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Multnomah County
Executive Budget Message
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This year's budget maintains critical services for Multnomah County residents despite the tough economy that continues to increase the needs for so many in our community.

At the same time, the ongoing decline in State and Federal funding creates its own challenges for all of us in our work to help people who badly need County services.

Sadly, those challenges are not new. But I approached this year's budget with the same approach I took last year--that struggles can unearth opportunities to work better than before. And I am confident this budget smartly leverages those opportunities to meet the County's core mission of providing compassion, equity, sustainability and community safety.

Our community's feedback helped to shape this budget and the difficult decisions the County must make during this tough economy. What my policy staff heard during several community forums parallels the needs we see each day in our County. People need affordable health care; a path to meaningful employment; equal access for all children to safe and enriching places that give them the best opportunity to succeed; and secure housing.

Thanks to our County employees' hard work and sacrifice, I'm happy to report this proposed budget reflects our strong commitment to building on the gains we've achieved so far in finding innovative solutions to meeting community needs and showing people we're making budget decisions the same way as families do by focusing on the essentials. While financial constraints create limits, this budget makes progress in maintaining these seven important values:

Caring for vulnerable people
Nurturing diversity and equity
Keeping people safe
Reducing costs and spending money wisely
Investing in the future
Increasing sustainability
Working with our community partners

The total proposed budget to achieve those values for our County's 735,000 residents is about \$1.5 billion. Those are the numbers. Here's more about each core value and the highlights of how the budget addresses that value in our community.

1. CARING FOR VULNERABLE PEOPLE

High levels of unemployment, homelessness and poverty mean more families than ever before needing help from the County and from our not-for-profit partners. And those troubling indices show the continued need for help from people already struggling in poverty, including both vulnerable, young people and elderly residents. This budget responds to all these needs by maintaining stable funding for critical services, deepening our ongoing commitment to addressing homelessness and reducing the impact of continuing State and Federal reductions.

--Children: The State's reduction in funding this biennium to the Commission on Children, Families and Community prompted Multnomah County once again to combine the reduced money with other local, State and Federal dollars to maintain important programs such as parenting classes for low-income parents and shelter for troubled kids. This budget would use \$803,000 and \$1.4 million respectively in County funds to ensure continuing programs such as our runaway shelter service and the Parent and Child Development Services in the SUN Services System. Also, this budget protects children by continuing the County's \$714,000 investment in services to children who are sexually exploited and the prosecution of adults who sexually exploit children.

--Homeless residents: People's inability to pay rent remains a critical problem. Last year, the Board of Commissioners responded by providing one-time-only funding for several programs to help homeless people get permanent housing and support. This budget proposes to spend about \$520,000 in ongoing County General Fund money on our successful Rapid Re-housing and Action for Prosperity effort, which helped 130 needy families this year. This budget also includes \$500,000 of one-time-only funding for Short Term Rent Assistance and expanded funding to help low-income families file for tax returns, ensuring they get all the money they're due.

--Residents who are mentally ill and/or have substance abuse addictions: The state this biennium cut funding to our mental health crisis system--the system that includes our mental health walk-in clinic, our 24-hour call center, and our mobile crisis response team. Reducing those services would be unacceptable, so this budget uses \$2.0 million in mental health reserve funds to maintain this system. This is not a long-term solution but a step we must take. Since maintaining funding for crisis services and treatment is not enough, the budget also allocates \$80,000 in startup funds to assist mental health clubhouses such as the National Alliance for the Mentally Ill's Northstar program. Clubhouse programs help individuals with serious mental illness to get healthy together by connecting with each other to build life skills and to find jobs.

--Disabled and elderly residents: This budget provides \$47,000 to continue the expansion of the Aging and Disabilities Services Division's Gatekeepers program. That proven program provides more eyes and ears to help elderly and disabled residents because it helps train bank tellers, meter readers and others to call the County if an elderly or disabled person they serve seems to be having difficulty.

2. NURTURING DIVERSITY AND EQUITY

We must always be looking for opportunities to tackle racial and ethnic disparities in Multnomah County so that all our employees and residents have a truly equal chance at success. We cannot rest on achieving this goal because we know our community cannot advance by leaving anybody behind. Two years ago, the County created the Office of Diversity and Equity to make a visible, tangible commitment to diversity and equity both in our workforce and our community.

--*County employees*: This year the Office of Diversity and Equity's Dignity and Respect Campaign has engaged our employees in workplace activities and dialogue that promote basic dignity and respect for all of them. The Office has sponsored the creation of seven Employee Resource Groups, starting with employees of color and now including a veterans group and parents group. Each of these groups creates an environment where employees support and mentor each other to succeed. This budget continues this important work.

--*Our community*: This year the Board heard about the devastating levels of poverty and need in our Latino, Native American, Asian/Pacific Islander and African-American communities. Today, nearly half of the children entering our County's schools are kids of color and about 54 percent of all kids in school are receiving free and reduced-price lunch (one key indicator of poverty). To help our SUN Schools program continue its successes helping low-income boys and girls, the budget expands the County's funding of SUN schools by adding three new SUN sites at Reynolds, Parkrose and Gresham-Barlow schools. Thanks, to the superintendents of those districts for matching the County funding of those new sites in East County, where so many children and families have migrated because the cost of living is more affordable. This budget also provides \$50,000 for a unique program that uses a culturally specific curriculum and setting to teach positive parenting skills to African-American parents.

3. KEEPING PEOPLE SAFE

Public safety is a key County responsibility, and we spend about half of our locally generated general funds on public safety. During this biennium, State funding for public safety has decreased and some of our Federal grants also have ended. Despite those declines from other sources, this budget maintains funding for jail beds, probation and parole services, jail alternatives and the most critical functions of the District Attorney's Office.

--*The District Attorney's Office*: This budget maintains Deputy District Attorney positions funded by the County. Because of federal grants that are ending and cuts to other local funds, the District Attorney will be taking some reductions that the County cannot afford to backfill. District Attorney Michael Schrunk has asked for flexibility to use his staffing to address emerging crime trends, and I support his effort. I want to thank him for working with me, and for all his years in service as he retires in 2012, to maximize our public safety system's effectiveness.

--**Jail beds:** Despite lower levels of funding from both the State and the US Marshals Service, this budget keeps open the current number of 1,310 jail beds. Reduced revenue from the US Marshals Service alone requires an increase of \$1.4 million in County General Fund support to keep those beds open. Retirement trends in the Sheriff's Office have contributed to increases in overtime costs. During this fiscal year, the Board provided the first installment in funding for the Sheriff to rapidly hire replacements into vacancies to reduce those overtime costs. This budget fully funds this effort and I look forward to working with Sheriff Dan Staton to continue reducing those overtime costs. This budget also assumes continuing the Turn Self In jail alternative program that local judges rely upon to hold offenders accountable while managing the use of our limited and expensive jail beds. Thanks to the Sheriff for working with me to control costs.

--**Citizen involvement:** To reduce and prevent crime, we must help citizens take back their community. And individuals who have committed crimes must be given opportunities to get their life together, and repay their debt. To support these goals, this budget provides \$70,000 for the Rosewood grassroots community building project in Rockwood. This budget also includes \$75,000 for a community-based restitution program to provide lower-risk offenders with an opportunity to pay their restitution and end their involvement with the criminal justice system.

--**Department of Community Justice:** While we hope some of the State funding cuts will be restored by the Legislature in July 2013, we must ensure services are not reduced now so we don't have to rebuild those services later. Thus, this budget allocates about \$500,000 in one-time-only funding to the Department of Community Justice for treatment and housing for offenders to help with their rehabilitation and to keep our community safe.

4. REDUCING COSTS AND SPENDING MONEY WISELY

We continue to focus spending on services that count while reducing costs and becoming more efficient in our administrative services. Over the last two years we have focused on increasing the ratio of staff to managers and supervisors. This helps manage our work effectively while ensuring every dollar possible is invested in direct services. These savings have resulted in a \$3.3 million reduction in management costs for FY 2013. I know this is painful and I appreciate the sacrifices of all the managers and supervisors who have changed jobs, been reclassified or laid off due to these changes.

--**Management and staff:** All management employees and most union-represented employees have taken COLA freezes, or complete pay freezes in either 2012 or 2013. In this year's budget, this represents about \$6.4 million in salary savings that is invested directly in services.

--**Purchasing:** Through a lot of hard work that is not flashy, this budget moves the County to just-in-time supplies purchasing that saves about \$500,000 by eliminating our warehouse, reducing staff, and getting the County the best price for all of our purchases. Next year through our Multnomah Evolves process, we will continue identifying opportunities to improve administrative services and reduce costs.

5. INVESTING IN THE FUTURE

It is not enough to maintain the status quo. This budget invests to protect what we have in the County and to create a better future.

--**Schools**: This budget provides \$144,000 in expanded funding for our SUN Schools model of wrapping services and supports around schools such as helping homeless and hungry families find help, after-school homework support, parenting classes, and enrichment programs that connect struggling students to school.

--**Information and Technology**: In the next fiscal year, we will bring on line new IT systems for our budget process and for our property assessment and taxation functions. These behind-the-scenes systems help us to have more timely and accurate information. And they help to maintain increased services with our existing workforce. Our County Clerk and property tax customer services are also merging to form one customer service group to better respond to customer demands that ebb and flow through the year.

--**Sellwood Bridge**: Last year, we finally broke ground on the long-overdue replacement for the Sellwood Bridge. This budget continues that work so the bridge replacement remains on budget and on time to be completed by 2015.

--**Library**: This budget helps us ensure our world-class library continues to be a national leader by setting aside \$10 million in one-time-only money to keep every branch open and to continue programs serving our most vulnerable residents. Serious property tax compression on the current levy has meant the library will experience some reductions, but this one-time \$10 million investment preserves what we have while assuming that voters continue their support of the Library by renewing the existing levy this month.

6. INCREASING SUSTAINABILITY

Investments in more sustainable County operations are reducing pollution and energy consumption, and saving taxpayers money. In FY 2011, energy efficiency improvements saved the County \$1.3 million. During this fiscal year, the County built on its gains by replacing aging gas-powered cars with electric vehicles for the County fleet; increasing access to healthy food through the Healthy Retail Initiative, which supports neighborhood stores that provide culturally relevant healthy food; and completing a new East County Courthouse that incorporates solar power, a green roof and a gray water system.

--**Energy efficiency**: This budget maintains our current investments, but I've asked key County leaders to begin planning for more comprehensive implementation of energy efficiency and waste reduction strategies so all 131 County properties run as efficiently as possible. We have proven we can achieve great gains in individual buildings. The time is now to build on those gains throughout the entire system.

--**Portland/Multnomah County Climate Action Plan**: This budget funds Safe Routes to Schools programs in Troutdale, Wood Village and Fairview, including improved signage and crosswalks for Troutdale Elementary School. Additionally, the Road Services team will work with Soil and Water Conservation Districts to assess watershed health and barriers to fish passage in Multnomah County.

--**Healthy food:** This budget continues the work of the Office of Sustainability and the Health Department to implement the Multnomah County Food Action Plan, funding the third class of the Beginning Urban Farmer Apprenticeship Program, the Multnomah County Food Summit, and Multnomah County CROPS Farm.

7. WORKING WITH OUR COMMUNITY PARTNERS

Since we cannot achieve our results alone, we continue to create and deepen strong partnerships across our community to meet our residents' needs and build a better future. To achieve those results, the County provides funds and partners with hundreds of nonprofits. Our connection with all our school districts and cities demonstrate what we can accomplish when we work together.

--**Dental care:** Lack of dental care is one of the main drivers of emergency room visits for the uninsured and members of the Oregon Health Plan. This budget provides \$293,000 to expand dental services to prevent emergencies for those populations. This expansion of services is possible only because Central City Concern and CareOregon, two key partners, have stepped up to help fund the actual space and equipment while we fund the staff and supplies.

--**Tri-County Health Care Collaborative:** With a goal of creating better and more affordable care that improves satisfaction for Oregon Health Plan members, Multnomah County is investing our people power, our healthcare leadership and our clinical resources in the health care collaborative. This impressive partnership with local hospitals, health plans, Clackamas and Washington counties as well as health care providers is an exciting innovation that puts our region in the forefront of national reform that's a must for better health.

--**Bricks and mortar:** We are partnering with others to use County buildings and land to the best possible use. In partnership with the City of Portland and Home Forward, the County will leverage \$26.9 million in PDC funding with a small County backed loan to build a much-needed new home for our Health Department in Old Town. This exciting project will bring a compatible neighbor to the Bud Clark Commons and badly needed new labs, offices and specialty clinic space for health care staff.

CONCLUSION

I want to thank the many people who helped me create this budget. Thanks to my colleagues on the Board of County Commissioners for working with me to create a budget that reflects our values and addresses our greatest needs. Thanks to the Sheriff, the District Attorney and the judges for working so closely together to keep us safe in the face of continuing funding cuts.

Thanks to County Auditor Steve March for working closely with me this year to improve our services.

Thanks to Budget Director Karyne Kieta and her staff for all their work preparing and analyzing data for this budget. And thanks to the department directors, departmental leaders and their budget staffs for the many hours they put in planning for service delivery changes, providing me with options and preparing the documents. I also want to thank my staff, particularly Chief of Staff Marissa Madrigal and Chief Operating Officer Joanne Fuller for all their thoughtful advice and hard work.

Thank you to the many employees of Multnomah County who have stepped up to take COLA and/or wage and COLA freezes. Without your help, we would not be able to fund all of the services in this budget.

Fundamentally, this budget reflects a continued commitment to improving our community by collaborating with our partners in our county's cities and school districts so we can combine our resources to address common problems. Likewise, many of the services funded by Multnomah County are delivered by not-for-profit organizations who bring their dedication and additional resources to our work together. Thanks to all these partners.

It continues to be my honor to serve as the Chair of Multnomah County. Our whole community is working together to get through these difficult times and build a better future in this place we love. Thanks to our community's hard work and support, I know this budget meets our core mission of compassion, equity, sustainability and community safety.



Jeff Cogen
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