



FY 2007 Second Quarter

General Fund Report and Status of Contingency

Multnomah County Budget Office

January 25, 2007

Introduction

- Purpose of This Report
 - Solicit Input to Improve Presentation

- Revenue Forecast
 - Changes to Forecast Since Budget Adoption
 - Risks/Opportunities @ Mid-Year

- Expenditure Forecast
 - Comparison of Current Year Estimates
 - Assumptions – Impact on Year End
 - Program Areas We Are Monitoring Closely

- Status of General Fund Contingency



FY 2007 Revenues

Revenue Forecast Comparison

Adopted Compared to Q1 and Q2

	Adopted Budget	First Quarter Estimate	Second Quarter Estimate
Property Taxes	\$ 196,783,515	\$ 197,339,107	\$ 197,339,107
Business Income Tax	40,500,000	46,901,600	51,750,000
Motor Vehicle Rental	11,750,000	12,207,113	12,207,113
A&T Sources (1)	9,426,000	9,459,596	9,697,904
State Shared Sources (2)	7,848,524	8,341,543	8,341,543
Interest Earnings	2,200,000	2,849,646	2,849,646
Subtotal	\$ 268,508,039	\$ 277,098,605	\$ 282,185,313
Beginning Working Capital	47,200,000	58,277,857	54,963,630
All Other GF (3)	49,691,121	50,703,308	46,207,748
Total General Fund	\$ 365,399,160	\$ 386,079,771	\$ 383,356,692

Notes:

1. A&T Sources = State "CAFFA" Grant and Recording Fees
2. State Shared Sources = Video Lottery, Cigarette, Liquor, and Amusement Device Taxes
3. All Other GF = Department Specific Revenues and Prior Year ITAX Collections



Changes to Forecast

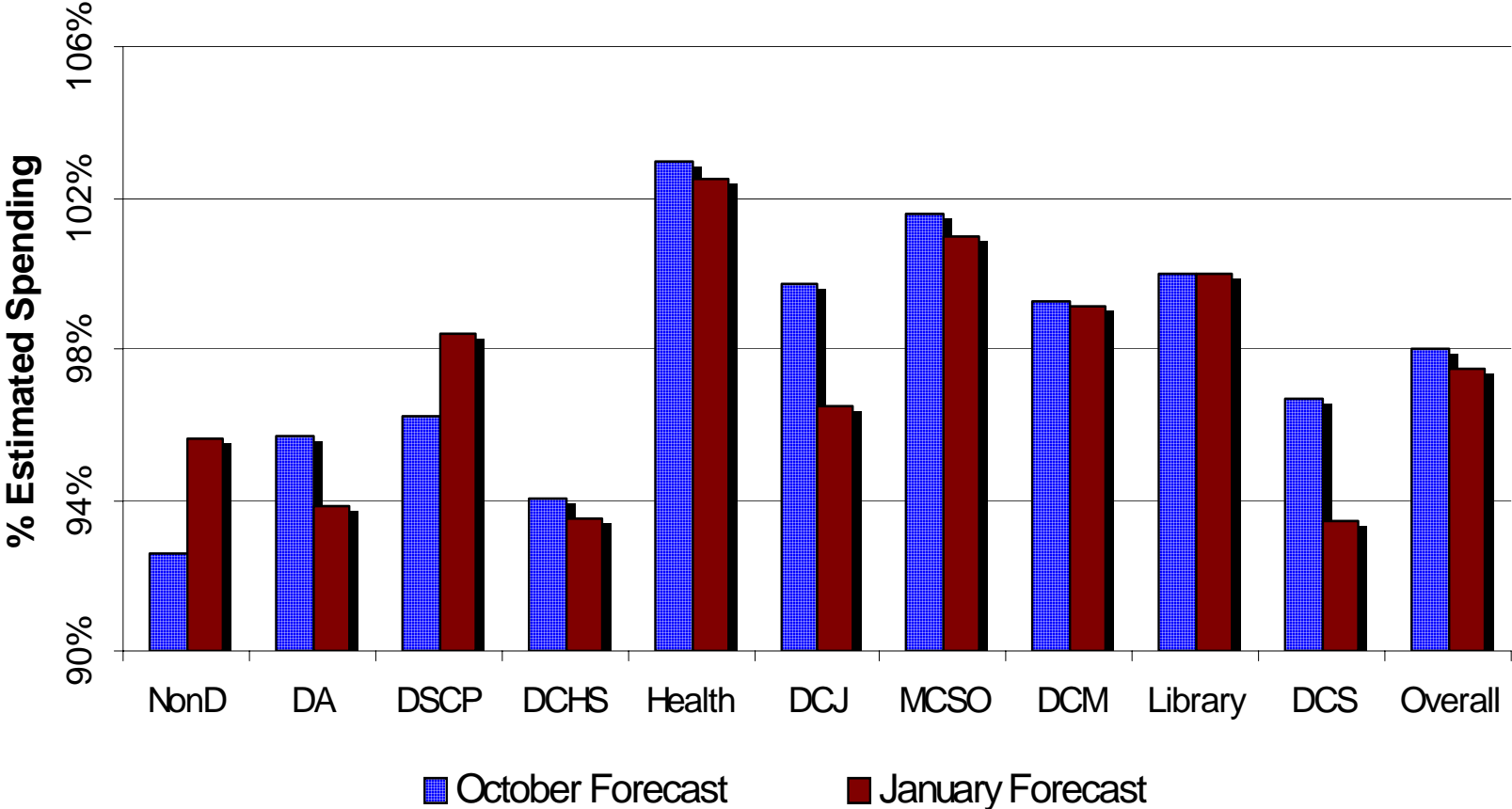
- Overall Revenue Forecast – About 5% Higher Than Adopted Budget
- BIT – More Than \$11 Million Higher Than Adopted Budget; Could Reach \$55 - \$57 Million
- ITAX – Budget \$16.5 Million, Probably Will Only Collect About \$11 Million in FY 2007 (All Other GF)
- US Marshal per Diem Revenue - Budget Assumed 125 Beds per Day, Assumed 145 in Forecast (All Other GF)



Current Year Spending

FY 2007 Estimated General Fund Spending

October Forecast v. January Forecast



Current Year Spending

- Estimated Spending Based on Budget Office Forecast, Departments Submit CYE (Current Year Estimates) w/ Program Offers
- Overall Spending Forecast @ 97.5% to 98% of Appropriations
- Ups and Downs Are Typical of Department Spending Patterns
- Accuracy of Forecast Improves as Year Progresses
- Two Areas to Monitor Closely/Forecast Overspending
 - Health Department
 - Sheriff's Office



Areas Forecast to Overspend

- Health Department - \$1.2 to \$1.6 Million (2.5%)
 - Overall Department Spending At “Normal” Levels
 - Overspending Concentrated in Corrections Health
 - More Sick Inmates, More Serious Health Issues, More Referrals to Hospitals
 - Contingency - \$1 Million for Corrections Health

- Sheriff’s Office - \$1.2 - \$1.4 Million (1% - 1.5%)
 - Programs Not Funded in FY 2007 Budget
 - Mid-Year Salary Adjustment for MCCDA Employees
 - Contingency - \$1 Million for MCSO Overtime
 - Balance Could Be Made Up w/ Additional Revenues



Status of Contingency

	<u>A m o u n t</u>
"Regular" Contingency	\$ 1,207,226
BIT Stabilization Reserve	3,500,000
MCSO Corrections Overtime	1,000,000
Corrections Health	1,000,000
Class/Comp Studies	918,034
Total - GF Contingency	\$ 7,625,260

Contingency Allocated by Board Action

SUN Schools	\$ 711,871
Salary Commission Recommendations	108,988
Crisis Intervention Training	62,912
Jail Policies & Procedures Report	61,852
Bienestar Mental Health Services	57,882
Corbett School Resource Officer	50,000
Total - Spent to Date	\$ 1,053,505
Remaining Balance	\$ 6,571,755
"Regular" Contingency Remaining	153,721



Calculation of Fund Balance

Forecast Revenue (All Sources)	\$	383,356,692
Forecast Spending		<u>343,415,467</u>
Forecast Balance	\$	39,941,224
(Less) General Fund Reserve		(13,500,000)
(Less) Electronic Medical Records		<u>(2,275,000)</u>
Unallocated Fund Balance	\$	24,166,224

Available to Fund Programs in FY 2008 and FY 2009



Summary

- Forecast Revenues Up 5% Since Budget Adoption
- Spending Forecast at Normal Levels w/ Some Exceptions
- Next Scheduled Review – April 12th
- Will Be Seeking Input on Ways To Improve This Report
 - City of Portland – Financial Outlook
<http://www.portlandonline.com/shared/cfm/image.cfm?id=143017>
- Questions, Comments, Information Requests?

