

W. 3.a.

## AGENDA COVER MEMORANDUM

---

AGENDA DATE: Wednesday, April 4, 2007

PRESENTED TO: Board of County Commissioners

PRESENTED BY: Christine Moody, Management Analyst

AGENDA TITLE: PUBLIC HEARING AND ORDER/IN THE MATTER OF ADOPTING THE FY 2006-2007 SUPPLEMENTAL BUDGET #2, MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS

---

I. MOTION  
MOVE APPROVAL OF THE ORDER ADOPTING THE FY 2006-2007 SUPPLEMENTAL BUDGET #2 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS.

II. AGENDA ITEM SUMMARY

The Board is being asked to adopt the FY 2006-2007 Supplemental Budget #2. 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. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Board adopted the FY 2006-2007 budget on June 21, 2006, in Board Order #06-06-21-1. Lane County typically processes three supplemental budgets per year. This is the second supplemental budget requested for FY 2006-2007. Supplemental #1 was previously approved by the Board of December 13, 2006, Board Order #06-12-13-1

This supplemental budget was advertised in The Register-Guard on March 29, 2007.

The publication form used for the supplemental budget process is 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 (Parks & Open Space Fund), the Board of Commissioners is required to hold a public hearing before taking final action.

B. Policy Issues

The supplemental budget is in compliance with state budget law. It is County policy to hold a Public Hearing when processing each supplemental budget, whether or not it is required by state budget law. That policy is being followed here.

C. Board Goals

Lane County's budget and financial management policies support the County's strategic goal of ensuring stability in service delivery to promote the efficient use of public funds.

D. Financial and/or Resource Considerations

The supplemental budget submitted for approval represents a balanced budget.

E. Analysis

Analysis and detail on the proposed changes are found on Board Order Attachment A and should be referred to.

F. 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.

V. RECOMMENDATION

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

VI. TIMING/IMPLEMENTATION

There is no specific deadline for adopting the supplemental budget other than if it is delayed, a second public hearing would have to be held and if more than 30 days passes since the advertisement date stated above, a new legal ad would have to be placed at least five days prior to adoption.

VII. FOLLOW-UP

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

VIII. ATTACHMENTS

Board Order

Board Order Attachment A – Analysis and detail of requested adjustments

Board Order Attachment B – Contract Delegation List

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

RESOLUTION AND ORDER ) IN THE MATTER OF ADOPTING THE FY2006-  
07-04-04- \_\_\_ ) 2007 SUPPLEMENTAL BUDGET #2 MAKING,  
 ) REDUCING AND TRANSFERRING  
 ) APPROPRIATIONS

**WHEREAS**, Supplemental Budget #2 for Fiscal Year 2006-2007 was advertised in The Register-Guard on March 29, 2007, 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 FY2006-2007 Supplemental Budget #2 was held in the Public Service Building, Lane County on April 4, 2007; 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, 2006 and for the purposes as outlined on Attachment A be additionally appropriated, reduced or transferred as follows:

**Fund 124 General Fund**

	<u>Amount</u>	<u>FTE</u>
<b>Youth Services</b>		
Resources	\$33,245	0.00
Expenditures	\$33,245	

	<u>Amount</u>	<u>FTE</u>
<b>Assessment &amp; Taxation</b>		
Resources	\$0	0.00
Expenditures	\$0	

	<u>Amount</u>	<u>FTE</u>
<b>Public Works (subfund 131)</b>		
Resources	\$78,216	1.20
Expenditures	\$78,216	

**Fund 216 Parks & Open Spaces Fund**

	<u>Amount</u>	<u>FTE</u>
<b>Public Works</b>		
Resources	\$396,000	0.00
Expenditures	\$396,000	

**Fund 260 Special Revenue Fund**

<b>Youth Services (subfund 260)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$45,000	0.00
Expenditures	\$45,000	
<b>District Attorney (subfund 261)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	1.00
Expenditures	\$0	
<b>Public Works (subfund 263)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

**Fund 286 Health & Human Services Fund**

<b>Health &amp; Human Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$317,051	(1.60)
Expenditures	\$317,051	

**Fund 287 LaneCare Fund**

<b>Health &amp; Human Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	(\$43,500)	0.00
Expenditures	(\$43,500)	

**Fund 435 Capital Improvement Fund**

<b>Management Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$21,765	0.00
Expenditures	\$21,765	

**Fund 552 Regional Information Systems Fund**

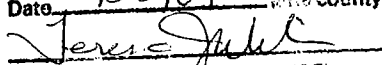
<b>Information Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

**Fund 654 Information Services Fund**

<b>Information Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

and it is further **ORDERED** that the Board hereby delegates authority to the County Administrator to sign contracts as shown on Attachment B.

Dated this \_\_\_\_ day of April, 2007.

APPROVED AS TO FORM  
Date 3/23/07 Lane County  
  
OFFICE OF LEGAL COUNSEL

\_\_\_\_\_  
Chair  
Lane County Board of Commissioners

**ATTACHMENT A – IN THE MATTER OF ADOPTING THE FY2006-2007 SUPPLEMENTAL BUDGET #2 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS**

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

**Fund 124 (& Subfund 131) General Fund**

<b>Youth Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$33,245	0.00
Expenditures	\$33,245	

Award of Gang Grant services to be used for Community Education/Mobilization and Enhanced Supervision.

<b>Assessment &amp; Taxation</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

Decrease M&S appropriation by \$21,765 and increase transfer to capital funds appropriation by \$21,765 to Capital Fund 435 to pay for remaining balance of remodel previously completed. Results in net zero change to budgeted expenditures.

<b>Public Works (subfund 131)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$78,216	1.20
Expenditures	\$78,216	

Add 1.00 FTE for permit processing support position which will provide direct customer service, research, data entry and staff support in the building permit process such as: address and parcel confirmation, detail research and verification. Currently work is performed by a combination of staff and extra-help positions from three programs. Establishing a single position to cover these activities will result in work consistency and allow other staff to focus on their primary responsibilities. Ongoing permit fee revenue will support the full cost of this position. Increase existing .80 FTE position by .20 to make existing Admin Support position full-time. The position acts as confidential secretary for the division manager, performing a variety of administrative and clerical functions supporting the entire division. Technical and functional supervision of clerical staff is a key responsibility. At the prior (retired) incumbent's request, the position has been maintained at a .8 FTE status for several years. In addition to the workload supporting an increase to full time status, the ability to recruit or promote to the position is compromised at a part time status. Annual administration surcharge revenue (on permit applications) will support the increased cost of the position.

**Fund 216 Parks & Open Spaces Fund**

<b>Public Works</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$396,000	0.00
Expenditures	\$396,000	

In 2006 following a public hearing in Florence, Oregon, the Board directed staff to work with Oregon State Parks on the sale of the 80 acre parcel commonly referred to as the Glenada property. The sale will occur with all the conditions recorded in two phases. This supplemental represents the first phase which is the portion of the property (approx. 62.33 acres) zoned NR and will sell to the State Parks for \$396,000. \$200,000 to Contingency for cash flow; \$25,000 to Wildish project; \$50,000 Operations; \$121,000 to CIP Contingency.

**Fund 260 Special Revenue Fund**

<b>Youth Services (subfund 260)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$45,000	0.00
Expenditures	\$45,000	

Supplemental funds received from State of Oregon flex funds grant to carry out a Graffiti removal team. These funds will be used to pay for a supervisor, youth crew, and associated tools and equipment needed to complete tasks.

<b>District Attorney (subfund 261)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	1.00
Expenditures	\$0	

Addition of 1.0 FTE for grant-funded position. Funding for position was appropriated in Supplemental #1, but FTE count increase was inadvertently left out.

<b>Public Works (subfund 263)</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

Transfer \$140,000 from CIP contingency to Materials & Services and Capital Projects. Parks requested the use of System Development Charge (SDC) Revenue for the following projects: Wildish property review and appraisal, Parks Master Plan hearing and approval, Armitage Campground design. The appropriation of these SDC funds was recommended by the Finance & Audit Committee in December, 2006.

**Fund 286 Health & Human Services Fund**

<b>Health &amp; Human Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$317,051	(1.60)
Expenditures	\$317,051	

Position #43270 was moved to fund 285 and eliminated in fund 286 - this is cleanup only - reduction of 1.0 FTE in program 412. Position #45330 - hours reduced from 1.0 FTE to .6 per employee request - reduction of .4 FTE. Position #34970 - hours reduced from 1.0 FTE to .8 per employee request - reduction of .2 FTE. Mental Health Division revenue changes included thru amendment #60. Other adjustments include: Admin program – adjusting revenue and corresponding expense appropriations to match grant allocations. Developmental Disabilities – increase revenue to reflect increase in Mental Health grant with appropriate increase in expense allocation. Public Health – adjusting revenue and corresponding expense appropriations to match grant allocations. Supervision Treatment Services – adjusting revenue and expense appropriations to reflect increased grant fund unknown at budget preparation.

**Fund 287 LaneCare Fund**

<b>Health &amp; Human Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	(\$43,500)	0.00
Expenditures	(\$43,500)	

Year 8 of LaneCare closure. LaneCare is the mental health managed care organization for Oregon Health Plan eligible clients. Year 8 is the 8th year that LaneCare has existed and

covers the period from October 2004 through December 2005. One year after the end of the LaneCare year, we roll any remaining funds into the next year (Yr 9) and current year (Yr 10) as determined by the executive committee. The changes shown in supplemental # 2 are the budget changes to reflect the closure of year 8 and reallocation into the two open years.

**Fund 435 Capital Improvement Fund**

<b>Management Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$21,765	0.00
Expenditures	\$21,765	

Moving \$1,870,000 from operational contingency and reserves into Acquisition and Construction (resulting in net \$0 change to expenditures) to allow for purchase of Public Health Building when negotiations are completed. Closing estimated in April, 2007 and exact amount due at closing not yet known. This transfer allows for all available funding to be accessible for use towards purchase.

Receipt of \$21,765 from Assessment & Taxation for remodel previously completed. Operational contingency increased by same amount.

**Fund 552 Regional Information Systems Fund**

<b>Information Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

Moving \$291,384 from Data Processing Equipment M&S to Transfer to Enterprise line to pay for County's portion of Regional Backup Solution.

**Fund 654 Information Services Fund**

<b>Information Services</b>	<u>Amount</u>	<u>FTE</u>
Resources	\$0	0.00
Expenditures	\$0	

Increase transfer from Fund 654 by \$291,384 for County's payment towards Regional Backup Solution. Decrease Data Processing Services revenue to balance fund.

**ATTACHMENT B – IN THE MATTER OF ADOPTING THE FY2006-2007 SUPPLEMENTAL BUDGET #1 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS**

**Contracts requiring delegation of authority to the County Administrator:**

<b>TYPE</b>	<b>DEPARTMENT</b>	<b>CONTRACT TERM</b>	<b>CONTRACTOR</b>	<b>ORIGINAL CONTRACT AMOUNT</b>	<b>AMENDMENT AMOUNT</b>
Amendment	Youth Services	Unchanged	Oregon State (Youth Authority)	\$180,754	\$78,745