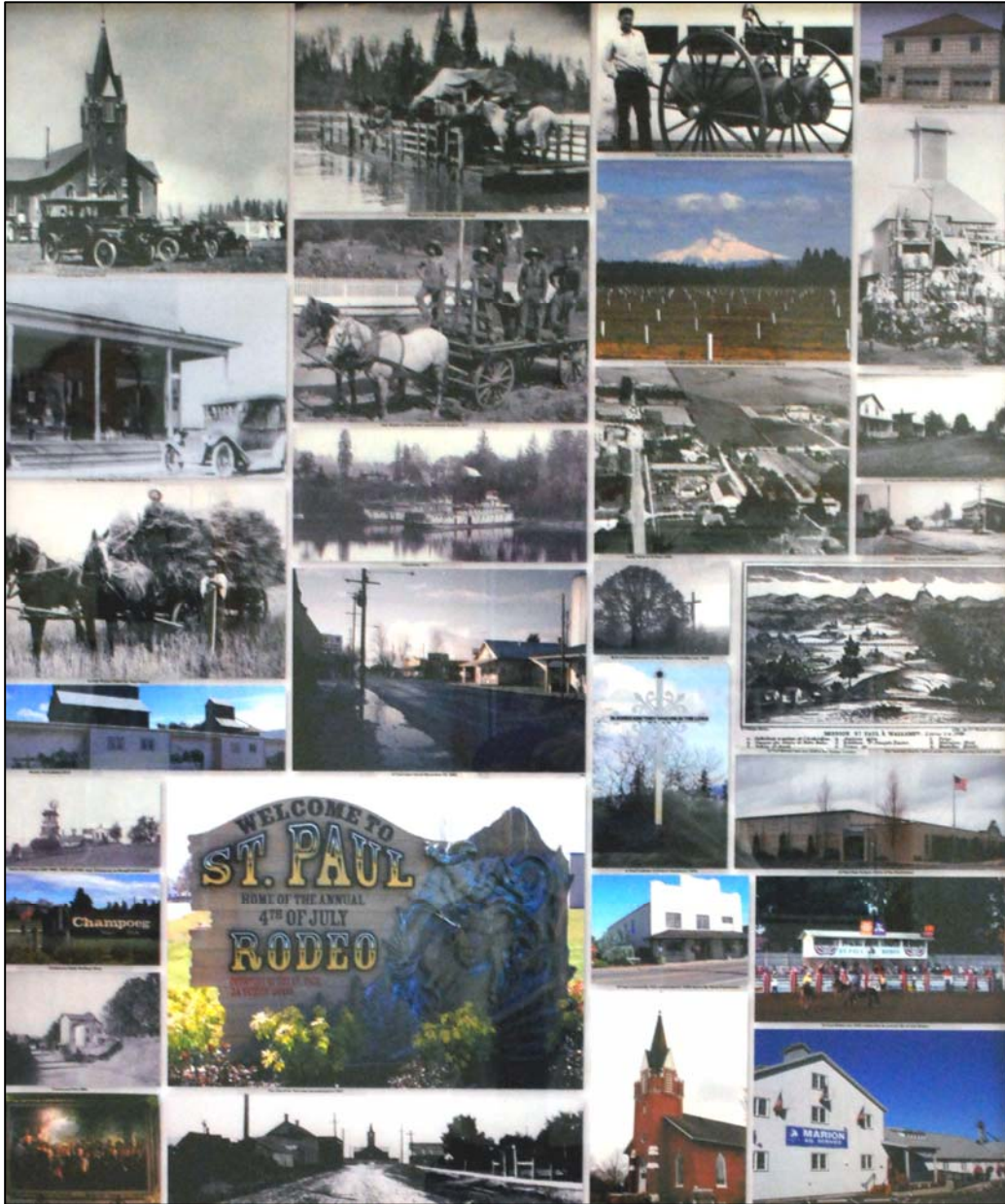


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SUMMARY



ST. PAUL

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

### TOTAL BUDGET

The fiscal year 2012-2013 budget totals \$352,254,582. This is a \$1,166,612 increase from the fiscal year 2011-2012 final budget of \$351,087,970.

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 a \$78,021,105 General Fund and \$274,233,477 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, fiscal year 2011-12 budget amounts are the final budget after three supplemental budgets.

### COUNTY RESOURCES SUMMARY

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 that portion of the prior fiscal year ending fund balance available to finance the succeeding fiscal year's budget. 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, working capital, internal transactions, and transfers are the total resources. The total resources budget is \$352,254,582.

#### FY 2012-13 Resources

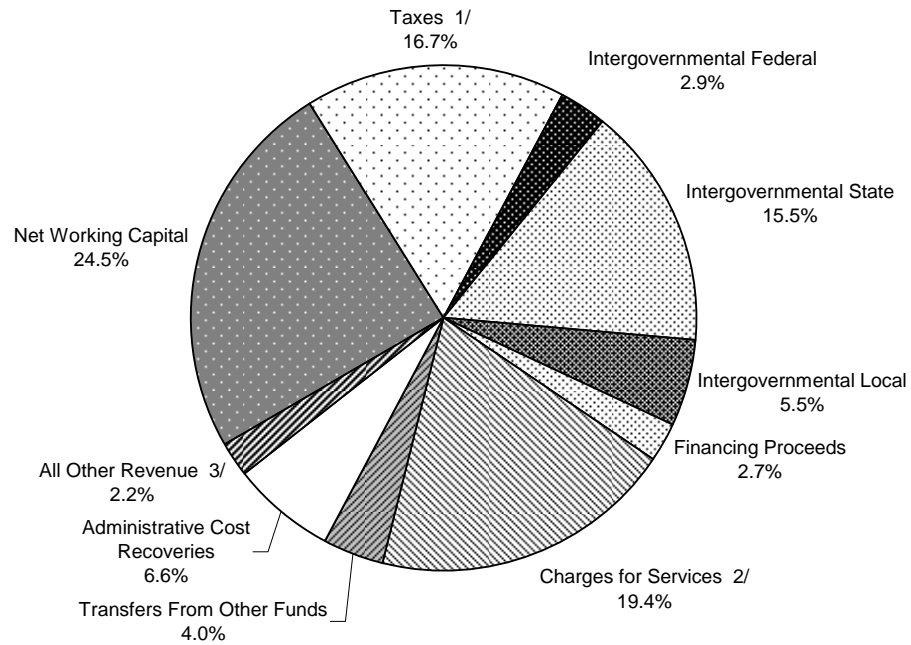
	Net Working Capital	Administrative Cost Recoveries	Transfers In	Financing Proceeds	Current Revenues	Total Resources
total	<b>86,305,538</b>	<b>22,277,661</b>	<b>13,538,387</b>	<b>9,476,410</b>	<b>220,656,586</b>	<b>352,254,582</b>
% of total	25%	6%	4%	3%	62%	100%

# MARION COUNTY FY 2012-13 BUDGET SUMMARY

## Total County Resources Chart

The county's \$352,254,582 revenues and other available resources are shown in major categories on the chart.

**WHERE THE MONEY COMES FROM  
Marion County FY 2012-13 Budget**



Net Working Capital	\$	86,305,538
Taxes 1/		58,860,852
Intergovernmental Federal		10,311,884
Intergovernmental State		54,700,237
Intergovernmental Local		19,283,210
Financing Proceeds		9,476,410
Charges for Services 2/		68,285,027
Transfers From Other Funds		14,140,603
Administrative Cost Recoveries		23,278,060
All Other Revenue 3/		7,612,761
<b>TOTAL</b>	<b>\$</b>	<b><u>352,254,582</u></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 fines, interest, intrafund loan principal payments, settlements, certain reimbursements, and miscellaneous revenue.

MARION COUNTY FY 2012-13 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.

Countywide Resources Budget  
FY 2012-13

FY 09-10 ACTUAL	FY 10-11 ACTUAL		FY 11-12 BUDGET	FY 12-13 ADOPTED	Increase or (Decrease) Over Prior Yr	+/- % Prior Yr Budget
88,201,202	89,762,138	Net Working Capital	89,588,153	86,305,538	(3,282,615)	-3.7%
54,250,835	55,484,017	Taxes	56,849,615	58,860,852	2,011,237	3.5%
15,182,460	15,977,238	Intergovernmental Federal	12,831,174	10,331,884	(2,499,290)	-19.5%
55,528,839	55,980,098	Intergovernmental State	52,542,056	55,281,851	2,739,795	5.2%
15,579,816	18,857,885	Intergovernmental Local	20,216,975	19,283,210	(933,765)	-4.6%
64,992,324	65,907,153	Charges for Services	67,408,466	68,286,027	877,561	1.3%
0	0	Financing Proceeds	0	9,476,410	9,476,410	n.a.
10,435,948	9,792,321	General Fund Transfers	11,101,294	9,411,724	(1,689,570)	-15.2%
12,992,796	8,267,396	Other Fund Transfers	12,646,586	4,126,663	(8,519,923)	-67.4%
23,258,058	22,327,490	Admin Cost Recovery	22,377,795	23,277,661	899,866	4.0%
5,247,347	4,455,541	All Other Revenues	5,525,856	7,612,762	2,086,906	37.8%
<b>345,669,624</b>	<b>346,811,277</b>	<b>TOTAL RESOURCES</b>	<b>351,087,970</b>	<b>352,254,582</b>	<b>1,166,612</b>	<b>0.3%</b>

The resources shown in the above table include those of the General Fund. The remainder of this section about resources will exclude General Fund data, which is discussed in another section of this book.

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

A table and a discussion of each category and the major resources follow. Comparative budgets for resources are stated for fiscal years 2012-13 and 2011-12. The reasons for year-to-year budget changes are not discussed here, with some high level exceptions. For the most part, the reasons are found in the departmental and non-departmental program budgets discussed in other parts of this book.

	Total County	Less: General Fund	All Other Funds	
Net Working Capital	\$ 86,305,538	\$ 7,471,418	\$ 78,834,120	28.7%
Taxes 1/	58,860,852	58,585,852	275,000	0.1%
Intergovernmental Federal	10,311,884	285,000	10,026,884	3.7%
Intergovernmental State	54,700,237	3,939,216	50,761,021	18.5%
Intergovernmental Local	19,283,210	-	19,283,210	7.0%
Charges for Services 2/	68,285,027	3,579,970	64,705,057	23.6%
Financing Proceeds	9,476,410	-	9,476,410	3.5%
Transfers From Other Funds	14,140,603	3,502,649	10,637,954	3.9%
Administrative Cost Recoveries	23,278,060	-	23,278,060	8.5%
All Other Revenue 3/	7,612,761	657,000	6,955,761	2.5%
<b>TOTAL</b>	<b>\$ 352,254,582</b>	<b>\$ 78,021,105</b>	<b>\$ 274,233,477</b>	<b>100.0%</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 All Other Funds.

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

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

### Net Working Capital

Net Working Capital is the ending fund balance of prior year funds and their programs, and is also known as beginning fund balance. It is the accumulation of revenues over expenditures throughout the life of the fund. As such, 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 – Multiple County Funds

All except five of the county's 37 budgeted funds have Net Working Capital. The 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 funds are required by law to transfer out to outside organizations or county organizations all revenue received. Some, such as special revenue funds, have federal and state grants that span more than one fiscal year making it normal to not expend a grant's entire available funds before the county fiscal year end. For some funds, Net Working Capital is one of the more difficult resources to estimate. Estimates are often in error because they must be made several months prior to the end of the fiscal year when the budget is being formulated. At that time, departments must estimate both current year revenue and current year expenditures. Capital funds accounting for large construction projects for which weather and other factors are beyond management's control are particularly difficult to estimate.

FY 12-13 budget \$78.8 million; FY 11-12 budget \$82.2 million; decrease: \$3.4 million.

# MARION COUNTY FY 2012-13 BUDGET SUMMARY

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## **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 purposes. They are managed by the Environmental Services program of the Public Works Department.

FY 12-13 budget \$0.3 million; FY 11-12 budget \$0.3 million; no change.

## **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 (formerly National Forest Revenue)

Revenues were formerly derived from amounts collected by the federal government for forest reserve rentals, sales of timber, and other sources from forest reserves and Oregon and California Railroad Grant lands within Marion County. Federal timber sales subsidies were subsequently appropriated by the federal government through the Secure Rural Schools and Community Self-Determination Act in three parts. In FY 11-12, Title I provided some funding to the county general fund, with the remaining \$1.8 million allocated 75% to Public Works for road work and 25% to a County Schools Fund. Title II funds totaling \$181,000 were passed through Resource Advisory Councils (RAC) which are citizen panels who recommend to the Bureau of Land Management and the U.S. Forest Service projects such as watershed management to improve federal forest lands. Title III revenues totaling \$155,000 were allocated in FY 11-12 to county programs for projects such as sheriff forest patrol that are beneficial to national forest lands and certain non-federal lands with Marion County.

In at late development after the Board of Commissioners adopted the FY 12-13 budget, on June 29, 2012 a one year extension of this funding was signed into law. The amount that is expected to be allocated to Title II is \$43,780 and to Title III \$37,957.

FY 12-13 budget \$0.0 million; FY 11-12 budget \$2.1 million; decrease \$2.1 million.

### 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.

FY 12-13 budget \$1.0 million; FY 11-12 budget \$1.0 million; no change.

## **Intergovernmental State**

State revenue is estimated based on current information provided by state grant and contract officials, reinforced by state economic forecasts, trend analysis looking at whatever number of years appears to best characterize a trend, and state statutory requirements to provide funding.

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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### 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 tax is also commonly referred to as a road tax. 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 and roadside rest areas, except as otherwise provided it may also be used for the cost of administration.

As vehicle use has grown over the years so has gas tax revenue, although the current trend is that revenue growth is not keeping pace with population and vehicle miles driven, as miles per gallon has improved for vehicles. The Department of Public Works is the recipient of all gas tax.

FY 12-13 budget \$17.1 million; FY 11-12 budget \$15.7 million; increase \$1.4 million.

### 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.

FY 12-13 budget \$17.3 million; FY 11-12 budget \$17.6 million; decrease \$0.3 million.

### Community Corrections Grant-in-Aid (SB 1145)

This is revenue 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. Revenue reached a peak of \$11.8 million in FY 08-09.

FY 12-13 budget \$9.9 million; FY 11-12 budget \$9.9 million; no change.

### 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 usually 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, non-operations fund.

FY 12-13 budget \$1.2 million; FY 11-12 budget \$1.2 million; no change.

### Oregon Commission on Children and Families Grants

Revenues passed through the Oregon Commission on Children and Families has provided funding for a number of diverse programs over the past several years: Great Start, Crisis Nursery, Health Start, Basic Capacity, Children, Youth and Families Flexible, and Child Appointed Special Advocates. The funds are administered by the county Department of Community Services, a restructured department which includes the former Department of Children



## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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and Families. State grant funding reached a peak of \$1.4 million in FY 09-10 and has subsequently gone through a series of reductions.

FY 12-13 budget \$1.1 million; FY 11-12 budget \$1.2 million; decrease \$0.1 million.

### **Intergovernmental Local**

Although local government revenue is occasionally received from city and foundation grants, the far greatest amount of the revenue in this category comes from the Mid-Valley Behavioral Care Network (MVBCN). 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 in five counties, of which Marion County is one. The MVBCN receives direction from a Regional Advisory Council which has a Marion County representative. Revenue to be received from this agency is estimated based on its financial plan including amounts budgeted to distribute to each of the five counties.

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

These are Health Department revenues derived from state health capitation funds passed to the BCN and in turn allocated to the five counties who are members of the Mid-Valley Behavioral Care Network. The primary revenues are for specific mental 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 in an agreement with the BCN, including, but not limited to, Health Department administration and Psychiatric Crisis Center operations.

FY 12-13 budget \$19.3 million; FY 11-12 budget \$19.7 million; decrease \$0.4 million.

### **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 is relatively stable because there is a limit to capacity and the plant generally operates at capacity.

FY 12-13 budget \$9.7 million; FY 11-12 budget \$9.9 million; decrease \$0.2 million.

#### 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; there is no tipping fee for recycled items. The fees are part of Environmental Services Program general operating revenues that are allocated to contracts for monitoring wells, the recycling program, engineering services, and other waste management services.

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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FY 12-13 budget \$3.4 million; FY 11-12 budget \$3.6 million; decrease \$0.2 million.

### 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. 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 funds are presently allocated as part of the general operating revenues for the Environmental Services Program and for financing the Courthouse Square Remediation capital project. Electrical generation is relatively stable because of plant capacity and demand.

FY 12-13 budget \$5.2 million; FY 11-12 budget \$5.2 million; no change.

### 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 along with other general operating resources of the Environmental Services Program. With the advent of a new process that will better recover ferrous metal and small quantities of some types of non-ferrous metal from the ash, revenue is expected to almost triple from FY 10-11.

FY 12-13 budget \$2.7 million; FY 11-12 budget \$1.9 million; increase \$0.8 million.

### 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.

FY 12-13 budget \$3.1 million; FY 11-12 budget \$3.0 million; increase \$0.1 million.

### 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.

FY 12-13 budget \$0.8 million; FY 11-12 budget \$0.8 million; no change.

### Health Services to Other Departments and Agencies

The Health Department provides services to other Marion County departments as well as to other government agencies with whom it partners to provide services. The services are primarily behavioral health although there is some public health services charged such as immunizations in public schools. County departments that have been provided services are the Sheriff's Office, Juvenile Department, and the former Children and Families Department. Outside agencies include Indian tribes, local hospitals, drug courts, and surrounding counties.

FY 12-13 budget \$1.4 million; FY 11-12 budget \$1.6 million; decrease \$0.2 million.

# MARION COUNTY FY 2012-13 BUDGET SUMMARY

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## 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.

FY 12-13 budget \$1.6 million; FY 11-12 budget \$1.6 million; no change.

## Public Works Services to Service Districts and Other Agencies

The Public Works Department provides vehicle maintenance, minor repair services, e.g., radio repair, and fuel to Marion County Fire District No. 1; signs for agencies such as the Oregon Youth Authority; road maintenance or related services for soil, water, weed and fire districts; and construction design and traffic engineering services for the Oregon Department of Transportation. It provides sewer, water, and drainage management; vegetation control; lighting; and street cleaning and leaf pickup services at some level to local service districts.

FY 12-13 budget \$0.4 million; FY 11-12 budget \$0.4 million; no change.

## Public Works Fleet Rentals

The Public Works Department collects for rental of motor pool cars and for fleet vehicle leases to departments.

FY 12-13 budget \$1.8 million; FY 11-12 budget \$1.6 million; increase \$0.2 million.

## Ferry Tolls

The Public Works Department manages two ferries that cross the Willamette River at different locations. The ferry operations system charges vehicles and passengers a toll for ferry use.

FY 12-13 budget \$0.60 million; FY 11-12 budget \$0.65 million; decrease \$0.05 million.

## 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 12-13 budget for the major insurance is: medical and dental health insurance \$21.3 million; liability insurance \$0.7 million; workers' compensation insurance \$1.1 million; and life, long-term disability, and unemployment insurance \$1.1 million.

FY 12-13 budget \$24.2 million; FY 11-12 \$23.0 million; increase \$1.2 million.

## **Licenses and Permits**

(included in Charges for Services on the table on page 42)

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.

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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### 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.

FY 12-13 budget \$1.75 million; FY 11-12 budget \$2.1 million; decrease \$0.35 million.

### **Financing Proceeds**

Financing proceeds has not been budgeted since FY 04-05. However, \$9.5 million is budgeted in FY 12-13 in anticipation of a bank loan to cover part of the cost of a Courthouse Square Remediation construction project.

### **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 \$9.4 million from the General Fund in FY 12-13. Another \$1.2 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, and transfers from several funds to the Fleet Management Fund for purchase of special service vehicles.

FY 12-13 budget \$10.6 million; FY 11-12 budget \$13.3 million; decrease \$2.7 million.

### **Administrative Cost Recoveries**

Administrative cost recoveries result from one department or program billing other departments or program 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 according and the actual revenue will be matched to actual expenditures at fiscal year end.

FY 12-13 budget \$23.3 million; FY 11-12 budget \$22.4 million; increase \$0.9 million.

### **All Other Revenues**

Several revenue categories are combined for this discussion. These revenues includes fines and forfeitures, investment earnings, loan interest, interfund loan principal payments, special grant loan repayment principal, donations, private foundation grants, insurance settlements, and miscellaneous revenue that does not fit other categories and is often one-time. In the fines and forfeitures subcategory, traffic fines credited to the Sheriff's Office Traffic Safety Team Fund are the largest amount at \$1.5 million. Court fines and assessments credited to a special Criminal Justice Assessment Fund are earmarked for court security and for other public safety purposes. In

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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FY 12-13 two one-time revenues related to a Courthouse Square Remediation construction project will drive up the All Other Revenue budget considerable. The first one-time revenue is a reimbursement of \$2.6 million from the local transit authority, which shares the building with the county, for its share of construction costs. The second one-time revenue is an expected \$1.6 million insurance settlement on the same construction project. This was initially budgeted in FY 11-12 but not received and re-budgeted in FY 12-13.

FY 12-13 budget \$7.6 million; FY 11-12 budget \$4.8 million; increase \$2.8 million (\$4.5 million increase if FY 11-12 is adjusted to remove the \$1.6 million invalid budget item).

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

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**COUNTY REQUIREMENTS SUMMARY**

The amount planned for expenditure during the fiscal year is considerably 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 \$352,254,582. This is the sum of the expenditures, administrative charges, transfers out, contingency, reserves, and ending fund balance.

The expenditures budget is \$283,875,650. 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 \$68,378,932 are excluded from the expenditures total.

**Total direct expenditures are \$248,778,350.** This is the direct expenditure (resulting in cash outlays) for personnel services, materials and services, capital outlay, and special payments.

**FY 2012-13 Requirements**

Fund	Total Direct Expenditures	Administrative Charges *	Transfers Out	Contingency	Reserves and Ending Fund Balance	Total Requirements
total	<b>248,778,350</b>	<b>21,558,913</b>	<b>13,538,387</b>	<b>13,363,907</b>	<b>55,015,025</b>	<b>352,254,582</b>
% of total	70%	6%	4%	4%	16%	100%

\* Internal service charges.

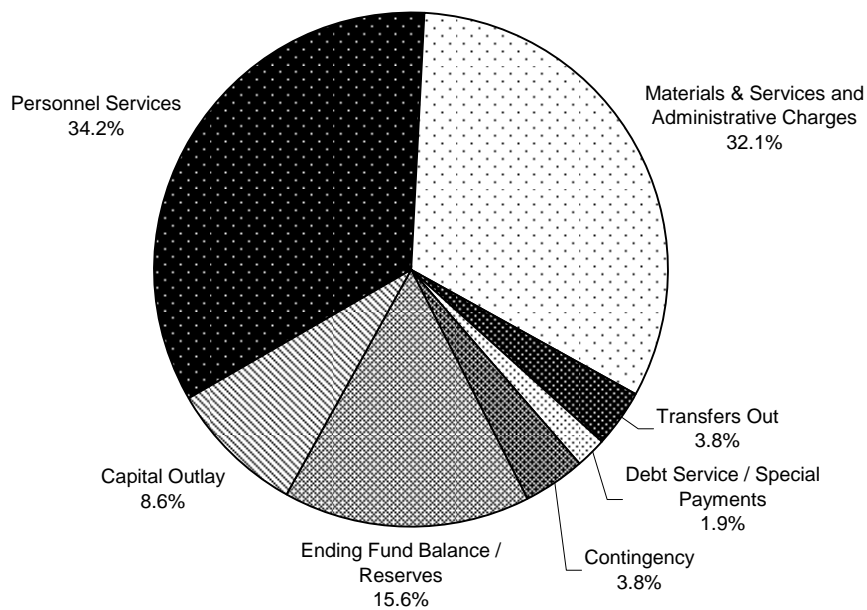
# MARION COUNTY FY 2012-13 BUDGET SUMMARY

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## Total County Requirements Chart

The county's \$352,254,582 requirements budget is allocated to expenditures and other purposes as shown below.

**Marion County FY 2011-12 Budget  
Total Requirements**



Personnel Services	\$	120,413,997
Materials & Services and Administrative Charges		113,069,059
Transfers Out		13,538,387
Debt Service / Special Payments		6,584,000
Contingency		13,363,907
Ending Fund Balance / Reserves		55,015,025
Capital Outlay		30,270,207
<b>TOTAL</b>	<b>\$</b>	<b><u>352,254,582</u></b>

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

**MAJOR COUNTY REQUIREMENTS**

County requirements are categorized according to like characteristics. Several very similar categories are combined on the pie chart on the previous page for the purpose of making it easier to read. Further discussions will follow the categories shown in the table below. Although Contingency, Ending Fund Balance, and Reserves are requirements, they not classified as expenditures and therefore not subject to appropriation (by Oregon law).

Countywide Requirements Budget  
FY 2012-13

FY 09-10 ACTUAL	FY 10-11 ACTUAL		FY 11-12 BUDGET	FY 12-13 ADOPTED	Increase or (Decrease) Over Prior Year	+/- % Prior Yr Budget
109,529,681	111,531,618	Personnel Services	120,387,399	120,413,997	26,598	0.0%
85,233,036	89,570,370	Materials and Services	90,817,353	91,510,146	692,793	0.8%
21,638,509	21,366,603	Administrative Charges	21,158,795	21,558,913	400,118	1.9%
9,380,681	8,849,767	Capital Outlay	14,847,263	30,270,207	15,422,944	103.9%
5,594,285	5,714,960	Debt Service *	5,866,410	6,006,492	140,082	2.4%
1,102,551	1,086,902	Special Payments	1,401,242	577,508	(823,734)	-58.8%
23,428,743	18,059,716	Transfers Out	23,747,880	13,538,387	(10,209,493)	-43.0%
0	0	Contingency	12,879,307	13,363,907	484,600	3.8%
0	0	Reserves	6,060,302	5,362,337	(697,965)	-11.5%
0	0	Ending Fund Balance	53,922,019	49,652,688	(4,269,331)	-7.9%
<b>255,907,486</b>	<b>256,179,937</b>	<b>TOTAL REQUIREMENTS</b>	<b>351,087,970</b>	<b>352,254,582</b>	<b>1,166,612</b>	<b>0.3%</b>

\* Debt Service includes both principal and interest payments; these are separated on more detailed reports.



## MARION COUNTY FY 2012-13 BUDGET SUMMARY

Major requirements categories will now be discussed with broad explanations that are in many cases as applicable to the General Fund as to all other funds. In a departure from the resources discussion, the General Fund dollars are included in the budget amounts of this major county requirement section. More specificity prevails in the General Fund section located elsewhere in this book.

### Personnel Services

County personnel regulations allow for an annual five percent step increase for satisfactory service (merit). However, 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 pay steps for 10 or 15 years of service. There are no merit pay increases between longevity steps. The number of employees in the step 7 and a longevity step tends to keep overall pay increase percentages 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 in 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. If any such positions are ultimately allowed to be filled at a higher step than budgeted, savings from the turnover and hiring lag must be used to offset the higher actual cost compared to budgeted cost.

In FY 12-13 numerous funds and programs have very small increases or decreases in salaries and wages due to either reduced full-time equivalent positions (FTE) or the budget policies impact previously discussed. In the four-year comparison, there is a proportionately larger percent increase in fringe benefits. In these instances Public Employee Retirement System (PERS) and health insurance benefits increases in particular are greater in the aggregate for all employees than the decrease in fringe benefits associated with fewer full-time equivalent positions (FTE). The table below also shows that in the four-year period the fringe benefits percentage increase is more than four times the salaries and wages percentage increase.

During the four year period salaries and wages increased at a rate of less than one-fourth the rate of the fringe benefits increase. Health insurance and Public Employee Retirement System cost increases in both amount and percent account for the great majority of the Fringe Benefits expenditures increase.

Comparing FY 12-13 to FY 11-12 the difference in increase between Salaries and Wages and Fringe Benefits is much smaller. The former decreased by \$521,296 while the latter increased by \$547,894. Health insurance expenditures are not related on pay, they are charged on an employee basis. Health insurance increases outweighed the decline in number of positions to the extent they constitute almost the entire increase in Fringe Benefits. This is in spite of a cap on health plan insurance rates that reduced the year-over-year increase to one of the lowest annual increases this decade.

### Countywide Personal Services Summary

	FY 09-10 ACTUAL	FY 10-11 ACTUAL	FY 11-12 BUDGET	FY 12-13 BUDGET	Change FY 11- 12 to FY 12- 13	Change 4 Years
Personnel Services						
Salaries and Wages	74,862,179	80,062,260	78,968,967	78,447,671	-1%	5%
Fringe Benefits	34,667,502	36,555,038	41,418,432	41,966,326	1%	21%
<b>Total Personnel Services</b>	<b>109,529,681</b>	<b>116,617,298</b>	<b>120,387,399</b>	<b>120,413,997</b>	<b>0%</b>	<b>10%</b>
FTE	1,313	1,347	1,317	1,297		

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

**Employees - Number of Positions**

The county allocates a substantial part of its resources to personnel services, which means employees. Including department heads and elected officials, there are almost 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.

**Marion County Budget FY 2012-13**

FULL TIME EQUIVALENT POSITIONS (FTE) BY DEPARTMENT

	FY 08-09	FY 09-10	FY 10-11	FY 11-12*	FY12-13	Change FY 11-12 to FY 12-13	Change 5 Years
Assessor's Office	63.00	56.00	56.00	52.10	50.70	-1.40	-12.30
Board of Commissioners' Office	14.00	14.00	13.00	13.00	13.00	0.00	-1.00
Business Services Department	65.00	62.50	62.50	60.25	57.50	-2.75	-7.50
Children and Families Department	7.15	7.15	7.65	7.65	0.00	-7.65	-7.15
Clerk's Office	16.50	15.50	14.50	14.50	14.50	0.00	-2.00
Community Services	0.00	0.00	0.00	0.00	17.78	17.78	17.78
District Attorney's Office	92.26	88.43	85.93	82.63	81.63	-1.00	-10.63
Finance Department	21.00	19.00	19.00	20.00	20.00	0.00	-1.00
Health Department	326.50	322.02	353.30	335.79	336.37	0.58	9.87
Information Technology Department	57.00	55.00	56.00	54.00	54.00	0.00	-3.00
Justice Courts Department	8.50	8.50	8.00	8.75	9.00	0.25	0.50
Juvenile Department	119.22	106.52	102.47	104.30	104.30	0.00	-14.92
Legal Department	12.25	12.05	11.75	10.53	10.75	0.22	-1.50
Public Works Department	213.20	189.70	200.80	204.80	187.30	-17.50	-25.90
Sheriff's Office	368.27	350.25	353.00	346.00	337.00	-9.00	-31.27
Tax Title Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasurer's Office	3.00	3.00	3.00	3.00	3.00	0.00	0.00
Non-Departmental/MCBEE	0.00	3.00	0.00	0.00	0.00	0.00	0.00
subtotal	<b>1386.85</b>	<b>1312.62</b>	<b>1346.90</b>	<b>1317.30</b>	<b>1296.83</b>	<b>-20.47</b>	<b>-90.02</b>

\* Final budget, includes FTE changes through three supplemental budgets.

Additional information about Marion County's employees is found in the appendices where the full-time equivalent (FTE) positions history is broken down by fund, and there is a salary listing of both exempt and non-exempt positions.

# MARION COUNTY FY 2012-13 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. Other departments and programs have been allowed to reflect these inflationary increases to the extent that available resources allow.

Rental and insurance expenditures increases have been at least partially responsible for driving expenditures in other subcategories down, as departments and programs attempt to do more with less. Building rents increases are largely fixed costs. Although insurance coverage of many types is deemed a necessary cost of doing business, the county has frozen the ceiling on health insurance costs in order to hold the total cost of operations flat. The table below shows that insurance expenditures have increased 24% in the last four years. Insurance constitutes 27% of the total FY 12-13 Materials and Services budget. Contracted services budgets tend to expand and contract according to the amount of state and federal funding that is earmarked for contracts with outside providers of services; charges for services driven by the level of services also lead to increases or decreases in contracted services. Contracted Services constitutes 49% of the total FY 12-13 Materials and Services budget.

Expenditures by subcategories are shown below.

### Countywide Materials and Services Summary

	FY 09-10 ACTUAL	FY 10-11 ACTUAL	FY 11-12 BUDGET	FY 12-13 ADOPTED	Change 11-12 to 12-13	Change 4 Years	
Supplies	3,638,921	3,901,474	4,751,544	4,722,874	-1%	30%	1/
Materials	3,033,558	3,489,264	3,938,205	3,474,847	-12%	15%	
Communications	1,440,915	1,171,835	1,204,853	1,051,510	-13%	-27%	2/
Utilities	1,992,264	1,955,148	1,996,872	2,006,221	0%	1%	
Repairs and Maintenance	2,729,003	2,642,496	3,307,432	3,306,341	0%	21%	
Rentals	3,428,734	4,254,149	4,503,351	4,720,214	5%	38%	3/
Insurance	20,247,274	21,407,538	23,566,898	25,150,751	7%	24%	4/
Miscellaneous	1,985,818	2,104,190	2,362,426	2,411,343	2%	21%	
Subtotal	38,496,486	40,926,095	45,631,581	46,844,101	3%	22%	
Contracted Services	46,736,550	48,644,275	45,185,772	44,666,045	-1%	-4%	5/
<i>CH2 Redevelopment Fund</i>	<i>0</i>	<i>1,243,956</i>	<i>962,904</i>	<i>440,500</i>	<i>-54%</i>	<i>n.a.</i>	
<i>Children and Families Fund</i>	<i>1,539,468</i>	<i>1,579,333</i>	<i>1,757,283</i>	<i>1,500,713</i>	<i>-15%</i>	<i>-3%</i>	
<i>Community Corrections Fund</i>	<i>948,274</i>	<i>1,182,216</i>	<i>1,046,790</i>	<i>886,973</i>	<i>-15%</i>	<i>-6%</i>	
<i>Environmental Services Fund</i>	<i>13,166,334</i>	<i>13,264,281</i>	<i>14,467,000</i>	<i>15,288,133</i>	<i>6%</i>	<i>16%</i>	
<i>Health Fund</i>	<i>22,741,729</i>	<i>21,797,061</i>	<i>18,369,618</i>	<i>18,091,893</i>	<i>-2%</i>	<i>-20%</i>	6/
<i>Public Works Fund</i>	<i>766,485</i>	<i>1,897,958</i>	<i>849,705</i>	<i>785,254</i>	<i>-8%</i>	<i>2%</i>	
<i>Sheriff's Office General Fund</i>	<i>2,304,979</i>	<i>2,316,752</i>	<i>2,381,093</i>	<i>2,454,443</i>	<i>3%</i>	<i>6%</i>	
<i>Sheiff Grants Fund</i>	<i>410,579</i>	<i>690,626</i>	<i>571,660</i>	<i>466,615</i>	<i>-18%</i>	<i>14%</i>	
<i>All Other Funds</i>	<i>4,858,702</i>	<i>4,672,092</i>	<i>4,779,719</i>	<i>4,751,521</i>	<i>-1%</i>	<i>-2%</i>	
Total	85,233,036	89,570,370	90,817,353	91,510,146	1%	7%	

1/ Supplies: FY 12-13 Increase over FY 09-10 is primarily in gasoline and diesel costs (not volume of consumption).

2/ Communications: FY 12-13 decrease from FY 09-10 is attributed to decreases in telephone equipment, postage and radios.

3/ Rentals: FY 12-13 increase over FY 09-10 is in building rentals due to the move from Courthouse Square to rental offices.

4/ Insurance: FY 12-13 increase over FY 09-10 is primarily health insurance costs, and more recently, long term disability insurance and workers' compensation claims insurance.

5/ Major funds having contracted services are shown below in italics; the reasons for wide variances from year-to-year are best explained by reviewing narratives in department and non-department budget sections of this book.

6/ Health Fund: Four year decrease is in contracts with outside health providers, largely the Developmental Disabilities and Drug Treatment programs.

# MARION COUNTY FY 2012-13 BUDGET SUMMARY

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## **Administrative Charges**

Administrative charges are the counterpart of administrative cost recoveries. Administrative charges result when departments are billed by other departments or program for services rendered. As discussed in the resources section, central or internal services departments and the Self-Insurance Fund provide services or insurance coverage to all other departments and funds. Services charged 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 charges are unique requirements. The maximum that can be charged is a fixed amount based on a cost allocation plan. For example, the Health Department knows the maximum it will be charged for information technology services for the fiscal year. If the Information Technology Department expends less than its budget, Health will be charged less administrative charge accordingly. Departments do not have any control over the amount of administrative charges expenditures for any given year. If they use more or less services in one fiscal year, then they may be charged more or less administrative charges in the following fiscal year.

FY 12-13 budget \$21.6 million; FY 11-12 budget \$21.2 million; increase \$0.4 million.

## **Capital Outlay**

Capital outlay budgets have two categories of capital outlays: (1) capital improvement projects, and (2) capital acquisitions.

### Capital Improvement Projects

Capital improvement projects meet county fixed asset criteria. Examples include: new construction projects; major maintenance projects, such as remodeling, repair, and renovation, which maintain or increase the value or service life of existing county capital assets (new roof); complex projects requiring expert coordination of activities and selection of materials; and public works projects on county infrastructure.

### Capital Acquisitions

Capital acquisitions are defined as purchases \$5,000 or greater per unit cost, have a useful life over one year, and will start and complete in the budgeted fiscal year. Examples include purchases of vehicles; construction and maintenance equipment; major office equipment; other equipment; information technology equipment and major software systems.

Except for Public Works Department construction projects, capital improvement projects are recorded in capital funds, and capital acquisitions are recorded in department budgets. Some General Fund capital acquisitions are recorded in a capital fund to avoid having one-time only items in General Fund departments.

FY 12-13 budget \$30.3 million; FY 11-12 budget \$14.0 million; increase \$16.3 million (one major construction project for Courthouse Square Remediation is budgeted at \$19.0 million in FY 12-13).

## **Debt Service**

Debt service accounts for payment of principal and interest on long-term obligations of the county and on interfund loans. The long-term obligations are recorded in programs within a Debt Service Fund. One debt is for payment on funding a portion of the county's share of development, design and construction for the Courthouse Square construction project. Courthouse Square Debt Service Program principal and interest payments total \$1.55 million for FY 12-13.

A second long-term debt is repayment of Limited Tax Pension Obligations. The proceeds from sale of these obligations were transferred to the State of Oregon Public Employees Retirement System to provide for the

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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county's unfunded actuarial liability. PERS Debt Service Program principal and interest payments total \$3.55 million for FY 12-13.

The county also makes annual bond payments on outstanding Oregon Garden bonds as outlined in a management agreement approved by the Board of Commissioners. Payment is charged to an Oregon Garden Foundation program in the Lottery Distribution Fund. Principal and interest payments total \$0.55 million in FY 12-13.

Interfund loan payments are recorded in loan recipients' funds and programs. Three such loans in effect for FY 12-13 are small loans being paid by the General Fund Non-Departmental Program, the Fleet Management Fund and program, and the Ferry Operations Program in Public Works Fund, all to the Environmental Services Fund and program. Principal and interest payments for these loans total \$0.3 million in FY 12-12

Although the county is budgeted for bank loan financing of \$9.4 million in FY 12-13, no payments on interest or principal are planned until the FY 13-14 budget.

An appendix to this book contains additional information about county debt.

FY 12-13 budget \$6.0 million; FY 11-12 budget \$5.9 million; increase \$0.1 million.

### **Special Payments**

Special payments include distribution of earmarked revenue to either schools or taxing districts. State Chapter 530 Forest Rehabilitation timber sales revenue is passed through a County Schools Fund and distributed to the school districts in which the timber is cut. Small amounts of state Electric Coop taxes, Private Rail Car taxes, and liquor control fines are also passed through the County Schools Fund to school districts according to state formula. Up through FY 11-12, the County Schools Fund also received a portion of federal Secure Rural Schools Title I revenue; the funding has been discontinued.

The proceeds from sale of tax foreclosed properties are passed through a Tax Title Land Sales Fund and program to local taxing districts according to location of the property.

FY 12-13 budget \$0.6 million; FY 11-12 budget \$1.4 million; decrease \$0.8 million.

### **Transfers Out (to other funds)**

Transfer out are the requirements counterpart to resources transfers in. The fund making the transfer shows the amount transferred as a budget requirement. As discussed in the Resources section, 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.

The General Fund is budgeted to transfer a total of \$9.4 million to other funds in FY 12-13. Another \$4.1 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, and transfers from several funds to the Fleet Management Fund.

FY 12-13 budget \$13.5 million; FY 11-12 budget \$17.0 million; decrease \$3.5 million.

### **Contingency**

Departmental or non-departmental operating funds may budget an estimate for contingency. The Local Budget Manual states that "The estimate is based on the assumption that operations may necessitate spending during the year on items that cannot be specifically identified at the time the budget is being prepared. The contingency is not a separate fund. It is a line item with an operating fund, separate from any other major object classifications.

## MARION COUNTY FY 2012-13 BUDGET SUMMARY

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During the fiscal year, money budgeted and appropriated as contingency must be transferred to another appropriation category before it can be expended.”<sup>1</sup> Most county operating funds have contingency budgeted; those that do not either have no available funds to allocate to contingency or are a type of fund for which contingency is not allowed to be budgeted. Contingency tends to be reduced in funds over time as budgets become tighter.

FY 12-13 budget \$12.7 million; FY 11-12 budget \$13.7 million; decrease \$1.0 million.

### **Reserves**

Reserves may be budgeted to save funds for expenditure in future fiscal years. These may be included in a reserve fund or in another fund when specifically allowed by Oregon statute. The county FY 12-13 budget contains reserves in a Health Building Reserve Fund (\$0.8 million), a Health IDS (Independent Delivery System) Reserve Fund (\$2.0 million), a Capital Building and Equipment Fund (\$0.5 million), and a Rainy Day Fund (\$2.0 million).

FY 12-13 budget \$5.4 million; FY 11-12 budget \$6.1 million; decrease 0.7 million.

### **Ending Fund Balance**

The ending fund balance, or unappropriated ending fund balance, serves dual purposes. One purpose is to save funds for near future expenditure. This includes anticipation of carrying unexpended federal funds into the next county fiscal year and concurrently the last quarter of the federal fiscal year to keep county and federal funding in sync. Enterprise funds often build an ending fund balance until larger capital projects can be fully funded.

The General Fund and some special revenue funds dependent on grant reimbursements budget an ending fund balance to provide the fund with a cash or net working capital balance with which to begin the year following the fiscal year for which the budget is being prepared, until new revenue is received sufficient to meet daily expenditure needs.

No expenditure can be made from an ending fund balance during the fiscal year in which it is budgeted, except in emergency situations defined by state law and identified in a county supplemental budget. In the supplemental budget, funds are transferred to an appropriation category, e.g., capital outlay, before they are expended.

FY 12-13 budget \$49.7 million; FY 11-12 budget \$53.8 million; decrease \$4.1 million.

### **Changes in Fund Balances**

The change between beginning fund balance and ending fund balances is one indicator of the financial condition of a fund. A small or no change likely indicates stability; a substantially larger ending fund balance is often a sign of financial improvement, while a substantially small ending fund balance may indicate a problem.

The schedule of Budgeted Change in Fund Balance FY 2012-13 on the following page illustrates how many funds may have funding difficulties in FY 13-14 due to little or no net working capital. The most critical problem is within departmental budgets, where most funds (except those with footnotes) usually carry an ending fund balance into the following year for both cash flow purposes and to allocate to contingency. Also, special revenue funds utilizing large federal grant funds would normally carry grant unexpended balances into the following county fiscal year first quarter. This enables continued funding of programs until new federal funds are received in October, the first quarter of the new federal fiscal year. Out of 20 departmental funds that by intent normally have an ending fund, ten funds have no ending fund balance budgeted and nine out of the remaining ten funds have a smaller fund balance than the prior year. Capital funds are not necessarily expected to have ending fund balances, this is situational (see footnotes 6 and 7).

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<sup>1</sup> Local Budgeting Manual, Oregon Department of Revenue (Rev. 05-12), p. 27

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

<b>Budgeted Change In Fund Balance FY 2012-13</b>						
Fund Name	Beginning Fund Balance 1/	Revenues 2/	Expenditures 3/	Ending Fund Balance 4/	Change From Prior Year 5/	% Change
<b>Departmental</b>						
General Fund	7,471,418	70,549,687	74,426,662	3,594,443	(3,876,975)	-51.9%
Building Inspection	723,916	1,756,720	2,211,959	268,677	(455,239)	-62.9%
Central Services	0	21,186,460	21,186,460	0	0	n.a. 6/
Child Support	0	1,491,871	1,491,871	0	0	n.a. 6/
Children and Families	486,481	2,106,213	2,592,694	0	(486,481)	-100.0%
Community Corrections	846,188	11,664,704	12,510,892	0	(846,188)	-100.0%
County Clerk Records	5,083	109,674	114,321	436	(4,647)	-91.4%
County Fair	20,401	359,798	380,199	0	(20,401)	-100.0%
District Attorney Grants	9,500	575,153	584,653	0	(9,500)	-100.0%
Dog Control	26,326	1,215,444	1,241,770	0	(26,326)	-100.0%
Environmental Services	18,438,190	20,446,383	24,125,648	14,758,925	(3,679,265)	-20.0%
Fleet Management	2,173,091	1,925,948	1,811,410	2,287,629	114,538	5.3%
Health	11,284,838	50,639,957	58,008,590	3,916,205	(7,368,633)	-65.3%
Inmate Welfare	140,104	268,000	408,104	0	(140,104)	-100.0%
Juvenile Grants	79,113	3,136,706	3,215,819	0	(79,113)	-100.0%
Land Use Planning	77,731	1,170,491	1,248,222	0	(77,731)	-100.0%
Law Library	394,607	257,217	332,515	319,309	(75,298)	-19.1%
Liquor Law Enforcement	0	35,000	35,000	0	0	n.a. 6/
Parks	192,089	235,049	306,347	120,791	(71,298)	-37.1%
Public Works	17,541,548	24,259,827	27,673,289	14,128,086	(3,413,462)	-19.5%
Sheriff Grants	246,416	2,616,328	2,862,744	0	(246,416)	-100.0%
Surveyor	1,359,257	443,158	632,752	1,169,663	(189,594)	-13.9%
Traffic Safety Team	494,643	1,309,095	1,803,738	0	(494,643)	-100.0%
<b>Total Departmental</b>	<b>62,010,940</b>	<b>217,758,883</b>	<b>239,205,659</b>	<b>40,564,164</b>	<b>(17,569,801)</b>	<b>-28.3%</b>
<b>Non-Departmental</b>						
Block Grant	42,748	38	42,786	0	(42,748)	-100.0%
CH2 Redevelopment	673,120	69,300	742,420	0	(673,120)	-100.0%
County Schools	0	422,600	422,600	0	0	n.a. 6/
Criminal Justice Assessment	809,651	428,712	349,162	889,201	79,550	9.8%
Debt Service	474,723	5,098,450	5,098,058	475,115	392	0.1%
Health IDS Reserve	2,012,000	10,000	12,000	2,010,000	(2,000)	-0.1%
Lottery Distribution	681,349	1,408,015	1,537,300	552,064	(129,285)	-19.0%
Non Departmental Grants	778,055	10,750	424,395	364,410	(413,645)	-53.2%
Rainy Day	2,028,350	2,000	0	2,030,350	2,000	0.1%
Self Insurance	9,359,118	24,576,623	27,207,863	6,727,878	(2,631,240)	-28.1%
Tax Title Land Sales	137,270	177,258	234,672	79,856	(57,414)	-41.8%
<b>Total Non-Departmental</b>	<b>16,996,384</b>	<b>32,203,746</b>	<b>36,071,256</b>	<b>13,128,874</b>	<b>-3,867,510</b>	<b>-22.8%</b>
<b>Capital</b>						
Capital Building and Equipment	1,232,879	1,232	700,000	534,111	(698,768)	-56.7%
Capital Improvement Projects	1,587,341	642,000	2,229,341	0	(1,587,341)	-100.0% 7/
Courthouse Square Remediation	3,693,818	15,339,483	19,033,301	0	(3,693,818)	-100.0% 7/
Health Building Reserve	784,176	3,700	0	787,876	3,700	0.5%
<b>Total Capital</b>	<b>7,298,214</b>	<b>15,986,415</b>	<b>21,962,642</b>	<b>1,321,987</b>	<b>-5,976,227</b>	<b>-81.9%</b>
<b>Total Budget</b>	<b>86,305,538</b>	<b>265,949,044</b>	<b>297,239,557</b>	<b>55,015,025</b>	<b>-27,413,538</b>	<b>-31.8%</b>

# MARION COUNTY FY 2012-13 BUDGET SUMMARY

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## Footnotes to schedule of Budgeted Change in Fund Balance FY 2012-13.

- 1/ Marion County uses the terminology "Net Working Capital" instead of Beginning Fund Balance in budgeting.
- 2/ Revenues include all Resources except Beginning Fund Balance.
- 3/ Expenditures include Contingency which although is not appropriated for expenditure is also not a part of the ending fund balance.
- 4/ Ending fund balance includes those funds classified as reserves.
- 5/ The beginning fund balance is by definition also the ending fund balance of the prior fiscal year. Subtracting the ending fund balance from the beginning fund balance in effect compares the ending fund balance of two fiscal years.
- 6/ These types of funds usually expend all available resources by the end of each fiscal year although the Capital funds have planned ending fund balances and others do not, depending on the expenditure plan for the year.
- 7/ Capital funds may or may not have ending fund balances depending on planned expenditures for the year; for FY 12-13 it is planned to complete the capital projects in the Capital Improvement Projects Fund by FY 12-13 and Courthouse Square Remediation Fund by fiscal FY 13-14.

## **Contingency, Reserve, and Ending Fund Balance Combined**

The page following the fund balance schedule is a schedule that shows contingency, reserves and ending fund balance separately and in total by fund and by total government. These budget items equal the sum that is not available for expenditure in FY 12-13 without a budget change approved by the Board of Commissioners under the terms of Oregon Local Budget Law.



MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

**Budgeted Contingency, Reserve and Unappropriated Ending Fund Balance**  
FY 2012-13

	Contingency	Unappropriated Reserves	Ending Fund Balance	Total Revenues	Contingency, Reserves & EFB % of Total General Fund Revenue
<b>General Fund</b>	705,385	3,594,443	-	70,549,687	
<b>Rainy Day Fund</b>	-	2,030,350	-	2,000	
<b>Total</b>	<b>705,385</b>	<b>5,624,793</b>	<b>6,330,178</b>	<b>70,551,687</b>	<b>9.0%</b>

	Contingency	Unappropriated Reserves	Ending Fund Balance	Total Budget	Contingency, Reserves & EFB % of Total Budget
<b>Other Funds</b>					
Block Grant	42,398	-	-	42,786	99.1%
Building Inspection	247,000	-	268,677	2,480,636	20.8%
Capital Building and Equipment	700,000	534,111	-	1,234,111	100.0%
Capital Improvement Projects	107,815	-	-	2,229,341	4.8%
CH2 Redevelopment	-	-	-	742,420	0.0%
Central Services	-	-	-	21,186,460	0.0%
Child Support	-	-	-	1,491,871	0.0%
Children and Families	198,123	-	-	2,592,694	7.6%
Community Corrections	65,393	-	-	12,510,892	0.5%
County Clerk Records	-	-	436	114,757	0.4%
County Fair	9,200	-	-	380,199	2.4%
County Schools	-	-	-	422,600	0.0%
Courthouse Square Remediation	500,000	-	-	19,033,301	2.6%
Criminal Justice Assessment	20,000	-	889,201	1,238,363	73.4%
Debt Service	-	-	475,115	5,573,173	8.5%
District Attorney Grants	-	-	-	584,653	0.0%
Dog Control	-	-	-	1,241,770	0.0%
Environmental Services	1,435,701	-	14,758,925	38,884,573	41.6%
Facility Renovation	-	-	-	-	#DIV/0!
Fleet Management	163,481	-	2,287,629	4,099,039	59.8%
Health	4,886,801	-	3,916,205	61,924,795	14.2%
Health Building Reserve	-	787,876	-	787,876	100.0%
Health IDS Reserve	-	2,010,000	-	2,022,000	99.4%
Inmate Welfare	39,686	-	-	408,104	9.7%
Juvenile Grants	-	-	-	3,215,819	0.0%
Land Use Planning	83,062	-	-	1,248,222	6.7%
Law Library	30,000	-	319,309	651,824	53.6%
Liquor Law Enforcement	-	-	-	35,000	0.0%
Lottery Distribution	208,942	-	552,064	2,089,364	36.4%
Non Departmental Grants	43,795	-	364,410	788,805	51.7%
Parks	38,672	-	120,791	427,138	37.3%
Public Works	1,530,915	-	14,128,086	41,801,375	37.5%
Self Insurance	2,000,000	-	6,727,878	33,935,741	25.7%
Sheriff Grants	190,319	-	-	2,862,744	6.6%
Surveyor	66,606	-	1,169,663	1,802,415	68.6%
Tax Title Land Sales	10,000	-	79,856	314,528	28.6%
Traffic Safety Team	40,501	-	-	1,803,738	2.2%
<b>Total Other Funds</b>	<b>12,658,522</b>	<b>3,331,987</b>	<b>46,058,245</b>	<b>272,203,127</b>	<b>22.8%</b>

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

**TOTAL RESOURCES AND REQUIREMENTS SUMMARY**

The following table recapitulates the budget information provided in the previous pages of this section. More resources and requirements categories are shown than previously, when like categories were combined along with following discussions in the interest of making explanations shorter and easier.

**Total County Income Summary**

FY 09-10 ACTUAL	FY 10-11 ACTUAL		FY 11-12 BUDGET	FY 12-13 ADOPTED	&/- % Prior Budget
<b>RESOURCES</b>					
54,250,835	55,484,017	Taxes	56,849,615	58,860,852	3.5%
2,858,418	2,837,710	Licenses and Permits	2,787,125	2,383,859	-14.5%
15,182,460	15,977,238	Intergovernmental Federal	12,806,174	10,331,884	-19.3%
55,528,839	55,980,098	Intergovernmental State	52,567,056	55,281,851	5.2%
15,579,816	18,857,885	Intergovernmental Local	20,216,975	19,283,210	-4.6%
62,133,906	63,069,443	Charges for Services	64,621,341	65,902,168	2.0%
23,258,058	22,327,490	Admin Cost Recovery	22,377,795	23,277,661	4.0%
2,751,248	2,792,049	Fines and Forfeitures	2,611,239	1,968,907	-24.6%
1,618,605	885,976	Interest	837,643	741,388	-11.5%
534,859	625,713	Other Revenues	560,082	3,127,458	458.4%
10,435,948	9,792,321	General Fund Transfers	11,101,294	9,411,724	-15.2%
12,992,796	8,267,396	Other Fund Transfers	12,646,586	4,126,663	-67.4%
342,635	151,802	Settlements	1,516,892	1,775,009	17.0%
0	0	Financing Proceeds	0	9,476,410	n.a.
88,201,202	89,762,138	Net Working Capital	89,588,153	86,305,538	-3.7%
<b>345,669,624</b>	<b>346,811,277</b>	<b>TOTAL RESOURCES</b>	<b>351,087,970</b>	<b>352,254,582</b>	<b>0.3%</b>
<b>REQUIREMENTS</b>					
109,529,681	111,531,618	Personnel Services	120,387,399	120,413,997	0.0%
85,233,036	89,570,370	Materials and Services	90,817,353	91,510,146	0.8%
21,638,509	21,366,603	Administrative Charges	21,158,795	21,558,913	1.9%
9,380,681	8,849,767	Capital Outlay	14,847,263	30,270,207	103.9%
2,175,745	2,358,496	Debt Service Principal	2,557,003	2,772,300	8.4%
3,418,540	3,356,465	Debt Service Interest	3,309,407	3,234,192	-2.3%
1,102,551	1,086,902	Special Payments	1,401,242	577,508	-58.8%
23,428,743	18,059,716	Transfers Out	23,747,880	13,538,387	-43.0%
0	0	Contingency	12,879,307	13,363,907	3.8%
0	0	Reserves	6,060,302	5,362,337	-11.5%
0	0	Ending Fund Balance	53,922,019	49,652,688	-7.9%
<b>255,907,486</b>	<b>256,179,937</b>	<b>TOTAL REQUIREMENTS</b>	<b>351,087,970</b>	<b>352,254,582</b>	<b>0.3%</b>
<b>89,762,138</b>	<b>90,631,340</b>	<b>NET INCOME (LOSS)</b>	<b>0</b>	<b>0</b>	

Note 1: Expenditures are not allowed in contingency, reserves or ending fund balance; these are budget items only.

Note 2: FY 10-11 amounts include changes through two supplemental budgets.

# MARION COUNTY FY 2012-13 BUDGET SUMMARY

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## FUNDS OVERVIEW

Oregon local budget law requires the use of funds in budgeting. A fund is defined as a fiscal and accounting entity of self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes. Funds are segregated for specific, regulated activities and objectives.<sup>2</sup> Each fund records resources and requirements for the purpose of controlling and accounting for the specific activities for which the fund was created. Therefore, each fund is a self-contained, independent financial entity with its own assets and liabilities.

Marion County funds have gone through some reclassification as to type in accordance with Governmental Accounting Standards Board guidelines. In accounting terms, which the budget system follows, there is a General and Major Special Revenue Funds, Non-Major Governmental Funds, Enterprise Funds, and Internal Services Funds. The most well-known fund is the General Fund, which is used to account for resources and for which the Board of Commissioners has discretionary use. Fund descriptions are provided in an appendix to the book.

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<sup>2</sup> p. 15, Local Budgeting Manual, Oregon Department of Revenue, Property Tax Division

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

FY 2012-13 ADOPTED BUDGET BY FUND

FY 2012-13 Budget by Fund and Department Matrix

Department Fund	Assessor's Office	Clerk's Office	Community Services	District Attorney's Office	Justice Courts	Juvenile	Sheriff's Office	Treasurer's Office	Board of Commissioners' Office	Business Services	Finance	Information Technology	Legal	Health	Public Works	Non Departmental	Capital	Fund Total
General Fund	5,734,401	2,712,621	427,845	7,690,210	892,644	9,409,593	35,170,174	474,805								15,508,812		78,021,105
County Clerk Records		114,757																114,757
Children and Families			2,592,694															2,592,694
County Fair			380,199															380,199
Dog Control			1,241,770															1,241,770
Child Support				1,491,871														1,491,871
District Attorney Grants				584,653														584,653
Liquor Law Enforcement				35,000														35,000
Juvenile Grants						3,215,819												3,215,819
Community Corrections							12,510,892											12,510,892
Inmate Welfare							408,104											408,104
Sheriff Grants							2,862,744											2,862,744
Traffic Safety Team							1,803,738											1,803,738
Central Services									2,050,097	6,434,698	2,373,035	8,393,631	1,260,497				674,502	21,186,460
Law Library													651,824					651,824
Health														61,924,795				61,924,795
Building Inspection															2,480,636			2,480,636
Environmental Services															38,884,573			38,884,573
Fleet Management															4,099,039			4,099,039
Land Use Planning															1,248,222			1,248,222
Parks															427,138			427,138
Public Works															41,801,375			41,801,375
Surveyor															1,802,415			1,802,415
Block Grant																42,786		42,786
CH2 Redevelopment																742,420		742,420
County Schools																422,600		422,600
Criminal Justice Assessment																1,238,363		1,238,363
Debt Service																5,573,173		5,573,173
Health IDS Reserve																2,022,000		2,022,000
Lottery Distribution																2,089,364		2,089,364
Non Departmental Grants																788,805		788,805
Rainy Day																2,030,350		2,030,350
Self Insurance																33,935,741		33,935,741
Tax Title Land Sales																314,528		314,528
Capital Building and Equipment																	1,234,111	1,234,111
Capital Improvement Projects																	2,229,341	2,229,341
Courthouse Square Remediation																	19,033,301	19,033,301
Health Building Reserve																	787,876	787,876
Department Total	5,734,401	2,827,378	4,642,508	9,801,734	892,644	12,625,412	52,755,652	474,805	2,050,097	6,434,698	2,373,035	8,393,631	1,912,321	61,924,795	90,743,398	65,383,444	23,284,629	332,433,405

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

**PROGRAMS FUNDED IN PART BY STATE RESOURCES**

The State of Oregon requires that county governments provide in their annual budget summary revenue and expenditure information for major programs funded in part by the state. The state stipulates the government functions covered, e.g., public health. Total expenses for each program and revenue broken down in prescribed categories are required for each of the corresponding years presented in the annual budget. The amounts shown are at a summary level of function as established by the state. Detail information about these functions and programs is presented in the department budget.

**SUMMARY OF MAJOR PROGRAMS FUNDED IN PART BY STATE RESOURCES**

	Fiscal Year 2009-10 Actual	Fiscal Year 2010-11 Actual	Fiscal Year 2011-12 Budget	Fiscal Year 2012-13 Budget
<b>ASSESSMENT AND TAXATION</b>				
General Resources	\$ 5,442,413	\$ 5,318,904	\$ 5,587,726	\$ 5,816,166
Total Resources	\$ 5,442,413	\$ 5,318,904	\$ 5,587,726	\$ 5,816,166
Total Requirements	\$ 5,422,413	\$ 5,318,904	\$ 5,587,726	\$ 5,816,166
<b>COMMUNITY CORRECTIONS</b>				
State Resources	\$ 12,466,606	\$ 11,741,728	\$ 10,555,269	\$ 10,644,832
Other Revenue	2,452,169	3,313,382	2,801,717	1,866,060
Total Resources	\$ 14,918,775	\$ 15,055,110	\$ 13,356,986	\$ 12,510,892
Total Requirements	\$ 12,788,287	\$ 13,356,595	\$ 13,356,986	\$ 12,510,892
<b>JAIL OPERATIONS</b>				
General Resources	\$ 13,745,182	\$ 13,634,018	\$ 14,807,097	\$ 15,467,960
Direct Federal Resources	327,661	20,600	303,000	175,000
Other Revenue	858,643	968,716	935,702	848,311
Total Resources	\$ 14,931,486	\$ 14,623,334	\$ 16,045,799	\$ 16,491,271
Total Requirements	\$ 14,788,469	\$ 14,448,276	\$ 16,045,799	\$ 16,491,271
<b>DISTRICT ATTORNEY</b>				
General Resources	\$ 7,821,674	\$ 7,676,154	\$ 7,859,476	\$ 8,097,076
State Resources	1,541,368	1,751,726	1,645,692	1,649,563
Other Revenue	252,995	78,115	119,058	55,095
Total Resources	\$ 9,616,037	\$ 9,505,995	\$ 9,624,226	\$ 9,801,734
Total Requirements	\$ 9,490,658	\$ 9,466,466	\$ 9,624,226	\$ 9,801,734
<b>JUVENILE CORRECTIONS &amp; PROBATION</b>				
General Resources	\$ 9,520,884	\$ 9,878,986	\$ 10,338,187	\$ 10,324,760
State Resources	1,134,923	1,013,000	1,037,435	1,193,990
Other Revenue	1,293,227	1,073,974	1,171,385	1,106,662
Total Resources	\$ 11,949,034	\$ 11,965,960	\$ 12,547,007	\$ 12,625,412
Total Requirements	\$ 11,723,335	\$ 11,725,516	\$ 12,547,007	\$ 12,625,412
<b>PUBLIC HEALTH</b>				
General Resources	\$ 2,199,977	\$ 2,253,265	\$ 2,263,193	\$ 2,237,281
State Resources	4,889,303	4,037,054	3,586,671	3,544,691
Direct Federal Resources	8,143	579,953	705,465	707,784
Other Revenue	5,007,047	4,949,123	4,846,937	4,626,409
Total Resources	\$ 12,104,470	\$ 11,819,395	\$ 11,402,266	\$ 11,116,165
Total Requirements	\$ 11,523,126	\$ 9,835,636	\$ 11,402,265	\$ 11,116,164
<b>MENTAL HEALTH AND CHEMICAL DEPENDENCY</b>				
General Resources	\$ 1,198,060	\$ 1,213,181	\$ 1,203,254	\$ 1,202,401
State Resources	21,794,754	20,367,212	18,031,230	17,650,805
Direct Federal Resources	58,595	174,572	-	-
Other Revenue	28,100,015	30,644,143	31,999,042	31,955,425
Total Resources	\$ 51,151,424	\$ 52,399,108	\$ 51,233,526	\$ 50,808,631
Total Requirements	\$ 42,871,157	\$ 44,212,849	\$ 51,233,525	\$ 50,808,631

MARION COUNTY FY 2012-13 BUDGET  
SUMMARY

**SUMMARY OF MAJOR PROGRAMS FUNDED IN PART BY STATE RESOURCES**

	Fiscal Year 2009-10 Actual	Fiscal Year 2010-11 Actual	Fiscal Year 2011-12 Budget	Fiscal Year 2012-13 Budget
<b>ROADS</b>				
General Resources	\$ 37,750	\$ 37,750	\$ 4,000	\$ 4,000
State Resources	13,085,082	15,655,997	16,260,463	18,037,717
Direct Federal Resources	2,678,641	2,002,513	870,950	124,847
Other Revenue	17,077,834	20,854,032	21,959,296	23,634,811
Total Resources	\$ 32,879,307	\$ 38,550,292	\$ 39,094,709	\$ 41,801,375
Total Requirements	\$ 18,172,984	\$ 22,264,823	\$ 39,094,709	\$ 41,801,375
<b>ECONOMIC DEVELOPMENT</b>				
General Resources	\$ 744,834	\$ 684,825	\$ 744,834	\$ 736,291
State Funds	45,459	36,031	49,431	50,000
Video Lottery Resources	1,142,037	1,172,765	1,170,000	1,235,518
Direct Federal Resources	20,939	-	-	-
Other Revenue	1,847,856	1,370,036	1,034,747	1,695,976
Total Resources	\$ 3,801,125	\$ 3,263,657	\$ 2,999,012	\$ 3,717,785
Total Requirements	\$ 3,323,858	\$ 2,969,228	\$ 2,999,012	\$ 3,717,785