

FY 09-10
Lane County
Operating Budget
Overview

April 30, 2009

David Garnick, Budget Manager

Total Budget Overview

- Current Year = \$534.6 million
- Proposed Yr = \$513.4 million
- Reduction = (\$21.2 million) or 4%
- FTE: Up 20.89 from 1,416.22 to 1,437.11

Total Budget Overview

- 56% of our funds (19 of 34) are decreasing
 - Over half are going down by < \$1 million
- 44% of the funds (14 of 34) are increasing
 - 8 are increasing by < \$1 million
 - 5 are increasing \$1 to \$5 million
 - 1 fund is increasing by > \$5 million

Biggest Reductions by Fund

- Road Fund down \$21.8 overall
 - Lost \$10.0 million one-time payment from ODOT
 - Fund Balance down \$5.3 million
 - \$3.1 million loss due to federal timber payment formula
 - \$2.0 million decline in fee revenue
 - About (\$1.0) million loss in Highways funds/gas tax rev.

Biggest Reductions by Fund

- Special Rev. Fund down \$3.5 million
 - (\$1.2 million) reduction in overall fund balance
 - (\$863,000) reduction in video lottery & Dept. Labor revenue
 - (\$689,000) reduction in Justice Court Fines
 - (\$645,000) reduction in Room Tax Revenue
- Capital Improvement Fund down \$2.1 million overall due to removing 1-time interfund loan.

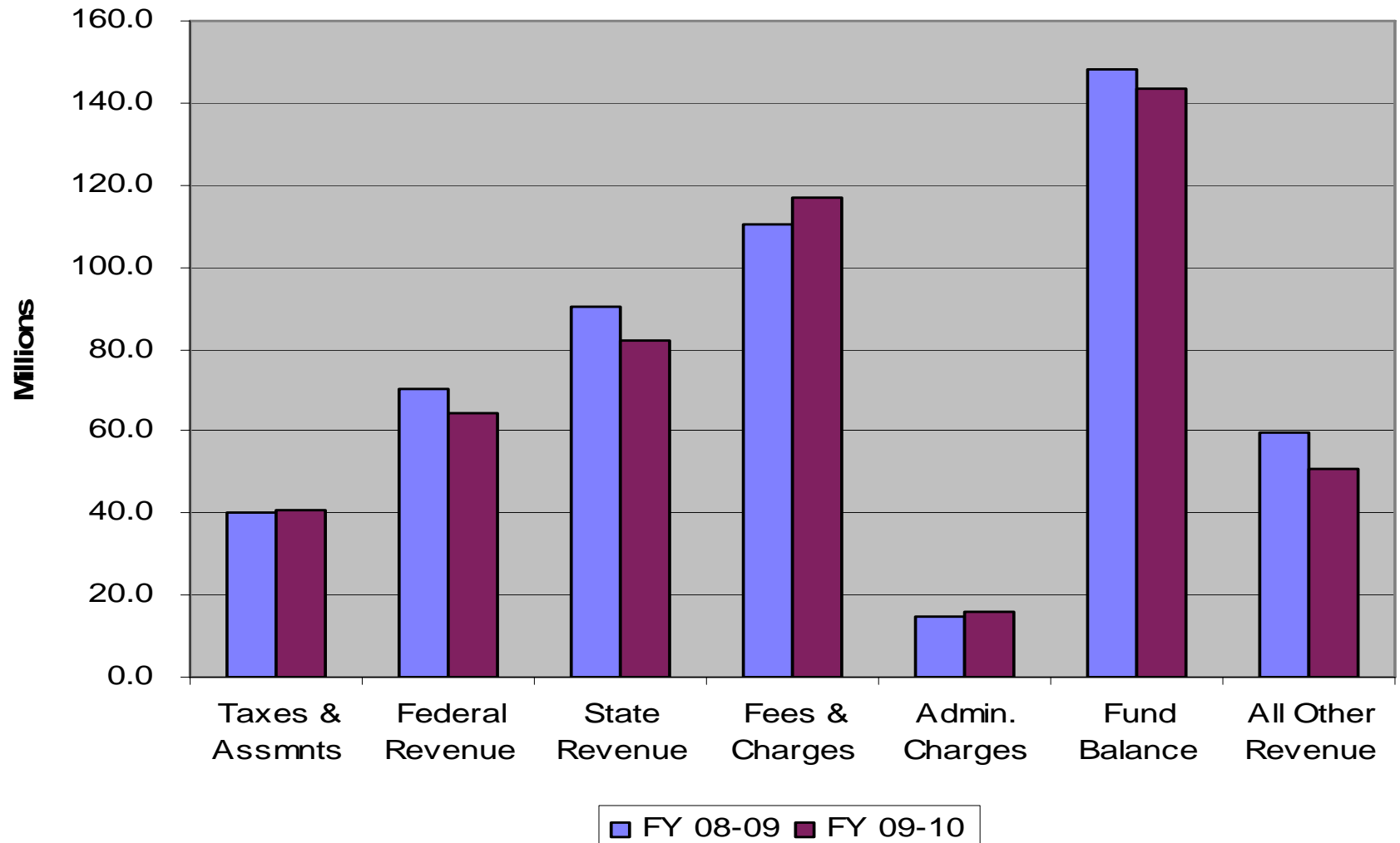
Biggest Reductions by Fund

- Solid Waste Disposal Fund declining by \$2.6 million due primarily to reduction in fund balance.
- Overall loss in Federal Timber dollars due to built-in formula reduction is \$5.4 million:
 - Road Fund loss \$3.0 million
 - General Fund loss \$1.4 million
 - School Fund loss \$1.0 million

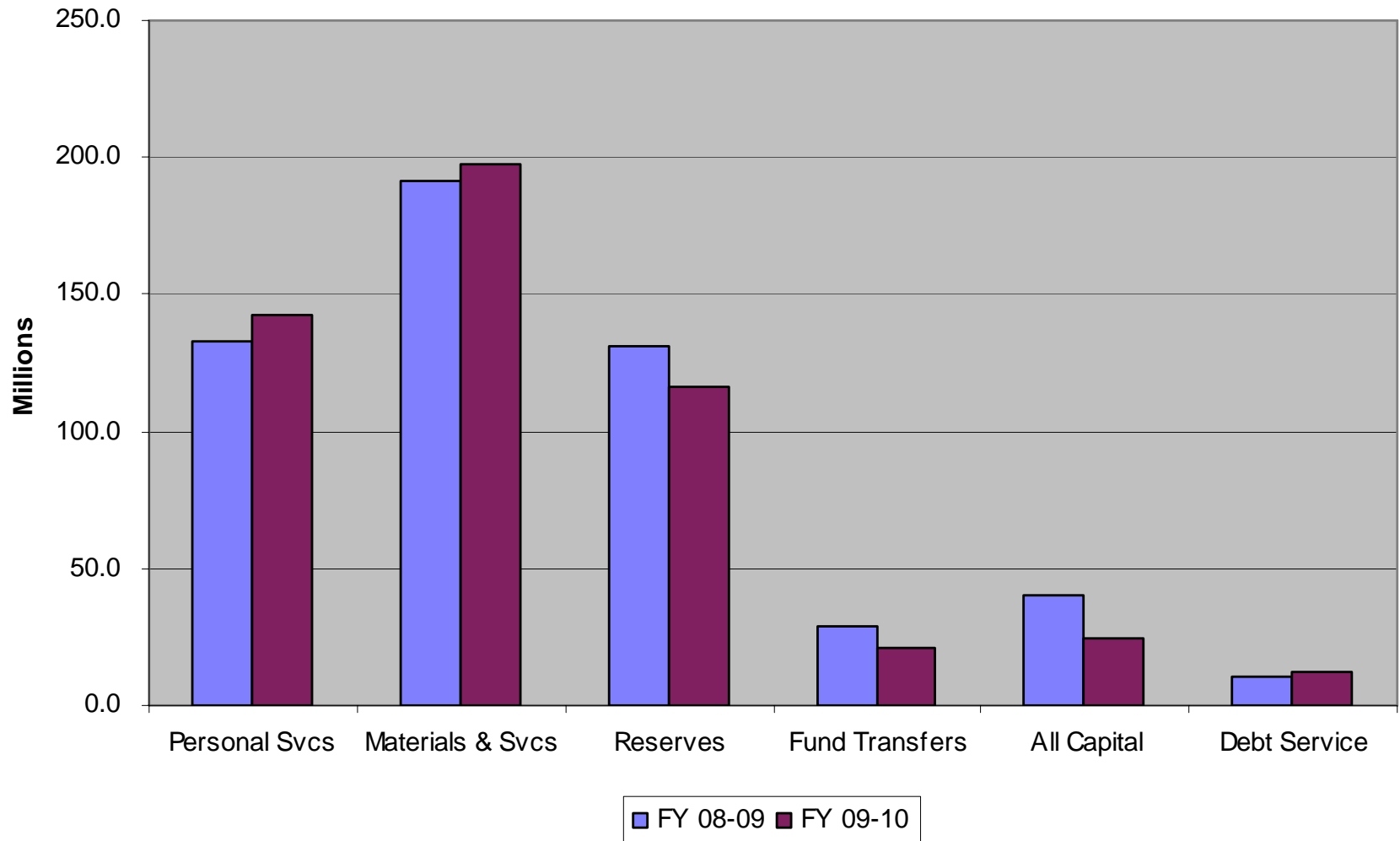
Largest Fund Increases Overall

- Employee Benefit Fund up by \$5.8 million
 - Due in part to 14.7% benefit increase
 - Also due to service additions adding net 20.9 FTE
- General Fund is increasing by \$2.7 million due primarily to service restorations
- Pension Bond Fund increasing by \$1.6 million to achieve sufficient funds to pay off last callable portion of PERS Pension bonds by year end.

Overall Revenue Changes



Overall Expenditure Changes



State Budget Cuts

State Budget Cuts

- Projected State Budget Deficit Currently \$4.4 Billion – could go to more than \$5 Billion
- Joint Ways & Means Committees have cut lists from all state agencies up to 30% reductions
- Legislature is waiting for May 15 Economic Forecast before making decisions

State Budget Cuts (cont.)

- Legislature expects to apply Federal Stimulus dollars to cover between \$1 and \$2 Billion of overall deficit.
- Counties expected to take a large reduction.
- Since State cuts not decided yet, no major cuts in the Proposed Budget.

State Budget Cuts (cont.)

- **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 Budget

General Fund Overview

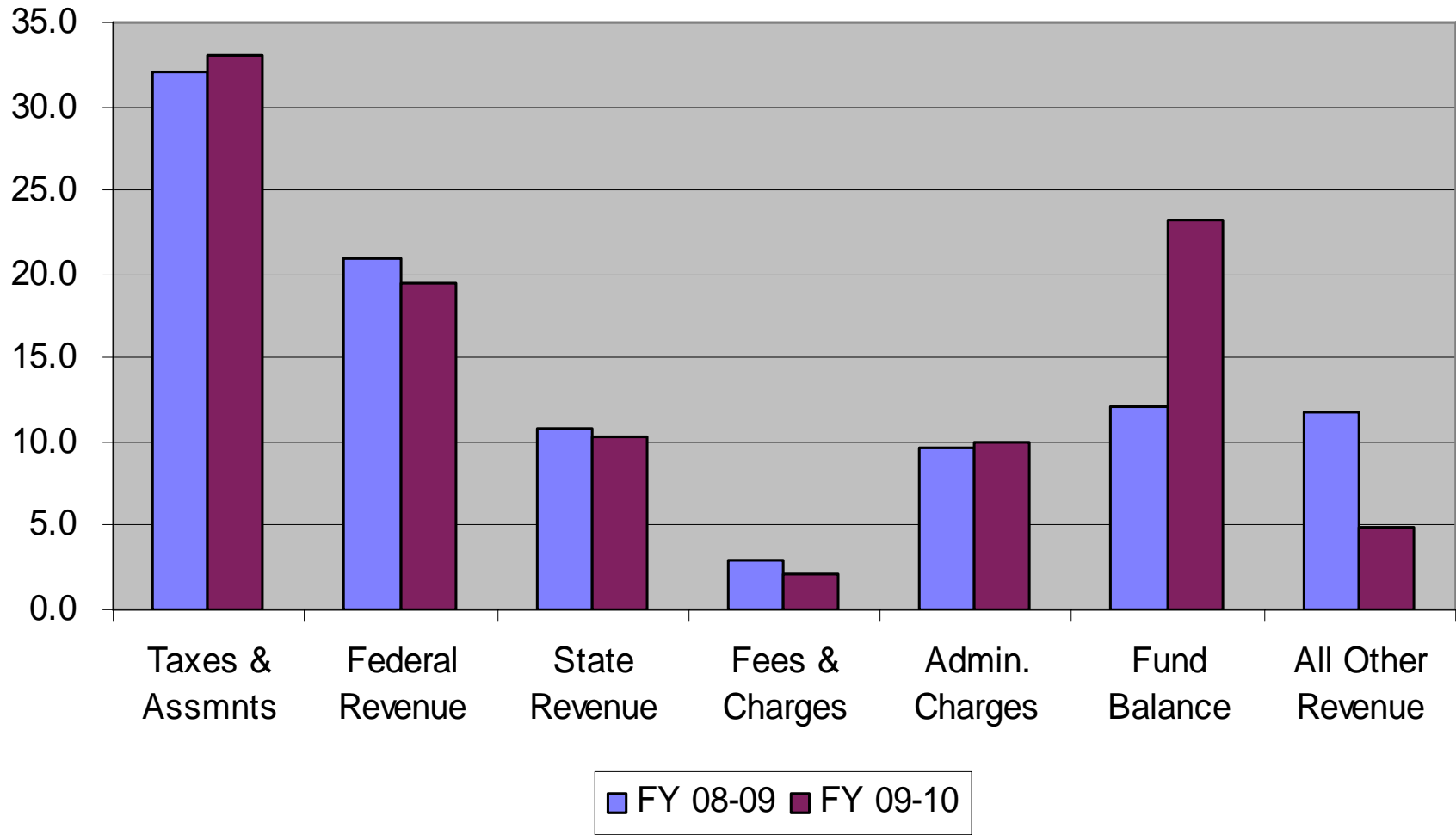
■ General Fund Budget

- Current Year = \$100.4 million
- Proposed Yr = \$103.0 million
- Increase = \$2.7 million or 2.7%

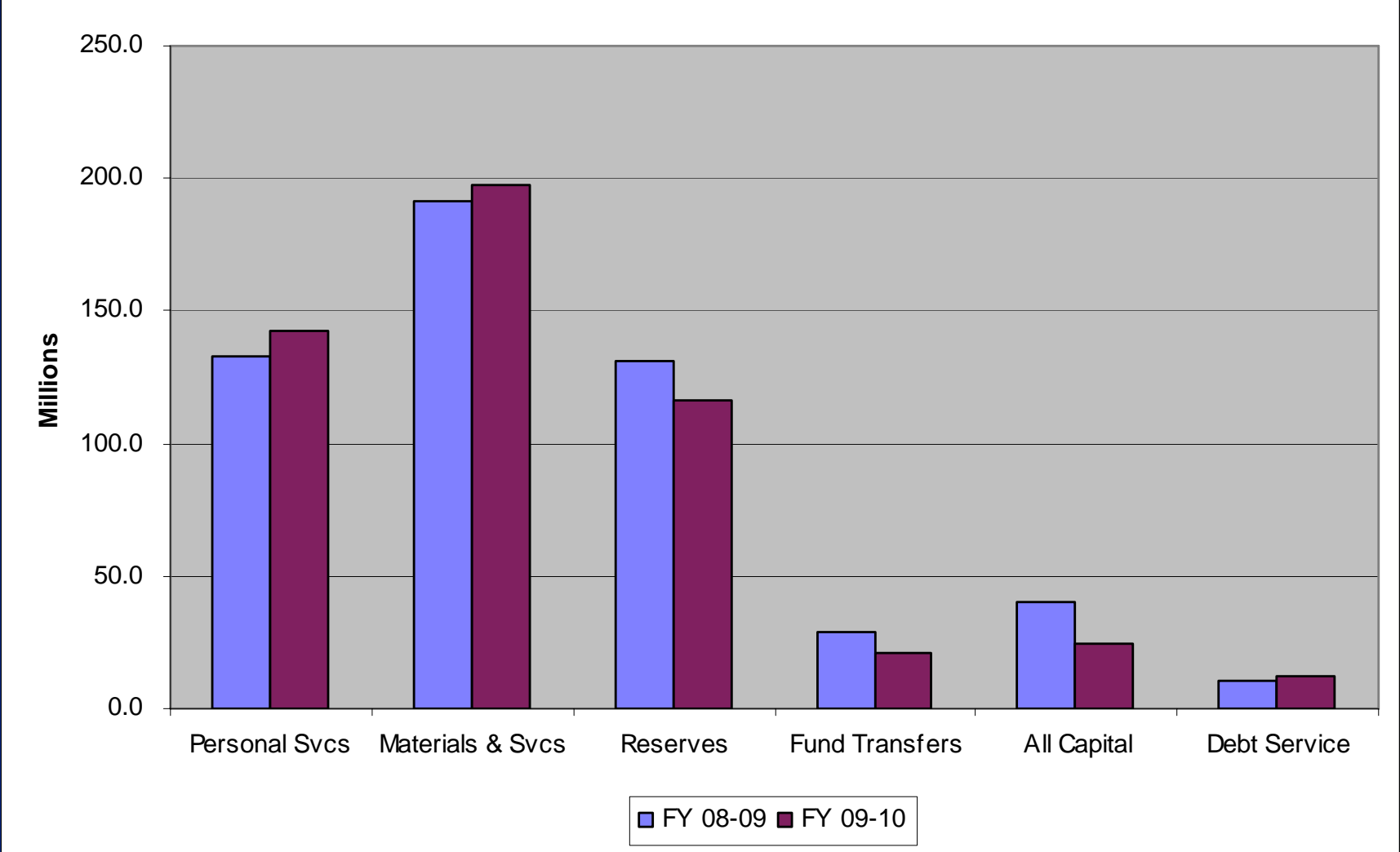
■ General Fund FTE

- Current Year = 513.84
- Proposed Yr = 548.74
- Increase = 34.90 or 6.8%

General Fund Revenue Changes



General Fund Expenditure Changes

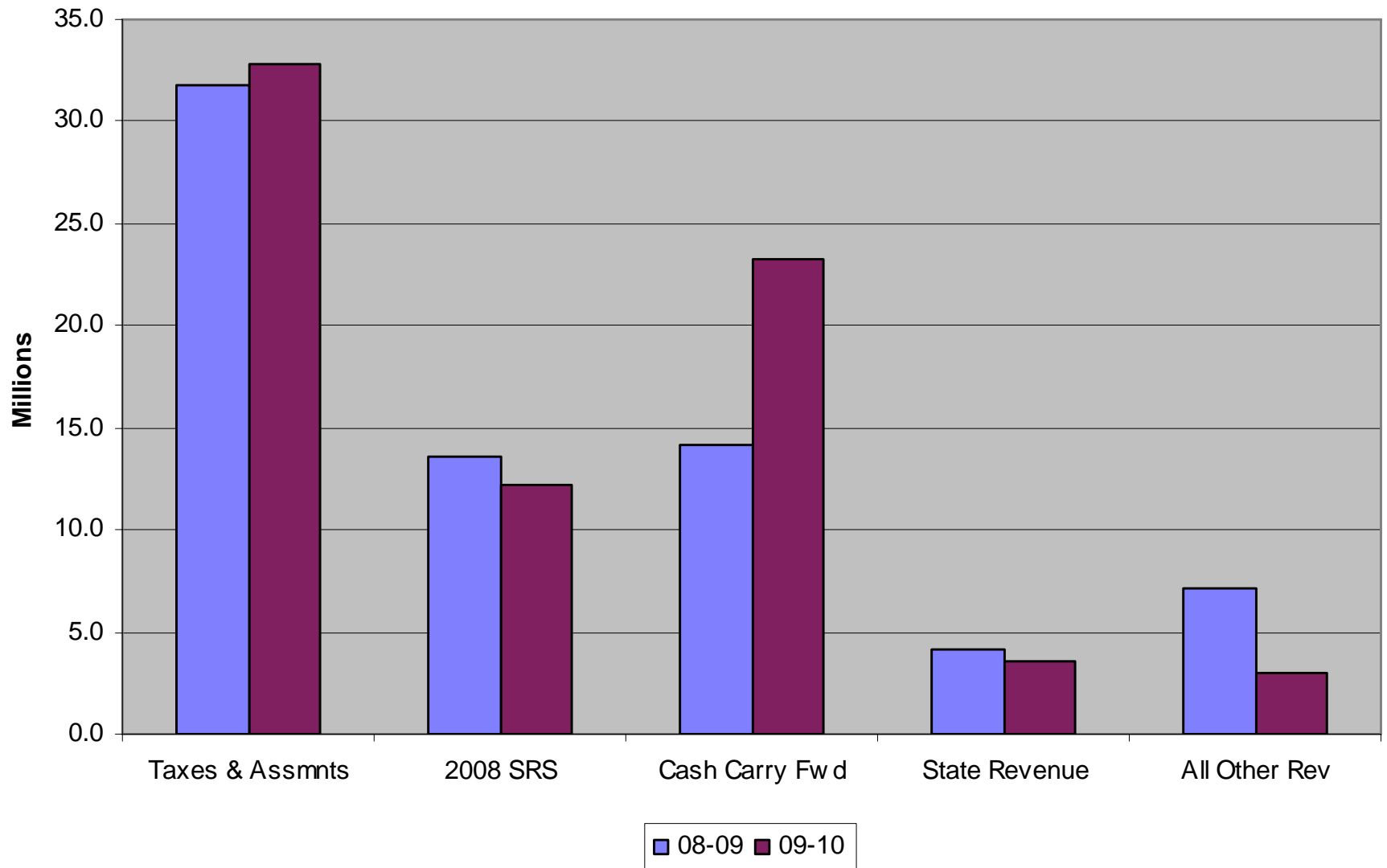


Discretionary General Fund Budget

Discretionary General Funds

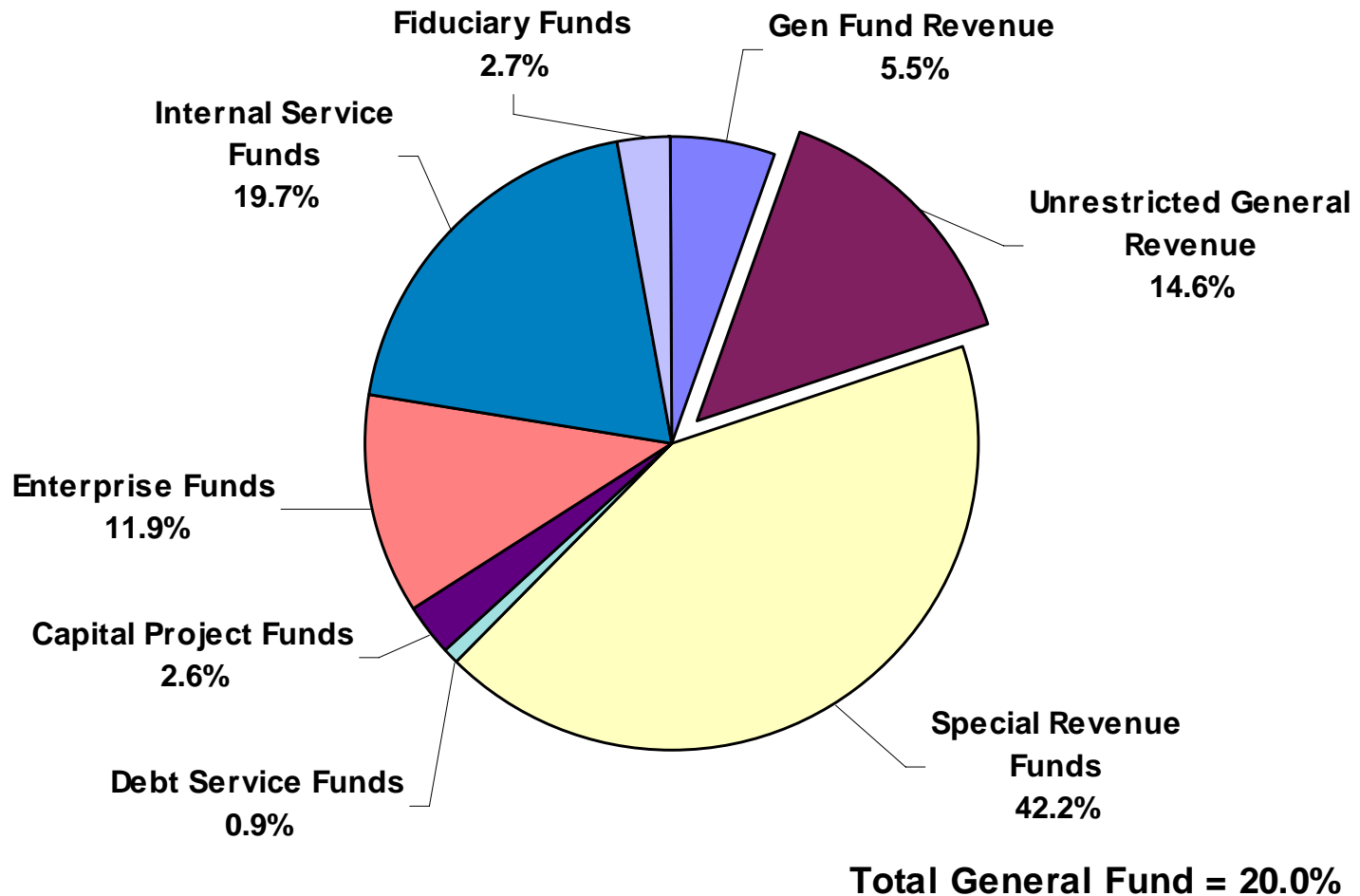
- Unrestricted Revenue within the General Fund – no strings attached by State, Feds, or grantors
- Discretionary Budget
 - Current Year = \$70.9 million
 - Proposed Yr = \$74.8 million
 - Increase = \$3.9 million

Discretionary Revenue Changes

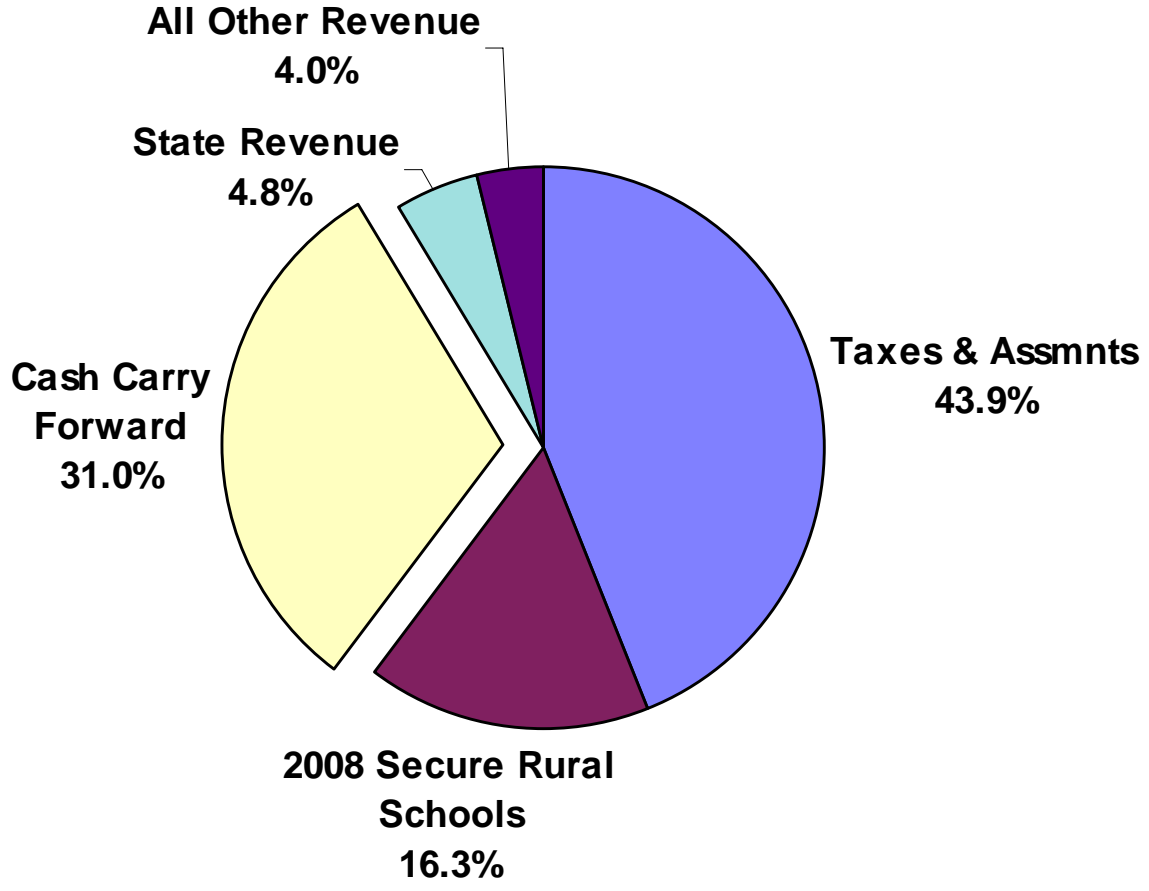


Overall Revenue by Category

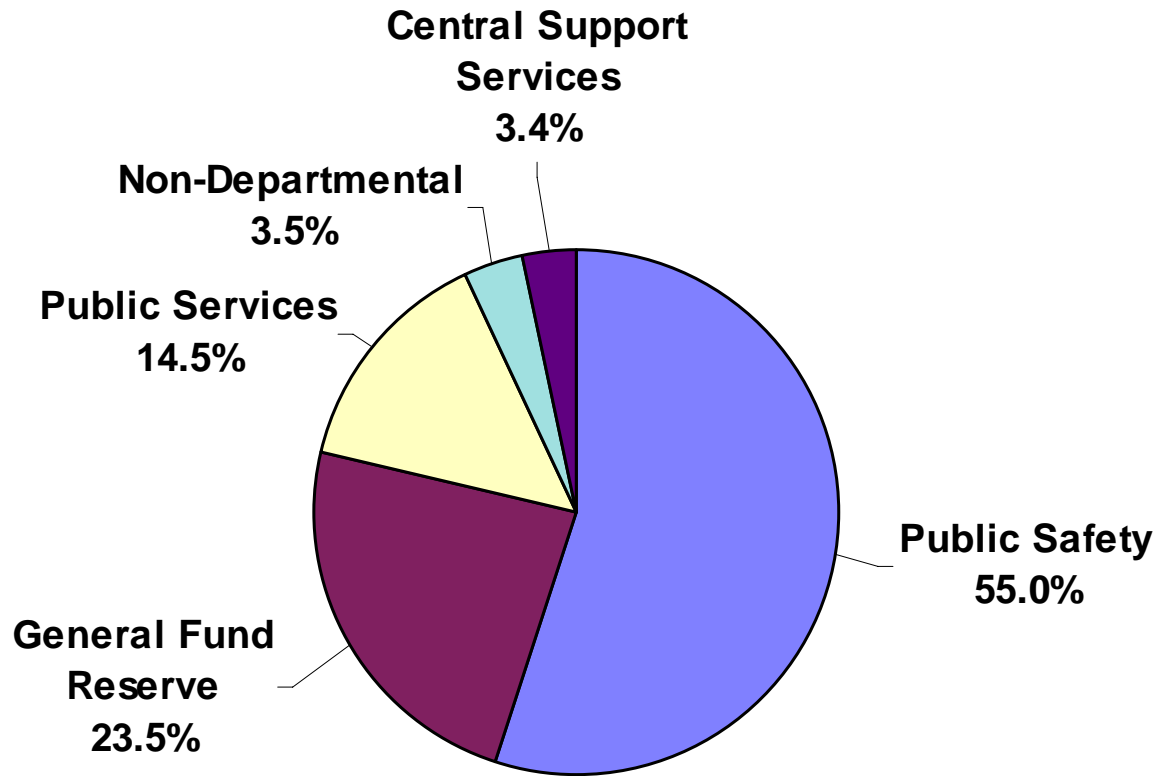
FY 09-10 Proposed Revenue by Fund Type



Proposed Discretionary Revenue



Proposed Allocation by Svc Group

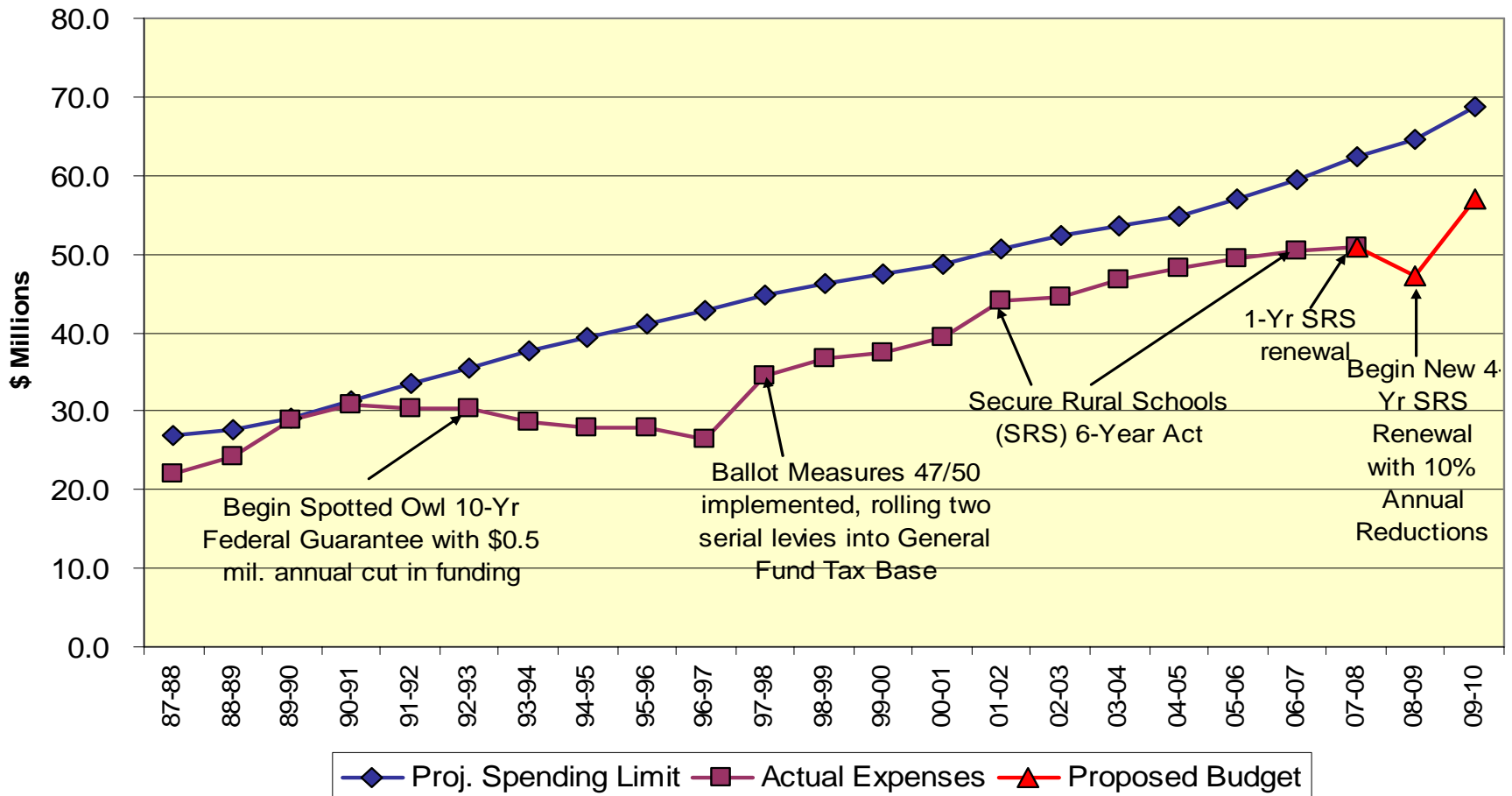


Discretionary GF Spending Limit

- Charter imposed Spending Limit approved by Lane County citizens and enacted in 1985
 - Says Discretionary General Fund Spending can only grow by the annual percent change in Population and Inflation.
- Lane County has not been able to keep up with population growth and inflation since 1992
- Funding Gap for FY 09-10 Proposed = \$11.6 million.

Spending Limit Chart

Comparison of Charter Imposed Spending Limit to Actual/Proposed Discretionary Spending



GF Service Adds in Prop. Budget

- Sheriff's Office: \$3.3 mil. to Re-Open 84 Jail Beds
- Dist. Attorney's Office: \$446,438 for Continued Prosecution of Non-Violent Felonies
- Health & Human Svcs: \$310,510 for various services including Comm. Disease and At-Risk Children
- Youth Services: \$50,000 for Building Security
- Children & Families: \$33,465 for Resource Development

Looking Ahead

Uncertain Budget Stability

- Proposed Budget provides approximately three years of stability through 2011-12 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.
- May not know for sure until June.



