
Lane Council of Governments
2008-2009

*Work Program
and Budget*

Adopted

June 2008

Board of Directors - 2008
Lane Council of Governments

<i>Name</i>		<i>Jurisdiction</i>
Faye Stewart		Lane County
Judy Volta		City of Coburg
Gary Williams		City of Cottage Grove
Bob Hooker		City of Creswell
(vacant)		City of Dunes City
Chris Pryor	Vice-Chair	City of Eugene
Phil Brubaker		City of Florence
Lance Stoddard		City of Junction City
Warren Weathers		City of Lowell
Don Hampton		City of Oakridge
Joe Pishioneri		City of Springfield
Darrell Carman		City of Veneta
Neil Friedman		City of Westfir
Jim Torrey		School District 4J
Al King		School District 19
Alan Laisure		School District 52
(vacant)		School District 68
Sherry Duerst-Higgins		Lane ESD
Susie Johnston		Lane Community College
John Buchanan		Port of Siuslaw
Patti Chappel		EPUD
John Brown		EWEB
Bob Sneddon		Western Lane Amb. Dist.
Greg James	Chair	Willamalane Park Dist.
Steve Recca		Fern Ridge Library
Carol Campbell		Lane Library District
Mike Dubick		Lane Transit District
(vacant)		Siuslaw Rural Fire Protection District No. 1

LCOG Executive Committee

Greg James	Chair	Willamalane Park Dist.
Chris Pryor	Vice-Chair	City of Eugene
Susie Johnston		Lane Community College
Don Hampton		City of Oakridge
Phil Brubaker		City of Florence
Judy Volta		City of Coburg
Al King		School District 19
Faye Stewart		Lane County

LCOG Budget Committee

Don Hampton	Wayne Lottinvile
Ric Ingham	Chris Pryor
Susie Johnston	Dennis Shine

Table of Contents

Executive Director’s Budget Message	1-3
LCOG Organizational Chart	5
Fiscal Year 2008-2009 Budget Summary	9-14
Fiscal Year 2008-2009 Budget Resolution	9
Expenditure Charts	10
Revenue Chart.....	11
Budget Summary	12
General Fund.....	13
Special Revenue Fund	13
Governmental and Proprietary Fund.....	14
Fiscal Year 2008-2009 Work Program and Budget by Service Area	17-35
Board and Executive Management	17
Government Services	20
Senior & Disabled Services	26
Enterprise Funds	32
Administrative Services	34
Appendices.....	39-46
Fiduciary Fund	39
Agency Personal Services	40
Member Dues Schedule	41
Budget Glossary	42
Budget Notes.....	44

Executive Director's Budget Message

Members of the LCOG Budget Committee and Board of Directors:

I am pleased to present the proposed *Work Program and Budget* for the fiscal year that will begin July 1, 2008. The document, presented for policy-level consideration, represents management's best current assessment of the obligations and financial capability of the Lane Council of Governments for the year that lies ahead. While this proposal describes a fiscal contraction (16.7 percent) from the *Revised Budget for fiscal year 2007-08*, it is fundamentally a hold-the-line or maintenance-of-effort plan. The reductions from the budget of the year just ending are primarily attributed to a non-recurring spike in the FY 2007-08 budget stemming from the agency's refinance of the Springfield office building and the purchase of the Park Place Building in Eugene. In aggregate, this proposal reflects an increase of \$3,134,682, or approximately 12 percent from the agency's original FY 2007-08 budget, adopted a year ago. But of course, the 2007-08 *Revised Budget*, to which this proposal is compared on the following pages, included the real property transactions noted above, hence creating the appearance of a substantial cutback for the coming year. This proposal is constrained by many of the same economic and political forces which are impacting other components of the public sector in Oregon. As in years past, the agency's financial plan will continue to evolve well into the new fiscal year. Nevertheless, I believe that this proposed *Work Program and Budget*—service areas and corresponding resources allocated to cost centers—constitutes a responsible action plan for fiscal year 2008-2009.

The pages that follow integrate narrative and numeric representations of the agency's fiscal and programmatic plan for the coming year. On page 9, the adopting resolution, to be acted upon by the LCOG Board of Directors on June 26, is displayed. Pages 12 to 14 show the overall budget, reflected as both a "Budget Summary" and disaggregated by Fund Type. Then, beginning on page 17, for each of LCOG's five major service areas, a narrative describing the work to be performed is followed by the budgetary detail for that service area. Staffing projections are shown, both at the service level and at the program level.

The numeric comparisons with the previous year are based upon the fiscal year 2007-08 *Revised Budget*, approved by the LCOG Board of Directors in April. That budget amendment increased the agency's total annual authorization by over \$9 million. As can be seen most clearly on the Budget Summary on page 12, this proposal reverses that increase by \$5,923,874. Overall, balanced revenues and expenditures are shown at \$29,425,682. Because LCOG's work is grant- and contract-based, its budgets are dynamic, and drawing conclusions from comparisons over time can be tricky. But, for perspective, six budget years back, the fiscal year 2002-03 *Revised Budget* stood at \$26,158,313—only 11.1 percent lower than this proposal.

Budget data are reflected by Fund Type on pages 13 and 14. There are three types of funds used within LCOG's accounting system. The first is the General Fund, which is based primarily upon the agency's member dues, interest earnings, and undesignated reserves. This fund might be thought of as the organization's flexible resource. A second fund type is the Special Revenue Fund—73.7 percent of the total proposed budget. Here, all of the grant- and contract-supported work that LCOG does is captured. In reality a series of special accounts, the Special Revenue Fund provides little operational flexibility. Under the commitments that we have made to granting agencies and clients,

LCOG must utilize Special Revenue Fund resources only for the purposes specified in the supporting grants and contracts. Finally, on page 14, the Governmental and Proprietary Fund, the third fund type, is shown. The resources and requirements reflected here are associated with the operation of agency-owned real estate and the business assistance loan program. These are referred to as enterprise activities.

Beginning on page 17, the same information is portrayed in yet another way—by Service Area with work program narrative included. In order, the service areas categorized are: Board of Directors & Executive Management, Government Services, Senior & Disabled Services, Enterprise Funds and Administrative Services. For each of these Service Areas, and hence for the budget as a whole, the revenue streams that support LCOG’s activities and services are highly dependent upon factors beyond our control. Because this council of governments is financially dependent upon the funding priorities of the federal and state governments and expenditure decisions of our members, a true financial picture of the fiscal year requires time to come into focus. However, as in the past, LCOG will continue to adjust its administration of resources, as external decisions are made.

On December 13, 2007, the LCOG Board of Directors adopted 12 “Budget Assumptions” (see Budget Notes, page 44), which reinforce and augment standing objectives of the organization. Those assumptions have served as the philosophical basis for the development of this proposal. As with any “labor-intensive” organization, costs directly bearing upon personnel have a substantial impact upon the overall budget and, ultimately, upon the agency’s ability to carry out its mission. Health insurance and retirement plan costs are substantial for all employers, including LCOG. However, our positive claims experience in recent years has yielded an expected premium cost increase for FY 2008-09 under 8 percent, lower than the industry standard. Also, the cost for LCOG’s employer contribution for our staff’s participation in the State Public Employees Retirement System (PERS) will remain constant from the year just ending. A two percent cost-of-living adjustment (COLA) to employee salaries has been assumed in this proposal. It should be noted, however, that the precise magnitude of the agency’s cost increases for salaries and health insurance remain subject to the collective bargaining process that is still underway with LCOG’s two employee bargaining units. LCOG has always adjusted the size of its professional staff to match the levels of work that it has been asked to accomplish. This proposed *Work Program and Budget* anticipates a reduction to LCOG’s staff of 1.46 FTE positions—0.8 percent. As proposed, the estimated professional staff complement will be 175.65 FTE in fiscal year 2008-09, as compared to 177.11 FTE anticipated in the *Revised FY 2007-08 Budget* and 165.83 FTE called for in the agency’s original *FY2007-08 Budget*.

Calling attention to the *Work Program and Budget* description of activities and resource allocation by service area, beginning on page 17, it is noteworthy that the most significant changes from the *FY2007-08 Revised Budget* are attributed to one-time real estate activities in the year just ending. The agency’s Senior and Disabled Services division will experience a modest increase under this proposal, and it is hoped that the 2009 Legislature will appropriate additional resources for this chronically under-funded service. The reductions reflected in this proposal are primarily attributable to uncertainty about likely revenues from the state and federal governments.

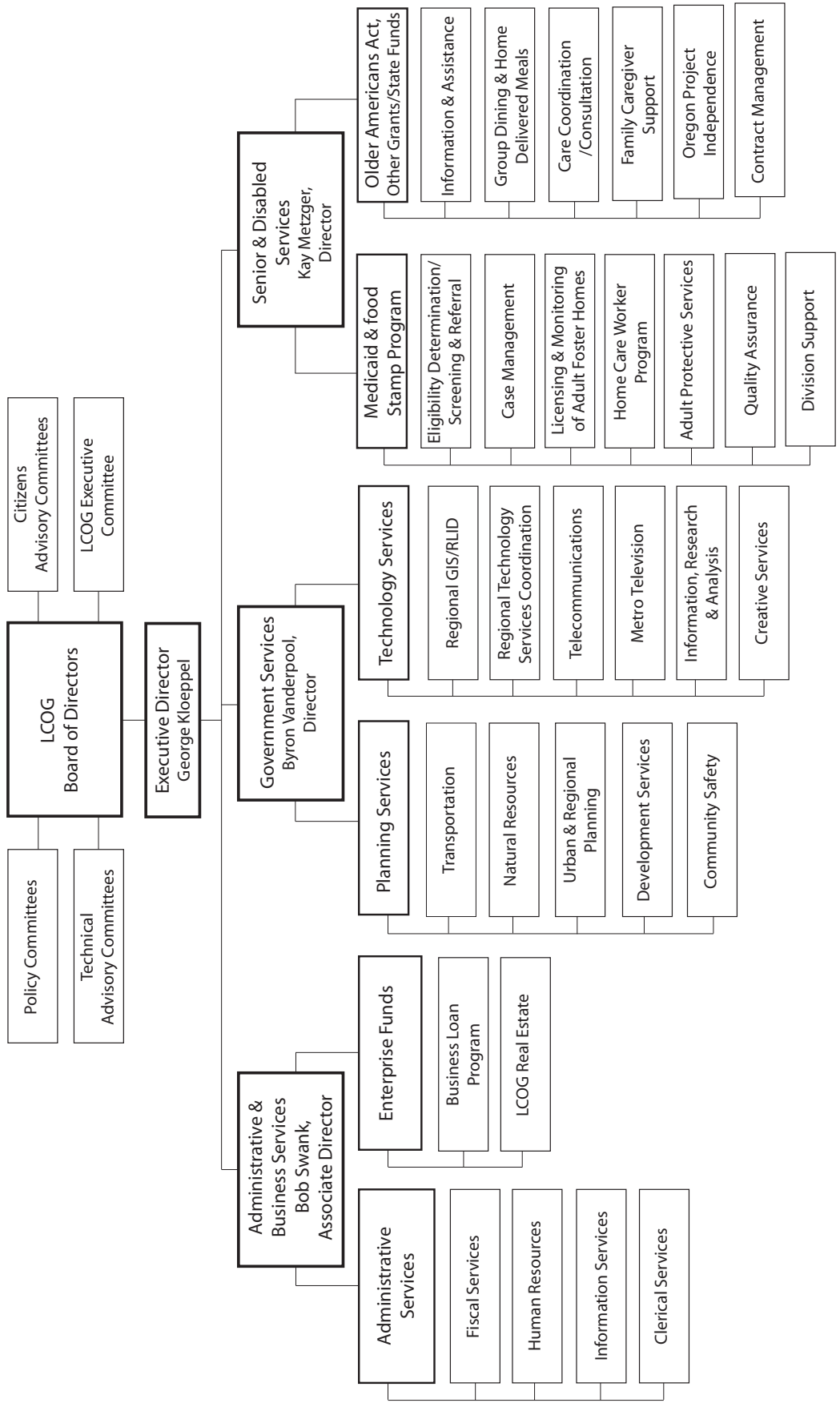
This agency's work and fiscal capability are largely based on contracts and grants which emerge over time. As a result, there is always greater variability in LCOG's budgeting process than may be present for local government units that rely upon a tax base for their support. I believe that a good and productive year can be anticipated in FY2008-09. At the same time, we must establish the budget for the year in a responsible and conservative fashion. For all of the agency's work groups and divisions, resources will be limited to support important and demanding work. As in years past, however, the Lane Council of Governments remains a stable, high-quality organization that is well managed and fiscally solvent.

I believe that this *Work Program and Budget* sets a responsible course for the organization. When approved by the Budget Committee and the Board of Directors, it will direct and empower the staff to address important programs and services. With the help and support of the Board of Directors, the Executive Committee and our member agencies, LCOG's management and staff will continue to accomplish the agency's mission. I commend this document to you for review and consideration.

Respectfully submitted,

A handwritten signature in cursive script that reads "George Kloeppe".

George Kloeppe
Executive Director



Lane Council of Governments
2008-2009
Budget Summary

RESOLUTION 2008-3

Adopting the FY 2008-2009 Budget

WHEREAS, it is necessary for the Lane Council of Governments, hereinafter called LCOG, to adopt a revenue and expenditure Budget for fiscal year 2008-2009, and

WHEREAS, the LCOG Budget Committee and Executive Director have determined that certain expenditures will be necessary in order to effectively address the obligations of the Work Program, and

WHEREAS, it has also been determined by the Budget Committee and Executive Director that certain revenues can be expected to accrue to LCOG in fiscal year 2008-2009,

NOW, THEREFORE, BE IT RESOLVED:

1. That the LCOG Board of Directors hereby adopts the attached Budget for fiscal year 2008-2009, and
2. That the following amounts are hereby appropriated for the purposes specified for the fiscal year beginning July 1, 2008:

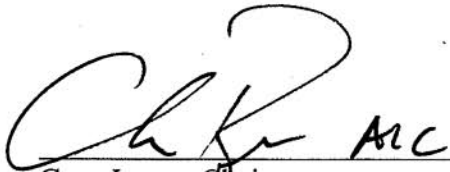
<i>Personal Services</i>	<i>\$13,553,342</i>
<i>Materials and Services</i>	<i>4,674,417</i>
<i>Services by Other Organizations</i>	<i>2,889,486</i>
<i>Capital Outlay</i>	<i>1,205,000</i>
<i>Reserves--Undesignated</i>	<i>1,137,493</i>
<i>Reserves--Designated</i>	<i>4,864,040</i>
<i>Debt Service</i>	<i><u>1,101,904</u></i>
<i>Total Appropriation</i>	<i>\$29,425,682</i>

PASSED AND APPROVED THIS 26th DAY OF JUNE, 2008, BY THE BOARD OF DIRECTORS OF THE LANE COUNCIL OF GOVERNMENTS.

ATTEST:



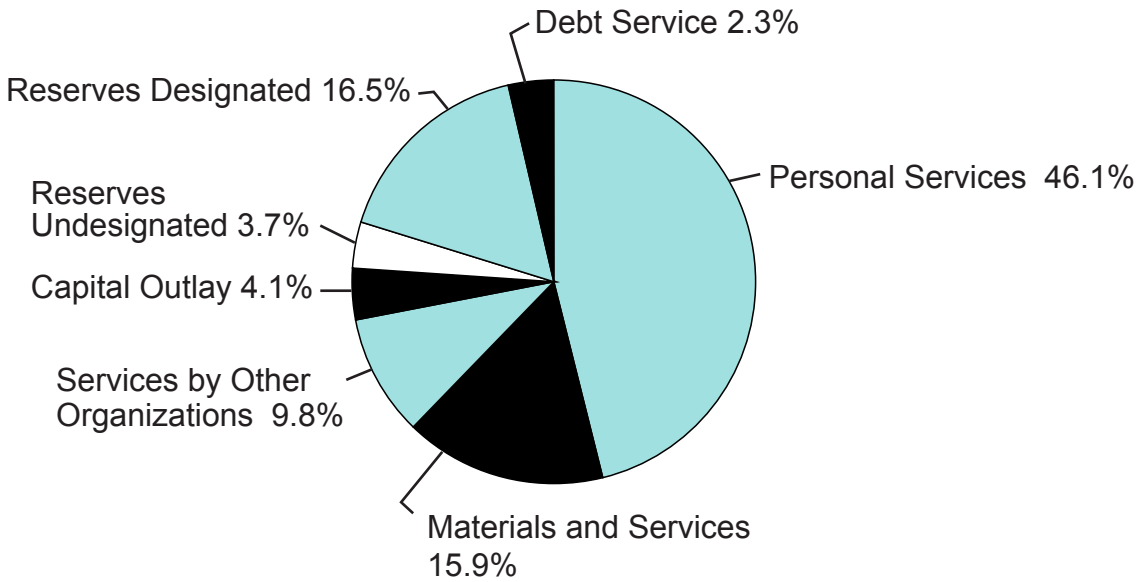
George Kloepfel
Executive Director
Lane Council of Governments



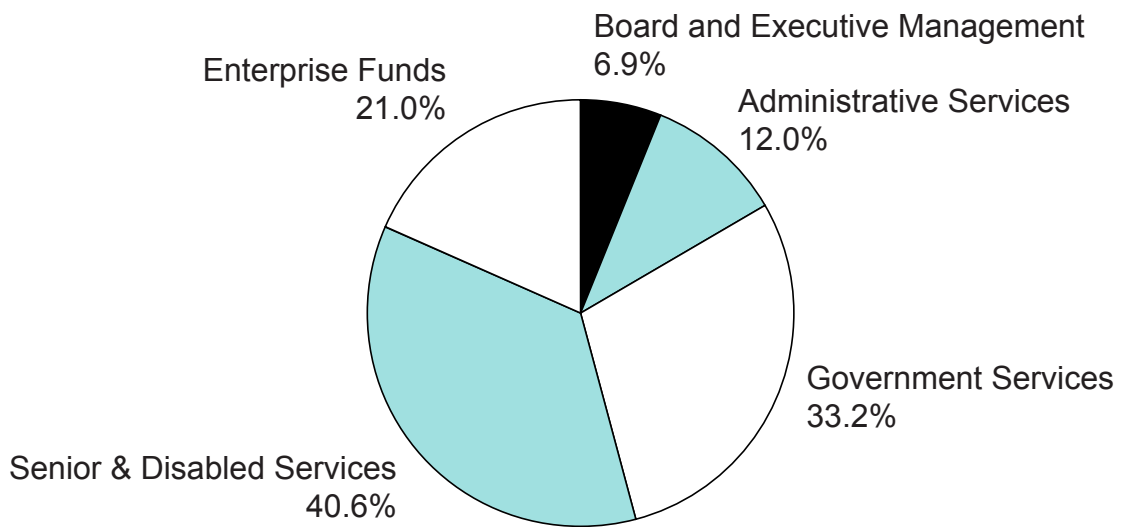
Greg James, Chair
Lane Council of Governments
Board of Directors

**Lane Council of Governments
2008-2009 Budget**

Requirements by Type

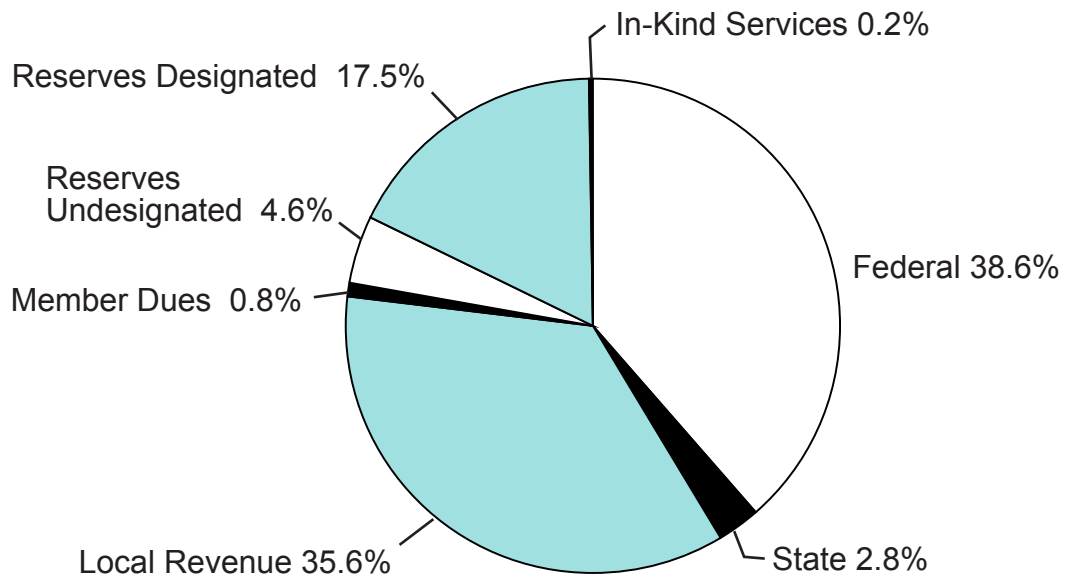


Requirements by Service



**Lane Council of Governments
2008-2009 Budget**

Revenues by Source



**Lane Council of Governments
2008-2009 Budget**

BUDGET SUMMARY

	ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE
<u>TOTAL RESOURCES</u>	35,349,556	29,425,682	29,425,682	29,425,682	-5,923,874
FEDERAL	10,887,068	11,369,771	11,369,771	11,369,771	482,703
STATE	748,123	815,717	815,717	815,717	67,594
LOCAL REVENUE	16,682,399	10,469,629	10,469,629	10,469,629	-6,212,770
IN-KIND SERVICES	50,681	55,407	55,407	55,407	4,726
MEMBER DUES	219,011	227,762	227,762	227,762	8,751
RESERVES-UNDESIGNATED	1,871,941	1,346,598	1,346,598	1,346,598	-525,343
RESERVES-DESIGNATED	4,890,333	5,140,798	5,140,798	5,140,798	250,465
<u>TOTAL REQUIREMENTS</u>	35,349,556	29,425,682	29,425,682	29,425,682	-5,923,874
BY EXPENSE TYPE					
PERSONAL SERVICES	12,558,564	13,553,342	13,553,342	13,553,342	994,778
MATERIALS & SERVICES	5,119,282	4,674,417	4,674,417	4,674,417	-444,865
SERVICES BY OTHER ORGANIZATIONS	2,417,850	2,889,486	2,889,486	2,889,486	471,636
CAPITAL OUTLAY	6,607,126	1,205,000	1,205,000	1,205,000	-5,402,126
RESERVES-UNDESIGNATED	1,346,598	1,137,493	1,137,493	1,137,493	-209,105
RESERVES-DESIGNATED	5,265,575	4,864,040	4,864,040	4,864,040	-401,535
DEBT SERVICE	2,034,561	1,101,904	1,101,904	1,101,904	-932,657
BY SERVICE					
BOARD AND EXECUTIVE MGMT	4,001,436	2,032,018	2,032,018	2,032,018	-1,969,418
GOVERNMENT SERVICES	9,974,776	9,766,912	9,766,912	9,766,912	-207,864
SENIOR & DISABLED SVCS	11,410,055	11,935,797	11,935,797	11,935,797	525,742
ENTERPRISE FUNDS	12,181,935	6,165,430	6,165,430	6,165,430	-6,016,505
ADMINISTRATIVE SERVICES	3,426,899	3,542,316	3,542,316	3,542,316	115,417

Lane Council of Governments 2008-2009 Budget

BY FUND TYPE

	ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE
<u>GENERAL FUND</u>					
<u>RESOURCES</u>	4,001,708	2,032,018	2,032,018	2,032,018	-1,969,690
STATE	0	0	0	0	0
LOCAL REVENUE	1,770,084	273,688	273,688	273,688	-1,496,396
MEMBER DUES	219,011	227,762	227,762	227,762	8,751
RESERVES-UNDESIGNATED	1,871,941	1,346,598	1,346,598	1,346,598	-525,343
TRANSFERS	140,672	183,970	183,970	183,970	43,298
<u>REQUIREMENTS</u>	4,001,708	2,032,018	2,032,018	2,032,018	-1,969,690
PERSONAL SERVICES	124,640	128,259	128,259	128,259	3,619
INDIRECT CHARGES	120,541	79,143	79,143	79,143	-41,398
MATERIALS & SERVICES	44,708	26,500	26,500	26,500	-18,208
CAPITAL OUTLAY	0	35,000	35,000	35,000	35,000
RESERVES-UNDESIGNATED	1,346,598	1,137,493	1,137,493	1,137,493	-209,105
DEBT SERVICE	290,747	338,618	338,618	338,618	47,871
TRANSFERS	2,074,474	287,005	287,005	287,005	-1,787,469
<u>SPECIAL REVENUE FUND</u>					
<u>RESOURCES</u>	21,381,059	21,699,209	21,699,209	21,699,209	318,150
FEDERAL	10,887,068	11,369,771	11,369,771	11,369,771	482,703
STATE	748,123	815,717	815,717	815,717	67,594
LOCAL REVENUE	6,662,625	6,541,280	6,541,280	6,541,280	-121,345
IN-KIND SERVICES	50,681	55,407	55,407	55,407	4,726
RESERVES-UNDESIGNATED	0	0	0	0	0
RESERVES-DESIGNATED	2,886,064	2,813,463	2,813,463	2,813,463	-72,601
TRANSFERS	146,498	103,571	103,571	103,571	-42,927
<u>REQUIREMENTS</u>	21,381,059	21,699,209	21,699,209	21,699,209	318,150
PERSONAL SERVICES	10,209,597	11,019,557	11,019,557	11,019,557	809,960
INDIRECT CHARGES	3,163,501	3,307,667	3,307,667	3,307,667	144,166
MATERIALS & SERVICES	2,903,597	2,457,866	2,457,866	2,457,866	-445,731
SERVICES BY OTHER ORGANIZATIONS	2,017,850	2,183,753	2,183,753	2,183,753	165,903
CAPITAL OUTLAY	105,597	60,000	60,000	60,000	-45,597
RESERVES-UNDESIGNATED	0	0	0	0	0
RESERVES-DESIGNATED	2,938,240	2,657,366	2,657,366	2,657,366	-280,874
TRANSFERS	42,677	13,000	13,000	13,000	-29,677

**Lane Council of Governments
2008-2009 Budget**

BY FUND TYPE

	ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE
<u>GOVERNMENTAL AND PROPRIETARY FUND</u>					
<u>RESOURCES</u>	12,181,935	6,165,430	6,165,430	6,165,430	-6,016,505
FEDERAL	0	0	0	0	0
STATE	0	0	0	0	0
LOCAL REVENUE	8,249,690	3,654,661	3,654,661	3,654,661	-4,595,029
RESERVES-DESIGNATED	2,004,269	2,327,335	2,327,335	2,327,335	323,066
TRANSFERS	1,927,976	183,434	183,434	183,434	-1,744,542
<u>REQUIREMENTS</u>	12,181,935	6,165,430	6,165,430	6,165,430	-6,016,505
PERSONAL SERVICES	267,959	299,284	299,284	299,284	31,325
INDIRECT CHARGES	142,855	155,507	155,507	155,507	12,652
MATERIALS & SERVICES	700,448	753,976	753,976	753,976	53,528
SERVICES BY OTHER ORG.	400,000	705,733	705,733	705,733	305,733
CAPITAL OUTLAY	6,501,529	1,110,000	1,110,000	1,110,000	-5,391,529
RESERVES-DESIGNATED	2,327,335	2,206,674	2,206,674	2,206,674	-120,661
DEBT SERVICE	1,743,814	763,286	763,286	763,286	-980,528
TRANSFERS	97,995	170,970	170,970	170,970	72,975

Lane Council of Governments
2008-2009

Work Program

Lane Council of Governments

Fiscal Year 2008-2009 Work Program

The Lane Council of Governments is dedicated to serving the public interest and enhancing the quality of life for the citizens of Lane County. It provides and facilitates efficient and effective government services through cooperative planning, program development, analysis, and service delivery. Policy direction is provided to the work of the agency by a 27-member Board of Directors.

I. Board of Directors and Executive Management

Total Division Budget: \$2,032,018 (\$4,001,436 in FY 08)
Salary and Benefit Allocation: \$128,259 (\$124,640 in FY 08)
FTE: .77 (.77 in FY 08)

(See Page 19 for Budget Detail)

Providing, in consultation with member jurisdictions, organizational support, professional counsel and policy recommendations to the Lane Council of Governments' Board of Directors, Executive Committee, Budget Committee, and related policy-level bodies; preparing and presenting for Committee and Board consideration periodic progress reports and a proposed annual Work Program and Budget; and providing agency-wide budgetary and personnel management and direction toward the completion of approved Work Program tasks. Financing for the tasks described in this section is provided through the agency's General Fund, which is supported in part by the dues paid by member agencies. Support provided to the Southern Willamette Services Corporation is funded through a contract with the corporation.

I A Agency Administration

Program Budget: \$2,032,018
Salary and Benefit Allocation: \$128,259
FTE: .77

General Administration

Executive support to the internal flow of agency projects and activities includes the maintenance of communications and the provision of appropriate facilities and equipment; the initiation and refinement of new services; and coordination with state-wide, multi-state, and national associations of similar organizations. In addition, the maintenance of General Fund reserves and the acquisition of some capital equipment are reflected in the budget for this program activity.

Public Information

Recognizing that much of LCOG's work is interactive with the broad community, staff members

gather, analyze, and disburse information; facilitate the participation of interested persons in agency activities; and communicate policy positions and information to local, state, and federal decision makers. Examples of activities in this area include the issuance of news releases, the publication of reports and a newsletter; the provision of support to the conduct of public meetings, hearings, and forums; the maintenance of LCOG and related websites, and the delivery of public presentations related to the agency's services and programs.

Board of Directors and Executive Committee Support

Staff members provide information, recommendations, and other support services to the Executive Committee, Budget Committee, and the LCOG Board of Directors; meetings of these policy groups are facilitated.

Facilities Management

Staff provides property management for LCOG leased real estate.

- Wells Fargo Building
- Cottage Grove S&DS office
- Florence S&DS office
- Central Kitchen

I B **Member Services**

Program Budget: \$20,000

Salary and Benefit Allocation: \$13,061

FTE: .25

Unfunded member services

Under the agency's Service Policy each member government is entitled to receive upon request and without charge a certain level of professional service—usually in the areas of planning, program development, mapping/geographic information, or grant preparation.

Lane Council of Governments 2008-2009 Budget

BY SERVICE

		ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE		
I. BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT								
RESOURCES		4,002,436	2,032,018	2,032,018	2,032,018	-1,970,418		
FEDERAL		500	0	0	0	-500		
STATE		0	0	0	0	0		
LOCAL REVENUE		1,770,312	273,688	273,688	273,688	-1,496,624		
MEMBER DUES		219,011	227,762	227,762	227,762	8,751		
RESERVES-UNDESIGNATED		1,871,941	1,346,598	1,346,598	1,346,598	-525,343		
RESERVES-DESIGNATED		0	0	0	0	0		
TRANSFERS		140,672	183,970	183,970	183,970	43,298		
REQUIREMENTS		4,002,436	2,032,018	2,032,018	2,032,018	-1,970,418		
	RANGE		FTE					
PERSONAL SERVICES		0.77	124,640	0.77	128,259	128,259	128,259	3,619
EXECUTIVE DIRECTOR		0.77	124,640	0.77	128,259	128,259	128,259	3,619
INDIRECT CHARGES			120,541		79,143	79,143	79,143	-41,398
MATERIALS & SERVICES			45,436		26,500	26,500	26,500	-18,936
BOARD TRAVEL			5,000		5,000	5,000	5,000	0
CONTRACT SERVICES			2,500		2,000	2,000	2,000	-500
LOAN COSTS			18,208		0	0	0	-18,208
MEETING SUPPORT			3,500		3,500	3,500	3,500	0
MISCELLANEOUS			10,228		10,000	10,000	10,000	-228
TRAVEL			6,000		6,000	6,000	6,000	0
CAPITAL OUTLAY			0		35,000	35,000	35,000	35,000
CAPITAL EXPENSE			0		35,000	35,000	35,000	35,000
RESERVES-UNDESIGNATED			1,346,598		1,137,493	1,137,493	1,137,493	-209,105
RESERVES-DESIGNATED			0		0	0	0	0
DEBT SERVICE			290,747		338,618	338,618	338,618	47,871
DEBT PRINCIPAL			132,640		147,789	147,789	147,789	15,149
DEBT INTEREST			158,107		190,829	190,829	190,829	32,722
TRANSFERS			2,074,474		287,005	287,005	287,005	-1,787,469
PLANNING SERVICES			37,060		31,684	31,684	31,684	-5,376
TECHNOLOGY SERVICES			40,000		0	0	0	-40,000
SENIOR AND DISABLED SERVICE			69,438		71,887	71,887	71,887	2,449
ENTERPRISE FUNDS			1,927,976		183,434	183,434	183,434	-1,744,542

II. Government Services

Total Division Budget: \$9,766,912 (\$9,974,776 in FY 08)
Salary and Benefit Allocation: \$3,558,026 (\$3,351,184 in FY 08)
FTE: 36.74 (37.83 in FY 08)

(See Page 25 for Budget Detail)

Staff provides cost-effective Planning and Technology Services to the member agencies of LCOG, other government agencies, and the public. These services are primarily funded through intergovernmental agreements, contracts, and federal- and state-funded grants and programs.

PLANNING SERVICES

Planning, operational, and technical expertise is available in the areas of intergovernmental relations, urban and regional planning, transportation, community safety, resource development, legal services, public infrastructure finance, and natural resources.

II A Community Safety

Program Budget: \$257,963
Salary and Benefit Allocation: \$128,442
FTE: 1.29

LCOG's Community Safety program provides analytical and staff support to the Public Safety Coordinating Council (PSCC) through a contract with Lane County.

LCOG provides staff support and coordination to Lane County 9-1-1 service providers and administers the 9-1-1 Emergency Communications Account. LCOG staff have developed computer mapping tools and the Master Street Address Guide (MSAG) to support 9-1-1 call routing and computer-aided dispatch of emergency service providers throughout Lane County. LCOG also provides management and staff support to the Community Emergency Notification System (CENS) used to alert Lane County Residents to hazardous situations in their areas.

II B Transportation and Public Infrastructure

Program Budget: \$1,568,699
Salary and Benefit Allocation: \$631,600
FTE: 6.84

LCOG is the designated Metropolitan Planning Organization for transportation planning in the Eugene-Springfield metropolitan area. In 2002, the Central Lane Metropolitan Area was declared a Transportation Management Area (TMA) as the metro area's population exceeded 200,000. The City of Coburg joined the Cities of Eugene and Springfield in the Census Bureau's designated Urbanized Area. The program is funded by the federal government (Federal Highway Administration-FHWA and Federal Transit Administration-FTA) and the Oregon Department of Transportation and involves a cooperative planning effort with the cities of Eugene, Springfield and Coburg, Lane County, Lane

Transit District, and the State of Oregon. The program coordinates a comprehensive transportation plan and produces a Transportation Improvement Program, among other responsibilities. In 2003, the LCOG Board delegated responsibility for carrying out the duties of the MPO to the Metropolitan Policy Committee. In 2004, the MPC appointed a twelve-member Citizens Advisory Committee to improve citizen involvement in the transportation planning process. Work activities for the MPO are carried out by the Metropolitan Policy Committee and the staff-level Transportation Planning Committee. State grants are used to analyze transportation and growth management issues in the metro area.

Under contracts with the State of Oregon Department of Transportation, LCOG performs transportation analyses and planning for certain State highway corridors that lie within Lane County.

Under contracts with individual municipalities or through State grants, LCOG performs transportation-related planning work and prepares transportation system plans for the consideration of municipal policy bodies.

A variety of projects that provide infrastructure finance-related analyses to local governments will be conducted. Updates or development of system development charges will be completed in Coburg, Junction City and other cities. Work will continue for Eugene and Springfield.

II C Urban and Regional Planning

Program Budget: \$1,433,940

Salary and Benefit Allocation: \$799,004

FTE: 8.51

LCOG staff participates in the development and implementation of state planning policy. By offering expertise concerning local and regional planning issues and programs, state-wide or regional policy may be improved.

In September 2008, LCOG will again sponsor the Oregon Planning Institute, a conference for Oregon planners. The conference concentrates on providing practical skills to chief executives and their planning staffs.

Metropolitan and Regional Planning

LCOG provides coordination and direct planning assistance to the cities of Eugene and Springfield and to Lane County. Funded through an annual agreement among the participating jurisdictions, other local governments, and state grants, the principal products relate to the *Eugene-Springfield Metropolitan Area General Plan (Metro Plan)*.

Contract Services

In addition to metropolitan area land use planning, LCOG provides contract planning assistance to the cities of Creswell, Coburg, Dunes City, Lowell, Oakridge, and Westfir. [*Should add contracts in other counties.*] LCOG also provides “overflow” and specialized planning services to all twelve cities and Lane County.

Economic Development

LCOG coordinates and provides staff support to the activities of the Lane Economic Committee, which represents both public and private sectors and the geographic regions of Lane County. The program is supported by LCOG dues, state contracts (OECD), federal funds (EDA), and others. Staff manages Lane County's portion of the four-county Cascades West Economic Development District, which also includes Linn, Benton, and Lincoln counties. LCOG works jointly with Cascades West COG in Albany in the development of periodic updates of the Comprehensive Economic Development Strategy, strategic planning, and special project development in Lane County cities with special emphasis on small communities. Staff provides coordination and an information resource for other economic development efforts in Lane County, including the State's Regional/Rural Investment programs and the cooperative Federal-State Needs and Issues Inventory Process for rural and urban community and economic development projects.

Natural Resources Planning

LCOG provides planning and technical services related to a wide array of natural resource topics. From comprehensive planning components to special studies and environmental analyses, staff provides expertise to local government member agencies and state agencies.

Significant metropolitan area projects include the continued implementation of the City of Eugene's Comprehensive Stormwater Management Program and service as Wetland Manager for the West Eugene Wetland area, and new efforts in parks planning and wetlands education. It is anticipated that some work will be performed for Springfield and other cities.

LCOG is providing assistance under grants from the Oregon Department of Environmental Quality (DEQ) in the areas of groundwater protection and non-point source pollution mitigation.

II E Development Services

Program Budget: \$52,894

Salary and Benefit Allocation: \$41,132

FTE: .47

Staff seeks and develops new resource opportunities for LCOG and member agencies. Grant identification, writing and submission are the primary activities.

II F Legal Services

Program Budget: \$88,000

Salary and Benefit Allocation: \$55,306

FTE: .53

LCOG provides land use planners/attorneys who serve as hearings officials for land use and other quasi-judicial issues. Lane County, the Eugene Public Works Department, the City of Springfield, and the Lane Regional Air Pollution Authority (LRAPA) contract for this service, as do a number of smaller cities. The service is tailored for the needs of each jurisdiction.

LCOG provides city attorney services to the Cities of Coburg and Canyonville.

LCOG has contracted with Lane County and several cities throughout western Oregon to provide staff services to assist with cable franchise administration.

Technology Services

The region recognizes efficiency and cost savings through sharing the planning and operation of a number of technology services. LCOG staff provides services that range from coordination to analysis to daily operation. The services include information services, geographic information services, telecommunications, and the operation of a Governmental channel for the metropolitan cable television system. These services are funded through intergovernmental agreements with the governments using each service.

II G Telecommunications

Program Budget: \$4,091,287

Salary and Benefit Allocation: \$333,463

FTE: 3.91

LCOG has contracted with eight local governments to provide telecommunications systems management and services for the shared telephone system. This program now includes the development and coordination of a local and wide area fiber optic system for data communications. Shared management through LCOG improves compatibility and minimizes overall telecommunications costs for participating agencies.

II H Metro Television

Program Budget: \$328,079

Salary and Benefit Allocation: \$227,449

FTE: 2.48

LCOG has contracted with Lane County and the cities of Eugene and Springfield to provide staff services necessary to operate the Governmental channel of the metropolitan cable system and coordinate the Public and Educational channels. Metro Television also provides special programming, training and public service video services to member agencies.

II I Regional Land Information Database Services/GIS

Program Budget: \$750,500

Salary and Benefit Allocation: \$478,502

FTE: 5.24

LCOG has coordinated and maintained the regional geographic information system for over 30 years. This county-wide project, through which a comprehensive computerized geographic information system is developed and maintained, is funded through an annual Cooperative Project Agreement among the cities of Eugene and Springfield, Lane County, LCOG and the Eugene Water & Electric Board. The system supports an extensive integrated database of land record information created by local governments, labeled the Regional Land Information Database (RLID). In addition, LCOG develops and maintains GIS information to support the AIRS Computer Aided Dispatch

System (CAD), providing emergency service dispatchers with vital visual information to assist in emergency response.

II J Regional Technology Services Coordination

Program Budget: \$358,065

Salary and Benefit Allocation: \$230,917

FTE: 2.5

LCOG provides strategic planning and coordination services for four regional information services. The services include the Regional Information System (RIS), a multi-jurisdictional computing consortium; the RLID/GIS system; the regional telecommunications system; and the Area Information Records System (AIRS), the regional public safety information consortium.

II K Information, Research and Analysis

Program Budget: \$556,539

Salary and Benefit Allocation: \$376,012

FTE: 4.57

LCOG staff provides special planning and research services. Contracts for services are negotiated for specific products, which range from computer programming and data development to economic and demographic analyses.

A major work task for the next several years will be working with the US Census Bureau in preparation for the 2010 census.

Staff also provides direct geographic information systems (GIS) services under contract, including standard and custom maps, geographic analysis, and training other staff in the use of GIS data and software.

II L Creative Services

Program Budget: \$261,103

Salary and Benefit Allocation: \$251,700

FTE: 2.25

Creative Services produces a variety of high-quality documents and presentations. The staff designs, edits, prints, and assembles documents and prepares reproducible graphics, slides, charts, illustrations, newsletters, internet sites, and presentations for LCOG and other agencies. Close coordination of the Creative Services and Planning staffs provide the opportunity for advanced visioning, design and presentation of planning projects in downtown revitalization, natural resources and transportation.

Lane Council of Governments 2008-2009 Budget

BY SERVICE

		ADOPTED 2007-08		PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE	
II. GOVERNMENT SERVICES								
RESOURCES								
		9,974,776		9,766,912	9,766,912	9,766,912	-207,864	
FEDERAL		1,826,713		1,672,171	1,672,171	1,672,171	-154,542	
STATE		178,673		220,425	220,425	220,425	41,752	
LOCAL REVENUE		5,698,692		5,601,633	5,601,633	5,601,633	-97,059	
IN-KIND SERVICES		0		0	0	0	0	
RESERVES-DESIGNATED		2,189,138		2,237,499	2,237,499	2,237,499	48,361	
TRANSFERS		81,560		35,184	35,184	35,184	-46,376	
REQUIREMENTS								
		9,974,776		9,766,912	9,766,912	9,766,912	-207,864	
	RANGE		FTE					
				FTE				
PERSONAL SERVICES		37.83	3,351,184	36.74	3,558,026	3,558,026	3,558,026	206,842
DIRECTOR--PS	37	0.95	127,610	0.72	102,674	102,674	102,674	-24,936
PROGRAM MANAGER	31	3.49	388,734	3.24	380,369	380,369	380,369	-8,365
PRINCIPAL	28	7.09	730,051	6.98	745,330	745,330	745,330	15,279
SENIOR/MANAGER	25	9.22	872,969	9.43	944,347	944,347	944,347	71,378
ASSOCIATE	21	4.87	384,272	4.85	405,432	405,432	405,432	21,160
SPECIALIST	18	0.36	28,492	0.00	0	0	0	-28,492
ASSISTANT	17	4.76	269,114	5.00	335,285	335,285	335,285	66,171
PROGRAM ANALYST	14	4.64	314,278	4.96	355,833	355,833	355,833	41,555
ADMINISTRATIVE ASST	8	0.50	37,229	0.51	42,950	42,950	42,950	5,721
OTHER		1.95	198,435	1.05	245,806	245,806	245,806	47,371
INDIRECT CHARGES			1,474,892		1,574,902	1,574,902	1,574,902	100,010
MATERIALS & SERVICES			1,463,345		999,130	999,130	999,130	-464,215
ADVERTISING			9,914		10,100	10,100	10,100	186
COMPUTER SUPPLIES			224,693		22,000	22,000	22,000	-202,693
CONFERENCE EXPENSE			1,424		2,000	2,000	2,000	576
CONTRACT SERVICES			1,006,355		803,614	803,614	803,614	-202,741
EQUIPMENT MAINTENANCE			54,300		0	0	0	-54,300
LEGAL			18,500		8,500	8,500	8,500	-10,000
MEMBERSHIPS			2,150		2,856	2,856	2,856	706
MISCELLANEOUS			29,061		20,636	20,636	20,636	-8,425
POSTAGE			515		4,050	4,050	4,050	3,535
PRODUCTION			11,295		18,785	18,785	18,785	7,490
RENT			9,560		9,560	9,560	9,560	0
RIS USE			10,020		10,020	10,020	10,020	0
SOFTWARE SUPPORT			11,670		5,050	5,050	5,050	-6,620
TAPE SALES EXPENSE			200		200	200	200	0
TELEPHONE			3,150		3,150	3,150	3,150	0
TRAVEL			70,538		78,609	78,609	78,609	8,071
SERVICES BY OTHER ORGANIZATIONS			1,277,463		1,416,088	1,416,088	1,416,088	138,625
TELEPHONE OPERATIONS			1,277,463		1,416,088	1,416,088	1,416,088	138,625
CAPITAL OUTLAY			33,837		50,000	50,000	50,000	16,163
RESERVES-DESIGNATED			2,344,378		2,168,766	2,168,766	2,168,766	-175,612
TRANSFERS			29,677		0	0	0	-29,677
GENERAL FUND			29,677		0	0	0	-29,677

III. Senior & Disabled Services

Total Division Budget: \$11,935,797 (\$11,410,053 in FY 08)
Salary and Benefit Allocation: \$7,461,531 (\$6,858,413 in FY 08)
FTE: 111.90 (114.66 in FY 08)

(See Pages 30-31 for Budget Detail)

The mission of Senior & Disabled Services is to advocate for seniors and persons with disabilities and to provide to them quality services and information that promote dignity, independence, and choice. S&DS staff plan, coordinate, deliver, and advocate for social and health services for persons 60 years of age and over and for persons with disabilities who are in need of information and services. Federal, state, and local resources, including participants' fees and donations and the proceeds of fundraising activities and private-pay services, are used to provide services to individuals and families.

III A Medicaid and Food Stamps

Program Budget: \$8,229,440
Salary and Benefit Allocation: \$6,382,211
FTE: 93.91

Under contract to the Oregon's Department of Human Services, LCOG administers the State's long-term care, medical assistance / food stamp programs, and protective services for older persons (65+) and adults with disabilities (18-64 years) in Lane County. Additionally, S&DS licenses and monitors adult foster homes that serve seniors and people with physical disabilities in Lane County. Customers are served out of three offices located in Eugene, Cottage Grove, and Florence.

Eligibility Determination / Screening & Referral

Each month, S&DS staff receive more than 460 inquiries about Medicaid and/or Food Stamps. Most requests are received via telephone. S&DS staff knowledgeable about the Medicaid and Food Stamp programs determines the most appropriate program for the individual, and make referrals to other community resources that may be of help to the inquirer. Additionally, S&DS staff does the annual re-certifications for each program as required. S&DS staff determines eligibility for such programs as the Oregon Health Plan, reimbursement of one's Medicare premium, and Food Stamps via the Oregon Trail (Electronic Benefit Transfer) card. These services are supported by federal and State sources.

Case Management

Senior & Disabled Services (S&DS) personnel are responsible for the provision of Medicaid-funded case management and long-term care services to frail or impaired lower income seniors and adults with disabilities, including: eligibility determination; needs assessment; case plan development, implementation, and monitoring; pre-nursing home admission screening; and services directed at moving persons no longer in need of nursing home care to less-restrictive living environments.

Licensing and Monitoring of Adult Foster Homes

S&DS licenses and monitors private residences certified to care for up to five individuals within the home. Adult Foster Homes offer an alternative to the larger facilities, providing a more home-like environment to those who need assistance with daily activities.

Home Care Worker Program

S&DS staff process applications for those interested in providing in-home care to seniors and people with disabilities receiving Medicaid assistance. The application process includes a criminal record check and orientation. Additionally, S&DS staff processes the vouchers (time sheets) of Home Care Workers that have provided in-home care to a Medicaid recipient, as authorized by the S&DS Case Manager through a comprehensive assessment and care plan. Once the voucher information is entered, the State of Oregon issues the paycheck.

Adult Protective Services

The Oregon Department of Human Services contracts with S&DS to investigate allegations of abuse or neglect of seniors and persons with a physical disability, both in the home and in licensed care facilities. S&DS coordinates with local law enforcement and the judicial system regarding matters of a criminal nature. S&DS also works closely with other social service agencies to provide crisis and risk intervention.

Quality Assurance

S&DS staff carefully evaluates the delivery of the Medicaid and Food Stamp programs for accuracy of benefit calculation, efficiency, and quality customer service. Quality assurance activities include regular auditing of case files, receipt of consumer input, and process review.

Division Support

Program operations are effectively managed through administrative assistance such as front desk and phone reception, receipting, issuance of the Oregon Trail Card, processing of mail, and other support activities.

III B Older Americans Act, Other Grants and State Funding

Program Budget: \$3,706,357

Salary and Benefit Allocation: \$1,079,320

FTE: 18.64

Information and Assistance

LCOG's Senior Connections Program provides an access point in each community for seniors and their families in need of assistance. S&DS' Senior Connections offices are located in Eugene (for both Eugene and Springfield), Oakridge, Veneta, Junction City, Cottage Grove, Creswell, and Florence. Services may include: provision of information; guidance appropriate to an individual's needs and circumstances; and referral or direct linkage to specific resources. Information, consultation, and referral services are available to all older persons and their caregivers.

Group Dining and Home Delivered Meals

The Senior Meals Program provides publicly subsidized meals to persons 60 years and over and their spouses in community dining rooms, and delivers Meals on Wheels to homebound people age 60 and over as well as to disabled adults receiving either Oregon Project Independence or Medicaid-funded, in-home services. As circumstances dictate, the Program also provides meals on a private-pay basis to members of both populations. Both the Group Meals and Meals on Wheels components of the program provide nutritious meals which offer 1/3 of the RDA. Most program participants are

not charged for meals. These individuals are encouraged to donate to help cover the cost of each meal. Some recipients who are not eligible for the subsidized meal are charged for the full cost of service under a private pay program that operates in tandem to the publicly financed program.

The Group Meals component operates in 12 group dining facilities throughout the county. All meals are served at mid-day, with the number of serving days per site varying from a minimum of one per month to a maximum of five per week.

The Meals on Wheels component provides meals to persons who are homebound by reason of illness or disability. Most meals are delivered hot to recipients. Additional meal options include frozen meals (for those recipients with the equipment, knowledge, and stamina to make effective use of them) and *blizzard meals* (shelf-stable meals provided to clients for those days when weather conditions preclude delivery of a hot meal). S&DS contracts with the Lane County Chapter of the American Red Cross to deliver a portion of the meals within the Eugene/Springfield metropolitan area; LCOG's Meals on Wheels Program delivers all of the meals throughout the balance of the county. The number of publicly subsidized meals is capped at the number that can be funded with readily available funds, and a separate, parallel private pay Meals on Wheels program is available for those on the waiting list for publicly subsidized meals or who are not eligible for the subsidized meals. Each year, the Senior Meals Program actively solicits private donations to supplement public sources of funds for these services. This year, the funds needed from private donations will total approximately 20% of the S&DS Senior Meals Program operating budget. Some fund raising is done in conjunction with the American Red Cross; other fund raising is done by the Program directly. The Senior Meals Program is funded by a variety of sources, including the Older Americans Act, the U.S. Department of Agriculture, Medicaid, Lane County's Human Services Program, the United Way, participants' donations and fees, and community fundraising.

Care Coordination / Consultation

The LCOG Senior Connections Coordinators are available to offer case management services targeted to older individuals who are not eligible for Medicaid or Oregon Project Independence (OPI) services, but who need help due to health, functional, or situational problems that place them at risk of needing nursing home care within one year. Senior Connections staff also recruit, train, place, and support volunteers who provide direct in-home services such as housekeeping, grocery shopping, running errands, money management, meal preparation, and transportation. Because public revenue is not adequate to meet the needs of Lane County seniors, the Senior Connections Program will continue its effort to develop effective fund raising campaigns and special grants. Senior Connections services are supported by federal and local sources, including the Older Americans Act, the Low Income Energy Assistance Program, Lane County's Human Services Program and, the United Way of Lane County.

Family Caregiver Support

A special program through Senior Connections, the Family Caregiver Support Program provides assistance to unpaid family caregivers, including information and assistance, care consultation, respite care and caregiver training. LCOG contracts with several local agencies to deliver both in-home and day facility respite care.

Oregon Project Independence

Oregon Project Independence is a State-funded program directed towards helping people remain in their own home for as long as possible. The intent is to offer a lower cost alternative to publicly funded programs, delaying or preventing the need for public assistance such as Medicaid. Recipients currently include people over the age of 60 who need some assistance with daily activities, such as bathing, dressing or walking. In 2005 the Oregon State Legislature approved expanding the services to people between the ages of 18 – 64 with a physical disability. However, due to lack of statewide funding, the program expansion has not yet been implemented.

Contract Management

The delivery of a comprehensive and coordinated array of services requires diverse skills and expertise. To create a quality system of care, LCOG Senior & Disabled Services contracts with over ten local agencies to provide services such as senior law, meals and meal delivery, money management, volunteer recruitment, respite care, support groups, family caregiver training, and in-home care.

**Lane Council of Governments
2008-2009 Budget**

BY SERVICE

			ADOPTED 2007-08		PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE	
III. SENIOR & DISABLED SERVICES									
RESOURCES			11,410,055		11,935,797	11,935,797	11,935,797	525,742	
			FEDERAL	9,059,855	9,697,601	9,697,601	9,697,601	637,746	
			STATE	569,450	595,292	595,292	595,292	25,842	
			LOCAL REVENUE	963,705	939,646	939,646	939,646	-24,059	
			IN-KIND SERVICES	50,681	55,407	55,407	55,407	4,726	
			RESERVES-DESIGNATED	696,926	575,964	575,964	575,964	-120,962	
			TRANSFERS	69,438	71,887	71,887	71,887	2,449	
REQUIREMENTS			11,410,055		11,935,797	11,935,797	11,935,797	525,742	
	RANGE	FTE		FTE					
PERSONAL SERVICES			6,858,413	111.90	7,461,531	7,461,531	7,461,531	603,118	
			DIRECTOR-S&DS	37	1.00	109,536	116,196	116,196	6,660
			PROGRAM MANAGER	31	1.00	94,572	104,400	104,400	9,828
			MANAGER	25	1.03	96,967	95,460	95,460	-1,507
			PROGRAM SUPERVISOR	21	8.98	636,657	674,988	674,988	38,331
			SDS SPECIALIST	19	1.00	85,344	85,740	85,740	396
			PREADMISSION SCREENER	18	2.00	149,640	163,020	163,020	13,380
			CASEMANAGER	13-16	45.97	2,788,876	3,063,506	3,063,506	274,630
			HUMAN SERVICES SPECIALIST	8-10	34.38	1,763,832	1,980,277	1,980,277	216,445
			ADMINISTRATIVE ASST III	5-6	13.13	602,259	686,847	686,847	84,588
			ADMINISTRATIVE ASST II	3	0.00	0	0	0	0
			SENIOR MEALS SITE COORD	.15	5.32	215,578	225,145	225,145	9,567
			KITCHEN ASSISTANT		0.85	20,369	21,701	21,701	1,332
			OTHER			294,783	244,251	244,251	-50,532
INDIRECT CHARGES			1,688,609		1,732,765	1,732,765	1,732,765	44,156	
MATERIALS & SERVICES			1,439,524		1,458,736	1,458,736	1,458,736	19,212	
			BUILDING AND GROUNDS			10,200	11,000	11,000	800
			COMPUTER SUPPLIES			25,000	30,500	30,500	5,500
			CONTRACT SERVICES			10,500	5,000	5,000	-5,500
			EQUIPMENT MAINTENANCE			8,000	5,000	5,000	-3,000
			FROZEN MEALS			98,667	102,081	102,081	3,414
			FUNDRAISING EXPENSE			47,199	46,663	46,663	-536
			FURNITURE			20,000	20,000	20,000	0
			INSURANCE			1,000	1,000	1,000	0
			LEGAL			3,000	3,000	3,000	0
			MEALS			705,410	742,234	742,234	36,824
			MEMBERSHIPS			28,266	28,300	28,300	34
			MISCELLANEOUS			17,433	15,988	15,988	-1,445
			NUTRITION ADMINISTRATION			2,400	2,400	2,400	0
			NUTRITION SUPPLIES			58,813	57,161	57,161	-1,652

**Lane Council of Governments
2008-2009 Budget**

BY SERVICE

	ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE
III. SENIOR & DISABLED SERVICES (continued)					
MATERIALS & SERVICES (continued)					
OFFICE SUPPLIES	4,000	5,000	5,000	5,000	1,000
POSTAGE	8,000	10,000	10,000	10,000	2,000
PRODUCTION	29,500	24,500	24,500	24,500	-5,000
PROFESSIONAL TRAINING	15,000	15,000	15,000	15,000	0
RENT	29,112	30,600	30,600	30,600	1,488
RENT-OTHER	117,084	115,724	115,724	115,724	-1,360
RIS-NETWORK	2,000	3,000	3,000	3,000	1,000
SPACE COSTS	15,401	3,000	3,000	3,000	-12,401
TELEPHONE	10,000	10,200	10,200	10,200	200
TRAINING	2,100	2,100	2,100	2,100	0
TRAVEL	115,776	116,961	116,961	116,961	1,185
TRAVEL-VOLUNTEER	16,563	16,224	16,224	16,224	-339
UNEMPLOYMENT	25,000	25,000	25,000	25,000	0
UTILITIES	7,100	7,100	7,100	7,100	0
VEHICLE MAINTENANCE	7,000	4,000	4,000	4,000	-3,000
SERVICES BY OTHER ORGANIZATIONS	740,387	767,665	767,665	767,665	27,278
SENIOR SERVICES	689,706	712,258	712,258	712,258	22,552
COMMUNITY SERVICE	50,681	55,407	55,407	55,407	4,726
CAPITAL OUTLAY	71,760	10,000	10,000	10,000	-61,760
RESERVES-DESIGNATED	593,862	488,600	488,600	488,600	-105,262
TRANSFERS	17,500	16,500	16,500	16,500	-1,000
LCOG BOARD	13,000	13,000	13,000	13,000	0
PLANNING SERVICES	4,500	3,500	3,500	3,500	-1,000

IV. Enterprise Funds

Total Division Budget: \$6,165,430 (\$12,181,935 in FY 08)

Salary and Benefit Allocation: \$299,284 (\$267,959 in FY 08)

FTE: 2.78 (2.66 in FY 08)

(See Page 33 for Budget Detail)

The Enterprise Funds comprise the proprietary funds in the By Fund Type section of the LCOG Budget. These funds are used to account for the ongoing operation and activities that are similar to those found in the private sector. The measurement focus is upon the determination of net income.

IV A Business Finance

Program Budget: \$3,621,835

Salary and Benefit Allocation: \$276,304

FTE: 2.66

LCOG operates a public loan program to finance business facilities and community development projects throughout Lane County. LCOG operates a \$4.3 million revolving loan fund for business in rural areas and a \$.8 million revolving loan fund for the metro area. Through a contract with Cascades West COG, LCOG also provides public loan packaging services for a wide range of public finance programs throughout the county.

IV B Facilities Management

Program Budget: \$2,543,595

Salary and Benefit Allocation: \$22,980

FTE: .15

Staff provides property management for LCOG-owned real estate.

- Schaefers Building
- Springfield Building
- Park Place Building

**Lane Council of Governments
2008-2009 Budget**

BY SERVICE

IV. ENTERPRISE FUNDS		ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE		
RESOURCES		12,181,935	6,165,430	6,165,430	6,165,430	-6,016,505		
FEDERAL		0	0	0	0	0		
STATE		0	0	0	0	0		
LOCAL REVENUE		8,249,690	3,654,661	3,654,661	3,654,661	-4,595,029		
RESERVES-DESIGNATED		2,004,269	2,327,335	2,327,335	2,327,335	323,066		
TRANSFERS		1,927,976	183,434	183,434	183,434	-1,744,542		
REQUIREMENTS		12,181,935	6,165,430	6,165,430	6,165,430	-6,016,505		
	RANGE		FTE			FTE		
PERSONAL SERVICES		2.66	267,959	2.78	299,284	299,284	299,284	31,325
ASSOCIATE DIRECTOR	39	0.05	7,679	0.15	22,980	22,980	22,980	15,301
PROGRAM MANAGER	31	0.76	87,656	0.78	93,333	93,333	93,333	5,677
PRINCIPAL	28	1.00	114,216	1.00	117,994	117,994	117,994	3,778
ASSOCIATE	21	0.85	58,408	0.85	64,977	64,977	64,977	6,569
OTHER								0
INDIRECT CHARGES			142,855		155,507	155,507	155,507	12,652
MATERIALS & SERVICES			700,448		753,976	753,976	753,976	53,528
BUILDING & GROUNDS			3,114		4,124	4,124	4,124	1,010
BUILDING MAINTENANCE			92,455		132,663	132,663	132,663	40,208
CONTRACT SERVICES			158,579		88,107	88,107	88,107	-70,472
INSURANCE			21,955		28,500	28,500	28,500	6,545
JANITORIAL			77,680		110,220	110,220	110,220	32,540
LEGAL			5,000		5,000	5,000	5,000	0
LOAN COST			61,253		0	0	0	-61,253
MEMBERSHIPS			4,614		9,303	9,303	9,303	4,689
MISCELLANEOUS			12,212		20,157	20,157	20,157	7,945
PROPERTY MANAGEMENT			31,290		50,000	50,000	50,000	18,710
PROPERTY TAXES			56,961		69,000	69,000	69,000	12,039
REPAIRS			7,339		8,350	8,350	8,350	1,011
TENANT PARKING			30,684		30,000	30,000	30,000	-684
TRAVEL			10,000		10,000	10,000	10,000	0
UTILITIES			127,312		188,552	188,552	188,552	61,240
SERVICES BY OTHER ORGANIZATIONS			400,000		705,733	705,733	705,733	305,733
CAPITAL OUTLAY			6,501,529		1,110,000	1,110,000	1,110,000	-5,391,529
CAPITAL EXPENSE			6,501,529		1,110,000	1,110,000	1,110,000	-5,391,529
RESERVES-UNDESIGNATED			0		0	0	0	0
RESERVES-DESIGNATED			2,327,335		2,206,674	2,206,674	2,206,674	-120,661
DEBT SERVICE			1,743,814		763,286	763,286	763,286	-980,528
DEBT PRINCIPAL			1,386,156		269,708	269,708	269,708	-1,116,448
DEBT INTEREST			357,658		493,578	493,578	493,578	135,920
TRANSFERS			97,995		170,970	170,970	170,970	72,975
LCOG BOARD			97,995		170,970	170,970	170,970	72,975

V. Administrative Services

Total Division Budget: \$3,542,316 (\$3,426,899 in FY 08)
Salary and Benefit Allocation: \$2,106,242 (\$1,956,370 in FY 08)
FTE: 23.46 (21.19 in FY 08)

(See Page 36 for Budget Detail)

Administrative Services provides traditional management functions necessary for the efficient operation of the organization and provides support services to the agency. Financial support for the tasks described in this section is provided by indirect charges to funded agency programs and, in limited circumstances, by special service charges.

V A General Administration

Program Budget: \$265,123
Salary and Benefit Allocation: \$265,123
FTE: 1.9

Staff members provide the coordination and management of agency wide functions necessary for the efficient operation of the agency.

V B Human Resources Administration

Program Budget: \$189,194
Salary and Benefit Allocation: \$189,194
FTE: 1.8

The management of the agency's staff includes the development, refinement, and administration of procedures; recruitment; collective bargaining; the management of the classification compensation and employee evaluation systems; health insurance and benefits management; and the provision of professional growth resources to staff members.

V C Fiscal and Budget Administration

Program Budget: \$460,863
Salary and Benefit Allocation: \$460,863
FTE: 4.8

The management of LCOG's financial systems includes budgeting, accounting, payroll administration, reporting, cash management, insurance, investment oversight, fiscal records maintenance, property management, analyses, and audit support.

V D Information Services

Program Budget: \$695,789
Salary and Benefit Allocation: \$695,789
FTE: 7.5

Agency IS staff develops and implements plans and programs for enhanced use of information technologies; and staff members maintain and support the hardware, software, and

telecommunications necessary for the efficient operation of the agency's Information Services equipment, local area network, and internet presence. LCOG's Executive Director participates as a member of the Regional Executive Group (REG) in establishing policy for shared regional technology services; the Associate Director serves as a member of the Regional Information Officers (RIO) group.

V E Clerical Services

Program Budget: \$194,202

Salary and Benefit Allocation: \$194,202

FTE: 3.0

Clerical services are provided to LCOG activities; included are reception, mailing functions, agency vehicles, facilities and support for the LCOG Board and Executive Committee.

**Lane Council of Governments
2008-2009 Budget**

BY SERVICE

		ADOPTED 2007-08			PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE	
V. ADMINISTRATIVE SERVICES									
RESOURCES		3,426,899			3,542,316	3,542,316	3,542,316	115,417	
INDIRECT CHARGES		3,426,899			3,542,316	3,542,316	3,542,316	115,417	
REQUIREMENTS		3,426,899			3,542,316	3,542,316	3,542,316	115,417	
	RANGE		FTE						
				FTE					
PERSONAL SERVICES			21.19	1,956,370	23.46	2,106,242	2,106,242	2,106,242	149,872
EXECUTIVE DIRECTOR			0.25	40,468	0.25	41,643	41,643	41,643	1,175
ASSOCIATE DIRECTOR		39	0.95	140,740	0.88	129,905	129,905	129,905	-10,835
DIRECTOR-PS/TS		37	0.04	5,936	0.28	39,545	39,545	39,545	33,609
PROGRAM MANAGER		31	2.89	359,459	3.35	384,832	384,832	384,832	25,373
SENIOR MANAGER		28	3.48	350,221	4.12	360,691	360,691	360,691	10,470
MANAGER		25	4.17	378,675	4.83	399,418	399,418	399,418	20,743
ASSOCIATE		21	5.34	435,432	5.75	489,989	489,989	489,989	54,557
ASSISTANT		17	0.07	3,867	0.00	0	0	0	-3,867
PROGRAM ANALYST		14	2.00	126,168	2.00	139,650	139,650	139,650	13,482
PROGRAM TECHNICIAN		10	0.00	0	0.00	0	0	0	0
ADMINISTRATIVE ASST		8	2.00	115,404	2.00	120,569	120,569	120,569	5,165
MATERIALS & SERVICES				1,470,529		1,436,074	1,436,074	1,436,074	-34,455
ADVERTISING				3,000		3,000	3,000	3,000	0
AUDIT				31,400		32,500	32,500	32,500	1,100
BUILDING & GROUNDS				3,500		3,500	3,500	3,500	0
COMPUTER SUPPLIES				100,000		140,829	140,829	140,829	40,829
CONTRACT SERVICES				20,000		20,000	20,000	20,000	0
COPYING				32,000		28,000	28,000	28,000	-4,000
DEPRECIATION-WF				65,440		65,440	65,440	65,440	0
DEPRECIATION-LAN				7,325		7,325	7,325	7,325	0
EQUIPMENT MAINTENANCE				2,500		2,000	2,000	2,000	-500
FURNITURE				3,500		3,500	3,500	3,500	0
GIS CPA				66,449		68,443	68,443	68,443	1,994
GIS MAINTENANCE				19,500		19,500	19,500	19,500	0
INDIRECT CARRYFORWARD				150,000		79,786	79,786	79,786	-70,214
INSURANCE				32,543		36,000	36,000	36,000	3,457
LEGAL				2,000		2,000	2,000	2,000	0
MEMBERSHIPS				24,000		24,000	24,000	24,000	0
MISCELLANEOUS				1,000		1,001	1,001	1,001	1
OCCUPANCY COSTS/SCHAEFERS				195,000		190,000	190,000	190,000	-5,000
OFFICE SUPPLIES				37,500		37,500	37,500	37,500	0
PAPER				12,000		12,000	12,000	12,000	0
PLOTTER SUPPLIES				5,000		5,000	5,000	5,000	0
POSTAGE				50,000		50,000	50,000	50,000	0
PRINTING				8,000		8,000	8,000	8,000	0
PROFESSIONAL TRAINING				12,000		10,000	10,000	10,000	-2,000
REGIONAL TECH SERVICES				9,269		9,547	9,547	9,547	278
RENT				295,870		290,585	290,585	290,585	-5,285
RIS USE				168,733		171,618	171,618	171,618	2,885
TELEPHONE				100,000		105,000	105,000	105,000	5,000
TRAVEL				13,000		10,000	10,000	10,000	-3,000
UNEMPLOYMENT				0		0	0	0	0

Lane Council of Governments
2008-2009
Appendices

**Lane Council of Governments
2008-2009 Budget**

	ADOPTED 2007-08	PROPOSED 2008-09	APPROVED 2008-09	ADOPTED 2008-09	DIFFERENCE
<u>FIDUCIARY FUNDS</u>					
<u>RESOURCES</u>	2,242,319	2,395,211	2,395,211	2,395,211	152,892
BEGINNING FUND BALANCE	408,000	482,319	482,319	482,319	74,319
INTEREST	20,000	20,000	20,000	20,000	0
STATE	15,000	0	0	0	-15,000
LOCAL JURISDICTIONS	1,799,319	1,892,892	1,892,892	1,892,892	93,573
<u>REQUIREMENTS</u>	2,242,319	2,395,211	2,395,211	2,395,211	152,892
FIBER SOUTH EXPENSE	35,000	0	0	0	-35,000
PSAP EXPENSE	1,725,000	1,952,674	1,952,674	1,952,674	227,674
UNAPPROPRIATED FUND BALANCE	482,319	442,537	442,537	442,537	-39,782

**AGENCY PERSONAL SERVICES
FY08/09**

CLASSIFICATION	RANGE	FTE			SALARY AND FRINGE		
		FY07/08 Adopted	FY07/08 Revised	FY08/09 Proposed	FY07/08 Adopted	FY07/08 Revised	FY08/09 Proposed
Executive Director		1.00	1.00	1.00	165,108	165,108	169,902
Associate Director	39	1.00	1.00	1.00	153,264	148,419	152,885
Director	37	2.00	2.00	2.00	243,180	243,082	258,415
Program Manager	31	9.71	8.14	7.12	959,363	930,421	927,773
Principal/Senior Manager	28	11.95	11.57	10.90	1,193,875	1,194,488	1,226,332
Manager/Senior	25	14.67	14.42	14.10	1,354,484	1,348,611	1,439,225
Program Supervisor	21	7.80	8.98	8.00	630,735	636,657	674,988
Associate	21	11.27	11.06	11.60	906,797	878,112	960,437
S&DS Specialist	19	1.00	1.00	1.00	82,344	85,344	85,740
Specialist	18	1.00	0.36	0.00	81,054	28,492	0
Preadmission Screener	18	2.00	2.00	2.00	149,640	149,640	163,020
Assistant	17	6.26	4.83	5.20	332,922	272,981	335,275
Casemanager	13-16	41.00	45.97	52.79	2,684,382	2,788,876	3,166,199
Analyst	14	4.93	6.64	7.00	331,280	440,446	495,483
Technician	10	1.00	0.00	0.00	65,047	0	0
Human Services Specialist	10	29.20	34.38	31.30	1,745,103	1,763,832	1,861,761
Admin Assistant IV	8	2.50	2.50	3.00	152,633	152,633	220,379
Admin Assistant III	5-6	11.00	13.13	12.50	573,096	602,259	645,810
Senior Meals Coordinator	.15	5.23	5.32	5.32	217,630	215,578	225,145
Kitchen Assistant	.1	0.60	0.85	0.90	15,520	20,369	21,701
Contract Employees		0.00	1.95	1.10	0	146,214	88,590
Other		0.00	0.00	0.00	461,937	347,004	434,282
TOTALS		165.12	177.10	177.83	12,499,394	12,558,566	13,553,342

**LANE COUNCIL OF GOVERNMENTS
FY08-09 MEMBER DUES SCHEDULE**

JURISDICTION	FY07-08 BASE*	FY07-08 RATE	FY07-08 DUES	FY08-09 BASE*	FY08-09 RATE	FY08-09 DUES
Lane County	339,740	0.255	\$ 86,634	343,140	0.260	\$ 89,216
Cities						
Eugene	148,595	0.461	\$ 68,502	153,690	0.47	\$ 72,234
Springfield	57,065	0.461	\$ 26,307	57,320	0.47	\$ 26,940
Cottage Grove	9,275	0.461	\$ 4,276	9,345	0.47	\$ 4,392
Florence	8,270	0.461	\$ 3,812	8,270	0.47	\$ 3,887
Junction City	4,965	0.461	\$ 2,289	5,135	0.47	\$ 2,413
Creswell	4,520	0.461	\$ 2,084	4,650	0.47	\$ 2,186
Veneta	4,240	0.461	\$ 1,955	4,640	0.47	\$ 2,181
Oakridge	3,700	0.461	\$ 1,706	3,700	0.47	\$ 1,739
Dunes City	1,345	0.461	\$ 620	1,360	0.47	\$ 639
Coburg	1,075	0.461	\$ 496	1,070	0.47	\$ 503
Lowell	955	0.461	\$ 440	995	0.47	\$ 468
Westfir	335	0.461	\$ 154	335	0.47	\$ 157
School Districts						
School Dist. 4J	16,775	0.115	\$ 1,929	16,469	0.117	\$ 1,927
School Dist. 19	10,967	0.115	\$ 1,261	10,975	0.117	\$ 1,284
School Dist. 52	5,582	0.115	\$ 642	5,698	0.117	\$ 667
School Dist. 68	254	0.115	\$ 29	232	0.117	\$ 27
LCC	10,738	0.115	\$ 1,235	11,189	0.117	\$ 1,309
Utilities						
EWEB	84,137	0.115	\$ 9,676	85,419	0.117	\$ 9,994
EPUD	19,115	0.115	\$ 2,198	19,738	0.117	\$ 2,309
Special Districts						
Port of Siuslaw			\$ 461			\$ 470
Lane ESD			\$ 461			\$ 470
Western Lane Ambulance			\$ 461			\$ 470
Willamalane			\$ 461			\$ 470
Fern Ridge Library District			\$ 461			\$ 470
Siulaw Rural Fire Protection District No. 1			\$ 461			\$ 470
Lane Library District			\$ 461			\$ 470
TOTAL			\$219,472			\$227,762

* City/County Base: July, 2007 Certified Population from Population Research Center, PSU.

School District Base: October 07-08 Annual District ADM
October 07-08 Enrollment figures from School Districts

Utility Base: EPUD - Total Service Accounts
EWEB - Annual Average Electric and Steam Service Accounts

**Lane Council of Governments
2008-2009 Budget**

Budget Glossary

General

Service: An LCOG organizational unit that is also called a Division. The Services include: Board and Executive, Government Services (GS), Senior & Disabled Services (S&DS), Enterprise Funds and Administration.

Fund: Separate accounting entities that are used to conform to Government Accounting Standards. LCOG has three funds:

General Fund: The General Fund accounts for the operations that are not accounted for in any other fund.

Special Revenue Fund: The Special Revenue Fund accounts for revenues from specific sources that include federal grants, state grants, and various contracts. These funds are restricted or designated to finance specific activities.

Governmental and Proprietary Fund: This fund accounts for the agency enterprise funds, which includes the two agency-owned buildings and the business finance program.

Resources

Federal Revenue: Revenue from federal grants and contracts. Transportation, S&DS Long-Term Care and Financial Services, and Business Financing are major programs funded by federal resources.

State Revenue: Revenue from state grants and contracts.

Local Revenue: Revenue from local contracts, interest, donations, sales of products and all revenue that is not federal or state.

In-Kind Service: Service by other governments that can be used as matching funds on LCOG contracts that require local matching dollars.

Member Dues: The total amount of dues anticipated from member agencies for fiscal year 2008-09. Member Dues Schedule is shown on page 47.

Reserves-Undesignated: Resources that have been carried forward from the prior fiscal year that can be used for any purpose.

Reserves-Designated: Resources that have been carried forward from the prior fiscal year that can only be used for a specific contract or purpose.

Transfers: Transfers describe the process of internally moving resources from one LCOG Division or Program to another. Transfers are displayed as a resource for the Program receiving the resources and as a requirement for the Program providing the resources.

Requirements

Personal Services: Salary and benefit costs for staff are expressed under the line item heading of Personal Services. Additional information about salary and benefits costs can be found in the Budget Notes section.

Indirect Charges: Indirect, or overhead, costs of the agency are met through an Indirect Cost Allocation Plan, which provides for direct programs and services to bear a fair share of those normal operating expenses that cannot be reasonably attributed to a specific program or contract. Indirect charges pay for Administrative Services expenses, which include personal services and materials and services. Additional information about Indirect Cost Allocation can be found in the Budget Notes section of this document.

Materials and Services: Materials and Services include most expenses other than salaries, from rent to telephones to travel.

Services By Other Organizations: Services by Other Organizations accounts for dollars that LCOG receives and then passes through to other organizations that provide a specified service.

Capital Outlay: A capital purchase is the acquisition of a tangible item that has a value greater than \$5,000. These items are placed on LCOG's inventory and treated as assets on the balance sheet.

Reserves-Undesignated: Resources that will be carried forward into the next fiscal year that can be used for any purpose.

Reserves-Designated: Resources that will be carried forward into the next fiscal year that can only be used for a specific contract or purpose.

Debt Service: Payments for principal and interest to amortize loans. Such loans are usually for real estate acquisition or improvement and the business finance program.

Transfers: Transfers describe the process of internally moving resources from one LCOG Division or Program to another. Transfers are displayed as a resource for the Program receiving the resources and as a requirement for the Program providing the resources.

Budget Notes

Indirect Cost Allocation: Indirect, or overhead, costs of the agency are met through an Indirect Cost Allocation Plan, developed in conformance with Federal Management Circular A-87. The Plan provides for direct programs and services to bear a fair share of those normal operating expenses which, in and of themselves, cannot easily be tied to specific grant- or contract-funded activity. Examples include office rent and supplies and support services staff, such as those working in areas of administration, fiscal, and human resources. The work activities that are supported in this way are specified under Section II of the work program; the budgetary allocation for Administrative Services is set forth on page 36. LCOG's Indirect Cost Allocation Plan for fiscal year 2008-09 calls for five separate charge rates, dependent upon the location of the direct service work performed. Programs operating out of the agency's Wells Fargo Building location will bear a rate of 51.9598 percent of direct personal services costs, Schaefers Building programs will incur an indirect charge of 24.5805 percent, programs working in Other S&DS (outstationed) locations will be assessed at the rate of 16.5932 percent, the indirect rate for programs in Other TS will be 14.3593 percent and the Senior Meals program rate will be 18.7424 percent. Copies of the agency's Indirect Cost Allocation Plan may be obtained at LCOG's main office.

Member Dues Schedule: The 2008-09 Member Dues Schedule is shown on page 41. The rates for the Schedule for this fiscal year were approved by the Board of Directors on December 13, 2007. The Dues Schedule reflects rates that were adjusted upward by a 1.97 percent inflation factor for fiscal year 2008-09.

Budget Assumptions: As noted in the Executive Director's Budget Message (pages 1-3), the LCOG Board in December 2007, adopted a budget process and budget assumptions, which were used by management and the Budget Committee in the formulation of this document.

1. The CPI for the prior year is 1.97% (August 2007 CPI-U for U.S.).
2. Health insurance is expected to increase 8%. Each 10% increase in insurance costs results in a 1.25% increase in total compensation, so health insurance is expected to increase total compensation by 1%.
3. A cost of living adjustment to the salary schedule of 2.0% will be budgeted.
 - a. The State SEIU will receive 3.2% in November, 2008 .
 - b. The estimated City of Eugene increase is 2.0 to 3.0%.
 - c. Lane County is 2.0%.
4. The LCOG employer PERS rate will be 10.93%, and the OPSRP rate will be 13.93%.
5. Specific details of compensation and health insurance will be determined through negotiations with the LCOG bargaining units.

6. Merit increases are expected to increase total compensation. Most employees are eligible for 3.5% annual merit increase. However, about 40% of employees are at the top step of their salary range, which means that they are not eligible for merit increases.
7. LCOG compensation, including salaries and benefits, will be comparable to similar positions in the same job market. This is required to attract and retain diverse, quality employees.
8. LCOG will provide adequate work space, equipment, and training to enable employees to be productive and effective. New space will increase rent expense significantly.
9. The agency will continue to build a General Fund reserve with the goal that the reserve exceeds two months of payroll cost.
10. To the maximum extent possible, all programs or contracts will be self-supporting. LCOG General Fund dollars will only be used when required as match or to provide temporary support to a program or to support a strategic initiative.
11. New programs or program reductions will be individually presented to the Board.
12. S&DS, as a local transfer agency, has a significant funding equity issue compared to State-operated S&DS offices. In the past, additional resources have been required to maintain adequate staffing levels in the program.

Personal Services—Salary and Benefits: Throughout the budget section of this Work Program and Budget, staffing costs are expressed under the line-item heading of Personal Services. The dollar amounts shown include both salary and fringe benefit expense. Where appropriations are expressed by organizational unit personal services costs are desegregated to the job classification level, and full-time-equivalent (FTE) authorizations are shown. The term FTE represents a commitment of 2,080 hours of work within the fiscal year—or the commitment of one employee working full-time (40 hours per week) for 12 months. However, because many employees of the organization are employed for less than full-time work, the number of employees at any given time within the year, and certainly the total number of staff employed during the year, will be greater than the FTE shown.

While the ratio of fringe benefit cost to salary differs from one employee to another (and for an individual employee, it changes during the course of the fiscal year), the projected fringe benefit expense for fiscal year 2008-09 is 52.85 percent of salary. The anticipated breakdown of fringe benefit costs as a percentage of salary is as follows:

Type	Total LCOG Monthly Average	Percent	Average Employee Monthly
FICA	\$47,598	7.53	287
Retirement (Employer)	71,996	11.40	434
Retirement (Employee)	37,517	5.94	226
Health Care	155,111	24.56	934
Life Insurance	2,769	0.44	17
FSA Administration	232	0.04	1
Disability	3,451	0.55	21
Worker's Comp.	2,924	0.47	18
Deferred Comp.	<u>12,278</u>	<u>1.95</u>	<u>73</u>
Total Fringe	\$333,877	52.85	2,011
Total Monthly Salary	\$631,727		3,806

Costs related to holiday, sick, and vacation leave are also noteworthy. Leave costs are charged to each program as they are accrued and credited to the specific leave fund. When an employee utilizes leave, the associated salary and benefit expense is charged to the leave fund from which the leave time was taken. Holiday and sick leave accrue based on expected use, while vacation leave is based on the amount earned by each employee.