



**FY 10-11  
Lane County  
Operating Budget  
Overview**

April 29, 2010

Christine Moody, Budget Manager

# Total Budget Overview

- Current Year = \$585.7 million
- Proposed Yr = \$549.7 million
- Reduction = (\$36 million) or 6%
- FTE: Down 6.04 – 1,501.26 to 1,495.22

# Total Budget Overview

- 57% of our funds (20 of 35) are decreasing
  - Over half are going down by > \$1 million
- 43% of the funds (15 of 35) are increasing
  - 12 are increasing by < \$1 million
  - 1 are increasing \$1 to \$3 million
  - 2 funds are increasing by > \$4.5 - \$6.6 million

# Biggest Reductions by Fund

- Road Fund down \$10.5 million overall
  - Loss due to federal timber payment formula
  - Fund Balance down \$10 million
- Special Rev. Fund down \$5.7 million overall
  - (\$0.3 million) reduction in overall fund balance
  - (\$2.0 million) movement of Justice Courts back to General fund.
  - (\$1.9)reduction from Oregon Dept Transportation

# Biggest Reductions by Fund

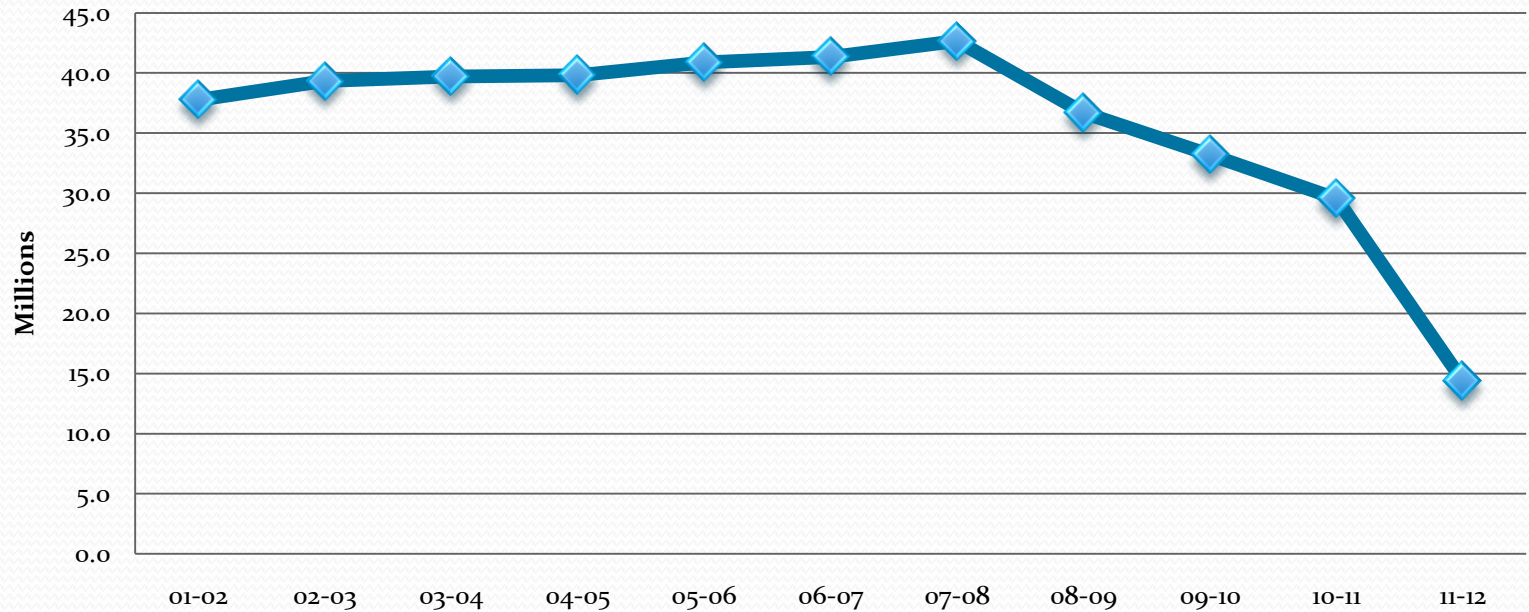
- Capital Improvement Fund down \$15.5 million overall due to removing bond proceeds and associated expenses.
- Solid Waste Disposal Fund declining by \$5.8 million due to removal of one-time interfund loan repayment.
- General Fund is decreasing by \$3.1 million due primarily to decreasing fund balance & federal timber payment.

# Biggest Reductions by Fund

- Overall loss in Federal Timber dollars due to SRS reduction formula is \$3.7 million:
  - Road Fund loss \$1.9 million
  - General Fund loss \$1.2 million
  - School Fund loss \$0.6 million

# History – Federal Timber Payments

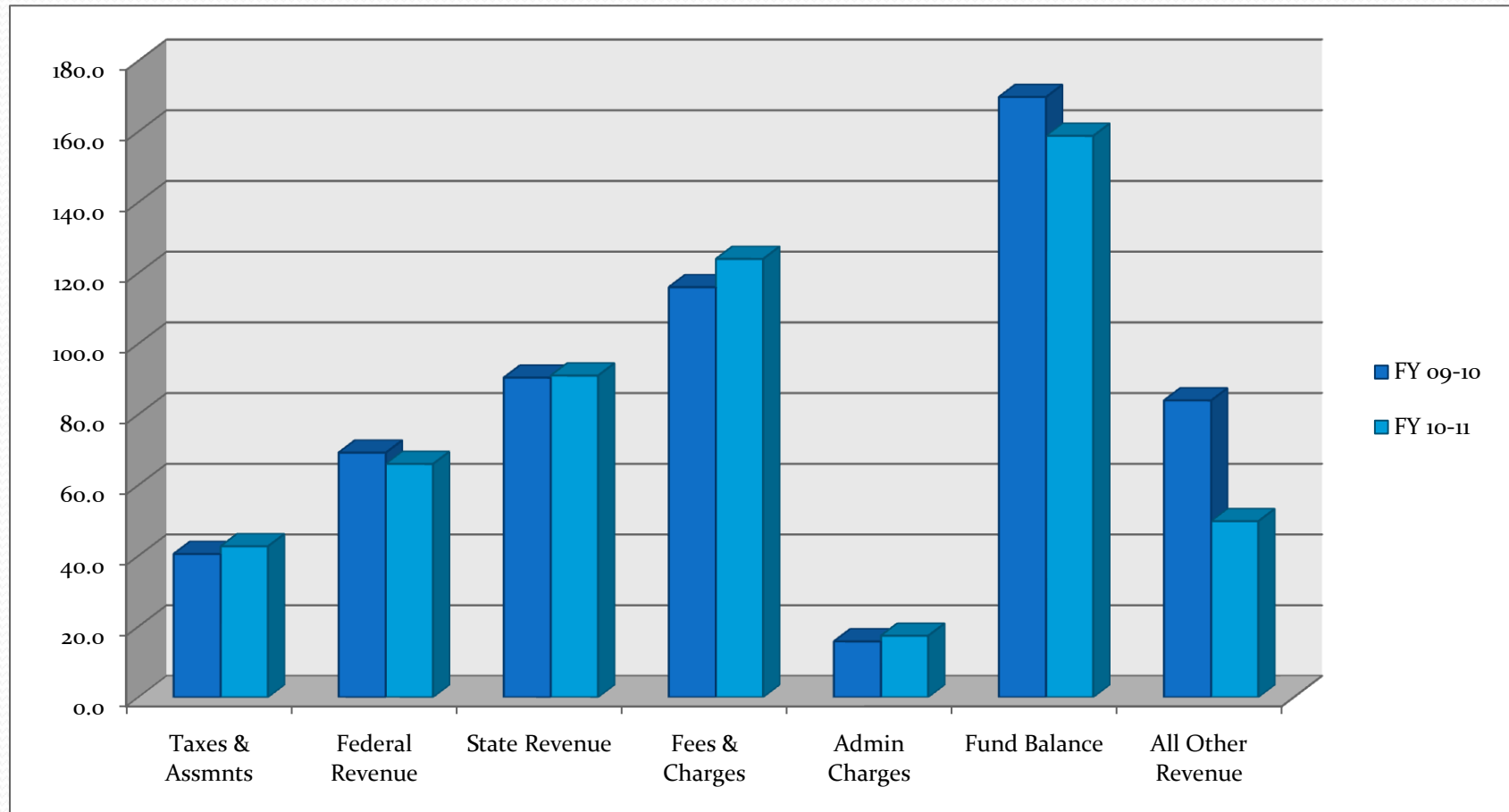
**Total SRS Payments to Lane County  
(excluding School Fund)**



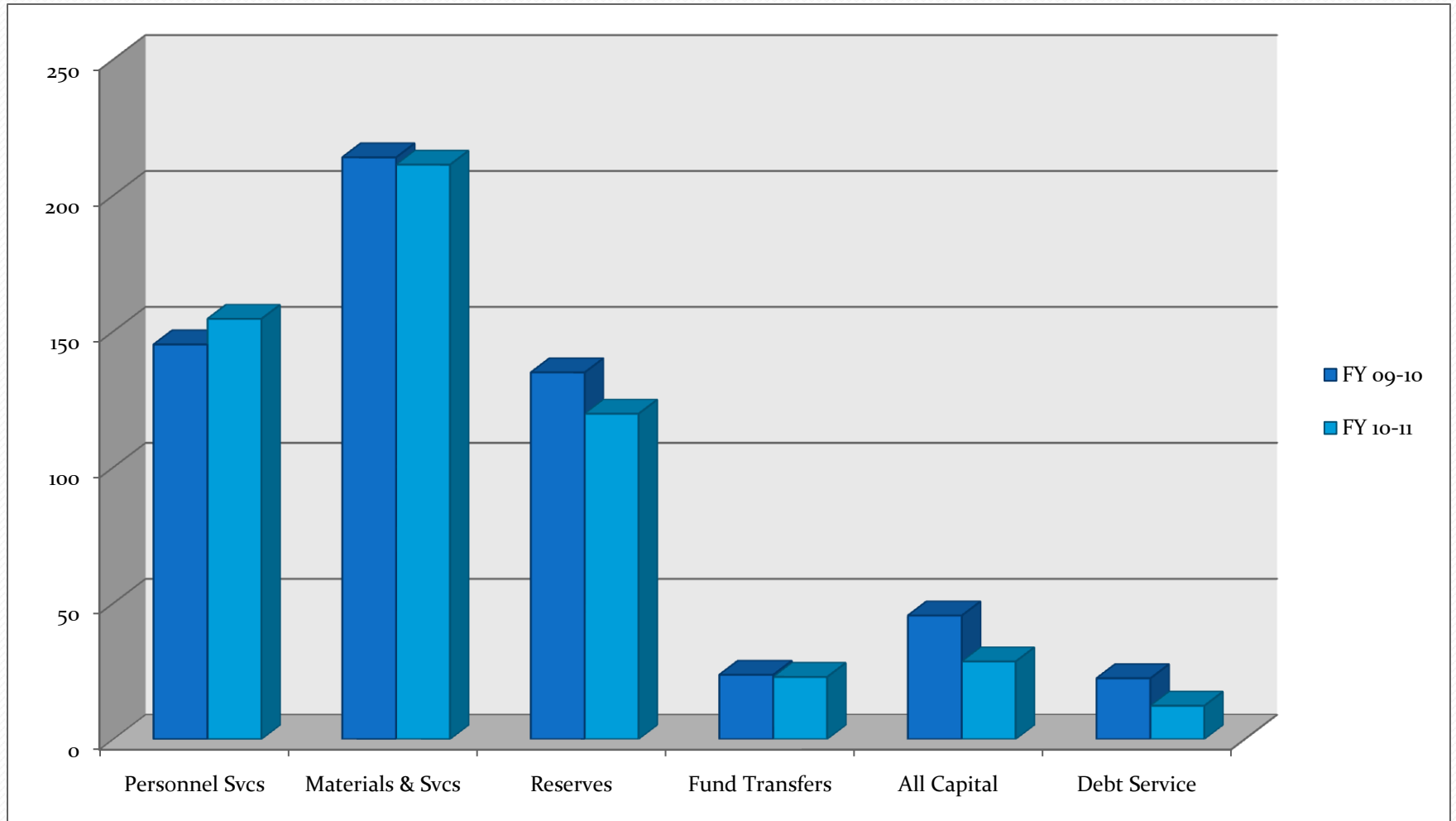
# Largest Fund Increases Overall

- Employee Benefit Fund up by \$6.7 million
  - 10.5% health/dental premium increase
  - PERS Rate – holding 3% higher than actual
- Land Management Fund up \$700 thousand
  - Beginning to see slight economic recovery
- Retiree Benefit Trust Fund up by \$1.2 million
  - Increase needed to fund future liability

# Overall Revenue Changes



# Overall Expenditure Changes

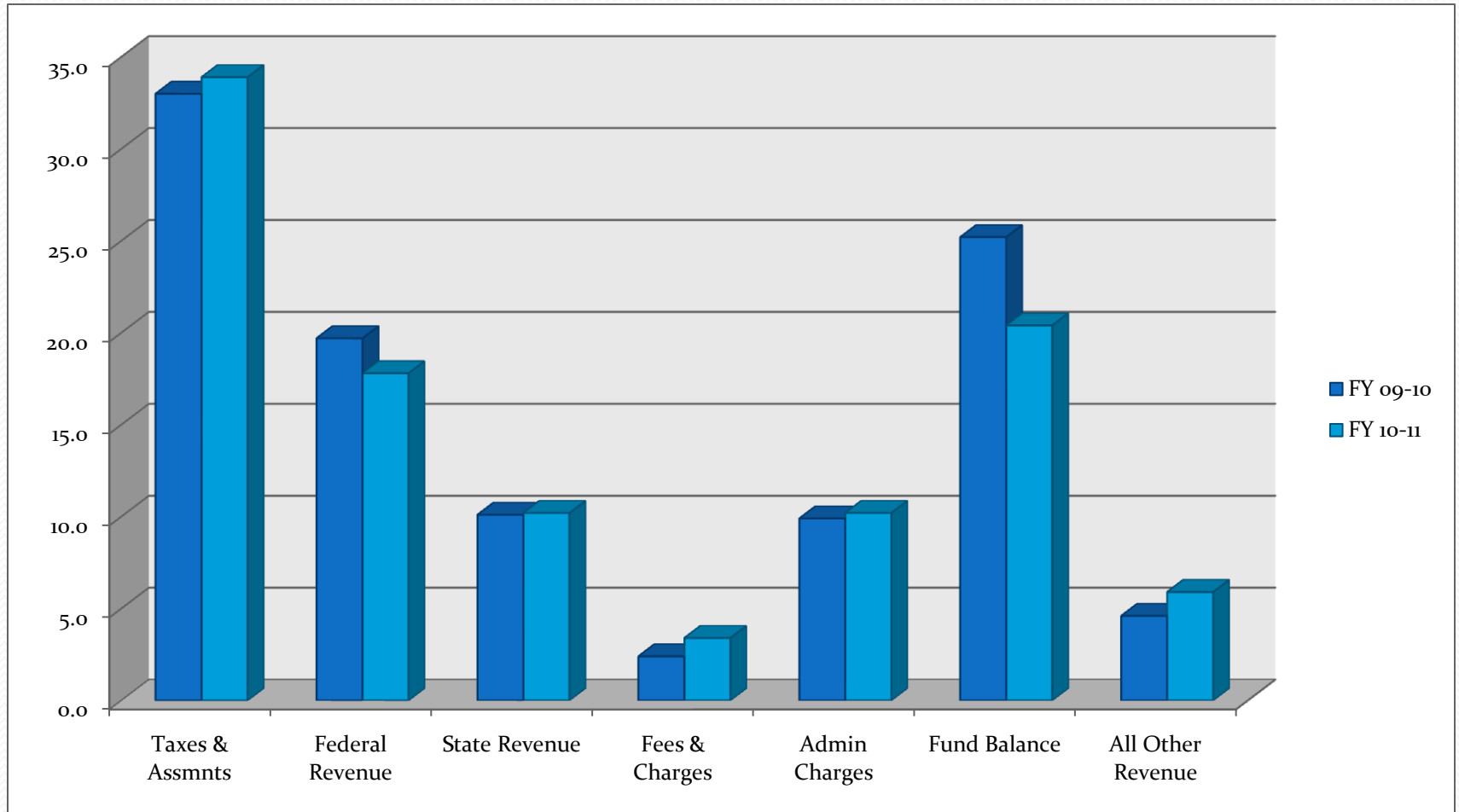


# **General Fund Budget**

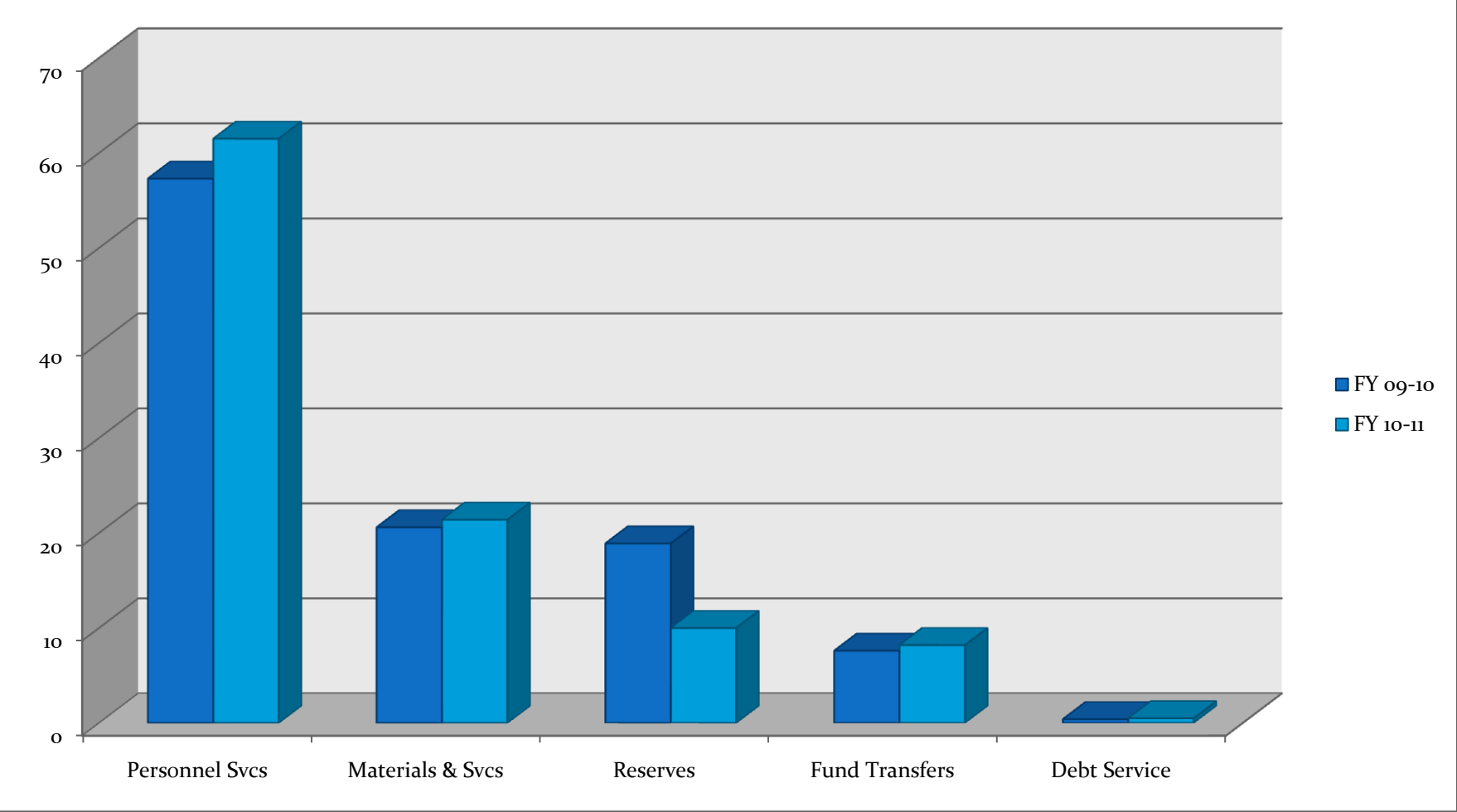
# General Fund Overview

- General Fund Budget
    - Current Year = \$104.9 million
    - Proposed Yr = \$101.8 million
    - Decrease = \$3.1 million or 3.0%
  - General Fund FTE
    - Current Year = 556.13
    - Proposed Yr = 568.45
    - Increase = 12.32\*
- \*(10.45 of this number is Justice Courts moving into fund)

# General Fund Revenue Changes



# General Fund Expenditure Changes

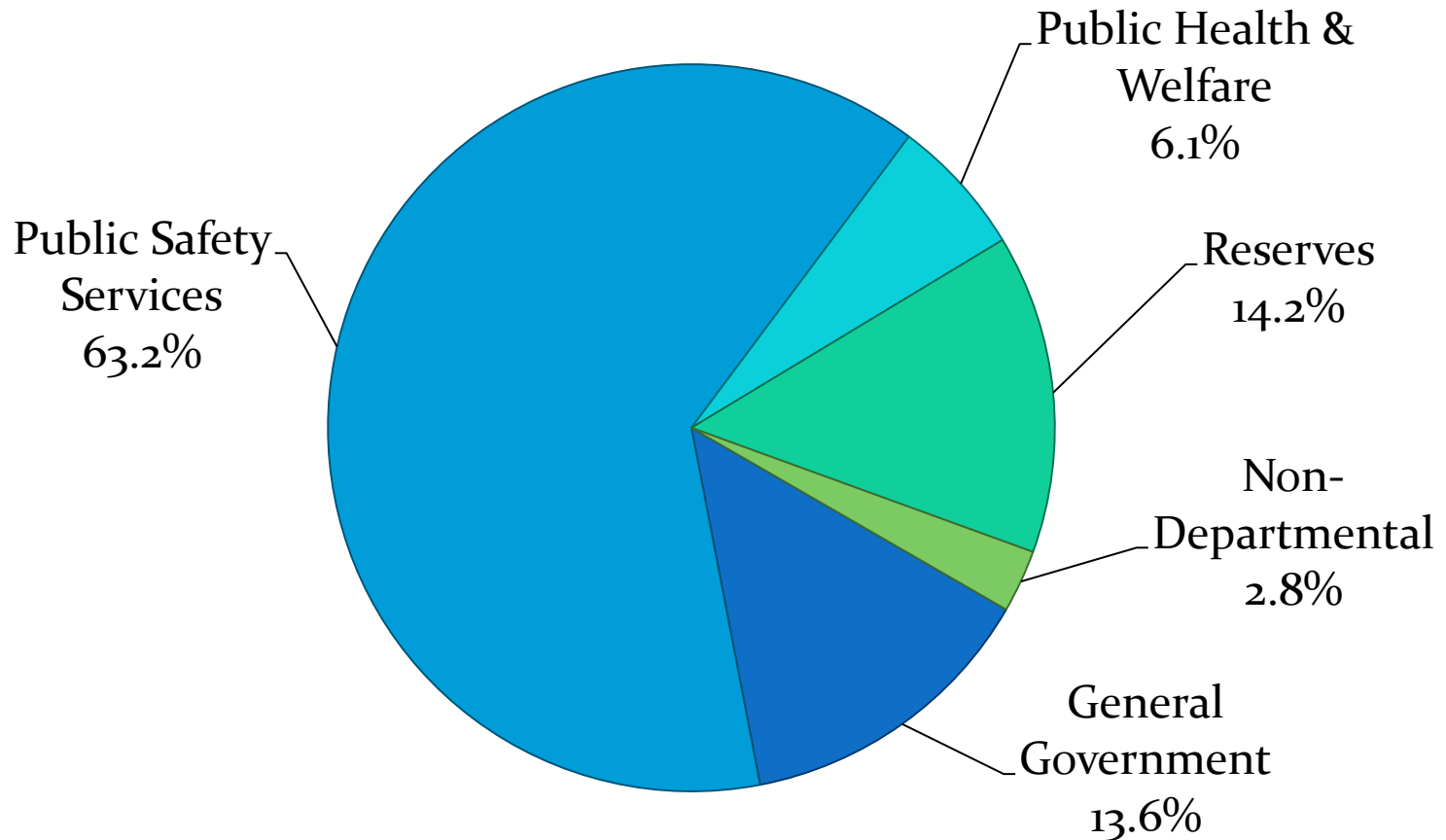


# **Discretionary General Fund Budget**

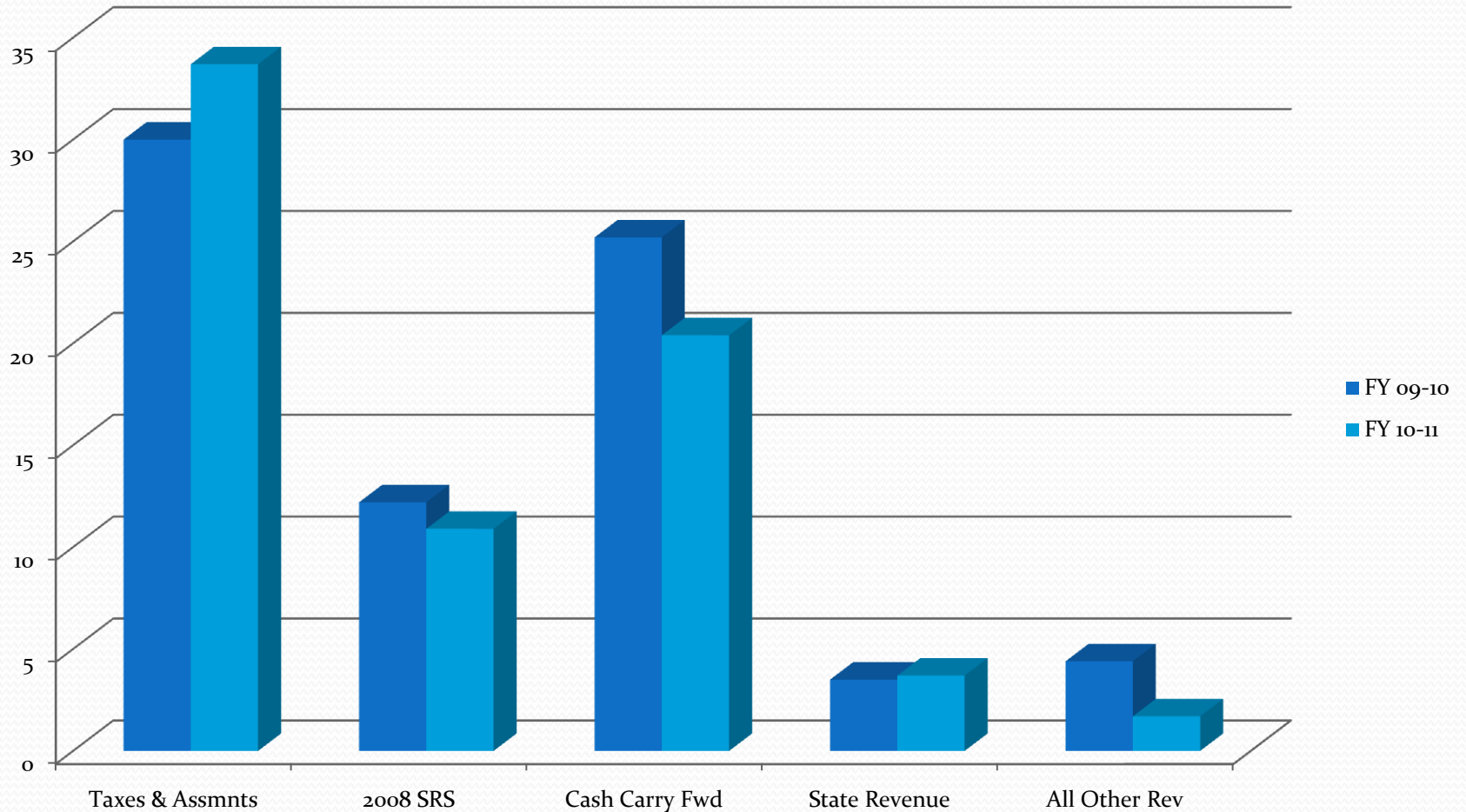
# Discretionary General Funds

- Unrestricted Revenue within the General Fund – no strings attached by State, Feds, or grantors
- Discretionary Budget
  - Current Year = \$75.3 million
  - Proposed Yr = \$70.4 million
  - Decrease = \$3.9 million

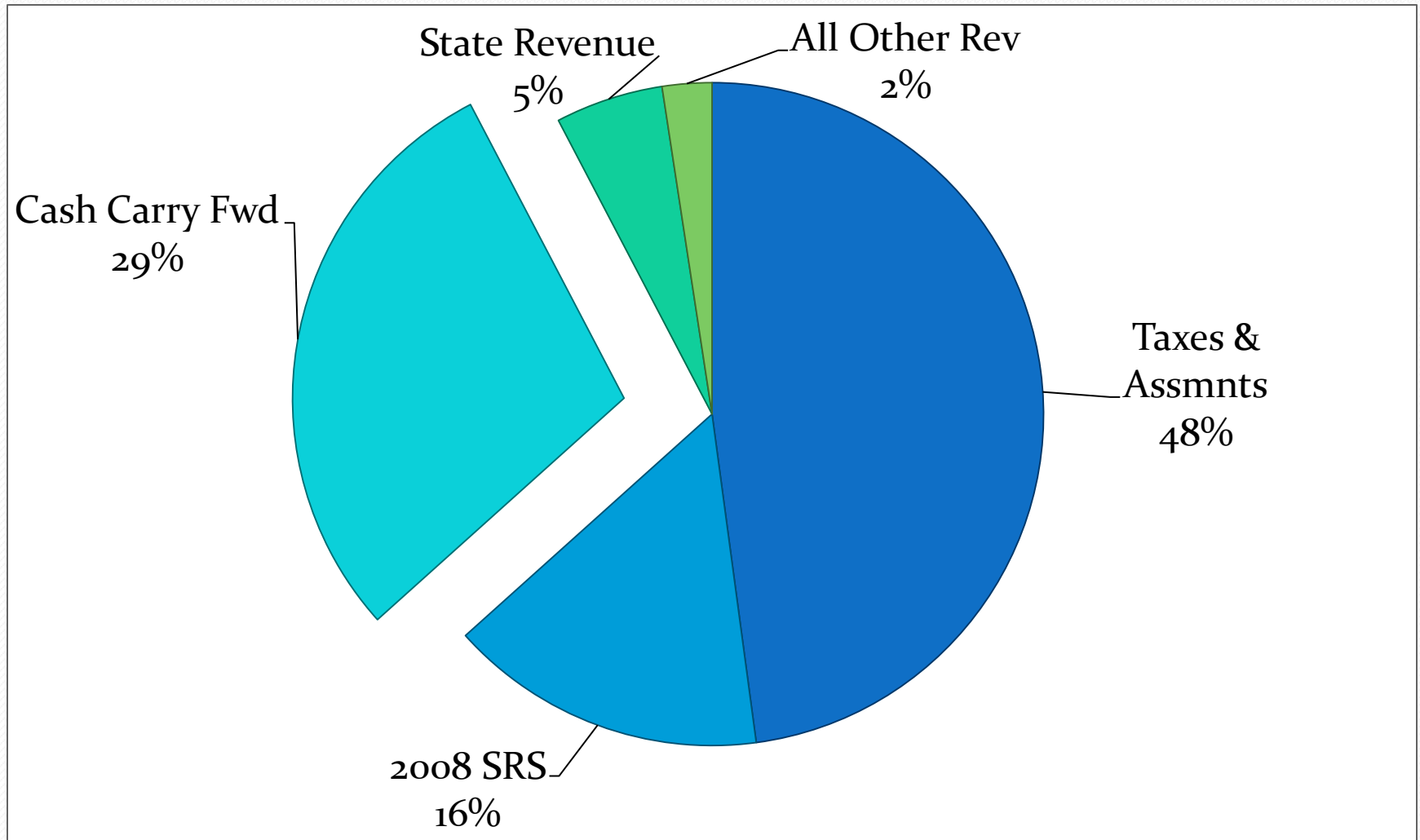
# Allocation of Discretionary General Fund by Service Category



# Discretionary Revenue Changes



# Proposed Discretionary Revenue



# GF Service Changes in Prop. Budget

- Health & Human Svcs: \$45,719 for prevention specialist focusing on suicide prevention & mental health services.
- Youth Services: \$82,169 for Youth Advocacy Coordinator
- Intergovernmental Relations & Public Information Office: \$25,682 for extra help staff for both programs.
- Sheriff's Office: (~~\$372,868~~) reduction to traffic team.
- Human Resources: \$20,000 for countywide diversity survey.
- County Clerk: \$450,000 for voting machine replacement.



**Looking Ahead**

# Uncertain Budget Stability

- Proposed Budget provides a final year of stability of current service levels WITHOUT factoring in State Budget Cuts.
- It is impossible to know how much the State will cut, how extensive the cuts will be, and what the impact will be on Lane County services.

# State Budget

- FY 11-12 State Biennium has anticipated deficit.
- Examples of Service areas at risk:
  - **Public Safety:** Corrections, Prob. & Parole, Yth Svcs
  - **Public Health:** Family Planning and Comm. Disease
  - **Mental Health:** Acute Care/Crisis and Outpatient Svcs
  - **Dev. Disabilities:** Supported Employ. & Group Homes
  - **Human Svc Comm.:** State Homeless Asst and Vets
  - **Children & Families:** Runaway Homeless Youth, Relief Nurseries, and Healthy Start
  - **Economic Development:** Video Lottery funding

# General Fund Forecast

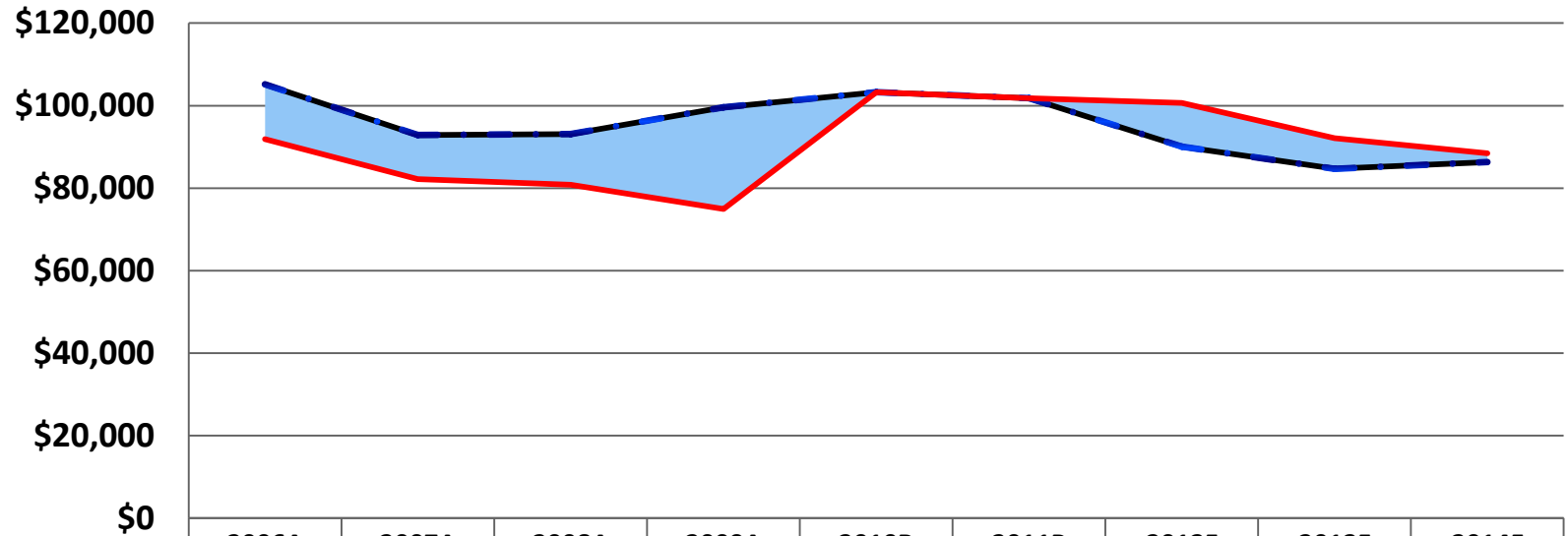
Forecast projects that County will begin the reduction process related to the Federal Timber Payment reduction in FY 11-12.

## Current Projected Reductions:

	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>
<b>Reduction</b>	<b>\$10,552,901</b>	<b>\$7,434,182</b>	<b>\$2,155,538</b>

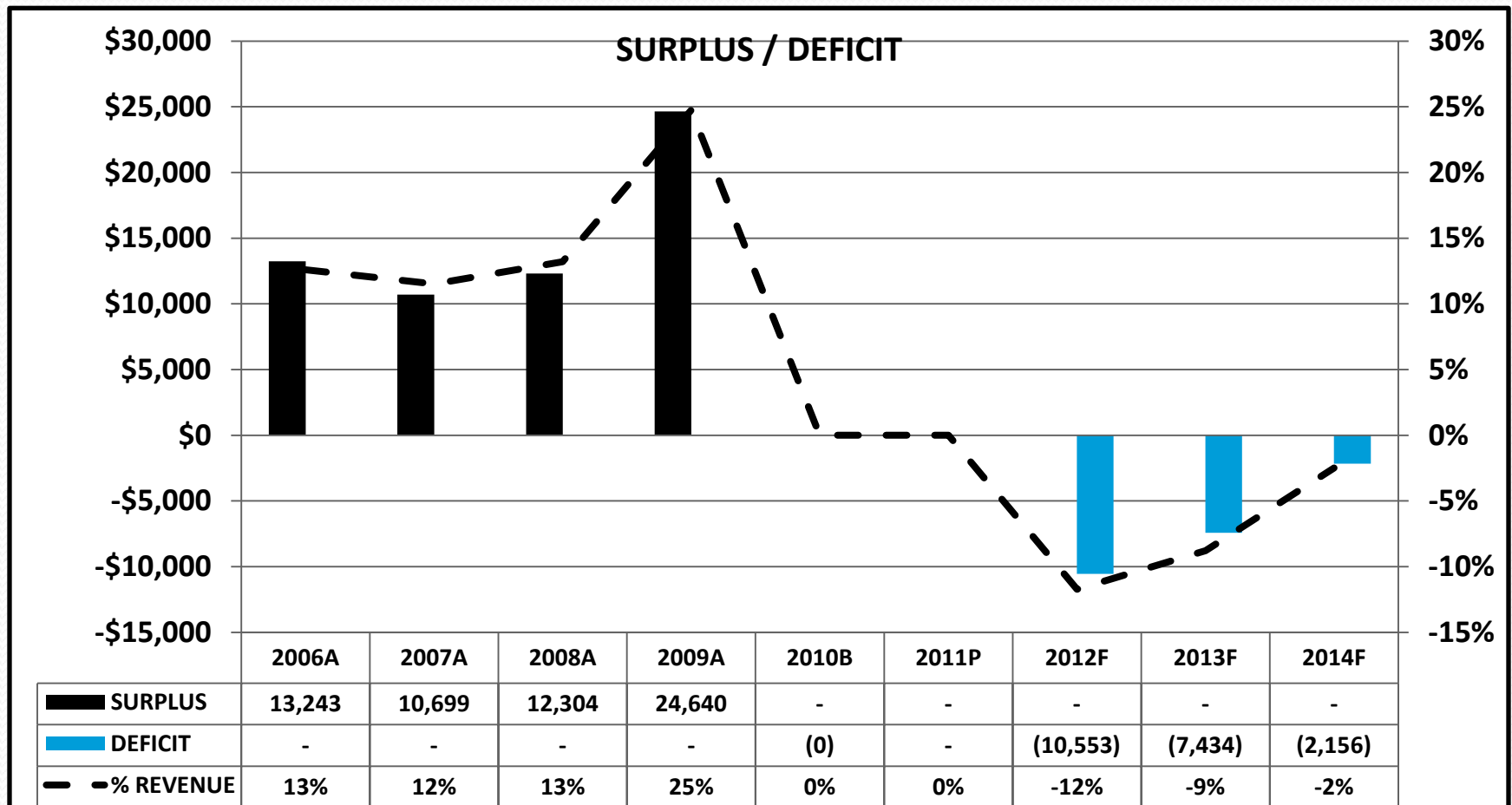
# General Fund Forecast – Rev/Exp

REVENUES AND EXPENDITURES



	2006A	2007A	2008A	2009A	2010B	2011P	2012F	2013F	2014F
VARIANCE	13,243	10,699	12,304	24,640	(0)	-	(10,553)	(7,434)	(2,156)
VAR BASE	91,914	82,210	80,809	74,959	103,233	101,827	100,617	92,120	88,464
BASELINE REV	105,157	92,909	93,113	99,599	103,233	101,827	90,064	84,686	86,308
REVENUES	105,157	92,909	93,113	99,599	103,233	101,827	90,064	84,686	86,308
EXPENDITURES	91,914	82,210	80,809	74,959	103,233	101,827	100,617	92,120	88,464

# General Fund Forecast – Surplus/Deficit



# General Fund Services

Where to find out more:  
Service Option Sheets

\*\*Information on services provided with general fund, level of mandates that county must follow, leverage generated by providing services & how well the services are performed.

# Forecast Summary

- Federal Timber Payment Step-Down leads to precarious General Fund Forecast
- State Funding beginning in FY 11-12 may well put additional strain on County's discretionary resources
- Structural Deficit – expenses grow faster than revenues, still exists.
- Economy increases demand for many County services.

Lane County Government continues to  
strive to follow its mission statement:

Provide high quality government services in a fair, open  
and economical manner to best meet the needs and  
expectations of our citizens & guests.



