



**Multnomah County  
Auditor's Office**

# 2011 Financial Condition on Multnomah County

May 5, 2011 Board Presentation

Steve March, County Auditor  
Judith DeVilliers, Senior Management Auditor  
Amanda Lamb, Management Auditor

# Introduction

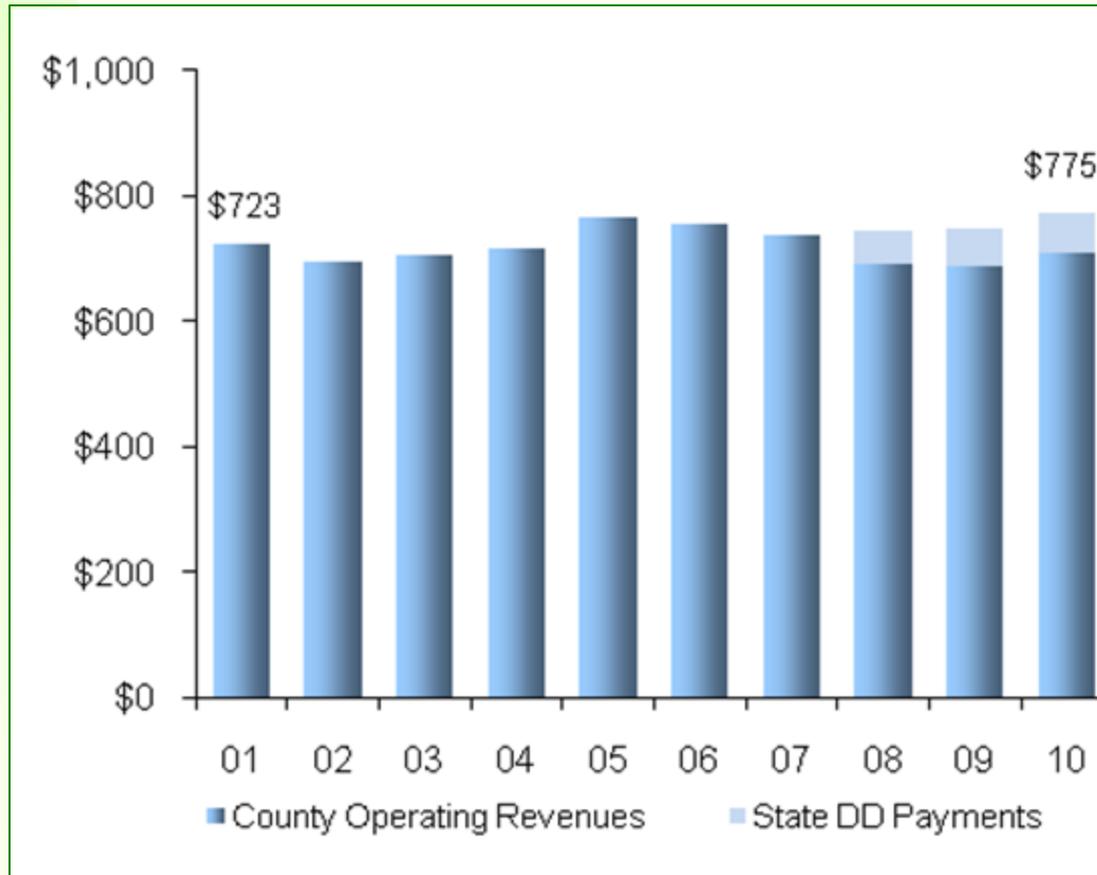
- This is our 10<sup>th</sup> biennial review of the county's financial condition
- Data cover a ten-year period, from FY01-FY10
- The purpose of the report is to provide historical trends and prompt questions regarding the future of the county's financial condition
- The report is divided into six sections: County Revenues, County Spending, Financial Health, Revenue Base & the Economy, Demographics, and Recommendations

# Presentation Summary

- Total operating revenues have been steadily increase, particularly intergovernmental revenues
- County spending per capita has decreased over the last ten years, in part due to an increase in service population
- Though the recession has hit the county population hard, the county has benefited from a history of sound, conservative financial decisions and policies, and has maintained a relatively positive financial condition
- Our recommendations highlight issue of concern with regard to internal service funds and long-term financial planning

Where do our revenues come from?

# Total Operating Revenues

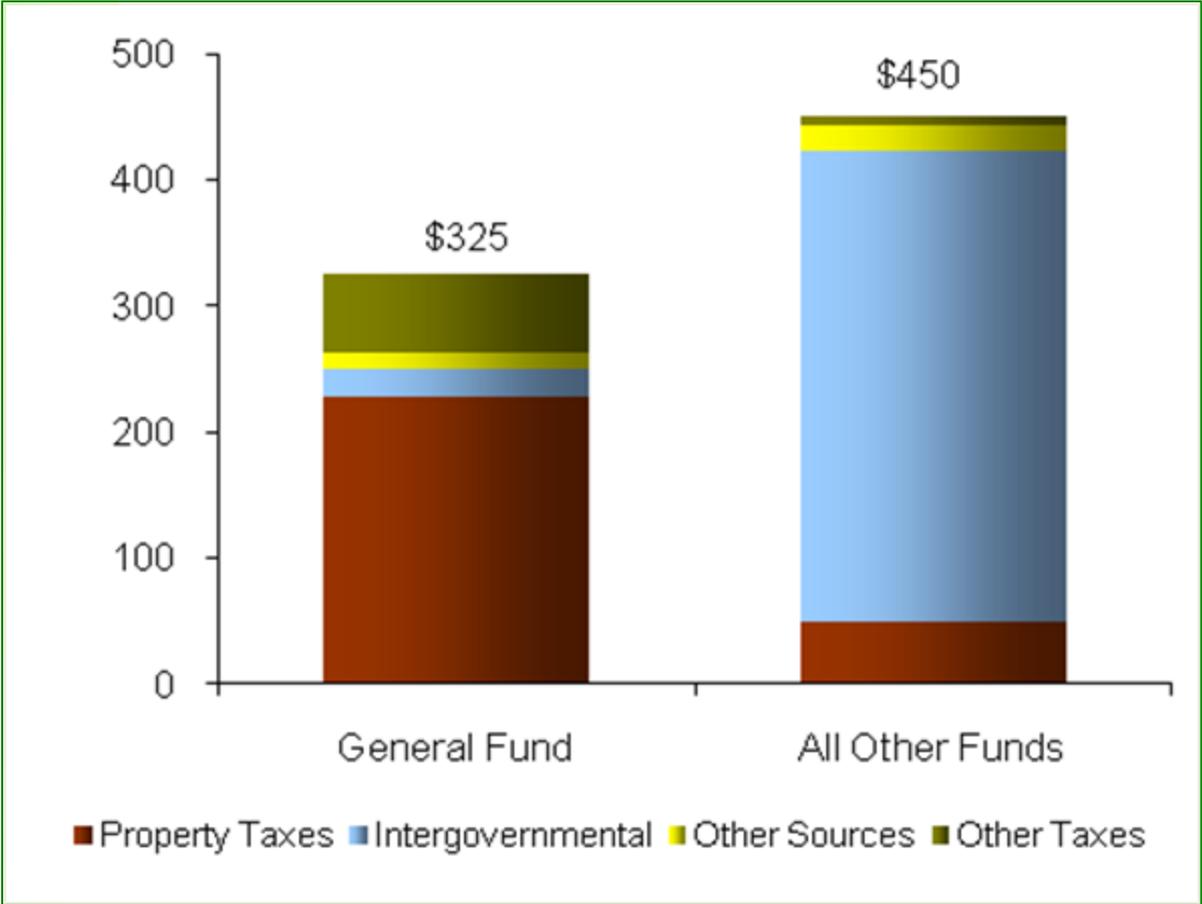


**Chart 2 Total Operating Revenues**

Fiscal year ended June 30

Adjusted for inflation (in millions)

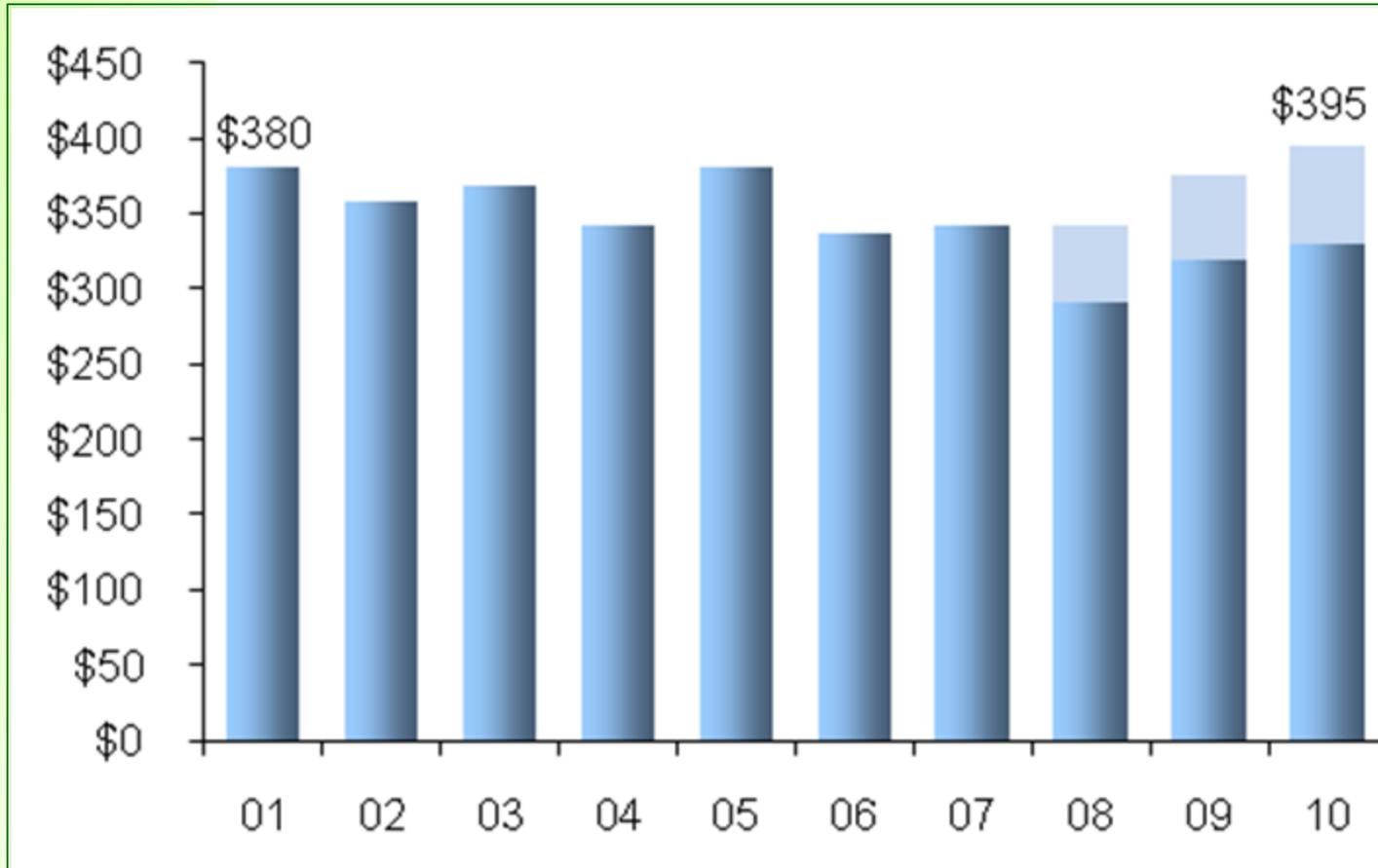
# Operating Revenues by Fund



**Chart 4 Total Operating Revenues by Fund**

Fiscal year ended June 30, 2010 (in millions)

# Intergovernmental Revenues

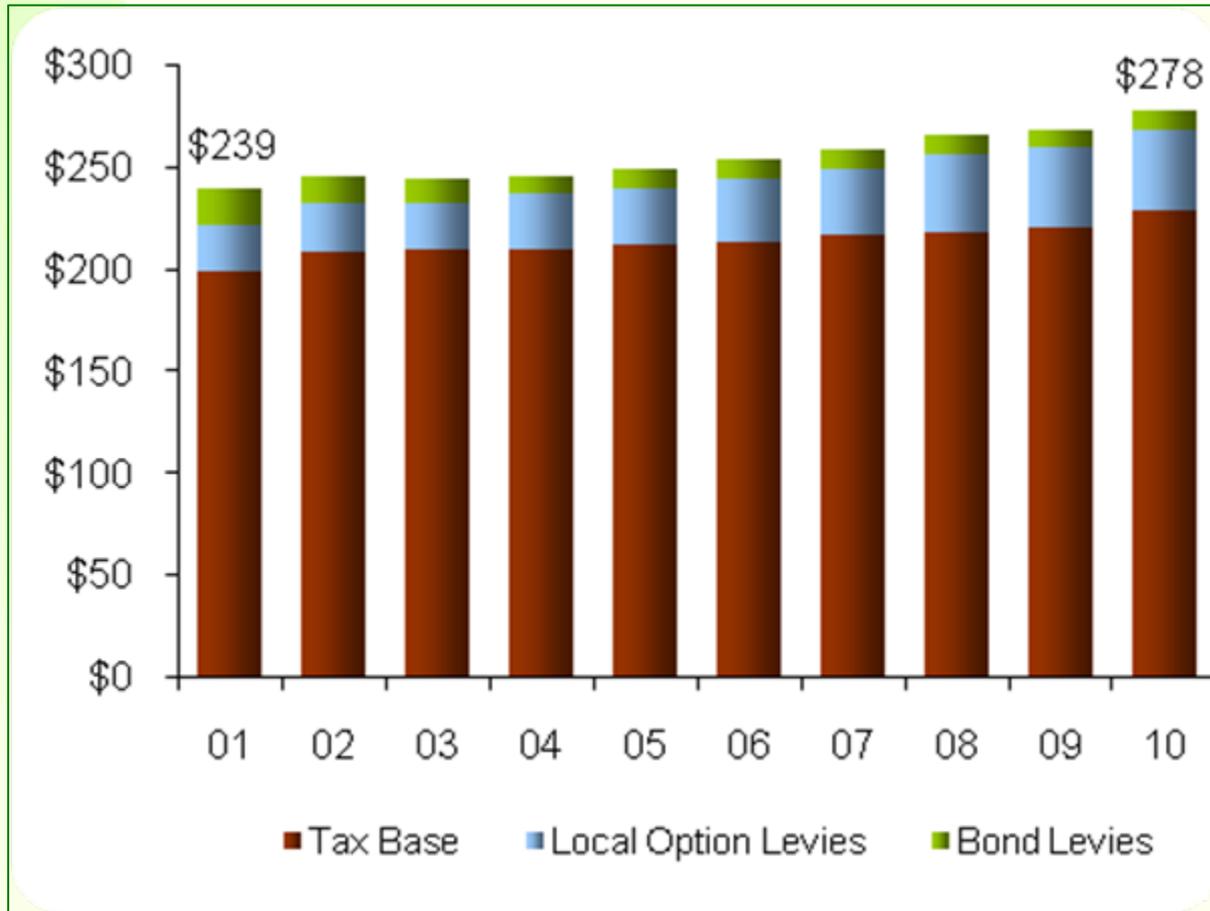


**Chart 7 Intergovernmental Revenues**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Property Tax Revenues

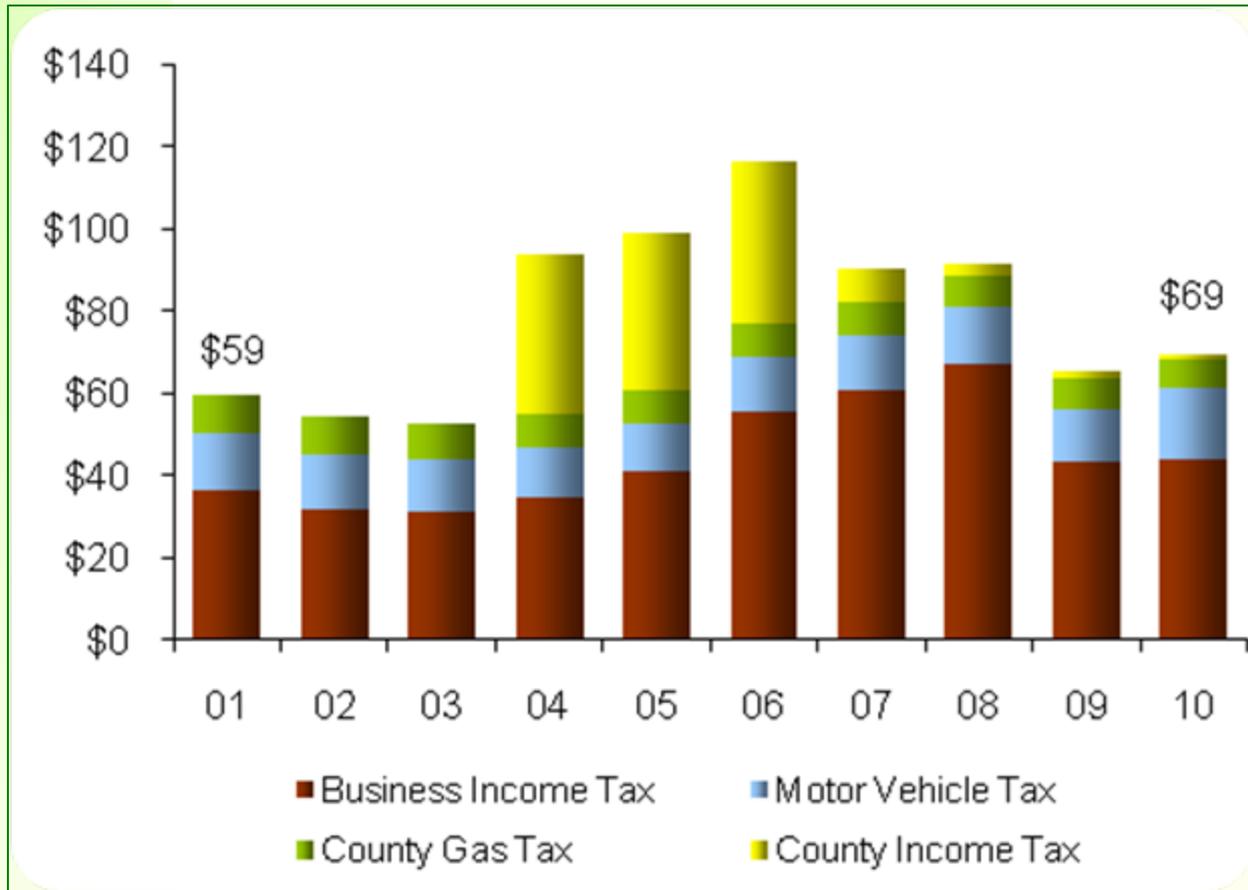


**Chart 9 Property Tax Revenues**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Other Taxes

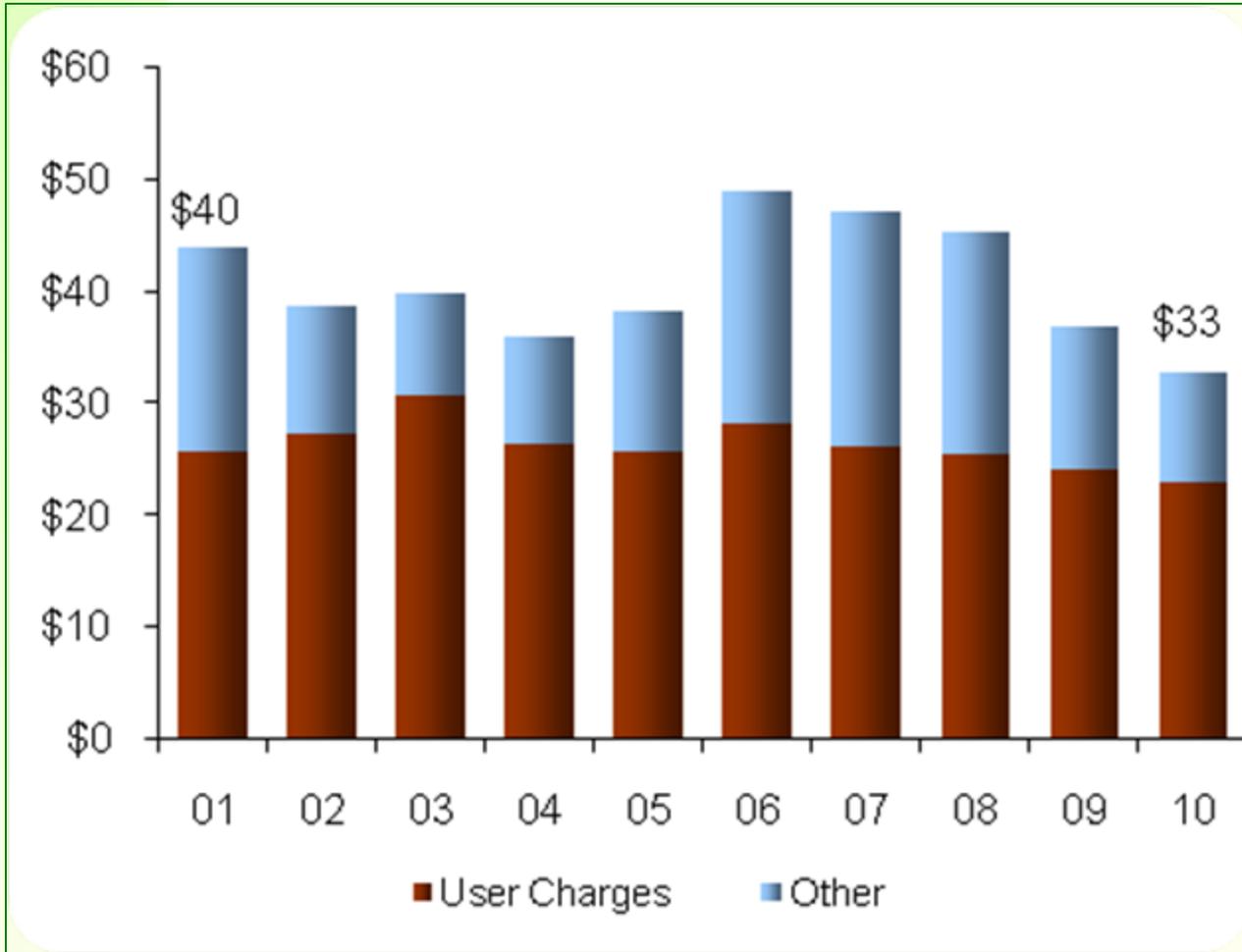


**Chart 11 Other Taxes**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Other Revenues



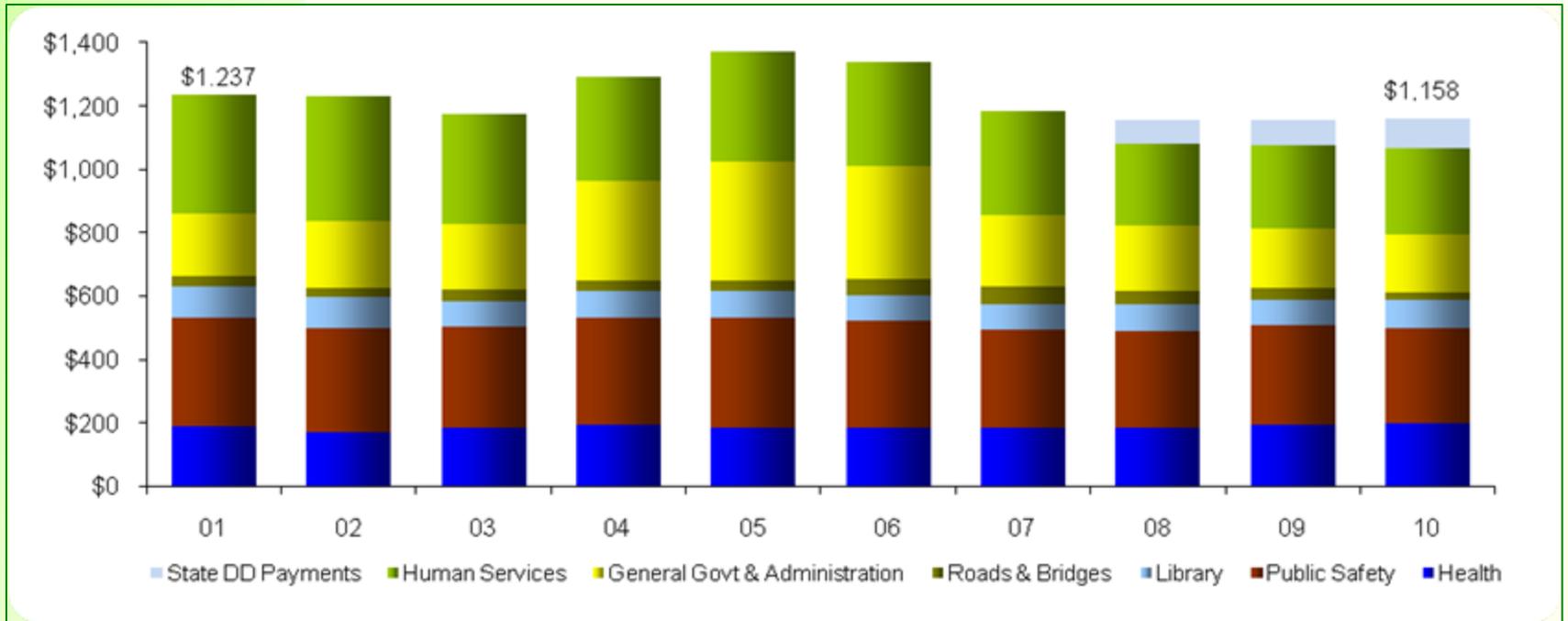
**Chart 10 Other Revenues**

Fiscal year ended June 30

Adjusted for inflation (in millions)

What do we spend our revenues on?

# Spending per Capita

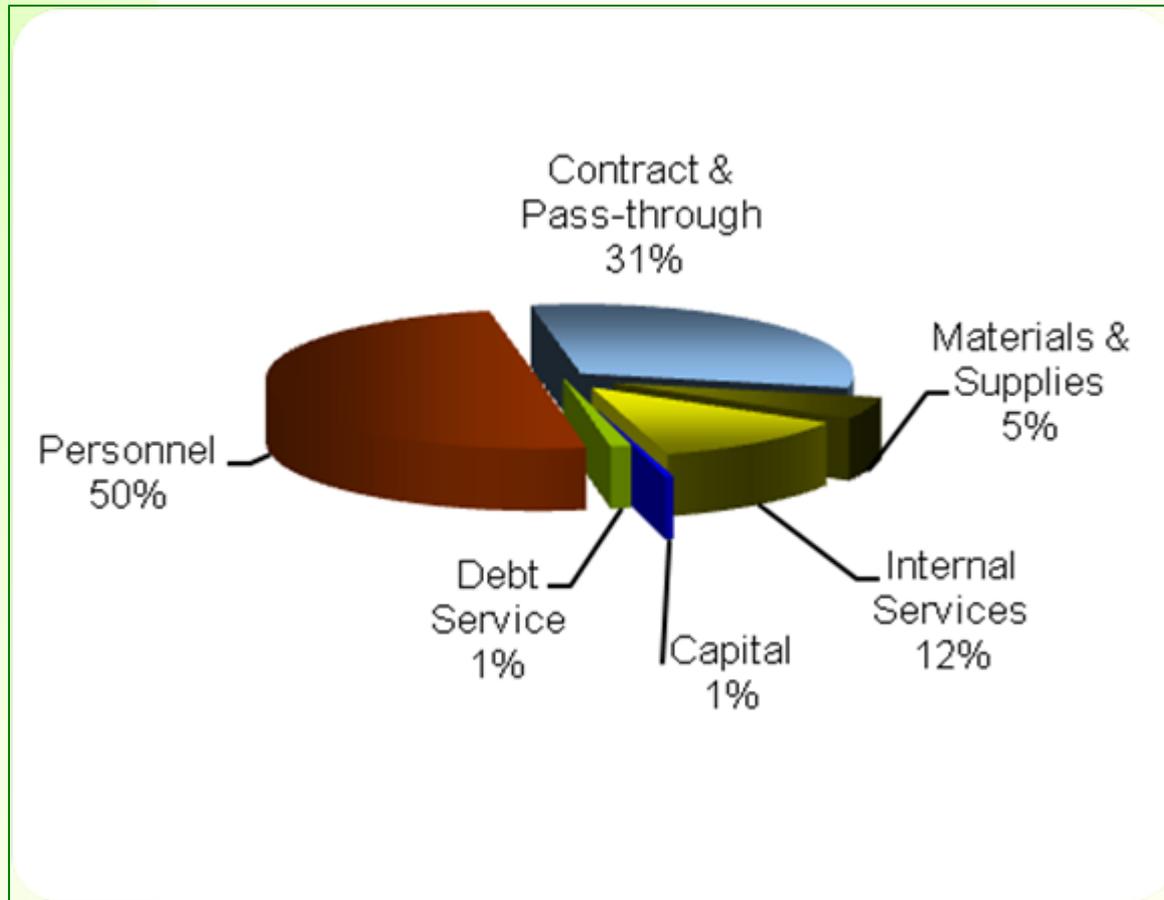


**Chart 12 Spending per Capita**

Fiscal year ended June 30, 2010

Adjusted for inflation

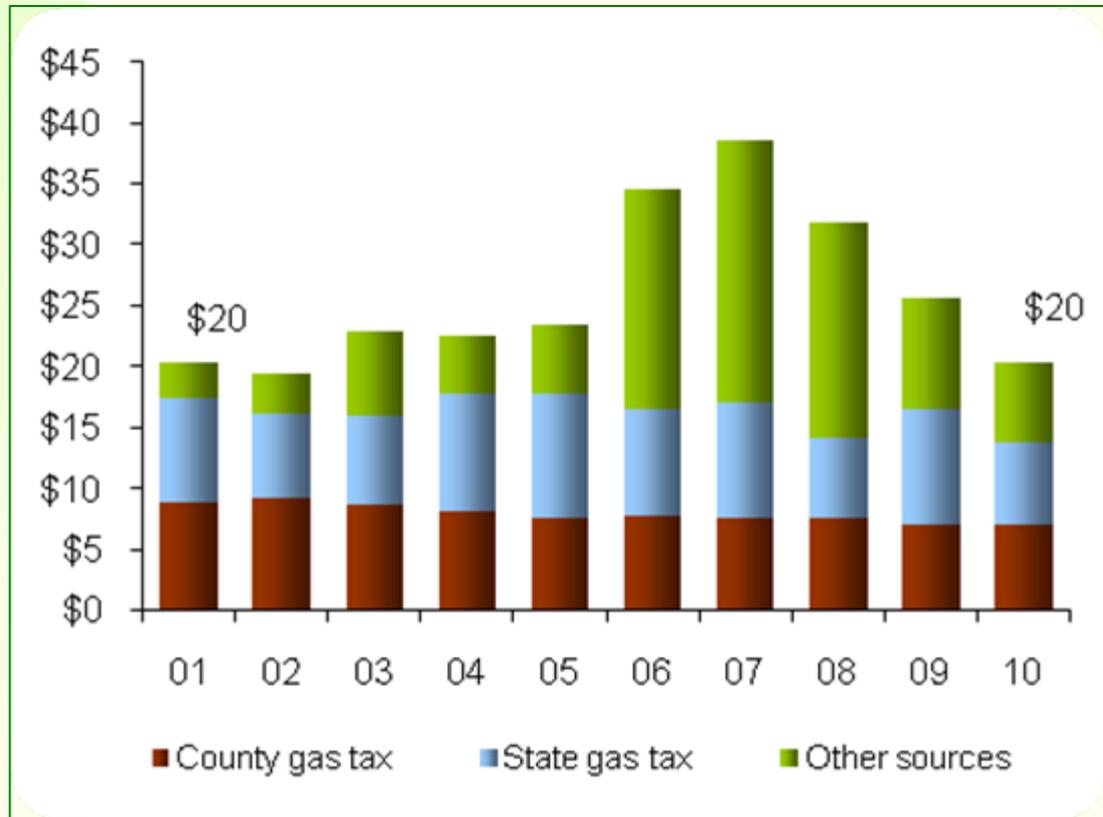
# Spending by Type



**Chart 14 Spending by Type**

Fiscal year ended June 30, 2010

# Spending on General Public-Roads & Bridges

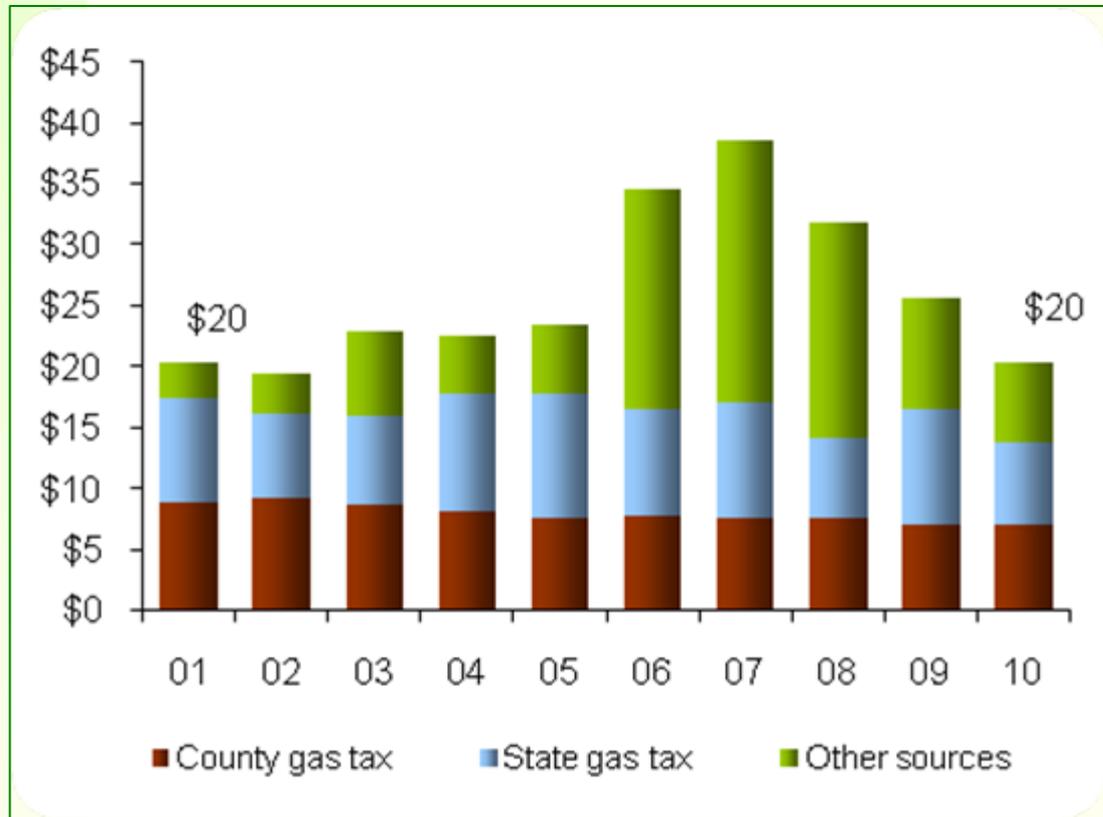


**Chart 19 Roads and Bridges**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Spending on General Public-Roads & Bridges

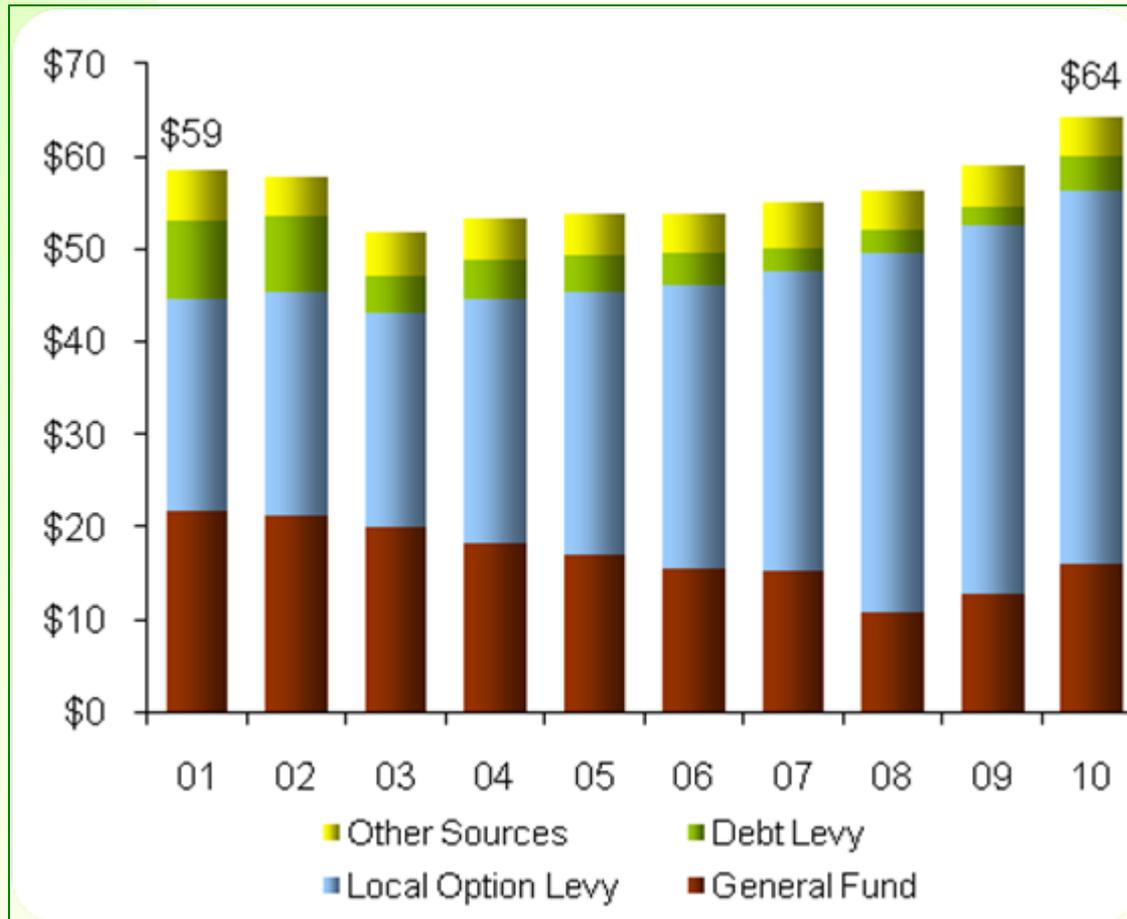


**Chart 19 Roads and Bridges**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Spending on General Public- Library Services

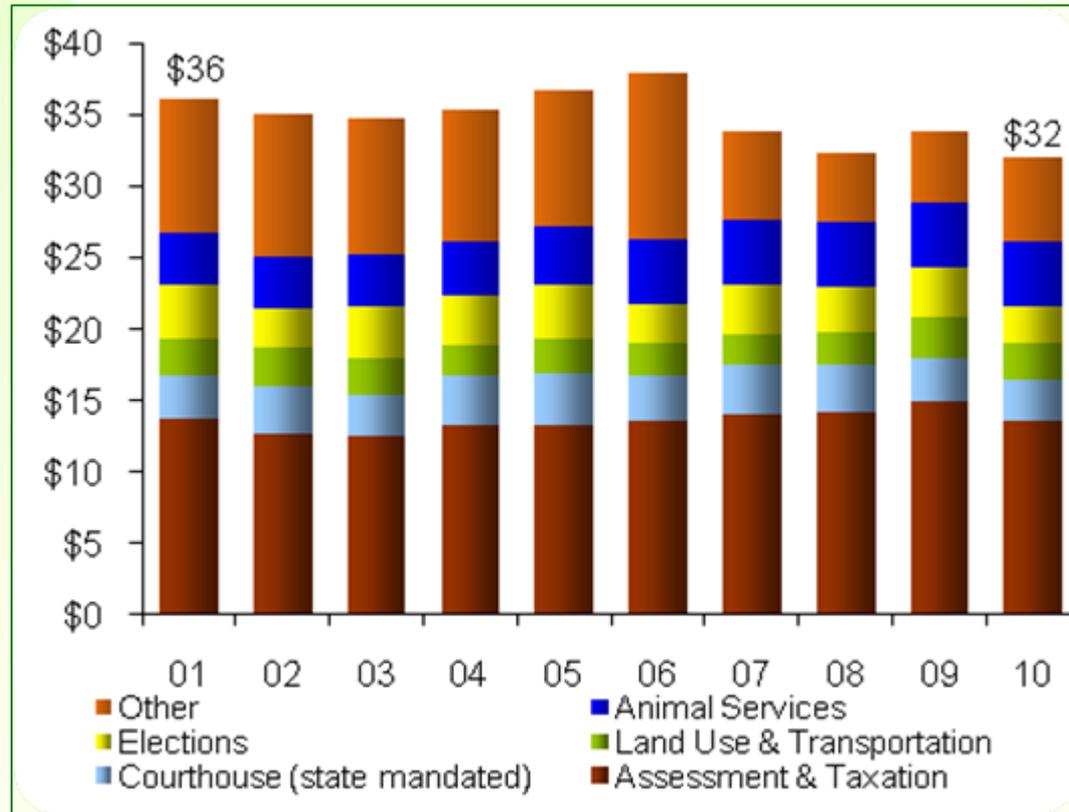


**Chart 22 Library Services**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Spending on General Public- General Government

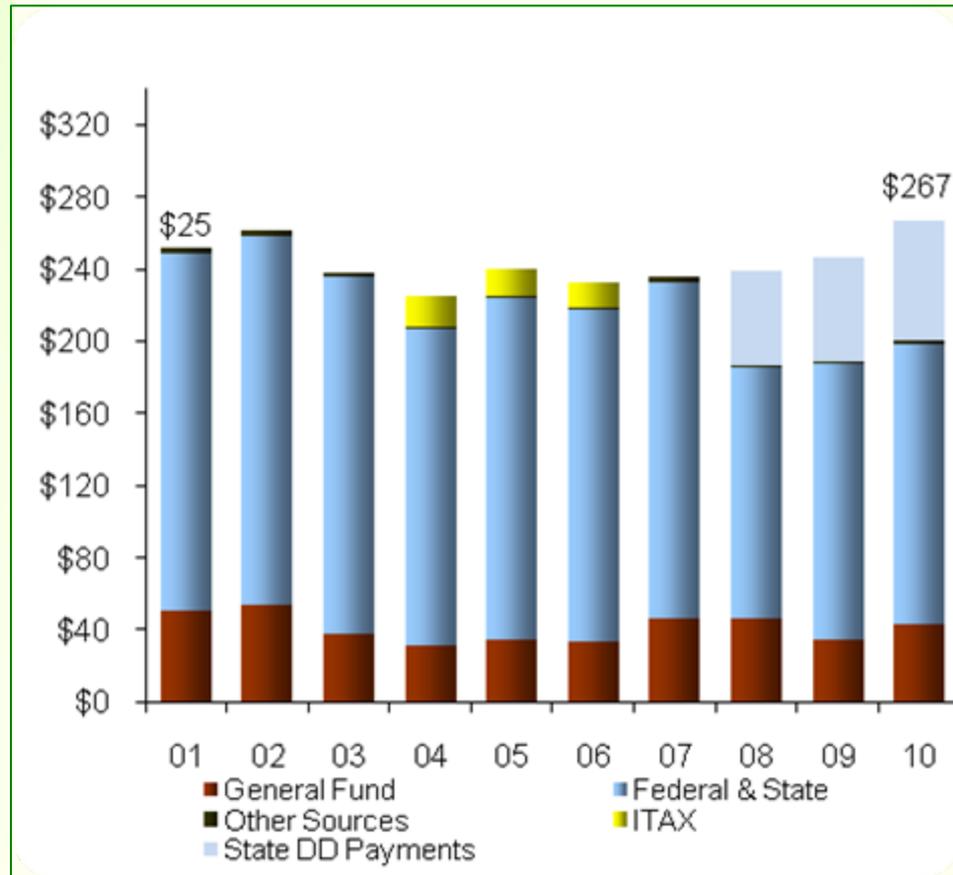


**Chart 23 General Government**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Spending on Targeted Populations Human Services

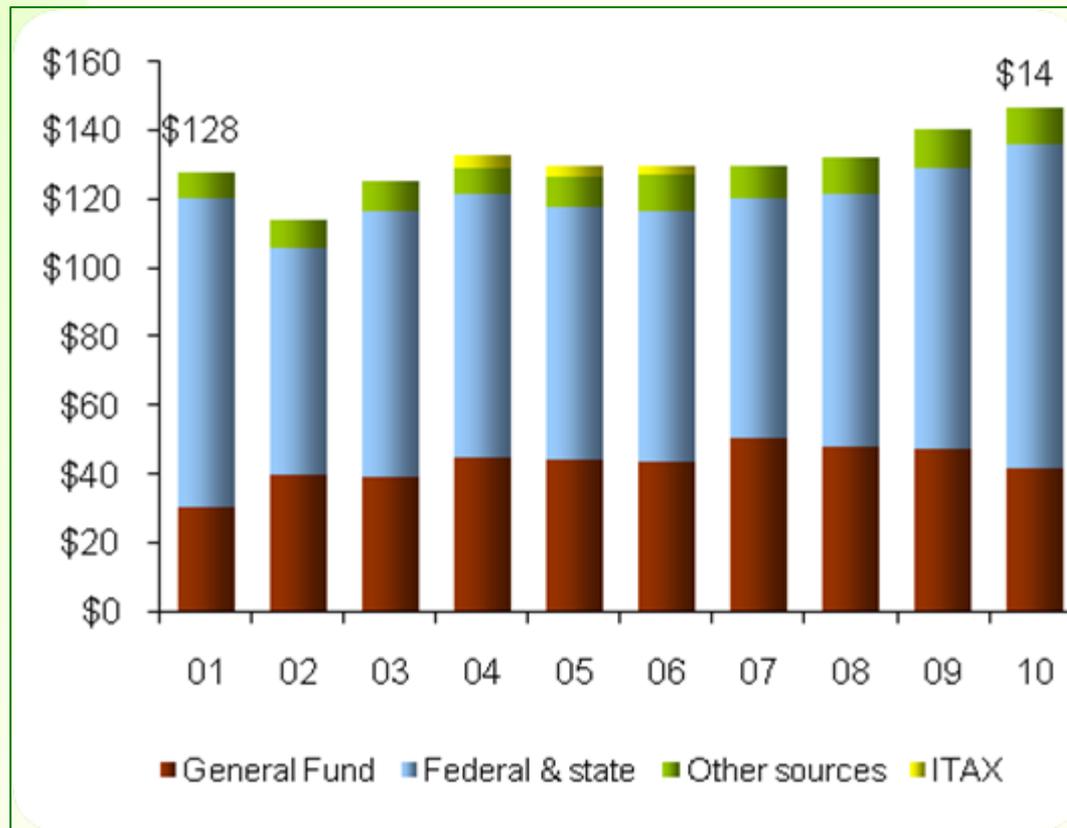


**Chart 20 Human Services**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Spending on Targeted Populations Health Services

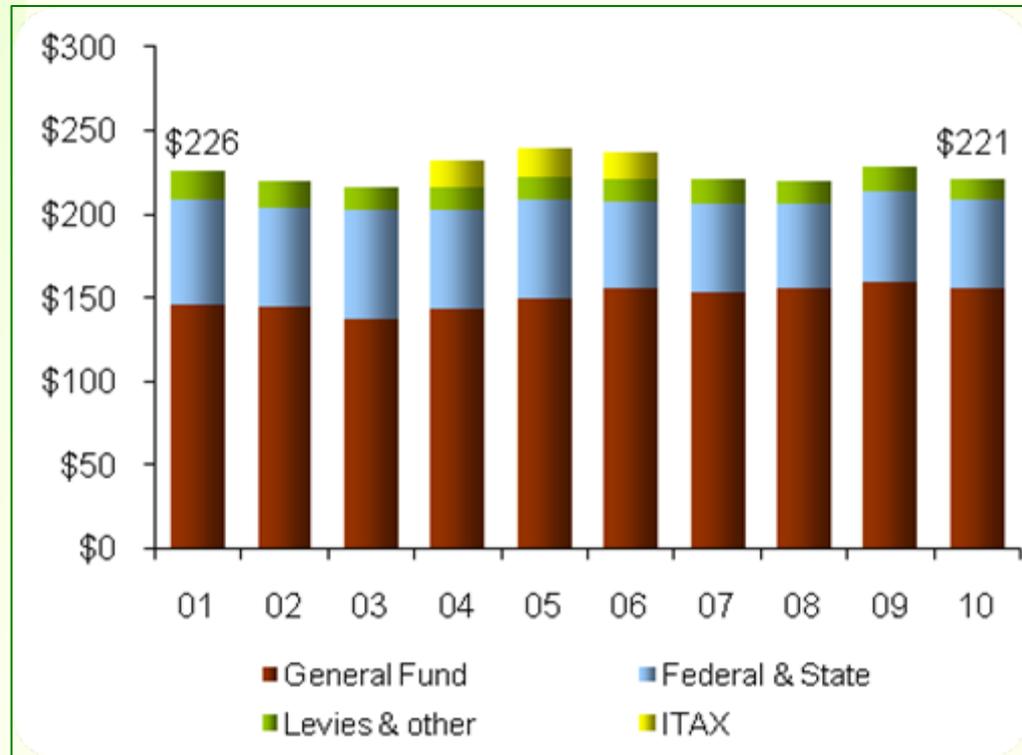


**Chart 20 Health Services**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Spending on Targeted Populations Public Safety Programs



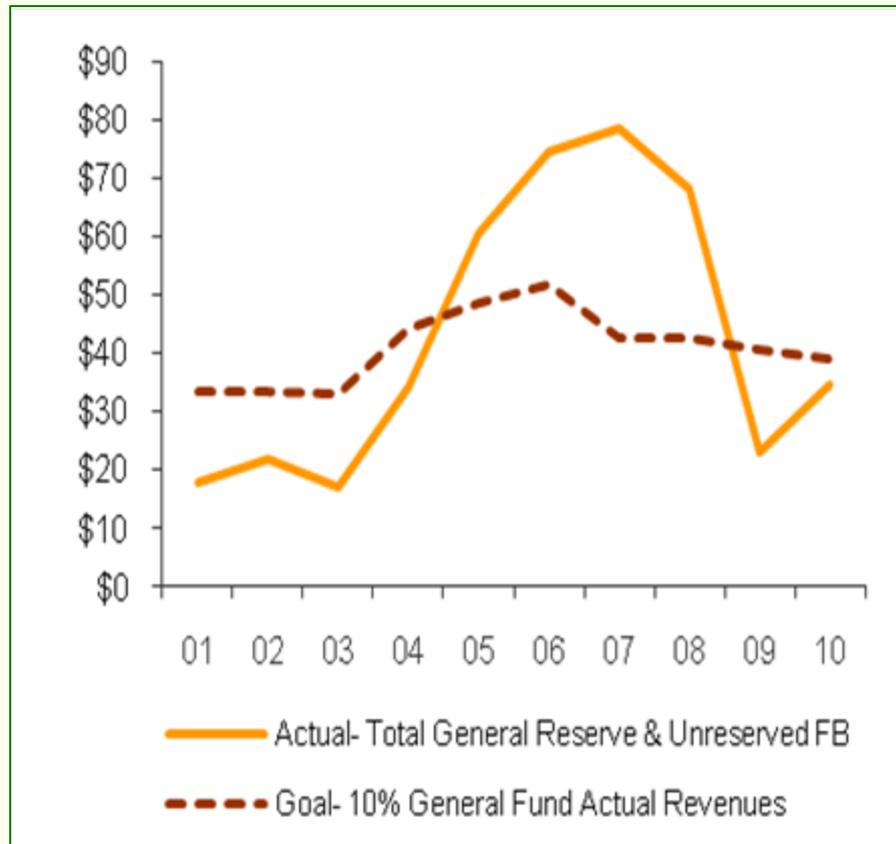
**Chart 20 Public Safety Programs**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Financial Health

# General Fund Unreserved Fund Balance

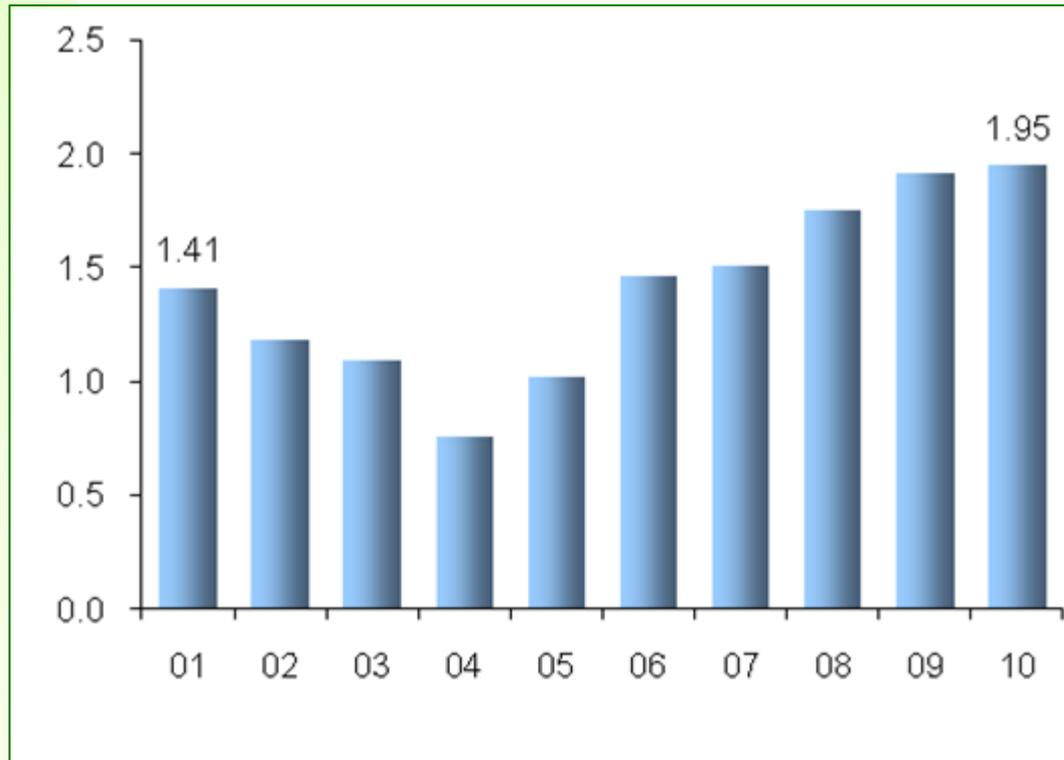


**Chart 29 General Fund Unreserved Fund Balance**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Liquidity

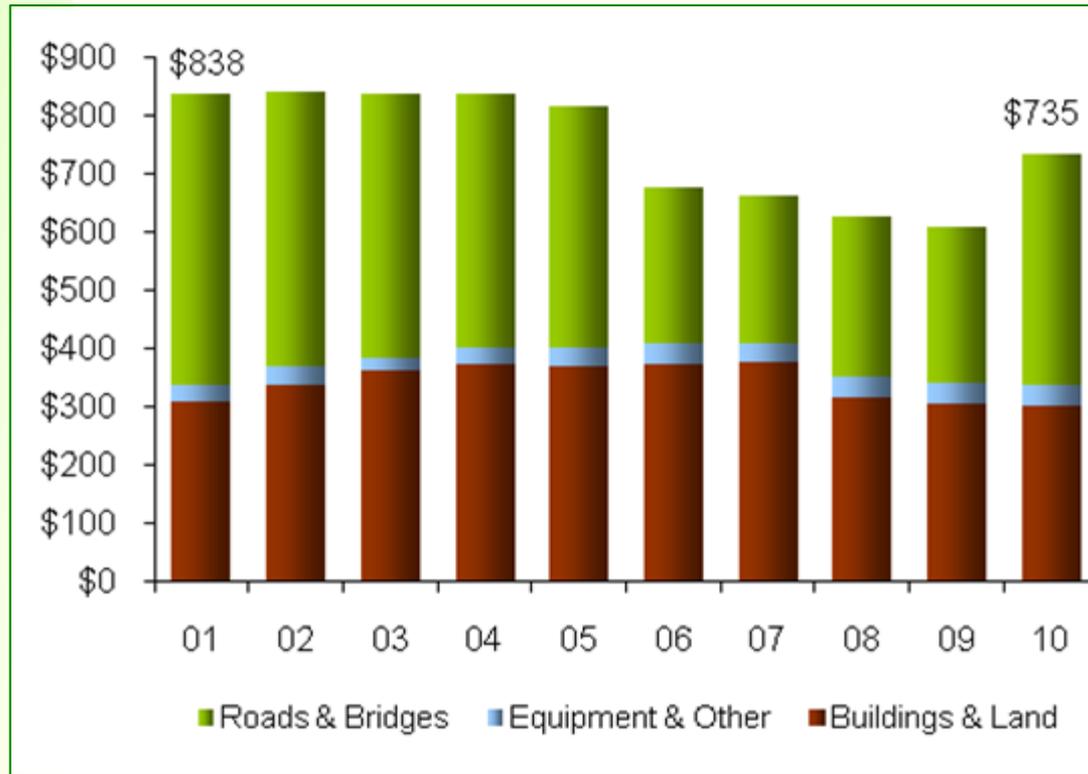


**Chart 31 Liquidity**

Current assets to liabilities

Fiscal year ended June 30

# Capital Assets

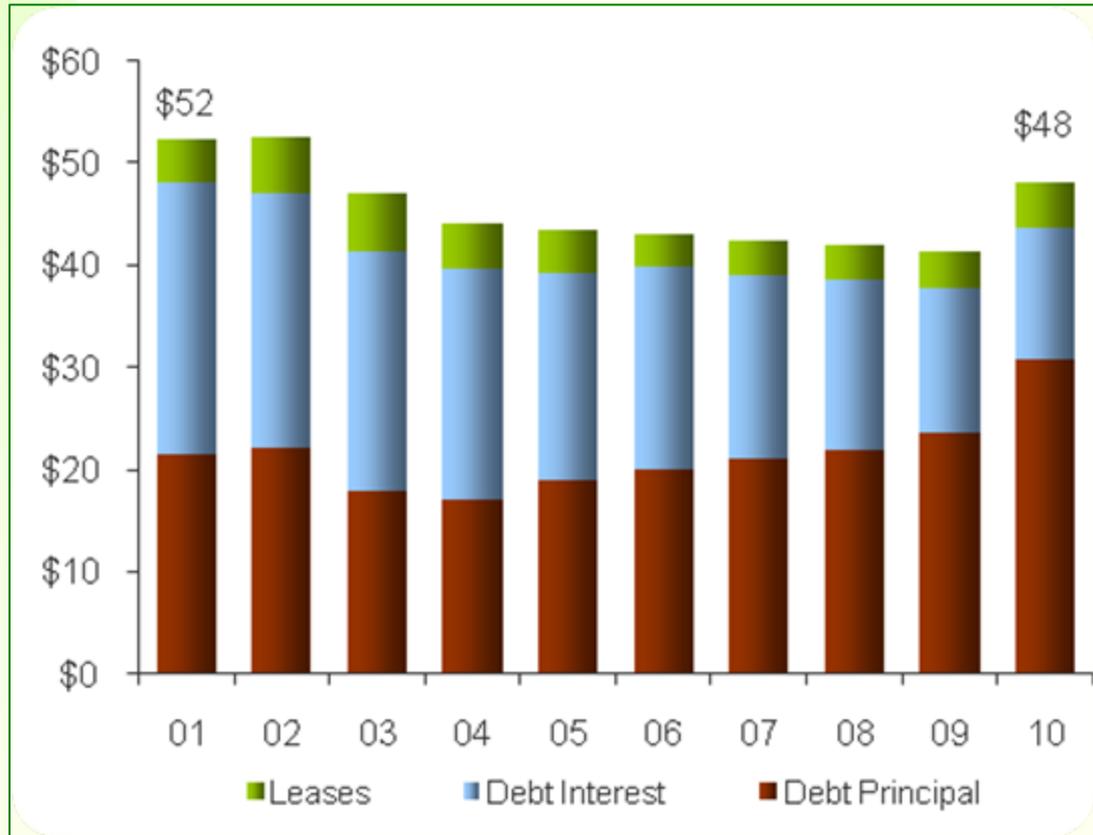


**Chart 32 Capital Assets**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Fixed Costs



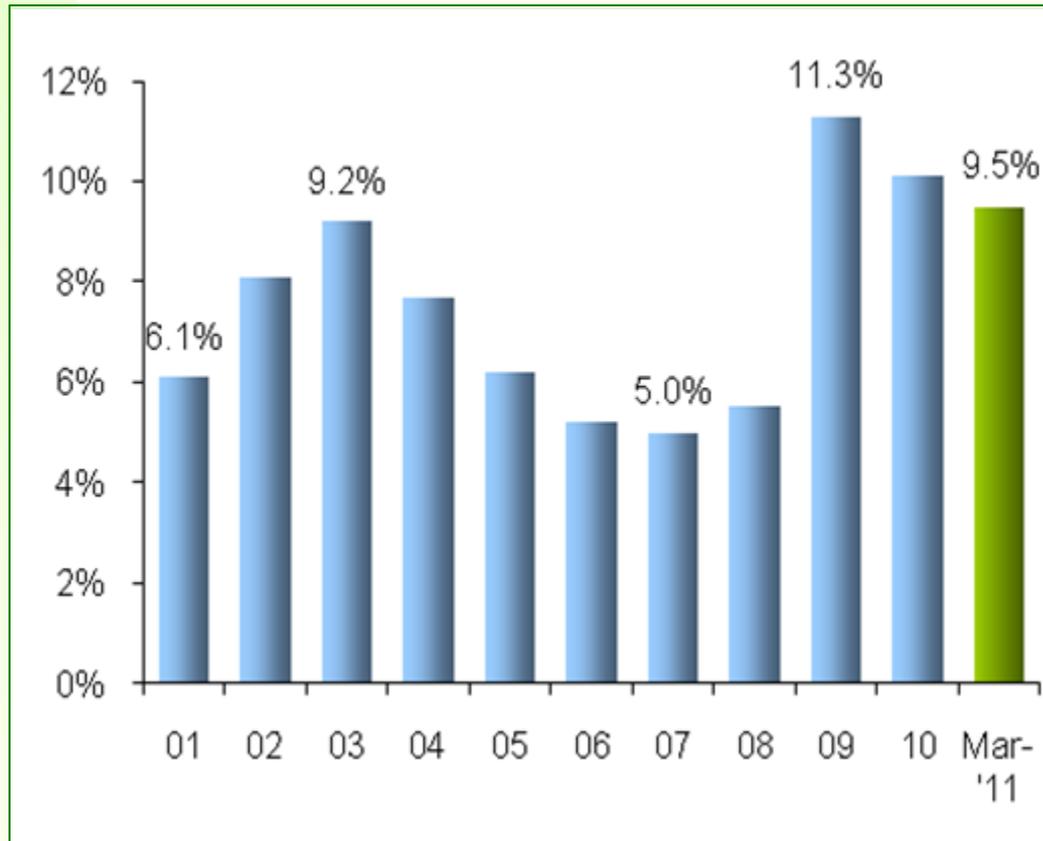
**Chart 34 Fixed Costs**

Fiscal year ended June 30

Adjusted for inflation (in millions)

# Revenue Base and the Economy

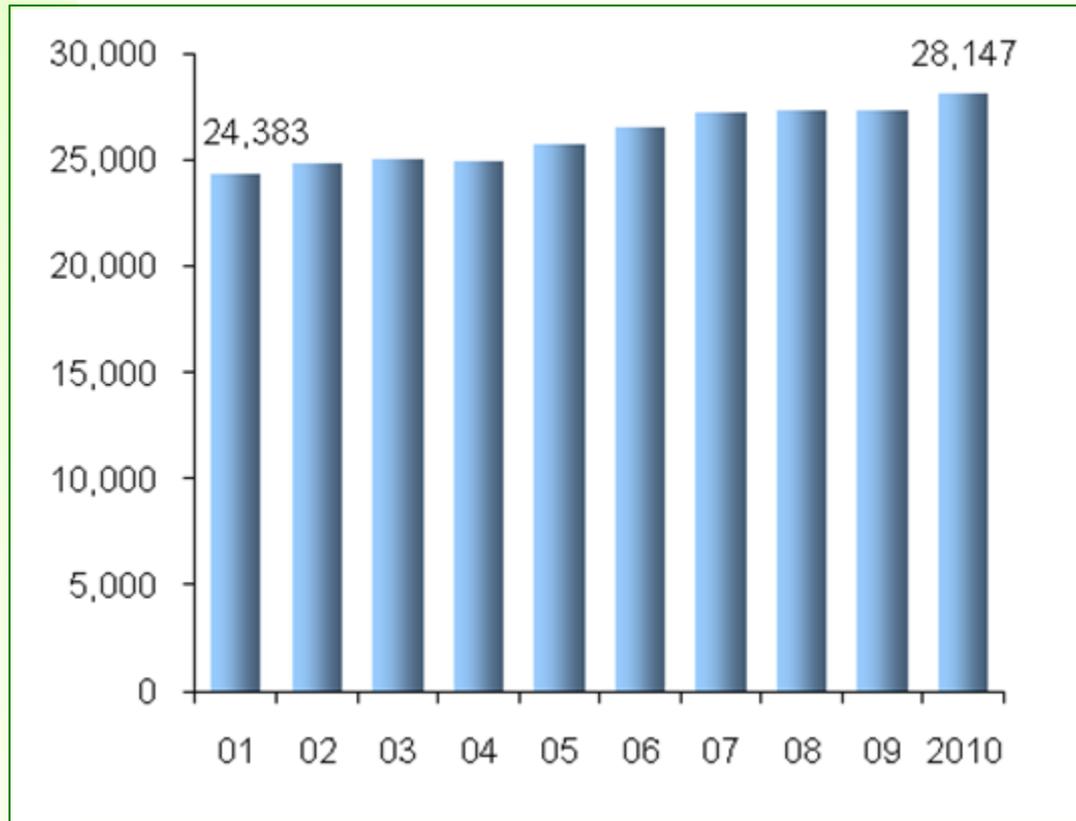
# Unemployment



**Chart 39 Unemployment Rate-Multnomah County**

At June 30

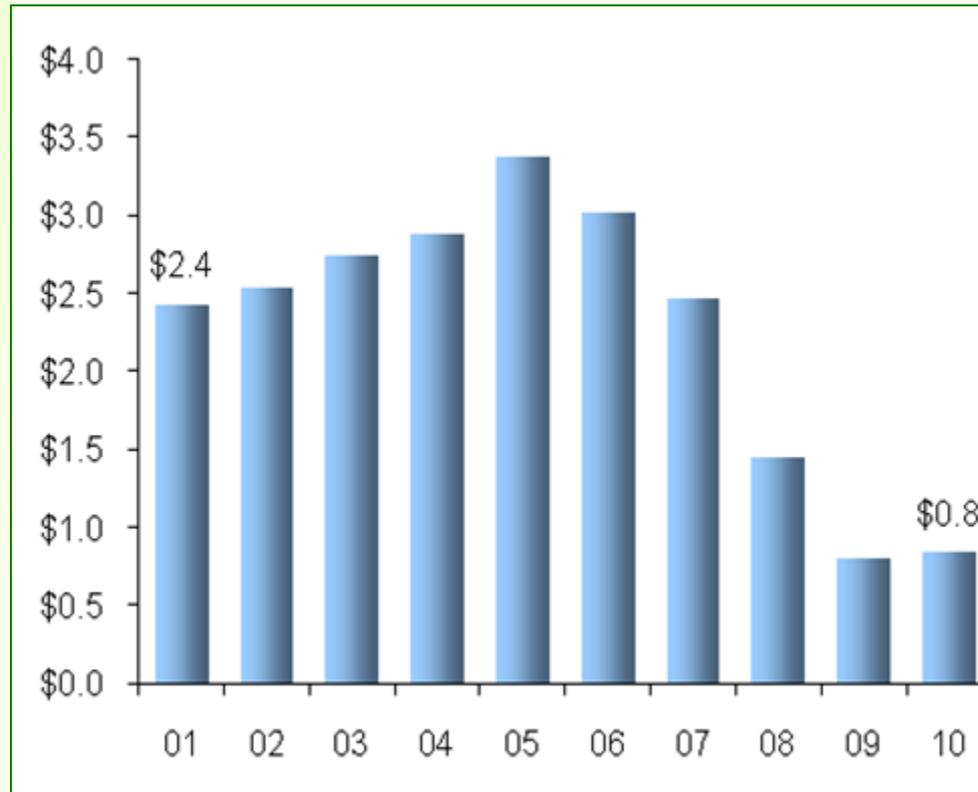
# Number of Businesses



**Chart 38 New Businesses in Multnomah County**

Calendar year at December 31

# New Construction

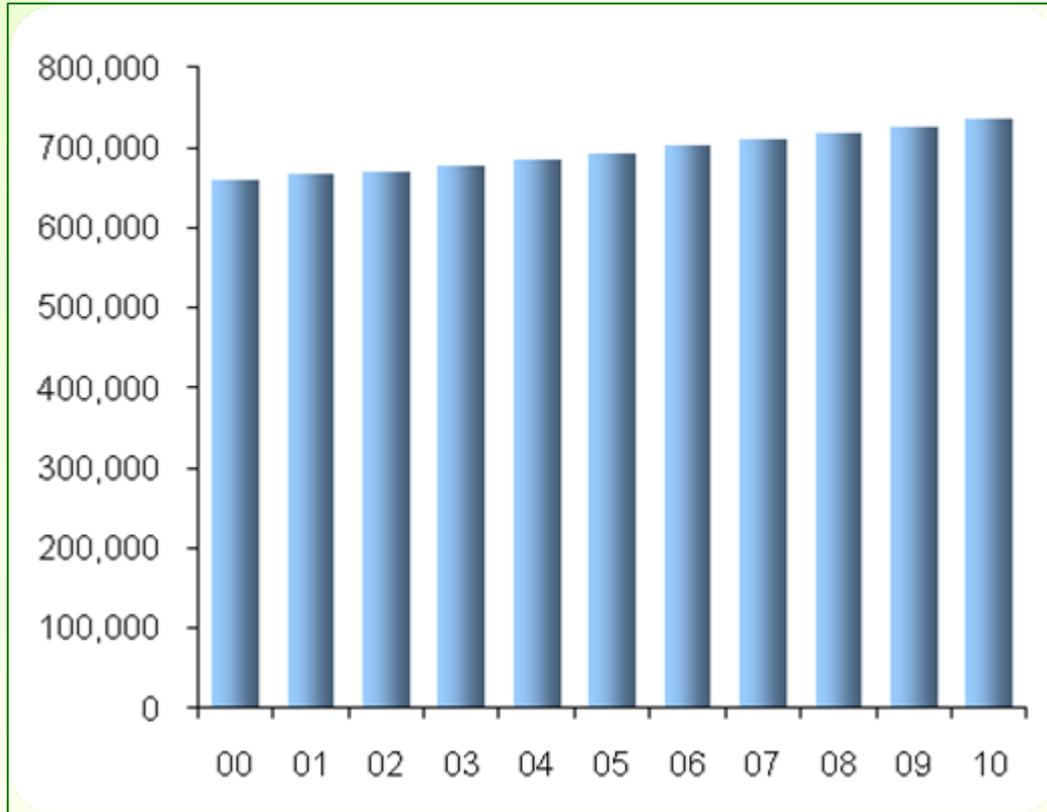


**Chart 37 New Construction-PMSA**

Calendar year ended December 31

Adjusted for inflation (in billions)

# County Population

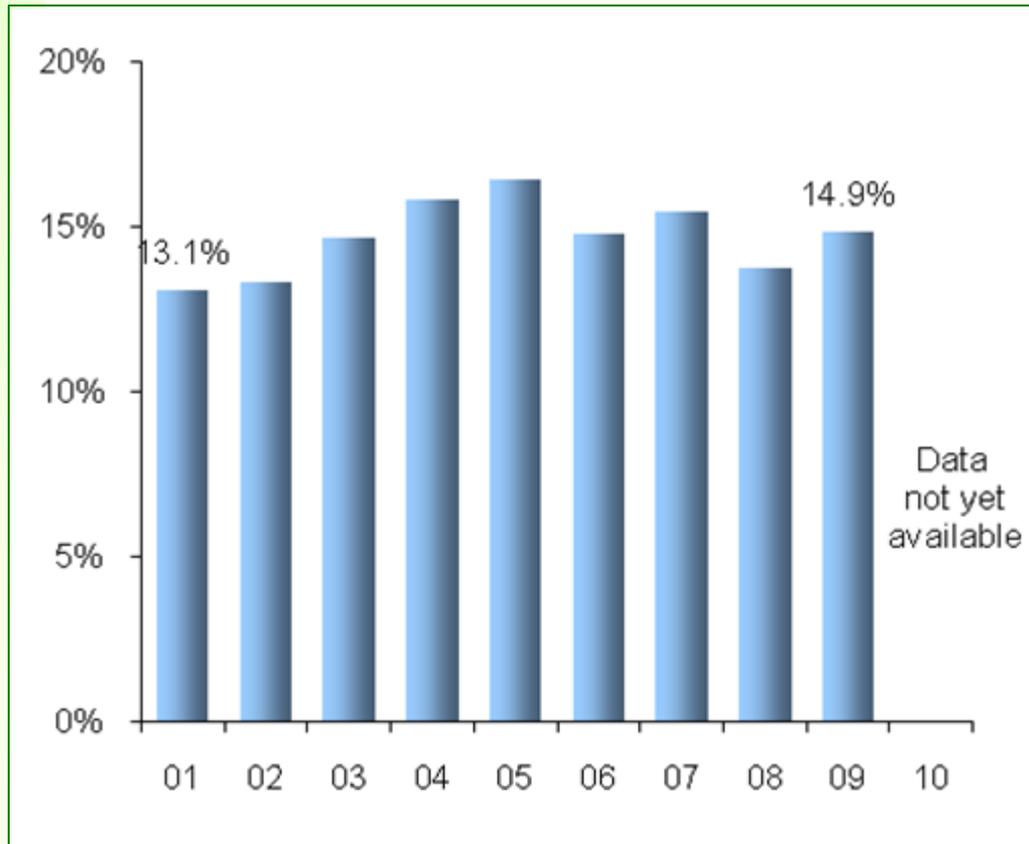


**Chart 42 County Population**

At April 1 for 2000 and 2010

At June 30 for FY01-FY09

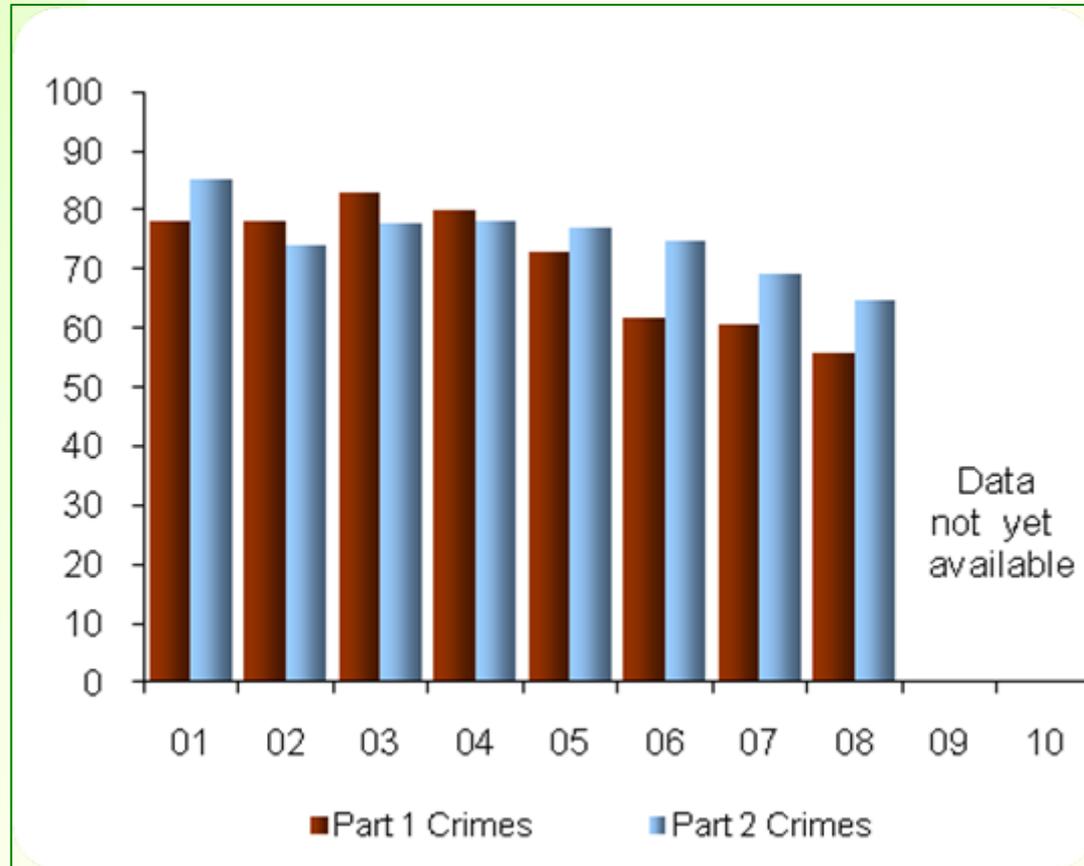
# Percent Residents in Poverty



**Chart 45 Percent of County Residents in Poverty**

Calendar year ended December 31

# Reported Crimes

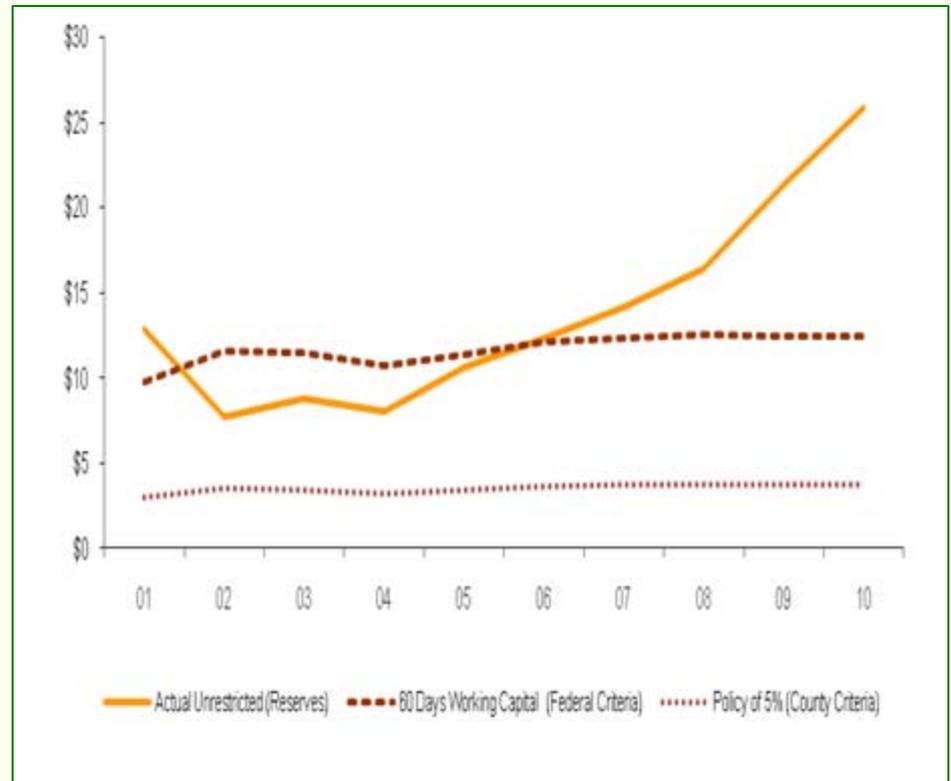


**Chart 46 Reported Crimes per 1,000 Residents**

Calendar year ended December 31

# Recommendation One: Internal Service Reserves

- 1.) Set a reasonable reserve amount
- 2.) Monitor and enforce internal service fund reserve policy
- 3.) Remove exception policy and fund special projects transparently



**Chart 47 Internal Service Reserves**

Combined totals for Fleet, Facilities, Mail Distribution, and Information Technology funds

Fiscal year ended June 30

# Recommendation Two: Long-Range Planning

- 1.) Set aside a set amount or percentage of undedicated general fund dollars
- 2.) Identify additional funding sources
- 3.) Seek federal assistance for seismic upgrades

## Liabilities:

- Deferred maintenance on buildings: \$230 million
- Seismic liability for bridges: \$156 million
- Unfunded OPEB: \$123 million

Any questions?