



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST BUDGET MODIFICATION

(Revised: 09/23/13)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R. 3 DATE 9-25-2014
LYNDA GROW, BOARD CLERK

Board Clerk Use Only

Meeting Date: 9/25/14
Agenda Item #: R.3
Est. Start Time: 9:55 am
Date Submitted: 9/17/14

**RETROACTIVE BUDGET MODIFICATION Nondepartmental-16: Increases the
Agenda Appropriation for the Transient Lodging Tax Pass-Through to Reflect Higher
Title: Revenue Collections in FY 2014**

*Note: For all other submissions (i.e. Notices of Intent, Ordinances, Resolutions, Orders or Proclamations)
please use the APR short form.*

Requested Meeting Date: September 25, 2014 Time Needed: 10 Minutes
Department: Nondepartmental Division: _____
Contact(s): Christian Elkin or Mark Campbell, Chief Financial Officer
Phone: 503.988.3312 Ext. 87689 I/O Address: 503/531
Presenter Name(s) & Title(s): Christian Elkin, Principal Budget Analyst

General Information

1. What action are you requesting from the Board?

Approval of retroactive Budget Modification Nondepartmental-16 to increase the FY 2014 appropriation for the Transient Lodging Tax in the Special Excise Tax Fund by \$1,000,000. This is a retroactive action that only affects FY 2014.

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.

Under nearly all circumstances, prior year budgets cannot be modified. The exception to the rule is if the budget is for money that is collected by one jurisdiction and passed through to another, found in statute at ORS 294.466. Overspending a budget is against the law, as is failing to pass through the entire amount collected on another agency's behalf. In FY 2014, the Special Excise Taxes exceeded budgeted revenues and appropriations by just under \$1,000,000.

The Special Excise Tax Fund (1511) accounts for a portion of the County's transient

lodging taxes collected from all hotels and motels in the County and motor vehicle rental tax collected from rental agencies. Expenditures are restricted to the Convention Center, visitor development purposes, regional arts and culture purposes, and other uses pursuant to Multnomah County Code 11.300 and 11.400. 100% of these funds are passed through to METRO.

The Transient Lodging Tax has supported the Oregon Convention Center since 1986. The tax is set at 12.5% on all hotel and motel room rentals in Multnomah County. The tax is distributed as follows:

- 5.0% - Cities retain 5% of the tax generated within their boundaries
- 1.0% - Regional tourism promotion
- 5.5% - Programs associated with the Oregon Convention Center, the Regional Arts & Culture Council (RACC) and the Visitors Development Board.
- 1.0% - State Tourism Commission¹

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

There is no fiscal impact to current or future years. This action increases the FY 2014 appropriation in the Special Excise Tax Fund so that taxes collected on METRO's behalf can be passed through to the agency without overspending the appropriation.

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

This action allows the County to comply with our intergovernmental agreement and avoid violating Oregon Budget Law.

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

Budget Modification

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

- **What revenue is being changed and why? If the revenue is from a federal source, please list the Catalog of Federal Assistance Number (CFDA).**
The FY 2014 Transient Lodging Tax revenues are being increased by \$1,000,000 to accurately reflect tax collections that were higher than budgeted.
- **What budgets are increased/decreased?**
The Transient Lodging Tax pass-through appropriation is increased by \$1,000,000.
- **What do the changes accomplish?**
The changes fulfill our fiscal duty to pass along the tax proceeds to the appropriate agencies without a budget violation in our FY 2014 audit.
- **Do any personnel actions result from this budget modification? Explain.**
No
- **If a grant, is 100% of the central and department indirect recovered? If not, please explain why.**
N/A

¹ These funds are not passed through Multnomah County directly to the State.

- 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?

The fund estimates were increased for the FY 2015 budget and will be monitored closely over the year.

- If a grant, what period does the grant cover? When the grant expires, what are funding plans? Are there any particular stipulations required by the grant (i.e. cash match, in kind match, reporting requirements etc)?

N/A

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

Required Signature

**Elected Official
or Dept Director:** Karyne Kieta, DCM Deputy Director /s/ **Date:** 09/17/2014

Budget Analyst: Christian Elkin **Date:** 09/17/2014

Department HR: n/a **Date:** _____

Countywide HR: n/a **Date:** _____

Budget Modification ID:

EXPENDITURES & REVENUES

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

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
1	19	1511	10025	20		9500001511			50120	(23,300,000)	(24,300,000)	(1,000,000)	
2	10-02	1511	10025	20		108501			60160	27,329,500	28,329,500	1,000,000	
3											0		
4											0		
5											0		
6											0		
7											0		
8											0		
9											0		
10											0		
11											0		
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22											0		
23											0		
24											0		
25											0		
26											0		
27											0		
28											0		
29											0		
												0	0
												0	0

ANNUALIZED PERSONNEL CHANGEChange on a full year basis even though this action affects only a part of the fiscal year (FY).

							ANNUALIZED			
Fund	Job #	HR Org	CC/WBS/IO	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
TOTAL ANNUALIZED CHANGES						0.00	0	0	0	0

CURRENT YEAR PERSONNEL DOLLAR CHANGECalculate costs/savings that will take place in this FY; these should explain the actual dollar amounts being changed by this Bud Mod.

							CURRENT YEAR			
Fund	Job #	HR Org	CC/WBS/IO	Position Title	Position Number	FTE	BASE PAY	FRINGE	INSUR	TOTAL
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
										0
TOTAL CURRENT FY CHANGES						0.00	0	0	0	0

FM Side			PS/CO Side			Cost Element/Commitment Item	Notes
FM Fund Center	FM Fund Code	Functional Area	Internal Order	Cost Center	WBS Element		
General Fund Contingency				9500001000		60470	Reduce available General Fund Contingency
19	1000	0020		xxx	xxx	xxxxx	Increase Expenditure
xx-xx	xxxxx	0020					
Indirect Central							
xx-xx	xxxxx				xxx	60350	Indirect Expenditure
19	1000	0020		9500001000		50310	Indirect reimbursement revenue in General Fund
19	1000	0020		9500001000		60470	CGF Contingency expenditure
Departmental							
xxx	xxxxx			xxx	xxx	60355	Indirect Department Expenditure
xx-xx	1000			xxx	xxx	50370	Indirect Dept reimbursement revenue in General Fund
xx-xx	1000			xxx	xxx	xxx	Off setting Dept expenditure in General Fund
Telecommunications							
xx-xx	xxxxx				xxx	60370	Departmental telecommunication expenditure
78-70	3503	0020		709525		50310	Budgets receipt of reimbursement
78-70	3503	0020		709525		60200	Budgets offsetting expenditure in telecommunications fund
Data Processing							
xx-xx	xxxxx				xxx	60380	Departmental data processing expenditures
78-70	3503	0020		709000		50310	Budgets receipt of Data Processing reimbursement
78-70	3503	0020		709000		60240	Budgets offsetting expenditures
PC Flat Fee (Flat Fee is no longer in effect for most Departments beginning in FY 2007)							
xx-xx	xxxxx				xxx	60390	Departmental PC Flat Fee expenditure
78-70	3503	0020		709617		50310	Budgets receipt of PC Flat Fee
78-70	3503	0020		709617		60240	Budgets offsetting expenditure
Electronic Service Reimbursement							
xx-xx	xxxxx					60420	Departmental Electronics expenditure
78-60	3501	0020		904200		50310	Receipt of Electronics service reimbursement
78-60	3501	0020		904200		60240	Budgets offsetting expenditure
Motor Pool: Use this cost center if you are adding funds for motor pool use.							
xx-xx	xxxxx				xxx	60410	Departmental Motor Pool expenditure
78-30	3501	0020		904150		50310	Budgets receipt of Motor Pool service reimbursement
78-30	3501	0020		904150		60240	Budgets offsetting expenditure
Fleet: Use this cost center if you are adding funds for dedicated program cars.							
xx-xx	xxxxx				xxx	60410	Departmental Fleet expenditure
78-60	3501	0020		904100		50310	Budgets receipt of Fleet service reimbursement
78-60	3501	0020		904100		60240	Budgets offsetting expenditure
Building Management							
xx-xx	xxxxx				xxx	60430	Departmental Building Management expenditure
78-50	3505	0020		902575		50310	Budgets receipt of Building Management service reimbursement
78-50	3505	0020		902575		60170	Budgets offsetting expenditure
Insurance Service Reimbursement							
xx-xx	xxxxx					60140 or 60145	Departmental Insurance expenditure
72-10	3500	0020		705210		50316	Insurance Revenue
72-10	3500	0020		705210		60330	Offsetting expenditure
Lease Payments to Capital Lease Retirement Fund							
xx-xx	xxxxx					60450	Departmental Capital Lease Retirement expenditure Contact your Budget Analyst to complete this.
Mail & Distribution							
xx-xx	xxxxx				xxx	60460	Mail & Distribution expenditure
78-20	3504	0020		904400		50310	Budgets receipt of service reimbursement
78-20	3504	0020		904400		60230	Budgets offsetting expenditure
Records							
xx-xx	xxxxx				xxx	60460	Records expenditure
78-20	3504	0020		904500		50310	Budgets receipt of service reimbursement
78-20	3504	0020		904500		60240	Budgets offsetting expenditure
Stores							
xx-xx	xxxxx				xxx	60460	Stores expenditure
78-20	3504	0020		904600		50310	Budgets receipt of service reimbursement
78-20	3504	0020		904600		60240	Budgets offsetting expenditure

How are functional areas assigned to cost objects?

For the most part, functional area is related to what department has recorded the revenue or expenditure (i.e. the District Attorney is reported in Public Safety and Justice). There are some exceptions to this rule that require certain funds to be assigned to a particular functional area, regardless of what department the revenues or expenditures are recorded in.

Functional Area Assignments ~ Based on Fund		
1501 – Road Fund	Roads and Bridges	0080
1502 – Emergency Communications Fund	Community Services	0060
1503 – Bike Path Fund	Community Services	0060
1504 – Recreation Fund	Community Services	0060
1506 – County School Fund	Community Services	0060
1509 – Willamette River Bridges Fund	Roads and Bridges	0080
1510 – Library Fund	Library	0070
1512 – Land Corner Preservation Fund	Roads and Bridges	0080
2504 – Building Project Fund	Community Services	0060
2507 – Capital Improvement Fund	Community Services	0060
2509 – Asset Preservation Fund	Community Services	0060
2511 – Sellwood Bridge Fund	Roads and Bridges	0080
3000 – Dunthorpe-Riverdale Service Dist #14 Fund	Dunthorpe-Riverdale Service Dist #14	0500
3001 – Mid County Service District #1 Fund	Mid County Service District #1	0510
3002 – Behavioral Health Managed Care Fund	Behavioral Health Managed Care	0520

If a cost object is not in one of the funds listed above, then the functional area should be assigned based on the department that the cost object is in.

Functional Area Assignments ~ Based on Department (Fund Center)		
Non-Departmental (10, except 10-50)	General Government	0020
Non-Departmental – CCFC (10-50)	Social Services	0040
District Attorney (15)	Public Safety and Justice	0050
Countywide (18 & 19)	General Government	0020
Human Services (20, 21, 22, 25, 26, 30 & 31)	Social Services	0040
Health (40)	Health Services	0030
Community Justice (50)	Public Safety and Justice	0050
Sheriff's Office (60)	Public Safety and Justice	0050
County Management (72)	General Government	0020
County Assets (78)	General Government	0020
Library (80)	Library	0070
Community Services (91)	General Government	0020

If you have any questions or comments, please contact Susan Luce in General Ledger at ext. 22138.

