

RESOLUTION NO.

ESTABLISHING OBJECTIVES FOR THE 2016 COUNTY BUDGET

WHEREAS, pursuant to Chapter 36.40 RCW, the County Auditor has issued the call for preliminary departmental budgets for fiscal year 2016, and

WHEREAS, guidance for the preparation of departmental budget requests will assist the Board in making adjustments to the preliminary budget and in the adoption of the final budget for 2016, and

WHEREAS, the Board of Commissioners shall make adjustments to the preliminary budget prior to publishing the county budget and adopting the county budget, and

WHEREAS, the Board of Commissioners is required to adopt a county budget balanced within available resources projected for the fiscal year, and

WHEREAS, the annual budget provides policy guidance as well as limited constraints in the management of departmental programs,

NOW, THEREFORE, BE IT RESOLVED, by the Skagit County Board of Commissioners that the following objectives are established for preparation of preliminary departmental budget requests for 2016:

1. The General Fund budget shall be balanced within available revenue sources. A minimum reserve balance of 16.67% of expenses shall be targeted for the General Fund. An excess contingency amount may be included for items such as Unemployment Expenses, Insurance Claims, debt service payments, the impact of state reductions, etc.
2. The Insurance Services Fund shall be managed to maintain the County's self-insured status and other insurance coverages. Program reserves will be managed in accordance with WAC 200-110-040 for self-insured medical, dental, vision, and prescription drug benefits. The need for additional reserves for extraordinary claims and unforeseen circumstances will be evaluated on a regular basis and increased as necessary. From time to time the reserve amount may exceed the balance required, and may be used as necessary to allow for a level percent premium increase from year to year.
3. Internal Service Funds shall be funded at a level to maintain the financial stability of these funds and to meet required service levels for department programs. Participation by all county departments is necessary to ensure the County continues to provide efficient and effective service and to receive the benefits of the economies of scale.

4. Per RCW 84.55, growth in General Fund, Road Fund and Conservation Futures Fund tax levies shall not exceed 101% of the prior year levy plus taxes collected on new construction.
5. Diversion of a portion of the County Road Levy to the General Fund for the purpose of traffic law enforcement shall continue to provide funding for the program while continuing to ensure eligibility for funding from the Rural Arterial Program administered by the County Road Administration Board.
6. All new or enhanced positions, programs, and levels of service shall be included in the adds/deletes budget.
7. In order to meet a growing demand for current and future facilities infrastructure, technology needs, and other extraordinary or unusual expenses, projected Real Estate Excise Tax (REET), revenues received from the sale of timber, reserves in excess of the minimum amount per policy, and other one-time revenue sources may be allocated as needed.
8. As authorized by RCW 82.46.035, REET funds may be used for operations and maintenance expenses of existing capital projects within eligible REET categories. Additionally, second quarter percent REET funds may also be used for the payment of existing debt service incurred for capital projects.
9. Quarterly budget monitoring reports are an extension of the budget process and should be complete by all County departments as requested by the Board of County Commissioners to assist with projections for current and future years.
10. The sustainability of grant sources and the implications to programs dependent on continued availability of grant funds will be discussed at budget meetings as needed.
11. Departments that provide services to other agencies shall analyze the costs for providing these services, including direct and indirect expenses, to ensure that reimbursement rates for these services cover all appropriate costs. The County's Indirect Overhead Rate as calculated on an annual basis by the Auditor's Office in compliance with 2 CFR Part 225 (OMB Circular A-87) shall be used when allowable.
12. Opportunities to cooperate with other agencies to provide services should be evaluated and implemented to gain efficiency, decrease expenses and avoid duplication of services.
13. Preliminary budgets should be prepared without a General Wage Adjustment unless one is included in a bargaining agreement that is in place for 2016.

14. Preliminary budgets should be prepared without any backfill of lost or expired state or federal funding. Any request for backfill can be submitted in the Adds/Deletes budget for special consideration.
15. Preliminary budgets should be prepared with a 2016 standard medical plan accrual rate of 100% of the 2015 accrual rate for all regular full time employees. This rate shall be prorated for all regular part time employees based on their percentage of full time employment status (based on a 40 hour work week).
16. In order to ensure efficiency in allocation of personnel resources, any position which becomes vacant will be reviewed by departments as to their ability to hold the position vacant for 90 days. Each department should also evaluate whether the position function can be transferred to other positions in the department on a permanent basis. Should the determination be made that the position needs to be filled prior to 90 days; the Elected Official or Department Head should submit a request to the Human Resources Director to fill the position. Each request will be reviewed by the County Administrator and the Human Resources Director.
17. All personnel and benefit expense savings measures for 2016 will be considered.

ADOPTED THIS 20 DAY OF July, 2015



Approved as to Form:

BOARD OF COUNTY COMMISSIONERS  
SKAGIT COUNTY, WASHINGTON

Kenneth A. Dahlstedt  
Kenneth A. Dahlstedt, Chairman

Lisa Janicki  
Lisa Janicki, Commissioner

M. Hill (7/14/2015)  
Civil Deputy Prosecuting Attorney

Ron Wesen  
Ron Wesen, Commissioner

Recommended:

Trisha Logue  
Department Head

ATTEST:

Linda Hammons  
Linda Hammons, Clerk of the Board