

BUDGET SUMMARY

Budget Preparation

2007-2008 Calendar

Planning

- **November 2006** - *Budget Preparation Manual distributed to departments*

Preparation

- **December 21, 2006 - February 23, 2007** - *Budget submissions due from departments*

Review

- **December 22, 2006 - March 6, 2007** - *Administrative staff reviews department requested budgets*
- **March 13, 15, and 16, 2007** - *County Administrator reviews individual department budgets with full Budget Committee, the Department Director, and administrative staff*

Approval

- **April 10, 17 and 19, 2007** - *Presentation of recommended budget and public hearings*

Adoption

- **June 6, 2007** - *Board of Commissioners' public hearing to adopt fiscal year 2007-2008 budget*

Preliminary budget materials were distributed to the Department Directors and Program Managers in November 2006. Through a series of the Department Directors' meetings, budget targets were developed for all departments. Departments were then asked to identify program needs in the categories of personal services, materials and services, capital outlay, and other items necessary to maintain existing programs given the limited resources. Departmental budget requests were submitted to the County Administrator's office for review and analysis beginning in December 2006. All departmental budget requests were evaluated in terms of the program's goal, outcomes under the four criteria, and the necessity of these goals toward achieving the goals and the mission statement of the County. Individual meetings were held between staff and Department Directors to discuss the department's request, establish priorities, and evaluate the effectiveness of the proposed programs. From these discussions, the staff prepared the recommended appropriation levels and revenue estimates and commented on changes in the programs and staffing levels.

The County Administrator's formal reviews were held on March 13, 15, and 16, 2007. These meetings were held with the Department Directors and Program Managers, the County Administrator, and the full Budget Committee. The County Administrator's recommended budget was prepared and presented to the public on April 10, 17 and 19, 2007. The recommended budget was printed and open to public inspection. Notice for the meetings was published in the *Mail Tribune* on March 27 and April 3, 2007. Following its adoption by the Budget Committee, the budget was published in the *Mail Tribune* on May 30, 2007, indicating the time and place of the budget hearing—as required by Oregon Revised Statutes (ORS). On June 6, 2007, following the public hearing, the Board of Commissioners adopted the budget for fiscal year 2007-2008. It is important to note that this budget was prepared according to, and in compliance with, Generally Accepted Accounting Principles (GAAP) for modified accrual accounting. (**Note:** The budget document was prepared prior to the end of the fiscal year. Therefore, revised budget numbers may vary due to Board action after June 6, 2007. All prior year actual information is meant for comparison only. This information may be inconsistent with the audited numbers due to county reorganization; history was moved with the program in order to give the reader a sense of comparison for prior years.)

Expenditure Controls

While the budget establishes appropriation levels, specific procedures for controlling expenditures continue to be developed, expanded, and refined to ensure that day-to-day execution is in compliance with the adopted budget program. Department heads are responsible for reviewing all requests for expenditures to determine compliance with the adopted budget. The budget is adopted at the broadest possible level to give department heads maximum flexibility to meet unforeseen program needs. The County Administrator's office performs an evaluation role.

In those instances where an expenditure is deemed necessary and desirable, but was not anticipated in the adopted budget program, a program adjustment may be made in accordance with the Board of Commissioners' established policy and State law. Under most conditions, an adjustment can be made within the program's own budget. In other situations, however, it may be necessary to transfer funds from another program's appropriation or to process a supplemental budget.

During the year, many changes can occur. A supplemental budget process is provided in Oregon law. If the change is less than 10 percent of the fund total, the Board of Commissioners can adopt a supplemental budget at a regular meeting with one public notice listing the amount of change to each fund. If the change is more than 10 percent, a more extensive notice must be published and the Budget Committee convened if ten or more citizens request a Budget Committee meeting. Publications include the source of revenue and the proposed expenditure.

These budget control procedures are important management tools that allow more effective use of the dollars spent in the total County program. As a necessary by-product, these procedures also ensure compliance with State financial statutes and policies of the Board of Commissioners, Budget Committee and County Charter.

Fiscal Policies

Revenue Policies

- ✓ Jackson County will strive for a diversified revenue base to ensure the stability of the County.

Rationale: A diverse revenue stream protects against fluctuations in any one source of revenue which may result from changes in local and/or national economic conditions.

- ✓ The County Treasurer will keep all available funds invested at the highest allowable rates using instruments of investment allowed by State law while maintaining preservation of capital and necessary liquidity.

Rationale: The investment objectives for the County Treasurer are safety (preservation of capital), liquidity (availability of funds), and yield (rate of return), in that order. Highest allowable rates are to be obtained, within these objectives, by investing in investments permitted by ORS Chapter 294. The County is limited to investing in government agencies, treasuries, bankers' acceptances, certificates of deposit, and commercial paper. Investments are purchased for a period not to exceed 36 months.

- ✓ The County will charge user fees wherever possible to recoup all costs associated with service delivery.

Rationale: If an individual receives sole benefit from a service provided by the County, that individual should bear the full cost of the service. If the requested service benefits the general public in some proportion, that service should be subsidized by the public to that proportion.

Operating Policies

- ✓ Current operating expenditures will be financed by current operating revenues or from existing reserves.

Rationale: This policy is meant to assure that the County will be able to pay its obligation.

- ✓ The County will attempt to cover all grant-related administrative expenses through grant revenues.

Rationale: This policy is meant to assure that the County will be able to provide oversight and audit requirements associated with providing grant funded services.

- ✓ The County will strive to show the true cost of providing services.

Rationale: True costs of services are one of the best measures of efficiency. This policy is meant to help the County achieve maximum efficiency.

- ✓ Operating funds will include a reserve in excess of cash flow needs of no less than two months operating expenditures.

Rationale: This policy is meant to protect against the need to reduce service levels or to raise taxes or fees due to temporary revenue shortfalls or other emergencies.

Capital Policy

- ✓ Capital projects will be paid off completely during the project's expected useful life. Capital projects for this fiscal year (2007-2008) are included in the capital projects section of the budget.

Rationale: This policy is meant to assure that the County does not pay more in interest than is absolutely necessary and that the County is not left paying for equipment that is no longer useful.

Reserve Policy

- ✓ Sufficient fund balance must be maintained to cover operating cash flows from July 1 to receipt of property tax revenue in November of each year.

Rationale: This policy is meant to assure that the County is always able to meet its financial obligations without incurring expensive, short-term debt.

County Funds

Public budgets are often divided into a number of funds that record revenues and expenditures for the purposes of controlling and accounting for specific activities. This method of organizing a governmental entity's budget is useful because it provides for controlling resources, measuring compliance, and produces operating statements that reflect the receipt and the related expenditure of public dollars.

The general fund is the largest fund within the Jackson County budget and is appropriately titled because most of the "general" operations of Jackson County are included in it. The general fund supports law enforcement activities, libraries, land use planning, and tax collection, among other services. Receipts from the County's tax base are included in the general fund in addition to revenues from over 170 other sources (Federal, State, local, fines, fees, sales, charges, etc.).

Other Funds

In addition to the general fund, Jackson County has a number of other funds, each of which supports specific activities. Most other County funds are self-supporting; that is, revenues are earned through the provision of service and require little or no contribution from the general fund. Sources of funding vary. For example, the Parks and Recreation enterprise fund and the Exposition Park fund depend on user fees and activity receipts; the Airport fund relies on Federal Aviation Administration (FAA) grants and landing fees; and the Roads fund relies on a gas tax and forest replacement receipts for its funding. Funds, other than the general fund, that Jackson County uses include internal service funds, enterprise funds, trust and agency funds, special

revenue funds, capital project funds, and special assessment funds.

Enterprise Funds

Enterprise funds account for “business-type” activities. Activities within these funds are supported largely by user charges, a method by which the County may become more reliant on non-tax dollars for the support of specific activities. However, some activity areas have not yet become financially independent and are supplemented through contributions from the general fund. Enterprise funds include the Airport enterprise fund, Exposition Park fund, and recreation enterprise fund.

Internal Service Funds

Internal service funds are similar to enterprise funds except that services are not rendered to the general public, but serve Jackson County’s other departments and activities. Internal service funds rely on revenues acquired by charging individual departments for services rendered. These funds are self-insurance, motor pool, and other central services. This type of fund is used to help account for costs of services provided to the departments and to encourage accounting for those uses.

Trust and Agency Funds

Trust and agency funds account for assets held for County and non-county organizations and for non-tax resources held by Jackson County under specific trust instructions. Taxes collected for and later distributed to other governmental units are accounted for in these funds. The Ted Gerlock, D. Houlihan, and E. J. Smith accounts are held, and interest income is utilized for library use.

Special Revenue Funds

Special revenue funds account for the receipts from revenue sources that have been earmarked for specific activities. Special revenue funds include: general road, Health and Human Services, County trails, liquor enforcement, law library, solid waste management, court security, and the White City Enhanced Law Enforcement District.

Capital Projects Funds

Capital projects funds account for the acquisition of capital facilities, which may be financed out of bond issues, grants, or transfers from other funds. This type of fund is limited to accounting for the receipts and expenditures on capital projects (any bond issues involved will be serviced and repaid by the debt service funds). An example of this type of fund is the city/county

**Differences Between
“Actual” and
“Budgeted” Numbers**

arterial fund that was specifically established for the improvement of city streets currently under the County’s jurisdiction. Others include systems development, Greenway, capital projects, street improvement, and juvenile special reserve.

Debt Service Funds

Debt service funds account for the financing of the interest and retirement of the principal of general, long-term debt. In the past, Jackson County has issued debt for the construction of airport hangars, libraries, and a new juvenile facility.

Throughout the budget document there is a difference between the “actuals” (FY 2003-2004 to FY 2005-2006) and “budgeted” (FY 2006-2007 and FY 2007-2008) amounts. There are two main reasons for the differences: 1) it is against the law to over expend the budget, so the budgeted amount will always be higher than the actual expenditure; and 2) the differences between the basis of accounting and the basis of budgeting.

BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a *current financial resources* measurement focus.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined, and “available” means collection within the current period or soon enough thereafter to be used to pay liabilities of the current period. For example, the County considers property taxes as “available” if they are collected within 60 days after year end and “measurable” because they are determined on the basis of a tax rate and an assessed valuation, both determined in advanced. Expenditures are recorded when the related fund liability is incurred. All transactions occurring in the governmental, expendable trust, and agency funds are recorded using the modified accrual basis of accounting except for:

- ✓ Interfund transactions for goods and services that are recorded on the accrual basis;
- ✓ Revenues from grants that are recorded as earned; and
- ✓ Principal and interest on general, long-term debt that is recorded when due.

All proprietary fund types, nonexpendable trust funds, and pension trust funds are accounted for on a *flow of economic resources* measurement focus. The accrual basis of accounting is used by proprietary fund types, pension trust funds, and nonexpendable trust funds. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

The basis of accounting, described above, is in accordance with Generally Accepted Accounting Principles (GAAP).

BASIS OF BUDGETING

In compliance with Oregon budget law, all funds are budgeted using the *current financial resources* measurement focus. For Jackson County, this means that the modified accrual basis of accounting is used for all funds. Differences between the basis of accounting and budgeting are most notable in the treatment of beginning fund balances for all funds, and the treatment of capital outlays, vacation accruals and debt service in proprietary funds.

Beginning Fund Balance

Because Oregon budget law requires local governments to budget all available resources, beginning fund balances are budgeted as revenues (resources) every fiscal year. What distinguishes budgeting from accounting is that fund balances are not classified as revenues but either as fund balance or fund equity depending on the fund type.

Capital Outlay in Enterprise Funds

Oregon budget law requires local government to budget estimated expenditures for capital outlay. Capital outlay is defined as “expenditures that result in the acquisition of or addition to fixed assets.” Fixed assets are defined as “assets of a long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, or other equipment.” Depreciation is not budgeted. When capital outlay is expensed in an enterprise fund, the entry is reversed at year end and depreciation is posted.

Vacation Benefits

Vacation benefits are budgeted each year based on projected vacation earned but not taken. The accounting treatment of vacation is to expense earned vacation and post the corresponding amount to a liability account in each fund. As vacation is used, the first hour of that employee’s accrued vacation in the liability account is reversed, and the difference between their current wage and the value of the benefit when taken is posted as expenditure

against the budget. The accounting treatment for proprietary funds includes a year-end entry to increase the liability to reflect all accrued vacation at current wages.

Debt Service

Oregon budget law requires that, "Debt service (expenditure) estimates shall include separate amounts for principal and interest of each bond issue in each fund." However, since the principal portion of the debt is established as a liability when the proceeds of the bond are received (depending on the fund type), only the interest portion of the debt is posted as an expense when the debt payment is made to the creditor.



**JACKSON
COUNTY**
o r e g o n

JACKSON COUNTY AT A GLANCE

GENERAL INFORMATION

County Seat: Courthouse, 10 S. Oakdale,
Medford, OR 97501
(541) 774-6035
www.jacksoncounty.org

Established: January 12, 1852
Elevation at Medford: 1,382'
Area: 2,801 Sq. Mi.
Population: 198,615
True Cash Value: (06-07) \$28,839,149,411
Annual Precipitation: 16.98"
Principle Industries: Medical, Retail,
Tourism, Manufacturing, Agriculture, Lumber

VOTERS

Republicans 46,598
Democrats 37,145
Non-Affiliated 23,618
All Others 3,360

PER CAPITA INCOME

1995-96 20,663
1996-97 21,301
1997-98 22,044
1998-99 22,976
1999-00 24,004
2000-01 24,563
2001-02 25,152
2002-03 26,477
2003-04 26,617
2004-05 28,531
2005-06 30,239

<u>AGE</u>	<u>POPULATION</u>	<u>PERCENT</u>
0-9	22,997	11.6%
10-19	27,475	13.8%
20-29	25,539	12.9%
30-39	22,576	11.4%
40-49	27,436	13.8%
50-59	30,502	15.4%
60-69	19,163	9.6%
70-79	12,933	6.5%
80+	9,994	5.0%
TOTAL	198,615	100.00%

POPULATION

	<u>7/1/05</u>	<u>7/1/06</u>	<u>Percent Change</u>
Total Jackson County	194,515	198,615	2.11%
Ashland	20,880	21,430	2.63%
Butte Falls	445	445	0.00%
Central Point	15,640	16,550	5.82%
Eagle Point	7,585	8,340	9.95%
Gold Hill	1,080	1,080	0.00%
Jacksonville	2,490	2,555	6.61%
Medford	70,855	73,960	4.38%
Phoenix	4,660	4,470	1.72%
Rogue River	1,995	2,010	0.75%
Shady Cove	2,680	2,760	2.99%
Talent	6,255	6,415	2.56%
Unincorporated	59,950	58,330	-2.70%

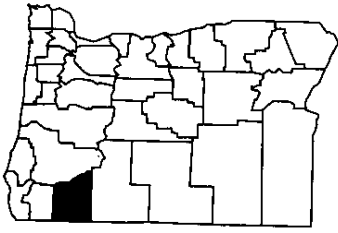
JACKSON COUNTY AT A GLANCE

FISCAL YEAR	POPULATION	SCHOOL ENROLLMENT	UNEMPLOYMENT RATE
1995-96	168,000	28,522	7.9%
1996-97	169,300	28,648	7.3%
1997-98	172,800	28,910	7.2%
1998-99	174,550	29,305	6.4%
1999-00	182,200	30,381	5.6%
2000-01	184,700	29,304	6.6%
2001-02	187,600	29,406	7.5%
2002-03	189,100	29,515	7.7%
2003-04	191,200	29,253	7.1%
2004-05	194,515	28,950	6.2%
2005-06	198,615	28,869	5.8%

ZONING/OWNERSHIP

	PRIVATE		STATE		FEDERAL		TOTAL
	Acreage	%	Acreage	%	Acreage	%	ACREAGE
Residential	41,936	98.39	628	1.47	60	0.14	42,624
Commercial/Industrial	3,726	81.76	683	14.99	148	3.25	4,557
Aggregate	5,425	92.59	424	7.24	10	0.17	5,859
Exclusive Farm Use	237,210	96.56	5,030	2.05	3,422	1.39	245,662
Forest Resource	403,445	32.51	6,799	0.55	830,661	66.94	1,240,905
Open Space Reserve	22,853	60.94	4,834	12.89	9,811	26.16	37,498
Woodland Resource	104,197	61.94	853	0.50	63,991	37.86	169,041
TOTAL OWNERSHIP	818,792	46.89	19,251	1.10	908,103	52.01	1,746,146

The County



The current population is 198,615 – an increase of 4,100 in 2005 with an average growth rate of approximately 1.5 percent a year for the past ten years.

Jackson County, Oregon, is arguably one of the most beautiful and livable areas of the Pacific Northwest—if not the country. Located in Southern Oregon, Jackson County borders California to the south and is surrounded by the majestic Cascade and Siskiyou Mountain ranges. It is centrally located along Interstate 5 between Portland and San Francisco, and just hours from the Pacific Ocean coastline. Jackson County offers breathtaking scenery in every direction, a growing economic base, moderate weather, and superior quality of life.

Population/Cities

The sixth largest County in the State of Oregon in population, Jackson County covers more than 2,801 square miles. The current population is 198,615—an increase of 4,100 in 2005 with an average growth rate of approximately 1.5 percent a year for the past ten years. Approximately 71 percent of Jackson County residents live in the 11 incorporated cities, which include Ashland, Butte Falls, Central Point, Eagle Point, Gold Hill, Jacksonville, Medford, Phoenix, Rogue River, Shady Cove, and Talent. The remainder live in the unincorporated areas of the County.

Medford, population estimated at 73,960, is the largest city within Jackson County and serves as its County seat. Medford is known throughout the country and the world for its pear orchards and is home to Harry & David and Jackson & Perkins, one of the world's largest shippers of fruit, food gifts, and roses. Medford is a popular location for visitors who wish to access the nearby recreation areas.

The second largest city in Jackson County, Ashland (population 21,430), is home of the internationally famous Oregon Shakespeare Festival which runs from mid-February through October and sells more than 350,000 tickets a year. Ashland is also the location of Southern Oregon University. Another Jackson County town known for tourism is Jacksonville, located just five miles west of Medford. The entire City is on the National Historic Registry and is home to the Peter Britt Festivals, one of the largest summer music festivals in the United States.

Economy

The economic base in Jackson County is varied and growing. Government (including education, the Bureau of Land Management and the Forest Service) is the largest employer in the County – not surprising for a County that is 52 percent owned by the Federal government.

Visitors, as well as residents, enjoy a variety of unique, local shops, art galleries, book and retail stores – all offering no state sales tax.

Once known for timber, this area has changed to reflect a more service-oriented economic base. Today, health care constitutes the largest, single group of employment in the private sector. Jackson County boasts several major and community medical centers and physician groups, with the Asante Health System being the largest, single employer. Retail (including the mail order business which includes Harry and David) is the second largest employer followed by tourism, agriculture, manufacturing, and timber.

Jackson County is also a popular retirement destination. The Rogue Valley Manor, which is perched atop a hillside overlooking the valley, is always listed in the top ten of national retirement communities.

Recreation

Southern Oregon offers an almost limitless amount of recreation and tourism opportunities. Within and near Jackson County, you'll find many rivers, lakes, hiking and biking trails, waterfalls, golf courses, and mountains. Other nearby attractions include Crater Lake National Park, Mount Ashland Ski Resort, Mount Shasta Ski Resort, Oregon Caves, Rogue River National Forest and much, much more. Within an 80 mile radius of Medford, there are 153 stocked streams for fishing, 17 lakes, boating, rafting and fishing on the famous Rogue River, and hunting and camping in 56 forest camps.

The area also boasts numerous bed and breakfasts, restaurants, hotels, and theaters. Visitors, as well as residents, enjoy a variety of unique, local shops, art galleries, book and retail stores – all offering no State sales tax.

Quality of Life

While Jackson County has seen tremendous growth in the last 10-20 years, what residents prize most are the small-town values of their communities, along with the cultural diversity usually found in larger cities.

The county is blessed with moderate weather. Unlike many regions in Oregon, Jackson County only receives around 19 inches of rainfall a year. While the weather is mild – average temperature in January is 39.1° and 72.7° in July – there are four distinct seasons.

The area is served by the Rogue Valley International-Medford Airport, offering convenient and affordable travel on several major airlines.

The median home sales price in Jackson County was \$268,200 in 2006. In 2003 (the latest figure available), the median household income in Jackson County was \$36,670, and in 2005, the per capita personal income was \$30,239.

County Government

Jackson County government strives to provide outstanding public service. We have been on the cutting-edge of local governments with our efforts for strategic planning, award-winning financial planning, budgeting and record keeping, and citizen involvement. Our goal is to be the best county government in the United States.

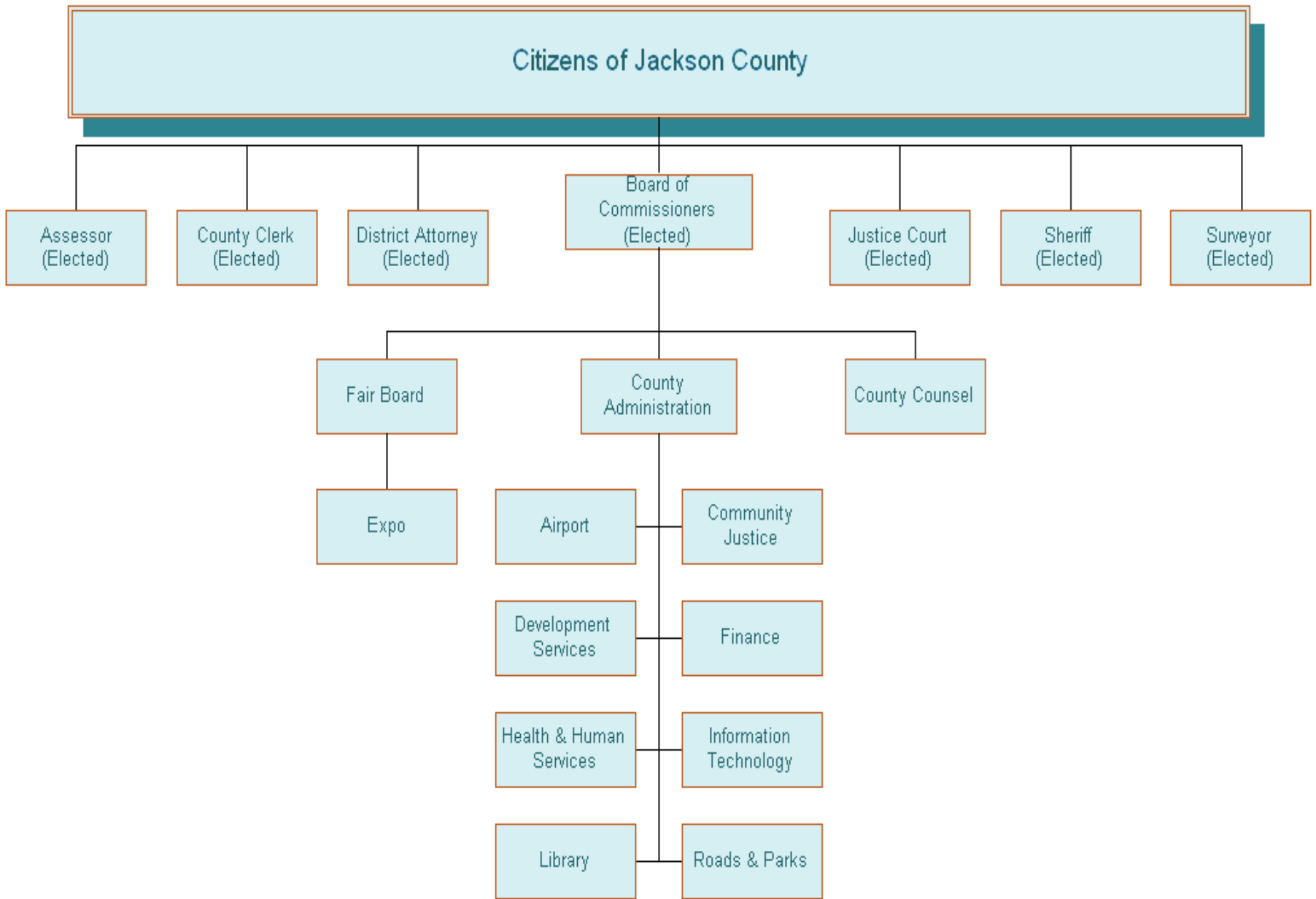
We encourage all of our employees to treat every member of the public as a valued customer, and we believe our employees share a commitment to outstanding public service that is rare in government.

Jackson County aims for a less bureaucratic/more entrepreneurial, less tradition-bound/more flexible approach to government. We take pride in our work and are privileged to serve some of the friendliest, most unique and independent people in the United States.

Jackson County is governed by a three-member Board of Commissioners, serving four-year overlapping terms. The County Administrator, a position created by ordinance, is appointed by and reports to the Board of Commissioners.

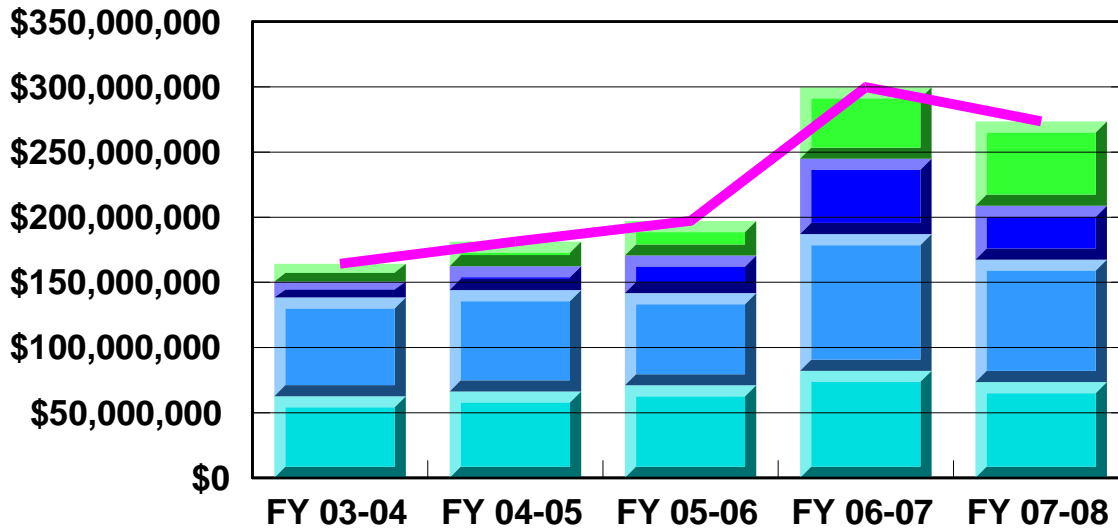
The total budget for Jackson County in 2007-2008 is \$273,496,206.

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JACKSON COUNTY

TOTAL REVENUES AND EXPENDITURES 2003-04 to 2007-08



■ PERSONNEL
 ■ MATERIALS
 ■ CAPITAL
 ■ OTHER
 — TOTAL EXP

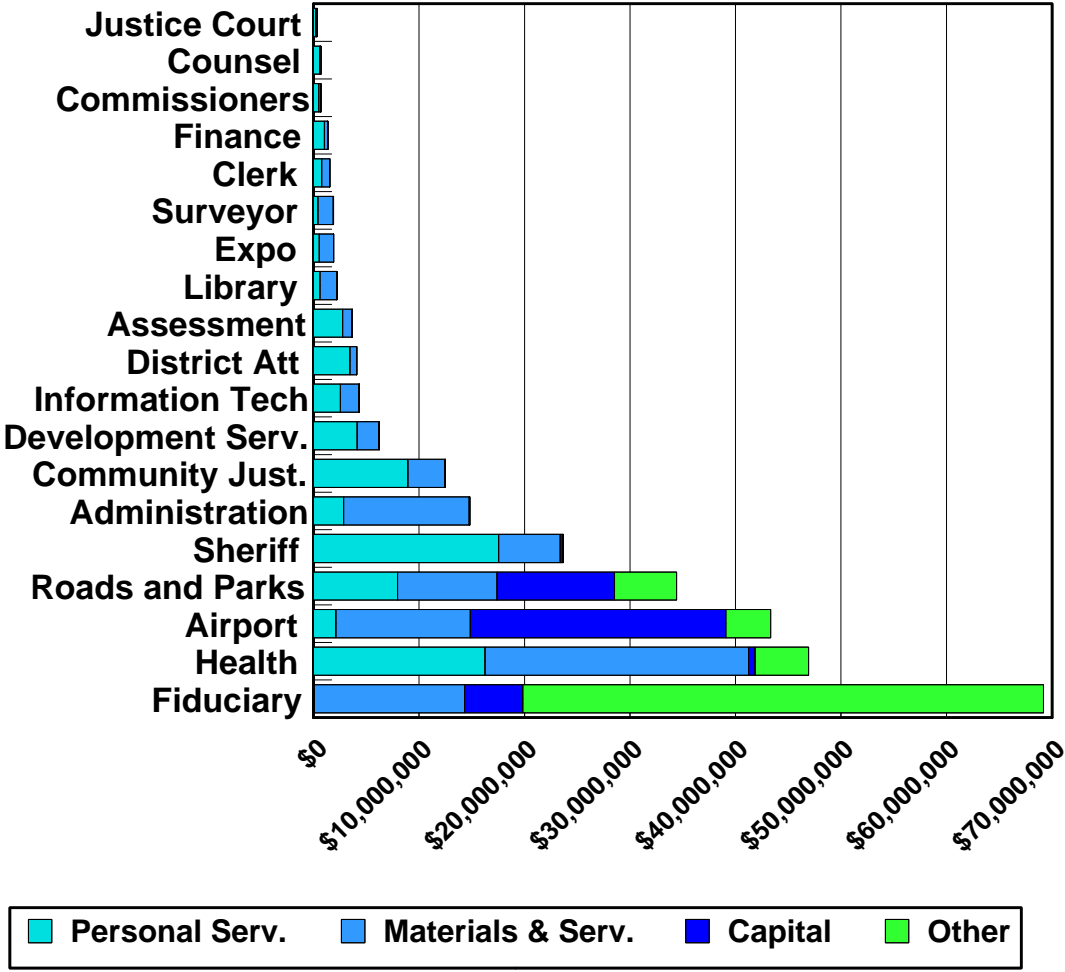
	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08
PERSONNEL	\$62,621,686	\$66,272,993	\$71,044,421	\$82,092,791	\$73,524,736
MATERIALS	\$75,716,187	\$77,761,368	\$70,646,737	\$104,962,315	\$93,806,662
CAPITAL	\$12,182,471	\$18,350,568	\$28,759,189	\$57,756,756	\$41,521,029
OTHER	\$13,646,509	\$18,962,881	\$26,681,005	\$54,864,110	\$64,643,779
TOTAL EXP	\$164,166,853	\$181,347,810	\$197,131,352	\$299,675,972	\$273,496,206
TOTAL REV	\$165,071,931	\$303,235,251	\$305,358,491	\$299,675,972	\$273,496,206

Numbers for FY 03-04 through FY 05-06 are actual revenues and expenditures. FY 06-07 represents the revised budget and FY 07-08 is the adopted budget. For an explanation of the differences between the actual expenditures and budgets, see the Differences Between "Actual" and "Budgeted" Numbers located on page 24 of this section.

The overall decrease in total County budget is due to the loss of PL 106-393 and the reduction in and completion of capital projects in the Roads Department.

EXPENDITURES BY DEPARTMENT

FY 07-08



**SUMMARY OF EXPENDITURES
BY DEPARTMENT**

DEPARTMENT	ACTUAL 2004-2005	ACTUAL 2005-2006	PERCENT CHANGE	REVISED 2006-2007	RECOMMENDED 2007-2008	PERCENT CHANGE
Airport	\$10,407,052	\$10,340,989	-0.63%	\$37,806,416	\$43,331,807	14.61%
Assessment	\$2,983,612	\$3,131,467	4.96%	\$3,892,881	\$3,660,000	-5.98%
Board of Commissioners	\$520,984	\$566,335	8.70%	\$675,683	\$690,888	2.25%
Community Justice	\$10,838,319	\$12,480,846	15.15%	\$13,545,252	\$12,478,659	-7.87%
County Administration	\$9,222,648	\$7,773,765	-15.71%	\$15,536,735	\$14,806,578	-4.70%
County Clerk	\$1,387,489	\$1,262,339	-9.02%	\$1,550,624	\$1,526,460	-1.56%
County Counsel	\$609,809	\$525,110	-13.89%	\$707,440	\$683,732	-3.35%
Development Services	\$4,192,760	\$4,815,327	14.85%	\$6,188,928	\$6,226,363	0.60%
District Attorney	\$3,338,520	\$3,663,849	9.74%	\$4,163,185	\$4,098,369	-1.56%
Expo	\$1,628,293	\$1,918,589	17.83%	\$2,043,943	\$1,912,872	-6.41%
Fiduciary	\$36,334,956	\$34,308,370	-5.58%	\$68,827,843	\$69,174,991	0.50%
Finance	\$1,128,856	\$1,208,901	7.09%	\$1,663,033	\$1,361,649	-18.12%
Health & Human Services	\$36,175,436	\$38,520,673	6.48%	\$48,461,675	\$46,927,089	-3.17%
Information Technology	\$4,107,915	\$4,167,931	1.46%	\$4,787,301	\$4,330,642	-9.54%
Justice Court District	\$295,214	\$342,601	16.05%	\$286,932	\$325,725	13.52%
Library	\$7,728,113	\$8,316,032	7.61%	\$9,144,220	\$2,238,950	-75.52%
Roads & Parks	\$30,167,218	\$40,039,293	32.72%	\$51,698,852	\$34,414,875	-33.43%
Sheriff	\$19,872,745	\$23,305,970	17.28%	\$25,726,388	\$23,394,174	-9.07%
Surveyor	\$407,854	\$443,815	8.82%	\$1,711,030	\$1,912,383	11.77%
GRAND TOTALS	\$181,347,793	\$197,132,202	8.70%	\$298,418,361	\$273,496,206	-8.35%

EXPENDITURE SUMMARY EXPLANATION

This summary compares actual expenditures for fiscal year 2004-2005 against actual figures for fiscal year 2005-2006. It also compares budgeted figures for fiscal year 2006-2007 revised and fiscal year 2007-2008 recommended budgets. It would be inconsistent to compare actual numbers against budgeted numbers since Oregon law requires that each fund budget such items as unappropriated ending fund balance, which cannot be spent until the following fiscal year. The following is a general explanation of the percent change between the revised budget for fiscal year 2006-2007 and fiscal year 2007-2008 greater than or equal to 10 percent.

AIRPORT

- ◆ The increase of 14.61 percent is a result of the terminal construction project which began in March 2006.

FINANCE

- ◆ The decrease of 18.12 percent is attributed to the receipt of a grant in fiscal year 2006-2007 for the purchase of property affected by flooding to prevent rebuilding.

LIBRARY

- ◆ The decrease of 75.52 percent is a result of the closure of all County libraries and consequent staffing reductions.

ROADS & PARKS

- ◆ The decrease of 33.43 percent is a result of the loss of 16.3 FTEs due to loss of O & C funds.

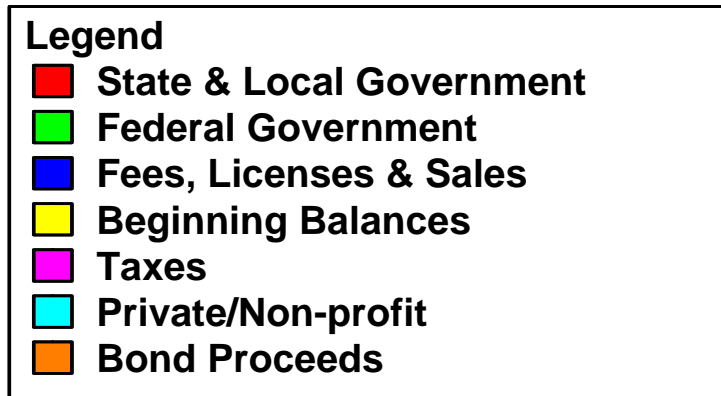
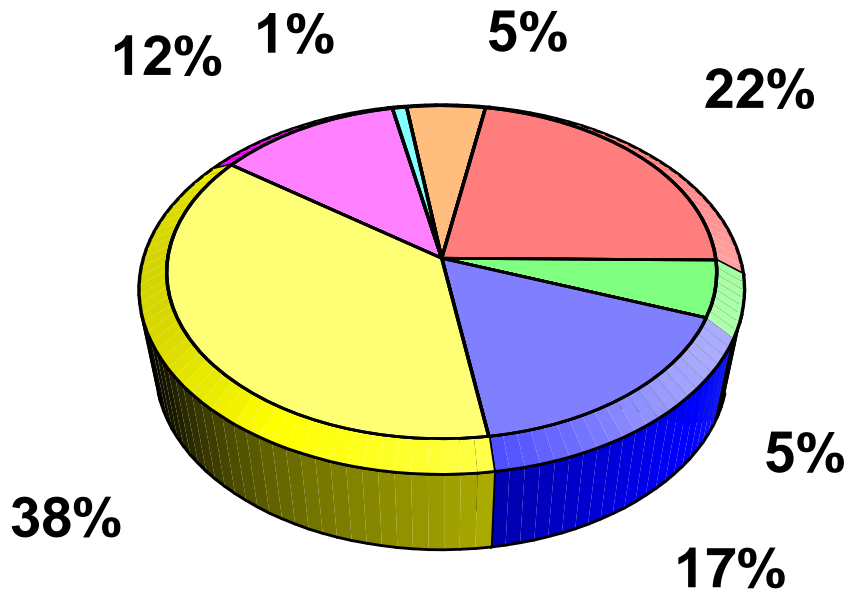
SHERIFF

- ◆ The decrease of 10.47 percent is primarily due to reductions in operating costs and capital purchases.

SURVEYOR

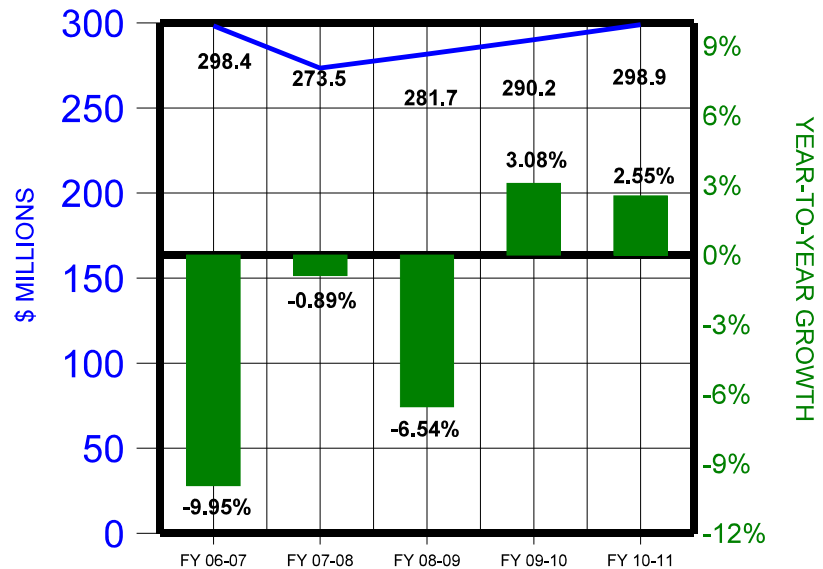
- ◆ The increase of 11.77 percent is attributed to an increased beginning fund balance and increased reserves.

REVENUE BY SOURCE FY 07-08



This graph shows revenues by major categories for the entire County. What follows is an explanation of these revenues by source and a projection to FY 2010-2011.

TOTAL COUNTY REVENUE FIVE-YEAR PROJECTION



FY 07-08 marks the end of Federal fund revenue provided by Public Law 106-393. It is undetermined if replacement funds will be available in the future and therefore have not been used in revenue calculations.

Five Year Projection - This graph shows a five-year projection of total County revenues from fiscal year 2006-2007 through fiscal year 2010-2011. The blue line on the graph signifies total revenue in millions of dollars. The green bars, on the other hand, show percent rate of growth between fiscal years. Revenue growth has been estimated conservatively based on CPI. Many departments are working to develop additional revenue sources; however, because these sources are not a certainty at this time they were not used for the revenue projections.

The following is a description of the major categories of revenues included in the chart above. Additional information and graphics are included for those revenues preceded with an asterisk.

***Federal Government** - The major portion of this funding comes in various forms of grants, contracts and reimbursements. With the loss of funds from Public Law 106-393, Federal revenues have dropped from 13 percent of overall County revenues to 5 percent of County revenues. Most of the Federal funding is dedicated to capital improvements at the Airport.

***State and Local Governments** - Except for capital project grants, the most significant portion of this revenue supports Health and Human Services, primarily for mental health costs. The General Road Fund is the next most significant user of these funds in the form of gas taxes. Monies stemming from State gasoline taxes are dedicated for road improvements. The remaining revenues are distributed throughout the County to provide State-supported services.

Intrafund Charges - This source of revenue includes transfers that occur between funds and is used mostly for internal services and central service support. The growth rate for intrafund charges was set at 5 percent.

***Fees, Licenses, and Sales** - These are revenues the County receives for providing services to the general public. The Board of Commissioners, through public meetings, make decisions concerning what portion of the fees will be supported by County funds and what portion will be paid by those receiving the service.

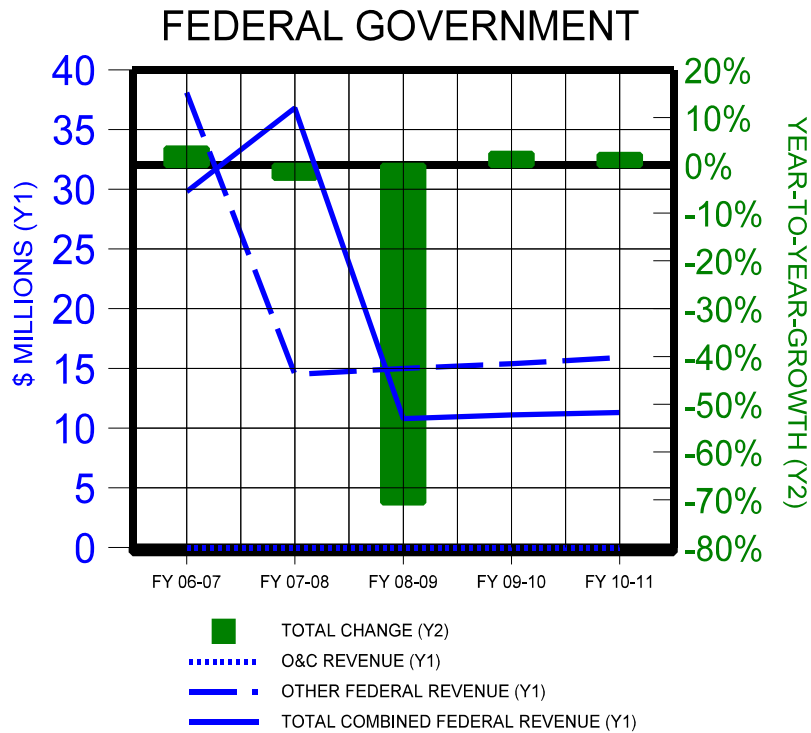
Many County departments collect fees. New fees for fiscal year 2007-2008 include GIS fees used to support on-line services. The five-year growth rate for this source of revenue was set at the urban CPI of 3 percent.

***Property Taxes** - All tax levies have been consolidated and converted to a permanent rate limit of \$2.0099 per thousand of maximum assessed value as required by Ballot Measure 50. Currently the maximum assessed value is approximately 48 percent of real market value. Taxes are also expected to be collected from bond issues for Library Debt Service and Juvenile Debt Service. The projected growth rate for total property tax collections for the County's operations budget is 5 percent per fiscal year.

Beginning Fund Balances - The beginning fund balances represent prior year funds, interest income, and cash that is carried forward into the current fiscal year. Bond proceeds for Airport Terminal construction represent 12 percent of these revenues.

Loan Proceeds - This form of revenue stems from the sale of voter approved or revenue bonds for capital construction projects.

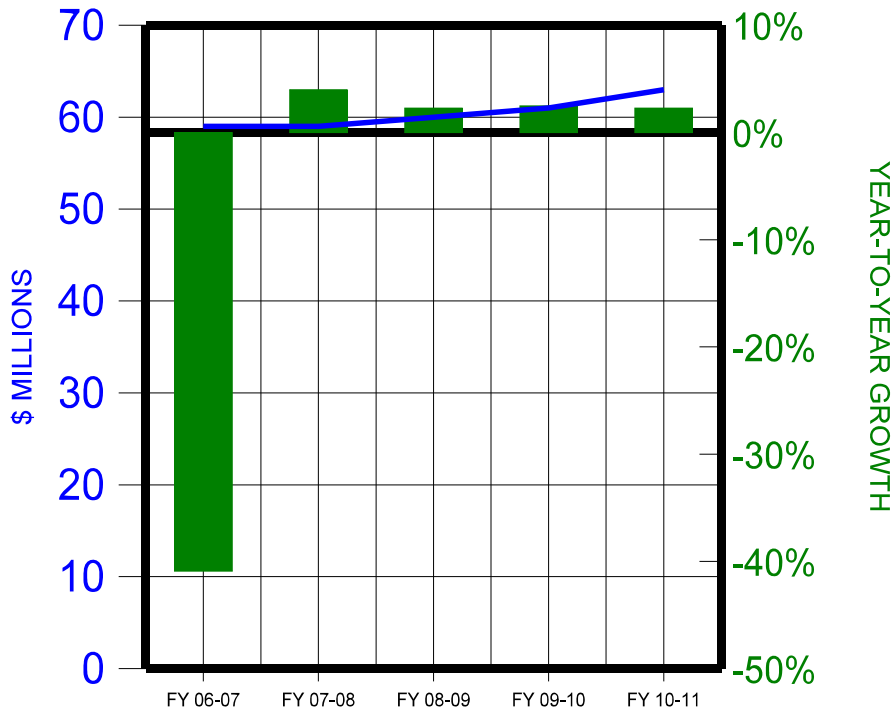
Miscellaneous Revenue - These are revenues that do not fit under any other form of classification. The projected growth rate for miscellaneous revenue was set at 2.3 percent per fiscal year.



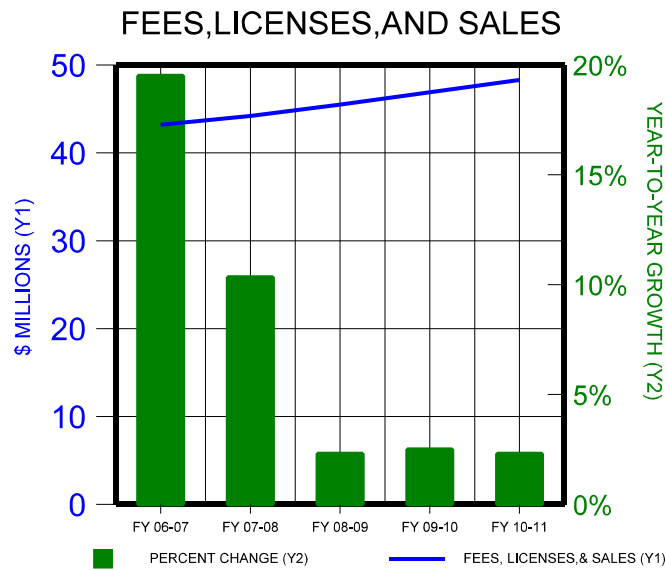
Federal Revenue - Much of the County's Federal revenue comes in various forms such as grants, contracts, and reimbursements. In the five years prior to fiscal year 2007-2008, the County received Federal revenue from Public Law 106-393 which was enacted on October 30, 2000. These funds were to replace a revenue stream (O & C) that was set in place in 1916 and expired on October 30, 2006. At this time it is uncertain whether this funding source will be reinstated and therefore is not included in revenue projections beyond 2007.

The graph above shows a general trend in loss of other Federal dollars as well. The Airport receives 64 percent of the County's Federal revenues. Federal funds contributing to the General Fund have dropped approximately \$13,500,000 representing a 78 percent loss between fiscal year 2006-2007 and fiscal year 2007-2008. Future Federal revenues were projected to increase 3 percent per year.

STATE & LOCAL REVENUE



State and Local Government - Except for capital construction grants, the most significant portion of this revenue supports Health and Human Services and is used primarily for mental health costs. The General Road Fund is the next significant user of these funds in the form of State gasoline taxes which are dedicated for road improvements. The remaining revenues are distributed throughout the County to provide State-supported services. State revenues have been relatively flat; therefore, future revenues have been projected at a modest 2 percent rate of growth.



Fees, Licenses, and Sales - This graph represents the projected revenues generated by services provided to the general public. All fees collected by the County are for the solitary purpose of recovering the cost associated with providing services. During each fiscal year, the County performs an extensive fee study to determine service costs. Through a series of public meetings, the Board of Commissioners determine the portion of each fee that should be supported by County funds and the portion that should be paid by those receiving the service.

Among the County programs that collect fees are: Airport for providing service to air carriers; Development Services for building permit fees, environmental quality fees, and zoning and planning permits; Roads and Parks for park use; County Clerk’s office for recording fees and passports; the Surveyor’s office for processing County plats; GIS for mapping and geographical information; and Health and Human Services for Title 19 (services to low income patients paid for by the State).

Airport - In fiscal year 2002-2003, the Federal government began allowing the collection of \$4.50 per airline ticket in passenger facility charges (there is a current recommendation before the Federal government to raise the fee up to as much as \$7.50 per airline ticket).

County Clerk - Interest rates have an impact on the number of public recordings processed in the County Clerk’s office. The Oregon Department of Revenue projects that 30-year mortgage rates will increase, thus reversing the growth in recording fees. In 2006, the County Clerk’s office received approval to issue passports.

Development Services - Fees are collected to recover the costs of: processing building permits; conducting safety inspections; reviewing construction plans; processing zoning and land use applications and permits; and septic system permits and inspections. The fiscal year 2007-2008 budget anticipates that this department will be fully self-supporting.

Expo - The Exposition Park/Fairgrounds collects a variety of fees and has set a goal of being completely self supporting by fiscal year 2008-2009.

GIS - These fees recover a portion of the cost of providing mapping and geographical information on-line (GIS is a program within Information Technology).

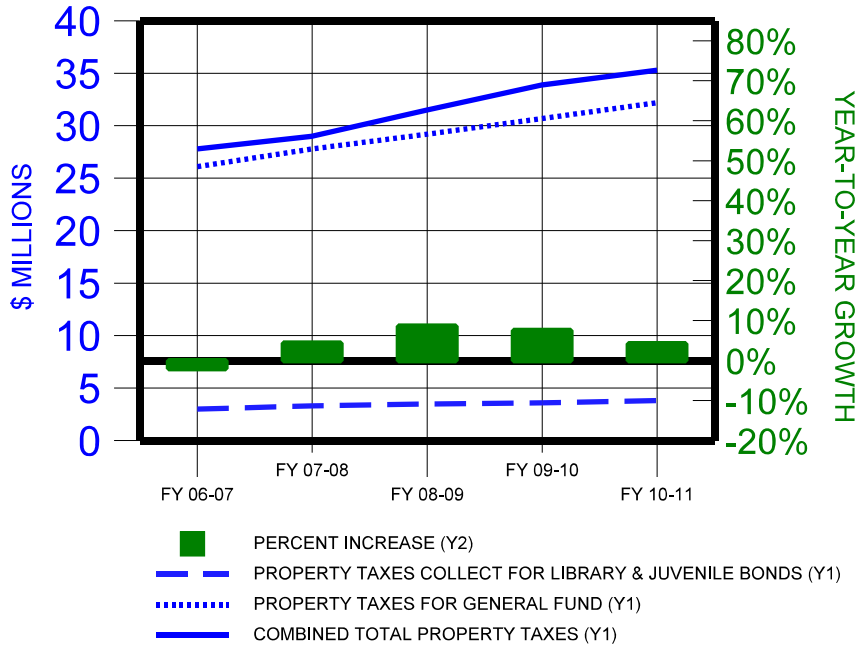
Health and Human Services - The majority of these fees are to recover costs associated with providing public health and mental health services to the County.

Roads and Parks - Fee revenues generated by park use are dependent on many environmental factors. For example, in fiscal year 2002-2003, fees declined due to reduced water levels at County recreation areas.

Surveyor - Fees are collected to recover the cost of filing and duplicating of plats and for land corner preservation.

PROPERTY TAXES

(Five-Year Projection)



Property Taxes - In May of 1997, Oregon voters approved Ballot Measure 50, amending Oregon’s constitution to establish permanent property tax limits. As a result, Jackson County’s permanent rate limit was set at \$2.0099 of assessed valuation. Ballot Measure 50 also placed limitations on the base assessed valuation to which the newly imposed permanent rate limit could be applied. The maximum assessed value on all parcels is calculated as if it existed in fiscal year 1995-1996, less 10 percent, and trended at a 3 percent rate of increase. However, if the true cash value of the parcel dips below the assessed valuation, the rate can only be applied to that true cash value. Currently, the maximum assessed value is approximately 48 percent of real market value. A parcel can be improved without increasing its assessed value if the improvements total less than \$10,000 of real cash value in one fiscal year and less than a total of \$25,000 or more over a five-year-period.

The total amount of property tax the County expects to certify on behalf of the General Fund reflects the current assessed value plus 5 percent (a 3 percent levy on existing parcels and a 2 percent levy on new construction).

The County will certify and pay on the \$20,365,000 of library bonds sold in fiscal year 2000-2001 an average of \$1.6 million per fiscal year until the debt is fully paid in 2020.

The County sold \$18,575,000 in library bonds in fiscal year 2002-2003 and is projected to certify and pay an average of \$1.6 million per fiscal year until the debt is fully paid.

During fiscal year 2000-2001, the County issued \$16,500,000 in bonds for a new juvenile facility. Funds from the construction project in the amount of \$4,120,108 along with proceeds from the sale of the old juvenile facility in the amount of \$1,168,260 have been used in the past to offset property tax collections. These funds will be exhausted in this fiscal year and the County will resume collecting taxes to make the required payments of \$2.0 million per calendar year until the debt is fully paid in 2011.

**REVENUE SUMMARY BY SOURCE
FY 2004-2005 TO FY 2007-2008**

REVENUE CATEGORY REVENUE TYPE	ACTUAL 2004-2005	ACTUAL 2005-2006	PERCENT CHANGE	REVISED 2006-2007	RECOMMENDED 2007-2008	PERCENT CHANGE
STATE AND LOCAL GOVERNMENT						
Contracts/Grants-Local	\$ 1,293,924	\$ 1,262,942	-2.39%	\$ 1,269,462	\$ 1,122,988	-11.54%
Contracts/Grants-State	\$ 74,785,848	\$ 36,991,719	-50.54%	\$ 41,624,947	\$ 40,458,534	-2.80%
Reimbursements-Local	\$ 838,043	\$ 1,532,953	82.92%	\$ 737,038	\$ 583,427	-20.84%
Reimbursements-State	\$ 3,564,660	\$ 2,991,545	-16.08%	\$ 2,752,717	\$ 3,857,675	40.14%
Shared Revenue-State	\$ 11,777,094	\$ 12,562,085	6.67%	\$ 12,519,760	\$ 13,028,568	4.06%
SUB TOTAL =	\$ 92,259,569	\$ 55,341,244	-40.02%	\$ 58,903,924	\$ 59,051,192	0.25%
FEDERAL GOVERNMENT						
Contracts/Grants-Federal	\$ 6,122,866	\$ 4,835,018	-21.03%	\$ 13,131,755	\$ 11,678,529	-11.07%
Federal Sources	\$ 12,072					
Reimbursements-Federal	\$ 360,188	\$ 573,422	59.20%	\$ 332,779	\$ 344,775	3.60%
Shared Revenue-Federal	\$ 23,932,759	\$ 24,550,360	2.58%	\$ 24,605,215	\$ 2,505,840	-89.82%
SUB TOTAL =	\$ 30,427,885	\$ 29,958,800	-1.54%	\$ 38,069,749	\$ 14,529,144	-61.84%
FEES, LICENSES AND SALES						
CY Interdepartmental Chgs	\$ 12,893,379	\$ 14,304,081	10.94%	\$ 9,193,451	\$ 8,770,500	-4.60%
Deposits	\$ 49,782	\$ 45,623	-8.35%	\$ 52,800	\$ 52,320	-0.91%
Fees	\$ 23,778,473	\$ 24,067,927	1.22%	\$ 25,343,488	\$ 26,610,033	5.00%
Fines	\$ 823,751	\$ 1,065,666	29.37%	\$ 772,490	\$ 981,739	27.09%
Interdepartmental Charges				\$ 5,993,317	\$ 6,167,916	2.91%
Licenses	\$ 1,024,698	\$ 1,046,717	2.15%	\$ 1,132,992	\$ 1,206,987	6.53%
PY Interdepartmental Chgs	\$ (499,562)	\$ (206,491)	-58.67%			
Sales	\$ 2,021,960	\$ 2,500,928	23.69%	\$ 744,857	\$ 424,346	-43.03%
SUB TOTAL =	\$ 40,092,481	\$ 42,824,451	6.81%	\$ 43,233,395	\$ 44,213,841	2.27%
OTHER						
Contracts/Grants-Priv/Nonprf	\$ 784,076	\$ 613,607	-21.74%	\$ 667,555	\$ 658,738	-1.32%
Contributed Capital						
Discretionary Acct Reimb	\$ 19,627	\$ 18,418	-6.16%			
Donations	\$ 1,196,214	\$ 692,650	-42.10%	\$ 385,637	\$ 301,000	-21.95%
Interest Income	\$ 3,187,935	\$ 4,857,629	52.38%	\$ 3,137,931	\$ 3,952,324	25.95%
Miscellaneous Revenue	\$ 212,782	\$ 895,835	321.01%	\$ 267,937	\$ 67,064	-74.97%
Non-Dedicated Fund Balance	\$ 91,054,786	\$ 120,150,106	31.95%	\$ 104,303,295	\$ 95,122,824	-8.80%
Proceeds From Bonds/Loans		\$ 12,730,000		\$ 7,000,000	\$ 13,300,000	90.00%
Proceeds From Self Insurance						
Property Tax Revenues	\$ 28,647,204	\$ 28,304,372	-1.20%	\$ 29,120,316	\$ 31,099,333	6.80%
Reimbursements-Priv/Nonprof	\$ 1,502,514	\$ 946,307	-37.02%	\$ 1,241,351	\$ 1,128,545	-9.09%
Revenue Suspense	\$ 93,413	\$ 65,498	-29.88%			
Shared Revenue-Priv/Nonprof	\$ 121,966	\$ 115,851	-5.01%	\$ 131,670	\$ 91,700	-30.36%
Transfers from Other Funds	\$ 13,634,775	\$ 7,843,703	-42.47%	\$ 11,955,601	\$ 9,980,501	-16.52%
SUB TOTAL =	\$ 140,455,292	\$ 177,233,976	26.19%	\$ 158,211,293	\$ 155,702,029	-1.59%
GRAND TOTALS	\$ 303,235,227	\$ 305,358,471	0.70%	\$ 298,418,361	\$ 273,496,206	-8.35%

**SUMMARY OF REVENUES BY DEPARTMENT
ADOPTED BUDGET FY 2007-2008**

DEPARTMENT	FEDERAL GOVERNMENT	STATE & LOCAL GOVERNMENT	PRIVATE/ NONPROFIT	FEES, SALES, LICENSES	INTERFUND CHARGES	PROPERTY TAX	CASH. LOAN & INTEREST	TOTAL REVENUE
Airport	\$9,209,280	\$2,814,000	\$20,000	\$7,521,546	\$1,860,557		\$21,906,424	\$43,331,807
Assessment		\$1,160,700		\$138,800				\$1,299,500
Board of Commissioners					\$690,888			\$690,888
Community Justice	\$447,971	\$5,066,573	\$17,500	\$2,777,672	\$105,132			\$8,414,848
County Administration	\$163,004	\$485,458	\$85,858	\$124,584	\$6,399,332		\$7,023,888	\$14,282,124
County Clerk		\$161,641		\$1,933,749				\$2,095,390
County Counsel				\$12,415	\$671,317			\$683,732
Development Services				\$6,150,933	\$41,860			\$6,192,793
District Attorney	\$302,908	\$364,033	\$67,358	\$105,000	\$15,000			\$854,299
Expo		\$46,456	\$220,000	\$1,575,300	\$60,000		\$11,116	\$1,912,872
Fiduciary	\$2,316,240	\$2,234,499	\$45,000	\$1,012,875	\$2,783,000	\$31,099,333	\$58,642,835	\$98,133,782
Finance		\$157,912	\$52,229	\$149,121	\$804,934			\$1,164,196
Health & Human Services	\$950,736	\$31,665,705	\$444,338	\$3,134,969	\$3,672,397		\$7,058,944	\$46,927,089
Information Technology				\$292,808	\$3,829,859		\$207,975	\$4,330,642
Justice Court District				\$828,126				\$828,126
Library	\$34,800	\$1,821	\$3,014	\$341,261	\$110,889		\$347,471	\$839,256
Roads & Parks	\$393,750	\$11,254,080	\$1,214,400	\$2,109,063	\$3,873,752		\$15,569,830	\$34,414,875
Sheriff	\$710,455	\$3,638,314	\$77,350	\$584,794			\$176,691	\$5,187,604
Surveyor				\$482,409			\$1,429,974	\$1,912,383
GRAND TOTALS	\$14,529,144	\$59,051,192	\$2,247,047	\$29,275,425	\$24,918,917	\$31,099,333	\$112,375,148	\$273,496,206

**JACKSON COUNTY SPENDING PLAN
COMBINED SUMMARY OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE**

	GENERAL FUND	SPECIAL REVENUE FUNDS				
	General Fund (1)	County Trails	Court Security	Law Enhancement District	Law Library	Health & Human Services
BEGINNING FUND BAL	44,117,509	175,000	314,828	168,500	295,951	6,793,444
<u>Revenues</u>						
FEDERAL	3,970,378	243,750				950,736
STATE & LOCAL	12,643,094	95,000	181,000	385,435		31,665,705
FEES & CHARGES	13,366,508	18,000			217,500	4,418,209
PROPERTY TAXES (1)	27,801,383					
MISCELLANEOUS	287,629					444,338
INTEREST	1,980,000	1,000	14,000	8,191	14,798	265,500
<i>Subtotal Revenues</i>	60,048,992	357,750	195,000	393,626	232,298	37,744,488
TRANSFER FROM OTHER FUND	199,383	5,000				2,389,157
Grand Total Revenues	104,365,884	537,750	509,828	562,126	528,249	46,927,089
<u>Expenditures</u>						
PERSONAL SERVICES	38,743,775	91,321		264,268	51,649	16,263,780
MATERIAL & SERVICES	16,611,904	389,004	155,000	99,814	149,800	22,985,572
CAPITAL OUTLAY	39,326					611,000
<i>Subtotal Expenditures</i>	55,395,005	480,325	155,000	364,082	201,449	39,860,352
TRANSFERS TO OTHER FUNDS	6,411,638					
ENDING FUND BALANCE	42,559,241	57,425	354,828	198,044	326,800	7,066,737
Grand Total Expenditures	104,365,884	537,750	509,828	562,126	528,249	46,927,089
CHANGE IN FUND BALANCE	(1,558,268)	(117,575)	40,000	29,544	30,849	273,293

	SPECIAL REVENUE FUNDS (cont)				
	Liquor Enforcement	Solid Waste Management	Surveyor	Title III	Road Fund
BEGINNING FUND BAL		1,600,000	1,396,926	882,500	5,300,000
<u>Revenues</u>					
FEDERAL					150,000
STATE & LOCAL		30,000			10,168,975
FEES & CHARGES	15,000	699,802	482,409		1,081,485
MISCELLANEOUS		10,000			733,000
INTEREST		15,000	33,048		100,000
<i>Subtotal Revenues</i>	15,000	754,802	515,457	-	12,233,460
TRANSFER FROM OTHER FUND					1,100,000
Grand Total Revenues	15,000	2,354,802	1,912,383	882,500	18,633,460
<u>Expenditures</u>					
PERSONAL SERVICES		69,021	437,999	25,672	6,922,712
MATERIAL & SERVICES		135,279	363,620	856,828	5,139,856
CAPITAL OUTLAY			7,000		1,625,000
<i>Subtotal Expenditures</i>	-	204,300	808,619	882,500	13,687,568
TRANSFERS TO OTHER FUNDS	15,000	446,423			
ENDING FUND BALANCE		1,704,079	1,103,764		4,945,892
Grand Total Expenditures	15,000	2,354,802	1,912,383	882,500	18,633,460
CHANGE IN FUND BALANCE	-	104,079	(293,162)	-	(354,108)

(1) PROPERTY TAX LEVIED \$2.0099 PER THOUSAND ASSESSED VALUE

**JACKSON COUNTY SPENDING PLAN
COMBINED SUMMARY OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE**

	CAPITAL PROJECT FUNDS					
	Bridge Replacement	Britt Capital Improvements	Capital Projects	City-County Arterial	Greenway	Library Capital Project S2
BEGINNING FUND BAL	8,000,000	72,878	700,250	1,750	7,000	3,834,498
<u>Revenues</u>						
FEDERAL						
STATE & LOCAL						
FEES & CHARGES			43,500			
MISCELLANEOUS		30,000				35,000
INTEREST	100,000	2,000	28,000	50	150	86,276
<i>Subtotal Revenues</i>	100,000	32,000	71,500	50	150	121,276
TRANSFER FROM OTHER FUND		10,000	2,559,500			
Grand Total Revenues	8,100,000	114,878	3,331,250	1,800	7,150	3,955,774
<u>Expenditures</u>						
MATERIAL & SERVICES			603,000			437,154
CAPITAL OUTLAY	8,100,000		2,000,000			3,518,620
<i>Subtotal Expenditures</i>	8,100,000	-	2,603,000	-	-	3,955,774
ENDING FUND BALANCE		114,878	728,250	1,800	7,150	
Grand Total Expenditures	8,100,000	114,878	3,331,250	1,800	7,150	3,955,774
CHANGE IN FUND BALANCE	(8,000,000)	42,000	28,000	50	150	(3,834,498)

	CAPITAL PROJECT FUNDS (cont)					
	Park System Development	Roads System Development	Street Improvement	Terminal Construction	Terminal Construction Series A	Terminal Construction Series B
BEGINNING FUND BAL	142,002	425,000	189,747	300,000	5,600,000	7,700,000
<u>Revenues</u>						
FEDERAL				6,847,146		
STATE & LOCAL						
FEES & CHARGES	132,500	850,000				
MISCELLANEOUS			200,000			
INTEREST	6,000	23,000	9,000		190,000	280,000
<i>Subtotal Revenues</i>	138,500	873,000	209,000	6,847,146	190,000	280,000
TRANSFER FROM OTHER FUND						
Grand Total Revenues	280,502	1,298,000	398,747	7,147,146	5,790,000	7,980,000
<u>Expenditures</u>						
MATERIAL & SERVICES				1,542,000	1,000,000	1,000,000
CAPITAL OUTLAY				5,605,146	4,790,000	6,980,000
<i>Subtotal Expenditures</i>	-	-	-	7,147,146	5,790,000	7,980,000
TRANSFERS TO OTHER FUNDS	132,500	1,100,000				
ENDING FUND BALANCE	148,002	198,000	398,747			
Grand Total Expenditures	280,502	1,298,000	398,747	7,147,146	5,790,000	7,980,000
CHANGE IN FUND BALANCE	6,000	(227,000)	209,000	(300,000)	(5,600,000)	(7,700,000)

**JACKSON COUNTY SPENDING PLAN
COMBINED SUMMARY OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE**

	INTERNAL SERVICE FUNDS			
	Central Services	Computer Replacement	Motor Pool	Self Insurance
BEGINNING FUND BAL	3,074,146	204,975	708,331	6,739,888
<i>Revenues</i>				
FEDERAL	5,000			
STATE & LOCAL	31,422			
FEES & CHARGES	8,991,346	236,500	1,964,989	2,067,784
MISCELLANEOUS	14,180		25,000	1,500
INTEREST	138,000	3,000	20,000	284,000
<i>Subtotal Revenues</i>	9,179,948	239,500	2,009,989	2,353,284
TRANSFER FROM OTHER FUND	1,507,526		30,450	
Grand Total Revenues	13,761,620	444,475	2,748,770	9,093,172
<i>Expenditures</i>				
PERSONAL SERVICES	6,830,449		225,255	189,792
MATERIAL & SERVICES	3,741,686	240,800	845,529	5,495,068
CAPITAL OUTLAY			770,150	
<i>Subtotal Expenditures</i>	10,572,135	240,800	1,840,934	5,684,860
ENDING FUND BALANCE	3,189,485	203,675	907,836	3,408,312
Grand Total Expenditures	13,761,620	444,475	2,748,770	9,093,172

CHANGE IN FUND BALANCE	115,339	(1,300)	199,505	(3,331,576)
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	TRUST & AGENCY FUNDS		
	Ted Gerlock	D Houlihan	EJ Smith
BEGINNING FUND BAL	1,635	24,209	9,130
<i>Revenues</i>			
INTEREST	82	1,210	456
Grand Total Revenues	1,717	25,419	9,586
<i>Expenditures</i>			
TRANSFERS TO OTHER FUNDS	217	3,080	1,086
ENDING FUND BALANCE	1,500	22,339	8,500
Grand Total Expenditures	1,717	25,419	9,586

CHANGE IN FUND BALANCE	(135)	(1,870)	(630)
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**JACKSON COUNTY SPENDING PLAN
COMBINED SUMMARY OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE**

	DEBT SERVICE FUNDS			
	Airport Debt Service	Juvenile Debt Service	Library Debt Service S1	Library Debt Service S2
BEGINNING FUND BAL	1,698,622		47,376	
<i>Revenues</i>				
PROPERTY TAXES		310,778	1,408,247	1,578,925
INTEREST	28,333	76,438	16,642	18,750
<i>Subtotal Revenues</i>	28,333	387,216	1,424,889	1,597,675
TRANSFER FROM OTHER FUND	1,860,557			
Grand Total Revenues	1,888,890	2,085,838	1,472,265	1,597,675
<i>Expenditures</i>				
MATERIAL & SERVICES		500	500	500
DEBT SERVICE	944,445	2,085,338	1,471,765	1,597,175
<i>Subtotal Expenditures</i>	944,445	2,085,838	1,472,265	1,597,675
ENDING FUND BALANCE	944,445			
Grand Total Expenditures	1,888,890	2,085,838	1,472,265	1,597,675
CHANGE IN FUND BALANCE	944,445	(1,698,622)	(47,376)	-

	ENTERPRISE FUNDS			
	Airport Enterprise	Passenger Facility Charge	Recreation Enterprise	Expo Park
BEGINNING FUND BAL	4,308,091	3,300,000	279,122	9,516
<i>Revenues</i>				
FEDERAL	2,362,134			
STATE & LOCAL	2,814,000		990,105	46,456
FEES & CHARGES	6,176,496	1,345,050	498,463	1,615,300
MISCELLANEOUS	20,000		219,400	220,000
INTEREST	100,000	100,000	7,800	1,600
<i>Subtotal Revenues</i>	11,472,630	1,445,050	1,715,768	1,883,356
TRANSFER FROM OTHER FUND			298,928	20,000
Grand Total Revenues	15,780,721	4,745,050	2,293,818	1,912,872
<i>Expenditures</i>				
PERSONAL SERVICES	2,131,110		731,561	546,372
MATERIAL & SERVICES	2,843,215	2,917,123	723,277	1,282,329
CAPITAL OUTLAY	5,950,300	883,482	641,005	
<i>Subtotal Expenditures</i>	10,924,625	3,800,605	2,095,843	1,828,701
TRANSFERS TO OTHER FUNDS	916,112	944,445	10,000	
ENDING FUND BALANCE	3,939,984		187,975	84,171
Grand Total Expenditures	15,780,721	4,745,050	2,293,818	1,912,872
CHANGE IN FUND BALANCE	(368,107)	(3,300,000)	(91,147)	74,655

**JACKSON COUNTY SPENDING PLAN
COMBINED SUMMARY OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE**

TOTAL ALL FUNDS	
	FY 2007-2008
BEGINNING FUND BAL	108,422,824
<i>Revenues</i>	
FEDERAL	14,529,144
STATE & LOCAL	59,051,192
FEES & CHARGES	44,220,841
PROPERTY TAXES	31,099,333
MISCELLANEOUS	2,240,047
INTEREST	3,952,324
<i>Subtotal Revenues</i>	155,092,881
TRANSFER FROM OTHER FUND	9,980,501
Grand Total Revenues	273,496,206
<i>Expenditures</i>	
PERSONAL SERVICES	73,524,736
MATERIAL & SERVICES	69,559,358
DEBT SERVICE	6,098,723
CAPITAL OUTLAY	41,521,029
<i>Subtotal Expenditures</i>	190,703,846
TRANSFERS TO OTHER FUNDS	9,980,501
ENDING FUND BALANCE	72,811,859
Grand Total Expenditures	273,496,206
CHANGE IN FUND BALANCE	(35,610,965)

SPENDING PLAN DEFINITIONS

Fiscal Year 2007-2008

Beginning Fund Balance - This is a revenue classification indicating those financial resources which, because they were not expended in one fiscal year, are available in the following year. Included in this total are projects known as carry-forwards. These are projects that were budgeted in fiscal year 2006-2007, were not completed, and were reappropriated for fiscal year 2007-2008. Also included are the unappropriated ending fund balances, contingencies, reserves, and any excess revenue or under-expenditures from fiscal year 2006-2007.

Capital Outlay - This is an expenditure category. It includes all material and equipment purchases costing more than \$5,000, as well as lands and buildings.

Change in Fund Balance - This is the difference between the anticipated beginning fund balance and the anticipated ending fund balance.

Debt Service - This is the payment of interest and principal on an obligation resulting from the issuance of bonds. Library Debt Service (Series 1 and 2), Airport Debt Service, and Juvenile Debt Service are the only funds that have bond debt service payments. These payments will be used to retire debt associated with construction of new libraries, a new airport terminal, and a new juvenile facility. The County will finish paying on the bonds for the juvenile construction project in 2011 and in 2020 for the library construction bonds.

Ending Fund Balance - This amount represents the funds' total unappropriated ending fund balance, reserves, and contingencies.

Expenditures - A fund liability incurred for operation, capital outlay or their requirements during a budgetary period.

Fund - This is a fiscal entity consisting of a self-balancing set of accounts that are segregated from other funds for the purpose of fulfilling specific activities or attaining specific objectives in accordance with regulation, restrictions, or limitations. Jackson County has the following types of funds:

General Fund - This fund records expenditures needed to run the daily operations of the local government such as wages, rent, and utilities. It also shows the money that is estimated to be available to pay for these general needs. Property tax money usually goes into the general fund. In Jackson County the general fund also supports public health and safety programs.

Special Revenue Funds - This fund accounts for money that must be used for a specific purpose; it also records the expenditures that are made for that purpose. Jackson County's special revenue funds include: Road, Law Library, Surveyor, County Trails, Liquor Enforcement, Title III, Health and Human Services, Solid Waste, Court Security, and the White City Law Enhancement District.

Capital Project Funds - These funds record the money and expenses used to build or acquire capital facilities, such as land or buildings. Capital project funds are used only while a project is underway. Once the building is built or the land acquired, the fund is closed. The money for this type of fund usually comes from the sale of general obligation bonds, a special local option tax, or a grant. Jackson County's capital project funds include: Airport, Capital Projects, County/City Arterial,

Street Improvement, Greenway, Road System Development, Park System Development, Library Capital Projects, Bridge Replacement, and Britt Capital Improvements.

Internal Service Funds - These funds are used to track the costs of services that are provided solely to other departments within the County, which are billed for their actual use of these services. Jackson County's internal service funds are: Motor Pool, Computer Replacement, Self-Insurance, and Central Services.

Trust & Agency Funds - These funds account for money for a specific purpose that are held in trust for someone else. An example are funds that are bequeathed to the County and which have specific direction as to how the money is to be used. Jackson County has three trust funds that it manages: E. J. Smith, Ted Gerlock, and D. Houlihan. Interest generated from these funds is dedicated to purchasing books for a specific purpose for the Jackson County Libraries.

Debt Service Funds - This type of fund records the repayment of general obligation bonds. In most cases, the money for the fund comes from a special property tax levy for bonds. The expenditures in the fund are the bond principal and interest payments. Money dedicated to repay bonds cannot be used for any other purpose. Jackson County has four debt service funds: Airport Debt Service, Library Debt Service Series 1, Juvenile Debt Service, and Library Debt Service Series 2.

Enterprise Funds - These funds record the resources and expenses of acquiring, operating, and maintaining a self-supporting facility or service. Jackson County has four enterprise funds: Airport Enterprise, Passenger Facility Fee, Fairgrounds/Expo, and Recreation Enterprise.

Materials and Services - This includes transportation, operating expenses, minor equipment purchases, data processing, maintenance and repairs, contracted services, and direct funding to non-county agencies.

Personal Services - This includes total compensation paid to employees including salaries, benefits, and payroll taxes.

Revenues - This is income for the fiscal year and includes transfers and proceeds from the sale of bonds. The major categories of revenue include local taxes, State shared revenues, fees and charges, interest on investments, and fines and forfeitures.

Transfers From - This line represents the amount of money transferred to the fund indicated from another fund inside the County organization.

Transfers To - This line represents the total amount of money transferred to other funds inside the County organization.

Unappropriated Ending Fund Balance - This is money that the County will not spend in the current fiscal year.

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