

AGENDA COVER MEMORANDUM

W. L.A.
04-6-23-1

AGENDA DATE: Wednesday June 23, 2004

PRESENTED TO: Board of County Commissioners

PRESENTED BY: Anette Spickard, Management Analyst I
County Administration

AGENDA TITLE: PUBLIC HEARING AND ORDER/IN THE MATTER OF ADOPTING
THE FY2003-2004 SUPPLEMENTAL BUDGET #3, MAKING,
REDUCING AND TRANSFERRING APPROPRIATIONS

I. MOTION

MOVE APPROVAL OF THE ORDER ADOPTING THE FY2003-2004 SUPPLEMENTAL BUDGET #3 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 #3 for Fiscal Year 2003-2004. This supplemental budget was advertised in The Register-Guard on June 17, 2004.

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 one fund (Law Library 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 FY2003-**
04-6-23- __) **2004 SUPPLEMENTAL BUDGET #3 MAKING,**
) **REDUCING AND TRANSFERRING**
) **APPROPRIATIONS**

WHEREAS, Supplemental Budget #3 for Fiscal Year 2003-2004 was advertised in The Register-Guard on June 17, 2004, 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 FY2003-2004 Supplemental Budget #3 was held in the Public Service Building, Lane County on June 23, 2004; 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, 2003 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>
	Children & Families		
	Resources	-1,054,366	
	Expenditures	-1,054,366	0.00
	General Expense		
	Resources	10,000	
	Fiscal Transaction	<u>10,000</u>	0.00
	Total	0	
	Information Services		
	Resources	3,485	
	Expenditures	3,485	0.00
<u>Fund 222</u>	<u>Law Library Fund</u>		
	County Counsel		
	Resources	40,000	
	Expenditures	40,000	0.00

<u>Fund 228</u>	<u>Special Revenue and Services Fund</u>		
	General Expense		
	Resources	25,000	
	Fiscal Transaction	<u>25,000</u>	
	Total	0	0.00
<u>Fund 244</u>	<u>County Clerks Fund</u>		
	Management Services		
	Resources	-14,288	
	Expenditures	-14,288	0.00
<u>Fund 283</u>	<u>Animal Regulation Authority Fund</u>		
	Management Services		
	Resources	-11,336	
	Expenditures	-11,336	0.00
<u>Fund 286</u>	<u>Health & Human Services Fund</u>		
	Health & Human Services		
	Resources	830,502	
	Expenditures	830,502	0.05
<u>Fund 333</u>	<u>Special Obligation Bond Retirement Fund</u>		
	General Expense		
	Resources	410,000	
	Fiscal Transaction	<u>410,000</u>	0.00
	Total	0	
<u>Fund 435</u>	<u>Capital Improvement Fund</u>		
	Management Services		
	Resources	250,000	
	Expenditures	250,000	0.00
<u>Fund 454</u>	<u>Juvenile Justice Center Construction Fund</u>		
	General Expense		
	Capital Outlay	10,000	
	Capital Projects	<u>-10,000</u>	0.00
	Total	0	
<u>Fund 484</u>	<u>Animal Regulation Capital Improvement Fund</u>		
	Management Services		
	Resources	-44,536	
	Expenditures	-44,536	0.00

<u>Fund 521</u>	<u>Fair Board Fund</u>		
	Fair Board		
	Resources	25,000	
	Expenditures	25,000	0.00
<u>Fund 614</u>	<u>Employee Benefits Fund</u>		
	General Expense		
	Fiscal Transaction	500,000	
	Operational Contingency	<u>-500,000</u>	0.00
	Total	0	
<u>Fund 627</u>	<u>Intergovernmental Services Fund</u>		
	Management Services		
	Resources	38,000	
	Expenditures	38,000	0.00

Dated this ____ day of June 2004.

Bobby Green, Sr., Chair
Board of County Commissioners

APPROVED AS TO FORM
Date 6/15/04 lane county
J. Laidlaw
OFFICE OF LEGAL COUNSEL

PUBLIC HEARING AND ORDER/IN THE MATTER OF ADOPTING THE FY2003-2004 SUPPLEMENTAL BUDGET #3, MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS

**ATTACHMENT A – IN THE MATTER OF ADOPTING THE FY2003-2004 SUPPLEMENTAL
BUDGET #3 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>
(32) Children and Families		
Resources	-1,054,336	0.00
Expenditures	-1,054,336	

Reduce revenue received from Oregon Commission on Children and Families due to funding reductions as a result of Measure 30. Reduce corresponding contracts with service providers and reduce departmental expenditures.

(51) County Administration (Economic Development Program)	<u>Amount</u>	<u>FTE</u>
Expenditures	190,000	
Video Lottery Reserves	-190,000	0.00

Appropriate video lottery reserves for strategic investment projects as recommended by ED Standing Committee and approved by the Board of Commissioners in Order 4-5-12-4. (Since this transaction has a net zero change to the department's overall requirements and has no effect on the overall General Fund, it was not listed in the legal notice.)

(57) General Expense	<u>Amount</u>	<u>FTE</u>
Resources	10,000	
Fiscal Transaction	<u>10,000</u>	
(57) Total	0	0.00

Appropriate additional SCAAP receipts. Appropriate Transfer to Special Obligation Bond Retirement Fund to correctly budget for General Fund contribution to debt service payments.

(58) Information Services	<u>Amount</u>	<u>FTE</u>
Resources	3,485	
Expenditures	3,485	0.00

Appropriate additional revenue received from PC Classroom usage fees and appropriate corresponding amount in training expenses.

<u>Fund 222 Law Library Fund</u>	<u>Amount</u>	<u>FTE</u>
(53) Law Library		
Resources	40,000	
Expenditures	40,000	0.00

Appropriate \$20,000 in additional court fine revenue and appropriate \$20,000 of fund balance carried forward from FY 02-03. Appropriate \$40,000 in expenditures for library book subscriptions.

<u>Fund 228 Special Revenue and Services Fund</u>	<u>Amount</u>	<u>FTE</u>
(57) General Expense		
Resources	25,000	
Fiscal Transaction	<u>25,000</u>	
(57) Total	0	0.00

Increase amount of Transient Room Tax sweep amount and appropriate corresponding transfer to Fair Board Fund.

<u>Fund 244 County Clerk Fund</u>	<u>Amount</u>	<u>FTE</u>
(55) Management Services		
Resources	-14,288	
Expenditures	-14,288	0.00

Adjust fund balance carried forward to actual amount from FY02-03 audit figures. Reduce contingency.

<u>Fund 283 Animal Regulation Authority Fund</u>	<u>Amount</u>	<u>FTE</u>
(55) Management Services		
Resources	-11,336	
Expenditures	-11,336	0.00

Adjust fund balance carried forward to actual amount from FY02-03 audit figures. Reduce contingency.

<u>Fund 286 Health & Human Services Fund</u>	<u>Amount</u>	<u>FTE</u>
(34) Health & Human Services		
Resources	830,552	
Expenditures	830,552	0.05

Appropriate state grant funds under the Mental Health Developmental Disabilities Services contract and Oregon Health Division grant contract and increase corresponding expenses. Adjust FTE for related personnel services. Move \$170,601 of contingency funds into operating expenses to cover additional unexpected LaneCare expenses.

<u>Fund 333 Special Obligation Bond Retirement Fund</u>		
(57) General Expense	<u>Amount</u>	<u>FTE</u>
Resources	410,000	
Fiscal Transaction	<u>410,000</u>	
Total	0	0.00

Appropriate proceeds received from refunding of HVAC bonds in excess of original estimate. Appropriate corresponding transfer out to Capital Improvement Fund for the Elections and Courthouse Plaza remodel projects. Appropriate additional transfer in from General Fund and corresponding payment toward bond interest retirement.

<u>Fund 336 Gen Obligation Bond Retirement Fund</u>	<u>Amount</u>	<u>FTE</u>
(57) General Expense	0	0.00

Increase Transfer In from Intergovernmental Services Fund by \$38,000 and decrease Tax Assessment revenue by \$38,000. These funds will be used to pay bond agent paying fees because tax revenues are not allowed to used for those expenses. (Since this adjustment is a

net zero change between revenue accounts and does not change the amount of the Fund, it was not included in the legal notice.)

<u>Fund 435 Capital Improvement Fund</u>	<u>Amount</u>	<u>FTE</u>
(55) Management Services		
Resources	250,000	
Expenditures	250,000	0.00

Appropriate additional Transfer In from Fund 333 (proceeds from HVAC bond refunding) and appropriate additional capital expenditures for the Elections Building and Courthouse Plaza remodel projects.

<u>Fund 454 Juvenile Justice Center Construction Fund</u>	<u>Amount</u>	<u>FTE</u>
(57) General Expense		
Capital Outlay	-10,000	
Capital Projects	10,000	0.00

Move \$10,000 from Armory Remodel Capital Outlay budget to Juvenile Justice Center Capital Projects to pay for additional institutional furnishings.

<u>Fund 484 Animal Regulation Capital Improvement Fund</u>	<u>Amount</u>	<u>FTE</u>
(55) Management Services		
Resources	-44,536	
Expenditures	-44,536	

Adjust fund balance carried forward from FY02-03 based upon audited actuals. Reduce contingency.

<u>Fund 521 Fair Board Fund</u>	<u>Amount</u>	<u>FTE</u>
(35) Fair Board		
Resources	25,000	
Expenditures	25,000	0.00

Appropriate additional \$25,000 transfer in of Transient Room Tax "sweep" funds from the Special Revenue Fund. Transfer \$58,935 out of Fair Board Capital Projects and into Reserves to establish "Rainy Day" reserve fund as approved by the Board of Commissioners. Original reserve amount approved by Board was \$125,000, however the Fair Board has already used \$67,065 of capital funds for operational purposes, so the \$58,935 is the remaining amount to put into reserve.

<u>Fund 614 Employee Benefits Fund</u>	<u>Amount</u>	<u>FTE</u>
(57) General Expense		
Fiscal Transaction	500,000	
Operational Contingency	-500,000	0.00

Use contingency funds to transfer to the Pension Obligation Bond fund to cover debt service payment on PERS bond. The county's overall payroll has been lower than estimated which has resulted in less money being collected from departments to cover the PERS bond payments and therefore the shortfall is being made up by using PERS reserve funds from the Employee Benefits Fund.

<u>Fund 615 Pension Obligation Bond Fund</u>	<u>Amount</u>	<u>FTE</u>
(57) General Expense	0	0.00

Increase Transfer In from Fund 614 by \$500,000 and decrease department paid revenue by \$500,000 for the purpose described in Fund 614 above. (Since this transaction is a net zero change between revenue accounts and has no impact on the overall size of the Fund, it was not included in the legal notice.)

<u>Fund 627 Intergovernmental Services Fund</u>	<u>Amount</u>	<u>FTE</u>
(55) Management Services		
Resources	38,000	
Expenditures	38,000	0.00

Increase interest earnings by \$38,000 and appropriate transfer of \$38,000 to Fund 336 for payment of bond paying agent fees.

