

BOARD OF YAKIMA COUNTY COMMISSIONERS

Weekly Agenda Meeting

Tuesday, November 27, 2018 at 10:00 AM

City Council Chambers, 129 North 2nd Street, Yakima, Washington


- **PRESENT:** Chairman Ron Anderson, Michael D. Leita, J. Rand Elliott, Legal Counsel Don Anderson, Clerk of the Board Rachel Michael.
- **PUBLIC COMMENT:** None.
- **CONSENT ITEMS:** Approved as presented.

| FUNDING LEVEL: A=No Impact B=Under \$100,000 C=\$100,000- \$500,000 D=Over \$500,000 | | | | |
|--|---------------------------|---|---------------|----------|
| DEPARTMENT | ITEM | DESCRIPTION | FUNDING LEVEL | ACTION |
| Public Services Lynn Deitrick, Planning Official | Reso 379-2018 | Setting Public Hearing Date to Consider Testimony of the 2018 Biennial Amendments to the Yakima County Comprehensive Plan Horizon 2040 and the Yakima County Zoning Code Title 19; <i>Tuesday December 11, 2018 @ 10:30 a.m.:</i> | A | APPROVED |
| Matt Pietrusiewicz, County Engineer | Agreement BOCC284-2018 | Limited Public Services Contract with Stripe Rite, Inc. for the Yakima County Stop Ahead Markings Project No. RC 3684: | B | APPROVED |
| Harold MacLean, Building Official | Agreement BOCC287-2018 | Agreement with Susan Brumback and Michael Kunert for the HOME Rehabilitation Loan Program; Project No. 16-017: | B | APPROVED |
| Harold MacLean, Building Official | Agreement BOCC288-2018 | Agreement with Teri & Randy Gay Worley for the HOME Rehabilitation Loan Program; Project No. HM14-013: | B | APPROVED |
| Harold MacLean, Building Official | Agreement BOCC289-2018 | Agreement with Gladys Blakesley for the HOME Rehabilitation Loan Program; Project No. HM14-016: | B | APPROVED |
| Harold MacLean, Building Official | Agreement BOCC290-2018 | Notice of Mutually Agreed Lien on Real Property with with Dennis & Vicie Kramer for the HOME Rehabilitation Loan Program; No. HM16-007: | B | APPROVED |
| Harold MacLean, Building Official | Agreement BOCC291-2018 | Notice of Mutually Agreed Lien on Real Property with Michael Kunert and Susan Brumback for the HOME Rehabilitation Program No. HM16-017: | B | APPROVED |
| Matt Pietrusiewicz, County Engineer | Agreement BOCC292-2018 | Interlocal Agreement between the City of Zillah and Yakima County for Bridge Inspection Services: | A | APPROVED |
| Matt Pietrusiewicz, County Engineer | Agreement BOCC293-2018 | Supplemental Agreement No. 2 for the North Meyers Bridge #485 Project to Monitor Wetland Mitigation Plantings: | A | APPROVED |
| Matt Pietrusiewicz, County Engineer | Agreement BOCC294-2018 | Supplemental Agreement No. 3 with Echelon Engineering, Inc. for Underwater Inspection on Bridges: | B | APPROVED |
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| Commissioners Ron Anderson, Chairman | Reso 380-2018 | Appointing Amy Garcia-Hernandez to the Yakima County Veterans Advisory Board: | A | APPROVED |
| | Voucher/Warrant | Certification of Salary Clearing Warrant No. 656077 through 656638 in the net amount of \$590,870.00: | A | APPROVED |
| | Minutes | Approve Agenda Minutes of 11/20/18: | A | APPROVED |
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| Assigned Counsel Paul Kelley, Director | Agreement BOCC295-2018 | Grant Agreement with Washington State Office of Public Defense for Public Defense Funding: | C | APPROVED |
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| Auditor Charles Ross, Auditor | Reso 381-2018 | Authorizing Charles Ross to Sign a Lease from Pitney Bowes: | B | APPROVED |
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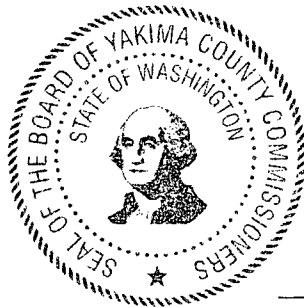
| DEPARTMENT | ITEM | DESCRIPTION | FUNDING LEVEL | ACTION |
|--|---------------------------|---|---------------|----------|
| Department of Corrections Ed Campbell, Director | Agreement BOCC296-2018 | 2019 Interlocal Corrections/Detention Agreement with the City of Tieton: | B | APPROVED |
| Facilities Services Brian Griff, Director | Agreement BOCC297-2018 | Personal Services Agreement with Fulcrum Environmental for Air Quality Sampling and Testing for the Yakima County Sheriff's Office: | B | APPROVED |
| Financial Services Craig Warner, Director | Reso 382-2018 | Setting a Public Hearing to Amend the 2018 Yakima County Budget for Various Funds; <i>Tuesday December 11, 2018 @ 10:30 a.m.:</i> | A | APPROVED |
| | Reso 383-2018 | Setting Limit Factors and Levying 2019 Property Taxes for Yakima County, Yakima County Roads, Yakima County Emergency Medical Services (EMS) and Yakima County Flood Control Zone District and Certifying Levies to the Yakima County Assessor: | D | APPROVED |
| Human Resources Jacqui Lindsay, Director | Agreement BOCC298-2018 | Agreement with NextJob Inc. to Provide Reemployment Services for Laid Off Employees: | B | APPROVED |
| Purchasing Sue Ownby, Director | Reso 384-2018 | Awarding Bid for the LED Lighting Upgrade for the Yakima County Jail to Platt Electric Supply: | B | APPROVED |
| Sheriff Brian Winter, Sheriff | Agreement BOCC299-2018 | Law Enforcement Assistance Agreement with the City of Wapato: | B | APPROVED |
| | Agreement BOCC300-2018 | Law Enforcement Assistance Agreement with the Town of Naches: | B | APPROVED |
| | Agreement BOCC301-2018 | Law Enforcement Assistance Agreement with the City of Moxee: | B | APPROVED |
| | Agreement BOCC302-2018 | Law Enforcement Assistance Agreement with the City of Tieton: | B | APPROVED |

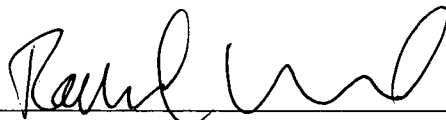
Approved this 4th day of December 2018.


Ron Anderson, Chairman


Michael D. Leita, Commissioner


J. Rand Elliott, Commissioner




Rachel Michael, Clerk of the Board

**BOARD OF YAKIMA COUNTY COMMISSIONERS
PUBLIC HEARING**

Date: November 27, 2018
Re: **2019 Budget**
Time: 10:30 A.M.
Location: City Council Chambers, 129 North Second St, Yakima, Washington
Present: Chairman Ron Anderson
Commissioner Michael D. Leita
Commissioner J. Rand Elliott
Clerk of the Board Rachel Michael

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Craig Warner, Financial Services Director: Good morning Commissioners, Craig Warner, Financial Services Director. We're going to do a quick PowerPoint presentation to kind of go over some of the decision points that were talked about was we put this budget together for 2019. So, if, first of all, number one, I'd like to thank all of the Department Heads and elected officials that have helped put this together, it takes a lot of work to get it to this point. I'd also like to thank my staff, Forrest Smith and Stefanie Alvarado, they do a great job trying to keep all the numbers as they change, in order. So, with that, I'd like to start out with our budget, as you know, and we mention this each year, we use a priorities of government budget model. Yakima County has eight priorities, law, justice, public safety, public services, government services, economic development, quality of life and health and human services. In the General Fund, which is most of what we'll talk about today, there's a couple of those we don't spend much money, or maybe even none at all. But, there are dollars spent on all of these throughout the entire County budget. Our budget's policy driven, that's one of the things we changed years ago. Commissioner Leita, when you started 14 years ago, this was something we made a priority, specifically our reserve policy for our general fund. All of the polices make up this budge and are taken into account. We also use our budget elected team, which is all of the elected officials in Yakima County, in the County offices and then also one Commissioner, which Commissioner Leita is that key person. But, all of these budgets have been reviewed with the three Commissioners.

Mike Leita – Just a note, I can't be silent any longer. For the last four years as you say, we've been inclusive of all the elected officials or their representatives and in that entire four-year tenure, I never saw our Clerk, Janelle Riddle, attend any of our budget meetings. So, I cannot give her recognition for being part of this process.

Craig Warner – So, moving forward with our 2019 General Fund Budget, we are looking at revenues of \$65.7 million dollars. Expenses of about \$67.5 million, so there's about \$1.7 million worth of reserves used and in the General Fund, we have a policy that we want to have a minimum of 11 percent reserve, which for 2019's budget that would be about \$7.3 million. The million 7 reserves that we're going to use comes in a couple of places, one is the use of what we call available cash flow reserves. These are part of that 11 percent. We believe there's going to about 1 percent of about \$650,000 of unspent budget coming out 2018, that can roll forward into '19. Then we're going to use about \$723,866 of one-time reserves. We have a slide a little bit further down that shows you the one time uses of those dollars. And, then, we're going to also going to use some designated reserves. Basically, money that's restricted to be used for specific purposes, \$40,000 in, which is contingency, \$115,820 that we're actually adding into our reserve for elections. This is related to when the State pays us for even year elections costs versus odd year. So, even year, we've put we've used money because the State doesn't reimburse us in even years, odd years we get some extra money from the State and we set some money aside. Then, we are also using about \$415,000 worth of restricted Court reserves, so that how we would make up the \$1.7 million overall. This budget does have the minimum 11 percent reserve met. In fact, it's going to be about 11.1 and \$7.31 million for our overall cash flow reserve. For our General Fund revenues, our general revenues, which is our revenues less our grant or contract revenues, things that can go away because grants go away, or contracts are no longer in place. We have about \$55,490,000 of revenues, that's about a 4.5 percent increase over 2018 budgets level. Our grants and contracts are about \$8 million, this about a 13 percent increase, so we have seen some growth in some of our grants. One of the bigger ones is in our Consolidated Juvenile Services Program. Another one is in our Prosecuting Attorney's office where support enforcement where support enforcement cases will be handled through the Yakima County Prosecuting Attorney's office in Kittitas County. We already have an agreement where we're doing that in Grant County already. So, that total is about \$63.5 million worth of revenue. We do have a \$2.2 million road levy shift that supports the YAK and the Resource Center when it was

formerly the jail. The good thing about that is this is the last year we have to pay debt service on the Resource Center when it was a jail. In 2020, our costs should drop by about \$320,000 a year on that debt services. So, that is how the total \$65.7 million revenues comes up, and again, overall this about a 5.3 percent increase over 2018's revenues. The major changes in those revenues are mainly the biggest pieces are our property tax. As for property tax, we get 1 percent by law, we are not asking for more than the 1 percent growth, plus whatever new construction is. So, new construction is if you drive around the Valley you're seeing lots of construction going on, we're seeing a lot of money there. Sales tax is up by a little over \$1.1 million. Sales tax is really growing fast for us. We have to be very careful though, property tax when hit our recession in 2008, 9 and 10, property tax was very consistent, very flat, but it stayed consistent. Sales tax was where we saw the drop. This is a very large increase and we have to be very careful that we don't project out too high, too fast. Because, if we did see a reduction, it would in the sales tax numbers. Investment interests, this one changed and has been changing over the last year or two as the Federal Reserve changes and increases their interest rates on borrowing. Basically, this means we get more money if we have cashflow to invest. This is a \$415,00 increase. At one point our revenue projection for investment earnings years ago was \$2.5 million. We literally got down to under a \$100,00 when we had interest rates at barely a tenth of a percent. So, this is a helpful revenue stream for us. Motor vehicle excise tax for criminal justice is going up about \$50,000. And then, we charge what we call an indirect cost reimbursement to all of our non-general fund department for services such as the Auditor's office, accounts payable, payroll, the Human Resources Department, the Treasury function which is basically acting as a bank for a lot of our funds, that's going to go up about \$56,000 in 2019. All of our other revenues in our General Fund netted together will actually go down about \$41,000, so our total General Fund revenue excluding grants is increasing about \$2.4 million with grants and contracts about \$3.3 million. As I mentioned, one of our largest revenue streams and is our largest revenue stream is our property tax. We've used this dollar bill to kind of in the past try to point out that even though Yakima County collects all the property taxes in Yakima County, we don't get to keep nearly all of it. In fact, in Yakima County last year, we got to keep 14 cents on the dollar. This year we only get to keep 12.75 cents. A lot of that is related to, what you'll see there in red and that is the State's school levy. As everybody knows, the State had to fund the McCleary Decision. We ended up having to, they shifted revenues around. They increased the State school levy. They decreased some of the local school levies and as a whole, as far as every dollar we collect in taxes, you'll see that there's significantly more money going to that State school than there was to local government. We did not get the same increases everybody else did. If you go to the next graph, this is then our total revenues broken out by a pie graph. You'll see that the largest piece there is that green piece on the bottom left. It's the property tax that almost 40 percent of our revenue in our general fund. The yellow piece, is the next one, that's our sales tax and that about 22.5 percent and then if you included that purple piece which is the road levy shift, which is still property tax, those three pieces make up 65.53 percent of our total revenue in our General Fund. So, almost two thirds of our revenue come from property tax and sales tax. The rest then, is interest income, again is only about 1.5 percent. State and Federal revenues are just about, just under 13 percent and then charges for services are about 13.5 percent as well. What's interesting here is your fines and fees, even though when we get there you'll see that we're spending almost 80 percent of our expense budget on Law and Justice and Public Safety. We're only getting 4 percent of our revenue in fines and fees, which is kind of an interesting note. So, that was the revenue and as we said had about \$3.3 million revenue growth. If you look at the expenses then, we're going to have about the same amount of growth and expense or about 5.26 percent. I've highlighted the majority of the changes here; the biggest change overall is \$825,000 for labor costs. This is for medical, this is for step increases that we have budgeted for and settlements with our Unions for. Our internal services costs, these are our Technology, Facilities, Purchasing, liability insurance costs. Costs we charge our other departments to cover. That's going to go up about \$352,000. The biggest change there is the Sheriff's Office used to be out on its own, not part of our Facilities Department. This year in 2019, will be the first years since about 2005 or 2006, I believe they'll be back underneath our Facilities Department, so they will be able to contact Brian Griff and the Facilities Division and get their stuff resolved versus having to go out and contract to have it done themselves.

Mike Leita – So, the essence of that change, the importance of that is we will no longer be using law enforcement officers to do facility type projects.

Craig Warner – Yes.

Mike Leita – Or, having them take time to hire outside facility services. That's all going to be now incorporated under Facilities as you've mentioned. And, so, my thanks to Sheriff Winter and Sheriff-Elect Udell for making this a necessary change, appropriate change.

Craig Warner – The next one on the list is Department of Corrections. Yakima County’s population in our Jail is the largest population overall when you include the contracts we sell for our local cities or the State of the Feds or our outside contracts to other entities. And, our costs will continually go up. For the most part, we work very diligently to try to keep that cost down and I now Ed Campbell, our Director, does a really good job of keeping those costs down and looking for revenue sources anywhere he can. But, we need to increase our rate from the General Fund. I think this is the first time in three years we’ve increased that rate from the General Fund. So, we increase \$300,000 and with the levy \$2.2 million shift to DOC we’re at about \$15.6 million in 2019. We also had some Law and Justice new positions this year of about \$340,000. There was a half-time Court Commissioners in Superior that is permanently funded with this money. That was \$100,000. We have a court assistant that was hired for Superior Court. We have a half time pre-trial person hired. They were already half-time, so this would make the position full-time. And, we hired two additional Juvenile Detention Officers over at the Juvenile Detention Center.

Mike Leita – So, it’s important to point out in this budget process nearly all of the funding, additional funding that we receive went for Law and Justice purposes, to DOC and to fund new Law and Justice positions and funding full-time, fully the Court Commissioners and assorted new positions in Law and Justice. What’s disconcerting here is we continue to make large annual investments into Law and Justice and it continues to consume 80 percent of our budget and yet our population in our County facility continues to rise. Where we used to have 350, we’re up now nearly 550 inmates. So, the County is looking at what dynamics are going on here. It would seem as you make more investments that number would be less, but it’s more. Which is a double-edge sword because when you have more local County inmates, you have less rental inmates. What I want to point out here is that we are currently operating a very safe, but a very inefficient jail system in Yakima County. It’s become glaringly apparent through our Facility efforts, that our Law and Justice structure, most notably the large downtown jail is very inefficient and very expensive to operation, to transport inmates and also has us very vulnerable to liability lawsuits for meeting proper oversight of these inmates and our population today is much more challenging from a safety standpoint, security standpoint than, let’s say, ten years ago. So, we have many issues within our Law and Justice and jail operations that I think the new Board of County Commissioners is going to have to address in 2019. We’ve done a good job up to point, but I think we’re at a tipping point now where our Law and Justice system is becoming expensive. It is somewhat reminiscent of what we did with the downtown Courthouse where we made a \$3 million exterior improvement to put in new energy efficient glass and insulation of the walls and it saves us currently around \$60,000 a year in operational savings, costs for heat and air conditioning. So, this is what’s going on with our Law and Justice and Jail facilities right now. It has been a progression of hodgepodging our way through our problems and I think the County now needs to address those problems. So, its highlighted, I guess, to me personally, aggravated by the fact these huge investments into our Law and Justice efforts, if you will, we keep putting more on this old vehicle that we are running and it’s starting to break down more often. So, I welcome 2019 to address that issue. Sorry Craig.

Craig Warner – No, that’s okay. So, the next one down is the Code Enforcement. The Commissioners in 2018’s budget made and investment in Code Enforcement of \$200,000. In 2019, you’re increasing that investing for an additional \$240,667 and on top of that, when we get to the one-time expenses, there is an additional \$155,000 in one-time expenses for legal, abatement and also some equipment purchases for that program as you have built it up. They needed a new truck and a new laptop.

Mike Leita – So, again, I want to point out under Code Enforcement, this is not marijuana related. Actually, the marijuana issues are being resolved through the court process and I think the County will prevail. So, these new monies are not related to marijuana. It’s about having better code enforcement throughout Yakima County and reorganization internally to that end.

Craig Warner – In addition, there’s a \$25,000 administrative position that was reallocated in the Commissioner’s office. That person actually used to do financial work. They need that person full-time to do front office work. Also, there was a net of about \$527,000 in grant changes. The reason that’s not the full grant allocation or revenue is we did receive some ITA revenues in 2018 that will move forward into 19 that we had already fully funded the ITA process for 2018, so those new revenues were adjusted with the grant revenues for 2019. As I mentioned, there’s \$695,000 worth of one-time expenses. This next page then explains what those are. There’s \$300,000 set aside for a homeless low barrier shelter. This is for capital. This is for the location by the old K-Mart and will be used for capital in joint with the City of Yakima. There’s \$191,000 set aside for a financial system replacement. Yakima County’s financial system was implanted in 1993, and will takes some, we’ve been working on it for about a year and a half, looking at solutions. Hopefully, by the end of the year we’ll be able to bring a couple forward for the Board to consider. The Code Enforcement, I mentioned the \$150,000 worth

of one-time funds. District Court needed some additional funding for their OnBase module and OnBase conversion. That's about \$47,000 and a couple thousand for Assigned Counsel for JustWare Licenses. That's a software they use. So, this next page is probably a little bit more difficult to follow if you're looking at this on a TV screen. This represents all of the elected officials, their budgets from 18 to 19, the change and the percentage change. I just wanted to point out on the corner, you'll see they went from a \$699,000 budget down to a \$367,000 budget. This is related to, there was court case that was related to the Coroner's Office. That was resolved in 2018, so those resources did not have to be budgeted in 19, so that's why it was reduced. The Sheriff's Office has increased \$871,000. Most of that is labor cost adjustments for estimated contract settlements, the other \$300,000 is related to the Facilities that we mentioned already. The next page then breaks out, if you looked at that last page it would breakout the Commissioner's 2019-18 budget was \$26 million and 2019 it was \$27.4 million. Again, you can look through this. The Commissioner's budgets include not only their own operating department, but Human Resources Department, a department we call non-departmental which is a line item budget. It's very specific in terms of what is budgeted in there. The biggest chunks are we provide funding for the Health District, for the Lef Retiree Medical, which is our Sheriff's Office and some other things. We have \$15.8 million for 2019. That was the \$300,000 increase. We have some money we set aside for equipment replacement for computers of \$125,000. Then, we have our Public Defense, our WSU Extension Program and our Planning Department. So, our General Fund revenues if you broke them out by our eight priorities of government, you'll see then there's Public Safety is the largest piece with the green and that is mainly Sheriff and Department of Corrections and then you have Law and Justice. If you took those three green pieces together, those different shaded greens you're going to be right at 80 percent overall of what we're spending in our budget is related to Law and Justice and Public Safety. Years ago, the press actually did this, we used to have this all put together. It looked like PacMan, for those of you who are old enough to remember what PacMan was. It looked PacMan was eating everything. So, this is our PacMan graph, 2019 version. This one is one of my favorite graphs, I know I'm a nerd. This basically shows the history from 2008 through 2018 plus our 2018 and 2019 budget. The red line is where we spend our money. The dark green line is our revenues. As you can see, the years that the red line is above the green line, that means we've spent reserves to cover that. The years that our green line is above the red line, that means we have been able to set money aside in our reserves. So, the recession you can see that we had a swoon in our revenues and that it has basically for the most part, gone up. We also include in the blue, is just our revenues without grants and contracts included, so mainly our property tax, our sales tax and our fines and fees and others. You can see that line is very much from 2010, which was our low point, all the way to where we're projecting to 2019, that's a pretty straight line of growth and it's good to see because overall, it's not dipping. There's not lots of ups and downs, it's very steady. It's not a 10 percent growth rate but is very steady. So, the 2019 budget beyond just General Fund, which we've talked about up to this point. There is a bunch of budgets that are related to a lot of other things. These are what we call our non-general funds budgets or our dedicated fund budgets. Money comes in for these, they're specifically meant to be used for a specific purpose, like our 911 funds, we have to use that for our 911 programs. We started out 2019 we're projecting that we're going to have just under \$86 million worth of reserves in all of those funds and we have all of those on this three-page document. That's the last two pages that make up those numbers. We're going to collect just under \$147 million, so our available resources to spend is about \$232 million. Our projected expenses of \$170 million, so we would have a projected ending fund balance of about \$62.7 million. That shows you how overall, we would balance our budget for 2019. This would use about \$23 million worth of available fund balance. And, if you look at the 2019 budgets overall, this is the last slide plus the General Fund numbers, we're going to have a revenue budget of \$212,739,496 and an expense budget of \$237,504,468. This would be a total surplus we would use surplus reserves to balance this budget of just over \$24.7 million.

Mike Leita- So, the last comment there on those two slides. I think the Board has committed to you as we have with you Craig. By the way, thank you very much for your efforts and Forrest and your staff for putting this budget together. You've put it in a very simplified manner. There's a lot of detail and effort that went in to get it to this point. I guess, what I would say, one of the overarching principles that Board has been watching and my appreciation to Ron and Rand is we look at all of our accounts and all of the reserves that those accounts have and the object, I think from the citizens viewpoint is that we are not collecting taxes and then not putting them to good use. So, we're constantly looking at our reserves. Our purpose is not rathole money, it's to put it to productive use to the benefit of the community. So, where we're seeing the use of reserves here, we're again with the ability of good oversight and good financial management, we're constantly trying to trim those excess reserves down, not placing them in jeopardy, but to trim those down and the put the taxpayers' money to work. Thank you, Craig.

Craig Warner – We just had one last slide. It was just related to overall the budget. It's a pie chart and it breaks it out by Public Works is the biggest piece, its 34 percent of the budget, that's the green piece. The top right-hand pieces are General

Fund that's the other blue piece at 28 percent. Dedicated funds is 25 percent and Service Cost Departments are \$20 million, and Debt Service Capital Projects are the others. That makes up the \$37 million budget. So, finally then, this is the first part of the public hearing I would recommend that the Commissioners would continue this to tomorrow night at 7 p.m. in the Yakima City Council Chambers for continued dialog.

Ron Anderson – Thank you Craig. This is a public hearing and if there is anyone in the audience who'd like to make public comment, please do so at this time. Seeing none, we will continue the hearing tomorrow night, 7 o'clock in these chambers 129 North Second Street and with that, we are concluded.

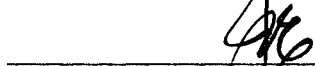
Approved this 4th day of December 2018.



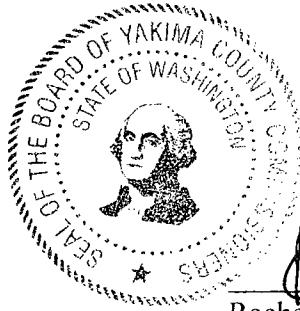
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**BOARD OF YAKIMA COUNTY COMMISSIONERS
PUBLIC HEARING**

Date: November 28, 2018
Re: **2019 Budget**
Time: 7:00 P.M.
Location: City Council Chambers, 129 North Second St, Yakima, Washington
Present: Chairman Ron Anderson
Commissioner Michael D. Leita
Commissioner J. Rand Elliott
Clerk of the Board Rachel Michael


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Craig Warner, Financial Services Director: Good evening, Commissioners. I want to quickly go through the PowerPoint presentation that we did yesterday. I don't want to hit on a lot of details, but I want to make sure I hit the key points. Mainly, this is a priority driven budget. We have eight priorities; Law and Justice, Public Safety, Public Services, Government Services, Economic Development, Quality of Life and Health and Human Services. To go out and start talking about it, the majority of what we talk about usually when we talk about it is our General Fund. Currently, our Revenue for the General Fund is \$65,759,383 million. The Expense Budget is \$67,473,246 million, so we've used reserves of about \$1.7 million dollars to cover that hole. This will give us a 11.1 percent reserve at the end of 2019, which meets our policy of a minimum of 11 percent. Let's keep going Forrest. General Fund revenue changes, the main changes are in property taxes, which is the one percent plus new construction and the sales tax is up about \$1.1 million. So, that's good, it's a total of 5.37 percent. We are seeing a change in the property tax dollars allocated mainly because the State is taking a lot more property tax dollars directly for the State school levy. So, that means overall of a dollar we collect, where we used to collect over 14 cents, now we're only collecting 12.75 cents basically. If you keep going there, overall, our sales tax, property tax revenue represents about 65-66 percent of our revenue for the General Fund. Fines and fees is about 4 percent overall, and I mention that because Law and Justice is about 80 percent of our General Fund budget, but we only really get about 4 percent of our money back in fines and fees. Expense highlights, the revenue grew by about \$3.3 million. We're going to grow that expense budget by about the same amount. Labor costs are service cost for our internal costs like Facilities, Technology, Liability Insurance have grown about \$352,000 more money for Department of Corrections, new positions for our Law and Justice Departments of about \$340,000. We're going to add a Code Enforcement Department that's stand alone for the first time in Yakima County's history as far as I'm aware. That'll add about another \$240,000. We have some grants going out of about \$500,000 net. And, one-time expenses of just under \$700,00. Of those one-time expenses, \$300,00 is to help capital costs of a homeless low-barrier shelter and work with the City of Yakima as a partner to do that. We are also looking at replacing our financial system. It's Legacy software we've had for the past 26 years, so we hope to be able to work on that, so we're setting some money aside. And, some one-time costs of about \$155,000 for Code Enforcement to get that program started. In our General Fund, budgets overall by our elected officials, our Coroner's budget is actually dropping. That's because in 2018, we put money aside for a legal matter and in 2019 we're able to reduce that down. The Sheriff's Office is going up by 8.75 percent or about \$871,000. The majority of the is salaries and benefits, but we are also making a change where we are able to bring our Sheriff's Office back in under our umbrella of our Facilities Department. So, that now no longer will deputies be out trying to maintain their facility, we will now have professional facilities people doing that. That will help the man power needs of the Sheriff. Commissioners have various budgets that they're responsible for, that's why on the last slide the number was in the \$27 million range for 2019 and the General Fund expenses overall is broken out on the pie graph. You'll see Public Safety, Law and Justice are all three different colors of green. Those represent almost 80 percent of the budget and if you looked at this, it's almost like an old PacMan where basically what's happening is Law and Justice and Public Safety are eating up the budget. Revenues and Expense, this is just a historical view. The red is the expense, the dark green is the revenue and any time the red line is over green line, we're using reserves. Any time the green line is over the red line we're putting money aside and the blue line is basically what we call our general revenues, which take out grants and contract funds and you can see it's a fairly stable claim from our reduction to our low point during 2010, which was during the recession. Besides the General Fund, there is also a lot of non-general fund departments. All of these funds are funds that are dedicated and set aside for a very specific purpose, so they have to be used specifically for that purpose. Revenue projections are a little over \$147 million. Projected expenses are \$170 million. That means we are going to use about \$23 million in fund balance for those various funds to cover the gap. All of those funds, again, are dedicated

and available for use in those funds. So, the grand total budget for the Yakima County is \$212,849,496 for revenue and \$237,594,468 in expense and if you break it out by the different categories, Public Works is the green on the top right is General Fund. Bottom left, which is the other blue is our dedicated resources and then service costs, capital projects and debt service. That's the entire presentation and if you have any questions, I'd be happy to answer.

Ron Anderson – Any questions, this is a public hearing, is anyone wishing to come forward? Seeing none, Craig I will ask you to move this forward to resolution for next week's agenda. With that, if there's no further comment, we are adjourned.

Approved this 4th day of December 2018.



Ron Anderson, Chairman




Michael D. Leita, Commissioner



J. Rand Elliott, Commissioner





Rachel Michael, Clerk of the Board