

1 **IN THE MATTER OF A SUPPLEMENTAL**
2 **APPROPRIATION FOR: 2018 Emergency**
3 **Supplemental**

RESOLUTION
NO. 2018-12-69

4
5 **WHEREAS, RCW 36.40.071** authorized the Clark County Council to meet on the first Monday in
6 December for the purposed of hearing for or against any part of the proposed final budget; and

7
8 **WHEREAS, RCW 36.40.080** requires the Clark County Council to fix the budget, by resolution,
9 at the conclusion of the budget hearing; and

10
11 **WHEREAS, RCW 36.40.250** authorizes the Clark County Council to adopt a biennial budget and
12 having done so through Resolution 2016-12-03; and

13
14 **WHEREAS, RCW 36.40.100** authorizes transfers or revisions within departments, or
15 supplemental appropriations to the budget; and

16
17 **WHEREAS, there are alternative controls that can be implemented to maintain proper, legal**
18 **review of all county funds and expenditures there from; and**

19
20 **WHEREAS, it has come to the Council's attention that a supplemental appropriation is necessary**
21 **for the reasons stated in Exhibit "B", attached hereto and incorporated herein by this reference;**
22 **and**

23
24 **WHEREAS, a public hearing has been held by the Council upon notice given according to law,**
25 **following which the Clark County Council of Clark County, Washington determined that such**
26 **supplemental appropriation should be made and a mid-biennium review and modification for the**
27 **second year of the biennium has been completed; now, therefore,**

28
29 **BE IT HEREBY RESOLVED BY THE CLARK COUNTY COUNCIL FOR CLARK**
30 **COUNTY, STATE OF WASHINGTON, as follows:**

31
32 **Section 1.** A supplemental appropriation for the 2017-2018 biennium is necessary in the
33 amount(s) described in, and to the office or department set forth in, Exhibit "A", attached hereto
34 and incorporated herein by this reference as may be modified in public hearing.

35 Section 2. Copies of this resolution shall be filed with the Clark County Auditor, the affected
36 department, and in the records of the Clark County Council for Clark County, Washington
37

38 **ADOPTED** this 31st day of December, 2018.

39

40 Attest:

41

42

43 Clerk to the Board

44

45 Approved:

46

47

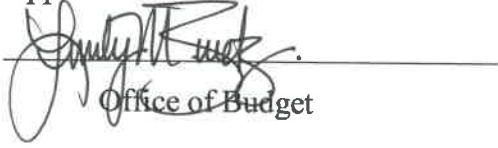
48

49

50

51

52



Office of Budget



CLARK COUNTY COUNCIL

FOR CLARK COUNTY, WASHINGTON

By 

Marc Boldt, Chair

By _____

Jeanne E. Stewart, Councilor

By _____

Julie Olson, Councilor

By _____

John Blom, Councilor

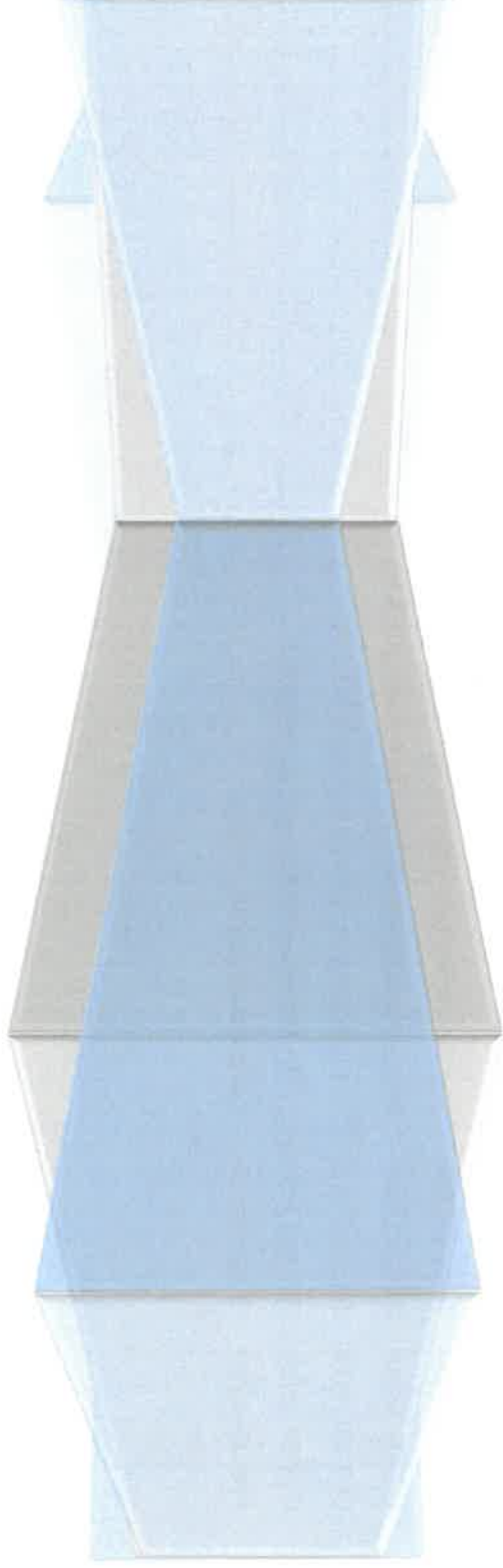
By _____

Eileen J. Quiring, Councilor

Clark County Budget Office

2017-2018 Emergency Budget Supplemental

Exhibit B: Budget Request Narratives with Summary by Fund



Contents

BGT-01-18EM	Budget Office	Healthcare Self-Insurance Fund 5045	1
BGT-02-18EM	Budget Office	Increase budget needed due to reporting issue	2
GEN-01-18EM	General Services	Central Support Services Fund 5093	3
GEN-03-18EM	General Services	Tri-Mountain Golf Course Fund 4008	4
PWK-01-18EM	Public Works	Camp Bonneville Fund 1013	5

BGT-01-18EM Budget Office Healthcare Self-Insurance Fund 5045

New request

Contact: name: Emily Zwetzig email: Emily.Zwetzig@clark.wa.gov phone: 564-397-5092

The Healthcare Self-Insurance Fund (Fund 5045) accounts for the employer and employee contributions for non-HMO provider (e.g. Regence) for medical and dental coverage, and such other employee benefit coverage the County self-insures through the Program.

This fund requires a one-time increase to the 2017-2018 Expense Budget Allocation in the amount of \$1,000,000 in order to pay for the fund's liabilities through the end of the biennium.

Expenses for this fund were estimated six months prior to the beginning of the 2017-2018 biennium and have not been subsequently adjusted. Premiums, claims, legal, and program associated expenses are approximately three percent higher than originally budgeted for. Revenues for this fund also increase proportionately; consequently, this fund has adequate cash flow but needs an increased expense appropriation in order to process remaining payments.

Liability/Risk/Safety Impacts: None.

Positive Impact to Citizens: None.

Efficiency Gains: None.

Workforce Engagement and Contributions: None

Impacts/Outcomes if not approved:

If this request is not approved, the fund will have overspent its 2017-2018 Expense Budget Allocation in violation of RCW 36.40.

Fund	Fund Name	Request Type	2018 Rev	2018 Exp	2018 FB Chg	2019 Rev	2019 Exp	2019 FB Chg
5045	Healthcare Self-Insurance Fund	One-Time	\$ 0	\$ 1,000,000	(\$ 1,000,000)	\$ 0	\$ 0	\$ 0
Totals			\$ 0	\$ 1,000,000	(\$ 1,000,000)	\$ 0	\$ 0	\$ 0

BGT-02-18EM Budget Office Increase budget needed due to reporting issue

New request

Contact: name: Willy Traub email: willy.traub@clark.wa.gov phone: 564.397.4789

The Technology Equipment Repair and Revolving Fund (Fund 5092) accounts for the desktop computing infrastructure. The fund collects fees from all county departments to provide support and fund replacement of software and hardware used by employees.

A change in the method by which some expenses are accounted per accounting rules caused the financial reports for certain funds to become inaccurate. Fund managers rely upon these reports to plan expenditures and remain under budget. The problem was compounded by a breakdown of system controls in Oracle which are designed to prevent overpayments, but the system controls failed. As a result of this inaccurate reporting and system control failure, Fund 5092 requires a one-time increase to the 2017-2018 Expense Budget Allocation in the amount of \$75,000 in order to pay for the fund's liabilities through the end of the biennium. Fund 5092 has sufficient cash on hand to pay these liabilities.

Liability/Risk/Safety Impacts: None.

Positive Impact to Citizens: None.

Efficiency Gains: None.

Workforce Engagement and Contributions: None

Impacts/Outcomes if not approved:

If this request is not approved, the fund will have overspent its 2017-2018 Expense Budget Allocation in violation of RCW 36.40.

Fund	Fund Name	Request Type	2018 Rev	2018 Exp	2018 FB Chg	2019 Rev	2019 Exp	2019 FB Chg
5092	Data Processing Revolving Fund	One-Time	\$ 0	\$ 75,000	(\$ 75,000)	\$ 0	\$ 0	\$ 0
Totals			\$ 0	\$ 75,000	(\$ 75,000)	\$ 0	\$ 0	\$ 0

GEN-01-18EM General Services Central Support Services Fund 5093

New request

Contact: name: Michelle Schuster email: michelle.schuster@clark.wa.gov phone: 564-397-4118

The Central Support Services Fund (Fund 5093) is responsible for providing routine maintenance, supplying utilities, and operating, maintaining and repairing buildings, grounds and utility systems for Clark County departments and outside agencies that contract and pay for services.

This fund requires a one-time increase to the 2017-2018 Expense Budget Allocation in the amount of \$750,000 in order to pay for the fund’s liabilities through the end of the biennium.

In an effort to slow spending and stay within budget, the General Services Department enacted a “health, life, safety mode” in October 2018. This is a typical process that is often enacted during the last month of the budget cycle. The Department has also cut back on security at the Public Service Center and worked with the Auditor’s Office to adjust fiscal year end procedures to reduce expenses impacting 2018. Even with these cost saving measures, the fund will exceed budget by the end of the year. These costs are primarily driven by increase in utilities, service contracts, rental contracts, and supplies.

Historically, the issue of overspending for this fund has been addressed by using savings from other General Services’ funds. Unfortunately, there were not enough savings realized in 2018 from these other funds to prevent the need for this request nor are there projected savings for future budget cycles. The General Services Department will be working closely with the County Manager and the Budget Office in 2019 in an effort to find additional efficiencies and cost savings.

Liability/Risk/Safety Impacts: None.

Positive Impact to Citizens: None.

Efficiency Gains: None.

Workforce Engagement and Contributions: None

Impacts/Outcomes if not approved:

If this request is not approved, the fund will have overspent its 2017-2018 Expense Budget Allocation in violation of RCW 36.40.

Fund	Fund Name	Request Type	2018 Rev	2018 Exp	2018 FB Chg	2019 Rev	2019 Exp	2019 FB Chg
5093	Central Support Services Fund	One-Time	\$ 0	\$ 820,000	(\$ 820,000)	\$ 0	\$ 0	\$ 0
Totals			\$ 0	\$ 820,000	(\$ 820,000)	\$ 0	\$ 0	\$ 0

GEN-03-18EM General Services Tri-Mountain Golf Course Fund 4008

New request

Contact: name: Michelle Schuster email: michelle.schuster@clark.wa.gov phone: 564-397-4118

The Tri-Mountain Golf Fund Course Fund (Fund 4008) was created to manage the revenue and expense budget for the Tri-Mountain Golf Course.

This fund requires a one-time increase to the 2017-2018 Expense Budget Allocation in the amount of \$80,000 in order to pay for the fund's liabilities through the end of the biennium.

The County holds a contract with Billy Casper Golf to operate the golf course. The County receives 100% of the revenue generated by the golf course's transactions. The terms of this contract outline a set monthly payment to the contractor plus an additional allotment to cover the reimbursement for food, beverages, lessons, sales tax and gratuities incurred. 2018 has been a record year for golf course related sales. The fund has generated additional revenue and expenses related to the increase in sales.

Liability/Risk/Safety Impacts: None.

Positive Impact to Citizens: None.

Efficiency Gains: None.

Workforce Engagement and Contributions: None

Impacts/Outcomes if not approved:

If this request is not approved, the fund will have overspent its 2017-2018 Expense Budget Allocation in violation of RCW 36.40.

Fund	Fund Name	Request Type	2018 Rev	2018 Exp	2018 FB Chg	2019 Rev	2019 Exp	2019 FB Chg
4008	Tri-Mountain Golf Course Fund	One-Time	\$ 0	\$ 80,000	(\$ 80,000)	\$ 0	\$ 0	\$ 0
Totals			\$ 0	\$ 80,000	(\$ 80,000)	\$ 0	\$ 0	\$ 0

PWK-01-18EM Public Works Camp Bonneville Fund 1013

New request

Contact: name: Lori Pearce email: lori.pearce@clark.wa.gov phone: 4461

The Camp Bonneville Fund (Fund 1013) was created to manage the revenue and expense budget related activities associated with developing a local reuse plan for the U.S. Army's Camp Bonneville site.

This fund requires a one-time increase to the 2017-2018 Expense Budget Allocation in the amount of \$2,250,000 in order to pay for the fund's liabilities through the end of the biennium. These additional expenses include additional munitions clean-up work that has been completed at Camp Bonneville beyond the original work estimates.

The insufficient budget capacity was not identified until after the 2018 final supplemental budget had been approved. The excess payments were caused by human error from not reviewing the monthly budget reports that were prepared. The problem was compounded by a breakdown of system controls in Oracle which are designed to prevent such overpayments, but the system controls failed.

Funding for the clean-up at Camp Bonneville comes from an agreement with the U.S. Army, and cash is on hand to make all payments, this request is for authorization to make payments against the contract that has been appropriately executed.

Liability/Risk/Safety Impacts:

Payments for the biennium exceed the budget capacity for this fund which is a violation of state statute.

Positive Impact to Citizens:

The work performed at Camp Bonneville is a public safety matter. In order to move forward with the Camp Bonneville master plan, the munitions need to be cleared. The additional expenses incurred in the budget period are for the work performed by the contractor and the county staff support.

Efficiency Gains: None.

Workforce Engagement and Contributions: None.

Impacts/Outcomes if not approved:

If this request is not approved, the fund will have overspent its 2017-2018 Expense Budget Allocation in violation of RCW 36.40.

Fund	Fund Name	Request Type	2018 Rev	2018 Exp	2018 FB Chg	2019 Rev	2019 Exp	2019 FB Chg
1013	Camp Bonneville Fund	One-Time	\$ 0	\$ 2,250,000	(\$ 2,250,000)	\$ 0	\$ 0	\$ 0
Totals			\$ 0	\$ 2,250,000	(\$ 2,250,000)	\$ 0	\$ 0	\$ 0

**ATTACHMENT A1: SUMMARY BY FUND
2018 EMERGENCY BUDGET SUPPLEMENTAL**

Fund	fund_name	2018 Revenue Change	2018 Expense Change	2018 Fund Balance Change
1013	Camp Bonneville Fund	\$0	\$2,250,000	-\$2,250,000
4008	Tri-Mountain Golf Course Fund	\$0	\$80,000	-\$80,000
5045	Healthcare Self-Insurance Fund	\$0	\$1,000,000	-\$1,000,000
5092	Data Processing Revolving Fund	\$0	\$75,000	-\$75,000
5093	Central Support Services Fund	\$0	\$820,000	-\$820,000
Grand Total		\$0	\$4,225,000	(\$4,225,000)

**ATTACHMENT A2: SUMMARY BY FUND BY PACKAGE
2018 EMERGENCY BUDGET SUPPLEMENTAL**

Package number	Fund	fund_name	Type	2018 Revenue Change	2018 Expense Change	2018 Fund Balance Change
BGT-01-18EM	5045	Healthcare Self-Insurance Fund	One-Time	\$ -	\$ 1,000,000	\$ (1,000,000)
BGT-02-18EM	5092	Data Processing Revolving Fund	One-Time	\$ -	\$ 75,000	\$ (75,000)
GEN-01-18EM	5093	Central Support Services Fund	One-Time	\$ -	\$ 820,000	\$ (820,000)
GEN-03-18EM	4008	Tri-Mountain Golf Course Fund	One-Time	\$ -	\$ 80,000	\$ (80,000)
PWK-01-18EM	1013	Camp Bonneville Fund	One-Time	\$ -	\$ 2,250,000	\$ (2,250,000)
Grand Total				\$ -	\$ 4,225,000	\$ (4,225,000)

**EXHIBIT A: SUPPLEMENTAL APPROPRIATION LINE ITEM CODING
2018 EMERGENCY SUPPLEMENTAL**

Package number	Fund	Fund name	Prog	Dept	Basub	Obj	Categ	2017-18 EXP inc / REV dec (DR)	2017-18 EXP dec /REV inc (CR)	Type
BGT-01-18EM	5045	Healthcare Self-Insurance	000	310	517301	414	000000	\$ 1,000,000		One-Time
BGT-02-18EM	5092	Data Processing Revolving Fund	000	390	518850	327	000000	\$ 75,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518218	326	000000	\$ 32,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518218	327	000000	\$ 13,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518218	421	000000	\$ 50,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518218	499	000000	\$ 90,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518320	331	000000	\$ 52,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518320	333	000000	\$ 90,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518320	334	000000	\$ 26,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518320	339	000000	\$ 87,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518320	413	000000	\$ 45,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518909	471	000000	\$ 175,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518909	472	000001	\$ 35,000		One-Time
GEN-01-18EM	5093	Central Support Services	000	330	518909	476	000000	\$ 125,000		One-Time
GEN-03-18EM	4008	Tri-Mountain Golf Course	000	302	576681	410	000000	\$ 80,000		One-Time
PWK-01-18EM	1013	Camp Bonneville	000	303	576900	419	000000	\$ 2,250,000		One-Time
Grand Total								\$ 4,225,000	\$	