

**CLACKAMAS SOIL AND WATER CONSERVATION DISTRICT
RESOLUTION TO ADOPT A REVISED (SUPPLEMENTAL) BUDGET AND
MAKE APPROPRIATIONS FOR FISCAL YEAR 2016-2017
Resolution number 2016-009**

WHEREAS the Fiscal Year 2015-2016 end-of-year financial close-out has led to a need to revise the Fiscal Year 2016-2017 beginning fund balances; and

WHEREAS the District expects to experience significant changes in resources from grants and loans during Fiscal Year 2016-2017 than originally budgeted and needs to adjust requirements accordingly; and

WHEREAS money must be appropriated before it may be spent; and

WHEREAS the District has prepared a Revised (Supplemental) Budget according to the requirements of ORS 294.471; and

WHEREAS the meeting at which the Revised (Supplemental) Budget is being considered has been noticed according to the requirements of ORS 294.471,

NOW THEREFORE:

Resolution statements:

1. BE IT RESOLVED that the Board of Directors hereby adopts the Revised Budget (also known as a Supplemental Budget) for Fiscal Year 2016-2017 in the amount of \$9,446,006. This is a net increase of \$3,313,389 compared to the Budget that was adopted on June 14, 2016. The Revised Budget is on file at District office.

REVISED BUDGET: All Funds Combined	
General Fund	\$3,653,754
Conservation Grants Fund	\$1,031,590
Conservation Loans Fund	\$424,208
Working Lands Legacy Fund	\$217,186
Building Reserve Fund	\$4,119,268
TOTAL ADOPTED BUDGET, AS REVISED	\$9,446,006

The Revised Budget also updates the FTE in Personnel to 15.50 FTE, which is an addition of 1.0 FTE to the Conservation Services Department of the General Fund.

2. BE IT RESOLVED that the amount shown below is hereby appropriated in the Revised Budget for the Fiscal Year beginning July 1, 2016, for the following purposes. The total appropriation of all funds combined is \$4,034,548.

General Fund Total Appropriation, as revised	
District Operations Dept.	\$589,548
Conservation Services Dept.	\$1,326,796
Land Management Dept.	\$61,250
Not allocated to organizational unit or program:	
Transfers out	\$517,882
General Fund total appropriation, as revised	\$2,495,476
Conservation Grants Fund Total Appropriation, as revised	
Special Payments	\$552,904
Conservation Services	\$314,882
Transfers out	\$134,000
Conservation Grants Fund total appropriation, as revised	\$1,001,786
Conservation Loans Fund Total Appropriation, as revised	
Special Payments	\$282,000
Conservation Loans Fund total appropriation, as revised	\$282,000
Working Lands Legacy Fund Total Appropriation, as revised	
Land Management	\$85,286
Working Lands Legacy Fund total appropriation, as revised	\$85,286
Building Reserve Fund Total Appropriation, as revised	
District Operations	\$170,000
Building Reserve Fund total appropriation, as revised	\$170,000
Total Appropriations as revised, All Funds*	\$4,034,548
Total Unappropriated and Reserve Amounts as revised, All Funds	\$5,411,458
TOTAL ADOPTED BUDGET, AS REVISED	\$9,446,006

* *Explanation: The total appropriation amount does not equal the total amount of the adopted budget, because there are unappropriated ending fund balances and amounts reserved for future expenditure in the General Fund, the Conservation Grants Fund, the Conservation Loans Fund, the Working Lands Legacy Fund, and the Building Reserve Fund. Such amounts are not appropriated. This accounts for the difference.*

Note: The Revised Budget makes no change in the amount or classification of ad valorem property tax to be imposed by the District for FY 2016-2017.

The above resolution statements were approved and declared adopted by the Board of Directors at a public meeting of the Board held on September 20, 2016, at the Clackamas Soil and Water Conservation District office in Oregon City, Oregon, and duly noticed to the public.

Secretary to the Board: Donald Guttridge

ATTESTED TO:

Board Chair: Jeffrey Becker

See next page for explanation of revisions

Explanation of revisions to the adopted budget for FY 2016-2017:

SUMMARY of Budget Revisions: General Fund	
Reduction in beginning fund balance	(\$37,351)
Increase in revenue from partners	\$3,450
Net Reduction in General Fund Resources	(\$33,901)
Increase in General Fund Requirements: Personnel Services	\$1,426
Reduction in General Fund Requirements: Materials & Services	(\$82,817)
Increase in General Fund Requirements: Capital Outlay	\$9,987
Increase in General Fund Requirements: Transfers to other funds The money that is <u>not</u> transferred remains in the General Fund and is added to Materials & Services, Capital Outlay, and Debt Service.	\$65,437
Reduction in unappropriated ending fund balance	(\$9,184)
Reduction in unappropriated reserved for future expenditure	(\$18,750)
Net Reduction in General Fund Requirements	(\$33,901)

The reasons for these revisions in the General Fund are to update the anticipated resources, adjust departmental expenditures, and adjust transfers to the other funds to more accurately reflect the needs of those funds.

SUMMARY of Budget Revisions: Conservation Grants Fund	
Increase in beginning fund balance	\$77,878
Increase in Transfers from the General Fund	\$188,437
Increase in revenue: Grants	\$2,830
Net Increase in Conservation Grants Fund Resources	\$269,145
Increase in expenses: Special payments: Grants and cost-share to cooperators	\$207,604
Increase in expenses: Special Payments: Grants to partners	\$35,300
Increase in expenses: Conservation Svcs: Contracted services	\$15,000
Addition of expenses: Conservation Svcs: Contracted services for CRISP	\$95,882
Reduction in unappropriated ending fund balance for Cons. Grants Fund	(\$84,641)
Net Increase in Conservation Grants Fund Requirements	\$269,145

The reasons for these revisions are to make additional project grant funds available to be spent in the Conservation Grants Fund and to respond to increased customer needs.

SUMMARY of Budget Revisions: Conservation Loans Fund	
Increase in revenue: Conservation loan disbursements from Oregon DEQ	\$22,293
Increase in revenue: Loan repayments (principal) received from Conservation Loan borrowers	\$1,337
Increase in revenue: Loan repayments (interest) received from Conservation Loan borrowers	\$28
Reduction in revenue: Loan repayments (principal) received from Septic Loan borrowers	(\$3,500)
Reduction in revenue: Loan repayments (interest) received from Septic Loan borrowers	(\$105)
Increase in revenue: Interest from bank accounts	\$500
Net Increase in Conservation Loans Fund Resources	\$20,553
Reduction in expenses: Special Payments: Conservation loans	(\$48,900)
Reduction in unappropriated ending fund balance	(\$38,620)
Increase in reserved for future expenditure	\$108,073
Net Increase in Conservation Loans Fund Requirements	\$20,553

Conservation Loans Fund revenue is increased in order to more accurately reflect updated expectations. Requirements are revised to reflect anticipated customer needs and to increase the amount of money to be reserved for future years.

SUMMARY of Budget Revisions: Working Lands Legacy Fund	
Increase in beginning fund balance	\$32,686
Reduction in transfers from the General Fund	(\$23,000)
Increase in revenue: interest from bank accounts	\$600
Reduction in revenue: Grants to acquire land and/or conservation easements	(\$898,835)
Net Reduction in Working Lands Legacy Fund Resources	(\$888,549)
Reduction in expenses: Land Mgmt: Capital Outlay: Purchase/acquire land for conservation	(\$943,875)
Increase in expenses: Land Mgmt: Capital Outlay: Improve/maintain property/easements	\$20,000
Increase in expenses: Land Mgmt: Materials & Services: Transaction fees, recording of easements, legal fees, bank fees	\$40,286
Reduction in reserves for future expenditure	(\$4,960)
Net Reduction in Working Lands Legacy Fund Requirements	(\$888,549)

The primary reason for reducing the Working Lands Legacy Fund resources and requirements is to update the capital outlay expenses related to a major grant that the District has applied for related to the purchase of a forested property. The District has learned that if the grant is awarded, the funds for purchase of the property will be paid by the funder directly to the landowners, rather than going through the District as previously thought. The grant will include land stewardship funds, to be paid to the District for future expenditure. Other revisions are made to more accurately reflect District needs.

SUMMARY of Budget Revisions: Building Reserve Fund	
Increase in the beginning fund balance	\$44,641
Reduction in transfers from General Fund	(\$100,000)
Increase in revenue: interest earned	\$1,500
Increase in revenue: long-term debt proceeds	\$4,000,000
Net Increase in Building Reserve Fund Resources	\$3,946,141
Increase in expenses: District Ops: Materials & Services: Acquire/improve real property, build facilities, related costs	\$75,000
Reduction in expenses: District Ops: Capital Outlay	(\$20,000)
Increase in unappropriated ending fund balance	\$3,891,141
Net Increase in Building Reserve Fund Requirements	\$3,946,141

The reason for the increase in the Building Reserve Fund is to move forward with architectural, engineering, and project management services related to the construction of a District office. The Revised Budget includes taking out a loan for that purpose. A small amount of the loan is appropriated for expenditure during FY 2016-17 and the remainder will be saved for FY 2017-18.