

# Multnomah County Approved Budget FY 2014



[www.multco.us/budget](http://www.multco.us/budget)

May 13, 2013

# Overview

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- **Schedule and Process**
- **Corporate Budget Overview**
  - Summary information
  - Use of OTO
  - Federal, State and City Governments
  - General Fund Reserves
- **Trends**
- **Summary**



# Budget Process FY 2014

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- December 6<sup>th</sup> – Forecast for FY 2014
- February 15<sup>th</sup> – Departments Submit Budgets
- March 6<sup>th</sup> – Community Educational Forum
- May 2<sup>nd</sup> - Board Approved Budget\*
- May 23<sup>rd</sup> – Updated Forecast for FY 2014
- Three Evening Public Hearings
  - May 8<sup>th</sup> - Multnomah County Boardroom
  - May 22<sup>nd</sup> - East County – Sharron Kelly Conference Room
  - May 29<sup>th</sup> - IRCO - Northeast
- June 5<sup>th</sup> - TSCC Hearing\*
- **June 6<sup>th</sup> - Adopt Budget\***

\* Library District FY 2014 Budget on concurrent schedule



# Budget Worksessions FY 2014

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- Week of May 6<sup>th</sup> – CIC, Capital Briefing
- Week of May 13<sup>th</sup> – Financial Overview, Health & Human Services
- Week of May 20<sup>th</sup> – Public Safety & General Fund Forecast
- Week of May 27<sup>th</sup> – General Government, Library District, Federal Sequestration Briefing, Amendments & Budget Note Review
- Week of June 3<sup>rd</sup> – TSCC Hearings, and Adopt Budgets FY 2014 Multnomah County & Library District



# Overall Financial Context

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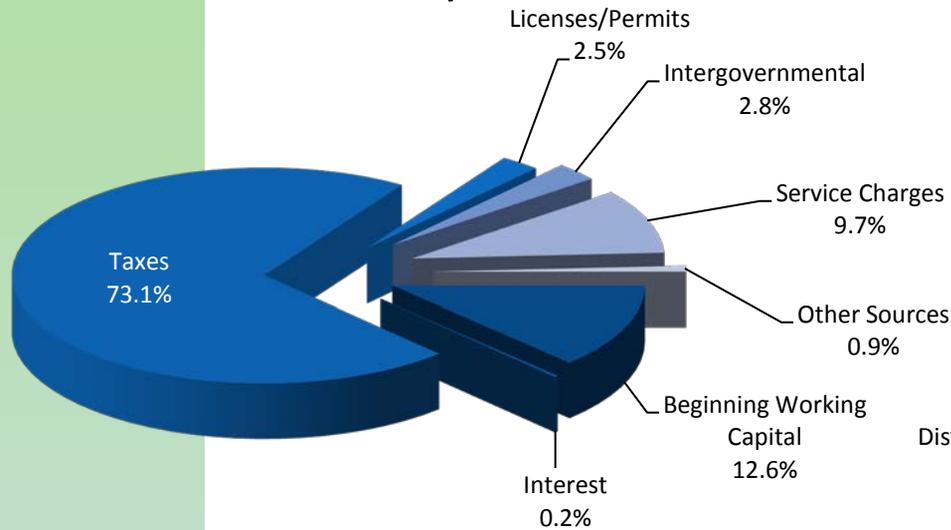
- **FY 2013 Adopted Budget =  
\$1,516,042,033**
- **FY 2014 Approved Budget =  
\$1,535,756,480**
- **An increase of \$19.7 million or 1.3%**

Note: includes contingencies, reserves and unappropriated balance

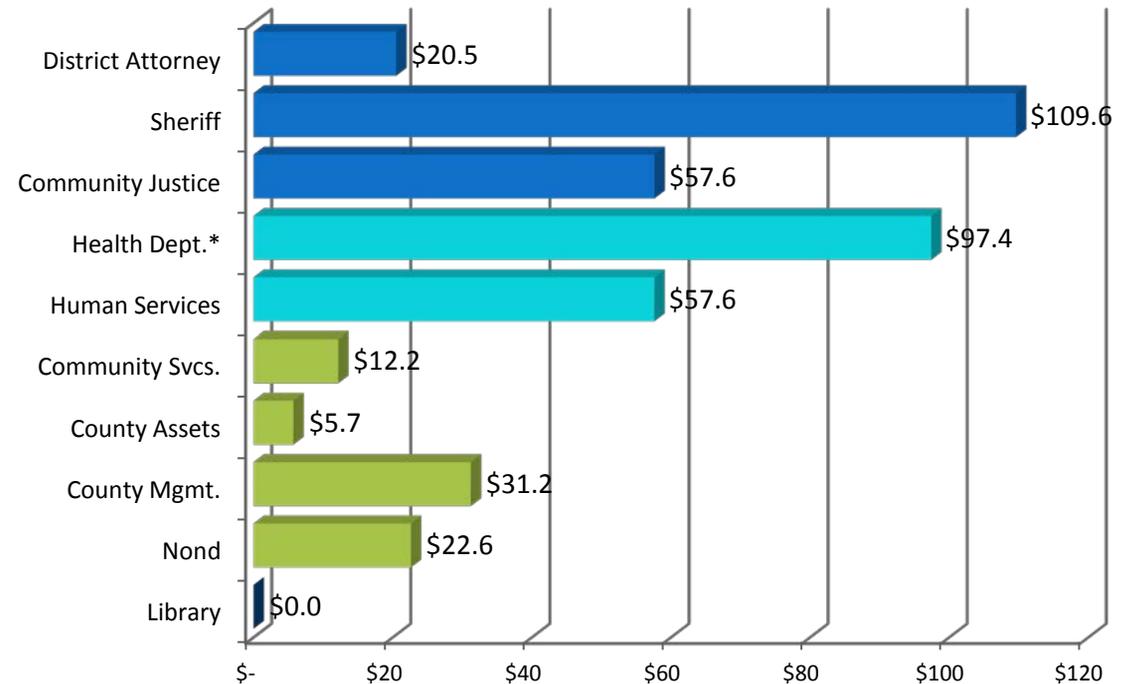


# General Fund Overview- \$443,350,533\*

Where the money comes from:



Where the money goes to:\*

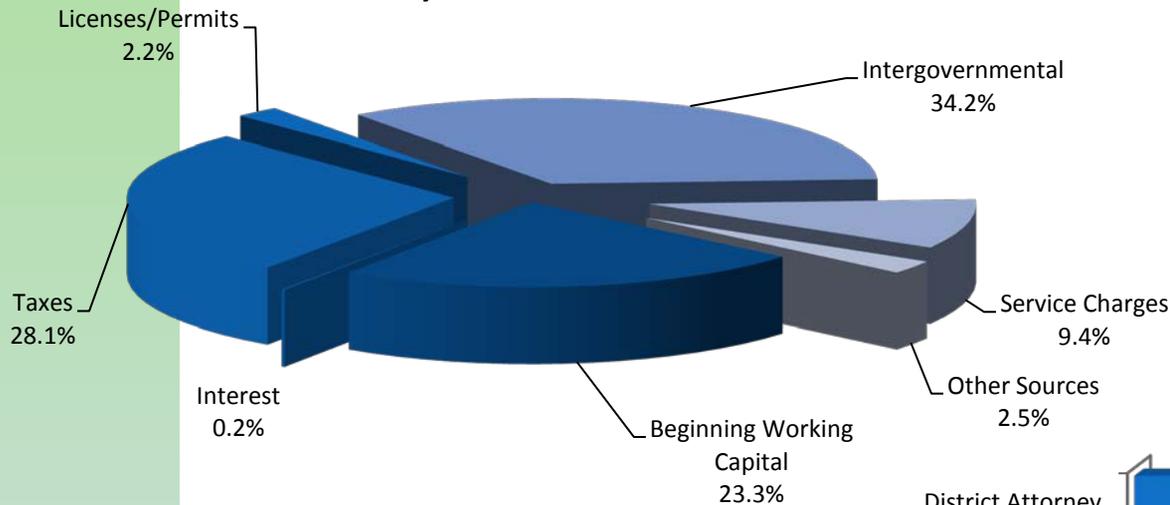


\*Note: does not include transfers, reserves and contingencies.  
Health Dept. includes \$37.4M of FQHC/PCPCH

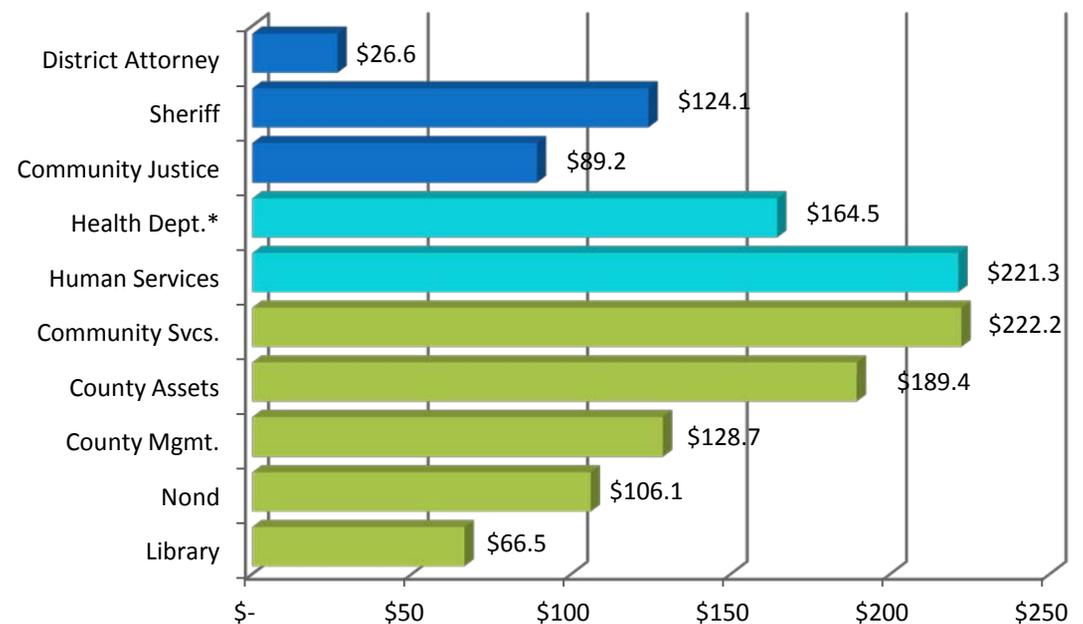


# All Funds Overview - \$1,535,756,480

## Where the money comes from:



## Where the money goes to:\*



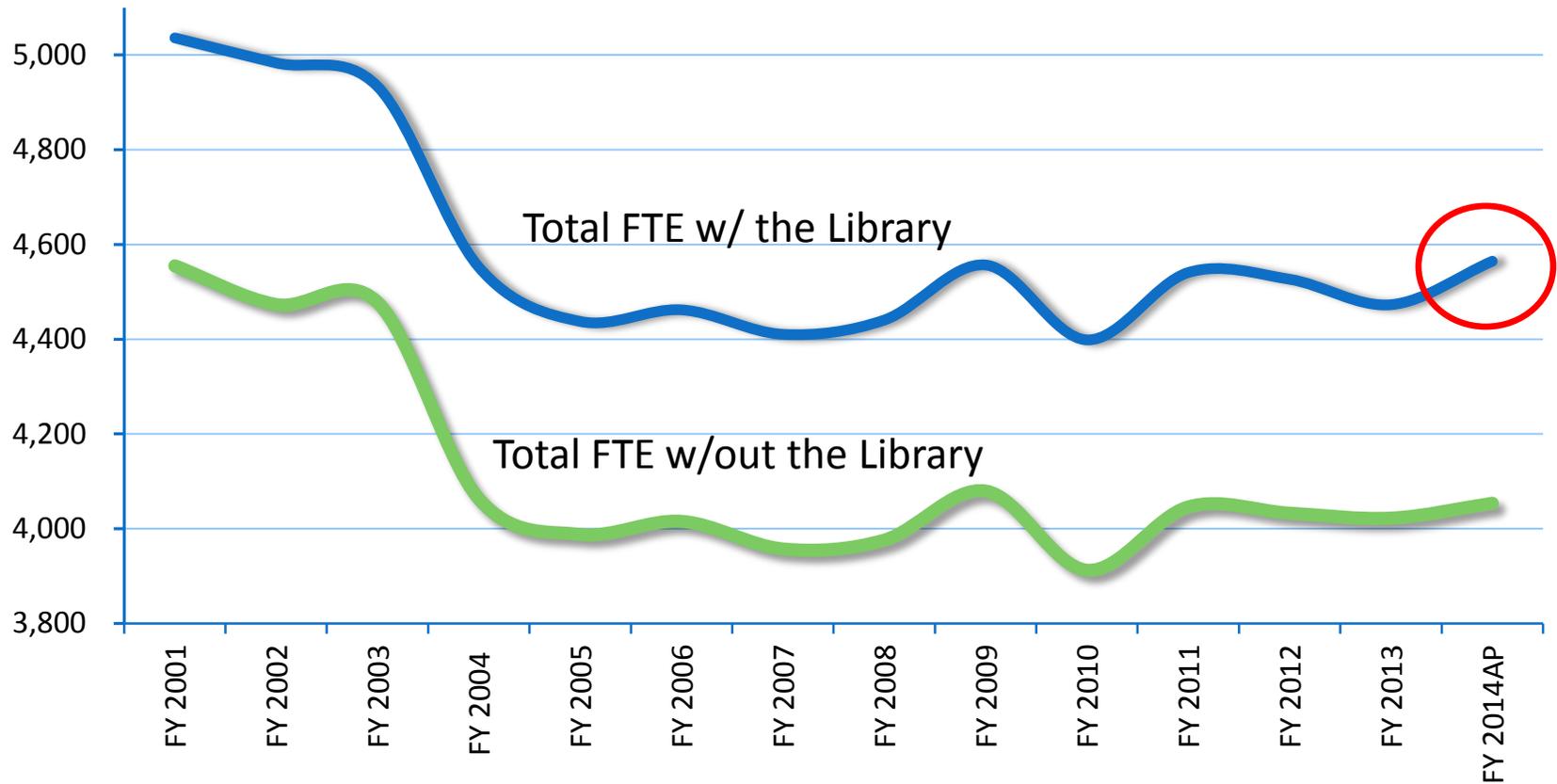
\*Note: does not include transfers, reserves and contingencies



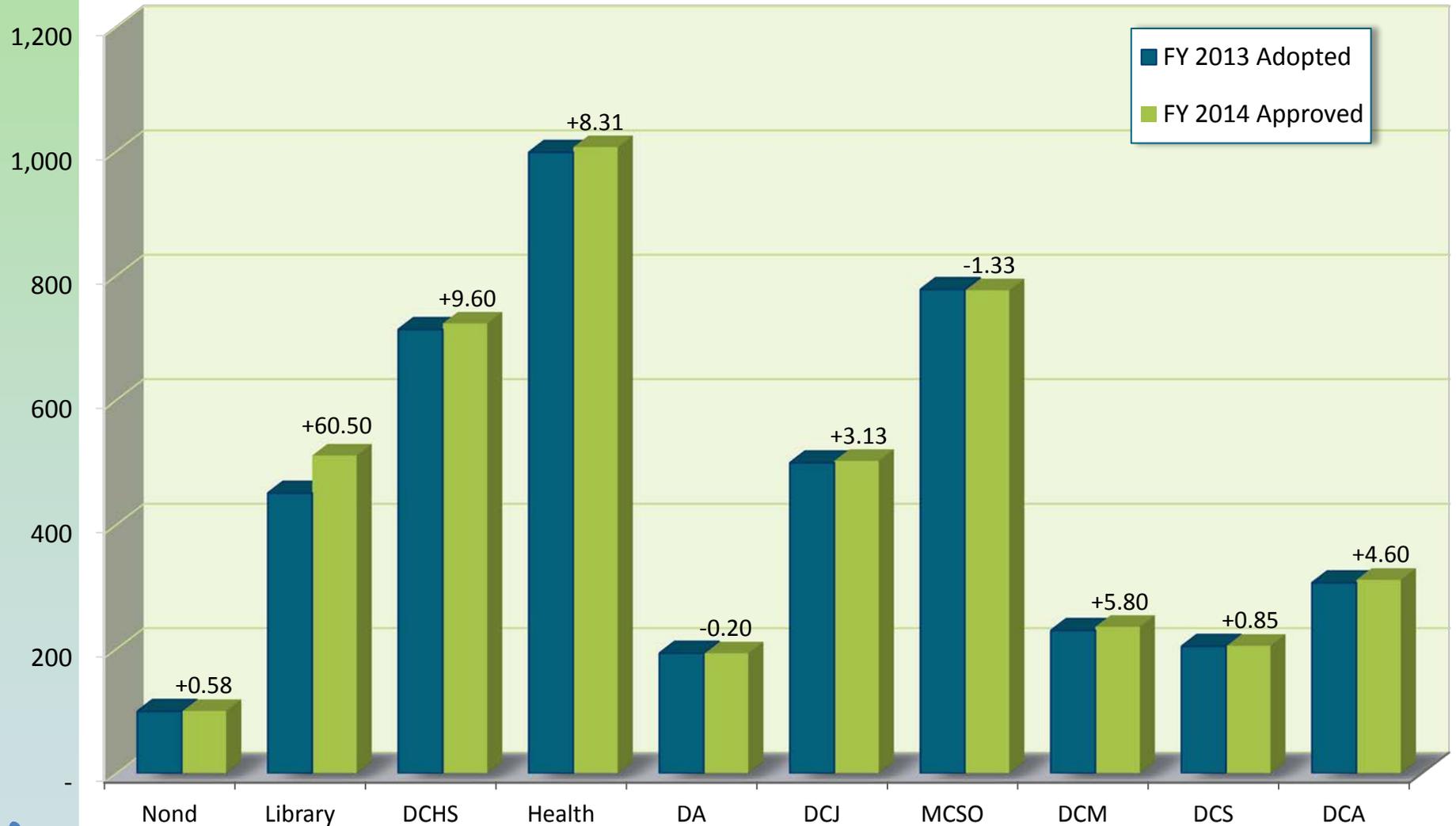
# Full Time Equivalents +91.84 FTE

*FY 2001 Adopted – FY 2014 Approved*

*(All Funds)*



# Full Time Equivalents (FTE) by Year/Dept.



# What the Budget does

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- Preserves direct services to clients
- General Fund balanced for next 3 years
- No employee wage freezes
- Invests in safety net services (including MH services, SUN, housing programs & health clinics), maintains public safety service levels
- Strategic use of GF OTO for capital investments
- Invests in Emergency Preparedness
- Fully funds reserves and maintains BIT stabilization reserve



# What Happened to the General Fund “Gap”

- FY 2014 Forecast
  - Excludes any impacts from the New Library District
  - October: \$5.2 million gap or 1.3% of expenditures
  - 1% constraint for GF Programs (\$3.35 million)
- November Library District approved by voters
  - Eliminated \$15.3 million ongoing GF contribution to Library
  - Loss of \$7.2 million from increased compression
  - Freed up \$6.6 million OTO funds previously dedicated to Library Operations
- Updated Forecast— + \$4.1 million ongoing or 1.1%
  - Strategic investments and expansions (\$1 million SUN)
  - \$2.1 million set aside address impacts from other governmental agencies
  - Provides stability in the GF for the next 3 years
- OTO Funds - \$17.5 million
  - No OTO resources supporting ongoing programs



# Use of One-Time-Only (OTO)

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- District Attorney IT Modernization (15002B-D) - \$184,000
- County Capital Projects - \$11,566,000
- Responding to Community Needs
  - HSVP - Short Term Rent Assistance (25133B) - \$1,500,000
  - SummerWorks Internship Program (10029) - \$245,000
  - Office of Emergency Management Vulnerable Population Specialist (10015)-\$106,000
  - Fresh and Healthy Food Project (40053) - \$75,000
  - Office of Sustainability Beginning Urban Farmer Program (10018B) - \$40,000
- Community Capital Projects at Critical Service Sites
  - Capital Development at Earl Boyles (25160) - \$500,000
  - Children's Center at Steven's Creek Crossing (25161) - \$125,000
- Education Support
  - East County Education Outcomes Support (25159) – \$250,000
  - Computers for Head Start Graduates (25139) - \$20,000

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(See p. 20 of the Budget Director's Message for more detail.)



# General Fund Reserves – Fully Funded.

- General Reserve @ 10% of corporate revenues or \$32.6 million
- BIT Reserve @ 10% or \$5.8 million
- General Fund Contingency \$9.6 million
  - Regular - \$1.25 million
  - Additional ‘Ongoing’ set-aside for Fed/State/Local Impacts - \$2.1 million (*note: not sustainable over 5-year forecast period*)
  - Additional ‘OTO’ - \$431,691
  - BIT Reserve - \$5.8 million



# Federal, State and City....

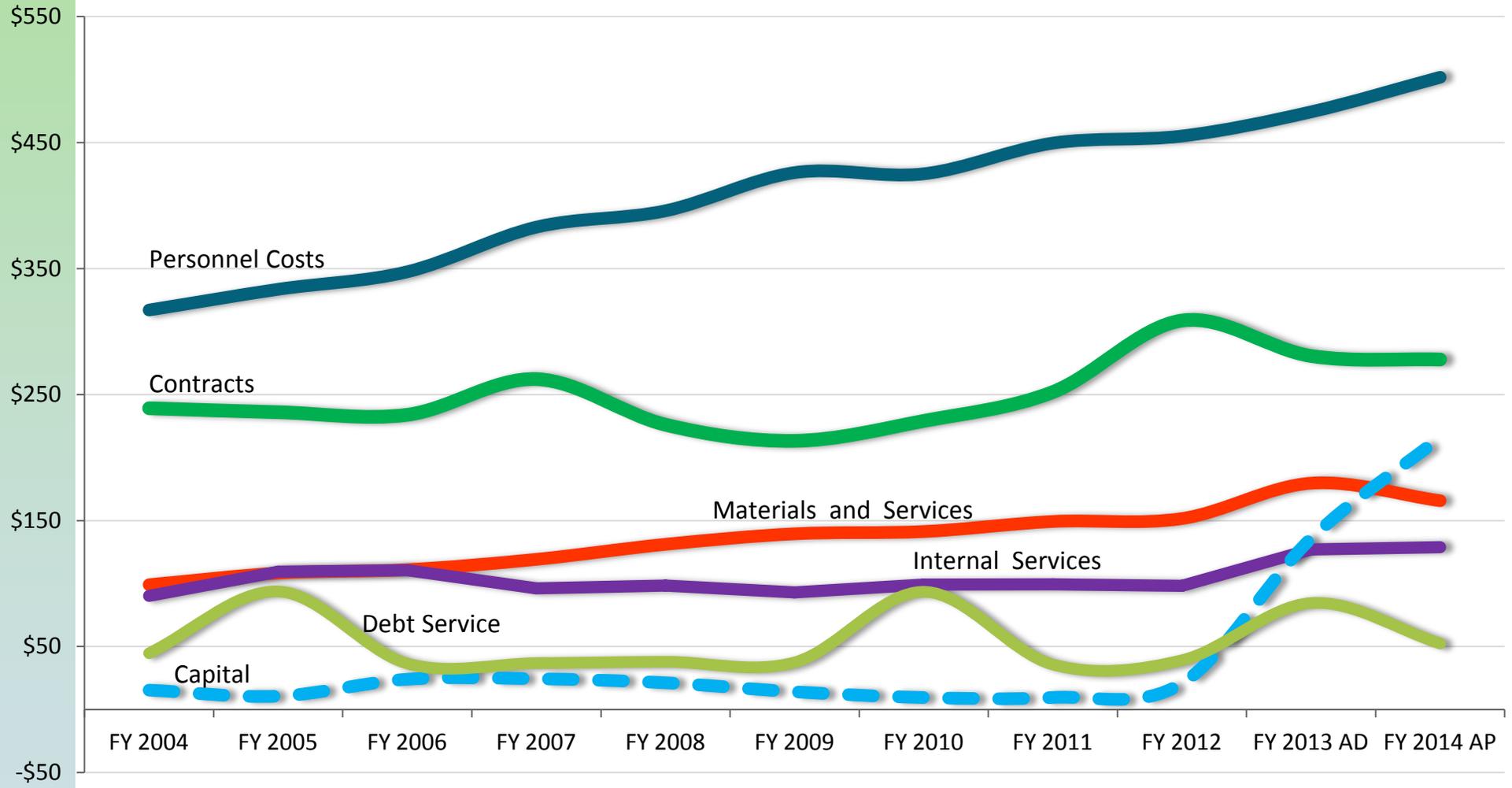
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- Watch List
  - Federal
    - Sequestration
    - President's Budget (October)
  - State
    - Legislation and Initiatives
    - State will adopt their budget after June 6<sup>th</sup>
  - City of Portland
- Cautionary Note – current revenues will not support backfilling ongoing federal/state/city programs



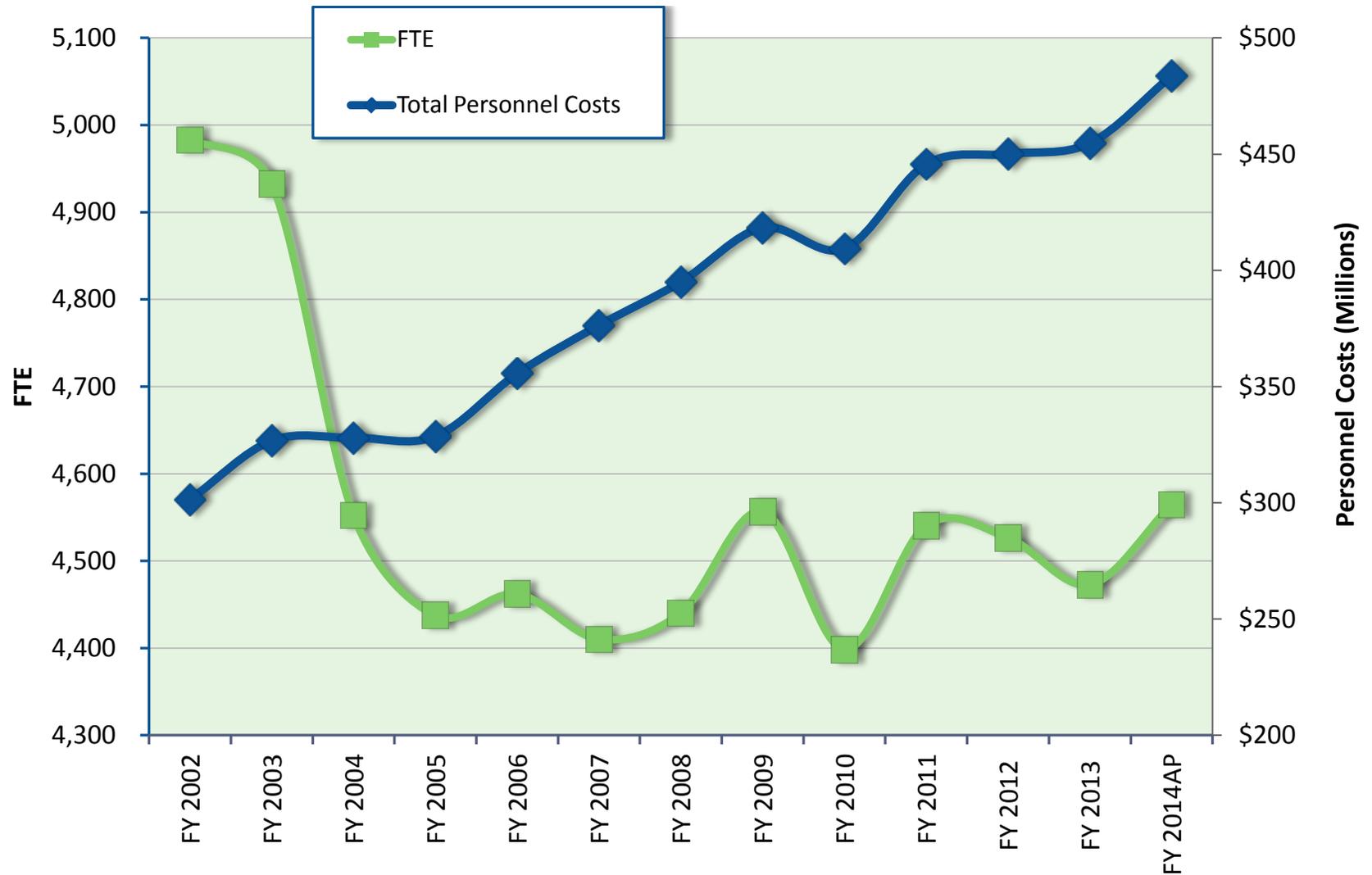
# What We Spend our Resources on...

*FY 2004 Actuals – FY 2014 Approved (All Funds)*



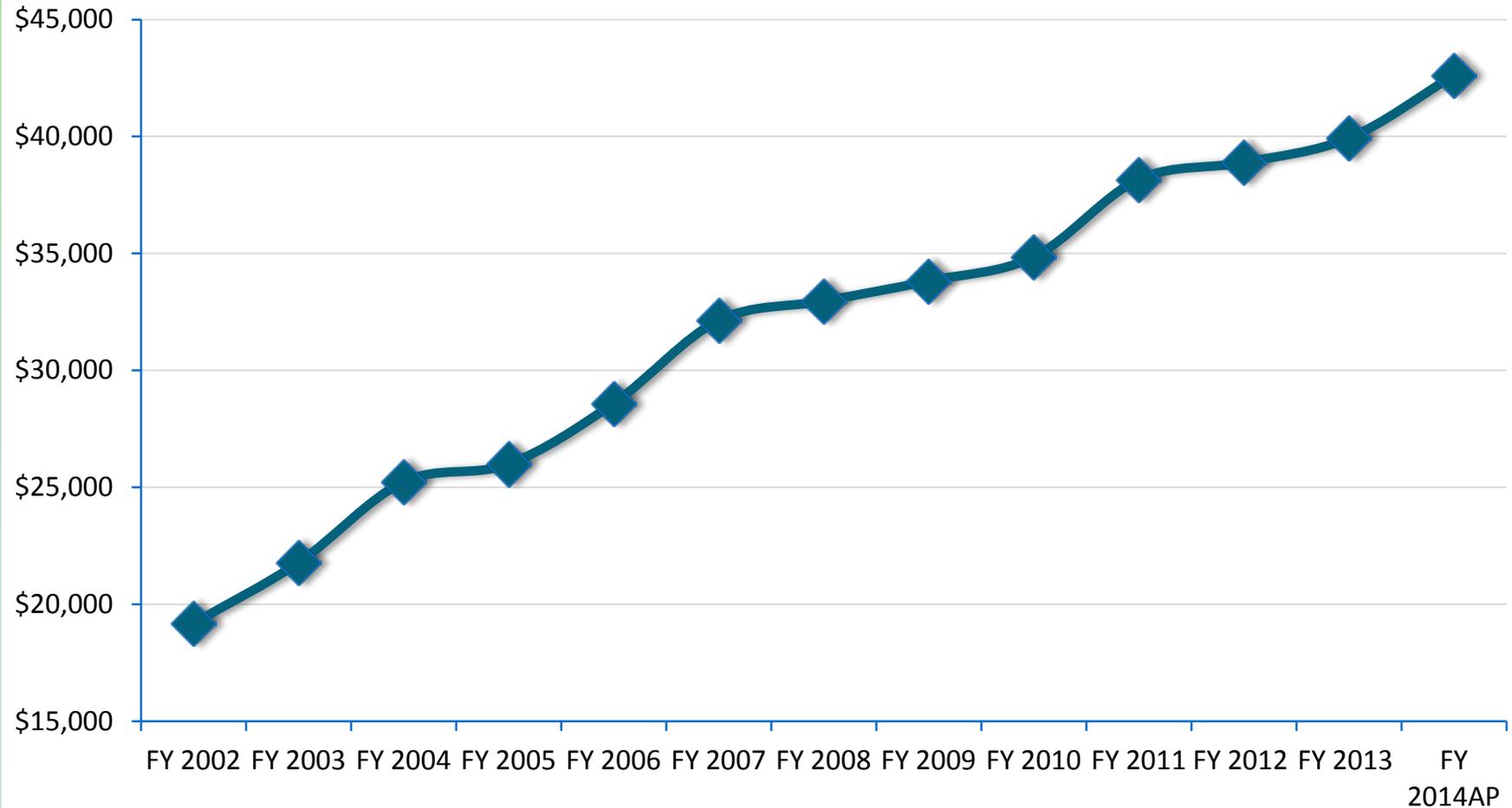
# Adopted FTE vs. Total Personnel Costs

*FY 2002 Adopted to FY 2014 Approved (All Funds)*



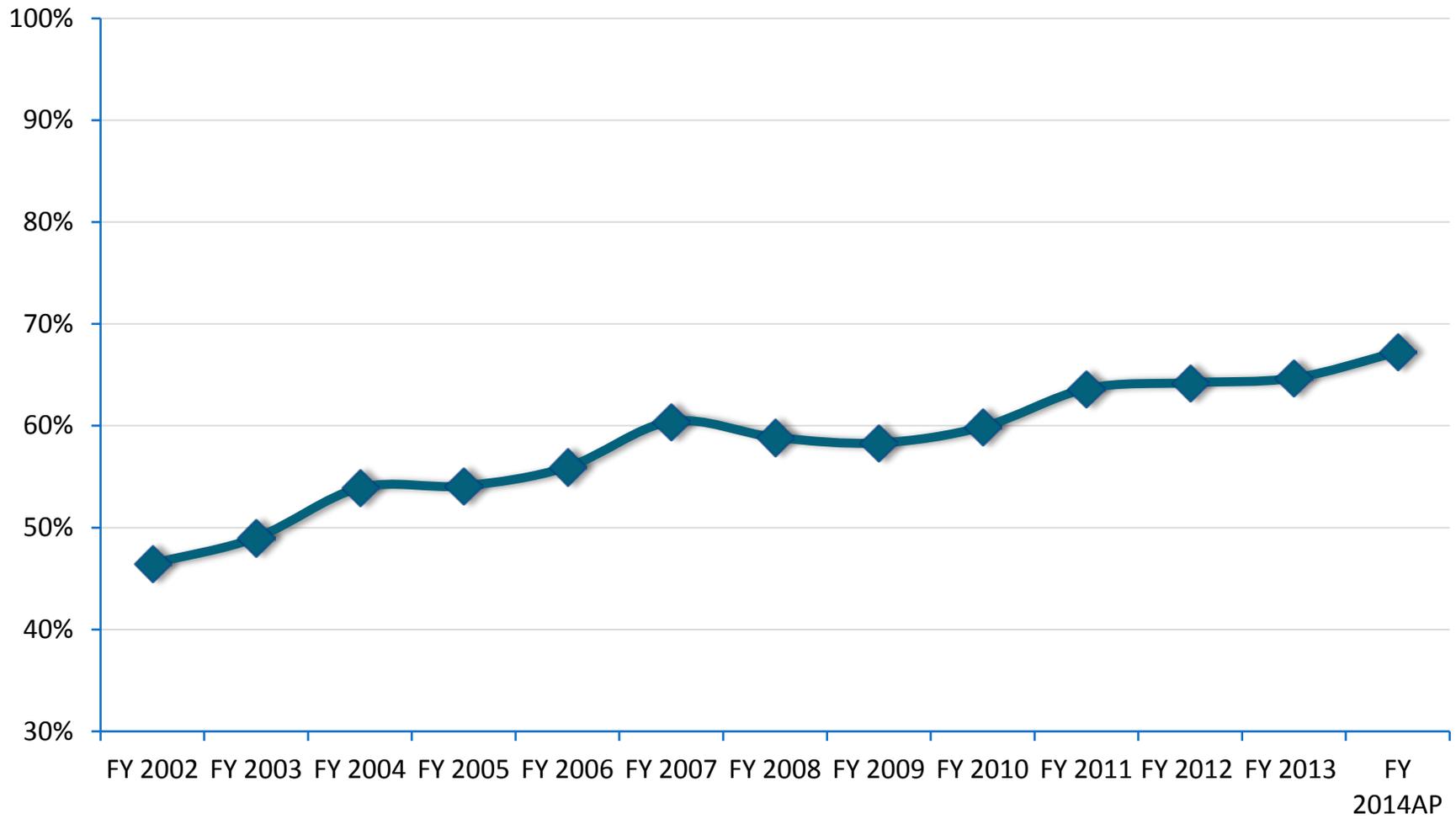
# Avg. Benefits & Insurance Cost per FTE

*FY 2002 Adopted to FY 2014 Approved*



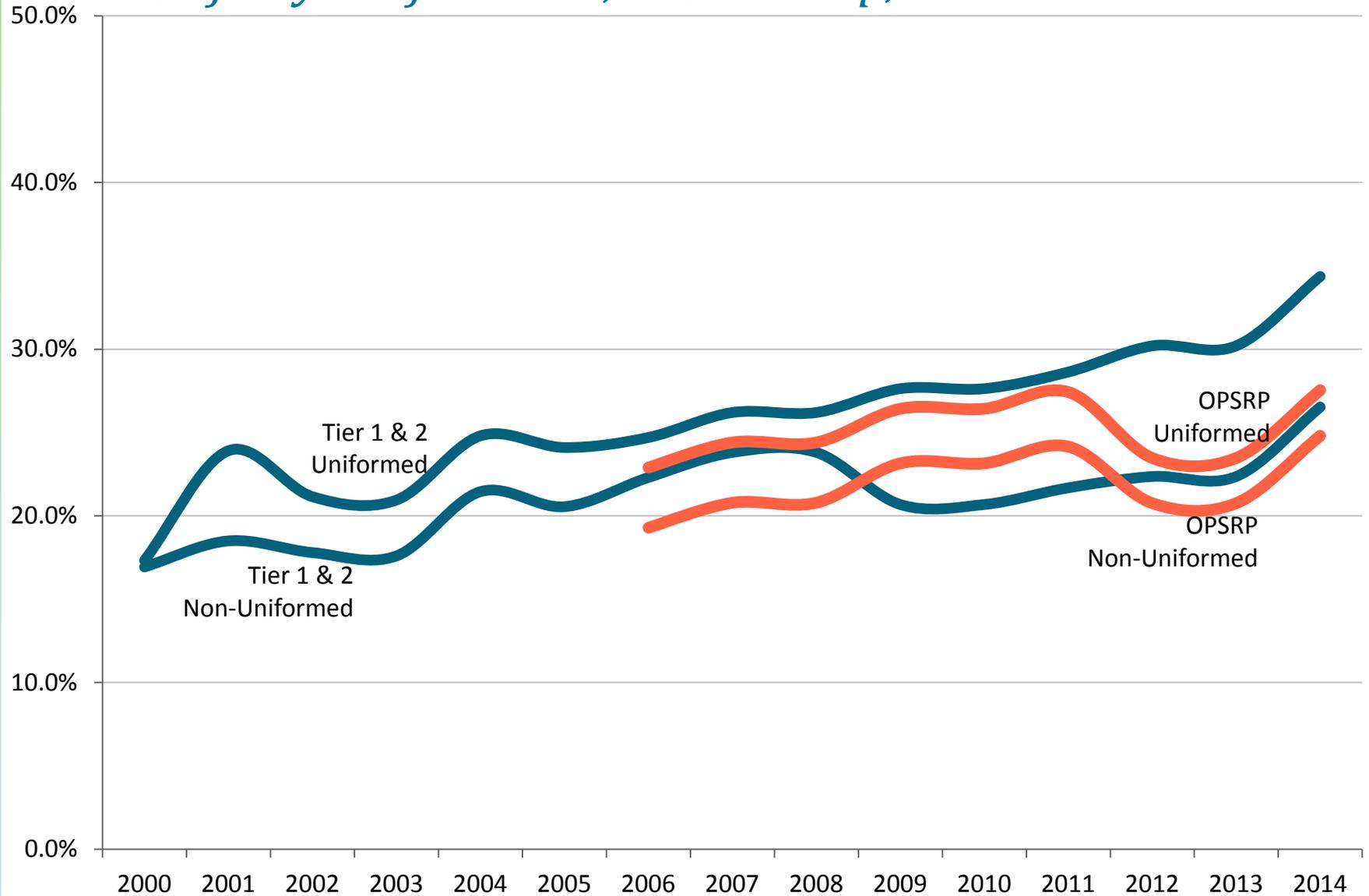
# Benefits & Insurance % of Payroll

*FY 2002 Adopted to FY 2014 Approved*



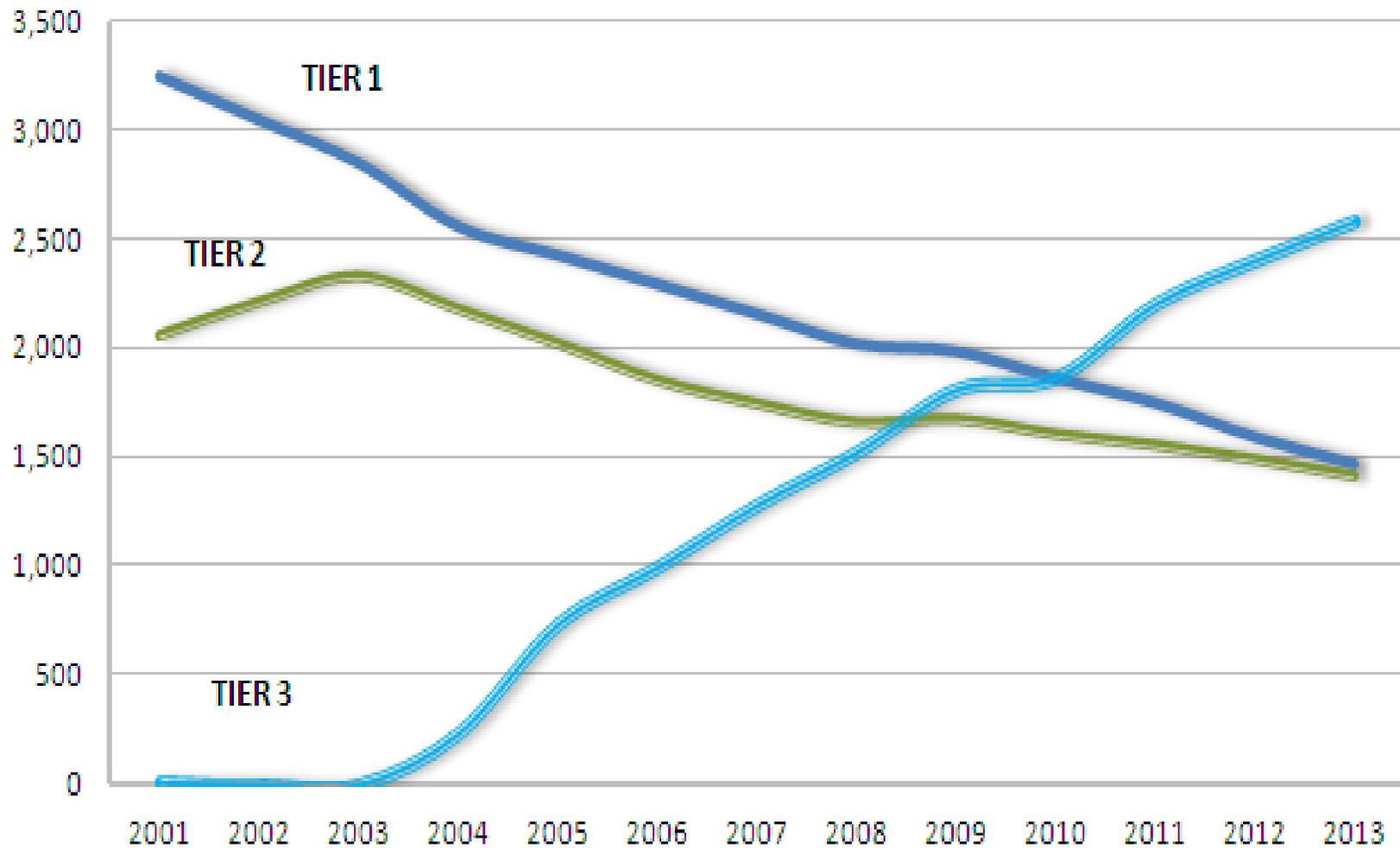
# PERs Rates Charged to Departments

*Based on % of Payroll for PERs, 6% Pick-Up, and PERs Bond*

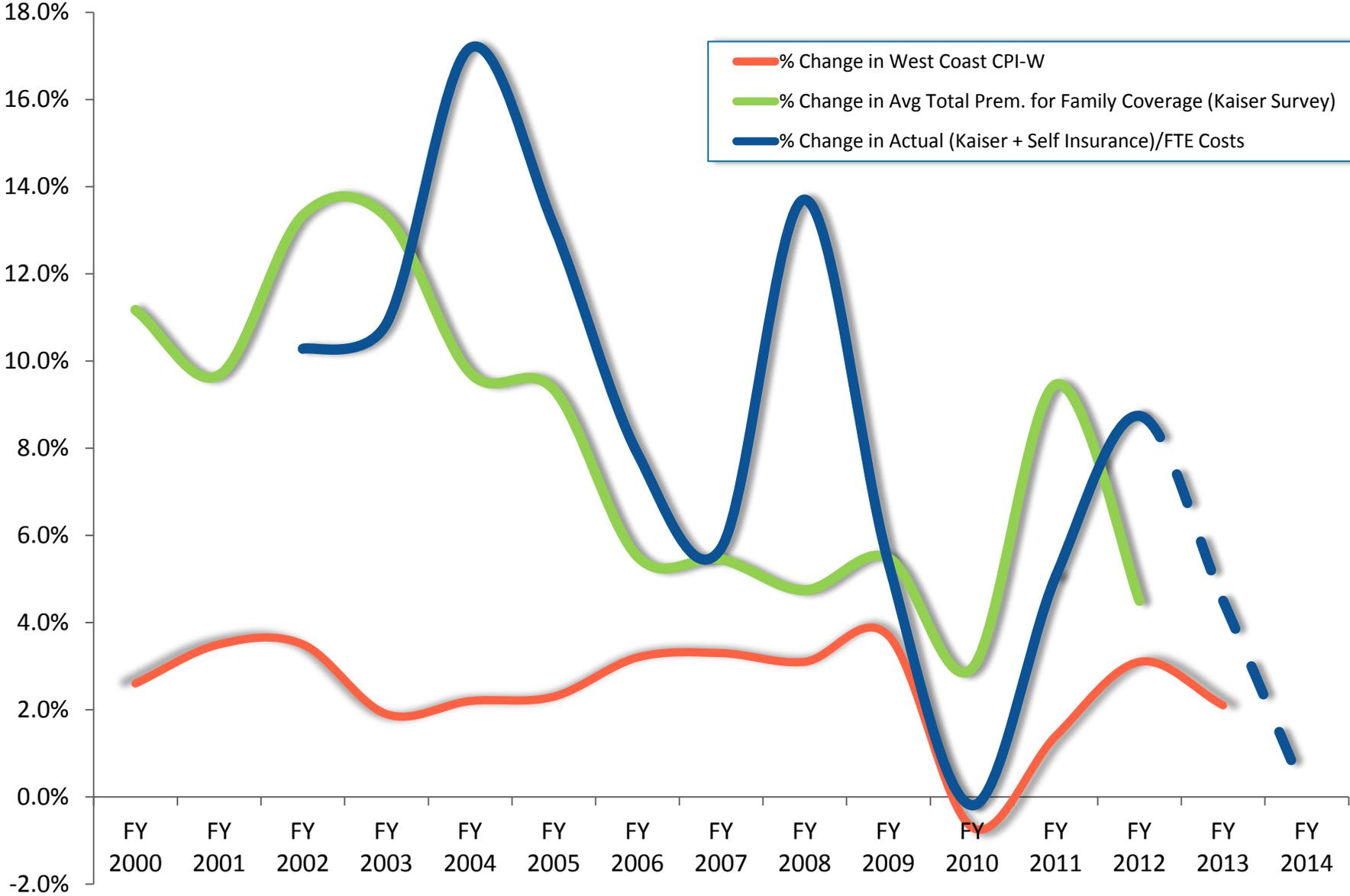


# FTE by PERS Tier

*Based on Actual People*

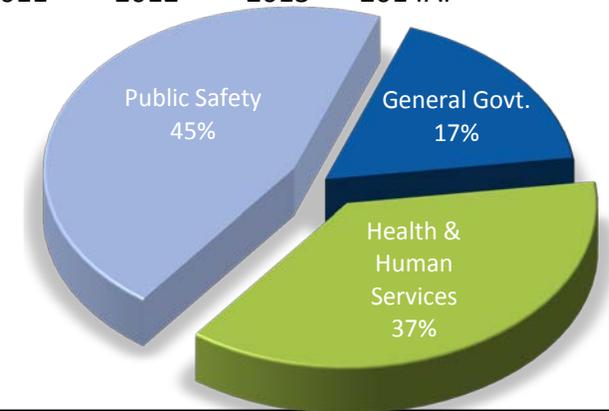
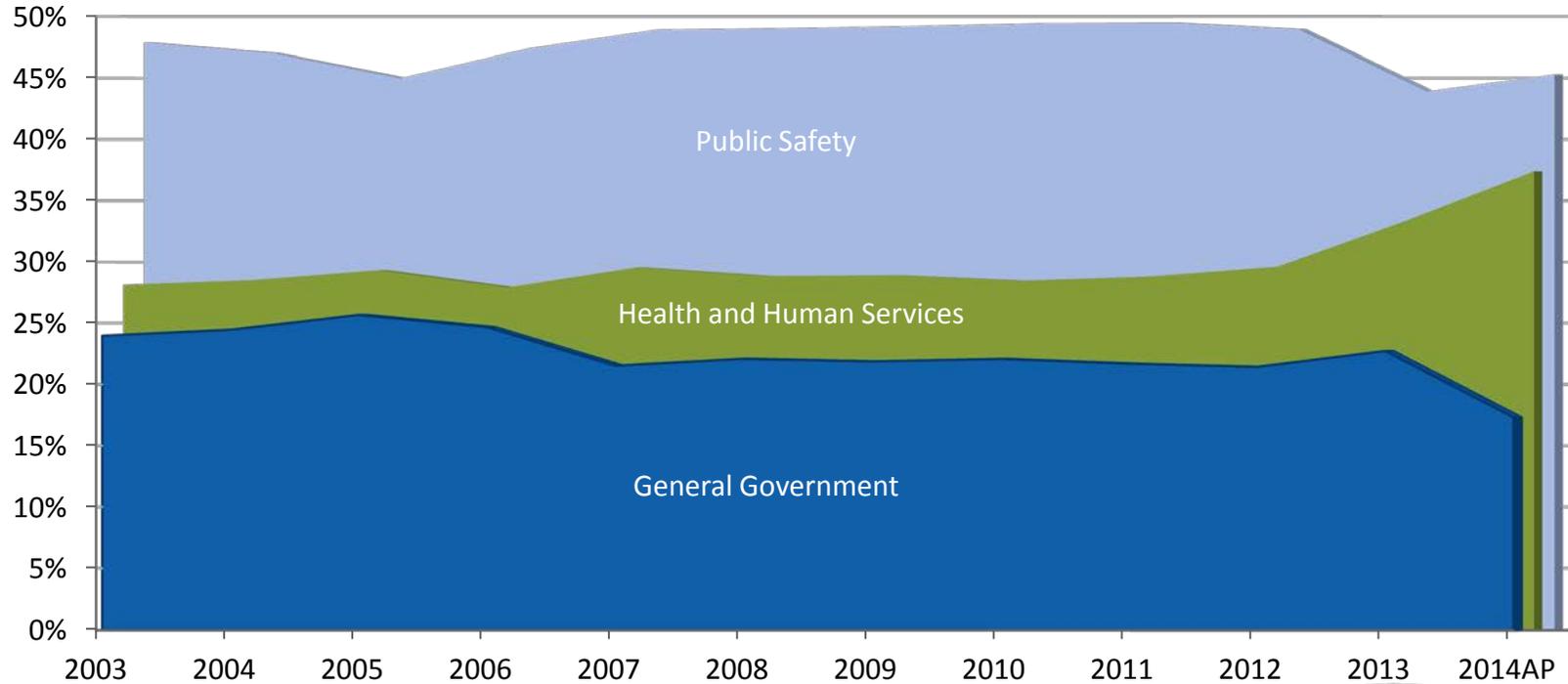


# Health Care Inflation/Costs

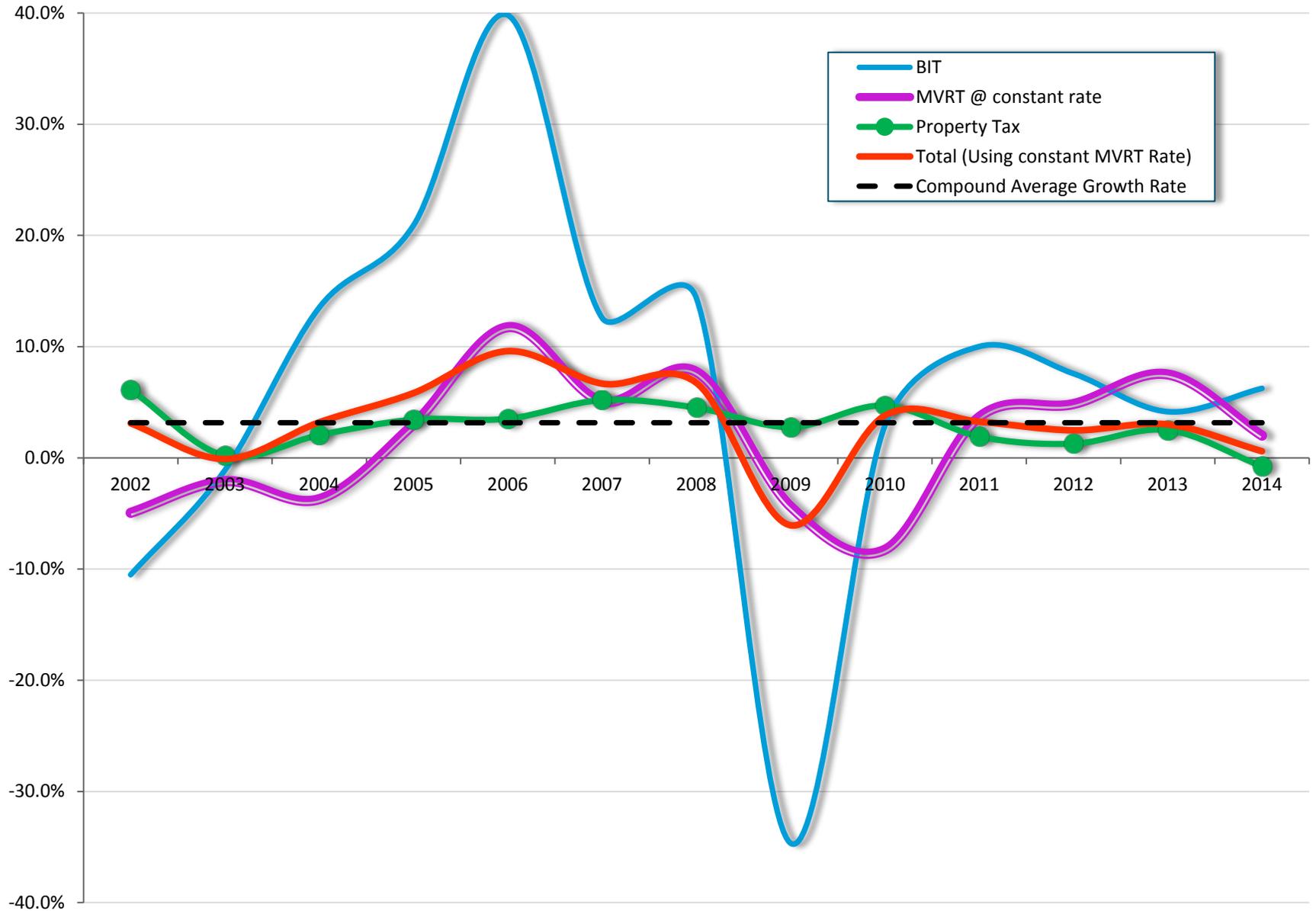


# What Areas Do We Spend General Fund?

*FY 2003 Adopted to FY 2014 Approved*



# How Fast does GF Grow to Support Services?



# A Delicate Balance

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## Lots of Good News

- Relatively Stable General Fund
- General Fund gap addressed through FY 2016
- Reserves and contingency funded
- BIT stabilization reserve maintained
- Prudent budget practices
- Preparing for future by investing in our infrastructure & people
- Deliberate use of OTO w/no support for ongoing programs



# A Delicate Balance

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- Maintaining a sustainable budget into the future
- Preparing for uncertainties (\$2.1 m set aside)
  - Federal policies and sequestration
  - State budget and initiatives
  - Impact of City of Portland reductions

Questions?

