



**MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST
CONTINGENCY REQUEST**

(Revised: 8/18/11)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R.7 DATE 9-27-12
SYNDA GROW, BOARD CLERK

Board Clerk Use Only

Meeting Date: 9/27/12
Agenda Item #: R.7
Est. Start Time: 10:05 am
Date Submitted: 9/13/12

BUDGET MODIFICATION # HD-13-04 requesting General Fund Contingency
Agenda Title: Transfer of \$802,015 and approval to appropriate \$500,000 in revenue from CareOregon for SE Health Center Primary Care Remodel

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: September 27, 2012 **Time Needed:** 5 minutes
Department: Health Department **Division:** Integrated Clinical Services
Contact(s): Lester A. Walker, Health Dept. Budget & Finance Manager
Phone: 503-988-3663 **Ext.** 26457 **I/O Address:** 167/210
Presenter Name(s) & Title(s): Greg Hockert, Facilities & Property Management & Wendy Lear, Health Dept.

General Information

1. What action are you requesting from the Board?

Approval to transfer \$802,015 from General Fund Contingency and approval to appropriate \$500,000 in revenue from CareOregon to fund the construction costs for the Southeast Health Center Primary Care remodel.

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.

The FY2013 adopted budget set aside \$802,015 in General Fund contingency for the capital construction necessary to open the primary care clinic. A budget note in the adopted budget directed the Health Department to return to the Board when the budget, financing and construction plans are finalized through the FAC-1 process to request the release of these funds. The project has a completion date of mid-March 2013 with the clinic opening in April 2013.

This budget modification impacts program offer 40027: Southeast Health Clinic. The clinic will provide residents of Southeast Portland with comprehensive, culturally competent

primary care services which include treatment of acute and chronic illnesses, behavioral health, family planning, prenatal and preventive services (well child, immunizations) primary care and enabling services and are intended to serve as a medical home for residents of Southeast Portland.

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

The total Southeast Health Center project cost is \$1,996,000. MCHD has already secured \$279,000 in the FY2013 budget for the relocation of Environmental Health and Regional Arts and Culture fees. Of the remaining \$1,717,000 in project costs, \$118,000 was expensed in FY2012. The Board of County Commissioners budgeted \$802,015 in contingency with MCHD to return to the Board when budget, financing, and construction plans are finalized through the FAC-1 process. CareOregon has committed \$500,000 toward this project and MCHD continues to reach out to other partners to fund the remaining \$296,985 for this project. There are no on-going capital construction costs expected after the completion of the remodel.

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.

The Multnomah County Community Health Council has already approved the project.

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).**

This budget modification will increase the Health Department's general fund budget by \$802,015 and the federal/state fund by \$500,000. None of the funding is from federal sources.

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

The Health Department's facilities internal services will increase by \$1,302,015.

- **What do the changes accomplish?**

These changes allow for Facilities and Property Management to have the resources budgeted for the remodel of the SEHC.

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

There are no personnel actions in this budget modification.

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

CareOregon committed to funding construction costs. Indirect or administrative costs associated with this revenue will be funded with existing resources.

- **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 contingency transfer and the revenue from CareOregon are one-time only for the costs to remodel SEHC.

- **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

Contingency Request

If the request is a **Contingency Request**, please answer **all** of the following in detail:

• **Why was the expenditure not included in the annual budget process?**

The FY2013 adopted budget set aside \$802,015 in General Fund Contingency for this purpose. The CareOregon revenue was unknown when the FY2013 budget was prepared.

• **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**

The Health Department applied for a \$1.6 million capital development grant from the Health Resources and Services Administration (HRSA) but the grant was not awarded. The department has reached out to other partners to secure funds and the revenue from CareOregon in this budget modification is the result of these efforts. The Department continues to reach out to other partners to secure funds to cover the balance of the costs.

• **Why are no other department/agency fund sources available?**

All department funds are assigned to operate the program offers that the Board purchased in the adopted budget.

• **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account. What are the plans for future ongoing funding?**

New revenue from this expenditure will support the on-going operating costs for the Southeast Health Center through revenue billed for visits and services (Oregon Health Plan/Medicaid, Medicare, private insurance, fees for services and pharmacy fees).

• **Has this request been made before? When? What was the outcome?**

This is the first request.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet. If it is a General Fund Contingency Request, a memo from the Budget Office must be submitted.

Required Signatures

**Elected Official
or Dept Director:**



Date: 9/11/12

Budget Analyst:

Althea Gregory /s/

Date: 9/13/12

Department HR:



Date: 9/11/2012

Budget Modification ID: **HD-13-04**

EXPENDITURES & REVENUES

Budget/Fiscal Year: 2013

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 Element | Current Amount | Revised Amount | Change Increase/ (Decrease) | Subtotal | Description | |
|----------|-------------|-----------|-----------|------------|----------------|-----------------|-------------|--------------|----------------|----------------|-----------------------------|----------|---|----------------|
| | | | | | | Cost Center | WBS Element | | | | | | | |
| 1 | 19 | 1000 | | 0020 | | 9500001000 | | 60470 | 8,743,862 | 7,941,847 | (802,015) | | Reduce available GF Contingency | |
| 2 | 40-70 | 10010 | 40027 | 0030 | | 47700-BWC | | 60430 | 33,000 | 835,015 | 802,015 | | Increase Facilities Intl Svcs | |
| 3 | | | | | | | | | | | | | | |
| 4 | 40-70 | 68600 | 40027 | 0030 | | 47700-00-68600 | | 50210 | - | (500,000) | (500,000) | | CareOregion | |
| 5 | 40-70 | 68600 | 40027 | 0030 | | 47700-00-68600 | | 60430 | - | 500,000 | 500,000 | | Increase Facilities Intl Svcs | |
| 6 | | | | | | | | | | - | | | | |
| 7 | 78-50 | 2509 | | 0020 | | 902575 | | 50310 | (22,508,986) | (23,811,001) | (1,302,015) | | Budgets receipt of Facilities svc reimb | |
| 8 | 78-50 | 2509 | | 0020 | | 902575 | | 60530 | 3,120,158 | 4,422,173 | 1,302,015 | | Budgets offsetting expenditure | |
| 9 | | | | | | | | | | - | | | | |
| 10 | | | | | | | | | | - | | | | |
| 11 | | | | | | | | | | - | | | | |
| 12 | | | | | | | | | | - | | | | |
| 13 | | | | | | | | | | - | | | | |
| 14 | | | | | | | | | | - | | | | |
| 15 | | | | | | | | | | - | | | | |
| 16 | | | | | | | | | | - | | | | |
| 17 | | | | | | | | | | - | | | | |
| 18 | | | | | | | | | | - | | | | |
| 19 | | | | | | | | | | - | | | | |
| 20 | | | | | | | | | | - | | | | |
| 21 | | | | | | | | | | - | | | | |
| 22 | | | | | | | | | | - | | | | |
| 23 | | | | | | | | | | - | | | | |
| 24 | | | | | | | | | | - | | | | |
| 25 | | | | | | | | | | - | | | | |
| 26 | | | | | | | | | | - | | | | |
| 27 | | | | | | | | | | - | | | | |
| 28 | | | | | | | | | | - | | | | |
| 29 | | | | | | | | | | - | | | | |
| | | | | | | | | | | | 0 | 0 | | Total - Page 1 |
| | | | | | | | | | | | 0 | 0 | | GRAND TOTAL |

| 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 | | | | | | | |
| | 19 | 1000 | | 9500001000 | | 60470 | Reduce available General Fund Contingency |
| | xx-xx | xxxxx | | xxx | xxx | xxxxx | Increase Expenditure |
| Indirect | | | | | | | |
| Central | | | | | | | |
| | xx-xx | xxxxx | | | xxx | 60350 | Indirect Expenditure |
| | 19 | 1000 | | 9500001000 | | 50310 | Indirect reimbursement revenue in General Fund |
| | 19 | 1000 | | 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 |
| 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 |
| | 72-80 | 3500 | 0020 | 705210 | | 50316 | Insurance Revenue |
| | 72-80 | 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 |

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 | | |
|--|----------------------------------|------|
| Special Revenue Funds | | |
| 1501 - Road Fund | Road & 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 |
| 1508 - Animal Control Fund | Community Services | 0060 |
| 1509 - Willamette River Bridges Fund | Roads & Bridges | 0080 |
| 1510 - Library Fund | Library | 0070 |
| 1512 - Land Corner Preservation Fund | Roads & Bridges | 0080 |
| 1518 - Oregon Historical Society Special Levy | Community Services | 0060 |
| 1519 - Video Lottery | Community Services | 0060 |
| Capital Project Funds | | |
| 2504 - Building Project Fund | Community Services | 0060 |
| 2507 - Capital Improvement Fund | Community Services | 0060 |
| 2508 - Asset Acquisition Fund | Community Services | 0060 |
| 2509 - Asset Preservation Fund | Community Services | 0060 |
| 2511 - Sellwood Bridge Replacement | Roads & Bridges | 0080 |
| Enterprise Funds | | |
| 3000 - Dunthorpe-Riverdale Svc Dist #14 Fund | Dunthorpe-Riverdale Svc Dist #14 | 0500 |
| 3001 - Mid County Svc Dist #1 Fund | Mid County Svc Dist #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-Dept (10, except 10-50) | General Government | 0020 |
| Non-Dept CCFC (10-50) | Social Services | 0040 |
| District Attorney (15) | Public Safety & Justice | 0050 |
| Countywide (18 & 19) | General Government | 0020 |
| Human Services (20, 21, 25, 26, 30 & 31) | Social Services | 0040 |
| Health (40) | Health Services | 0030 |
| Community Justice (50) | Public Safety & Justice | 0050 |
| Sheriff's Office (60) | Public Safety & 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