

A RESOLUTION AMENDING THE 2007 BUDGET

WASHTENAW COUNTY BOARD OF COMMISSIONERS

December 5, 2007

WHEREAS, Administration continues to partner with the Board and with the organization to monitor any major impacts on the 2007 budget and present these findings and recommendations to the BOC on a quarterly basis; and

WHEREAS, the Budget Office has analyzed each major revenue and expenditure category within the General Fund and other funds in partnership with each county department to determine the projected 2007 year-end status; and

WHEREAS, these projections include many assumptions resulting in the final year end amounts and status not being confirmed until the county's annual audit period during the 1st quarter of 2008; and

WHEREAS, the preliminary year end projections demonstrate a shortfall in line with previous reports to the Board of Commissioners which requires budget adjustments and the use of Non General Fund fund balances; and

WHEREAS, BOC authorization is needed to make program budget revisions for amounts greater than \$100,000 or over 10%, whichever is less; and

WHEREAS, the major issues impacting the budget include

- A shortfall in revenue collections in Register of Deeds due to the housing market downturn;
- A technical Adjustment due to accounting change for Elections Pass Through;
- A surplus in District Court revenue collections due to a strong focus on the collection process and the introduction of the District Court tethering program, with an expenditure shortfall due to the costs of the tethering program;
- A shortfall in the Trial Court and Prosecuting Attorney's Office due to Public Safety & Justice Statutory Lines for which the county agrees to cover as set by policy;
- A shortfall in the Prosecuting Attorney's Office personnel costs due to budgeted assumptions not mirroring actual experience;
- A shortfall in revenues in Police Services due to year end credits for reduced contract services, as well as a shortfall in expenditures due to higher than budgeted transportation costs;
- A shortfall in Central Dispatch due to overtime incurred as a result of staff turnover and needed training;
- A shortfall in the Sheriff's Office due to Jail Overcrowding, partially offset by budgeted reserves;
- A shortfall in Court Security due to enhancement initiatives;
- A technical Adjustment to align personnel costs within County Administration and Support Services Infrastructure & Planning due to the implementation of resolution 06-0212 which created the Co-Deputy Administrator structure;
- A shortfall in General Fund Central Charges due to Attorney Fees;
- A technical Adjustment for higher level of Federal in-kind revenue for Public Health vaccines passed through the State;

- A shortfall in Building Services due to continued revenue loss resulting from the significant construction industry slowdown; and

WHEREAS, adjustments within the General Fund have been identified to reallocate revenue and expenditure surpluses to those areas with deficits; and

WHEREAS, it is also necessary to adjust the level of General Fund appropriations to Non General Funds due to surpluses that exist in these other funds and to use existing fund balances within these funds; and

WHEREAS, all of these adjustments will allow for the General Fund to end the 2007 fiscal year with a surplus of approximately \$250,000 in line with the Board of Commissioners policy to maintain General Fund fund balances at a level of 8% of operating expenses; and

WHEREAS, year end close also requires approval for the use of Capital Reserves for several capital projects; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office and the Ways & Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby amends the 2007 Budget as attached hereto and made a part hereof, resulting in the reduction of appropriations from the General Fund or the transfer in to the General Fund for the use of fund balance in several Non General Fund units.

BE IT FURTHER RESOLVED that the Washtenaw County Board of Commissioners hereby authorizes the advancement of Capital Reserves to cover the year end shortfall in the Building Services fund (1750) with the understanding that it will be repaid when the fund returns to self sustainability.

BE IT FURTHER RESOLVED that the Washtenaw County Board of Commissioners hereby authorizes the use of Capital Reserves for the final close out of projects including Ellsworth Renovation in an amount of approximately \$95,736, Court Security Enhancements in an amount of approximately \$3,344 and 750 Towner in an amount of approximately \$13,797; as well as the pre-funding for the 14-A District Court construction project which currently has expended \$137,073 and will incur additional expenses in 2008, all of which will be repaid to the Capital Reserve Fund by a proposed bond issue planned for 2008.