



Multnomah County Oregon

# Board of Commissioners & Agenda

connecting citizens with information and services

REVISED

## BOARD OF COMMISSIONERS

Ted Wheeler, Chair

501 SE Hawthorne Boulevard, Suite 600  
Portland, Or 97214

Phone: (503) 988-3308 FAX (503) 988-3093

Email: [mult.chair@co.multnomah.or.us](mailto:mult.chair@co.multnomah.or.us)

Maria Rojo de Steffey, Commission Dist. 1

501 SE Hawthorne Boulevard, Suite 600  
Portland, Or 97214

Phone: (503) 988-5220 FAX (503) 988-5440

Email: [district1@co.multnomah.or.us](mailto:district1@co.multnomah.or.us)

Jeff Cogen, Commission Dist. 2

501 SE Hawthorne Boulevard, Suite 600  
Portland, Or 97214

Phone: (503) 988-5219 FAX (503) 988-5440

Email: [district2@co.multnomah.or.us](mailto:district2@co.multnomah.or.us)

Lisa Naito, Commission Dist. 3

501 SE Hawthorne Boulevard, Suite 600  
Portland, Or 97214

Phone: (503) 988-5217 FAX (503) 988-5262

Email: [district3@co.multnomah.or.us](mailto:district3@co.multnomah.or.us)

Lonnie Roberts, Commission Dist. 4

501 SE Hawthorne Boulevard, Suite 600  
Portland, Or 97214

Phone: (503) 988-5213 FAX (503) 988-5262

Email: [lonnie.j.roberts@co.multnomah.or.us](mailto:lonnie.j.roberts@co.multnomah.or.us)

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**Americans with Disabilities Act Notice:** If you need this agenda in an alternate format, or wish to participate in a Board Meeting, please call the Board Clerk (503) 988-3277, or the City/County Information Center TDD number (503) 823-6868, for information on available services and accessibility.

## JUNE 3 & 5, 2008 BOARD MEETINGS

### FASTLOOK AGENDA ITEMS OF INTEREST

Pg 2	9:00 a.m. Tuesday Executive Session
Pg 2	10:00 a.m. Tuesday Justice Mapping Briefing
Pg 2	11:00 a.m. Tuesday Budget Work Session
Pg 3	8:35 a.m. Thursday Adopting Financial and Budget Policies for Multnomah County, Oregon for Fiscal Year 2008-2009
Pg 3	8:40 a.m. Thursday Defining the Funds to be Used in FY 2009
Pg 3	8:45 a.m. Thursday Adopting FY 2009 Budget for Multnomah County and Making Appropriations Thereunder
Pg 4	9:35 a.m. Thursday Multnomah County Salary Commission Report and Recommendations and Resolutions

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Tuesday, June 3, 2008 - 7:30 AM to 9:00 AM  
Multnomah Building, Third Floor Conference Room 315  
501 SE Hawthorne Boulevard, Portland

## **LOCAL PUBLIC SAFETY COORDINATING COUNCIL EXECUTIVE COMMITTEE MEETING**

A quorum or more of the Multnomah County Board of Commissioners may attend the Local Public Safety Coordinating Council Executive Committee meeting. This meeting is open to the public. For further information contact Carol Wessinger at (503) 988-5217.

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Tuesday, June 3, 2008 - 9:00 AM  
Multnomah Building, First Floor Commissioners Conference Room 112  
501 SE Hawthorne Boulevard, Portland

### **EXECUTIVE SESSION**

- E-1 The Multnomah County Board of Commissioners will meet in Executive Session Pursuant to ORS 192.660(2)(d),(e) and/or (h). Only Representatives of the News Media and Designated Staff are allowed to attend. News Media and All Other Attendees are Specifically Directed Not to Disclose Information that is the Subject of the Session. No Final Decision will be made in the Session. Presented by County Attorney Agnes Sowle. 15-55 MINUTES REQUESTED.
- 

Tuesday, June 3, 2008 - 10:00 AM  
Multnomah Building, First Floor Commissioners Boardroom 100  
501 SE Hawthorne Boulevard, Portland

### **BOARD BRIEFING/WORK SESSION**

- B-1 Justice Mapping Briefing. Presented by Eric Cadora, Co-Founder of the Justice Mapping Center in Brooklyn, New York. 1 HOUR REQUESTED.
- WS-1 Budget Work Session. Presented by Bill Farver, Karyne Dargan and Invited Others. 1 HOUR REQUESTED.

Thursday, June 5, 2008 - 8:30 AM  
Multnomah Building, First Floor Commissioners Boardroom 100  
501 SE Hawthorne Boulevard, Portland

## **REGULAR MEETING**

### **CONSENT CALENDAR - 8:30 AM**

#### **DEPARTMENT OF COMMUNITY SERVICES**

- C-1 RESOLUTION Authorizing the Private Sale of a Tax Foreclosed Property to  
ANDREA M LEE

#### **DEPARTMENT OF COMMUNITY JUSTICE**

- C-2 Budget Modification DCJ-23 Reclassifying a Research and Evaluation  
Supervisor to a Program Manager 2 in the Employee, Community and  
Clinical Services Division, as Determined by the Class/Comp Unit of  
Central Human Resources

### **REGULAR AGENDA**

#### **DEPARTMENT OF COUNTY MANAGEMENT – 8:30 AM**

- R-1 RESOLUTION Authorizing Salary Adjustments for Employees Not  
Covered by Collective Bargaining Agreements for Fiscal Year 2008-2009
- R-2 RESOLUTION Adopting Financial and Budget Policies for Multnomah  
County, Oregon for Fiscal Year 2008-2009 and Repealing Resolution 07-  
115
- R-3 RESOLUTION Defining the Funds to be Used in Fiscal Year 2008-2009  
and Repealing Resolution 07-116
- R-4 RESOLUTION Adopting the Fiscal Year 2009 Budget for Multnomah County  
and Making Appropriations Thereunder, Pursuant to ORS 294.435
- R-5 RESOLUTION Levying Ad Valorem Property Taxes for Multnomah  
County, Oregon, for Fiscal Year 2009

#### **SHERIFF'S OFFICE – 9:20 AM**

- R-6 Budget Modification MCSO-14 Appropriating \$614,813 in Additional  
Senate Bill 1145 State Funding to the Sheriff's Office

**NON-DEPARTMENTAL - 9:25 AM**

- R-7 Budget Modification NOND-09 Adding 1.5 FTE Program Development Specialists to the Commission on Children, Families, and Community Budget
- R-8 Budget Modification NOND-10, Adding \$10,000 in Private Donations for the Sauvie Island Bridge Opening Celebration

**PUBLIC COMMENT - 9:30 AM**

Opportunity for Public Comment on non-agenda matters. Testimony is limited to three minutes per person. Fill out a speaker form available in the Boardroom and turn it into the Board Clerk.

**AUDITOR'S OFFICE – 9:35 AM**

- R-9 Multnomah County Salary Commission Presents Recommendations and Rationale for Adjustments to Salaries of Multnomah County Chair, Commissioners, District Attorney and Sheriff. Presented by County Auditor LaVonne Griffin-Valade and Salary Commission Co-Chairs Laura Olson and Mary Ann Wersch. 30 MINUTES REQUESTED.
- R-9a RESOLUTION Accepting the 2008 Multnomah County Salary Commission Report Setting Chair and Commissioner Salaries
- R-9b RESOLUTION Accepting the 2008 Multnomah County Salary Commission Report and Setting District Attorney's Salary
- R-9c RESOLUTION Accepting the 2008 Multnomah County Salary Commission Report and Setting Sheriff's Salary

**BOARD COMMENT**

Opportunity (as time allows) for Commissioners to provide informational comments to Board and public on non-agenda items of interest or to discuss legislative issues.



Multnomah County Oregon

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# MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS  
501 S.E. HAWTHORNE BLVD., Room 600  
PORTLAND, OREGON 97204  
(503) 988-5213

Lonnie Roberts • DISTRICT 4 COMMISSIONER

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## MEMORANDUM

TO: Chair Ted Wheeler  
Commissioner Maria Rojo de Steffey  
Commissioner Jeff Cogen  
Commissioner Lisa Naito  
Board Clerk Deb Bogstad

FROM: Sam Peterson  
Staff Assistant to Commissioner Lonnie Roberts

DATE: June 3, 2008

RE: June 5, 2008 Budget Adoption Meeting

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Commissioner Roberts will be attending the June 5, 2008 Budget Adoption meeting in the Boardroom until 9:30am. However, due a prior engagement, he will be leaving the boardroom at 9:30am and will attend the rest of the meeting via telephone.

Thank you,

Sam Peterson



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST short form**

**Board Clerk Use Only**

**Meeting Date:** 06/05/08  
**Agenda Item #:** C-1  
**Est. Start Time:** 8:30 AM  
**Date Submitted:** 05/15/08

**Agenda Title:** **RESOLUTION Authorizing the Private Sale of a Tax Foreclosed Property to ANDREA M LEE**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

<b>Date Requested:</b>	<u>June 5, 2008</u>	<b>Time Requested:</b>	<u>Consent Item</u>
<b>Department:</b>	<u>Community Services</u>	<b>Division:</b>	<u>Tax Title</u>
<b>Contact(s):</b>	<u>Gary Thomas</u>		
<b>Phone:</b>	<u>503-988-3590</u>	<b>Ext.</b>	<u>22591</u>
<b>Presenter(s):</b>	<u>Gary Thomas</u>	<b>I/O Address:</b>	<u>503/4/TT</u>

**General Information**

**1. What action are you requesting from the Board?**

The Tax Title Section is requesting the Board to approve the private sale of a tax foreclosed property to ANDREA M LEE.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

The subject property is a 12' x 22' detached garage that came into county ownership through the foreclosure of delinquent tax liens on October 17, 2005. The county's appraisal records describe the structure as a detached garage but it also could be classified as an attached garage. The garage is attached to the house located at 3100 SE McLoughlin Blvd and an entrance door inside the garage leads to the basement of the McLoughlin property. The subject garage as well as a similar garage that is part of the adjacent property at 3040 SE McLoughlin Blvd are described as separate tax accounts and valued as such.

The party that the county foreclosed on was a Michael Treone. In January 1980 Mr. Treone purchased the house and garage located at 3100 SE McLoughlin. In April 1980, Treone sold the house excepting the detached garage on contract to a David Mann. In 1983 Mann satisfied the contract and that same year Treone entered into a long term lease with Mann for use of the garage. Terms of the lease stated that Mann was supposed to keep the property taxes current. In 1998, Mann

sold the property at 3100 SE McLoughlin Blvd to Andrea Lee who is the current owner. The legal description for that transaction excepts the garage which remained in the name of Treone. Ms. Lee was under the impression that she had a lease on the garage which may have been the case. Regardless if she did or not the property taxes were not paid and it came into county ownership.

We have been attempting for over two years without success to get the adjacent property owner, Andrea Lee, to enter into a private sale agreement. Finally with the mention in a letter that we were going to include the property in a public auction she responded by saying she would like to purchase the property. Because of the entrance door inside the garage that leads to the basement of the 3100 SE McLoughlin Blvd property we felt it to be in the best interest of the county to sell the property to that owner.

The attached plat map, Exhibit A shows the location of the garage. Exhibit B includes 4 pictures that show the garage, its proximity to the house at 3100 SE McLoughlin Blvd as well as SE McLoughlin Blvd. An aerial photo, Exhibit C, shows the garage and the surrounding properties.

Tax Title Division is confident that the shape and size of the property make it unsuitable for the construction or placement of a dwelling thereon under current zoning ordinances and building codes, as provided under ORS 275.225.

This action affects our Vibrant Communities Program Offer by placing a tax foreclosed property back onto the tax roll.

**3. Explain the fiscal impact (current year and ongoing).**

The private sale will allow for the recovery of the delinquent taxes, fees, and expenses. The sale will also reinstate the property on the tax roll (see Exhibit D).

**4. Explain any legal and/or policy issues involved.**

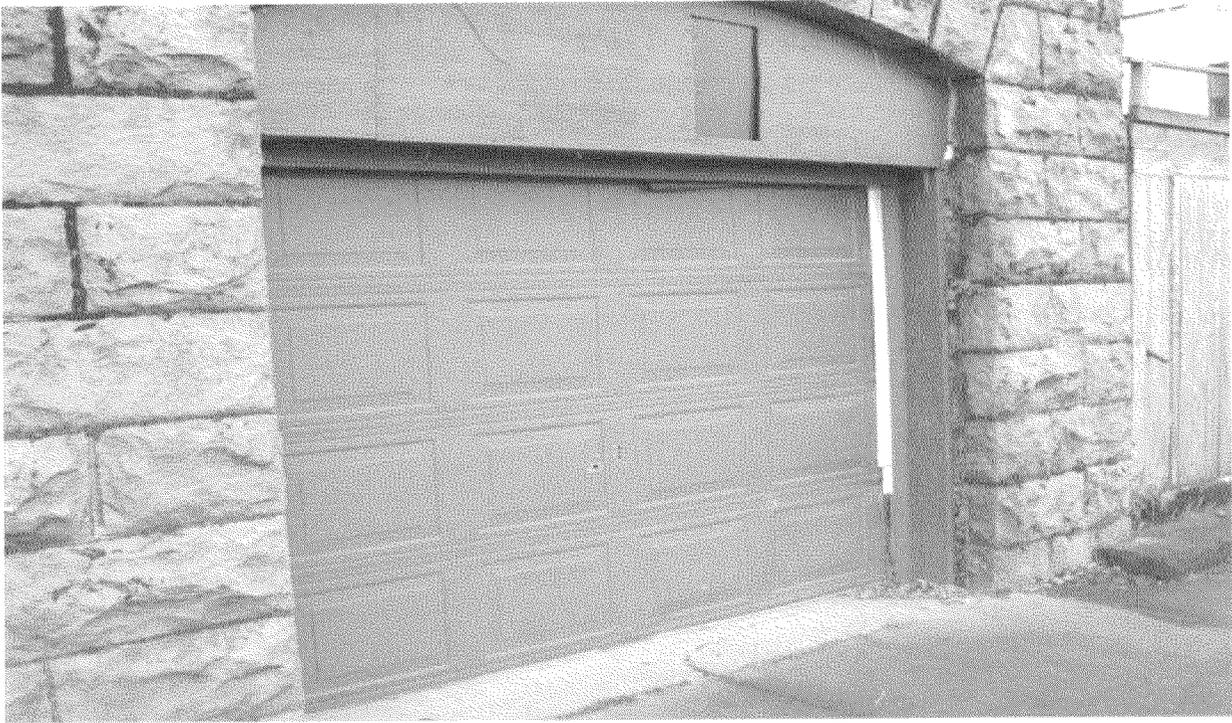
No legal issues are expected. The parcel will be deeded "As Is" without guarantee of clear title.

**5. Explain any citizen and/or other government participation that has or will take place.**

No citizen or government participation is anticipated.



**EXHIBIT B**



SE McLoughlin Blvd

Subject garage

3100 SE McLoughlin Blvd



Subject garage

3100 SE McLoughlin Blvd



EXHIBIT C



Subject garage

3100 SE McLoughlin Blvd

**EXHIBIT D**

**LEGAL DESCRIPTION:**

VILLA HEIGHTS W22' OF THE N 12' OF THE S ½ OF LOT 5 BLOCK 1

**ADJACENT PROPERTY ADDRESS:** 3100 SE McLoughlin Blvd  
**TAX ACCOUNT NUMBER:** R296525  
**GREENSPACE DESIGNATION:** No designation  
**SIZE OF PARCEL:** More or less 264 square feet  
**ASSESSED VALUE:** \$9,840

**ITEMIZED EXPENSES FOR TOTAL PRICE OF PRIVATE SALE**

<b>BACK TAXES &amp; INTEREST:</b>	\$625.92
<b>TAX TITLE MAINTENANCE COST &amp; EXPENSES:</b>	\$257.50
<b>RECORDING FEE:</b>	\$26.00
<b>SUB-TOTAL</b>	<b>\$909.42</b>
<b>MINIMUM PRICE REQUEST OF PRIVATE SALE</b>	<b>\$4,500.00</b>

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**Required Signature**

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**Department/  
Agency Director:**

*M. Cecilia Johnson*

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**Date: 05/19/08**

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Authorizing the Private Sale of a Tax Foreclosed Property to ANDREA M. LEE

**The Multnomah County Board of Commissioners Finds:**

- a. Multnomah County acquired through the foreclosure of liens for delinquent real property taxes, real property situated in Multnomah County, Oregon; described as follows:  

W 22' OF THE N 12' OF THE S ½ OF LOT 5 BLOCK 1      VILLA HEIGHTS
- b. The property has a real market value of \$9,840 on the assessment roll prepared for the County, consistent with ORS 275.225(1)(a).
- c. Although no written confirmation from the City of Portland was obtained, the Tax Title Division is confident that the shape and size of the property make it unsuitable for the construction or placement of a dwelling thereon under applicable zoning ordinances and building codes, as provided under ORS 275.225(1) (b).
- d. ANDREA M. LEE has agreed to pay \$4,500, an amount the Board finds to be a reasonable price for the property in conformity with ORS 275.225.

**The Multnomah County Board of Commissioners Resolves:**

1. Upon Tax Title's receipt of the payment of \$4,500, the Chair on behalf of Multnomah County is authorized to execute a deed, substantially in compliance with the attached deed; conveying to the real property described above.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Matthew O. Ryan, Assistant County Attorney

SUBMITTED BY:  
M. Cecilia Johnson, Director, Dept. of Community Services

Until a change is requested, all tax statements  
shall be sent to the following address:

ANDREA M. LEE  
3100 SE MCLOUGHLIN BLVD  
PORTLAND OR 97202-7740

After recording return to:  
Multnomah County Tax Title 503/4

**Deed D082160 for R296525**

MULTNOMAH COUNTY, a political subdivision of the State of Oregon, **Grantor**, conveys to ANDREA M. LEE **Grantee**, real property situated in Multnomah County, Oregon; described as follows:

W 22' OF THE N 12' OF THE S ½ OF LOT 5 BLOCK 1 VILLA HEIGHTS

The true consideration paid for this transfer is \$4,500.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, MULTNOMAH COUNTY has caused these presents to be executed by the Chair of the Multnomah County Board of Commissioners the 5th day of June 2008, by authority of a Resolution of the Board of County Commissioners heretofore entered of record.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Matthew O. Ryan, Assistant County Attorney

STATE OF OREGON                    )  
  ) ss  
COUNTY OF MULTNOMAH        )

This Deed was acknowledged before me this 5th day of June 2008, by Ted Wheeler, to me personally known, as Chair of the Multnomah County Board of Commissioners, on behalf of the County by authority of the Multnomah County Board of Commissioners.

\_\_\_\_\_  
Deborah Lynn Bogstad  
Notary Public for Oregon  
My Commission expires: 6/27/09

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-077**

Authorizing the Private Sale of a Tax Foreclosed Property to ANDREA M. LEE

**The Multnomah County Board of Commissioners Finds:**

- a. Multnomah County acquired through the foreclosure of liens for delinquent real property taxes, real property situated in Multnomah County, Oregon; described as follows:  

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FOR MULTNOMAH COUNTY, OREGON

Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Matthew O. Ryan, Assistant County Attorney

SUBMITTED BY:  
M. Cecilia Johnson, Director, Dept. of Community Services

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PORTLAND OR 97202-7740

After recording return to:  
Multnomah County Tax Title 503/4

**Deed D082160 for R296525**

MULTNOMAH COUNTY, a political subdivision of the State of Oregon, **Grantor**, conveys to ANDREA M. LEE **Grantee**, real property situated in Multnomah County, Oregon; described as follows:

W 22' OF THE N 12' OF THE S 1/2 OF LOT 5 BLOCK 1 VILLA HEIGHTS

The true consideration paid for this transfer is \$4,500.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, MULTNOMAH COUNTY has caused these presents to be executed by the Chair of the Multnomah County Board of Commissioners the 5th day of June 2008, by authority of a Resolution of the Board of County Commissioners heretofore entered of record.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Matthew O. Ryan, Assistant County Attorney

STATE OF OREGON                    )  
  ) ss  
COUNTY OF MULTNOMAH         )

This Deed was acknowledged before me this 5th day of June 2008, by Ted Wheeler, to me personally known, as Chair of the Multnomah County Board of Commissioners, on behalf of the County by authority of the Multnomah County Board of Commissioners.

\_\_\_\_\_  
Deborah Lynn Bogstad  
Notary Public for Oregon  
My Commission expires: 6/27/09

Until a change is requested, all tax statements  
Shall be sent to the following address:  
ANDREA M. LEE  
3100 SE MCLOUGHLIN BLVD  
PORTLAND OR 97202-7740

After recording return to:  
Multnomah County Tax Title 503/4

**Deed D082160 for R296525**

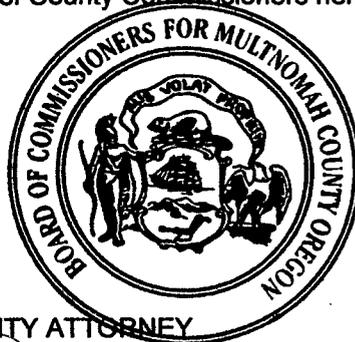
MULTNOMAH COUNTY, a political subdivision of the State of Oregon, **Grantor**, conveys to ANDREA M. LEE **Grantee**, real property situated in Multnomah County, Oregon; described as follows:

W 22' OF THE N 12' OF THE S 1/2 OF LOT 5 BLOCK 1 VILLA HEIGHTS

The true consideration paid for this transfer is \$4,500.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

IN WITNESS WHEREOF, MULTNOMAH COUNTY has caused these presents to be executed by the Chair of the Multnomah County Board of Commissioners the 5th day of June 2008, by authority of a Resolution of the Board of County Commissioners heretofore entered of record.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

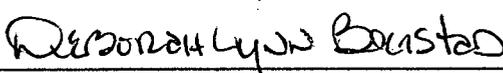
REVIEWED:

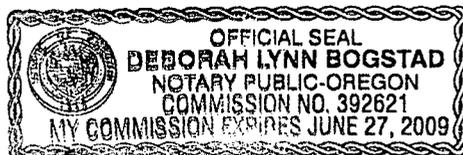
AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Matthew O. Ryan, Assistant County Attorney

STATE OF OREGON                    )  
  ) ss  
COUNTY OF MULTNOMAH        )

This Deed was acknowledged before me this 5th day of June 2008, by Ted Wheeler, to me personally known, as Chair of the Multnomah County Board of Commissioners, on behalf of the County by authority of the Multnomah County Board of Commissioners.

  
Deborah Lynn Bogstad  
Notary Public for Oregon  
My Commission expires: 6/27/09





**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (long form)**

APPROVED : MULTNOMAH COUNTY  
 BOARD OF COMMISSIONERS  
 AGENDA # C-2 DATE 06.05.08  
 DEBORAH L. BOGSTAD, BOARD CLERK

**Board Clerk Use Only**

**Meeting Date:** 06/05/08  
**Agenda Item #:** C-2  
**Est. Start Time:** 8:30 AM  
**Date Submitted:** 05/20/08

**BUDGET MODIFICATION: DCJ - 23**

**Agenda Title:** **Budget Modification DCJ-23 Reclassifying a Research and Evaluation Supervisor to a Program Manager 2 in the Employee, Community and Clinical Services Division, as Determined by the Class/Comp Unit of Central Human Resources**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

<b>Requested Meeting Date:</b>	<u>June 5, 2008</u>	<b>Amount of Time Needed:</b>	<u>N/A</u>
<b>Department:</b>	<u>Dept. of Community Justice</u>	<b>Division:</b>	<u>Employee, Community &amp; Clinical Services Division</u>
<b>Contact(s):</b>	<u>Shaun Coldwell</u>		
<b>Phone:</b>	<u>503-988-3961</u>	<b>Ext.</b>	<u>83961</u>
<b>Presenter(s):</b>	<u>Consent Calendar</u>		
<b>I/O Address:</b>	<u>503 / 250</u>		

**General Information**

**1. What action are you requesting from the Board?**

The Department of Community Justice (DCJ) requests approval of a budget modification to reclassify a Research & Evaluation Supervisor position which has been reviewed by the Class/Comp Unit of Central Human Resources.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

Reclassification of a 1.00 FTE Research & Evaluation position to a Program Manager 2 was approved for recommendation to the Board of County Commissioners by the Class/Comp Unit of Central Human Resources on May 5, 2008, to be retro-active to September 27, 2007.

This position provides leadership to the department for program evaluation, analysis of generated data, and dissemination of findings to the criminal justice community; and is responsible for ensuring research and evaluation practices, management reporting, performance measurement, and

continuous quality improvement efforts are implemented in accordance with substantive best practices. Essential functions include: establish departmental research agenda; present findings at local, national, and internal conferences/workshops; make policy, practice, and operational recommendations; provide high-level technical oversight and direction to professional staff; and oversee ongoing quality assurance and program improvement for both internal programs and contracted services. These functions and scope of responsibility are consistent with similar positions in the Quality groups of DCHS and Health Department, and are consistent with the functions of a Program Manager 2 (9360) classification.

This position is located in FY 2008 Program Offer 50003 – DCJ Quality Systems Management & Evaluation.

**3. Explain the fiscal impact (current year and ongoing).**

There is no fiscal impact for FY 2008 as the personnel costs for these two positions overlap. This position is ongoing and is included in the FY 2009 Approved Budget.

**4. Explain any legal and/or policy issues involved.**

Employees have the right to request evaluation of the appropriateness of their classifications. The Classification/Compensation Unit has a formal process for evaluating these requests. The reclassification for which approval is sought in this request has been reviewed by the Classification/Compensation Unit and the position has been found to be wrongly classed. By contract and under our personnel rules, we are required to compensate employees appropriately based on these findings.

It is the policy of Multnomah County to make all employment decisions without regard to race, religion, color, national origin, sex, age marital status, disability, political affiliations, sexual orientation, or any other nonmerit factor.

**5. Explain any citizen and/or other government participation that has or will take place.**

N/A

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## ATTACHMENT A

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### Budget Modification

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If the request is a **Budget Modification**, please answer all of the following in detail:

- **What revenue is being changed and why?**

N/A

- **What budgets are increased/decreased?**

N/A

- **What do the changes accomplish?**

Approval of a reclassification decision from the Class/Comp Unit of Central Human Resources.

- **Do any personnel actions result from this budget modification? Explain.**

Yes, the current employee in this position will be reclassified to a Program Manager 2 retro-active to September 27, 2007.

- **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**

N/A

- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

N/A

- **If a grant, what period does the grant cover?**

N/A

- **If a grant, when the grant expires, what are funding plans?**

N/A

*NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.*

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## ATTACHMENT B

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**BUDGET MODIFICATION: DCJ - 23**

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### Required Signatures

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**Elected Official or  
Department/  
Agency Director:**

*John Anderson for Scott Taylor*

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**Date: 05/20/08**

**Budget Analyst:**

*[Signature]*

---

**Date: 05/20/08**

**Department HR:**

*Karin Lambert*

---

**Date: 05/20/2008**

**Countywide HR:**

*A. Busby*

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**Date: 05/20/2008**

Budget Modification ID: DCJ-23

### EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with SAP.

Budget/Fiscal Year: 2008

Line No.	Fund Center	Fund Code	Program #	Func. Area	Accounting Unit			Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description			
					Internal Order	Cost Center	WBS Element									
1									0							
2			No fiscal impact, therefore no changes to FY-2008 Budget.							0						
3			Description: Re-class a 9041-R&E Supervisor position to a 9360-Program Manager 2. Position is located in ECCS Quality Systems Mgt & Evaluation (cc 500300).							0						
4													0			
5													0			
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29								0								
										0	0	Total - Page 1				
										0	0	GRAND TOTAL				

**ANNUALIZED PERSONNEL CHANGE**

Change on a full year basis even though this action affects only a part of the fiscal year (FY).

							ANNUALIZED			
Fund	Job #	HR Org	CC/WBS/IO	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
1000	9041	63269	500300	Research & Evaluation Supv	700288	(1.00)	(81,453)	(26,138)	(15,299)	(122,890)
1000	9360	63269	500300	Program Manager 2	700288	1.00	81,453	26,138	15,299	122,890
										0
										0
										0
										0
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										0
<b>TOTAL ANNUALIZED CHANGES</b>						<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**CURRENT YEAR PERSONNEL DOLLAR CHANGE**

Calculate costs/savings that will take place in this FY; these should explain the actual dollar amounts being changed by this Bud Mod.

							CURRENT YEAR			
Fund	Job #	HR Org	CC/WBS/IO	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
1000	9041	63269	500300	Research & Evaluation Supv	700288	(0.75)	(61,090)	(19,604)	(11,475)	(92,168)
1000	9360	63269	500300	Program Manager 2	700288	0.75	61,090	19,604	11,475	92,168
										0
										0
										0
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										0
<b>TOTAL CURRENT FY CHANGES</b>						<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (short form)**

**Board Clerk Use Only**

Meeting Date: 06/05/08  
 Agenda Item #: R-1  
 Est. Start Time: 8:30 AM  
 Date Submitted: 05/20/08

**Agenda Title: RESOLUTION Authorizing Salary Adjustments for Employees Not Covered by Collective Bargaining Agreements for Fiscal Year 2008-2009**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

Requested Meeting Date: June 5, 2008 Amount of Time Needed: 5 minutes  
 Department: Department of County Management Division: Central Human Resources  
 Contact(s): Travis Graves, Multnomah County HR Director  
 Phone: 503.988.6134 Ext. 86134 I/O Address: 503/400  
 Presenter(s): Carol Ford, DCM Director or Travis Graves, Multnomah County HR Director

**General Information**

**1. What action are you requesting from the Board?**

Approval of the compensation plan and cost of living increase for fiscal year 2008-2009 for all non represented staff, except for elected officials' staff.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

This Resolution authorizes a 3.8% cost of living adjustment for employees not covered by collective bargaining agreements, except for elected official staff. It also approves the compensation plan for fiscal year 2008-2009.

**3. Explain the fiscal impact (current year and ongoing).**

This resolution adjusts the ranges and all non-bargaining unit employees' salaries, except elected official's staff, by 3.8%.

**4. Explain any legal and/or policy issues involved.**

N/A

5. Explain any citizen and/or other government participation that has or will take place.

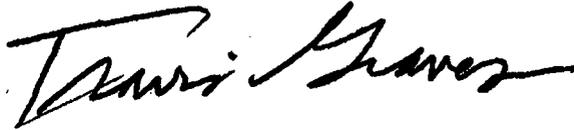
None

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**Required Signature**

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Elected Official or  
Department/  
Agency Director:



Travis Graves

---

Date: 05/20/08

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Authorizing Salary Adjustments for Employees Not Covered by Collective Bargaining Agreements for Fiscal Year 2008-2009

**The Multnomah County Board of Commissioners Finds:**

- a. Multnomah County (County) employs individuals not covered by any collective bargaining agreement.
- b. The Multnomah County Board of Commissioners (Board) adopted County compensation policy in MCC 9.160 to provide such pay as necessary for the County to recruit, select and retain qualified management, supervisory, administrative and professional employees; to recognize employee performance, growth and development; to maintain an appropriate internal relationship among classifications and employees based on job responsibilities, qualifications and authority; and to maintain parity between equivalent non-represented and represented positions.
- c. The Chair is responsible for developing and recommending compensation plan adjustments to the Board.
- d. Certain employees work as elected officials' staff, and the elected officials set their pay.

**The Multnomah County Board of Commissioners Resolves:**

1. General Salary Increases. Except for elected officials' staff, management and executive employees are eligible for a cost of living increase effective July 1, 2008 of 3.8%. These pay ranges are shown in an exhibit attached to this Resolution, labeled Management/Executive Pay.

Table - effective July 1, 2008.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

**Multnomah County Management/Executive Pay Table - effective July 1, 2008**

Job Class #	Job Title	Notes	Pay Scale Group	Annual		Semi-Monthly		
				Min.	Max.	Min.	Mid.	Max.
9603	AA/EEO OFFICER	EXEC	129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9792	ACCESS SERVICES ADMINISTRATOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9006	ADMINISTRATIVE ANALYST		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9005	ADMINISTRATIVE ANALYST/SENIOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9634	ADMINISTRATIVE SECRETARY/NR		117	\$35,277.75	\$49,387.51	\$1,469.91	\$1,763.86	\$2,057.81
9607	ADMINISTRATIVE SERV OFFICER		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9616	ANIMAL CONTROL MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9763	ASSESSMENT MANAGER/SENIOR	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9804	ASSOCIATE DIRECTOR/CENTRAL		130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9060	ASST COUNTY ATTORNEY 1	EXEC	128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9190	ASST COUNTY ATTORNEY 2	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9440	ASST COUNTY ATTORNEY/SENIOR	EXEC	135	\$84,930.53	\$118,995.68	\$3,538.77	\$4,248.46	\$4,958.15
9673	AUXILIARY SERVICES MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9015	BOARD CLERK		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9623	BRIDGE MAINTENANCE SUPERVISOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9624	BRIDGE SERVICES MANAGER	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9734	BUDGET ANALYST/PRINCIPAL		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9730	BUDGET ANALYST/SENIOR		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9627	CAPTAIN	EXEC	9627	\$90,822.97	\$108,872.53	\$3,784.29	\$4,160.33	\$4,536.36
9628	CARTOGRAPHY SUPERVISOR		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9773	CATALOGING ADMINISTRATOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9799	CENTRAL LIBRARY COORDINATOR	EXEC	128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9007	CHAPLAIN	EXEC	120	\$40,891.56	\$57,249.30	\$1,703.82	\$2,044.61	\$2,385.39
9630	CHIEF APPRAISER		129-130	\$63,414.79	\$93,244.81	\$2,642.28	\$3,263.74	\$3,885.20
9625	CHIEF DEPUTY	EXEC	9625	\$0.00	\$114,254.64	\$0.00	\$0.00	\$4,760.61
9064	CHIEF DEPUTY MEDICAL EXAMINER		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9810	CHIEF FINANCIAL OFFICER	EXEC	137-139	\$93,199.10	\$144,019.88	\$3,883.30	\$4,942.07	\$6,000.83
9455	CHIEF INFORMATION OFFICER	EXEC	139	\$102,791.74	\$144,019.88	\$4,282.99	\$5,141.91	\$6,000.83
9774	CIRCULATION ADMINISTRATOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9391	CLINICAL SUPERVISOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9620	COMMUNITY JUSTICE MANAGER		126-128	\$54,778.43	\$84,548.25	\$2,282.43	\$2,902.64	\$3,522.84
9643	CONSTRUCTION PROJECTS ADMIN		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9510	COUNTY ATTORNEY	EXEC	140-142	\$107,931.88	\$166,593.28	\$4,497.16	\$5,719.28	\$6,941.39
9617	COUNTY BUSINESS SERVICES MGR	EXEC	137-139	\$93,199.10	\$144,019.88	\$3,883.30	\$4,942.07	\$6,000.83
9649	COUNTY SURVEYOR	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9445	D A INVESTIGATOR/CHIEF		124-126	\$49,696.23	\$76,692.02	\$2,070.68	\$2,633.09	\$3,195.50
9664	D A OPERATIONS MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9747	DATA ANALYST/SENIOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9499	DENTAL DIRECTOR/CLINICAL	EXEC	140	\$107,931.88	\$151,103.75	\$4,497.16	\$5,396.58	\$6,295.99
9500	DENTAL HEALTH OFFICER	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9390	DENTIST		137	\$93,199.10	\$130,478.52	\$3,883.30	\$4,659.96	\$5,436.61
9430	DENTIST/SENIOR		138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9610	DEPARTMENT DIRECTOR 1	EXEC	137-139	\$93,199.10	\$144,019.88	\$3,883.30	\$4,942.07	\$6,000.83

9613	DEPARTMENT DIRECTOR 2	EXEC	140-142	\$107,931.88	\$166,593.28	\$4,497.16	\$5,719.28	\$6,941.39
9281	DEPUTY AUDITOR	STAFF	9281	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9631	DEPUTY COUNTY ATTORNEY	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9619	DEPUTY DIRECTOR	EXEC	133	\$77,084.34	\$107,917.39	\$3,211.85	\$3,854.21	\$4,496.56
9465	DEPUTY DIST ATTY/FIRST ASST	STAFF	9465	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9450	DEPUTY DISTRICT ATTORNEY/CHIEF	STAFF	9450	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9540	DEPUTY HEALTH OFFICER	EXEC	141	\$113,327.25	\$158,783.87	\$4,721.97	\$5,668.98	\$6,615.99
9541	DEPUTY MEDICAL DIRECTOR	EXEC	141	\$113,327.25	\$158,783.87	\$4,721.97	\$5,668.98	\$6,615.99
9683	DEVELOP/COMMUNICATIONS COORD		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9663	DISTRIBUTION SUPERVISOR		120	\$40,891.56	\$57,249.30	\$1,703.82	\$2,044.61	\$2,385.39
9665	ELECTIONS ADMINISTRATOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9666	ELECTIONS MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9667	EMERGENCY MANAGEMENT ADMIN		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9530	EMS MEDICAL DIRECTOR	EXEC	144	\$131,190.71	\$183,666.54	\$5,466.28	\$6,559.53	\$7,652.77
9671	ENGINEERING SERVICES MANAGER 1		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9672	ENGINEERING SERVICES MANAGER 2	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9062	ENVIRONMENTAL HEALTH SUPERVISOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9044	ERP BUSINESS PROCESS MANAGER		130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9460	EXECUTIVE ASSISTANT	STAFF	9460	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9686	FACILITIES DEV & SERVICES MGR	EXEC	129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9684	FAMILY SERVICES MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9336	FINANCE MANAGER		129-130	\$63,414.79	\$93,244.81	\$2,642.28	\$3,263.74	\$3,885.20
9335	FINANCE SUPERVISOR		125-126	\$52,188.29	\$76,692.02	\$2,174.51	\$2,685.01	\$3,195.50
9689	FLEET MAINTENANCE SUPERVISOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9020	FOOD SERVICE MANAGER		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9675	GRAPHIC DESIGNER/NR		120	\$40,891.56	\$57,249.30	\$1,703.82	\$2,044.61	\$2,385.39
9026	HEALTH INFORMATION SUPERVISOR		119	\$38,950.09	\$54,529.89	\$1,622.92	\$1,947.50	\$2,272.08
9550	HEALTH OFFICER	EXEC	143	\$124,942.73	\$175,060.26	\$5,205.95	\$6,250.07	\$7,294.18
9692	HEALTH OPERATIONS SUPERVISOR		119	\$38,950.09	\$54,529.89	\$1,622.92	\$1,947.50	\$2,272.08
9698	HEALTH SERVICES DEVELOPMENT ADMINISTRATOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9694	HEALTH SERVICES MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9695	HEALTH SERVICES MANAGER/SENIOR	EXEC	133	\$77,084.34	\$107,917.39	\$3,211.85	\$3,854.21	\$4,496.56
9080	HUMAN RESOURCES ANALYST 1		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9670	HUMAN RESOURCES ANALYST 2		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9748	HUMAN RESOURCES ANALYST/SENIOR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9668	HUMAN RESOURCES DIRECTOR	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9715	HUMAN RESOURCES MANAGER 1		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9621	HUMAN RESOURCES MANAGER 2	EXEC	131	\$69,936.95	\$97,910.17	\$2,914.04	\$3,496.82	\$4,079.59
9669	HUMAN RESOURCES MANAGER/SENIOR	EXEC	134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9061	HUMAN RESOURCES TECHNICIAN		118	\$37,103.33	\$51,945.34	\$1,545.97	\$1,855.18	\$2,164.39
9452	IT MANAGER 1		132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9453	IT MANAGER 2		134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9454	IT MANAGER/SENIOR	EXEC	137	\$93,199.10	\$130,478.52	\$3,883.30	\$4,659.96	\$5,436.61
9458	IT PROJECT MANAGER 1		132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9459	IT PROJECT MANAGER 2		134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9456	IT SECURITY MANAGER	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9451	IT SUPERVISOR		130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20

9024	LAUNDRY SUPERVISOR		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9055	LAW CLERK	EXEC	122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9001	LEGISLATIVE/ADMIN SECRETARY	STAFF	9001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9776	LIBRARY ADMINISTRATOR/BRANCH		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9777	LIBRARY ADMINISTRATOR/CENTRAL		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9780	LIBRARY MANAGER/BRANCH		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9782	LIBRARY MANAGER/SENIOR	EXEC	131	\$69,936.95	\$97,910.17	\$2,914.04	\$3,496.82	\$4,079.59
9784	LIBRARY SUPERVISOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9786	LIBRARY SUPPORT SERVICES ADMIN	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9705	LIEUTENANT		9647	\$86,400.57	\$103,686.70	\$3,600.02	\$3,960.15	\$4,320.28
9650	LIEUTENANT ENHANCED		9155	\$88,129.18	\$105,759.69	\$3,672.05	\$4,039.35	\$4,406.65
9647	LIEUTENANT/CORRECTIONS		9647	\$86,400.57	\$103,686.70	\$3,600.02	\$3,960.15	\$4,320.28
9710	MANAGEMENT ASSISTANT	EXEC	127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9010	MANAGEMENT AUDITOR 1	STAFF	9010	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9120	MANAGEMENT AUDITOR 2	STAFF	9120	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9280	MANAGEMENT AUDITOR/SENIOR	STAFF	9280	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9202	MCSO CORRECTIONS PROGRAM ADMIN		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9622	MCSO CORRECTIONS PROGRAM MANAGER		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9646	MCSO RECORDS UNIT MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9640	MCSO VOLUNTEER PROGRAM COORDINATOR		122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9520	MEDICAL DIRECTOR	EXEC	142	\$118,993.44	\$166,593.28	\$4,958.06	\$5,949.73	\$6,941.39
9744	MENTAL HEALTH DIRECTOR	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9697	NUTRITIONIST SUPERVISOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9720	OPERATIONS ADMINISTRATOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9025	OPERATIONS SUPERVISOR		119	\$38,950.09	\$54,529.89	\$1,622.92	\$1,947.50	\$2,272.08
9337	PAYROLL SPECIALIST		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9355	PHARMACIST		134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9354	PHARMACY PROGRAM COORDINATOR		135	\$84,930.53	\$118,995.68	\$3,538.77	\$4,248.46	\$4,958.15
9357	PHARMACY SERVICES DIRECTOR	HP	139	\$102,791.74	\$144,019.88	\$4,282.99	\$5,141.91	\$6,000.83
9490	PHYSICIAN	HP	141	\$113,327.25	\$158,783.87	\$4,721.97	\$5,668.98	\$6,615.99
9146	PLANNER/PRINCIPAL		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9727	PLANNING MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9798	PRINCIPAL INVESTIGATOR		132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9677	PRODUCTION SUPERVISOR		122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9615	PROGRAM MANAGER 1		127-129	\$57,511.21	\$88,778.95	\$2,396.30	\$3,047.71	\$3,699.12
9360	PROGRAM MANAGER 2	EXEC	129-131	\$63,414.79	\$97,910.17	\$2,642.28	\$3,360.94	\$4,079.59
9362	PROGRAM MANAGER/SENIOR	EXEC	132-134	\$73,414.23	\$113,321.69	\$3,058.93	\$3,890.34	\$4,721.74
9361	PROGRAM SUPERVISOR	MGMT	124-126	\$49,696.23	\$76,692.02	\$2,070.68	\$2,633.09	\$3,195.50
9063	PROJECT MANAGER		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9116	PUBLIC AFFAIRS COORDINATOR		122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9790	PUBLIC RELATIONS COORDINATOR	EXEC	129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9732	RECORDS ADMINISTRATOR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9043	RESEARCH/EVALUATION ANALYST/SENIOR NR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9041	RESEARCH/EVALUATION SUPERVISOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9140	ROAD OPERATIONS SUPERVISOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9400	STAFF ASSISTANT	STAFF	9400	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9674	SURVEY SUPERVISOR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50

9752	TAX COLL/RECORD MANAGER/SENIOR	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9691	TAX COLLECTION/RECORDS ADMIN		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9789	TEAM DEVELOPER/LIBRARY		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9757	TRANSPORTATION MANAGER/SENIOR	EXEC	135	\$84,930.53	\$118,995.68	\$3,538.77	\$4,248.46	\$4,958.15
9626	UNDERSHERIFF	EXEC	9626	\$0.00	\$119,966.64	\$0.00	\$0.00	\$4,998.61
9746	VETERINARIAN		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9793	VOLUNTEER PROG/BOOKSTORE ADMIN		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88

**Bold** – Classifications shown in bold have had salary range adjustments since the Board last approved the salary schedule. Salary range adjustments are necessary to reflect labor market comparisons or internal reorganizations.

**Exec** - Executive, unclassified, non-Civil Service position.

**HP** – Health Premium Pay:

- Premium pay of 5% over base pay when a non-Director, non-Officer Physician is assigned extra responsibility for a major medical program or for in-patient hospital care;
- Premium pay of 5% over base pay when a non-Director, non-Officer Physician is assigned to work on an ongoing basis in correctional facilities;
- Premium pay of 5% over base pay when Pharmacy Director is assigned non-Pharmacy, additional major program functions, (i.e. x-ray, clinical lab, etc.) responsibilities, and staff.

**Staff** - Pay for unclassified elected officials' staff to be determined by respective elected official.

**BOGSTAD Deborah L**

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**From:** GRAVES Travis R  
**Sent:** Tuesday, June 03, 2008 8:37 AM  
**Subject:** July 1, 2008 COLA's

There have been a number of questions coming in concerning the July 1, 2008 COLA and therefore I thought it we be a good idea to share this information with all staff. As you can see from the table below a cost of living adjustment (COLA) in the amount of 3.8% has been approved for the below employee groups with an effective date of July 1, 2008. The 3.8% COLA reflects the second half CPI-W (Consumer Price Index for Urban Wage Earners and Clerical Workers) for the Portland-Salem area as reported by the Bureau of Labor Statistics. The COLA for the employees in unions that are still in contract negotiations will not receive a COLA until their contract is settled and any COLA's will be based on what is agreed to in their contract. We hope to reach agreement with the unions who have open contracts soon.

<b>Employee Group</b>	<b>July 1, 2008 COLA</b>
FOPPO	Tentative Agreement of 3.8%
Local 48	3.8%
Local 86	To Be Negotiated
Local 88	3.8%
Local 701	3.8%
Local 1094	3.8%
MCCDA	To Be Negotiated
MCDSA	To Be Negotiated
MCPAA	3.8%
ONA	3.8%
Non-represented	3.8% (Approved Upon Budget Adoption)

If you have any questions, please feel free to contact your department's HR Unit or Central Labor Relations.

Thanks,

*Travis Graves, SPHR*  
 Human Resources Director  
 501 SE Hawthorne Blvd., Suite 400  
 Portland, Oregon 97214  
 503.988.6134  
 Fax 503.988.3009

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-078**

Authorizing Salary Adjustments for Employees Not Covered by Collective Bargaining Agreements for Fiscal Year 2008-2009

**The Multnomah County Board of Commissioners Finds:**

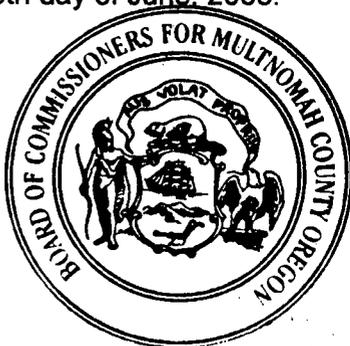
- a. Multnomah County (County) employs individuals not covered by any collective bargaining agreement.
- b. The Multnomah County Board of Commissioners (Board) adopted County compensation policy in MCC 9.160 to provide such pay as necessary for the County to recruit, select and retain qualified management, supervisory, administrative and professional employees; to recognize employee performance, growth and development; to maintain an appropriate internal relationship among classifications and employees based on job responsibilities, qualifications and authority; and to maintain parity between equivalent non-represented and represented positions.
- c. The Chair is responsible for developing and recommending compensation plan adjustments to the Board.
- d. Certain employees work as elected officials' staff, and the elected officials set their pay.

**The Multnomah County Board of Commissioners Resolves:**

1. General Salary Increases. Except for elected officials' staff, management and executive employees are eligible for a cost of living increase effective July 1, 2008 of 3.8%. These pay ranges are shown in an exhibit attached to this Resolution, labeled Management/Executive Pay.

Table - effective July 1, 2008.

ADOPTED this 5th day of June, 2008.

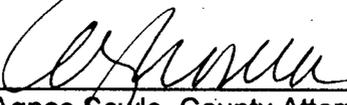


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

**Multnomah County Management/Executive Pay Table - effective July 1, 2008**

Job Class #	Job Title	Notes	Pay Scale Group	Annual		Semi-Monthly		
				Min.	Max.	Min.	Mid.	Max.
9603	AA/EEO OFFICER	EXEC	129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9792	ACCESS SERVICES ADMINISTRATOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9006	ADMINISTRATIVE ANALYST		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9005	ADMINISTRATIVE ANALYST/SENIOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9634	ADMINISTRATIVE SECRETARY/NR		117	\$35,277.75	\$49,387.51	\$1,469.91	\$1,763.86	\$2,057.81
9607	ADMINISTRATIVE SERV OFFICER		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9616	ANIMAL CONTROL MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9763	ASSESSMENT MANAGER/SENIOR	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9804	ASSOCIATE DIRECTOR/CENTRAL		130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9060	ASST COUNTY ATTORNEY 1	EXEC	128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9190	ASST COUNTY ATTORNEY 2	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9440	ASST COUNTY ATTORNEY/SENIOR	EXEC	135	\$84,930.53	\$118,995.68	\$3,538.77	\$4,248.46	\$4,958.15
9673	AUXILIARY SERVICES MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9015	BOARD CLERK		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9623	BRIDGE MAINTENANCE SUPERVISOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9624	BRIDGE SERVICES MANAGER	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9734	BUDGET ANALYST/PRINCIPAL		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9730	BUDGET ANALYST/SENIOR		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9627	CAPTAIN	EXEC	9627	\$90,822.97	\$108,872.53	\$3,784.29	\$4,160.33	\$4,536.36
9628	CARTOGRAPHY SUPERVISOR		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9773	CATALOGING ADMINISTRATOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9799	CENTRAL LIBRARY COORDINATOR	EXEC	128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9007	CHAPLAIN	EXEC	120	\$40,891.56	\$57,249.30	\$1,703.82	\$2,044.61	\$2,385.39
9630	CHIEF APPRAISER		129-130	\$63,414.79	\$93,244.81	\$2,642.28	\$3,263.74	\$3,885.20
9625	CHIEF DEPUTY	EXEC	9625	\$0.00	\$114,254.64	\$0.00	\$0.00	\$4,760.61
9064	CHIEF DEPUTY MEDICAL EXAMINER		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9810	CHIEF FINANCIAL OFFICER	EXEC	137-139	\$93,199.10	\$144,019.88	\$3,883.30	\$4,942.07	\$6,000.83
9455	CHIEF INFORMATION OFFICER	EXEC	139	\$102,791.74	\$144,019.88	\$4,282.99	\$5,141.91	\$6,000.83
9774	CIRCULATION ADMINISTRATOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9391	CLINICAL SUPERVISOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9620	COMMUNITY JUSTICE MANAGER		126-128	\$54,778.43	\$84,548.25	\$2,282.43	\$2,902.64	\$3,522.84
9643	CONSTRUCTION PROJECTS ADMIN		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9510	COUNTY ATTORNEY	EXEC	140-142	\$107,931.88	\$166,593.28	\$4,497.16	\$5,719.28	\$6,941.39
9617	COUNTY BUSINESS SERVICES MGR	EXEC	137-139	\$93,199.10	\$144,019.88	\$3,883.30	\$4,942.07	\$6,000.83
9649	COUNTY SURVEYOR	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9445	D A INVESTIGATOR/CHIEF		124-126	\$49,696.23	\$76,692.02	\$2,070.68	\$2,633.09	\$3,195.50
9664	D A OPERATIONS MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9747	DATA ANALYST/SENIOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9499	DENTAL DIRECTOR/CLINICAL	EXEC	140	\$107,931.88	\$151,103.75	\$4,497.16	\$5,396.58	\$6,295.99
9500	DENTAL HEALTH OFFICER	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9390	DENTIST		137	\$93,199.10	\$130,478.52	\$3,883.30	\$4,659.96	\$5,436.61
9430	DENTIST/SENIOR		138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9610	DEPARTMENT DIRECTOR 1	EXEC	137-139	\$93,199.10	\$144,019.88	\$3,883.30	\$4,942.07	\$6,000.83

9613	DEPARTMENT DIRECTOR 2	EXEC	140-142	\$107,931.88	\$166,593.28	\$4,497.16	\$5,719.28	\$6,941.39
9281	DEPUTY AUDITOR	STAFF	9281	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9631	DEPUTY COUNTY ATTORNEY	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9619	DEPUTY DIRECTOR	EXEC	133	\$77,084.34	\$107,917.39	\$3,211.85	\$3,854.21	\$4,496.56
9465	DEPUTY DIST ATTY/FIRST ASST	STAFF	9465	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9450	DEPUTY DISTRICT ATTORNEY/CHIEF	STAFF	9450	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9540	DEPUTY HEALTH OFFICER	EXEC	141	\$113,327.25	\$158,783.87	\$4,721.97	\$5,668.98	\$6,615.99
9541	DEPUTY MEDICAL DIRECTOR	EXEC	141	\$113,327.25	\$158,783.87	\$4,721.97	\$5,668.98	\$6,615.99
9683	DEVELOP/COMMUNICATIONS COORD		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9663	DISTRIBUTION SUPERVISOR		120	\$40,891.56	\$57,249.30	\$1,703.82	\$2,044.61	\$2,385.39
9665	ELECTIONS ADMINISTRATOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9666	ELECTIONS MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9667	EMERGENCY MANAGEMENT ADMIN		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9530	EMS MEDICAL DIRECTOR	EXEC	144	\$131,190.71	\$183,666.54	\$5,466.28	\$6,559.53	\$7,652.77
9671	ENGINEERING SERVICES MANAGER 1		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9672	ENGINEERING SERVICES MANAGER 2	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9062	ENVIRONMENTAL HEALTH SUPERVISOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9044	ERP BUSINESS PROCESS MANAGER		130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9460	EXECUTIVE ASSISTANT	STAFF	9460	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9686	FACILITIES DEV & SERVICES MGR	EXEC	129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9684	FAMILY SERVICES MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9336	FINANCE MANAGER		129-130	\$63,414.79	\$93,244.81	\$2,642.28	\$3,263.74	\$3,885.20
9335	FINANCE SUPERVISOR		125-126	\$52,188.29	\$76,692.02	\$2,174.51	\$2,685.01	\$3,195.50
9689	FLEET MAINTENANCE SUPERVISOR		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9020	FOOD SERVICE MANAGER		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9675	GRAPHIC DESIGNER/NR		120	\$40,891.56	\$57,249.30	\$1,703.82	\$2,044.61	\$2,385.39
9026	HEALTH INFORMATION SUPERVISOR		119	\$38,950.09	\$54,529.89	\$1,622.92	\$1,947.50	\$2,272.08
9550	HEALTH OFFICER	EXEC	143	\$124,942.73	\$175,060.26	\$5,205.95	\$6,250.07	\$7,294.18
9692	HEALTH OPERATIONS SUPERVISOR		119	\$38,950.09	\$54,529.89	\$1,622.92	\$1,947.50	\$2,272.08
9698	HEALTH SERVICES DEVELOPMENT ADMINISTRATOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9694	HEALTH SERVICES MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9695	HEALTH SERVICES MANAGER/SENIOR	EXEC	133	\$77,084.34	\$107,917.39	\$3,211.85	\$3,854.21	\$4,496.56
9080	HUMAN RESOURCES ANALYST 1		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9670	HUMAN RESOURCES ANALYST 2		124	\$49,696.23	\$69,572.50	\$2,070.68	\$2,484.77	\$2,898.85
9748	HUMAN RESOURCES ANALYST/SENIOR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9668	HUMAN RESOURCES DIRECTOR	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9715	HUMAN RESOURCES MANAGER 1		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9621	HUMAN RESOURCES MANAGER 2	EXEC	131	\$69,936.95	\$97,910.17	\$2,914.04	\$3,496.82	\$4,079.59
9669	HUMAN RESOURCES MANAGER/SENIOR	EXEC	134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9061	HUMAN RESOURCES TECHNICIAN		118	\$37,103.33	\$51,945.34	\$1,545.97	\$1,855.18	\$2,164.39
9452	IT MANAGER 1		132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9453	IT MANAGER 2		134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9454	IT MANAGER/SENIOR	EXEC	137	\$93,199.10	\$130,478.52	\$3,883.30	\$4,659.96	\$5,436.61
9458	IT PROJECT MANAGER 1		132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9459	IT PROJECT MANAGER 2		134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9456	IT SECURITY MANAGER	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9451	IT SUPERVISOR		130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20

9024	LAUNDRY SUPERVISOR		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9055	LAW CLERK	EXEC	122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9001	LEGISLATIVE/ADMIN SECRETARY	STAFF	9001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9776	LIBRARY ADMINISTRATOR/BRANCH		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9777	LIBRARY ADMINISTRATOR/CENTRAL		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9780	LIBRARY MANAGER/BRANCH		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9782	LIBRARY MANAGER/SENIOR	EXEC	131	\$69,936.95	\$97,910.17	\$2,914.04	\$3,496.82	\$4,079.59
9784	LIBRARY SUPERVISOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9786	LIBRARY SUPPORT SERVICES ADMIN	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9705	LIEUTENANT		9647	\$86,400.57	\$103,686.70	\$3,600.02	\$3,960.15	\$4,320.28
9650	LIEUTENANT ENHANCED		9155	\$88,129.18	\$105,759.69	\$3,672.05	\$4,039.35	\$4,406.65
9647	LIEUTENANT/CORRECTIONS		9647	\$86,400.57	\$103,686.70	\$3,600.02	\$3,960.15	\$4,320.28
9710	MANAGEMENT ASSISTANT	EXEC	127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9010	MANAGEMENT AUDITOR 1	STAFF	9010	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9120	MANAGEMENT AUDITOR 2	STAFF	9120	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9280	MANAGEMENT AUDITOR/SENIOR	STAFF	9280	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9202	MCSO CORRECTIONS PROGRAM ADMIN		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9622	MCSO CORRECTIONS PROGRAM MANAGER		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9646	MCSO RECORDS UNIT MANAGER		129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9640	MCSO VOLUNTEER PROGRAM COORDINATOR		122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9520	MEDICAL DIRECTOR	EXEC	142	\$118,993.44	\$166,593.28	\$4,958.06	\$5,949.73	\$6,941.39
9744	MENTAL HEALTH DIRECTOR	EXEC	138	\$97,899.02	\$137,057.52	\$4,079.13	\$4,894.93	\$5,710.73
9697	NUTRITIONIST SUPERVISOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9720	OPERATIONS ADMINISTRATOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9025	OPERATIONS SUPERVISOR		119	\$38,950.09	\$54,529.89	\$1,622.92	\$1,947.50	\$2,272.08
9337	PAYROLL SPECIALIST		121	\$42,931.13	\$60,103.58	\$1,788.80	\$2,146.56	\$2,504.32
9355	PHARMACIST		134	\$80,945.01	\$113,321.69	\$3,372.71	\$4,047.23	\$4,721.74
9354	PHARMACY PROGRAM COORDINATOR		135	\$84,930.53	\$118,995.68	\$3,538.77	\$4,248.46	\$4,958.15
9357	PHARMACY SERVICES DIRECTOR	HP	139	\$102,791.74	\$144,019.88	\$4,282.99	\$5,141.91	\$6,000.83
9490	PHYSICIAN	HP	141	\$113,327.25	\$158,783.87	\$4,721.97	\$5,668.98	\$6,615.99
9146	PLANNER/PRINCIPAL		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9727	PLANNING MANAGER	EXEC	130	\$66,604.55	\$93,244.81	\$2,775.19	\$3,330.20	\$3,885.20
9798	PRINCIPAL INVESTIGATOR		132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9677	PRODUCTION SUPERVISOR		122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9615	PROGRAM MANAGER 1		127-129	\$57,511.21	\$88,778.95	\$2,396.30	\$3,047.71	\$3,699.12
9360	PROGRAM MANAGER 2	EXEC	129-131	\$63,414.79	\$97,910.17	\$2,642.28	\$3,360.94	\$4,079.59
9362	PROGRAM MANAGER/SENIOR	EXEC	132-134	\$73,414.23	\$113,321.69	\$3,058.93	\$3,890.34	\$4,721.74
9361	PROGRAM SUPERVISOR	MGMT	124-126	\$49,696.23	\$76,692.02	\$2,070.68	\$2,633.09	\$3,195.50
9063	PROJECT MANAGER		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9116	PUBLIC AFFAIRS COORDINATOR		122	\$45,089.95	\$63,123.91	\$1,878.75	\$2,254.46	\$2,630.16
9790	PUBLIC RELATIONS COORDINATOR	EXEC	129	\$63,414.79	\$88,778.95	\$2,642.28	\$3,170.70	\$3,699.12
9732	RECORDS ADMINISTRATOR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9043	RESEARCH/EVALUATION ANALYST/SENIOR NR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50
9041	RESEARCH/EVALUATION SUPERVISOR		128	\$60,391.12	\$84,548.25	\$2,516.30	\$3,019.57	\$3,522.84
9140	ROAD OPERATIONS SUPERVISOR		123	\$47,344.61	\$66,281.33	\$1,972.69	\$2,367.21	\$2,761.72
9400	STAFF ASSISTANT	STAFF	9400	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9674	SURVEY SUPERVISOR		126	\$54,778.43	\$76,692.02	\$2,282.43	\$2,738.97	\$3,195.50

9752	TAX COLL/RECORD MANAGER/SENIOR	EXEC	132	\$73,414.23	\$102,779.48	\$3,058.93	\$3,670.71	\$4,282.48
9691	TAX COLLECTION/RECORDS ADMIN		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9789	TEAM DEVELOPER/LIBRARY		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88
9757	TRANSPORTATION MANAGER/SENIOR	EXEC	135	\$84,930.53	\$118,995.68	\$3,538.77	\$4,248.46	\$4,958.15
9626	UNDERSHERIFF	EXEC	9626	\$0.00	\$119,966.64	\$0.00	\$0.00	\$4,998.61
9746	VETERINARIAN		125	\$52,188.29	\$73,063.16	\$2,174.51	\$2,609.41	\$3,044.30
9793	VOLUNTEER PROG/BOOKSTORE ADMIN		127	\$57,511.21	\$80,517.04	\$2,396.30	\$2,875.59	\$3,354.88

**Bold** – Classifications shown in bold have had salary range adjustments since the Board last approved the salary schedule. Salary range adjustments are necessary to reflect labor market comparisons or internal reorganizations.

**Exec** - Executive, unclassified, non-Civil Service position.

**HP** – Health Premium Pay:

- Premium pay of 5% over base pay when a non-Director, non-Officer Physician is assigned extra responsibility for a major medical program or for in-patient hospital care;
- Premium pay of 5% over base pay when a non-Director, non-Officer Physician is assigned to work on an ongoing basis in correctional facilities;
- Premium pay of 5% over base pay when Pharmacy Director is assigned non-Pharmacy, additional major program functions, (i.e. x-ray, clinical lab, etc.) responsibilities, and staff.

**Staff** - Pay for unclassified elected officials' staff to be determined by respective elected official.



**MULTNOMAH COUNTY  
AGENDA PLACEMENT REQUEST**

**Board Clerk Use Only**

**Meeting Date:** 06/05/08  
**Agenda Item #:** R-2  
**Est. Start Time:** 8:35 AM  
**Date Submitted:** 05/21/08

**Agenda Title:** **RESOLUTION Adopting Financial and Budget Policies for Multnomah County, Oregon for Fiscal Year 2008-2009 and Repealing Resolution 07-115**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

**Requested Meeting Date:** June 5, 2008      **Amount of Time Needed:** 10 minutes  
**Department:** County Management      **Division:** Finance & Risk Management  
**Contact(s):** Mindy Harris  
**Phone:** 988-3786      **Ext.** 83786      **I/O Address:** 503/531  
**Presenter(s):** Mindy Harris and Karyne Dargan

**General Information**

**1. What action are you requesting from the Board?**

The Department of County Management recommends approval of the Resolution Adopting Financial and Budget Policies for Multnomah County, Oregon, for Fiscal Year 2008-2009 and repealing Resolution 07-115.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

The Financial and Budget Policies are required to be reviewed and adopted by the Board on an annual basis. The overarching goals of the policies are to:

- preserve capital through prudent budgeting and financial management;
- achieve the most productive use of County funds that meets the goals of the Board of County Commissioners;
- ensure that all finance-related activities meet generally accepted accounting principles;
- achieve a stable balance between the County's ongoing financial commitments and the continuing revenues available to the County;
- leverage local dollars with federal and state funding/grants;
- provide an accountable form of financial management to the citizens of the County.

The Finance and Budget policies are updated annually. The following changes have been recommended for Fiscal Year 2008-2009:

The policy on Tax Revenues (pp. 2-4) has been broadened and updated to remove historical references to the County's taxes. This information is provided elsewhere in both the budget document and the Comprehensive Annual Financial Report (CAFR).

Likewise, we have deleted the policy on Short-Term Local Revenues as it was redundant with the policy on Tax Revenues. Language that is specific to local option levies, the primary source of short-term revenue, has been incorporated with the policy on Tax Revenues.

The policy on Transportation Financing (pp. 4-5) has been updated to remove historical references. This policy has been streamlined and also places additional focus on the need to identify additional funds for infrastructure improvements.

The policy on Reserves (pp. 9-10) has been updated to highlight why reserves are important to rating agencies. The lack of diversity in the County's revenue stream and Constitutional limitations on property taxes place a premium on maintaining an adequate level of reserves. The policy also defines the revenues that are used to calculate the two 5% reserves.

We have deleted the policy on Compensation Management. We determined this is not a financial management policy in the respect that wage growth is generally a product of labor contract negotiations.

In the policy on Long-Term Liabilities (p. 15) we have highlighted the GASB pronouncement on Other Post Employment Benefits (OPEB). We have added a statement to the policy that sets a goal of funding 20% of the estimated OPEB liability within the next five years.

The policy on Liquidity and Accounts Payable (p. 20) has been updated to provide for a liquidity ratio of \$1.50 in cash to \$1.00 of liabilities. Credit rating agencies typically look for a ratio of at least \$1.00 to \$1.00 – the change in this policy simply reflects our recent liquidity ratios.

We have added language to the policy on Banking, Cash Management, and Investments (p. 21) to clarify that our policy sets self-imposed constraints on investments. The guidelines for diversification are more stringent than those allowed by state statute. This is a reflection of the fact that the County has historically favored a conservative approach to investments.

The policy on Short-Term and Long-Term Debt Financings (pp. 22-24) has been updated to remove references to Certificates of Participation (COPs). What we once called COPs are now identified as Full Faith and Credit Bonds. In the description of the Full Faith and Credit/Limited Tax Bonds we state the term of debt will be generally limited to the economic life of the financed asset not to exceed 20 years. However, when bond market conditions warrant, or when a specific capital project would have a longer useful life, or when operational efficiencies can be achieved the Board may consider repayment terms that differ from the general policy. Debt should reflect the anticipated useful life of an asset but it should also be undertaken with a view toward minimizing the cost of borrowing for taxpayers.

In addition, the section on Conduit Financings (p. 24) includes a change to the fee the County receives for issuing debt on behalf of another entity. The current policy caps that fee at \$10,000 regardless of the size of the debt issue. We have recommended increasing the cap to \$50,000 to reflect the true cost to the County for acting in this capacity.

Finally, we have changed the policy on Hospital Facility Authority of Multnomah County and renamed it Component Units (p. 25). This policy reflects that fact that the County has three separate component units that are reported in the CAFR. These are the Hospital Facility Authority, the Dunthorpe-Riverdale Service District, and the Mid-County Street Lighting District.

**3. Explain the fiscal impact (current year and ongoing).**

No immediate fiscal impact will result from adoption of this Resolution. The existence of financial and budget policies, and the County's adherence to them, has a positive effect on bond rating agencies which generally lowers interest rates paid by the County on bonds and other debt.

**4. Explain any legal and/or policy issues involved.**

None.

**5. Explain any citizen and/or other government participation that has or will take place.**

None.

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**Required Signature**

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**Elected Official or  
Department/  
Agency Director:**

*Carol M. Ford*

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**Date: May 21, 2008**

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Adopting Financial and Budget Policies for Multnomah County, Oregon for Fiscal Year 2008-2009 and repealing Resolution 07-115

**The Multnomah County Board of Commissioners Finds:**

- a. The Board is the fiscal authority for Multnomah County government.
- b. The Department of County Management is responsible for the budget and fiscal operations of the County.
- c. The Chief Financial Officer and Budget Director are responsible for the preparation and management of the budget and for the management of the financial operations of the County.
- d. A financial and budget policy will provide for prudent financial practices.

**The Multnomah County Board of Commissioners Resolves:**

1. The Financial and Budget Policies set forth in Exhibit A are the policies of Multnomah County.
2. The Chief Financial Officer is directed to administer these Financial and Budget Policies.
3. The Chief Financial Officer is directed to review and update these policies as needed but not less than annually.
4. The Chief Financial Officer is directed to inform the Board on the status of these policies annually.
5. This Resolution replaces Resolution No. 07-115, which is repealed.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

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Ted Wheeler, Chair

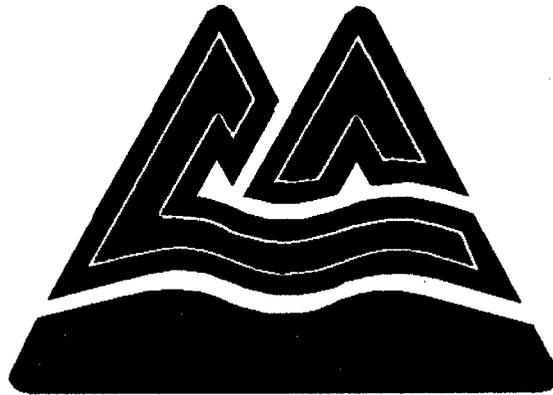
REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

**EXHIBIT A**



**MULTNOMAH  
COUNTY**

**FINANCIAL AND BUDGET POLICIES**

**FISCAL YEAR 2008-2009**

Prepared by: Department of County Management

# Financial & Budget Policies

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# Financial & Budget Policies

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## Goals

The goals of this financial policy are:

1. To preserve capital through prudent budgeting and financial management.
2. To achieve the most productive use of County funds that meets the goals of the Board of County Commissioners.
3. To ensure that all finance-related activities meet generally accepted accounting principles.
4. To achieve a stable balance between the County's ongoing financial commitments and the continuing revenues available to the County.
5. To leverage local dollars with federal and state funding/grants.
6. To provide an accountable form of Government to the citizens of Multnomah County.

## Financial Forecasts for the General Fund Background

Governments at all levels should forecast major revenues and expenditures. The forecast should extend at least three to five years beyond the budget period and be regularly monitored and updated. It should be clearly stated and available to participants in the budget process, as should its underlying assumptions and methodology. The forecast should also be referenced in the final budget document. To improve future forecasting, the variances between previous forecasts and actual amounts should be analyzed. The variance analysis should identify all factors that influence revenue collections, expenditure levels, and forecast assumptions.

## Policy Statement

The Board of County Commissioners recognizes the importance of developing a combined revenue and expenditure forecast. The Budget Division will prepare a five-year financial forecast for the General Fund to assess the long-term financial implications of current, as well as proposed, policies and programs. The forecast will detail assumptions regarding both short-term and long-term financial issues facing the county. Those assumptions will guide the development of appropriate financial strategies to achieve the goals outlined above. The General Fund revenue and expenditure forecast will:

1. Provide an understanding of available funding;
2. Evaluate financial risk;
3. Assess the likelihood that services can be sustained;
4. Assess the level at which capital investment can be made;
5. Identify future commitments and resource demands;
6. Identify the key variables that might change the level of revenue; and
7. Identify one-time-only resources and recommend appropriate uses.

## Status

The County is in compliance with this policy.

# Financial & Budget Policies

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## Tax Revenues Background

State statutes and the County Code provide Multnomah County with the ability to raise revenue through taxation. The County currently utilizes the following taxes:

*All of the County's tax decisions have been made in an atmosphere of intense public and internal debate. Those debates consistently referred to these common factors: the social equity of the tax, its administrative costs, its impact on the regional economy, its effect on other local governments, and the degree to which the tax might be acceptable to the public.*

- 1) **Property Taxes** are levied for the following:
  - a. A "Permanent Rate" is available for general uses, that is set at \$4.34 per \$1,000 of assess value;
  - b. A five year "Local Option" levy for Library operations that is set at \$0.89 per \$1,000 of assessed value, and;
  - c. A levy to pay debt service on General Obligation Bonds that is set annually at a level to provide sufficient revenue to support the payments.

Property taxes are governed by state statute and the Oregon Constitution.

- 2) **Business Income Tax** is set at 1.45% of net business income generated in Multnomah County. This tax is authorized by County Code (Chapter 12).
- 3) **Motor Vehicle Rental Tax** is set at 12.5% of the value of rental fees. The first 10% is available for general uses. The remaining 2.5% supports the Oregon Convention Center under an agreement with the Metropolitan Service District. This tax is authorized by County Code (Chapter 11).
- 4) **Transient Lodging Tax** is set at 11.5% of the room rent charged by hotel operators. Nearly all of the County proceeds from this tax are used to support the Oregon Convention Center and other tourist amenities under an agreement with the Metropolitan Service District. This tax is authorized by County Code (Chapter 11).
- 5) **Motor Vehicle Fuel Tax** is set at 3 cents per gallon of gasoline (or diesel) sold in Multnomah County. The proceeds of this tax are dedicated to transportation programs. This revenue is shared by Multnomah County and the cities of Portland, Gresham, Troutdale, and Fairview. This tax is authorized by County Code (Chapter 11).

## Policy Statement

The Board recognizes that taxation is necessary to provide public services to the citizens of the county. When considering changes to the County's tax structure, the Board will consider the following:

1. The ability of taxpayers to pay the taxes.
2. The impact of taxes imposed by the County on other local governments.
3. The effect of taxes on the county economy.
4. The administration and collection costs of the taxes.
5. The ease with which the taxes can be understood by taxpayers.

# Financial & Budget Policies

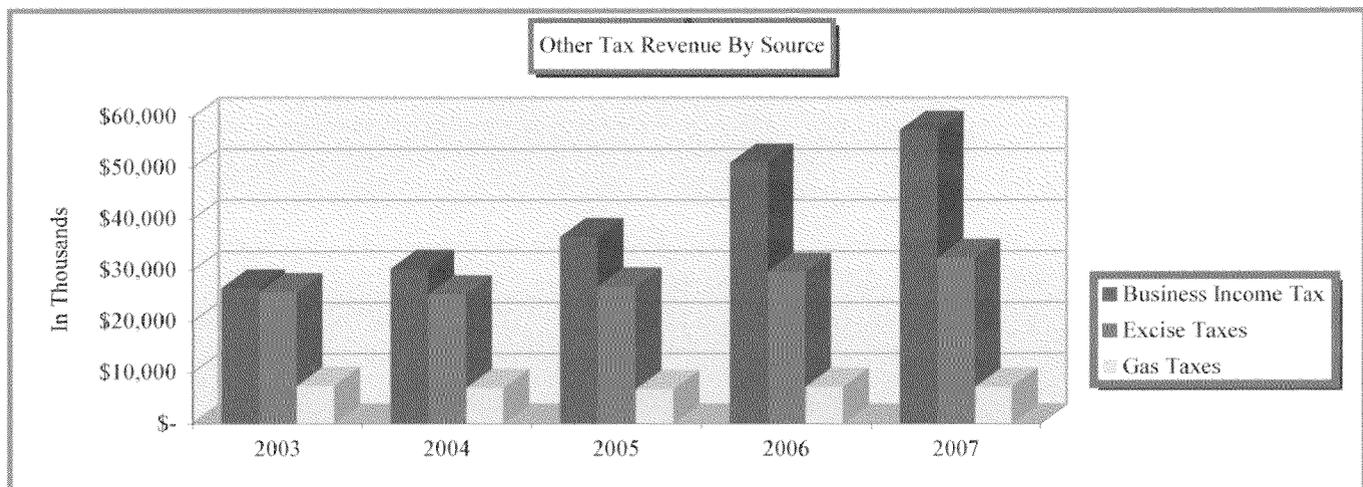
State statutes allow the County to levy “local option” taxes that are not allowed to exceed five years. It is the intent of the Board to use this short-term revenue source to fund priority service programs only after all other sources of revenue have been analyzed and have been determined not to be feasible. The County currently has one local option levy that supports Library services. The tax is set at 89 cents per thousand dollars of assessed value. It is in place until June 30, 2010.

All decisions to levy taxes were made in an atmosphere of intense public and internal debate, particularly with regard to the progressivity of the tax, its administrative cost, its impact on the regional economy, its effect on other local governments, and the degree to which the tax might be acceptable to the public.

## Status

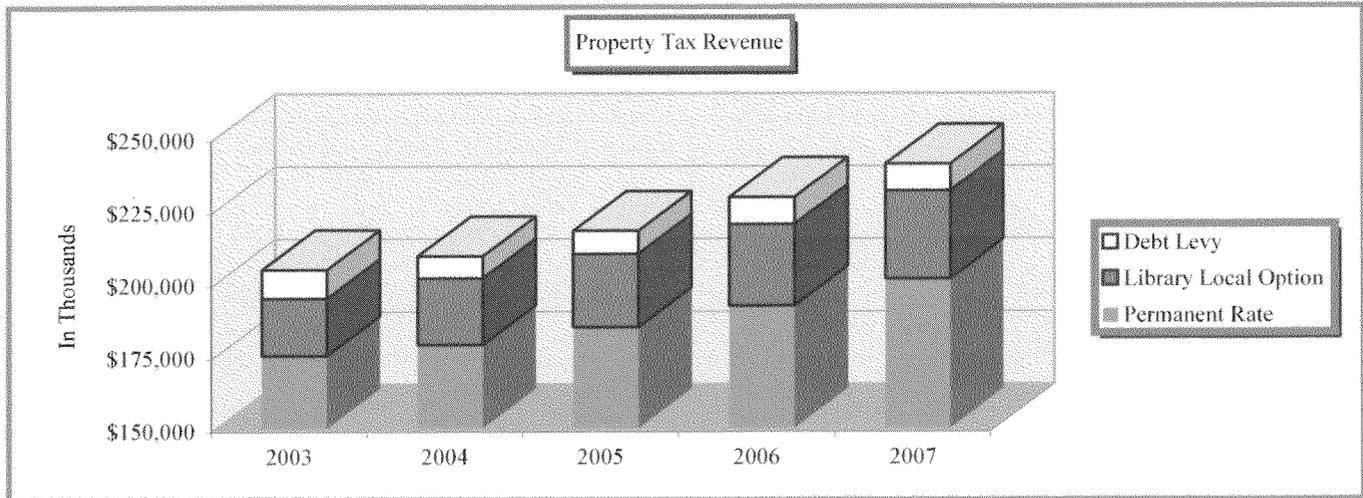
The County's tax revenues represent about 40% of the total Governmental Fund Type revenues (General and Special Revenue Funds). The following graphs depict actual tax revenue by source (\$ in thousands).

No new taxes are proposed in the FY 2009 budget.



	2003	2004	2005	2006	2007
Business Income Tax	\$ 26,491	\$ 30,286	\$ 36,463	\$ 50,980	\$ 57,399
Excise Taxes	\$ 25,656	\$ 25,282	\$ 26,788	\$ 29,680	\$ 32,370
Gas Taxes	\$ 7,432	\$ 7,011	\$ 6,744	\$ 7,234	\$ 7,212
<b>Total Other Tax Revenues</b>	<b>\$ 59,579</b>	<b>\$ 62,579</b>	<b>\$ 69,995</b>	<b>\$ 87,894</b>	<b>\$ 96,981</b>

# Financial & Budget Policies



	2003	2004	2005	2006	2007
Permanent Rate	\$ 174,985	\$ 178,580	\$ 184,729	\$ 192,007	\$ 201,160
Library Local Option	\$ 19,638	\$ 22,985	\$ 25,137	\$ 27,942	\$ 30,280
Debt Service Levy	\$ 9,825	\$ 7,453	\$ 7,885	\$ 9,364	\$ 9,271
<b>Total Property Taxes</b>	<b>\$ 204,448</b>	<b>\$ 209,018</b>	<b>\$ 217,751</b>	<b>\$ 229,313</b>	<b>\$ 240,711</b>

## Transportation Financing Background

*Ongoing maintenance and improvements are necessary for economic growth, to alleviate existing transportation problems, and to maintain the livability of the region.*

Multnomah County owns, operates and maintains approximately 300 miles of urban and rural roads and 30 bridge structures. Ongoing maintenance and improvements to the transportation infrastructure are necessary for economic growth, to alleviate existing transportation problems, and to maintain the livability of the region. In Multnomah County and the surrounding areas, growth has placed additional demands on the transportation system. This growth coupled with funding limitations increases demands far beyond the available resources.

Approximately 75% of the transportation revenue received by the County is generated through the State and County gas tax. This tax has remained at a constant 24 cents per gallon since 1993 with no adjustments for inflation. The recent increase in the price of gasoline will likely reduce the gallons sold and therefore reduce revenue further. This doubled with the impact of inflation and reduced sales combine to significantly reduce the County's ability to provide services.

Multnomah County's Capital Improvement Plan and Program (CIPP) is reviewed on an annual schedule and was submitted to the Board of County Commissioners in May 2008 as part of the FY09 Budget process.

Transportation revenue forecasts have the County facing challenges of balancing the demands of maintenance, preservation, capital expansion, safety

# Financial & Budget Policies

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and environmental regulations. The 20-year Transportation Capital Plan noted a significant shortfall between identified needs and identified funds.

The Oregon Transportation Investment Act of 2003 provided the County with \$25 million for use on the Sauvie Island bridge construction, an additional \$1.4 million of annual funding for county bridges and \$.5 million annually for county roads. Even with these new funds the gap still exists and continues to widen as infrastructure preservation needs exceed resources.

The Board's acceptance of the CIPP forms the basis for the selection and funding of road and bridge projects. Transportation revenue forecasts even with the passage of OTIA still leave the County with challenges of balancing the demands of maintenance, preservation, capital expansion, safety and environmental regulations.

## Policy Statement

It is the policy of the Board to support statewide and regional funding for transportation-related needs. If state and regional funding is inadequate, the County works with jurisdictions within its boundaries to address the transportation funding needs of local governments.

## Status

Given current revenue projections transportation forecasts indicate an operating deficit within the next two years. In FY08 the Chair and Board have raised the awareness of the challenges faced by the County due to the shortfall of transportation revenue. They are working with the Regional, State and Federal partners to address transportation funding issues.

## Federal/State Grant and Foundation Revenues Background

Federal and State grant funds have increased significantly in the last ten years. Most of these revenues are restricted to a specific purpose, such as social services and public safety. Grants and foundation funds are used for an array of County services and may help the County to leverage other funds.

## Policy Statement

The Board understands that grants from other governments and private sources present both opportunities and risks. Grants allow the County to provide basic or enhanced levels of service and to cover gaps in the array of services the County offers. Grants may also commit the County to serving larger or different groups of clients and put pressure on County-generated revenues if the grant is withdrawn. When applying for a grant, the Board will consider:

1. The opportunities for leveraging other funds for continuing the grant/foundation related program.
2. The amount of locally generated revenue required to supplement the grant/foundation revenue source.
3. Whether the grant/foundation will cover the full cost of the proposed

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program, or whether the County is expected to provide program support and administrative overhead functions to the program. It is the intent of the County to recover all overhead costs associated with grant/foundation funding.

4. The degree of stability of the funding source.
5. Whether decline or withdrawal of the grant/foundation revenue creates an expectation that the County will continue the program.
6. How County programs can maximize revenue support from state or federal sources.
7. Whether the grant/foundation funds used for pilot or model programs will result in a more efficient and/or effective way of doing business.
8. Whether the grant/foundation is aligned with the County's mission and goals.

After a grant or contribution is awarded, the Board requires such restricted resources to be used in accordance with any restrictions stipulated and prior to using unrestricted revenues.

## Status

All notices of intent to apply for grant funding and grant awards are approved by the Board. Information provided by Departments when submitting notices of intent is intended to address the above considerations.

## Indirect Cost Allocation Background

The Federal government recognizes identifiable overhead costs are incurred in providing services to support grants and contracts. Therefore, the Office of Management and Budget (OMB) establishes principles and standards to provide a uniform approach for determining costs and to promote effective program delivery, efficiency and better relationships between governmental units and the Federal government. The County's indirect cost allocation plan is prepared annually in accordance with OMB guidelines. The County's plan categorizes indirect costs in two ways: the first establishes support costs internal to individual departments within the County and the other identifies Countywide support costs (such as Budget, County Auditor, Finance and Equipment Use). The County's indirect cost allocations are charged to dedicated grantor revenues to the fullest extent allowed.

## Policy Statement

*Generally it is the policy of the Board to recover from dedicated revenue sources the full cost of programs supported by those sources.*

Generally it is the policy of the Board to recover from dedicated revenue sources the full cost of programs supported by those sources. The full cost includes the appropriate proportionate share of the cost of County administrative overhead functions attributable to programs funded with dedicated revenues.

The exception to the above policy occurs when the grantor agency does not allow the grantee to charge indirect costs or allows only a fixed amount or a maximum indirect cost rate. The Board will have the final authority to accept a grant that does not allow the recovery of all or part of indirect costs. In that event the General Fund will absorb indirect cost attributable to the program.

# Financial & Budget Policies

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The Finance and Risk Management Division is responsible for preparing an Indirect Cost Allocation Plan that meets the requirements of the Office of Management and Budget (Federal Government Agency) Circular A-87. Central service and departmental administrative support provided to non- General Fund programs, activities, and/or functions that are not recovered by internal service charges or billed directly to dedicated revenues will be recovered through an indirect cost based on the approved Indirect Cost Allocation Plan. The plan will be updated annually.

## Status

In 1990 the County's cognizant Federal Agency, Department of Health and Human Services (DHHS), approved the County's indirect cost allocation plan. The Director of the Division of Cost Allocation at DHHS approved the plan and the approval remains in effect until advised otherwise by DHHS or until the County receives a newly designated cognizant Federal Agency. The County certifies the accuracy of its indirect cost rate proposal and cost allocation plan on an annual basis.

## Use of One-Time-Only Resources Background

Unrestricted one-time-only resources present organizations with temptations that are hard to resist. In the short run it appears more beneficial to allocate such resources to the highest priority public service that would otherwise be unfunded than to restrict them to costs associated with one-time needs and those that will not recur in following years. However, the result of this practice is to expand operational levels and public expectations beyond the capacity of the organization to generate continuing funding. This inevitably produces shortfalls and crises.

Sustaining an ongoing program level by deferring necessary expenditures or by incurring future obligations also inevitably produces shortfalls and crises.

## Policy Statement

It is the policy of the Board that the County will fund ongoing programs with ongoing revenues, and to restrict the allocation of one time revenues to non-recurring expenditures.

Examples of one time revenues include:

- Proceeds on the sale of capital assets
- Business Income Taxes collected in excess of budgeted revenues
- General Fund ending fund balance in excess of budgeted balance

When the County budgets unrestricted one-time-only resources, the Board will consider setting these funds aside for reserves or allocating them to projects or programs that will not require future financial commitments. The Board will consider the following when allocating these one-time-only resources:

1. The level of reserves set aside as established by these Financial and Budget

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- policies adopted by the Board.
2. The County's capital needs set out in the five-year Capital Improvement Plan or Information Systems Development Plan.
  3. One-time only spending proposals for projects or pilot programs, particularly investments that may result in innovative ideas or technology, long-term efficiencies or savings that do not require ongoing support.
  4. Bridge or gap financing for existing programs for a finite period of time.

## Status

During budget deliberations the Budget Director is responsible for providing a list of sources and uses of one-time-only funds and informing the Chair and the Board on the recommended use of the funds received. With this information, the Board is able to appropriate and direct one time only resources to infrequent and unique expenditures in an effort to achieve compliance with this policy.

## User Fees, Sales, and Service Charges Background

User fees are generally intended to cover all the costs or an agreed upon portion of the costs for providing services. Inflation or increased service delivery can erode the established user fees if the cost of service increases faster than revenue from the fee increases.

It is the general policy of the Board that user fees and service charges be established at a level to recover the costs to provide services. Exceptions to this policy will be made depending on the benefit to the user of the service, the ability of the user to pay for the service, the benefit to County citizens, and the type of service provided.

## Policy Statement

*It is the general policy of the Board that user fees will be established in order to recover the costs of services. Exceptions to this policy will be made depending on the benefit to the user, the ability of the user to pay for the service, the benefit to County citizens, and the type of service provided.*

As part of budget deliberations and during negotiations of Intergovernmental Agreements, departments will be responsible for informing the Chair of a fully-loaded cost analysis presenting the fee structure necessary to recover 100% of the cost of providing services. Departments will also recommend whether fees or charges in each area should be set to recover 100% of the costs or be set at a lower rate, such as a sliding scale fee. The recommendation to the Chair will consider the benefits to an individual or agency, the benefits to County citizens, and the ability of users to pay for the service. The Budget Office is responsible for ensuring that departments include all costs associated with providing the service.

User fees and service charges collected by County agencies will be periodically reviewed. Based on this review, the Chair will make recommendations to the Board regarding proposed changes to fee or service charge schedules.

Revenues generated from sales (and commissions on sales) of goods and services sold in County-owned or leased facilities are to be credited to the County's General Fund unless:

1. They are generated for inmate welfare commissary operations.
2. They are generated in Library facilities used for Library operations.
3. The Board grants an exception.

# Financial & Budget Policies

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## Status

Departments are generally responsible for reviewing the fees and charges associated with their operations on an annual basis.

## Reserves Background

*The County's General Obligation bond rating is currently Aa1 from Moody's Investors Service.*

Using all available ongoing revenue each year to pay for ongoing programs can result in fluctuations in program levels as revenues vary from one year to the next. Adding programs in one year (based on positive short term receipts) can cause the same or other programs to be cut in the next year if costs outpace revenues. This has a detrimental effect on service delivery over time, reducing efficiency and causing budget and political problems that can be avoided if program decisions are made in the context of the County's long-term financial capacity rather than on the basis of revenue available from one year to the next.

Maintaining an appropriate reserve helps the County maintain its favorable bond rating, which is currently Aa1 from Moody's Investors Service for the County's G.O. bonds. Moody's generally established benchmark for the General Fund Balance or reserve is a dollar amount equal to at least 10% of actual General Fund revenues.

Moody's general guidelines for issuing bond ratings presume that an entity has a sufficiently diverse revenue stream to enable it to sustain adversity of any one of the revenue sources. In addition, the guidelines presume that the entity is not facing future liabilities it will be unable to meet or that it has adopted and followed a plan to address significant known liabilities. Because the County does not have a diverse revenue stream, its major sources of revenue are limited by the State constitution and measures passed by voters, and the revenues are susceptible to cycles in the regional economy, the importance of maintaining adequate reserves is underscored further. Establishing and maintaining reserves at a level that allows the entity to sustain during an economic downturn is viewed favorably when rating services are evaluating the financial viability of an organization.

## Policy Statement

*It is the goal of the Board to fund and maintain two General Fund Reserves designated as unappropriated fund balance, funded at approximately 5% each of the total budgeted revenues of the General Fund.*

The Board understands that to avoid financial instability, continuing requirements should be insulated from temporary fluctuations in revenues.

It is the goal of the Board to fund and maintain two General Fund reserves designated as unappropriated fund balance and funded at approximately 5% each of the "corporate" revenues of the General Fund. Corporate revenues are defined as ones which are available for general use and which the Board has complete discretion in allocating.

These include Property Tax, Business Income Tax, Motor Vehicle Rental Tax, State Revenue Sharing (Cigarette, Liquor, Video Lottery, and Amusement Device Taxes), and Interest Earnings. These revenue sources account for approximately 90% of total General Fund resources excluding Beginning Working Capital.

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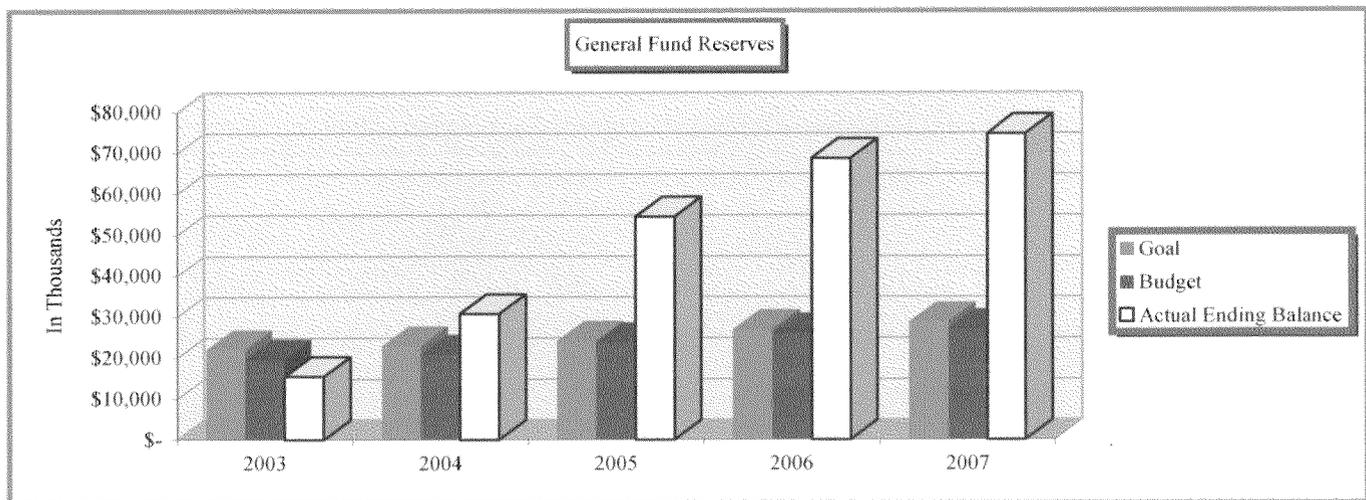
The first 5% is a reserve account in the General Fund, designated as unappropriated fund balance. This account is to be used when overall revenue growth falls below the rate of annual revenue change achieved during the prior ten years.\* In years when basic revenue growth falls below long-term average growth, the Board will reduce the unappropriated fund balance to continue high priority services that could not otherwise be funded by current revenues. If the reserve account is so used, to maintain fiscal integrity, the Board will seek to restore the account as soon as possible.

The second 5% is a reserve maintained separately from the General Fund in the General Reserve Fund. This fund is to be used for non-recurring extreme emergencies. *Extreme Emergencies* is defined as uses for disaster relief, expenditures related to essential services, or expenditures that are related to public life and safety issues. If the reserve account is so used, to maintain fiscal integrity, the Board will seek to restore the account as soon as possible.

## Status

In the FY 2009 reserves are budgeted at \$29 million which funds them at 97% of the policy goal.

The following graph shows the reserve goal, budget and actual reserve (\$ in thousands). The budgeted reserves do not include funds budgeted in contingency.



	2003	2004	2005	2006	2007
Goal	\$ 21,953	\$ 22,850	\$ 24,131	\$ 26,832	\$ 28,658
Budget	\$ 19,610	\$ 20,727	\$ 23,758	\$ 26,008	\$ 27,000
Actual Ending Balance	\$ 15,395	\$ 30,660	\$ 54,377	\$ 68,673	\$ 74,645

\* "Growth" is defined as total increase in fiscal year compared to the amount in the prior fiscal year, adjusted for changes in collection method, accrual method, or legislation defining the rate or terms under which the revenue is to be collected.

# Financial & Budget Policies

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## General Fund Emergency Contingency Background

General Fund contingency transfers have a significant effect on the annual budget process by reducing the amount of ending fund balance that is carried over to the subsequent fiscal year as beginning working capital. Contingency transfers should be reviewed in the context of other budget decisions so that high priority programs and projects are not jeopardized.

## Policy Statement

The Board understands that in order to avoid financial instability, continuing requirements cannot increase faster than continuing revenues.

*The Board understands that in order to avoid financial instability, continuing requirements cannot increase faster than continuing revenues.*

It is the policy of the Board to establish an emergency contingency account in the General Fund, as authorized by ORS 294.352, each fiscal year during the budget process. The account will be funded at a level consistent with actual use of transfers from contingency during the prior ten years.

To maintain financial stability, the following are guidelines to be used by the Board in considering requests for transfers from the General Fund Contingency Account:

1. Approve contingency requests only for "one-time-only" allocations.
2. Limit contingency funding to the following:
  - a) Emergency situations which, if left unattended, will jeopardize the health and safety of the community.
  - b) Unanticipated expenditures necessary to keep a public commitment or fulfill a legislative or contractual mandate, or which have been demonstrated to result in significant administrative or programmatic efficiencies that cannot be covered by existing appropriations.
3. The Board may, when it adopts the budget for a fiscal year, specify programs which it wishes to review during the year and increase the Contingency account to provide financial capacity to support those programs if it chooses. Contingency funding of such programs complies with this policy.

## Status

The Budget Director is responsible for informing the Board if contingency requests submitted for Board approval meet the criteria of this policy. In addition, each year the Budget Director will provide an annual report to the Board detailing the prior fiscal year's contingency actions. This report will include the total dollar amount of contingency requests, dollar amount approved, and dollar amount that did not meet the criteria of this policy.

## Capital Asset Management Policies Background

Capital financial management policies demonstrate to the credit rating industry and prospective investors (bond buyers) the County's commitment to sound financial management. Adherence to adopted policies ensures the integrity of the planning process and leads to maintaining or improving bond ratings and lowering the cost of capital.

In general, a facilities and property management plan includes three phases: (1) capital improvement planning and funding; (2) facility operations and long-

# Financial & Budget Policies

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*A facilities and property management plan includes three phases: (1) capital improvement planning and funding; (2) facility operations and long-term maintenance plan and funding; (3) property management, to determine best use or disposition of property.*

term maintenance plan and funding; (3) property management, to determine best use or disposition of property.

Multnomah County owns approximately 80 buildings with a historical cost of approximately \$420 million and an estimated replacement cost of \$910 million. The County currently carries a \$125 million property insurance policy per occurrence. Structural and systems maintenance in the County's capital plan is largely a non-discretionary activity. That is, the question is not whether such expenditures are necessary but in what year to schedule the expenditure on particular projects. Deferral of capital improvements and maintenance creates an unacceptable unfunded liability and contributes to further deterioration of properties.

Multnomah County's Capital Improvement Program is updated annually and includes the five-year Capital Improvement Plan. Over the last several years the County has had several opportunities to improve its position by acquiring equipment and/or by redirecting building rental payments to pay for the construction, renovation or acquisition of a facility. It is reasonable to assume that the County will have similar opportunities in the future. Given the current scarcity of capital funding, it may be appropriate to consider a variety of creative funding strategies to respond to these opportunities in the future.

The Board of County Commissioners may authorize the sale, long-term lease, or development of property and/or improvements and may authorize full faith and credit financing obligations. It is financially prudent to plan capital acquisition, improvement and maintenance projects adequately and to address the unfunded need for capital improvements so that decisions about the use of revenues and financing may be made in an orderly and effective manner.

The County shall prepare, adopt and annually update a five-year Capital Improvement Plan (CIP). The Plan will identify and set priorities for all major capital asset acquisition, renovation, maintenance, or construction projects.

During the annual budget development process the Director of the Facilities and Property Management Division is directed to update the Capital Improvement Plan. This plan shall include recommendations to the Chair and Board of County Commissioners on the priority of projects including those that may have been identified by the Chair's Office, suggested by Commissioners or otherwise identified.

A Facilities Management Advisory Committee is established as a sub-committee of the County's Operating Council, and is composed of representatives of County departments, Facilities and Property Management, and others deemed necessary by the Chair.

The Facilities Management Advisory Committee shall review the Capital Improvement Plan and any other equipment acquisitions requested to be

# Financial & Budget Policies

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financed with long-term obligations, and develop a priority list and a plan to finance the requirements of the Capital Improvement Project plan and any other capital requests. Prior to the adoption of the annual budget, the Facilities Management Advisory Committee shall present a report to the Board. This report shall include a listing of the projects, intended use, alternative methods of financing, current debt commitments, current debt capacity, and recommendations.

## Facility Operations and Long-Term Maintenance Plan and Funding Policy

The Board recognizes that adequate operations and maintenance funding is essential to avoid costly reconstruction or replacement of capital assets.

The five-year Capital Improvement Plan shall provide for anticipated major improvements and maintenance to County capital assets as well as additional and replacement capital assets. The Plan shall include major construction to be undertaken by the County, no matter what the funding source. The Plan will be reviewed and updated annually.

The Capital Improvement Plan shall identify adequate funding to support repair and replacement of deteriorating capital assets and avoid a significant unfunded liability from deferred maintenance. In order to facilitate CIP discussions and to create a clear alignment of policy and funding, the Facilities and Property Management Division shall evaluate all owned County facilities and shall maintain a current list of facilities which are in substantial compliance with all applicable building codes and which have no required capital work. These facilities shall be designated as Tier I (Asset Preservation) facilities.

An Asset Preservation Fee shall be assessed on tenants within all Tier I buildings. This fee is established to be \$2.35/rentable square foot in the initial year and shall be adjusted in future years to reflect the facilities' needs and County funding capacity. It is the goal of the Board to fund the County's capital needs at approximately 2% of the cost of County buildings. (2% is equivalent to depreciating the facilities over a 50-year period.) While the County currently does not have the capacity to fund facilities at this rate, the Board will consider this goal when establishing the rate in future years.

An Asset Preservation Fund is maintained to collect the assessed Asset Preservation Fees and to serve as a long-term reserve fund to maintain the Tier I facilities in their current excellent condition. Required capital projects for Tier I facilities shall be budgeted annually in the Asset Preservation Fund. The remaining balance of the Fund shall be maintained as a long-term reserve and shall be budgeted as an unappropriated balance.

Any facility which does not meet the criteria for designation as a Tier I building shall be designated as a Tier II or Tier III building. Tier II buildings are not up to current building standards and may require substantial capital work but are determined appropriate for continued investment and long-term retention in the County facilities inventory.

# Financial & Budget Policies

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Tier III buildings appear to be uneconomical or impractical for long-term retention and will be analyzed to determine if they should be offered for disposition. Only “fire-life-safety” and urgent capital projects will be considered for Tier III buildings, to avoid further investment in these facilities.

A Capital Improvement Fee shall be assessed on tenants within all Tier II and III buildings. This fee is established to be \$2.35/rentable square foot in the initial year and shall be adjusted in future years to reflect the facilities’ needs and County funding capacity. It is the goal of the Board to fund the County’s capital needs at approximately 2% of the cost of County buildings. (2% is equivalent to depreciating the facilities over a 50-year period). While the County does not have the capacity to fund facilities at this rate currently, the Board will keep this goal in mind when establishing the rate in future years.

A Capital Improvement Fund is maintained to collect the assessed Capital Improvement Fees. This Fund will be used to provide for the continuing repair and maintenance of Tier II and III buildings. Given the current inadequacy of these funds to meet the needs of these buildings, projects will be identified and proposed for funding based on an annual assessment of need and urgency. The Facilities and Property Management Division shall maintain an inventory of the capital needs in all owned County facilities. An evaluation process and rating system shall be implemented and managed by Facilities and Property Management to assist in determining which projects to propose for funding each year. Recommended capital projects for Tier II and III facilities shall be budgeted annually in the Capital Improvement Fund. Any remaining balance of the Fund shall be maintained as a long-term reserve and budgeted as unappropriated balance.

It is the goal of the Facilities and Property Management Division to perform all preventive and corrective maintenance on all County facilities to provide facilities that are safe, functional, and reliable for County operations. Facilities and Property Management will prepare and administer tenant agreements, respond to service requests, and manage commercial leases. The service level agreements with each tenant will be prepared to reflect the level of service and various pricing of each service that have been agreed upon by the parties.

## Best Use or Disposition of Surplus Property Policy

The CIP presented to the Board, the Facilities Management Advisory Committee shall annually recommend the best use or disposition of surplus property held by the County. The recommendation will detail the financial and service impact of each recommendation. The Board will make the final determination on the best use or disposition of the property identified.

When deciding on the best use or disposition of surplus property, the Board will consider that the proceeds from the sale of unrestricted property may be allocated in the following prioritized manner:

1. Credited to the Asset Preservation Fund to provide reserves to meet

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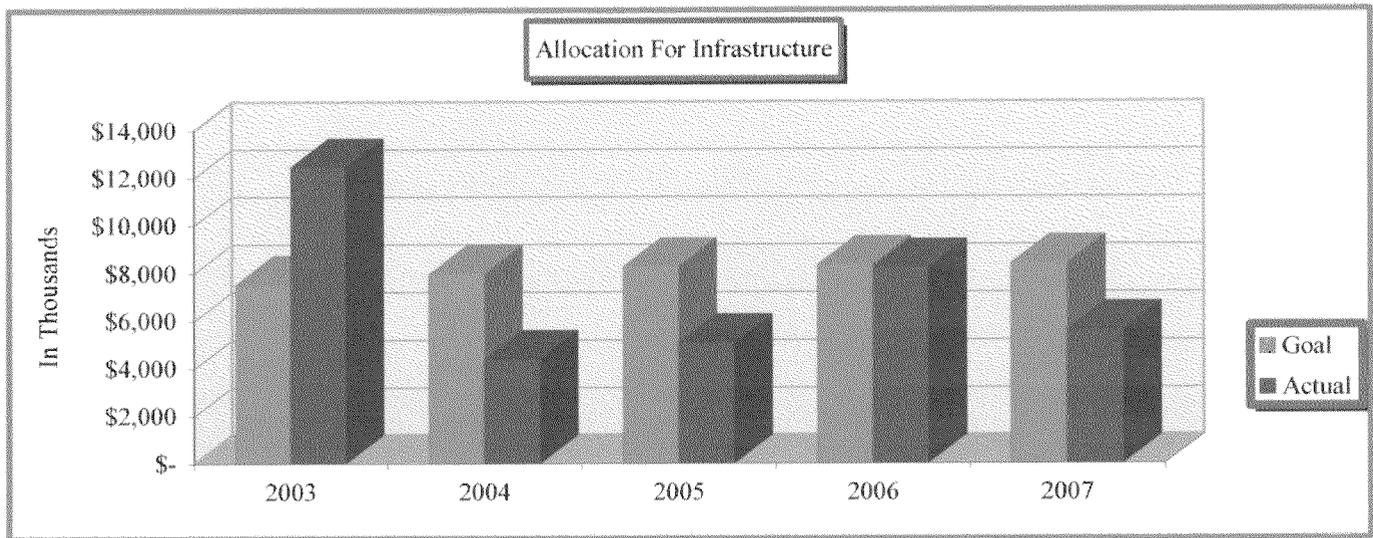
future capital needs in Tier I facilities.

2. Credited to the Capital Improvement Fund to provide resources for future capital projects, deferred maintenance, or capital acquisition/construction.
3. Used to retire outstanding debt related to the disposed of or surplus property.
4. Used to increase General Fund reserves to achieve full funding according to these policies.

In addition property may be traded for other properties or may be leased to other agencies in order to provide services or carry out the mission of the County.

## Status

The five year CIP is updated and presented to the Board annually. The following graph depicts the goal and actual (\$ in thousands).



	2003	2004	2005	2006	2007
Goal	\$ 7,540	\$ 7,977	\$ 8,284	\$ 8,339	\$ 8,401
Actual	\$ 12,479	\$ 4,407	\$ 5,090	\$ 8,224	\$ 5,618

## Long-Term Liabilities Background

Governments are required to account for and record in the financial statements long-term and other liabilities per Governmental Accounting Standards Board (GASB) pronouncements. Long-term liabilities are probable future sacrifices of economic resources due in more than one year. Upon recording long-term liabilities the County recognized the need to fund some of the unfunded long-term liabilities and prevent the risk of long-term liabilities recorded without a plan to fund them.

# Financial & Budget Policies

## Policy Statement

Long-term liabilities include, but are not limited to: medical & dental incurred but not reported (IBNR) claims, workers compensation IBNR claims, liability IBNR claims, PERS and other post-employment benefits. It is the goal of the Board to fully pre-fund all benefits including retirement benefits, with the exception of other post-employment medical benefits (OPEB). GASB pronouncements require long-term liabilities to be assessed and disclosed and in the County's comprehensive annual financial report. However, GASB does not require vacation liabilities to be reported in the governmental fund types until they are paid and therefore the County has not recorded accrued vacation in governmental fund statements. Vacation liabilities in the proprietary funds will be recognized on the full accrual basis of accounting in accordance with GASB.

Funding for these liabilities will be in the form of reserves in the Risk Management Fund, allocated by the Chief Financial Officer to the County's long term liabilities. The reserves in the Risk Management Fund are considered set asides for the exclusive use of meeting these liabilities. As of June 30, 2007, actuarial liabilities are fully funded with the exception of the post employment benefits liability (OPEB), which is funded at 11.4% according to County policy. It is the goal of the County to gradually increase the reserve amount allocated to the OPEB and achieve a funding level of 20% by 2013. The Chief Financial Officer is responsible for ensuring that these liabilities are funded according to the actual liability or the actuarially determined liability.

## Status

The following is the June 30, 2007 funding level of each liability (\$ in thousands):

Liability Description	Total Liability	Amount Funded	Percent Funded
Self Insurance (1)	\$ 8,668	\$ 8,668	100.0%
Post Retirement (2)	122,905	14,020	11.4%

(1) GASB requires self-insurance claims be recorded as a liability in the financial statements.

(2) GASB requires employer paid benefits extended to retirees be disclosed in the financial statements. Liability reflects the most recent unfunded actuarial accrued liability amount per Mercer actuarial report.

## Accounting and Audits Background

Under ORS 294 the County is required to have the County's financial records audited annually by an independent accounting firm.

The Board understands that the County's accounting system and financial reporting are required by State law to adhere to Generally Accepted Accounting Principles (GAAP), standards of the Government Finance Officers Association (GFOA), and the principles established by the Governmental Accounting Standards Board (GASB).

# Financial & Budget Policies

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**Policy Statement** Multnomah County's Ordinance No. 660 as amended, which established an Audit Committee, audit procedures, and audit rules, will apply to all external financial audits. The basic duties of the Audit Committee are to:

1. Review the scope and extent of the external auditor's planned examination.
2. Review with management and the external auditor the financial results of the audit.
3. Review with the external auditor the performance of the County's financial and accounting personnel.
4. Review written responses to management letter comments and single audit comments.
5. Present the Audit, Single Audit, and Report to Management to the Board.
6. Participate in the selection of the external auditor.

The Comprehensive Annual Financial Report (CAFR) including the audit of the County's schedule of Federal awards shall be sent to grantor agencies and rating agencies annually.

It is the goal of the Board to maintain a fully integrated automated financial system that meets the accounting and reporting needs of the County. This financial system is to include general ledger, accounts payable, accounts receivable, materials management, purchasing, human resources, payroll, and cost accounting for all applicable operations.

**Status** The County is in compliance with this policy.

**Fund Accounting Structure** According to local budget law and the Governmental Accounting Standards Boards (GASB), the County is required to establish and maintain various funds. Each year the Chief Financial Officer is responsible for preparing and presenting a resolution to the Board defining the various County funds. The County will adhere to Generally Accepted Accounting Principles and GASB when creating a fund and determining if it is to be a dedicated fund.

**Policy Statement** The following types of funds should be used by state and local governments:

## *GOVERNMENTAL FUNDS*

**General Fund** - to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

**Capital Projects Funds** - to account for financial resources to be used for the acquisition or construction of major facilities (other than those financed by proprietary funds and trust funds).

# Financial & Budget Policies

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*The County adheres to Governmental Accounting Standards Board pronouncements and Generally Accepted Accounting Principles when creating a fund and determining if the fund is to be a dedicated fund.*

**Debt Service Funds** - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

## *PROPRIETARY FUNDS*

**Enterprise Funds** - to account for operations (a) that are financed and operated in a manner similar to private businesses, where the intent of the governing body is that the costs of providing goods or services to the public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, or accountability.

**Internal Service Funds** - to account for the financing of goods or services provided by one department or agency to other sections of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

## *FIDUCIARY FUNDS*

**Trust and Agency Funds** - to account for assets held in a trustee capacity or as an agent for individuals, private organizations, governmental units, and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds; (c) Pension Trust Funds; and (d) Agency Funds.

Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

## Status

The County is in compliance with this policy.

## Internal Service Funds

It is often advantageous to centralize the provision of certain goods and services within the County by establishing internal service funds. These funds provide a useful means of accounting for such centralized intra-governmental activities.

The Governmental Accounting Standards Board's (GASB) states that internal service funds may be used "to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis."

GASB directs governments to use either the general fund or an internal service fund if they wish to use a single fund to account for all risk-financing activities of a given type. If a government chooses to use an internal service fund to account for its risk-financing activities, inter-fund premiums are treated as quasi-external transactions (similar to insurance premiums), rather than as reimbursements. Because inter-fund premiums paid to internal funds are treated as quasi-external transactions, their amount is not limited by the amount recognized as expense in the internal service fund, provided that the excess

# Financial & Budget Policies

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*It is often advantageous to centralize the provision of certain goods and services within the County by establishing internal service funds.*

*The main purpose of establishing separate internal service funds is to identify and allocate costs related to the provision of specific goods and services within Multnomah County*

*Internal service funds are used to account for services provided on a cost reimbursement basis without profit or loss.*

represents a reasonable provision for anticipated catastrophic losses or is the result of a systematic funding method designed to match revenues and expenses over a reasonable period of time.

GASB indicates that internal service funds may be used for services provided on a cost-reimbursement basis to other governments, nonprofits, and quasi-governmental entities. Most transactions take the form of quasi-external transactions; the funds receiving goods or services report an expense, while the internal service fund reports revenue. The practical consequence of this is that expenditures are duplicated within the reporting entity. This duplication is preferable to that which occurs when internal service funds are not used. The internal service fund has the advantage of isolating such duplicate transactions within a separate fund type, where their special character is clearer to users.

Internal service funds are used to account for services provided on a cost-reimbursement basis without profit or loss. Surpluses and deficits in internal service funds may be an indication that other funds were not charged properly for goods or services received. The principle that internal service funds should operate on a cost-reimbursement basis applies to the operations of these funds over time; it is only when internal service funds consistently report significant deficits or surpluses that charges must be reassessed. If charges to other funds are determined to be more or less than necessary to recover cost over a reasonable period, the excess or deficiency should be charged back to the participating individual funds. In particular, it is not appropriate to report a material deficit in an internal service fund without the demonstrable intent and ability to recover that amount through charges to other funds over a reasonable period.

Where internal services are also provided to external agencies, it is recognized that the rates may be slightly different than those charged internally for the same services. This is necessary since the ability to recover deficits from external parties over an extended period may be limited. In addition, charging rates significantly higher than market rates for the same services may result in external agencies not subscribing to these services. It is often advantageous for the County to provide services to external agencies to help the County defray fixed costs.

Often internal service funds charge for asset use in excess of historical cost depreciation, to ensure that adequate funds will be available to purchase replacement assets (the cost of which is likely to be higher due to inflation). The systematic recovery of the replacement cost of fixed assets is not a violation of the cost allocation principle because the surpluses are temporary (i.e., they will disappear when the higher priced assets are acquired). In recent years federal grantors have become increasingly sensitive to the potential for overcharges connected with internal service funds. Accordingly, high levels of retained earnings in internal service funds (as defined by federal cost-allocation principles) may lead to the disallowance of some costs charged out to other funds.

# Financial & Budget Policies

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The main purpose of establishing internal service funds is to identify and allocate costs related to the provision of specific goods and services within the County.

## Policy Statement

The County will establish the following internal service funds for these services:

*Services provided by internal service funds will be defined and put in writing.*

1. Risk Management Fund – accounts for the County’s risk management activities including insurance coverage
2. Fleet Management Fund – accounts for the County’s motor vehicle fleet operations and electronics
3. Information Technology Fund – accounts for the County’s data processing operations
4. Mail / Distribution Fund – accounts for the County’s mail distribution, records and material management operations
5. Facilities Management Fund – accounts for the management of all County owned and leased property.

The internal service funds will be used to account for business operations and charge for goods or services provided to other departments or agencies on a cost-reimbursement basis. Periodically the rates charged will be compared to other public or private sector operations to ensure that pricing is competitive. The internal service fund charges will include asset replacement charges (depreciation) to ensure that adequate funds will be available to purchase replacement assets.

The charges will include a contingency or reserve requirement not greater than 5% to ensure that service reimbursements charged to other departments are maintained at a relatively constant level. Excess reserves will be used to reduce future rates.

The internal service reserves and amounts billed to other departments or agencies will be reviewed annually and revised if necessary by budget and finance to ensure they are in compliance with this policy.

## Liquidity and Accounts Payable Background

Liquidity is the ratio of cash and short-term investments to current liabilities, including amounts held in trust. The County’s liquidity reflects its ability to pay its short-term obligations. Generally a ratio of \$1.00 in cash and short-term investments to \$1.00 of current liabilities is considered an acceptable liquidity ratio.

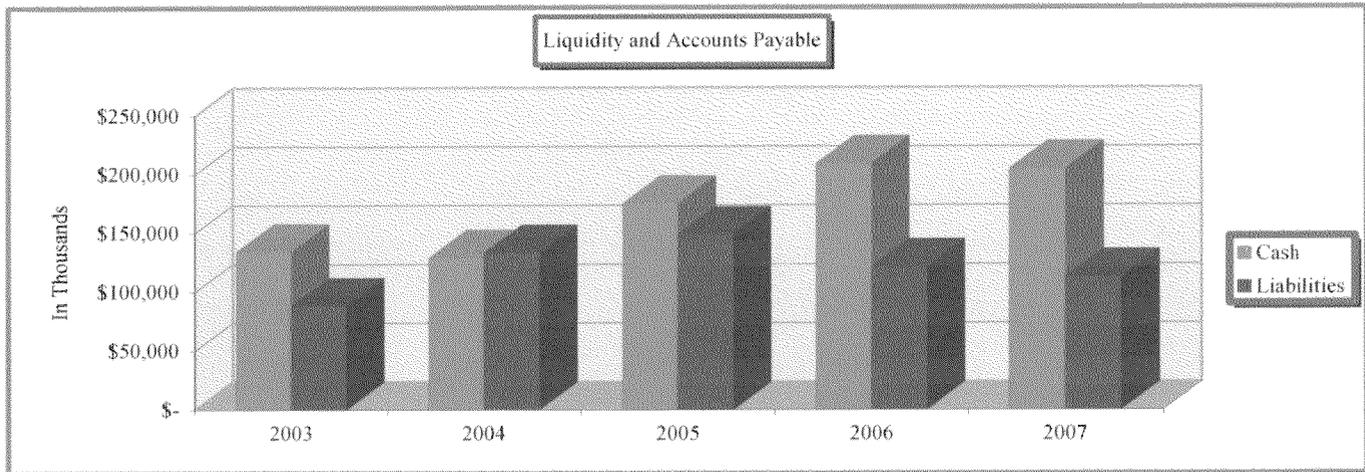
## Policy Statement

The County will strive to maintain a liquidity ratio of at least \$1.50 in cash and short-term investments to each \$1.00 of current liabilities. This is higher than the credit rating’s acceptable ratio and is necessary given the County’s lack of revenue diversity and the volatility of the Business Income Tax revenues.

# Financial & Budget Policies

## Status

The following graph depicts the comparison of cash and investments to current liabilities (\$ in thousands).



	2003	2004	2005	2006	2007
Cash	\$ 134,391	\$ 129,137	\$ 175,449	\$ 209,236	\$ 204,712
Liabilities	\$ 88,343	\$ 133,416	\$ 149,008	\$ 121,302	\$ 112,795
Actual Ratio	1.52	0.97	1.18	1.72	1.81

## Banking, Cash Management and Investments Background

Multnomah County maintains an active investment program. An investment policy was first formalized in 1982 and has been revised several times since. This policy incorporates various Oregon Revised Statute Codes which specify the types of investments and maturity restrictions that local governments may purchase. The County's Investment Policy also contains self-imposed constraints in order to effectively safeguard the public funds involved.

### Policy Statement

*In accordance with ORS 294.135, Multnomah County's investment transactions shall be governed by a written investment policy, which will be reviewed and adopted annually by the Board of County Commissioners.*

Banking services shall be solicited at least every seven years on a competitive basis. The Chief Financial Officer (or designee) is authorized to act as "Custodial Officer" of the County and is responsible for performing the treasury functions of the County under ORS 208, 287, 294, and 295 and the County's Home Rule Charter. In carrying out these functions, the Chief Financial Officer is authorized to establish a Financial policy that meets generally accepted auditing standards relating to cash management.

In accordance with ORS 294.135, investment transactions shall be governed by a written investment policy, which will be reviewed and adopted annually by the Board of County Commissioners. The policy will specify investment objectives, diversification goals, limitations, and reporting requirements. The investment policy sets guidelines for diversification that are more stringent than those allowed by State statute, reflecting the County's strategic preference for a

# Financial & Budget Policies

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conservative investment approach. In accordance with MCC 2.60.305-2.60.315 the County will utilize an independent Investment Advisory Board to review the County's policy and investment performance. Unrecognized gains or losses will be recorded in the County financial report.

Status

The County is in compliance with this policy.

## Short-term and Long-term Debt Financings

Historically, the County maintained a 'pay-as-you-go' philosophy for financing capital projects. Pay-as-you-go can be costly in some ways due to cost acceleration in inflationary periods. Over-utilized facilities generate higher maintenance costs and citizens are not served well by over-utilized or nonexistent facilities. An alternative is to issue debt, sometimes referred to as 'pay-as-you-use.' Currently, the County's philosophy is to issue debt for public projects is to have the citizens benefiting from the project pay for the debt retirement costs.

Policy Statement

The County may engage in the following financing transactions in accordance with the County's Home Rule Charter and applicable State and Federal Laws:

*The County will attempt to meet its capital maintenance, replacement, or acquisition requirements on a pay-as-you-go basis. If the amount of the capital requirement cannot be met on a pay-as-you-go basis, if it is financially beneficial to issue bonds or COPs, and if the project has been determined to benefit future citizens, the County will evaluate the feasibility of issuing a long-term debt financing instrument.*

1. **Short-Term Debt.** If it is determined by the Finance and Risk Management Division that the General Fund cash flow requirements may be in a deficit position prior to receiving property tax revenues, the County may issue short-term debt to meet anticipated cash requirements. Bond Anticipation Notes or a Line of Credit may be issued to finance capital project transactions where it will result in a financial benefit. Before issuing short-term debt the Board must authorize the financing with a resolution.
2. **Bonds and Other Long-Term Obligations.** It is the policy of the Board that the County will attempt to meet its capital maintenance, replacement, or acquisition requirements on a pay-as-you-go basis. If the dollar amount of the capital requirement cannot be met on a pay-as-you-go basis, if it is financially beneficial to issue bonds or other debt instruments, and if the project has been determined to benefit future citizens, the County will evaluate the feasibility of issuing a long-term debt financing instrument.
3. **Uses.** All long-term financings must provide the County with an economic gain or be mandated by the Federal or State Government or court. Under no circumstances will the County fund current operations with the proceeds of long-term borrowing.
4. **Purchase/Leasing Facilities.** It is the policy of the Board to purchase or lease/purchase facilities, instead of renting, when the programs or agencies being housed are performing essential governmental functions.
5. **Debt.** When issuing debt, the County will follow the Government Finance Officers Association recommended practice of selecting and managing the method of sale of State and Local Government Bonds. In addition to statutory debt limits, the County further limits non voter- approved debt instruments to an annual debt payment amount that will not exceed 5% of

# Financial & Budget Policies

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the County's General Fund budgeted revenues and with exception of proprietary funds, all annual debt service payments will be limited to 5% of the total revenues of the supporting fund.

6. **Capital Expenditures.** If capital expenditures are anticipated to be incurred prior to the issuance of the debt, the Board authorizes the Chief Financial Officer to execute a declaration of official intent (or DOI) with regard to such expenditure. The DOI must express the County's reasonable expectations that it will issue debt to reimburse the described expenditures. It must contain a general description of the project and state the estimated principal amount of obligations expected to be issued to finance the project. A copy of the DOI shall be sent to the Board.
7. **Financing Mechanisms.** The different types of financings the County may use to fund its major capital acquisitions or improvements are:
  - a) **Revenue Bonds** may be used whenever possible to finance public improvements which can be shown to be self-supported by dedicated revenue sources, needed for infrastructure or economic development, or approved by the Board for specific purposes.
    - i) Revenue-supported bonds are to be used to limit the dependency on property taxes for those projects with available revenue sources, whether self-generated or dedicated from other sources.
    - ii) Adequate feasibility studies are to be performed for each project to determine the adequacy of the dedicated revenue source.
  - b) **General Obligation Bonds (GO bonds)** will be used to finance *essential* capital projects.
    - i) Capital improvement projects will be analyzed, prioritized and designated as *essential* or not through a CIP committee process.
    - ii) GO bonds will only be considered after exploring funding sources such as Federal and State grants and project revenues.
  - c) **Full Faith and Credit or Limited Tax Bonds** will be considered if Revenue bonding or GO bonding is not feasible. Where Full Faith and Credit Bonds or Limited Tax Bonds are used to finance capital projects, the term of debt will be generally limited to the economic life of the financed asset not to exceed 20 years. When bond market conditions warrant, or when a specific capital project would have a longer useful life, or when operational efficiencies can be achieved the Board may consider repayment terms that differ from the general policy.
  - d) **Capital Lease-Purchases** will be considered if Revenue bonding, GO bonding, or Full Faith and Credit bonding is not feasible.
  - e) **Leases and limited tax bonds** as reported in the County's comprehensive annual financial report will be limited as follows:
    - i) Acquisitions will be limited to the economic life of the acquisition or improvement and shall not exceed 20 years.
    - ii) All acquisitions must fit within the County's mission or role.
    - iii) All annual lease-purchase or bond payments must be included in the originating Departments' adopted budget or in the facilities

# Financial & Budget Policies

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management's building service reimbursement.

- f) **Refundings or Advance Refundings** will be done if there is a present value savings of 3% or more or if the restructuring of the financing will benefit the County.
- g) **Intergovernmental Agreements** with the State of Oregon for Energy Loans.
- h) **Local Improvement Districts.** Except as required by State law, it is the policy of the Board not to form Local Improvement Districts (LIDs) for purposes of issuing debt to finance LID improvements unless specifically required by Oregon Revised Statutes, due to the added costs of administering the LIDs, the small number of citizens served, and the risk that in the event of default by property owners the General Fund will have to retire any outstanding obligations.
- i) **Conduit Financings.** It is the policy of the Board to act as an "Issuer" of conduit financing for any private college, university, hospital, or for-profit or non-profit organization that is located in Multnomah County and is eligible to use this type of financing. The County will charge a fee of \$1.00 per \$1,000 of bonds issued or \$10,000, whichever is greater, to act as an issuer for the organization. This fee offsets administrative costs that may be incurred. The County will retain bond counsel to represent it on legal issues including any risks associated with the conduit financing. The County may also retain the services of a financial advisor if deemed by the Chief Financial Officer to be in the best interests of the County. The organization will be assessed an additional fee to cover any expenses incurred by bond counsel or financial advisor. In addition to the fees established above, the organization must have a Moody's rating of Baa or better or a BBB rating from Standard and Poor's. The organization must not condone discriminatory practices or policies. The Board must approve each conduit financing issue. In the event of conduit financing on behalf of the Hospital Facility Authority of Multnomah County, the Board acting as the governing board of the Hospital Facility Authority will comply with the bylaws of the Authority.
- j) **External financial advisors, underwriters and bond counsel** will be selected in accordance with the County's Administrative Procedures.

A schedule of the County's outstanding debt obligations as of July 1, 2007 is noted at the end of this policy statement.

## Interfund and Insubstance Loans

An interfund loan is defined as a transfer between funds or fund types for an approved amount and a definite plan of repayment in a specified period of time. Interfund loans provide financing resources to address cash flow needs in County operations or capital financing plans. Interfund loans are either operating or capital and shall meet the requirements noted below. An Operating Interfund Loan is a loan made for the purpose of paying operating expenses. A Capital Interfund Loan is a loan made for the purpose of financing

# Financial & Budget Policies

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the design, acquisition, construction, installation, or improvement of real or personal property and not for the purpose of paying operating expenses. Capital or operating interfund loans will be documented and submitted to the Board of County Commissioners for review and approval.

In addition to interfund loans, the County may engage in insubstance loans. An insubstance loan is a temporary balance sheet entry recorded at year-end to prevent a negative cash balance within a fund due to cash flow timing differences. The County's Chief Financial Officer has the authority to record an insubstance loan in order to satisfy fiscal year end reporting requirements and cash flow needs.

## Policy Statement

*The County may use interfund loans as a short-term financing resource to address cash flow needs in County operations or capital financing plans.*

Interfund loan requests must be reviewed and approved by the County's Chief Financial Officer and Budget Director prior to taking a request for authorization to the Board of County Commissioners. Interfund loans must be authorized by a resolution of the Board of County Commissioners, which shall state the fund from which the loan is to be made, the fund to which the loan is to be made, the purpose and intent for which the loan is made, the principal amount of the loan, the interest rate at which the loan shall be repaid (if applicable), and shall include a schedule for repayment of principal and interest. In addition, interfund loans:

1. Shall not be made from reserve funds, debt service funds, or any other funds restricted by law, constitutional provisions, bond covenants, grantor requirements, Board resolutions or ordinances, unless the restrictions on these funds allow for the purpose of the interfund loan.
2. Shall be granted only after it has been demonstrated that reasonable consideration was given to other potential resources available to the fund and when the loan is required to meet a pressing need or to take advantage of a special opportunity.
3. Shall not exceed 60 months in duration for any capital interfund loan; shall not extend beyond the end of the next fiscal year for any operating interfund loan.
4. May be made only if there is a likely expectation that the fund receiving the loan will have the ability to repay it. If not, the use of an interfund transfer should be considered if appropriate.
5. May be repaid in advance without any additional accrual of interest (if applicable) or any other penalties.
6. Must be made in compliance with all other statutory requirements and limitations of ORS 294.460.
- 7.

## Components Units of Multnomah County

A component unit is a legally separate entity associated with the primary government. A "blended" component unit meets the following criteria:

- 1) The component unit's governing body is the same as the governing body of the primary government.
- 2) The component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively,

# Financial & Budget Policies

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benefits the primary government even though it does not provide services directly to it.

- 3) The component unit exclusively, or almost exclusively, benefits the primary government by providing services indirectly.

Multnomah County recognizes three blended component units:

- 1) Dunthorpe-Riverdale Sanitary Service District
- 2) Mid County Street Lighting Service District
- 3) Hospital Facilities Authority

# Financial & Budget Policies

Debt Description	Dated	Maturity Date	Interest Rate	Amount Issued	Principal Outstanding 6/30/2007	Principal Outstanding 6/30/2008	2007-2008 Interest	2007-2008 Principal
<b>General Obligation Bonds</b>								
Tax supported								
Series 1999 Refunding Bonds	02/01/99	10/01/16	4.53%	\$ 66,115	\$ 61,550	\$ 59,445	\$ 2,685	\$ 2,105
Series 1996B Public Safety Bonds	10/01/96	10/01/16	5.33%	79,700	7,175	3,680	271	3,495
Series 1996A Library Bonds	10/01/96	10/01/16	5.12%	29,000	655	-	16	655
Total General Obligations Bonds				\$ 174,815	\$ 69,380	\$ 63,125	\$ 2,972	\$ 6,255
<b>Revenue Bonds:</b>								
Regional Children's Campus	10/01/98	10/01/14	4.50%	\$ 3,155	\$ 1,915	\$ 1,710	\$ 80	\$ 205
Port City	11/01/00	11/01/15	5.58%	2,000	1,440	1,310	68	130
Oregon Food Bank	11/01/00	10/01/14	5.54%	3,500	2,525	2,300	129	225
Total revenue bonds				\$ 8,655	\$ 5,880	\$ 5,320	\$ 277	\$ 560
<b>PERS Pension Revenue Bonds:</b>								
Limited Tax Pension Obligation revenue Bonds	12/01/99	06/01/30	7.67%	\$ 184,548	\$ 170,908	\$ 165,583	\$ 7,450	\$ 5,325
Total Pension Revenue Bonds				\$ 184,548	\$ 170,908	\$ 165,583	\$ 7,450	\$ 5,325
<b>Certificates of Participation</b>								
1998 Advance Refunding	02/01/98	07/01/13	4.53%	\$ 48,615	\$ 15,240	\$ 12,550	\$ 658	\$ 2,690
Total Certificates of Participation				\$ 48,615	\$ 15,240	\$ 12,550	\$ 658	\$ 2,690
<b>Full Faith and Credit Obligations</b>								
1999A Full Faith and Credit	04/01/99	08/01/19	4.71%	\$ 36,125	\$ 4,850	\$ 3,300	\$ 171	\$ 1,550
2000A Full Faith and Credit	04/01/99	08/01/19	5.24%	61,215	9,430	5,495	495	3,935
2003 Full Faith and Credit	06/01/03	07/01/13	2.83%	9,615	6,990	6,075	178	915
2004 Full Faith and Credit	10/01/04	08/01/19	3.71%	54,235	54,235	54,235	2,620	-
Total Full Faith and Credit				\$ 161,190	\$ 75,505	\$ 69,105	\$ 3,464	\$ 6,400
<b>Leases and Contracts</b>								
Portland Building -- purchase of two floors -- intergovernmental agreement	01/22/81	01/22/08	7.25%	\$ 3,475	\$ 306	\$ -	\$ 26	\$ 306
Equipment lease	06/30/07	06/30/09	0.00%	30	21	11	-	10
Sellwood lofts - lease	01/01/02	01/01/32	2.50%	1,093	1,053	1,043	108	10
Total Leases and Contracts				\$ 4,598	\$ 1,380	\$ 1,054	\$ 134	\$ 326
<b>Loans</b>								
State Energy Loans	07/01/96	10/01/14	5.90% - 7.20%	\$ 1,064	\$ 338	\$ 257	\$ 21	\$ 81
Sewer Loans	07/05/96	07/05/16	5.65%	42	24	22	1	2
Total Loans				\$ 1,106	\$ 362	\$ 279	\$ 22	\$ 83

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-079**

Adopting Financial and Budget Policies for Multnomah County, Oregon for Fiscal Year 2008-2009 and repealing Resolution 07-115

**The Multnomah County Board of Commissioners Finds:**

- a. The Board is the fiscal authority for Multnomah County government.
- b. The Department of County Management is responsible for the budget and fiscal operations of the County.
- c. The Chief Financial Officer and Budget Director are responsible for the preparation and management of the budget and for the management of the financial operations of the County.
- d. A financial and budget policy will provide for prudent financial practices.

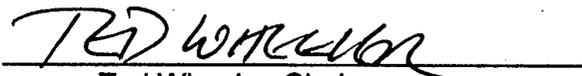
**The Multnomah County Board of Commissioners Resolves:**

1. The Financial and Budget Policies set forth in Exhibit A are the policies of Multnomah County.
2. The Chief Financial Officer is directed to administer these Financial and Budget Policies.
3. The Chief Financial Officer is directed to review and update these policies as needed but not less than annually.
4. The Chief Financial Officer is directed to inform the Board on the status of these policies annually.
5. This Resolution replaces Resolution No. 07-115, which is repealed.

ADOPTED this 5th day of June 2008



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

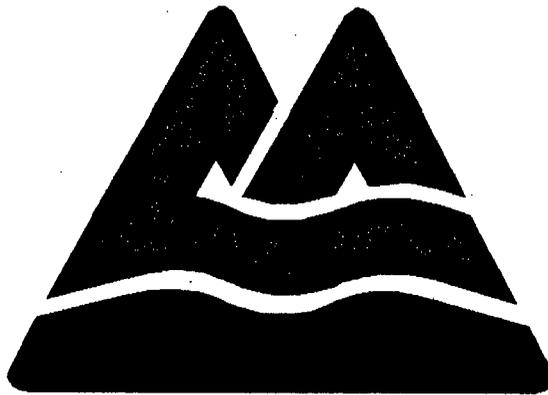
REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

**EXHIBIT A**



**MULTNOMAH  
COUNTY**

**FINANCIAL AND BUDGET POLICIES**

**FISCAL YEAR 2008-2009**

Prepared by: Department of County Management

# Financial & Budget Policies

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# Financial & Budget Policies

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## Goals

The goals of this financial policy are:

1. To preserve capital through prudent budgeting and financial management.
2. To achieve the most productive use of County funds that meets the goals of the Board of County Commissioners.
3. To ensure that all finance-related activities meet generally accepted accounting principles.
4. To achieve a stable balance between the County's ongoing financial commitments and the continuing revenues available to the County.
5. To leverage local dollars with federal and state funding/grants.
6. To provide an accountable form of Government to the citizens of Multnomah County.

## Financial Forecasts for the General Fund Background

Governments at all levels should forecast major revenues and expenditures. The forecast should extend at least three to five years beyond the budget period and be regularly monitored and updated. It should be clearly stated and available to participants in the budget process, as should its underlying assumptions and methodology. The forecast should also be referenced in the final budget document. To improve future forecasting, the variances between previous forecasts and actual amounts should be analyzed. The variance analysis should identify all factors that influence revenue collections, expenditure levels, and forecast assumptions.

## Policy Statement

The Board of County Commissioners recognizes the importance of developing a combined revenue and expenditure forecast. The Budget Division will prepare a five-year financial forecast for the General Fund to assess the long-term financial implications of current, as well as proposed, policies and programs. The forecast will detail assumptions regarding both short-term and long-term financial issues facing the county. Those assumptions will guide the development of appropriate financial strategies to achieve the goals outlined above. The General Fund revenue and expenditure forecast will:

1. Provide an understanding of available funding;
2. Evaluate financial risk;
3. Assess the likelihood that services can be sustained;
4. Assess the level at which capital investment can be made;
5. Identify future commitments and resource demands;
6. Identify the key variables that might change the level of revenue; and
7. Identify one-time-only resources and recommend appropriate uses.

## Status

The County is in compliance with this policy.

# Financial & Budget Policies

## Tax Revenues

### Background

*All of the County's tax decisions have been made in an atmosphere of intense public and internal debate. Those debates consistently referred to these common factors: the social equity of the tax, its administrative costs, its impact on the regional economy, its effect on other local governments, and the degree to which the tax might be acceptable to the public.*

State statutes and the County Code provide Multnomah County with the ability to raise revenue through taxation. The County currently utilizes the following taxes:

- 1) **Property Taxes** are levied for the following:
  - a. A "Permanent Rate" is available for general uses, that is set at \$4.34 per \$1,000 of assess value;
  - b. A five year "Local Option" levy for Library operations that is set at \$0.89 per \$1,000 of assessed value, and;
  - c. A levy to pay debt service on General Obligation Bonds that is set annually at a level to provide sufficient revenue to support the payments.

Property taxes are governed by state statute and the Oregon Constitution.

- 2) **Business Income Tax** is set at 1.45% of net business income generated in Multnomah County. This tax is authorized by County Code (Chapter 12).
- 3) **Motor Vehicle Rental Tax** is set at 12.5% of the value of rental fees. The first 10% is available for general uses. The remaining 2.5% supports the Oregon Convention Center under an agreement with the Metropolitan Service District. This tax is authorized by County Code (Chapter 11).
- 4) **Transient Lodging Tax** is set at 11.5% of the room rent charged by hotel operators. Nearly all of the County proceeds from this tax are used to support the Oregon Convention Center and other tourist amenities under an agreement with the Metropolitan Service District. This tax is authorized by County Code (Chapter 11).
- 5) **Motor Vehicle Fuel Tax** is set at 3 cents per gallon of gasoline (or diesel) sold in Multnomah County. The proceeds of this tax are dedicated to transportation programs. This revenue is shared by Multnomah County and the cities of Portland, Gresham, Troutdale, and Fairview. This tax is authorized by County Code (Chapter 11).

### Policy Statement

The Board recognizes that taxation is necessary to provide public services to the citizens of the county. When considering changes to the County's tax structure, the Board will consider the following:

1. The ability of taxpayers to pay the taxes.
2. The impact of taxes imposed by the County on other local governments.
3. The effect of taxes on the county economy.
4. The administration and collection costs of the taxes.
5. The ease with which the taxes can be understood by taxpayers.

# Financial & Budget Policies

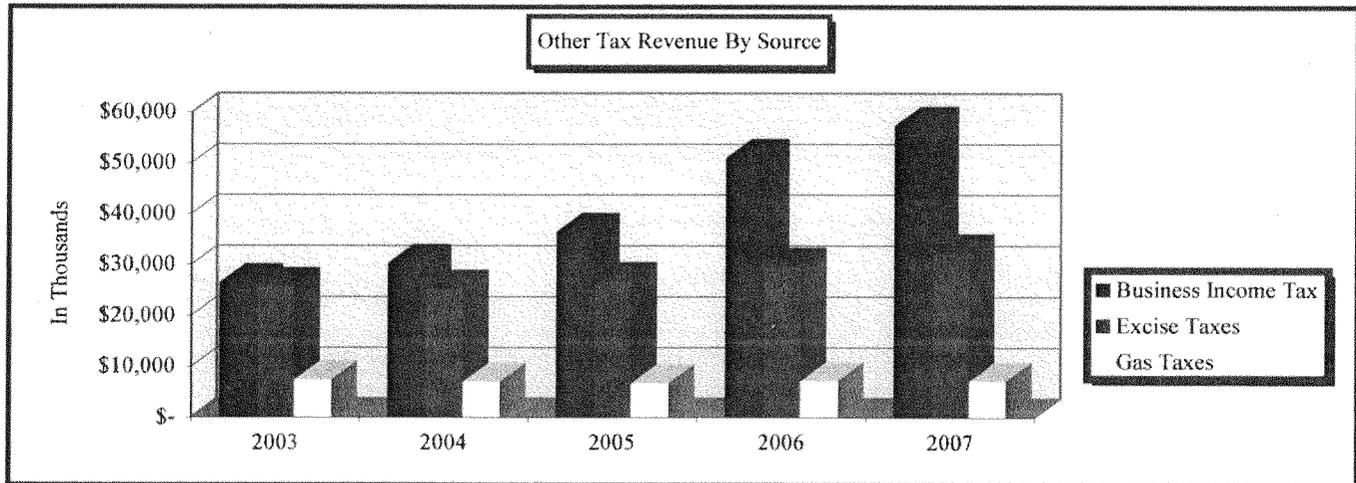
State statutes allow the County to levy “local option” taxes that are not allowed to exceed five years. It is the intent of the Board to use this short-term revenue source to fund priority service programs only after all other sources of revenue have been analyzed and have been determined not to be feasible. The County currently has one local option levy that supports Library services. The tax is set at 89 cents per thousand dollars of assessed value. It is in place until June 30, 2010.

All decisions to levy taxes were made in an atmosphere of intense public and internal debate, particularly with regard to the progressivity of the tax, its administrative cost, its impact on the regional economy, its effect on other local governments, and the degree to which the tax might be acceptable to the public.

## Status

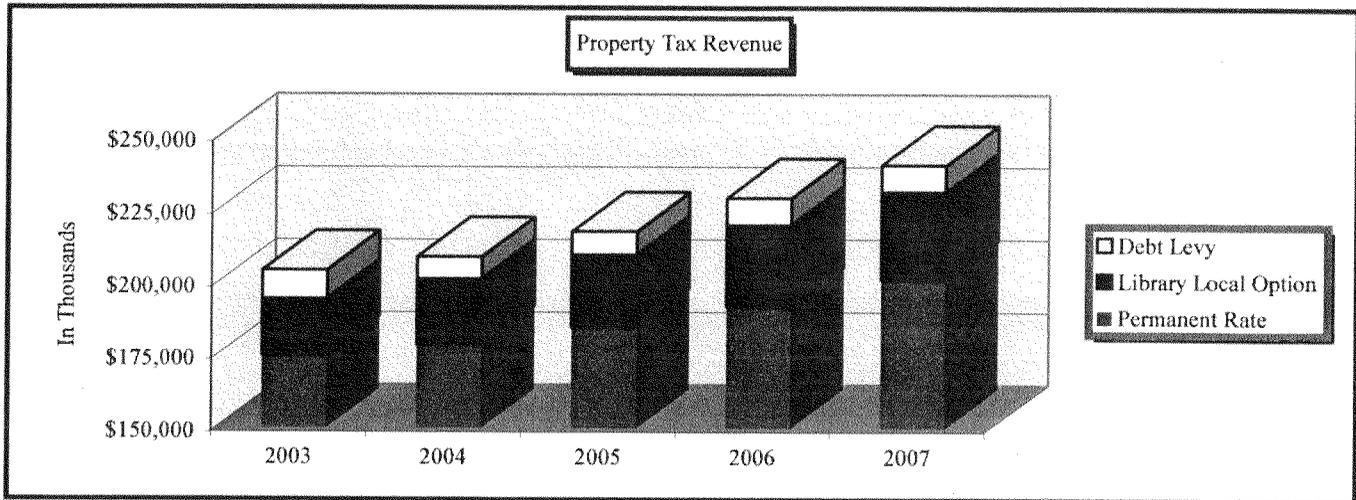
The County's tax revenues represent about 40% of the total Governmental Fund Type revenues (General and Special Revenue Funds). The following graphs depict actual tax revenue by source (\$ in thousands).

No new taxes are proposed in the FY 2009 budget.



	2003	2004	2005	2006	2007
Business Income Tax	\$ 26,491	\$ 30,286	\$ 36,463	\$ 50,980	\$ 57,399
Excise Taxes	\$ 25,656	\$ 25,282	\$ 26,788	\$ 29,680	\$ 32,370
Gas Taxes	\$ 7,432	\$ 7,011	\$ 6,744	\$ 7,234	\$ 7,212
<b>Total Other Tax Revenues</b>	<b>\$ 59,579</b>	<b>\$ 62,579</b>	<b>\$ 69,995</b>	<b>\$ 87,894</b>	<b>\$ 96,981</b>

# Financial & Budget Policies



	2003	2004	2005	2006	2007
Permanent Rate	\$ 174,985	\$ 178,580	\$ 184,729	\$ 192,007	\$ 201,160
Library Local Option	\$ 19,638	\$ 22,985	\$ 25,137	\$ 27,942	\$ 30,280
Debt Service Levy	\$ 9,825	\$ 7,453	\$ 7,885	\$ 9,364	\$ 9,271
<b>Total Property Taxes</b>	<b>\$ 204,448</b>	<b>\$ 209,018</b>	<b>\$ 217,751</b>	<b>\$ 229,313</b>	<b>\$ 240,711</b>

## Transportation Financing Background

*Ongoing maintenance and improvements are necessary for economic growth, to alleviate existing transportation problems, and to maintain the livability of the region.*

Multnomah County owns, operates and maintains approximately 300 miles of urban and rural roads and 30 bridge structures. Ongoing maintenance and improvements to the transportation infrastructure are necessary for economic growth, to alleviate existing transportation problems, and to maintain the livability of the region. In Multnomah County and the surrounding areas, growth has placed additional demands on the transportation system. This growth coupled with funding limitations increases demands far beyond the available resources.

Approximately 75% of the transportation revenue received by the County is generated through the State and County gas tax. This tax has remained at a constant 24 cents per gallon since 1993 with no adjustments for inflation. The recent increase in the price of gasoline will likely reduce the gallons sold and therefore reduce revenue further. This doubled with the impact of inflation and reduced sales combine to significantly reduce the County's ability to provide services.

Multnomah County's Capital Improvement Plan and Program (CIPP) is reviewed on an annual schedule and was submitted to the Board of County Commissioners in May 2008 as part of the FY09 Budget process.

Transportation revenue forecasts have the County facing challenges of balancing the demands of maintenance, preservation, capital expansion, safety

# Financial & Budget Policies

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and environmental regulations. The 20-year Transportation Capital Plan noted a significant shortfall between identified needs and identified funds.

The Oregon Transportation Investment Act of 2003 provided the County with \$25 million for use on the Sauvie Island bridge construction, an additional \$1.4 million of annual funding for county bridges and \$.5 million annually for county roads. Even with these new funds the gap still exists and continues to widen as infrastructure preservation needs exceed resources.

The Board's acceptance of the CIPP forms the basis for the selection and funding of road and bridge projects. Transportation revenue forecasts even with the passage of OTIA still leave the County with challenges of balancing the demands of maintenance, preservation, capital expansion, safety and environmental regulations.

## Policy Statement

It is the policy of the Board to support statewide and regional funding for transportation-related needs. If state and regional funding is inadequate, the County works with jurisdictions within its boundaries to address the transportation funding needs of local governments.

## Status

Given current revenue projections transportation forecasts indicate an operating deficit within the next two years. In FY08 the Chair and Board have raised the awareness of the challenges faced by the County due to the shortfall of transportation revenue. They are working with the Regional, State and Federal partners to address transportation funding issues.

## Federal/State Grant and Foundation Revenues Background

Federal and State grant funds have increased significantly in the last ten years. Most of these revenues are restricted to a specific purpose, such as social services and public safety. Grants and foundation funds are used for an array of County services and may help the County to leverage other funds.

## Policy Statement

The Board understands that grants from other governments and private sources present both opportunities and risks. Grants allow the County to provide basic or enhanced levels of service and to cover gaps in the array of services the County offers. Grants may also commit the County to serving larger or different groups of clients and put pressure on County-generated revenues if the grant is withdrawn. When applying for a grant, the Board will consider:

1. The opportunities for leveraging other funds for continuing the grant/foundation related program.
2. The amount of locally generated revenue required to supplement the grant/foundation revenue source.
3. Whether the grant/foundation will cover the full cost of the proposed

# Financial & Budget Policies

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program, or whether the County is expected to provide program support and administrative overhead functions to the program. It is the intent of the County to recover all overhead costs associated with grant/foundation funding.

4. The degree of stability of the funding source.
5. Whether decline or withdrawal of the grant/foundation revenue creates an expectation that the County will continue the program.
6. How County programs can maximize revenue support from state or federal sources.
7. Whether the grant/foundation funds used for pilot or model programs will result in a more efficient and/or effective way of doing business.
8. Whether the grant/foundation is aligned with the County's mission and goals.

After a grant or contribution is awarded, the Board requires such restricted resources to be used in accordance with any restrictions stipulated and prior to using unrestricted revenues.

## Status

All notices of intent to apply for grant funding and grant awards are approved by the Board. Information provided by Departments when submitting notices of intent is intended to address the above considerations.

## Indirect Cost Allocation Background

The Federal government recognizes identifiable overhead costs are incurred in providing services to support grants and contracts. Therefore, the Office of Management and Budget (OMB) establishes principles and standards to provide a uniform approach for determining costs and to promote effective program delivery, efficiency and better relationships between governmental units and the Federal government. The County's indirect cost allocation plan is prepared annually in accordance with OMB guidelines. The County's plan categorizes indirect costs in two ways: the first establishes support costs internal to individual departments within the County and the other identifies Countywide support costs (such as Budget, County Auditor, Finance and Equipment Use). The County's indirect cost allocations are charged to dedicated grantor revenues to the fullest extent allowed.

## Policy Statement

Generally it is the policy of the Board to recover from dedicated revenue sources the full cost of programs supported by those sources. The full cost includes the appropriate proportionate share of the cost of County administrative overhead functions attributable to programs funded with dedicated revenues.

*Generally it is the policy of the Board to recover from dedicated revenue sources the full cost of programs supported by those sources.*

The exception to the above policy occurs when the grantor agency does not allow the grantee to charge indirect costs or allows only a fixed amount or a maximum indirect cost rate. The Board will have the final authority to accept a grant that does not allow the recovery of all or part of indirect costs. In that event the General Fund will absorb indirect cost attributable to the program.

# Financial & Budget Policies

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The Finance and Risk Management Division is responsible for preparing an Indirect Cost Allocation Plan that meets the requirements of the Office of Management and Budget (Federal Government Agency) Circular A-87. Central service and departmental administrative support provided to non- General Fund programs, activities, and/or functions that are not recovered by internal service charges or billed directly to dedicated revenues will be recovered through an indirect cost based on the approved Indirect Cost Allocation Plan. The plan will be updated annually.

## Status

In 1990 the County's cognizant Federal Agency, Department of Health and Human Services (DHHS), approved the County's indirect cost allocation plan. The Director of the Division of Cost Allocation at DHHS approved the plan and the approval remains in effect until advised otherwise by DHHS or until the County receives a newly designated cognizant Federal Agency. The County certifies the accuracy of its indirect cost rate proposal and cost allocation plan on an annual basis.

## Use of One-Time-Only Resources Background

Unrestricted one-time-only resources present organizations with temptations that are hard to resist. In the short run it appears more beneficial to allocate such resources to the highest priority public service that would otherwise be unfunded than to restrict them to costs associated with one-time needs and those that will not recur in following years. However, the result of this practice is to expand operational levels and public expectations beyond the capacity of the organization to generate continuing funding. This inevitably produces shortfalls and crises.

Sustaining an ongoing program level by deferring necessary expenditures or by incurring future obligations also inevitably produces shortfalls and crises.

## Policy Statement

It is the policy of the Board that the County will fund ongoing programs with ongoing revenues, and to restrict the allocation of one time revenues to non-recurring expenditures.

Examples of one time revenues include:

- Proceeds on the sale of capital assets
- Business Income Taxes collected in excess of budgeted revenues
- General Fund ending fund balance in excess of budgeted balance

When the County budgets unrestricted one-time-only resources, the Board will consider setting these funds aside for reserves or allocating them to projects or programs that will not require future financial commitments. The Board will consider the following when allocating these one-time-only resources:

1. The level of reserves set aside as established by these Financial and Budget

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- policies adopted by the Board.
2. The County's capital needs set out in the five-year Capital Improvement Plan or Information Systems Development Plan.
  3. One-time only spending proposals for projects or pilot programs, particularly investments that may result in innovative ideas or technology, long-term efficiencies or savings that do not require ongoing support.
  4. Bridge or gap financing for existing programs for a finite period of time.

## Status

During budget deliberations the Budget Director is responsible for providing a list of sources and uses of one-time-only funds and informing the Chair and the Board on the recommended use of the funds received. With this information, the Board is able to appropriate and direct one time only resources to infrequent and unique expenditures in an effort to achieve compliance with this policy.

## User Fees, Sales, and Service Charges Background

User fees are generally intended to cover all the costs or an agreed upon portion of the costs for providing services. Inflation or increased service delivery can erode the established user fees if the cost of service increases faster than revenue from the fee increases.

It is the general policy of the Board that user fees and service charges be established at a level to recover the costs to provide services. Exceptions to this policy will be made depending on the benefit to the user of the service, the ability of the user to pay for the service, the benefit to County citizens, and the type of service provided.

## Policy Statement

*It is the general policy of the Board that user fees will be established in order to recover the costs of services. Exceptions to this policy will be made depending on the benefit to the user, the ability of the user to pay for the service, the benefit to County citizens, and the type of service provided.*

As part of budget deliberations and during negotiations of Intergovernmental Agreements, departments will be responsible for informing the Chair of a fully-loaded cost analysis presenting the fee structure necessary to recover 100% of the cost of providing services. Departments will also recommend whether fees or charges in each area should be set to recover 100% of the costs or be set at a lower rate, such as a sliding scale fee. The recommendation to the Chair will consider the benefits to an individual or agency, the benefits to County citizens, and the ability of users to pay for the service. The Budget Office is responsible for ensuring that departments include all costs associated with providing the service.

User fees and service charges collected by County agencies will be periodically reviewed. Based on this review, the Chair will make recommendations to the Board regarding proposed changes to fee or service charge schedules.

Revenues generated from sales (and commissions on sales) of goods and services sold in County-owned or leased facilities are to be credited to the County's General Fund unless:

1. They are generated for inmate welfare commissary operations.
2. They are generated in Library facilities used for Library operations.
3. The Board grants an exception.

# Financial & Budget Policies

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## Status

Departments are generally responsible for reviewing the fees and charges associated with their operations on an annual basis.

## Reserves Background

*The County's General Obligation bond rating is currently Aa1 from Moody's Investors Service.*

Using all available ongoing revenue each year to pay for ongoing programs can result in fluctuations in program levels as revenues vary from one year to the next. Adding programs in one year (based on positive short term receipts) can cause the same or other programs to be cut in the next year if costs outpace revenues. This has a detrimental effect on service delivery over time, reducing efficiency and causing budget and political problems that can be avoided if program decisions are made in the context of the County's long-term financial capacity rather than on the basis of revenue available from one year to the next.

Maintaining an appropriate reserve helps the County maintain its favorable bond rating, which is currently Aa1 from Moody's Investors Service for the County's G.O. bonds. Moody's generally established benchmark for the General Fund Balance or reserve is a dollar amount equal to at least 10% of actual General Fund revenues.

Moody's general guidelines for issuing bond ratings presume that an entity has a sufficiently diverse revenue stream to enable it to sustain adversity of any one of the revenue sources. In addition, the guidelines presume that the entity is not facing future liabilities it will be unable to meet or that it has adopted and followed a plan to address significant known liabilities. Because the County does not have a diverse revenue stream, its major sources of revenue are limited by the State constitution and measures passed by voters, and the revenues are susceptible to cycles in the regional economy, the importance of maintaining adequate reserves is underscored further. Establishing and maintaining reserves at a level that allows the entity to sustain during an economic downturn is viewed favorably when rating services are evaluating the financial viability of an organization.

## Policy Statement

*It is the goal of the Board to fund and maintain two General Fund Reserves designated as unappropriated fund balance, funded at approximately 5% each of the total budgeted revenues of the General Fund.*

The Board understands that to avoid financial instability, continuing requirements should be insulated from temporary fluctuations in revenues.

It is the goal of the Board to fund and maintain two General Fund reserves designated as unappropriated fund balance and funded at approximately 5% each of the "corporate" revenues of the General Fund. Corporate revenues are defined as ones which are available for general use and which the Board has complete discretion in allocating.

These include Property Tax, Business Income Tax, Motor Vehicle Rental Tax, State Revenue Sharing (Cigarette, Liquor, Video Lottery, and Amusement Device Taxes), and Interest Earnings. These revenue sources account for approximately 90% of total General Fund resources excluding Beginning Working Capital.

# Financial & Budget Policies

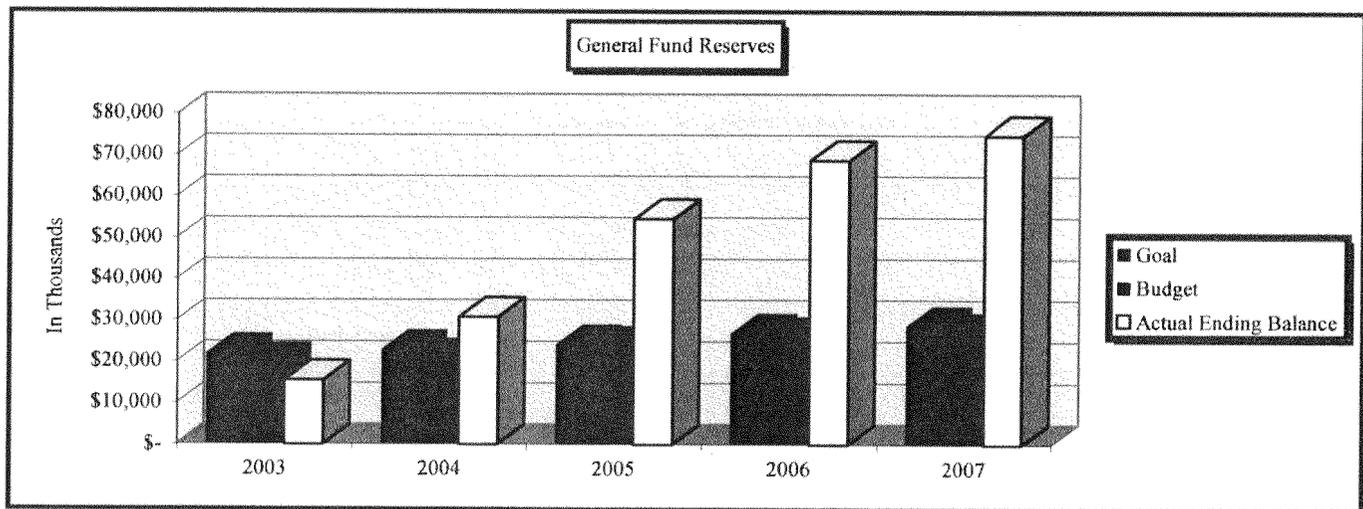
The first 5% is a reserve account in the General Fund, designated as unappropriated fund balance. This account is to be used when overall revenue growth falls below the rate of annual revenue change achieved during the prior ten years.\* In years when basic revenue growth falls below long-term average growth, the Board will reduce the unappropriated fund balance to continue high priority services that could not otherwise be funded by current revenues. If the reserve account is so used, to maintain fiscal integrity, the Board will seek to restore the account as soon as possible.

The second 5% is a reserve maintained separately from the General Fund in the General Reserve Fund. This fund is to be used for non-recurring extreme emergencies. *Extreme Emergencies* is defined as uses for disaster relief, expenditures related to essential services, or expenditures that are related to public life and safety issues. If the reserve account is so used, to maintain fiscal integrity, the Board will seek to restore the account as soon as possible.

## Status

In the FY 2009 reserves are budgeted at \$29 million which funds them at 97% of the policy goal.

The following graph shows the reserve goal, budget and actual reserve (\$ in thousands). The budgeted reserves do not include funds budgeted in contingency.



	2003	2004	2005	2006	2007
Goal	\$ 21,953	\$ 22,850	\$ 24,131	\$ 26,832	\$ 28,658
Budget	\$ 19,610	\$ 20,727	\$ 23,758	\$ 26,008	\$ 27,000
Actual Ending Balance	\$ 15,395	\$ 30,660	\$ 54,377	\$ 68,673	\$ 74,645

\* "Growth" is defined as total increase in fiscal year compared to the amount in the prior fiscal year, adjusted for changes in collection method, accrual method, or legislation defining the rate or terms under which the revenue is to be collected.

# Financial & Budget Policies

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## General Fund Emergency Contingency Background

General Fund contingency transfers have a significant effect on the annual budget process by reducing the amount of ending fund balance that is carried over to the subsequent fiscal year as beginning working capital. Contingency transfers should be reviewed in the context of other budget decisions so that high priority programs and projects are not jeopardized.

## Policy Statement

The Board understands that in order to avoid financial instability, continuing requirements cannot increase faster than continuing revenues.

*The Board understands that in order to avoid financial instability, continuing requirements cannot increase faster than continuing revenues.*

It is the policy of the Board to establish an emergency contingency account in the General Fund, as authorized by ORS 294.352, each fiscal year during the budget process. The account will be funded at a level consistent with actual use of transfers from contingency during the prior ten years.

To maintain financial stability, the following are guidelines to be used by the Board in considering requests for transfers from the General Fund Contingency Account:

1. Approve contingency requests only for "one-time-only" allocations.
2. Limit contingency funding to the following:
  - a) Emergency situations which, if left unattended, will jeopardize the health and safety of the community.
  - b) Unanticipated expenditures necessary to keep a public commitment or fulfill a legislative or contractual mandate, or which have been demonstrated to result in significant administrative or programmatic efficiencies that cannot be covered by existing appropriations.
3. The Board may, when it adopts the budget for a fiscal year, specify programs which it wishes to review during the year and increase the Contingency account to provide financial capacity to support those programs if it chooses. Contingency funding of such programs complies with this policy.

## Status

The Budget Director is responsible for informing the Board if contingency requests submitted for Board approval meet the criteria of this policy. In addition, each year the Budget Director will provide an annual report to the Board detailing the prior fiscal year's contingency actions. This report will include the total dollar amount of contingency requests, dollar amount approved, and dollar amount that did not meet the criteria of this policy.

## Capital Asset Management Policies Background

Capital financial management policies demonstrate to the credit rating industry and prospective investors (bond buyers) the County's commitment to sound financial management. Adherence to adopted policies ensures the integrity of the planning process and leads to maintaining or improving bond ratings and lowering the cost of capital.

In general, a facilities and property management plan includes three phases: (1) capital improvement planning and funding; (2) facility operations and long-

# Financial & Budget Policies

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*A facilities and property management plan includes three phases: (1) capital improvement planning and funding; (2) facility operations and long-term maintenance plan and funding; (3) property management, to determine best use or disposition of property.*

term maintenance plan and funding; (3) property management, to determine best use or disposition of property.

Multnomah County owns approximately 80 buildings with a historical cost of approximately \$420 million and an estimated replacement cost of \$910 million. The County currently carries a \$125 million property insurance policy per occurrence. Structural and systems maintenance in the County's capital plan is largely a non-discretionary activity. That is, the question is not whether such expenditures are necessary but in what year to schedule the expenditure on particular projects. Deferral of capital improvements and maintenance creates an unacceptable unfunded liability and contributes to further deterioration of properties.

Multnomah County's Capital Improvement Program is updated annually and includes the five-year Capital Improvement Plan. Over the last several years the County has had several opportunities to improve its position by acquiring equipment and/or by redirecting building rental payments to pay for the construction, renovation or acquisition of a facility. It is reasonable to assume that the County will have similar opportunities in the future. Given the current scarcity of capital funding, it may be appropriate to consider a variety of creative funding strategies to respond to these opportunities in the future.

The Board of County Commissioners may authorize the sale, long-term lease, or development of property and/or improvements and may authorize full faith and credit financing obligations. It is financially prudent to plan capital acquisition, improvement and maintenance projects adequately and to address the unfunded need for capital improvements so that decisions about the use of revenues and financing may be made in an orderly and effective manner.

The County shall prepare, adopt and annually update a five-year Capital Improvement Plan (CIP). The Plan will identify and set priorities for all major capital asset acquisition, renovation, maintenance, or construction projects.

During the annual budget development process the Director of the Facilities and Property Management Division is directed to update the Capital Improvement Plan. This plan shall include recommendations to the Chair and Board of County Commissioners on the priority of projects including those that may have been identified by the Chair's Office, suggested by Commissioners or otherwise identified.

A Facilities Management Advisory Committee is established as a sub-committee of the County's Operating Council, and is composed of representatives of County departments, Facilities and Property Management, and others deemed necessary by the Chair.

The Facilities Management Advisory Committee shall review the Capital Improvement Plan and any other equipment acquisitions requested to be

# Financial & Budget Policies

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financed with long-term obligations, and develop a priority list and a plan to finance the requirements of the Capital Improvement Project plan and any other capital requests. Prior to the adoption of the annual budget, the Facilities Management Advisory Committee shall present a report to the Board. This report shall include a listing of the projects, intended use, alternative methods of financing, current debt commitments, current debt capacity, and recommendations.

## Facility Operations and Long-Term Maintenance Plan and Funding Policy

The Board recognizes that adequate operations and maintenance funding is essential to avoid costly reconstruction or replacement of capital assets.

The five-year Capital Improvement Plan shall provide for anticipated major improvements and maintenance to County capital assets as well as additional and replacement capital assets. The Plan shall include major construction to be undertaken by the County, no matter what the funding source. The Plan will be reviewed and updated annually.

The Capital Improvement Plan shall identify adequate funding to support repair and replacement of deteriorating capital assets and avoid a significant unfunded liability from deferred maintenance. In order to facilitate CIP discussions and to create a clear alignment of policy and funding, the Facilities and Property Management Division shall evaluate all owned County facilities and shall maintain a current list of facilities which are in substantial compliance with all applicable building codes and which have no required capital work. These facilities shall be designated as Tier I (Asset Preservation) facilities.

An Asset Preservation Fee shall be assessed on tenants within all Tier I buildings. This fee is established to be \$2.35/rentable square foot in the initial year and shall be adjusted in future years to reflect the facilities' needs and County funding capacity. It is the goal of the Board to fund the County's capital needs at approximately 2% of the cost of County buildings. (2% is equivalent to depreciating the facilities over a 50-year period.) While the County currently does not have the capacity to fund facilities at this rate, the Board will consider this goal when establishing the rate in future years.

An Asset Preservation Fund is maintained to collect the assessed Asset Preservation Fees and to serve as a long-term reserve fund to maintain the Tier I facilities in their current excellent condition. Required capital projects for Tier I facilities shall be budgeted annually in the Asset Preservation Fund. The remaining balance of the Fund shall be maintained as a long-term reserve and shall be budgeted as an unappropriated balance.

Any facility which does not meet the criteria for designation as a Tier I building shall be designated as a Tier II or Tier III building. Tier II buildings are not up to current building standards and may require substantial capital work but are determined appropriate for continued investment and long-term retention in the County facilities inventory.

# Financial & Budget Policies

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Tier III buildings appear to be uneconomical or impractical for long-term retention and will be analyzed to determine if they should be offered for disposition. Only “fire-life-safety” and urgent capital projects will be considered for Tier III buildings, to avoid further investment in these facilities.

A Capital Improvement Fee shall be assessed on tenants within all Tier II and III buildings. This fee is established to be \$2.35/rentable square foot in the initial year and shall be adjusted in future years to reflect the facilities’ needs and County funding capacity. It is the goal of the Board to fund the County's capital needs at approximately 2% of the cost of County buildings. (2% is equivalent to depreciating the facilities over a 50-year period). While the County does not have the capacity to fund facilities at this rate currently, the Board will keep this goal in mind when establishing the rate in future years.

A Capital Improvement Fund is maintained to collect the assessed Capital Improvement Fees. This Fund will be used to provide for the continuing repair and maintenance of Tier II and III buildings. Given the current inadequacy of these funds to meet the needs of these buildings, projects will be identified and proposed for funding based on an annual assessment of need and urgency. The Facilities and Property Management Division shall maintain an inventory of the capital needs in all owned County facilities. An evaluation process and rating system shall be implemented and managed by Facilities and Property Management to assist in determining which projects to propose for funding each year. Recommended capital projects for Tier II and III facilities shall be budgeted annually in the Capital Improvement Fund. Any remaining balance of the Fund shall be maintained as a long-term reserve and budgeted as unappropriated balance.

It is the goal of the Facilities and Property Management Division to perform all preventive and corrective maintenance on all County facilities to provide facilities that are safe, functional, and reliable for County operations. Facilities and Property Management will prepare and administer tenant agreements, respond to service requests, and manage commercial leases. The service level agreements with each tenant will be prepared to reflect the level of service and various pricing of each service that have been agreed upon by the parties.

## Best Use or Disposition of Surplus Property Policy

The CIP presented to the Board, the Facilities Management Advisory Committee shall annually recommend the best use or disposition of surplus property held by the County. The recommendation will detail the financial and service impact of each recommendation. The Board will make the final determination on the best use or disposition of the property identified.

When deciding on the best use or disposition of surplus property, the Board will consider that the proceeds from the sale of unrestricted property may be allocated in the following prioritized manner:

1. Credited to the Asset Preservation Fund to provide reserves to meet

# Financial & Budget Policies

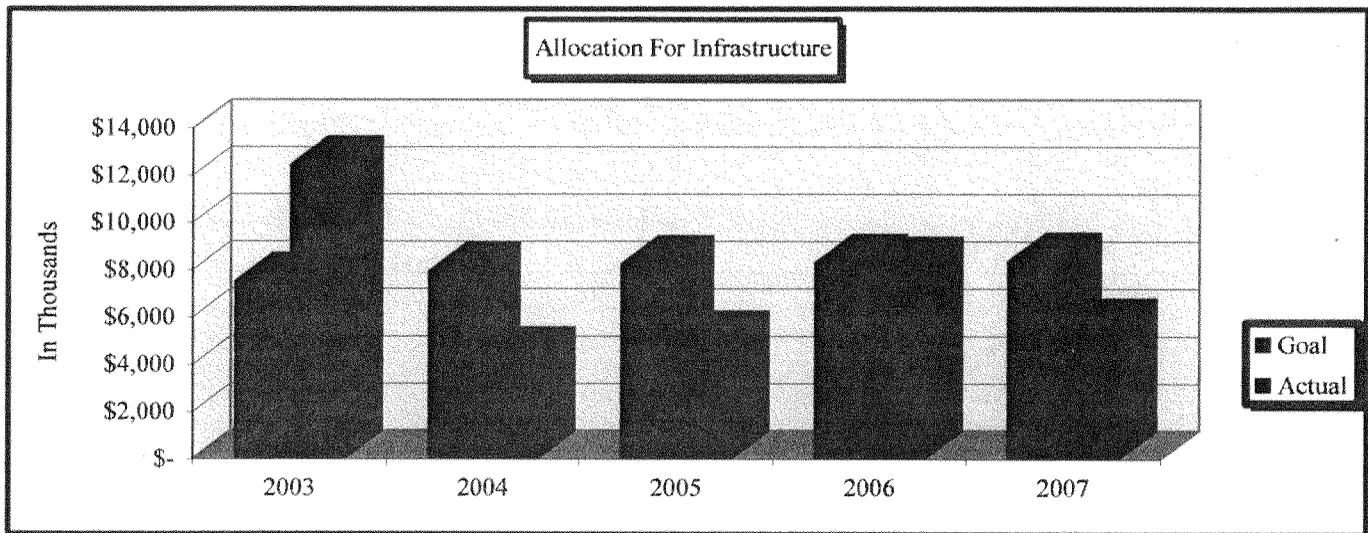
future capital needs in Tier I facilities.

2. Credited to the Capital Improvement Fund to provide resources for future capital projects, deferred maintenance, or capital acquisition/construction.
3. Used to retire outstanding debt related to the disposed of or surplus property.
4. Used to increase General Fund reserves to achieve full funding according to these policies.

In addition property may be traded for other properties or may be leased to other agencies in order to provide services or carry out the mission of the County.

## Status

The five year CIP is updated and presented to the Board annually. The following graph depicts the goal and actual (\$ in thousands).



	2003	2004	2005	2006	2007
Goal	\$ 7,540	\$ 7,977	\$ 8,284	\$ 8,339	\$ 8,401
Actual	\$ 12,479	\$ 4,407	\$ 5,090	\$ 8,224	\$ 5,618

## Long-Term Liabilities Background

Governments are required to account for and record in the financial statements long-term and other liabilities per Governmental Accounting Standards Board (GASB) pronouncements. Long-term liabilities are probable future sacrifices of economic resources due in more than one year. Upon recording long-term liabilities the County recognized the need to fund some of the unfunded long-term liabilities and prevent the risk of long-term liabilities recorded without a plan to fund them.

# Financial & Budget Policies

## Policy Statement

Long-term liabilities include, but are not limited to: medical & dental incurred but not reported (IBNR) claims, workers compensation IBNR claims, liability IBNR claims, PERS and other post-employment benefits. It is the goal of the Board to fully pre-fund all benefits including retirement benefits, with the exception of other post-employment medical benefits (OPEB). GASB pronouncements require long-term liabilities to be assessed and disclosed and in the County's comprehensive annual financial report. However, GASB does not require vacation liabilities to be reported in the governmental fund types until they are paid and therefore the County has not recorded accrued vacation in governmental fund statements. Vacation liabilities in the proprietary funds will be recognized on the full accrual basis of accounting in accordance with GASB.

Funding for these liabilities will be in the form of reserves in the Risk Management Fund, allocated by the Chief Financial Officer to the County's long term liabilities. The reserves in the Risk Management Fund are considered set asides for the exclusive use of meeting these liabilities. As of June 30, 2007, actuarial liabilities are fully funded with the exception of the post employment benefits liability (OPEB), which is funded at 11.4% according to County policy. It is the goal of the County to gradually increase the reserve amount allocated to the OPEB and achieve a funding level of 20% by 2013. The Chief Financial Officer is responsible for ensuring that these liabilities are funded according to the actual liability or the actuarially determined liability.

## Status

The following is the June 30, 2007 funding level of each liability (\$ in thousands):

Liability Description	Total Liability	Amount Funded	Percent Funded
Self Insurance (1)	\$ 8,668	\$ 8,668	100.0%
Post Retirement (2)	122,905	14,020	11.4%

(1) GASB requires self-insurance claims be recorded as a liability in the financial statements.

(2) GASB requires employer paid benefits extended to retirees be disclosed in the financial statements. Liability reflects the most recent unfunded actuarial accrued liability amount per Mercer actuarial report.

## Accounting and Audits Background

Under ORS 294 the County is required to have the County's financial records audited annually by an independent accounting firm.

The Board understands that the County's accounting system and financial reporting are required by State law to adhere to Generally Accepted Accounting Principles (GAAP), standards of the Government Finance Officers Association (GFOA), and the principles established by the Governmental Accounting Standards Board (GASB).

# Financial & Budget Policies

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**Policy Statement** Multnomah County's Ordinance No. 660 as amended, which established an Audit Committee, audit procedures, and audit rules, will apply to all external financial audits. The basic duties of the Audit Committee are to:

1. Review the scope and extent of the external auditor's planned examination.
2. Review with management and the external auditor the financial results of the audit.
3. Review with the external auditor the performance of the County's financial and accounting personnel.
4. Review written responses to management letter comments and single audit comments.
5. Present the Audit, Single Audit, and Report to Management to the Board.
6. Participate in the selection of the external auditor.

The Comprehensive Annual Financial Report (CAFR) including the audit of the County's schedule of Federal awards shall be sent to grantor agencies and rating agencies annually.

It is the goal of the Board to maintain a fully integrated automated financial system that meets the accounting and reporting needs of the County. This financial system is to include general ledger, accounts payable, accounts receivable, materials management, purchasing, human resources, payroll, and cost accounting for all applicable operations.

**Status** The County is in compliance with this policy.

## Fund Accounting Structure

According to local budget law and the Governmental Accounting Standards Boards (GASB), the County is required to establish and maintain various funds. Each year the Chief Financial Officer is responsible for preparing and presenting a resolution to the Board defining the various County funds. The County will adhere to Generally Accepted Accounting Principles and GASB when creating a fund and determining if it is to be a dedicated fund.

**Policy Statement** The following types of funds should be used by state and local governments:

### *GOVERNMENTAL FUNDS*

**General Fund** - to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

**Capital Projects Funds** - to account for financial resources to be used for the acquisition or construction of major facilities (other than those financed by proprietary funds and trust funds).

# Financial & Budget Policies

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*The County adheres to Governmental Accounting Standards Board pronouncements and Generally Accepted Accounting Principles when creating a fund and determining if the fund is to be a dedicated fund.*

**Debt Service Funds** - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

## *PROPRIETARY FUNDS*

**Enterprise Funds** - to account for operations (a) that are financed and operated in a manner similar to private businesses, where the intent of the governing body is that the costs of providing goods or services to the public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, or accountability.

**Internal Service Funds** - to account for the financing of goods or services provided by one department or agency to other sections of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

## *FIDUCIARY FUNDS*

**Trust and Agency Funds** - to account for assets held in a trustee capacity or as an agent for individuals, private organizations, governmental units, and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds; (c) Pension Trust Funds; and (d) Agency Funds.

Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

## Status

The County is in compliance with this policy.

## Internal Service Funds

It is often advantageous to centralize the provision of certain goods and services within the County by establishing internal service funds. These funds provide a useful means of accounting for such centralized intra-governmental activities.

The Governmental Accounting Standards Board's (GASB) states that internal service funds may be used "to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis."

GASB directs governments to use either the general fund or an internal service fund if they wish to use a single fund to account for all risk-financing activities of a given type. If a government chooses to use an internal service fund to account for its risk-financing activities, inter-fund premiums are treated as quasi-external transactions (similar to insurance premiums), rather than as reimbursements. Because inter-fund premiums paid to internal funds are treated as quasi-external transactions, their amount is not limited by the amount recognized as expense in the internal service fund, provided that the excess

# Financial & Budget Policies

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*It is often advantageous to centralize the provision of certain goods and services within the County by establishing internal service funds.*

*The main purpose of establishing separate internal service funds is to identify and allocate costs related to the provision of specific goods and services within Multnomah County*

*Internal service funds are used to account for services provided on a cost reimbursement basis without profit or loss.*

represents a reasonable provision for anticipated catastrophic losses or is the result of a systematic funding method designed to match revenues and expenses over a reasonable period of time.

GASB indicates that internal service funds may be used for services provided on a cost-reimbursement basis to other governments, nonprofits, and quasi-governmental entities. Most transactions take the form of quasi-external transactions; the funds receiving goods or services report an expense, while the internal service fund reports revenue. The practical consequence of this is that expenditures are duplicated within the reporting entity. This duplication is preferable to that which occurs when internal service funds are not used. The internal service fund has the advantage of isolating such duplicate transactions within a separate fund type, where their special character is clearer to users.

Internal service funds are used to account for services provided on a cost-reimbursement basis without profit or loss. Surpluses and deficits in internal service funds may be an indication that other funds were not charged properly for goods or services received. The principle that internal service funds should operate on a cost-reimbursement basis applies to the operations of these funds over time; it is only when internal service funds consistently report significant deficits or surpluses that charges must be reassessed. If charges to other funds are determined to be more or less than necessary to recover cost over a reasonable period, the excess or deficiency should be charged back to the participating individual funds. In particular, it is not appropriate to report a material deficit in an internal service fund without the demonstrable intent and ability to recover that amount through charges to other funds over a reasonable period.

Where internal services are also provided to external agencies, it is recognized that the rates may be slightly different than those charged internally for the same services. This is necessary since the ability to recover deficits from external parties over an extended period may be limited. In addition, charging rates significantly higher than market rates for the same services may result in external agencies not subscribing to these services. It is often advantageous for the County to provide services to external agencies to help the County defray fixed costs.

Often internal service funds charge for asset use in excess of historical cost depreciation, to ensure that adequate funds will be available to purchase replacement assets (the cost of which is likely to be higher due to inflation). The systematic recovery of the replacement cost of fixed assets is not a violation of the cost allocation principle because the surpluses are temporary (i.e., they will disappear when the higher priced assets are acquired). In recent years federal grantors have become increasingly sensitive to the potential for overcharges connected with internal service funds. Accordingly, high levels of retained earnings in internal service funds (as defined by federal cost-allocation principles) may lead to the disallowance of some costs charged out to other funds.

# Financial & Budget Policies

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The main purpose of establishing internal service funds is to identify and allocate costs related to the provision of specific goods and services within the County.

## Policy Statement

The County will establish the following internal service funds for these services:

*Services provided by internal service funds will be defined and put in writing.*

1. Risk Management Fund – accounts for the County’s risk management activities including insurance coverage
2. Fleet Management Fund – accounts for the County’s motor vehicle fleet operations and electronics
3. Information Technology Fund – accounts for the County’s data processing operations
4. Mail / Distribution Fund – accounts for the County’s mail distribution, records and material management operations
5. Facilities Management Fund – accounts for the management of all County owned and leased property.

The internal service funds will be used to account for business operations and charge for goods or services provided to other departments or agencies on a cost-reimbursement basis. Periodically the rates charged will be compared to other public or private sector operations to ensure that pricing is competitive. The internal service fund charges will include asset replacement charges (depreciation) to ensure that adequate funds will be available to purchase replacement assets.

The charges will include a contingency or reserve requirement not greater than 5% to ensure that service reimbursements charged to other departments are maintained at a relatively constant level. Excess reserves will be used to reduce future rates.

The internal service reserves and amounts billed to other departments or agencies will be reviewed annually and revised if necessary by budget and finance to ensure they are in compliance with this policy.

## Liquidity and Accounts Payable Background

Liquidity is the ratio of cash and short-term investments to current liabilities, including amounts held in trust. The County’s liquidity reflects its ability to pay its short-term obligations. Generally a ratio of \$1.00 in cash and short-term investments to \$1.00 of current liabilities is considered an acceptable liquidity ratio.

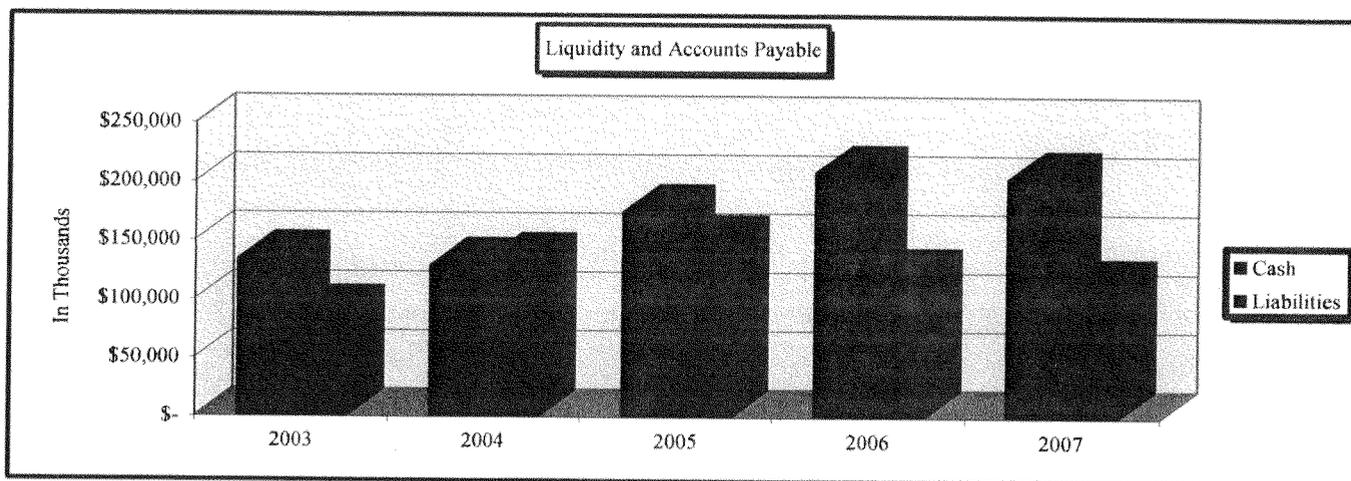
## Policy Statement

The County will strive to maintain a liquidity ratio of at least \$1.50 in cash and short-term investments to each \$1.00 of current liabilities. This is higher than the credit rating’s acceptable ratio and is necessary given the County’s lack of revenue diversity and the volatility of the Business Income Tax revenues.

# Financial & Budget Policies

## Status

The following graph depicts the comparison of cash and investments to current liabilities (\$ in thousands).



	2003	2004	2005	2006	2007
Cash	\$ 134,391	\$ 129,137	\$ 175,449	\$ 209,236	\$ 204,712
Liabilities	\$ 88,343	\$ 133,416	\$ 149,008	\$ 121,302	\$ 112,795
Actual Ratio	1.52	0.97	1.18	1.72	1.81

## Banking, Cash Management and Investments Background

Multnomah County maintains an active investment program. An investment policy was first formalized in 1982 and has been revised several times since. This policy incorporates various Oregon Revised Statute Codes which specify the types of investments and maturity restrictions that local governments may purchase. The County's Investment Policy also contains self-imposed constraints in order to effectively safeguard the public funds involved.

### Policy Statement

Banking services shall be solicited at least every seven years on a competitive basis. The Chief Financial Officer (or designee) is authorized to act as "Custodial Officer" of the County and is responsible for performing the treasury functions of the County under ORS 208, 287, 294, and 295 and the County's Home Rule Charter. In carrying out these functions, the Chief Financial Officer is authorized to establish a Financial policy that meets generally accepted auditing standards relating to cash management.

*In accordance with ORS 294.135, Multnomah County's investment transactions shall be governed by a written investment policy, which will be reviewed and adopted annually by the Board of County Commissioners.*

In accordance with ORS 294.135, investment transactions shall be governed by a written investment policy, which will be reviewed and adopted annually by the Board of County Commissioners. The policy will specify investment objectives, diversification goals, limitations, and reporting requirements. The investment policy sets guidelines for diversification that are more stringent than those allowed by State statute, reflecting the County's strategic preference for a

# Financial & Budget Policies

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conservative investment approach. In accordance with MCC 2.60.305-2.60.315 the County will utilize an independent Investment Advisory Board to review the County's policy and investment performance. Unrecognized gains or losses will be recorded in the County financial report.

## Status

The County is in compliance with this policy.

## Short-term and Long-term Debt Financings

Historically, the County maintained a 'pay-as-you-go' philosophy for financing capital projects. Pay-as-you-go can be costly in some ways due to cost acceleration in inflationary periods. Over-utilized facilities generate higher maintenance costs and citizens are not served well by over-utilized or nonexistent facilities. An alternative is to issue debt, sometimes referred to as 'pay-as-you-use.' Currently, the County's philosophy is to issue debt for public projects is to have the citizens benefiting from the project pay for the debt retirement costs.

## Policy Statement

The County may engage in the following financing transactions in accordance with the County's Home Rule Charter and applicable State and Federal Laws:

*The County will attempt to meet its capital maintenance, replacement, or acquisition requirements on a pay-as-you-go basis. If the amount of the capital requirement cannot be met on a pay-as-you-go basis, if it is financially beneficial to issue bonds or COPs, and if the project has been determined to benefit future citizens, the County will evaluate the feasibility of issuing a long-term debt financing instrument.*

1. **Short-Term Debt.** If it is determined by the Finance and Risk Management Division that the General Fund cash flow requirements may be in a deficit position prior to receiving property tax revenues, the County may issue short-term debt to meet anticipated cash requirements. Bond Anticipation Notes or a Line of Credit may be issued to finance capital project transactions where it will result in a financial benefit. Before issuing short-term debt the Board must authorize the financing with a resolution.
2. **Bonds and Other Long-Term Obligations.** It is the policy of the Board that the County will attempt to meet its capital maintenance, replacement, or acquisition requirements on a pay-as-you-go basis. If the dollar amount of the capital requirement cannot be met on a pay-as-you-go basis, if it is financially beneficial to issue bonds or other debt instruments, and if the project has been determined to benefit future citizens, the County will evaluate the feasibility of issuing a long-term debt financing instrument.
3. **Uses.** All long-term financings must provide the County with an economic gain or be mandated by the Federal or State Government or court. Under no circumstances will the County fund current operations with the proceeds of long-term borrowing.
4. **Purchase/Leasing Facilities.** It is the policy of the Board to purchase or lease/purchase facilities, instead of renting, when the programs or agencies being housed are performing essential governmental functions.
5. **Debt.** When issuing debt, the County will follow the Government Finance Officers Association recommended practice of selecting and managing the method of sale of State and Local Government Bonds. In addition to statutory debt limits, the County further limits non voter- approved debt instruments to an annual debt payment amount that will not exceed 5% of

# Financial & Budget Policies

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the County's General Fund budgeted revenues and with exception of proprietary funds, all annual debt service payments will be limited to 5% of the total revenues of the supporting fund.

6. **Capital Expenditures.** If capital expenditures are anticipated to be incurred prior to the issuance of the debt, the Board authorizes the Chief Financial Officer to execute a declaration of official intent (or DOI) with regard to such expenditure. The DOI must express the County's reasonable expectations that it will issue debt to reimburse the described expenditures. It must contain a general description of the project and state the estimated principal amount of obligations expected to be issued to finance the project. A copy of the DOI shall be sent to the Board.
7. **Financing Mechanisms.** The different types of financings the County may use to fund its major capital acquisitions or improvements are:
  - a) **Revenue Bonds** may be used whenever possible to finance public improvements which can be shown to be self-supported by dedicated revenue sources, needed for infrastructure or economic development, or approved by the Board for specific purposes.
    - i) Revenue-supported bonds are to be used to limit the dependency on property taxes for those projects with available revenue sources, whether self-generated or dedicated from other sources.
    - ii) Adequate feasibility studies are to be performed for each project to determine the adequacy of the dedicated revenue source.
  - b) **General Obligation Bonds (GO bonds)** will be used to finance *essential* capital projects.
    - i) Capital improvement projects will be analyzed, prioritized and designated as *essential* or not through a CIP committee process.
    - ii) GO bonds will only be considered after exploring funding sources such as Federal and State grants and project revenues.
  - c) **Full Faith and Credit or Limited Tax Bonds** will be considered if Revenue bonding or GO bonding is not feasible. Where Full Faith and Credit Bonds or Limited Tax Bonds are used to finance capital projects, the term of debt will be generally limited to the economic life of the financed asset not to exceed 20 years. When bond market conditions warrant, or when a specific capital project would have a longer useful life, or when operational efficiencies can be achieved the Board may consider repayment terms that differ from the general policy.
  - d) **Capital Lease-Purchases** will be considered if Revenue bonding, GO bonding, or Full Faith and Credit bonding is not feasible.
  - e) **Leases and limited tax bonds** as reported in the County's comprehensive annual financial report will be limited as follows:
    - i) Acquisitions will be limited to the economic life of the acquisition or improvement and shall not exceed 20 years.
    - ii) All acquisitions must fit within the County's mission or role.
    - iii) All annual lease-purchase or bond payments must be included in the originating Departments' adopted budget or in the facilities

# Financial & Budget Policies

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management's building service reimbursement.

- f) **Refundings or Advance Refundings** will be done if there is a present value savings of 3% or more or if the restructuring of the financing will benefit the County.
- g) **Intergovernmental Agreements** with the State of Oregon for Energy Loans.
- h) **Local Improvement Districts.** Except as required by State law, it is the policy of the Board not to form Local Improvement Districts (LIDs) for purposes of issuing debt to finance LID improvements unless specifically required by Oregon Revised Statutes, due to the added costs of administering the LIDs, the small number of citizens served, and the risk that in the event of default by property owners the General Fund will have to retire any outstanding obligations.
- i) **Conduit Financings.** It is the policy of the Board to act as an "Issuer" of conduit financing for any private college, university, hospital, or for-profit or non-profit organization that is located in Multnomah County and is eligible to use this type of financing. The County will charge a fee of \$1.00 per \$1,000 of bonds issued or \$10,000, whichever is greater, to act as an issuer for the organization. This fee offsets administrative costs that may be incurred. The County will retain bond counsel to represent it on legal issues including any risks associated with the conduit financing. The County may also retain the services of a financial advisor if deemed by the Chief Financial Officer to be in the best interests of the County. The organization will be assessed an additional fee to cover any expenses incurred by bond counsel or financial advisor. In addition to the fees established above, the organization must have a Moody's rating of Baa or better or a BBB rating from Standard and Poor's. The organization must not condone discriminatory practices or policies. The Board must approve each conduit financing issue. In the event of conduit financing on behalf of the Hospital Facility Authority of Multnomah County, the Board acting as the governing board of the Hospital Facility Authority will comply with the bylaws of the Authority.
- j) **External financial advisors, underwriters and bond counsel** will be selected in accordance with the County's Administrative Procedures.

A schedule of the County's outstanding debt obligations as of July 1, 2007 is noted at the end of this policy statement.

## Interfund and Insubstance Loans

An interfund loan is defined as a transfer between funds or fund types for an approved amount and a definite plan of repayment in a specified period of time. Interfund loans provide financing resources to address cash flow needs in County operations or capital financing plans. Interfund loans are either operating or capital and shall meet the requirements noted below. An Operating Interfund Loan is a loan made for the purpose of paying operating expenses. A Capital Interfund Loan is a loan made for the purpose of financing

# Financial & Budget Policies

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the design, acquisition, construction, installation, or improvement of real or personal property and not for the purpose of paying operating expenses. Capital or operating interfund loans will be documented and submitted to the Board of County Commissioners for review and approval.

In addition to interfund loans, the County may engage in insubstance loans. An insubstance loan is a temporary balance sheet entry recorded at year-end to prevent a negative cash balance within a fund due to cash flow timing differences. The County's Chief Financial Officer has the authority to record an insubstance loan in order to satisfy fiscal year end reporting requirements and cash flow needs.

## Policy Statement

*The County may use interfund loans as a short-term financing resource to address cash flow needs in County operations or capital financing plans.*

Interfund loan requests must be reviewed and approved by the County's Chief Financial Officer and Budget Director prior to taking a request for authorization to the Board of County Commissioners. Interfund loans must be authorized by a resolution of the Board of County Commissioners, which shall state the fund from which the loan is to be made, the fund to which the loan is to be made, the purpose and intent for which the loan is made, the principal amount of the loan, the interest rate at which the loan shall be repaid (if applicable), and shall include a schedule for repayment of principal and interest. In addition, interfund loans:

1. Shall not be made from reserve funds, debt service funds, or any other funds restricted by law, constitutional provisions, bond covenants, grantor requirements, Board resolutions or ordinances, unless the restrictions on these funds allow for the purpose of the interfund loan.
2. Shall be granted only after it has been demonstrated that reasonable consideration was given to other potential resources available to the fund and when the loan is required to meet a pressing need or to take advantage of a special opportunity.
3. Shall not exceed 60 months in duration for any capital interfund loan; shall not extend beyond the end of the next fiscal year for any operating interfund loan.
4. May be made only if there is a likely expectation that the fund receiving the loan will have the ability to repay it. If not, the use of an interfund transfer should be considered if appropriate.
5. May be repaid in advance without any additional accrual of interest (if applicable) or any other penalties.
6. Must be made in compliance with all other statutory requirements and limitations of ORS 294.460.
- 7.

## Components Units of Multnomah County

A component unit is a legally separate entity associated with the primary government. A "blended" component unit meets the following criteria:

- 1) The component unit's governing body is the same as the governing body of the primary government.
- 2) The component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively,

# Financial & Budget Policies

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benefits the primary government even though it does not provide services directly to it.

- 3) The component unit exclusively, or almost exclusively, benefits the primary government by providing services indirectly.

Multnomah County recognizes three blended component units:

- 1) Dunthorpe-Riverdale Sanitary Service District
- 2) Mid County Street Lighting Service District
- 3) Hospital Facilities Authority

# Financial & Budget Policies

Debt Description	Dated	Maturity Date	Interest Rate	Amount Issued	Principal Outstanding 6/30/2007	Principal Outstanding 6/30/2008	2007-2008 Interest	2007-2008 Principal
<b>General Obligation Bonds</b>								
Tax supported								
Series 1999 Refunding Bonds	02/01/99	10/01/16	4.53%	\$ 66,115	\$ 61,550	\$ 59,445	\$ 2,685	\$ 2,105
Series 1996B Public Safety Bonds	10/01/96	10/01/16	5.33%	79,700	7,175	3,680	271	3,495
Series 1996A Library Bonds	10/01/96	10/01/16	5.12%	29,000	655	-	16	655
Total General Obligations Bonds				\$ 174,815	\$ 69,380	\$ 63,125	\$ 2,972	\$ 6,255
<b>Revenue Bonds:</b>								
Regional Children's Campus	10/01/98	10/01/14	4.50%	\$ 3,155	\$ 1,915	\$ 1,710	\$ 80	\$ 205
Port City	11/01/00	11/01/15	5.58%	2,000	1,440	1,310	68	130
Oregon Food Bank	11/01/00	10/01/14	5.54%	3,500	2,525	2,300	129	225
Total revenue bonds				\$ 8,655	\$ 5,880	\$ 5,320	\$ 277	\$ 560
<b>PERS Pension Revenue Bonds:</b>								
Limited Tax Pension Obligation revenue Bonds	12/01/99	06/01/30	7.67%	\$ 184,548	\$ 170,908	\$ 165,583	\$ 7,450	\$ 5,325
Total Pension Revenue Bonds				\$ 184,548	\$ 170,908	\$ 165,583	\$ 7,450	\$ 5,325
<b>Certificates of Participation</b>								
1998 Advance Refunding	02/01/98	07/01/13	4.53%	\$ 48,615	\$ 15,240	\$ 12,550	\$ 658	\$ 2,690
Total Certificates of Participation				\$ 48,615	\$ 15,240	\$ 12,550	\$ 658	\$ 2,690
<b>Full Faith and Credit Obligations</b>								
1999A Full Faith and Credit	04/01/99	08/01/19	4.71%	\$ 36,125	\$ 4,850	\$ 3,300	\$ 171	\$ 1,550
2000A Full Faith and Credit	04/01/99	08/01/19	5.24%	61,215	9,430	5,495	495	3,935
2003 Full Faith and Credit	06/01/03	07/01/13	2.83%	9,615	6,990	6,075	178	915
2004 Full Faith and Credit	10/01/04	08/01/19	3.71%	54,235	54,235	54,235	2,620	-
Total Full Faith and Credit				\$ 161,190	\$ 75,505	\$ 69,105	\$ 3,464	\$ 6,400
<b>Leases and Contracts</b>								
Portland Building -- purchase of two floors -- intergovernmental agreement								
	01/22/81	01/22/08	7.25%	\$ 3,475	\$ 306	\$ -	\$ 26	\$ 306
Equipment lease	06/30/07	06/30/09	0.00%	30	21	11	-	10
Sellwood lofts - lease	01/01/02	01/01/32	2.50%	1,093	1,053	1,043	108	10
Total Leases and Contracts				\$ 4,598	\$ 1,380	\$ 1,054	\$ 134	\$ 326
<b>Loans</b>								
State Energy Loans	07/01/96	10/01/14	5.90% - 7.20%	\$ 1,064	\$ 338	\$ 257	\$ 21	\$ 81
Sewer Loans	07/05/96	07/05/16	5.65%	42	24	22	1	2
Total Loans				\$ 1,106	\$ 362	\$ 279	\$ 22	\$ 83



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

**Board Clerk Use Only**

Meeting Date: 06/05/08  
 Agenda Item #: R-3  
 Est. Start Time: 8:40 AM  
 Date Submitted: 05/21/08

**Agenda Title: RESOLUTION Defining the Funds to be Used in Fiscal Year 2008-2009 and Repealing Resolution 07-116**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

<b>Date Requested:</b>	<u>June 5, 2008</u>	<b>Time Requested:</b>	<u>10 minutes</u>
<b>Department:</b>	<u>Department of County Management</u>	<b>Division:</b>	<u>Finance &amp; Risk Management</u>
<b>Contact(s):</b>	<u>Mindy Harris</u>		
<b>Phone:</b>	<u>988-3786</u>	<b>Ext.</b>	<u>83786</u>
		<b>I/O Address:</b>	<u>503/531</u>
<b>Presenter(s):</b>	<u>Mindy Harris and Karyne Dargan</u>		

## **General Information**

**1. What action are you requesting from the Board?**

The Department of County Management recommends approving the Resolution defining the funds to be used in FY 2008-09 and repealing Resolution 07-116.

**2. Please provide sufficient background information for the Board and the public to understand this issue.**

Each year the Board is asked to ratify the fund structure by which the County does its accounting. The Resolution lists all the funds in place as of July 1, segregates them by fund type, and briefly describes the revenues and expenditures for which each fund accounts. The proposed fund structure follows generally accepted accounting principles and is consistent with the budget document. The County prepares budgets and accounts for spending in 32 funds. There are no additions or deletions to the fund structure proposed for FY 2008-2009.

**3. Explain the fiscal impact (current year and ongoing).**

There is no financial impact that will result from approval of the Resolution.

4. Explain any legal and/or policy issues involved.

None

5. Explain any citizen and/or other government participation that has or will take place.

None

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**Required Signatures**

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**Department/  
Agency Director:**

*Carol M. Ford*

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**Date: May 21, 2008**

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Adopting and Defining the Various County Funds to be Used in Fiscal Year 2008-2009 and Repealing Resolution 07-116

**The Multnomah County Board of County Commissioners Finds:**

- a. The Board has the responsibility to ensure that the County's financial records are maintained.
- b. The Chair of the Board is responsible under MCC 7.001 for the fiscal operations of the County.
- c. The Board has established various funds in the County's 2008-2009 Budget;

**The Multnomah County Board of County Commissioners Resolves:**

1. This Resolution replaces Resolution No. 07-116, which is repealed.
2. The following policies and fund structure are the guidelines for the financial accounting of County resources and expenditures.

**GOVERNMENTAL FUNDS**  
**Basis of Accounting**

The County maintains all Governmental Fund Types including: the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available, and expenditures are recorded at the time liabilities are incurred.

**GENERAL FUND**

**General Fund (1000)** - Accounts for the financial operations of the County which are not accounted for in any other fund. The principal sources of revenue are property taxes, business income taxes, motor vehicle rental taxes, intergovernmental revenue, and interest income. Primary expenditures in the General Fund are made for general government, public safety, health services, aging services, and youth and family services.

The General Fund also accounts for the repayment of short-term debt interest expenses incurred through the sale of short-term promissory notes.

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are authorized for a specific purpose and generally operate on a year-to-year basis until the Fund is discontinued or revised by proper legislative authority. In the event the Fund is discontinued, any excess funds would be returned to the originating jurisdiction or the County General Fund.

**Strategic Investment Program Fund (1500)** - Accounts for revenues from large corporations receiving property tax abatements and paying fees to the County for specific purposes as part of the agreement by which those taxes were reduced. Expenditures are partly restricted by contractual obligations, and partly are at the discretion of the County for Community Service Fees, the statutorily required payment by the companies that equals one fourth of the annual tax savings enjoyed by the company.

**Road Fund (1501)** - In accordance with ORS 366.524 - 366.542 and ORS 368.705, accounts for revenues primarily received from the State of Oregon motor vehicle fee apportionment, County gasoline taxes, federal reserve yield, and interest income. Expenditures are restricted by Article IX, Section 3A of the Constitution of the State of Oregon and consist of construction, repair, maintenance, and operations of public highways and roads.

**Emergency Communications Fund (1502)** - Accounts for revenues received from the State Telephone Excise Tax. Expenditures are restricted for the Emergency Communication Network in conjunction with the City of Portland, pursuant to Multnomah County Code 5.90.060.

**Bicycle Path Construction Fund (1503)** - Accounts for one percent of State of Oregon Motor Vehicle fees collected pursuant to ORS 366.514. Expenditures are restricted by ORS for bicycle path construction and maintenance.

**Recreation Fund (1504)** - Accounts for State revenue paid to counties to supplement their parks programs. The revenues are from the County Marine Fuel Tax. Under an intergovernmental agreement with Metro entered into in 1994, transferred revenues to Metro may be used only for the purposes of development, administration, operation and maintenance of those County facilities transferred to Metro pursuant to this agreement.

**Federal/State Program Fund (1505)** - Accounts for the majority of dedicated revenues and expenditures related to federal, state and local financial assistance programs (grants). The fund also includes operational revenues in the form of fees and licenses.

**County School Fund (1506)** - Accounts for Forest Reserve yield revenues received from the State pursuant to ORS 328.005 - 328.035. Funds are distributed to the County School districts.

**Tax Title Land Sales Fund (1507)** - Accounts for the receipt and sale of foreclosed properties. Under the provision of ORS 275.275, these revenues are distributed to the taxing districts in Multnomah County.

**Animal Control Fund (1508)** - Accounts for revenues from dog and cat licenses and animal control fees. Cash transfers are made to the General Fund for animal control activities. The fund also contains donations that are restricted by the donors to particular programs or projects related to Animal Services.

**Bridge Fund (1509)** - Accounts for State of Oregon Motor Vehicle fees and County gasoline taxes which are transferred from the Road Fund and for Federal and State revenue sharing funding. Expenditures are made for inspections and maintenance of County bridges.

**Library Fund (1510)** - Accounts for the Multnomah County Public Library operations. Property taxes from a five-year special serial levy and transfers from the General Fund are the principal sources of revenue. The Multnomah County Public Library was established by Ordinance 649 pursuant to ORS 357.400 - 375.610.

**Special Excise Tax Fund (1511)** - Accounts for a portion of the County's transient lodging taxes collected from all hotels and motels in the County and motor vehicle rental tax collected from rental agencies. Expenditures are to be used for Convention Center, visitor development purposes, regional arts and culture purposes and other uses pursuant to Multnomah County Code 11.300 and 11.400.

**Land Corner Preservation Fund (1512)** - Accounts for the collection of recording fees on real property transactions and surveying activities. Expenditures are made for the establishment, re-establishment, and maintenance of public corners of government surveys pursuant to ORS 203.148.

**Inmate Welfare Fund (1513)** - Accounts for the proceeds from the sale of commissary items. Purchases are made for supplies for inmates in County jails. Excess funds are used on inmate amenities such as recreation equipment for the institutions.

**Justice Services Special Operations Fund (1516)** - Accounts for revenues and expenditures that are dedicated to Justice Services and Operations. Revenues are primarily from various fees and fines, including probation fees, criminal processing assessment fees, conciliation court fees, marriage license fees, ambulance franchise fees, forfeitures, video lottery, alarm permits, concealed weapon permits, gun ordinance fees and liquor license fees collected for civil processing inspection.

**General Reserve Fund (1517)** - Accounts for a reserve maintained separate from the General Fund. This fund is to be maintained at approximately 5% of the revenues of the General Fund as defined in the Financial & Budget Policies. The General Reserve Fund balance is maintained by cash transfers from the General Fund. This reserve fund is to be used for extreme emergencies. Extreme Emergencies is defined as uses for disaster relief, essential services or expenditures that are related to public life and safety issues.

#### **DEBT SERVICE FUNDS**

Debt Service Funds exist until all long-term debt is repaid. Once the debt is repaid, any receipts remaining in the fund are returned to the originating jurisdiction or County General Fund.

**Revenue Bond Fund (2001)** - Accounts for the principal and interest payments on bonds issued to acquire and construct non-profit facilities that are being financed in partnership with the County. The revenues are derived from lease of the facilities constructed with bond proceeds and from the pledge of the Motor Vehicle Rental Tax, a General Fund revenue.

**Capital Debt Retirement Fund (2002)** - Accounts for lease/purchase and full faith and credit obligation principal and interest payments for buildings and major pieces of equipment acquired by the issuance of Certificates of Participation or other financing arrangements. Revenues consist of service reimbursements and cash transfers from other County funds.

**General Obligation Bond Fund - (2003)** - This fund accounts for the retirement of General Obligation Bonds approved by the voters in May 1993 and May 1996 for Library and Public Safety facilities and equipment. Proceeds are derived from property taxes and interest earned on the cash balances.

**PERS Pension Bond Fund (2004)** - Accounts for the principal and interest payments on pension obligation revenue bonds issued to retire the County's PERS unfunded actuarial accrued liability. The revenues are derived from charge backs to departments based on their departmental payroll costs.

### **CAPITAL PROJECTS FUNDS**

Capital Projects Funds operate until the capital project is completed. Upon completion, any remaining cash is transferred to the Debt Service Fund to retire debt associated with the construction or acquisition of designated fixed assets or to the originating source of the funds.

**Justice Bond Project Fund (2500)** - This fund accounts for projects to expand Inverness Jail, construct new jail facilities, upgrade other jail facilities, and pay for major data processing linkages in the Corrections system. Proceeds are derived from the sale of General Obligation Bonds approved by the voters May 21, 1996 and interest earned on these proceeds.

**Financed Projects Fund (2504)** (Formerly Building Projects Fund) - Accounts for expenditures for acquiring, remodeling, or construction of County facilities, information technology capital investments, and other capital projects. Resources are derived from full faith and credit bonds or other financing proceeds and General Fund service reimbursements.

**Capital Improvement Fund (2507)** - Accounts for the proceeds derived from the sale of unrestricted property, interest income, and any service reimbursement or operating revenue from leased facilities. Expenditures are made for capital acquisitions or for the retirement of lease/purchases. Authorized by Resolution 99-144.

**Capital Acquisition Fund (2508)** - Accounts for capital purchases with economic payoffs of less than five years and acquisition of computer equipment. Expenditures will be reimbursed over time by service reimbursements charged to the budgets of programs for which equipment is purchased and by service reimbursement charges for the computers funded by the IT asset replacement program.

**Asset Preservation Fund (2509)** - Accounts for expenditures for building scheduled maintenance projects such as boiler replacement, carpet replacement, roof replacement etc. This fund was established and is being maintained to provide prospective maintenance and not deferred maintenance. Resources are derived from an asset preservation fee that is part of the facilities charges assessed to building tenants.

### **PROPRIETARY FUNDS**

#### **Basis of Accounting**

The County maintains all Proprietary Fund Types including: Enterprise Funds and Internal Service Funds using the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recorded at the time they are earned, and expenses are recorded at the time liabilities are incurred.

Internal Service Funds are entirely or predominantly self-supporting through user charges, operating earnings, or transfers from other funds. These funds, authorized under ORS 294.470, are considered to have indefinite life. In the event the fund is discontinued, any excess funds would be returned to the originating jurisdictions or County Funds.

## **ENTERPRISE FUNDS**

**Dunthorpe-Riverdale Service District No. 1 (3000)** - Accounts for the operations of the sanitary sewer system in southwest unincorporated Multnomah County. (Also included as a component unit)

**Mid County Service District No. 14 Fund (3001)** - Accounts for the operations of street lights throughout unincorporated Multnomah County. (Also included as a component unit)

**Behavioral Health Managed Care Fund (3002)** - Accounts for all financial activity associated with the State required behavioral health capitated services. This includes payments to providers with whom the County contracts for services. Revenues are fee for service payments from the State to the County.

## **INTERNAL SERVICE FUNDS**

**Risk Management Fund (3500)** - Accounts for all internal service reimbursements, revenues, and expenses associated with the County's insurance requirements and administration of workers' compensation, general liability, tort, auto, property, employee medical, dental, vision, life and long-term disability claims and insurance, employee benefits, health promotion, post-retirement benefits, and unemployment insured and self-insured programs pursuant to Multnomah County Code 7.101.

**Fleet Management Fund (3501)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's motor vehicle fleet and electronics.

**Information Technology Fund (3503)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's data processing and telephone services operations. This fund includes replacement and upgrade of personal computers, standard software suite common to all County users and telephone equipment.

**Mail Distribution Fund (3504)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's U.S. Mail, internal distribution and delivery, central stores and records management.

**Facilities Management Fund (3505)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's property management, custodial, maintenance and leasing of all County-owned and leased property.

## **COMPONENT UNITS**

These funds account for a legally separate sanitary sewer district and a legally separate street lighting district, for which the County is legally responsible.

**Dunthorpe-Riverdale Service District No. 1 (3000)** - Accounts for the operations of the sanitary sewer system in southwest unincorporated Multnomah County. (Also included as an Enterprise Fund)

**Mid County Service District No. 14 Fund (3001)** - Accounts for the operations of street lights throughout unincorporated Multnomah County. (Also included as an Enterprise Fund)

**FIDUCIARY (AGENCY) FUNDS**

These agency funds account for resources received and held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund. The agency funds are as follows:

**Public Guardian Fund (4000)** - Accounts for receipts and disbursements for individuals who are not capable of handling their own financial affairs.

**Property Tax Funds (Series 4501 to 5502)** - Accounts for the collection and disbursement of various property tax accounts for governmental entities located in Multnomah County.

**Department Trust Funds (Series 6000 to 6536)** - Accounts for the collection and disbursement of various receipts held. Multnomah County maintains several sub-funds which are used to account for the receipt of resources held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund:

**MCSO Forfeitures (7000 to 7002)** - Accounts for cash transactions subject to forfeiture under 1989 Oregon Law, Chapter 791.

**Law enforcement, Regional Organized Crime Network, and Others (Series 7501 to 8001)** - Accounts for various law enforcement trust funds.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

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Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-080**

Adopting and Defining the Various County Funds to be Used in Fiscal Year 2008-2009 and Repealing Resolution 07-116

**The Multnomah County Board of County Commissioners Finds:**

- a. The Board has the responsibility to ensure that the County's financial records are maintained.
- b. The Chair of the Board is responsible under MCC 7.001 for the fiscal operations of the County.
- c. The Board has established various funds in the County's 2008-2009 Budget;

**The Multnomah County Board of County Commissioners Resolves:**

1. This Resolution replaces Resolution No. 07-116, which is repealed.
2. The following policies and fund structure are the guidelines for the financial accounting of County resources and expenditures.

**GOVERNMENTAL FUNDS**

**Basis of Accounting**

The County maintains all Governmental Fund Types including: the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available, and expenditures are recorded at the time liabilities are incurred.

**GENERAL FUND**

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The General Fund also accounts for the repayment of short-term debt interest expenses incurred through the sale of short-term promissory notes.

**SPECIAL REVENUE FUNDS**

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**Justice Services Special Operations Fund (1516)** - Accounts for revenues and expenditures that are dedicated to Justice Services and Operations. Revenues are primarily from various fees and fines, including probation fees, criminal processing assessment fees, conciliation court fees, marriage license fees, ambulance franchise fees, forfeitures, video lottery, alarm permits, concealed weapon permits, gun ordinance fees and liquor license fees collected for civil processing inspection.

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### **PROPRIETARY FUNDS**

#### **Basis of Accounting**

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## **ENTERPRISE FUNDS**

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**Risk Management Fund (3500)** - Accounts for all internal service reimbursements, revenues, and expenses associated with the County's insurance requirements and administration of workers' compensation, general liability, tort, auto, property, employee medical, dental, vision, life and long-term disability claims and insurance, employee benefits, health promotion, post-retirement benefits, and unemployment insured and self-insured programs pursuant to Multnomah County Code 7.101.

**Fleet Management Fund (3501)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's motor vehicle fleet and electronics.

**Information Technology Fund (3503)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's data processing and telephone services operations. This fund includes replacement and upgrade of personal computers, standard software suite common to all County users and telephone equipment.

**Mail Distribution Fund (3504)** - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's U.S. Mail, internal distribution and delivery, central stores and records management.

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**Property Tax Funds (Series 4501 to 5502)** - Accounts for the collection and disbursement of various property tax accounts for governmental entities located in Multnomah County.

**Department Trust Funds (Series 6000 to 6536)** - Accounts for the collection and disbursement of various receipts held. Multnomah County maintains several sub-funds which are used to account for the receipt of resources held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund:

**MCSO Forfeitures (7000 to 7002)** - Accounts for cash transactions subject to forfeiture under 1989 Oregon Law, Chapter 791.

**Law enforcement, Regional Organized Crime Network, and Others (Series 7501 to 8001)** - Accounts for various law enforcement trust funds.

ADOPTED this 5th day of June, 2008.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:

Carol Ford, Director, Department of County Management



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (short form)**

**Board Clerk Use Only**

Meeting Date: 06/05/08  
 Agenda Item #: R-4  
 Est. Start Time: 8:45 AM  
 Date Submitted: 05/21/08

**Agenda Title: PUBLIC HEARING and Consideration of a RESOLUTION Adopting the Fiscal Year 2009 Budget for Multnomah County and Making Appropriations Thereunder, Pursuant to ORS 294.435**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

**Requested Meeting Date:** June 5, 2008 **Amount of Time Needed:** \_\_\_\_\_  
**Department:** Department of County Management **Division:** Budget  
**Contact(s):** Karyne Dargan  
**Phone:** 503 988-3312 **Ext.** 22457 **I/O Address:** 503/531  
**Presenter(s):** Karyne Dargan

**General Information**

**1. What action are you requesting from the Board?**

It is recommended that the Board of County Commissioners adopt the budget for FY 2009. At the time of adoption, the Board can incorporate amendments that reduce the budget by any amount or increase any fund up to 10%.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

Adoption of the budget sets the upper limit on departmental spending during the next year. Several proposed amendments will alter the spending plan in the approved budget. Additionally, the Budget Office has several amendments that are technical in nature (correct errors, reclassify positions, move appropriations between organizations or line items without changing programs), add unbudgeted revenues, or carryover expenditures authorized last year where the item cannot be delivered by June 30 or the project cannot be completed. The Board has had an opportunity to review and discuss these amendments. The Board may propose new amendments up to the time the budget is adopted.

**3. Explain the fiscal impact (current year and ongoing).**

Adopting the budget sets the legal limits for spending during FY 2009 and is required to comply

with Oregon Budget Law.

**4. Explain any legal and/or policy issues involved.**

The Tax Supervising and Conservation Commission (TSCC) has no objections or recommendations to which the Board must respond at the time of adopting the budget.

**5. Explain any citizen and/or other government participation that has or will take place.**

Four evening public hearings were held to collect public input on the budget.

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**Required Signature**

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**Elected Official or  
Department/  
Agency Director:**

*Carol M. Ford*

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**Date: 05/21/08**

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Adopting the Fiscal Year 2009 Budget for Multnomah County and Making Appropriations Thereunder, Pursuant to ORS 294.435

**The Multnomah County Board of County Commissioners Finds:**

- a. The Multnomah County budget, as prepared by the duly appointed Budget Officer has been considered and approved by the Board.
- b. A public hearing on this budget was held before the Multnomah County Tax Supervising and Conservation Commission on the 28th day of May 2008.
- c. The budget is on file in the Office of the Chair of Multnomah County.
- d. The Board has made certain amendments to the above-described budget and those amendments are attached to this resolution as Attachment A.
- e. The appropriations authorized are attached to this resolution as Attachment B.
- f. Board budget notes of actions to be taken during the next year are attached to this resolution as Attachment C.
- g. The Tax Supervising and Conservation Commission has certified the budget and there is one recommendation with a response attached to this resolution as Attachment D.

**The Multnomah County Board of County Commissioners Resolves:**

1. The budget, including Attachments A, B, and C, is adopted as the budget of Multnomah County, Oregon.
2. The appropriations shown in Attachment B are authorized for the fiscal year July 1, 2008 to June 30, 2009.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

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Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

# BCC PROPOSED BUDGET AMENDMENTS

(Based on Proposals Made During May Worksessions)

Last Updated: May 22, 2008

## Proposed Funding Sources

DRAFT

Proposed By	Program	PO #	Exec Budget	Proposed	Available Funding
Wheeler	Unfund Detention Electronics	60048	825,273	0	\$825,273
Roberts	Unfund Mead Building Debt Buydown		3,140,000	(570,000)	\$2,570,000
Roberts	Unfund McCoy Building Debt Buydown		2,880,000	(458,000)	\$2,422,000
<b>Subtotal - Reduced Expenditures</b>					<b>\$5,817,273</b>
Wheeler	Revenue Increase from FY 2008	New	0	3,675,000	\$3,675,000
Wheeler	General Fund Contingency FY 2008 Carryover	New	0	1,300,000	\$1,300,000
<b>Subtotal - Additional Revenue</b>					<b>\$4,975,000</b>
<b>TOTAL AVAILABLE TO BALANCE BUDGET</b>					<b>\$10,792,273</b>

## Proposed New Expenditures

Proposed By	Program	PO #	Exec Budget	Proposed	Additional Expenditure
Naito	Homeless Youth Service Continuum	New	0	358,400	\$358,400
Cogen	Homeless Youth Alternative: Staff Training	New	0	100,000	\$100,000
Naito	Courthouse Project Manager (held in Contingency)	New	0	50,000	\$50,000
Wheeler	Wapato Plan Appropriation (reduces Contingency)	New	(6,900,000)	6,900,000	\$0
Wheeler	Wapato Plan - 6 Month Facilities Commissioning and Staff Ramp-Up (reduces Contingency)	New	(766,186)	766,186	\$0
Rojo	Communities of Color: Participatory Research	25141	0	150,000	\$150,000
Naito	4.20 Corrections Health Nurses	New	0	457,863	\$457,863
Naito	2010 Census - Complete Count OTO 0.50 Part-Time FTE budgeted in Nond but supervised by DCHS or HD	New	0	50,000	\$50,000
Naito	Sub-Acute Facility for Mental Health (held in Contingency)	25056B	0	800,000	\$800,000
Cogen	2-1-1 Info Program	10009	0	25,000	\$25,000
Cogen	Safe Supervised Visitation in Domestic Violence Cases (need clarification)	25040D	0	30,000	\$30,000
Cogen	At-Risk Girls Programming - Restore Funding	25153	0	59,363	\$59,363
Naito	Neighborhood DA 1.00	15018B	0	120,371	\$120,371
Naito	Jail Reentry Program (held in Contingency)	New	0	500,000	\$500,000
Roberts	Public Services Pathways	New	0	52,119	\$52,119
Roberts	MCSO Civil Process Offer A - 4.00 FTE	60064A	0	418,851	\$418,851
Roberts	Detention Electronic Upgrade FTE Buyback	60051	0	175,727	\$175,727
Roberts	Special Investigation Unit - Offer B	60067B	0	113,618	\$113,618
Roberts	MCSO Expanded Training	60043E	0	144,343	\$144,343
Roberts	Field Based Work Release - Offer A Revised	60038A	0	483,361	\$483,361
Roberts	MCDC 8th Floor for 2 months (July & August)	60052	0	595,621	\$595,621
Wheeler	\$3.0 million Revenue Reserve for FY 2009	New	0	3,000,000	\$3,000,000
<b>TOTAL NEW EXPENDITURES</b>					<b>\$7,684,637</b>

### Withdrawn Amendments

Naito	Discharge Planner in MCSO		0	0	\$0
Naito	Height Adjustment DT Courthouse Project	New	0	100,000	\$100,000

**TOTAL AVAILABLE FUNDING** **\$10,792,273**

**TOTAL NEW EXPENDITURES** **\$7,684,637**

**BALANCE** **\$3,107,636**

**NET REDUCTION TO COUNTY GENERAL FUND IF ALL AMENDMENTS ADOPTED**

**Attachment A - FY 2009 Amendments**

[placeholder]

**Attachment B**  
**Appropriations Schedule**  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**GENERAL FUND (1000)**

<i>Nondepartmental</i>		18,436,777
<i>District Attorney</i>		19,799,784
<i>Overall County Expenditures</i>		0
<i>County Human Services</i>		46,494,474
<i>Health</i>		53,954,883
<i>Community Justice</i>		53,673,958
<i>Sheriff</i>		98,884,127
<i>County Management</i>		32,721,564
<i>Community Services</i>		11,196,865
<b>All Agencies</b>		<b>335,162,432</b>
<i>Cash Transfers</i>	Library Fund	16,287,262
	Asset Preservation Fund	560,000
	Capital Debt Retirement Fund	24,200,000
	Facilities Fund	1,075,000
	Fleet Management Fund	299,901
<b>Total Cash Transfers</b>		<b>42,422,163</b>
<b>Contingency</b>		<b>8,150,000</b>
<b>Total Appropriation</b>		<b>385,734,595</b>

**STRATEGIC INVESTMENT PROGRAM FUND (1500)**

<i>County Human Services</i>		288,258
<i>Cash Transfers</i>	General Fund	200,000
<b>Total Appropriation</b>		<b>488,258</b>

**ROAD FUND (1501)**

<i>Community Services</i>		46,185,174
<i>Cash Transfers</i>	Willamette River Bridge Fund	5,441,650
<b>Total Cash Transfers</b>		<b>5,441,650</b>
<b>Total Appropriation</b>		<b>51,626,824</b>

**EMERGENCY COMMUNICATIONS FUND (1502)**

<i>Sheriff</i>		240,000
<b>Total Appropriation</b>		<b>240,000</b>

**BICYCLE PATH CONSTRUCTION FUND (1503)**

<i>Community Services</i>		639,000
<b>Total Appropriation</b>		<b>639,000</b>

**RECREATION FUND (1504)**

<i>County Management</i>		120,000
<b>Total Appropriation</b>		<b>120,000</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**FEDERAL STATE FUND (1505)**

Nondepartmental	1,844,733
District Attorney	6,391,355
County Human Services	104,520,618
Health	81,406,735
Community Justice	28,468,839
Sheriff	10,485,789
County Management	1,523,547
Community Services	193,901
<i>All Agencies</i>	<b>234,835,517</b>
<i>Contingency</i>	<b>75,419</b>
<b>Total Appropriation</b>	<b>234,910,936</b>

**COUNTY SCHOOL FUND (1506)**

Nondepartmental	260,000
<b>Total Appropriation</b>	<b>260,000</b>

**TAX TITLE FUND (1507)**

Community Services	678,016
<b>Total Appropriation</b>	<b>678,016</b>

**ANIMAL CONTROL FUND (1508)**

Community Services	156,500
Cash Transfers General Fund	1,240,000
<i>Contingency</i>	<b>454,385</b>
<b>Total Appropriation</b>	<b>1,850,885</b>

**WILLAMETTE RIVER BRIDGES FUND (1509)**

Community Services	20,133,096
Cash Transfers General Fund	1,600,000
<b>Total Appropriation</b>	<b>21,733,096</b>

**LIBRARY SERIAL LEVY FUND (1510)**

Library	60,126,479
<i>Contingency</i>	<b>3,000,000</b>
<b>Total Appropriation</b>	<b>63,126,479</b>

**SPECIAL EXCISE TAXES FUND (1511)**

Nondepartmental	23,000,000
<b>Total Appropriation</b>	<b>23,000,000</b>

**LAND CORNER PRESERVATION FUND (1512)**

Community Services	1,359,912
<i>Contingency</i>	<b>1,320,088</b>
<b>Total Appropriation</b>	<b>2,680,000</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**INMATE WELFARE FUND (1513)**

<i>Community Justice</i>	12,830
<i>Sheriff</i>	2,513,382
<i>All Agencies</i>	<b>2,526,212</b>
<b>Total Appropriation</b>	<b>2,526,212</b>

**JUSTICE SERVICES SPECIAL OPERATIONS (1516)**

<i>District Attorney</i>	151,342
<i>Health</i>	1,670,358
<i>Community Justice</i>	1,160,267
<i>Sheriff</i>	2,797,108
<i>All Agencies</i>	<b>5,779,075</b>
<b>Total Appropriation</b>	<b>5,779,075</b>

**REVENUE BOND SINKING FUND (2001)**

<i>Nondepartmental</i>	857,135
<b>Total Appropriation</b>	<b>857,135</b>

**CAPITAL LEASE RETIREMENT FUND (2002)**

<i>Nondepartmental</i>	12,159,016
<i>Contingency</i>	4,296,232
<b>Total Appropriation</b>	<b>16,455,248</b>

**GENERAL OBLIGATION BOND SINKING FUND (2003)**

<i>Nondepartmental</i>	9,232,498
<b>Total Appropriation</b>	<b>9,232,498</b>

**PERS BOND SINKING FUND (2004)**

<i>Nondepartmental</i>	13,591,690
<b>Total Appropriation</b>	<b>13,591,690</b>

**JUSTICE BOND PROJECT FUND (2500)**

<i>County Management</i>	900,000
<b>Total Appropriation</b>	<b>900,000</b>

**FINANCED PROJECTS FUND (2504)**

<i>County Management</i>	2,482,500
<b>Total Appropriation</b>	<b>2,482,500</b>

**CAPITAL IMPROVEMENT FUND (2507)**

<i>County Management</i>	51,131,783
<i>Cash Transfers Willamette River Bridge Fund</i>	1,923,203
<b>Total Appropriation</b>	<b>53,054,986</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**CAPITAL ACQUISITION FUND (2508)**

<i>Nondepartmental</i>	363,135
<b>Total Appropriation</b>	<b>363,135</b>

**ASSET PRESERVATION FUND (2509)**

<i>County Management</i>	7,322,364
<b>Total Appropriation</b>	<b>7,322,364</b>

**BEHAVIORAL HEALTH MANAGED CARE FUND (3002)**

<i>County Human Services</i>	35,882,064
<i>Contingency</i>	4,693,820
<b>Total Appropriation</b>	<b>40,575,884</b>

**RISK MANAGEMENT FUND (3500)**

<i>Nondepartmental</i>	3,114,642
<i>County Management</i>	86,968,548
<i>All Agencies</i>	90,083,190
<i>Contingency</i>	5,977,639
<b>Total Appropriation</b>	<b>96,060,829</b>

**FLEET FUND (3501)**

<i>County Management</i>	10,160,009
<i>Contingency</i>	860,223
<b>Total Appropriation</b>	<b>11,020,232</b>

**DATA PROCESSING FUND (3503)**

<i>County Management</i>	42,350,528
<i>Cash Transfers</i> General Fund	175,000
<i>Contingency</i>	1,425,000
<b>Total Appropriation</b>	<b>43,950,528</b>

**MAIL DISTRIBUTION FUND (3504)**

<i>County Management</i>	7,427,706
<i>Contingency</i>	397,109
<b>Total Appropriation</b>	<b>7,824,815</b>

**FACILITIES MANAGEMENT FUND (3505)**

<i>County Management</i>	37,923,089
<i>Cash Transfers</i> Capital Improvement Fund	3,049,361
<i>Asset Preservation Fund</i>	1,974,964
<i>Total Cash Transfers</i>	5,024,325
<i>Contingency</i>	2,330,588
<b>Total Appropriation</b>	<b>45,278,002</b>

# Attachment C - FY 2009 Budget Notes

May 22, 2008

## SCAAP Grant

The Sheriff's Office applies for the State Criminal Alien Assistance Program (SCAAP) each year through the Bureau of Justice Administration (BJA). Typically the Sheriff's Office does not receive notice of award or grant amount until at least the 3rd quarter of the fiscal year. Historically, award amounts have ranged from \$250,000 - \$700,000, with an average of about \$450,000. Uses of the funds are restricted to Corrections activities and the BJA provides criteria defining appropriate use. In past years, due to the uncertainty of the grant, we have not budgeted for this potential revenue. However, by not estimating the potential grant revenue during budget adoption, when an award is made Oregon Budget Law requires a supplemental budget to appropriate the funds.

By earmarking the potential grant award in contingency, the funds can be appropriated by a simple budget modification. The Sheriff's Office has requested the earmark of \$500,000 for FY 2009.

## Flash Money

The County understands that, on occasion, the use of large sums of money known as "flash money" is a necessary element to the successful investigation of drug, property, and other types of crimes by the Sheriff's Office. In order to further an investigation, the use of flash money is an important tool to the infiltration of the criminal enterprise and in gaining the acceptance and confidence of an alleged criminal. The County also understands that there is a risk of loss when flash money is used during these types of investigations. The County acknowledges the sum of \$100,000 as an acceptable risk when using flash money in a criminal investigation.

## Wapato

Prior to any request to appropriate funds for Wapato operations, the Board desires a detailed policy briefing reporting on the data, analysis and resolution of the following issues:

- SB 400 implementation impact and risk
- Long term financial sustainability
- IP 40/SB 1087 outcome planning; active state partnership
- Evaluation of the proposal with recommendations by professionals outside of the County
- Jail - clarification staffing levels at the jails
- Treatment - discussion of the programs relationship to community and other partners and different populations
- Treatment - comparison of this program to River Rock and Interchange; and an analysis of the expected outcomes
- Treatment - comparison of costs for providing the program in-house vs. contracting out services
- Treatment - discussion of the screening criteria

# Attachment C - FY 2009 Budget Notes

May 22, 2008

- Treatment – why is alcohol and drug treatment not operated by the Department of County Human Services (DCHS)?
- Treatment – discussion of the program design and evidence based results
- Treatment – more information on EMS response time

## Pretrial Continuum, Hooper Detox, Sobering, Sub-Acute Capital and Field Based Work Release.

An additional \$1.XX million has been set aside in contingency for allocation at the Board's discretion during FY 2009 for the following programs and/or projects:

- In the Pretrial continuum of services for offenders.
- For additional \_\_\_\_\_ for the Hooper Detox & Sobering programs.
- To provide capital funding for the planned sub-acute mental health facility.
- To continue the Field Based Work Release program through the summer months.

## Sub-acute Facility

A Mental Health Crisis Triage Center/Sub-Acute Facility would supply much-needed 24/7 psychiatric support for mentally ill persons, diverting them from the far more costly options of incarceration or hospital admission. Sub-acute service ensures that individuals who might otherwise be hospitalized will have the opportunity to stabilize and return to their community. The Board directs the Department of County Human Services (DCHS) to bring forward a plan for operating the Sub-Acute Facility for Mental Health to the Board by September 1st.

In addition to an operations plan, this budget note earmarks an additional \$800,000 in contingency to be released September 1, 2008 in order to move forward on construction of the Sub-Acute Facility for Mental Health in the event the County is not able to find the cooperation and commitment necessary from the City, the State and/or partner agencies.

## Attachment C - FY 2009 Budget Notes

May 22, 2008

### Re-Entry Proposal – Second Chance Project

This budget note earmarks an additional \$500,000 in contingency for the Multnomah County Second Chance Project: Successful Reentry from Jail to Community. The funds would be released following Board adoption of a “Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community”.

To prepare the Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community we must establish a work group to:

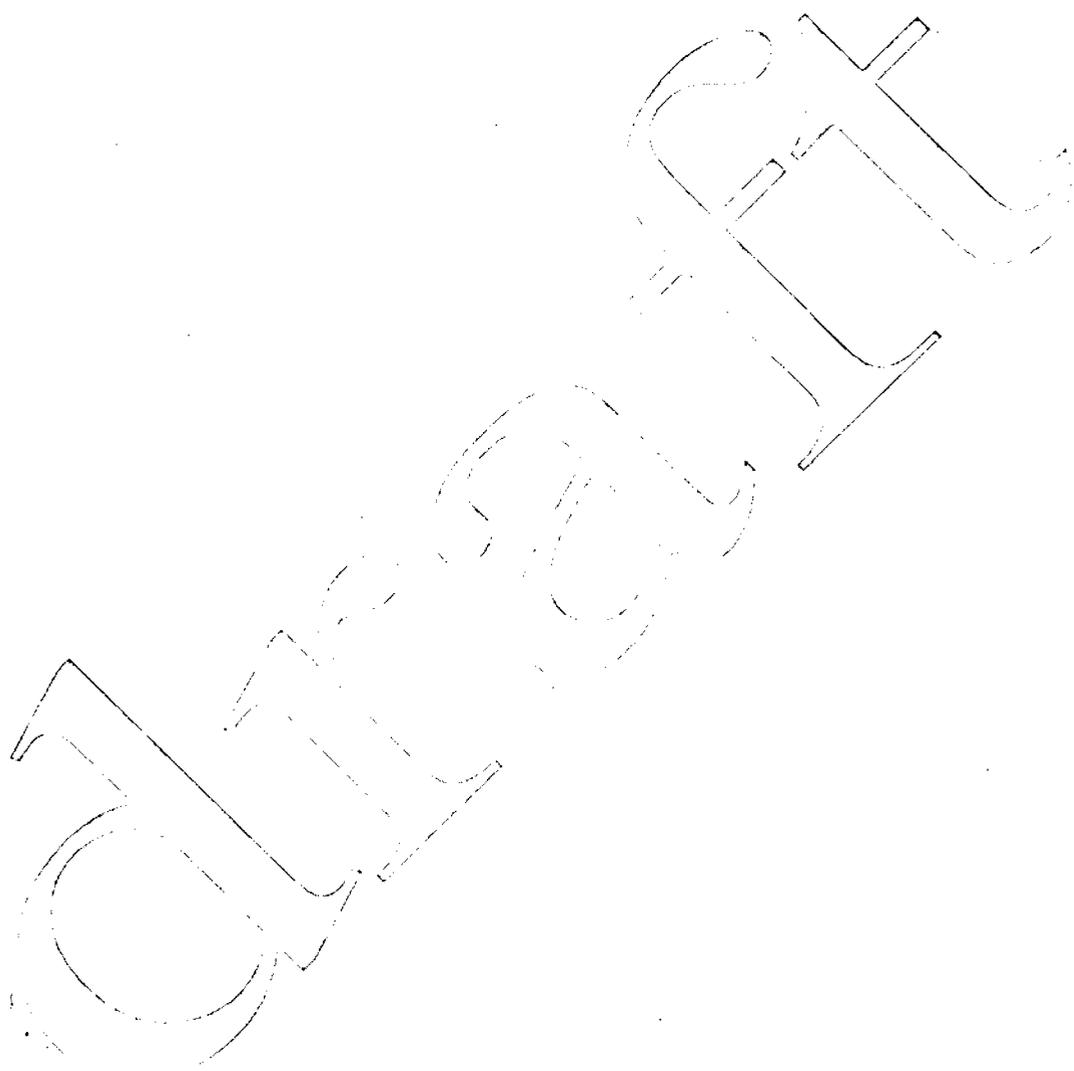
- Prepare an inventory of current services for jail reentry; this would include services in the Department of Community Justice for reentry from prison, jail discharge planning, transition services, Project 57, and others;
- Design The Multnomah County Second Chance Project including housing, employment, health and mental health care, reunification with families, drug and alcohol treatment, recovery support, parenting classes for incarcerated parents, domestic violence prevention services;
- Provide descriptions for two FTE staff positions that would seek to “span” the boundary between the jail and community providers; and to determine the necessary training for these staff positions:
  - 1.00 FTE located in the jails to facilitate jail staff training and to work with the inmates on their individual reentry plans while they are incarcerated – plans would include linking inmates to housing and service providers;
  - 1.00 FTE located in the community to advocate for increased employment and other reentry services by working with service providers, employers, faith-based groups and others.

### Sheriff's Office Authorization for Over-Staffing Corrections Deputies

The recruitment, hiring and training of Law Enforcement Deputies and Corrections Deputies (Deputy) is a competitive and resource intensive process. Before a Sheriff's Deputy can become a self-sufficient employee, six months to a year of recruitment, hiring, and training must occur. The Sheriff's Office wants to keep Deputy vacancies, as well as other post-driven classification vacancies to a minimum. Over the next five years, approximately 17% of the Deputy work force will be eligible for retirement. Historically, the Sheriff's Office has averaged about a 7% annual attrition rate in the Deputy job classifications. It is important to minimize the amount of time a position is vacant and careful management of vacancies by anticipating attrition events will result in both a positive impact on the employee's well-being and contribute to the reduction of the agency's dependence upon overtime.

**Attachment C - FY 2009 Budget Notes**  
May 22, 2008

This budget note authorizes the Sheriff's Office to overfill budgeted Deputy positions by 10.00 FTE. It is expected that this strategy will provide the needed flexibility to keep vacancies filled yet remain within budgeted appropriation.



## ATTACHMENT D

The Board makes the following response to the recommendation made by the Tax Supervising and Conservation Commission (TSCC) which is contained in the letter certifying the FY 2009 County budget.

### 1. Recommendation – Expenditures exceeded appropriations

The audit for the year ending June 30, 2007 noted the following over-expenditures:

Willamette Rive Bridge fund	\$ \$3,221,000
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Local Budget Law does not allow the expenditure of monies beyond the legal authority. All funds be closely monitored throughout the year to ensure appropriation authority is in place prior to expending monies

#### **Response –**

Following is the response included in our FY 2007 audit's Management Advisory Letter:

"General Ledger has a year-end process to review Department budgets and identify any budget over expenditures or potential over expenditures. However, this over expenditure in the Bridge Fund was not properly identified during our year-end review process as certain line items in the budgetary report were improperly grouped together. In further reviewing our budget to actual review process, we have revised the reports to more clearly identify line items that may result in budget over expenditures and potential over expenditures.

In our discussions with the Department, the budget violation was caused by additional costs incurred earlier than anticipated in the budget related to the Sauvie Island Bridge replacement project. The budget anticipated flat spending from fiscal year 2007 through the end of the project in fiscal year 2009. However, the offsite fabrication of the bridge arch began in fiscal year 2007 concurrent with a surge in effort at the bridge site. This began to drive the actual expenditures over the budgeted level during fiscal year 2007. AT year-end the overall Bridge Fund has approximately \$23 million in unobligated funds.

Also in our discussions, it was noted that the Department of Community Services management has a process to review budget to actual expenditures periodically, however the process was not performed consistently for all dedicated funds including the Bridge Fund. Upon discovering the budget violation, the Department is revising and documenting their budget to actual review process to include all dedicated funds. In addition, the Department has added another level of review to the process that will be performed by the Business Manager to ensure any over expenditures or potential over expenditures are identified early."

**BOGSTAD Deborah L**

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**From:** DARGAN Karyne A  
**Sent:** Wednesday, June 04, 2008 1:54 PM  
**To:** ROJO DE STEFFEY Maria; NAITO Lisa H; ROBERTS Lonnie J; WHEELER Ted; COGEN Jeff; SHERIFF; SCHRUNK Michael D; GRIFFIN-VALADE LaVonne L  
**Cc:** LASHUA Matthew; MARTINEZ David; WESSINGER Carol M; FALKENBERG Keith E; WEST Kristen; MACK Thomas M; FARVER Bill; MCLELLAN Jana E; MADRIGAL Marissa D; MARCY Scott; #DRM; NEBURKA Julie Z; HAY Ching L; JASPIN Michael D; ELKIN Christian; CAMPBELL Mark; BURDINE Angela L; DURANT Sarah; WU Liang; DARGAN Karyne A; BOGSTAD Deborah L  
**Subject:** Adopting FY 2009 Budget - Updated Attachments [R-4]  
**Importance:** High

Dear Members of the Board -

Attached are the latest revised budget amendments and budget notes reflecting the changes made at yesterday's budget worksession. These revisions tie to *Attachment A - Amendments* and *Attachment C - Budget Notes* which are part of the resolution adopting the FY 2009 Budget.

1. Resolution Adopting the FY 2009 Budget [**R-4** on the agenda] - updated
  - a. Attachment A - Amendments (this includes the BCC and department amendments)
  - b. Attachment B - FY 2009 Appropriation Schedule
  - c. Attachment C - Budget Notes
  - d. Attachment D - Response to TSCC recommendation

We will be providing the Board with a color coded packet to facilitate the process of adopting the budget.

Please do not hesitate to contact me if you have any questions.

Thanks,  
Karyne

# ATTACHMENT A - BCC PROPOSED BUDGET AMENDMENTS

(Based on Proposals Made During May Worksessions)

Last Updated: June 3, 2008

Proposed Funding Sources						
Proposed By	Program	PO #	Exec Budget	Proposed	Available Funding	Wheeler Package
<b>Wheeler Proposed Package</b>						
Wheeler	Unfund Detention Electronics	60048	825,273	0	\$801,000	\$801,000
Wheeler	Revenue Increase from FY 2008	New	0	3,675,000	\$3,675,000	\$3,675,000
Wheeler	General Fund Contingency FY 2008 Carryover	New	0	1,300,000	\$1,300,000	\$1,300,000
					<b>\$5,776,000</b>	<b>\$5,776,000</b>
<b>Other Proposed Amendments</b>						
Roberts	Unfund Mead Building Debt Buydown		3,140,000	(570,000)	\$2,570,000	
Roberts	Unfund McCoy Building Debt Buydown		2,880,000	(458,000)	\$2,422,000	
<b>TOTAL AVAILABLE TO BALANCE BUDGET</b>					<b>\$10,768,000</b>	<b>\$5,776,000</b>

Proposed New Expenditures						
Proposed By	Program	PO #	Exec Budget	Proposed	Additional Expenditure	Wheeler Package
<b>Wheeler Proposed Package</b>						
Rojo	Communities of Color: Participatory Research (OTO)	25141	0	100,000	\$100,000	\$100,000
Naito	2010 Census - Complete Count 0.50 Part-Time FTE budgeted in HD (OTO)	New	0	25,000	\$25,000	\$25,000
Cogen	At-Risk Girls Programming - Restore Funding	25153	0	59,000	\$59,000	\$59,000
Roberts	Public Services Pathways (OTO)	New	0	50,000	\$50,000	\$50,000
Naito/Cogen	Homeless Youth Alternative: Staff Training (OTO)	New	0	108,000	\$108,000	\$108,000
Cogen	2-1-1 Info Program	10009	0	0	\$0	\$0
Naito	Courthouse 2010 Project Manager (\$50,000 earmarked in Facilities Contingency)	New	0	0	\$0	\$0
Naito	2.80 Corrections Health Nurses	New	0	302,000	\$302,000	\$302,000
Cogen	Safe Supervised Visitation in Domestic Violence Cases (OTO)	25040D	0	30,000	\$30,000	\$30,000
Wheeler	Wapato Plan - 6 Month Facilities Commissioning and Staff Ramp-Up (reduces Contingency)	New	(766,186)	766,186	\$0	\$0
Wheeler	\$3.0 million Revenue Reserve for FY 2009	New	0	3,000,000	\$3,000,000	\$3,000,000
					<b>\$3,674,000</b>	<b>\$3,674,000</b>

Proposed By	Program	PO #	Exec Budget	Proposed	Additional Expenditure	Wheeler Package
<b>Other Proposed Amendments</b>						
Wheeler	Wapato Plan Appropriation (reduces Contingency)	New	(6,900,000)	6,900,000	\$0	
Naito	Sub-Acute Facility for Mental Health (held in Contingency)	25056B	0	800,000	\$800,000	
Naito	Neighborhood DA 1.00	15018B	0	120,371	\$120,371	
Naito	Jail Reentry Program (held in Contingency)	New	0	500,000	\$500,000	
Roberts	MCSO Civil Process Offer A - 4.00 FTE	60064A	0	418,851	\$418,851	
Roberts	Detention Electronic Upgrade FTE Buyback	60051	0	175,727	\$175,727	
Roberts	Special Investigation Unit - Offer B	60067B	0	113,618	\$113,618	
Roberts	MCSO Expanded Training	60043E	0	144,343	\$144,343	
Roberts	Field Based Work Release - Offer A Revised 3 Months (July - September)	60038A	0	120,840	\$120,840	
Roberts	Field Based Work Release - Offer A Revised 9 Months (October - June)	60038A	0	362,521	\$362,521	
Roberts	MCDC 8th Floor for 2 months (July & August)	60052	0	595,621	\$595,621	
Rojo	Carryover Funds for CCFC staff to attend Conf.	New	0	2,500	\$2,500	
<b>TOTAL NEW EXPENDITURES</b>					<b>\$7,028,392</b>	<b>\$3,674,000</b>

**Withdrawn Amendments**

Naito	Discharge Planner in MCSO		0	0	\$0	
Naito	Height Adjustment DT Courthouse Project	New	0	100,000	\$100,000	
Naito	Homeless Youth Service Continuum	New	0	358,400	\$358,400	
Roberts	Field Based Work Release - Offer A Revised	60038A	0	483,361	\$483,361	

<b>Available Funding From Above</b>	<b>\$10,768,000</b>	<b>\$5,776,000</b>
<b>Plus Public Safety Bond Fund Reimburse to General Fund</b>	<b>\$425,000</b>	<b>\$425,000</b>
<b>Total</b>	<b>\$11,193,000</b>	<b>\$6,201,000</b>
<b>New Expenditures (including revenue reserve)</b>	<b>\$7,028,392</b>	<b>\$3,674,000</b>
<b>BALANCE FOR CGF CONTINGENCY</b>	<b>\$4,164,608</b>	<b>\$2,527,000</b>

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Technical Amendments</b>								
Various	Internal Service Placeholder	DCM			0		Internal Service Cleanup - Placeholder to adjust various internal service programs based on programs that are funded. Funds impacted include those for Facilities, IT, FREDS, Debt, Capital Acquisition and the Risk Fund. The balancing of 'other internal services' may impact funds besides internal service funds.	09_DCM_TA_01
72022	Tax Administration Accounting Adjustment	DCM	820,000	0	820,000	0.00	Changes our payment to the City of Portland for BIT collection to an expense rather than a reduction from the revenue distribution. This is a change in accounting practice that has no net effect on revenues or expenses.	09_DCM_TA_02
72050, 72051	BWC adjustments to capital funds	DCM	0	(3,227,169)	(3,227,169)	0.00	Revises capital program budgets to adjust for capital program changes. Corrects cost elements, makes other technical adjustments.	09_DCM_TA_03
Various	Various Internal Service Fund BWC adjustments	DCM			0	0.00	BWC adjustments - due to better information about the status of the internal service funds.	09_DCM_TA_04
72015	\$62,000 BWC to the Wellness program	DCM	0	62,000	62,000	0.00	Adds \$62,000 in BWC for one-time maintenance and equipment improvements to the County's fitness centers.	09_DCM_TA_06
72025	Public Safety Bond Fund - Completion of Bond Fund Program	DCM	425,000	0	425,000	0.00	The Public Safety Bond Fund reimburses the General Fund \$425,000 for a loan made in FY 2007 for jumper rails at Inverness Jail.	09_DCM_TA_07
Various	Corrects coding for debt buy-down in the Health Department	HD	0	0	0		Corrects SAP coding for the debt buy-down transaction as it affects the Health Department.	09_HD_TA_01

**ATTACHMENT A - Departmental Amendments**

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Staffing Amendments</b>								
Various	Job class updates	Countywide	0	0	0	0.00	Updates the job class of 30.61 positions that the Board has approved for reclassification in FY 2008 but are not shown with the updated job class in the Approved budget.	09_Overall_SA_01
60040D	MCSO MCDC	MCSO	0	0	0	(1.00)	Converts 3 Corrections Sergeants to 2 Lieutenants.	09_MCSO_SA_60040D
60064A	MCSO Civil Process	MCSO	0	0	0	0.00	Convert Sr Civil Deputy to Sergeant	09_MCSO_SA_01
60040A & 60041A	MCSO MCDC and MCIJ	MCSO	0	0	0	0.00	Adds 10 FTE Corrections Deputies to allow for over staffing due to ongoing attrition and the length of time it takes to hire replacements. No additional cost.	09_MCSO_SA_60064A
50041	DCJ - 0.50 FTE Corrections Technician	DCJ	0	5,642	5,642	0.50	Adds a 0.50 FTE Corrections Technician and reduces overtime by the like amount in the Adult Services Division. Increases the Risk fund by \$5,642.	09_DCJ_SA_01

**ATTACHMENT A - Departmental Amendments**

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Revenue Amendments</b>								
10001	Sauvie Island Bridge Opening Celebration	Nond	10,000	0	10,000		Adds \$10,000 in private donations for Sauvie Island Bridge Opening Celebration	09_Nond_RA_01
50022	State of Oregon Youth Authority Funds for Juvenile Gang Intervention Services	DCJ	27,560	463,305	490,865	4.50	Appropriates \$400,000 from the Oregon Youth Authority (OYA) for juvenile gang intervention services and will fund the After School Intensive Supervision Program (ASIS). This includes 4.50 FTE \$27,560 for indirect expenses and \$63,305 for the Risk Fund insurance reimbursement.	09_DCJ_RA_01
80007	Life by Design NW Grant	LIB	0	50,000	50,000		Appropriates \$50,000 for the Life by Design NW grant for limited duration staff. The grant will allow the library to work collaboratively with other partners (PSU, Hands on Portland, PCC and others) to develop programs and opportunities to engage older adults in helping them discover their passion and purpose in life through programs, workshops, etc. so that they will in turn give back to the community.	09_LIB_RA_01
72005	\$5,000 donations for Sustainability Film Series	DCM	5,000	0	5,000	0.00	Adds \$5,000 donation revenue for the Sustainability Film Series to be held in July of 2008;	09_DCM_RA_01
40031	Oregon Primary Care Assoc Pharmacy Drug Assistance Grant	HD	0	81,230	81,230		Adds \$81,230 grant revenue to purchase prescription medications for low income Oregon residents.	09_HD_RA_01
40035A	Gates Foundation Grant for Tobacco Evaluation	HD	7,723	103,574	111,297	0.15	Adds \$100,000 from the Gates Foundation from grant extension to fund permanent and temporary personnel to complete the evaluation report on international tobacco control. This includes .15 FTE, \$7,723 indirect revenue to General Fund and \$3,574 for the Risk Fund insurance reimbursement	09_HD_RA_02
40035A	Federal Public Health Services Grant to conduct evaluation of the Oregon Asthma Program	HD	1,351	19,803	21,154	0.12	Adds \$17,500 from the federal Public Health Services to fund permanent and temporary personnel costs to conduct an evaluation of the Oregon Asthma Program. This includes .12 FTE, \$1,351 indirect revenue to General Fund and \$2,303 for the Risk Fund insurance reimbursement	09_HD_RA_03

**ATTACHMENT A - Departmental Amendments**

<b>Program #</b>	<b>Program Title</b>	<b>Dept(s)</b>	<b>GF Change</b>	<b>Other Funds Change</b>	<b>Total Change</b>	<b>FTE Change</b>	<b>Amendment Description</b>	<b>Amendment #</b>
40035A	Alaska Tobacco Evaluation Grant to continue evaluation of effects of Tobacco Use	HD	7,723	105,813	113,536	0.45	Adds \$100,000 from the Alaska Tobacco Evaluation Grant for permanent and temporary personnel costs for the assessment of: tobacco use, exposure to second hand smoke and attitudes, social norms and policy implications for the state of Alaska. This includes .45 FTE, \$7,724 indirect revenue to General fund and \$7,984 for the Risk Fund insurance reimbursement	09_HD_RA_04
40035A	Additional Revenue from the Federal Morbidity Monitoring Grant to continue data collection on persons with HIV	HD	6,565	107,530	114,095	1.70	Adds \$85,000 from the Federal Morbidity Monitoring Grant for permanent and temporary personnel costs for continued collection of data on persons in Oregon infected with HIV on quality of care and the severity of need for care and support. This includes 1.70 FTE, \$6,565 indirect revenue to General fund and \$22,530 for the Risk Fund insurance reimbursement	09_HD_RA_05
40012	Additional Revenue from Ryan White Grants to provide medical case management for persons with HIV	HD	2,362	157,196	159,558	0.25	Adds \$144,681 from Ryan White Part A Service and Quality Mgmt and \$8,890 from Ryan White Part A Minority Aids Initiative Grant to be distributed through current contracts with community based organizations for medical case management services to low income persons with HIV. This includes .25 FTE, \$2,362 indirect revenue to General Fund and \$3,625 for the Risk Fund insurance reimbursement.	09_HD_RA_06
40007	Additional Revenue from Environmental Health Inspections rate increase	HD	163,329	28,564	191,893	0.00	Adds \$163,329 to Environmental Health Inspections Program to cover personnel costs to perform restaurant inspections. This is a result of the Boards approval in April 2008 to increase current Permit & Licenses fees. This includes \$28,564 for the Risk Fund Insurance reimbursement. FTE are not increased but previous salary saving is decreased.	09_HD_RA_07

**ATTACHMENT A - Departmental Amendments**

<b>Program #</b>	<b>Program Title</b>	<b>Dept(s)</b>	<b>GF Change</b>	<b>Other Funds Change</b>	<b>Total Change</b>	<b>FTE Change</b>	<b>Amendment Description</b>	<b>Amendment #</b>
40005	Emergency Health Preparedness Grant Funding	HD	3,414	48,268	51,682	0.26	Adds \$34,200 from Health Preparedness Organization, \$5,000 from WA County - Citizen's Readiness Initiative, and \$5,200 from NACCHO Medical Reserve Corp to support costs related to emergency preparedness exercises and provide opportunity for health professionals to become an effective part of health response to an emergency. This includes .26 FTE, \$3,414 indirect revenue to General Fund and \$4,068 for the Risk Fund insurance reimbursement	09_HD_RA_08
60066A	MCSO Detectives & Child Abuse Team	MCSO	0	53,135	53,135	0.40	Adds DVERT Grant - Domestic Violence Enhanced Response Team. 0.40 FTE Deputy Sheriff \$53,135.	09_MCSO_RA_60066A
60010	MCSO Business Services Admin	MCSO	500,000	0	500,000	0.00	Budgets FY 2009 estimated SCAAP revenue - \$500,000 into General Fund contingency. There is a budget note earmarking this in contingency	09_MCSO_RA_60010

**ATTACHMENT A - Departmental Amendments**

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Carryover Amendments</b>								
50035	King Facility Improvements - Carryover	DCJ	33,736	0	33,736	0.00	Funds will be used to complete the King Facility improvements located at 4815 NE 7th in Portland. Improvements began in FY 2008 using DCJ's budgeted appropriation, but not all will be completed by June 30, 2008. The following is the estimated costs of facility improvements: \$1,000 to change locks, \$2,036 for a new transaction window, \$1,200 for new door installation and \$29,500 for new card readers.	09_DCJ_CA_01
25114	Bridges to Housing - Carryover	DCHS	195,992	0	195,992	0.00	Spend out the balance of \$1million originally appropriated in FY 2007. Allows (1) administration of service contracts to shift from DCHS to the regional administration, The Neighborhood Partnership Fund (NPF). County funds will be spent first and reserves the privately B2H funds for services in 2010 and beyond and (2) construction on 2 projects will be completed earlier in FY 2009 than anticipated Increasing the required case management funding needed in FY 2009.	09_DCHS_CA_01
72069	Carryover amendment for Executive Class-Comp Study	DCM	300,000	0	300,000	0.00	Carries over \$300,000 for executive class-comp study currently under contract but not to be completed by 6-30-08.	09_DCM_CA_04
60010	MCSO Business Services Admin	MCSO	200,000	0	200,000	0.00	SCAAP revenue for FY 2008 - estimated carryover of items anticipated to be received in FY 2009	09_MCSO_CA_60010
60065A	MCSO River Patrol	MCSO	93,269	0	93,269	0.00	This budgets a carryover of a boat engine and installation.	09_MCSO_CA_60065A
95000	Fund Level Transactions	MCSO	1,393,699	0	1,393,699	0.00	This budgets a carryover of 2.7% for the FY 2008 COLA for the MCCDA contract. \$1,393,699.	09_MCSO_CA_01
95000	Fund Level Transactions	DCJ	485,198	0	485,198	0.00	This budgets a carryover of 2.7% for the FY 2008 COLA for the unsettled FOPPO and JCSS contracts.	09_DCJ_CA_02
95000	Fund Level Transactions	DCM	1,275,000	0	1,275,000	0.00	Local 88 class comp reserve. This is required per local 88 contract. .25% of budgeted payroll plus \$75,000 for consultants. The .25% amount translates to about \$450,000 while the carryover sits at roughly \$750,000	09_DCM_CA_01
<b>TOTAL</b>			<b>5,956,921</b>	<b>(1,941,109)</b>	<b>4,015,812</b>	<b>7.33</b>		

**Attachment B**  
**Appropriations Schedule**  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**GENERAL FUND (1000)**

<i>Nondepartmental</i>		18,436,777
<i>District Attorney</i>		19,799,784
<i>Overall County Expenditures</i>		0
<i>County Human Services</i>		46,494,474
<i>Health</i>		53,954,883
<i>Community Justice</i>		53,673,958
<i>Sheriff</i>		98,884,127
<i>County Management</i>		32,721,564
<i>Community Services</i>		11,196,865
<b>All Agencies</b>		<b>335,162,432</b>
<i>Cash Transfers</i>	Library Fund	16,287,262
	Asset Preservation Fund	560,000
	Capital Debt Retirement Fund	24,200,000
	Facilities Fund	1,075,000
	Fleet Management Fund	299,901
<b>Total Cash Transfers</b>		<b>42,422,163</b>
<i>Contingency</i>		<b>8,150,000</b>
<b>Total Appropriation</b>		<b>385,734,595</b>

**STRATEGIC INVESTMENT PROGRAM FUND (1500)**

<i>County Human Services</i>		288,258
<i>Cash Transfers</i>	General Fund	200,000
<b>Total Appropriation</b>		<b>488,258</b>

**ROAD FUND (1501)**

<i>Community Services</i>		46,185,174
<i>Cash Transfers</i>	Willamette River Bridge Fund	5,441,650
<b>Total Cash Transfers</b>		<b>5,441,650</b>
<b>Total Appropriation</b>		<b>51,626,824</b>

**EMERGENCY COMMUNICATIONS FUND (1502)**

<i>Sheriff</i>		240,000
<b>Total Appropriation</b>		<b>240,000</b>

**BICYCLE PATH CONSTRUCTION FUND (1503)**

<i>Community Services</i>		639,000
<b>Total Appropriation</b>		<b>639,000</b>

**RECREATION FUND (1504)**

<i>County Management</i>		120,000
<b>Total Appropriation</b>		<b>120,000</b>

**Attachment B**  
**Appropriations Schedule**  
 Multnomah County, Oregon  
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**FEDERAL STATE FUND (1505)**

<i>Nondepartmental</i>	1,844,733
<i>District Attorney</i>	6,391,355
<i>County Human Services</i>	104,520,618
<i>Health</i>	81,406,735
<i>Community Justice</i>	28,468,839
<i>Sheriff</i>	10,485,789
<i>County Management</i>	1,523,547
<i>Community Services</i>	193,901
<i>All Agencies</i>	<b>234,835,517</b>
<i>Contingency</i>	<b>75,419</b>
<b>Total Appropriation</b>	<b>234,910,936</b>

**COUNTY SCHOOL FUND (1506)**

<i>Nondepartmental</i>	260,000
<b>Total Appropriation</b>	<b>260,000</b>

**TAX TITLE FUND (1507)**

<i>Community Services</i>	678,016
<b>Total Appropriation</b>	<b>678,016</b>

**ANIMAL CONTROL FUND (1508)**

<i>Community Services</i>	156,500
<i>Cash Transfers General Fund</i>	1,240,000
<i>Contingency</i>	<b>454,385</b>
<b>Total Appropriation</b>	<b>1,850,885</b>

**WILLAMETTE RIVER BRIDGES FUND (1509)**

<i>Community Services</i>	20,133,096
<i>Cash Transfers General Fund</i>	1,600,000
<b>Total Appropriation</b>	<b>21,733,096</b>

**LIBRARY SERIAL LEVY FUND (1510)**

<i>Library</i>	60,126,479
<i>Contingency</i>	<b>3,000,000</b>
<b>Total Appropriation</b>	<b>63,126,479</b>

**SPECIAL EXCISE TAXES FUND (1511)**

<i>Nondepartmental</i>	23,000,000
<b>Total Appropriation</b>	<b>23,000,000</b>

**LAND CORNER PRESERVATION FUND (1512)**

<i>Community Services</i>	1,359,912
<i>Contingency</i>	<b>1,320,088</b>
<b>Total Appropriation</b>	<b>2,680,000</b>

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**INMATE WELFARE FUND (1513)**

<i>Community Justice</i>	12,830
<i>Sheriff</i>	2,513,382
<i>All Agencies</i>	<b>2,526,212</b>
<b>Total Appropriation</b>	<b>2,526,212</b>

**JUSTICE SERVICES SPECIAL OPERATIONS (1516)**

<i>District Attorney</i>	151,342
<i>Health</i>	1,670,358
<i>Community Justice</i>	1,160,267
<i>Sheriff</i>	2,797,108
<i>All Agencies</i>	<b>5,779,075</b>
<b>Total Appropriation</b>	<b>5,779,075</b>

**REVENUE BOND SINKING FUND (2001)**

<i>Nondepartmental</i>	857,135
<b>Total Appropriation</b>	<b>857,135</b>

**CAPITAL LEASE RETIREMENT FUND (2002)**

<i>Nondepartmental</i>	12,159,016
<i>Contingency</i>	4,296,232
<b>Total Appropriation</b>	<b>16,455,248</b>

**GENERAL OBLIGATION BOND SINKING FUND (2003)**

<i>Nondepartmental</i>	9,232,498
<b>Total Appropriation</b>	<b>9,232,498</b>

**PERS BOND SINKING FUND (2004)**

<i>Nondepartmental</i>	13,591,690
<b>Total Appropriation</b>	<b>13,591,690</b>

**JUSTICE BOND PROJECT FUND (2500)**

<i>County Management</i>	900,000
<b>Total Appropriation</b>	<b>900,000</b>

**FINANCED PROJECTS FUND (2504)**

<i>County Management</i>	2,482,500
<b>Total Appropriation</b>	<b>2,482,500</b>

**CAPITAL IMPROVEMENT FUND (2507)**

<i>County Management</i>	51,131,783
<i>Cash Transfers Willamette River Bridge Fund</i>	1,923,203
<b>Total Appropriation</b>	<b>53,054,986</b>

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**CAPITAL ACQUISITION FUND (2508)**

<i>Nondepartmental</i>	363,135
<b>Total Appropriation</b>	<b>363,135</b>

**ASSET PRESERVATION FUND (2509)**

<i>County Management</i>	7,322,364
<b>Total Appropriation</b>	<b>7,322,364</b>

**BEHAVIORAL HEALTH MANAGED CARE FUND (3002)**

<i>County Human Services</i>	35,882,064
<i>Contingency</i>	4,693,820
<b>Total Appropriation</b>	<b>40,575,884</b>

**RISK MANAGEMENT FUND (3500)**

<i>Nondepartmental</i>	3,114,642
<i>County Management</i>	86,968,548
<i>All Agencies</i>	90,083,190
<i>Contingency</i>	5,977,639
<b>Total Appropriation</b>	<b>96,060,829</b>

**FLEET FUND (3501)**

<i>County Management</i>	10,160,009
<i>Contingency</i>	860,223
<b>Total Appropriation</b>	<b>11,020,232</b>

**DATA PROCESSING FUND (3503)**

<i>County Management</i>	42,350,528
<i>Cash Transfers</i> General Fund	175,000
<i>Contingency</i>	1,425,000
<b>Total Appropriation</b>	<b>43,950,528</b>

**MAIL DISTRIBUTION FUND (3504)**

<i>County Management</i>	7,427,706
<i>Contingency</i>	397,109
<b>Total Appropriation</b>	<b>7,824,815</b>

**FACILITIES MANAGEMENT FUND (3505)**

<i>County Management</i>	37,923,089
<i>Cash Transfers</i> Capital Improvement Fund	3,049,361
<i>Asset Preservation Fund</i>	1,974,964
<i>Total Cash Transfers</i>	5,024,325
<i>Contingency</i>	2,330,588
<b>Total Appropriation</b>	<b>45,278,002</b>

# Attachment C - FY 2009 Budget Notes

June 05, 2008

## SCAAP Grant

The Sheriff's Office applies for the State Criminal Alien Assistance Program (SCAAP) each year through the Bureau of Justice Administration (BJA). Typically the Sheriff's Office does not receive notice of award or grant amount until at least the 3rd quarter of the fiscal year. Historically, award amounts have ranged from \$250,000 - \$700,000, with an average of about \$450,000. Uses of the funds are restricted to Corrections activities and the BJA provides criteria defining appropriate use. In past years, due to the uncertainty of the grant, we have not budgeted for this potential revenue. However, by not estimating the potential grant revenue during budget adoption, when an award is made Oregon Budget Law requires a supplemental budget to appropriate the funds.

By earmarking the potential grant award in contingency, the funds can be appropriated by a simple budget modification. The Sheriff's Office has requested the earmark of \$500,000 for FY 2009.

## Flash Money

The County understands that, on occasion, the use of large sums of money known as "flash money" is a necessary element to the successful investigation of drug, property, and other types of crimes by the Sheriff's Office. In order to further an investigation, the use of flash money is an important tool to the infiltration of the criminal enterprise and in gaining the acceptance and confidence of an alleged criminal. The County also understands that there is a risk of loss when flash money is used during these types of investigations. The County acknowledges the sum of \$100,000 as an acceptable risk when using flash money in a criminal investigation.

## Wapato

Prior to any request to appropriate funds for Wapato operations, the Board desires a detailed policy briefing reporting on the data, analysis and resolution of the following issues:

- SB 400 implementation impact and risk
- Long term financial sustainability
- IP 40/SB 1087 outcome planning; active state partnership
- Evaluation of the proposal with recommendations by professionals outside of the County
- Jail - clarification staffing levels at the jails
- Treatment - discussion of the programs relationship to community and other partners and different populations
- Treatment - comparison of this program to River Rock and Interchange; and an analysis of the expected outcomes
- Treatment - comparison of costs for providing the program in-house vs. contracting out services
- Treatment - discussion of the screening criteria

# Attachment C - FY 2009 Budget Notes

June 05, 2008

- Treatment – why is alcohol and drug treatment not operated by the Department of County Human Services (DCHS)?
- Treatment – discussion of the program design and evidence based results
- Treatment – more information on EMS response time

## Wapato Decision Making Process

1. Approve the budget amendment addressing the start up costs incurred by Facilities, DCJ, Corrections Health, and MCSO between July 1 and December 31, 2008. (This amendment draws approximately \$766,000 on the \$6.9 million reserved in contingency for Wapato operations in FY 2009)
2. Schedule briefing sessions in mid-June with the current Board on options for a public safety levy for November, 2008.
3. Schedule briefing sessions with new and prospective Board members on options for a public safety services levy for November, 2008, and to explain the Wapato proposal.
4. Schedule another briefing session with the current Board (with prospective Board members invited) to review the more detailed plans for the operations of Wapato.
5. Make a final decision on the operation of Wapato by August, 2008.

## Pretrial Continuum, Sobering and Detox Programs, Mental Health Crisis Triage and Sub-Acute Capital and Jail Reentry Plan

This additional \$2.4 million placed in contingency can be allocated as needed amongst any of the following issues:

A. Changes to **the pretrial system**. The Deputy Chief Operating Officer is working with the current CJAC pre-trial work group in developing a proposal for a cost efficient, data driven pretrial data collection and release decision framework. The recommendations will address the best long term structure for providing pretrial services in the County. The goals of the project are:

1. Streamlined data gathering system; create one system, used by all criminal justice staff to gather relevant information for evaluation, classification, and potential release of inmates.
2. Uniform release criteria, validated to increase likelihood of no additional criminal behavior and appearance for legal proceedings.
3. Appropriate levels of supervision to govern releases, based on dangerousness to community and likelihood of court appearance.
4. Overall most efficient use of system resources by providing a single, prompt comprehensive review that results in timely release decision and appropriate level of supervision. Maintain a single list of most likely to be released. Have list available as needed, subject to jail override based on conduct in jail and/or

## Attachment C - FY 2009 Budget Notes

June 05, 2008

changes in charges by the DA.

**B. Stable funding for the sobering and detox programs.** The Chair has sponsored discussions with various community partnerships around stable, increased funding for the sobering and detox programs offered by Central City Concern. Those discussions have produced some positive developments, but are not complete. To insure continuity for FY09, the Chair may need to request some additional funding.

**C. A Mental Health Crisis Triage Center/Sub-Acute Facility** would supply much-needed 24/7 psychiatric support for mentally ill persons, diverting them from the far more costly options of incarceration or hospital admission. Sub-acute service ensures that individuals who might otherwise be hospitalized will have the opportunity to stabilize and return to their community. The Board directs the Department of County Human Services (DCHS) to bring forward a plan for operating the Sub-Acute Facility for Mental Health to the Board by September 1st.

This budget note will allow consideration of additional one time only expenditures if needed to move forward on construction of the Sub-Acute Facility for Mental Health in the event the County is not able to find the cooperation and full commitment necessary from the City, the State and/or partner agencies.

**D. Jail reentry plan:** This budget note earmarks an additional expenditure of up to \$500,000 in contingency for the Multnomah County Second Chance Project: Successful Reentry from Jail to Community. The funds would be released following Board adoption of a "Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community".

To prepare the Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community we must establish a work group to:

- Prepare an inventory of current services for jail reentry; this would include services in the Department of Community Justice for reentry from prison, jail discharge planning, transition services, Project 57, and others;
- Design The Multnomah County Second Chance Project including housing, employment, health and mental health care,

## Attachment C - FY 2009 Budget Notes

June 05, 2008

reunification with families, drug and alcohol treatment, recovery support, parenting classes for incarcerated parents, domestic violence prevention services;

- Identify staff functions that would seek to “span” the boundary between the jail and community providers and to determine the necessary training and/or qualifications for this work. For example, staff could be located in the jails to facilitate jail staff training and to work with the inmates on their individual reentry plans while they are incarcerated – plans would include linking inmates to housing and service providers. Also, staff could be located in the community to advocate for increased employment and other reentry services by working with service providers, employers, faith-based groups and others.

### Sub-acute Facility

A Mental Health Crisis Triage Center/Sub-Acute Facility would supply much-needed 24/7 psychiatric support for mentally ill persons, diverting them from the far more costly options of incarceration or hospital admission. Sub-acute service ensures that individuals who might otherwise be hospitalized will have the opportunity to stabilize and return to their community. The Board directs the Department of County Human Services (DCHS) to bring forward a plan for operating the Sub-Acute Facility for Mental Health to the Board by September 1st.

In addition to an operations plan, this budget note earmarks an additional \$800,000 in contingency to be released September 1, 2008 in order to move forward on construction of the Sub-Acute Facility for Mental Health in the event the County is not able to find the cooperation and commitment necessary from the City, the State and/or partner agencies.

## Attachment C - FY 2009 Budget Notes

June 05, 2008

### Re-Entry Proposal – Second Chance Project

This budget note earmarks an additional \$500,000 in contingency for the Multnomah County Second Chance Project: Successful Reentry from Jail to Community. The funds would be released following Board adoption of a "Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community".

To prepare the Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community we must establish a work group to:

- Prepare an inventory of current services for jail reentry; this would include services in the Department of Community Justice for reentry from prison, jail discharge planning, transition services, Project 57, and others;
- Design The Multnomah County Second Chance Project including housing, employment, health and mental health care, reunification with families, drug and alcohol treatment, recovery support, parenting classes for incarcerated parents, domestic violence prevention services;
- Provide descriptions for 2.00 FTE staff positions that would seek to "span" the boundary between the jail and community providers; and to determine the necessary training for these staff positions:
  - 1.00 FTE located in the jails to facilitate jail staff training and to work with the inmates on their individual reentry plans while they are incarcerated – plans would include linking inmates to housing and service providers;
  - 1.00 FTE located in the community to advocate for increased employment and other reentry services by working with service providers, employers, faith-based groups and others.

### Sheriff's Office Authorization for Over-Staffing Deputies

The recruitment, hiring and training of Law Enforcement Deputies and Corrections Deputies (Deputy) is a competitive and resource intensive process. Before a Sheriff's Deputy can become a self-sufficient employee, six months to a year of recruitment, hiring, and training must occur. The Sheriff's Office wants to keep Deputy vacancies, as well as other post-driven classification vacancies to a minimum. Over the next five years, approximately 17% of the Deputy work force will be eligible for retirement. Historically, the Sheriff's Office has averaged about a 7% annual attrition rate in the Deputy job classifications. It is important to minimize the amount of time a position is vacant and careful management of vacancies by anticipating attrition events will result in both a positive impact on the employee's well-being and contribute to the reduction of the agency's dependence upon overtime.

## Attachment C - FY 2009 Budget Notes

June 05, 2008

This budget note authorizes the Sheriff's Office to overfill budgeted Deputy positions by 10.00 FTE. It is expected that this strategy will provide the needed flexibility to keep vacancies filled yet remain within budgeted appropriation.

### Debt Buy Down

The FY 2009 Executive Budget uses \$24.2 million of one-time-only revenue to pay off four debt obligations. This budget note would place the OTO to pay off the Mead Building (\$3,140,000 remaining debt) and the McCoy Building (\$2,880,000) into contingency to be available to fund additional jails bed during the summer months if there is a demonstrated need. The annual payment is netted out (\$1,028,000) leaving an available balance in contingency of \$4,992,000.

### Courthouse Entitlements

The current zoning for the North Hawthorne Bridgehead Block, the preferred site for a new Multnomah County Courthouse, limits the height of development and precludes the construction of a building of sufficient size to meet the needs of the new courthouse.

The process for obtaining the required zoning for the new courthouse is a significant step in the process. It is important that the work to obtain the zoning begin immediately to insure that the site is ready once construction funding is identified.

This budget note authorizes the Facilities Division to engage outside legal counsel specializing in land use matters, to assist in land use entitlements for the North Hawthorne Bridgehead for a County Courthouse and implement Resolution 08-076.

Facilities has \$100,000 budgeted in FY 2009 within the Courthouse project to assist with obtaining the necessary zoning requirements.

### Courthouse 2010 Project Manager

In order to continue the momentum the Courthouse Project has experienced over the past several years, \$50,000 is earmarked in the Facilities Fund Contingency to provide for a part-time Courthouse Project Manager dedicated to developing a financing plan for the Courthouse Project. The position would commence January 1, 2009.

## ATTACHMENT D

The Board makes the following response to the recommendation made by the Tax Supervising and Conservation Commission (TSCC) which is contained in the letter certifying the FY 2009 County budget.

### 1. Recommendation – Expenditures exceeded appropriations

The audit for the year ending June 30, 2007 noted the following over-expenditures:

Willamette Rive Bridge fund	\$ 3,221,000
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Local Budget Law does not allow the expenditure of monies beyond the legal authority. All funds be closely monitored throughout the year to ensure appropriation authority is in place prior to expending monies

#### **Response –**

Following is the response included in our FY 2007 audit's Management Advisory Letter:

“General Ledger has a year-end process to review Department budgets and identify any budget over expenditures or potential over expenditures. However, this over expenditure in the Bridge Fund was not properly identified during our year-end review process as certain line items in the budgetary report were improperly grouped together. In further reviewing our budget to actual review process, we have revised the reports to more clearly identify line items that may result in budget over expenditures and potential over expenditures.

In our discussions with the Department, the budget violation was caused by additional costs incurred earlier than anticipated in the budget related to the Sauvie Island Bridge replacement project. The budget anticipated flat spending from fiscal year 2007 through the end of the project in fiscal year 2009. However, the offsite fabrication of the bridge arch began in fiscal year 2007 concurrent with a surge in effort at the bridge site. This began to drive the actual expenditures over the budgeted level during fiscal year 2007. AT year-end the overall Bridge Fund has approximately \$23 million in unobligated funds.

Also in our discussions, it was noted that the Department of Community Services management has a process to review budget to actual expenditures periodically, however the process was not performed consistently for all dedicated funds including the Bridge Fund. Upon discovering the budget violation, the Department is revising and documenting their budget to actual review process to include all dedicated funds. In addition, the Department has added another level of review to the process that will be performed by the Business Manager to ensure any over expenditures or potential over expenditures are identified early.”

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Adopting the 2009 Budget for Multnomah County and Making Appropriations Thereunder,  
Pursuant to ORS 294.435

**The Multnomah County Board of County Commissioners Finds:**

- a. The Multnomah County budget, as prepared by the duly appointed Budget Officer has been considered and approved by the Board.
- b. A public hearing on this budget was held before the Multnomah County Tax Supervising and Conservation Commission on the 28th day of May 2008.
- c. The budget is on file in the Office of the Chair of Multnomah County.
- d. The Board has made certain amendments to the above-described budget and those amendments are attached to this resolution as Attachment A.
- e. The appropriations authorized are attached to this resolution as Attachment B.
- f. Board budget notes of actions to be taken during the next year are attached to this resolution as Attachment C.
- g. The Tax Supervising and Conservation Commission has certified the budget and there is one recommendation with a response attached to this resolution as Attachment D.

**The Multnomah County Board of County Commissioners Resolves:**

1. The budget, including Attachments A, B, C and D, is adopted as the budget of Multnomah County, Oregon.
2. The appropriations shown in Attachment B as amended are authorized for the fiscal year July 1, 2008 to June 30, 2009.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

# ATTACHMENT A - BCC PROPOSED BUDGET AMENDMENTS

(Based on Proposals Made During May Worksessions)

Last Updated: June 3, 2008

Proposed Funding Sources						Wheeler Package
Proposed By	Program	PO #	Exec Budget	Proposed	Available Funding	
<b>Wheeler Proposed Package</b>						
Wheeler	Unfund Detention Electronics	60048	825,273	0	\$801,000	\$801,000
Wheeler	Revenue Increase from FY 2008	New	0	3,675,000	\$3,675,000	\$3,675,000
Wheeler	General Fund Contingency FY 2008 Carryover	New	0	1,300,000	\$1,300,000	\$1,300,000
					<b>\$5,776,000</b>	<b>\$5,776,000</b>
<b>Other Proposed Amendments</b>						
Roberts	Unfund Mead Building Debt Buydown		3,140,000	(570,000)	\$2,570,000	
Roberts	Unfund McCoy Building Debt Buydown		2,880,000	(458,000)	\$2,422,000	
<b>TOTAL AVAILABLE TO BALANCE BUDGET</b>					<b>\$10,768,000</b>	<b>\$5,776,000</b>

Proposed New Expenditures						Wheeler Package
Proposed By	Program	PO #	Exec Budget	Proposed	Additional Expenditure	
<b>Wheeler Proposed Package</b>						
Rojo	Communities of Color: Participatory Research (OTO)	25141	0	100,000	\$100,000	\$100,000
Naito	2010 Census - Complete Count 0.50 Part-Time FTE budgeted in HD (OTO)	New	0	25,000	\$25,000	\$25,000
Cogen	At-Risk Girls Programming - Restore Funding	25153	0	59,000	\$59,000	\$59,000
Roberts	Public Services Pathways (OTO)	New	0	50,000	\$50,000	\$50,000
Naito/Cogen	Homeless Youth Alternative: Staff Training (OTO)	New	0	108,000	\$108,000	\$108,000
Cogen	2-1-1 Info Program	10009	0	0	\$0	\$0
Naito	Courthouse 2010 Project Manager (\$50,000 earmarked in Facilities Contingency)	New	0	0	\$0	\$0
Naito	2.80 Corrections Health Nurses	New	0	302,000	\$302,000	\$302,000
Cogen	Safe Supervised Visitation in Domestic Violence Cases (OTO)	25040D	0	30,000	\$30,000	\$30,000
Wheeler	Wapato Plan - 6 Month Facilities Commissioning and Staff Ramp-Up (reduces Contingency)	New	(766,186)	766,186	\$0	\$0
Wheeler	\$3.0 million Revenue Reserve for FY 2009	New	0	3,000,000	\$3,000,000	\$3,000,000
					<b>\$3,674,000</b>	<b>\$3,674,000</b>

Proposed By	Program	PO #	Exec Budget	Proposed	Additional Expenditure	Wheeler Package
<b>Other Proposed Amendments</b>						
Wheeler	Wapato Plan Appropriation (reduces Contingency)	New	(6,900,000)	6,900,000	\$0	
Naito	Sub-Acute Facility for Mental Health (held in Contingency)	25056B	0	800,000	\$800,000	
Naito	Neighborhood DA 1.00	15018B	0	120,371	\$120,371	
Naito	Jail Reentry Program (held in Contingency)	New	0	500,000	\$500,000	
Roberts	MCSO Civil Process Offer A - 4.00 FTE	60064A	0	418,851	\$418,851	
Roberts	Detention Electronic Upgrade FTE Buyback	60051	0	175,727	\$175,727	
Roberts	Special Investigation Unit - Offer B	60067B	0	113,618	\$113,618	
Roberts	MCSO Expanded Training	60043E	0	144,343	\$144,343	
Roberts	Field Based Work Release - Offer A Revised 3 Months (July - September)	60038A	0	120,840	\$120,840	
Roberts	Field Based Work Release - Offer A Revised 9 Months (October - June)	60038A	0	362,521	\$362,521	
Roberts	MCDC 8th Floor for 2 months (July & August)	60052	0	595,621	\$595,621	
Rojo	Carryover Funds for CCFC staff to attend Conf.	New	0	2,500	\$2,500	
<b>TOTAL NEW EXPENDITURES</b>					<b>\$7,028,392</b>	<b>\$3,674,000</b>

**Withdrawn Amendments**

Naito	<del>Discharge Planner in MCSO</del>		0	0	\$0	
Naito	<del>Height Adjustment DT Courthouse Project</del>	New	0	100,000	\$100,000	
Naito	<del>Homeless Youth Service Continuum</del>	New	0	358,400	\$358,400	
Roberts	<del>Field Based Work Release - Offer A Revised</del>	60038A	0	483,364	\$483,364	

<b>Available Funding From Above</b>	<b>\$10,768,000</b>	<b>\$5,776,000</b>
<b>Plus Public Safety Bond Fund Reimburse to General Fund</b>	<b><u>\$425,000</u></b>	<b><u>\$425,000</u></b>
<b>Total</b>	<b>\$11,193,000</b>	<b>\$6,201,000</b>
<b>New Expenditures (including revenue reserve)</b>	<b>\$7,028,392</b>	<b>\$3,674,000</b>
<b>BALANCE FOR CGF CONTINGENCY</b>	<b>\$4,164,608</b>	<b>\$2,527,000</b>

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Technical Amendments</b>								
Various	Internal Service Placeholder	DCM			0		Internal Service Cleanup - Placeholder to adjust various internal service programs based on programs that are funded. Funds impacted include those for Facilities, IT, FREDS, Debt, Capital Acquisition and the Risk Fund. The balancing of 'other internal services' may impact funds besides internal service funds.	09_DCM_TA_01
72022	Tax Administration Accounting Adjustment	DCM	820,000	0	820,000	0.00	Changes our payment to the City of Portland for BIT collection to an expense rather than a reduction from the revenue distribution. This is a change in accounting practice that has no net effect on revenues or expenses.	09_DCM_TA_02
72050, 72051	BWC adjustments to capital funds	DCM	0	(3,227,169)	(3,227,169)	0.00	Revises capital program budgets to adjust for capital program changes. Corrects cost elements, makes other technical adjustments.	09_DCM_TA_03
Various	Various Internal Service Fund BWC adjustments	DCM			0	0.00	BWC adjustments - due to better information about the status of the internal service funds.	09_DCM_TA_04
72015	\$62,000 BWC to the Wellness program	DCM	0	62,000	62,000	0.00	Adds \$62,000 in BWC for one-time maintenance and equipment improvements to the County's fitness centers.	09_DCM_TA_06
72025	Public Safety Bond Fund - Completion of Bond Fund Program	DCM	425,000	0	425,000	0.00	The Public Safety Bond Fund reimburses the General Fund \$425,000 for a loan made in FY 2007 for jumper rails at Inverness Jail.	09_DCM_TA_07
Various	Corrects coding for debt buy-down in the Health Department	HD	0	0	0		Corrects SAP coding for the debt buy-down transaction as it affects the Health Department.	09_HD_TA_01

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Staffing Amendments</b>								
Various	Job class updates	Countywide	0	0	0	0.00	Updates the job class of 30.61 positions that the Board has approved for reclassification in FY 2008 but are not shown with the updated job class in the Approved budget.	09_Overall_SA_01
60040D	MCSO MCDC	MCSO	0	0	0	(1.00)	Converts 3 Corrections Sergeants to 2 Lieutenants.	09_MCSO_SA_60040D
60064A	MCSO Civil Process	MCSO	0	0	0	0.00	Convert Sr Civil Deputy to Sergeant	09_MCSO_SA_01
60040A & 60041A	MCSO MCDC and MCIJ	MCSO	0	0	0	0.00	<del>Adds 10 FTE Corrections Deputies to allow for over-staffing due to ongoing attrition and the length of time it takes to hire replacements. No additional cost.</del>	<del>09_MCSO_SA_60064A</del>
50041	DCJ - 0.50 FTE Corrections Technician	DCJ	0	5,642	5,642	0.50	Adds a 0.50 FTE Corrections Technician and reduces overtime by the like amount in the Adult Services Division. Increases the Risk fund by \$5,642.	09_DCJ_SA_01

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Revenue Amendments</b>								
10001	Sauvie Island Bridge Opening Celebration	Nond	10,000	0	10,000		Adds \$10,000 in private donations for Sauvie Island Bridge Opening Celebration	09_Nond_RA_01
50022	State of Oregon Youth Authority Funds for Juvenile Gang Intervention Services	DCJ	27,560	463,305	490,865	4.50	Appropriates \$400,000 from the Oregon Youth Authority (OYA) for juvenile gang intervention services and will fund the After School Intensive Supervision Program (ASIS). This includes 4.50 FTE \$27,560 for indirect expenses and \$63,305 for the Risk Fund insurance reimbursement.	09_DCJ_RA_01
80007	Life by Design NW Grant	LIB	0	50,000	50,000		Appropriates \$50,000 for the Life by Design NW grant for limited duration staff. The grant will allow the library to work collaboratively with other partners (PSU, Hands on Portland, PCC and others) to develop programs and opportunities to engage older adults in helping them discover their passion and purpose in life through programs, workshops, etc. so that they will in turn give back to the community.	09_LIB_RA_01
72005	\$5,000 donations for Sustainability Film Series	DCM	5,000	0	5,000	0.00	Adds \$5,000 donation revenue for the Sustainability Film Series to be held in July of 2008;	09_DCM_RA_01
40031	Oregon Primary Care Assoc Pharmacy Drug Assistance Grant	HD	0	81,230	81,230		Adds \$81,230 grant revenue to purchase prescription medications for low income Oregon residents.	09_HD_RA_01
40035A	Gates Foundation Grant for Tobacco Evaluation	HD	7,723	103,574	111,297	0.15	Adds \$100,000 from the Gates Foundation from grant extension to fund permanent and temporary personnel to complete the evaluation report on international tobacco control. This includes .15 FTE, \$7,723 indirect revenue to General Fund and \$3,574 for the Risk Fund insurance reimbursement	09_HD_RA_02
40035A	Federal Public Health Services Grant to conduct evaluation of the Oregon Asthma Program	HD	1,351	19,803	21,154	0.12	Adds \$17,500 from the federal Public Health Services to fund permanent and temporary personnel costs to conduct an evaluation of the Oregon Asthma Program. This includes .12 FTE, \$1,351 indirect revenue to General Fund and \$2,303 for the Risk Fund insurance reimbursement	09_HD_RA_03

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
40035A	Alaska Tobacco Evaluation Grant to continue evaluation of effects of Tobacco Use	HD	7,723	105,813	113,536	0.45	Adds \$100,000 from the Alaska Tobacco Evaluation Grant for permanent and temporary personnel costs for the assessment of: tobacco use, exposure to second hand smoke and attitudes, social norms and policy implications for the state of Alaska. This includes .45 FTE, \$7,724 indirect revenue to General fund and \$7,984 for the Risk Fund insurance reimbursement	09_HD_RA_04
40035A	Additional Revenue from the Federal Morbidity Monitoring Grant to continue data collection on persons with HIV	HD	6,565	107,530	114,095	1.70	Adds \$85,000 from the Federal Morbidity Monitoring Grant for permanent and temporary personnel costs for continued collection of data on persons in Oregon infected with HIV on quality of care and the severity of need for care and support. This includes 1.70 FTE, \$6,565 indirect revenue to General fund and \$22,530 for the Risk Fund insurance reimbursement	09_HD_RA_05
40012	Additional Revenue from Ryan White Grants to provide medical case management for persons with HIV	HD	2,362	157,196	159,558	0.25	Adds \$144,681 from Ryan White Part A Service and Quality Mgmt and \$8,890 from Ryan White Part A Minority Aids Initiative Grant to be distributed through current contracts with community based organizations for medical case management services to low income persons with HIV. This includes .25 FTE, \$2,362 indirect revenue to General Fund and \$3,625 for the Risk Fund insurance reimbursement.	09_HD_RA_06
40007	Additional Revenue from Environmental Health Inspections rate increase	HD	163,329	28,564	191,893	0.00	Adds \$163,329 to Environmental Health Inspections Program to cover personnel costs to perform restaurant inspections. This is a result of the Boards approval in April 2008 to increase current Permit & Licenses fees. This includes \$28,564 for the Risk Fund Insurance reimbursement. FTE are not increased but previous salary saving is decreased.	09_HD_RA_07

**ATTACHMENT A - Departmental Amendments**

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
40005	Emergency Health Preparedness Grant Funding	HD	3,414	48,268	51,682	0.26	Adds \$34,200 from Health Preparedness Organization, \$5,000 from WA County - Citizen's Readiness Initiative, and \$5,200 from NACCHO Medical Reserve Corp to support costs related to emergency preparedness exercises and provide opportunity for health professionals to become an effective part of health response to an emergency. This includes .26 FTE, \$3,414 indirect revenue to General Fund and \$4,068 for the Risk Fund insurance reimbursement	09_HD_RA_08
60066A	MCSO Detectives & Child Abuse Team	MCSO	0	53,135	53,135	0.40	Adds DVERT Grant - Domestic Violence Enhanced Response Team. 0.40 FTE Deputy Sheriff \$53,135.	09_MCSO_RA_60066A
60010	MCSO Business Services Admin	MCSO	500,000	0	500,000	0.00	Budgets FY 2009 estimated SCAAP revenue - \$500,000 into General Fund contingency. There is a budget note earmarking this in contingency	09_MCSO_RA_60010

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Carryover Amendments</b>								
50035	King Facility Improvements - Carryover	DCJ	33,736	0	33,736	0.00	Funds will be used to complete the King Facility improvements located at 4815 NE 7th in Portland. Improvements began in FY 2008 using DCJ's budgeted appropriation, but not all will be completed by June 30, 2008. The following is the estimated costs of facility improvements: \$1,000 to change locks, \$2,036 for a new transaction window, \$1,200 for new door installation and \$29,500 for new card readers.	09_DCJ_CA_01
25114	Bridges to Housing - Carryover	DCHS	195,992	0	195,992	0.00	Spend out the balance of \$1million originally appropriated in FY 2007. Allows (1) administration of service contracts to shift from DCHS to the regional administration, The Neighborhood Partnership Fund (NPF). County funds will be spent first and reserves the privately B2H funds for services in 2010 and beyond and (2) construction on 2 projects will be completed earlier in FY 2009 than anticipated Increasing the required case management funding needed in FY 2009.	09_DCHS_CA_01
72069	Carryover amendment for Executive Class-Comp Study	DCM	300,000	0	300,000	0.00	Carries over \$300,000 for executive class-comp study currently under contract but not to be completed by 6-30-08.	09_DCM_CA_04
60010	MCSO Business Services Admin	MCSO	200,000	0	200,000	0.00	SCAAP revenue for FY 2008 - estimated carryover of items anticipated to be received in FY 2009	09_MCSO_CA_60010
60065A	MCSO River Patrol	MCSO	93,269	0	93,269	0.00	This budgets a carryover of a boat engine and installation.	09_MCSO_CA_60065A
95000	Fund Level Transactions	MCSO	1,393,699	0	1,393,699	0.00	This budgets a carryover of 2.7% for the FY 2008 COLA for the MCCDA contract. \$1,393,699.	09_MCSO_CA_01
95000	Fund Level Transactions	DCJ	485,198	0	485,198	0.00	This budgets a carryover of 2.7% for the FY 2008 COLA for the unsettled FOPPO and JCSS contracts.	09_DCJ_CA_02
95000	Fund Level Transactions	DCM	1,275,000	0	1,275,000	0.00	Local 88 class comp reserve. This is required per local 88 contract. .25% of budgeted payroll plus \$75,000 for consultants. The .25% amount translates to about \$450,000 while the carryover sits at roughly \$750,000	09_DCM_CA_01
<b>TOTAL</b>			<b>5,956,921</b>	<b>(1,941,109)</b>	<b>4,015,812</b>	<b>7.33</b>		

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**GENERAL FUND (1000)**

<i>Nondepartmental</i>		18,436,777
<i>District Attorney</i>		19,799,784
<i>Overall County Expenditures</i>		0
<i>County Human Services</i>		46,494,474
<i>Health</i>		53,954,883
<i>Community Justice</i>		53,673,958
<i>Sheriff</i>		98,884,127
<i>County Management</i>		32,721,564
<i>Community Services</i>		11,196,865
<i>All Agencies</i>		<b>335,162,432</b>
<i>Cash Transfers</i>	Library Fund	16,287,262
	Asset Preservation Fund	560,000
	Capital Debt Retirement Fund	24,200,000
	Facilities Fund	1,075,000
	Fleet Management Fund	299,901
<i>Total Cash Transfers</i>		<b>42,422,163</b>
<i>Contingency</i>		<b>8,150,000</b>
<b>Total Appropriation</b>		<b>385,734,595</b>

**STRATEGIC INVESTMENT PROGRAM FUND (1500)**

<i>County Human Services</i>		288,258
<i>Cash Transfers</i>	General Fund	200,000
<b>Total Appropriation</b>		<b>488,258</b>

**ROAD FUND (1501)**

<i>Community Services</i>		46,185,174
<i>Cash Transfers</i>	Willamette River Bridge Fund	5,441,650
<i>Total Cash Transfers</i>		<b>5,441,650</b>
<b>Total Appropriation</b>		<b>51,626,824</b>

**EMERGENCY COMMUNICATIONS FUND (1502)**

<i>Sheriff</i>		240,000
<b>Total Appropriation</b>		<b>240,000</b>

**BICYCLE PATH CONSTRUCTION FUND (1503)**

<i>Community Services</i>		639,000
<b>Total Appropriation</b>		<b>639,000</b>

**RECREATION FUND (1504)**

<i>County Management</i>		120,000
<b>Total Appropriation</b>		<b>120,000</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**FEDERAL STATE FUND (1505)**

<i>Nondepartmental</i>		1,844,733
<i>District Attorney</i>		6,391,355
<i>County Human Services</i>		104,520,618
<i>Health</i>		81,406,735
<i>Community Justice</i>		28,468,839
<i>Sheriff</i>		10,485,789
<i>County Management</i>		1,523,547
<i>Community Services</i>		193,901
	<i>All Agencies</i>	234,835,517
	<i>Contingency</i>	75,419
<b>Total Appropriation</b>		<b>234,910,936</b>

**COUNTY SCHOOL FUND (1506)**

<i>Nondepartmental</i>		260,000
<b>Total Appropriation</b>		<b>260,000</b>

**TAX TITLE FUND (1507)**

<i>Community Services</i>		678,016
<b>Total Appropriation</b>		<b>678,016</b>

**ANIMAL CONTROL FUND (1508)**

<i>Community Services</i>		156,500
<i>Cash Transfers</i>	General Fund	1,240,000
	<i>Contingency</i>	454,385
<b>Total Appropriation</b>		<b>1,850,885</b>

**WILLAMETTE RIVER BRIDGES FUND (1509)**

<i>Community Services</i>		20,133,096
<i>Cash Transfers</i>	General Fund	1,600,000
<b>Total Appropriation</b>		<b>21,733,096</b>

**LIBRARY SERIAL LEVY FUND (1510)**

<i>Library</i>		60,126,479
	<i>Contingency</i>	3,000,000
<b>Total Appropriation</b>		<b>63,126,479</b>

**SPECIAL EXCISE TAXES FUND (1511)**

<i>Nondepartmental</i>		23,000,000
<b>Total Appropriation</b>		<b>23,000,000</b>

**LAND CORNER PRESERVATION FUND (1512)**

<i>Community Services</i>		1,359,912
	<i>Contingency</i>	1,320,088
<b>Total Appropriation</b>		<b>2,680,000</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**INMATE WELFARE FUND (1513)**

<i>Community Justice</i>	12,830
<i>Sheriff</i>	2,513,382
<i>All Agencies</i>	2,526,212
<b>Total Appropriation</b>	<b>2,526,212</b>

**JUSTICE SERVICES SPECIAL OPERATIONS (1516)**

<i>District Attorney</i>	151,342
<i>Health</i>	1,670,358
<i>Community Justice</i>	1,160,267
<i>Sheriff</i>	2,797,108
<i>All Agencies</i>	5,779,075
<b>Total Appropriation</b>	<b>5,779,075</b>

**REVENUE BOND SINKING FUND (2001)**

<i>Nondepartmental</i>	857,135
<b>Total Appropriation</b>	<b>857,135</b>

**CAPITAL LEASE RETIREMENT FUND (2002)**

<i>Nondepartmental</i>	12,159,016
<i>Contingency</i>	4,296,232
<b>Total Appropriation</b>	<b>16,455,248</b>

**GENERAL OBLIGATION BOND SINKING FUND (2003)**

<i>Nondepartmental</i>	9,232,498
<b>Total Appropriation</b>	<b>9,232,498</b>

**PERS BOND SINKING FUND (2004)**

<i>Nondepartmental</i>	13,591,690
<b>Total Appropriation</b>	<b>13,591,690</b>

**JUSTICE BOND PROJECT FUND (2500)**

<i>County Management</i>	900,000
<b>Total Appropriation</b>	<b>900,000</b>

**FINANCED PROJECTS FUND (2504)**

<i>County Management</i>	2,482,500
<b>Total Appropriation</b>	<b>2,482,500</b>

**CAPITAL IMPROVEMENT FUND (2507)**

<i>County Management</i>	51,131,783
<i>Cash Transfers</i> Willamette River Bridge Fund	1,923,203
<b>Total Appropriation</b>	<b>53,054,986</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**CAPITAL ACQUISITION FUND (2508)**

<i>Nondepartmental</i>	363,135
<b>Total Appropriation</b>	<b>363,135</b>

**ASSET PRESERVATION FUND (2509)**

<i>County Management</i>	7,322,364
<b>Total Appropriation</b>	<b>7,322,364</b>

**BEHAVIORAL HEALTH MANAGED CARE FUND (3002)**

<i>County Human Services</i>	35,882,064
<i>Contingency</i>	4,693,820
<b>Total Appropriation</b>	<b>40,575,884</b>

**RISK MANAGEMENT FUND (3500)**

<i>Nondepartmental</i>	3,114,642
<i>County Management</i>	86,968,548
<i>All Agencies</i>	90,083,190
<i>Contingency</i>	5,977,639
<b>Total Appropriation</b>	<b>96,060,829</b>

**FLEET FUND (3501)**

<i>County Management</i>	10,160,009
<i>Contingency</i>	860,223
<b>Total Appropriation</b>	<b>11,020,232</b>

**DATA PROCESSING FUND (3503)**

<i>County Management</i>	42,350,528
<i>Cash Transfers</i> General Fund	175,000
<i>Contingency</i>	1,425,000
<b>Total Appropriation</b>	<b>43,950,528</b>

**MAIL DISTRIBUTION FUND (3504)**

<i>County Management</i>	7,427,706
<i>Contingency</i>	397,109
<b>Total Appropriation</b>	<b>7,824,815</b>

**FACILITIES MANAGEMENT FUND (3505)**

<i>County Management</i>	37,923,089
<i>Cash Transfers</i> Capital Improvement Fund	3,049,361
Asset Preservation Fund	1,974,964
<i>Total Cash Transfers</i>	5,024,325
<i>Contingency</i>	2,330,588
<b>Total Appropriation</b>	<b>45,278,002</b>

# Attachment C - FY 2009 Budget Notes

June 05, 2008

## SCAAP Grant

The Sheriff's Office applies for the State Criminal Alien Assistance Program (SCAAP) each year through the Bureau of Justice Administration (BJA). Typically the Sheriff's Office does not receive notice of award or grant amount until at least the 3rd quarter of the fiscal year. Historically, award amounts have ranged from \$250,000 - \$700,000, with an average of about \$450,000. Uses of the funds are restricted to Corrections activities and the BJA provides criteria defining appropriate use. In past years, due to the uncertainty of the grant, we have not budgeted for this potential revenue. However, by not estimating the potential grant revenue during budget adoption, when an award is made Oregon Budget Law requires a supplemental budget to appropriate the funds.

By earmarking the potential grant award in contingency, the funds can be appropriated by a simple budget modification. The Sheriff's Office has requested the earmark of \$500,000 for FY 2009.

## Flash Money

The County understands that, on occasion, the use of large sums of money known as "flash money" is a necessary element to the successful investigation of drug, property, and other types of crimes by the Sheriff's Office. In order to further an investigation, the use of flash money is an important tool to the infiltration of the criminal enterprise and in gaining the acceptance and confidence of an alleged criminal. The County also understands that there is a risk of loss when flash money is used during these types of investigations. The County acknowledges the sum of \$100,000 as an acceptable risk when using flash money in a criminal investigation.

## Wapato

Prior to any request to appropriate funds for Wapato operations, the Board desires a detailed policy briefing reporting on the data, analysis and resolution of the following issues:

- SB 400 implementation impact and risk
- Long term financial sustainability
- IP 40/SB 1087 outcome planning; active state partnership
- Evaluation of the proposal with recommendations by professionals outside of the County
- Jail - clarification staffing levels at the jails
- Treatment - discussion of the programs relationship to community and other partners and different populations
- Treatment - comparison of this program to River Rock and Interchange; and an analysis of the expected outcomes
- Treatment - comparison of costs for providing the program in-house vs. contracting out services
- Treatment - discussion of the screening criteria

# Attachment C - FY 2009 Budget Notes

June 05, 2008

- Treatment – why is alcohol and drug treatment not operated by the Department of County Human Services (DCHS)?
- Treatment – discussion of the program design and evidence based results
- Treatment – more information on EMS response time

## Wapato Decision Making Process

1. Approve the budget amendment addressing the start up costs incurred by Facilities, DCJ, Corrections Health, and MCSO between July 1 and December 31, 2008. (This amendment draws approximately \$766,000 on the \$6.9 million reserved in contingency for Wapato operations in FY 2009)
2. Schedule briefing sessions in mid-June with the current Board on options for a public safety levy for November, 2008.
3. Schedule briefing sessions with new and prospective Board members on options for a public safety services levy for November, 2008, and to explain the Wapato proposal.
4. Schedule another briefing session with the current Board (with prospective Board members invited) to review the more detailed plans for the operations of Wapato.
5. Make a final decision on the operation of Wapato by August, 2008.

## Pretrial Continuum, Sobering and Detox Programs, Mental Health Crisis Triage and Sub-Acute Capital and Jail Reentry Plan

This additional \$2.4 million placed in contingency can be allocated as needed amongst any of the following issues:

A. Changes to the pretrial system. The Deputy Chief Operating Officer is working with the current CJAC pre-trial work group in developing a proposal for a cost efficient, data driven pretrial data collection and release decision framework. The recommendations will address the best long term structure for providing pretrial services in the County. The goals of the project are:

1. Streamlined data gathering system; create one system, used by all criminal justice staff to gather relevant information for evaluation, classification, and potential release of inmates.
2. Uniform release criteria, validated to increase likelihood of no additional criminal behavior and appearance for legal proceedings.
3. Appropriate levels of supervision to govern releases, based on dangerousness to community and likelihood of court appearance.
4. Overall most efficient use of system resources by providing a single, prompt comprehensive review that results in timely release decision and appropriate level of supervision. Maintain a single list of most likely to be released. Have list available as needed, subject to jail override based on conduct in jail and/or

# Attachment C - FY 2009 Budget Notes

June 05, 2008

changes in charges by the DA.

**B. Stable funding for the sobering and detox programs.** The Chair has sponsored discussions with various community partnerships around stable, increased funding for the sobering and detox programs offered by Central City Concern. Those discussions have produced some positive developments, but are not complete. To insure continuity for FY09, the Chair may need to request some additional funding.

**C. A Mental Health Crisis Triage Center/Sub-Acute Facility** would supply much-needed 24/7 psychiatric support for mentally ill persons, diverting them from the far more costly options of incarceration or hospital admission. Sub-acute service ensures that individuals who might otherwise be hospitalized will have the opportunity to stabilize and return to their community. The Board directs the Department of County Human Services (DCHS) to bring forward a plan for operating the Sub-Acute Facility for Mental Health to the Board by September 1st.

This budget note will allow consideration of additional one time only expenditures if needed to move forward on construction of the Sub-Acute Facility for Mental Health in the event the County is not able to find the cooperation and full commitment necessary from the City, the State and/or partner agencies.

**D. Jail reentry plan:** This budget note earmarks an additional expenditure of up to \$500,000 in contingency for the Multnomah County Second Chance Project: Successful Reentry from Jail to Community. The funds would be released following Board adoption of a "Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community".

To prepare the Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community we must establish a work group to:

- Prepare an inventory of current services for jail reentry; this would include services in the Department of Community Justice for reentry from prison, jail discharge planning, transition services, Project 57, and others;
- Design The Multnomah County Second Chance Project including housing, employment, health and mental health care,

## Attachment C - FY 2009 Budget Notes

June 05, 2008

reunification with families, drug and alcohol treatment, recovery support, parenting classes for incarcerated parents, domestic violence prevention services;

- Identify staff functions that would seek to “span” the boundary between the jail and community providers and to determine the necessary training and/or qualifications for this work. For example, staff could be located in the jails to facilitate jail staff training and to work with the inmates on their individual reentry plans while they are incarcerated – plans would include linking inmates to housing and service providers. Also, staff could be located in the community to advocate for increased employment and other reentry services by working with service providers, employers, faith-based groups and others.

### Sub-acute Facility

A Mental Health Crisis Triage Center/Sub-Acute Facility would supply much-needed 24/7 psychiatric support for mentally ill persons, diverting them from the far more costly options of incarceration or hospital admission. Sub-acute service ensures that individuals who might otherwise be hospitalized will have the opportunity to stabilize and return to their community. The Board directs the Department of County Human Services (DCHS) to bring forward a plan for operating the Sub-Acute Facility for Mental Health to the Board by September 1st.

In addition to an operations plan, this budget note earmarks an additional \$800,000 in contingency to be released September 1, 2008 in order to move forward on construction of the Sub-Acute Facility for Mental Health in the event the County is not able to find the cooperation and commitment necessary from the City, the State and/or partner agencies.

## Attachment C - FY 2009 Budget Notes

June 05, 2008

### Re-Entry Proposal – Second Chance Project

This budget note earmarks an additional \$500,000 in contingency for the Multnomah County Second Chance Project: Successful Reentry from Jail to Community. The funds would be released following Board adoption of a "Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community".

To prepare the Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community we must establish a work group to:

- Prepare an inventory of current services for jail reentry; this would include services in the Department of Community Justice for reentry from prison, jail discharge planning, transition services, Project 57, and others;
- Design The Multnomah County Second Chance Project including housing, employment, health and mental health care, reunification with families, drug and alcohol treatment, recovery support, parenting classes for incarcerated parents, domestic violence prevention services;
- Provide descriptions for 2.00 FTE staff positions that would seek to "span" the boundary between the jail and community providers; and to determine the necessary training for these staff positions:
  - 1.00 FTE located in the jails to facilitate jail staff training and to work with the inmates on their individual reentry plans while they are incarcerated – plans would include linking inmates to housing and service providers;
  - 1.00 FTE located in the community to advocate for increased employment and other reentry services by working with service providers, employers, faith-based groups and others.

### Sheriff's Office Authorization for Over-Staffing Deputies

The recruitment, hiring and training of Law Enforcement Deputies and Corrections Deputies (Deputy) is a competitive and resource intensive process. Before a Sheriff's Deputy can become a self-sufficient employee, six months to a year of recruitment, hiring, and training must occur. The Sheriff's Office wants to keep Deputy vacancies, as well as other post-driven classification vacancies to a minimum. Over the next five years, approximately 17% of the Deputy work force will be eligible for retirement. Historically, the Sheriff's Office has averaged about a 7% annual attrition rate in the Deputy job classifications. It is important to minimize the amount of time a position is vacant and careful management of vacancies by anticipating attrition events will result in both a positive impact on the employee's well-being and contribute to the reduction of the agency's dependence upon overtime.

# Attachment C - FY 2009 Budget Notes

June 05, 2008

This budget note authorizes the Sheriff's Office to overfill budgeted Deputy positions by 10.00 FTE. It is expected that this strategy will provide the needed flexibility to keep vacancies filled yet remain within budgeted appropriation.

## Debt Buy Down

The FY 2009 Executive Budget uses \$24.2 million of one-time-only revenue to pay off four debt obligations. This budget note would place the OTO to pay off the Mead Building (\$3,140,000 remaining debt) and the McCoy Building (\$2,880,000) into contingency to be available to fund additional jails bed during the summer months if there is a demonstrated need. The annual payment is netted out (\$1,028,000) leaving an available balance in contingency of \$4,992,000.

## Courthouse Entitlements

The current zoning for the North Hawthorne Bridgehead Block, the preferred site for a new Multnomah County Courthouse, limits the height of development and precludes the construction of a building of sufficient size to meet the needs of the new courthouse.

The process for obtaining the required zoning for the new courthouse is a significant step in the process. It is important that the work to obtain the zoning begin immediately to insure that the site is ready once construction funding is identified.

This budget note authorizes the Facilities Division to engage outside legal counsel specializing in land use matters, to assist in land use entitlements for the North Hawthorne Bridgehead for a County Courthouse and implement Resolution 08-076.

Facilities has \$100,000 budgeted in FY 2009 within the Courthouse project to assist with obtaining the necessary zoning requirements.

## Courthouse 2010 Project Manager

In order to continue the momentum the Courthouse Project has experienced over the past several years, \$50,000 is earmarked in the Facilities Fund Contingency to provide for a part-time Courthouse Project Manager dedicated to developing a financing plan for the Courthouse Project. The position would commence January 1, 2009.

## ATTACHMENT D

The Board makes the following response to the recommendation made by the Tax Supervising and Conservation Commission (TSCC) which is contained in the letter certifying the FY 2009 County budget.

### 1. Recommendation – Expenditures exceeded appropriations

The audit for the year ending June 30, 2007 noted the following over-expenditures:

Willamette Rive Bridge fund	\$ \$3,221,000
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Local Budget Law does not allow the expenditure of monies beyond the legal authority. All funds be closely monitored throughout the year to ensure appropriation authority is in place prior to expending monies

#### **Response –**

Following is the response included in our FY 2007 audit's Management Advisory Letter:

"General Ledger has a year-end process to review Department budgets and identify any budget over expenditures or potential over expenditures. However, this over expenditure in the Bridge Fund was not properly identified during our year-end review process as certain line items in the budgetary report were improperly grouped together. In further reviewing our budget to actual review process, we have revised the reports to more clearly identify line items that may result in budget over expenditures and potential over expenditures.

In our discussions with the Department, the budget violation was caused by additional costs incurred earlier than anticipated in the budget related to the Sauvie Island Bridge replacement project. The budget anticipated flat spending from fiscal year 2007 through the end of the project in fiscal year 2009. However, the offsite fabrication of the bridge arch began in fiscal year 2007 concurrent with a surge in effort at the bridge site. This began to drive the actual expenditures over the budgeted level during fiscal year 2007. AT year-end the overall Bridge Fund has approximately \$23 million in unobligated funds.

Also in our discussions, it was noted that the Department of Community Services management has a process to review budget to actual expenditures periodically, however the process was not performed consistently for all dedicated funds including the Bridge Fund. Upon discovering the budget violation, the Department is revising and documenting their budget to actual review process to include all dedicated funds. In addition, the Department has added another level of review to the process that will be performed by the Business Manager to ensure any over expenditures or potential over expenditures are identified early."

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Levying Ad Valorem Property Taxes for Multnomah County, Oregon, for Fiscal Year 2009

**The Multnomah County Board of Commissioners Finds:**

- a. The Board has adopted the budget for Multnomah County, Oregon for Fiscal Year 2009.
- b. That budget provides for ad valorem property taxes to be levied on all property in Multnomah County.

**The Multnomah County Board of Commissioners Resolves:**

1. The Board levies the taxes provided for in the adopted budget.
2. These taxes are a combination of authorized tax rates and authorized dollars for repayment of bonded debt as follows:

<b>General Government Category</b>	
<b>Operating Taxes</b>	<b>Tax Rate / \$1,000</b>
Permanent Tax Rate	\$ 4.3434
Library Local Option Levy	\$ 0.8900
<b>Total Operating Taxes</b>	<b>\$ 5.2334</b>

<b>Excluded From Limitation</b>	
<b>Bonded Indebtedness</b>	<b>Tax Amount</b>
General Obligation Debt Levy	\$8,465,608
<b>Total Debt Levy</b>	<b>\$8,465,608</b>

3. These taxes are levied upon all taxable property in Multnomah County.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-081**

Adopting the Fiscal Year 2009 Budget for Multnomah County and Making Appropriations Thereunder, Pursuant to ORS 294.435

**The Multnomah County Board of County Commissioners Finds:**

- a. The Multnomah County budget, as prepared by the duly appointed Budget Officer has been considered and approved by the Board.
- b. A public hearing on this budget was held before the Multnomah County Tax Supervising and Conservation Commission on the 28th day of May 2008.
- c. The budget is on file in the Office of the Chair of Multnomah County.
- d. The Board has made certain amendments to the above-described budget and those amendments are attached to this resolution as Attachment A.
- e. The appropriations authorized are attached to this resolution as Attachment B.
- f. Board budget notes of actions to be taken during the next year are attached to this resolution as Attachment C.
- g. The Tax Supervising and Conservation Commission has certified the budget and there is one recommendation with a response attached to this resolution as Attachment D.

**The Multnomah County Board of County Commissioners Resolves:**

1. The budget, including Attachments A, B, and C, is adopted as the budget of Multnomah County, Oregon.
2. The appropriations shown in Attachment B are authorized for the fiscal year July 1, 2008 to June 30, 2009.

ADOPTED this 5th day of June, 2008.

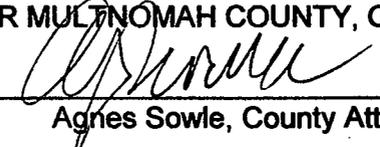


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By 

Agnes Sowle, County Attorney

SUBMITTED BY:

Carol Ford, Director, Department of County Management

# ATTACHMENT A - BCC PROPOSED BUDGET AMENDMENTS

(Based on Proposals Made During May Worksessions)

Last Updated: June 5, 2008

<b>Proposed Funding Sources</b>					
<b>Proposed By</b>	<b>Program</b>	<b>PO #</b>	<b>Exec Budget</b>	<b>Proposed</b>	<b>Final Adopted</b>
<b>Wheeler Proposed Package</b>					
Wheeler	Unfund Detention Electronics	60048	825,273	0	\$801,000
Wheeler	Revenue Increase from FY 2008	New	0	3,675,000	\$3,675,000
Wheeler	General Fund Contingency FY 2008 Carryover	New	0	1,300,000	\$1,300,000
<b>TOTAL AVAILABLE TO BALANCE BUDGET</b>					<b>\$5,776,000</b>

<b>Proposed New Expenditures</b>					
<b>Proposed By</b>	<b>Program</b>	<b>PO #</b>	<b>Exec Budget</b>	<b>Proposed</b>	<b>Final Adopted</b>
<b>Wheeler Proposed Package</b>					
Rojo	Communities of Color: Participatory Research (OTO)	25141	0	100,000	\$100,000
Naito	2010 Census - Complete Count 0.50 Part-Time FTE budgeted in HD (OTO)	New	0	25,000	\$25,000
Cogen	At-Risk Girls Programming - Restore Funding	25153	0	59,000	\$59,000
Roberts	Public Services Pathways (OTO)	New	0	50,000	\$50,000
Naito/Cogen	Homeless Youth Alternative: Staff Training (OTO)	New	0	108,000	\$108,000
Cogen	2-1-1 Info Program	10009	0	0	\$0
Naito	Courthouse 2010 Project Manager (\$50,000 earmarked in Facilities Contingency)	New	0	0	\$0
Naito	2.80 Corrections Health Nurses	New	0	302,000	\$302,000
Cogen	Safe Supervised Visitation in Domestic Violence Cases (OTO)	25040D	0	30,000	\$30,000
Wheeler	Wapato Plan - 6 Month Facilities Commissioning and Staff Ramp-Up (reduces Contingency)	New	(766,186)	766,186	\$0
Wheeler	\$3.0 million Revenue Reserve for FY 2009	New	0	3,000,000	\$3,000,000
<b>TOTAL AVAILABLE TO BALANCE BUDGET</b>					<b>\$3,674,000</b>

<b>Proposed New Expenditures</b>					
<b>Proposed By</b>	<b>Program</b>	<b>PO #</b>	<b>Exec Budget</b>	<b>Proposed</b>	<b>Final Adopted</b>
<b>Other Proposed Amendments</b>					
Roberts	Field Based Work Release - Offer A Revised 3 Months (July - September)	60038A	0	120,840	\$120,840
Rojo	Carryover Funds for CCFC staff to attend Conf.	New	0	2,500	\$2,500
<b>TOTAL NEW EXPENDITURES</b>					<b>\$3,797,340</b>

**Withdrawn Amendments**

Naite	Discharge Planner in MCSO		0	0	
Naite	Height Adjustment DT Courthouse Project	New	0	100,000	
Naite	Homeless Youth Service Continuum	New	0	358,400	
Roberts	Field Based Work Release - Offer A Revised	60038A	0	483,361	

<b>Available Funding From Above</b>	<b>\$5,776,000</b>
<b>Plus Public Safety Bond Fund Reimburse to General Fund</b>	<b><u>\$425,000</u></b>
<b>Total</b>	<b>\$6,201,000</b>
<b>New Expenditures (including revenue reserve)</b>	<b>\$3,797,340</b>
<b>BALANCE FOR CGF CONTINGENCY</b>	<b>\$2,403,660</b>

**ATTACHMENT A - Departmental Amendments**

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Technical Amendments</b>								
Various	Internal Service Placeholder	DCM			0		Internal Service Cleanup - Placeholder to adjust various internal service programs based on programs that are funded. Funds impacted include those for Facilities, IT, FREDS, Debt, Capital Acquisition and the Risk Fund. The balancing of 'other internal services' may impact funds besides internal service funds.	09_DCM_TA_01
72022	Tax Administration Accounting Adjustment	DCM	820,000	0	820,000	0.00	Changes our payment to the City of Portland for BIT collection to an expense rather than a reduction from the revenue distribution. This is a change in accounting practice that has no net effect on revenues or expenses.	09_DCM_TA_02
72050, 72051	BWC adjustments to capital funds	DCM	0	(3,227,169)	(3,227,169)	0.00	Revises capital program budgets to adjust for capital program changes. Corrects cost elements, makes other technical adjustments.	09_DCM_TA_03
Various	Various Internal Service Fund BWC adjustments	DCM			0	0.00	BWC adjustments - due to better information about the status of the internal service funds.	09_DCM_TA_04
72015	\$62,000 BWC to the Wellness program	DCM	0	62,000	62,000	0.00	Adds \$62,000 in BWC for one-time maintenance and equipment improvements to the County's fitness centers.	09_DCM_TA_06
72025	Public Safety Bond Fund - Completion of Bond Fund Program	DCM	425,000	0	425,000	0.00	The Public Safety Bond Fund reimburses the General Fund \$425,000 for a loan made in FY 2007 for jumper rails at Inverness Jail.	09_DCM_TA_07
Various	Corrects coding for debt buy-down in the Health Department	HD	0	0	0		Corrects SAP coding for the debt buy-down transaction as it affects the Health Department.	09_HD_TA_01

**ATTACHMENT A - Departmental Amendments**

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Staffing Amendments</b>								
Various	Job class updates	Countywide	0	0	0	0.00	Updates the job class of 30.61 positions that the Board has approved for reclassification in FY 2008 but are not shown with the updated job class in the Approved budget.	09_Overall_SA_01
60040D	MCSO MCDC	MCSO	0	0	0	(1.00)	Converts 3 Corrections Sergeants to 2 Lieutenants.	09_MCSO_SA_60040D
60064A	MCSO Civil Process	MCSO	0	0	0	0.00	Convert Sr Civil Deputy to Sergeant	09_MCSO_SA_01
60040A & 60041A	MCSO MCDC and MCIJ	MCSO	0	0	0	0.00	Adds 10 FTE Corrections Deputies to allow for over-staffing due to ongoing attrition and the length of time it takes to hire replacements. No additional cost.	09_MCSO_SA_60064A
50041	DCJ - 0.50 FTE Corrections Technician	DCJ	0	5,642	5,642	0.50	Adds a 0.50 FTE Corrections Technician and reduces overtime by the like amount in the Adult Services Division. Increases the Risk fund by \$5,642.	09_DCJ_SA_01

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Revenue Amendments</b>								
10001	Sauvie Island Bridge Opening Celebration	Nond	10,000	0	10,000		Adds \$10,000 in private donations for Sauvie Island Bridge Opening Celebration	09_Nond_RA_01
50022	State of Oregon Youth Authority Funds for Juvenile Gang Intervention Services	DCJ	27,560	463,305	490,865	4.50	Appropriates \$400,000 from the Oregon Youth Authority (OYA) for juvenile gang intervention services and will fund the After School Intensive Supervision Program (ASIS). This includes 4.50 FTE \$27,560 for indirect expenses and \$63,305 for the Risk Fund insurance reimbursement.	09_DCJ_RA_01
80007	Life by Design NW Grant	LIB	0	50,000	50,000		Appropriates \$50,000 for the Life by Design NW grant for limited duration staff. The grant will allow the library to work collaboratively with other partners (PSU, Hands on Portland, PCC and others) to develop programs and opportunities to engage older adults in helping them discover their passion and purpose in life through programs, workshops, etc. so that they will in turn give back to the community.	09_LIB_RA_01
72005	\$5,000 donations for Sustainability Film Series	DCM	5,000	0	5,000	0.00	Adds \$5,000 donation revenue for the Sustainability Film Series to be held in July of 2008;	09_DCM_RA_01
40031	Oregon Primary Care Assoc Pharmacy Drug Assistance Grant	HD	0	81,230	81,230		Adds \$81,230 grant revenue to purchase prescription medications for low income Oregon residents.	09_HD_RA_01
40035A	Gates Foundation Grant for Tobacco Evaluation	HD	7,723	103,574	111,297	0.15	Adds \$100,000 from the Gates Foundation from grant extension to fund permanent and temporary personnel to complete the evaluation report on international tobacco control. This includes .15 FTE, \$7,723 indirect revenue to General Fund and \$3,574 for the Risk Fund insurance reimbursement	09_HD_RA_02
40035A	Federal Public Health Services Grant to conduct evaluation of the Oregon Asthma Program	HD	1,351	19,803	21,154	0.12	Adds \$17,500 from the federal Public Health Services to fund permanent and temporary personnel costs to conduct an evaluation of the Oregon Asthma Program. This includes .12 FTE, \$1,351 indirect revenue to General Fund and \$2,303 for the Risk Fund insurance reimbursement	09_HD_RA_03

**ATTACHMENT A - Departmental Amendments**

<b>Program #</b>	<b>Program Title</b>	<b>Dept(s)</b>	<b>GF Change</b>	<b>Other Funds Change</b>	<b>Total Change</b>	<b>FTE Change</b>	<b>Amendment Description</b>	<b>Amendment #</b>
40035A	Alaska Tobacco Evaluation Grant to continue evaluation of effects of Tobacco Use	HD	7,723	105,813	113,536	0.45	Adds \$100,000 from the Alaska Tobacco Evaluation Grant for permanent and temporary personnel costs for the assessment of: tobacco use, exposure to second hand smoke and attitudes, social norms and policy implications for the state of Alaska. This includes .45 FTE, \$7,724 indirect revenue to General fund and \$7,984 for the Risk Fund insurance reimbursement	09_HD_RA_04
40035A	Additional Revenue from the Federal Morbidity Monitoring Grant to continue data collection on persons with HIV	HD	6,565	107,530	114,095	1.70	Adds \$85,000 from the Federal Morbidity Monitoring Grant for permanent and temporary personnel costs for continued collection of data on persons in Oregon infected with HIV on quality of care and the severity of need for care and support. This includes 1.70 FTE, \$6,565 indirect revenue to General fund and \$22,530 for the Risk Fund insurance reimbursement	09_HD_RA_05
40012	Additional Revenue from Ryan White Grants to provide medical case management for persons with HIV	HD	2,362	157,196	159,558	0.25	Adds \$144,681 from Ryan White Part A Service and Quality Mgmt and \$8,890 from Ryan White Part A Minority Aids Initiative Grant to be distributed through current contracts with community based organizations for medical case management services to low income persons with HIV. This includes .25 FTE, \$2,362 indirect revenue to General Fund and \$3,625 for the Risk Fund insurance reimbursement.	09_HD_RA_06
40007	Additional Revenue from Environmental Health Inspections rate increase	HD	163,329	28,564	191,893	0.00	Adds \$163,329 to Environmental Health Inspections Program to cover personnel costs to perform restaurant inspections. This is a result of the Boards approval in April 2008 to increase current Permit & Licenses fees. This includes \$28,564 for the Risk Fund Insurance reimbursement. FTE are not increased but previous salary saving is decreased.	09_HD_RA_07

**ATTACHMENT A - Departmental Amendments**

<b>Program #</b>	<b>Program Title</b>	<b>Dept(s)</b>	<b>GF Change</b>	<b>Other Funds Change</b>	<b>Total Change</b>	<b>FTE Change</b>	<b>Amendment Description</b>	<b>Amendment #</b>
40005	Emergency Health Preparedness Grant Funding	HD	3,414	48,268	51,682	0.26	Adds \$34,200 from Health Preparedness Organization, \$5,000 from WA County - Citizen's Readiness Initiative, and \$5,200 from NACCHO Medical Reserve Corp to support costs related to emergency preparedness exercises and provide opportunity for health professionals to become an effective part of health response to an emergency. This includes .26 FTE, \$3,414 indirect revenue to General Fund and \$4,068 for the Risk Fund insurance reimbursement	09_HD_RA_08
60066A	MCSO Detectives & Child Abuse Team	MCSO	0	53,135	53,135	0.40	Adds DVERT Grant - Domestic Violence Enhanced Response Team. 0.40 FTE Deputy Sheriff \$53,135.	09_MCSO_RA_60066A
60010	MCSO Business Services Admin	MCSO	500,000	0	500,000	0.00	Budgets FY 2009 estimated SCAAP revenue - \$500,000 into General Fund contingency. There is a budget note earmarking this in contingency	09_MCSO_RA_60010

## ATTACHMENT A - Departmental Amendments

Program #	Program Title	Dept(s)	GF Change	Other Funds Change	Total Change	FTE Change	Amendment Description	Amendment #
<b>Carryover Amendments</b>								
50035	King Facility Improvements - Carryover	DCJ	33,736	0	33,736	0.00	Funds will be used to complete the King Facility improvements located at 4815 NE 7th in Portland. Improvements began in FY 2008 using DCJ's budgeted appropriation, but not all will be completed by June 30, 2008. The following is the estimated costs of facility improvements: \$1,000 to change locks, \$2,036 for a new transaction window, \$1,200 for new door installation and \$29,500 for new card readers.	09_DCJ_CA_01
25114	Bridges to Housing - Carryover	DCHS	195,992	0	195,992	0.00	Spend out the balance of \$1million originally appropriated in FY 2007. Allows (1) administration of service contracts to shift from DCHS to the regional administration, The Neighborhood Partnership Fund (NPF). County funds will be spent first and reserves the privately B2H funds for services in 2010 and beyond and (2) construction on 2 projects will be completed earlier in FY 2009 than anticipated Increasing the required case management funding needed in FY 2009.	09_DCHS_CA_01
72069	Carryover amendment for Executive Class-Comp Study	DCM	300,000	0	300,000	0.00	Carries over \$300,000 for executive class-comp study currently under contract but not to be completed by 6-30-08.	09_DCM_CA_04
60010	MCSO Business Services Admin	MCSO	200,000	0	200,000	0.00	SCAAP revenue for FY 2008 - estimated carryover of items anticipated to be received in FY 2009	09_MCSO_CA_60010
60065A	MCSO River Patrol	MCSO	93,269	0	93,269	0.00	This budgets a carryover of a boat engine and installation.	09_MCSO_CA_60065A
95000	Fund Level Transactions	MCSO	1,393,699	0	1,393,699	0.00	This budgets a carryover of 2.7% for the FY 2008 COLA for the MCCDA contract. \$1,393,699.	09_MCSO_CA_01
95000	Fund Level Transactions	DCJ	485,198	0	485,198	0.00	This budgets a carryover of 2.7% for the FY 2008 COLA for the unsettled FOPPO and JCSS contracts.	09_DCJ_CA_02
95000	Fund Level Transactions	DCM	1,275,000	0	1,275,000	0.00	Local 88 class comp reserve. This is required per local 88 contract. .25% of budgeted payroll plus \$75,000 for consultants. The .25% amount translates to about \$450,000 while the carryover sits at roughly \$750,000	09_DCM_CA_01
	<b>TOTAL</b>		<b>5,956,921</b>	<b>(1,941,109)</b>	<b>4,015,812</b>	<b>7.33</b>		

**Attachment B**  
**Appropriations Schedule**  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**GENERAL FUND (1000)**

<i>Nondepartmental</i>		18,449,277
<i>District Attorney</i>		19,799,784
<i>Overall County Expenditures</i>		0
<i>County Human Services</i>		46,987,466
<i>Health</i>		54,538,990
<i>Community Justice</i>		54,129,069
<i>Sheriff</i>		98,790,055
<i>County Management</i>		33,896,564
<i>Community Services</i>		11,196,865
<i>All Agencies</i>		<b>337,788,070</b>
<i>Cash Transfers</i>	Library Fund	16,287,262
	Asset Preservation Fund	560,000
	Capital Debt Retirement Fund	24,200,000
	Facilities Fund	1,075,000
	Fleet Management Fund	299,901
<i>Total Cash Transfers</i>		<b>42,422,163</b>
<i>Contingency</i>		<b>16,458,786</b>
<b>Total Appropriation</b>		<b>396,669,019</b>

**STRATEGIC INVESTMENT PROGRAM FUND (1500)**

<i>County Human Services</i>		288,258
<i>Cash Transfers</i>	General Fund	200,000
<b>Total Appropriation</b>		<b>488,258</b>

**ROAD FUND (1501)**

<i>Community Services</i>		46,121,174
<i>Cash Transfers</i>	Willamette River Bridge Fund	5,441,650
	Bicycle Path Construction Fund	64,000
<i>Total Cash Transfers</i>		<b>5,505,650</b>
<b>Total Appropriation</b>		<b>51,626,824</b>

**EMERGENCY COMMUNICATIONS FUND (1502)**

<i>Sheriff</i>		240,000
<b>Total Appropriation</b>		<b>240,000</b>

**BICYCLE PATH CONSTRUCTION FUND (1503)**

<i>Community Services</i>		639,000
<b>Total Appropriation</b>		<b>639,000</b>

**RECREATION FUND (1504)**

<i>County Management</i>		120,000
<b>Total Appropriation</b>		<b>120,000</b>

**Attachment B**  
**Appropriations Schedule**  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**FEDERAL STATE FUND (1505)**

<i>Nondepartmental</i>	1,844,733
<i>District Attorney</i>	6,391,355
<i>County Human Services</i>	104,520,618
<i>Health</i>	81,988,234
<i>Community Justice</i>	28,868,839
<i>Sheriff</i>	10,538,924
<i>County Management</i>	1,523,547
<i>Community Services</i>	193,901
<i>All Agencies</i>	<b>235,870,151</b>
<i>Contingency</i>	<b>75,419</b>
<b>Total Appropriation</b>	<b>235,945,570</b>

**COUNTY SCHOOL FUND (1506)**

<i>Nondepartmental</i>	260,000
<b>Total Appropriation</b>	<b>260,000</b>

**TAX TITLE FUND (1507)**

<i>Community Services</i>	678,016
<b>Total Appropriation</b>	<b>678,016</b>

**ANIMAL CONTROL FUND (1508)**

<i>Community Services</i>	156,500
<i>Cash Transfers</i> General Fund	1,240,000
<i>Contingency</i>	454,385
<b>Total Appropriation</b>	<b>1,850,885</b>

**WILLAMETTE RIVER BRIDGES FUND (1509)**

<i>Community Services</i>	20,133,096
<i>Cash Transfers</i> General Fund	1,600,000
<b>Total Appropriation</b>	<b>21,733,096</b>

**LIBRARY SERIAL LEVY FUND (1510)**

<i>Library</i>	60,176,479
<i>Contingency</i>	3,000,000
<b>Total Appropriation</b>	<b>63,176,479</b>

**SPECIAL EXCISE TAXES FUND (1511)**

<i>Nondepartmental</i>	23,000,000
<b>Total Appropriation</b>	<b>23,000,000</b>

**LAND CORNER PRESERVATION FUND (1512)**

<i>Community Services</i>	1,359,912
<i>Contingency</i>	1,320,088
<b>Total Appropriation</b>	<b>2,680,000</b>

**Attachment B**  
**Appropriations Schedule**  
 Multnomah County, Oregon  
 Fiscal Year July 1, 2008 to June 30, 2009

**INMATE WELFARE FUND (1513)**

<i>Community Justice</i>	12,830
<i>Sheriff</i>	2,513,382
<i>All Agencies</i>	<b>2,526,212</b>
<b>Total Appropriation</b>	<b>2,526,212</b>

**JUSTICE SERVICES SPECIAL OPERATIONS (1516)**

<i>District Attorney</i>	151,342
<i>Health</i>	1,670,358
<i>Community Justice</i>	1,160,267
<i>Sheriff</i>	2,797,108
<i>All Agencies</i>	<b>5,779,075</b>
<b>Total Appropriation</b>	<b>5,779,075</b>

**REVENUE BOND SINKING FUND (2001)**

<i>Nondepartmental</i>	857,135
<b>Total Appropriation</b>	<b>857,135</b>

**CAPITAL LEASE RETIREMENT FUND (2002)**

<i>Nondepartmental</i>	12,159,016
<i>Contingency</i>	4,296,232
<b>Total Appropriation</b>	<b>16,455,248</b>

**GENERAL OBLIGATION BOND SINKING FUND (2003)**

<i>Nondepartmental</i>	9,232,498
<b>Total Appropriation</b>	<b>9,232,498</b>

**PERS BOND SINKING FUND (2004)**

<i>Nondepartmental</i>	13,591,690
<b>Total Appropriation</b>	<b>13,591,690</b>

**JUSTICE BOND PROJECT FUND (2500)**

<i>County Management</i>	565,000
<i>Cash Transfers</i> General Fund	425,000
<b>Total Appropriation</b>	<b>990,000</b>

**FINANCED PROJECTS FUND (2504)**

<i>County Management</i>	2,482,500
<b>Total Appropriation</b>	<b>2,482,500</b>

**CAPITAL IMPROVEMENT FUND (2507)**

<i>County Management</i>	48,524,738
<i>Cash Transfers</i> Willamette River Bridge Fund	1,923,203
<b>Total Appropriation</b>	<b>50,447,941</b>

Attachment B  
 Appropriations Schedule  
 Multnomah County, Oregon  
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**CAPITAL ACQUISITION FUND (2508)**

<i>Nondepartmental</i>	363,135
<b>Total Appropriation</b>	<b>363,135</b>

**ASSET PRESERVATION FUND (2509)**

<i>County Management</i>	6,612,240
<b>Total Appropriation</b>	<b>6,612,240</b>

**BEHAVIORAL HEALTH MANAGED CARE FUND (3002)**

<i>County Human Services</i>	35,882,064
<i>Contingency</i>	4,693,820
<b>Total Appropriation</b>	<b>40,575,884</b>

**RISK MANAGEMENT FUND (3500)**

<i>Nondepartmental</i>	3,114,642
<i>County Management</i>	87,094,932
<i>All Agencies</i>	90,209,574
<i>Contingency</i>	4,671,088
<b>Total Appropriation</b>	<b>94,880,662</b>

**FLEET FUND (3501)**

<i>County Management</i>	10,422,799
<i>Contingency</i>	860,223
<b>Total Appropriation</b>	<b>11,283,022</b>

**DATA PROCESSING FUND (3503)**

<i>County Management</i>	42,351,153
<i>Cash Transfers</i> General Fund	175,000
<i>Contingency</i>	1,425,000
<b>Total Appropriation</b>	<b>43,951,153</b>

**MAIL DISTRIBUTION FUND (3504)**

<i>County Management</i>	7,737,706
<i>Contingency</i>	397,109
<b>Total Appropriation</b>	<b>8,134,815</b>

**FACILITIES MANAGEMENT FUND (3505)**

<i>County Management</i>	34,373,738
<i>Cash Transfers</i> Capital Improvement Fund	3,049,361
Asset Preservation Fund	1,983,964
<i>Total Cash Transfers</i>	5,033,325
<i>Contingency</i>	1,690,939
<b>Total Appropriation</b>	<b>41,098,002</b>

# Attachment C - FY 2009 Budget Notes

June 05, 2008

## SCAAP Grant

The Sheriff's Office applies for the State Criminal Alien Assistance Program (SCAAP) each year through the Bureau of Justice Administration (BJA). Typically the Sheriff's Office does not receive notice of award or grant amount until at least the 3rd quarter of the fiscal year. Historically, award amounts have ranged from \$250,000 - \$700,000, with an average of about \$450,000. Uses of the funds are restricted to Corrections activities and the BJA provides criteria defining appropriate use. In past years, due to the uncertainty of the grant, we have not budgeted for this potential revenue. However, by not estimating the potential grant revenue during budget adoption, when an award is made Oregon Budget Law requires a supplemental budget to appropriate the funds.

By earmarking the potential grant award in contingency, the funds can be appropriated by a simple budget modification. The Sheriff's Office has requested the earmark of \$500,000 for FY 2009.

## Flash Money

The County understands that, on occasion, the use of large sums of money known as "flash money" is a necessary element to the successful investigation of drug, property, and other types of crimes by the Sheriff's Office. In order to further an investigation, the use of flash money is an important tool to the infiltration of the criminal enterprise and in gaining the acceptance and confidence of an alleged criminal. The County also understands that there is a risk of loss when flash money is used during these types of investigations. The County acknowledges the sum of \$100,000 as an acceptable risk when using flash money in a criminal investigation.

## Wapato

Prior to any request to appropriate funds for Wapato operations, the Board desires a detailed policy briefing reporting on the data, analysis and resolution of the following issues:

- SB 400 implementation impact and risk
- Long term financial sustainability
- IP 40/SB 1087 outcome planning; active state partnership
- Evaluation of the proposal with recommendations by professionals outside of the County
- Jail - clarification staffing levels at the jails
- Treatment – discussion of the programs relationship to community and other partners and different populations
- Treatment – comparison of this program to River Rock and Interchange; and an analysis of the expected outcomes
- Treatment – comparison of costs for providing the program in-house vs. contracting out services
- Treatment – discussion of the screening criteria

# Attachment C - FY 2009 Budget Notes

June 05, 2008

- Treatment – why is alcohol and drug treatment not operated by the Department of County Human Services (DCHS)?
- Treatment – discussion of the program design and evidence based results
- Treatment – more information on EMS response time

## Wapato Decision Making Process

1. Approve the budget amendment addressing the start up costs incurred by Facilities, DCJ, Corrections Health, and MCSO between July 1 and December 31, 2008. (This amendment draws approximately \$766,186 on the \$6.9 million reserved in contingency for Wapato operations in FY 2009)
2. Schedule briefing sessions in mid-June with the current Board on options for a public safety levy for November, 2008.
3. Schedule briefing sessions with new and prospective Board members on options for a public safety services levy for November, 2008, and to explain the Wapato proposal.
4. Schedule another briefing session with the current Board (with prospective Board members invited) to review the more detailed plans for the operations of Wapato.
5. Make a final decision on the operation of Wapato by August, 2008.

## Pretrial Continuum, Sobering and Detox Programs, Mental Health Crisis Triage and Sub-Acute Capital and Jail Reentry Plan

This additional \$2.4 million placed in contingency can be allocated as needed amongst any of the following issues:

A. **Changes to the pretrial system.** The Deputy Chief Operating Officer is working with the current CJAC pre-trial work group in developing a proposal for a cost efficient, data driven pretrial data collection and release decision framework. The recommendations will address the best long term structure for providing pretrial services in the County. The goals of the project are:

1. Streamlined data gathering system; create one system, used by all criminal justice staff to gather relevant information for evaluation, classification, and potential release of inmates.
2. Uniform release criteria, validated to increase likelihood of no additional criminal behavior and appearance for legal proceedings.
3. Appropriate levels of supervision to govern releases, based on dangerousness to community and likelihood of court appearance.
4. Overall most efficient use of system resources by providing a single, prompt comprehensive review that results in timely release decision and appropriate level of supervision. Maintain a single list of most likely to be released. Have list available as needed, subject to jail override based on conduct in jail and/or

## Attachment C - FY 2009 Budget Notes

June 05, 2008

changes in charges by the DA.

**B. Stable funding for the sobering and detox programs.** The Chair has sponsored discussions with various community partnerships around stable, increased funding for the sobering and detox programs offered by Central City Concern. Those discussions have produced some positive developments, but are not complete. To insure continuity for FY09, the Chair may need to request some additional funding.

**C. A Mental Health Crisis Triage Center/Sub-Acute Facility** would supply much-needed 24/7 psychiatric support for mentally ill persons, diverting them from the far more costly options of incarceration or hospital admission. Sub-acute service ensures that individuals who might otherwise be hospitalized will have the opportunity to stabilize and return to their community. The Board directs the Department of County Human Services (DCHS) to bring forward a plan for operating the Sub-Acute Facility for Mental Health to the Board by September 1st.

This budget note will allow consideration of additional one time only expenditures if needed to move forward on construction of the Sub-Acute Facility for Mental Health in the event the County is not able to find the cooperation and full commitment necessary from the City, the State and/or partner agencies.

**D. Jail reentry plan:** This budget note earmarks an additional expenditure of up to \$500,000 in contingency for the Multnomah County Second Chance Project: Successful Reentry from Jail to Community. The funds would be released following Board adoption of a "Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community".

To prepare the Plan for The Multnomah County Second Chance Project: Successful Reentry from Jail to Community we must establish a work group to:

- Prepare an inventory of current services for jail reentry; this would include services in the Department of Community Justice for reentry from prison, jail discharge planning, transition services, Project 57, and others;
- Design The Multnomah County Second Chance Project including housing, employment, health and mental health care, reunification with families, drug and alcohol treatment, recovery support, parenting classes for incarcerated parents, domestic violence prevention services;

# Attachment C - FY 2009 Budget Notes

June 05, 2008

- Identify staff functions that would seek to “span” the boundary between the jail and community providers and to determine the necessary training and/or qualifications for this work. For example, staff could be located in the jails to facilitate jail staff training and to work with the inmates on their individual reentry plans while they are incarcerated – plans would include linking inmates to housing and service providers. Also, staff could be located in the community to advocate for increased employment and other reentry services by working with service providers, employers, faith-based groups and others.

## Sheriff’s Office Authorization for Over-Staffing Deputies

The recruitment, hiring and training of Law Enforcement Deputies and Corrections Deputies (Deputy) is a competitive and resource intensive process. Before a Sheriff’s Deputy can become a self-sufficient employee, six months to a year of recruitment, hiring, and training must occur. The Sheriff’s Office wants to keep Deputy vacancies, as well as other post-driven classification vacancies to a minimum. Over the next five years, approximately 17% of the Deputy work force will be eligible for retirement. Historically, the Sheriff’s Office has averaged a 7% annual attrition rate in the Deputy job classifications. It is important to minimize the amount of time a position is vacant and careful management of vacancies by anticipating attrition events will result in both a positive impact on the employee’s well-being and contribute to the reduction of the agency’s dependence upon overtime.

This budget note authorizes the Sheriff’s Office to overfill budgeted Deputy positions by 10.00 FTE. It is expected that this strategy will provide the needed flexibility to keep vacancies filled yet remain within budgeted appropriation.

## Courthouse Entitlements

The current zoning for the North Hawthorne Bridgehead Block, the preferred site for a new Multnomah County Courthouse, limits the height of development and precludes the construction of a building of sufficient size to meet the needs of the new courthouse.

The process for obtaining the required zoning for the new courthouse is a significant step in the process. It is important that the work to obtain the zoning begin immediately to insure that the site is ready once construction funding is identified.

This budget note authorizes the Facilities Division to engage outside legal counsel, if necessary, specializing in land use matters, to assist in land use entitlements for the North Hawthorne Bridgehead for a County Courthouse and implement Resolution 08-076. All work will be done in partnership with the County Attorney’s Office.

## **Attachment C - FY 2009 Budget Notes**

June 05, 2008

Facilities has \$100,000 budgeted in FY 2009 within the Courthouse project to assist with obtaining the necessary zoning requirements.

### **Courthouse 2010 Project Manager**

In order to continue the momentum the Courthouse Project has experienced over the past several years, \$50,000 is earmarked in the Facilities Fund Contingency to provide for a part-time Courthouse Project Manager dedicated to developing a financing plan for the Courthouse Project. The position would commence January 1, 2009.

## ATTACHMENT D

The Board makes the following response to the recommendation made by the Tax Supervising and Conservation Commission (TSCC) which is contained in the letter certifying the FY 2009 County budget.

### 1. Recommendation – Expenditures exceeded appropriations

The audit for the year ending June 30, 2007 noted the following over-expenditures:

Willamette Rive Bridge fund	\$ \$3,221,000
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Local Budget Law does not allow the expenditure of monies beyond the legal authority. All funds be closely monitored throughout the year to ensure appropriation authority is in place prior to expending monies

#### **Response –**

Following is the response included in our FY 2007 audit's Management Advisory Letter:

"General Ledger has a year-end process to review Department budgets and identify any budget over expenditures or potential over expenditures. However, this over expenditure in the Bridge Fund was not properly identified during our year-end review process as certain line items in the budgetary report were improperly grouped together. In further reviewing our budget to actual review process, we have revised the reports to more clearly identify line items that may result in budget over expenditures and potential over expenditures.

In our discussions with the Department, the budget violation was caused by additional costs incurred earlier than anticipated in the budget related to the Sauvie Island Bridge replacement project. The budget anticipated flat spending from fiscal year 2007 through the end of the project in fiscal year 2009. However, the offsite fabrication of the bridge arch began in fiscal year 2007 concurrent with a surge in effort at the bridge site. This began to drive the actual expenditures over the budgeted level during fiscal year 2007. AT year-end the overall Bridge Fund has approximately \$23 million in unobligated funds.

Also in our discussions, it was noted that the Department of Community Services management has a process to review budget to actual expenditures periodically, however the process was not performed consistently for all dedicated funds including the Bridge Fund. Upon discovering the budget violation, the Department is revising and documenting their budget to actual review process to include all dedicated funds. In addition, the Department has added another level of review to the process that will be performed by the Business Manager to ensure any over expenditures or potential over expenditures are identified early."



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (short form)**

**Board Clerk Use Only**

Meeting Date: 06/05/08  
 Agenda Item #: R-5  
 Est. Start Time: 9:15 AM  
 Date Submitted: 05/21/08

**Agenda Title:** **RESOLUTION Levying Ad Valorem Property Taxes for Multnomah County, Oregon, for FY 2009**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

**Requested Meeting Date:** June 5, 2008      **Amount of Time Needed:** 5 minutes  
**Department:** Department of County Management      **Division:** Budget  
**Contact(s):** Karyne Dargan  
**Phone:** 988-3312      **Ext.** 22457      **I/O Address:** 503/531  
**Presenter(s):** Karyne Dargan

**General Information**

**1. What action are you requesting from the Board?**

It is recommended that the Board of County Commissioners adopt the resolution to levy property taxes for Fiscal Year 2009.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

The resolution levies the taxes included in the FY 2009 Adopted Budget.

**3. Explain the fiscal impact (current year and ongoing).**

This action authorizes rate levies for the General Fund (Permanent Rate) of \$4.3434 per thousand dollars of assessed value and the Library Local Option Levy of \$0.89 per thousand dollars of assessed value.

It also levies \$8,465,608 for bonded debt payments. Tax levies in support of bonded debt are excluded from the limitations imposed by Measure 5 and Measure 50.

**4. Explain any legal and/or policy issues involved.**

n/a

5. Explain any citizen and/or other government participation that has or will take place.

n/a

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**Required Signature**

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**Elected Official or  
Department/  
Agency Director:**

*Carol M. Ford*

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**Date:** 05/21/08

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. \_\_\_\_\_

Levying Ad Valorem Property Taxes for Multnomah County, Oregon, for Fiscal Year 2009

**The Multnomah County Board of Commissioners Finds:**

- a. The Board has adopted the budget for Multnomah County, Oregon for Fiscal Year 2009.
- b. That budget provides for ad valorem property taxes to be levied on all property in Multnomah County.

**The Multnomah County Board of Commissioners Resolves:**

1. The Board levies the taxes provided for in the adopted budget.
2. These taxes are a combination of authorized tax rates and authorized dollars for repayment of bonded debt as follows:

<b>General Government Category</b>	
<b>Operating Taxes</b>	<b>Tax Rate / \$1,000</b>
Permanent Tax Rate	\$ 4.3434
Library Local Option Levy	\$ 0.8900
<b>Total Operating Taxes</b>	<b>\$ 5.2334</b>

<b>Excluded From Limitation</b>	
<b>Bonded Indebtedness</b>	<b>Tax Amount</b>
General Obligation Debt Levy	\$8,465,608
<b>Total Debt Levy</b>	<b>\$8,465,608</b>

3. These taxes are levied upon all taxable property in Multnomah County.

ADOPTED this 5th day of June, 2008.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

\_\_\_\_\_  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Agnes Sowle, County Attorney

SUBMITTED BY:  
Carol Ford, Director, Department of County Management

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-082**

Levying Ad Valorem Property Taxes for Multnomah County, Oregon, for Fiscal Year 2009

**The Multnomah County Board of Commissioners Finds:**

- a. The Board has adopted the budget for Multnomah County, Oregon for Fiscal Year 2009.
- b. That budget provides for ad valorem property taxes to be levied on all property in Multnomah County.

**The Multnomah County Board of Commissioners Resolves:**

1. The Board levies the taxes provided for in the adopted budget.
2. These taxes are a combination of authorized tax rates and authorized dollars for repayment of bonded debt as follows:

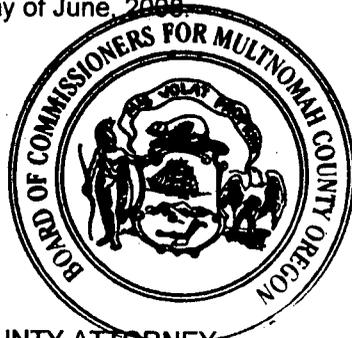
<b>General Government Category</b>	
<b>Operating Taxes</b>	<b>Tax Rate / \$1,000</b>
Permanent Tax Rate	\$ 4.3434
Library Local Option Levy	\$ 0.8900
<b>Total Operating Taxes</b>	<b>\$ 5.2334</b>

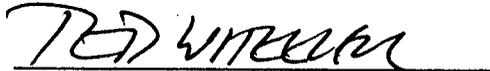
<b>Excluded From Limitation</b>	
<b>Bonded Indebtedness</b>	<b>Tax Amount</b>
General Obligation Debt Levy	\$8,465,608
<b>Total Debt Levy</b>	<b>\$8,465,608</b>

3. These taxes are levied upon all taxable property in Multnomah County.

ADOPTED this 5th day of June, 2008.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:

Carol Ford, Director, Department of County Management



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (long form)**

APPROVED : MULTNOMAH COUNTY  
 BOARD OF COMMISSIONERS  
 AGENDA # R-6 DATE 06.05.08  
 DEBORAH L. BOGSTAD, BOARD CLERK

**Board Clerk Use Only**

**Meeting Date:** 06/05/08  
**Agenda Item #:** R-6  
**Est. Start Time:** 9:20 AM  
**Date Submitted:** 05/28/08

**BUDGET MODIFICATION: MCSO - 14**

**Agenda Title: Budget Modification MCSO-14 Appropriating \$614,813 in Additional Senate Bill 1145 State Funding to the Sheriff's Office**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

<b>Requested Meeting Date:</b>	<u>June 5, 2008</u>	<b>Amount of Time Needed:</b>	<u>5 Minutes</u>
<b>Department:</b>	<u>Sheriff's Office</u>	<b>Division:</b>	<u>Corrections</u>
<b>Contact(s):</b>	<u>Wanda Yantis, Ching Hay</u>		
<b>Phone:</b>	<u>503.988.4455</u>	<b>Ext.</b>	<u>84455</u>
		<b>I/O Address:</b>	<u>503/3/MCSO</u>
<b>Presenter(s):</b>	<u>Wanda Yantis</u>		

**General Information**

**1. What action are you requesting from the Board?**

The Sheriff's Office is requesting approval of Budget Modification MCSO-14 to appropriate \$614,813 in Fed/State funds to our Corrections Division budget due to an unanticipated increase in our SB1145 State Funding. This additional revenue will fund food costs and Salary-Related costs. Food costs surpassed the increased budgeted amount of 3%, yet the Sheriff's Office realized an actual increase in the amount of 3.7%. The Sheriff's Office also had an unanticipated increase in the Police/Fire PERS and PERS Bond surcharge rate portion of Salary-Related costs.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

The Sheriff's Office originally budgeted \$8,046,472 in SB1145 funding for FY 08. During each of the four quarters paid out in FY 08, the amounts were higher than anticipated. This action affects Program Offer #60022A. This budget modification will not impact the results.

**3. Explain the fiscal impact (current year and ongoing).**

This will increase the Corrections Division's revenue by \$614,813 in the Federal/State Fund. The funds also cover the central indirect for administration of the funds.

**4. Explain any legal and/or policy issues involved.**

n/a

**5. Explain any citizen and/or other government participation that has or will take place.**

n/a

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## ATTACHMENT A

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### Budget Modification

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If the request is a **Budget Modification**, please answer **all** of the following in detail:

• **What revenue is being changed and why?**

This is an increase of revenue of \$614,813 in the Federal/State Fund for The Sheriff's Office Corrections Division due to the SB1145 State Funding coming in higher than anticipated this fiscal year.

• **What budgets are increased/decreased?**

- The Corrections Division will increase their Federal/State budget by \$614,813
- Increase Dept Indirect by \$27,941
- Increase Central Indirect by \$13,139

• **What do the changes accomplish?**

This is an increase of revenue of \$614,813 in the Federal/State Fund for The Sheriff's Office Corrections Division due to the SB1145 State Funding coming in higher than anticipated this fiscal year.

• **Do any personnel actions result from this budget modification? Explain.**

No

• **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**

All overhead costs are covered.

• **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

This is a one-time-only unanticipated increase in an ongoing Federal/State revenue. The funding is covering ongoing expenses. In the FY 09 budget, the ongoing expenses are detailed in program offer 60041A-MCIJ. For FY 08, this is tied to program offer 60022A.

• **If a grant, what period does the grant cover?**

n/a

• **If a grant, when the grant expires, what are funding plans?**

n/a

<p><i>NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense &amp; Revenues Worksheet and/or a Budget Modification Personnel Worksheet.</i></p>
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Budget Modification ID: **MCSO-14**

### EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with MERLIN.

Budget/Fiscal Year: 2008

Line No.	Fund Center	Fund Code	Func. Area	Accounting Unit			Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description
				Internal Order	Cost Center	WBS Element						
1	60-30	32137				SOSB1145.MCIJ	50180	(614,813)	(614,813)		IG-OP-Direct State	
2	60-30	32137				SOSB1145.MCIJ	60130	373,733	373,733		Salary-Related	
3	60-30	32137				SOSB1145.MCIJ	60250	200,000	200,000		Food	
4	60-30	32137				SOSB1145.MCIJ	60350	13,139	13,139		Indirect - Central	
5	60-30	32137				SOSB1145.MCIJ	60355	27,941	27,941		Indirect - Dept	
6								0				
7	60-00	1000			604020		50370	(27,941)	(27,941)		Dept Indirect Rev.	
8	60-00	1000			604020		60240	27,941	27,941		Supplies	
9								0				
10	19	1000			9500001000		50310	(13,138)	(13,138)		Central Indirect Revenue	
11	19	1000			9500001000		60470	13,138	13,138		Contingency	
12								0				
13								0				
14								0				
15								0				
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									0	0	GRAND TOTAL	



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST** (Budget Modification)

APPROVED: MULTNOMAH COUNTY  
 BOARD OF COMMISSIONERS  
 AGENDA # R-7 DATE 06-05-08  
 DEBORAH L. BOGSTAD, BOARD CLERK

**Board Clerk Use Only**

Meeting Date: 06/05/08  
 Agenda Item #: R-7  
 Est. Start Time: 9:25 AM  
 Date Submitted: 05/28/08

**BUDGET MODIFICATION: NOND-09**

**Agenda Title: Budget Modification NOND-09 Adding 1.5 FTE Program Development Specialists to the Commission on Children, Families, and Community Budget**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

<b>Requested Meeting Date:</b>	<u>June 5, 2008</u>	<b>Amount of Time Needed:</b>	<u>5 minutes</u>
<b>Department:</b>	<u>Non-Departmental</u>	<b>Division:</b>	<u>Commission on Children, Families &amp; and Community</u>
<b>Contact(s):</b>	<u>Wendy Lebow</u>		
<b>Phone:</b>	<u>(503) 988-6981</u>	<b>Ext.</b>	<u>86981</u>
<b>Presenter(s):</b>	<u>Wendy Lebow</u>	<b>I/O Address:</b>	<u>167/200</u>

**General Information**

**1. What action are you requesting from the Board?**

The CCFC is requesting Board approval of a budget modification to add 0.5 FTE Program Development Specialist and 1.0 FTE Program Development Specialist Senior. The new half-time position will support the Commission's early childhood activities; the new full-time position will support the Commission's children, youth, and family and poverty reduction initiatives and activities.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

1. The new half-time position will enable the Early Childhood Council, a CCFC committee, to expand its efforts to advance the goals of the Early Childhood Framework. Currently the CCFC has a 0.5 FTE position dedicated to early childhood programming. The current level of staffing is inadequate to meet the goals of the Council and the CCFC. The new position will provide coordination, planning and policy analysis support, as well as project development and implementation to the Health and Wellness, Family Support and Social/Emotional Development subcommittees.

2. The new full-time position will play a central role in advancing the academic and life success

goals of the CCFC. It will spearhead initiatives with community partners that ensure the success of all of our community's young people. It will coordinate all of the issue areas related to children, youth, and families, and poverty reduction; and it will serve as the CCFC's "point person" for data gathering, outcomes reporting, and performance measurement.

**3. Explain the fiscal impact (current year and ongoing).**

In the current year, additional state grant revenue will cover the increased cost. Both positions have been included in the FY 2009 budget.

**4. Explain any legal and/or policy issues involved.**

Central HR's Classification/Compensation group has reviewed the requests for both new positions, and has approved these classifications for the work needing to be done.

**5. Explain any citizen and/or other government participation that has or will take place.**

N/A

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# ATTACHMENT A

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## Budget Modification

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If the request is a **Budget Modification**, please answer all of the following in detail:

- **What revenue is being changed and why?**

None.

- **What budgets are increased/decreased?**

Early Childhood Services' professional services line is decreased by \$3,038; personnel costs are increased by the same amount.

- **What do the changes accomplish?**

These changes will allow the CCFC to add one full-time and one half-time position to the Early Childhood and Youth program areas for the remainder of the fiscal year—about one month in FY 2008. These positions have been included in the FY 2009 budget.

- **Do any personnel actions result from this budget modification? Explain.**

Yes. 0.5 FTE Program Development Specialist and 1.0 FTE Program Development Specialist Senior positions are added to the CCFC budget.

- **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**

Indirect costs are already budgeted.

- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

The revenue supporting these positions—from the State Commission on Children and Families (OCCF)—is expected to be ongoing.

- **If a grant, what period does the grant cover?**

N/A

- **If a grant, when the grant expires, what are funding plans?**

N/A

*NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.*

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## ATTACHMENT B

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**BUDGET MODIFICATION: NOND-09**

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### Required Signatures

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**Elected Official or  
Department/  
Agency Director:**

*Wendy Lebow*

**Date: 05/21/08**

**Budget Analyst:**

*Debra*

**Date: 05/28/08**

**Department HR:**

**Date:**

**Countywide HR:**

**Date:**

Budget Modification ID: **Nond-09**

### EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with SAP.

Budget/Fiscal Year: 2008

Line No.	Fund Center	Fund Code	Program #	Func. Area	Accounting Unit			Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description
					Internal Order	Cost Center	WBS Element						
1	10-50	21100	10012	40			ccfc.ec.21100	60000		1,941	1,941		Increase Base Pay
2	10-50	21100	10012	40			ccfc.ec.21100	60130		562	562		Increase Fringe
3	10-50	21100	10012	40			ccfc.ec.21100	60140		535	535		Increase Insurance
4	10-50	21100	10012	40			ccfc.ec.21100	60170		(3,038)	(3,038)	0	Decrease Prof. Services
5										0			
6	10-50	32082	10012	40			ccfc.school.32082	60000		4,773	4,773		Increase Base Pay
7	10-50	32082	10012	40			ccfc.school.32082	60130		1,383	1,383		Increase Fringe
8	10-50	32082	10012	40			ccfc.school.32082	60140		705	705		Increase Insurance
9	10-50	32082	10012	40			ccfc.school.32082	60100		(6,860)	(6,860)	0	Decrease Temporary
10										0			
11	72-10	3500		20		705210		50316		(1,240)	(1,240)		Increase Insurance SR
12	72-10	3500		20		705210		60330		1,240	1,240		Increase Insurance SR
13										0			
14										0			
15										0			
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**ANNUALIZED PERSONNEL CHANGE**  
 Change on a full year basis even though this action affects only a part of the fiscal year (FY).

							ANNUALIZED			
Fund	Job #	HR Org	CC/WBS/IO	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
1505	6021	61021	105000	Program Development Specialist	TBD	0.50	23,292	6,748	6,419	36,459
1505	6088	61021	105000	Program Development Spec. SR	TBD	1.00	57,274	16,592	8,458	82,325
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
<b>TOTAL ANNUALIZED CHANGES</b>						<b>1.50</b>	<b>80,565</b>	<b>23,340</b>	<b>14,878</b>	<b>118,783</b>

**CURRENT YEAR PERSONNEL DOLLAR CHANGE**  
 Calculate costs/savings that will take place in this FY; these should explain the actual dollar amounts being changed by this Bud Mod.

							CURRENT YEAR			
Fund	Job #	HR Org	CC/WBS/IO	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
1505	6021	61021	105000	Program Development Specialist	TBD	0.04	1,941	562	535	3,038
1505	6088	61021	105000	Program Development Spec. SR	TBD	0.08	4,773	1,383	705	6,860
										0
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										0
<b>TOTAL CURRENT FY CHANGES</b>						<b>0.13</b>	<b>6,714</b>	<b>1,945</b>	<b>1,240</b>	<b>9,899</b>



**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (long form)**

APPROVED : MULTNOMAH COUNTY  
 BOARD OF COMMISSIONERS  
 AGENDA # R-8 DATE 06-05-08  
 DEBORAH L. BOGSTAD, BOARD CLERK

**Board Clerk Use Only**

**Meeting Date:** 06/05/08  
**Agenda Item #:** R-8  
**Est. Start Time:** 9:30 AM  
**Date Submitted:** 05/29/08

**BUDGET MODIFICATION: NOND- 10**

**Agenda Title: Budget Modification NOND-10, Adding \$10,000 in Private Donations for the Sauvie Island Bridge Opening Celebration**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

<b>Requested Meeting Date:</b>	<u>June 5, 2008</u>	<b>Amount of Time Needed:</b>	<u>5 minutes</u>
<b>Department:</b>	<u>Non-Departmental</u>	<b>Division:</b>	<u>District 1</u>
<b>Contact(s):</b>	<u>Matthew Lashua</u>		
<b>Phone:</b>	<u>503-988-6796</u>	<b>Ext.</b>	<u>86796</u>
		<b>I/O Address:</b>	<u>503/600</u>
<b>Presenter(s):</b>	<u>Matthew Lashua</u>		

**General Information**

**1. What action are you requesting from the Board?**

Approval of bud mod Nond-10, adding \$10,000 in private donations to pay for the Sauvie Island Bridge Opening Celebration on June 22nd.

**2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**

Construction on a new Sauvie Island Bridge began in December of 2005. A community ground-breaking celebration for a new Sauvie Island Bridge took place in January of 2006. The Sauvie Island Bridge will be open to traffic in July, 2008. It is appropriate to hold a celebration event for the opening of the bridge, highlighting the Sauvie Island community.

The Sauvie Island Bridge is an important regional and commercial freight arterial that contributes to our local, state, national and international economies. As the only access to the Island, an exclusive farm use area, the replacement of the Sauvie Island Bridge has been among Commissioner Rojo de Steffey's priorities.

**3. Explain the fiscal impact (current year and ongoing).**

This action will allow the County to spend the approximate \$10,000 donations received from David Evans & Associates and other private, corporate sponsors for expenses associated with the Grand Opening celebration of the new Sauvie Island Bridge. This is a one-time event that will have no fiscal impact in the next fiscal year.

**4. Explain any legal and/or policy issues involved.**

N/A

**5. Explain any citizen and/or other government participation that has or will take place.**

N/A

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## ATTACHMENT A

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### Budget Modification

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If the request is a **Budget Modification**, please answer **all** of the following in detail:

- **What revenue is being changed and why?**  
General Donations are being increased by \$10,000.
- **What budgets are increased/decreased?**  
The General Fund budget in Non-Departmental is increased by \$10,000.
- **What do the changes accomplish?**  
The changes allow us to use donated funds to pay all expenses associated with the Grand Opening celebration of the Sauvie Island Bridge.
- **Do any personnel actions result from this budget modification? Explain.**  
No.
- **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**  
These costs are expected to be minimal and can be covered with a portion of the donation proceeds.
- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**  
This is a one-time revenue for a one-time event.
- **If a grant, what period does the grant cover?**  
N/A
- **If a grant, when the grant expires, what are funding plans?**  
N/A

<p><i>NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense &amp; Revenues Worksheet and/or a Budget Modification Personnel Worksheet.</i></p>
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## ATTACHMENT B

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**BUDGET MODIFICATION NOND- 10**

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### Required Signatures

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**Elected Official or  
Department/  
Agency Director:**

*Mania Rojas de Jeffrey*

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**Date:** 05/29/08

**Budget Analyst:**

*Debra*

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**Date:** 05/29/08

**Department HR:**

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**Date:** \_\_\_\_\_

**Countywide HR:**

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**Date:** \_\_\_\_\_

Budget Modification ID: Nond 10

### EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with SAP.

Budget/Fiscal Year: 2008

Line No.	Fund Center	Fund Code	Program #	Func. Area	Accounting Unit			Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description
					Internal Order	Cost Center	WBS Element						
1	10-01	1000	N/A	20		108714				(10,000)	(10,000)		Gen-Donations
2	10-01	1000	N/A	20		108714				10,000	10,000		Materials & Supplies
3										0			
4										0			
5										0			
6										0			
7										0			
8										0			
9										0			
10										0			
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**MULTNOMAH COUNTY**  
**AGENDA PLACEMENT REQUEST (short form)**

**Board Clerk Use Only**

Meeting Date: 06/05/08  
 Agenda Item #: R-9  
 Est. Start Time: 9:35 AM  
 Date Submitted: 05/28/08

**Multnomah County Salary Commission Presents Recommendations and Rationale for Adjustments to Salaries of Multnomah County Chair, Commissioners, District Attorney and Sheriff; and Consideration of a**  
 Agenda Title: **RESOLUTION Accepting the 2008 Multnomah County Salary Commission Report Setting Chair and Commissioner Salaries**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title.*

**Requested Meeting Date:** June 5, 2008      **Amount of Time Needed:** 30 minutes  
**Department:** Non Departmental      **Division:** Auditors Office  
**Contact(s):** Judy Rosenberger  
**Phone:** 503 988-3320      **Ext.** 83320      **I/O Address:** 503/601  
**Presenter(s):** Mary Ann Wersch, Laura Olson of the Salary Commission

**General Information**

1. **What action are you requesting from the Board?**  
 Board Briefing and consideration of adoption of Resolution Adjusting Board Salaries.
2. **Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.**  
 Salary Recommendations for BOCC, District Attorney and Sheriff
3. **Explain the fiscal impact (current year and ongoing).**
4. **Explain any legal and/or policy issues involved.**
5. **Explain any citizen and/or other government participation that has or will take place.**

**Required Signature**

**Elected Official or  
 Department/  
 Agency Director:**

*Ladonna Gifford*

**Date:** May 23, 2008



## **Salary Commission**

501 SE Hawthorne, Room 601  
Portland, Oregon 97204  
Telephone (503) 988-3320

**Date:** May 23, 2008

**To:** Multnomah County Board of County Commissioners

**From:** 2008 Salary Commission  
Rick Howell, Consultant  
Co-Chair Laura Olson, Corporate Director of Human Resources, Schnitzer Steel  
David Rhys, Classification/Compensation Manager, City of Portland  
Co-Chair Mary Ann Wersch, Director of Human Resources, Reed College  
Eric Wilson, President, HR Integrated Solutions

**Re:** 2008 Multnomah County Salary Commission Report

Under the authority of Section 4.30 of the Multnomah County Home Rule Charter as amended November 2, 2004, the 2008 Multnomah County Salary Commission (Commission) was appointed by the County Auditor and convened to set the salaries for the Board of County Commissioners (BOCC), specifically the positions of Multnomah County Commissioner (Commissioner) and Chair of the Board of County Commissioners (Chair).

Enclosed is our report which sets the salaries for the BOCC and documents the basis for our decisions. We will be happy to answer questions or provide additional information upon request.

## **Executive Summary**

1. The 2006 Commission set the 2006/07 salary for the Commissioners at \$80,000 and the 2007/08 salary at \$82,000. All four Commissioners are at this pay level. The 2006 Commission set the 2006/07 salary for the Chair at \$123,048 and the 2007/08 salary at \$126,124. The Chair's actual salary is \$123,048.
2. The 2008 Commission reviewed the methodology for setting salaries and agreed the methodology remained appropriate for the Commissioners' salary. External market factors were analyzed for comparability and appropriateness and the average of the external market salaries was considered a valid benchmark. The 2008/09 salary is \$88,000; the 2009/10 salary is increased by 3% to \$90,640.
3. The 2008 Commission reviewed the methodology for setting the salary for the Chair and agreed the methodology should be modified. Because a search of the external market did not yield comparable positions, internal equity was given greater weight. The Chair supervises the Department Directors and those salaries have the most bearing on the salary of the Chair. Setting the salary at the midpoint of the higher level range, while still not ideal, takes a step in the right direction. The Chair's salary is equal to the midpoint of the Multnomah County Department Director II 2008/09 salary range and will be increased by 3% for 2009/10.

Respectfully submitted this 23rd day of May, 2008.

**By the Multnomah County Salary Commission:**

Rick Howell, Laura Olson, David Rhys, Mary Ann Wersch, and Eric Wilson

## **SALARY COMMISSION HISTORY**

In November 1984 the Home Rule Charter was amended as follows:

"The auditor shall appoint a five-member salary commission, composed of qualified people with personnel experience by January 1, 1986, and by January 1 in each even year thereafter....(to make) salary adjustment recommendations, if any..."

The first Commission was appointed in 1986 and a new Commission has been appointed in each even year up to the current 2008 Commission.

In 1990, the voters approved a ballot measure submitted by the Multnomah County Charter Review Commission that allowed the BOCC to approve their own salary increases rather than salary increase recommendations being referred to the voters. The measure also specified they were not allowed to set salaries higher than the recommendation from the Commission.

In 1991 a County Counsel's opinion stated that the Commission may also make recommendations regarding the salaries of the Sheriff and District Attorney, if requested. The Commission now reviews the District Attorney's salary on a regular basis and this year for the first time was asked to review the Sheriff's salary on a regular basis.

In 2004, the voters approved a ballot measure submitted by the Multnomah County Charter Review Commission that modified the language of the County Charter, Section 4.30 to read as follows:

"The auditor shall appoint a five-member salary commission, composed of qualified human resource professionals with compensation experience, by January 1 of each even year. The salary commission shall *set the salaries* for the chair of the board of county commissioners and the county commissioners, documenting the basis of its decisions."

## **SALARY HISTORY**

From FY 1983-84 through FY 1990-91, the Chair and Commissioners did not receive an increase in salary. From FY 1991-92 through FY 1995-96, cost of living increases were added to Chair and Commissioners' salaries, but their salaries remained far below comparable jurisdictions and the relative worth of the jobs.

In 1996 the BOCC approved the Commission recommendation that a Commissioner's salary be indexed to 75% of a judge's salary and that the Chair's salary be indexed to the mid-point of the salary range for the Chair's direct reports, Multnomah County department directors.

The 1998 Commission reaffirmed this methodology for indexing of salaries and further recommended that an appropriate ratio between the Commissioners' salaries and the Chair's salary be no more than 80%. The 1998 BOCC did not act on the recommendation, but did in fact increase the Chair's and the Commissioners' salaries in accordance with the phased-in approach approved by the 1996 BOCC.

In 2000, the BOCC approved the Commission recommendation that the Commissioners' salary remain 75% of a circuit court judge's salary July 1, 2000 and 2001. The BOCC further approved the recommendation that the Chair's salary be increased to the midpoint of the department directors' salary range effective July 1, 2000 and 2001.

In 2002 the BOCC approved the Commission's recommendation for no change to the methodology for Commissioners' salaries. In regard to the Chair's salary, the Commission determined that County department directors' salaries were below market according to the County HR staff. Indexing to the department directors would not be appropriate. Consequently, the BOCC approved the Commission's recommendation of indexing the Chair's salary to 125% of a judge's salary and suggested the Board may want to consider a phased in approach.

The 2004 Commission recommended, and the BOCC approved, no change in methodology for Commissioners and increased the Chair's salary in accordance with the previously approved phased-in approach.

The 2004 charter language changed the authority for setting salaries for the BOCC from the BOCC themselves to the Commission.

The 2006 Commission given this new charge believed that indexing to a judge's salary, a salary over which the BOCC had no control, was no longer relevant. Instead the 2006 Commission assessed both the external market and internal equity in order to set the salaries with an emphasis on internal equity for the Chair's position and the external market for the Commissioner's position. The recommendation was approved.

Current salaries are as follows: all four Commissioners are paid the approved salary of \$82,000, and the Chair is paid less than the approved salary of \$126,124 choosing instead to be paid \$123,048.

## **METHODOLOGY AND FINDINGS**

Compensation theory suggests that evaluating both external market data and internal equity is the most widely accepted methodology for setting salary rates. This is the revised approach taken by the 2006 Commission and re-affirmed by the 2008 Commission.

The Commission collected and reviewed data from a number of sources. The data is summarized below.

**1. Survey information for Commissioner from the County HR Office:**

The County Human Resource Office identified several comparable counties for purposes of comparing Commissioner salaries, and with one exception these are the same counties used in 2006.

**Exhibit A: Comparison of Commissioner salaries in comparable counties:**

County	Actual Salary	Geographic adjustment*	Equivalent Portland Salary
Clackamas County, OR	76,224	99.1%	75,507
Lane County, OR	72,842	106.8%	77,789
Marion County, OR	71,136	103.5%	73,659
Pierce County, WA	98,470	103.9%	102,310
Snohomish County, WA	97,075	106.2%	103,093
Thurston County, WA	97,896	107.9%	105,630
Hennepin County, MN	93,887	98.7%	92,700
Denver County, CO	78,173	99.6%	77,875
Hamilton, OH	84,703	121.8%	103,172
Average			90,193
<b>Multnomah Co</b>			<b>82,000</b>
Differential			91%

*\*Geographic adjustment is a rounded average from six unique sources*

*Salary Data Source: Multnomah County Human Resources Office Salary Survey, Winter 2008*

Because the data was collected in the winter, 2008, it is likely these jurisdictions will increase salaries at some point in 2008. However, it is impossible to determine what those increases might be. Consequently, using this data for setting 2008/09 salaries creates what is called a “lag” effect in compensation terms, but it is still the best data to compare with at this point in time.

**2. Survey information for Chair from other counties:**

For many years, salary commissions have struggled with matching the Chair’s position to like positions in other counties. This year, with the Auditor’s assistance, we dug a little deeper and have finally concluded we are unable to match the position to another county with any degree of confidence. There are counties in the northwest and across the country that match the demographics of Multnomah County closely enough to be considered a contender. However, their organizational structures vary

widely, some with split responsibilities between the legislative body and a county executive who manages operations. In Multnomah County, those responsibilities are held by only one position, Chair of the BOCC although there is now a position in the Chair's Office, Chief Operating Officer, whose title suggests some responsibility for operations and presumably allows the Chair to focus more attention on legislative issues. It is this Commission's understanding, however, that direct supervisory responsibility for department directors remains with the Chair. While the Chair's position appears to be an extremely daunting job, and thus a questionable organizational structure, it is what it is. But this year it does not provide any job matches. We encourage the 2010 Commission to continue to dig even deeper to determine if any good matches can be found.

**3. State legislators, regional councils, and local boards:**

A review of these jurisdictions showed limited comparability. Metro is a governmental agency in the Portland area with elected officials whose salaries should be noted. However, Metro is much smaller than Multnomah County, both in terms of staff and budget. The current data from Metro is detailed in Exhibit B below.

**Exhibit B: Comparison with Metro 2008 salaries**

Metro Position	2008 Salary
Executive (salary of a judge)	\$112,488
Councilor (one-third of a judge salary)	\$37,496

**4. City of Portland:**

Although past Commissions have not used data from the City of Portland, the County's human resources office does use city data for comparison with both elected official salaries and management salaries. However, it should be noted that City Commissioners have operational responsibility for a city bureau, thus not a good job match. Additionally, both the staff and budget for the City are considerably larger than Multnomah County. Approved salaries for the City of Portland Mayor and Commissioners as of July 1, 2007 are detailed in Exhibit C below.

**Exhibit C: Comparison with City of Portland approved 2007 salaries**

City of Portland Position	2007 Salary
Mayor	\$113,818
Commissioner	\$95,867

City of Portland salaries may increase at some point in 2008 but it is the best data at this point in time.

**5. Comparability between the Chair and County department directors:**

The Chair has County-wide operational and fiscal responsibilities, which the Commissioners do not, and six (6) department directors in two pay levels report directly to the Chair. Currently, all of the direct report department directors have salaries above the midpoint of their range. Salaries for all positions are detailed in Exhibit D below.

**Exhibit D: Department directors' and elected officials' 2007 salaries:**

Department	Classification	2007/08 Salary	Pay Scale Minimum	Pay Scale Midpoint	Pay Scale Maximum
County Management	Department Director I	\$127,032	\$89,787	\$114,267	\$138,747
Community Justice	Department Director I	\$130,000	\$89,787	\$114,267	\$138,747
Community Services	Department Director I	\$136,900	\$89,787	\$114,267	\$138,747
Human Services	Department Director II	\$144,073	\$103,981	\$132,237	\$160,494
Health Services	Department Director II	\$144,073	\$103,981	\$132,237	\$160,494
Library	Department Director II	\$144,023	\$103,981	\$132,237	\$160,494
District Attorney		\$146,365			
Sheriff		\$116,453	Proposed	\$135,000	
BOCC Chair	(actual)	\$123,048	(approved)	\$126,124	

Compensation theory suggests the spread between the supervisor and subordinate should be 10% to 25%. However, the Chair's actual salary compared with his direct reports shows the Chair paid less than each of his direct reports and less than the midpoint of the higher level salary range. If the Chair's salary were the approved salary, it is still less than the salary of each direct report.

**6. Salary setting of other County elected officials:**

The Multnomah County Home Rule Charter specifies that the County Sheriff's salary shall be fixed by the BOCC in an amount not less than any member of the Sheriff's office. Additionally, the Commission is recommending that the District Attorney's salary be increased to no less than the salary of his direct reports. Similarly, the Chair's salary should not be less than his direct reports.

**7. Tenure in the job:**

Generally speaking, salary will increase based in part on tenure in the position. These are elected positions and presumably, a newly elected BOCC member would receive the salary of the outgoing BOCC member. Consequently, tenure in the position should not be a factor in considering an appropriate salary.

**8. Assumption of full-time:**

Although there is no mandated requirement that the BOCC be full-time positions, this Commission is making the assumption that they are and all salaries shown are full-time equivalent salaries.

**9. Benefits considerations:**

According to the County HR staff, elected officials receive the same benefits as any other County employee with the exception of disability. However, total compensation information (the relative worth of the combination of salary and benefits) is not currently available for other counties and jurisdictions surveyed. That level of survey can be time-consuming and expensive, but perhaps should be considered by future Commissions.

**10. CPI considerations:**

CPI data is an integral part of the information base in the data presented. It has influenced the market data from both outside sources such as other counties and from within the county in determining appropriate salary ranges for department directors.

**11. Pay for performance:**

BOCC salaries relate to the office and not to persons; in other words, the salaries are based on what the *job* is worth and because it does not include a "pay for performance" model it is not a measure of the worth of the *individual* who occupies the position.

**12. Compensation philosophy:**

Typically an organization will consider three factors when designing compensation programs. These are the ability for an organization to 1) attract, 2) retain and 3) motivate employees. Attracting talent for the BOCC is limited to the local area so salary comparability with other jurisdictions to a certain extent is not relevant. Nevertheless, although it cannot be proven, this Commission believes that an equitable and competitive salary will attract a larger number of high quality individuals to run for, and be motivated to remain in, this and other elected offices.

**RECOMMENDATIONS AND REASONS**

Commissioners' salaries have maintained a close parity with the external market data. Increasing Commissioners' salaries to \$88,000 for 2008/09 creates some comparability with other like counties while at the same time creating a reasonable differential with City Commissioner salaries. Commissioners' salaries for 2009/10 will increase by 3% which has historically been a roughly average increase for the Portland area. The 2009/10 salary will be \$90,640.

The Chair's salary is out of alignment with other County positions that report to the Chair. In this case, the most significant and heavily weighted data is internal equity.

Greater weight is being given to internal equity considerations than to the external market for a couple of reasons:

- a. internal equity (data regarding department directors) is a professionally acceptable method for assigning a salary;
- b. external market data has not provided acceptable job matches although the search should continue in 2010 as external comparators are also important.

The Chair's approved salary for 2007/08 is \$126,124 and his actual salary is \$123,048. The approved salary is less than the salaries of each of all his direct reports. The midpoint of the Department Director II salary range is \$132,237, less than 4 direct reports' salaries but more than the salaries of 2 direct reports.

Increasing the salary to the midpoint of the Department Director II still does not create a desirable spread between the Chair and his subordinates but does take another step toward lessening the gap. The 2008/09 Chair's salary will be \$132,237 or the midpoint of the Department Director II 2008/09 salary range, whichever is greater. The Chair's salary for 2009/10 will increase by 3% which has historically been a roughly average increase for the Portland area. The 2009/10 salary will be no less than \$136,204.

### **2008/2009 AND 2009/2010 SALARIES**

The 2008 Salary Commission sets the 2008/09 salary for Commissioner at \$88,000 and the 2009/10 salary at \$90,640.

The 2008 Salary Commission sets the 2008/09 salary for Chair at the midpoint of the Department Director II 2008/09 salary range or no less than \$132,237 and the 2009/10 salary at the midpoint of the Department Director II 2008/09 salary range plus 3%, but no less than \$136,204.

### **LAST BUT CERTAINLY NOT LEAST**

The Commission wishes to thank Travis Graves and Joi Doi of the County Human Resources Office for collecting and sharing valuable information regarding management salaries and comparable jurisdictions.

The Commission wishes to thank Agnes Sowle, County Counsel, for discussing with us legal issues.

The Commission also wishes to extend its heartfelt gratitude to the Multnomah County Auditor LaVonne Griffin-Valade for her support, insight, historical knowledge, and ability to capture the salient points of our sometimes lengthy discussions. And it is not an overstatement to say that we could not do our work without the Auditor's assistant Judy Rosenberger who completed extensive research and information gathering for us, and then went back more than once to check on and support the data. She spent untold hours providing the data and information we needed in order to do our work. Additionally she

scheduled and attended all early morning meetings with a much appreciated continental breakfast, created and distributed minutes, and provided copies of all materials.

We thank them both for their warm, caring and friendly ways. We could not, and would not want to, do our work without them. Thank you!



## **Salary Commission**

501 SE Hawthorne, Room 601  
Portland, Oregon 97204  
Telephone (503) 988-3320

**Date:** May 12, 2008

**To:** Multnomah County Board of County Commissioners

**From:** 2008 Salary Commission  
Rick Howell, Consultant  
Co-Chair Laura Olson, Corporate Director of Human Resources, Schnitzer Steel  
David Rhys, Classification/Compensation Manager, City of Portland  
Co-Chair Mary Ann Wersch, Director of Human Resources, Reed College  
Eric Wilson, President, HR Integrated Solutions

**Re:** Report and Recommendation regarding the District Attorney's Salary

Under the authority of Section 4.30 of the Multnomah County Home Rule Charter as amended November 2004, the 2008 Multnomah County Salary Commission (Commission) was appointed by the County Auditor to set salaries for the Board of County Commissioners (BOCC). Additionally, the Commission was given the authority, under the BOCC Resolution No. 05-169 dated October, 2005, to recommend salary adjustments to the District Attorney's salary in future years. In 2006, the Commission made the first recommendation regarding the District Attorney's salary and the 2008 Commission, in accordance with the 2005 Resolution, will again make a recommendation.

Enclosed is our report and recommendation for the salary for the District Attorney for fiscal years 2008/09 and 2009/10. We will be happy to answer questions or provide additional information upon request.

## **Executive Summary**

The Commission analyzed the methodology used in 2006 for making a recommendation. The methodology essentially gives more weight to internal equity (salaries of department directors and the District Attorney's subordinates) than to external market considerations (salaries of other OR and WA District Attorneys). The 2006 Commission recommended, and the BOCC approved, that the salary for the District Attorney be placed at the 75<sup>th</sup> percentile of the Department Director II salary range. The Commission, in re-considering all factors, believes this methodology continues to be valid and appropriate.

The Commission recommends that the salary of the District Attorney be retained at the 75<sup>th</sup> percentile of the Department Director II salary range for fiscal years 2008/09 and 2009/10.

Respectfully submitted this 12<sup>th</sup> day of May, 2008.

**By the Multnomah County Salary Commission:**

Rick Howell, Laura Olson, David Rhys, Mary Ann Wersch, and Eric Wilson

## **SALARY COMMISSION BACKGROUND**

In November 1984 the Home Rule Charter was amended to establish a five-member salary commission. The first Commission was appointed in 1986 and a new Commission has been appointed in each even year up to the current 2008 Commission.

In November 2004 the Home Rule Charter was amended as follows:

“The auditor shall appoint a five-member salary commission, composed of qualified human resource professionals with compensation experience, by January 1 of each even year. The salary commission shall set the salaries for the chair of the board of county commissioners and the county commissioners, documenting the basis of its decisions....”

In October, 2005 the Commission was given the authority, under BOCC Resolution No. 05-169, to recommend salary adjustments to the District Attorney’s salary in future years. Included in BOCC Resolution 05-169 is a provision that the District Attorney receive annual cost of livings increases, based on the total salary, granted to other management staff in the County.

## **SALARY HISTORY**

Oregon district attorneys receive a salary from the State of Oregon. Some district attorneys in the State, including Multnomah County, also receive a supplemental salary from the County jurisdiction.

For ten years, 1994-2004, the Multnomah County District Attorney did not receive a cost of living increase from either the State or County. The resulting inequity was addressed by the 2006 Commission.

The State currently contributes \$100,080 annually to the District Attorney’s salary. In 2007, the County supplement was \$46,285, thus the combined annual salary currently is \$146,365, which is the 75<sup>th</sup> percentile of the Department Director II salary range.

## **METHODOLOGY AND FINDINGS**

The Commission collected and reviewed current data from a number of sources. The data is summarized below.

### **1. District Attorney’s salaries in counties in Oregon and Washington:**

The larger counties in Oregon and Washington, as follows, were considered for external market data comparisons.

Oregon: Clackamas, Lane, Marion, and Washington  
Washington: Clark, King, Pierce, Snohomish, and Thurston

The Multnomah County District Attorney's Office was contacted by the 2006 Commission to determine if there are differences in district attorney duties in OR and WA counties that would be important for the Commission to know. The office did cite differences in responsibilities with other Oregon counties in that other counties are responsible only for prosecuting the crimes that have occurred within their county's jurisdictional boundaries. It is their opinion this is also true of the counties in Washington State. The Multnomah County District Attorney is responsible for prosecuting all levels of crimes that his office receives from seven (7) individual jurisdictions. Thus the span of prosecutorial responsibility is much broader for the Multnomah County District Attorney in comparison to other counties in Oregon and Washington.

**Exhibit A: District Attorney Salaries adjusted for Geographical Differences  
Fall, 2007**

County	Major City	Actual Salary	Geographic adjustment*	Equivalent Portland Salary
Clackamas, OR	Oregon City	\$132,356	99.1%	\$131,165
Lane County, OR	Eugene	\$133,200	106.8%	\$142,258
Marion County, OR	Salem	\$123,209	103.5%	\$127,521
Washington County, OR	Beaverton	\$133,572	91.9%	\$122,753
Clark County, WA	Vancouver	\$148,832	109%	\$162,227
King County, WA	Seattle	\$151,166	95.8%	\$144,817
Pierce County, WA	Tacoma	\$148,832	103.9%	\$154,636
Snohomish County, WA	Everett	\$148,832	106.2%	\$158,060
Thurston County, WA	Olympia	\$129,168	107.9%	\$139,372
Average:				\$142,534
Multnomah Co.				\$146,365
Differential:				102.7%

\*Geographic adjustment is a rounded average from six unique sources  
Salary Data Source: Multnomah County Auditor's Office Salary Survey 2007

**2. Comparability between the District Attorney and Multnomah County department directors:**

There are six (6) department directors in the County in two pay scales. In 2005 the Multnomah County Human Resources Office concluded that the position of District Attorney is comparable in classification to Department Director II.

**Exhibit B: Department Directors' Salaries:**

Department	Classification	2007/08 Salary	Pay Scale Minimum	Pay Scale Midpoint	Pay Scale Maximum
Community Services	Department Director I	\$136,900	\$89,787	\$114,267	\$138,747
Community Justice	Department Director I	\$130,000	\$89,787	\$114,267	\$138,747
County Management	Department Director I	\$127,032	\$89,787	\$114,267	\$138,747
Human Services	Department Director II	\$144,073	\$103,981	\$132,237	\$160,494
Health Services	Department Director II	\$144,073	\$103,981	\$132,237	\$160,494
Library	Department Director II	\$144,023	\$103,981	\$132,237	\$160,494
Sheriff		\$116,453			
Sheriff Proposed		\$135,000			
<b>District Attorney</b>		<b>\$146,365</b>			

The midpoint of the Department Director II salary range is \$132,237 and all three positions are paid above the midpoint. In fact all department director positions are paid above their midpoint. In order to maintain internal equity, the District Attorney should also be paid above the midpoint.

**3. Comparability between the District Attorney and his direct reports:**

The second highest level position in the office is the Chief Deputy District Attorney. The incumbent is currently paid \$139,902. The spread between the District Attorney's salary and his highest paid direct report is only 4.6%.

Compensation theory suggests the spread between the supervisor and subordinate should be 10% to 25%. However, since the position is comparable to Department Director II and already at the 75<sup>th</sup> percentile of that range, that decision should be made with a great deal of caution.

**4. Tenure in the job:**

Generally speaking, salary will increase based in part on tenure in the position. This is an elected position and presumably, should a new District Attorney be elected, he/she would receive the salary of the outgoing District Attorney. Consequently, tenure in the position should not be a factor in considering an appropriate salary.

**5. Benefits considerations:**

Of the data available to this Commission, there are differences in benefits packages provided to Oregon district attorneys. However, total compensation information (the relative worth of the combination of salary and benefits) is not readily available for the

Oregon and Washington counties surveyed. That level of survey can be time-consuming and expensive, but perhaps should be considered by future Commissions.

**6. Internal equity versus external market considerations:**

Greater weight is being given to internal equity considerations than to the external market for a couple of reasons:

- a. internal equity (data regarding department directors and subordinates) is a professionally acceptable method for assigning a salary;
- b. external market data (data regarding Oregon and Washington county district attorney salaries) is not directly comparable to Multnomah County.

**7. CPI considerations:**

CPI data is an integral part of the information base in the data presented. It has influenced the market data from both outside sources such as other counties and from within the county in determining an appropriate salary range for department directors.

**8. Compensation philosophy:**

Typically an organization will consider three factors when designing compensation programs. These are the ability for an organization to 1) attract, 2) retain and 3) motivate employees. Attracting talent for the DA's position is limited to the local area, and to those with the required certifications, so salary comparability with other jurisdictions to a certain extent is not relevant. Nevertheless, although it cannot be proven, this Commission believes that an equitable and competitive salary will attract a larger number of high quality individuals to run for, and be motivated to remain in, this and other elected offices.

**RECOMMENDATIONS AND REASONS**

The salaries of district attorneys in Oregon and Washington jurisdictions are closely aligned to this position when in fact, this position has greater responsibility than most, if not all, of the counties listed. Accordingly it should be paid more. Aging the OR/WA data by 3% because it was collected in 2007 produces an average OR/WA salary almost exactly equal to the District Attorney's current salary. However, presumably, the Department Director II salary range will increase by a cost of living factor in both 2008 and 2009 which may keep the DA's salary slightly above the average of OR/WA counties. Because this Commission is unaware what that increase might be, at this point it should be carefully watched and reviewed by the 2010 Commission.

The Chief Deputy to the District Attorney is paid a salary closely comparable to that of the District Attorney, creating a salary compression problem. This Commission is aware this compression problem has existed for a number of years. It, too, needs to be carefully watched and reviewed by the 2010 Commission.

In comparison with the elected Chair of the BOCC, the recommended salary for the District Attorney is greater than the Chair's salary which is being set by this Commission

at the midpoint of the Department Director II salary range. Both are elected officials of the County. However, the District Attorney is required to have professional credentials, including a law degree, not required of other County elected positions and that justifies the higher salary.

### **2008/2009 and 2009/2010 SALARY**

The Commission recommends that the salary of the District Attorney remain at the 75<sup>th</sup> percentile of the Department Director II salary range for 2008/09 and 2009/2010.

Additionally the Commission recommends that the salary be considered the combined total salary including both the County's and State's contributions. Should the State increase or decrease its level of contribution, the County will then subsequently adjust its level of contribution to return it to the recommended total salary.

### **ENHANCING SERVICE TO THE PUBLIC**

The Commission recommends that the BOCC accept the recommendations in total for the following reasons:

1. the recommendations come from professionals in the field of compensation and are based on (to the best of our knowledge) accurate, relevant and appropriate data and methodologies;
2. the salary recommendations relate to the office and not to the person; in other words, the salary is based on what the *job* is worth and because it does not include a "pay for performance" model it is not a measure of the worth of the *individual* who occupies the position;
3. being paid for what the job is objectively worth is extremely vital to maintaining high quality leadership for the District Attorney and his/her successor; thus the public will be better served.

### **REVISIONS TO THE DATA**

The Commission understands that a salary survey of county management is being considered. Should this significantly modify the data used to make this recommendation, the Commission would be willing to meet mid-term, if invited by the BOCC, to revise and reframe the recommendation based on the new data.

### **LAST BUT CERTAINLY NOT LEAST**

The Commission wishes to thank Travis Graves and Joi Doi of the County Human Resources Office for collecting and sharing valuable information regarding management salaries and comparable jurisdictions.

The Commission wishes to thank Agnes Sowle, County Counsel, for discussing with us legal issues.

The Commission also wishes to extend its heartfelt gratitude to the Multnomah County Auditor LaVonne Griffin-Valade for her support, insight, historical knowledge, and ability to capture the salient points of our sometimes lengthy discussions. And it is not an overstatement to say that we could not do our work without the Auditor's assistant Judy Rosenberger who completed extensive research and information gathering for us, and then went back more than once to check on and support the data. She spent untold hours providing the data and information we needed in order to do our work. Additionally she scheduled and attended all early morning meetings with a much appreciated continental breakfast, created and distributed minutes, and provided copies of all materials.

We thank them both for their warm, caring and friendly ways. We could not, and would not want to, do our work without them. Thank you!

Cc: Michael Schrunk, District Attorney



## **Salary Commission**

501 SE Hawthorne, Room 601  
Portland, Oregon 97204  
Telephone (503) 988-3320

**Date:** May 12, 2008

**To:** Multnomah County Board of County Commissioners

**From:** 2008 Salary Commission  
Rick Howell, Consultant  
Co-Chair Laura Olson, Corporate Director of Human Resources, Schnitzer Steel  
David Rhys, Classification/Compensation Manager, City of Portland  
Co-Chair Mary Ann Wersch, Director of Human Resources, Reed College  
Eric Wilson, President, HR Integrated Solutions

**Re:** Report and Recommendation Regarding the Sheriff's Salary

Under the authority of Section 4.30 of the Multnomah County Home Rule Charter as amended November 2004, the 2008 Multnomah County Salary Commission (Commission) was appointed by the County Auditor to set salaries for the Board of County Commissioners (BOCC). In 1991 a County Counsel's opinion stated that the Salary Commission may also make recommendations regarding the salaries of the Sheriff and District Attorney, if requested. This is the first year the Sheriff has requested the Salary Commission make a salary recommendation.

Enclosed is our report and recommendation for the salary for the Sheriff for fiscal years 2008/09 and 2009/10. We will be happy to answer questions or provide additional information upon request.

## **Executive Summary**

The Commission considered three primary factors in recommending a salary adjustment for the Sheriff:

1. salaries of Sheriffs in comparable jurisdictions;
2. salaries of Multnomah County department directors; and
3. salaries of direct reports to the Multnomah County Sheriff.

The Commission gave more weight to internal equity (salaries of department directors and the Sheriff's subordinates) than to external market considerations (salaries of other jurisdictions).

The Commission recommends that the salary of the Sheriff be increased to \$135,000 annually for 2008/09.

The Commission recommends that the salary of the Sheriff be increased by the percentage increase, if any, granted to Department Directors I and II for 2009/10.

Respectfully submitted this 12<sup>th</sup> day of May, 2008

**By the Multnomah County Salary Commission:**

Rick Howell, Laura Olson, David Rhys, Mary Ann Wersch, and Eric Wilson

## **SALARY COMMISSION BACKGROUND**

In November 1984 the Home Rule Charter was amended to establish a five-member salary commission. The first Commission was appointed in 1986 and a new Commission has been appointed in each even year up to the current 2008 Commission.

In November 2004 the Home Rule Charter was amended as follows:

“The auditor shall appoint a five-member salary commission, composed of qualified human resource professionals with compensation experience, by January 1 of each even year. The salary commission shall set the salaries for the chair of the board of county commissioners and the county commissioners, documenting the basis of its decisions....”

In 1991 a County Counsel's opinion stated that the Salary Commission may also make recommendations regarding the salaries of the Sheriff and District Attorney, if requested. The Sheriff has requested the Salary Commission make a salary recommendation. This is the first year the Sheriff has made this request.

## **SALARY HISTORY**

A brief salary history shows the Sheriff's salary for the past few years as well as the slight inconsistency in the date of the granting of salary increases for this position.

<b>Start Date</b>	<b>Annual Salary</b>	<b>% increase</b>
7/1/2007	116,453	2.7%
7/1/2005	113,391	2.7%
1/1/2003	110,410	5.5%
12/1/2002	104,697	

## **METHODOLOGY AND FINDINGS**

The Commission collected and reviewed current data from a number of sources. The data is summarized below.

- 1. Proposed changes in responsibilities and authority of the Sheriff's position:**  
The Commission contacted the Chair's Office as well as the County Attorney regarding any proposed changes to the duties and responsibilities of the Sheriff's position that might impact the 2008 salary recommendation. It is our understanding the current responsibilities were expected to continue with no significant changes.
- 2. Sheriff's salaries in counties in Oregon and Washington:**  
Several counties in Oregon and Washington, as follows, were considered for external market data comparisons.

Oregon: Clackamas, Lane, Marion and Washington  
Washington: Pierce and Thurston

The Multnomah County Sheriff's Office was contacted by the Commission to determine if there are differences in Sheriff duties in OR and WA counties that would be important for the Commission to know. The Commission was advised that other counties do have jail responsibilities; however, the Multnomah County Sheriff is responsible for a larger and significantly more complex jail operation. Thus the span of responsibility is much broader for the Multnomah County Sheriff in comparison to most other counties in Oregon and Washington.

Salary data was collected from these jurisdictions and is shown in Exhibit A.

**3. Sheriff's salaries in other jurisdictions:**

The Sheriff's office also provided a list of jurisdictions, outside of Oregon and Washington, that are somewhat comparable to Multnomah County, as follows: Denton TX, San Joaquin CA, Suffolk NY, Oklahoma OK, San Mateo CA, San Francisco CA, and Ventura CA.

Salary data was collected from these jurisdictions and is also shown in Exhibit A.

**Exhibit A: Sheriff Salaries adjusted for Geographical Differences  
Fall, 2007**

County	Actual Salary	Geographic adjustment*	Equivalent Portland Salary
Clackamas, OR	120,286	99.1%	119,155
Lane County, OR	113,568	106.8%	121,281
Washington County, OR	127,824	91.9%	117,501
Marion County, OR	105,913	103.5%	109,669
Pierce County, WA	132,685	103.9%	137,823
Thurston County, WA	104,112	107.9%	112,351
Suffolk County, NY	160,000	77.2%	123,538
San Joaquin County, CA	164,486	98.8%	162,540
San Francisco County, CA	193,728	68.6%	132,822
San Mateo County, CA	188,592	74.6%	140,638
Ventura County, CA	216,952	68.6%	179,377
Oklahoma County, OK	95,262	131.6%	125,374
Denton County, TX	103,300	119.8%	123,757
Average			131,217
<b>Multnomah County</b>			<b>116,453</b>
Differential			88.7%

\*Geographic adjustment is a rounded average from six unique sources

Salary Data Source: Multnomah County Auditor's Office Salary Survey 2007

The survey data shows the Sheriff's salary to be only 89% of the average of other jurisdictions. It supports an argument that the Sheriff's salary should be increased.

**4. Comparability between the Sheriff and Multnomah County department directors:**

There are six (6) department directors in the County in two pay scales.

**Exhibit B: Department Directors' Salaries:**

Department	Classification	2007/08 Salary	Pay Scale Minimum	Pay Scale Midpoint	Pay Scale Maximum
Community Services	Department Director I	\$136,900	\$89,787	\$114,267	\$138,747
Community Justice	Department Director I	\$130,000	\$89,787	\$114,267	\$138,747
County Management	Department Director I	\$127,032	\$89,787	\$114,267	\$138,747
Human Services	Department Director II	\$144,073	\$103,981	\$132,237	\$160,494
Health Services	Department Director II	\$144,073	\$103,981	\$132,237	\$160,494
Library	Department Director II	\$144,023	\$103,981	\$132,237	\$160,494
District Attorney		\$146,365			
<b>Sheriff</b>		<b>\$116,453</b>			

The midpoint of the Department Director II salary range is \$132,237 and four of the six positions are paid above the Department Director II midpoint. In fact all department director positions are paid above the midpoint of their ranges.

The Sheriff's position is not included in the Department Director classifications, but given the level of authority and responsibility of the position, an argument could be made that it is equivalent to Department Director II. Thus, in order to maintain internal equity, the Sheriff would also be paid above the midpoint of Department Director II.

**5. Comparability with the Portland Police Chief:**

The city does not have responsibility for jails; however the geographic area of oversight is significantly greater than Multnomah County. Therefore the jobs are substantially different, but still it is important to consider the salary of the Police Chief in Portland for purposes of comparison. The salary range for the City Police Chief is \$120,224-\$172,286 with a midpoint of \$146,255. It is approximately 10% higher at the midpoint than Multnomah County Department Director II.

The Police Chief's actual salary is \$163,800; the Sheriff's salary is only 71% of the Police Chief's salary. Although the same salary is not justified, the differential should be far less given there is only a 10% differential in the ranges.

**6. Comparability between the Sheriff and his direct reports:**

The second highest level position in the office is Chief Deputy although it appears there is also a position called Undersheriff that is unfilled but has a salary of \$115,574. Because this Commission is unaware of the current viability of the Undersheriff position, our data will reflect only the comparability between the Sheriff and Chief Deputy. There are two incumbents serving as Chief Deputy making the same salary, \$108,504. This is a salary differential between the Sheriff and Chief Deputy of only 7%. Compensation theory suggests the spread between the supervisor and subordinate should be 10% to 25%. As a result, this data supports an increase in the Sheriff's salary.

Further justifying an upward adjustment is the Multnomah County Home Rule Charter which specifies that the County Sheriff's salary shall be fixed by the BOCC in an amount that is not less than any member of the Sheriff's office. The salary compression between the Sheriff and his direct reports diminishes the ability to adjust the direct reports' salaries, should that be desirable based on internal and/or external factors. This has the potential for creating salary compression issues throughout the salary structure in the Sheriff's department, and this can be particularly de-motivating when the top position is below market.

**7. Tenure in the job:**

Generally speaking, salary will increase based in part on tenure in the position. This is an elected position and presumably, should a new Sheriff be elected, he/she would receive the salary of the outgoing Sheriff. Consequently, tenure in the position should not be a factor in considering an appropriate salary.

**8. Benefits considerations:**

Of the data available to this Commission, there are differences in benefits packages provided to Oregon Sheriffs. However, total compensation information (the relative worth of the combination of salary and benefits) is not readily available for counties surveyed. That level of survey can be time-consuming and expensive, but perhaps should be considered by future Commissions.

**9. Internal equity versus external market considerations:**

Greater weight is being given to internal equity considerations than to the external market for a couple of reasons:

- a. internal equity (data regarding department directors and subordinates) is a professionally acceptable method for assigning a salary;
- b. external market data (data regarding other county Sheriff salaries) is not directly comparable to Multnomah County although it might be wise for future Commissions to pursue this further.

#### **10. CPI considerations:**

CPI data is an integral part of the information base in the data presented. It has influenced the market data from both outside sources such as other counties and from within the county in determining an appropriate salary range for department directors.

#### **11. Compensation philosophy:**

Typically an organization will consider three factors when designing compensation programs. These are the ability for an organization to 1) attract, 2) retain and 3) motivate employees. Attracting talent for the Sheriff's position is limited to the local area, and to those with the required certifications, so salary comparability with other jurisdictions to a certain extent is not relevant. Nevertheless, although it cannot be proven, this Commission believes that an equitable and competitive salary will attract a larger number of high quality individuals to run for, and be motivated to remain in, this and other elected offices.

### **RECOMMENDATIONS AND REASONS**

The salaries of Sheriffs in Oregon and Washington jurisdictions are closely aligned to this position when in fact, this position has greater responsibility than most, if not all, of the counties listed. Accordingly it should be paid more. A salary of \$135,000 would place the Sheriff's salary approximately 2.9% higher than the average. That differential is inflated due to the fact the market data is 2007 data and the new salary being proposed is for 2008/09. Aging the market data by 3% makes the Sheriff's salary almost exactly the average of other jurisdictions.

The Multnomah County Department Director positions are paid significantly more than the Multnomah County Sheriff even though the Sheriff position is arguably equivalent to Department Director II. All department directors are paid above the midpoint of their range and it is our understanding from County HR staff that most department directors are hired at the midpoint of the salary range or above. Therefore, it seems appropriate that the Sheriff be placed at the approximate midpoint of the Department Director II range which is approximately \$132,237. Again, this is 2007 data; aging the Department Director data by 3% creates a midpoint of \$136,204 still slightly higher than the proposed salary of \$135,000 but goes a long way to close the gap.

The two Chief Deputies to the Sheriff are paid a salary slightly lower than the Sheriff's salary. Increasing the salary to \$135,000 has the subordinates' salary at 80% of the Sheriff's salary (based on 2007-2008 salaries). Aging the Chief Deputy salary by 3% increases their salary to \$111,759 and reduces the differential to 83%, still within an acceptable range.

In comparison with the elected Chair of the BOCC, the recommended salary for the Sheriff is greater than the Chair's salary which is being set by this Commission at the midpoint of Department Director II which is currently \$132,237. Both are elected

officials of the County. However, a different set of factors was considered to determine the salaries for each position and the Sheriff's position requires professional certifications that the Chair's position does not. In the end however, with a projected increase of 3% to the Department Director II salary range, the salaries are closely matched.

This Commission is acutely aware that increasing the Sheriff's salary to \$135,000 is an increase of 16%. In this environment and this economy, that is a remarkable increase. However, this increase is essentially making up for a number of years of neglect in ensuring a fair, equitable, and competitive salary for this position.

### **2008/2009 and 2009/2010 SALARY**

The Commission recommends that the salary of the Sheriff be increased to \$135,000 annually for 2008/09.

The Commission recommends that the salary of the Sheriff be increased for 2009/10 by the same percentage increase, if any, granted to Department Directors.

### **ENHANCING SERVICE TO THE PUBLIC**

The Commission recommends that the BOCC accept the recommendations in total for the following reasons:

1. the recommendations come from professionals in the field of compensation and are based on (to the best of our knowledge) accurate, relevant and appropriate data and methodologies;
2. the salary recommendations relate to the office and not to the person; in other words, the salary is based on what the *job* is worth and because it does not include a "pay for performance" model it is not a measure of the worth of the *individual* who occupies the position;
3. being paid for what the job is objectively worth is extremely vital to maintaining high quality leadership for the Sheriff and his/her successor; thus the public will be better served.

### **REVISIONS TO THE DATA**

The Commission understands that a salary survey of county management, including management of the Sheriff's Office, is being considered. Additionally, job responsibilities for this position, as with any position in the County, could change at some point in the future. Should this significantly modify the data used to make this recommendation, the Commission would be willing to meet mid-term, if invited by the BOCC, to revise and reframe the recommendation based on the new data.

## **LAST BUT CERTAINLY NOT LEAST**

The Commission wishes to thank Jennifer Ott in the Sheriff's Office for collecting and sharing valuable internal and external data with us. We also thank Sheriff Bernie Giusto for agreeing to meet with us and clarifying the responsibilities of the Sheriff's position and the currently existing salary compression problems within the department.

The Commission wishes to thank Travis Graves and Joi Doi of the County Human Resources Office for collecting and sharing valuable information regarding management salaries and comparable jurisdictions.

The Commission wishes to thank Agnes Sowle, County Attorney, for discussing with us legal issues.

The Commission wishes to thank Bill Farver, Chief Operating Officer, for providing insight into the position of Sheriff, its relationship with County governance, and recent changes designed to strengthen collaboration between the Sheriff's Office and the County.

The Commission also wishes to extend its heartfelt gratitude to the Multnomah County Auditor LaVonne Griffin-Valade for her support, insight, historical knowledge, and ability to capture the salient points of our sometimes lengthy discussions. And it is not an overstatement to say that we could not do our work without the Auditor's assistant Judy Rosenberger who completed extensive research and information gathering for us, and then went back more than once to check on and support the data. She spent untold hours providing the data and information we needed in order to do our work. Additionally she scheduled and attended all early morning meetings with a much appreciated continental breakfast, created and distributed minutes, and provided copies of all materials.

We thank them both for their warm, caring and friendly ways. We could not, and would not want to, do our work without them. Thank you!

Cc: Bernie Giusto, Sheriff

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-083**

Accepting the 2008 Multnomah County Salary Commission Report Setting Chair and Commissioner Salaries

**The Multnomah County Board of Commissioners Finds:**

- a. Multnomah County Home Rule Charter Section 4.30 requires the Auditor to appoint, by January 1 of each even numbered year, a five-member Salary Commission to set the salaries for the Chair and the Board of County Commissioners.
- b. The 2008 Salary Commission has submitted a report to the Board setting salaries for the Chair and Commissioners.
- c. The Salary Commission assessed both the external market and internal equity and set Chair and Board salaries as follows:

	Fiscal Year	Salary
(i) Chair	2008-2009	Equal to the midpoint of the Multnomah County Department Director II 2008/09 salary range but no less than \$132,237
Chair	2009-2010	Equal to the midpoint of the Multnomah County Department Director II 2008/09 salary range plus 3% but no less than \$136,204
(ii) Commissioners	2008-2009	\$88,000
Commissioners	2009-2010	\$90,640

**The Multnomah County Board of Commissioners Resolves:**

1. The Board accepts the 2008 Multnomah County Salary Commission Report setting the Chair and Commissioner salaries.

ADOPTED this 5th day of June, 2008



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:  
LaVonne L. Griffin-Valade, Auditor

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-084**

Accepting the 2008 Multnomah County Salary Commission Report and Setting District Attorney's Salary

**The Multnomah County Board of Commissioners Finds:**

- a. Multnomah County Home Rule Charter Section 4.30 requires the Auditor to appoint, by January 1 of each even numbered year, a five-member Salary Commission to set the salaries for the Chair and the Board of County Commissioners.
- b. By Resolution 05-169, the Board directed the Auditor to include the District Attorney's salary in future Salary Commission studies and make salary adjustment recommendations.
- c. The 2008 Salary Commission has submitted a report to the Board recommending adjustments to the District Attorney's salary.
- d. In recommending salary adjustments for the District Attorney, the 2008 Salary Commission considered the salaries of:
  1. Oregon and Washington district attorneys;
  2. Multnomah County department directors; and
  3. Staff directly reporting to the Multnomah County District Attorney.

The Commission gave more weight to internal equity (department director and DA subordinate salaries) than external market considerations (other WA and OR salaries).

- e. The Commission recommends the District Attorney salary be retained at the 75th percentile of the Department Director II salary range for fiscal years 2008/09 and 2009/10.

**The Multnomah County Board of Commissioners Resolves:**

1. The Board accepts the Report of the 2008 Salary Commission regarding the District Attorney' salary.

2. The salary for the District Attorney will be retained at the 75th percentile of the Department Director II salary range for fiscal years 2008/09 and 2009/10.

ADOPTED this 5th day of June, 2008.

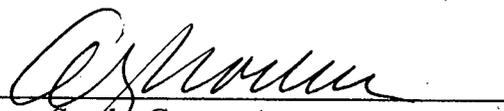


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:

LaVonne L. Griffin-Valade, Auditor

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 08-085**

Accepting the 2008 Multnomah County Salary Commission Report and Setting Sheriff's Salary

**The Multnomah County Board of Commissioners Finds:**

- a. Multnomah County Home Rule Charter Section 6.50(2) requires that the Sheriff's salary is fixed by the Board in an amount that is not less than any member of the sheriff's office.
- b. Home Rule Charter Section 4.30 requires the Auditor to appoint, by January 1 of each even numbered year, a five-member Salary Commission to set the salaries for the Chair and the Board of County Commissioners.
- c. By Resolution 07-160, the Board directed the Auditor to include the Sheriff's salary in future Salary Commission studies and make salary adjustment recommendations.
- d. The 2008 Salary Commission (Commission) has submitted a report to the Board recommending adjustments to the Sheriff's salary.
- e. In recommending salary adjustments for the Sheriff, the Commission considered the salaries of:
  - 1) Sheriffs in comparable jurisdictions;
  - 2) Multnomah County department directors; and
  - 3) Direct reports to the Multnomah County Sheriff.

The Commission gave more weight to internal equity (salaries of department directors and the Sheriff's subordinates) than to external market considerations (salaries of other jurisdictions).

- f. The Commission recommends that the salary of the Sheriff be increased:
  - to \$135,000 annually for 2008/09; and
  - by the percentage increase, if any, granted to Department Directors I and II for 2009/10.

**The Multnomah County Board of Commissioners Resolves:**

1. The Board accepts the Report of the 2008 Salary Commission regarding the Sheriff's salary.
2. The salary for the Sheriff's will be increased:
  - to \$135,000 annually effective July 1, 2008; and
  - by the percentage increase, if any, granted to Department Directors I and II for fiscal year 2009/10 effective July 1, 2009, to maintain parity with cost of living adjustments for command staff in the sheriff's office.

ADOPTED this 5th day of June, 2008.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Agnes Sowle, County Attorney

SUBMITTED BY:

LaVonne L. Griffin-Valade, Auditor