

Multnomah County Approved Budget FY 2012



www.multco.us/budget

5-10-2011

Overview

- **Schedule and Process**
- **Corporate Budget Overview**
 - Summary information
 - What is in the budget
 - Use of OTO
 - Administrative costs and structure
 - General Fund reserves and contingencies
- **The State**
- **Trends**
- **Summary**
- **Looking Forward**



Budget Process FY 2012

- November Forecast for FY 2012
- February 18th – Departments Submit Budgets
- March 3rd - Community Forum & Revised Forecast
- May 5th - Board Approved Budget
- Three Evening Public Hearings
 - May 18th, Multnomah County Boardroom
 - May 25th, East County – Sharron Kelly Conference Room
 - May 31st, IRCO - Northeast
- June 8th - TSCC Hearing
- **June 9th - Adopt Budget**



Overall Financial Context

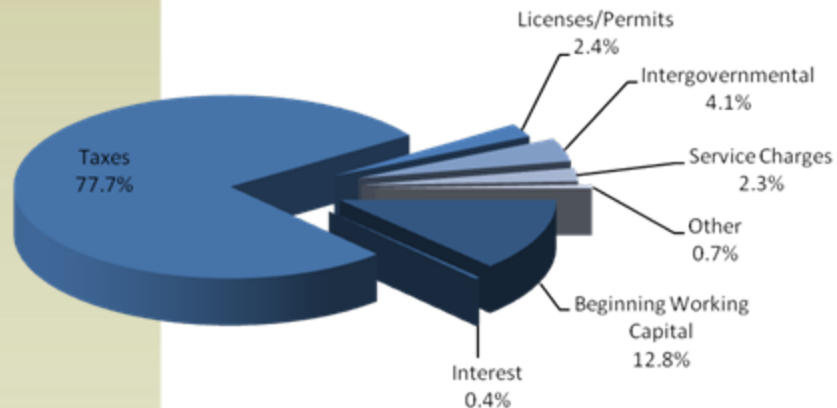
- **FY 2012 Approved Budget =
\$1,483,808,073**
- **FY 2011 Adopted Budget =
\$1,460,368,279**
- **A increase of \$23.4 million or 1.6%**

Note: includes contingencies, reserves and unappropriated balance

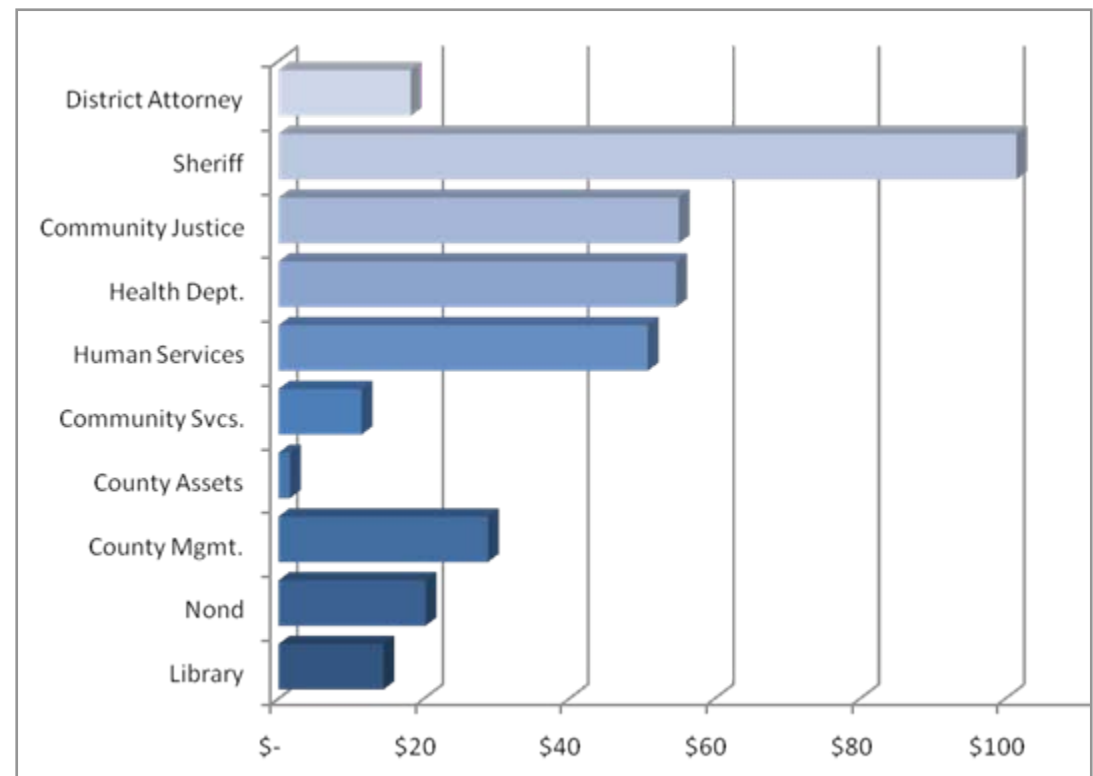


General Fund Overview- \$410,687,104

Where the money comes from:



Where the money goes to:*

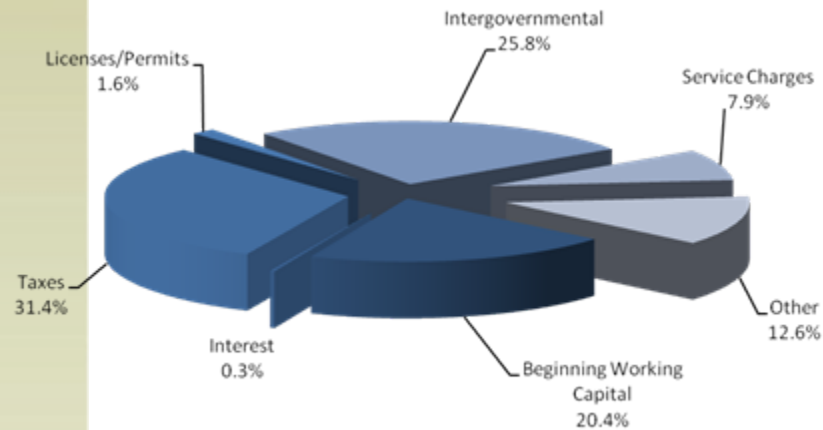


* Note: does not include transfers, reserves and contingencies

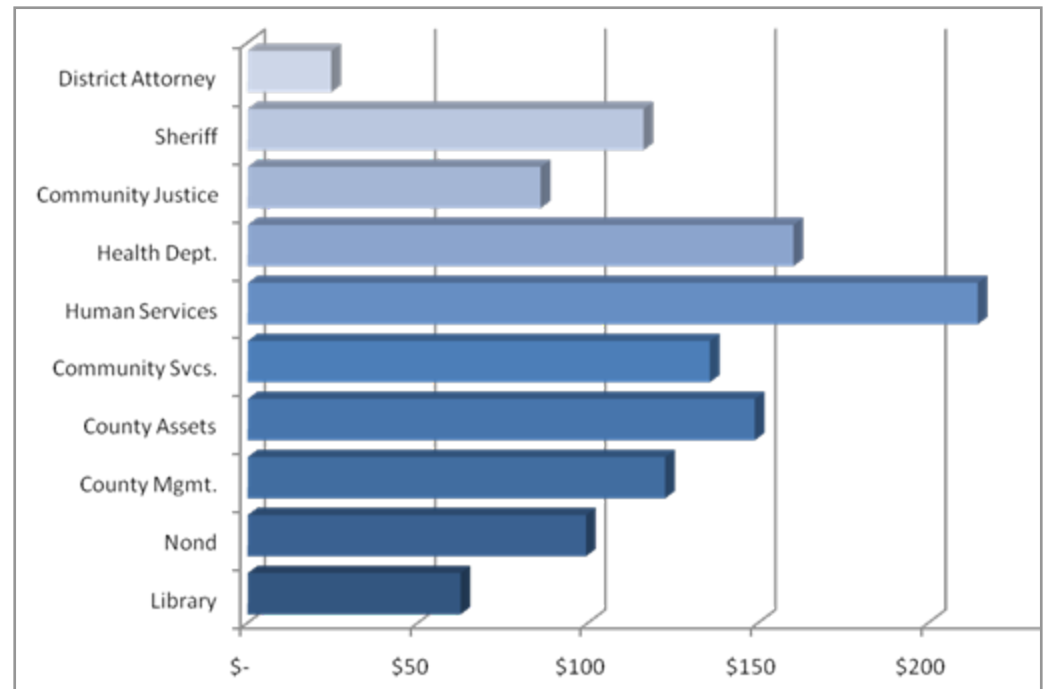


All Funds Overview - \$1,483,808,073

Where the money comes from:



Where the money goes to:*



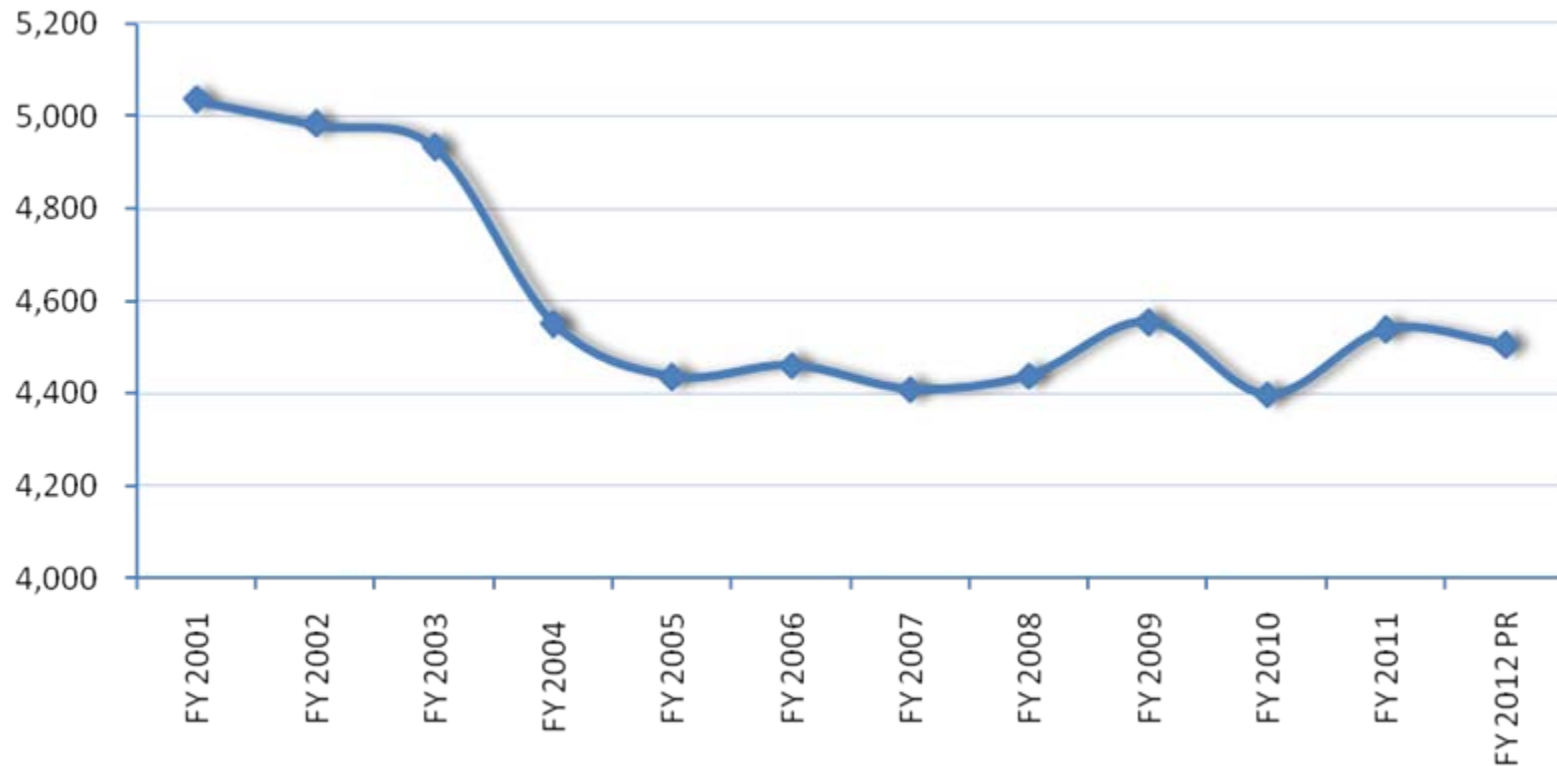
*Note: does not include transfers, reserves and contingencies



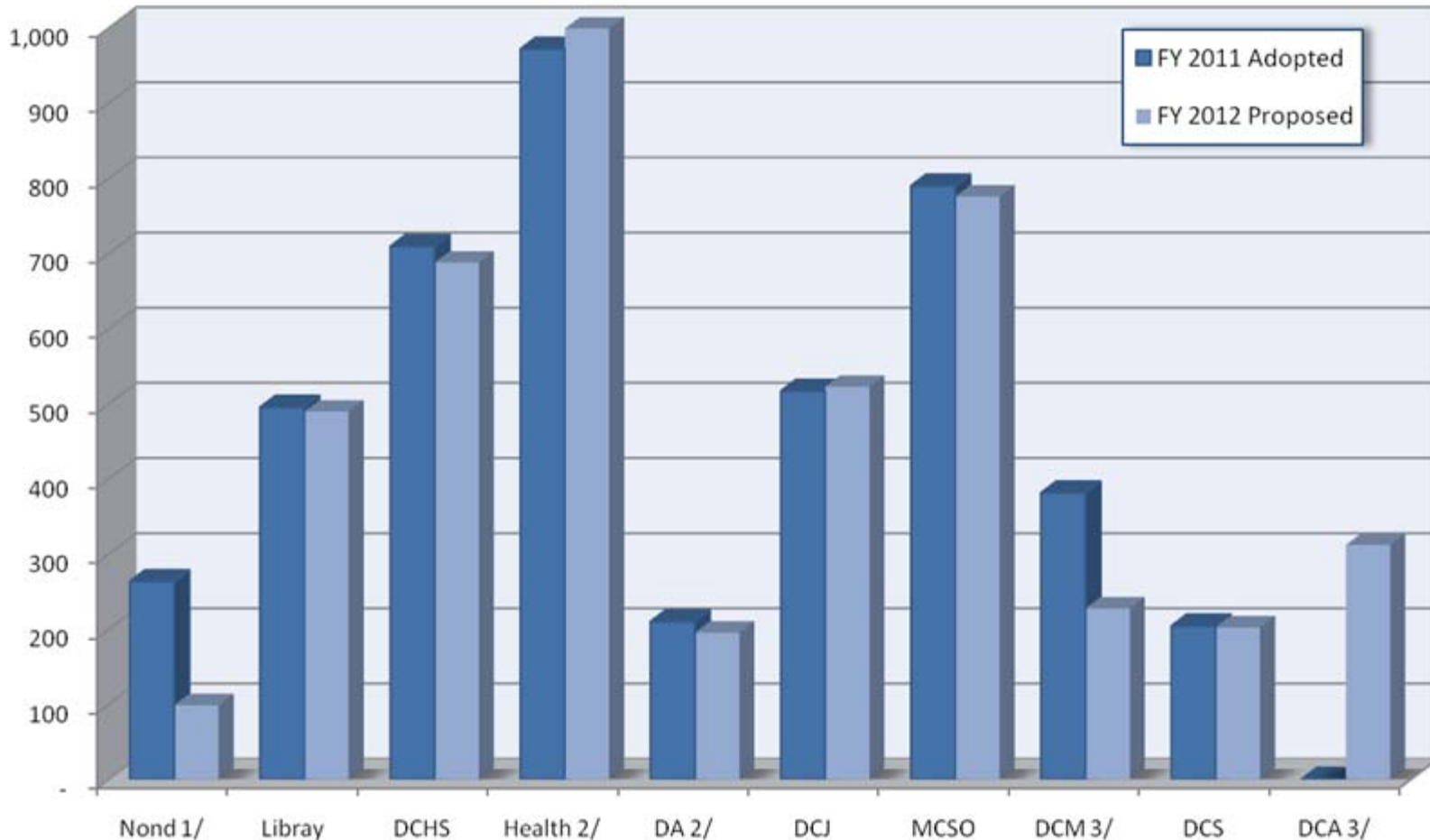
Full Time Equivalents ↓33.00 FTE

FY 2001 Adopted – FY 2012 Approved

All Funds



Full Time Equivalents (FTE) by Year/Dept.



1/ IT (165.14 FTE) moved from Nond to Dept. of County Assets in FY 2012

2/ The Medical Examiner (9.00) moved from the District Attorney to Health

3/ Facilities (87.50 FTE) FREDS (49.00 FTE) and Business Services (10.00 FTE) moved from County Management to County Assets



What the Budget does

- Preserves critical direct services to clients
- Addresses the expenditure/revenue gap for FY 2012 & FY 2013
- Strategically invest in DV, SUN, Mental Health
- Wise use of OTO funds
- Reduce admin. costs and restructures support services
- Fully funds reserves
- Prepares for State & Federal reductions



Wise Use of One-Time-Only (OTO)

- Addresses capital needs (i.e. Detention Electronics, PO 50018c - \$1.4 m)
- Responds to community needs (i.e. Short Term Rent Assistance PO 25133e - \$500k & Post Detox Housing 25111c - \$200k)
- Addresses Emergency Management & Life, Safety, Seismic
 - Emergency radio replacement & communications (PO 95000 - \$1.5m)
 - Continuity of operations (PO 10039 - \$125k)
 - Disaster preparedness for vulnerable populations (PO 10041 - \$84k)
 - Facilities seismic and life and safety improvements (PO 95000k - \$1m)
- Preparing to address State impacts (PO 95000 - \$5.6m)
- Paying off debt and managing risk (PO 95000 - \$2.3m)

(Need more detail? See p. 16 of the Budget Director's Message)



Administrative Costs and Restructure

- Multnomah Evolves = net savings of \$1.1m and 9.00 FTE (all funds)
- Management merit & COLA freeze savings = \$3.4m
 - \$1.5m General Fund
 - \$1.9m Other Funds
- Holding or reducing internal service cost = \$2.4m
- Creation of Department of County Assets & Restructuring
Department of County Management
- Ongoing workgroups for Multnomah Evolves (ME)
 - Fleet maintenance workgroup team
 - Central Stores redesign team
 - Span of control



General Fund Reserves – Fully Funded

- General Reserve @ 10% of corporate rev's or \$31.2M
- BIT Reserve @ 10% or \$4.9M
- General Fund Contingency

State Ramp Down Funds	4,024,653	OTO
State Ramp Down Funds	1,600,000	Ongoing
Radio Replacement & Emergency Management Communications	1,490,000	OTO
Increase 'regular' CGF Contingency for additional uncertainty	500,000	OTO
Regular Contingency	<u>1,250,000</u>	
General Fund Contingency	8,864,653	

Note: MCSO SCAAP Grant Replacement Placeholder \$600,000 contingent upon grant award



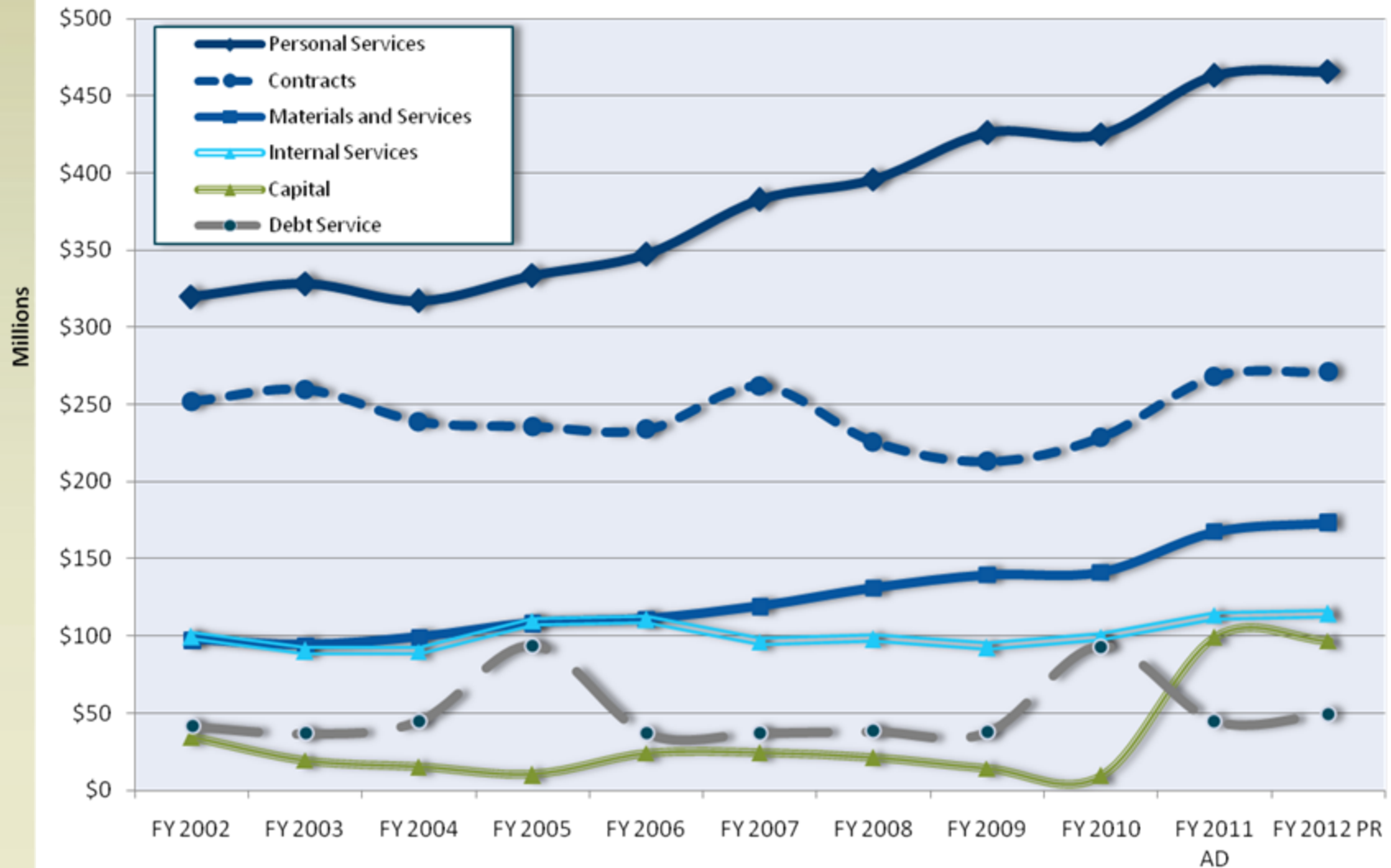
The State....

- We don't know yet!
- State budget appears largely backend loaded with rate reductions and system improvements
- Timing – FY 2013?
- When we know more we will
 - Calibrate our process to size of issue
 - Regardless...We are prepared
 - Depts. have common starting point to measure changes
 - Set aside ramp down funds (\$4.0M OTO + \$1.6M ongoing)
- Cautionary Note– current revenues will not support backfilling state programs



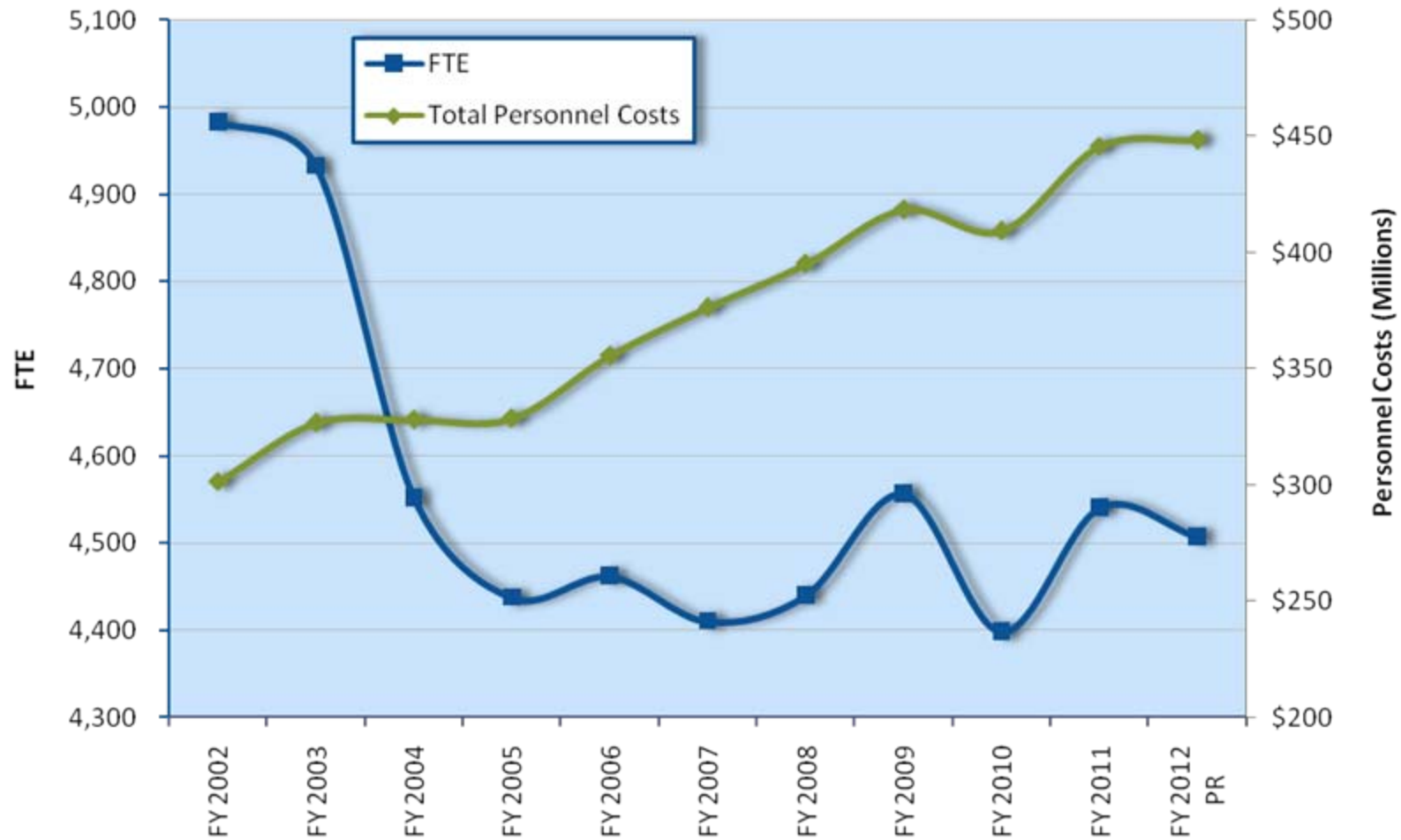
What We Spend our Resources on...

FY 2002 Adopted – FY 2012 Approved (All Funds)



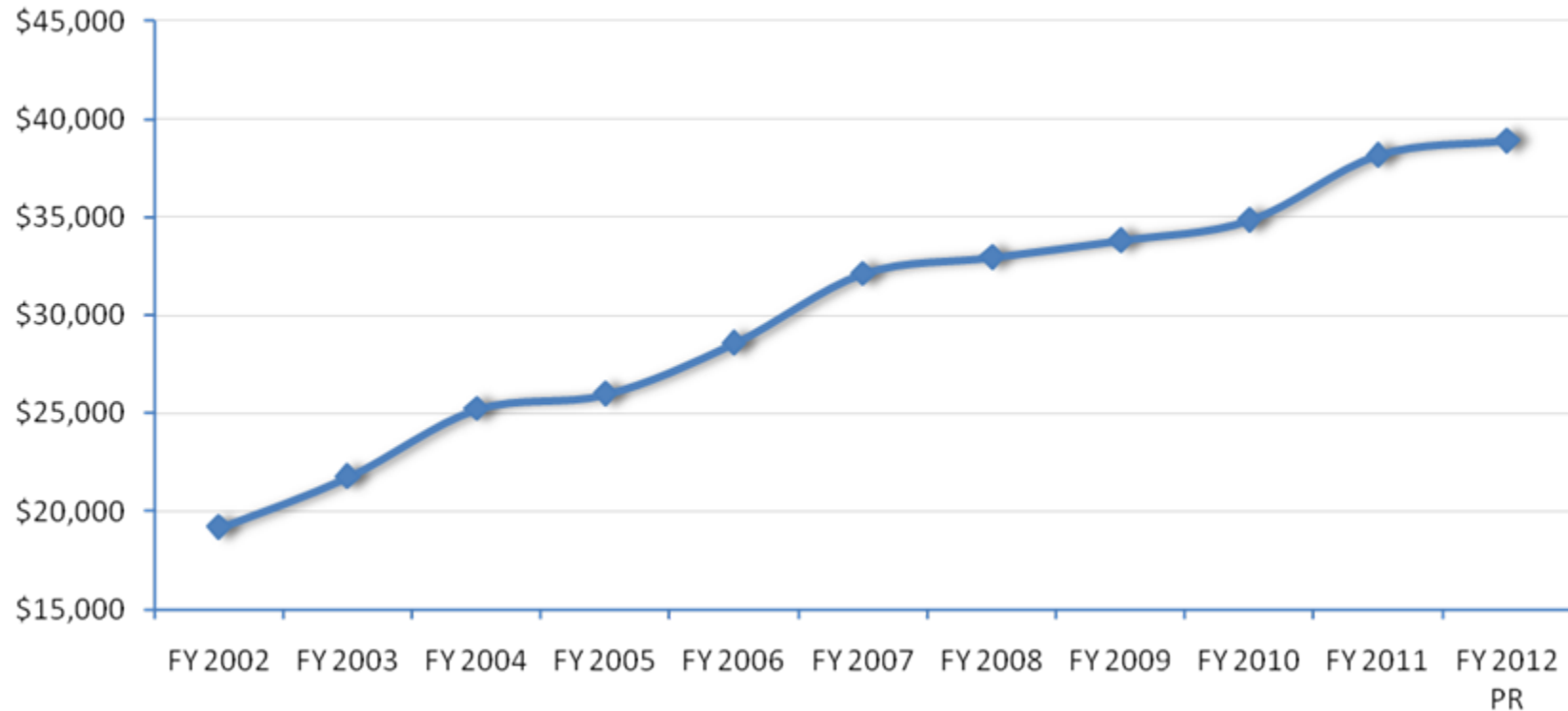
Adopted FTE vs. Total Personnel Costs

FY 2002 Adopted to FY 2012 Approved (All Funds)



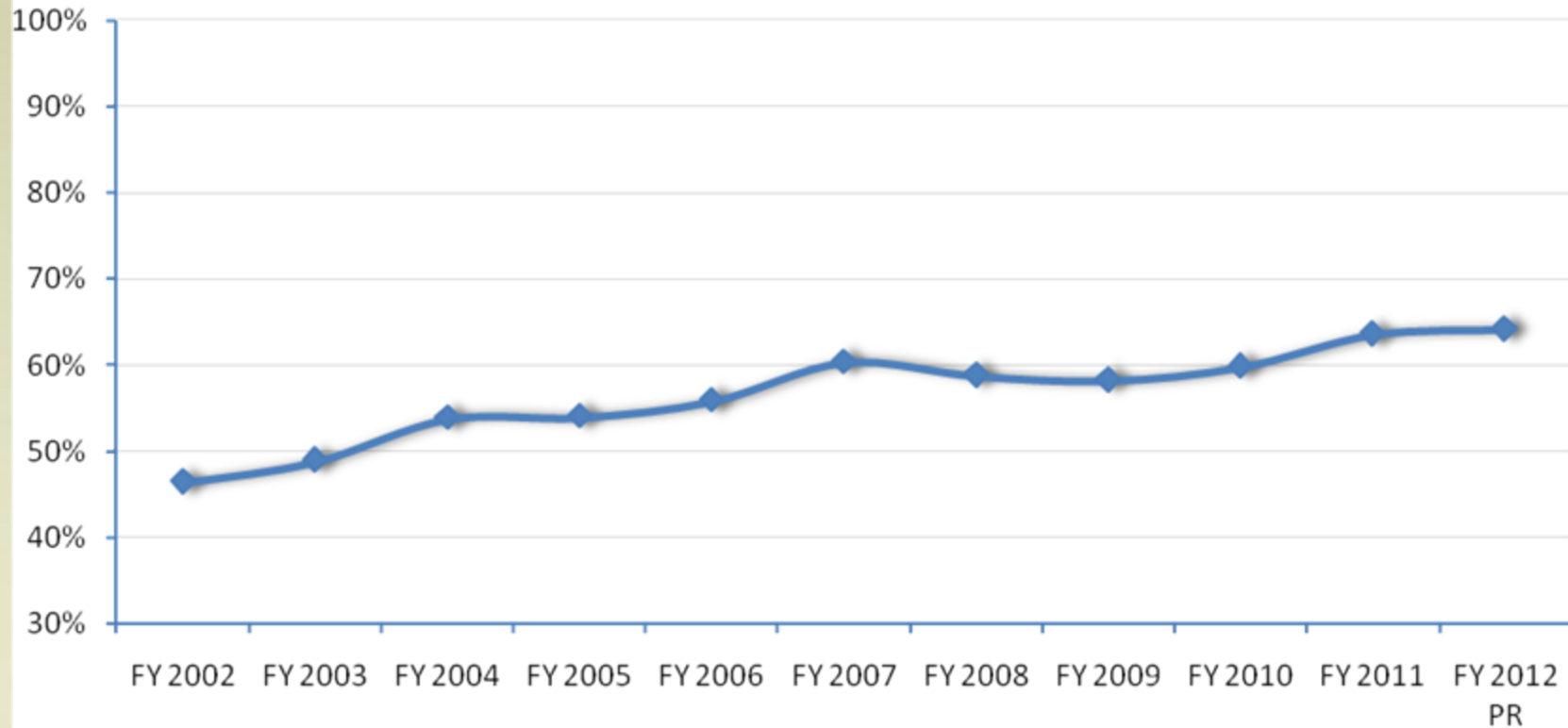
Avg. Benefits & Insurance Cost per FTE

FY 2002 Adopted to FY 2012 Approved



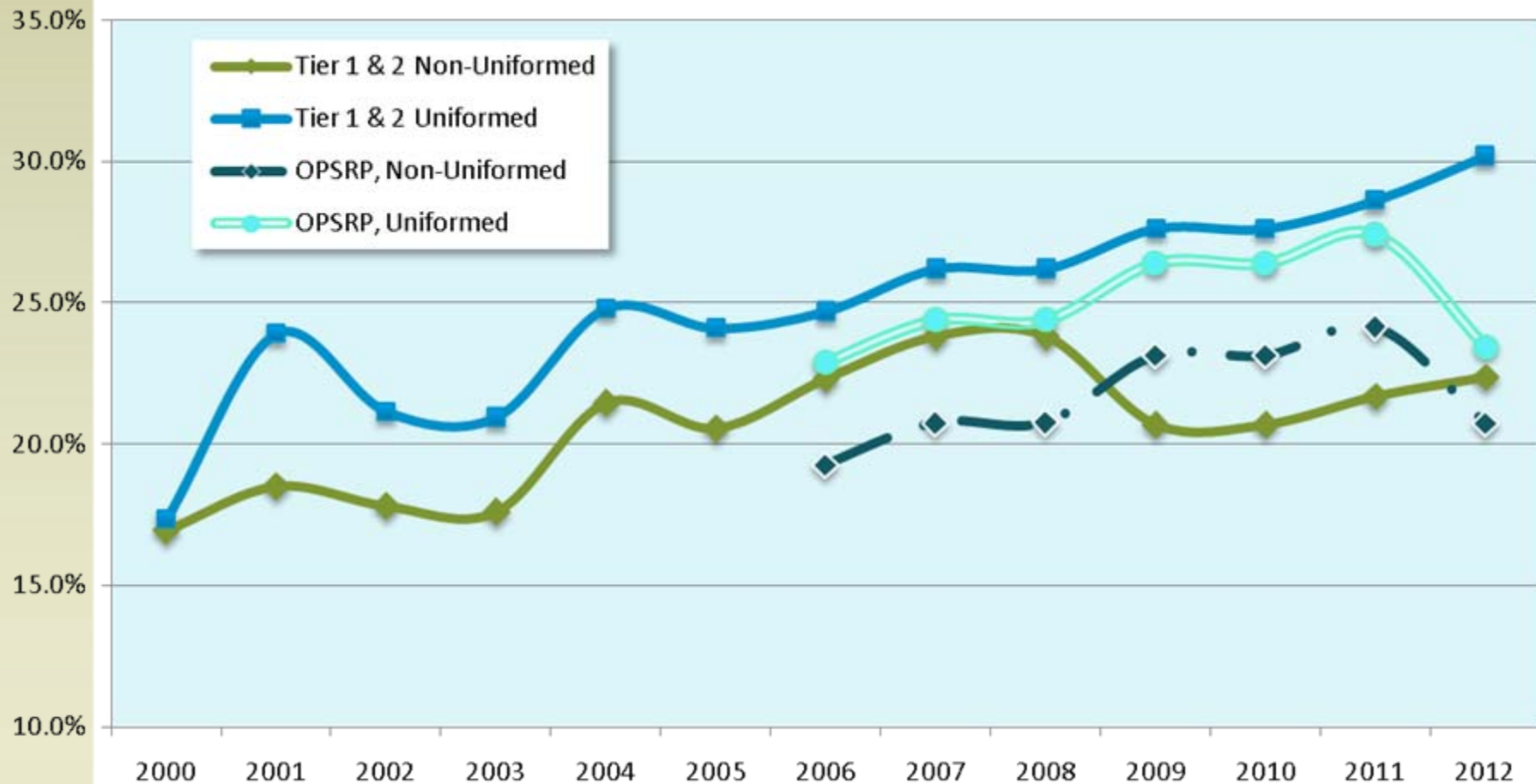
Benefits & Insurance % of Payroll

FY 2002 Adopted to FY 2012 Approved



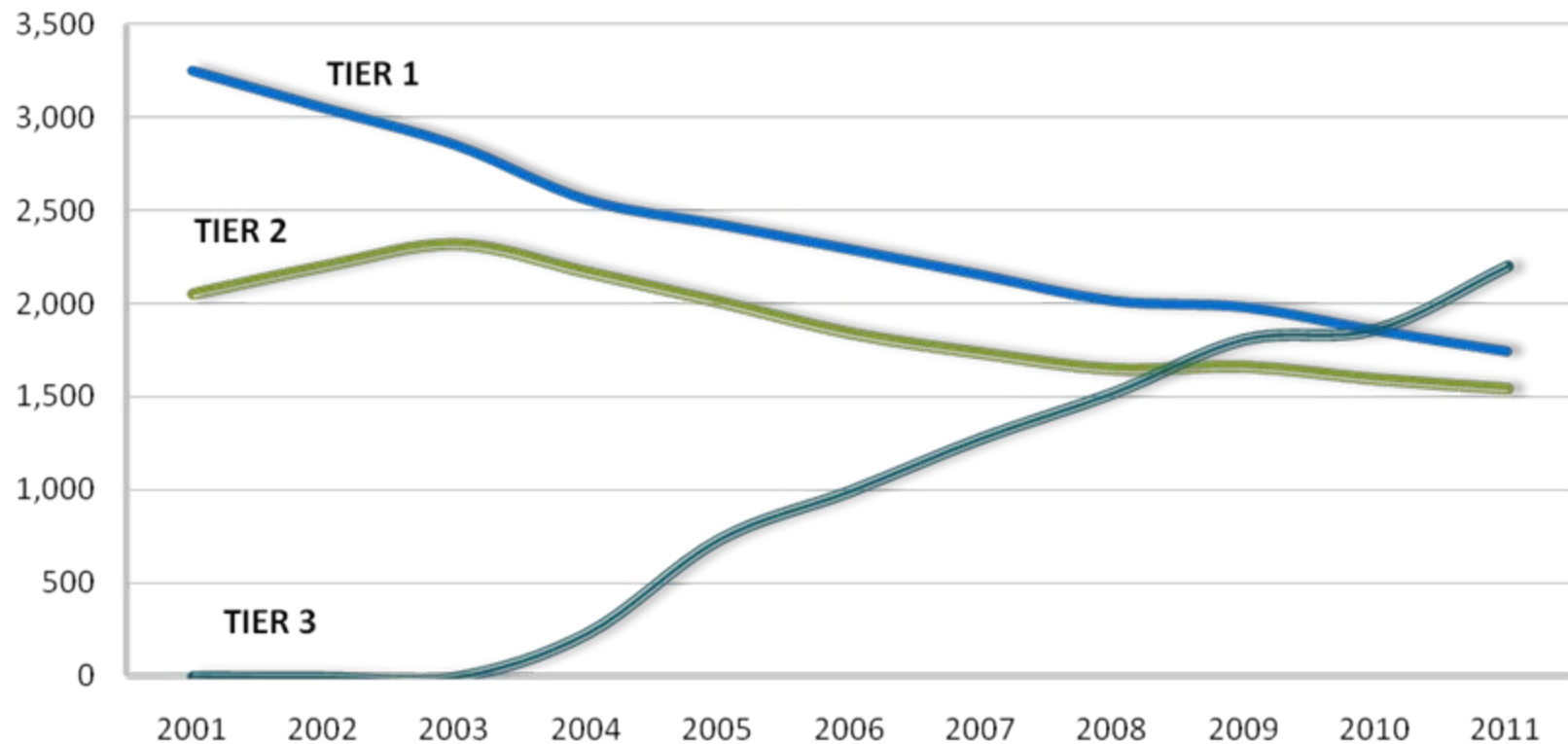
PERS Rates Charged to Departments

Based on % of Payroll for PERS, 6% Pick-Up, and PERS Bond

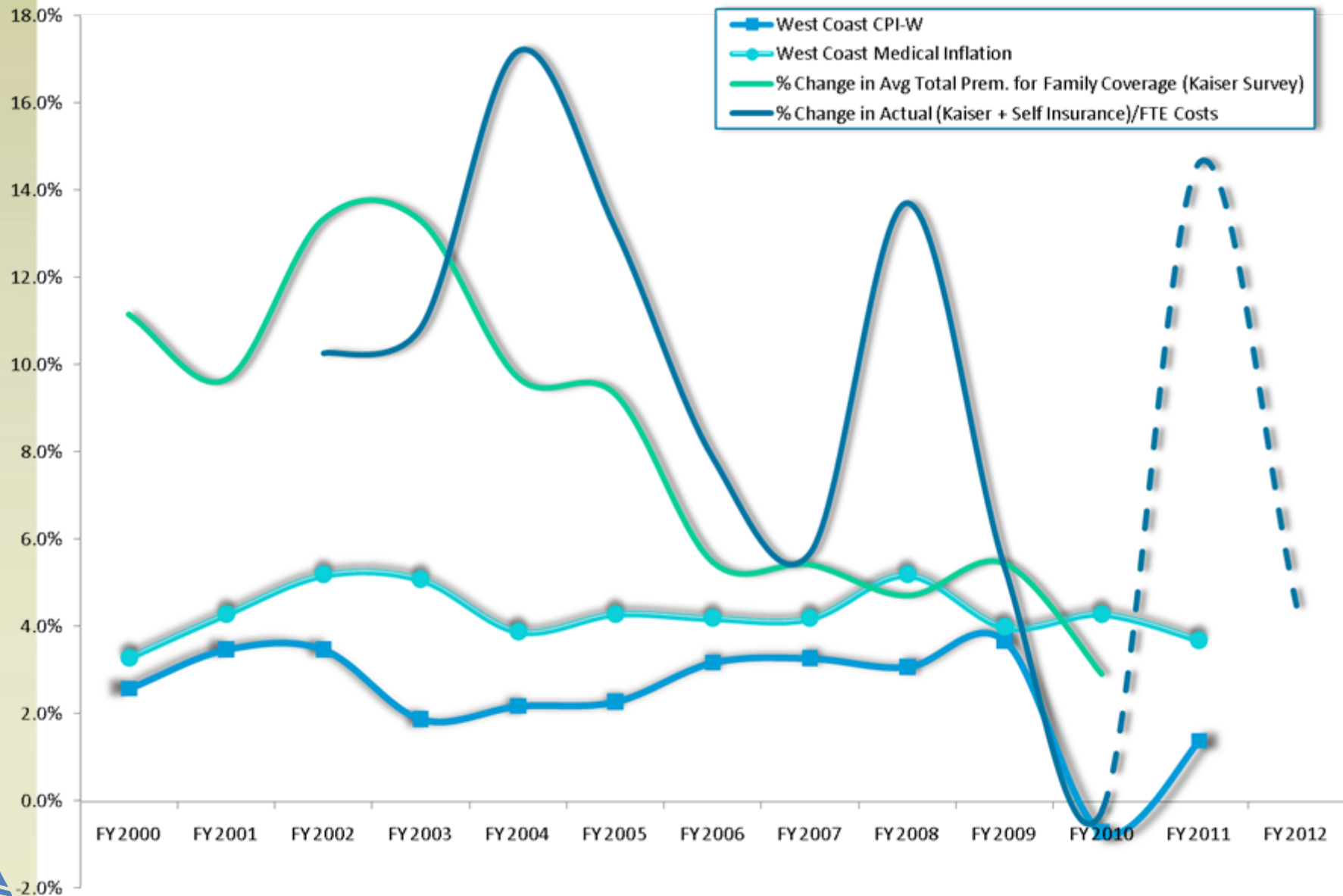


FTE by PERS Tier

Based on Actual People

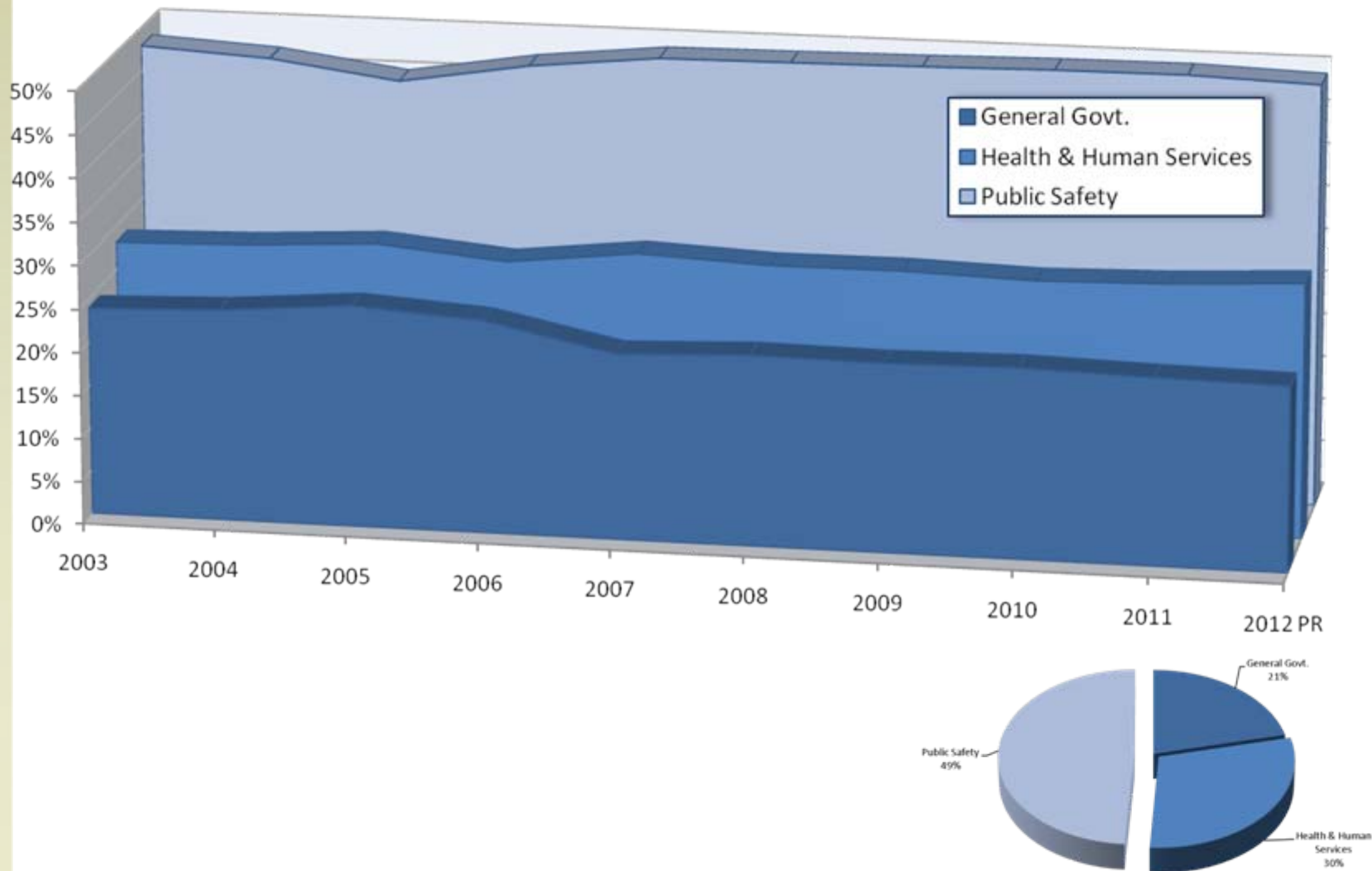


Health Care Inflation

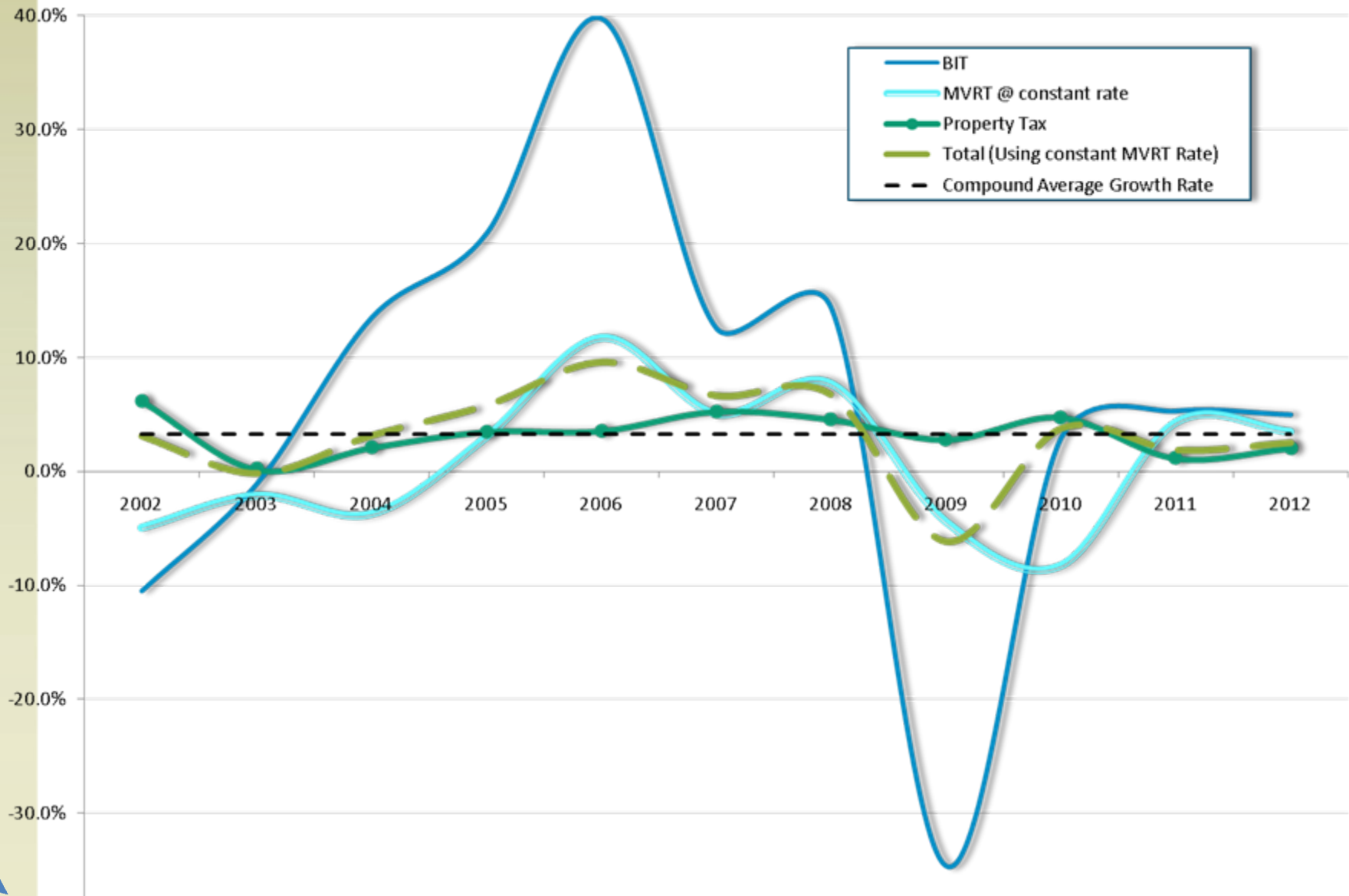


What Areas Do We Spend General Fund?

FY 2003 Adopted to FY 2012 Approved



How Fast does GF Grow to Support Services?



Where are we.....

Stabilized the GF after 11+ Years

- Reserves funded with additional contingency
- General Fund Gap addressed for FY 2012 & FY 2013
- Prudent budget practices
- Deliberate use of OTO w/no or limited support for ongoing programs (some years ↑ \$20M)
- Debt and risks
- Capital Needs
- Emergency Management
- Progress on our Retiree Liability
- Addressing the State Reductions



Hold On – Still Choppy Waters

- Still a structural deficit in FY 2014
- Uncertainty surrounding State's budget
- Health care costs
- Human Capital
 - Labor Contracts
 - Knowledge Retention
- The next turn is down

