

ADOPTED BUDGET 83-84



MULTNOMAH COUNTY OREGON

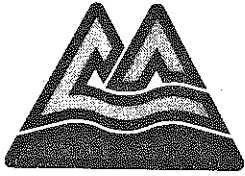
Dennis Buchanan County Executive

Budget Committee

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MULTNOMAH COUNTY OREGON

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DENNIS BUCHANAN
COUNTY EXECUTIVE

BUDGET OFFICER'S MESSAGE

At the time the 1982-83 Multnomah County Executive Budget was prepared, fiscal projections indicated that within two years the County would reach a major crossroads -- a juncture requiring either a substantial increase in the General Fund revenue base or a significant reduction in program responsibilities.

Shortly after the new fiscal year began, it became clear that the choice between raising revenues or cutting expenditures needed to be confronted immediately. Largely as a result of the impact of the depressed economy on revenues, the 1982-83 General Fund budget was estimated to be \$6-million out of balance. 1983-84 resources, in turn, were projected to fall as much as \$14.0-million below 1982-83 budgeted levels.

Data reviewed and analyzed in the intervening months has proven these projections to be accurate. Consequently, the 1983-84 Executive Budget reflects a \$14.6-million or approximately 15% reduction in General Fund resources and the commensurate restructuring and down-sizing of Multnomah County government outlined in the County Executive's Budget Message.

The revenue estimates on which the General Fund budget is based assume little or no improvement in economy-sensitive revenues from 1982-83's revised projections. In addition, they reflect the depletion of the County's Revenue Sharing Fund (\$3.8-million) and the one-time-only nature of other 1982-83 transfers into the General Fund from the Fleet Management, Sewage Facilities, and Capital Reserve Funds (\$1.6-million); the elimination of Court-related revenues as a result of the state takeover of the Courts system in January 1983 (\$2.3-million); and the assumption that City of Portland annexation of Hayden Island by March 31, 1984, will contribute to a reduction in Transient Lodging Receipts of \$180,000.

Looking ahead, the expiration of the \$6-million, three-year operating serial levy at the end of 1983-84; the marked drop in cash carryover from prior years; the reduction of reserve accounts to minimally acceptable levels; and the continuing climate of economic uncertainty

all point to a loss of flexibility in responding to unanticipated fiscal difficulties and underline the need to continue rigorous tracking and analysis of revenues and expenditures.

Current long-term projections, however, indicate the beginning of a period of relative fiscal stability for the County General Fund in 1984-85, given 1983-84's reduced expenditure base and the policy direction it implies and assuming a gradual improvement in the economy.

Notes

1. The 1983-84 Executive Budget reflects a number of organizational changes, some as a result of the approval of changes in the County Charter placed on the ballot by initiative petition during 1982-83.

- The Charter amendments created four new elected County officials -- a Sheriff, Assessor, County Clerk, and District Court Clerk. Their salaries, as well as those of other County elected officials, were also approved by the electorate and cannot be further modified without voter approval.
- The Charter amendments also assigned the newly elected Sheriff responsibility for managing the County's correctional institutions, previously part of a separate Corrections Division within the Department of Justice Services.

The 1983-84 budget is modified accordingly with all but the Community Corrections component of the former Corrections Division budget combined with the appropriation for Public Safety.

- Two County departments -- Administrative Services and Intergovernmental Relations -- are eliminated. With the exception of Assessment and Taxation and Elections (now headed by the newly elected Assessor and County Clerk, respectively), all functions in these two departments are now organizationally housed with all former Office of County Management divisions in the newly created Department of General Services.

Assessment and Taxation and Elections are included in the Nondepartmental section of the budget.

Budget Officer's Message

- The Department of Human Services has reorganized its direct service components into two divisions -- Health Services and Social Services. Accompanying the organizational change is a substantial increase in the proportion of the department's total General Fund appropriation designated as match in the Federal/State Fund -- just over one-third of the total in 1982-83 compared with just over two-thirds in 1983-84.

2. In 1982-83, the County's newly hired Risk Manager was assigned the task of working with an actuarial consultant to determine adequate reserve and funding levels for the County's Insurance Fund. Their recommendations resulted in a \$1,068,180 one-time reduction in the Fund's contingency reserve and the separate appropriations for Property, Liability, Workers' Compensation, and Medical and Dental benefits included in the 1983-84 budget.

The Fund is now displayed as a part of the Finance Division in the Department of General Services and includes an appropriation to pay for unemployment claims previously budgeted under Countywide Appropriations in the Nondepartmental section of the budget.

The table below breaks out the insurance and other fringe benefit costs by employee:

FRINGE BENEFIT ESTIMATES PER EMPLOYEE			
	Sworn Law Officers	Corrections Officers	All Other Employees
<u>Percentage of Payroll</u>			
F.I.C.A.	6.7% up to \$35,700	6.7% up to \$35,700	6.7% up to \$35,700
Workers' Compensation	1.55%	1.55%	1.55%
Retirement (PERS)	25.05%	21.02%	15.18%
<u>Insurance Costs Per Year</u>			
Life Insurance	\$ 34	\$ 83	\$ 59
Dental Insurance			
Blue Cross	\$ 410	\$ 410	\$ 410
Kaiser	\$ 356	\$ 356	\$ 356
Health Insurance			
Blue Cross - single	\$ 1,063	\$ 1,063	\$ 1,063
double	\$ 2,406	\$ 2,406	\$ 2,406
multiple	\$ 2,687	\$ 2,687	\$ 2,687
Kaiser - single	\$ 634	\$ 634	\$ 634
double	\$ 1,269	\$ 1,269	\$ 1,269
multiple	\$ 1,903	\$ 1,903	\$ 1,903

3. The County has a long-standing practice of recovering to the maximum extent possible the cost of all services the General Fund provides to other funds. Although the Road Fund has directly reimbursed General Fund programs for specific services in prior years, 1983-84 marks the first time that indirect costs from the Road Fund to the General Fund are included in the budget.

The 5.56% rate represents an adjustment of the 13.1% the Department of Environmental Services will charge on Federal grants in 1983-84.

4. The replacement in August 1983 of the centrex telephone system serving most County programs has caused two notable changes in the budget document:

- Throughout the budget, new system users show significant increases in their appropriations for line item 614 -- Communications. The increase represents the first year lease/purchase payment on the \$1.9 million system. Similar charges will appear in each of the next four years. At the end of 1987-88, the County will own the system and annual equipment costs will drop as much as 70 percent.
- The lease/purchase charges included in the Communications line items are displayed again in the Resource Summary of the Capital Reserve Fund (page B-56) as service reimbursements from user funds totaling \$660,000.

They will become a part of the first payment of principal on the certificates of participation (third party financing) sold in 1982-83 to finance the purchase of the telephone system and other County equipment and construction costs. Because the initial principal payment is not due until 1984-85, a portion of the \$660,000 recovered from system users for that purpose is shown in the Capital Reserve Fund's Unappropriated Balance.

5. In November 1983, the County will begin operation of a 430-bed detention facility in the new downtown Justice Center, constructed as a replacement for Rocky Butte Jail with state, federal, and County dollars. Appropriations for the operation and maintenance of the new facility are located in four division or section budgets -- Sheriff, Corrections Health, Facilities Management and Radio -- and summarized in the Notes to the Sheriff's budget on page D-29. Just over \$1.4-million of the facility's \$6-million 1983-84 budget represents new costs absorbed by the County.

Helen G. Barney, Budget Officer
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Multnomah County, Oregon

SUMMARY OF RESOURCES

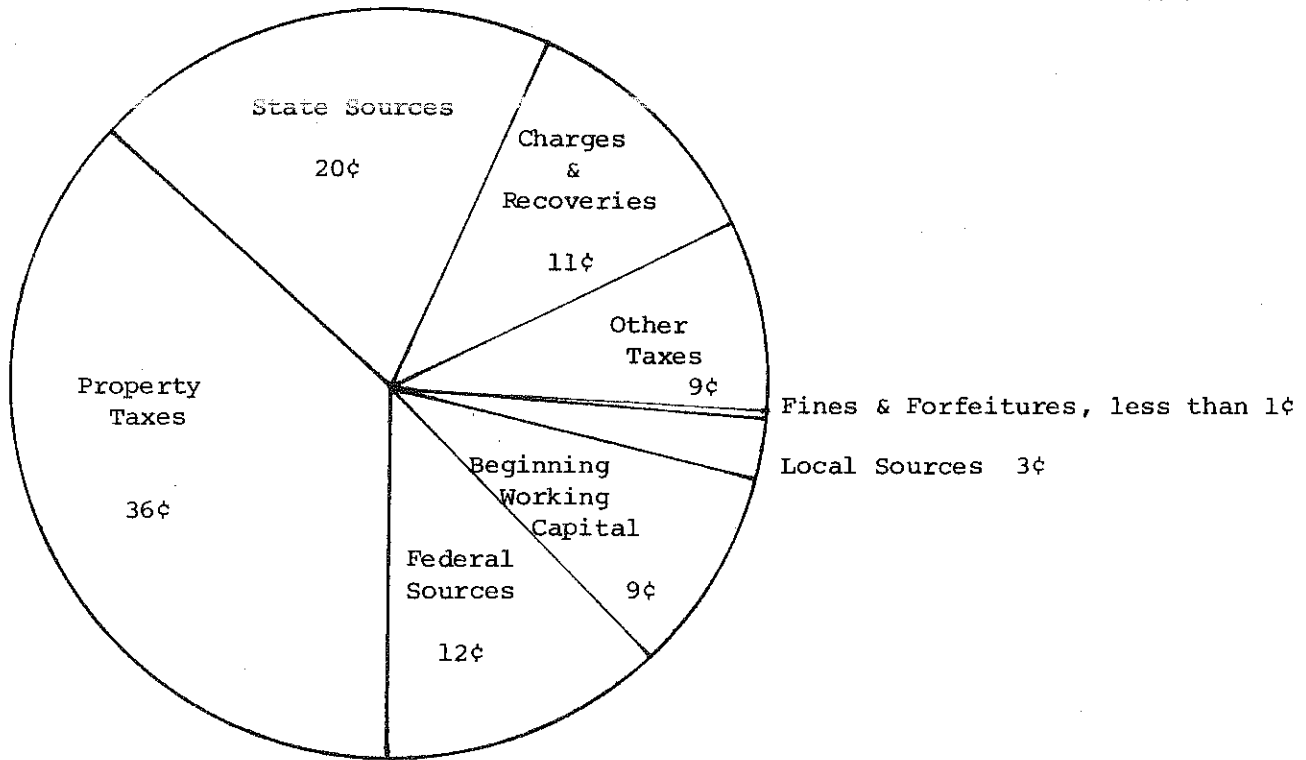
FUND	BEGINNING WORKING CAPITAL	PROPERTY TAXES	OTHER TAXES	CHARGES AND RECOVERIES	FINES AND FORFEIT	FEDERAL SOURCES	STATE SOURCES	LOCAL SOURCES	CASH BUDGET SUBTOTAL	SERVICE REIMBURSEMENT	CASH TRANSFERS	TOTAL RESOURCES
General Fund	1,750,021	49,384,492	5,769,000	10,115,136	190,000	408,750	3,435,349	0	71,052,748	2,293,511	8,641,584	81,987,843
Road Fund	3,921,070	250,000	6,605,000	965,932	0	1,500	7,235,000	0	18,978,502	883,831	320,000	20,182,333
Federal/State	0	0	0	0	0	10,726,937	17,000,295	3,176,605	30,903,837	0	8,266,105	39,169,942
Animal Control	0	0	0	1,045,450	18,000	0	0	0	1,063,450	0	224,905	1,288,355
Assess.District	655,000	0	0	586,200	0	0	0	0	1,241,200	0	0	1,241,200
Bond Sinking	1,000	0	0	23,000	0	0	0	0	24,000	0	0	24,000
Assess.District	0	0	0	930,000	0	0	0	0	930,000	0	30,000	960,000
Improvement	300,500	0	0	0	0	0	0	0	300,500	0	70,250	370,750
Assess.District	313,802	0	0	130,000	0	39,734	0	0	483,536	660,000	326,569	1,470,105
Operating	80,000	83,333	0	0	0	0	0	0	163,333	0	1,145,000	1,308,333
Bike Path Const.	432,953	0	0	570,547	0	0	0	796,418	1,799,918	2,845,578	0	4,645,496
Capital Reserve	0	0	0	0	0	0	280,000	0	280,000	0	100,000	380,000
County School	185,000	0	0	32,500	0	0	0	0	217,500	1,516,173	0	1,733,673
Data Processing	0	0	0	0	0	0	0	0	0	0	0	0
Emergency Comm.	0	0	0	0	0	0	0	0	0	0	0	0
Fleet Management	0	2,031,126	0	0	0	0	0	0	2,031,126	0	0	2,031,126
General Operating	4,947,500	0	0	163,000	0	0	0	0	5,110,500	3,557,486	1,017,468	9,685,454
Serial Levy	220,000	0	0	334,010	0	0	0	0	554,010	0	0	554,010
Insurance	16,000	0	0	253,000	0	0	0	0	269,000	0	0	269,000
Inverness	200,000	0	0	180,000	0	6,200,000	0	0	6,580,000	0	0	6,580,000
Recreational Fac.	0	0	0	172,650	0	0	0	0	172,650	0	0	172,650
Revenue Sharing	125,000	0	0	160,800	0	0	0	3,000	288,800	0	0	288,800
Sewage Facilities	0	0	0	0	0	0	0	0	0	0	0	0
Tax Title Land	0	0	0	0	0	0	0	0	0	0	0	0
Sales Trust	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	13,147,846	51,748,951	12,374,000	15,662,225	208,000	17,376,921	27,950,644	3,976,023	142,444,610	11,756,579	20,141,881	174,343,070

SUMMARY OF REQUIREMENTS

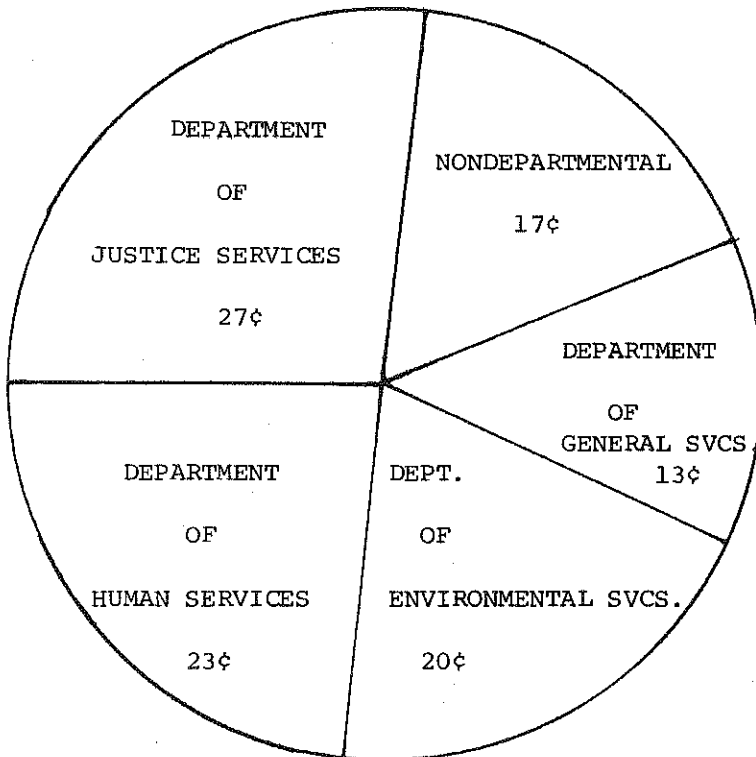
FUND	HUMAN SERVICES	JUSTICE SERVICES	ENVIRONMENTAL SERVICES	GENERAL SERVICES	NON- DEPARTMENTAL	TOTAL EXPENDITURES	CASH TRANSFERS	CONTINGENCY	BALANCE	TOTAL REQUIREMENTS
General Fund	\$ 3,659,532	34,777,663	3,645,657	8,828,822	17,661,940	68,573,614	11,012,257	1,951,972	450,000	81,987,843
Road Fund	0	0	19,638,543	0	0	19,638,543	353,322	190,468	0	20,182,333
Federal/State	29,114,440	4,457,653	1,277,034	682,615	3,603,674	39,135,416	34,526	0	0	39,169,942
Animal Control	0	0	1,288,355	0	0	1,288,355	0	0	0	1,288,355
Assess. District Bond Sinking	0	0	574,036	0	0	574,036	0	0	667,164	1,241,200
Assess.District Improvement	0	0	0	0	0	0	24,000	0	0	24,000
Assess.District Operating	0	0	930,000	0	0	930,000	30,000	0	0	960,000
Bike Path Const.	0	0	290,488	0	0	290,488	0	80,262	0	370,750
Capital Reserve	0	0	0	0	1,027,930	1,027,930	0	50,000	392,175	1,470,105
County School	0	0	0	0	1,308,333	1,308,333	0	0	0	1,308,333
Data Processing	0	0	0	4,481,460	0	4,481,460	0	164,036	0	4,645,496
Emergency Comm.	380,000	0	0	0	0	380,000	0	0	0	380,000
Fleet Management	0	0	1,325,107	0	0	1,325,107	0	408,566	0	1,733,673
General Operating	0	0	0	0	0	0	2,031,126	0	0	2,031,126
Serial Levy	0	0	0	0	0	0	0	4,848,081	0	9,685,454
Insurance	0	0	0	4,837,373	0	4,837,373	0	0	0	554,010
Inverness	0	0	554,010	0	0	554,010	0	0	0	269,000
Recreational Fac.	0	0	3,000	0	0	3,000	266,000	0	0	6,580,000
Revenue Sharing	0	0	0	0	0	0	6,200,000	380,000	0	172,650
Sewage Facilities	0	0	0	0	0	0	172,650	0	0	288,800
Tax Title Land	0	171,614	0	0	0	171,614	18,000	5,000	94,186	
Sales Trust	0	0	0	0	0	0	0	0	0	
TOTAL	\$ 33,153,972	39,406,930	29,526,230	18,830,270	23,601,877	144,519,279	20,141,881	8,078,385	1,603,525	174,343,070

YOUR COUNTY DOLLAR

WHERE IT COMES FROM



WHERE IT GOES



SUMMARY OF DEPARTMENTAL REQUIREMENTS

ORGANIZATION	POSI- TIONS	PERSONAL SERVICES	MATERIALS AND SERVICES	CAPITAL OUTLAY	TOTAL REQUIREMENTS	LESS SERVICE REIMBURSEMENT	DIRECT REQUIREMENT
Department of Human Services	502.1*	\$13,370,208	\$19,735,585	\$ 48,179	\$ 33,153,972	\$ 908,437	\$ 32,245,535
Department of Justice Services	822	26,951,074	12,435,546	20,310	39,406,980	1,929,688	37,477,292
Department of Environmental Svcs.	343	11,374,111	9,626,250	8,525,869	29,526,230	2,090,647	27,435,583
Department of General Services	195	5,931,370	12,849,656	49,244	18,830,270	1,363,311	17,466,959
Nondepartmental Appropriations Total	197	5,690,218	15,778,680	2,132,979	23,601,877	1,381,060	22,220,817
Total	2,059.1	63,316,981	70,425,717	10,776,581	144,519,279	7,673,093	136,846,186
<p>* Includes FTE's in Human Services</p>							