



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST (revised 09/22/08)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-7 DATE 01/07/2010
DEBORAH L. BOGSTAD, BOARD CLERK

Board Clerk Use Only

Meeting Date: 01/07/2010
Agenda Item #: R-7
Est. Start Time: 10:20 AM
Date Submitted: 12/21/09

BUDGET MODIFICATION: DCM-13 (FPM 10-02)

**BUDGET MODIFICATION DCM-13 (FPM 10-02) Transferring \$443,000 from
Agenda Facilities Contingency Fund 3505 to Capital Fund 2507 for Courthouse
Title: Elevators 3 and 4 Modernization Project**

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date:	<u>January 7, 2010</u>	Amount of Time Needed:	<u>5 mins</u>
Department:	<u>County Management</u>	Division:	<u>FPM</u>
Contact(s):	<u>John Lindenthal, Sam Lasko</u>		
Phone:	<u>503 988-4213</u>	Ext.	<u>84213</u>
	<u>I/O Address: 274/1</u>		
Presenter(s):	<u>John Lindenthal</u>		

General Information

1. What action are you requesting from the Board?

Requested action is to transfer budget and expenditure authority from Facility Fund 3505 to Capital Project Fund 2507 (\$443,000) for the following project:

Courthouse Elevators 3 & 4 Modernization (CP08.10.66).

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

At the meeting of the Board of County Commissioners on November 5, 2009, we provided a briefing of the status of several capital projects for the Board's consideration for funding. At the briefing, the Board gave their consensus direction to proceed with the projects as presented. During the briefing the Board was informed that there is currently \$443,000 budgeted for debt service that will not be used for that purpose, and that Facilities will bring a budget modification request to reallocate these funds to the Courthouse Elevators project. Using these funds still leaves a financing gap of \$307,000 as the elevator project total cost is estimated at \$750,000.

Approval from Mindy Harris, Chief Financial Officer through the attached Declaration of Official Intent received on November 20, 2009 to proceed with the project for the Courthouse elevators, using the existing \$443,000 that was previously allocated for debt service; with the understanding the remaining \$307,000 will be included in a future financial package once financing strategy is finalized. Directions indicate this budget modification be presented to the Board no later than January 14, 2010.

3. Explain the fiscal impact (current year and ongoing).

Fiscal year FY10: No overall fiscal impact.

Decrease Fund 3505 60470 Contingency and increase Fund 3505 60560 Cash Transfer.

Increase Fund 2507 50320 Cash Transfer and 60530 Buildings.

4. Explain any legal and/or policy issues involved.

Senate Bill 916, which made several changes to Oregon Budget Law. The relevant section is highlighted below — deletions from statute are shown in *italics*, and additions to the statute are shown in **bold**.

SECTION 9. ORS 294.450 is amended to read:

294.450. Subject to the provisions contained in the charter of any city or county or in any law relating to municipal corporations:

(3) Transfers of appropriations or of appropriations and a like amount of budget resources may be made [*from the general fund*] **between funds** of the municipal corporation [*to any other fund*] when authorized by an official resolution or ordinance of the governing body. The resolution or ordinance shall state the need for the transfer, the purpose for the authorized expenditures embodied in the appropriation and the amount of appropriation transferred.

Effective date of Senate Bill 916 is January 1, 2010.

5. Explain any citizen and/or other government participation that has or will take place.

None.

ATTACHMENT A

Budget Modification

If the request is a **Budget Modification**, please answer all of the following in detail:

- **What revenue is being changed and why?**

Fund 2507 50320 Cash Transfer is increased to reflect transfer from Fund 3505 60470 Contingency.

- **What budgets are increased/decreased?**

Fund 3505 budget decreased by \$443,000 / Fund 2507 budget increased by \$443,000.

- **What do the changes accomplish?**

Transfers partial funding to Capital for the execution of necessary elevator modernization at the County Courthouse.

- **Do any personnel actions result from this budget modification? Explain.**

No

- **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**

N/A

- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

Remainder of project cost estimated to be \$307,000 will be included in a financing strategy to be determined by the Board.

- **If a grant, what period does the grant cover?**

N/A

- **If a grant, when the grant expires, what are funding plans?**

N/A

<p><i>NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.</i></p>

ATTACHMENT B

BUDGET MODIFICATION: DCM-13 (FPM 10-02)

Required Signatures

**Elected Official or
Department/
Agency Director:**



Date: 12/22/09

Budget Analyst:



Date: 12/21/09

Department HR:

N/A

Date:

Countywide HR:

N/A

Date:

Budget Modification ID: **DCM 13 (FPM 10-02)****EXPENDITURES & REVENUES**

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with SAP.

Budget/Fiscal Year: 2010

Line No.	Fund Center	Fund Code	Program #	Func. Area	Internal Order	Accounting Unit Cost Center	WBS Element	Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description
1	72-50	3505				902575		60470	(2,396,436)	(1,953,436)	443,000		Fund 3505 Contingency
2	72-50	3505				902575		60560	(5,364,694)	(5,807,694)	(443,000)		Fund 3505 Cash Transfer
3									0	0			
4	72-50	2507				902900		50320	(5,629,051)	(6,072,051)	(443,000)		Fund 2507 Cash Transfer
5	72-50	2507				902900		60530	30,562,374	31,005,374	443,000		Fund 2507 Buildings
6									0	0			
7									0	0			
8									0	0			
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											0	0	GRAND TOTAL



Department of County Management

MULTNOMAH COUNTY OREGON

Finance and Risk Management Division

501 SE Hawthorne, Suite 531

Portland, Oregon 97214

(503) 988-3312 phone

(503) 988-3292 fax

Memorandum

To: Bob Thomas, Facilities Director
John Lindenthal, Capital Improvement Program Manager

From: Mindy Harris, Chief Financial Officer *Mindy Harris*
Interim Director, Department of County Management

Date: November 20, 2009

Subject: Authorization to Proceed with Deferred Maintenance Project – Courthouse Elevators Update

At the meeting of the Board of County Commissioners on November 5, 2009, we provided a briefing of the status of several capital projects for the Board's consideration for funding. At the briefing, the Board gave their consensus direction to proceed with the projects as presented.

The funding for the projects is yet to be finalized. However, financing options described to the Board included the use of one time only funding, issuance of a full faith & credit bond, or a combination thereof. In addition, during the description of the courthouse elevators maintenance project, the Board was informed that there is currently \$443,000 budgeted for debt service that will not be used for that purpose, and that Facilities will bring a budget modification request to reallocate these funds to the Courthouse Elevators maintenance project. Using these funds will leave a financing gap of \$307,000, as the project total cost is estimated at \$750,000.

The Board also gave its consensus direction for County to explore financing alternatives for the projects, including a directive to bring a resolution to the Board in early December whereby the Board would authorize up to \$13.9 million in full faith & credit debt. It is unclear at this time whether the projects will be financed with existing funding or through a debt issue, but it is sufficiently clear that the Board supports our proceeding with the projects however they may be financed.

Therefore, you have my approval to proceed with the maintenance project for the courthouse elevators, using the existing \$443,000 that was previously allocated for debt service, with the understanding that the remaining \$307,000 will be included in the financing package for all the projects once the financing strategy is finalized. Please see that the budget modification described above is presented to the Board for approval as soon as possible, and no later than January 14, 2010.

Please let me know if you have questions or need additional information or assistance.

C: Jana McLellan, COO
Mark Campbell, Sr. Revenue & Debt Analyst