



April 28, 2016

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of a Resolution for a Clackamas County Supplemental Budget  
(Greater Than Ten Percent and Budget Reduction) for Fiscal Year 2015-2016

Purpose/Outcome	Supplemental Budget changes for Clackamas County FY 2015-2016
Dollar Amount and fiscal Impact	The effect is an increase in appropriations of \$17,023,577.
Funding Source	Includes changes in Prior Year Revenue, Fund Balance, License and Permits, Federal and State Operating Grants, Local and Other Gov't Agencies, Charge for Services, Miscellaneous Revenue, Other Financing Sources and Interfund Transfers.
Safety Impact	N/A
Duration	July 1, 2015-June 30, 2016
Previous Board Action/Review	Budget Adopted June 25, 2015 and amended, October 29 and December 10, 2015
Contact Person	Diane Padilla, 503-742-5425
Contract No.	N/A

**BACKGROUND:**

Each fiscal year it is necessary to reduce allocations or allocate additional sources of revenue and appropriate additional expenditures to more accurately meet the changing requirements of the operating departments. The attached resolution reflects such changes requested by departments in keeping with a legally accurate budget. These changes are in compliance with O.R.S. 294.480 (4) which allows for governing body approval of supplemental budget changes for items ten percent or greater of the qualifying expenditures of the budget funds(s) being adjusted. The required notices have been published.

The County School Fund is recognizing higher than anticipated Secure Rural Schools revenue and budgeting for payments to other local governments.

The Building Codes Fund is recognizing additional licenses and permits revenue and budgeting for program costs and increasing contingency.

The Roads Fund is recognizing additional revenue from federal, state and local governments and budgeting to better align to program costs and increasing contingency.

The County Safety Net Legislation Local Projects Fund is recognizing prior year revenue and Secure Rural Schools revenue and budgeting for payments to other local governments and program costs.

The Property Resources Fund is recognizing additional tax foreclosure revenue and budgeting for program costs associated with property foreclosure and administration.

The Community Corrections Fund is recognizing grant revenue from the Department of Justice and internal grants and budgeting for program costs for the Transition Center and for victim services.

The Justice Court is realigning its budget to better classify payments to other governments and agencies.

The Countywide Transportation SDC Fund is recognizing licensing revenue and an interfund transfer from the Happy Valley/Clackamas Joint Transportation SDC Fund and budgeting an interfund transfer to the DTD Capital Projects Fund and adjusting debt service and contingency. The fund is paying off its loan from the Oregon Transportation Infrastructure Bank ahead of schedule and saving almost one million dollars in interest expense.

The Happy Valley/Clackamas Joint Transportation SDC Fund is recognizing additional license fees, miscellaneous and other revenues and budgeting to adjust the interfund transfer to DTD Capital Projects Fund and the Countywide Transportation SDC Fund.

The Social Services Fund is recognizing additional Low-Income Home Energy Assistance Program revenue and budgeting for program costs and reclassifying payments to sub-recipients.

The Children, Youth and Families Fund is reducing its budget for the Family Justice Center and transferring the responsibility for its operations to the Sheriff's Office. This fund is also reclassifying how it accounts for payments to other governments and agencies.

The Transient Room Tax Fund is recognizing fund balance and additional transient room tax and budgeting for an interfund transfer to Tourism and administration fee costs.

The Tourism Fund is recognizing fund balance and additional interfund transfer from the Transient Room Tax Fund and budgeting for a full-time Tourism Specialist position, program costs and contingency.

The Clackamas Broadband Utility Fund is recognizing charge for services revenue and budgeting for construction and franchise costs.

The Self Insurance Fund is recognizing lower than anticipated beginning fund balance and adjusting contingency accordingly.

The Fleet Replacement Reserve Fund is transferring balance back to the Fleet Services Fund as it has been determined that it is not necessary to maintain two separate funds. The Fleet Replacement Reserve Fund will be closed.

The Fleet Services Fund is recognizing an interfund transfer from the Fleet Replacement Reserve Fund and budgeting it in reserves.

The effect of this Resolution is an increase in appropriations of \$17,023,577 including revenues as detailed below:

Prior Year Revenue	\$ 381,823.
Fund Balance	(2,568,440.)
License and Permits	4,338,480.
Federal Operating Grants	1,140,515.
State Operating Grants	6,781,344.
Local Government and Other Agencies	1,015,228.
Charge for Services	1,931,461.
Fines and Penalties	5,000.

Miscellaneous Revenue	110,220.
Other Financing Sources	882,920.
Interfund Transfer	<u>3,005,026.</u>
Total Recommended	<u>\$ 17,023,577.</u>

**RECOMMENDATION:**

Staff respectfully recommends adoption of the attached supplemental budget and Exhibit A in keeping with a legally accurate budget.

Sincerely,

Diane Padilla  
Budget Manager

In the Matter of Providing Authorization  
Regarding Adoption of a Supplemental  
Budget for Items Greater Than 10  
Percent of the Total Qualifying Expenditures  
and Making Appropriations for Fiscal  
Year 2015-16

Resolution No.

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, a supplemental budget for the period of July 1, 2015 through June 30, 2016, inclusive, has been prepared, published and submitted to the taxpayers as provided by statute;

WHEREAS; a hearing to discuss the supplemental budget was held before the Board of County Commissioners on April 28, 2016.

WHEREAS; the funds being adjusted are:

- . County School Fund
- . Building Codes Fund
- . Roads Fund
- . County Safety Net Legislation Local Projects Fund
- . Property Resources Fund
- . Community Corrections Fund
- . Justice Court Fund
- . Countywide Transportation SDC Fund
- . Happy Valley/Clackamas Joint Transportation Fund
- . Social Services Fund
- . Children, Youth and Families Fund
- . Transient Room Tax Fund
- . Tourism Fund
- . Clackamas Broadband Utility Fund
- . Self-Insurance Fund
- . Fleet Replacement Reserve Fund
- . Fleet Services Fund;

It further appearing that it is in the best interest of the County to approve this greater than 10 percent change in appropriations for the period of July 1, 2015 through June 30, 2016.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Pursuant to its authority under OR 294.480, the supplemental budget be adopted and appropriations established as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2015

**CLACKAMAS COUNTY BOARD OF COMMISSIONERS**

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Recording Secretary

**SUMMARY OF SUPPLEMENTAL BUDGET**  
**Exhibit A**  
**CHANGES OF GREATER THAN 10% OF BUDGET**  
**April 28, 2016**

Recommended items by revenue source:

Prior Year Revenue	\$ 381,823
Fund Balance	(2,568,440)
License and Permits	4,338,480
Federal Operating Grants	1,140,515
State Operating Grants	6,781,344
Local Government and Other Agencies	1,015,228
Charge for Services	1,931,461
Fines and Penalties	5,000
Miscellaneous Revenue	110,220
Other Financing Sources	882,920
Interfund Transfers	3,005,026
Total Recommended	<u><u>\$ 17,023,577</u></u>

**COUNTY SCHOOL FUND**

Revenues:

Federal Operating Grants	\$ 350,000
Total Revenue	<u><u>\$ 350,000</u></u>

Expenses:

Not Allocated to Organizational Unit	
Special Payments	\$ 350,000
Total Expenditures	<u><u>\$ 350,000</u></u>

County School Fund is recognizing higher than anticipated Secure Rural Schools revenue and budgeting for payments to other local governments.

**BUILDING CODES FUND**

## Revenues:

Licenses and Permits	\$ 1,201,752
Charge for Services	231,980
Fines and Penalties	5,000
Miscellaneous Revenue	(13,470)
Other Financing Sources	(30,000)
Total Revenue	<u>\$ 1,395,262</u>

## Expenses:

General Government	\$ 259,693
Not Allocated to Organizational Unit	
Contingency	1,135,569
Total Expenditures	<u>\$ 1,395,262</u>

Building Codes Fund is recognizing additional licenses and permits revenue and budgeting for program costs and increasing contingency.

**ROAD FUND**

## Revenues:

Licenses and Permits	\$ 30,000
Federal Operating Grants	298,465
State Operating Grants	5,557,969
Local Government and Other Agencies	118,874
Charge for Services	751,928
Miscellaneous Revenue	30,290
Other Financing Sources	50,096
Total Revenue	<u>\$ 6,837,622</u>

## Expenses:

Public Ways and Facilities	\$ (2,796,103)
Not Allocated to Organizational Unit	
Special Payments	100,000
Contingency	9,435,768
Interfund Transfer	97,957
Total Expenditures	<u>\$ 6,837,622</u>

Roads Fund is recognizing additional revenue from federal, state and local governments and budgeting to better align to program costs and increasing contingency

**PROPERTY RESOURCES FUND**

## Revenues:

Charge for Services	\$ 602,053
Other Financing Sources	602,053
Total Revenue	<u>\$ 1,204,106</u>

## Expenses:

General Government	\$ 1,204,106
Total Expenditures	<u>\$ 1,204,106</u>

Property Resources Fund is recognizing additional tax foreclosure revenue and budgeting for program costs associated with property foreclosure and administration.

**COMMUNITY CORRECTIONS FUND**

Revenues:

State Operating Grants	\$ 1,203,547
Charge for Services	(276,000)
Total Revenue	<u>\$ 927,547</u>

Expenses:

Public Protection	\$ 803,470
Not Allocated to Organizational Unit	
Special Payments	124,077
Total Expenditures	<u>\$ 927,547</u>

The Community Corrections Fund is recognizing grant revenue from the Department of Justice and internal grants and budgeting for program costs for the Transition Center and for victim services.

**JUSTICE COURT FUND**

Expenses:

Public Protection	\$ (145,000)
Not Allocated to Organizational Unit	
Special Payments	145,000
Total Expenditures	<u>\$ -</u>

Justice Court is realigning its budget to better classify payments to other government and agencies.

**COUNTYWIDE TRANSPORTATION SDC FUND**

Revenues:

License and Permits	\$ 750,000
Charge for Services	18,500
Miscellaneous Revenue	(38,600)
Other Financing Sources	129
Interfund Transfer	2,007,671
Total Revenue	<u>\$ 2,737,700</u>

Expenses:

Public Ways and Facilities	\$ (27,000)
Not Allocated to Organizational Unit	
Intefund Transfer	784,569
Debt Service	(834,579)
Contingency	2,811,710
Total Expenditures	<u>\$ 2,734,700</u>

Countywide Transportation SDC Fund is recognizing licensing revenue and an interfund transfer from the Happy Valley/Clackamas Joint Transportation SDC Fund and budgeting an interfund transfer to the DTD Capital Projects Fund and adjusting debt service and contingency. The fund is paying off its loan from the Oregon Transportation Infrastructure Bank ahead of schedule and saving almost one million dollars in interest expense.

**HAPPY VALLEY/CLACKAMAS JOINT TRANSPORTATION FUND**

Revenues:	
License and Permits	\$ 2,356,728
Charge for Services	3,000
Miscellaneous Revenue	111,000
Other Financing Sources	260,642
Total Revenue	<u>\$ 2,731,370</u>
Expenses:	
Public Ways and Facilities	\$ (37,998)
Not Allocated to Organizational Unit	
Intefund Transfer	1,973,142
Contingency	796,226
Total Expenditures	<u>\$ 2,731,370</u>

Happy Valley/Clackamas Joint Transportation SDC Fund is recognizing additional license fees, miscellaneous and other revenues and budgeting to adjust the interfund transfer to DTD Capital Projects Fund and the Countywide Transportation SDC Fund.

**SOCIAL SERVICES FUND**

Revenues:	
Federal Operating Grants	\$ 393,731
State Operating Grants	19,828
Total Revenue	<u>\$ 413,559</u>
Expenses:	
Health and Human Services	\$ (578,015)
Not Allocated to Organizational Unit	
Special Payments	991,574
Total Expenditures	<u>\$ 413,559</u>

Social Services Fund is recognizing additional Low-Income Home Energy Assistance Program revenue and budgeting for program costs and reclassifying payments to sub-recipients.

**CHILDREN, YOUTH AND FAMILIES FUND**

Revenues:	
Interfund Transfer	\$ (88,303)
Total Revenue	<u>\$ (88,303)</u>
Expenses:	
Health and Human Services	\$ (879,751)
Not Allocated to Organizational Unit	
Special Payments	791,448
Total Expenditures	<u>\$ (88,303)</u>

The Children, Youth and Families Fund is reducing its budget for the Family Justice Center and transferring the responsibility for its operations to the Sheriff's Office. This fund is also reclassifying how it accounts for payments to other governments and agencies.

**COUNTY SAFETY NET LEGISLATION LOCAL PROJECTS FUND**

Revenues:	
Prior Year Revenue	\$ 381,823
Federal Operating Grants	98,319
Total Revenue	<u>\$ 480,142</u>
Expenses:	
General Government	\$ 480,142
Total Expenditures	<u>\$ 480,142</u>

County Safety Net Legislation Local Projects Fund is recognizing prior year revenue and Secure Rural School revenue and budgeting for payments to other local governments and program costs.

**TRANSIENT ROOM TAX FUND**

Revenues:	
Fund balance	\$ 215,348
Local Government and Other Agencies	706,539
Total Revenue	<u>\$ 921,887</u>
Expenses:	
Not Allocated to Organizational Unit	
Materials and Services	\$ 19,640
Interfund Transfer	902,247
Total Expenditures	<u>\$ 921,887</u>

Transient Room Tax Fund is recognizing fund balance and additional transient room tax and budgeting for an interfund transfer to Tourism and administration fee costs

**TOURISM FUND**

Revenues:	
Fund Balance	\$ 100,720
Local Government and Other Agencies	189,815
Interfund Transfer	902,247
Total Revenue	<u>\$ 1,192,782</u>
Expenses:	
Culture, Education and Recreation	\$ 907,595
Not Allocated to Organizational Unit	
Contingency	285,187
Total Expenditures	<u>\$ 1,192,782</u>

Tourism Fund is recognizing fund balance and additional interfund transfer from the Transient Room Tax Fund and budgeting for a full-time Tourism Specialist position, program costs and contingency.

**FLEET REPLACEMENT FUND**

## Expenses:

Not Allocated to Organizational Unit	
Intefund Transfer	\$ 183,411
Reserve	(183,411)
Total Expenditures	<u>\$ -</u>

Fleet Replacement Reserve Fund is transferring balance back to the Fleet Services Fund as it has been determined that it is not necessary to maintain two separate funds

**CLACKAMAS BROADBAND UTILITIES FUND**

## Revenues:

Charge for Services	\$ 600,000
Miscellaneous Revenue	21,000
Total Revenue	<u>\$ 621,000</u>

## Expenses:

Public Ways and Facilities	\$ 600,000
Not Allocated to Organizational Unit	
Special Payments	21,000
Total Expenditures	<u>\$ 621,000</u>

Clackamas Broadband Utility Fund is recognizing charge for services revenue and budgeting for construction and franchise costs.

**SELF INSURANCE FUND**

## Revenues:

Fund Balance	\$ (2,884,508)
Total Revenue	<u>\$ (2,884,508)</u>

## Expenses:

Not Allocated to Organizational Unit	
Contingency	\$ (2,884,508)
Total Expenditures	<u>\$ (2,884,508)</u>

Self Insurance Fund is recognizing lower than anticipated beginning fund balance and adjusting contingency accordingly.

**FLEET SERVICES FUND**

## Revenues:

Interfund Transfer	\$ 183,411
Total Revenue	<u>\$ 183,411</u>

## Expenses:

Not Allocated to Organizational Unit	
Reserve	183,411
Total Expenditures	<u>\$ 183,411</u>

Fleet Services Fund is recognizing an interfund transfer from the Fleet Replacement Reserve Fund and budgeting it in reserves.