

AGENDA COVER MEMORANDUM

WZA

AGENDA DATE: Wednesday, April 30, 2003

PRESENTED TO: Board of County Commissioners

PRESENTED BY: Dave Garnick, Senior Management Analyst  
County Administration

AGENDA TITLE: PUBLIC HEARING AND ORDER/IN THE MATTER OF ADOPTING  
THE FY2002-2003 SUPPLEMENTAL BUDGET #2, MAKING,  
REDUCING AND TRANSFERRING APPROPRIATIONS

I. MOTION

MOVE APPROVAL OF THE ORDER ADOPTING THE FY2002-2003 SUPPLEMENTAL  
BUDGET #2 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS.

II. ISSUE

Under Oregon's local budget law, a supplemental budget is required to appropriate unanticipated revenues and expenses that could not have been foreseen at the time of budget preparation for the current year. A supplemental budget adjustment is also required where transfers create a new appropriation category or where there are reductions in appropriations.

III. DISCUSSION

A. Background

Submitted for the Board's consideration and approval is Supplemental Budget #2 for Fiscal Year 2002-2003. This supplemental budget was advertised in The Register-Guard on April 23, 2003.

We use the publication form of supplemental budget process available under state budget law. Separate rules apply to proposed changes above or below 10%. Because this supplemental contains changes greater than 10% for two funds (Special Revenue & Services Fund and the Title III Projects Fund), the Board of Commissioners is required to hold a public hearing before taking final action.

B. Analysis

Please refer to the analysis and description of proposed changes in Board Order Attachment A.

C. Alternatives/Options

Within local budget law, the Board of Commissioners may amend the supplemental budget as published, with any increases limited to \$5,000 or 10% per fund, whichever is greater.

D. Recommendation

Budget staff recommends the Board adopt the supplemental budget and make the necessary appropriations, transfers and reductions as requested.

IV. IMPLEMENTATION/FOLLOW-UP

Upon approval of the supplemental, County Administration budget staff will adjust the appropriations on the general ledger.

V. ATTACHMENT

Board Order  
Board Order Attachment A

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

RESOLUTION AND ORDER                    ) IN THE MATTER OF ADOPTING THE FY2002-  
03-4-30- \_\_\_\_                                ) 2003 SUPPLEMENTAL BUDGET #3 MAKING,  
  ) REDUCING AND TRANSFERRING  
  ) APPROPRIATIONS

**WHEREAS**, Supplemental Budget #2 for Fiscal Year 2002-2003 was advertised in The Register-Guard on April 23, 2003, which is not less than 5 days nor more than 30 days in advance of the public hearing date as required by local budget law; and

**WHEREAS**, after due notice, a public hearing on the FY2002-2003 Supplemental Budget #2 was held in the Public Service Building, Lane County on April 30, 2003; and

**WHEREAS**, in accordance with ORS 294.480, the governing body of any municipal corporation may make a supplemental budget for the fiscal year for which the regular budget has been prepared; and

**WHEREAS**, the Board having fully considered the matters discussed at the public hearing; now, therefore,

**IT IS HEREBY RESOLVED AND ORDERED** that the amounts for the fiscal year beginning July 1, 2002 and for the purposes as outlined on Attachment A be additionally appropriated, reduced or transferred as follows:

<u>Fund 124</u>	<u>General Fund</u>	<u>Amount</u>	<u>FTE</u>
	(15) Public Safety		
	Resources	135,723	
	Expense	135,723	0.00
	(32) Children and Families		
	Resources	92,277	
	Expense	92,277	0.00
	(36) Public Works		
	Resources	0	
	Expense	9,396	0.00
	(55) Management Services		
	Resources	137,308	
	Expense	137,308	0.00

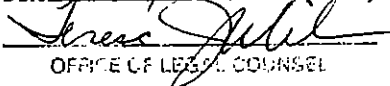
<u>Fund 124</u>	<u>General Fund (continued)</u>		
	(57) General Expense		
	Materials & Services	52,000	
	Operational Contingency	-17,000	
	Operational Reserves	<u>-44,396</u>	
	(57) Total	-9,396	0.00
<u>Fund 216</u>	<u>Parks and Open Spaces Fund</u>		
	(36) Public Works		
	Resources	35,000	
	Expense	35,000	0.00
Subject to approval by the Board of Commissioners of the loan transaction, which is submitted to the Board as a separate agenda item.			
<u>Fund 228</u>	<u>Special Revenue and Services Fund</u>		
	(57) General Expense		
	Resources	1,140,000	
	Fiscal Transaction	1,096,000	
	Operational Reserves	<u>44,000</u>	
	(57) Total	0	0.00
<u>Fund 250</u>	<u>Title III Projects Fund</u>		
	(57) General Expense		
	Resources	1,614,340	
	Materials & Services	250,000	
	Operational Reserves	<u>1,364,340</u>	
	(57) Total	0	0.00
<u>Fund 283</u>	<u>Animal Regulation Authority Fund</u>		
	(55) Management Services		
	Resources	30,000	
	Expense	30,000	0.00
<u>Fund 285</u>	<u>Intergovernmental Human Services Fund</u>		
	(34) Health & Human Services		
	Resources	623,307	
	Expense	623,307	1.00
<u>Fund 286</u>	<u>Health &amp; Human Services Fund</u>		
	(34) Health & Human Services		
	Resources	-789,179	
	Expense	-789,179	-22.45
<u>Fund 454</u>	<u>Juvenile Justice Center Construction Fund</u>		
	(57) General Expense		
	Resources	30,000	
	Materials & Services	15,000	
	Capital Outlay	<u>15,000</u>	
	(57) Total	0	0.00
<u>Fund 521</u>	<u>Fair Board Fund</u>		
	(35) Fair Board		
	Resources	45,517	
	Expense	45,517	0.00

<u>Fund 539</u>	<u>Corrections Commissary Fund</u>		
	(15) Public Safety		
	Resources	-153,000	
	Expense	-153,000	0.00
 <u>Fund 619</u>	 <u>Motor and Equipment Pool Fund</u>		
	(36) Public Works		
	Resources	0	
	Expense	0	0.00
 <u>Fund 653</u>	 <u>PC Replacement Fund</u>		
	(58) Information Services		
	Resources	-22,954	
	Expense	-22,954	0.00

Dated this \_\_\_\_ day of April 2003.

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Peter Sorenson, Chair  
Board of County Commissioners

APPROVED AS TO FORM  
Date 4/18/03 large county  
  
OFFICE OF LEGAL COUNSEL

**ATTACHMENT A – IN THE MATTER OF ADOPTING THE FY2002-2003 SUPPLEMENTAL BUDGET #2 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS**

Budget changes and their explanations are listed below by Fund and department:

<u>Fund 124 General Fund</u>	<u>Amount</u>	<u>FTE</u>
(15) Public Safety		
Resources	135,723	
Expense	135,723	0.00

Title III reimbursement for Federal Forest Work Crew expenses as a result of providing additional supervisory time to maximize the number of crews operating. Additional reimbursement for qualifying training and overhead costs.

(32) Children and Families	<u>Amount</u>	<u>FTE</u>
Resources	92,277	
Expense	92,277	0.00

This is the net effect of implementation of State of Oregon changes to revenue and expenses for local service providers. Many funding streams were reduced for services such as Healthy Start and CASA.. However, the State did restore funding for crisis nurseries.

(36) Public Works	<u>Amount</u>	<u>FTE</u>
Resources	0	
Expense	9,396	0.00

When the FY02-03 budget was adopted, the Board approved a technical adjustment that reduced the employee benefit expense for all general fund departments and transferred those savings to the general fund reserve. The adjustment did not include departments which do not use discretionary general fund. When the adjustment was processed, the Land Management division of Public Works was included and \$9,396 of benefit expense was reduced. However, since the division is fee supported and does not use discretionary general fund, the amount of their adjustment is being reversed and the spending authority is being returned. A corresponding reduction in the general fund reserve is listed below under the General Expense category.

(55) Management Services	<u>Amount</u>	<u>FTE</u>
Resources	137,308	
Expense	137,308	0.00

The January 28, 2003 Special Election called by the legislature was not a regularly scheduled election and was not included in the adopted budget. The State of Oregon has reimbursed the county for the cost of the election.

(57) General Expense	<u>Amount</u>	<u>FTE</u>
Materials & Services	52,000	
Operational Contingency	-17,000	
Operational Reserves	<u>-44,396</u>	
(57) Total	-9,396	0.00

The Lane County Extension Service has requested \$17,000 be transferred out of the Extension Service contingency account and into their operations budget to be used for the 4-H program assistant and other related costs. Independent of that transaction is a transfer of \$35,000 from general fund reserves to pay interest expense associated with inter-fund borrowing authorized

by the Board August 14, 2002. Lastly, \$9,396 of general fund reserve is being transferred back to the Land Management division of Public Works as referenced in the narrative description above.

<u>Fund 216      Parks and Open Spaces Fund</u>		
(36) Public Works	<u>Amount</u>	<u>FTE</u>
Resources	35,000	
Expense	35,000	0.00

The Parks department has requested an emergency loan from the Motor Equipment and Pool Fund (Fleet Fund) to replace a 16' mower which recently broke down and is too old for repair. The Parks department will purchase a 12' mower. The loan will be repaid to the Fleet Fund beginning in FY03-04. *This adjustment is subject to approval by the Board of Commissioners of the loan transaction, which is submitted to the Board as a separate agenda item.*

<u>Fund 228      Special Revenue and Services Fund</u>		
(57) General Expense	<u>Amount</u>	<u>FTE</u>
Resources	1,140,000	
Fiscal Transaction	1,096,000	
Operational Reserves	<u>44,000</u>	
(57) Total	0	0.00

Appropriate Room Tax capital revenue and transfer required amounts to debt service and enterprise funds in the amount of \$1,096,000 with the balance of \$44,000 remaining in reserves.

<u>Fund 250      Title III Projects Fund</u>		
(57) General Expense	<u>Amount</u>	<u>FTE</u>
Resources	1,614,340	
Materials & Services	250,000	
Operational Reserves	<u>1,364,340</u>	
(57) Total	0	0.00

Appropriate fund balance carried forward from FY01-02.

<u>Fund 283      Animal Regulation Authority Fund</u>		
(55) Management Services	<u>Amount</u>	<u>FTE</u>
Resources	30,000	
Expense	30,000	0.00

Appropriate transfer in of funds from Motor Equipment and Pool Fund (Fleet Fund) which represents return of surplus amount paid into Fleet Fund by Animal Regulation Authority. Funds will be used by Animal Regulation to pay for monthly lease of fleet vehicles (animal control pickups) from Public Works.

<u>Fund 285      Intergovernmental Human Services Fund</u>		
(34) Health & Human Services	<u>Amount</u>	<u>FTE</u>
Resources	623,307	
Expense	623,307	1.00

Appropriate additional funding received from state and federal governments for the Low Income Energy Assistance Program and for low income weatherization projects. Add 1.0 FTE Assistant Veterans Services Coordinator position in the Veterans Services program as approved by the Board in March 2003.

<u>Fund 286</u>	<u>Health &amp; Human Services Fund</u>		
(34) Health & Human Services	<u>Amount</u>	<u>FTE</u>	
Resources	-789,179		
Expense	-789,179	-22.45	

Reduce revenue and expense appropriations due to reductions in state and miscellaneous grant funds. Eliminate 22.45 FTE as a result of state budget reductions.

<u>Fund 454</u>	<u>Juvenile Justice Center Construction Fund</u>		
(57) General Expense	<u>Amount</u>	<u>FTE</u>	
Resources	30,000		
Materials & Services	15,000		
Capital Outlay	<u>15,000</u>		
(57) Total	0	0.00	

Appropriate interest earnings accumulated in fund.

<u>Fund 521</u>	<u>Fair Board Fund</u>		
(35) Fair Board	<u>Amount</u>	<u>FTE</u>	
Resources	45,517		
Expense	45,517	0.00	

Appropriate additional Room Tax capital revenue received during FY02-03.

<u>Fund 539</u>	<u>Corrections Commissary Fund</u>		
(15) Public Safety	<u>Amount</u>	<u>FTE</u>	
Resources	-153,000		
Expense	-153,000	0.00	

Decrease fund balance to amount actually carried forward from FY01-02.

<u>Fund 619</u>	<u>Motor and Equipment Pool Fund</u>		
(36) Public Works	<u>Amount</u>	<u>FTE</u>	
Resources	0		
Expense	0	0.00	

Two adjustments are being made to Fund 619. The net effect of both changes is a zero change to the overall appropriations for the Fund. However, because one of the adjustments involves moving operational contingency funds into the fiscal transactions budget of the fund, the adjustment is being called out for your approval as required by local budget law. The two adjustments are:

- 1) transfer \$35,000 from operational contingency to the fiscal transaction category in order to loan \$35,000 to the Parks Fund for the purchase of a new mower. (See description under Fund 216).
- 2) transfer \$30,000 from the capital equipment category to the fiscal transaction category in order to transfer \$30,000 back to the Animal Regulation Authority Fund as described in the Fund 283 narrative above.

<u>Fund 653</u>	<u>PC Replacement Fund</u>		
(58) Information Services	<u>Amount</u>	<u>FTE</u>	
Resources	-22,954		
Expense	-22,954	0.00	

Decrease fund balance to amount actually carried forward from FY01-02.