

Board of Directors

Tuesday, September 12, 2011
2:00 p.m. or close of Legislative Committee meeting

Local Government Center, Room 113
1201 Court Street NE
Salem, Oregon

Agenda

2:00 p.m.

- 1. Call to order** AOC President Janet Carlson
- 2. Agenda approval (Action)** President Carlson
- 3. Items moved from Consent Agenda (Possible Action)** President Carlson
2:05 p.m.
- 4. Consent Agenda (Action) page 2** President Carlson
 - 4.1 Minutes from August 9, 2011 meeting page 3
 - 4.2 Financial Report for period ending August 31, 2011 page 5
 - 4.3 Recommendations & Appointments2:10 p.m.
- 5. Proposed AOC 2012 Budget (Action) page 14** AOC Vice President Tammy Baney & Mike McArthur
2:25 p.m.
- 6. Contract with BP7, Inc. (Action) page 39** Mike McArthur
2:30 p.m.
- 7. 2011 Supplemental Budget (Action) page 40** Mike McArthur
2:35 p.m.
- 8. Market adjustment for executive director (Action) page 45** President Carlson
- 9. Other business** President Carlson
- 10. Adjourn** President Carlson

Next AOC Board of Directors meeting October 10, 2011 – 2 p.m.
Local Government Center, Salem, Oregon

Board meetings in 2011:
October 10

December 12 (*Oregon Convention Center, Portland*)

Date: September 12, 2011
To: Board of Directors
From: Mike McArthur, executive director
Subject: Consent Agenda
Staff: Cara Fischer, deputy executive director

Should a director wish to move an item off the consent agenda for general discussion and action that may be done immediately following approval of the meeting agenda.

4.1 Minutes from August 9, 2011

Requested action:

Accept the minutes as represented, on next pages of this agenda packet.

4.2 Financial Report for period ending August 31, 2011

Requested action:

Accept the financial report as represented on document attached to this agenda packet.

4.3 Recommendations & Appointments

Requested actions:

1. Endorse Governor's nomination of Yamhill County Commissioner Mary Stern to the Oregon Criminal Justice Commission.
2. Appoint Multnomah County Commissioner Deborah Kafoury as AOC's representative to both the Advisory Committee on Court Facilities (ex officio member) and Joint Committee on State Courts Revenue Structure (member).

Association of Oregon Counties
Board of Directors

Tuesday, August 9, 2011
12:30 p.m.

Oregon Garden Resort
Silverton, OR

Present: President Janet Carlson, Commissioner Tammy Baney, Commissioner Mary Stern, Judge Pat Shaw, Judge Steve Grasty, Commissioner Jay Dixon, Commissioner Leslie Lewis, Commissioner Annabelle Jaramillo, Commissioner Kathy George, Commissioner Tony Hyde, Commissioner Patricia Roberts, Commissioner Tim Josi, Commissioner Wayne Fording, Administrator Ralph Wyatt

Guests: Commissioners Joe Laurance, John Hatfield and Pete Runnels, Diana Moffat

Staff and consultants: Mike McArthur, Cara Fischer, Mike Eliason, Joann Hendrix

President Janet Carlson called the meeting to order at 12:30 p.m.

Introduction

Mike McArthur introduced Diana Moffat, director of the Local Government Personnel Institute. Ms. Moffat reviewed the upcoming Local Government Personnel Institute's conference being held August 24 - 25 at the Salem Conference Center.

Agenda Approval

Commissioner Tony Hyde moved to approve the agenda of August 9, 2011, seconded by Commissioner Tim Josi. Motion carried.

Consent Agenda

Accept the minutes as presented from June 20, 2011.

Receive the financial report as presented for period ending June 30, 2011.

Receive the financial report as presented for period ending July 31, 2011.

Commissioner Hyde moved to approve the consent agenda, seconded by Commissioner Annabelle Jaramillo. Motion carried.

Employee Marketplace as AOC staff benefit

Mike McArthur requested the board authorize AOC to add the national Government Employees Marketplace program affiliated with NACo, as an employee benefit.

Judge Steve Grasty moved to authorize AOC to add the national government Employees Marketplace program affiliated with NACo, as an employee benefit, seconded by Commissioner Mary Stern. Motion carried.

AOC Sponsorship of Oregon Connections Telecommunications Conference

Mr. McArthur requested the board authorize AOC to be a sponsor of the 2011 Oregon Connections Telecommunications Conference at a cost of \$1,000.

Commissioner Jay Dixon moved approval for AOC to contribute \$1,000 for sponsorship of the 2011 Oregon Telecommunications Conference, seconded by Commissioner Hyde. Motion carried.

With no further business, the meeting adjourned at 1:00 p.m.

**Association of Oregon Counties
General Fund
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$362,754.00		\$362,754.00	0.0%	\$489,065.00
County Dues		552,862.00	445,604.21	107,257.79	80.6%	552,862.29
Contract Payments		96,500.00	41,100.00	55,400.00	42.6%	71,711.02
Insurance Annuities		18,792.00	18,792.00		100.0%	16,792.00
Staff Services		226,235.00	117,383.00	108,852.00	51.9%	192,465.16
Interest Earnings		5,000.00	1,069.36	3,930.64	21.4%	3,309.38
Misc. Revenue		5,000.00	408.50	4,591.50	8.2%	32,462.52
Mental Health		22,000.00		22,000.00	0.0%	21,045.60
CLHO			100.00	(100.00)	0.0%	75.00
Human Services Contract		62,000.00	18,364.43	43,635.57	29.6%	60,763.32
PERS Contribution		60,000.00	44,864.00	15,136.00	74.8%	64,125.00
Video Lottery Defense Fund		20,000.00	19,842.64	157.36	99.2%	38,226.75
Grant Revenues			127,360.00	(127,360.00)	0.0%	
OACES Contribution		10,000.00	10,000.00		100.0%	10,000.00
Revenue Exchange		325,000.00		325,000.00	0.0%	320,000.00
Change in Investment in LGCT					0.0%	3,771.00
Total Revenue		1,766,143.00	844,888.14	921,254.86	47.8%	1,876,674.04
Expenses						
Personal Services						
Salaries	60,634.01	694,904.00	488,019.23	206,884.77	70.2%	752,390.98
Payroll Assessment	18,588.68	258,030.00	169,134.80	88,895.20	65.5%	228,884.53
Employee Insurance Annuities	1,566.00	18,792.00	12,528.00	6,264.00	66.7%	16,792.00
Total Personal Services	80,788.69	971,726.00	669,682.03	302,043.97	68.9%	998,067.51
Materials and Services						
Travel		70,000.00	59,731.99	10,268.01	85.3%	100,260.45
Contract Services	1,041.43	94,100.00	58,291.12	35,808.88	61.9%	87,219.06
Postage, Printing & Supplies		20,000.00	11,462.09	8,537.91	57.3%	20,801.51
Communications		21,000.00	13,742.38	7,257.62	65.4%	20,628.63
Audit & Insurance		9,000.00	4,250.00	4,750.00	47.2%	8,875.80
Auto Expense		15,000.00	4,736.93	10,263.07	31.6%	17,544.14
GF Staff Services			14,100.00	(14,100.00)	0.0%	10,195.16
Building Expense		75,000.00	16,768.10	58,231.90	22.4%	79,301.00
PERS Expense		50,000.00	2,430.00	47,570.00	4.9%	6,084.00
Legislative Expense		5,000.00	7,708.95	(2,708.95)	154.2%	978.56
CRP I.S. Services		4,000.00	8,825.93	(4,825.93)	220.6%	3,312.51
Misc. Expense	3,558.08	3,000.00	4,323.17	(1,323.17)	144.1%	3,274.05
Video Lottery Defense		20,000.00	2,506.70	17,493.30	12.5%	5,434.12
Grant Expenses			127,963.65	(127,963.65)	0.0%	727.27
Data Processing		28,000.00	4,330.57	23,669.43	15.5%	4,375.27
Contingency		50,000.00		50,000.00	0.0%	
Capital Outlay		6,000.00	7,393.44	(1,393.44)	123.2%	3,636.67
Depreciation Expense					0.0%	29,113.22
Total Materials and Services	4,599.51	470,100.00	348,565.02	121,534.98	74.1%	401,761.42
Total Expenses	85,388.20	1,441,826.00	1,018,247.05	423,578.95	70.6%	1,399,828.93
Current Year Excess/(Deficit)	(85,388.20)	324,317.00	(173,358.91)	497,675.91	-53.5%	476,845.11
Budgeted Carryover						
Year End Balance		138,426.00		138,426.00	0.0%	
Year End Balance - Video Lottery Defense		39,969.00		39,969.00	0.0%	
Year End Balance - PERS Fund		100,787.00		100,787.00	0.0%	
Year End Balance - Operating Reserves		45,134.00		45,134.00	0.0%	

**Association of Oregon Counties
Public Lands
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$59,512.00		\$59,512.00	0.0%	\$68,942.00
County Dues		156,959.00	128,951.43	28,007.57	82.2%	152,419.13
Staff Services		26,400.00	13,200.00	13,200.00	50.0%	26,400.00
OSACA Contribution		6,000.00		6,000.00	0.0%	6,000.00
OACTC Contribution		2,000.00		2,000.00	0.0%	2,000.00
Total Revenue		250,871.00	142,151.43	108,719.57	56.7%	255,761.13
Expenses						
Personal Services						
Salaries	7,920.00	95,040.00	63,360.00	31,680.00	66.7%	95,040.00
Payroll Assessment	2,753.17	43,606.00	25,968.16	17,637.84	59.6%	42,419.96
Total Personal Services	10,673.17	138,646.00	89,328.16	49,317.84	64.4%	137,459.96
Materials and Services						
Travel		17,000.00	8,011.05	8,988.95	47.1%	17,680.23
Contract Services	3.77	200.00	283.24	(83.24)	141.6%	929.07
Postage, Printing & Supplies		1,200.00	669.83	530.17	55.8%	893.83
Communications		2,780.00	757.06	2,022.94	27.2%	1,322.38
Audit & Insurance		1,000.00	500.00	500.00	50.0%	932.26
Auto Expense		850.00	333.59	516.41	39.2%	2,004.30
GF Staff Services		26,530.00	13,266.00	13,264.00	50.0%	25,764.00
Legislative Expense		1,800.00	693.94	1,106.06	38.6%	61.80
Misc. Expense	155.40	100.00	248.20	(148.20)	248.2%	124.51
Data Processing		848.00	313.04	534.96	36.9%	227.02
Contingency		15,000.00		15,000.00	0.0%	
Capital Outlay		333.00		333.00	0.0%	253.80
Total Materials and Services	159.17	67,641.00	25,075.95	42,565.05	37.1%	50,193.20
Total Expenses	10,832.34	206,287.00	114,404.11	91,882.89	55.5%	187,653.16
Current Year Excess/(Deficit)	(10,832.34)	44,584.00	27,747.32	16,836.68	62.2%	68,107.97
Budgeted Carryover Year End Balance		44,584.00		44,584.00	0.0%	

**Association of Oregon Counties
CFTLC
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$22,857.00		\$22,857.00	0.0%	\$24,867.00
County Dues		56,400.00	53,386.00	3,014.00	94.7%	56,401.13
Total Revenue		79,257.00	53,386.00	25,871.00	67.4%	81,268.13
Personal Services						
Materials and Services						
Contract Services		30,000.00	1,969.68	28,030.32	6.6%	15,493.82
PL Staff Services		26,400.00	13,200.00	13,200.00	50.0%	26,400.00
Misc. Expense		1,300.00		1,300.00	0.0%	768.60
Total Materials and Services		57,700.00	15,169.68	42,530.32	26.3%	42,662.42
Total Expenses		57,700.00	15,169.68	42,530.32	26.3%	42,662.42
Current Year Excess/(Deficit)		21,557.00	38,216.32	(16,659.32)	177.3%	38,605.71
Budgeted Carryover						
Year End Balance		21,557.00		21,557.00	0.0%	

**Association of Oregon Counties
Roads Fund
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$480,000.00		\$480,000.00	0.0%	\$515,997.00
Contract Payments		74,000.00	1,250.00	72,750.00	1.7%	59,000.00
Road Revenue Exchange		1,265,000.00	1,265,000.00		100.0%	1,305,000.00
Interest Earnings		3,000.00	1,694.84	1,305.16	56.5%	4,186.70
Misc. Revenue		1,000.00		1,000.00	0.0%	150.00
CRP Services to AOC		4,000.00	10,416.61	(6,416.61)	260.4%	3,665.10
Total Revenue		1,827,000.00	1,278,361.45	548,638.55	70.0%	1,887,998.80
Expenses						
Personal Services						
Salaries	57,790.82	710,000.00	459,537.00	250,463.00	64.7%	676,372.04
Payroll Assessment	17,972.60	275,000.00	166,517.73	108,482.27	60.6%	250,234.24
Total Personal Services	75,763.42	985,000.00	626,054.73	358,945.27	63.6%	926,606.28
Materials and Services						
Travel		76,000.00	26,074.42	49,925.58	34.3%	44,949.82
Membership					0.0%	396.00
Contract Services	30.14	81,000.00	2,449.77	78,550.23	3.0%	56,365.21
Postage, Printing & Supplies		8,000.00	4,219.39	3,780.61	52.7%	5,166.18
Communications		14,000.00	5,244.10	8,755.90	37.5%	9,675.56
Audit & Insurance		9,000.00	4,250.00	4,750.00	47.2%	7,787.18
Auto Expense		20,000.00	5,841.93	14,158.07	29.2%	13,887.65
GF Staff Services		96,000.00	44,855.00	51,145.00	46.7%	79,622.00
Building Expense		65,000.00	7,284.97	57,715.03	11.2%	45,917.59
Technology Transfer		109,000.00	109,000.00		100.0%	109,000.00
Legislative Expense		5,000.00	3,075.72	1,924.28	61.5%	347.18
Misc. Expense	2,427.92	2,000.00	3,543.98	(1,543.98)	177.2%	1,591.79
Data Processing		20,000.00	5,913.93	14,086.07	29.6%	9,977.91
Contingency		100,000.00		100,000.00	0.0%	
Capital Outlay		27,000.00	3,005.59	23,994.41	11.1%	3,096.36
Training		10,000.00	6,575.79	3,424.21	65.8%	7,989.40
Total Materials and Services	2,458.06	642,000.00	231,334.59	410,665.41	36.0%	395,769.83
Total Expenses	78,221.48	1,627,000.00	857,389.32	769,610.68	52.7%	1,322,376.11
Current Year Excess/(Deficit)	(78,221.48)	200,000.00	420,972.13	(220,972.13)	210.5%	565,622.69
Budgeted Carryover Year End Balance		200,000.00		200,000.00	0.0%	

**Association of Oregon Counties
Forest
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$41,553.00		\$41,553.00	0.0%	\$123,239.00
County Dues		218,669.00	181,336.00	37,333.00	82.9%	140,056.16
Interest Earnings		500.00	181.13	318.87	36.2%	391.21
Misc. Revenue					0.0%	16,296.00
Total Revenue		260,722.00	181,517.13	79,204.87	69.6%	279,982.37
Personal Services						
Materials and Services						
Travel		3,000.00		3,000.00	0.0%	
Contract Services		220,000.00	115,772.08	104,227.92	52.6%	156,305.41
Postage, Printing & Supplies					0.0%	95.75
Communications			315.25	(315.25)	0.0%	653.56
GF Staff Services		4,172.00	2,088.00	2,084.00	50.0%	4,056.00
Misc. Expense		500.00		500.00	0.0%	
Contingency		10,000.00		10,000.00	0.0%	
Total Materials and Services		237,672.00	118,175.33	119,496.67	49.7%	161,110.72
Total Expenses		237,672.00	118,175.33	119,496.67	49.7%	161,110.72
Current Year Excess/(Deficit)		23,050.00	63,341.80	(40,291.80)	274.8%	118,871.65
Budgeted Carryover Year End Balance		23,051.00		23,051.00	0.0%	

**Association of Oregon Counties
Business Enterprises
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$277,541.00		\$277,541.00	0.0%	\$336,049.00
Contract Payments		30,000.00		30,000.00	0.0%	11,000.00
NACo Royalties		250.00	10,236.96	(9,986.96)	4094.8%	56,890.53
US Communities		1,500.00	1,541.98	(41.98)	102.8%	2,322.41
Insurance Trust Administration		305,000.00	151,848.85	153,151.15	49.8%	302,987.33
Misc. Revenue		2,000.00	4,037.50	(2,037.50)	201.9%	23,699.34
Business Partnership		10,000.00	17,000.00	(7,000.00)	170.0%	4,973.50
Grant Revenues		120,000.00	55,169.00	64,831.00	46.0%	82,754.00
Total Revenue		746,291.00	239,834.29	506,456.71	32.1%	820,676.11
Personal Services						
Materials and Services						
Revenue Transfer		325,000.00		325,000.00	0.0%	320,000.00
Travel		8,000.00	5,000.00	3,000.00	62.5%	8,391.50
Contract Services			11,401.00	(11,401.00)	0.0%	18,000.00
GF Staff Services		50,000.00	25,002.00	24,998.00	50.0%	38,004.00
Misc. Expense		1,000.00	1,000.00		100.0%	
Grant Expenses		120,000.00	50,013.20	69,986.80	41.7%	72,079.80
Contingency		10,000.00		10,000.00	0.0%	
Total Materials and Services		514,000.00	92,416.20	421,583.80	18.0%	456,475.30
Total Expenses		514,000.00	92,416.20	421,583.80	18.0%	456,475.30
Current Year Excess/(Deficit)		232,291.00	147,418.09	84,872.91	63.5%	364,200.81
Budgeted Carryover Year End Balance		232,291.00		232,291.00	0.0%	

**Association of Oregon Counties
Education, Training & Programs
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$6,752.00		\$6,752.00	0.0%	\$1,252.00
County College		6,000.00	2,500.00	3,500.00	41.7%	2,250.00
Scholarships & Donations		1,000.00	25,000.00	(24,000.00)	2500.0%	25,000.00
Revenue Exchange		20,000.00		20,000.00	0.0%	
Total Revenue		33,752.00	27,500.00	6,252.00	81.5%	28,502.00
Personal Services						
Materials and Services						
GF Staff Services		8,000.00	4,002.00	3,998.00	50.0%	7,500.00
County College Expense		12,000.00	5,909.48	6,090.52	49.2%	3,053.62
Training		8,000.00	5,000.00	3,000.00	62.5%	8,610.00
Scholarships & Donations		2,000.00	1,769.40	230.60	88.5%	
Total Materials and Services		30,000.00	16,680.88	13,319.12	55.6%	19,163.62
Total Expenses		30,000.00	16,680.88	13,319.12	55.6%	19,163.62
Current Year Excess/(Deficit)		3,752.00	10,819.12	(7,067.12)	288.4%	9,338.38
Budgeted Carryover						
Year End Balance		3,752.00		3,752.00	0.0%	

**Association of Oregon Counties
Conference
Financial Statement
For the Eight Months Ending August 31, 2011**

	August Actual	Annual Budget	YTD Actual	Remaining Budget	%of Budget Used	2010 Actual
Revenue						
Beginning Balance		\$97,303.00		\$97,303.00	0.0%	\$126,645.00
Misc. Revenue	1.95	2,000.00	2.16	1,997.84	0.1%	
Registration	2,050.00	82,000.00	5,375.00	76,625.00	6.6%	81,204.00
Exhibitors		20,000.00		20,000.00	0.0%	20,581.50
Sponsor Contributions		10,000.00		10,000.00	0.0%	16,500.00
Meals		3,000.00		3,000.00	0.0%	4,040.00
Fellowship Breakfast					0.0%	352.00
Total Revenue	2,051.95	214,303.00	5,377.16	208,925.84	2.5%	249,322.50
Personal Services						
Materials and Services						
Meals	7,390.34	53,000.00	7,390.34	45,609.66	13.9%	45,882.08
Banquet Entertainment		6,000.00		6,000.00	0.0%	11,219.33
Staff Expense		3,000.00		3,000.00	0.0%	10,442.00
Travel			171.92	(171.92)	0.0%	1,071.22
Contract Services					0.0%	1,336.88
Postage, Printing & Supplies		10,000.00	292.72	9,707.28	2.9%	7,461.38
Audit & Insurance			1,000.00	(1,000.00)	0.0%	1,300.00
Auto Expense					0.0%	1,286.55
GF Staff Services		28,140.00	14,070.00	14,070.00	50.0%	27,324.00
Misc. Expense	63.11	15,000.00	1,054.73	13,945.27	7.0%	30,141.87
Data Processing			489.55	(489.55)	0.0%	133.10
Contingency		15,000.00		15,000.00	0.0%	
Total Materials and Services	7,453.45	130,140.00	24,469.26	105,670.74	18.8%	137,598.41
Total Expenses	7,453.45	130,140.00	24,469.26	105,670.74	18.8%	137,598.41
Current Year Excess/(Deficit)	(5,401.50)	84,163.00	(19,092.10)	103,255.10	-22.7%	111,724.09
Budgeted Carryover Year End Balance		69,163.00		69,163.00	0.0%	

Association of Oregon Counties
BALANCE SHEET
For the Eight Months Ending August 31, 2011

		<u>YEAR TO DATE</u> <u>ACTUAL</u>
ASSETS		
CURRENT ASSETS		
Petty Cash	\$100.00	
Checking	831,562.92	
Pre-paid Expenses	(513.40)	
Savings	1,088,504.61	
Due from General Fund	20,393.27	
Accounts Receivable	<u>349,285.18</u>	
TOTAL CURRENT ASSETS		2,289,332.58
FIXED ASSETS		
Furniture & Equipment	218,494.88	
Investment in Local Gov Center	872,953.00	
Accumulated Depreciation	<u>(162,930.41)</u>	
TOTAL FIXED ASSETS		928,517.47
Deferred Compensation Assets		1,829,859.03
Amount to Be Provided for Comp		<u>111,109.46</u>
TOTAL ASSETS		<u><u>5,158,818.54</u></u>
LIABILITIES AND EQUITY		
LIABILITIES		
Accrued Vacation Pay	126,799.23	
Payroll Deductions	998.72	
Due to Road Fund	20,393.27	
Deferred Compensation Payable	<u>1,805,772.03</u>	
TOTAL LIABILITIES		1,953,963.25
FUND BALANCES		
Invested in Fixed Assets	53,763.84	
Equity in Local Government Cent	869,182.00	
Supplemental Life Insurance	13,316.00	
Fund Balance	1,752,529.68	
Current Year Excess/(Deficit)	<u>516,063.77</u>	
TOTAL FUND BALANCES		<u>3,204,855.29</u>
TOTAL LIABILITIES AND EQUITY		<u><u>5,158,818.54</u></u>

Date: September 2, 2011
To: AOC Board of Directors
From: AOC Budget Committee
Subject: Recommended 2012 AOC Budget
Through: Mike W. McArthur, executive director

Summary of Recommended 2012 AOC Budget

The AOC budget encompasses eight funds: General, County Road, Public Lands, Forest Management Subcommittee, Council of Forest Trust Land Counties, Business Enterprises, Education, Training & Programs and Conference. Taken together these funds support AOC's:

- Legislative and administrative representation program;
- Technical and policy assistance to counties;
- Statewide development effort strengthening county road management;
- Enhanced representation of county interests in public lands and natural resources issues at the state and federal level;
- Annual forum for the exchange of ideas on matters of interest to counties and conduct of association business;
- Education and training for county elected officials and staff; and
- Opportunities for counties to learn about private sector services.

From an expenditure standpoint, the duty of AOC remains the same – secure good statewide public policy as it affects the state as a whole, the service systems counties share with the state and each government's respective roles in the system. AOC's focus is to assist counties in providing services more effectively. AOC will accomplish this duty by continually refining the focus of staff and the circumstances. This budget moves AOC closer to attaining its mission of *uniting counties to advocate, communicate and educate*.

During the past 18 years, there has been a significant shift in the “budget connection” of counties with the state. A revenue flow limited mostly to county mental and public health services in the early 1990s has evolved to include programs under SB 1145 for community corrections and Oregon Health Plan funding for an expanded array of mental health and addiction services. The shared service systems approach helps the state and counties work together in search of good public policy. AOC has built a base in the public, non-profit and private sectors to seek consensus on how these specific shared service systems can change to improve the quality of life

platforms including administrative rules, administrative policies, legislation or intergovernmental agreements.

AOC's infrastructure investments for the future of the Local Government Center (LGC) are well protected and it continues to invest in maintenance and upgrading of the LGC. AOC owns one-half of one floor and leases additional space from the Oregon School Boards Association (OSBA). The audit for 2010 placed a value of \$869,182 in AOC's investment in the LGC.

AOC General Fund *page 3*

Public Lands *page 7*

AOC, through the Public Lands Fund, continues to have a major impact on natural resource policy issues. One-half of Oregon's dues to the Western Interstate Region (WIR) of NACo and one-half of expenses of the two Oregon WIR Board members are paid from this fund.

County Road Program *page 10*

The County Road Program (CRP) staff is a primary source of information needed by county road officials to stay up-to-date on details affecting their work. CRP staff provide advocacy for county road needs to state and federal agencies and the Oregon Legislature. CRP staff provide road officials the connections to find out what other counties are doing, information on available grants, information on new regulations (especially environmental), computer management systems (IRIS), the County Road Manual and training. CRP staff also supports the Oregon Association of County Engineers and Surveyors (OACES), including managing its budget and organizing its meetings.

Forest Management Subcommittee *page 15*

This account includes activities from a voluntary assessment to address federal forest policy issues and to serve as resources to gain reauthorization of federal forest payments (Secure Rural Schools & Community Self-Determination Act).

Council of Forest Trust Land Counties *page 16*

This account provides administrative and contract services in support of forest trust land counties.

Business Enterprises *page 17*

Business Enterprises includes activities that are non-dues sourced such as contracts for services and payments from business activities such as Citycounty Insurance Service (CIS) and National Association of Counties' (NACo) US Communities program.

Education, Training & Programs *page 18*

Education and Training Fund primarily represents county college activities.

Conference

page 19

The Conference Fund includes registration proceeds, exhibitor fees and sponsorships, as well as expenses for all AOC conferences.

Budget Spreadsheets

AOC General Fund

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Public Lands

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County Road Program

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Forest Management Subcommittee

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Council of Forest Trust Land Counties

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Business Enterprises

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Education, Training & Programs

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Conference

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AOC General Fund

Highlights

The General Fund provides support to the legislative program and administrative operations of the association. AOC has been successful during the past several legislative sessions in building understanding and commitment with the governor’s office, state agencies and key legislators to maintaining the infrastructure of basic services and programs. The Task Force on Cost-Efficient Government Services is helping AOC build the case for local services and decision-making.

Revenues

General Fund revenues include dues, voluntary assessments, inter-fund transfers and non-dues revenues. The budget assumes a transfer of \$325,000 from Business Enterprises. That figure is firm, as City County Insurance Services (CIS) has guaranteed an Insurance Administration fee for next year.

A number of counties are experiencing severe financial difficulties due to the loss of federal forest payments. It is expected that this situation will become more acute in 2012-2013 as reserves are depleted and federal forest payments disappear. This budget reflects no dues adjustments and 36 members. There has been no General Fund dues rate increase for the past four years.

According to AOC's bylaws, upon adoption of the budget by the association membership, dues are assessed for each county for the ensuing year by fixing a uniform base fee for all counties and prorating the difference between the total amount of the budget and the total of base fees among the several counties as follows:

- One-half the difference shall be prorated on the basis of the previous year's real market value as reported to the Oregon State Department of Revenue; and
- One-half the difference shall be prorated based on population as determined by the population certificates on file with the Center for Population Research and Census pursuant to ORS 190.520 at the time the budget is adopted.
- The total amount of membership fees assessed against an individual county shall not exceed an amount equal to 20 times the approved base fee.

The bylaws allow the AOC Board of Directors to reduce an individual county's fee assessment should it be unable to pay its full membership fee because of a highly unusual fiscal situation.

The proposed General Fund total expenditures for 2012 budget reflect a decrease of \$109,507 from 2011 budget. Expenditures exceed net revenues by \$50,834 (less beginning balance).

General Fund Expenditures

Personal Services

Recommended personal services are down \$55,907 from 2011 budget.

Materials and Services

A description of each account is explained here with comments on significant increases or decreases:

Travel

Reimburses transportation, lodging and meal expenses of the AOC president and staff. Travel also includes steering committee, legislative committee and board meal expenses, field visits, district meetings, staff attendance at affiliate and associate member meetings, NACo and WIR expenditures by president and executive director, NACo Board of Directors attendance by AOC-designated members, in-state travel by administrative staff, shared costs with Public Lands budget for two board members' attendance at WIR Board of Directors meetings and annual meeting, sharing of WIR membership costs and other travel costs. The proposed budget is \$95,000.

Contract Services

Includes:

\$45,000 – Coalition of Children and Families contract (pass through)

\$3,500 – Service contracts for various office machines and payroll processing

Postage, Printing and Supplies

These accounts vary according to legislative year, changes in postage rates, etcetera. Budget amounts reflect adjustments for a legislative year and represent the General Fund portion only. These costs are also allocated to the Public Lands Fund (5 percent) and the County Road Program (20 percent).

Communications

Provides payment for phone lines and toll charges, including facsimile (fax) charges and for the association's telephone system. Also includes the General Fund's share of Internet costs. Total costs for this account are expected to increase because of increased use of AOC's enhanced video and teleconferencing ability. These costs are also allocated to the Public Lands Fund (five percent) and the County Road Program (35 percent).

Auto Expenses

Reimburses staff for business travel in personal cars and for rental vehicles.

Audit and Insurance

Covers the cost of an annual audit of the association's financial records and premiums for liability and property insurance and honesty bond. The General Fund pays 60 percent of the audit costs and the remainder is shared with other funds.

Building Expense

Represents AOC's share of expenses for maintenance and operations of the Local Government Center. This also includes the cost of the Local Government Center office space lease.

Miscellaneous

Covers a variety of expenses, unrelated to each other, which do not warrant individual accounts.

Legislative Expense

This account is used to record the association's direct lobbying expenses in connection with its legislative program including receptions for legislators.

CRP Information Services

This account reflects payment to the County Road Program for staff time spent providing assistance to other AOC staff on use and operation of the computer network.

Data Processing

This account is used for AOC's share of joint Internet facilities as well as upgrade and maintenance of computer equipment and software. This year AOC will continue to upgrade several software programs.

Video Lottery Defense Fund

Provides for technical and professional services related to preservation of state shared revenues.

PERS Expense

Pays counties' share of PERS Alliance expense and related labor and employment technical assistance.

Capital Outlay

Pays for furniture and computer purchases.

Contingency

No change from 2011 levels.

General Fund Revenues**Beginning Balance**

The available cash carried over from year to year is primarily the result of unexpended reserve funds and lower-than-expected expenditures. The amount shown for this year is based on the 2010 audit and estimated operating results for 2011.

Interest Earnings

Interest earnings are estimated at \$3,000 using an average of \$1,000,000 net investment at 0.3 percent interest.

Miscellaneous

Covers a variety of unrelated revenues that do not fit in the other categories. This includes monthly expenses of the Local Government Investment Pool (LGIP) account and other fees related to banking.

Business Enterprises Revenue Transfer

Transfer from fund. Primarily represents insurance administration.

Staff Services

The General Fund provides facilities and support services for the public lands, county road, conference, forest management and education and training programs, which reimburse those costs through this account. Additionally, staff time spent on PERS and video lottery issues are reimbursed through this account. This amount is established in the AOC indirect cost plan with a small inflation adjustment.

County Dues

No dues increase proposed.

Contract Payments

Various ongoing and limited duration contracts for services approved by the AOC Board of Directors. In some cases, AOC acts as an administrative and fiscal agent.

Insurance Annuity

Acts as pass through for supplemental retirement for employees with more than 10 years of service that began employment with the association prior to 1995.

Human Services Contracts

Since 1986, the Association of Oregon Mental Health Programs (AOCMHP) and the Coalition of Public Health Officials (CLHO) have contracted with AOC to provide legislative and executive services to those organizations. The contracts are on a year-to-year basis. The amount reflects a small inflation adjustment tied to changes in AOC staff salaries.

OACES Contribution

The Oregon Association of County Engineers and Surveyors (OACES) traditionally contribute funds to AOC for staff services to its association. The contribution is expected to remain the same as last year.

Mental Health/Rent/Admin/CCF

Reimbursement for AOC staff support of Association of Oregon Community Mental Health Programs (AOCMHP) and office space at the Local Government Center. AOC serves as fiscal agent for the Coalition of Children and Families Commissions (CCF).

Video Lottery Defense Fund

Voluntary assessment provides for technical and professional services related to preservation of state shared revenues.

PERS Fund

Voluntary contribution to support employer coalition and legal services.

Public Lands

Highlights

The 2012 Public Lands budget holds annual dues effectively flat. By reducing the previous year's dues by \$1,500 and assessing an additional \$1,500 to replenish the Natural Resources Reserve (see below). This budget will continue to accommodate two Oregon members to the Board of Directors of the Western Interstate Region (WIR) of the National Association of Counties (NACo). These expenses are shared with the AOC General Fund budget and will permit active participation in policy-making in the state and at the federal level in partnership with NACo.

The Public Lands dues formula has three parts. First is a base amount generated from each county, to ensure the benefits that inure to counties statewide by AOC natural resources activities will be acknowledged. The remainder is allocated 60 percent based on national forest receipts and 40 percent based on federal Payments-in-Lieu-of-Taxes (PILT). Each county's share of the assessment is proportional to the amount of revenues received from each source. The formula includes a cap that no county can be assessed more than 15 times the lowest county assessment.

This budget is the 18th year of operation of the Natural Resources (NR) Reserve funding mechanism. The NR Reserve is available for expenditures on a project-by-project basis for

highly specialized expertise on natural resources policy issues of importance to counties. Expenditures must be approved by the Public Lands and Natural Resources Committee and the AOC Board of Directors. Assessments are made under the Public Lands budget formula. The funding mechanism, approved by the membership in 1994, operates to assess automatically \$10,000 per year as part of the Public Lands dues until the reserve reaches \$40,000. The NR Reserve reached its \$40,000 goal in calendar year 1998. In 2011, an expenditure of \$1,500 was authorized from the NR Reserve to provide financial support to the Renewable Energy and Eastern Oregon Landscape Conservation Partnership. Under the funding mechanism, the 2012 budget includes an automatic assessment of \$1,500.

AOC will remain a major player in natural resources policy issues, including

- pursuing federal forest health and active management;
- institutionalizing “early and often communication” between individual agencies and county governing bodies when public lands and natural resource actions are contemplated;
- involvement in revisions of rules and forest plans of the U.S. Forest Service;
- extension of federal forest payments; and
- other individual issues that becomes ripe for action.

The AOC partnership with NACo and WIR, and its linkage to the Western Governors Association have been robustly productive. Tillamook County Commissioner Tim Josi is chair the NACo Public Lands Steering Committee for the third consecutive year.

Public Lands Expenditures

Personal Services

Provides for salary and costs of employee benefits for one full-time position (1.0 FTE).

Material & Services

A description of each account is explained here with comments on significant increases or decreases:

Travel

Reimburses 50 percent of the transportation, meal and lodging expenses of Oregon’s two representatives on the WIR Board of Directors for attendance at WIR/NACo meetings. The AOC General Fund reimburses the other 50 percent. This account also reimburses all of these types of expenses by public lands staff for attendance at meetings and conferences. Also included in this line is 50 percent of Oregon membership in WIR. In 1993, the General Fund began paying the other 50 percent of Oregon membership costs. Unlike NACo, which is funded by individual county memberships, WIR is a state association membership organization. By virtue of this payment, all Oregon counties are members of WIR.

Miscellaneous

Covers a variety of unrelated expenditures that do not warrant individual accounts.

Audit & Insurance

Covers share of the annual audit of AOC's financial records and AOC's liability insurance policies.

Contract Services

Pays for payroll contract servicing.

Data Processing

Pays anticipated hardware, software and license purchases necessary to support the public lands and natural resources program.

General Fund Staff Services

This account reimburses the General Fund for administrative services, communications staff services and office facilities.

CFTLC Beginning Balance Transfer

This was a one-time transfer to create the Council of Forest Trust Land Counties budget.

Public Lands Revenues

Beginning Balance

The available cash carried over from one year to the next is primarily the result of unexpended reserve funds.

CFTLC Staff Services

The Council of Forest Trust Land Counties (CFTLC) reimburses this budget for staff time devoted to state forest and county forest trust land issues.

County Dues

Dues are set to reflect operational needs. See Discussion above under Highlights.

OSACA and OACTC Contributions

The state associations of county assessors and county tax collectors contribute to this budget to compensate partially for staff support for, and building space availability to, assessment and taxation issues. These contributions are a strong showing of support for the productive partnership between Oregon State Association of County Assessors (OSACA), Oregon Association of County Tax Collectors (OACTC) and AOC.

Year-end Balances include:

- **Contingency**

This reserve is intended for unforeseen emergency expenditures, but under this budget is used for operations to avoid an increase in county dues.

- **Natural Resources Reserve**

See discussion above under Highlights.

- ***Operating Reserve***

The operating balance is intended for immediate unexpected operating needs.

County Road Program

Highlights

The AOC County Road Program (CRP) was established in 1990 as a cooperative program with the Oregon Association of County Engineers and Surveyors (OACES). Its purpose is to enhance county road management capabilities with programs of shared technical assistance. The CRP is designed to:

- Encourage the exchange of ideas among counties;
- Strengthen county road management and public works responsibilities;
- Enhance intergovernmental relations with all levels of government;
- Advocate for legislative issues promoting good county government;
- Promote the utilization of new technology and management methods; and
- Develop an integrated road information and management system.

The county road program staff is a primary source of information needed by county road officials to stay up-to-date on details affecting their work:

- Support is provided for OACES, including managing its budget and organizing its monthly meetings and two conferences each year.
- When a county road official needs to know how other counties are dealing with a problem, CRP staff provides the connection to find out what other counties are doing.
- Information on grants and new regulations of state and federal agencies is gathered, disseminated and explained.
- Computer management systems are provided to the counties (see IRIS information below).
- The County Road Manual provides road officials and county legal counsel information to assist them in their administrative and legal activities.
- Training is provided through funding of training programs, as well as conference presentations and one-on-one training by staff.

- Reports are prepared regularly, both large and small, to tell the story of road department activities and needs.
- Advocacy is provided on county road needs to state and federal agencies and the Oregon legislature.

The CRP staff is in regular contact with individual road officials. The staff makes regular field visits to counties to determine the needs of the counties and to understand the day-to-day activities of the county officials who maintain and operate the county road systems.

As with most county budgets, the expenditure items listed are personnel salaries and expenses, and purchased materials and services.

A summary of the program level type of services is approximately:

Technical Services to Counties	\$574,000	(40 percent)
Training Services to Counties	\$365,000	(25 percent)
Intergovernmental Relations	\$499,000	(35 percent)
<u>Reserve and Contingency</u>	<u>\$300,000</u>	
Total	\$1,738,000	

The proposed County Road Program (CRP) personnel budget includes the following staff:

- The road program manager (1.0 FTE) who manages the CRP and provides project development advocacy with ODOT, grant support and technical advice on all phases of county road activities.
- Two transportation policy managers (2.0 FTE), who focus on transportation policy needs and legislative advocacy.
- The environmental coordinator (1.0 FTE), who focuses on the emerging environmental needs affecting county road departments.
- Legal counsel on an as-needed basis (estimated 0.2 FTE).
- OACES management assistant (0.85 FTE) who provides services for OACES, CRP and AOC.
- The IRIS program manager (1.0 FTE).
- Two computer programmers (2.0 FTE).

A key contribution of the County Road Program (CRP) is the Integrated Road Information System (IRIS), currently used by 32 counties. IRIS includes 10 different modules:

Road Inventory System
 Cost Accounting System
 Service Request System
 Account Payable System
 Account Receivable System

Pavement Management System
 Maintenance Management System
 Permitting System
 Equipment Management System
 Vegetation Management System

The IRIS operating system and data storage on AOC servers is provided to 28 counties using the IRIS On-Line system. This system continues to result in significant cost savings and improved customer service and support for Oregon counties.

The CRP budget is primarily funded through the exchange of federal Surface Transportation Plan (STP) funds for state highway funds by and AOC-ODOT agreement.

The CRP budget, including the IRIS program, has been reviewed and approved by the OACES Road Officials Policy Committee. The committee is comprised of one public works director or roadmaster from each of the eight AOC districts.

Expenditures for the recommended 2012 budget are similar to budgets adopted in previous years, with increases caused primarily by inflation.

County Road Program Expenditures

Personal Services

The proposed personal services budget funds a staff of eight persons (7.85 FTE). Health insurance is assumed to increase by 12 percent.

The AFSCME bargaining unit represents the two computer programmers. The contract calls for COLA and step increases, which are included in the proposed budget.

Current AOC policy is to provide performance-based pay increases within pay ranges for all CRP positions except for bargaining unit positions. The average pay increase is set by the AOC board to be effective on July 1 of each year. There is also the possibility for exceptional performance based on bonuses.

Materials and Services

A description of each account is explained here along with comments on any significant increase or decrease. A three percent inflationary increase was anticipated for most expenditure.

Capital Outlay

Provides for acquisition and/or replacement of computers, office equipment, file cabinets, furniture and the CRP share of any office remodels.

Computer Upgrades	\$15,000
Office Remodel	\$5,000
New Furniture	<u>\$5,000</u>
	\$25,000

Travel

Reimburses transportation, food and lodging expenses for county field visits, conferences and training sessions by the CRP staff.

General Staff Travel	\$42,000
National Conferences	\$30,000
Membership Dues	<u>\$1,000</u>
	\$73,000

Contract Services

This budget item is for contracts supporting CRP activities including road-related research projects with universities, agencies, consultants and technology transfer programs. Anticipated expenditures include:

Payroll and other personnel contract services	\$1,000
Union contract bargaining	\$1,000
Complete County Road Manual updates	\$20,000
A university student intern for research	\$8,000
Research paid for by OACES	\$10,000
Unidentified potential research projects	<u>\$15,000</u>
	\$55,000

Printing, Postage and Supplies

The CRP’s share of printing, postage and supplies (20 percent) of AOC’s actual general expenses. Also includes specific purchases when they are made exclusively for the CRP program.

Communications

The CRP’s share of communications of AOC’s actual expenses.

Audit & Insurance

Covers the County Road Program’s shares of the annual audit of the AOC’s financial records and the AOC’s liability insurance policies.

Auto Expense

Includes rental care expenses and staff mileage reimbursement for auto expenses at the federal reimbursement rate.

General Fund Staff Services

Payment to AOC General Fund for cost of AOC General Fund personnel time devoted to the CRP programs and management, less CRP Fund personnel time devoted to AOC Fund programs and management. The reimbursement represents salaries and fringe benefits:

- 25 percent of the AOC executive director
- 30 percent of the deputy executive director
- 25 percent of two communications specialists (1.85 FTE)
- 10 percent for AOC legal counsel

- 40 percent of the senior management assistant
- 20 percent of two office assistants (1.70 FTE)
- 35 percent of computer/Web technician
- Less 30 percent of environmental coordinator position
- Less 35 percent of two transportation policy manager positions
- Less 50 percent of OACES management assistant (0.85 FTE)

Building Expenses

Covers the County Road Program's share of AOC's expenses for rent, maintenance and operations of the Local Government Center facilities.

Technology Transfer

ODOT matches AOC's contribution with federal funds to provide the statewide Technology Transfer (T2) program for all counties and cities of 5,000 population or less. The CRP receives contract payments from T2 for IRIS-related programming, training and related services. The budgeted increase of \$9,000 is offset by an increase of \$9,000 in contract payments by T-2 to the CRP.

Legislative Expense

This account covers the cost of legislative expenses for the County Road Program staff, including sponsorship of Oregon Highway Users Alliance activities.

Miscellaneous

Covers a variety of unrelated expenditures that do not warrant individual accounts.

Data Processing

This covers data processing parts and supplies, software, and license purchases necessary to support the CRP including the IRIS system.

Training

This covers training provided for county road officials, including:

- Leadership training sessions for county road officials,
- Match payment for ODOT/LOC management/professional services training (OLLI).

Reserved Contingency

Reserve for unanticipated operational expenses, set at approximately 20 percent of anticipated expenditures (one-third as contingency and two-thirds as reserve).

County Road Program Revenues

Beginning Balance

The available cash carried forward from the previous year and is primarily the result of the unexpended contingency and reserve. The amount is based on the 2010 audit and estimated revenues and operating costs for the balance of 2011.

Contract Payments

Payments received for work done by CRP employees for either grants or contracts. Included in the budget are anticipated revenues from the Technology Transfer Center (T2) for IRIS support and OACES for contract research.

Road Revenue Exchange

The CRP budget is primarily funded through the exchange of federal Surface Transportation Plan (STP) funds for state highway funds that are transferred to AOC by an AOC-ODOT agreement. This has been reduced by \$120,000 this year, which will provide additional STP (“Exchange”) funding to counties.

Interest Income

The amount is recommended based on historical data and current interest rates.

Miscellaneous

Covers a variety of unrelated revenues that do not warrant individual accounts.

CRP Services to AOC

This pays for the computer support services provided to AOC by the staff of the County Road Program.

Note: A total of \$63,099 was transferred to the Local Government Center Trust in 1995 and an additional \$220,753 in 1996 for the construction of the Local government Center. These funds are dedicated in the LGC Trust agreement to the CRP and will be returned to the CRP plus any investment earnings if the building is ever sold or the assets liquidated.

Forest Management Subcommittee Fund

Highlights

This initial draft 2012 subcommittee budget provides a starting point in an array of uncertainties: Federal forest payments reauthorization, economic conditions in 2012, the continuing existence of AOC’s national campaign partners, National Forest Counties and Schools Coalition and Partnership for Rural America.

The lion’s share of spending is in the Contract Services line item. This includes dues to the National Forest Counties and Schools Coalition (\$18,596 in 2011), payment to the O&C Counties Association under the contract to implement Secure Rural Schools (SRS) (approximately \$4,000 per month), and funding to the Partnership for Rural America Campaign (assessed \$148,000 in 2011; will pay \$111,000). Because the SRS payments are scheduled to expire in federal fiscal year 2012 (county fiscal year 2011-12), and given the uncertainties listed above, the draft 2012 budget numbers should be considered at this point as placeholders. The numbers acknowledge the serious revenue limitations of counties and the potential that the national SRS campaign will be cut back or end.

The timing of this budget was changed in 2007 to credit the dues billed for and collected in the calendar year to that calendar year. This budget is adopted in November with the other AOC budgets.

The Forest Management Subcommittee was established in 1999 as a voluntary program. The subcommittee focuses on addressing select forest management issues, approved by the AOC Legislative Committee and Public Lands & Natural Resources Committee, which affect the availability of national forest receipts for county roads, as well as resource policies affecting the long-term vitality of forest ecosystems and forest-dependent communities. In recent years, the subcommittee has primarily operated as the Oregon counties' spearhead on issues related to extension of federal forest payments, which benefit the 31 national forest and 18 O&C counties.

Forest Management Subcommittee Fund Expenditures

Travel

A modest amount is budgeted for travel, if necessary.

Contract Services

This account is the lion's share of the spending, which includes costs for support of the National Forest Counties & Schools Coalition, Partnership for Rural America and contract work of the Association of O&C Counties. See Highlights.

General Fund Staff Services

This account reimburses AOC for administrative support.

Miscellaneous

A small amount for specific communications or mailings if necessary.

Contingency

A small reserve is set aside for unanticipated expenditures.

Forest Management Subcommittee Fund Revenues

County Dues

Dues are based on national forest receipts payments to counties. Dues are significantly reduced (see discussion under Highlights).

Interest

Interest from investments is returned to the fund.

Council of Forest Trust Land Counties (CFTLC)

Note: The 2012 CFTLC budget is presented as information to AOC members. The budget will be considered for adoption by the 15 member counties of CFTLC at its 2011 Annual Membership Meeting, November 20.

CFTLC Expenditures

Public Lands Staff Services

Purchase by CFTLC of personnel services, materials and supplies from the Association of Oregon Counties.

Contract Services

Purchase by CFTLC of specialized, sole source professional services of Mason, Bruce & Girard (MBG) (Mark Rasmussen) to assist in development of, and adjustments to, the State Forest Management Plans (FMP) and Implementation and Annual Operating Plans. With Oregon Board of Forestry (BoF) review and potential adjustment of the Greatest Permanent Value Rule and the FMP and the Implementation Plan, and legislative oversight of the BoF, the services of MBG will continue to be needed in 2012. The amount of these services is projected to be less than in recent years, and the budget reflects this.

Miscellaneous

Cost of the annual membership meeting and breakfast.

CFTLC Revenues

Dues Assessment

CFTLC dues assessment apportioned under the formula provided by the bylaws. Dues are proposed to remain steady at \$26,400. The CFTLC workload has been steadily active with the greater public attention to state forests. The work by the BoF to adjust the FMP and the promise of closer legislative oversight of BoF decisions ensure a busy calendar year.

Voluntary Assessment

Moneys in 2001 to 2010 were to retain Mason, Bruce & Girard (see Expenditures above under Contract Services). The assessment is apportioned under the dues formula.

Year-end Balance – Operating Reserves

Amount unexpended at year-end.

Business Enterprises

This fund includes revenues from non-dues sources and expenses related to contracts AOC has undertaken. It also includes the Business Partners program.

Business Enterprises Expenditures

General Fund Staff Services

Transfer to General Fund for Business Enterprises staff.

General Fund Revenue Transfer

A portion of the insurance administrative fee dedicated to general operations.

Education, Training and Programs Revenue Transfer

A portion of the Business Enterprises revenue dedicated to operations of Education, Training and Programs.

Transportation Fund Expense

Contracted services for the special transportation programs.

Business Enterprises Revenues

NACo Royalties

Fees for endorsing and marketing Nationwide Retirement Solutions and US Communities.

Business Partners

Annual Membership fees paid by private sector partners.

Insurance Administration

Annual payment from City County Insurance Services.

Other Contracts

This includes the Oregon Public Utilities Commission grant for e-government and possible federal contract for Southern Oregon Clean Energy Alliance.

Education, Training & Programs

Fund dedicated to programs run by AOC to assist county commissioners and judges and their staff.

Education, Training & Programs Expenditures

County College Overhead

Meeting rooms, meals and travel associated with county college.

Scholarships

Financial aid to participants.

General Fund Staff Services

Reimburse general fund for 10 percent of one staff person dedicated to management of county college.

Education, Training & Programs Revenues

County College Tuition

\$500 per enrolled student.

Business Enterprises Fund Revenue Transfer

A portion of the Business Enterprises revenue dedicated to operations of Education, Training and Programs.

Scholarships

Support from City County Insurance Services and other sponsors.

Conference

Highlights

AOC holds its annual conference each autumn at a place selected by the Board of Directors. In even numbered years, a spring conference is held. In recent years, a summer summit has been added in odd numbered years.

Conference Expenditures

Meals and Refreshments

Meals, coffee and all refreshments served at the conference.

Speakers & Entertainment

Includes travel, fees and expense arrangements for speakers and entertainers.

Staff Expense

Provides for AOC staff expenses related to staffing the conference including lodging, meals and travel.

Postage, Printing & Supplies

This account reimburses AOC General Fund for postage, general printing and supplies. It also includes the expense of printing programs and all conference-related materials.

General Fund Staff Services

Reflects the Conference Fund's share of indirect costs to AOC and all conferences' share of the central administrative support services provided by the association.

Miscellaneous

Covers a variety of unrelated expenditures including Conference Fund's share of annual audit report, security in exhibit area, building rental space, audiovisual rentals, badges, exhibitors' set-up fee, door prizes and etcetera).

Conference Revenues

Beginning Balance

The available cash carried over from one year to the next is primarily the result of unexpended reserve funds.

Registration

Reflects registration fee from participants.

Vendor Registration

Reflects vendor registration and fees.

Sponsorship Contributions

Businesses and partners sponsor events or contribute to specific conferences.

Miscellaneous

Covers a variety of unrelated revenues that do not fit one of the other categories.

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
GENERAL FUND

	2009	2010	2011			2012
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
Personal Services						
AOC Salaries	\$771,337	\$736,701	\$694,904	\$366,751	\$781,523	\$721,780
AOC Payroll Assessment	246,985	256,448	276,822	141,904	273,029	269,040
Total Personal Services	\$1,018,322	\$993,149	\$971,726	\$508,656	\$1,054,552	\$990,819
Materials & Services						
Travel	\$91,761	\$100,260	\$70,000	\$56,509	\$91,000	\$95,000
Contract Services	142,823	87,219	94,100	54,923	81,000	48,500
Grant Funds Expense		6,818		127,964	127,964	
Postage, Printing & Supplies	28,283	20,802	20,000	11,792	23,000	24,000
Communications	21,186	20,629	21,000	13,578	22,000	22,000
Auto Expense	14,594	17,544	15,000	4,398	12,000	18,000
Audit & Insurance	8,661	8,876	9,000		9,000	9,000
Building Expense	74,424	79,301	75,000	40,107	81,000	82,500
Miscellaneous	4,274	3,274	3,000	765	3,000	3,000
Legislative Expense	8,348	979	5,000	6,359	6,359	2,000
CRP I.S. Services	20,028	3,313	4,000	8,826	10,000	4,000
Data Processing	12,840	4,375	28,000	4,331	9,000	9,000
Video Lottery Defense	19,191	5,434	20,000	11,507	21,000	34,000
PERS Expense	14,904	16,279	50,000	7,530	8,040	8,000
Capital Outlay	5,064	6,970	6,000	7,393	7,500	7,500
Contingency			50,000		50,000	50,000
Total Materials and Services	\$466,381	\$382,072	\$470,100	\$355,982	\$561,863	\$416,500
TOTAL EXPENDITURES	\$1,484,703	\$1,375,221	\$1,441,826	\$864,637	\$1,616,415	\$1,407,319
REVENUES						
Beginning Balance	\$633,662	\$489,065	\$362,754	\$497,682	\$497,682	\$437,967
Interest Earnings	10,020	3,309	5,000	1,069	2,139	3,000
Miscellaneous	5,154	32,463	5,000	409	5,000	5,000
BE Revenue Transfer	300,000	320,000	325,000		350,000	400,000
Staff Services	224,567	192,465	226,235	117,383	234,766	218,755
County Dues	580,226	552,862	552,862	433,294	580,226	580,226
Contract Payments	45,598	71,711	96,500	25,250	75,000	57,000
Grant Funds				120,000	120,000	
Insurance Annuity		16,792	18,792	18,792	18,792	21,372
Human Services Contract	59,873	60,763	62,000	30,976	61,952	62,500
OACES Contribution	10,000	10,000	10,000	10,000	10,000	10,000
Mental Health/Rent/Admin	21,256	21,046	22,000	9,263	18,526	20,000
CLHO Admin Services		75		150	300	300
Video Lottery	23,454	38,227	20,000	19,446	20,000	20,000
PERS Contributions	59,958	64,125	60,000	44,864	60,000	60,000
TOTAL REVENUES	\$1,973,768	\$1,872,903	\$1,766,143	\$1,328,578	\$2,054,382	\$1,896,120
YEAR END BAL. - Video Lottery	\$30,689	\$30,689	\$39,969	\$63,482	\$63,482	\$49,482
YEAR END BAL. - Gen. Fund	\$322,455	\$283,227	\$138,426	\$216,693	\$190,719	\$203,553
YEAR END BAL. - Capital Reserve	\$45,134	\$45,134	\$45,134	\$45,134	\$45,134	\$45,134
YEAR END BAL. - PERS Fund	\$90,787	\$138,632	\$100,787	\$138,632	\$138,632	\$190,632

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
PUBLIC LANDS

	2009	2010	2011			2012
	Actual	Actual	Budget	6 months	Projected	Recommended
EXPENDITURES						
Personal Services						
Salaries	\$95,040	\$95,040	\$95,040	\$47,520	\$95,040	\$95,040
Payroll Assessment	38,863	42,420	43,606	20,577	38,873	40,236
Total Personal Services	\$133,903	\$137,460	\$138,646	\$68,097	\$133,913	\$135,276
Materials & Services						
Travel	\$14,910	\$17,680	\$17,000	\$7,846	\$17,000	\$19,000
Postage, Printing & Supplies	3,164	894	1,200	693	1,400	1,500
Communications	8,095	1,322	2,780	726	1,500	1,500
Audit & Insurance	2,214	932	1,000		1,000	1,000
Auto Expense	804	2,004	850	144	850	1,500
Miscellaneous	19	125	100	93	100	100
Legislative Expense	1,691	62	1,800	604	650	100
Contract Services	672	929	200	275	600	600
Data Processing	2,119	227	848	313	848	848
GF Staff Services	19,260	25,764	26,530	13,266	25,758	26,530
CFTLC Beginning Balance Transfer	64,637					
Capital Outlay	1,009	1,024	333		333	333
Natural Resources					1,500	
Contingency			15,000		15,000	15,000
Total Materials & Services	\$118,594	\$50,963	\$67,641	\$23,960	\$66,539	\$68,011
Total Expenditures	\$252,497	\$188,423	\$206,287	\$92,057	\$200,452	\$203,287
REVENUES						
Beginning Balance	\$144,349	\$68,942	\$59,512	\$67,338	\$67,338	\$58,245
CFTLC Staff Services	26,400	26,400	26,400	13,200	26,400	26,400
County Dues	142,690	152,419	156,959	118,102	156,959	155,459
Natural Resources						1,500
OSACA Contribution	6,000	6,000	6,000		6,000	6,000
OACTC Contribution	2,000	2,000	2,000		2,000	2,000
Total Revenues	\$321,439	\$255,761	\$250,871	\$198,640	\$258,697	\$249,604
YEAR END BAL. - Natural Resources	\$40,000	\$40,000	\$40,000	\$40,000	\$38,500	\$40,000
YEAR END BAL. - Operating	\$28,942	\$27,338	\$4,584	\$66,583	\$19,745	\$6,317

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
ROAD FUND

	2009	2010	2011			2012
	Actual	Actual	Budget	6 months	Projected	Recommended
EXPENDITURES						
Personal Services						
Salaries	\$657,038	\$676,372	\$710,000	\$343,955	\$694,400	\$716,000
Payroll Assessment	227,478	250,234	275,000	127,645	242,200	265,000
Total Personal Services	\$884,516	\$926,606	\$985,000	\$471,600	\$936,600	\$981,000
Materials & Services						
Travel	\$26,515	\$45,346	\$76,000	\$26,913	\$42,700	\$73,000
Contract Services	39,647	56,365	81,000	2,381	67,800	55,000
Postage, Printing & Supplies	7,659	5,166	8,000	4,367	9,100	10,000
Communications	8,871	9,676	14,000	5,613	11,600	12,000
Audit & Insurance	7,396	7,787	9,000		7,800	9,000
Auto Expense	11,330	13,888	20,000	5,053	13,500	18,000
GF Staff Services	124,847	79,622	96,000	44,855	90,800	59,000
LGC Building Charges	56,450	45,918	65,000	22,306	45,100	53,000
Miscellaneous	726	1,592	2,000	1,116	3,900	2,000
Legislative Expense	3,442	347	5,000	2,536	4,000	2,000
Technology Transfer	100,000	109,000	109,000	109,000	109,000	109,000
Data Processing	44,771	9,978	20,000	5,363	9,700	15,000
Training	28,311	7,989	10,000	6,576	9,100	15,000
Contingency			100,000			100,000
Capital Outlay	6,339	24,600	27,000	3,606	14,100	25,000
Total Materials & Services	\$466,304	\$417,274	\$642,000	\$239,685	\$438,200	\$557,000
TOTAL EXPENDITURES	\$1,350,820	\$1,343,880	\$1,627,000	\$711,285	\$1,374,800	\$1,538,000
REVENUES						
Beginning Balance	\$477,170	\$515,997	\$480,000	\$544,119	\$544,119	\$510,000
Road Revenue Exchange	1,305,000	1,305,000	1,265,000	1,265,000	1,265,000	1,145,000
Interest Earnings	13,323	4,187	3,000	1,700	3,400	2,000
Miscellaneous		150	1,000			1,000
CRP Services To AOC	21,324	3,665	4,000	12,700	13,900	4,000
Contract Payments	50,000	59,000	74,000	1,300	70,300	76,000
TOTAL REVENUES	\$1,866,817	\$1,887,999	\$1,827,000	\$1,824,819	\$1,896,719	\$1,738,000
YEAR END BAL. - Operating Reserves	\$515,997	\$544,119	\$200,000	\$1,113,534	\$521,919	\$200,000

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
FOREST MANAGEMENT SUBCOMMITTEE

	2009	2010	2011			2012
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
Travel	\$0		\$3,000			\$3,000
Contract Services	102,972	156,305	220,000	115,772	178,000	100,000
GF Staff Services	3,936	4,056	4,172	2,088	4,172	4,297
Miscellaneous		749	500	315	630	630
Contingency			10,000		10,000	10,000
TOTAL EXPENDITURES	\$106,908	\$161,111	\$237,672	\$118,175	\$192,802	\$117,927
REVENUES						
Beginning Balance	\$99,880	\$123,239	\$41,553	\$118,872	\$118,872	\$107,768
County Dues	129,482	140,056	218,669	154,365	181,336	100,000
Miscellaneous		16,296				
Interest Earnings	785	391	500	181	362	400
TOTAL REVENUES	\$230,147	\$279,982	\$260,722	\$273,418	\$300,570	\$208,168
YEAR END BAL. - Operating Reserves	\$123,239	\$118,872	\$23,050	\$155,243	\$107,768	\$90,241

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
COUNCIL OF FOREST TRUST LAND COUNTIES

	2009	2010	2011			2012
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
PL Staff Services	26,400	26,400	\$26,400	\$13,200	\$26,400	\$26,400
Contract Services	38,630	15,494	30,000	1,970	18,334	15,000
Miscellaneous	1,141	769	1,300		1,300	1,300
TOTAL EXPENDITURES	\$66,171	\$42,662	\$57,700	\$15,170	\$46,034	\$42,700
REVENUES						
Beginning Balance	\$64,637	\$24,867	\$22,857	\$38,606	\$38,606	\$48,972
County Dues	26,401	26,401	26,400	23,239	26,400	26,400
Special Voluntary Assess.		30,000	30,000	26,408	30,000	15,000
TOTAL REVENUES	\$91,038	\$81,268	\$79,257	\$88,253	\$95,006	\$90,372
YEAR END BAL. - Operating Reserves	\$24,867	\$38,606	\$21,557	\$73,083	\$48,972	\$47,672

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
BUSINESS ENTERPRISES

	2009	2010	2011			2012
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
Travel	\$6,633	\$8,392	\$8,000	\$5,000	\$13,000	\$8,000
GF Staff Services	36,996	38,004	50,000	25,002	50,000	51,500
GF Revenue Transfer	300,000	320,000	305,000		350,000	400,000
Edu Revenue Transfer	7,000		20,000		20,000	20,000
Transportation Fund Expenses	210,392	72,080	120,000	120	120,000	120,000
PUC Grant E-govment					113,190	94,316
SOCEA Grant						50,000
Contract Services		18,000		11,401	23,000	18,000
Miscellaneous	573		1,000		1,000	1,000
Contingency			10,000		10,000	10,000
TOTAL EXPENDITURES	\$561,594	\$456,475	\$514,000	\$41,523	\$700,190	\$772,816
REVENUES						
Beginning Balance	\$226,964	\$336,046	\$277,541	\$364,198	\$364,198	\$269,545
NACo Royalties	442	56,891	250	10,182	20,364	20,000
US Communities Royalties	2,379	2,322	1,500	1,542	3,084	3,000
Business Partners	1,500	4,974	10,000	13,000	20,000	20,000
Transportation Fund Grant	337,534	82,754	120,000	55,169	130,000	150,000
NEW GRANT FOR TRAINING???					113,190	94,316
SOCEA GRANT???						50,000
Insurance Administration	298,303	302,987	305,000	151,849	305,824	310,105
Miscellaneous	20,518	23,699	2,000	4,038	8,075	2,000
Other Contracts	10,000	11,000	30,000		5,000	5,000
TOTAL REVENUES	\$897,640	\$820,673	\$746,291	\$599,978	\$969,735	\$923,966
YEAR END BAL. - Operating Reserves	\$336,046	\$364,198	\$232,291	\$558,455	\$269,545	\$151,150

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
EDUCATION, TRAINING AND PROGRAMS

	2009	2010	2011			2012
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
County College Overhead	\$11,084	\$3,054	\$12,000	\$5,909	\$12,000	\$12,000
GF Staff Services	7,260	7,500	8,000	4,002	8,000	8,240
Scholarships & Donations			2,000	1,769	2,000	2,000
Training	8,791	8,610	8,000	5,000	9,000	9,000
TOTAL EXPENDITURES	\$27,135	\$19,164	\$30,000	\$16,681	\$31,000	\$31,240
REVENUES						
Beginning Balance	-\$9,613	\$1,252	\$6,752	\$9,338	\$9,338	\$25,838
County College Tuition	6,000	2,250	6,000	2,500	2,500	3,000
BE Revenue Transfer	7,000		20,000		20,000	20,000
Scholarships & Donations	25,000	25,000	1,000	25,000	25,000	25,350
TOTAL REVENUES	\$28,387	\$28,502	\$33,752	\$36,838	\$56,838	\$74,188
YEAR END BAL.	\$1,252	\$9,338	\$3,752	\$20,157	\$25,838	\$42,948

ASSOCIATION OF OREGON COUNTIES
2012 BUDGET
CONFERENCE FUND

	2009	2010	2011			2012
	Actual	Actual	Budget	6 months	Projected	Recommended
EXPENDITURES						
Meals and Refreshments	\$51,105	\$37,607	\$53,000		\$45,000	\$45,000
Speakers	14,011	18,163	6,000		6,000	6,000
Staff Expense	1,510	8,733	3,000		10,000	10,000
Postage, Printing & Supplies	12,126	9,847	10,000	15	10,000	10,000
GF Staff Services	26,520	27,324	28,140	14,070	28,140	28,984
Spring Conference	13,933	17,304	15,000	278	17,022	17,000
Miscellaneous	17,184	18,620	15,000	1,653	16,000	16,000
Contingency			15,000		15,000	15,000
TOTAL EXPENDITURES	\$136,389	\$137,598	\$145,140	\$16,016	\$147,162	\$147,984
REVENUES						
Beginning Balance	\$158,049	\$126,645	\$97,303	\$111,724	\$111,724	\$81,562
AOC Registration	72,707	81,204	82,000		82,000	82,000
Vendor Registrations	18,730	20,582	20,000		20,000	20,000
Meal Tickets	3,520	4,392	3,000		3,000	3,000
Sponsorship Contributions	10,000	16,500	10,000		10,000	10,000
Miscellaneous	28		2,000		2,000	2,000
TOTAL REVENUES	\$263,034	\$249,323	\$214,303	\$111,724	\$228,724	\$198,562
YEAR END BAL. - Operating Reserves	\$126,645	\$111,724	\$69,163	\$95,708	\$81,562	\$50,578

Date: September 12, 2011
To: Board of Directors
From: Mike McArthur, executive director
Subject: Contract with BP7, Inc. for *2011 County Road Manual Update*
Staff: Jon Oshel, county road program manager

Requested action:

Authorize the executive director to enter into a personal services contract with BP7, Inc. for the *2011 County Road Manual Update*.

Background:

The County Road Manual is a web-based product, found on-line on the AOC County Road Program Web site: <http://www.aocweb.org/aoc/CountyRoadProgram/tabid/61/Default.aspx>
(Link at left of page)

The manual is updated biennially, primarily to provide the changes necessitated by legislation passed by the Oregon Legislature.

AOC went through a formal Request for Proposal (RFP) process. Three proposals were received and evaluated by Mike McArthur, Jon Oshel and Darin Lane, Linn County roadmaster. All three reviewers ranked the BP7, Inc. proposal substantially higher than the other two proposals. The principal of BP7 is Bill Penhollow.

The detailed scope of work to be performed is incorporated into the contract. Contract payments will be monthly (with accounting by the hour). The contract is not to exceed \$35,000. As some of the legislative update material will not be on-line until late in the year, this project is anticipated to take approximately eight months, which means the project will be paid for out of two budget years.

Funding for beginning the contract is anticipated in the current County Road Program budget, and for completing the contract is in the proposed 2012 County Road Program budget.

Date: September 12, 2011
To: Board of Directors
From: Mike McArthur, executive director
Subject: 2011 Supplemental Budget Action

Requested action:

Authorize the executive director to transfer \$25,000 from the 2011 Business Enterprises fund to the 2011 General Fund for the purpose of market adjustments to AOC employee compensation.

Background:

The AOC Budget Committee at its August 7, 2011 meeting recommended that \$25,000 be transferred from the 2011 Business Enterprises fund to the 2011 General Fund to make market adjustments in AOC employee compensation.

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
GENERAL FUND

	2008	2009	2010			2011
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
Personal Services						
AOC Salaries	\$701,107	\$771,337	\$741,072	\$355,437	\$726,148	\$781,523
AOC Payroll Assessment	238,871	246,985	274,943	123,102	250,515	273,029
Total Personal Services	\$939,978	\$1,018,322	\$1,016,015	\$478,539	\$976,663	\$1,054,552
Materials & Services						
Travel	\$60,854	\$91,761	\$80,000	\$59,940	\$90,000	\$70,000
Contract Services	96,407	142,823	91,700	54,851	85,000	94,100
Grant Funds Expense					120,000	
Insurance Annuity				7,396	16,792	18,792
Postage, Printing & Supplies	20,880	28,283	27,000	9,004	20,000	20,000
Communications	17,852	21,186	21,000	10,337	21,000	21,000
Auto Expense	14,644	14,594	9,500	7,453	15,000	15,000
Audit & Insurance	6,248	8,661	7,900	445	8,900	9,000
Building Expense	63,128	74,424	80,000	38,098	75,000	75,000
Miscellaneous	2,233	4,274	3,000	1,498	3,000	3,000
Legislative Expense	820	8,348	2,000	674	1,500	5,000
CRP I.S. Services	10,811	20,028	13,000	799	2,000	4,000
Data Processing	2,513	12,840	9,000	2,079	9,000	28,000
Video Lottery Defense	34,856	19,191	20,000	1,995	10,000	20,000
PERS Expense	43,075	14,904	60,000	5,673	10,770	50,000
Capital Outlay	40,535	5,064	6,000	500	2,000	6,000
Contingency			100,000		100,000	50,000
Total Materials and Services	\$414,856	\$466,381	\$530,100	\$200,742	\$589,962	\$488,892
TOTAL EXPENDITURES	\$1,354,834	\$1,484,703	\$1,546,115	\$679,281	\$1,566,625	\$1,543,444
REVENUES						
Beginning Balance	\$945,256	\$633,662	\$427,839	\$489,065	\$489,065	\$362,754
Interest Earnings	45,006	10,020	12,000	1,860	4,000	5,000
Miscellaneous	4,748	5,154	5,000	158	3,000	5,000
BE Revenue Transfer		300,000	320,000		320,000	350,000
Staff Services	146,062	224,567	227,628	90,898	181,796	226,235
County Dues	580,226	580,226	580,226	337,200	552,862	552,862
Contract Payments	56,050	45,598	60,000	35,013	68,000	96,500
Grant Funds					120,000	
Insurance Annuity				16,792	16,792	18,792
Human Services Contract	57,965	59,873	61,495	25,349	60,763	62,000
OACES Contribution	10,000	10,000	10,000	10,000	10,000	10,000
Mental Health/Rent/Admin/CCF	13,446	21,256	22,000	7,015	21,046	22,000
Video Lottery	39,955	23,454	40,000	19,280	19,280	20,000
PERS Contributions	89,780	59,958	60,000	20,425	62,775	60,000
TOTAL REVENUES	\$1,988,494	\$1,973,768	\$1,826,188	\$1,053,053	\$1,929,379	\$1,791,143
YEAR END BAL. - Video Lottery	\$26,426	\$30,689	\$39,426	\$39,426	\$39,969	\$39,969
YEAR END BAL. - Gen. Fund	\$516,365	\$322,455	\$149,778	\$198,425	\$186,864	\$61,809
YEAR END BAL. - Capital Reserve	\$45,136	\$45,134	\$45,136	\$45,134	\$45,134	\$45,134
YEAR END BAL. - PERS Fund	\$45,733	\$90,787	\$45,733	\$90,787	\$90,787	\$100,787

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
PUBLIC LANDS

	2008	2009	2010			2011
	Actual	Actual	Budget	6 months	Projected	Recommended
EXPENDITURES						
Personal Services						
Salaries	\$92,352	\$95,040	\$95,040	\$47,520	\$95,040	\$95,040
Payroll Assessment	38,780	38,863	42,336	20,901	42,336	43,606
Total Personal Services	\$131,132	\$133,903	\$137,376	\$68,421	\$137,376	\$138,646
Materials & Services						
Travel	\$12,009	\$14,910	\$14,800	\$14,029	\$19,000	\$17,000
Postage, Printing & Supplies	3,820	3,164	2,200	444	1,000	1,200
Communications	2,427	8,095	1,200	667	1,200	2,780
Audit & Insurance	1,612	2,214	800	41	1,000	1,000
Auto Expense	1,412	804	750	975	1,200	850
Miscellaneous	78	19	100	91	100	100
Legislative Expense	10	1,691	100	45	60	1,800
Contract Services	125	672	100	876	900	200
Data Processing	222	2,119	1,000	175	500	848
GF Staff Services	24,280	19,260	25,758	12,882	25,758	26,530
CFTLC - Special Vol. Assess.	16,722					
CFTLC Beginning Balance Transfer		64,637				
Capital Outlay	10,600	1,009	333			333
Contingency			2,000		7,000	15,000
Total Materials & Services	\$73,317	\$118,594	\$49,141	\$30,225	\$57,718	\$67,641
Total Expenditures	\$204,449	\$252,497	\$186,517	\$98,646	\$195,094	\$206,287
REVENUES						
Beginning Balance	\$143,607	\$144,349	\$40,336	\$68,942	\$68,942	\$59,512
CFTLC Staff Services	24,000	26,400	26,400	13,200	26,400	26,400
County Dues	142,690	142,690	156,959	108,983	151,264	156,959
OSACA Contribution	6,000	6,000	6,000		6,000	6,000
OACTC Contribution	2,000	2,000	2,000		2,000	2,000
OACC Contribution	500					
CFTLC - Special Vol. Assess.	30,001					
Total Revenues	\$348,798	\$321,439	\$231,695	\$191,125	\$254,606	\$250,871
YEAR END BAL. - Natural Resources	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
YEAR END BAL. - CFTLC Vol Assess.	\$92,916					
YEAR END BAL. - Operating	\$3,970	\$28,942	\$5,178	\$52,479	\$19,512	\$4,584

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
ROAD FUND

	2008	2009	2010			2011
	Actual	Actual	Budget	6 months	Projected	Recommended
EXPENDITURES						
Personal Services						
Salaries	\$600,432	\$657,038	\$695,000	\$334,735	\$678,800	\$710,000
Payroll Assessment	198,800	227,478	260,000	125,726	254,300	275,000
Total Personal Services	\$799,232	\$884,516	\$955,000	\$460,461	\$933,100	\$985,000
Materials & Services						
Travel	\$19,696	\$26,515	\$50,000	\$24,452	\$58,300	\$76,000
Contract Services	70,449	39,647	102,000	28,866	64,800	81,000
Postage, Printing & Supplies	3,610	7,659	8,000	2,409	6,900	8,000
Communications	7,342	8,871	11,000	5,375	13,100	14,000
Audit & Insurance	5,735	7,396	7,000	330	10,400	9,000
Auto Expense	12,827	11,330	24,000	6,898	16,800	20,000
GF Staff Services	103,864	124,847	125,000	34,477	80,100	96,000
LGC Building Charges	39,281	56,450	60,000	28,757	58,200	65,000
Miscellaneous	1,171	726	2,500	951	1,800	2,000
Legislative Expense	1,690	3,442	2,000	280	1,900	5,000
Technology Transfer	100,000	100,000	100,000	109,000	109,000	109,000
Data Processing	44,682	44,771	42,500	5,330	13,500	20,000
Training	9,633	28,311	40,000	5,000	5,000	10,000
Contingency			100,000			100,000
Capital Outlay	26,743	6,339	5,000	12,052	29,500	27,000
Total Materials & Services	\$446,723	\$466,304	\$679,000	\$264,177	\$469,300	\$642,000
TOTAL EXPENDITURES	\$1,245,955	\$1,350,820	\$1,634,000	\$724,638	\$1,402,400	\$1,627,000
REVENUES						
Beginning Balance	\$834,204	\$477,170	\$450,000	\$515,997	\$515,997	\$480,000
Road Revenue Exchange	804,600	1,305,000	1,305,000	1,305,000	1,305,000	1,265,000
Interest Earnings	43,218	13,323	9,000	2,213	3,500	3,000
Miscellaneous			1,000	150	150	1,000
CRP Services To AOC	10,991	21,324	4,000	799	1,600	4,000
Contract Payments	50,110	50,000	65,000		59,000	74,000
TOTAL REVENUES	\$1,743,123	\$1,866,817	\$1,834,000	\$1,824,159	\$1,885,247	\$1,827,000
YEAR END BAL. - Operating Reserves	\$497,168	\$515,997	\$200,000	\$1,099,521	\$482,847	\$200,000

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
FOREST MANAGEMENT SUBCOMMITTEE

	2008	2009	2010			2011
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
Travel	\$0	\$0	\$3,000			\$3,000
Contract Services	171,405	102,972	150,000	133,432	217,582	220,000
GF Staff Services	3,817	3,936	4,050	2,028	4,050	4,172
Miscellaneous				345	500	500
Contingency			20,000			10,000
TOTAL EXPENDITURES	\$175,222	\$106,908	\$177,050	\$135,805	\$222,132	\$237,672
REVENUES						
Beginning Balance	\$126,005	\$99,880	\$117,866	\$123,239	\$123,239	\$41,553
County Dues	145,779	129,482	145,779	87,221	140,046	218,669
Interest Earnings	3,318	785	1,000	199	400	500
TOTAL REVENUES	\$275,102	\$230,147	\$264,645	\$210,659	\$263,685	\$260,722
YEAR END BAL. - Operating Reserves	\$99,880	\$123,239	\$87,595	\$74,854	\$41,553	\$23,051

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
COUNCIL OF FOREST TRUST LAND COUNTIES

	2008	2009	2010			2011
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
PL Staff Services		26,400	\$26,400	\$13,200	\$26,400	\$26,400
Contract Services		38,630	45,000	9,125	30,000	30,000
Miscellaneous		1,141			1,200	1,300
TOTAL EXPENDITURES		\$66,171	\$71,400	\$22,325	\$57,600	\$57,700
REVENUES						
Beginning Balance		\$64,637	\$46,916	\$24,867	\$24,867	\$22,857
County Dues		26,401	26,400	22,310	26,021	26,400
Special Voluntary Assess.			30,000	25,352	29,569	30,000
TOTAL REVENUES		\$91,038	\$103,316	\$72,529	\$80,457	\$79,257
YEAR END BAL. - Operating Reserves		\$24,867	\$31,916	\$50,204	\$22,857	\$21,557

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
BUSINESS ENTERPRISES

	2008	2009	2010			2011
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
Travel	\$104	\$6,633	\$500	\$3,402	\$8,000	\$8,000
GF Staff Services		36,996	38,000	19,002	38,000	50,000
GF Revenue Transfer		300,000	320,000		300,000	350,000
Edu Revenue Transfer		7,000			20,000	20,000
Transportation Fund Expenses	272,013	210,392	100,000	120	120,000	120,000
Miscellaneous		573	750		1,000	1,000
Contingency			10,000			10,000
TOTAL EXPENDITURES	\$272,117	\$561,594	\$469,250	\$22,524	\$487,000	\$559,000
REVENUES						
Beginning Balance	\$0	\$226,964	\$379,547	\$336,046	\$336,046	\$277,541
NACo Royalties	6,385	442	1,000	85	339	250
US Communities Royalties	2,350	2,379	2,000	940	1,879	1,500
Business Partners	2,500	1,500	2,000		2,000	10,000
Transportation Fund Grant	149,658	337,534	110,000		120,000	120,000
Insurance Administration	286,687	298,303	342,277	151,138	302,277	305,000
Miscellaneous		20,518		1,446	2,000	2,000
Other Contracts	39,500	10,000	500			30,000
TOTAL REVENUES	\$487,080	\$897,640	\$837,324	\$489,655	\$764,541	\$746,291
YEAR END BAL. - Operating Reserves	\$214,963	\$336,046	\$368,074	\$467,131	\$277,541	\$187,291

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
EDUCATION, TRAINING AND PROGRAMS

	2008	2009	2010			2011
	Actual	Actual	Budget	6 Months	Projected	Recommended
EXPENDITURES						
County College Overhead	\$4,412	\$11,084	\$3,000		\$3,000	\$12,000
GF Staff Services		7,260	7,500	3,750	7,500	8,000
Scholarships & Donations	1,000		2,000			2,000
Training	12,701	8,791	10,000	6,500	9,000	8,000
TOTAL EXPENDITURES	\$18,113	\$27,135	\$22,500	\$10,250	\$19,500	\$30,000
REVENUES						
Beginning Balance	\$0	-\$9,613	\$822	\$1,252	\$1,252	\$6,752
County College Tuition	8,500	6,000	5,000			6,000
BE Revenue Transfer		7,000				20,000
Scholarships & Donations		25,000	25,000	25,000	25,000	1,000
TOTAL REVENUES	\$8,500	\$28,387	\$30,822	\$26,252	\$26,252	\$33,752
YEAR END BAL.	-\$9,613	\$1,252	\$8,322	\$16,002	\$6,752	\$3,752

ASSOCIATION OF OREGON COUNTIES
2011 BUDGET
CONFERENCE FUND

	2008	2009	2010			2011
	Actual	Actual	Budget	6 months	Projected	Recommended
EXPENDITURES						
Meals and Refreshments	\$45,905	\$51,105	\$40,000		\$53,000	\$53,000
Speakers	10,096	14,011	9,000		6,000	6,000
Staff Expense	8,379	1,510	8,000		3,000	3,000
Postage, Printing & Supplies	6,608	12,126	6,000	221	10,000	10,000
GF Staff Services	26,101	26,520	27,320	13,662	27,320	28,140
Spring Conference	33,432	13,933	15,000	17,022	17,022	15,000
Miscellaneous	19,551	17,184	15,000	1,966	15,000	15,000
Contingency			15,000		15,000	15,000
TOTAL EXPENDITURES	\$150,072	\$136,389	\$135,320	\$32,870	\$146,342	\$145,140
REVENUES						
Beginning Balance	\$174,207	\$158,049	\$139,785	\$126,645	\$126,645	\$97,303
AOC Registration	93,678	72,707	82,000	14,100	82,000	82,000
Vendor Registrations	17,724	18,730	20,000		20,000	20,000
Meal Tickets	8,056	3,520	3,000	260	3,000	3,000
Sponsorship Contributions	12,000	10,000	10,000		10,000	10,000
Miscellaneous	2,455	28	2,000		2,000	2,000
TOTAL REVENUES	\$308,120	\$263,034	\$256,785	\$141,005	\$243,645	\$214,303
YEAR END BAL. - Operating Reserves	\$158,049	\$126,645	\$121,465	\$108,135	\$97,303	\$69,163

Date: September 12, 2011
To: Board of Directors
From: AOC Executive Committee
Subject: Market adjustment to executive director compensation
Through: President Janet Carlson

Requested action:

Direct AOC fiscal staff to increase the executive director's compensation by \$5,000 effective September 1, 2011 as a market adjustment.

Background:

The Local Government Personnel Institute (LGPI) conducted a salary comparison study for the AOC executive director position as part of the annual performance review. The League of Oregon Cities, Special Districts Association of Oregon and the state associations of counties in Idaho, Washington and Utah were used in the study.

The report shows that the AOC executive director compensation is 17.97 percent below the market average. The AOC Executive Committee recommends a \$5,000 market adjustment, which would bring the executive director's salary to 13.18 percent below market average.