



**MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST
BUDGET MODIFICATION**

(Revised: 8/18/11)

Board Clerk Use Only

Meeting Date: 4/4/13
Agenda Item #: R.3
Est. Start Time: 9:55 am
Date Submitted: 3/7/13

**BUDGET MODIFICATION # DCS-06 Increasing the Budget for Interest Charged
 Agenda Title: an Internal Loan from the Risk Fund to the Sellwood Bridge Replacement
 Project.**

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

Requested Meeting Date: Next Available **Time Needed:** 5 minutes
Department: Community Services **Division:** Bridges
Contact(s): Jerry Elliott
Phone: 503.988.4624 **Ext.** 84624 **I/O Address:** 455/2/224
Presenter Name(s) & Title(s): Jerry Elliott

General Information

1. What action are you requesting from the Board?

The Department is requesting the Board approve a budget modification to increase the amount budgeted for interest charged an internal loan from the Risk Fund to the Sellwood Bridge Replacement Project.

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.

On March 17, 2011 the Board approved a resolution to approve an internal loan from the Risk Fund to the Sellwood Bridge Replacement Project. Although the resolution authorized a \$25 million loan, the actual loan amount was \$9 million. When the FY13 budget was prepared it was under the assumption that the loan would be repaid in August 2012 and the interest rate would be 0.5%. The loan was to be repaid with proceeds from the sale of bonds for the project. The total interest expense was calculated to be \$65,000. However, the bond sale was postponed to December to take advantage of more favorable market conditions. In addition the actual interest rate on the loan as calculated by Finance is 0.5% for the first 12 months of the term and 0.6% for the remaining 10 months of the term. This makes the total interest \$85,457, an increase of \$20,457 over the budget amount. This

budget modification will increase the loan expense for the Sellwood Bridge Replacement Project and also increases the loan repayment revenue in the Risk Fund.

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

Increase the loan expense for the Sellwood Bridge Replacement Project and also increase the loan repayment revenue in the Risk Fund in the current year. No impact on future years.

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

None

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

None

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).**

Cash transfer revenue is being increased in the Risk Fund by \$20,457.

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

The Sellwood Bridge Replacement Project cash transfer expense is being increased and professional services is being decreased. The Risk Fund cash transfer revenue and contingency are both being increased.

- **What do the changes accomplish?**

It adjusts the budget to accommodate the increase in interest expense to the Sellwood Bridge Replacement Project.

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

N/A

- **If a grant, is 100% of the central and department indirect recovered? If not, please explain why.**

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?**

This is a one-time-only adjustment to the budget.

- **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: Kim Peoples, Acting Director /s/ **Date:** 3/7/13

Budget Analyst: Ching Hay /s/ **Date:** 3/7/13