

PASSED

IN THE BOARD OF COUNTY COMMISSIONERS
OF LANE COUNTY, OREGON

ORDER NO. 03-06-18- 1

) IN THE MATTER OF APPROVING THE
) REIMBURSEMENT OF TRANSIENT
) ROOM TAX SPECIAL PROJECT FUNDS
) AND THE CREATION OF A FAIR BOARD
) "RAINY DAY" CASH RESERVE FUND

WHEREAS, in December, 2000 (Order No. 00-12-13-3), the Board of County Commissioners approved entering into a Memorandum of Agreement (Agreement) with the Fair Board to provide for a cash flow through the use of transient room tax special projects funds for operating the Planetarium while the Fair Board developed and sought to implement a business plan, and

WHEREAS, the Agreement provided that the Fair Board could draw up to a total of \$330,000 over three years, and that the Fair Board would reimburse the County at least \$35,000 in year 4, \$40,000 in year 5, and the remaining revenues as soon as possible over the next 3 years, and

WHEREAS, the Fair Board in fact has received a total of \$290,000 from the transient room tax special project funds for operations of the Planetarium, while it sought to implement an aggressive business plan which resulted in a unsuccessful election on a measure for capital funds, and

WHEREAS, as a result of the election, the Planetarium has since been closed as a fairgrounds operation, and

WHEREAS, in January, 2002 (Order No. 02-1-9-4), the Board of County Commissioners approved the use of excess transient room tax revenues, as provided by Lane Code 4.175(5), be made available for transfer to the Fair Board for capital improvements for a period ending June 30, 2007 to be used for capital projects pursuant to the Fairgrounds Capital Improvements Plan, and

WHEREAS, the Fair Board met with the County Finance and Audit Committee in November, 2002, and recommended that a portion of these excess transient room tax revenues be used to reimburse the transient room tax special projects funds in accordance with the Memorandum of Agreement over the course of the next 4 years (ending June 30, 2007) and further, that a portion be set aside for a fairgrounds "rainy day" cash reserve fund annually until it accumulates to an amount of \$500,000, and

WHEREAS, pursuant to LC 4.175(5) the Board of Commissioners may authorize such use through the annual budget process,

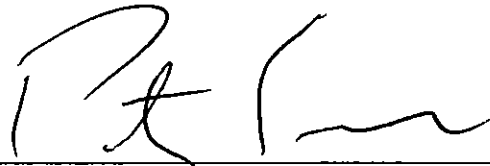
NOW, THEREFORE IT IS HEREBY ORDERED that the Board of County Commissioners approves the use of \$50,000 of the excess transient room tax revenues

described in Order No. 02-1-9-4 to reimburse the transient room tax revenues special projects fund as the first reimbursement under the Memorandum of Agreement with the Fair Board approved in Order No. 00-121-13-3, and it is further

ORDERED that the Board of County Commissioners approves the use of \$125,000 of the excess transient room tax revenues described in Order No. 02-1-9-4 for the creations of a Fairgrounds "Rainy Day" cash reserve, and it is further

ORDERED that the Fair Board may not expend funds from the Fairgrounds "Rainy Day" cash reserve without the approval of the Board of County Commissioners, upon the occurrence of one of two contingencies: a) if the actual net surplus from the annual fair, determined as of December 31 of the same year, is 10% less than the net fair surplus that is anticipated and budgeted through the annual budget process, or b) if there is an unexpected capital emergency beyond the ability of the Fair Board to manage within its normal cash flow during the year.

DATED this 18th day of June, 2003.



Peter Sorenson, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 6/5/03 Lane County



OFFICE OF LEGAL COUNSEL