



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

Board Clerk Use Only

Meeting Date: 4/26/17
Agenda Item #: BWS-4a
Est. Start Time: 1:30 pm
Date Submitted: 4/11/17

Agenda Title: **FY 2018 Budget Work Session - Financial and Budget Policies and Investment Policy**

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: April 26, 2018 Time Needed: 30 min (1:30-2:00 pm)

Department: County Management Division: Budget Office

Contact(s): Michael Jaspin, Budget Director

Phone: 503-988-7696 Ext. 87696 I/O Address: 503/5/531

Presenter

Name(s) &

Title(s): Mark Campbell, Chief Financial Officer and Michael Jaspin, Budget Director

General Information

1. What action are you requesting from the Board?

No action – this work session will provide the Board, acting in its capacity as the budget committee pursuant to ORS 294.423, with an opportunity to review the FY 2018 Financial and Budget Policies and the FY 2018 Investment Policy and discuss proposed changes.

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.

The Financial and Budget Policies are required to be reviewed and adopted by the Board on an annual basis. The overarching goals of the policies are:

1. To preserve capital through prudent budgeting and financial management.
2. To achieve the most productive use of County funds that meets the goals of the Board of County Commissioners.
3. To achieve a stable balance between the County's ongoing financial commitments and the continuing revenues available to the County.
4. To leverage local dollars with federal and state funding/grants.
5. To support government accountability to the citizens of Multnomah County.

There are no significant changes to the Financial and Budget Policies for FY 2018. Staff does propose clarifications to the policies on "Federal/State Grant and Foundation Revenues" and "Use of One-Time-Only Resources". The policy on Federal/State Grant and

Foundation Revenues is being modified to state that donations made to a specific program are considered to be restricted revenues. The policy on the use of One-Time-Only Resources includes a prohibition against departments proposing to use unspent General Fund appropriations in the following year.

The Chief Financial Officer is responsible for maintaining and following the County's Investment Policy. As described in the policy, it is brought to the Board of County Commissioners for review and approval on an annual basis. County investments are governed by state statutes and the policy generally follows the state guidelines. Where the policy differs from statute it is generally in stating a preference for asset diversification and maturity limits.

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

There is no immediate fiscal impact. The existence of financial and budget policies, and the County's adherence to them, has a positive effect on bond rating agencies which generally lowers interest rates paid by the County on bonds and other debt.

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

The Financial and Budget Policies incorporate the Government Finance Officers Association (GFOA) recommended best practices that were developed by the National Advisory Council on State and Local Budgeting (NACSLB).

The County Investment Policy follows ORS 294 and 295 which relate to public finance.

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

Three evening public hearings are scheduled on April 26th, May 3rd, and May 10th to collect public input on the budget. Citizen Budget Advisory Committees have reviewed the program offers and will make presentations with recommendations to the Board of County Commissioners. Transmitting the Executive Budget to the TSCC allows the public and Board further time to review the Chair's Budget before final adoption.

Required Signature

**Elected
Official or
Department
Director:**

Marissa Madrigal /s/

Date: April 11, 2017