

Multnomah County Oregon Financial Condition Report

August 2024



Office of Multnomah County Auditor Jennifer McGuirk

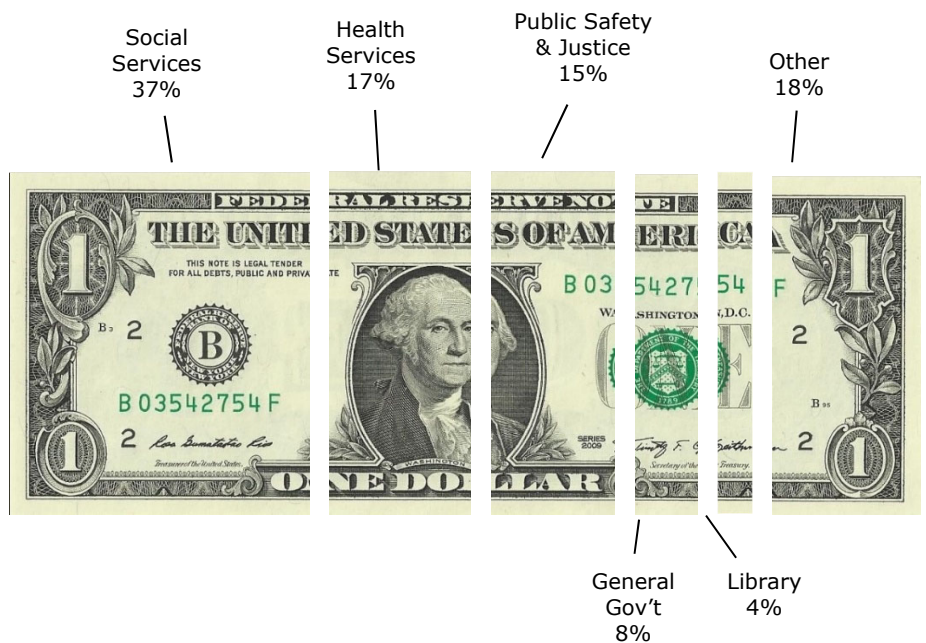
Why We Did This Audit

This report provides a useful look back at historical trends, which include the impact and recovery from the Great Recession of 2008/2009 and from the COVID-19 pandemic. This data can help inform future decision making.

Expenditures by Program in FY2023

Total Expenditures = \$2,192,213,000

Social Services
continue to be the
largest expenditure
by program.



FY 2023 Highlights

Metro Supportive Housing Services
Intergovernmental revenues
~\$146 million



Preschool for All
tax revenues
~\$199 million



Yearly Fiscal Highlights

Below are some significant fiscal highlights that have impacted the county since 2014.

FY2023

- Increase in revenues (over \$12 million) and expenditures (over \$6.5 million) related to the Preschool for All Program fund.
- Metro Supportive Housing Services (MSHS) intergovernmental revenues for housing services increased by more than \$45.8 million over the prior year. There was also an increase of over \$47 million in the Supportive Housing fund which accounts for expenditures for supportive housing for those people experiencing or at risk of homelessness.
- These increases are off-set by a decrease in the COVID-19 special revenue fund for intergovernmental revenues of almost \$33 million from the prior year.

FY2022

- The new Metro Supportive Housing Services (MSHS) business income and personal income tax was approved by voters in 2020 and became effective January 1, 2021. In FY2022, Metro provided over \$97.8 million MSHS intergovernmental revenues to the county for housing services.
- The Preschool for All Program fund was new in FY2022. The new Multnomah County Preschool for All (PFA) tax was approved by the voters in 2020 and became effective January 1, 2021. The voter-approved ballot measure established a new and permanent personal income tax within Multnomah County to fund universal, tuition-free, voluntary, and high-quality preschool education for every three and four-year-old residing within Multnomah County. Tax collections totaled \$187 million in FY2022.
- Construction costs related to the Behavioral Health Resource Center (BHRC) project. The BHRC facility has been programmed to provide peer support services, offer transitional housing for homeless people with behavioral health issues, and assist people with finding housing and treatment services.
- The Multnomah County Library Capital Construction Project for planning, renovation, and construction of certain library facilities as approved by Multnomah County voters on November 3, 2020, as Ballot Measure 26-211.
- Business Income Tax (BIT) increased by over \$33 million. BIT collections had one of the largest year-over-year increases in the last three decades. The increase is due to a record level of corporate profits as the economy rebounds from the pandemic.
- Motor vehicle rental tax & the Special Excise Tax increases from FY21 to FY22 are also a reflection of the economic recovery after the effects the COVID-19 pandemic had on travel and tourism.
- Newly created Health Department FQHC Fund. The fund was created to separate the activities for Federally Qualified Health Centers (FQHC). Balances for the activities that were previously reported in the General Fund and the Federal/State Program Fund were transferred into this new fund in order to capture all activities related to FQHC within this fund.

FY2021

- The new downtown courthouse opened in October 2020.
- Over \$156.8 million in intergovernmental revenues recognized related to the COVID-19 pandemic.
- A \$32 million (31%) increase in the business income tax (BIT) due to a couple of factors:
 - 1) The Board of County Commissioners approved a tax rate increase from 1.45% to 2.0% beginning with tax year 2020.
 - 2) The federal aid provided over the last two years to help address the impact of the pandemic increased overall incomes, boosting increased spending and aggregate demand. This resulted in some of the largest payers of the County's BIT having stronger than expected profits coming out of the pandemic.
- General Obligation bonds issued to finance capital costs to expand, modernize, rebuild, and acquire land for library facilities.

FY2020

- An emergency declaration for the COVID-19 pandemic was declared in March 2020.
- The Behavioral Health Managed Care Fund program transitioned to Health Share Oregon (HSO). Beginning January 1, 2020, the Health Department was no longer operating as the Multnomah Mental Health (MMH) Risk-Accepting Entity as part of HSO.

FY2019

- The new Health Department headquarters opened.
- The county went live with a new suite of enterprise resource planning (ERP) systems in January 2019.
- Significant projects under construction included the central courthouse.

FY2018

- The county's new ERP system replacement project was under way in FY2018.
- Wapato facility was sold in FY2018.
- Significant projects under construction included the downtown courthouse and the Health Department headquarters.

FY2017

- In 2016, Multnomah County and the City of Portland created the Joint Office of Homeless Services (JOHS), thereby consolidating homeless services under the county. Beginning in FY17 the county began recognizing funding related to the JOHS program.
- \$25 million lump sum annual payment (at the discretion of the county's CFO) to PERS starting with FY2017 per Resolution 2016-1.7.
- Significant projects under construction included the downtown courthouse and the Health Department headquarters.

FY2016

- At the beginning of FY2016 the Department of County Human Services (Social Services) transferred Mental Health and Addictions Services (MHAS) to the Health Department (Health Services).
- The Sellwood Bridge project was completed and the new bridge opened in the spring of 2016.
- The downtown courthouse construction project began the design and construction phase.

FY2015

- The City of Portland contributed \$20 million to the Sellwood Bridge project.

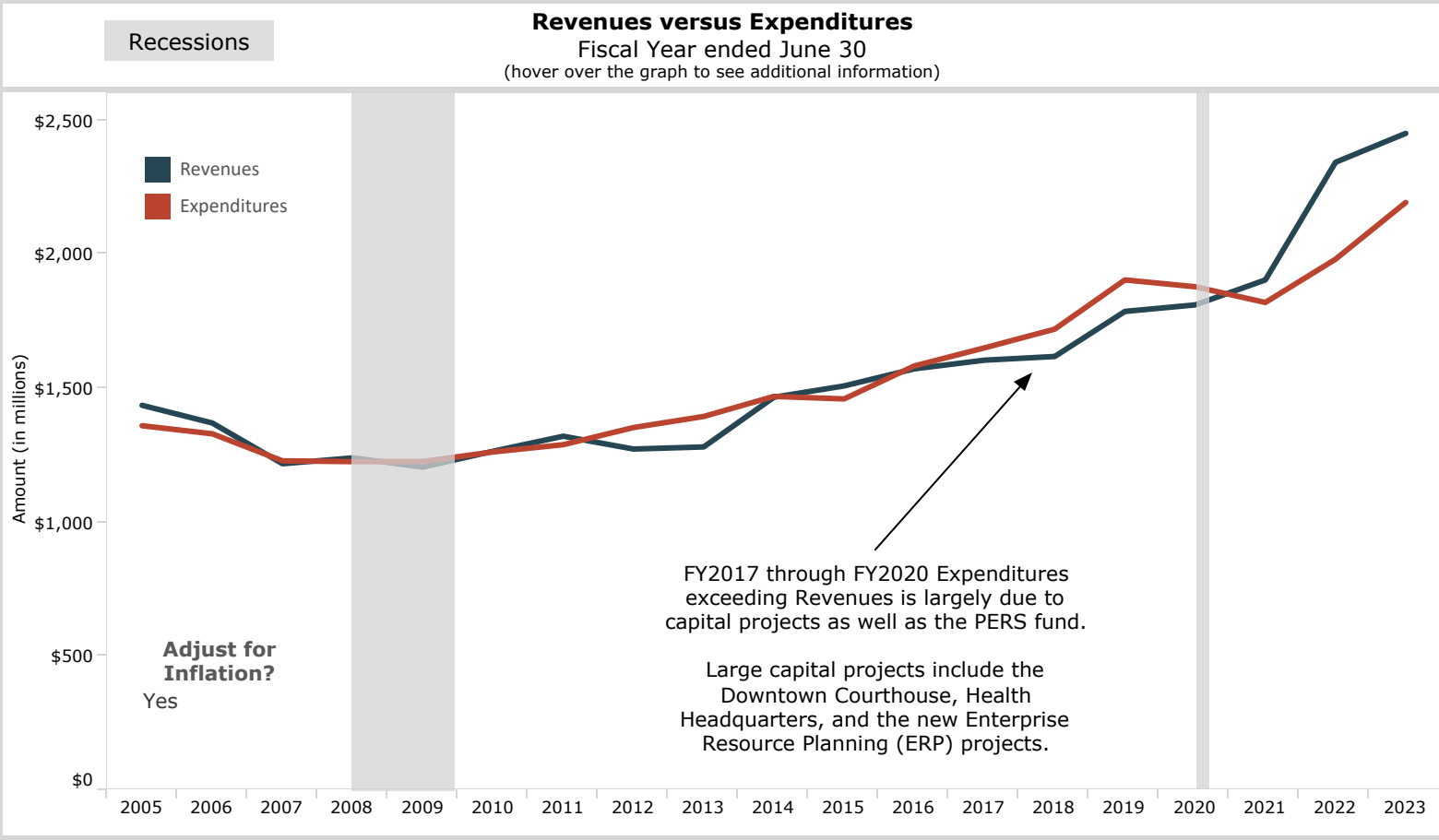
FY2014

- About \$75 million received for the Sellwood Bridge construction project. Two-thirds of the \$75 million came from the City of Portland, about \$20 million came from federal awards, and about \$5 million came from direct state funding.
- The county received \$10 million from the Portland Development Commission as an initial payment for the construction of a new downtown Health Department headquarters.

Increase in Revenues & Expenditures Reflect Economic Recovery Since the Great Recession & Federal/State Support During the Pandemic

Revenues increased over 93% from Fiscal Year 2010 (FY10) to FY23, adjusted for inflation. The change is the result of steady economic recovery after the Great Recession, federal and state funding support during the pandemic, as well as new revenue sources from two different voter approved taxes: Preschool for All and Metro Supportive Housing Services.

Expenditures increased over 73% from FY10 to FY23, adjusted for inflation. The change is the result of the county responding to the changes in revenues.



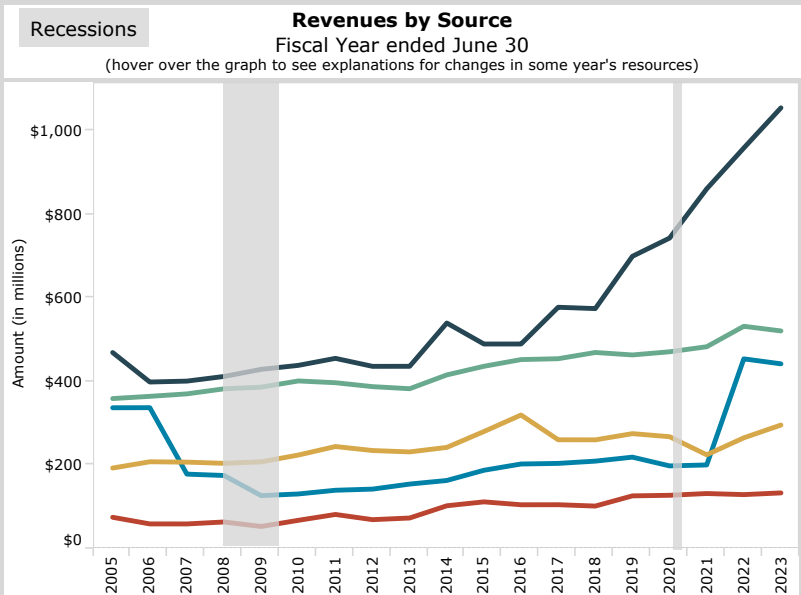
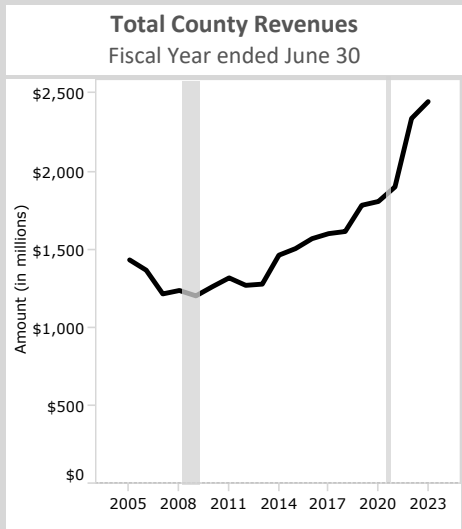
Revenues

Click arrows below at left & right to navigate through this section

Revenues - Where the Money Comes From	Intergovernmental Revenues	Other Tax Revenue	Other Revenues	General Fund Revenues - Actual vs Budget
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Where the Money Comes From

Funding for Multnomah County comes from a variety of sources



Adjust for Inflation? Yes

Select a Revenue Source to View Description for:
Intergovernmental

- Intergovernmental
- Other Revenues
- Service Reimbursements
- Property Taxes
- Other Taxes

Intergovernmental funding is the largest revenue source for the county. These revenues are from federal, state, and local funding sources. These funds support many programs such as:

- State revenues that are passed-through directly to providers for the Intellectual and Developmental Disabilities (I/DD) services program
- Local funding from the City of Portland for the Joint Office for Homeless Services (JOHS) - beginning in FY17
- Large capital projects over the years such as the Sellwood Bridge, central courthouse, Health Headquarters, Behavioral Health Resource Center, and Joint Office of Homeless Services projects
- Federal, state, and other local revenues related to the Coronavirus COVID-19 Response - beginning in FY20
- The Metro Supportive Housing Services (MSHS) tax was approved by voters in 2020 and became effective January 1, 2021. Beginning in FY22, funds are passed through from Metro as intergovernmental revenues for supportive housing for people experiencing or at risk of homelessness.

Revenues

Click arrows below at left & right to navigate through this section

Revenues - Where the Money Comes From	Intergovernmental Revenues	Other Tax Revenue	Other Revenues	General Fund Revenues - Actual vs Budget
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Many County Programs are Highly Dependent on Intergovernmental Revenues Which Fluctuate Based on Federal and State Budgets

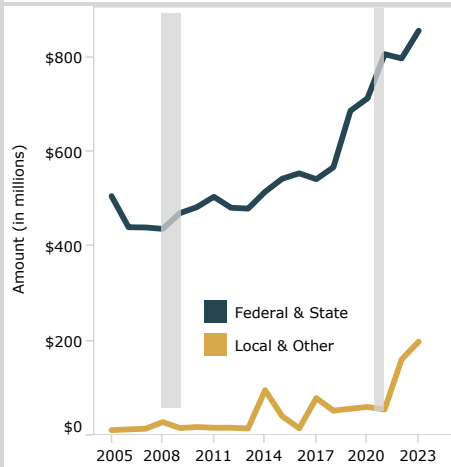
Intergovernmental funding is the largest revenue source for the county. These revenues include direct state and federal funding as well as federal funding passing through the state to the county, and local funding sources. These funds support many programs such as:

- State revenues that are passed-through directly to providers for the Intellectual and Developmental Disabilities (I/DD) services program
- Local funding from the City of Portland for the Joint Office for Homeless Services (JOHS) - beginning in FY17
- Large capital projects over the years such as the Sellwood Bridge, Downtown Courthouse, Health Headquarters, Behavioral Health Resource Center, and Joint Office of Homeless Services Capital projects
- Federal, state, and other local revenues related to the Coronavirus COVID-19 Response - beginning in FY20
- The Metro Supportive Housing Services (MSHS) tax was approved by voters in 2020 and became effective January 1, 2021. Beginning in FY22, funds are passed through from Metro as intergovernmental revenues for supportive housing for people experiencing or at risk of homelessness.

Intergovernmental Revenues by Source

Fiscal Year ended June 30

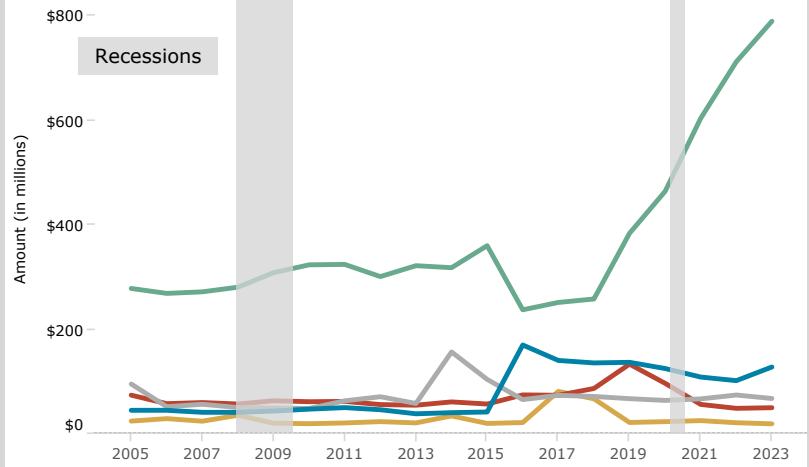
(hover over the graph to see explanations for changes in some year's sources)



Intergovernmental Revenues by Program Type

Fiscal Year ended June 30

(hover over the graph to see explanations for changes in some year's programs)



Adjust for Inflation? Yes

- Social Services
- Health Services
- Roads & Bridges
- Public Safety & Justice
- Other

Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports> & the County's Enterprise Resource Planning (ERP) System

Revenues

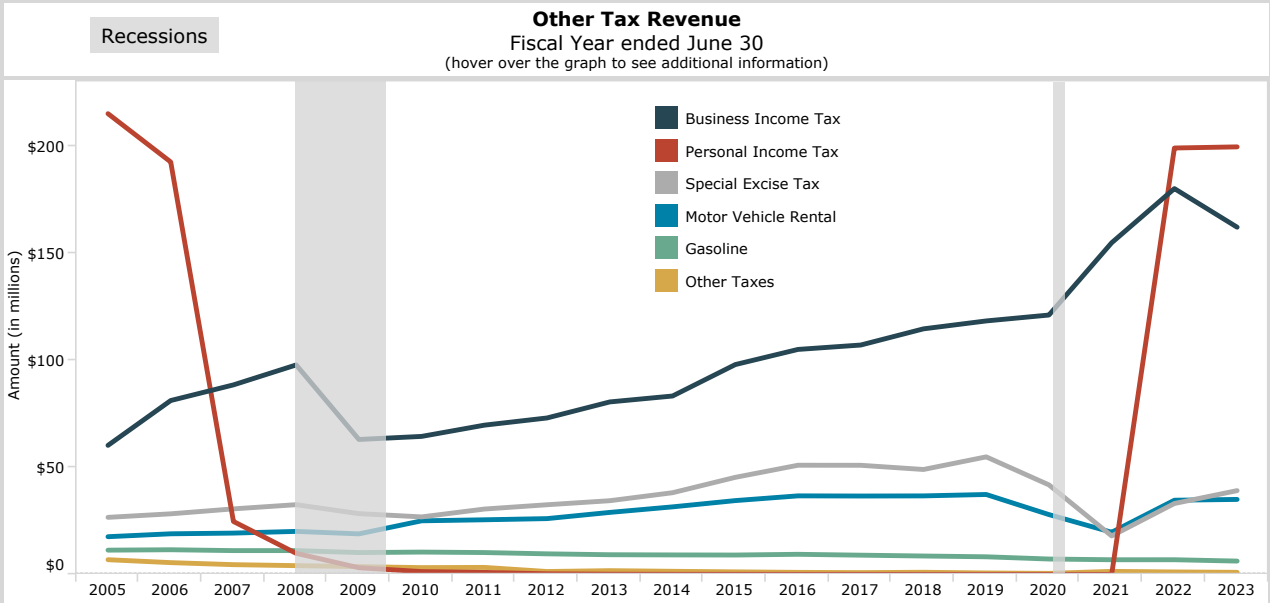
Click arrows below at left & right to navigate through this section

Revenues - Where the Money Comes From	Intergovernmental Revenues	Other Tax Revenue	Other Revenues	General Fund Revenues - Actual vs Budget
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Recent Increases in Tax Revenues are a Reflection of the Economic Recovery After the Effects of the COVID-19 Pandemic

Other Taxes include:

- Business Income tax (BIT) - is entirely included in the General Fund
- Personal Income Tax. Calendar year 2005 was the last year for the three year temporary income tax which was passed onto school districts, and only collections on delinquent accounts were recognized in subsequent years. Starting in FY22 is the Preschool for All (PFA) permanent income tax.
- Special Excise taxes - the proportion of transient lodging and motor vehicle rental taxes which are dedicated to Metro for the operation of the Oregon Convention Center as well as other tourism related entities
- Motor Vehicle Rental (MVR) tax - the proportion collected for the county General Fund
- Gasoline tax - primary revenue source for the Special Revenue Road Fund. A smaller portion of these funds are passed through to Metro for the operation of parks through the Special Revenue Recreation Fund
- Other - includes payments in lieu of taxes, some transient lodging tax, forest reserve taxes, and the heavy equipment rental tax (HERT).



Adjust for Inflation? Yes

Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Revenues

Click arrows below at left & right to navigate through this section

Revenues - Where the Money Comes From	Intergovernmental Revenues	Other Tax Revenue	Other Revenues	General Fund Revenues - Actual vs Budget
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Other Revenues

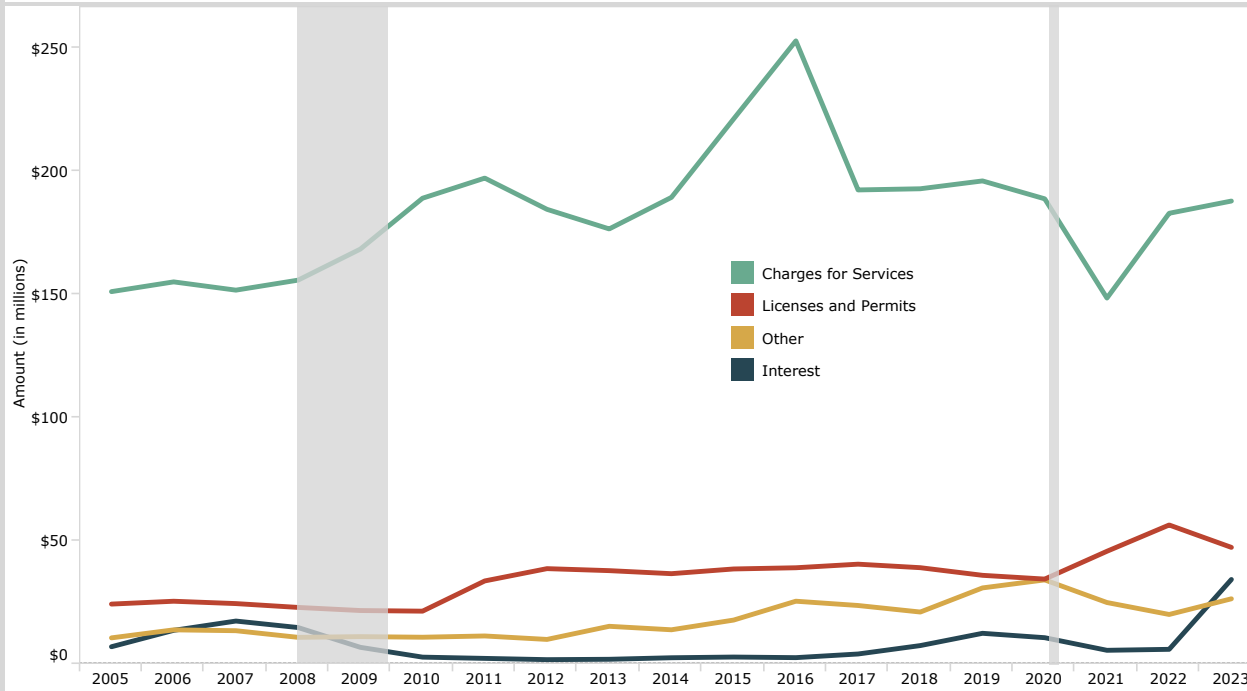
Other Revenues include:

- Charges for Services - which are primarily from service charges related to the Health Department and health clinics which includes Medicaid and Medicare funds
- Licenses and Permits revenue
- Interest income
- Other miscellaneous revenue - which includes non-governmental grants

Other Revenues

Fiscal Year ended June 30
(hover over the graph to see additional information)

Recessions



Adjust for Inflation? Yes

Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

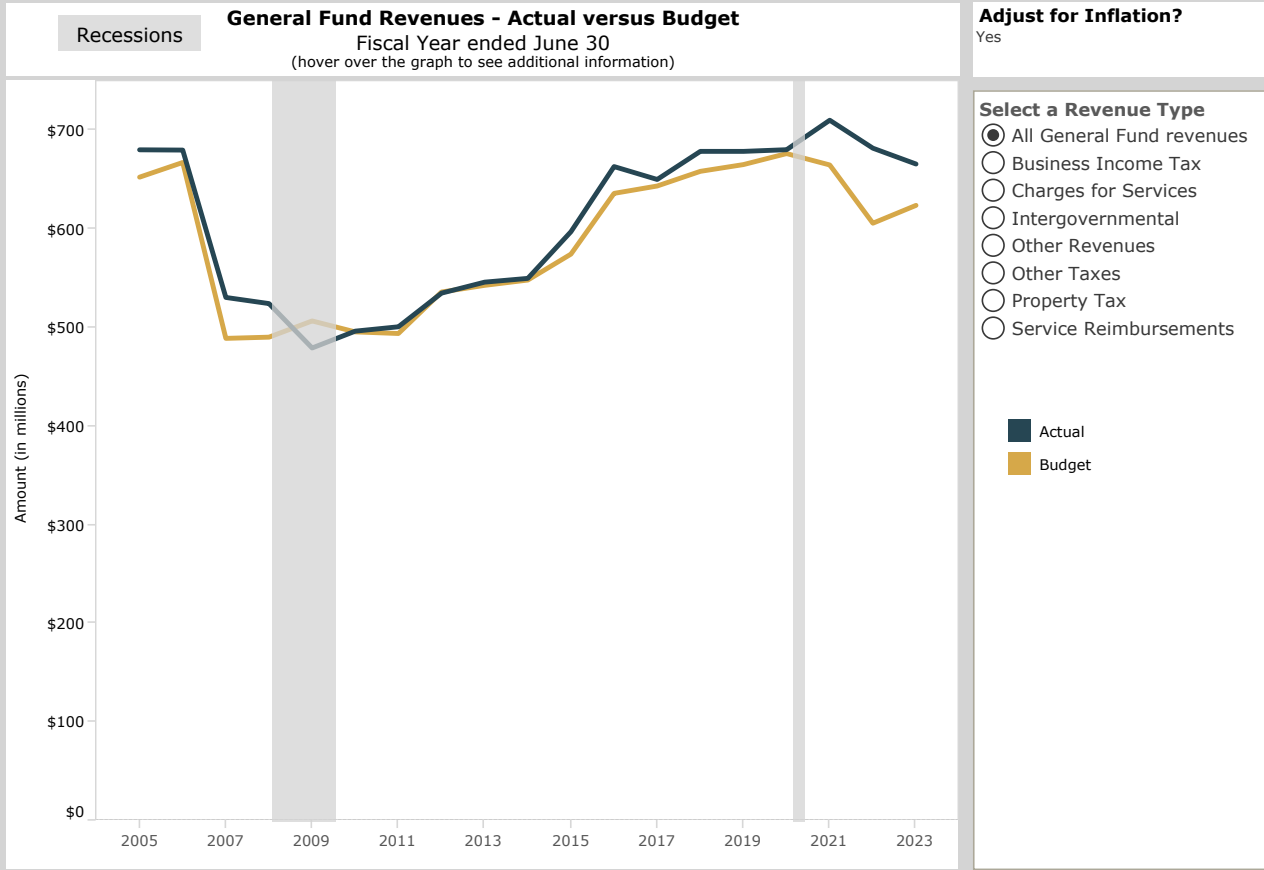
Revenues

Click arrows below at left & right to navigate through this section

Revenues - Where the Money Comes From	Intergovernmental Revenues	Other Tax Revenue	Other Revenues	General Fund Revenues - Actual vs Budget
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General Fund Revenues

General Funds are primarily comprised of property tax and business income tax (BIT) revenues. BIT is the second largest source of revenue in the General Fund and is imposed upon each taxfiler doing business within the county equal to 2% of the net income from the business within the county (exemptions can apply). The Board of County Commissioners approved a tax rate increase from 1.45% to 2.0% beginning with tax year 2020. BIT collections generally parallel economic cycles and can be difficult to predict when there are significant economic impacts.



Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

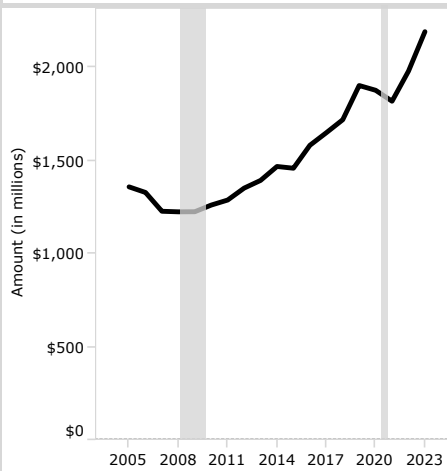
Expenditures

Click arrows below at left & right to navigate through this section

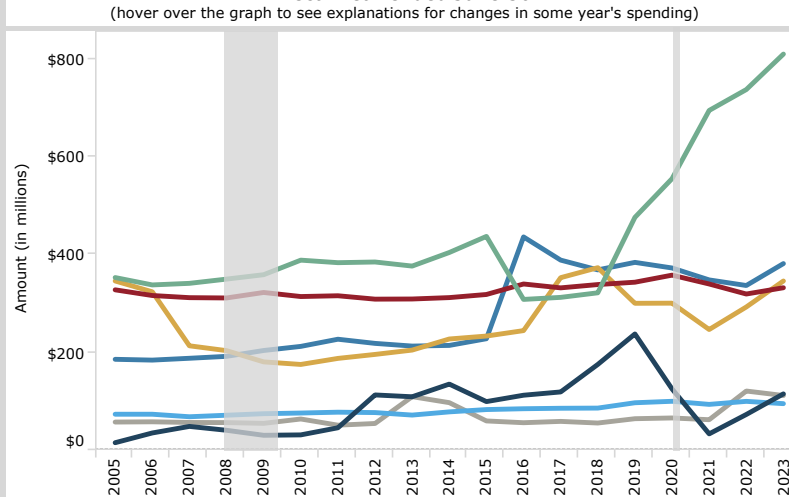
Expenditures - Where the Money Goes	Expenditures per Capita	Expenditures by Fund	Internal Service Funds - Expenditures	Number of Employees by Area of Government	Wages, Be..
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Where the Money Goes

Total County Expenditures
Fiscal Year ended June 30



Expenditures by Program
Fiscal Year ended June 30



Adjust for Inflation? Yes

Select an Expenditure Program to View Description for:

Social Services

- Social Services
- Public Safety & Justice
- Capital Outlay Exp.
- Other
- Health Services
- Library
- Debt Principal & Interest

Social Services include direct payments by the state to providers for Intellectual and Developmental Disabilities (IDD) services, and other human services provided by the Department of County Human Services for seniors; individuals with developmental or physical disabilities; those with substance use disorders; school-age children; domestic violence survivors; and those living in poverty. Starting in FY19 the Joint Office of Homeless Services (JOHS) expenditures were captured in the county's financial statements as social services (FY17 & FY18 were captured as general government (included in Other)). Starting in FY22 the Supportive Housing Fund was created to capture the expenditures related to the Metro Supportive Housing Services (MSHS) business income and personal income tax which is passed through from Metro.

Expenditures

Click arrows below at left & right to navigate through this section

Expenditures - Where the Money Goes

Expenditures per Capita

Expenditures by Fund

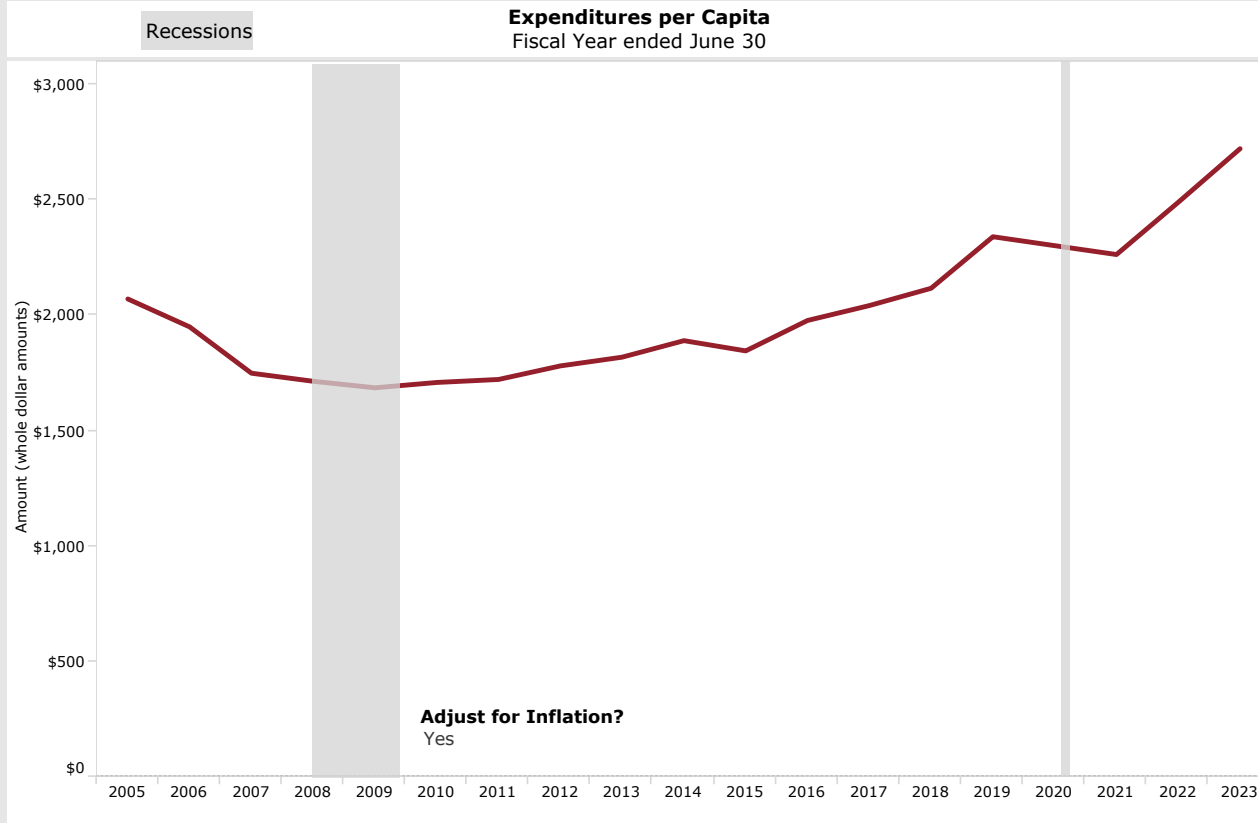
Internal Service Funds - Expenditures

Number of Employees by Area of Government

Wages, Benefits

The County has Increased Spending in Recent Years

Expenditures per capita is the average amount of government spending by the county to provide services to each per person who lives in the county. See Expenditures by Program graph in the Expenditures-Where the Money Goes tab and the Expenditures by Fund tab for information on some of the cost drivers of the increased spending.



Expenditure source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>
 Population sources: The U.S. Census Bureau, American Community Survey 1-Year Estimates
 & U.S. Census Bureau, 2020 Census Redistricting Data
 & 2023 estimate: Portland State University Population Research Center

Calculation: The Total Expenditures on the "Revenues versus Expenditures" graph divided by that year's population from the "County Population" graph.

Expenditures

Click arrows below at left & right to navigate through this section

Expenditures - Where the Money Goes	Expenditures per Capita	Expenditures by Fund	Internal Service Funds - Expenditures	Number of Employees by Area of Government	Wages, Benefits
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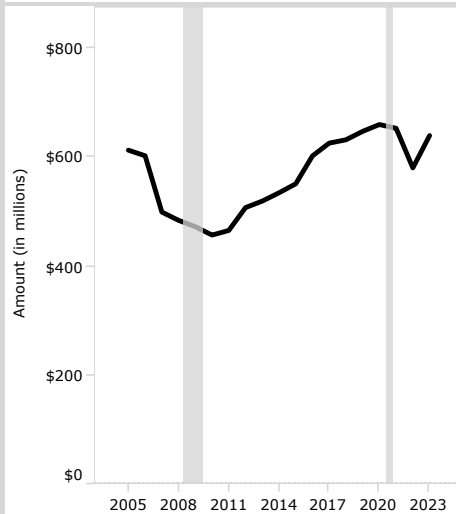
Expenditures by Fund

Expenditures by Fund is a reflection of the county's fiscal year expenditures by fund type. A *fund* is a grouping of related accounts for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Select a Fund to View:

The General Fund accounts for the financial operations of the county which are not accounted for in any other fund.

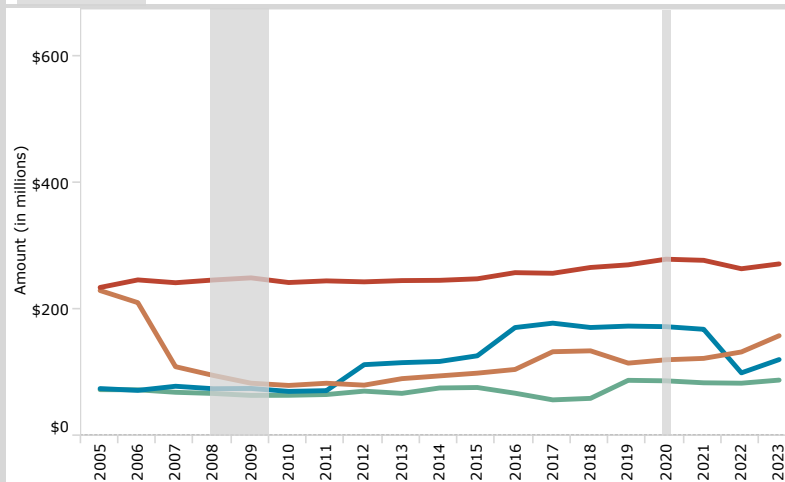
Total Expenditures for the General Fund Fiscal Year ended June 30



Expenditures by Program Type for the General Fund Fiscal Year ended June 30

Recessions

(hover over the graph to see additional information)



- Public Safety & Justice
- Health Services
- General Government
- Social Services

Adjust for Inflation? Yes

Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Expenditures

Click arrows below at left & right to navigate through this section

Expenditure..	Expenditures per Capita	Expenditures by Fund	Internal Service Funds - Expenditures	Number of Employees by Area of Government	Wages, Benefits, and Other Costs
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Internal Service Fund Expenditures

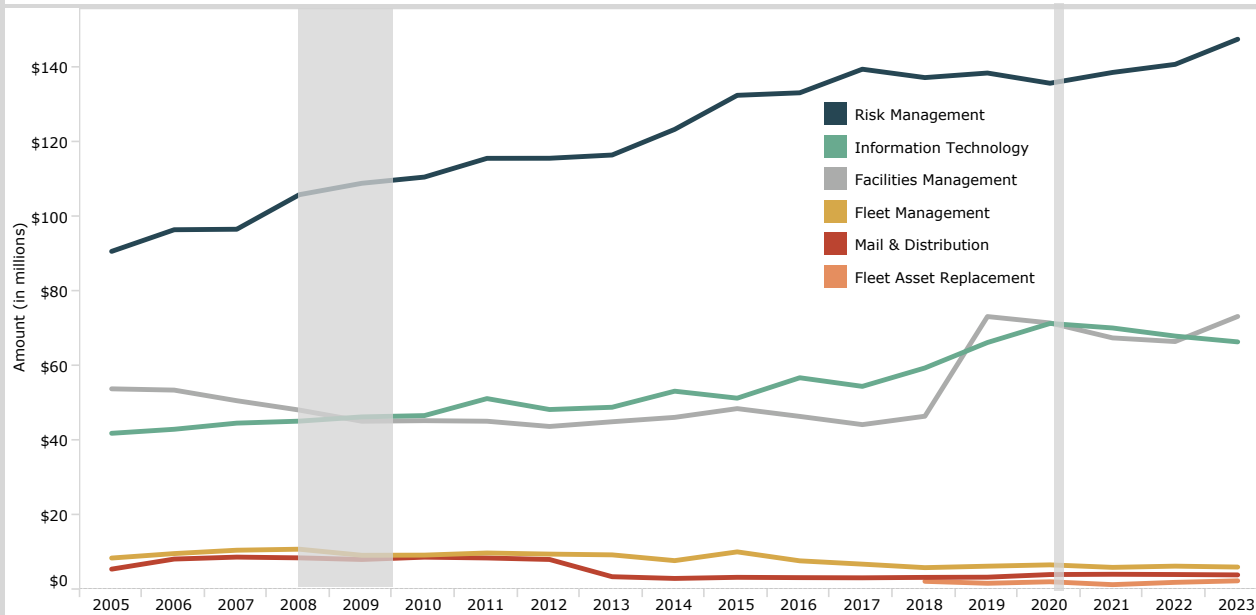
Services provided by the Internal Service Funds are charged directly to county departments and programs. The county's Internal Service Funds include:

- Risk Management Fund - accounts for the county's risk management activities including insurance coverage which includes the protection of the county's assets, employees, programs, and operations, such as administration of workers' compensation, general liability, auto liability, property liability, employee medical/dental benefits, legal services, and insurance programs for life, long-term and short-term disability, retiree insurance, unemployment, and insured and self-insured programs.
- Information Technology Fund - accounts for the county's data processing and telephone service operations.
- Facilities Management Fund - accounts for the management of all county owned and leased property.
- Fleet Management Fund - accounts for the county's motor vehicle fleet operations and electronics.
- Fleet Asset Replacement Fund - accounts for the county's replacement of motor vehicle fleet assets (new in FY18).
- Mail & Distribution Fund - accounts for the county's mail distribution and records management operations.

Recessions

Total Expenditures for Each Internal Service Fund

Fiscal Year ended June 30



Adjust for Inflation?

Yes

Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Expenditures

Click arrows below at left & right to navigate through this section

Expenditure..	Expenditures per Capita	Expenditures by Fund	Internal Service Funds - Expenditures	Number of Employees by Area of Government	Wages, Benefits, and Other Costs
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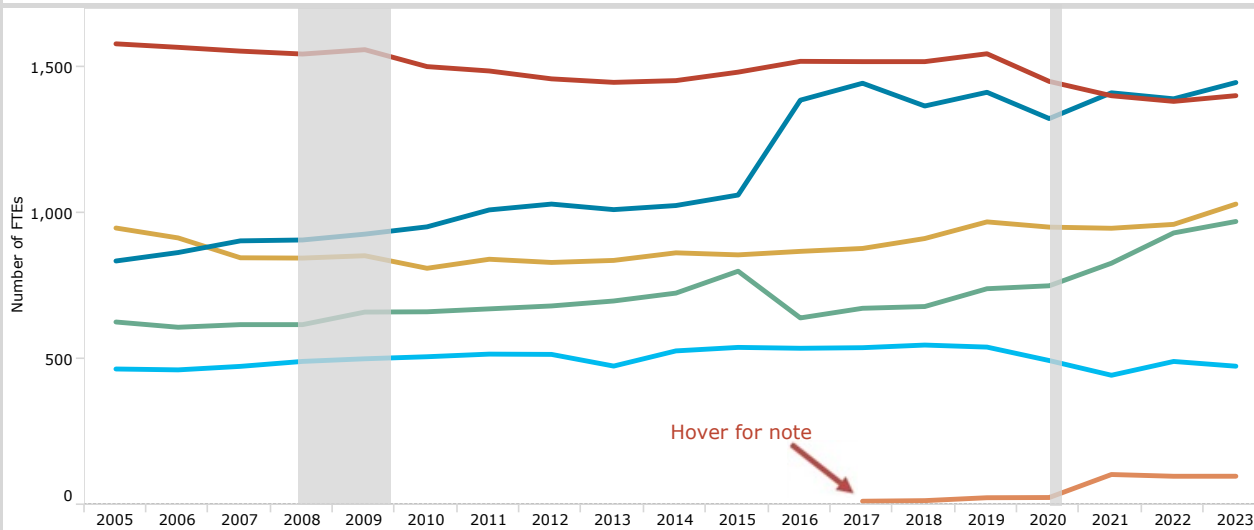
Number of Employees by Area of Government

The fluctuation in the number of full-time equivalent (FTE) employees over the years reflect the county's response to changes in economic factors and funding availability, as well as the demand on county services.

Full-Time Equivalent Employees (FTEs)

Fiscal Year ended June 30

(hover over the graph to see explanations for changes in some year's FTE)



Total FTE	4,458	4,420	4,400	4,409	4,504	4,436	4,529	4,520	4,473	4,598	4,743	4,954	5,069	5,042	5,237	4,999	5,140	5,258	5,426
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Area of Government

- Public Safety & Justice*
- Health Services
- Other**
- Social Services
- Library
- Joint Office of Homeless Services

***Public Safety & Justice** includes District Attorney's Office, Sheriff's Office, and Department of Community Justice (DCJ)
 ****Other** includes county chair and staff (offices of diversity and equity, sustainability, government relations, communications), commissioners and their staff, county attorney's office, the departments of county management (assessment and taxation, budget office, central finance and HR), assets (IT, facilities, fleet, records), and services (animal services, elections, land use planning, transportation), Emergency Management, and the Auditor's Office.

Source: County's Enterprise Resource Planning (ERP) System

Expenditures

Click arrows below at left & right to navigate through this section

Expenditure..	Expenditures per Capita	Expenditures by Fund	Internal Service Funds - Expenditures	Number of Employees by Area of Government	Wages, Benefits, and Other Costs
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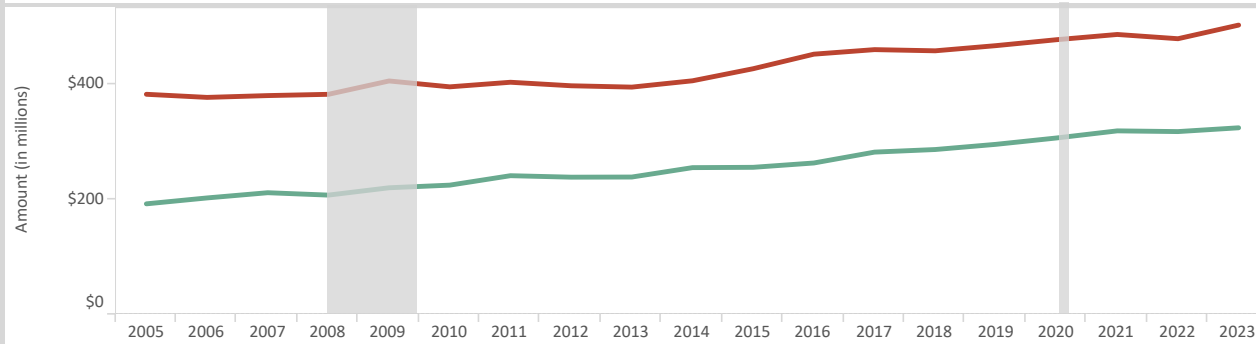
Wages, Benefits, and Other Costs

Recent growth in wages is a direct result of cost of living increases as well as changes in number of employees as noted on the previous FTE graph. Increasing health insurance costs and PERS rates contributed to the growing cost of employee benefits.

Total Wages, Benefits, and Other Costs

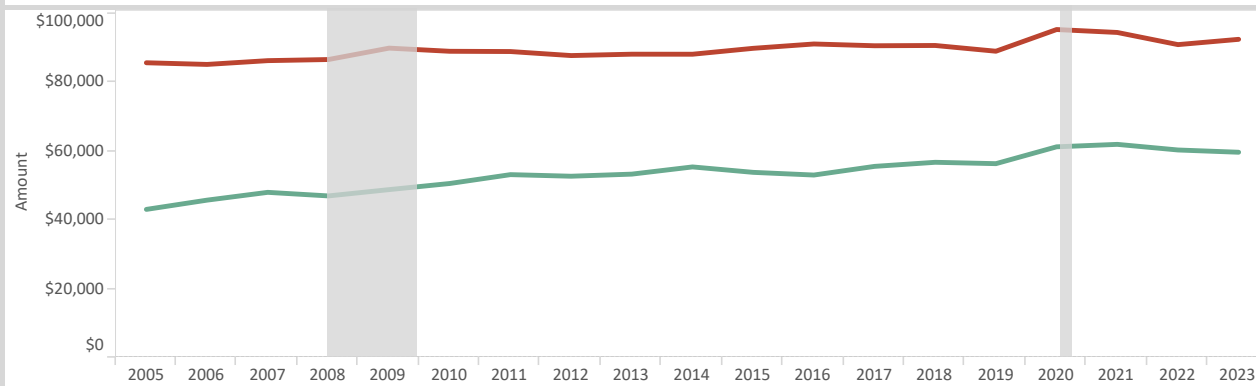
Fiscal Year ended June 30

(hover over the graph to see explanations for changes in some year's costs)



Average Wages, Benefits, and Other Costs per FTE

Fiscal Year ended June 30



Adjust for Inflation? Yes

■ Wages

■ Benefits & Other

Source: County's Enterprise Resource Planning (ERP) System

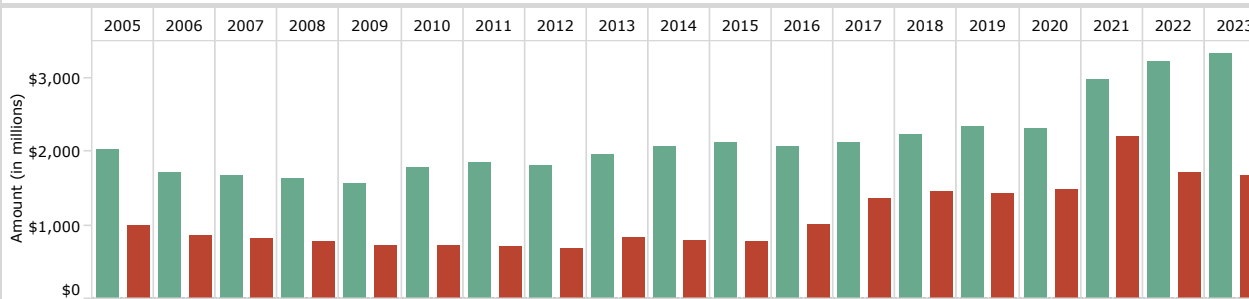
Financial Health

Click arrows below at left & right to navigate through this section

County Owns vs. Owes	General Fund's Fund Balance	Capital Assets	Long-Term Debt	Fixed Costs & Future Payments	Total Debt per ..
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What the County Owns vs. What the County Owes

Adjust for Inflation? Yes
Total Assets (own) vs Total Debt (owe)
 As of June 30



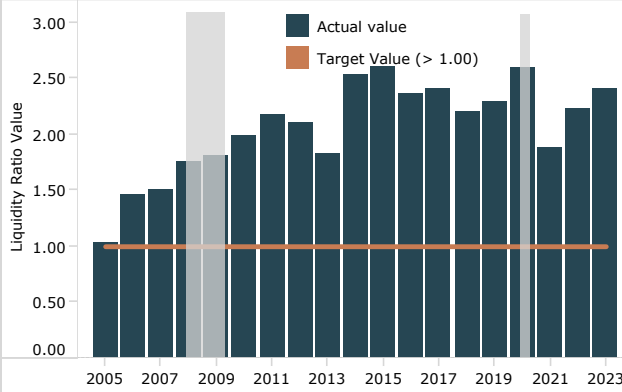
Recessions

Liquidity Ratio

As of June 30

The liquidity ratio compares total cash and short-term investments to current liabilities, measuring the ability to pay short-term obligations. The credit industry considers a liquidity ratio of 1.0 or greater to be acceptable.

County does better than industry standards

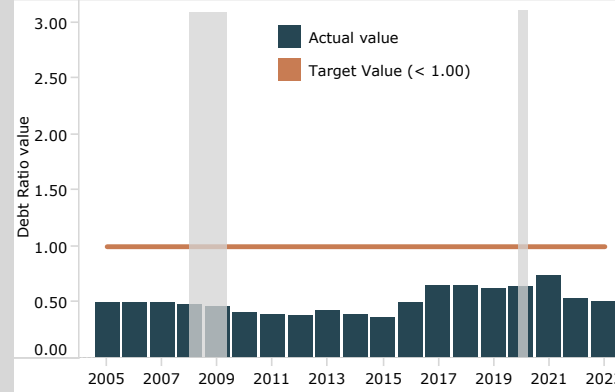


Debt Ratio

As of June 30

The debt ratio compares total debt to total assets, measuring the proportion of the county's assets which are financed through debt. The credit industry considers a debt ratio of 1.0 or less to be acceptable.

County does better than industry standards



Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Financial Health

Click arrows below at left & right to navigate through this section

County Owns vs. Owes	General Fund's Fund Balance	Capital Assets	Long-Term Debt	Fixed Costs & Future Payments	Total Debt per ..
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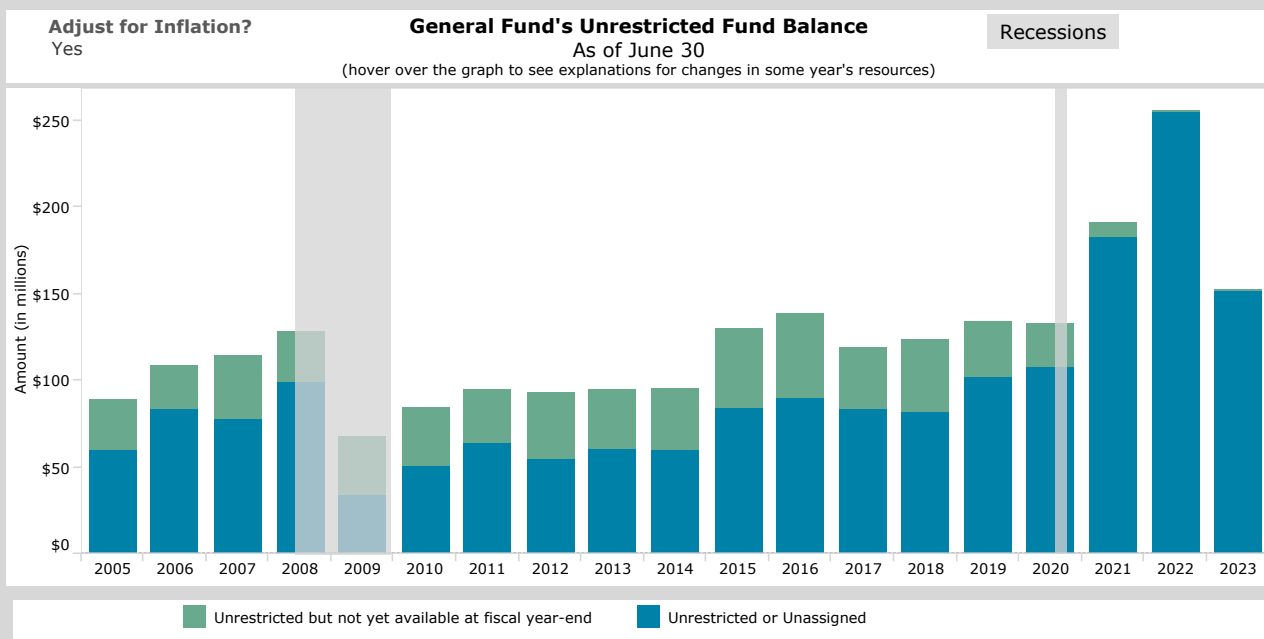
General Fund's Fund Balance Shows Recovery Since the Great Recession

The General Fund's fund balance is the amount of spendable resources at fiscal year-end and are classified as restricted, committed or nonspendable, and the amount that is unassigned (unrestricted) and available for discretionary spending.

For FY2021 and prior - included in the unrestricted balances in the graph below are certain clinic fee revenues from the state for the Federally Qualified Health Centers (FQHC) wraparound billable managed care clinic visits for the Health Department. These resources are considered unrestricted; however, there is a timing lag of when cash is to be received from the state. Therefore, these funds are not considered available at year-end (they are a receivable).

Starting in FY2022 - The Health Department FQHC Fund was created to separate out the activities for the Federally Qualified Health Centers (FQHC). Balances for the activities that were previously reported in the General Fund and the Federal/State Program Fund were transferred into this new fund.

Excluded from the balances below are items that are considered restricted, committed or nonspendable as these are not available for discretionary spending.



Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Financial Health

Click arrows below at left & right to navigate through this section

County Owns vs. Owes	General Fund's Fund Balance	Capital Assets	Long-Term Debt	Fixed Costs & Future Payments	Total Debt per ..
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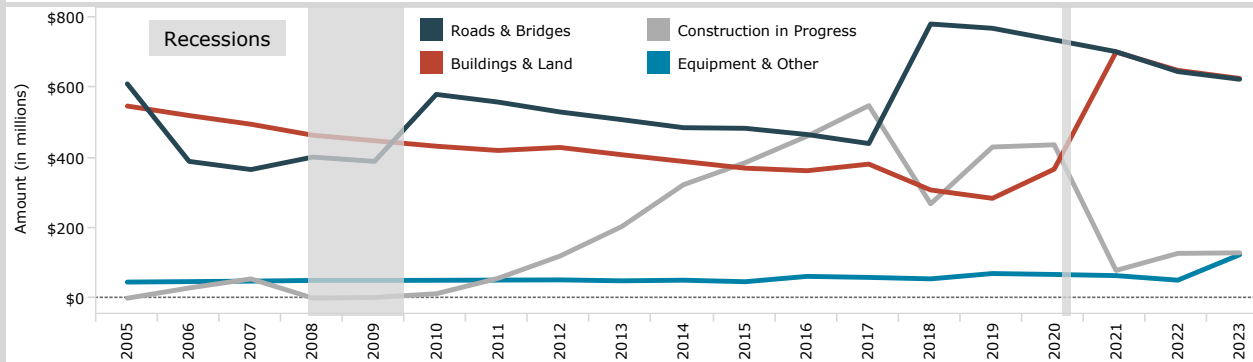
Capital Assets

Capital Assets include land, buildings, equipment, and infrastructure used to provide county services.

Accounting standards require that assets should be reported in financial statements at their original cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Depreciable assets are shown net of depreciation in the graph below which accounts for the steady decline in Buildings & Land (unless otherwise described in hover boxes).

Adjust for Inflation? Yes
Capital Assets by Type, net of accumulated depreciation
 As of June 30

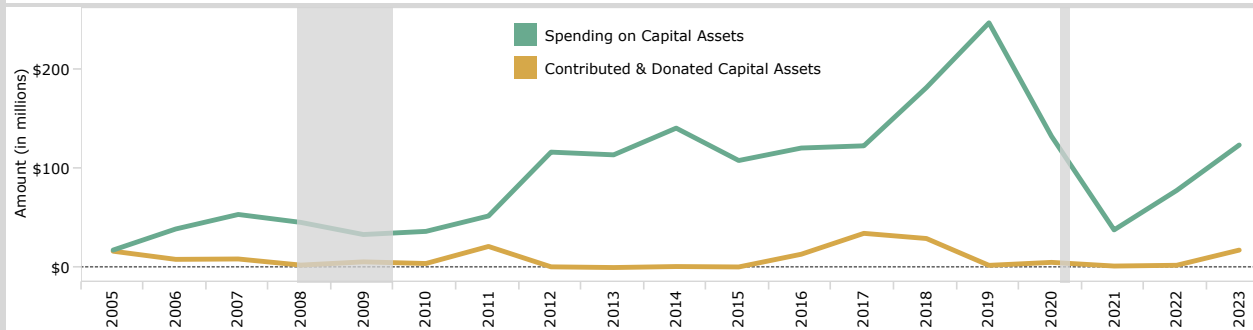
(hover over the graph to see additional information for some of the years)



Capital Asset Spending & Contributed Assets

Fiscal Year ended June 30

(hover over the graph to see additional information for some of the years)



Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Financial Health

Click arrows below at left & right to navigate through this section

County Owners v..	General Fund's Fund Balance	Capital Assets	Long-Term Debt	Fixed Costs & Future Payments	Total Debt per Capita
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Long-Term Debt

Long-term debt includes bonds payable (net of unamortized premiums), the net other postemployment benefits (OPEB) obligation, lease obligations, and other. Other includes loans and other payables.

Amounts not included below are the compensated absences related to employee earned paid time off (sick and vacation time). These are excluded because significantly all of this is considered a current liability as the benefits are readily available to the employee for use.

Credit Ratings by Outstanding Bond

June 30, 2023

Balance in millions

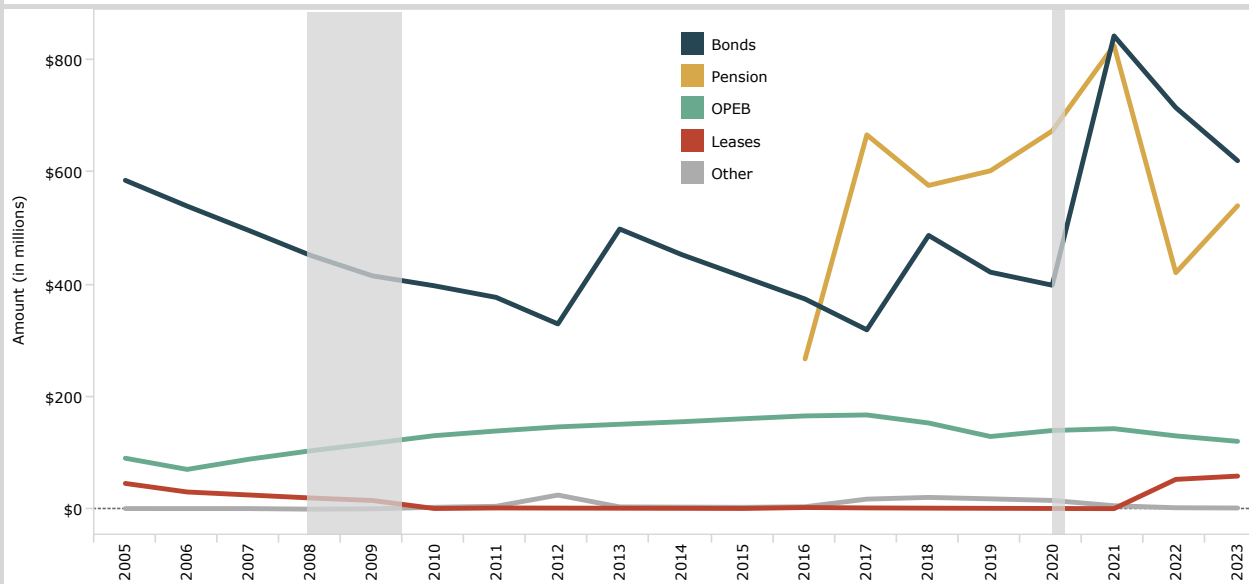
Bond name	Moody's rating	S&P rating	Balance
Full Faith & Credit Bond, Series 1999	Aaa	not rated	\$32
Full Faith & Credit Bond, Series 2010B	Aaa	not rated	\$11
Full Faith & Credit Bond, Series 2017	Aaa	AAA	\$126
Full Faith & Credit Bond, Series 2019	not rated	not rated	\$10
Full Faith & Credit Bond, Series 2021	Aaa	AAA	\$80
Full Faith & Credit Bond, Series 2022	not rated	not rated	\$24
General Obligation Bond 2021A	Aaa	AAA	\$186
General Obligation Bond 2021B	Aaa	AAA	\$152

Adjust for Inflation?
Yes

Long-Term Debt by Type
As of June 30

Recessions

(hover over the graph to see additional information for some of the years)



Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Financial Health

Click arrows below at left & right to navigate through this section

County Owners v..	General Fund's Fund Balance	Capital Assets	Long-Term Debt	Fixed Costs & Future Payments	Total Debt per Capita
-------------------	-----------------------------	----------------	----------------	-------------------------------	-----------------------

Payments on Long-Term Debt & Leases

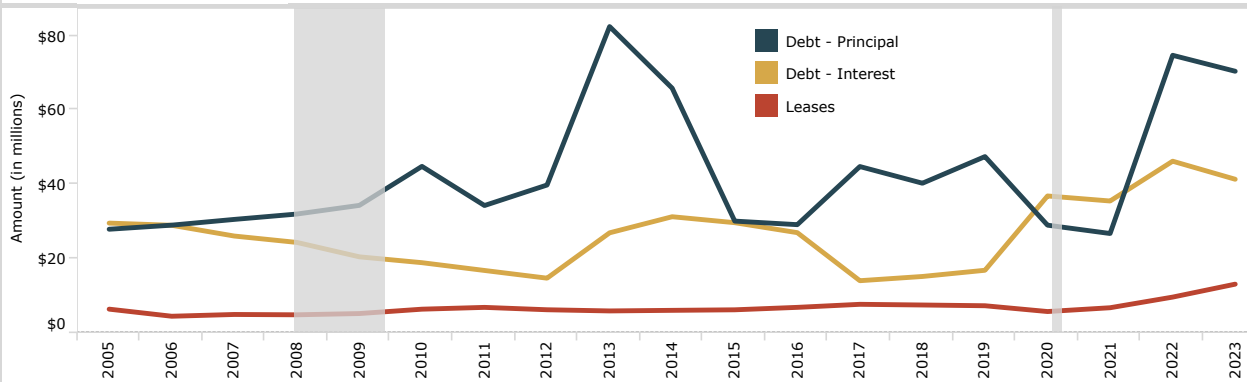
Fixed costs include the principal and interest payments on long-term debt and rent payments on leases. Leases are for certain land, buildings, and equipment used to provide County services.

Adjust for Inflation?
Yes

Fixed Costs

Fiscal Year ended June 30
(hover over the graph to see additional information for some of the years)

Recessions



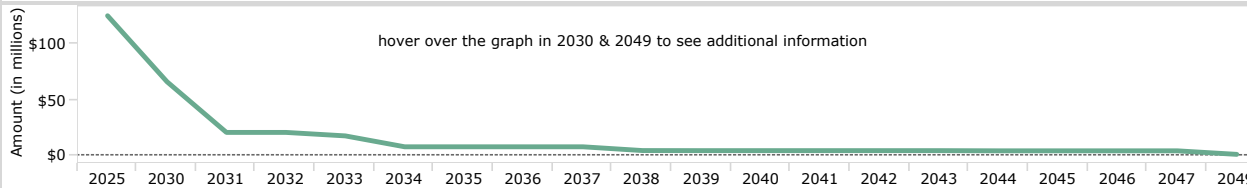
As of June 30, 2023, the county had annual fixed payments for debt and long-term leases extending until year 2111.

The current outstanding debt was primarily issued to finance major building projects and bridge construction. The county also issued debt in December 1999 to pay off unfunded pension liability, which saved the county nearly \$36 million over the life of the debt.

Note: 2049 includes long-term lease obligations with terms ending between the years 2049 and 2111.

Future Fixed Payments as of June 30, 2023

Fiscal Year ending June 30



Source: Annual Comprehensive Financial Reports at <https://multco.us/finance/financial-reports>

Financial Health

Click arrows below at left & right to navigate through this section

County Owns v..	General Fund's Fund Balance	Capital Assets	Long-Term Debt	Fixed Costs & Future Payments	Total Debt per Capita
-----------------	-----------------------------	----------------	----------------	-------------------------------	-----------------------

Total Debt per Capita has Increased in Recent Years as a Result of Bonds and the Accounting Recognition of Future Pension Liabilities

Total debt per capita is the average amount of debt the county has per person who lives in the county.

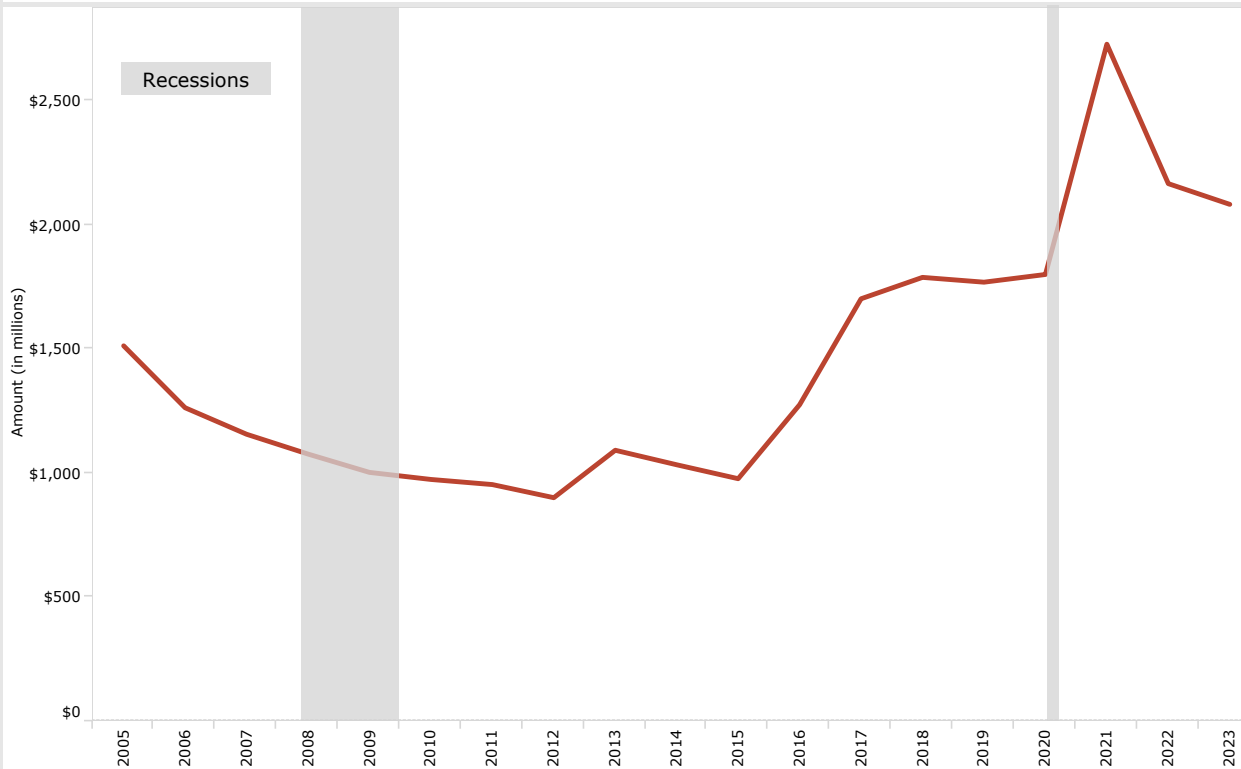
Adjust for Inflation?

Yes

Total Debt per Capita

Fiscal Year ended June 30

(hover over the graph to see explanations for changes in some years)



Source: The above is a calculation of the Total Debt on the "What County Owns vs What County Owes" graph divided by that year's population from the "County Population" graph in the Demographics section of this report.

Economy

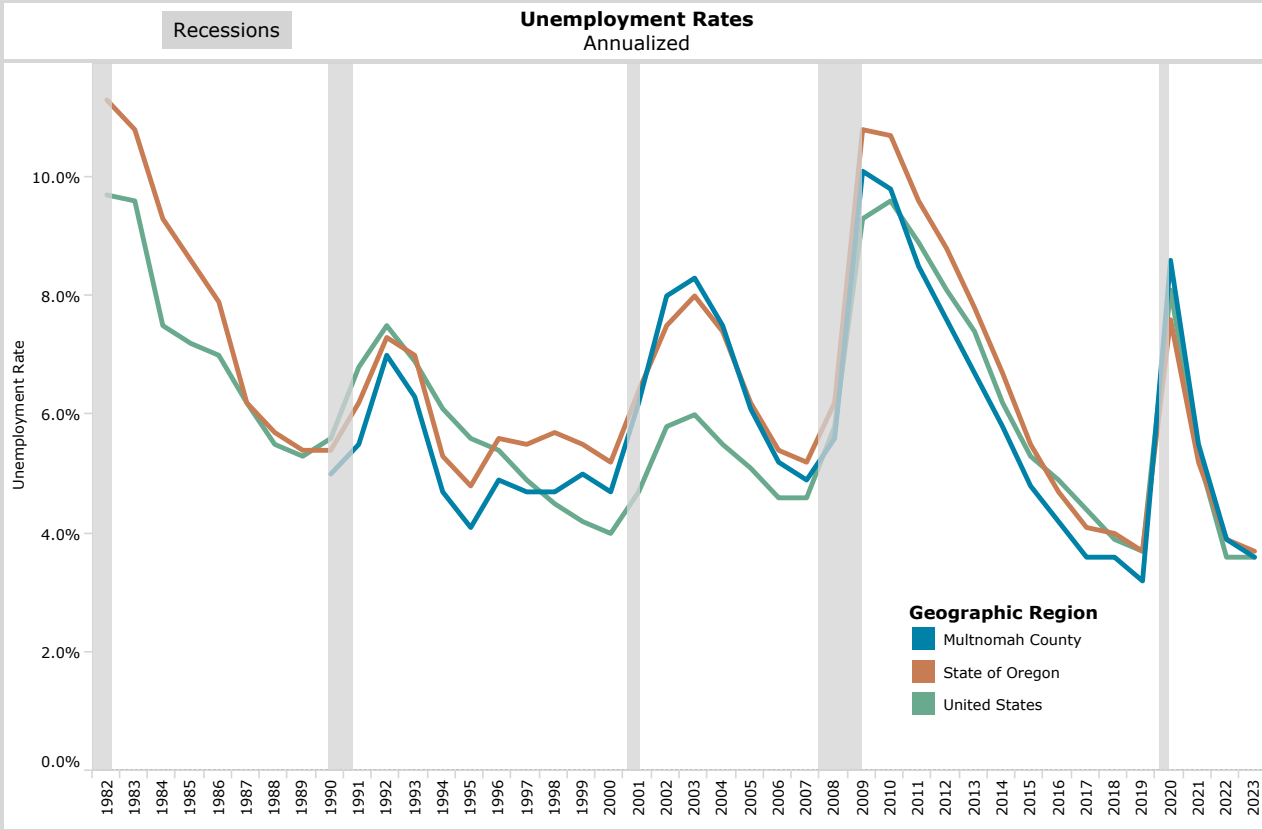
Click arrows below at left & right to navigate through this section

Unemployment Rates	Number of Jobs	Per Capita Income	Number of Businesses	Property Values	New Per...
--------------------	----------------	-------------------	----------------------	-----------------	------------

Unemployment Rate

The unemployment rate is considered a major indicator of economic health and reflects the economic climate for the county. Both the county and the state had just recovered from the recession of the early 2000's, when they were hit by the Great Recession in 2008/9. Unemployment rates had been decreasing from the 2009 high when the COVID-19 pandemic created a recession in early 2020. Since then, unemployment rates have sharply declined, and 2023 saw a level similar to that of 2018.

Note: The county's rate is captured starting on June 30, 1990, while the state and U.S. rates are captured prior to that date. 2024 data was not available at the time of report issuance.



Source: State of Oregon Employment Department (seasonally adjusted rates)

Economy

Click arrows below at left & right to navigate through this section

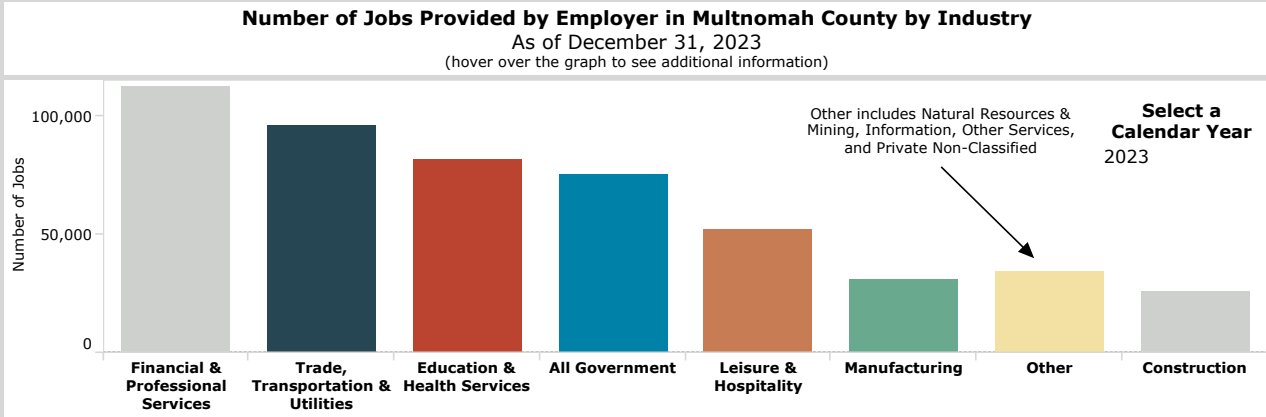
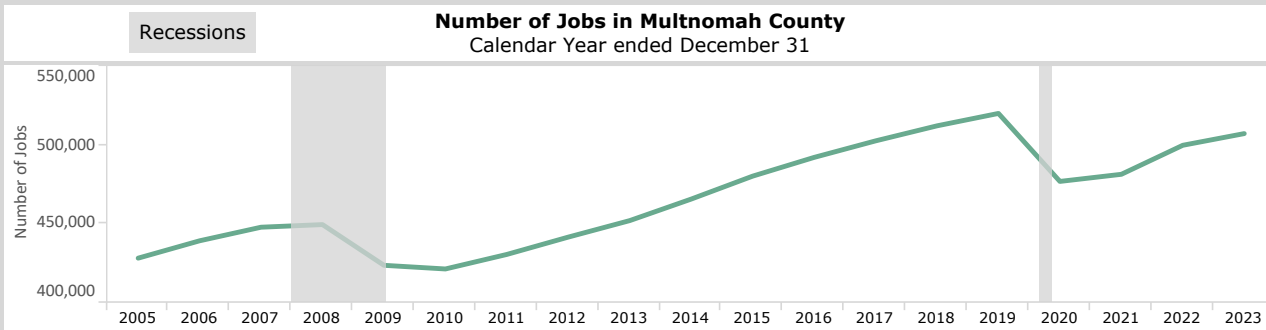
Unemployment Rates	Number of Jobs	Per Capita Income	Number of Businesses	Property Values	New Per...
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Number of Jobs has Steadily Grown Since the Great Recession and is Almost Back to Pre-COVID-19 Pandemic Level

The number of jobs (including full-time, part-time, and temporary positions) provided by employers in Multnomah County is considered an indicator of economic health.

- Great Recession impact: calendar year 2008 to 2010 jobs decreased by over 28,000 (or 6%).
- Economic recovery: calendar year 2010 to 2019 jobs increased over 98,500 (or 23%).
- COVID-19 pandemic impact: calendar year 2019 to 2020 jobs decreased over 43,000 (or 8%) and was most significant within the Leisure & Hospitality industry.
- COVID-19 recovery: calendar year 2020 to 2023 jobs increased over 30,000 (or 6%).

Note: 2024 data is not available at time of report issuance.



Source: State of Oregon Employment Department

Economy

Click arrows below at left & right to navigate through this section

Unemployment Rates	Number of Jobs	Per Capita Income	Number of Businesses	Property Values	New Per...
--------------------	----------------	-------------------	----------------------	-----------------	------------

Average Per Capita Income had Increased by Over 20% Since the Great Recession Before Decreasing Almost 6% due to the COVID-19 Pandemic

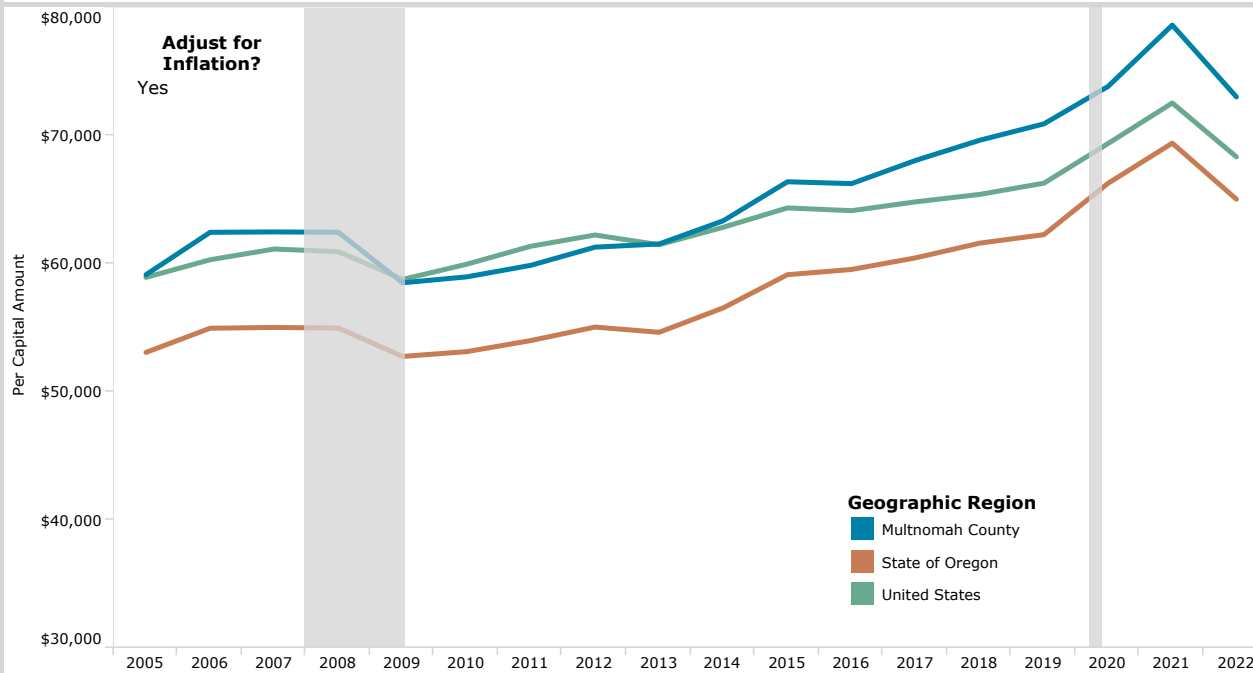
Per capita income is an indicator of economic health. The average annual per capita income in the county decreased approximately 7% from 2007 to 2009 (adjusted for inflation) due to the Great Recession then recovered by 21% from 2009 to 2019. A continued increase was seen from 2019 to 2020 of almost 6% due to gains in unemployment benefits, federal aid, and other public assistance during the COVID-19 pandemic. From 2020 to 2022, average annual per capita income in the county decreased by about 1%.

Per capita income continues to be higher in Multnomah County than it is for the overall state average. It is also higher than the average for the U.S. in the past several years.

Note: 2023 & 2024 data was not available at time of report issuance.

Average Annual Per Capita Income

Recessions



Source: U.S. Department of Commerce, Bureau of Economic Analysis

Economy

Click arrows below at left & right to navigate through this section

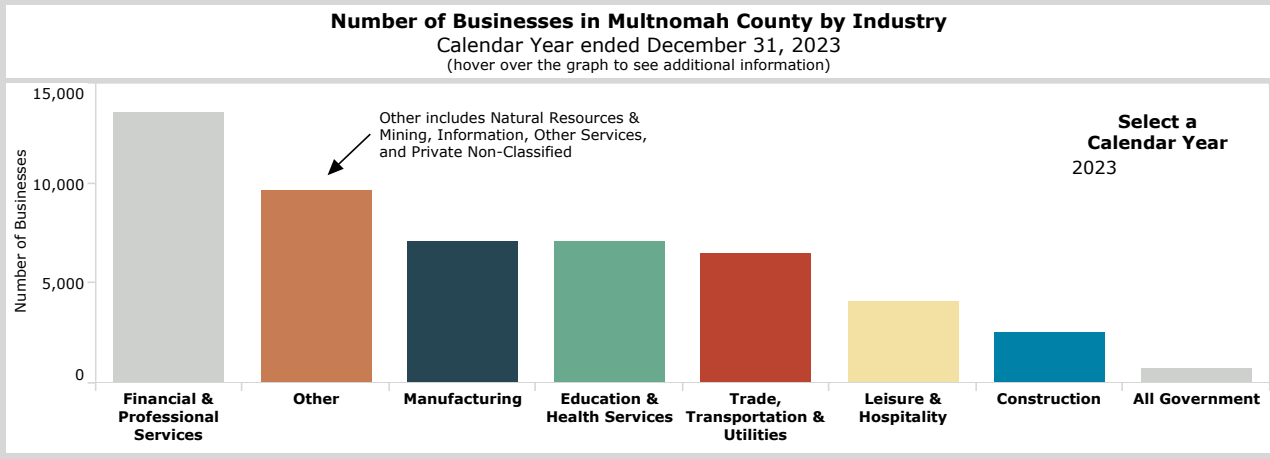
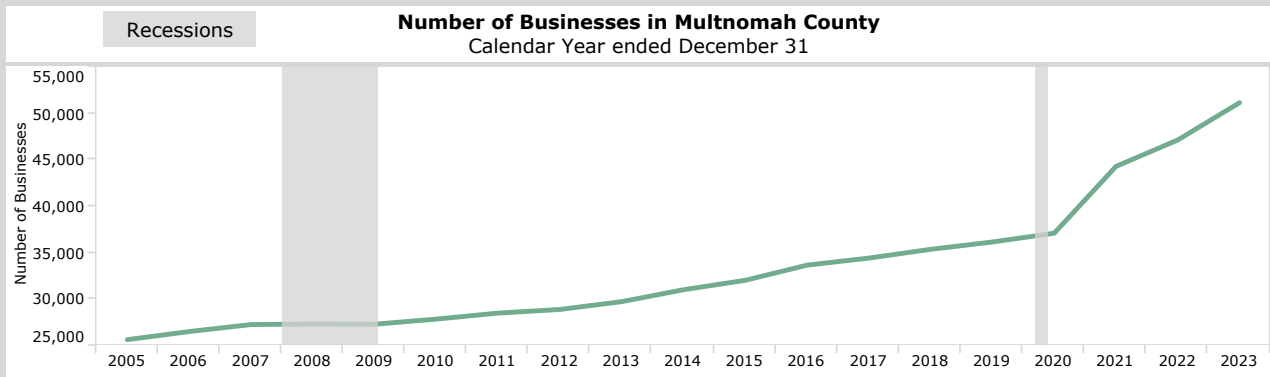
Unempl..	Number of Jobs	Per Capita Income	Number of Businesses	Property Values	New Permits Authorized for Private Housing
----------	----------------	-------------------	----------------------	-----------------	--

Number of Businesses has Steadily Grown Since the Great Recession

The number of businesses in the county is another indicator of economic health related to the county's revenue base.

Business growth from 2022 to 2023 was largely driven by the Professional & Business Services subsector within Financial & Professional Services.

Note: 2024 data was not available at time of report issuance.



Source: State of Oregon Employment Department

Economy

Click arrows below at left & right to navigate through this section

Unempl..	Number of Jobs	Per Capita Income	Number of Businesses	Property Values	New Permits Authorized for Private Housing
----------	----------------	-------------------	----------------------	-----------------	--

Real Market Value Versus Assessed Value

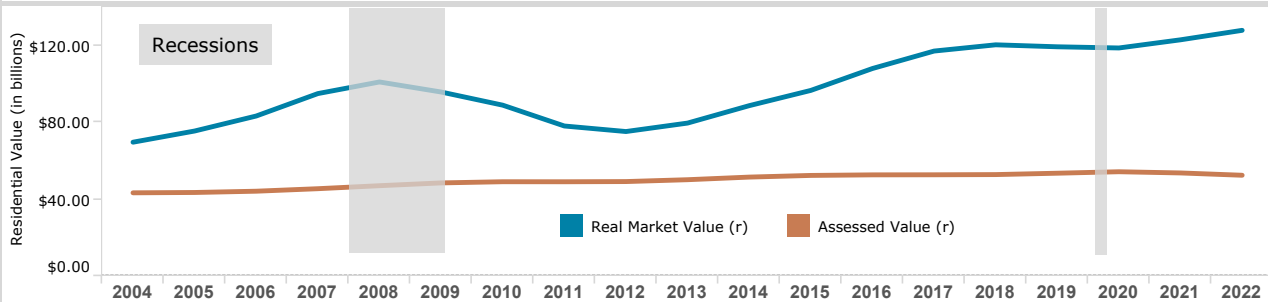
Real market value serves as one of many indicators of economic health and will experience volatility with the market. Assessed property values, which are the basis for property taxes, will not experience the same level of volatility as the real market values since the growth rate is limited by state law.

For example: The increase in the combined assessed values for residential & commercial properties is about 52% from tax year 2012 to 2022 compared to 123% for the increase in real market values over the same period.

Note: 2023 & 2024 data was not available at time of report issuance. Graphs below refer to Tax Year beginning July 1.

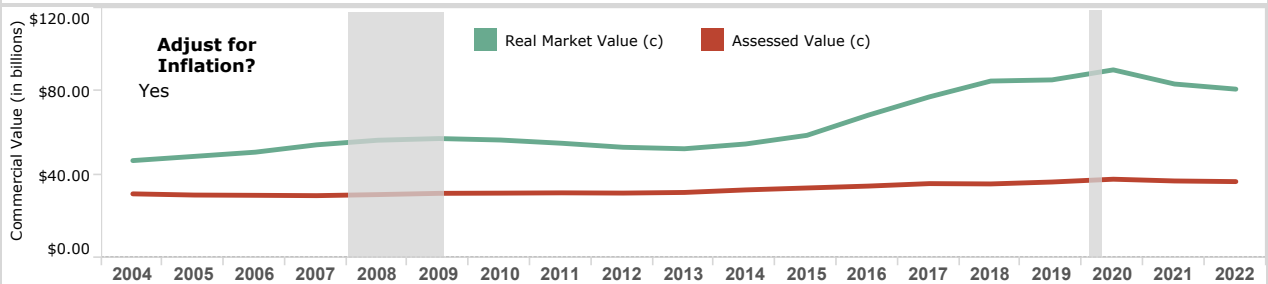
Residential Properties

From the impact of the Great Recession of December 2007 - June 2009, the inflation adjusted real market value for residential properties in Multnomah County peaked at nearly \$101 billion (adjusted for inflation) in tax year 2008 before dropping 26% to \$75 billion (adjusted) in 2012. From tax year 2012 to 2022, real market values increased almost 70% to over \$127 billion.



Commercial Properties

From the impact of the Great Recession of December 2007 - June 2009, the decline in the value of the commercial industrial property was not nearly as severe as the impact on the residential properties. These properties declined about 6% from tax year 2008 to 2012 (adjusted for inflation). From tax year 2012 to 2020 real market values increased by about 70%. From tax year 2020 to 2022, real market values decreased by about 10%.



Source: County Assessor's Office at <https://multco.us/assessment-taxation>

Economy

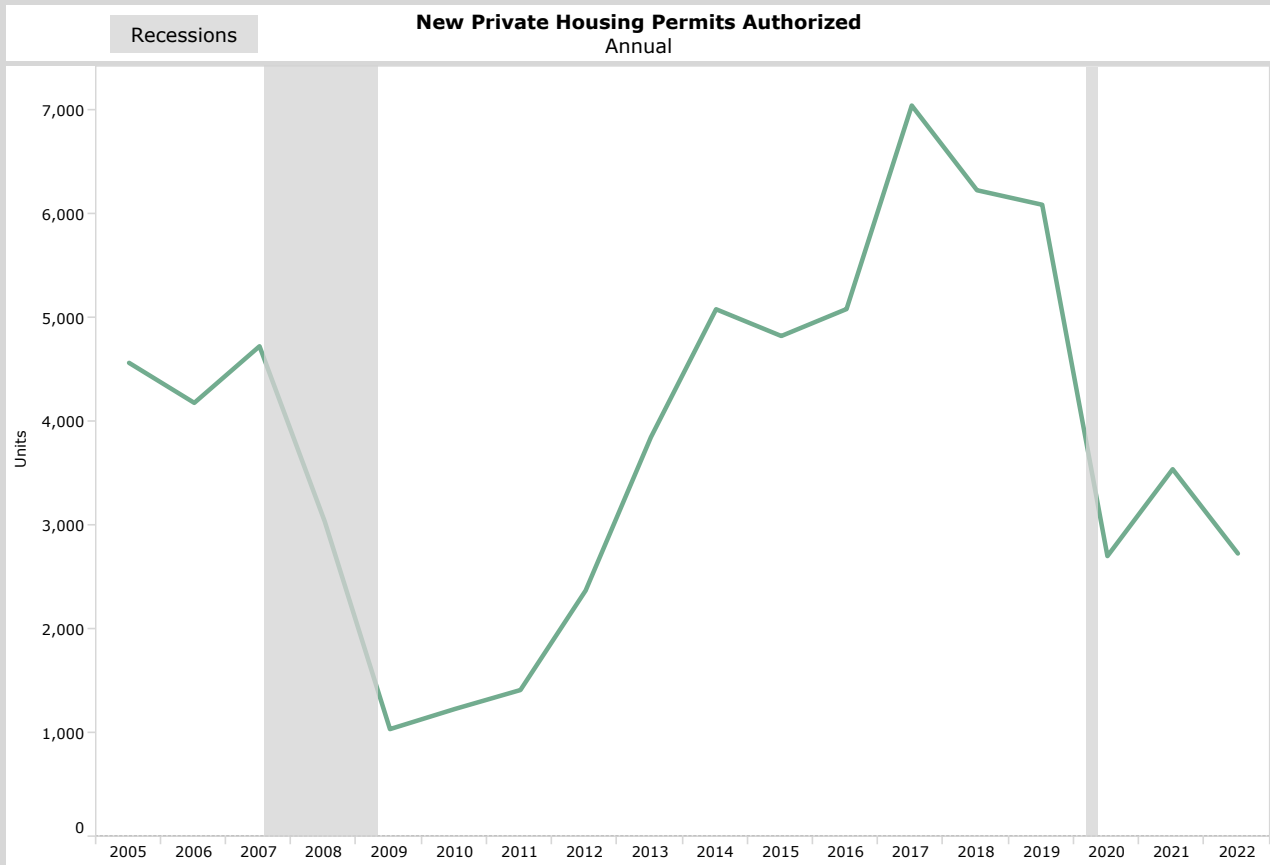
Click arrows below at left & right to navigate through this section

Un em pl..	Number of Jobs	Per Capita Income	Number of Businesses	Property Values	New Permits Authorized for Private Housing
------------	----------------	-------------------	----------------------	-----------------	--

New Private Housing Structures Authorized by Building Permits

The data represents total number of building permits for all structure types. Structure types include 1-unit, 2-unit, 3-unit, 4-unit, and 5-unit or more.

Note: 2023 & 2024 data was not available at time of report issuance.



Source: U.S. Census Bureau, Building Permits Survey as presented by Economic Research Federal Reserve Bank of St. Louis (FRED)

Demographics

Click arrows below at left & right to navigate through this section

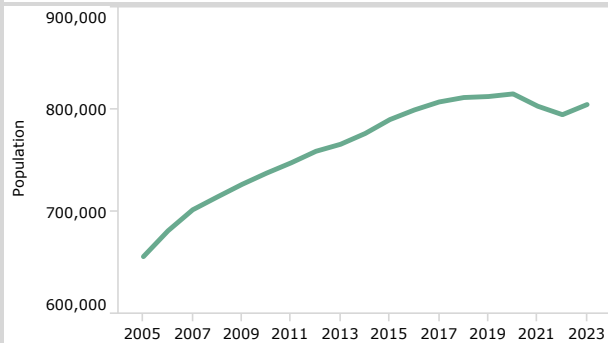
County Population	Residents Experiencing Poverty	Residents Experiencing Poverty - by Race/Ethnicity	Residents without Health Insurance	Residents without Health Insurance - by Race/Ethnicity
-------------------	--------------------------------	--	------------------------------------	--

Multnomah County Population

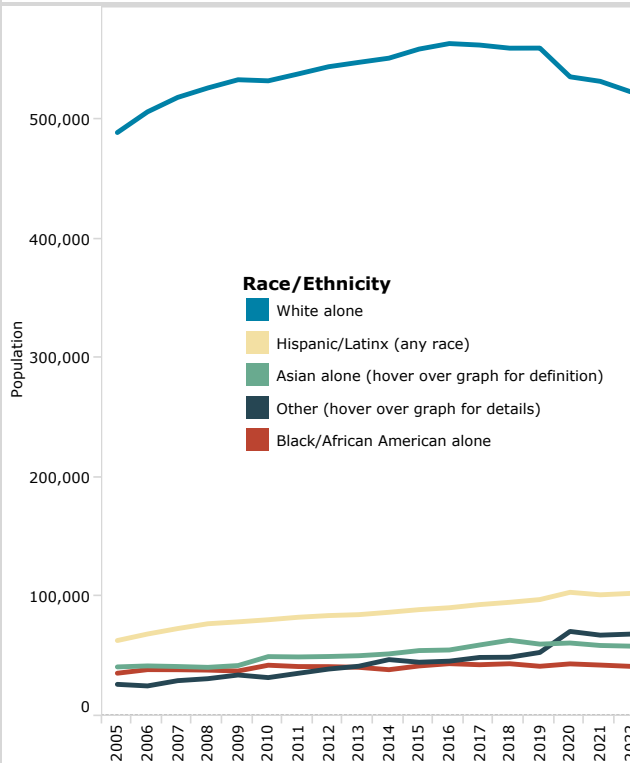
The demographics reflected in this series of graphs are those defined and gathered by the U.S. Census to help policymakers make funding decisions that affect educational opportunities, assess equal employment practices, and ensure equal access to health care. We recognize that people's racial/ethnic identities can be more dynamic than the categories used here, but we were limited by the information that is publicly available.

Note: 2023 data by Age or Race/Ethnicity and 2024 data was not available at time of report issuance.

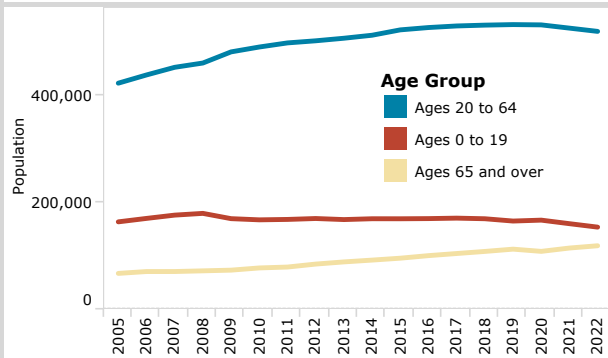
Total County Population



Population by Race/Ethnicity



Population by Age Group



Source: U.S. Census Bureau, American Community Survey (ACS) 1-Year Estimates & U.S. Census Bureau, 2020 Census Redistricting Data & 2023 total population estimate: Portland State University Population Research Center

Demographics

Click arrows below at left & right to navigate through this section

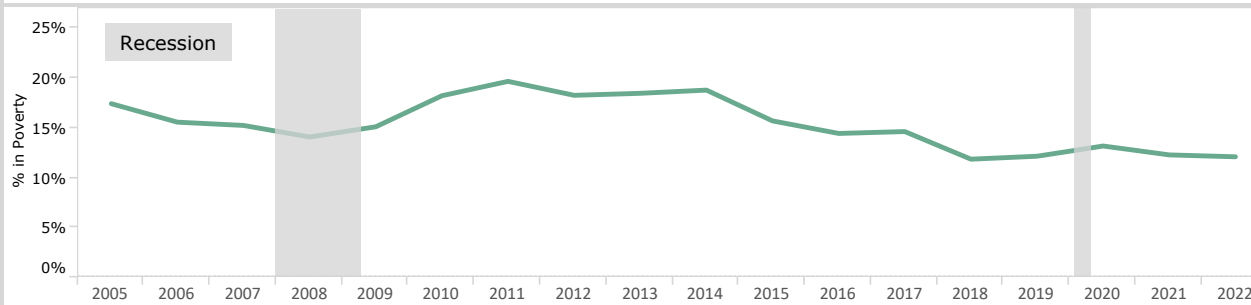
County Population	Residents Experiencing Poverty	Residents Experiencing Poverty - by Race/Ethnicity	Residents without Health Insurance	Residents without Health Insurance - by Race/Ethnicity
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Residents Experiencing Poverty

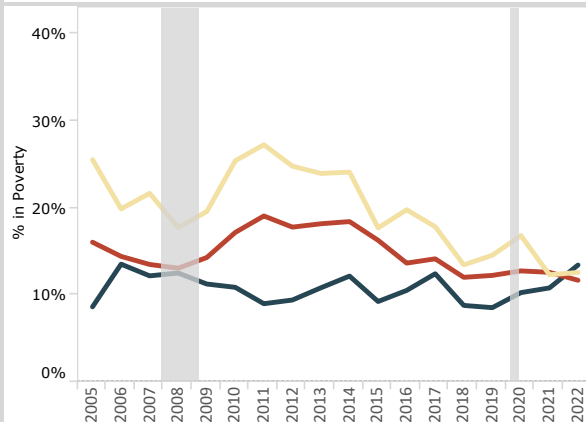
This indicator provides some measure of the number of low-income residents who might use county human services and health programs.

Note: 2023 & 2024 data was not available at time of report issuance.

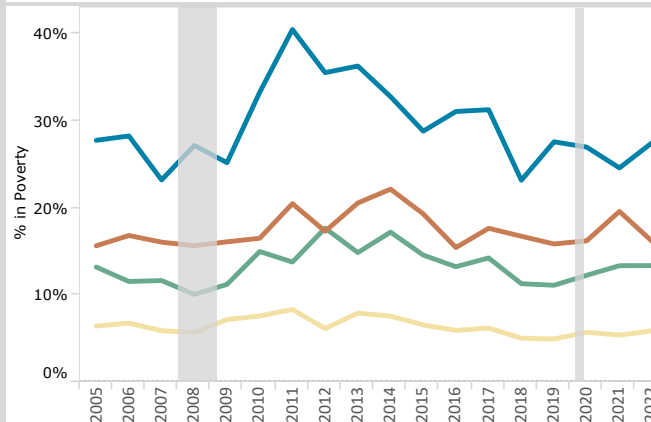
Percentage of Residents in Poverty



Percentage of Residents Experiencing Poverty - by Age Group



Percentage of Residents Experiencing Poverty - by Educational Attainment



Age Group

- Ages 0 to 17
- Ages 65 and over
- Ages 18 to 64

Educational Attainment

- Less than high school graduate
- Some college, associate's degree
- High school graduate (or equivalent)
- Bachelor's degree or higher

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates at 100% of the Poverty Level

Demographics

Click arrows below at left & right to navigate through this section

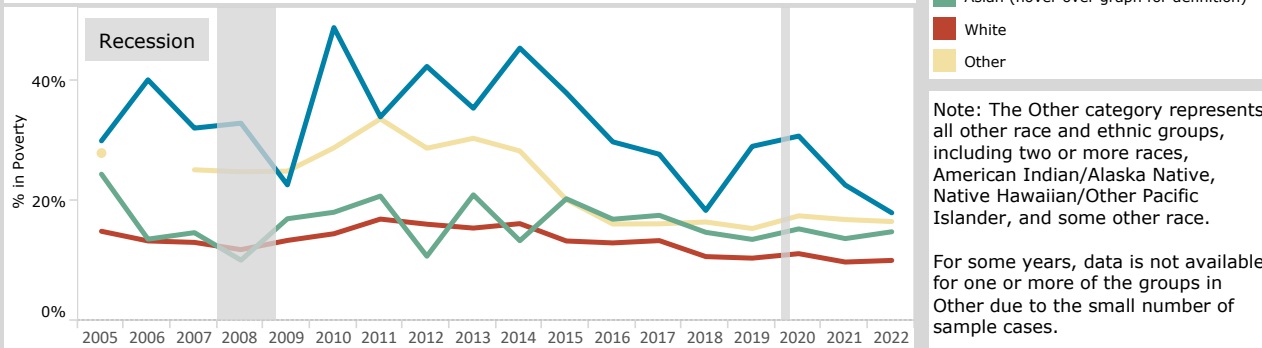
County Population	Residents Experiencing Poverty	Residents Experiencing Poverty - by Race/Ethnicity	Residents without Health Insurance	Residents without Health Insurance - by Race/Ethnicity
-------------------	--------------------------------	--	------------------------------------	--

Residents Experiencing Poverty - by Race/Ethnicity

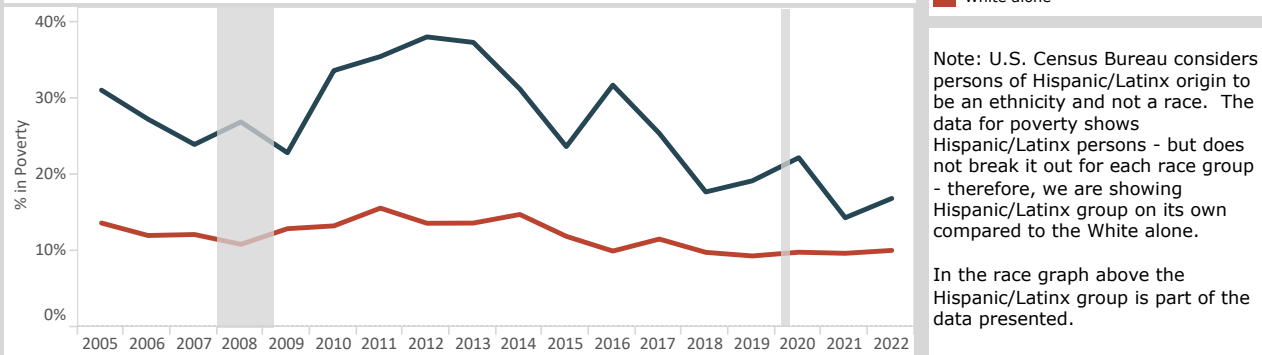
The demographics reflected in this series of graphs are those defined and gathered by the U.S. Census to help policymakers make funding decisions that affect educational opportunities, assess equal employment practices, and ensure equal access to health care. We recognize that people's racial/ethnic identities can be more dynamic than the categories used here, but we were limited by the information that is publicly available.

Note: 2023 & 2024 data was not available at time of report issuance.

Percentage of Residents Experiencing Poverty - by Race
(Hispanic/Latinx origins are inclusive with the races presented)



Percentage of Residents Experiencing Poverty Hispanic/Latinx origin only compared to White alone



Source: U.S. Census Bureau, American Community Survey 1-Year Estimates at 100% of the Poverty Level

Demographics

Click arrows below at left & right to navigate through this section

Residents Experiencing Poverty	Residents Experiencing Poverty - by Race/Ethnicity	Residents without Health Insurance	Residents without Health Insurance - by Race/Ethnicity	Unsheltered Population
--------------------------------	--	------------------------------------	--	------------------------

Residents without Health Insurance

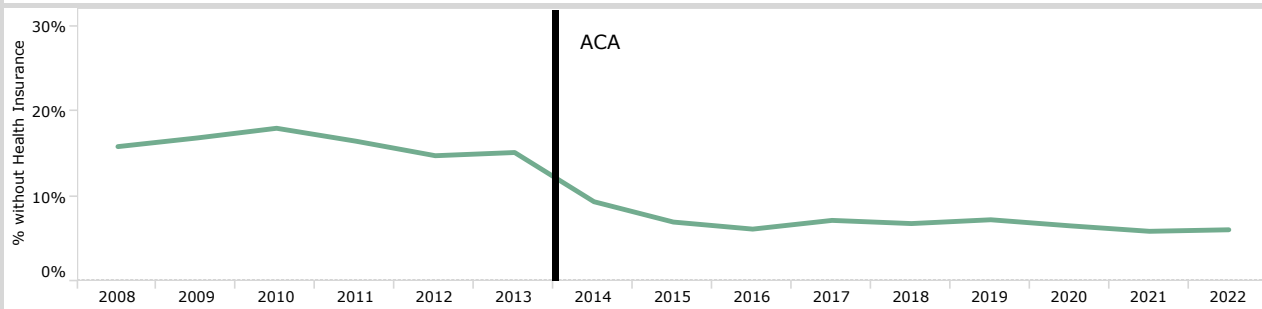
The County provides low-cost health care to underserved, low-income, and uninsured residents of Multnomah County. The population being considered is the civilian non-institutionalized population.

Note: U.S. Patient Protection and Affordable Care Act (ACA) enacted in 2010 & most major provisions began January 1, 2014.

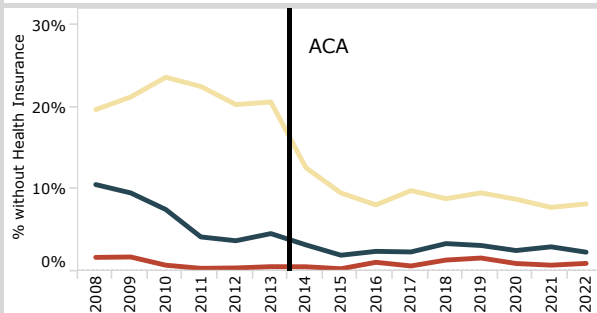
Data collection by health insurance started in 2009 (unless indicated otherwise).

2023 & 2024 data was not available at time of report issuance.

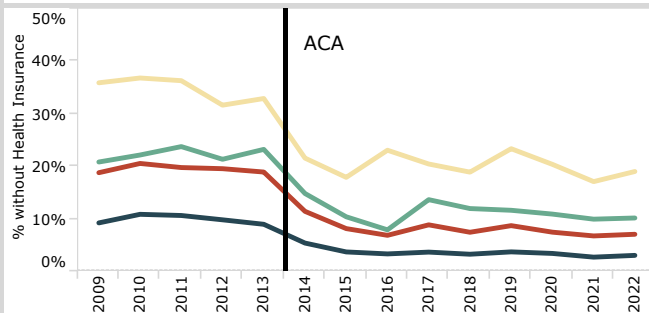
Percentage of Residents without Health Insurance



Percentage of Residents without Health Insurance - by Age Group



Percentage of Residents without Health Insurance - by Educational Attainment



Age Group

- Ages 0 to 18
- Ages 19 to 64
- Ages 65 and over

Comparability note: Age ranges modified by U.S. Census Bureau starting in 2017. Prior ranges were Ages 0 to 17 & Ages 18 to 64. Old ranges are grouped with the new ranges in the graph above.

Educational Attainment

- Less than high school graduate
- High school graduate (or equivalent)
- Some college, associate's degree
- Bachelor's degree or higher

Note: data presented for this indicator by Educational Attainment started with 2009.

Demographics

Click arrows below at left & right to navigate through this section

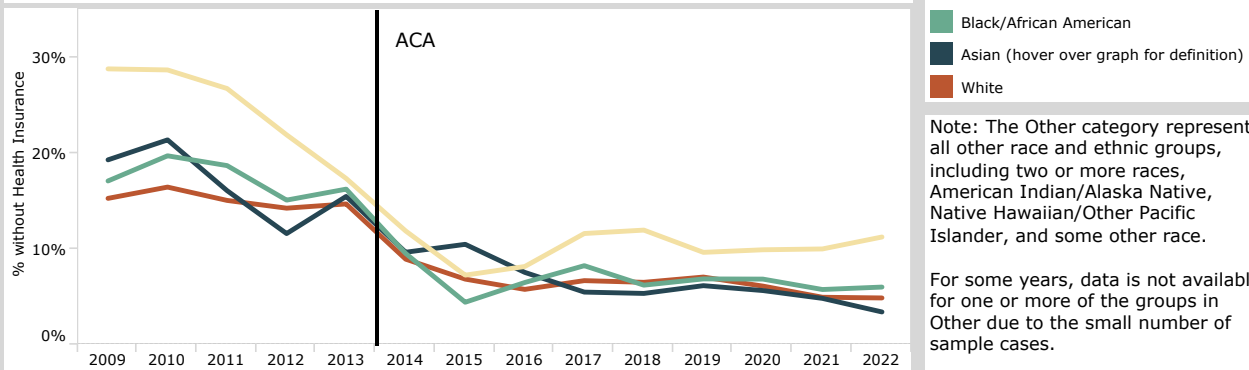
Residents Experiencing Poverty	Residents Experiencing Poverty - by Race/Ethnicity	Residents without Health Insurance	Residents without Health Insurance - by Race/Ethnicity	Unsheltered Population
--------------------------------	--	------------------------------------	--	------------------------

Residents without Health Insurance - by Race/Ethnicity

The County provides low-cost health care to underserved, low-income and uninsured residents of Multnomah County. The demographics reflected in this series of graphs are those defined and gathered by the U.S. Census to help policymakers make funding decisions that affect educational opportunities, assess equal employment practices, and ensure equal access to health care. We recognize that people's racial/ethnic identities can be more dynamic than the categories used here, but we were limited by the information that is publicly available. The population being considered is the civilian noninstitutionalized population.

Note: The U.S. Patient Protection and Affordable Care Act (ACA) was enacted in 2010. Major provisions began January 1, 2014. Data collection by Race/Ethnicity for this indicator started in 2009. 2023 & 2024 data was not available at time of report issuance.

Percentage of Residents without Health Insurance - by Race

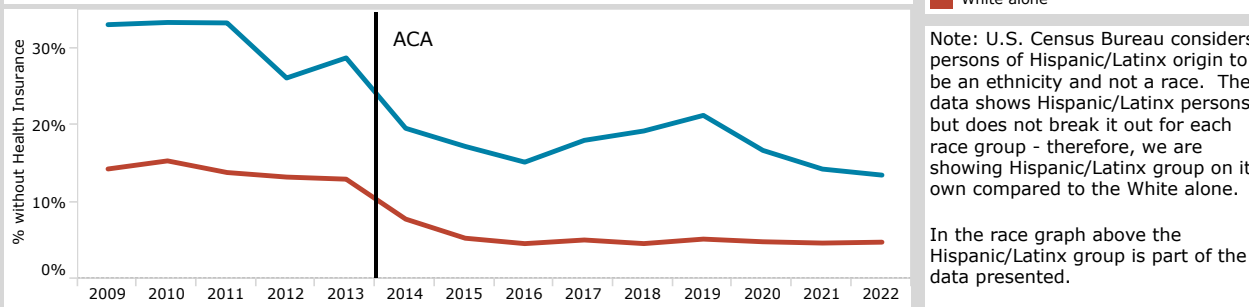


- Other
- Black/African American
- Asian (hover over graph for definition)
- White

Note: The Other category represents all other race and ethnic groups, including two or more races, American Indian/Alaska Native, Native Hawaiian/Other Pacific Islander, and some other race.

For some years, data is not available for one or more of the groups in Other due to the small number of sample cases.

Percentage of Residents without Health Insurance Hispanic/Latinx origin only compared to White alone



- Hispanic or Latinx (of any race)
- White alone

Note: U.S. Census Bureau considers persons of Hispanic/Latinx origin to be an ethnicity and not a race. The data shows Hispanic/Latinx persons - but does not break it out for each race group - therefore, we are showing Hispanic/Latinx group on its own compared to the White alone.

In the race graph above the Hispanic/Latinx group is part of the data presented.

Demographics

Click arrows below at left & right to navigate through this section

Residents Experiencing Poverty	Residents Experiencing Poverty - by Race/Ethnicity	Residents without Health Insurance	Residents without Health Insurance - by Race/Ethnicity	Unsheltered Population
--------------------------------	--	------------------------------------	--	------------------------

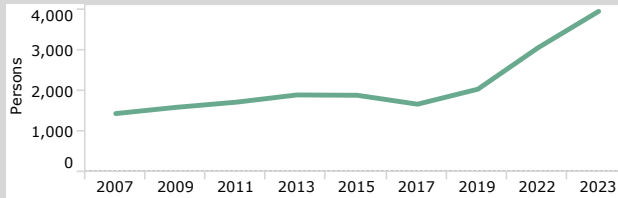
Unsheltered Population

The federally required Point-In-Time Count is a snapshot of homeless individuals in Multnomah County on one night in January once every two years. The graphs below only reflect those reported as "Unsheltered" (persons who are sleeping outside, in a vehicle, or an abandoned building).

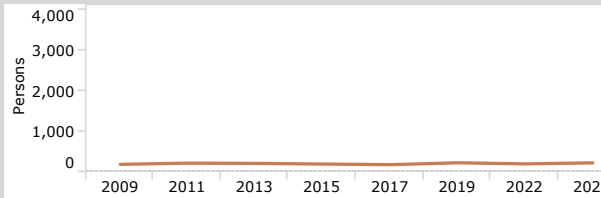
Due to several limitations as noted in the Point-In-Time Count report, the point-in-time count represents a detailed estimate, rather than a comprehensive count, of homelessness in Multnomah County. The actual number of persons experiencing homelessness in our community on a given night is probably higher than the number documented in the Point-In-Time Count reports for reasons including that not all people experiencing homelessness are unsheltered.

Note: The 2023 Point-In-Time Count marked the first time that the three Portland region counties collaborated and jointly created, administered, and analyzed a regional unsheltered count on 1/24/2023. 2024 data was not available at time of report issuance.

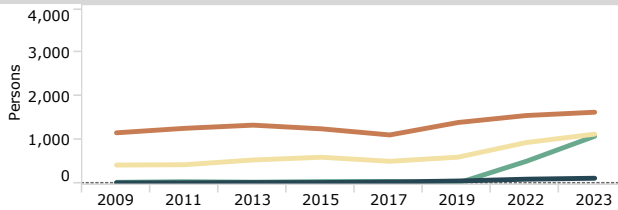
Total Persons who were Unsheltered
On the count night in January



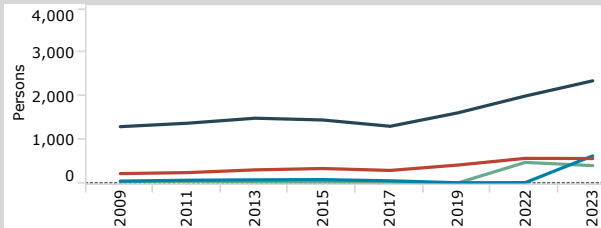
Veterans who were Unsheltered
On the count night in January



Persons who were Unsheltered - by Gender
On the count night in January



Persons who were Unsheltered - by Age Group
On the count night in January



Gender

- Male
- Female
- Transgender & gender expansive
- Unknown*

Age Group

- 18-54
- 55+
- 0-17
- Unknown*

*The survey is based on self-reporting. Persons who elect not to report, do not know, refuse, or data is missing are recorded as "unknown".

Financial Condition Report – Multnomah County Oregon 2024

Objectives, Scope, & Methodology

The objective of this report is to evaluate the financial condition of Multnomah County using the Financial Trend Monitoring System developed by the International City/County Management Association (ICMA) and the indicators suggested by the Government Accounting Standards Board (GASB).

We express all indicators in constant dollars with the option to turn off the inflation adjustment. These adjustments for inflation convert dollar amounts to the equivalent of the purchasing power of money in the fiscal year ending June 30, 2023 (or calendar year ending December 31, 2023 where applicable). The adjustments are based on the CPI-W West – Size A, Consumer Price Index (fiscal year average = second half to first half), and index that measures price changes on a quarterly and annual basis.

Throughout this report, we have included the state payments to intellectual and developmental disabilities (I/DD) service providers. In FY08, the state began paying community service providers directly, where in prior years these funds passed through the county. While the county no longer receives these funds directly, they are reported in the county's financial statements as intergovernmental revenues and social services expenditures. In FY2023, this amounted to \$324.016 million paid directly to I/DD service providers.

To provide context to some of the financial and economic indicators, we have presented the Great Recession (2008/2009) and the recession that occurred at the onset of the COVID-19 pandemic (2020). Per the National Bureau of Economic Research (NBER): "Contractions (recessions) start at the peak of a business cycle and end at the trough... A recession is a significant decline in economic activity spread across the economy, normally visible in production, employment, and other indicators. A recession begins when the economy reaches a peak of economic activity and ends when the economy reaches its trough...a month is designated as a trough when economic activity reaches a low point and begins to rise again for a sustained period."

- Per the NBER the Great Recession had a peak in December 2007 and a trough in June 2009. "In determining that a trough occurred in June 2009, [NBER] did not conclude that economic conditions since that month have been favorable or that the economy has returned to operating at normal capacity. Rather, [NBER] determined only that the recession ended and a recovery began in that month."
- Per the NBER the recession at the onset of the COVID-19 pandemic had a peak in February 2020 and a trough in April 2020. Similarly, the NBER determined "...that a trough occurred in April 2020, [NBER] did not conclude that the economy has returned to operating at normal capacity...The [NBER] decided that any future downturn of the economy would be a new recession and not a continuation of the recession associated with the February 2020 peak. The basis for this decision was the length and strength of the recovery to date."

For More Information

The prior reports cover FY1993 through FY2021 and are available on the [County Auditor's website](#). Earlier reports are available upon request.

The county's financial policy is adopted and published annually in its adopted budget. The county's financial statements and budget can be accessed at multco.us.

Additional economic information can be obtained through the State of Oregon for the [State Employment Department](#) or the [Office of Economic Analysis](#).

For information about the county's property tax structure and limitations, see the [Tax Supervising & Conservation Commission](#) website and the [County Assessor's Office](#) website.

For more information about economic recessions, see the [National Bureau of Economic Research's](#) website.

Data Reliability

For this audit, we used data from Workday, the county's enterprise resource planning system. We assessed the reliability of Workday's data by (1) performing electronic testing for obvious errors in accuracy and completeness, (2) reviewing existing information about the data and the system that produced them, (3) reviewing related documentation, including contractor audit reports, and (4) worked closely with county officials to identify any data problems. We determined that the data were sufficiently reliable for the purposes of this report.

Statement of Compliance with Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Staff

Michelle Greene, Management Auditor

Annamarie McNiel, CPA, Operations and Audit Director