



MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST (short form)

Board Clerk Use Only

Meeting Date: 03/12/09
Agenda Item #: WS-1
Est. Start Time: 10:10 AM
Date Submitted: 03/04/09

Agenda Title: **Work Session to Consider County-wide Impact of State Funding Reductions in the 2007-2009 Biennium which will Take Effect in Fiscal Year 2009**

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

Requested Meeting Date: March 12, 2009 **Amount of Time Needed:** 2 hours
Department: County Management **Division:** Budget Office
Contact(s): Karyne Kieta
Phone: 503-988-3312 **Ext.** 22457 **I/O Address:** 503/501
Presenter(s): Karyne Kieta, Mike Jaspin, Travis Graves, Department Directors, Invited Others

General Information

1. What action are you requesting from the Board?

Participate in a work session to discuss the policy choices and the impacts to County program as a result of reductions in funding from the State that will be reflected in the current fiscal year. This will include a discussion of rebalancing the County's budget with changed state resources and how those changes will be implemented.

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.

With the current economic situation, the State is facing many funding challenges. In mid-February, the co-chairs of the Joint Ways and Means Committee released their proposed cuts to balance the budget for the current biennium. The list included several areas that impact Multnomah County programs:

- Department of Justice
- Corrections
- Oregon Youth Authority
- State Commission on Children and Families
- Department Human Services

The State released its revised forecast on Friday, February 20th. As a result, the County will experience some significant cuts to state funded programs this fiscal year. The Budget Office has collected data from departments about potential impacts and will present their findings to the Board. Information includes expenditure and revenue reductions, client impacts, FTE impacts, and anticipated ramp down costs. In order to create a smoother glide path for reductions, information will also be presented regarding the balance of implementing FY 2010 reductions earlier than scheduled. Additional information will be included regarding triggers for SB 1145 Opt Out and SB 400 claims. Human Resources will provide information regarding the layoff process and timeline.

Another worksession is scheduled for March 17th to answer any follow up and to allow for any further discussion.

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

A fiscal summary will be presented at the worksession including the potential reductions and ramp down expenses. State funding reductions are effective on April 1, 2009. Any ramp down costs after that date will need to be funded from within Department's existing appropriation or from a one-time-only source. Either option will have the effect of reducing available funding for FY 2010.

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

Oregon Budget Law does not require the Board to formally reduce appropriations to implement reductions. However, staff will return with a budget modification to formally reduce appropriations. No vote is needed at this time.

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

Required Signature

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

Carol M. Ford

Date: 03/04/09



Multnomah County Budget Office
MULTNOMAH COUNTY OREGON
501 SE Hawthorne
Portland, Oregon 97214-3501

FY 2007-09 State Midyear Budget Reduction Agenda

	Item	Speaker
1.	Agenda Review	Karyne Kieta
2.	State Cut Overview and reduction process	Karyne Kieta
3.*	DCHS state cut impact	Joanne Fuller
4.*	Health Dept state cut impact	Lillian Shirley
4A.*	CCFC state cut impact	Wendy Lebow
5.*	DCJ state cut impact	Scott Taylor
5A.	Opt Out	Jacquie Weber
6.*	MCSO & Corrections Health state cut impact	Larry Aab
6A.	SB 400	
7.	HR Layoff process	Travis Graves
8.	Next Steps	Karyne Kieta

*Each Department will review State cut amount, program impacted, reduction strategy, any ramp down expenses and FY 2010 implications.

**Multnomah County Service *Estimated* Impact
(State Revised Budget FY 2007-2009)**

Dept.	FY 2009 Estimated County Direct Service Add/Loss	FY 2009 Estimated Ramp Down Expenditure	FY 2009 County FTE Add/Loss
DCJ	(\$1,082,233)	639,076	(23.50)
MCSO	(\$537,457)	5,026	(4.00)
DCHS	(\$458,246)	0	(6.07)
HD	(\$171,856)	0	(1.93)
Total	(\$2,249,792)	644,102	(35.50)

Department Programs Impacted

Countywide - Video Lottery Revenue (\$600,000)

Department of Community Justice

Approx Amt

50006	Adult Services Division Management	(\$57,434)
50002	Employee, Community & Clinical Services	(\$63,582)
50025	Adult PreTrial Supv Prg (PSP)	(\$71,751)
50026	Adult Recog Program	(\$21,197)
50028	Adult Electronic Monitoring	(\$5,299)
50034	Adult Domestic Violence Supervision	(\$19,616)
50032	Adult Field Srvc's, Felony Supervision	(\$141,896)
50022	Juvenile Accountability (ASIS)	(\$14,371)
50021	Juvenile Secure Residential A&D (RAD)	(\$29,897)
50023A-C	Juvenile Detention	(\$18,114)
		(\$443,157)

Sheriff's Office

60039B Corrections Work Crews (\$80,612)

Note: the Sheriff's DOC reductions are being offset with beginning working capital

Department of County Human Services

25020	Aging & Disability Services - Access & Early Intervention Services	(\$6,518)
25023	Aging/Disability Services-Long Term Care	(\$240,940)
25024	Aging & Disability Services - Adult Protective Services	(\$80,394)
25027	Aging & Disability Services Administration	(\$80,394)
25145A	SUN Community Schools	(\$50,000)
		(\$458,246)

Health Department

Various Early Childhood Services (\$171,856)

Multnomah County Service *Estimated* Impact (State Revised Budget FY 2007-2009)

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Revenue Reductions highlighted in light Blue													
DCJ	ASD State DOC Reduction / Various		18,359,574	18,359,574	(1,024,739)		(1,024,739)	-5.58%	17,334,835				DOC 1145 reduction for final quarter of 07-09 biennium. This amount reflects the DCJ share of the reduction.
DCJ	ASD Mgt / 50006	1,722,608	-	1,722,608	(57,434)	-	(57,434)	-3.33%	1,665,174	(2.00)		1 PM2 (DM) & 1 CJM (Spt) cut 4/1/09	Both positions cut in DCJ Requested Budget
DCJ	ECCS / 50002	1,328,250	-	1,328,250	(63,582)	-	(63,582)	-4.79%	1,264,668	(2.00)		1 PM1 & 1 CJM (Victim Advocate) cut 4/1/09	CJM position cut in Requested Budget. PM1 position included in Requested Budget within constraint
DCJ	ASD PreTrial Supv Program (PSP) / 50025	1,883,260	-	1,883,260	(71,751)		(71,751)	-3.81%	1,811,509	(4.00)		3 PPO positions & 1 OA 2 cut 4/1/09	4 positions cut in Requested Budget
DCJ	ASD Recog Program / 50026	1,273,643	-	1,273,643	(21,197)		(21,197)	-1.66%	1,252,446	(0.80)		0.80 FTE PPO position cut 4/1/09	Position cut in Requested budget
DCJ	ASD Electronic Monitoring / 50028	298,047	-	298,047	(5,299)		(5,299)	-1.78%	292,748	(0.20)		0.20 FTE PPO position cut 4/1/09	Position cut in DCJ Requested budget
DCJ	ASD Domestic Violence Supv / 50034	1,553,269	524,978	2,078,247	(19,616)		(19,616)	-0.94%	2,058,631	(1.00)		1 PPO position cut 4/1/09	position budgeted outside constraint in DCJ Requested Budget
DCJ	ASD Field Services, Felony Supervision / 50032	297,101	13,571,711	13,868,812	(141,896)		(141,896)	-1.02%	13,726,916	(7.00)		4 PPO, 2 Rec Tech, & 1 Corr Cnslr positions cut 4/1/09.	4 PPO & 1 Rec Tech positions budgeted outside constraint in Requested Budget. 1 Rec Tech budgeted within constraint in Requested Budget. 1 Corr Cnslr cut in Requested Budget
DCJ	Department wide - Reduce DCJ's FY 2009 4% Underspending										639,076	Reduce DCJ's FY-2009 4% underspending commitment in the amount of \$1,968,567 by \$639,076.	

Multnomah County Service *Estimated* Impact (State Revised Budget FY 2007-2009)

Dept.	Program Name/#	FY 2009 CGF (Adopted Budget)	FY 2009 Other Funds (Adopted Budget)	FY 2009 Total Adopted Budget	FY 2009 Estimated County Direct Service Add/Loss	FY 2009 County Contract Add/Loss	FY 2009 Total Add/Loss	% Change from Adopted Budget	FY 2009 Total Remaining Balance	FY 2009 County FTE Add/Loss Annualized	FY 2009 Estimated Ramp Down Expenditure	FY 2009 Service Impact Estimations/ Notes	FY 2010 Service Impact Estimations/Notes
Revenue Reductions highlighted in light Blue													
DCJ	JSD ATYF (JCP 'Prevention' Revenue Reduction) / 50020	15,015	1,064,320	1,079,335	(27,367)		(27,367)	-2.54%	1,051,968			JCP 'Prevention' Revenue Reduced by 2%	State revenues reduced for final quarter of 07-09 biennium.
DCJ	JSD RAD (JCP 'Diversion' Revenue Reduction) / 50021	613,677	1,456,302	2,069,979	(6,179)		(6,179)	-0.30%	2,063,800			JCP 'Diversion' Revenue Reduction = 10% reduction of one months allocation effective 6/1/09 (this is ongoing into 09- 11 biennium)	State revenues reduced for final quarter of 07-09 biennium.
DCJ	JSD MST & ATYF (JCP 'Basic' Revenue Reduction) / 50018 & 50020	163,751	1,673,576	1,837,327	(7,281)		(7,281)	-0.40%	1,830,046			JCP 'Basic' Revenue Reduction = 10% reduction of one months allocation effective 6/1/09 (this is ongoing in to 09-11 biennium)	State revenues reduced for final quarter of 07-09 biennium.
DCJ	JSD Accountability (OYA ASIS Revenue Reduced) / 50022	1,053,127	511,960	1,565,087	(16,667)		(16,667)	-1.06%	1,548,420			OYA Gang funding cut 6/1/09	Statewide OYA Gang revenue reduction for 07-09 biennium. Program ending June 1, 2009.
DCJ	JSD Accountability (ASIS) / 50022	1,053,127	511,960	1,565,087	(14,371)	-	(14,371)	-0.92%		(4.50)		Positions will be cut effective 6/1/09. 3 JCC's, 1 CJM & 0.5 OA Sr (note CJM & OA Sr positions never filled)	Statewide OYA Gang revenue reduction for 07-09 biennium. Program ending June 1, 2009.
DCJ	JSD RAD / 50021	613,677	1,456,302	2,069,979	(29,897)	-	(29,897)	-1.44%		(1.00)		1 CJM (RAD) cut 4/1/09	CJM position cut in Requested budget.
DCJ	JSD Detention / 50023A, B, & C	8,102,217	620,651	8,722,868	(18,114)	-	(18,114)	-0.21%		(1.00)		1 BSE cut 4/1/09	1 BSE position cut in Requested Budget in JSD Accountability Program. After Requested Budget submitted it was decided to cut this BSE instead (which is currently vacant). Net 0 impact on BSE positions
Grand Total					(443,157)		(443,157)		(443,157)	(23.50)	639,076		
Revenue Reductions					(1,082,233)								

Multnomah County Service Estimated Impact (State Revised Budget FY 2007-2009)

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Revenue Reductions highlighted in light Blue													
MCSO	State DOC Revenue Reduction		\$ 9,353,509	\$ 9,353,509	(537,457)	\$ -	(537,457)	-5.7%	\$ 8,816,052	-	\$ -	Offset with beginning working capital in DOC funds from FY 2008	No impact for FY 2010
MCSO	Work Crews	498,724	\$ -	\$ 498,724	(80,612)	\$ -	(80,612)	-16.2%	\$ 418,112	(4.00)	\$ 5,026	Work Crews - Reduces number of contract hours by about 13,250, and community service hours by 545	Reduces number of contract hours by about 53,000, and community service hours by 2,182

	PLAN	ACTUAL	
BWC		1,218,828	This was not budgeted
1ST QTR		2,151,146	
2ND QTR		2,151,146	
3RD QTR		2,151,146	
4TH QTR		1,613,701	
SB1145 REVENUE TOTAL	\$ 9,353,509	9,285,967	
BUDGET	\$ 9,353,509	9,353,509	
DIFFERENCE		(67,542)	Difference between budgeted and actual 1145 revenue available
Reduce 4 work crew Deputies		80,612	Net work crews reduction after ramp down is \$75,586
Estimated vacation, comp and PH payout		(5,026)	
Net Savings (apply to 4% reduction)		8,044	This is the amount that is above what is needed to be reduced due to 1145 rev change

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DCHS	25020 - ADS Access & Early Intervention Services	\$1,952,167	\$5,178,020	\$7,130,187	(\$6,518)	\$0	(\$6,518)	-0.13%	\$7,123,669	0.00	\$0	2.85% reduction in Oregon Department of Veterans Administration (ODVA) funds; ADS will offset this reduction by using one time only ODVA carry over funds from FY08 intended for operational expenses including travel and training. Impact: No impact on staff or client services; reduction in travel and training.	ODVA funding for FY10 undetermined and dependent on legislative action.
DCHS	25023 - ADS Long Term Care	\$1,610,372	\$20,926,178	\$22,536,550	(\$240,940)	\$0	(\$240,940)	-1.15%	\$22,295,610	(4.00)	\$0	The following 4 positions have been held vacant in anticipation of FY09 State reductions: CM 1 (713681), CM 1 (713682), OA2 (713288), OA2 (713680). Impact: Loss of two Case Manager 1 positions limit ability to keep caseload sizes under 500 clients per worker when turnover or various leaves result in uncovered caseloads, and to minimize eligibility errors and delays in benefit issuance, and maintain customer service. Loss of two OA2 positions maintains current level of support; impacts opportunity to reach optimal staffing based on State staffing standards; limits ability to	3 of 4 positions were not included in the FY10 "in target" budget in anticipation of State reductions. Additional positions reduced in FY10 budget to offset funding reduction. Impact: Same as FY09 plus additional loss of Case Manager 2s, nursing staff and Adult Care Home monitors will result in: increased caseload sizes and reduced ability to respond to new intakes and client issues; reduced access to medical expertise and professional nursing consultation for staff and clients, a shift of work load to case managers, impacts ability to meet State requirements, and increases local match rate; impacts ability to maintain quality monitoring of adult care homes and reduces opportunity to avert serious problems.

Multnomah County Service *Estimated* Impact (State Revised Budget FY 2007-2009)

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DCHS	25024 - ADS Adult Protective Services	\$870,984	\$3,827,522	\$4,698,506	(\$80,394)	\$0	(\$80,394)	-2.10%	\$4,618,112	(1.00)	\$0	The 1.0 FTE Program Coordinator position (713676) has been held vacant in anticipation of FY09 State reductions. Impact: Eliminating the APS quality assurance/policy specialist position reverses action taken to increase support to managers with large supervisory spans (18) and add quality assurance, compliance monitoring and assistance with interagency coordination.	APS Quality Assurance/Policy Specialist position was not included in the "in target" FY10 budget submission in anticipation of State reductions. Impact: Same as FY09.
DCHS	25027 - ADS Administration	\$160,675	\$1,039,467	\$1,200,142	(\$80,394)	\$0	(\$80,394)	-7.73%	\$1,119,748	(1.00)	\$0	The 1.0 FTE Program Coordinator position (713678) has been held vacant in anticipation of FY09 State reductions. Impact: Eliminating the Division training position reverses action to add back training and staff develop coordinator to provide development opportunities for staff and support for managers with large supervisory spans; limits ability to improve organizational performance and opportunity for succession planning.	Division Training position was not included in the FY10 "in target" budget submission in anticipation of State reductions. Impact: Same as FY09.

Multnomah County Service *Estimated* Impact (State Revised Budget FY 2007-2009)

Dept	Program Name/#	FY 2009 CCF (Adopted Budget)	FY 2009 Other Funds (Adopted Budget)	FY 2009 Total Adopted Budget	FY 2009 Estimated County Direct Service Add/Loss	FY 2009 County Contract Add/Loss	FY 2009 Total Add/Loss	% Change from Adopted Budget	FY 2009 Total Remaining Balance	FY 2009 County FTE Add/Loss	FY 2009 Estimated Ramp Down Expenditure	FY 2009 Service Impact Estimations/Notes	FY 2010 Service Impact Estimations/Notes
DCHS	25145A - SUN Community Schools	\$2,767,750	\$607,633	\$3,375,383	(\$50,000)	\$0	(\$50,000)	-8.23%	\$3,325,383	(0.07)	\$0	This is a 50% cut to the Statewide Community Schools Technical Assistance (TA) grant from OCCF that was added to the SUN budget via bud mod DCHS-05 in September 2008. Impact: This cut will result in significant limitations to the TA work possible and a reduction in the limited duration FTE. We will negotiate a revised scope of work. Due to late receipt of the grant and start up, we anticipate that will be able to continue the .8FTE through May with the funds available.	At this point, we don't anticipate revenue for this work in FY10.
DCHS Totals							(458,246)			(6.07)			

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Health	Early Childhood Services	\$5,957,956	\$9,141,706	\$15,099,662	(\$171,856)		(\$171,856)	-1.88%	\$15,271,518	(1.93)	0	Split among 5 community based teams, with expectations that a minimum of 10% be used for client urgent needs such as rent, utilities, diapers. The rest of the funds used for staffing to provide coverage during staff absences so families continue to receive services and to carry limited caseload which would increase project capacity to serve more families.	Same as FY2009