



MULTNOMAH COUNTY SHERIFF'S OFFICE
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MEMORANDUM

TO: Karyne Kieta, Budget Director

FROM: Wanda Yantis, Fiscal Manager

DATE: June 10, 2010

RE: FY10 Year End Contingency Request

The Sheriff's Office is requesting \$550,000 of general fund contingency be appropriated to the Sheriff's Office to cover the unanticipated costs associated with the search for Kyron Horman. This appropriation will include the costs associated with Facilities Management opening the Wapato Facility to be used for sheltering the many search teams that assist us from throughout Oregon and Southwest Washington.

The search for Kyron Horman has occurred so close to the end of the fiscal year that we are precluded from making budget adjustments within our current appropriation to manage the costs. Our year end projections show we are spending close to 100% of our FY 2010 appropriation and the costs of this search could push us over our budget. Therefore, it is important that this contingency request be appropriated as a "safety net" to avoid MCSO from violating budget law and overspending our authorized appropriation. The contingency appropriation will be used solely for the costs associated with the search for Kyron and any unused balance will be returned to the general fund for FY 2011. This request represents one half of one percent of our current general fund budget.

There are a number of expenditures that have been incurred during this fiscal year which were unanticipated in the adoption of the Sheriff's Office FY10 budget. Several were covered by contingency funding approved by the Board; these include the DSA contract settlement including the ORPAT premium, and the restoration of the CERT/CNT corrections teams. However, there were several more unfunded expenditures that have not been backfilled with contingency, including the SB1145 shortfall; the midyear medical/dental rate increase; keeping Gresham Temporary Hold open for the entire year; paying for overtime to support the State Courts operation; and the labor agreement settlement for the post of deputies now required for suicide watches.

Our budget is complex and each year we work hard to manage the unforeseen expenditures within our appropriation, but the nature of this unprecedented search during the end of the fiscal year compels this prudent fiscal step to be taken. We believe this step to be precautionary in nature, as the Sheriff's Office has reduced our expenditures during the year to match the expected additional costs. Our current forecast is to end the year turning back a positive balance to the general fund, but we realize that the projected balance is small compared to the possible expense of the current search effort and that steps should be taken to insure a positive balance. Any unexpended funds from our appropriation and the contingency request will remain in the general fund as part of the beginning working capital for FY11.

Please let me know if you have any questions.