

**Minutes of the Board of Commissioners
Multnomah County, Oregon
Multnomah Building, Commissioners Board Room 100
501 SE Hawthorne Blvd., Portland, OR
Thursday, May 19, 2011**

BUDGET WORK SESSION # 5

Chair Jeff Cogen convened the meeting at 9:10 a.m. with Vice-Chair Deborah Kafoury and Commissioners Diane McKeel, Loretta Smith and Judy Shiprack present.

BWS-5-A General Fund (GF) Five-Year Forecast Update. Presenter: Mike Jaspin, Budget Office.

Mr. Jaspin provided an update of the County's available five-year General Fund (GF) revenue and expenditure forecast in order for the Board to be able to assess the long-term financial implications of current and proposed policies and programs. The forecast provides an update of available funding for FY 2012 and beyond; provides context for evaluating financial risk and assessing the County's ability to sustain services; and identifies key variables that might change the level of revenues or expenditures.

He explained that FY 2011 GF revenues are down \$1.15 million from the last forecast, but up \$2.83 million for the full year. In closing out FY 2011, there is \$2.66 million unused in the GF contingency, which assumes the \$4 million Business Income Tax Reserve rolled over to FY 2012. The FY 2012 revenues are trending slightly differently than in the approved budget, but are likely to net to no changes; FY 2013 forecasted revenues and expenditures are in balance; the FY 2014-16 operating gaps is growing at \$3 to \$4.2 million per year, or about 1% of the ongoing revenues.

Mr. Jaspin listed the forecast risks and issues to revenue, such as a weaker economy and slower housing recovery; the Federal fiscal policies, deficit and debt ceiling issues; the Federal Reserve exit policies; European sovereign debt issues; oil prices and unrest in the Middle East; State and local impacts; internal and/or local issues and uncertainties including open labor contracts, health care costs, State redesign impacts, and Capital needs such as bridges and buildings. He said that some of the most major issues are generally outside of the County's control.

He responded to Board questions and comments.

Commissioner McKeel requested that Mr. Jaspin and staff from the Sheriff's office follow up with a briefing on the decline in U.S. Marshal jail bed revenues.

The Board thanked him for his presentation.

BWS-5-B FY 2012 Budget Work Session on Human Services (DCHS). Presenters: Kathy Tinkle, Director, DCHS; Dana Lloyd, Aging & Disabilities Services; Steve Weiss, Chair, DCHS Citizen Budget Advisory Committee (CBAC).

Ms. Tinkle provided the introduction. Mr. Weiss spoke about CBAC's work and their recommendations to the Board on the FY 2012 budget. They hope one-time-only resources can

be utilized to restore as many DCHS program reductions as possible. They will continue to work closely with the County later this year when the budget rebalance is debated and enacted.

Ms. Tinkle stated that DCHS' mission is to enhance the quality of life for individuals and families. Their vision is to have safe, healthy, caring and diverse communities where hope, independence, learning and opportunity prevail for all. DCHS' total budget program offer for FY 2012 is \$214.5 million with 687 FTE. There has been a decrease of 21.78 FTEs since the adoption of the FY 2011 budget. DCHS partners include community-based providers; the City of Portland and other local jurisdictions; State and Federal government; school districts, the Housing Authority of Portland; Coalition of Communities of Color; and other County departments.

Ms. Tinkle said DCHS' values and guiding principles include preserving direct services to clients; looking for efficiencies, innovation and redesign; ensuring the least disruption to clients; preserving safety net services and investing in prevention and culturally specific services; and considering outcomes and performance results. She spoke about their System of Care including: prevention, early intervention and access to services; eligibility and access to Medicaid services; community supports; treatment; and safety net and crisis services.

Ms. Tinkle spoke about recent DCHS accomplishments and program successes; the FY 2012 County General Fund; new or expanded programs; State and Federal impacts; and issues and challenges they face.

The Commissioners asked questions requiring follow-up by the department after the meeting. The following inquiries were made:

Commissioner Shiprack asked how DCHS estimates savings through programmatic interventions directed toward specific populations; an example being the savings through OPI.

Commissioner Smith asked how many High School students are in the SUN system.

Commissioner McKeel asked whether the client data DCHS collects includes information on clients who are veterans and if DCHS could share this information with the Board.

Vice-Chair Kafoury proposed an amendment to fund Program Offer 25133C, East County Homeless Outreach (\$75k) and Program Offer 25139B, Action for Prosperity (\$195k). Karyne Kieta responded that she will work with Vice-Chair Kafoury this proposal.

Ms. Tinkle responded to additional Board questions and comments. The Board thanked her for the presentation.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:13 a.m.

Submitted by:
Lynda J. Grow, Board Clerk and
Marina Baker, Assistant Board Clerk
Board of County Commissioners
Multnomah County