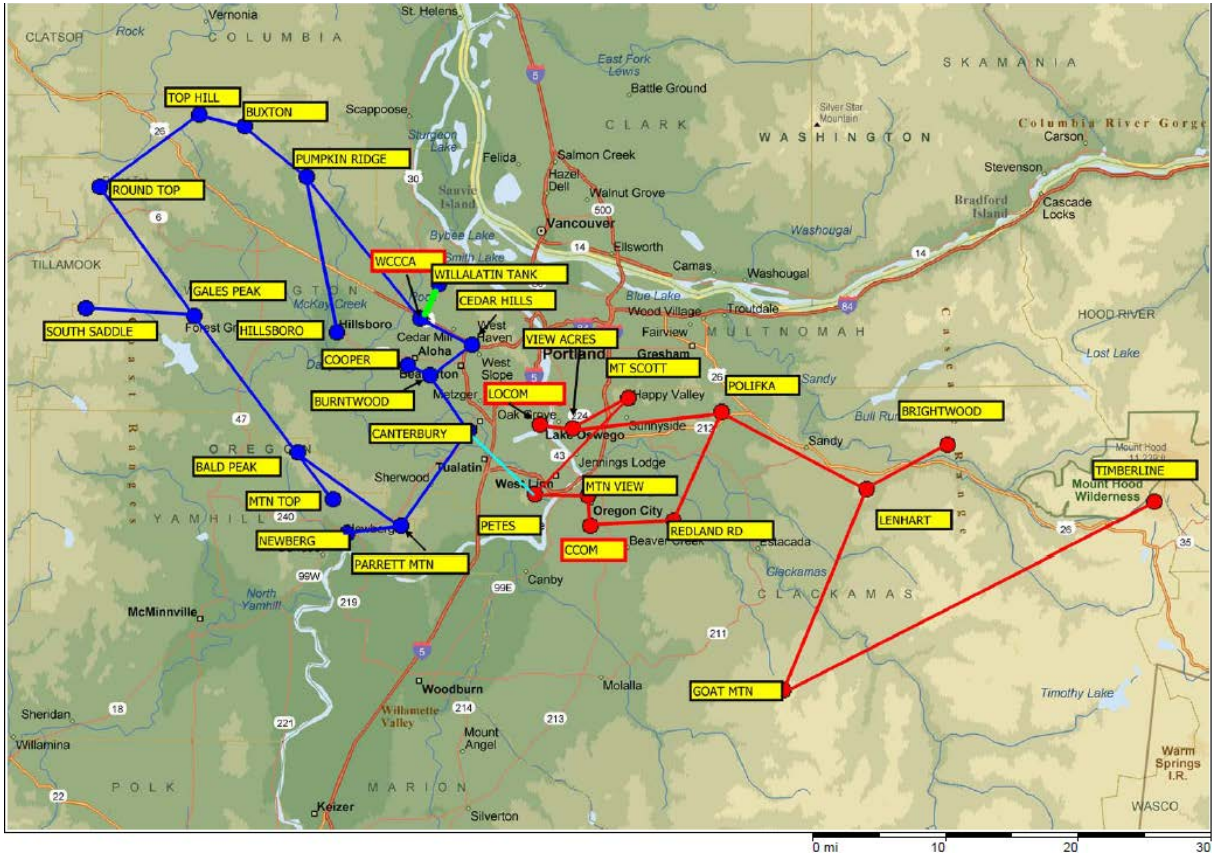
In the Data Services Division of the Logistics Department, a total of \$401,968 is budgeted as capital expenditures. This is primarily for the installation of the Computer Aided Dispatch system (CAD). Of this total amount, \$6,000 is to replace the wide-format printer used by Radio Services, Data Services and Operations. .

Capital Projects Fund

The Capital projects fund is used to budget for large capital expenditures. For FY 2016-17, if the \$77.0 million dollar Washington County Emergency Communications Bond Measure passes on May 17, 2016, the Agency will set forward on a path to replace the radio system and related capital items. The

BUDGET SUMMARIES – INDIVIDUAL FUNDS

Agency is in process of working with Washington County on a plan for receiving distributions of bond funds if the project moves forward.



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*Adopted Budget
Fiscal Year 2016-2017*

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:** 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 Adopted Budget for Fiscal Year 2016-17 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 2016-17 budget was reviewed by the CEO Board on February 18, 2016 and recommended to the Budget Committee as the Proposed Budget. The Budget Committee met to review and deliberate upon the Proposed Budget on March 17, 2016. On June 23, 2016, 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 19: Chief Executive Officer (CEO) Board reviews FY 16/17 budget policies, budget calendar and preliminary calculation of member fees by Agency.

December 17: Board of Commissioners approves non-member FY 16/17 fees, budget policies and calendar. Any further appointments to the Budget Committee to be considered.

January 21: CEO Previews FY 16/17 Budget

January 28: Budget Presentation to Users and Users' Finance Departments

February 12: CEO Board packets issued with draft budget document. Budget Committee packets issued with Board of Commissioners' October, 2015 Financial Forecast and CEO Board's draft budget.

February 18: CEO Board to consider FY 16/17 draft line item Budget; recommends Proposed Budget to the Budget Committee; consider any FY 16/17 Budget adjustments for recommendation to Board of Commissioners.

Budget Committee Work Session: Orientation and overview; financial forecast; member fees; major issues (911 taxes; fees).

March 17: CEO Board, Board of Commissioners and Budget Committee meetings. Budget Committee deliberates towards an Approved Budget.

June 16: Board of Commissioners adopts FY 16/17 Budget.

January, 2016						
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31						

February, 2016						
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March, 2016						
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June, 2016						
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Calendar Color Key Code
CEO Board Meeting
CEO & Board of Commissioners Meeting
Both Boards & Budget Committee Meeting

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*Adopted Budget
Fiscal Year 2016-2017*

MEMBER FEES

MEMBER FEES

WASHINGTON COUNTY CONSOLIDATED COMMUNICATIONS AGENCY
FY 2016/17 WCCCA Member User Fees by Agency

FY 15/16 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 16/17 Projected	% Inc. after 3% Adj.
\$2,266,353	Sheriff's Office	\$ 2,121,614	\$ 252,058	\$ 2,373,671	\$107,318	4.7%	\$ 22,841	\$ 130,160	\$ 2,396,513	5.7%
1,252,225	Beaverton Police	1,191,763	92,341	1,284,104	31,879	2.5%	12,357	44,235	1,296,460	3.5%
1,163,221	Hillsboro Police	1,140,211	75,966	1,216,177	52,956	4.6%	11,703	64,659	1,227,880	5.6%
578,949	Tigard Police	521,919	49,123	571,042	(7,907)	-1.4%	5,495	(2,412)	576,537	-0.4%
328,121	Tualatin Police	297,407	29,796	327,203	(918)	-0.3%	3,149	2,231	330,352	0.7%
186,122	Sherwood Police	174,920	13,690	188,610	2,489	1.3%	1,815	4,304	190,425	2.3%
264,378	Forest Grove Police	247,451	18,522	265,973	1,595	0.6%	2,559	4,155	268,532	1.6%
104,845	Cornelius Police	107,497	1,342	108,840	3,995	3.8%	1,047	5,042	109,887	4.8%
21,243	King City Police	39,977	5,100	45,077	23,834	112.2%	(23,197)	637	21,880	3.0%
12,794	North Plains Police	22,705	4,832	27,537	14,743	115.2%	(14,359)	384	13,178	3.0%
13,563	City of Durham	6,601		6,601	(6,962)	-51.3%	7,369	407	13,970	3.0%
7,383	Banks Police	6,254		6,254	(1,129)	-15.3%	1,350	221	7,604	3.0%
6,132	Gaston Police	2,253	2,416	4,669	(1,463)	-23.9%	1,647	184	6,316	3.0%
\$6,205,328	Total Police Costs	\$ 5,880,573	\$ 545,185	\$ 6,425,758	\$220,430		\$ 33,777	\$ 254,207	\$ 6,459,535	4.1%
\$1,772,440	TVFR	\$ 1,685,118	\$ 167,770	\$ 1,852,888	\$ 80,448	4.5%	\$ 17,830	\$ 98,278	\$ 1,870,718	5.5%
450,947	Hillsboro Fire	412,409	43,754	456,164	5,217	1.2%	4,390	9,606	460,553	2.1%
164,469	Forest Grove Fire	138,050	26,575	164,625	156	0.1%	1,584	1,739	166,208	1.1%
64,318	WCFD #2	56,375	24,427	80,803	16,485	25.6%	(14,555)	1,930	66,248	3.0%
47,315	Cornelius Fire	51,715	17,448	69,164	21,849	46.2%	(20,429)	1,419	48,734	3.0%
29,472	Banks Fire #13	22,741	20,938	43,679	14,207	48.2%	(13,323)	884	30,356	3.0%
19,532	Gaston Fire	13,822	15,569	29,391	9,859	50.5%	(9,273)	586	20,118	3.0%
\$2,548,493	Total Fire Costs	\$2,380,232	\$ 316,481	\$ 2,696,713	\$148,220		\$ (33,777)	\$ 114,442	\$ 2,662,935	4.5%

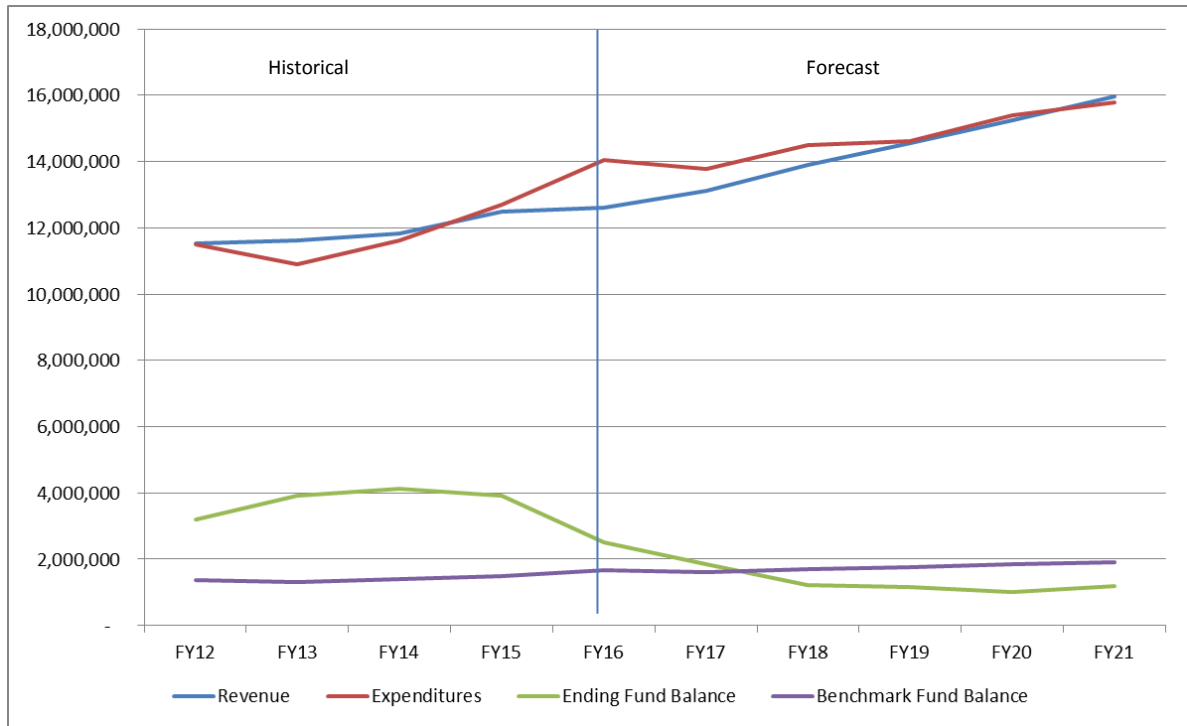
* = subject to a cap of 3% increase

Combined Police & Fire member fees, above:	\$ 9,122,470
Associate members (Wash Co Dept.s; Hillsboro & Sherwood PWks):	79,725
Total	\$ 9,202,195

Adopted Budget
Fiscal Year 2016-2017

GENERAL FUND
5 YEAR FINANCIAL PLAN

GENERAL FUND – FIVE YEAR FINANCIAL PLAN



The above graph depicts the Agency’s “Financial Forecast” for FY 2016 through FY 2021. 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.

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*Adopted Budget
Fiscal Year 2016-2017*

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 294.403 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, and 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, 2013.
2. Gauthier, Stephen J., *Governmental Accounting Auditing and Financial Reporting*, Chicago: Government Finance Officers Association, 2012.

