



AGENDA REQUEST & STAFF REPORT

MEETING DATE: November 29, 2023

SUBJECT: Public hearing and consideration of Resolution 2023-062 adopting a supplemental budget and reducing FY24 Beginning Working Capital and appropriations

RECOMMENDED MOTION:

Move approval of Resolution 2023-062 reducing Beginning Working Capital and appropriations within 2023-24 Deschutes County Budget.

BACKGROUND AND POLICY IMPLICATIONS:

During the budgeting process, departments calculate an estimate of ending fund balances in February and March. These estimates are based on information known at the time, but often change given the timing and/or final cost of expenditures. This budget adjustment is to reduce Beginning Working Capital (BWC) and appropriations within funds where BWC FY24 actuals are less than budget. Reducing BWC and requirements ensures that a fund does not have appropriations greater than available resources.

In the American Rescue Plan Act Fund (ARPA), previously received Federal grant revenue was budgeted as carryover in BWC. However, due to accounting standards, unexpended funds must be recognized in the Federal grants account line. Accordingly, this adjustment lowers BWC and increases Federal grants revenue within the ARPA Fund.

The supplemental budget for Law Library, ARPA, Communications System Reserve and CDD – Groundwater Partnership changes budgeted resources by more than 10%; therefore, a public hearing is required.

BUDGET IMPACTS:

Adjustment will decrease BWC and appropriations by the same amounts within the following funds:

- | | | |
|-------------------------|----|----------|
| • Law Library | \$ | (27,871) |
| • PERS Reserve | \$ | (4,140) |
| • Foreclosed Land Sales | \$ | (3,657) |

• Transient Room Tax – 7%	\$	(197,825)
• Video Lottery	\$	(6,649)
• Communications System Reserve	\$	(49,600)
• Health Services	\$	(13,399)
• CDD – Groundwater Partnership	\$	(7,531)
• Community Development	\$	(28,123)
• Surveyor	\$	(36,019)
• Fair & Expo	\$	(223,942)
• Administrative Services	\$	(28,637)
• Finance	\$	(23,088)
• Legal	\$	(20,125)
• Human Resources	\$	(72,953)
• Information Technology	\$	(4,590)

Within the ARPA fund, BWC will decrease by \$14,316,680 and Federal grant revenue will increase by \$11,828,064, decreasing overall program expense appropriations by \$2,488,616.

ATTENDANCE:

Dan Emerson, Budget & Financial Planning Manager