

Summaries

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Budget Manager's Message

Overview

1. Total Budget

The number most people want to know more than any other in a budget is the total. The next thing they ask is how much that total is more than or less than the previous year. The questions are easy to ask, but the answers need some explanation to make sense.

The direct revenues in the 1998-99 budget total \$755.5 million for all funds. This is \$55.8 million more than the 1997-98 budgeted amount of \$699.7 million. The 8.0 percent increase, however, includes some structural changes that are worth noting.

- The County has three general obligation bond issues, being spent down over time, a revenue bond fund, and a fund (the Lease Purchase Project Fund) to account for Certificate of Participation issues. The amounts in these funds fluctuate from year to year.
- In 1996 the State provided the County with \$43 million to construct jail and alcohol and drug treatment beds to use for felons sentenced to less than a year. This SB 1145 capital is being spent over time and as it declines will tend to conceal other revenue changes.
- In 1998-99 the County will issue a Certificate of Participation (COP) to address deferred maintenance in the inventory of County buildings. That issue is noted below.
- Finally, the voters approved a one year Business Income Tax to be collected by the County but passed on to school districts.

	1997-8	1998-9	
Total "Direct Resources" all funds	\$ 699,683,812	\$ 755,467,741	
Less bond fund revenues	(115,860,992)	(127,881,376)	
Less SB 1145 Capital	(42,081,475)	(27,481,475)	
Less deferred maintenance COP		(6,500,000)	
Less BIT surcharge		(10,404,672)	
Comparable Revenues	541,741,345	583,200,218	7.65%

By compensating for these relatively obvious and major structural changes, the budgets for the two years are more comparable. Direct revenues will increase approximately 7.7 percent.

2. General Fund and Levy Fund Expenditures

Many of the revenues managed by the County come from other governments (about \$278 million), or have strict limitations as to how they can be used (bond revenues, gas tax revenues, etc.). Locally generated revenues, however, over which the Board of Commis-

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sioners has discretion, also grew from 1997-98. The following table shows how local spending changes between the two years.

Local Discretionary Expenditures	1997-8	1998-9	Difference
General Fund Expenditure	\$ 124,995,092	\$ 150,851,444	\$ 25,856,352
Library Fund Expenditure	24,135,836	35,782,330	11,646,494
Public Safety Levy Expenditure	34,461,050	49,774,561	15,313,511
Total Expenditures	\$ 183,591,978	\$ 236,408,335	\$ 52,816,357

Here again it is worth pointing out some changes in the funding structure for the two years.

- In December, the Board proposed and in March the voters approved a one-year Business Income Tax (BIT) surcharge for schools. Expending this dedicated revenue is shown in the General Fund. It increases spending approximately \$12.5 million. There was no equivalent expenditure in 1997-98.
- In November the County received voter approval for a local option levy supporting the Library system. That approval adds approximately \$16 million to expenditures in the Library Fund and the General Fund in 1998-99.
- In the spring of 1998, 330 jail beds open at Inverness Jail to handle felons with sentences of 12 months or less. The operating cost of those beds is budgeted for part of 1997-98. In 1998-99 it is budgeted for the entire year. The annualized cost is \$2.9 million more than the partial year funding in 1997-98.
- Similarly, the Public Safety Levy Fund will cover the cost of 95 more beds at Inverness (budgeted in 1997-98 for five months), a full year of double bunking 200 additional jail beds in MCDC (the jail in the downtown Justice Center) which in 1997-98 were only open six months, and operating costs for approximately 100 supervised alcohol and drug treatment beds in leased space. Although reducing expenditures for 40 unfilled beds at the Multnomah County Restitution Center offsets these costs, they still add \$6.5 million to 1998-99 costs.
- Finally, 1996-97 unspent balances in the General Fund were higher than the budget anticipated in 1997-98. That revenue supports one-time-only expenditures in 1998-99. These \$3.7 million of expenditures are also above the 1997-98 level.

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	1997-8	1998-9	
Local Discretionary Expenditures	\$ 183,591,978	\$ 236,408,335	
<u>Less 1998-9 Items not comparable to 1997-98</u>			
BIT surcharge for schools		(12,500,000)	
Library Levy		(16,000,000)	
Additional Public Safety Levy Expenditure		(6,500,000)	
SB 1145 covering cost of 330 beds at Inverness Jail		(2,900,000)	
Additional General Fund Carryover from 1996-97		(3,700,000)	
Comparable Base Expenditures	\$ 183,591,978	\$ 194,808,335	6.11%

Discretionary Revenues

1. Property Taxes

Multnomah County property taxes for 1998-99 will be levied under an entirely new system because of the passage of Measure 50 in June 1997. Although the changes from the prior property tax system are too complex to describe in detail, some crucial differences need to be summarized here.

- ***Assessed Value and Real Market Value***

Assessed value of real property is the dollar amount on which taxes are collected – the taxable value. Real market value is what the property could be sold for. In Oregon, under the property taxation system prior to 1997, the two things were the same thing. Properties paid taxes based on how much they were worth. A property that could be sold for \$200,000 paid twice as much tax as a property in the same city that could be sold for \$100,000.

Measure 50 disconnected assessed value of properties from their market value. Assessed value is now the *lowest* amount of the following:

- a. the property's July 1, 1995 assessed value minus 10% plus 3%, or
- b. the property's July 1, 1997 assessed value plus 3%, or
- c. the property's real market value.

If a property has been improved since July 1, 1995, then the value of the improvements may increase its assessed value, if those improvements:

- a. total \$10,000 or more since the last assessment date, or
- b. total \$25,000 or more over the last three years.

If a property is sold, its assessed value is not changed by the sale. If a property assessed at \$100,000 for purposes of taxation is sold for \$400,000, its assessed value remains \$100,000. Next year, its assessed value can grow no more than 3%.

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Now, this situation (interesting though it is) presents only practical difficulties for the property tax collection process. It is clear enough to implement. However, it sacrifices taxation equity to predictability. The nature of real estate sales is that properties in some areas are more desirable than properties in other areas (and, therefore, become worth different amounts over time), and that some kinds of property attract buyers more readily than other kinds of property. Real market value tends to change from year to year. Those increases or decreases no longer affect assessed value. Therefore, taxes will not follow what property is worth. However, what the system loses in equity it gains back in predictability. If a property owner does not alter his or her property, he or she will know with a great deal of certainty what the taxes on that property will be – at least regarding the taxes levied to pay for government operations.

- ***Permanent Tax Rate***

Measure 50 provides governments a new kind of property tax authority. Under the previous system, voters generally authorized governments to collect a certain dollar amount of taxes. Under the current system, governments are authorized to collect a tax rate, in perpetuity. This *permanent tax rate*, established retroactively effective July 1, 1997, combined all the authorized taxes for operations that each government had as of July 1, 1997, reduced that levying authority to provide a tax reduction to taxpayers, and converted the reduced authority into a permanent tax rate.

Multnomah County's permanent tax rate is \$4.3481. That is, the County is authorized to collect \$4.3481 for every thousand dollars of assessed *value* of every property in the county, every year. Because the permanent tax rate replaced a tax base and two serial levies as of July 1, 1997, the County proposes to segregate the revenue it produces into three "pots." The bulk of the revenue (69.7%) will be used for general purposes as the tax base was under the previous system. The revenue from the two "fossil levies" will be spent on library services (10.4%) and public safety (19.9%) as though the serial levies continued. This is not a legal requirement. It is a policy direction.

As assessed value grows, the taxes collected by Multnomah County will also grow. Assessed value will grow in two ways:

1. for the overwhelming majority of properties, it will grow 3% per year;
2. for properties that have new construction, it will grow more than 3%.

The 1998-99 Budget assumes overall growth in assessed value of 3.5%. We expect additional new construction worth approximately \$1.8 billion to be added to the tax roll in addition to the general 3% increase.

The combination of assessed value and the permanent tax rate will produce \$146,280,392 in property tax revenue for the operation of County programs.

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- **Compression**

Compression is a relatively familiar concept in Oregon, being the mechanism whereby Measure 5 (the 1990 property tax limitation measure) reduced property taxes. However, Measure 50 deals with compression differently and requires some explanation.

As under Measure 5, under Measure 50 no property owner is subject to taxes in excess of \$10 per thousand of *real market value* for local government operations. (Notice that this factor in Measure 50 still requires that the County maintain records of real market value of property even though the taxable value, the assessed value, is computed independently of what the property can be sold for.)

Under Measure 5, property was taxed on its real market value. Every property in a city was taxed for local government operations either at a rate below \$10 per thousand (and hence not subject to compression) or above \$10 per thousand (and therefore had taxes "compressed" to \$10 per thousand). Under Measure 50, the taxable value and the real market value are disconnected. Therefore, it is possible for one property to have local government taxes that work out to less than \$10 per thousand while the same taxes on the property next to it are compressed.

How? Two computations are required. First, the tax rates for the various overlapping governments are applied to the *assessed value* of the properties. That produces a tax amount for each property. Then those tax amounts are divided by the *real market value* of each property. If the local government tax amount for a property works out to more than \$10 per thousand of real market value, then the taxes on that property are reduced to \$10 per thousand of real market value.

This is far from academic to Multnomah County. Compression means that revenues will be lower than the amount of taxes levied. To estimate how much lower, so that a reasonable budget can be put together, has turned out to be a very complex process. Every property must be computed individually. Moreover, if taxes are reduced for a taxpayer, there is a hierarchy to property taxes that causes the reduction to decrease revenue differently for different kinds of tax levies.

Levies for debt are compressed only after all other taxes on a property are reduced to zero. Permanent tax rates are affected by compression before levies for debt but are not reduced until all local option levies are reduced to zero on a property. Local option levies are compressed to zero on a property before any other taxes are affected.

There is only one local option levy in place in Multnomah County, and it is the County Library Levy.

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- ***New Local Option Levy – Major Library Expansions***

While Measure 50 makes it impossible for a government to permanently increase property taxes, it allows governments to ask voters for approval of levies in addition to the permanent tax rate. The term of these levies, local option levies, cannot exceed five years.

As part of the response the County made to Measure 50, library hours, services, and material purchases were reduced. In November 1997, at a special election, voters approved a local option levy not merely to restore the cuts but to expand library services. The levy is authorized at \$0.5947 per thousand dollars of assessed value. It was expected to produce \$19.6 million of revenue in 1998-99. However, compression will reduce this to \$15.5 million. The General Fund will cover the resulting shortfall.

Expenditures

1. Continuation of Existing Services

- ***Health Clinics***

In 1997-98, the Adopted Budget was predicated on receiving approximately \$2.7 million of non-County revenue – from the State Emergency Board (which has an allocation available for safety net clinic services) and from private health care providers. Private health care providers have a stake in the County's provision of primary care to people who will otherwise access medical services through hospital emergency rooms.

The 1998-99 budget continues to assume \$500,000 from the State. However, keeping the primary care clinic system operating has required allocation of an additional \$2.5 million of General Fund support.

- ***Animal Control***

Animal Control continues to negotiate for funding support from pet food companies. The 1997-98 Adopted Budget assumed that by July 1998, such a revenue source would be available to extend services that were supported this year by a one-time-only allocation of carryover revenue from 1996-97. However, ongoing funding for Animal Control without general taxpayer subsidy may require imposition of an additional dedicated revenue source. To give time for further planning, \$1 million of General Fund support is allocated to continue Animal Control operations for another year.

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- ***Assessment and Taxation***

The property tax system now in place in Oregon is remarkably complex. Many factors not clearly understood when the Legislature offered Measure 50 to the voters in 1997 have proven to be more expensive to implement than anticipated. This has resulted in a need for more ongoing General Fund support for Assessment and Taxation functions than was predicted in June 1997.

- ***Target Cities Alcohol and Drug***

The Board's policy on Federal/State Grant and Foundation Revenues recognizes that "decline or withdrawal of . . . grant/foundation revenue source" may create a budgetary problem for the County. Target Cities, a program dealing with the alcohol and drug dependency of prisoners in County jails, is an example of this problem.

Target Cities is finishing its fourth year of operation at the expense of the Federal government. Its 1997-98 cost was \$4 million. About a quarter of the final year of grant funding remains to carry the program through September 1998. At that point only evaluation funding remains available. The budget allocates \$1.8 million to continue most of the components of the program through the last three-quarters of next fiscal year. However, the In Jail Intervention Program, although funds to continue it at the current level of operation are held in the General Fund Contingency account, will be reviewed by the Board before final allocations are determined.

2. Benchmark Support

Benchmarks provide quantified targets for specific quality of life conditions the County desires for the future. The following additions are grouped by the County benchmark they are intended to address.

- ***School Support***

Business Income Tax

In March 1998 the voters approved a one-year, temporary surcharge on Business Income Tax payments. This surcharge applies to businesses that pay taxes of \$100 or more. If they pay \$100 or more in regular County Business Income Tax (at a rate of 1.45% of net income), then they are assessed an additional 0.50% for one year. The revenue from this surcharge is dedicated to public schools in Multnomah County.

Current estimates are that this surcharge will produce approximately \$12.5 million. The Board, after receiving a recommendation from the school superintendents of Multnomah County school districts, has directed that the \$12.5 million be distributed as follows.

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District	Percentage Distribution Formula	Estimated Amount
Centennial	3.70%	\$ 462,500
Corbett	0.50%	62,500
David Douglas	5.10%	637,500
Gresham-Barlow	6.20%	775,000
Parkrose	2.30%	287,500
Portland	76.50%	9,562,500
Reynolds	5.40%	675,000
Riverdale	0.20%	25,000
Sauvie Island	0.10%	12,500
Total	100.00%	\$ 12,500,000

Four other districts, Lake Oswego, Scappoose, Beaverton, and Hillsboro, reach into Multnomah County. To the extent that Multnomah County residents are enrolled in these districts, they will also receive payments. However, those numbers are not yet established.

Distributing the taxes to the school districts is contingent on districts providing the Board with a list of teacher or other State certified positions and materials directly related instruction that will be paid for with these revenues.

Student Retention and Associated Programs

Multnomah County believes that keeping children in school is a primary leverage point in enhancing the life of the community. One of the three long term County benchmarks is increasing school completion. Further, not only does school completion correlate with lower adult crime but attendance at school correlates with lower juvenile crime.

The County Community Justice Department and Portland Public Schools have collaborated for two years on truancy pilot projects aimed at keeping students in school. These programs have had positive results and some important secondary effects as well. They have increased attendance among the students referred to the project – their primary focus. They have identified families with social and economic issues that can be addressed by other public agencies. They have also had some impact on school enrollment, resulting in some State funding to the school district.

The budget includes \$2 million to continue and expand truancy efforts in the Portland Public School district and, through the Multnomah Education Service District, to provide a truancy effort in the east county districts as well. In addition, it provides \$500,000 for 'wraparound' services, such as tutoring, that will help the returned students succeed in school. It also includes \$157,000 in the Health Department to begin a head lice reduc-

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tion program, addressing one of the most common reasons for children to miss school. This level of funding is expected to be continued in future years.

Alternative School Support

The overall school-funding problem is one that the Legislature must address. In the short run, however, no substitute for local financial support is available to keep class size manageable and sufficient teachers available, particularly in Portland Public Schools.

This budget provides \$1.5 million for teachers in alternative programs. The goal is to assure sufficient resources to handle students who would otherwise drop out and give them enough support to keep them in the education system. Of this amount, \$1.3 million is directed to Portland Public Schools. The rest will be made available to the Multnomah ESD to support the east county school districts. This funding, however, is not a continuing allocation. It is provided in the belief that the 1999 Legislature will agree to a formula that supplies sufficient resources to metropolitan area districts so that they can provide the quality education the State has mandated.

Finally, this budget provides \$1.5 million to school districts without restrictions on its use. Making this final one-time-only contribution required the Board to defer for one year the setaside of \$1.5 million in its General Fund Reserve.

- ***Access to Mental Health Care***

Hispanic Mental Health – \$325,000 ongoing – aimed at providing bilingual and multicultural resources for mental health services to the Hispanic community.

Touchstone – \$330,000 ongoing – four sites where schools can refer children believed to have family problems such as alcohol or drug use or domestic violence.

- ***Access to Health Care***

Parkrose Health Access Clinic – \$112,000 ongoing – keeps the Parkrose school clinic open after school hours for primary care to non-students.

Training for Oregon Health Plan eligibility screening – \$185,000 one time only – will train County staff outside the Health Department to identify and sign up clients who are eligible for Oregon Health Plan support but have not joined.

- ***Reduce Children Living in Poverty***

Services to homeless youth – \$175,000 ongoing – provides planning, coordination, and increased services and emergency housing in response to a joint Citizens Crime Commission / Association for Portland Progress report.

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- ***Reduce Children Living in Poverty***

Homeless family housing vouchers – \$100,000 one time only – providing access to hotels or motels as transitional housing for families with children, a population the County focuses on.

- ***Increase Access to Alcohol and Drug Treatment***

Youth alcohol and drug assessment pilot project – \$200,000 one time only – a project to identify alcohol and drug affected youth and assign them to programs.

- ***Community Building***

Kelly House, GEARS, and Cully – \$368,000 ongoing – backfills behind State terminated funding for programs in the outer southeast Portland area, including information and referral, day care, and skill building.

Outer Southeast Partners coordination – \$25,000 ongoing – matches a City of Portland contribution to a coordinator for services in the outer southeast area.

Brentwood-Darlington loan write-off – \$137,000 – recognizes that a loan made to assist construction of the Brentwood-Darlington community center will not be repaid.

3. Investments in Infrastructure

- ***PC Flat Fee***

The 1998-99 budget continues the practice of collecting annual payments for every PC in the County so that:

- All County employees have access to the same software and electronic mail systems,
- All County employees have access to training funds to learn the standard software, and
- Computer equipment can be replaced on a four-year schedule so that the standard software is current.

The charge remains \$739 per PC per year.

- ***Asset Preservation Fee***

A parallel system is proposed for the County's inventory of buildings. While deferring maintenance expenses has resulted in a large unfunded liability over the years, it is nonetheless true that substantial useful life remains for many systems and components of County buildings. To prevent the continued deterioration, the proposal is to collect \$1.65 per square foot of space in County owned buildings for 1998-99. With this contribution, in the first year Facilities Management staff will undertake a systematic analy-

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sis of each of the County's buildings. That analysis will: establish the remaining useful life of components in each building, estimate replacement costs, and compute life cycle contribution levels for each individual facility. Beginning in 1999-2000, Facilities Management will charge revised rates based on this costing analysis. Most importantly, this funding source should make it possible to keep existing facilities from continuing to decline over time.

- ***Deferred Maintenance***

The second half of the problem of maintaining the County capital plant is to confront the deferred maintenance inherited from generations of predecessors. Estimates of the price to deal with deferred maintenance vary depending on which buildings are assumed to remain in the County's portfolio. However, excluding the Courthouse, the estimates range from \$25 million to \$50 million. Facilities Management has a long backlog of projects that can be started with reasonable assurance that the buildings are worth keeping and that they will continue to be County property in the near future. To begin to cut into that backlog, the 1998-99 budget authorizes issuing \$6.5 million of Certificates of Participation (COPs) and using the proceeds to fund the first increment of corrective construction. Converting the annual contribution to the Capital Improvement Fund into a principal and interest payment will cover repayment of these COPs.

4. New Capital Projects

- ***Library Branches***

In 1996, voters approved bonds for Library building renovation and technology. After considerable analysis these projects have been identified and planned. Construction will begin this summer to renovate library branches: St. Johns, Gregory Heights, and Albina.

- ***Jail and Alcohol and Drug Facilities Construction***

- New beds at Inverness

This spring, construction has been completed adding 420 jail beds at Inverness Jail. Funding from the State covered the cost of 330 of these beds, the remaining 90 beds were constructed with 1996 Public Safety bond revenue.

- New Jail

The 1996 Public Safety bond also included funding for a new 210 bed jail. A siting process has resulted in selection of a location for the proposed jail and the permit

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process is underway. The site for the 210-bed jail has been chosen with the idea of constructing 300 drug and alcohol treatment beds there as well.

- Alcohol and Drug Treatment Facility

The Public Safety bond and State SB 1145 funding are also available for 300 drug and alcohol treatment beds. The original plan for these beds was to procure four 75-bed structures. Siting problems changed that plan to one where the beds would be consolidated into a single facility so that the location process could be completed more easily.

5. Reserve

The County's policy is to establish a five percent reserve in the General Fund. The Board has consistently allocated \$1.5 million annually to that reserve. The 1998-99 budget defers that allocation in order to supplement school revenues. By the end of 2000-2001, the reserve should reach the five percent goal.

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READER'S GUIDE

The Summaries section of the Budget offers assistance in using the document. Its goal is to make the document more understandable and to increase its effectiveness as a communication device between Multnomah County and its citizens. It contains general information to help interested readers find what they want in this sizable book. The information in the Summaries section is organized as follows:

Guide to the Document

- The sections of the document and what is in them,
- How the departmental appropriation sections are organized,
- Where to find other budgetary information.

Summary Financial Information

- Organization chart for Multnomah County
- Summary of resources by type and by fund,
- Summary of requirements by type and by fund,
- Summary of expenditures and personnel by department,
- Computation of the property taxes for 1996-97,

Sections of the Budget Document

Here is a summary of the tabbed sections of the budget document:

The SUMMARIES section is an informational overview of the document.

The appropriations sections of the budget contain the operational and program goals for the County's array of service delivery programs. There are separate tabs for the following organizational and accounting groups:

- Aging and Disability Services -- services to the elderly: community access, long term care, adult care home regulation, and public guardian -- disability services: community-based and nursing home care, abuse and neglect prevention, eligibility determination, and employment.
- Community and Family Services -- mental health, alcohol and drug, community action, community development, and developmental disabilities related programs.
- Community Justice -- supervision of adult offenders outside of prison, evaluation supporting sentencing decisions and substance abuse and mental health treatments, sanctions that provide structured alternatives to prison, court process support and other

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court services for juveniles, probation counseling, detention (including the intake system), residential programs, and alternatives to detention for youth in Multnomah County.

- District Attorney -- criminal prosecution, civil forfeitures of property involved in drug related crimes, family justice services (child support enforcement, victims' assistance, child and domestic abuse teams).
- Environmental Services -- land use planning, animal control, real property assessment and tax collection, elections, and a number of internal support functions for the County (facilities, fleet, records, telephone, interoffice distribution, and data processing).
- Health -- regulatory health, primary care, specialty care, dental services, HIV and sexually transmitted disease, and CareOregon (the Oregon Health Plan) operations.
- Independent Organizations -- staff and budgets supporting independent boards and commissions required by statute or the County Charter: the Citizen Involvement Committee, the Tax Supervising and Conservation Commission, and the Multnomah Commission on Children and Families, and the Local Public Safety Coordinating Council.
- Library -- operation of the region's major research library, a net of branch libraries in Multnomah County, and targeted services to specific populations.
- Nondepartmental -- Chair Beverly Stein, Commissioners Gary Hansen, Sharron Kelley, and two vacant positions, County Auditor Gary Blackmer, County Counsel, Public Affairs Office, Strategic Investment Program, organizations and accounting entities to which the County provides support, -- non-County agencies (such as school districts, the Regional Arts and Culture Commission, the Portland/Multnomah Commission on Aging, and the Metropolitan Human Rights Commission), and accounting transactions such as the various short and long-term financing arrangements of the County and the trust funds maintained by the County.
- Sheriff -- corrections, law enforcement, and the functions that support the rest of the justice system in Multnomah County.
- Support Services -- accounting, payroll, accounts payable and receivable, purchasing and general ledger functions, budgeting, evaluation, services to employees and to applicants, affirmative action, labor relations, risk management, and oversight and management to all emergency situations in Multnomah County.

The section behind the POLICIES tab is a summary of the financial policies of the County. It explains the background for the policies and a statement of the policy directions approved by the Board of County Commissioners.

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The APPENDIX to the budget document contains additional supplementary information:

- Demographic and economic information relevant to Multnomah County
- Multnomah County Government
- Tax Information
- Budgeting Process
- Glossary of Acronyms
- Glossary of Terms
- Management Phone List
- Summaries of interfund transactions

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WHAT'S IN THE APPROPRIATIONS SECTIONS

The appropriations sections of the document have in them the following kinds of information:

Department Level

Visually, these portions of the appropriations sections are set off by having three horizontal lines under the titles at the top of the page. Each department level portion of the document provides the following kinds of information.

- Table of Contents: a listing of the components of each tabbed section
- Vision: a brief explanation of the long term direction (over the next twenty years) in which the operations in the section are headed
- Strategic Planning: in those departments that have completed it, strategic planning components – situation analysis, strategic direction
- Budget Overview: a table showing the staffing, expenditures, and revenues of the operations in the section for 1996-97, 1997-98, and 1998-99. The amounts shown for 1996-97 are actual data for that year. For 1997-98 the numbers are shown both for the budget as it was originally adopted and as it existed at the time the Board adopted the 1998-99 Budget.
- Department Services: an explanation of the organizations in the section and what they do
- Performance Trends: graphic explanations of the most important outcomes on which the operations in the section focus their efforts. The data covers 1994-95, 1995-96, 1996-97, and 1997-98 wherever possible.
- Expenditure Charts: graphs displaying expenditures in the section
- Budget Trends / Costs by Division / Staffing by Division: tables showing how the operations in the sections spend the County's resources by major category (Personal Services, Contractual Services, Materials and Supplies, and Capital Outlay), and how that spending is allocated among the individual organizations detailed in the section both as regards costs and the number of staff
- Issues: the major budgetary and policy issues presented to the Board during the budget process with a summary of the action recommended by the Chair in response to these issues

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- OQA Summary and Response: is one of the "Issues" that each department will discuss. As an important implementing step in the RESULTS (Reaching Excellent Service Using Leadership and Team Strategies) initiative to create a high-performance organization, each department assessed its management systems against the criteria contained in the Oregon Quality Award (OQA). A synopsis of this self-assessment, and the decisions each department has made about what issues to focus attention on during the coming year, appears in the "Issues" section of the departmental narrative.

Division / Branch / Program Group Narrative

These portions of the document are visually distinguished by having two horizontal lines under the titles at the top of the page. Each such major subdivision of each appropriations section contains:

- a Description of the operation (its purpose, responsibilities, and the functions it carries out to meet those responsibilities), a brief statement of the nature and size of the problem faced by the operation, a list of any state or federal requirements imposed on the organization, and, in many cases, notes about changes to the organization during 1997-98 or 1998-99,
- the Action Plan for what the operation expects to accomplish during the coming fiscal year, and
- Significant Changes that took place between the 1997-98 Adopted Budget and the 1998-99 Budget, detailing changes in revenues, staffing, and costs.
- A page of financial information follows on which the following tables describe the costs and revenues associated with the division, branch, or program group:

Budget Trends / Costs by activity or service / Staffing by activity or service: tables showing how the operations in the division / branch / or program group spend the County's resources by major category (Personal Services, Contractual Services, Materials and Supplies, and Capital Outlay), and how that spending is allocated among the individual organizations (the services and activities that compose the division) both as regards costs and the number of staff.

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Service / Activity Program Narrative and Information

These portions of the document are distinguished by having a single line under the titles at the top of the page. They display brief but detailed information about each service or activity program in the County.

- A Description of the operation (its purpose, responsibilities, and the functions it carries out to meet those responsibilities), a brief statement of the nature and size of the problem faced by the operation, a list of any state or federal requirements imposed on the organization, and, in many cases, notes about changes to the organization during 1997-98 or 1998-99
- A table of Key Results for the program -- significant measurements of the program's efficiency or its effectiveness in addressing the problem it attempts to improve
- Significant Changes that took place between the 1997-98 Adopted Budget and the 1998-99 Budget, detailing changes in staffing and costs

Summaries

WHERE TO FIND OTHER BUDGETARY INFORMATION

The Multnomah County Budget is supported by other printed documents amplifying the information in this book.

Multnomah County Detail Budget -- displays the object code information for each major division in the County, the individual personnel information for those divisions, and a financial summary with revenue information for each income source and summaries of revenues and expenditures in each fund maintained in the accounting system.

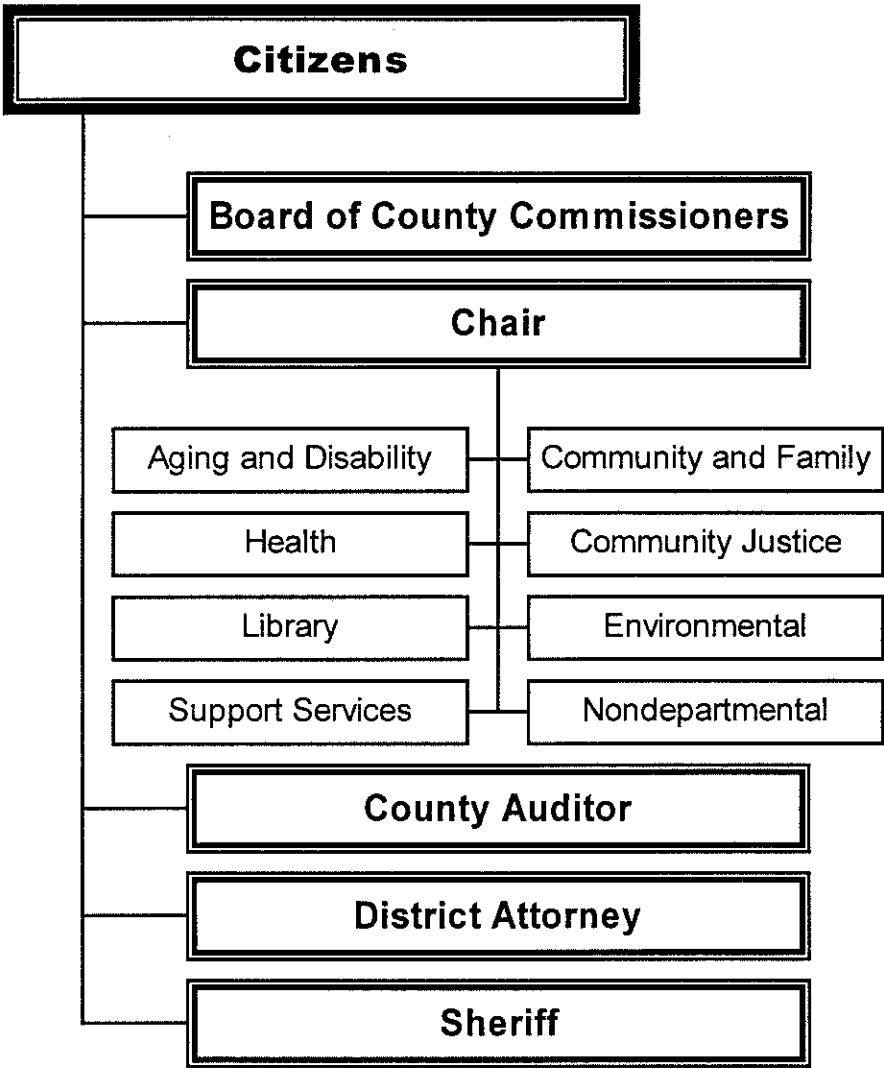
Consolidated Annual Financial Report -- reports actual revenues and expenditures of the County for the last completed fiscal year, discusses financial policies and provides demographic and economic information about the metropolitan Portland region.

Tax Supervising and Conservation Commission Annual Report -- discusses the property tax system and taxing levels for all governments in Multnomah County, summarizes budgets and actual revenues and expenditures for all governments in Multnomah County.

County Auditor's Financial Trends Report -- discusses the performance of the County and the region according to guidelines chosen by the International City Managers' Association.

The Progress Board Benchmarks Web Site -- contains data and graphic information about significant benchmarks obtained through surveys and other analysis (<http://www.multnomah.lib.or.us/auf/benchmarks>).

MULTNOMAH COUNTY ORGANIZATION CHART



SUMMARY OF RESOURCES 1998-99

Fund		Beginning Working Capital	Taxes	Intergovernme ntal	Licenses & Permits	Service Charges	Interest	Other Sources	Direct Resources	Service Reimbursement	Cash Transfers	Bonds / Certificates	Total Resources
General	100	24,729,804	204,990,674	17,813,908	1,805,659	7,012,103	3,095,000	816,995	260,264,143	23,934,223	1,523,995		285,722,361
Strategic Investment	140	715,435				931,211			1,646,646				1,646,646
Road	150	2,928,463	8,313,374	28,545,467	54,000	1,106,032	567,579	109,000	41,623,915	644,814		500,000	42,768,729
Emergency Communications	151			128,000			1,917		129,917				129,917
Bicycle Path	154	60,993		90,000			4,000		154,993		52,230		207,223
Recreation Fund	155	60,000	136,000						196,000		10,300		206,300
Federal/State	156			163,466,961		3,699,296		1,360,859	168,527,116	176,500	60,669,842		229,373,458
County School Fund	157		200,000						200,000		1,450,000		1,650,000
Tax Title Land Sales	158		650,000				150,000		800,000				800,000
Animal Control	159				1,229,965	230,670		63,360	1,523,995				1,523,995
Willamette River Bridges	161	460,530		1,268,580					1,729,110	60,000	3,484,403		5,273,513
Library Levy	162	680,260	15,906,168	488,861		134,870	240,000	2,488,100	19,938,259	85,553	17,752,325		37,776,137
Transient Lodging Tax Fund	166	670,000	7,250,000				30,000		7,950,000				7,950,000
Land Corner Preservation	167	904,866				370,000			1,274,866				1,274,866
Inmate Welfare	168	54,417				50,715	16,675	1,637,238	1,759,045				1,759,045
Public Safety Levy	169	14,830,939		11,247,537		66,880	200,000		26,345,356	74,452	31,097,694		57,517,502
Assessment and Taxation	175	726,439		2,604,195		224,000		15,000	3,569,634	5,000	7,271,742		10,846,376
Justice Special Operations	180	625,998		531,946	288,083	1,476,925	3,800	941,617	3,868,369		227,724		4,096,093
Revenue Bond Sinking	224	295,000				292,000			587,000				587,000
Capital Lease Retirement	225	2,105,600					82,320		2,187,920	8,954,996		3,705,190	14,848,106
Library Bond Sinking (93)	226	1,769,509	2,600,535				75,000		4,445,044				4,445,044
Library Bond Sinking (96)	227	4,177,152	5,003,818				75,000		9,255,970				9,255,970
Public Safety Bond Sinking	228	5,782,021	8,047,327				150,000		13,979,348				13,979,348
Justice Bond Project	230	58,590,761					2,400,000		60,990,761				60,990,761
Edgefield Children Center	231	2,800,000							2,800,000				2,800,000
SB1145 Construction	232	13,075		27,468,400					27,481,475				27,481,475
Equipment Lease Purchase	234	485,357							485,357			175,000	660,357
Lease Purchase Project	235	10,873,511							10,873,511			24,425,000	35,298,511
Library Construction 93	236	50,000					17,500		67,500				67,500
Library Construction 96	237	26,964,247					1,100,000		28,064,247				28,064,247
Capital Improvement	240	4,761,643		474,179		140,215	60,000		5,436,037		5,105,837	7,075,000	17,616,874
Capital Acquisition	245	237,000					15,000		252,000	46,835			298,835
Beh Health Managed Care	395			21,072,040		473,693	75,000	200,000	21,820,733	182,963	1,022,231		23,025,927
Insurance	400	11,315,000				168,560	850,000	415,692	12,749,252	26,382,827	818,870		39,950,949
Fleet Management	401	3,167,765		368,631		63,920	80,000	59,600	3,739,916	4,844,560			8,584,476
Telephone	402	622,853				850,958	32,748		1,506,559	3,383,272			4,889,831
Data Processing	403	2,563,860				231,373	290,000		3,085,233	9,402,901	1,180,000	570,000	14,238,134
Mail/Distribution	404	36,884		11,804					48,688	1,404,606		40,000	1,493,294
Facilities Management	410			2,222,975		2,164,738			4,387,713	28,537,901	452,500		33,378,114
Total All Funds		184,059,382	253,097,896	277,803,484	3,377,707	19,688,159	9,611,539	8,107,461	755,745,628	108,121,403	132,119,693	36,490,190	1,032,476,914

SUMMARY OF DEPARTMENTAL EXPENDITURE 1998-99

Fund	Aging and Disability	Community and Family	Community Justice	District Attorney	Environmental Services	Health	Independent Organizations	Library	Nondepartmental	Sheriff	Support Services	Total Department Expenditure
General 100	2,108,295		29,700,600	12,927,278	9,621,362	13,103,448	3,789,170		24,107,208	45,337,614	10,156,469	150,851,444
Strategic Investm 140							1,529,496					1,529,496
Road 150					38,780,831							38,780,831
Emergency Com 151										129,917		129,917
Bicycle Path 154					207,223							207,223
Recreation Fund 155					206,300							206,300
Federal/State 156	25,828,226	104,563,793	26,830,347	3,688,453	78,166	63,579,014	2,613,491			1,919,485	272,483	229,373,458
County School F 157									1,650,000			1,650,000
Tax Title Land Sa 158					800,000							800,000
Animal Control 159												0
Willamette River 161					5,172,016							5,172,016
Library Levy 162								35,782,330				35,782,330
Transient Lodgin 166									7,950,000			7,950,000
Land Corner Pres 167					449,291							449,291
Inmate Welfare 168			45,433							1,627,440		1,627,440
Public Safety Lev 169			9,435,065			4,186,391				36,153,105		49,774,561
Assessment and 175					10,846,376							10,846,376
Justice Special O 180			776,330	931,615						2,388,148		4,096,093
Revenue Bond Si 224									292,000			292,000
Capital Lease Re 225									10,597,000			10,597,000
Library Bond Sink 226									2,468,820			2,468,820
Library Bond Sink 227									4,570,491			4,570,491
Public Safety Bon 228									7,543,231			7,543,231
Justice Bond Proj 230					52,240,761						6,500,000	58,740,761
Edgefield Childre 231					2,800,000							2,800,000
SB1145 Construc 232					27,481,475							27,481,475
Equipment Lease 234												0
Lease Purchase 235					35,298,511							35,298,511
Library Constructi 236					50,000							50,000
Library Constructi 237					23,650,000			3,314,247				26,964,247
Capital Improvem 240					15,084,892							15,084,892
Capital Acquisitio 245									298,835			298,835
Beh Health Mana 395		22,950,927										22,950,927
Insurance 400							1,670,765				27,399,484	29,070,249
Fleet Manageme 401					6,169,327							6,169,327
Telephone 402										4,865,835		4,865,835
Data Processing 403										13,777,461		13,777,461
Mail/Distribution 404					1,441,059							1,441,059
Facilities Manage 410					29,927,842							29,927,842
Total All Funds	27,936,521	127,514,720	66,787,775	17,547,346	260,305,432	80,868,853	9,602,922	39,096,577	59,477,585	87,555,709	62,971,732	839,665,172

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FUND LEVEL TRANSACTIONS 1998-99

Fund		Total Department Expenditure	Cash Transfers	Contingency	Unappropriated Balance	Total Requirements
General	100	150,851,444	122,878,690	3,852,227	8,140,000	285,722,361
Strategic Investment	140	1,529,496		117,150		1,646,646
Road	150	38,780,831	3,536,633	451,265		42,768,729
Emergency Communications	151	129,917				129,917
Bicycle Path	154	207,223				207,223
Recreation Fund	155	206,300				206,300
Federal/State	156	229,373,458				229,373,458
County School Fund	157	1,650,000				1,650,000
Tax Title Land Sales	158	800,000				800,000
Animal Control	159	0	1,523,995			1,523,995
Willamette River Bridges	161	5,172,016		101,497		5,273,513
Library Levy	162	35,782,330		1,993,807		37,776,137
Transient Lodging Tax	166	7,950,000				7,950,000
Land Corner Preservation	167	449,291		825,575		1,274,866
Inmate Welfare	168	1,672,873		86,172		1,759,045
Public Safety Levy	169	49,774,561		7,742,941		57,517,502
Assessment and Taxation	175	10,846,376				10,846,376
Justice Special Operations	180	4,096,093				4,096,093
Revenue Bond Sinking	224	292,000			295,000	587,000
Capital Lease Retirement	225	10,597,000			4,251,106	14,848,106
Library Bond Sinking (93)	226	2,468,820			1,976,224	4,445,044
Library Bond Sinking (96)	227	4,570,491			4,685,479	9,255,970
Public Safety Bond Sinking	228	7,543,231			6,436,117	13,979,348
Justice Bond Project	230	58,740,761		2,250,000		60,990,761
Edgefield Children Center	231	2,800,000				2,800,000
SB1145 Construction	232	27,481,475				27,481,475
Equipment Lease Purchase	234	0	485,357	175,000		660,357
Lease Purchase Project	235	35,298,511				35,298,511
Library Construction 93	236	50,000			17,500	67,500
Library Construction 96	237	26,964,247		1,100,000		28,064,247
Capital Improvement	240	15,084,892		14,900	2,517,082	17,616,874
Capital Acquisition	245	298,835				298,835
Beh Health Managed Care	395	22,950,927		75,000		23,025,927
Insurance	400	29,070,249		10,880,700		39,950,949
Fleet Management	401	6,169,327		1,959,448	455,701	8,584,476
Telephone	402	4,865,835		23,996		4,889,831
Data Processing	403	13,777,461	264,038	196,635		14,238,134
Mail/Distribution	404	1,441,059		52,235		1,493,294
Facilities Management	410	29,927,842	3,430,980	19,292		33,378,114
Total All Funds		839,665,172	132,119,693	31,917,840	28,774,209	1,032,476,914

SUMMARY OF DEPARTMENTAL REQUIREMENTS 1998-99

Summaries

Department	Personal Services	Contractual Services	Materials & Services	Principal & Interest	Capital Outlay	Total Direct Expenditure	Service Reimbursements	Total Spending	FTE
Aging and Disability	14,912,279	5,740,872	552,039	0	33,200	21,238,390	6,698,131	27,936,521	354.40
Community and Family	18,244,045	100,821,706	999,814	0	31,331	120,096,896	7,417,824	127,514,720	382.67
Community Justice	30,858,418	19,482,048	4,154,929	0	18,000	54,513,395	12,274,380	66,787,775	633.84
District Attorney	11,987,090	1,563,846	438,120	0	63,197	14,052,253	3,495,094	17,547,347	219.14
Environmental	27,981,840	40,979,974	19,274,914	0	149,538,572	237,775,300	22,530,132	260,305,432	560.00
Health	44,083,473	10,630,811	7,316,749	0	581,238	62,612,271	18,256,582	80,868,853	827.31
Library	17,742,016	1,162,350	10,931,197	0	1,565,800	31,401,363	7,695,214	39,096,577	454.91
Nondepartmental	4,611,785	33,343,393	357,853	25,967,542	182,385	64,462,958	4,617,549	69,080,507	78.38
Sheriff	55,009,496	3,105,631	8,255,306	0	976,958	67,347,391	20,208,318	87,555,709	968.54
Support Services	<u>10,074,817</u>	<u>3,668,686</u>	<u>32,107,144</u>	<u>1,995,496</u>	<u>10,197,410</u>	<u>58,043,553</u>	<u>4,928,179</u>	<u>62,971,732</u>	<u>189.50</u>
TOTAL	235,505,259	220,499,317	84,388,065	27,963,038	163,188,091	731,543,770	108,121,403	839,665,173	4,668.69

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