

Lead Agency: County Management

Program Contact: Mark Campbell

Program Offer Type: Existing Operating

Related Programs:

Program Characteristics: In Target

Executive Summary

Treasury manages the County's cash assets, investment portfolio, debt, banking services and relationships, and broker/dealer relationships. Treasury also provides responsive and pro-active customer support, training, and advice to department staff who handle cash in the course of providing services to county residents.

Treasury also manages the Excise Tax Administration program which includes management of revenue collections for Motor Vehicle Rental Tax (MVRT), Transient Lodgings Tax (TLT) and Business Income Tax (BIT) in accordance with Multnomah County Code, the County's fiduciary responsibilities, and revenue & taxation policies and procedures. Treasury is required to act as custodian of Trust funds for property liens under Oregon Revised Statutes for county residents.

Program Description

Treasury invests the County's financial assets to ensure that funds are available to meet anticipated cash flow needs. Investment earnings are measured against specific benchmarks outlined in the Investment Policy. Treasury complies with all applicable laws, policies and best practices in the management of County funds. Treasury supports the CFO in the issuance of debt, including opportunities to refinance existing debt, and maintains contact with rating agencies. It ensures timely and accurate debt service payments and generates arbitrage rebate calculations and reports. Treasury regularly analyzes cash flow. From time to time it is necessary to issue short term Tax and Revenue Anticipation Notes (TRANS) to provide liquidity prior to the collection of property taxes in November.

The County collects and administers three excise taxes. A Business Income Tax (BIT) is assessed against businesses with income generated within the county. It is set at a rate of 1.45% of net income. BIT is the second largest revenue source in the General Fund, generating approximately 15% of General Fund revenues. A Motor Vehicle Rental Tax (MVRT) is charged on the rental of cars and light trucks within the county. It is currently set at a rate of 17% of rental fees. A portion of the tax (2.5%) is passed through to the Visitor's Development Fund to support tourist activities. A Transient Lodging Tax (TLT) is charged on the rental of hotel/motel rooms within the county. It is currently set at a rate of 11.5% of rental fees. Most of the revenue generated by the TLT is passed through to other entities. Cities retain 5%, another 3% is dedicated to operating the Oregon Convention Center, and 2.5% is passed through to the Visitor's Development Fund.

Treasury maintains effective banking relationship to keep pace with technology and adapting it to the needs of county departments to provide better service to county residents.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY10-11)	Current Year Purchased (FY11-12)	Current Year Estimate (FY11-12)	Next Year Offer (FY12-13)
Output	Compliance w/ Investment Policy	1	1	1	1
Outcome	Tax Returns Filed - Motor Vehicle and Transient Lodging	97	95	95	95
Output	Ensure County's Cash Flow Needs are Met	1	1	1	1
Output	# of Business Accounts in County	60,150	63,000	61,750	63,000

Performance Measure - Description

Measurement Key: 1 = Goal Achieved, 0 = Not Achieved

The % of tax returns filed is a measure of compliance with applicable code requirements. Compliance has remained high despite the impacts of the recession.

The # of business accounts is used as a workload measure and serves as an indicator of economic activity within the county.

Legal/Contractual Obligation

Oregon Revised Statutes (primarily ORS 294.035), Multnomah County Code Chapter 11 (BIT) and Chapter 12 (MVRT and TLT), the Business Income Tax is administered by the City of Portland through an intergovernmental agreement (IGA) that expires at the end of FY 2013.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2012	2012	2013	2013
Personnel	\$343,174	\$0	\$347,098	\$0
Contracts	\$1,129,000	\$0	\$1,082,298	\$0
Materials & Supplies	\$16,057	\$0	\$12,460	\$0
Total GF/non-GF:	\$1,488,231	\$0	\$1,441,856	\$0
Program Total:	\$1,488,231		\$1,441,856	
Program FTE	4.00	0.00	4.00	0.00
Program Revenues				
Fees, Permits & Charges	\$82,500	\$0	\$0	\$0
Intergovernmental	\$0	\$0	\$85,000	\$0
Total Revenue:	\$82,500	\$0	\$85,000	\$0

Explanation of Revenues

This program is supported by General Fund revenues.

External revenue is received through an agreement between the County and the Visitor's Development Fund Board. Under terms of the IGA that created the Visitor's Development Fund the County receives an administrative fee equal to .7% of MVRT and TLT revenues recorded in the fund.

Significant Program Changes

Last year this program was: #72023, FRM - Treasury and Tax Administration
A 0.50 FTE Fiscal Specialist 1 was transferred to Accounts Payable.