Department of County Management

Budget Note Process and Guidelines Briefing

Presentation to the Board of County Commissioners

Multnomah County
September 16, 2014

Presentation Overview

- Introduction
- Background on Budget Notes
- Review of FY 2015 Budget Notes
- Proposed Guidelines and Vetting Process
- Options for the Board

Budget Notes at Multnomah County:

- Are proposed by commissioners throughout public worksessions

- Provide input and direction on issues that arise during the budget process

- Often include requests for briefings and reports from departments

- Are included in the budget adoption resolution and official budget document

Budget Notes – Historical Information

FY	Purpose 1 Contingency Funds	Purpose 2 More Information	Purpose 3 Policy or Rule Exception	Purpose 4 Budget-related Policy Issue	Other	# of Budget Notes
2015	3	3		8	4	9 (18 issues)[1]
2014	3	2		2		7
2013	4	3		1		8
2012	2	3		2		7
2011	6	1	1	3		11[2]
2010		3		3		6

[1] Actual number of budget notes is 9, but the 8th budget note included 9 separate issues bundled into one note labeled "Briefings to the board". For the purposes of this analysis, each discrete briefing topic was considered a separate budget note.
[2] Actual number of budget notes is 12. One budget note is a list of deadlines for briefings related to contingency items that already have their own budget notes, so is duplicative for the purposes of this analysis.

Budget Note on Budget Notes

- The budget note on budget notes requested:
  - Review of FY 2015 budget notes
  - Proposed guidelines
  - Proposed vetting process

FY 2015 Budget Notes - Impacts

FY2015 Budget Notes Briefing Calendar

Last Update: 9/3/14

SEPTEMBER	Dept(s)	Time
Th 11 • #6 Addressing Socio-Economic Disparities (Briefing 1 of 3)	DCHS/DCJ/ODE	1 hr
Tue 16 • #23 Budget Note Process and Guidelines	BUDGET	1 hr
Tue 23 • #20 Briefings to the Board 11 of 13: Restitution Recovery Pilot Project	DA	45 min
• #12 Briefings to the Board 3 of 13: Q1 report on Corrections Mental Health Pilot Program	HD/MSCO	1 hr

OCTOBER	Dept(s)	Time
Tue 7 • #22 Briefings to the Board 13 of 13: Grant writing efforts	GR	1 hr
Th 16 • #2 Medical Examiner	HD	1 hr
Tue 21 • #4 Update on Fleet Services	DCA	1 hr
Tue 28 • #16 Briefings to the Board 7 of 13: Housing	DCHS/ALL	1 hr

NOVEMBER	Dept(s)	Time
Tue 4 • #9 Pedestrian Safety	HD/DCS	1 hr
Th 6 • #5 Sandy River Delta Outreach and Cleanup	DCHS/MCSO	30 min
Tue 18 • #18 Briefings to the Board 9 of 13: Early Learning Hub	DCHS	1 hr
• #11 Briefings to the Board 2 of 13: Outcome measures for early childhood services	HD	30 min

FY 2015 Budget Notes - Impacts

Departmental Responsibilities

Department	Lead Presenter	Secondary Presenter	Total
Health Department (HD)	9		9
Department of County Human Services (DCHS)	8		8
Sheriff's Office (MCSO)		5	5
Department of Community Justice (DCJ)		3	3
Office of Diversity and Equity (ODE)		3	3
All Departments (ALL)	1	1	2
District Attorney's Office (DA)	1		1
Budget office (BUDGET)	1		1
Department of County Assets (DCA)	1		1
Governmental Relations (GR)	1		1
Local Public Safety Coordinating Council (LPSCC)	1		1
Department of Community Services (DCS)		1	1
TOTAL	23	13	36

Goal of Recommendations

To preserve the integrity of budget notes by having notes fulfill their intent, while avoiding overtaxing departments with significant reprioritization of existing work to fulfill budget note requirements.

Recommendations – Best Practices Research

- Budget notes are not common in neighboring counties

- No Government Finance Officers Association (GFOA) best practices

- Oregon Legislative Fiscal Office has developed guidelines

Recommendations - LFO Definitions

- Used to "clarify or expand upon administrative requirements which are directly related to the execution of budgets"

- "Formal directive…expressing legislative intent for a particular budget issue"

- "Technical in nature…limited [in] scope, not intended to circumvent, supplant, or replace other substantive or policy measures or law"

Proposed Guidelines

1. Budget notes should be related to specific items in the budget

2. Budget notes should take into consideration workload impacts

3. Budget notes should fit into one of four historical categories

Proposed Guidelines – Continued

Four historical categories:

    a. Contingency funds

    b. More information before providing funds in the next fiscal year

    c. Budget-related policy for future exploration and action

    d. Exception to a budget-related policy or rule

Vetting & Proposal Process

1. Guidelines and process reviewed at first budget worksession

2. Commissioners propose notes as is currently done

3. Budget Office, in conjunction with departments and Board staff, documents workload impacts, responsible parties, etc.

4. Budget Office and COO ensure adequate information is provided

Vetting & Proposal Process – Cont'd

5. Budget notes and additional information presented back to Board throughout worksessions

6. Final submission date one week before budget adoption

7. Budget notes are adopted as part of budget adoption resolution

Options for the Board

1. Accept Budget Office recommendations

2. Limit budget notes to identifying and explaining dollar amounts

3. Discontinue budget notes

4. Keep process as is

5. Adopt a different set of guidelines and vetting process

DCM – FY 2015 Proposed Budget

Questions?