

W. J. D. I.

Memorandum Date: November 27, 2006
Order Date: December 13, 2006

TO: Board of County Commissioners
DEPARTMENT: Management Services
PRESENTED BY: Kay Blackburn, Financial Services Manager
AGENDA ITEM TITLE: IN THE MATTER OF AMENDING CHAPTER 4 OF THE LANE MANUAL TO REVISE AND CLARIFY THE COUNTY ADMINISTRATOR'S AUTHORITY REGARDING ADMINISTRATIVE PROCEDURES FOR FINANCIAL AND BUDGET MANAGEMENT (LM 4.012, 4.030(5))

I. MOTION

Move approval of order 06-12-13-XX amending Chapter 4 of the Lane Manual to revise and clarify the County Administrator's authority regarding administrative procedures for financial and budget management.

II. AGENDA ITEM SUMMARY

The Board is being asked to approve an amendment to Lane Manual which will delegate authority to the County Administrator to develop and maintain procedures for the implementation of financial and budget policies.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Board has historically delegated authority to the County Administrator to develop and maintain Administrative Procedures to be used in the implementation of Board policy.

B. Policy Issues

The Administrative Procedures Manual is a set of procedures adopted and used by Lane County to ensure uniformity, equality and consistence with regard to the day-to-day operation of the County. The policy issue is the Board's continued delegation of authority and specific delegation of authority to develop procedures

relating to financial and budget policies.

C. Board Goals

This item supports the goal of providing efficient and effective financial and administrative support and systems to direct-service departments.

D. Financial and/or Resource Considerations

There is no direct financial impact resulting from the Lane Manual amendment. Approval of the amendment will help to ensure that financial and budget policies are administered consistently throughout the County.

E. Analysis

The Board has historically delegated authority to the County Administrator to develop and maintain Administrative Procedures to be used in the implementation of Board policy. Lane Manual 4.005-4.040 contains financial and budget management policies along with investment, debt and interfund loan policies. There is currently no specific delegation in this section of Lane Manual to allow the County Administrator to develop procedures to implement these policies.

Based in part on comments from external audit management letters, the Financial Services Division has drafted procedures for the implementation of certain financial and budget management policies to ensure consistent application of the policies countywide. The Board is being asked to adopt specific language in Lane Manual 4.012 to delegate authority for such procedures to the County Administrator.

F. Alternatives/Options

1. Approve the proposed Lane Manual amendment. This option will allow the County Administrator to adopt Administrative Procedures to implement the Board policies.
2. Do not approve the proposed Lane Manual amendment. This option will maintain the status quo, and make it difficult for the County Administrator to ensure that Financial and Budget policies are administered consistently.
3. Approve an alternate amendment to Lane Manual. The Board could elect to approve an alternate amendment that would delegate authority to the County Administrator.

IV. RECOMMENDATION

The Financial Services Manager recommends approval of the Lane Manual amendment.

V. TIMING/IMPLEMENTATION

If approved, Lane Manual will be amended and the County Administrator will be asked to proceed with adoption of Administrative Procedures for the implementation of Finance and Budget policies.

VI. FOLLOW-UP

None.

VII. ATTACHMENTS

Order No 06-12-13-XX

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

IN THE MATTER OF AMENDING CHAPTER 4 OF
THE LANE MANUAL TO REVISE AND CLARIFY
THE COUNTY ADMINISTRATOR'S AUTHORITY
REGARDING ADMINISTRATIVE PROCEDURES
FOR FINANCIAL AND BUDGET MANAGEMENT (LM
4.012, 4.030(5))

The Board of County Commissioners of Lane County orders as follows:

Lane Manual Chapter 4 is hereby amended by deleting, substituting, and adding the following sections:

DELETE THIS SECTION

None

LM 4.030(5)
As located on page 4-5
(a total of 1 page)

INSERT THIS SECTION

4.012
as located on page 4-4
(a total of 1 page)

None

Said sections are attached hereto and incorporated herein by reference. The purpose of this substitution and addition is to revise and clarify the County Administrator's authority regarding administrative procedures for financial and budget management (LM 4.012, 4.030(5)).

Adopted this _____ day of _____ 2006.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM

Date 10/31/06 Lane County


OFFICE OF LEGAL COUNSEL

(i) Increasing the “lapse” expectation by reducing appropriated expenditures.

(ii) Appropriating a minimum of 1% of operating revenues annually to the reserve.

(iii) Temporary reductions in assessments to other funds, to be redirected to rebuilding the reserve.

(e) Both components of the targeted General Fund reserve are considered as “operational reserve” (Account 992920) and require appropriation through the Supplemental Budget process before expenditures can be made. *(Revised by Order No. 06-5-31-1, Effective 5.31.06)*

4.012 Administration Authority

The County Administrator is delegated the authority to develop and maintain Administrative Procedures in accordance with LM 2.095 and to implement adopted policies of the Board, in the areas of financial and budget management and administration, and the authority to approve cash accounts and funds.

INVESTMENT POLICIES

4.015 Purpose.

The purpose of these policies is to provide direction to the Director of Management Services in the investment of surplus cash in all funds, including moneys held in a fiduciary capacity. *(Revised by Order No. 94-6-28-7, Effective 6.28.94; 04-12-8-4, 12.8.04)*

4.020 Policies.

The following are the policies to be used by the Director of Management Services in administering the investment program.

(1) Investment practices shall be in accord with all applicable state and federal statutes and regulations. Investments shall be made in accordance with such statutes and regulations, including but not limited to, ORS chapters 294 and 295 as applicable.

(2) Maturity of such investments will be made to coincide as nearly as practical with the expected use of the funds and may not exceed three (3) years or statutory requirements, unless matched to a specific cash flow and approved by the Board of Commissioners.

(3) Investment of County funds shall be made only upon the authorization of the Director of Management Services or designee.

DEBT POLICIES

4.025 Purpose.

The purpose of these policies is to provide direction to the Director of Management Services in the issuance and management of the County’s borrowing and capital financing activities. *(Revised by Order No. 06-9-13-9, Effective 9.13.06)*

4.030 Policies.

The following are the policies to be used by the Director of Management Services in administering the issuance of debt.

(1) Debt management practices shall be in accord with all applicable state and federal statutes and regulations. Debt shall be issued in accordance with such statutes and regulations, including but not limited to, ORS chapters 287 and 288 as applicable.

(2) Debt shall be issued in a manner that minimizes the County's debt service and issuance costs while maintaining the highest practical credit rating.

(3) Repayment schedules for debt retirement for capital projects shall not exceed the useful life of the asset acquired through the debt issuance.

(4) Bonds and long-term debt obligations shall be issued only upon the authorization of the Board of County Commissioners. *(Revised by Order No. 06-9-13-9, Effective 9.13.06)*

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Bold indicates material being added

~~Strikethrough~~ indicates material being deleted

4.012

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~~(5) The County Administrator is delegated the authority and responsibility to develop and maintain Administrative Procedures to implement these policies. (Revised by Order No. 06-9-13-9, Effective 9.13.06)~~