

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

ORGANIZATION OF THE BUDGET BOOK

Within county departments and in capital and non-departmental services the county is organized and managed by program. The budget is presented to the budget committee and the Board of Commissioners in a format that emphasizes programs, with program financial reports and budget narratives. However, budget information by fund is also presented, and the budget is approved by the Budget Committee and adopted by the Board of Commissioners by fund and appropriation category as required by State of Oregon local budget law. Budget summary and line item detail – but not narratives – are stated at fund level. The fund and program mix is diverse. There are some funds that have only one program. Other funds have multiple programs. Some funds share parts of programs with other funds, e.g., a program can cross more than one fund.

The book begins with the budget officer's message, which sets forth proposed financial policies and changes in financial policy for the ensuing budget year, reasons for the most important changes in the proposed budget from the current year, and generally establishes the setting and policy tone for the proposed budget.

This **Overview** section describes the people and process involved in budget development. The **Goals and Key Indicators** section discusses overall county goals and lists key indicators, which are quantifiable measurements of department activities, that tie to the overall county goals.

The **Summary** section is about the total county budget. Resources and requirements are summarized by category and pie charts display allocations to these categories. Key revenues and principal expenditures are discussed. Total county budget by materials and services subcategories is shown. There are tables showing the amount of state revenue dedicated to specific county services.

Department Programs and Funds section describes and explain each department's budget by program and category and a summary of funds as well as fund line items. Detailed key indicators are presented, as are department key accomplishments.

The **General Fund** merits a separate section as it is the largest discretionary funding source subject to budget approval by the budget committee and adoption by the Board of Commissioners. It also funds all or part of seven departments and considerable non-departmental activities.

The **Capital Programs and Funds** section discusses capital improvements by program. Several capital programs cross capital funds. Capital funds are summarized.

Non-Departmental Programs and Funds are not a part of any department's budget. They serve a variety of purposes, and often reflect the type of fund of which they are part. These programs and funds encompass debt service, reserves, insurance, non-departmental activities that provide support to departments, and special revenues that are distributed to departments, or outside agencies as required by law.

The **Appendices** contain information that is required by law to be included in a county budget as well as supplemental information for the reader's interest.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

FOUNDATION

A solid foundation exists on which to build each fiscal year's county budget. The organizational structure is well designed for delivery of essential services. Committed and expert leaders work together to manage operations. Skilled and dedicated staff members make sure that services are professionally provided. Citizen budget committee members offer a needed outside perspective in examining budget requests. Citizens attend public hearings and otherwise communicate their points of view on county government priorities.

Marion County Statement of Values

- **Customer Service** -- We treat our customers and one another with courtesy, respect, dignity, fairness, and understanding. We work to make Marion County accessible and responsive to a wide range of individual and community needs and interests. We promote flexible, creative, solutions-oriented approaches to resolving customer problems and meeting customer needs.
- **Professionalism** -- We hire, train, and develop our employees to be knowledgeable and expert in their respective roles. We strive for the highest levels of accuracy and quality in carrying out our responsibilities to the public.
- **Integrity** -- We are honest, forthright, and ethical in our dealings with others and on behalf of the public trust. We follow-through on our commitments and we hold one another and ourselves personally accountable for doing what we promise.
- **Stewardship** -- We seek to make the most efficient and effective use of public resources, and we work to continuously improve our services through collaboration, innovation, and competence. We strive to create and maintain a fair, transparent and open process of government that actively seeks citizen participation and recognizes the diverse and competing interests of all of the county's constituencies.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

FINANCIAL POLICIES

In the State of Oregon, many financial policies and procedures are dictated by state statute. For example, Oregon Budget Law found in Oregon Revised Statutes Section 294 is designed to

- Establish standard procedures for preparing, presenting, and administering the budgets of Oregon's local governments,
- Encourage citizen involvement in the preparation of the budget before its final adoption,
- Provide a method of estimating revenues, expenditures, and proposed taxes, and
- Institute a method of control of revenues and expenditures for the promotion of efficiency and economy in the expenditure of funds.¹

For example, the budget must be adopted by fund, and the resources must equal the requirements for each fund, in effect requiring a balanced county budget. Adherence to Oregon law is to all intents and purposes Marion County policy; in effect Marion County follows many state financial policies.

The Marion County Board of Commissioners has adopted the following budget and other financial management policies. Each policy also has counterpart procedures not discussed here.

General Reserves

The purpose is to establish policy regarding the development and maintenance of a prudent level of resources to ensure the future financial stability of the county.

- It is the policy of the Marion County Board of Commissioners that procedures will be developed to determine the appropriate amount to be budgeted for general fund contingency (no less than 1% of General Fund resources), unappropriated ending fund balance (no less than 5% of General Fund resources) and rainy day fund unappropriated reserves.

Position Control

The purpose is to establish a policy to manage increases in the number of personnel positions in department programs.

- It is the policy of Marion County that departments and programs may increase the total number of full-time equivalent (FTE) personnel positions over approved program budget levels only when there is new revenue to support such positions. All FTE increases must be approved through the budget process.

Vacant Positions Termination

The purpose is to establish budget policy and procedure concerning the handling of vacant positions whenever it is clear that such positions will not be filled during the current or ensuing budget year.

- Personnel positions that have not been filled or are not currently under recruitment during the current fiscal year shall not be included in a department's requested annual budget for the ensuing fiscal year. Elimination of vacant positions must be done in accordance with Marion County Personnel Rules.

¹ State of Oregon, Department of Revenue web site. www.oregon.gov/DOR/PTD

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

Restrictions of Backfills

The purpose is to establish a policy for setting the conditions under which reduced or eliminated program resources may be replaced by General Fund transfers.

- It is the policy of Marion County that general fund resources shall not be transferred to backfill, i.e., replaced, reduced or eliminated federal, state, foundation or other grant or contract funding, or any other program resource, unless specific conditions set by the Board of Commissioners are met.

Transfers Between Departmental Appropriation Categories

The purpose is to establish a policy that substantiates Board of Commissioners' authority to approve budget appropriation transfers.

- It is the policy of Marion County that the transfers of monies between departmental appropriation categories, using the object classifications of reserves, special payments, transfers, contingency, capital outlay, materials and services, and personal services, require prior authorization by the Board of Commissioners.

Administrative Charges

The purpose is to establish the use of administrative charges as a means to financing the operations of centralized activities of county departments and programs.

- It is the policy of Marion County to identify the full cost of delivering programs and services that benefit the county as a whole. Administrative charges provide a useful means of accounting for such centralized activities as human resources, financial services, risk and facilities management, information technology, and Board of Commissioners' oversight. It is the intent of the Board of Commissioners that all departments, agencies, and funds help support the central services operations of Marion County.

Administrative Charges on Grants

The purpose is to ensure that outside grants and contracts are allocated a share of the cost of central administrative charges.

- Administrative charges must be budgeted as a reimbursable cost or in kind cost to maintain consistency in the application of administrative charges.

Capital Outlay Appropriations

The purpose is to establish the guidelines and procedures to be used concerning capital outlay appropriations.

- Capital outlay items will be budgeted and appropriated during the annual budget process. A capital projects fund will be established. All capital purchases supported by the General Fund shall be expended from this fund. Non-General Fund capital purchases will be budgeted in the fund from which the expenditures will be incurred. All capital purchases will be monitored by the capital projects coordinator, and reviewed by the Budget Committee. Requests for capital items not submitted during the annual budget process may be considered during the year through the supplemental budget process.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

Capital Improvement Project Plan

The purpose is to establish an official statement of public policy regarding the physical maintenance and development of Marion County's infrastructure.

- It is the policy of Marion County to maintain a sound and workable capital improvement project plan. The CIP plan shall be the basis for a system for the proposal, approval, execution, oversight, and monitoring of all Marion County capital improvement projects on financial and production bases. The Marion County CIP plan is a long range plan which identifies CIPS well in advance of need.

Fixed Asset Control

The purpose of the policy is to establish accountability for county fixed assets at the department level.

- It is the policy of Marion County that each department head and elected official will be responsible for the inventory, tagging and control of all fixed assets in his or her department.

Other Financial Policies

There are other Marion County policies that have an effect on the development and execution of the county budget.

- Assessing fees for services provided by the county to outside agencies and organizations.
- Collection of accounts receivable.
- Performing an annual audit.
- Revenue bonds in partnership with nonprofit agencies.
- Payment card processing.
- Investment of public funds.

MARION COUNTY FY2011-12 BUDGET
OVERVIEW

BUDGET PARAMETERS

Budget parameters are budget officer requirements which departments must comply with when preparing their budget requests. They accompany the budget instructions. A budget parameter can remain the same in the long-term, or change annually. Most are in effect budget policies.

Budget Parameters FY 2011-12

1. Adopt the recommendation of the Treasurer that interest income be calculated at a rate of return of 0.15% (fifteen one-hundredth of one percent) for all funds. The rate is a net of investment interest of 0.40% less an investment fee of 0.25% charged by the Treasurer for management of the funds.
2. A zero percent (0%) cost-of-living allowance (COLA) is to be budgeted for all pay units.
3. Health insurance (medical and dental) will be budgeted at composite rates per FTE, including FTE of 0.5 or greater. The rates are determined from known cost caps per plan elements for the period July 1, 2011 – December 31, 2011 and an estimated percent increase for the period January 1, 2012 – June 30, 2012 (e.g., the second one-half of the fiscal year). Second one-half rates are calculated as 9% greater than first one-half for all plans.

The rate for unit 4 (ONA) is \$1,288 mo. / \$15,456 yr. The rate for unit 14 (MCJEA) is \$1,248 mo. / \$14,976 yr. The rate for unit 5 (MCLEA) is \$1,329 mo. / \$15,948 yr. For all other units including management the rate is \$1,270 mo. / \$15,240 yr.

4. PERS expenses will be budgeted at 15.5% for positions for units for which the County pays the 6% employer pick-up of PERS. The budgeted rate of units 5 and 7 will be 9.5%.

An additional 4.5% assessment for debt service on PERS bonds will also be applied to all positions.

5. Follow the recommendation of the Council of Economic Advisors for forecasting property tax and other major General Fund revenues. Review major non-general fund revenue forecasts with the Council for their judgment on reasonableness of assumptions.
6. Departments must fully justify the use of temporary workers for each department program.
7. All requested and approved new positions will be budgeted for 22 pay periods (there are 26 pay periods in a year). Vacant positions will be eliminated in accordance with current county administrative policy and procedures. Budgeting of new positions for less than a full year recognizes the time needed for recruitment and hiring; elimination of vacant positions also addresses over-budgeting for personal services. All new positions must be budgeted at step 1.
8. No automatic inflationary increases in materials and services (M&S) will be allowed in the budget for either general fund or other departments. Total M&S amounts for General Fund programs that are in excess of the current year budget require a decision package. The current year budget is not a base budget that is automatically repeated. M&S, as well as personal services, is subject to reduction at any time budget analysis and financial circumstances indicate such action is prudent.
9. One-time materials and services appropriations in the current fiscal year budget shall be removed from the budget request (i.e., contractual services for a specific project, start up costs, etc.).
10. All light duty vehicles belong to the Marion County fleet. For departments assigned light duty vehicles, lease, repair and maintenance will be charged to departments in accordance with fleet management policy and procedures. Pool vehicle program charges are also established by fleet management policy.

MARION COUNTY FY2011-12 BUDGET OVERVIEW

11. Purchases or leases of all computer desktop, laptop and other computer equipment, printers, copiers, scanners, digital cameras, multi-media machines, and other electronic devices that require network access must be approved by the Information Technology Department before inclusion in departmental budgets.
12. Capital acquisitions must be requested on the appropriate budget form and entered in BUD directly. Capital improvement projects must be contained in the five year plan and must be approved by the budget officer for inclusion in the budget request. Approved capital improvement projects budgets are to be entered directly into BUD through GL View.
13. Departments must submit requests to carry forward capital improvement project appropriations from FY 2010-11. If a project has not been started, a new request must be submitted for prioritization against other new requests. Capital outlay and capital improvement project policies and procedures must be followed.
14. The budget officer will recommend the amount of General Fund resources to be set aside for capital outlay appropriations. These amounts will be managed in appropriate capital funds.
15. Central services departments will be required to prepare their budgets prior to other departments to ensure that the amount of administrative charges to be allocated to the other departments is firm.
16. The budget officer will recommend an amount to be budgeted for general fund contingency that meets the General Reserves policy. General fund departments may **not** budget for contingency.
17. Departments may not budget contingency amounts of more than 10% of the total fund requirements in funds with a majority of non-General Fund revenue without budget officer permission. Available amounts in excess of the 10% must be budgeted in unappropriated ending fund balance.
18. All requests for new programs and program enhancements must be submitted as individual decision packages. Departments must carefully consider submitting decision packages requests. Decision packages are not meant to reflect a department's entire wish list and few General Fund decision packages will be approved due to financial constraints.
19. Departments that propose to continue programs, projects or special activities no longer supported by outside funding or requiring a shift in funding from the prior year, must submit a decision package to do so, clearly identifying new or proposed financing sources. This must be done within the conditions of the restrictions on backfills policy regarding General Fund resources.
20. Decision packages will be included in the total department requested budget. They will be removed from the budget if the budget officer does not approve their inclusion in the budget at the budget officer proposed stage. Departments may not submit two or more decision packages that are for similar purposes as alternatives.

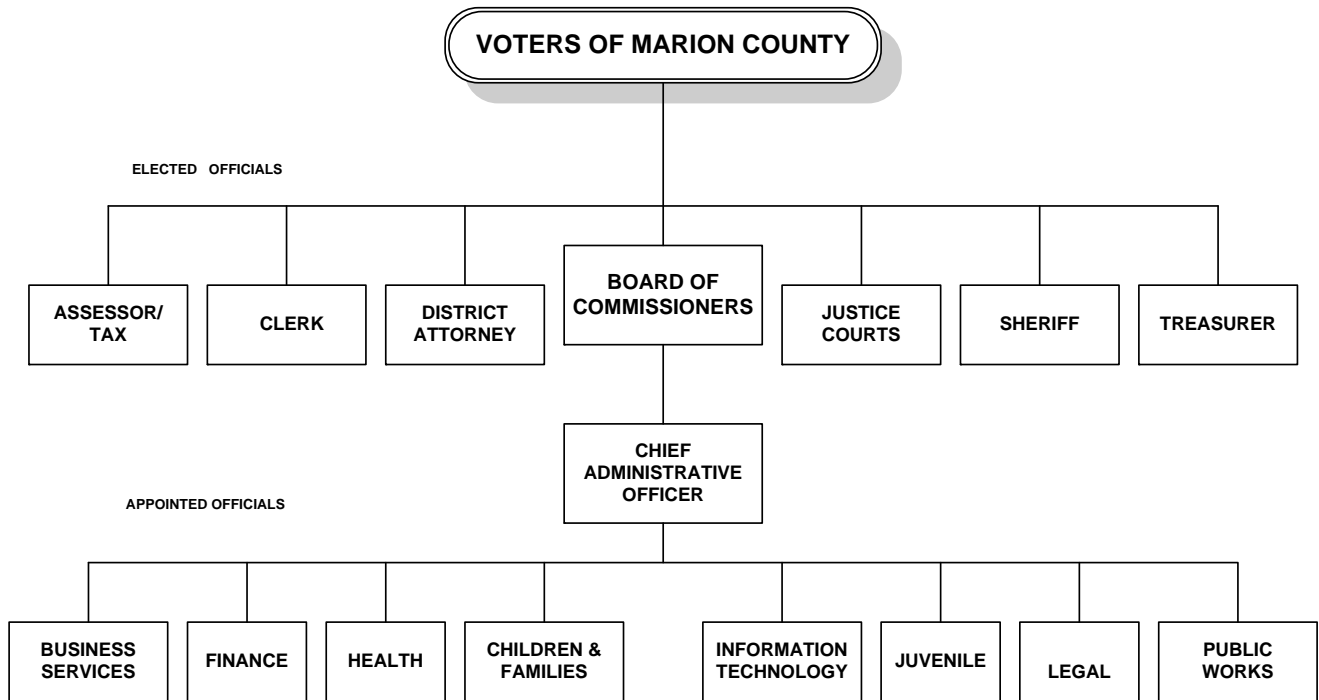
MARION COUNTY FY 2011-12 BUDGET
OVERVIEW

COUNTY ORGANIZATIONAL STRUCTURE

Organization Chart

The Marion County government organization is headed by an elected Board of Commissioners and has 15 departments. In addition to the Board of Commissioners, six other departments are headed by elected officials: Assessor, Clerk, District Attorney, Justice Courts, Sheriff, and Treasurer. The remaining eight departments are headed by appointed officials who report to the chief administrative officer: Health, Children & Families, Finance, Business Services, Information Technology, Juvenile, Legal Counsel and Public Works.

**MARION COUNTY
ORGANIZATIONAL CHART**



MARION COUNTY FY 2011-12 BUDGET
OVERVIEW

Department Heads and Elected Officials

DEPARTMENT	DIRECTOR	TYPE
Assessor	Shawn Beaton 1/	Elected
Board of Commissioners	Sam Brentano	Elected
Board of Commissioners	Janet Carlson	Elected
Board of Commissioners	Patricia Milne	Elected
Business Services	Dave Henderson	Appointed
Children & Families	Alison Kelley	Appointed
County Clerk	Bill Burgess	Elected
District Attorney	Walt Beglau	Elected
Finance	Jeff White	Appointed
Health	Roderick Calkins	Appointed
Information Technology	vacant	Appointed
Justice Courts	Judge Steven Summers Judge Janice Zyryanoff	Elected
Juvenile	Faye Fagel	Appointed
Legal Counsel	Gloria Roy 2/	Appointed
Public Works	Bill Worcester	Appointed
Sheriff	Jason Myers	Elected
Treasurer	Laurie Steele	Elected

1/ Mr. Beaton is the chief deputy assessor who will serve until a new assessor is elected.

2/ Interim county counsel until the position is filled.

Employees

Including the department heads and elected officials, there are more than 1,300 full-time regular and part-time regular employees working for Marion County. As many as 300 part-time temporary employees are also employed in a peak month; the count varies as some employment is seasonal.

With the exception of a downturn in fiscal year 2003-04 when state funds were temporarily reduced for health and several other programs, county total employment has stayed relatively stable over the past ten-year period. This is remarkable in the face of a significant increase in the number of clients and other customers in most programs.

Marion County 10 Year History of Full-Time Equivalent Positions

FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12
1263	1162	1233	1293	1293	1382	1387	1313	1340	1315

Additional information about Marion County's employees is found in the appendices where there is a complete full-time equivalent (FTE) positions history, as well as salary listings of both exempt and non-exempt positions.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

Government Services

Programs and services delivered or managed by Marion County touch the lives of virtually all residents of the county, fulfilling many roles. Marion County is a general law county, acting as an agent of the state. The county performs functions on behalf of the state as well as county services.

Assessor

The Assessor's Office assesses the value of all commercial, industrial, and residential property subject to tax; collects all property taxes levied by local school districts, cities, special districts, and the county; and distributes these revenues to the taxing districts to support their operations.

Board of Commissioners

The Board of Commissioners' Office consists of three county commissioners, elected at large, who constitute the county governing body. The board appoints a chief administrative officer who is responsible for carrying out directives, policies, and ordinances of the board. This office directly manages projects funded from the state lottery and some federal grant programs, allowing the county to award funds for various programs and activities within the county and to outside entities.

Business Services

The Business Services Department provides services that support departments in delivering their services to customers and clients. This involves functions such as human resources (processing job applications, training, etc.), employee benefits, wellness, labor relations, risk management, and building maintenance.

Children and Families

The Children and Families Department is responsible for developing and recommending to the board of commissioners a Marion County Children and Families Coordinated Comprehensive Plan, and related policies, strategies and investments. In addition, the department has responsibility for mobilizing communities to improve family wellness and for building a comprehensive family support system.

County Clerk

The Clerk's Office is responsible for recording, maintaining, and archiving all county records. This office also conducts all elections within Marion County, whether for federal, state, or local government.

District Attorney

The District Attorney's Office prosecutes people accused of committing crimes in the county. This office also collects child support payments ordered by the courts and provides assistance to crime victims.

Finance

The Finance Department provides financial services that support departments in delivering their services to customers and clients. This involves functions such as processing and maintaining the county's payroll and accounting records, accounts payable and receivable, purchasing, contract management, property management, and budget preparation. In addition, tax-foreclosed property is processed in the Finance Department.

Health

The Health Department inspects and licenses all restaurants, school cafeterias and other food vendors. It provides immunizations for children and tracks and works to control infectious diseases. It records birth and

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

death certificates. It provides case management for those with developmental disabilities; maintains programs for those with chronic and acute mental illness; and provides treatment for those with substance and gambling addictions.

Information Technology

The Information Technology Department provides supporting services to county departments by operating and maintaining the county's information technology and telecommunications systems.

Justice Courts

The Justice Courts hear minor traffic offenses, some misdemeanors and small civil claims (\$7,500 or less). In addition, the Justice Courts hear cases related to violations of county ordinances, such as charges of excessive noise or dogs running at large. For citizen convenience, these courts have three locations within the county: East Salem, Stayton, and Woodburn.

Juvenile

The Juvenile Department operates a juvenile detention center, restitution and education programs, and probation services for juvenile offenders. The department keeps juveniles who are under court order in schools, educational and vocational programs, and under supervision.

Legal

The Legal counsel staff is the civil lawyers and counselors for Marion County. The county law library serves attorneys, judges, litigants, and the public. The law library is authorized and mandated by the state, and operates solely on revenue derived from filing fees in the circuit court.

Public Works

The Public Works Department is responsible for road and bridge maintenance, construction, dog licensing and control, management of the regional emergency operations center, county parks, the Buena Vista and Wheatland ferries, and disposal of solid waste, while protecting the environment and promoting recycling. Land use planning, surveying, and building inspection are also managed by public works. The department also manages the Marion County Fair, which provides a venue for 4-H and FFA members to become eligible to show their animals or to exhibit their projects at the Oregon State Fair.

Sheriff

The Sheriff's Office is responsible for patrol duties, traffic enforcement, criminal investigations, search and rescue, marine patrol, and law enforcement contracts throughout the entire county. In addition, the sheriff's office manages the county jail. The Sheriff's Office also manages parole and probation offenders in Marion County.

Treasurer

The Treasurer's Office is the cash custodian for the county and maintains records for the receipt and payment of county funds. The treasurer is also the investment manager for the county, investing funds in accordance with Oregon law and the county's investment policy, and ensuring adequate cash is available to meet county obligations.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

Budget Development Participants

Budget Committee

Oregon local budget law requires that the governing body of each local government must establish a Budget Committee. Budget committees are composed of the governing body and an equal number of electors appointed by the governing body. Marion County, with three elected commissioners, appoints three elector members to the Budget Committee. The committee meets publicly to review the budget document as proposed by the budget officer. The committee receives the budget and the budget message and provides an opportunity for public comment on the budget. The committee makes adjustments based on input and then approves the budget.

Citizen Members

Don Judson
Dave Kinney
Patrick Vance

Commissioner Members

Sam Brentano
Janet Carlson
Patti Milne

Qualified voters who have the right to vote for the adoption of any measure may be appointed to the Budget Committee. Citizen members serve staggered terms of up to four years. They may be appointed for multiple terms. The Budget Committee meets in May and early June of each year to consider the upcoming budget, and may meet at other times during the year to be brought up to date on current budget developments.

Budget Development Team

The county used a team approach to develop the FY 2011-12 budget. At each phase of the budget process, team members contributed expertise as required.

John Lattimer, Budget Officer and Chief Administrative Officer
Jan Fritz, Deputy County Administrative Officer
Jeff White, Chief Financial Officer
Rich Minaker, Senior Budget Analyst
Jerry Woelke, County Management Analyst
Cynthia Granatir, Chief Accountant

Public Hearings/Public Comment

The public is welcome to attend budget committee meetings and deliberations, and may share comments with the committee at designated public hearings. Members of the public may also discuss budget matters with the Board of Commissioners during regular board sessions throughout the year. For those unable to attend a board session or budget committee meeting, Capital Community Television (CCTV) broadcasts all board and budget committee meetings, and the sessions can be viewed on the Internet.

Marion County Web Site

To assist all participants in reviewing budget information, the entire adopted budget is available on the county website at www.co.marion.or.us.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

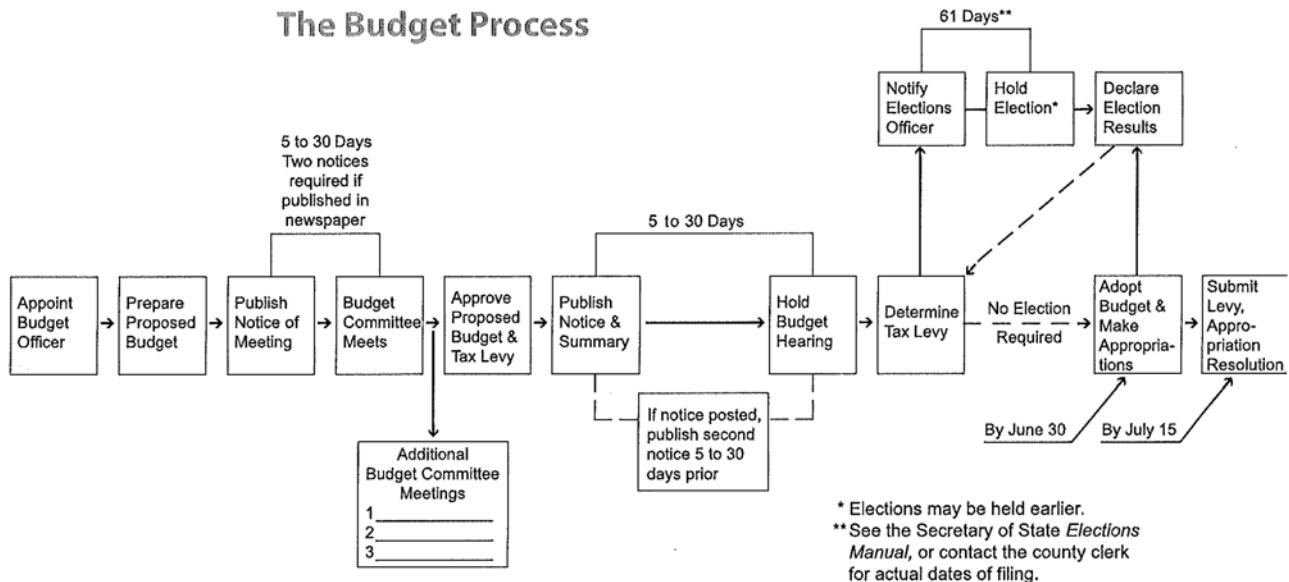
BUDGET PROCESS

The Marion County budget is a financial plan with estimates of resources (revenues) and requirements (expenditures), for a single fiscal year. The fiscal year begins on July 1 and ends on June 30.

According to Oregon’s local budget law, each county must have a budget officer appointed by the governing body. Marion County’s chief administrative officer also serves as the budget officer. The budget officer is responsible for preparing, or supervising the preparation of, a proposed budget that will be presented to the county’s budget committee. A budget committee is another legal requirement of Oregon’s local budget law. The Marion County Budget Committee is comprised of three citizens of the county, who are not county employees, and the three county commissioners. The make-up of the budget committee ensures that citizens/electors are involved in the budget process.

In Marion County, the budget development process begins in late fall and ends with adoption of the budget by the Board of Commissioners by June 30 of each year. Budgeting is a continuous cycle. After the budget is adopted, revenues and expenditures are monitored in order to ensure that expenditures do not exceed budgeted amounts, by categories specified by Oregon’s local budget law. Necessary adjustments to the budget are made during the fiscal year through the supplemental budget process. Marion County typically has one to three supplemental budget actions during the fiscal year.

Budgets for the General, Special Revenue, Debt Service and Capital Project Funds are adopted on a modified accrual basis of accounting, the same basis used in the county’s financial statements. Budgets for the Enterprise and Internal Service Funds are also adopted on a modified accrual basis which differs from financial reporting in that depreciation and accrued vacation pay are not budgeted. The budget is prepared in accordance the basis of accounting used during the preceding year.



Source: Local Budgeting in Oregon, Oregon Department of Revenue

MARION COUNTY FY 2011-12 BUDGET
OVERVIEW

Required Steps In the Budget Process According to Local Budget Law

Formal steps required by local budget law	Additional Marion County Information
A budget officer is appointed.	Marion County's chief administrative officer is the budget officer.
Appoint Electors to the Budget Committee.	The Board of Commissioners appoint three electors to the committee.
The proposed budget is prepared for the Budget Committee.	Departments submit budget requests to the budget officer, who modifies requests as necessary to balance the budget and prepares and submits a proposed budget (with the Budget Officer's Message) to the Budget Committee.
Budget officer publishes notice of Budget Committee meetings.	Notice published in the local newspaper.
Budget Committee meets.	The committee conducts a series of budget meetings with the budget officer, department heads, and elected officials, and accepts public comments.
Budget Committee approves budget.	The committee makes desired changes to the proposed budget and approves the budget. It is then presented to the Board of Commissioners for adoption.
Budget summary and notice of budget hearing published.	Budget summary and notice are published in local newspaper.
Budget hearing held.	The Board of Commissioners conducts a budget hearing, allowing citizens to be heard as well as the budget officer, department heads, and elected officials.
Budget adopted, taxes declared.	The Board of Commissioners adopts the budget by formal resolution. The property tax rate (millage) is declared.
Taxes certified by county assessor.	The county assessor certifies the tax roll.
Post-adoption budget changes are done in accordance with state law.	Supplemental budget processes are followed.

The full and actual fiscal year 2011-12 budget calendar may be found in the appendices.

Budget Manual

The Finance Department maintains a budget manual that is the guideline for planning, preparing and executing a budget. It further describes the process and requirements of preparation and execution of the budget. The manual is updated annually to reflect current requirements for both form and content of department budgets, and budget execution requirements. The manual is available on the county intranet Finance Department web site.

MARION COUNTY FY 2011-12 BUDGET OVERVIEW

Budget Terminology

Budget terminology used in this document may be unfamiliar to those who do not deal with local budgeting on a regular basis. The county budget revolves around sources, which are called resources, and uses, which are called requirements. The reader will have a better understanding of tables, graphs, charts and narratives in this document if key terms are understood.

Sources of funds are collectively entitled “**resources**”. The source of funds most commonly recognized by citizens is **revenue**, such as taxes and charges for services. However, there are other sources of funds available to the county. These include transfers, administrative cost recoveries, financing proceeds, and net working capital. **Transfers** reflect the movement of resources that one fund or department receives from another fund or department for special purposes; goods and services are not provided in return for these transfers. **Administrative cost recoveries** are charges for services one department renders to another department. **Financing proceeds** are derived from the sale of general or special revenue bonds. **Net working capital** is the beginning fund balance, e.g., prior year savings, of a fund.

Collectively, all allocations of resources are entitled “**requirements**”. The use of funds most commonly recognized by citizens is an **expenditure**, such as payment of wages and benefits or purchasing of office supplies. Two other uses are **transfers out** and **administrative charges**. As stated above, incoming transfers are recorded as resources for the receiving fund or department, whereas outgoing transfers are uses of funds for the paying fund or department’s side. There are other uses of funds which do not actually allow an expenditure. One such “use” is **contingency**. Amounts budgeted for contingency are not available for immediate expenditure. Rather, contingent funds are recognized as being available for unforeseen needs in the budget year, provided the governing body first authorizes the reallocation of budgeted contingency to an expenditure category or categories. Another non-expendable “use” of funds is unappropriated ending fund balance, or as stated in the budget, **ending fund balance**. This is the estimated amount of budgeted year-end resources that are not allocated for any other uses and are not available in the budget year.

Oregon local budget law requires use of specific categories for requirements. These are **personal services, materials and services, capital outlay, transfers (out), debt service, special payments, general operating contingencies, reserves** (in reserve funds only), and **unappropriated ending fund balance**.

Under Oregon budget law, **administrative charges** and indirect costs are considered part of the materials and services budget category. Administrative charges in Marion County are internal service charges assessed by central services departments to other departments for central support services rendered. All tables and charts in this book refer only to materials and services, with administrative charges included in these totals.

The designation “FTE” refers to full-time equivalent employee positions. An FTE may be one position budgeted for the full fiscal year (1 FTE), or it may be part of a position, one that is not budgeted for the full fiscal year (.5 FTE). Therefore, the FTE count for each fund and department is the sum of all of the whole or partial FTE for each budgeted position. Temporary positions are not included in the FTE counts.

MARION COUNTY FY 2011-12 BUDGET
OVERVIEW

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK