

## AGENDA COVER MEMORANDUM

W. J. A.

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AGENDA DATE: Wednesday June 21, 2006

PRESENTED TO: Board of County Commissioners

PRESENTED BY: Christine Moody, Management Analyst I  
County Administration

AGENDA TITLE: PUBLIC HEARING AND ORDER/IN THE MATTER OF ADOPTING THE  
FY2005-2006 SUPPLEMENTAL BUDGET #3, MAKING, REDUCING AND  
TRANSFERRING APPROPRIATIONS

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### I. MOTION

MOVE APPROVAL OF THE ORDER ADOPTING THE FY2005-2006 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 2005-2006. This supplemental budget was advertised in The Register-Guard on June 11, 2006.

We use the publication form of supplemental budget process available under state budget law. Separate rules apply to proposed changes above or below 10%. While supplemental does not contain changes greater than 10% for any funds, it is past practice to hold a public hearing regardless, 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 FY2005-  
06-06-21- \_\_\_\_ ) 2006 SUPPLEMENTAL BUDGET #3 MAKING,  
 ) REDUCING AND TRANSFERRING  
 ) APPROPRIATIONS

**WHEREAS**, Supplemental Budget #3 for Fiscal Year 2005-2006 was advertised in The Register-Guard on June 11, 2006, 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 FY2005-2006 Supplemental Budget #3 was held in the Public Service Building, Lane County on June 21, 2006; 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, 2005 and for the purposes as outlined on Attachment A be additionally appropriated, reduced or transferred as follows:

<b>Fund No.</b>	<b>Fund Name/Department Name</b>	<b>Amount</b>	<b>FTE</b>
<u>Fund 124</u>	<u>General Fund</u>		
	Youth Services		
	Resources	3,298	
	Expenditures	3,298	0.00
	County Administration		
	Resources	230,000	
	Expenditures	230,000	0.00
	Public Safety		
	Resources	132,516	
	Expenditures	132,516	0.00
	Management Services		
	Resources	23,990	
	Expenditures	23,990	0.00

<b>Fund No.</b>	<b>Fund Name/Department Name</b>	<b>Amount</b>	<b>FTE</b>
<u>Fund 222</u>	<u>Law Library Fund</u>		
	County Counsel		
	Resources	6,000	
	Expenditures	6,000	0.00
<u>Fund 228</u>	<u>Special Revenue and Services Fund</u>		
	Public Safety		
	Resources	0	
	Expenditures	0	0.00
	General Expense		
	Resources	75,000	
	Fund Transfers	<u>75,000</u>	
	TOTAL	0	0.00
<u>Fund 241</u>	<u>County School Fund</u>		
	General Expense		
	Resources	177,703	
	Materials & Services	<u>177,703</u>	
	TOTAL	0	0.00
<u>Fund 286</u>	<u>Health &amp; Human Services Fund</u>		
	Health & Human Services		
	Resources	344,558	
	Expenditures	344,558	0.00
<u>Fund 287</u>	<u>LaneCare Fund</u>		
	Health & Human Services		
	Resources	0	
	Expenditures	0	0.00
<u>Fund 521</u>	<u>Fair Board Fund</u>		
	Fair Board		
	Resources	75,000	
	Expenditures	75,000	0.00
<u>Fund 530</u>	<u>Solid Waste Disposal Fund</u>		
	Public Works		
	Resources	0	
	Expenditures	0	0.25
<u>Fund 627</u>	<u>Intergovernmental Services Fund</u>		
	Management Services		
	Resources	6,800	
	Expenditures	6,800	0.00

Fund 654      Information Services Fund

Information Services

Resources

500,000

Expenditures

500,000

0.00

Dated this \_\_\_\_ day of June 2006.

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Bill Dwyer, Chair  
Board of County Commissioners

APPROVED AS TO FORM

Date 6/13/06 lane county

  
OFFICE OF LEGAL COUNSEL

## ATTACHMENT A – ANALYSIS AND DESCRIPTION OF PROPOSED BUDGET CHANGES

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

<u>Fund # and Name</u>	<u>Amount</u>	<u>FTE</u>
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### ***Fund 124 General Fund***

#### **Youth Services**

<b>Resources</b>	<b>3,298</b>	
<b>Expenditures</b>	<b>3,298</b>	<b>0.00</b>

Change in revenues including Refunds & Reimbursements, additional BRS Title XIX reimbursements in one program and a loss of the same in another, and higher reimbursements than expected for meals provided by our new Catering Program in the MLK Ed Center. Expenditure changes include adjusting M&S expenses to reflect change in revenues.

#### **County Administration**

<b>Resources</b>	<b>230,000</b>	
<b>Expenditures</b>	<b>230,000</b>	<b>0.00</b>

This adjustment reflects the Board's decision to pay for an enhanced public information initiative totaling \$250,000. The District Attorney's Office has already transferred \$25,000 to the Public Information Office. The recommendation approved by the Board was to have each county dept/fund pay for a portion of the remaining \$225,000 cost. Each department's Advertising & Publicity line items will be charged and the resulting revenue will be placed into the PIO program as Other Internal Services revenue. The PIO budget will then have its Advertising & Publicity line item increased to enable it to pay for initiative expenses. Additional \$5,000 in video lottery in Community & Economic Development Program; additional unanticipated expenditures for hiring (advertising) of new Economic Coordinator.

#### **Public Safety**

<b>Resources</b>	<b>132,516</b>	
<b>Expenditures</b>	<b>132,516</b>	<b>0.00</b>

Increase Title II Revenue for the Forest Work Camp due to prior year carryover funds from USFS/BLM, increase Title III Revenue an additional \$30K which was approved by the board but not included in the FY06 budget at adoption, and increase revenue due to an Emergency Management Grant for an exercise conducted during April 2006. Expenses are increased an equal amount.

#### **Management Services**

<b>Resources</b>	<b>23,990</b>	
<b>Expenditures</b>	<b>23,990</b>	<b>0.00</b>

Human Resources held a workshop on cultural diversity in the workplace. The attendance by registration paying non-county attendees greatly exceeded expectations, which resulted in an overall increase in revenue.

Fund # and Name  
**Fund 222 Law Library Fund**

Amount

FTE

**County Counsel**

<b>Resources</b>	<b>6,000</b>	
<b>Expenditures</b>	<b>6,000</b>	<b>0.00</b>

Court Fee revenues are exceeding projected levels; IS direct costs are exceeding by 80% over projected levels for 05-06. The \$5500 revenue and expense adjustment is to cover anticipated actual IS costs; the \$500 is the grant revenue and advance expenses associated with a national conference scheduled for July.

**Fund 228 Special Revenue and Services Fund**

**Public Safety**

<b>Resources</b>	<b>0</b>	
<b>Expenditures</b>	<b>0</b>	<b>0.00</b>

Transfer of \$10,000 in INET funds from Sheriff's Office to H&HS for use in drug treatment programs. Increase in transfer expense & decrease in Agency Payment expenses resulting in a net zero overall change.

**General Expense**

<b>Resources</b>	<b>75,000</b>	
<b>Fund Transfers</b>	<b>75,000</b>	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>

The original FY05-06 Transient Room Tax appropriation was \$900,000. One-third of the year into FY06 room tax revenues were running 9.5% ahead of last year. Revenue was increased by \$100,000 in Supplemental Budget # 1 which then increased the dollars transferred over to the Fair Board whose appropriation was also increased by \$100,000 to \$1,000,000. Room tax revenues are now projected to come in closer to a 10.4% over the prior year. As a result, this budget adjustment will increase room tax revenues in General Expense by an additional \$75,000 where the funds will then be transferred to the Fair Board fund. The Fair Board intends to use these additional funds for operational purposes, and more specifically, pay down their PERS Bond debt outstanding balance.

**Fund 241 County School Fund**

**General Expense**

<b>Resources</b>	<b>177,703</b>	
<b>Materials &amp; Services</b>	<b>177,703</b>	
<b>TOTAL</b>	<b>0</b>	<b>0.00</b>

State timber sale revenue is coming in \$177,703 higher than originally expected. Since these are pass-through funds that have to be paid out, the agency payments line is also increased by an equal amount so the additional funds can be paid to the Lane ESD on behalf of all the schools in Lane County.

**Fund 286 Health & Human Services Fund**

**Health & Human Services**

<b>Resources</b>	<b>344,558</b>	
<b>Expenditures</b>	<b>344,558</b>	<b>0.00</b>

Payment of BCC information initiative expenditures per Board Order to be covered by various grant revenue increases. Transfer of \$10,000 in INET funds from Sheriff's office to pay for drug treatment programs; Increase revenue and expenditures by \$324,162 to match actual grant revenue and expenditures.

<u>Fund # and Name</u>	<u>Amount</u>	<u>FTE</u>
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***Fund 287 LaneCare Fund***

**Health & Human Services**

<b>Resources</b>	<b>0</b>	
<b>Expenditures</b>	<b>0</b>	<b>0.00</b>

Reduce contingency by \$200,000 moving to M&S (Agency Payments) for Transition Team expense reimbursements unknown at budget preparation time. Resulting in a net zero overall change.

***Fund 521 Fair Board Fund***

**Fair Board**

<b>Resources</b>	<b>75,000</b>	
<b>Expenditures</b>	<b>75,000</b>	<b>0.00</b>

The original FY05-06 Transient Room Tax appropriation was \$900,000. One-third of the year into FY06 room tax revenues were running 9.5% ahead of last year. Revenue was increased by \$100,000 in Supplemental Budget # 1 which then increased the dollars transferred over to the Fair Board whose appropriation was also increased by \$100,000 to \$1,000,000. Room tax revenues are now projected to come in closer to a 10.4% over the prior year. As a result, this budget adjustment will increase room tax revenues in General Expense by an additional \$75,000 where the funds will then be transferred to the Fair Board fund. The Fair Board intends to use these additional funds for operational purposes, and more specifically, pay down their PERS Bond debt outstanding balance.

***Fund 530 Solid Waste Disposal Fund***

**Public Works**

<b>Resources</b>	<b>0</b>	
<b>Expenditures</b>	<b>0</b>	<b>0.25</b>

.25 FTE for new position, Nuisance Abatement Specialist. Position #36346 approved by Board Order No. 06-1-18-2 for FY 06-07, later revised by Board Order No. 06-5-24-12 to allow for position to begin 05/22/06. Funding comes from existing resources.

***Fund 627 Intergovernmental Services Fund***

**Management Services**

<b>Resources</b>	<b>6,800</b>	
<b>Expenditures</b>	<b>6,800</b>	<b>0.00</b>

IS Direct previously incorrectly charged to Fund 124 for Sympro Investment Portfolio software annual service contract. Investment earnings are higher than originally anticipated and cover this increased expenditure.

***Fund 654 Information Services Fund***

**Information Services**

**Resources**

**500,000**

**Expenditures**

**500,000**

**0.00**

Information Services revenue is increased by \$500,000 due to increased use of services by County departments for special projects and requests. Expenses are increased in Permanent Operating Salaries, Employee Benefits to offset costs, and the balance is put into DP Supplies and Accessories.

**AGENDA DATE:** June 21, 2006

**PUBLIC HEARING AND ORDER \_\_\_\_\_/IN THE MATTER OF ADOPTING THE FY2005-2006 SUPPLEMENTAL BUDGET #3 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS.**