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MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

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**TOTAL BUDGET**

The fiscal year 2015-2016 budget totals \$380,098,982. This is a \$1,652,534 **increase** (less than 1%) from the total fiscal year 2014-2015 final budget of \$378,446,448.

Oregon local budget law requires a balanced budget to be adopted by the governing body. Therefore, total resources and total requirements are equal.

The budget includes \$87,432,766 General Fund and \$292,666,216 for all other funds. Some county departments are funded partially or entirely through the General Fund which includes property tax revenues and fees. The majority of non-General Fund revenues are federal, state, and other agencies' contracts and grants that by law must be spent for specific purposes. In this Summary section and throughout the remainder of this book, all current fiscal year 2014-15 budget amounts include changes during four supplemental budgets.

**TOTAL COUNTY RESOURCES**

The county's revenue and other available resources are shown in major categories on the following schedules.

**FY 2015-16 Resources**

Fund	Net Working Capital	Administrative Cost Recovery	Transfers In	Financing Proceeds	Current Revenue	Total Resources
General Fund	8,809,905	-	4,001,307	-	74,621,554	87,432,766
All Other Funds	96,911,725	25,282,035	15,894,640	5,000,000	149,577,816	292,666,216
total	<b>105,721,630</b>	<b>25,282,035</b>	<b>19,895,947</b>	<b>5,000,000</b>	<b>224,199,370</b>	<b>380,098,982</b>

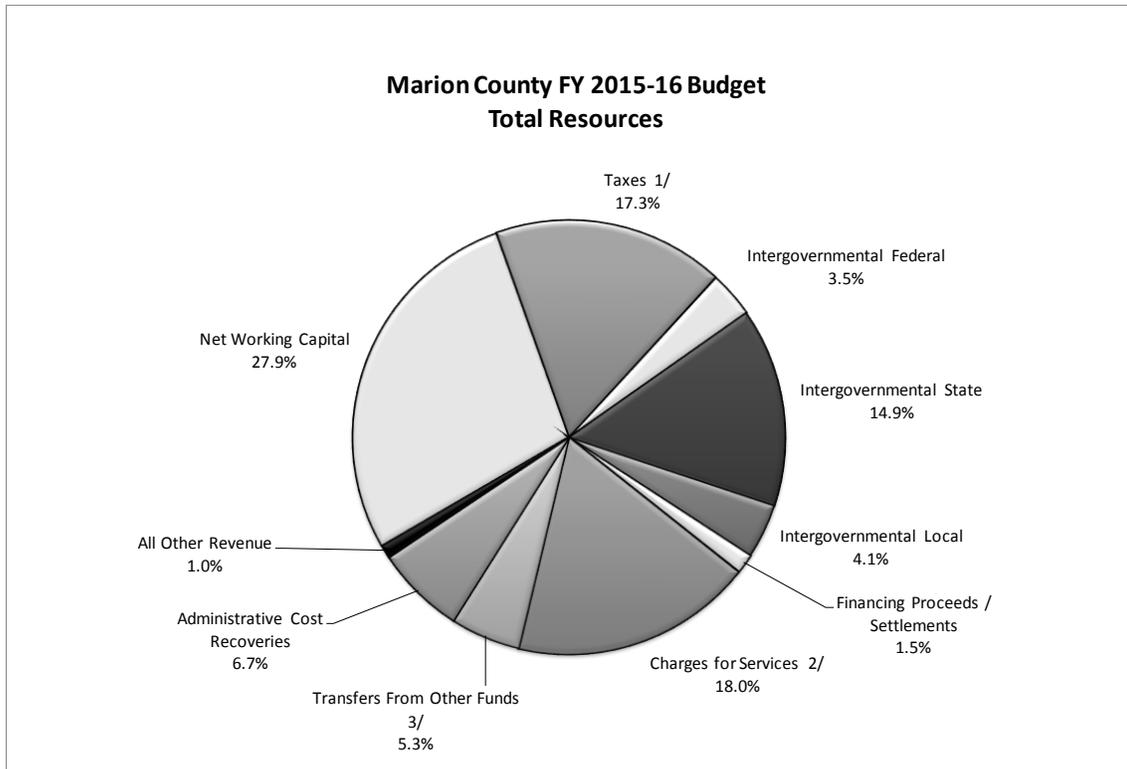
In addition to revenues expected to be collected during the fiscal year, local budget law requires other available resources to be disclosed in the budget, including beginning net working capital, internal transactions, and transfers. These together are referred to as resources. Revenues are those funds received during the course of the fiscal year from outside sources. Beginning net working capital is the prior fiscal year ending fund balance. Marion County's internal transactions are transactions between funds resulting from one department providing a service to another. On the resources side, they are called administrative cost recoveries. The sum of revenues, net working capital, internal transactions, and transfers are the total resources. The total resources budget is \$380,098,982.

# MARION COUNTY FY 2015-16 BUDGET SUMMARY

## County Resources Summary

FY 2015-16

FY 12-13 ACTUAL	FY 13-14 ACTUAL		FY 14-15 BUDGET	FY 15-16 ADOPTED	INCREASE / (DECREASE)	+/- % Prior Budget
<b>RESOURCES</b>						
57,828,333	60,142,958	Taxes	62,768,390	65,114,845	2,346,455	3.7%
2,560,939	3,004,659	Licenses and Permits	2,669,632	3,090,350	420,718	15.8%
13,733,003	11,930,158	Intergovernmental Federal	16,405,834	12,994,190	(3,411,644)	-20.8%
55,051,779	61,056,926	Intergovernmental State	53,684,490	55,957,987	2,273,497	4.2%
19,692,819	24,352,054	Intergovernmental Local	27,382,653	15,434,007	(11,948,646)	-43.6%
63,108,172	63,969,122	Charges for Services	63,653,498	67,206,282	3,552,784	5.6%
22,492,322	22,149,340	Admin Cost Recovery	24,258,332	25,282,035	1,023,703	4.2%
3,548,317	2,701,520	Fines and Forfeitures	2,544,382	2,788,666	244,284	9.6%
747,518	805,121	Interest	697,806	799,667	101,861	14.6%
716,163	5,432,153	Other Revenues	311,128	268,376	(42,752)	-13.7%
8,858,822	8,878,134	General Fund Transfers	13,066,489	12,303,696	(762,793)	-5.8%
5,497,688	12,640,240	Other Fund Transfers	6,924,135	7,592,251	668,116	9.6%
12,461,414	229,870	Settlements	885,373	545,000	(340,373)	-38.4%
850,000	9,950,000	Financing Proceeds	0	5,000,000	5,000,000	n.a.
93,991,356	94,076,937	Net Working Capital	103,194,306	105,721,630	2,527,324	2.4%
<b>361,138,643</b>	<b>381,319,192</b>	<b>TOTAL RESOURCES</b>	<b>378,446,448</b>	<b>380,098,982</b>	<b>1,652,534</b>	<b>0.4%</b>



1/ Total taxes include property tax collections (current year collections, delinquent taxes anticipated to be collected in the current year, and interest and penalties on delinquent tax), and cable television franchise taxes.

2/ Includes licenses, permits, fees, tolls, certain reimbursements, and other charges for services.

3/ Includes General Fund transfers to other funds as well as other transfers between funds.

MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

**MAJOR COUNTY RESOURCES**

County resources are categorized according to like characteristics, as the total county resources chart shown on the previous page shows. Net Working Capital is a resource although it is not classified as revenue. The resources shown in the table on the previous page include the General Fund. The remainder of this section about resources will exclude General Fund data, which is discussed in another section of this book.

**County Resources Excluding the General Fund**

A table and a discussion of each category and the major resources follow. Comparative budgets for resources are stated for fiscal years 2015-16 and 2014-15. The reasons for year-to-year budget changes are not discussed here, with some high level exceptions. The reasons for changes are found in the departmental and non-departmental program budgets discussed in other parts of this book. Amounts discussed in this section are rounded.

**Total County Resources Excluding General Fund**

	<b>FY 14-15 Budget</b>	<b>FY 15-16 Budget</b>	Change FY 14-15 Over FY 13-14
Net Working Capital	\$ 93,310,442	\$ 96,911,725	\$ 3,601,283
Taxes 1/	285,000	285,000	0
Intergovernmental Federal	15,801,454	12,404,810	(3,396,644)
Intergovernmental State	50,424,396	52,320,657	1,896,261
Intergovernmental Local	27,382,653	15,434,007	(11,948,646)
Charges for Services 2/	60,238,292	62,510,283	2,271,991
Transfers From Other Funds	16,116,712	15,894,640	(222,072)
Administrative Cost Recoveries	24,258,332	25,282,035	1,023,703
Settlements	885,373	545,000	(340,373)
Financing Proceeds	-	5,000,000	5,000,000
All Other Revenue 3/	5,509,456	6,078,059	568,603
<b>TOTAL</b>	<b>\$ 294,212,110</b>	<b>\$ 292,666,216</b>	<b>\$ (1,545,894)</b>

1/ Total taxes include property tax collections (current year collections, delinquent taxes anticipated to be collected in the current year, and interest and penalties on delinquent tax), and cable television franchise taxes. The latter are included in

2/ Includes licenses, permits, fees, tolls, reimbursements, and other charges for services.

3/ Includes fines and forfeitures, interest, intrafund loan principal payments, reimbursements, and miscellaneous revenue.

**Net Working Capital**

The terms “net working capital” and “beginning fund balance” are interchangeable in budgeting. Marion County uses the term net working capital. Beginning fund balance is the ending fund balance of prior year funds and programs that has carried over to begin a new fiscal year. A fund balance is the accumulation of revenues over expenditures throughout the life of the fund. It may include the unexpended portion of any or many of the categories of revenues for any given fund, and multiple revenues may have been comingled to the extent that individual revenues have lost their identity.

Net Working Capital **increased \$2.5 million** compared to the prior fiscal year budget for all funds. All-except five of the county’s 35 budgeted funds have Net Working Capital budgeted for FY 15-16. The internal services Central Services Fund by rule has no ending fund balance as it charges administrative charges to other funds in an amount equal to its total expenditures. Some special revenue funds are required by law to transfer out to outside organizations or county organizations all revenue received. A schedule of change in fund balance discussed later in this section provides additional information about Net Working Capital, although the FY 15-16 budget is not compared to the FY 14-15 budget in the schedule.

# MARION COUNTY FY 2015-16 BUDGET SUMMARY

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Notable increases in Net Working Capital by fund are:

- Facility Renovation Fund increased \$3,025,012 (+35%)
- Fleet Management Fund increased \$986,271 (+35%)
- Health Fund increased \$3,121,189 (+16%)
- Public Works Fund increased \$632,731 (+3%)

Notable decreases in Net Working Capital by fund are:

- Capital Improvement Projects Fund decreased \$467,946; (-22%)
- Community Corrections Fund decreased \$609,039 (-30%).
- Criminal Justice Assessment Fund decrease \$267,382 (-24%)
- Environmental Services Fund decreased \$1,609,612 (-11%)
- Sheriff Grants Fund decreased \$382,959 (-39%)

## **Taxes**

More than ninety-nine percent (99%) of tax revenue in the County is from property taxes and these are recorded in the General Fund.

### Franchise Fees on Trash Collectors

Franchise fees are classified as a tax by local government financial rule. Franchise fees are paid by trash collectors and allocated to solid waste management activities. They are managed by the Environmental Services program of the Public Works Department. The franchise fees are budgeted at a consistent \$285,000 both fiscal years.

## **Intergovernmental Federal**

Intergovernmental federal revenue is estimated based on current information provided by state agencies for pass-through federal funds and provided by federal grantor agencies for direct grants. In some cases departments use their knowledge of federal statutory funding requirements or what discretionary funding is available, and at what level.

### Secure Rural Schools

The Secure Rural Schools and Community Self-Determination Act appropriates in three parts to non-General Fund funds. The total budgeted for FY 15-16 is \$1,461,087. Title I funds (\$910,032) are provided to the Public Works Fund for road work and to a County Schools Fund (\$281,200); Title II funds (\$143,922) are passed through Resource Advisory Councils (RAC) federal forest improvement projects; Title III funds (\$125,933) are allocated to county programs for projects such as sheriff forest patrol that are beneficial to national forest lands and certain non-federal lands within the county.

### Oregon Department of Justice Child Support Subsidies

These are federal child support revenues passed through the Oregon Department of Justice, Division of Child Support to maintain child support enforcement activities, which is a 66% federal match on qualified expenses for support enforcement activities pursuant to federal statute under Title IV of the Social Security Act. There is \$1,050,015 budgeted for FY 15-16 which is a slight \$18,344 increase over FY 14-15; funding has remained stable for many years..

### Health Contracts

These are federal funds passed through the Oregon Department of Human Services for public health (\$2,179,106 FY 15-16) and mental health (\$1,327,298 FY 15-16) services.

### Federal Aid Highway Program

The Public Works Fund is budgeted to receive \$3,487,241 from the Federal Highway Administration for roads and bridges repairs.

## MARION COUNTY FY 2015-16 BUDGET SUMMARY

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### Other Federal Revenues

A wide variety of other federal funding is received by the county each year for purposes ranging from emergency management (\$337,766 FY 15-16) to ferry operations (\$714,828) to Sheriff's services to a federal Bureau of Indian Affairs school (\$522,364 FY 15-16) to many more totaling more than \$1 million.

### **Intergovernmental State**

State revenue is estimated based on current information provided by state grant and contract officials, reinforced by quarterly state economic forecasts, trend analysis examining whatever number of years appears to best characterize a trend, and state statutory requirements to provide funding. There are numerous state grants of all sizes going to twelve funds excluding the General Fund in FY 15-16; only the major grants are discussed.

### Gas Tax (Motor Vehicle Fuel Tax)

The gas tax is a state fuel tax calculated on a per gallon basis. Oregon's constitution is the legal authority for imposing and collecting the gas tax, and dedicates the tax revenue to transportation funding. The Oregon Department of Transportation (ODOT) is responsible for distribution of the tax revenues. Revenues must be used exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets, roadside rest areas, and some of the cost of administration. The Department of Public Works is the recipient of all gas tax. The FY 15-16 gas tax revenue budget is \$18 million, the same as FY 14-15.

### Mental Health Grants and Contracts

Mental health, alcohol and drug, and developmental disabilities contract and grant revenues are received from the Oregon Health Authority, Oregon Department of Human Resources, and other agencies. The funds are used for both Health Department in-house programs and for contracting with outside non-governmental organization providers of similar services. The FY 15-16 \$16.2 million budget is increased by \$1.2 million.

### Community Corrections Grant-in-Aid

This revenue is distributed from the Oregon State Department of Corrections to the Sheriff's Office as payment for the county's assumption of responsibility for felons on parole, on probation, on post-prison supervision, sentenced to 12 months or less incarceration, and other purposes. The Sheriff's Office allocates the funding for parole and probation programs and care of county jail inmates. FY 15-16 revenue is budgeted at \$11.3 million which is an increase of \$360 thousand over FY 14-15.

### Video Lottery

The Oregon State Lottery Commission transfers an amount equal to 2.5% of net receipts from video lottery games, similar to casino slot machines, from the State Lottery Fund to counties, with ninety percent distributed to each county in proportion to the gross receipts from the games in each county. Funds are required to be expended on economic development activities. Economic development programs or projects are recommended by the county's Economic Development Advisory Board and approved by the Board of Commissioners. The revenue and expenditures are recorded in a non-departmental fund. Video Lottery revenue is budgeted at \$1.6 million in FY 15-16 compared to \$1.4 million in FY 14-15.

### **Intergovernmental Local**

Although local government revenue is occasionally received from city and foundation grants, the far greater amount of the revenue in this category comes from the Mid-Valley Behavioral Care Network (MVBCN).

### Mid-Valley Behavioral Care Network (MVBCN or more commonly "BCN")

Mid-Valley Behavioral Care Network is a managed behavioral healthcare organization directed by a partnership of consumer-advocates and service providers who provide mental health and chemical dependency services. The Health Department receives state health capitation funds passed to the BCN. The primary revenues are for specific mental

## MARION COUNTY FY 2015-16 BUDGET SUMMARY

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health services. BCN contracts with the Health Department to provide Community and Provider Services (CAPS) and special crisis and respite services are provided additional funding. There are also small discretionary grant revenues which are used for purposes defined by agreement with the BCN, including, but not limited to, Health Department administration and Psychiatric Crisis Center operations. FY 15-16 budgeted revenues totaling \$16.4 million is an increase of \$1.1 million over the FY 14-15 budget.

### **Charges for Services**

There is a great diversity of services provided by Marion County countywide and Charges for Services reflect that diversity. Charges for services outside the General Fund include fees for health, public safety, environmental health, surveyor, building inspection, land use planning, solid waste disposal, and dog services, as well as county fair sales, insurance assessments, various reimbursements, street assessments, ferry tolls, property leases, fleet rentals, and more.

#### Waste-to-Energy Tipping Fees

The Public Works Department Environmental Services Program earns solid waste disposal tipping fees collected at the Waste-to-Energy Facility located in Brooks. The plant is privately owned and operated under a contract with Marion County, with the county receiving a share of the gross receipts. Tipping revenue relatively finite and stable because there is a limit to capacity and the plant generally operates at capacity. The \$9.1 million FY 15-16 budget is the same as the FY 14-15 budget.

#### SKRTS (Salem-Keizer Recycling and Transfer Station) Tipping Fees and North Marion Tipping Fees

Customers who are not commercial garbage haulers bring garbage to SKRTS in southeast Salem or North Marion Recycling and Transfer Station in Woodburn and pay a tipping fee. The garbage is subsequently transported to the Waste-to-Energy Facility and incinerated. Compostable material goes to a commercial composting facility. Recyclable items are hauled to recycling markets. The fees are part of Environmental Services Fund general operating revenues. FY 15-16 budgeted revenues totaling \$4.2 million are a slight increase over the \$4.1 million FY 14-15 budget

#### Electricity Generation Fees

The Waste-to-Energy Facility burns waste at high temperature, generating steam that in turn drives turbines that generate electrical power. This electrical power is sold to Portland General Electric (PGE). Part of the fees earned from the sale of electricity goes to the county under the terms of the contract with the plant owner. The FY 15-16 budget of \$2.4 million is a \$500,000 decrease from FY 14-15 as demand for the electricity by PGE has decreased. The funds are allocated to Environmental Services Fund operations.

#### Ferrous Metals Fees

This is revenue generated from the sale of ferrous metals that are recovered from the ash after waste is incinerated at the Waste-to-Energy Facility. The fees are collected as part of the terms and conditions for services with a contractor who recovers the metal. The funds are allocated Environmental Services Fund operations. The \$1.7 million FY 15-16 budget is less than the \$1.9 million FY 14-15 budget.

#### Medicaid Fees

The Health Department bills the state for federal Social Security Act Title XIX ("19") Medicaid fees for services. Behavioral health services for Medicaid are billed under an Office of Mental Health and Addiction Services (OMHAS) contract. Other billings occur under Department of Human Services, Office of Medical Assistance Program (OMAP) for services provided to clients covered by the Oregon Health Plan. Health Department charges are based on unit cost; however the actual reimbursement is set per the payer's reimbursement schedule. The Juvenile Department also bills federal Medicaid through the state. The fees are for provision of a standardized program of rehabilitation services to qualified youth. The Guaranteed Attendance Program (GAP) also provides these services. The FY 15-16 budget of \$3.7 million is a slight increase over the FY 14-15 \$3.6 million budget.

# MARION COUNTY FY 2015-16 BUDGET SUMMARY

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## Supervision Fees (Probation and Parole)

A state regulated supervision fee is assessed each adult parole and probation client. The Sheriff's Office allocates these fees to offset a portion of the cost of supervision of parole and probation clients. The FY 15-16 and FY 14-15 budgets are both at \$0.8 million consistent with the last several years.

## Public Works Services to County Departments

The Public Works Department provides vehicle maintenance and minor other services, e.g., radio repair, to Marion County Sheriff's Office, Juvenile Department, and Business Services Department. Public Works also provides the same services to the county pool car and light duty fleet which it manages. The FY 15-16 \$1.55 million budget is slightly increased over the FY 14-15 \$1.52 million budget.

## Public Works Fleet Rentals

The Public Works Department collects for rental of motor pool cars and for fleet vehicle leases to departments. The FY 15-16 budget of \$1.65 million is a down from the FY 14-15 budgets of \$1.81 million level.

## Insurance

Charges for Services includes insurance charges budgeted in the Self-Insurance Fund. County departments and quasi-governmental agencies including the Marion County Housing Authority, the Mid-Valley Behavioral Care Network and several service districts that employ personnel are charged for a share of several types of county insurance costs. The FY 15-16 budget for the major insurance is: medical and dental health insurance \$22.2 million; liability insurance \$1.1 million; workers' compensation insurance \$0.8 million; and group life, long-term disability, and unemployment insurance total \$0.9 million. The FY 15-16 to charges for services budget \$25.5 million is an increase of \$1.1 million over the FY 14-15 budget.

## **Licenses and Permits**

(the dollar amounts are included in Charges for Services on the schedule at the beginning of this subsection)

Licenses and permits revenue is estimated based on trend analysis covering five years, including review of each of the types of fees collected. State quarterly economic forecasts are also reviewed with attention to the housing industry specifically and the construction industry generally.

## Structural (Building) Permits

Building inspection revenues are generated from fees for structural, mechanical, plumbing, and electrical inspections, and from permits. These are revenues managed by the Department of Public Works. The \$2.4 million FY 15-16 budget is an increase over the \$2.1 million FY 14-15 budget.

## **Financing Proceeds**

Financing proceeds are otherwise infrequently budgeted. For FY 15-16 \$5.0 million is budgeted for a bank loan for construction of a new parole and probation building.

## **Transfers from Other Funds**

In Marion County's governmental budgeting system, resources are sometimes moved from one fund to another or others by means of transfer accounts. The fund receiving the transfer shows it as a fund resource. The result is that revenue is counted twice. Once when revenue is initially recorded in fund "A", and a second time after transferring out of fund "A" into fund "B". One of the most common situations is a transfer from the General Fund to other funds, including capital funds, debt service funds, and operating funds that are primarily funded by non-General Fund resources but require either temporary or permanent additional funding in order to pay the full cost of providing a service or services. Other funds are budgeted to receive a total of \$12.3 million from the General Fund in FY 15-16. Another \$7.6 million is budgeted for transfers between other funds, such as transfers from the Criminal Justice Assessment Fund to the Sheriff's Grant Fund and the Juvenile Grant Fund, a transfer from the Lottery Distribution Fund to the Land Use Planning Fund, a

## MARION COUNTY FY 2015-16 BUDGET SUMMARY

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transfer from the Health Fund to the Capital Improvement Projects Fund, the Health Fund to the Debt Service Fund, and an annual transfer from the Community Corrections Fund to the General Fund Sheriff's Office operations.

### **Administrative Cost Recoveries**

Administrative cost recoveries result from one department or program billing other departments or programs for services rendered. Internal services departments, grouped in the Central Services Fund, and the Self-Insurance Fund provides services or insurance coverage to all other departments and funds. Services given are county administration, information technology, financial management, payroll, human resources, risk management, facilities management, legal counsel, and a Public Employee Retirement System debt service assessment.

Administrative cost recoveries are unique revenue. The maximum that can be earned is a fixed amount based on a cost allocation plan. For example, the Information Technology Department knows how much it will be allowed to charge other departments and programs for its services based on its budget approved by the budget officer; in this case revenue is matched to expenditures. If the department expends less than budgeted, other departments will be charged accordingly and the actual revenue will be matched to actual expenditures at fiscal year-end. The FY 15-16 budget of \$25.3 million is an increase of \$1.0 million over the FY 14-15 budget.

### **Settlements**

Settlement revenue comes from settling financial claims against outside parties either through legal proceeding or outside of court, and tend to be one-time. There is a \$0.4 million settlement budgeted for FY 15-16 in a capital outlay fund along with several minor settlements in other funds for a total of \$0.6 million budgeted.

### **All Other Revenues**

The revenue categories remaining are fines and forfeitures, interest (from loans or investment earnings) and miscellaneous revenue that includes inter-fund loan principal payments, donations and private foundation grants, reimbursements, and a further variety of other small revenues. Most of these are often one-time or otherwise varies substantially from year to year.

MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

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**TOTAL COUNTY REQUIREMENTS**

The county's requirements are categorized by type of transactions on the schedule below.

**FY 2015-16 Requirements**

Fund	Total Direct Expenditures	Administrative Charges *	Transfers Out	Contingency	Reserves and Ending Fund Balance	Total Requirements
General Fund	59,542,282	9,351,542	12,303,696	1,295,000	4,940,246	87,432,766
All Other Funds	194,702,602	13,984,962	7,592,251	15,670,049	60,716,352	292,666,216
total	<b>254,244,884</b>	<b>23,336,504</b>	<b>19,895,947</b>	<b>16,965,049</b>	<b>65,656,598</b>	<b>380,098,982</b>

\* Internal service charges.

**REQUIREMENT CATEGORIES**

The amount planned for expenditure during a fiscal year is always less than the total budget. Oregon local budget law requires reporting of expenditures, internal transactions between funds, transfers, contingencies, and unappropriated ending fund balance in the total budget. These together are referred to as requirements.

The total budget includes internal transactions and transfers that are counted twice. Internal transactions are transactions between funds resulting from one department providing a service to another. On the expenditure side they are referred to as internal service ("administrative") charges. Transfers are a special type of internal transaction that involves transferring resources out of one fund into another fund. For example, funds are transferred out of the General Fund into the Capital Improvement Projects Fund. In the General Fund, the transfer out is an expenditure, and in the Capital Improvement Projects Fund the incoming transfer is a resource which is in turn allocated to expenditures.

The total requirements budget is \$380,098,982. This is the sum of the expenditures, administrative charges, transfers out, contingency, reserves, and ending fund balance.

The expenditures budget is \$297,477,335. This is the total of direct expenditures, administrative charges (internal service), and transfers out. Expenditures equal true appropriation authority, e.g., authority to expend. Contingency, reserves, and ending fund balance which total \$82,621,647 are excluded from the expenditures total.

**Total direct expenditures are \$254,244,884.** This is the direct expenditure (resulting in cash outlays) for Personnel Services, Materials and Services, Capital Outlay, Debt Service, and Special Payments.

# MARION COUNTY FY 2015-16 BUDGET SUMMARY

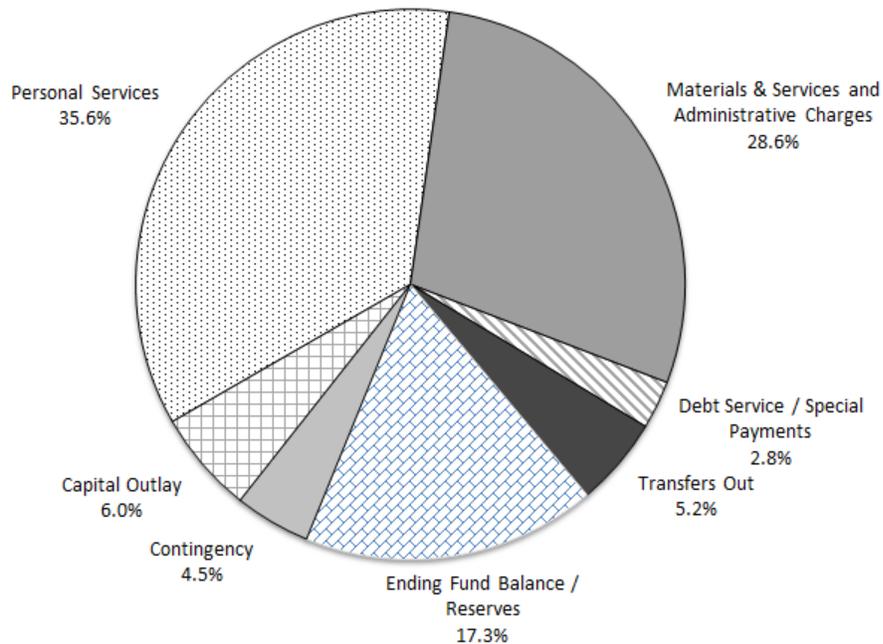
The state's designated major expenditure categories and other requirements, e.g., unappropriated, are shown below.

## County Requirements Summary

FY 2015-16

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 BUDGET	FY 15-16 ADOPTED	INCREASE / (DECREASE)	+/- % Prior Budget
<b>REQUIREMENTS</b>						
Personnel Services	115,109,555	115,269,104	130,239,856	135,284,651	5,044,795	3.9%
Materials and Services	87,444,870	88,716,640	89,860,974	85,225,033	(4,635,941)	-5.2%
Administrative Charges	20,840,007	20,451,621	22,113,606	23,336,504	1,222,898	5.5%
Capital Outlay	21,702,750	25,214,426	23,100,444	22,947,962	(152,482)	-0.7%
Debt Service Principal	2,764,183	3,070,348	3,770,195	4,134,789	364,594	9.7%
Debt Service Interest	3,232,284	3,332,532	3,388,394	3,414,440	26,046	0.8%
Special Payments	1,611,548	535,947	814,897	3,239,709	2,424,812	297.6%
Transfers Out	14,356,510	21,518,374	19,990,624	19,895,947	(94,677)	-0.5%
Contingency	0	0	18,780,610	16,965,049	(1,815,561)	-9.7%
Reserves	0	0	2,493,584	2,506,844	13,260	0.5%
Ending Fund Balance	0	0	63,893,264	63,148,054	(745,210)	-1.2%
<b>TOTAL REQUIREMENTS</b>	<b>267,061,706</b>	<b>278,108,992</b>	<b>378,446,448</b>	<b>380,098,982</b>	<b>1,652,534</b>	<b>0.4%</b>

## Marion County FY 2015-16 Budget Total Requirements



MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

**Principal Expenditures**

The principal expenditure accounts are Personnel Services and Materials and Services. Others, such as Capital Outlay, may have large amounts budgeted, but tend to have wide variances in expenditures from year-to-year. In the case of Transfers Out, these are not considered direct expenditures.

**Personnel Services**

The county's personnel regulations allow for an annual five percent step increase for satisfactory service (merit). The county has a high percent of employees who have worked enough years to have reached the last step in their grade level, or are at longevity steps. There are no merit pay increases between longevity steps. A high number of employees in the step 7 and longevity steps tend to keep countywide percentage pay increases down.

A policy of requiring vacant positions to be budgeted no higher than a step 1 has had the effect, in some funds and programs, of lowering the Personnel Services budget. This is particularly true for positions that became vacant at the time the incumbent is being paid at step 7, or longevity, and departments are not allowed to budget at the same level for replacements. All positions requested to be filled at a step higher than a step 1 require Budget Officer approval. Periodic changes in pay grades for specific positions to bring pay within comparative local government rates ("market") also has an impact on the funds and programs involved. Over time, the mean personnel position cost has increased approximately 1.8% annually for step increases and pay adjustments.

The increase in total fringe benefits in recent years is attributable to health insurance and Public Employee Retirement System (PERS) rate increases. However, the FY 2014-15 budget contained a major increase in PERS costs not related to rate increases. The county took over the payment of employee 6% PERS contribution for two groups (bargaining units) that make up 237 full-time equivalent (FTE) positions out of the total county 1,357 FTE. Countywide, this drove PERS costs up substantially compared to prior years.

Five primary factors affect the total Personnel Services increase of about \$5,045,000 for FY 2015-16 over FY 2014-15. One, there is an increase of 35 Full-Time Equivalent (FTE) positions at a cost of approximately \$2,581,000. Two, there is a 1.5% cost-of-living allowance (COLA) in FY 2015-16 for 1,120 out of 1,393 positions at a cost of approximately \$1,243,000.<sup>1</sup> Three, step increases and market adjustments to wages will cost approximately \$1,455,000. Four, a 0.75% increase in PERS will cost an additional \$594,000. Five, budgeting vacant positions at lower steps than the incumbents vacating the positions, as well as many vacant positions were budgeted to be filled for less than 12 months resulted in a savings, e.g., decrease, of approximately \$828,000.

**Countywide Personnel Services Summary**

FY 12-13 ACTUAL	FY 13-14 ACTUAL		FY 14-15 BUDGET	FY 15-16 ADOPTED	Change FY 14-15 to FY 15- 16
<u>Personnel Services</u>					
75,256,306	75,431,202	Salaries and Wages	84,507,886	87,479,393	3.5%
39,853,249	39,837,902	Fringe Benefits	45,731,970	47,805,258	4.5%
<b>115,109,555</b>	<b>115,269,104</b>	Total Personnel Services	<b>130,239,856</b>	<b>135,284,651</b>	3.9%
1,312	1,323	FTE	1,358	1,393	2.6%

<sup>1</sup> The remaining non-COLA FTE are in bargaining units that had not yet bargained for wages and benefits as of the date of the Adopted budget.

MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

**Materials and Services**

General Fund and Central Services Fund departments and programs are not allowed to budget for across-the-board increases in Materials and Services. They have been required to absorb inflationary increases by reducing whatever line items are considered lower priority than the inflation-driven line items, or simply do with less. There are exceptions, primarily in situations where departments are required to take on new types of expenditures. Other departments and programs have been allowed to reflect inflationary increases to the extent that available resources allow. Expenditures by subcategories are shown below.

**Countywide Materials and Services Summary**

FY 12-13 ACTUAL	FY 13-14 ACTUAL	CATEGORY	FY 14-15 BUDGET	FY 15-16 ADOPTED	Change 14-15 to 15-16
4,135,984	4,089,137	Supplies	4,688,886	4,483,626	-4%
3,574,627	3,821,307	Materials	4,260,600	4,305,855	1%
1,029,432	998,558	Communications	1,056,754	1,130,419	7%
1,834,845	2,020,227	Utilities	1,992,687	1,960,421	-2%
2,833,458	2,639,385	Repairs and Maintenance	3,232,163	2,914,061	-10%
4,689,649	4,814,967	Rentals	4,497,978	4,994,770	11%
22,424,896	22,613,449	Insurance	24,784,722	25,201,346	2%
2,256,078	1,787,676	Miscellaneous	2,590,324	2,604,438	1%
42,778,969	42,784,706	Subtotal	47,104,114	47,594,936	1%
<b>Contracted Services</b>					
808,136	480,923	<i>Central Services Fund</i>	818,019	923,455	13%
1,454,588	934,319	<i>Children and Families Fund</i>	876,721	79,380	-91%
797,746	1,535,886	<i>Community Corrections Fund</i>	1,759,690	1,746,693	-1%
15,922,533	15,823,898	<i>Environmental Services Fund</i>	15,894,439	16,273,233	2%
206,697	183,313	<i>General Fund Non-Departmental</i>	378,062	1,780,250	371%
18,348,422	19,370,230	<i>Health Fund</i>	14,734,128	8,034,349	-45%
295,000	660,775	<i>Lottery and Economic Development Fund</i>	785,554	1,096,947	40%
381,746	524,685	<i>Public Works Fund</i>	1,420,256	1,549,366	9%
2,589,991	2,669,389	<i>Sheriff's Office General Fund</i>	2,549,972	2,558,430	0%
1,100,839	559,938	<i>Sheiff Grants Fund</i>	555,174	496,327	-11%
2,760,203	3,188,578	<i>All Other Funds</i>	2,985,459	3,091,667	4%
44,665,901	45,931,934	Subtotal - Contracted Services	42,757,474	37,630,097	-12%
87,444,870	88,716,640	Total	89,861,588	85,225,033	-5%

**TOTAL BUDGET BY FUND AND DEPARTMENT**

The following page presents a schedule of funds by department.

# MARION COUNTY FY 2015-16 BUDGET SUMMARY

Marion County FY 2015-16 Budget by Fund and Department

	Assessor's Office	Board of Commissioners Office	Business Services	Clerk's Office	Community Services	District Attorney's Office	Finance	Health	Information Technology	Justice Court	Juvenile	Legal	Public Works	Sheriff's Office	Treasurer's Office	Capital	Non Departmental Operations	Fund Total
<b>DEPARTMENTS</b>																		
General Fund	5,796,757			2,517,374	1,032,883	8,288,435				866,934	9,986,895			36,988,759	459,792		21,494,423	87,432,766
Building Inspection													3,569,761					3,569,761
Central Services		2,273,361	6,761,580				2,513,785		8,801,338			1,367,701					413,173	22,130,941
Child Support						1,541,015												1,541,015
Children and Families					196,632													196,632
Community Corrections														15,103,223				15,103,223
County Clerk Records				112,064														112,064
County Fair					372,506													372,506
District Attorney Grants						1,082,275												1,082,275
Dog Control					1,315,757													1,315,757
Environmental Services													31,273,765					31,273,765
Fleet Management													5,590,362					5,590,362
Health								68,390,742										68,390,742
Inmate Welfare														420,892				420,892
Juvenile Grants											3,324,690							3,324,690
Land Use Planning													989,425					989,425
Law Library												668,800						668,800
Lottery and Economic Dev					3,090,513													3,090,513
Parks													546,156					546,156
Public Works													50,985,612					50,985,612
Sheriff Grants														3,640,886				3,640,886
Stormwater Management													807,850					807,850
Surveyor													1,961,614					1,961,614
Traffic Safety Team														2,795,602				2,795,602
<b>CAPITAL</b>																		
Capital Building & Equipment																		291,044
Capital Improvement Projects																		4,860,301
Facility Renovation																		19,556,864
<b>NON-DEPARTMENTAL</b>																		
Block Grant																		47,721
County Schools																		549,300
Criminal Justice Assessment																		1,634,486
Debt Service																		7,185,897
Non Departmental Grants																		790,489
Rainy Day																		2,215,800
Self Insurance																		35,260,585
Tax Title Land Sales																		362,641
<b>Department Total</b>	<b>5,792,049</b>	<b>2,262,495</b>	<b>6,761,580</b>	<b>2,624,908</b>	<b>5,860,575</b>	<b>10,911,725</b>	<b>2,513,785</b>	<b>68,390,742</b>	<b>8,801,338</b>	<b>866,934</b>	<b>13,311,585</b>	<b>2,036,501</b>	<b>92,474,545</b>	<b>58,944,771</b>	<b>457,766</b>	<b>4,860,301</b>	<b>70,070,887</b>	<b>380,098,982</b>

MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

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MARION COUNTY FY 2015-16 BUDGET  
SUMMARY

**PROGRAMS FUNDED IN PART BY STATE RESOURCES**

The State of Oregon requires that county government annual budgets must contain summary revenue and expenditure information for major programs funded in part by the state (ORS 294.444). The state stipulates the government functions covered by the report. The amounts for these functions are shown on the following table.

	Fiscal Year 2012-13 Actual	Fiscal Year 2013-14 Actual	Fiscal Year 2014-15 Budget	Fiscal Year 2015-16 Proposed Budget
<b>ASSESSMENT AND TAXATION</b>				
General Resources	\$ 4,023,718	\$ 4,133,926	\$ 4,339,987	\$ 4,812,478
State Resources	1,490,543	1,250,275	1,366,440	1,044,602
Total Resources	\$ 5,514,261	\$ 5,384,201	\$ 5,706,427	\$ 5,857,080
Total Requirements	\$ 5,514,261	\$ 5,384,201	\$ 5,706,427	\$ 5,857,080
<b>COMMUNITY CORRECTIONS</b>				
State Resources	\$ 8,042,097	\$ 9,315,880	\$ 8,082,035	\$ 8,973,626
Other Revenue	1,810,765	2,359,401	2,842,167	2,403,290
Total Resources	\$ 9,852,862	\$ 11,675,281	\$ 10,924,202	\$ 11,376,916
Total Requirements	\$ 8,363,785	\$ 9,619,031	\$ 10,924,202	\$ 11,376,916
<b>JAIL OPERATIONS</b>				
General Resources	\$ 14,968,868	\$ 15,061,841	\$ 16,133,487	\$ 12,988,144
State Resources	3,393,874	4,651,904	3,993,730	4,332,631
Federal Resources	155,508	160,090	96,745	-
Other Revenue	1,135,262	1,108,700	1,239,310	4,082,995
Total Resources	\$ 19,653,512	\$ 20,982,535	\$ 21,463,272	\$ 21,403,770
Total Requirements	\$ 19,372,913	\$ 20,340,675	\$ 21,463,272	\$ 21,403,770
<b>DISTRICT ATTORNEY</b>				
General Resources	\$ 7,821,878	\$ 7,857,641	\$ 8,596,032	\$ 8,741,701
State Resources	403,063	482,314	549,283	446,014
Federal Resources	1,227,328	1,139,790	1,302,285	1,373,671
Other Revenue	145,057	144,553	277,155	350,609
Total Resources	\$ 9,597,326	\$ 9,624,298	\$ 10,724,755	\$ 10,911,995
Total Requirements	\$ 9,567,475	\$ 9,470,461	\$ 10,724,755	\$ 10,911,995
<b>JUVENILE CORRECTIONS &amp; PROBATION</b>				
General Resources	\$ 9,991,696	\$ 9,921,040	\$ 10,568,459	\$ 10,910,765
State Resources	1,164,851	1,261,518	1,248,981	1,276,226
Federal Resources	26,422	230,776	26,205	105,000
Other Revenue	1,178,244	860,935	973,032	1,019,594
Total Resources	\$ 12,361,213	\$ 12,274,269	\$ 12,816,677	\$ 13,311,585
Total Requirements	\$ 12,292,925	\$ 12,171,829	\$ 12,816,677	\$ 13,311,585
<b>PUBLIC HEALTH</b>				
General Resources	\$ 2,237,281	\$ 2,248,748	\$ 2,254,422	\$ 2,328,577
State Resources	3,675,387	3,667,778	3,587,958	3,389,240
Federal Resources	128,087	155,797	73,802	132,482
Other Revenue	6,120,484	6,383,979	7,292,443	7,749,280
Total Resources	\$ 12,161,239	\$ 12,456,302	\$ 13,208,625	\$ 13,599,579
Total Requirements	\$ 9,221,481	\$ 9,117,864	\$ 13,208,625	\$ 13,599,579
<b>MENTAL HEALTH AND CHEMICAL DEPENDENCY</b>				
General Resources	\$ 1,202,401	\$ 1,190,936	\$ 1,185,260	\$ 1,184,177
State Resources	18,254,477	20,605,929	15,010,014	16,847,177
Federal Resources	155	175,288	70,125	70,125
Other Revenue	33,653,368	39,171,158	44,734,081	36,689,686
Total Resources	\$ 53,110,401	\$ 61,143,311	\$ 60,999,480	\$ 54,791,165
Total Requirements	\$ 42,813,681	\$ 44,998,398	\$ 60,999,480	\$ 54,791,165

MARION COUNTY FY 2015-16 BUDGET  
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**SUMMARY OF MAJOR PROGRAMS FUNDED IN PART BY STATE RESOURCES**

	Fiscal Year 2012-13 Actual	Fiscal Year 2013-14 Actual	Fiscal Year 2014-15 Budget	Fiscal Year 2015-16 Proposed Budget
<b>ROADS</b>				
General Resources	\$ 4,000	\$ 4,000	\$ 4,000	\$ 88,753
State Resources	17,131,834	19,784,137	18,853,060	18,785,000
Federal Resources	3,881,371	3,009,730	7,684,329	5,456,367
Other Revenue	22,031,559	21,320,524	25,569,904	25,905,492
Total Resources	\$ 43,048,764	\$ 44,118,391	\$ 52,111,293	\$ 50,235,612
Total Requirements	\$ 23,464,352	\$ 22,300,553	\$ 52,111,293	\$ 50,235,612
<b>ECONOMIC DEVELOPMENT</b>				
General Resources	\$ 489,661	\$ 525,442	\$ 576,236	\$ 573,537
State Resources	48,110	50,964	50,964	50,964
Video Lottery Resources	1,408,021	1,384,365	1,376,388	1,823,323
Other Revenue	1,791,354	2,211,646	2,138,172	1,956,904
Total Resources	\$ 3,737,146	\$ 4,172,417	\$ 4,141,760	\$ 4,404,728
Total Requirements	\$ 2,519,663	\$ 3,602,061	\$ 4,141,760	\$ 4,404,728