

**AGENDA COVER MEMORANDUM**

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AGENDA DATE: Wednesday, May 21, 2003

PRESENTED TO: Board of Metropolitan Wastewater Service District

PRESENTED BY: Dave Garnick, Senior Management Analyst  
County Administration

AGENDA TITLE: PUBLIC HEARING AND ORDER/IN THE MATTER OF ADOPTING THE  
FY2002-2003 METROPOLITAN WASTEWATER SERVICE DISTRICT  
SUPPLEMENTAL BUDGET #1, MAKING, REDUCING AND  
TRANSFERRING APPROPRIATIONS

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I. MOTION

MOVE APPROVAL OF THE ORDER ADOPTING THE FY2002-2003 SUPPLEMENTAL  
BUDGET #1 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 #1 for Fiscal Year 2002-2003. This supplemental budget was advertised in The Register-Guard on May 11, 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 both Funds, the Service District Board 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 FY2002-2003  
 ) METROPOLITAN WASTEWATER SERVICE  
 ) DISTRICT SUPPLEMENTAL BUDGET #1, MAKING,  
 ) REDUCING AND TRANSFERRING  
 ) APPROPRIATIONS

**WHEREAS**, Supplemental Budget #1 for Fiscal Year 2002-2003 was advertised in The Register-Guard on May 11, 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 #1 was held in the Public Service Building, Lane County on May 21, 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 Service District 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 381</u>	<u>Wastewater Bond Retirement Fund</u>	<u>Amount</u>	<u>FTE</u>
	Operational Reserves	<u>(149,840)</u>	
	Total Requirements	<u>(149,840)</u>	0.00
<u>Fund 282</u>	<u>Wastewater Administration and Construction Fund</u>		
	Materials & Services	<u>149,840</u>	
	Total Requirements	<u>149,840</u>	0.00

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

**APPROVED AS TO FORM**  
 Date 5/13/03 Lane County  
  
 OFFICE OF LEGAL COUNSEL

\_\_\_\_\_  
 Peter Sorenson, Chair, Metropolitan Wastewater  
 Service District Board

IN THE MATTER OF ADOPTING THE FY2002-2003 METROPOLITAN WASTEWATER SERVICE DISTRICT SUPPLEMENTAL BUDGET #1, MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS

**ATTACHMENT A – IN THE MATTER OF ADOPTING THE FY2002-2003 METROPOLITAN WASTEWATER SERVICE DISTRICT SUPPLEMENTAL BUDGET #1, MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS**

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

<u>Fund 381</u>	<u>Wastewater Bond Retirement Fund</u>	<u>Amount</u>	<u>FTE</u>
	Operational Reserves	(149,840)	
	Total Requirements	(149,840)	0.00

The Wastewater Bond Retirement fund has fulfilled its purpose and all bonded debt was paid in September 2002. Since the Metropolitan Wastewater Management Commission (MWMC) now has the authority to issue future debt as required to maintain and/or expand the regional wastewater facilities, there is no longer a need for this debt fund.

On May 21, 2003 the district Board approved closing out this fund and transferring all remaining funds to the only other district fund, the Wastewater Administration and Construction Fund. This supplemental budget adjustment transfers the remaining budget authority to the Administration and Construction Fund as well so that the majority of the funds transferred can in turn be paid to MWMC.

Fund 282 Wastewater Administration and Construction Fund

	Materials & Services	149,840	
	Total Requirements	149,840	0.00

The Wastewater Administration and Construction Fund is the recipient of the balance of funds from closing out the Wastewater Bond Retirement Fund. The \$149,840 transferred from the retirement fund represents the operational contingency held until such time as the debt was retired. The budget for these funds are placed in the Materials & Services line so a payment can be made to MWMC, the original recipient of bond sale proceeds.

Since the partners to the original intergovernmental agreement establishing the service district want to keep the district for some future use, the Administration and Construction fund will need to be kept open to continue to receive prior year tax payments over the next several years. The county's Financial Services Manager estimates the cumulative amount to be approximately \$50,000. An amount will be kept each year to cover all administrative and audit related costs. The balance will be paid to MWMC on a regular basis.