



AGENDA COVER MEMORANDUM

AGENDA DATE: April 2, 2024

PRESENTED TO: Board of County Commissioners

DEPARTMENT: County Administration

PRESENTED BY: Christine Moody, Budget & Financial Planning Manager
Kevin Mahoney, Sr. Management Analyst

AGENDA TITLE: PUBLIC HEARING / ORDER /RESOLUTION In the Matter of Adopting the FY 23-24 Supplemental Budget #3, Making, Reducing and Transferring Appropriations

I. MOTION

MOVE APPROVAL OF THE ORDER/RESOLUTION ADOPTING THE FY 23-24 SUPPLEMENTAL BUDGET #3 MAKING, REDUCING AND TRANSFERRING APPROPRIATIONS.

II. AGENDA ITEM SUMMARY

The Board is being asked to adopt the FY 23-24 Supplemental Budget #3.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Board adopted the FY 23-24 budget on June 13, 2023, in Board Order 23-06-13-01.

This is the third supplemental budget for FY 23-24. Two prior supplemental budgets were approved in Board Orders 23-09-26-01 and 23-12-12-01.

B. Policy Issues

Oregon local budget law (Chapter 294 of Oregon Revised Statutes) gives budget provisions and procedures that must be followed during the budgeting process, including supplemental budget modifications.

A public hearing and publication of a notice is required when any fund increases expenditures (not including transfers, contingency or reserves) by greater than 10% from

the current budget. For this supplemental budget, there is one (1) County fund changing by more than 10% (American Rescue Plan Fund). The notice of Public Hearing was published in the Register Guard on March 28, 2024.

If necessary, 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.

C. Strategic Plan

Lane County's budget and financial management policies support the County's Strategic Plan priorities and the commitment to open and accountable government and wise stewardship of public funds.

D. Financial and /or Resource Considerations

This supplemental budget increases the County's total resources by \$42,960,154. Department expense appropriations are increasing by \$4,456,042, non-departmental materials and services are increasing by \$38,336,724, transfers are decreasing by \$4,328,877, operational contingency is increasing by \$125,913. Unappropriated reserves are increasing by \$4,370,352. Full-time-equivalent (FTE) positions are increasing by 14.20. If approved as presented, the County's Current Modified Budget for FY 23-24 will be \$1,208,803,979 with 2,073.25 FTE across all funds.

E. Health Implications

There are no known health implications associated with adoption of this supplemental budget.

F. Analysis

Examples of changes occurring in this supplemental are:

- Increase Board and Admin Services Supervisor 0.25 FTE from 0.75 FTE to 1.00 FTE in County Administration, decrease other expenditures to cover additional cost.
- Reduce 1.00 FTE from General Fund in Community Justice and Rehabilitation Services to allow for addition of Victim Advocate position in District Attorney's Office.
- Move 0.31 FTE Mental Health Specialist 1 to Local Option Tax Levy Fund in Community Justice and Rehabilitation Services to correct prior allocation error.
- Add 1.00 FTE Victim Advocate in District Attorney's Office in the General Fund.
- Add 0.50 FTE Part time Office Assistant 2 in the Law Library within County Administration.
- Reduce 0.50 FTE Temporary Technical Specialist from General Road Fund within Public Works.

- Add 12.5 FTE and increase one position from 0.80 FTE to 1.00 FTE in Health and Human Services to increase provider staff at the South Lane Clinic. Increasing one position from 0.75 FTE to 1.00 FTE in Environmental Health Services.
- General Fund adjustments include:
 - Reduce expense related to moving 1.31 FTE within Community Justice and Rehabilitation Services as detailed above.
 - Increase expenses within District Attorney's Office for 1.0 added FTE Victim Advocate.
 - Increase expense for Limited Duration Human Resources Technician one-time funds for Human Resources approved on Board Order 24-02-27-03.
 - Increase expense for Data & Analytics for renewal of Gartner license for Manager.
 - Increase ARPA reimbursement revenue into multiple department budgets by \$39,739,914 due to spend down of remaining ARPA funds as described under the American Rescue Plan Fund bullet below.
- Parks & Open Spaces Fund
 - Decrease expenses related to net change moving positions between Parks & Open Spaced Fund and Parks Levy Fund. Changes do not increase or decrease FTE.
- Law Library Fund
 - Increase expense related to the adding of 0.50 FTE Part Time Office Assistant 2 offset by reduction in Extra Help funds and contingency.
- General Road Fund
 - Increase resources for Oregon Department of Transportation grant and adding associated expense.
 - Reduce expense related to 0.50 FTE Temporary Technical Specialist reduction.
- Title III Projects Fund
 - Reduce expense due to Emergency Management reducing revenue following movement of the service to the Sheriff's Office.
- American Rescue Plan Fund
 - Increase expense related to the disbursement of final ARPA funds. In order to comply with the new Department of Treasury Obligation Interim Final Rule and not risk forfeiture of any ARPA funds, this supplemental budget #3 includes full expenditure of ARPA funds. This supplemental budget adds budget for all remaining ARPA funds for provision of government services (expenses where the County would otherwise use General Fund) and adds one new allocation of \$1M for Health & Human Services' Public Health program to cover the increase in indirect costs that were the result of receiving the bulk of COVID-response funds to address the public health emergency.

As part of the closeout of this Fund at the end of FY 23-24, the Board Order associated with this Supplemental contains a provision directing that investment earnings within this fund be deposited into the General Fund effective April 1, 2024. This action will ensure that the American Rescue Plan Fund is able to be spent down to \$0 by June 30, 2024.

- Special Revenue Fund
 - Increase revenue in Community Justice & Rehabilitation Services/Parole & Probation related to ICJR Grant funding and increase in associated expense adding 1.00 FTE Victims Advocate.
 - Increase revenue and associated expense in County Administration related to Springfield SMART Grant.
 - Increase revenue and associated expense in County Administration related to amending the Grant agreement with Cascade Pacific RC&D McKenzie Valley Long Term Recovery.
 - Increase revenue in County Administration for OHCS allocation to Lane County for 2020 Labor Day fire recovery.
- Fire Defense Board Fund
 - Budgeting revenue from City of Eugene for Fire Defense Board.
- Intergovernmental Human Services Fund
 - Decrease revenue for Community Service Block Grant based on revised projections and decreasing associated expense in agency refunds and reimbursements.
- Health & Human Services Fund
 - Add 12.5 FTE and budget expense to increase provider staff at Community Health Centers – South Lane Clinic; and increase two positions by 0.45 FTE total.
 - Increase expense related to Community Health Centers, primarily Medical Supplies, Dental Supplies, and Medications related to program growth.
 - Increase revenue USDA Grant and partial Congressional funding direction for South Lane Clinic.
- Local Option Tax Levy Fund
 - Increase expense related to 0.31 FTE move from General Fund.
 - Increase expense related to food and medical costs in Sheriff's Office.
- Parks Levy Fund
 - Increase expense related to net change moving positions between Parks & Open Spaces Fund and Parks Levy Fund. Changes do not increase or decrease FTE.
- Capital Fund
 - Increase resource and expense associated with Courthouse Digital Modernization project and Lighting Upgrade project.

- Solid Waste Disposal Fund
 - Reduce transfer related to timing of cell development and closure projects not occurring in the current year.
- Land Management Fund
 - Increase State revenue for Oregon State Fire Marshall Community Wildfire Risk Reduction Grant and associated expense.

II. RECOMMENDATION

Staff recommends approval of the Supplemental Budget as submitted.

III. TIMING/IMPLEMENTATION

This is the third supplemental adjustment for FY 23-24.

IV. FOLLOW-UP

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

V. ATTACHMENTS

Board Order/Resolution

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER & RESOLUTION) IN THE MATTER OF ADOPTING THE FY 23-24
NO. 24-04-02-01) SUPPLEMENTAL BUDGET #3, MAKING,
)**REDUCING AND TRANSFERRING**
)**APPROPRIATIONS**

WHEREAS, the Board of Commissioners having reviewed and considered the supplemental budget requests presented in the prepared Agenda Memorandum, in their regularly scheduled board meeting on this date; and

WHEREAS, there is one County Fund changing by more than 10% in this supplemental budget and therefore a Public Hearing is required under Oregon Budget Law and the Board held a Public Hearing and fully considered the matters on April 2, 2024; and

WHEREAS, publication of the Public Hearing occurred in the Register Guard on March 28, 2024; 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 amounts and purposes for the budget changes are herein detailed; and

WHEREAS, the American Rescue Plan Fund established in BO 21-05-04-08 will be fully expended by June 20, 2024 and a change to investment earning deposits is necessary to ensure the spend down is able to occur and such a change complies with the allowable uses of these funds; and

NOW, THEREFORE, the Board of County Commissioners of Lane County ORDERS AND RESOLVES as follows:

That the purpose of the American Rescue Plan Fund as established in BO 21-05-04-08 is changed as follows:

Track revenue, expenditures and reserves associated with American Rescue Plan funds received by Lane County. Oversight of the Fund will be Lane County Administration and funds will be expended pursuant to the allowable uses as defined in the ARP and interpreted by the United States Department of Treasury. Any investment earnings will remain within the fund and be expended as allowable under law through March 31, 2024. Effective April 1, 2024, investment earnings will be deposited into the County's General Fund. In the event the ARP dissolves or is extended beyond the current December 31, 2024 deadline to expend funds, the funds will be distributed as required by federal guidance.

That the amounts for the fiscal year beginning July 1, 2023, be increased, decreased and transferred, for the purposes as outlined to the Board, as follows:

GENERAL FUND 124

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	40,254,749		194,043,342
Assessment & Taxation	0	0.00	8,120,494
County Administration	0	0.25	19,410,270
County Counsel	0	0.00	2,771,777
Community Justice & Rehabilitation Services	(60,244)	(1.31)	10,781,450
District Attorney	27,592	1.00	13,960,572
Human Resources	22,068	0.00	4,785,881
Public Safety (Sheriff's Office)	0	0.00	41,817,580
Lane County Office of Emergency Management	0	0.00	785,273
Lane County Office of Data & Analytics	38,062	0.00	371,591
Not Allocated to Organizational Unit:			
Materials & Services	61,400		1,566,558
Transfers Out	862,052		12,793,089
Contingency	0		1,020,000
Total Fund Appropriations	950,930	(0.06)	118,184,535

PARKS & OPEN SPACES FUND 216

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	0		9,395,453
Public Works	(7,908)	0.00	7,252,854
Not Allocated to Organizational Unit:			
Transfers Out	0		60,132
Contingency	0		564,728
Total Fund Appropriations	(7,908)	0.00	7,877,714

LAW LIBRARY FUND 222

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	0		844,330
County Administration	5,881	0.50	397,915
Not Allocated to Organizational Unit:			
Contingency	(5,881)		75,784
Total Fund Appropriations	0	0.50	473,699

GENERAL ROAD FUND 225

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	1,594,892		150,068,478
Public Works	1,574,809	(0.50)	82,421,892
Not Allocated to Organizational Unit:			
Transfers Out	0		5,245,129
Contingency	0		-
Total Fund Appropriations	1,574,809	(0.50)	87,667,021

TITLE III PROJECTS FUND 250

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	0		6,385,663
Not Allocated to Organizational Unit:			
Materials & Services	(148,454)		2,000,470
Total Fund Appropriations	(148,454)	0.00	2,000,470

AMERICAN RESCUE PLAN FUND 255

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	1,076,995		54,495,693
Not Allocated to Organizational Unit:			
Materials & Services	38,422,778		54,495,693
Total Fund Appropriations	38,422,778	0.00	54,495,693

SPECIAL REVENUE FUND 260

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	2,820,526		74,381,942
County Administration	1,300,000	0.00	6,665,234
Assessment & Taxation	60,000	0.00	60,000
Community Justice & Rehabilitation Services	35,990	1.00	16,125,570
District Attorney	0	0.00	1,524
Public Safety (Sheriff's Office)	50,592	0.00	13,074,867
Public Works	0	0.00	198,634
Technology Services	0	0.00	92,391
Not Allocated to Organizational Unit:			
Materials & Services	1,000		9,796,594
Transfers Out	0		870,209
Contingency	0		2,776,024
Total Fund Appropriations	1,447,582	1.00	49,661,047

FIRE DEFENSE BOARD FUND 270

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	1,228,350		1,488,741
Lane County Office of Emergency Management	0		260,391
Not Allocated to Organizational Unit: Contingency	0		0
Total Fund Appropriations	0	0.00	260,391

INTERGOVERNMENTAL HUMAN SERVICES FUND 285

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	(2,545,307)		64,457,707
Health & Human Services	(2,320,432)	0.00	61,144,396
Not Allocated to Organizational Unit: Contingency	0		156,229
Total Fund Appropriations	(2,320,432)	0.00	61,300,625

HEALTH & HUMAN SERVICES FUND 286

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	3,170,526		227,916,145
Health & Human Services	1,953,757	12.95	151,153,924
Not Allocated to Organizational Unit: Transfers Out	84,975		16,887,504
Contingency	1,131,794		34,253,049
Total Fund Appropriations	3,170,526	12.95	202,294,477

LOCAL OPTION TAX LEVY FUND 290

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	0		45,845,300
Community Justice & Rehabilitation Services	32,652	0.31	2,370,323
Public Safety (Sheriff's Office)	1,000,000	0.00	22,263,329
Not Allocated to Organizational Unit: Contingency	(1,000,000)		2,063,769
Total Fund Appropriations	32,652	0.31	26,697,421

PARKS LEVY FUND 295

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	0		5,870,146
Public Works	7,896		5,306,722
Not Allocated to Organizational Unit: Transfers Out	0		87,250
Total Fund Appropriations	7,896	0.00	5,393,972

CAPITAL IMPROVEMENT FUND 435

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	135,327		25,030,101
County Administration	135,327	0.00	13,620,507
Not Allocated to Organizational Unit:			
Transfers Out	0		1,160,216
Contingency	0		3,297,359
Total Fund Appropriations	135,327	0.00	18,078,082

SOLID WASTE DISPOSAL FUND 530

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	(5,275,904)		53,249,327
Public Works	100,000	0.00	25,861,712
Not Allocated to Organizational Unit:			
Transfers Out	(5,275,904)		1,995,442
Contingency	0		2,290,942
Total Fund Appropriations	(5,175,904)	0.00	30,148,096

LAND MANAGEMENT FUND 570

	<u>Change Amount</u>	<u>Authorized FTE Chg</u>	<u>New Fund Total</u>
Resources	500,000		21,929,245
Public Works	500,000	0.00	11,196,275
Not Allocated to Organizational Unit:			
Contingency	0		1,061,921
Total Fund Appropriations	500,000	0.00	12,258,196

	<u>Supp #3</u>	<u>FTE Change</u>	<u>Revised Budget</u>
Total APPROPRIATIONS, All Funds	38,589,802	14.20	864,555,975
Total Unappropriated and Reserve Amounts, All Funds	4,370,352		344,248,004
TOTAL BUDGET	42,960,154		1,208,803,979
Total FTE, All Funds			2,073.25

ADOPTED this 2nd day of April 2024.

Laurie Trieger, Chair
Lane County Board of Commissioners