

Council Business Meeting

May 7, 2019

Agenda Item	2017/19 Supplement Budget & Resolution	
From	Mark Welch	Administrative Services Director
Contact	Mark.Welch@ashland.or.us (541) 552-2003	

SUMMARY

During the course of the Biennium there are times that budget adjustments are required. The proposed budget amendments do not increase appropriations by more than ten percent.

POLICIES, PLANS & GOALS SUPPORTED

N/A

PREVIOUS COUNCIL ACTION

N/A

BACKGROUND AND ADDITIONAL INFORMATION

Oregon budget law (ORS 294.471) provides for a mid-year amendments to the budget through the supplemental budget process.

This supplement budget contains two types of amendments: the first is merely a transfer of appropriations from one category to another which does not increase nor decrease the original budget; and the second is an additional appropriation of revenue which will increase the total budget. Because these proposed changes consist of transfer and additional appropriation of less than ten percent of the budgeted fund, Oregon budget law allows adoption by Council Resolution with no public hearing required.

The budget amendments reflect several previous actions by the City Council. The Hersey Street Electric Undergrounding project transfer is reflected along with the movement from the interfund loan appropriation into Materials and Service for the Health Benefits fund. The transfer in the Health Benefits fund reflects the change that was made on July 1, 2018 when the loan between the Reserve Fund and Health Benefits fund was forgiven. No change in funds, nor a new loan, is part of this transfer.

The Budget also reflects the authorizing for the Police Department to hire additional Police Officers. The Police Department had adequate appropriations until now to pay for the increase.

The City prefers to wait on Supplemental Budget requests until several are ready and can be packaged together and taken to Council at the same time. The Supplemental Budget also reflects the reimbursed Overtime expense in the Fire Department. The explanations of each change can be found on the attached Budget Transfer Request form.

The following illustrates the proposed budget changes:

<u>Transfer of appropriation only:</u>		
General Fund	To transfer to Courts Division for budgeting error	95,000
General Fund	To transfer to Social Service Grants	61
Parks General Fund	To transfer for Rink Program	10,682
Parks General Fund	To transfer for Senior Services Program	124,000
Telecommunication Fund	To transfer from Capital to Material and Services for infrastructure	110,000
Electric Fund	To transfer from debt service to Distribution	1,082,600
Electric Fund	To transfer from contingency and fund balance to Distribution - for Hersey St	1,100,000
Electric Fund	To transfer from Transmission to Conservation Programs	100,000
Health Benefits Fund	To transfer from Interfund load to Material Services	1,050,000
	Total transfer of appropriation needed	\$ 3,672,343
<u>Increase In appropriation:</u>		
Police Department	For Three additional Police Officers from the State Marijuana Tax and Public Safety Fee	330,000
Fire and Rescue/Fire Revenue	FEMA Assistance to Firefighters grant	70,910
Fire and Rescue/Fire Revenue	Reimbursement for Garner and Taylor Creek Fire	82,978
Public Works	For relocating an employee from Street fund to Central Service Fund	93,500
	Total Increased Appropriation	\$ 577,388

FISCAL IMPACTS

The Supplemental Budget transfers appropriations, or increases appropriations within the budget.

STAFF RECOMMENDATION

That the Council adopt the attached resolution to authorize proposed changes as defined within this report for a 2017/19 supplemental budget.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to adopt Resolution 2019-04 authorizing a 2017/19 supplement budget.

REFERENCES & ATTACHMENTS

Attachment 1: Resolution Adopting the Supplemental Budget

Attachment 2: Staff Budget Transfer Requests

RESOLUTION NO. 2019-04

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR CHANGES TO THE 2017/19 BIENNIAL BUDGET

Recitals:

ORS 294.471 permits the governing body of a municipality to make a supplemental budget for one or more of the following reasons:

- a. An occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current year which requires a change in financial planning.
- b. A pressing necessity which was not foreseen at the time of the preparation of the budget for the current year which requires prompt action.
- c. Funds were made available by another unit of federal, state or local government and the availability of such funds could not have been ascertained at the time of the preparation of the budget for the current year.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

Section 1. In accordance with provisions stated above, the Mayor and City Council of the City of Ashland determine that it is necessary to adopt a supplemental budget, establishing the following amendments:

	<u>Transfers:</u>	
	<u>Appropriation</u>	<u>Resource</u>
<u>General Fund</u>		
Administration - Courts	95,000	
Comm Dev - Social Service Grants	61	
Contingency		95,061
	\$ 95,061	\$ 95,061
<u>Parks General Fund</u>		
Recreation	134,682	
Parks Operations		134,682
	\$ 134,682	\$ 134,682
<u>Telecommunication Fund</u>		
Capital Outlay	110,000	
Material and Services		110,000
	\$ 110,000	\$ 110,000
<u>Electric Fund</u>		
Electric Distribution - Operations	2,182,600	
Administration -Conservation Division	100,000	
Electric Transmission		100,000
Debt Services		1,082,600
Contingency		225,000
Unappropriated		875,000
	\$ 2,282,600	\$ 2,282,600
<u>Health Benefits Fund</u>		
Materials	1,050,000	

Interfund loan 1,050,000
\$ 1,050,000 \$ 1,050,000

Additional appropriations:

	<u>Appropriation</u>		<u>Resource</u>
<u>General Fund</u>			
Police Department	330,000		
Fire and Rescue Department	153,888		
Taxes			330,000
Grant Revenue			153,888
	\$ 483,888		\$ 483,888
 <u>Central Service Fund</u>			
Public Works	93,500		
Charges for Services			93,500
	\$ 93,500		\$ 93,500

Section 2. All other provisions of the adopted 2017-2019 BIENNIUM BUDGET not specifically amended or revised in this Supplemental Budget remain in full force and effect as stated therein.

Section 3. This resolution was duly PASSED and ADOPTED this 7th day of May, 2019, and takes effect upon signing by the Mayor.

Melissa Huhtala, City Recorder

SIGNED and APPROVED this ____ day of May, 2019.

John Stromberg, Mayor

Reviewed as to form:

David Lohman, City Attorney

Budget Transfer Request

Date: 9/26/2018

Department: Finance

Explanation of request:

To transfer from contingency to cover personal cost that was under budgeted and for a retirement.

Transfer From

Account Number	Line Item Name	Amount
990110.905000	Contingency	\$ 95,000.00
Total Amount of Transfer		\$ 95,000.00

Transfer To

Account Number	Line Item Name	Amount
010400.501100	Courts - PS	\$ 95,000.00
Total Amount of Transfer		\$ 95,000.00

Requested By: *Cynthia Atank*

Approved By: *[Signature]*
Department Head

Budget Transfer Request

Date: 11/27/2018

Department: Community Development

Explanation of request:

To Transfer from contingency to Community Development - Social Service to cover amount distributed over budget in error.

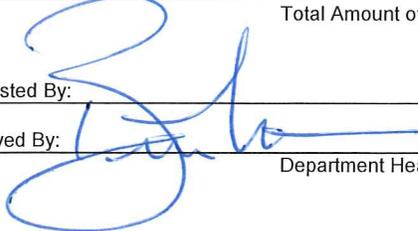
Transfer From

Account Number	Line Item Name	Amount
990110.905000	Contingency	\$ 61.00
Total Amount of Transfer		\$ 61.00

Transfer To

Account Number	Line Item Name	Amount
092500.609100	Social Service Grants	\$ 61.00
Total Amount of Transfer		\$ 61.00

Requested By: _____

Approved By:  _____
Department Head



Budget Transfer Request

Date: 11/27/2018

Department: Parks & Rec Commission

Explanation of request:

Transfer funds from Operations to Recreation for ice rink costs.

Transfer From

Account Number	Line Item Name	Amount
121200.604100	Professional Services	\$ 10,682.00
Total Amount of Transfer		\$ 10,682.00

Transfer To

Account Number	Line Item Name	Amount
125302.610210	Rink Program	\$ 10,682.00
Total Amount of Transfer		\$ 10,682.00

Requested By: Taya Kuegel

Approved By: [Signature]
Department Head



Budget Transfer Request

Date: 11/28/2018

Department: Parks & Rec Commission

Explanation of request:

Transfer appropriations to Senior Services operating budget as approved by Ashland Parks and Recreation Commission on 3/26/18

Transfer From

Account Number	Line Item Name	Amount
120900.510100	Admin. Regular Employees	\$ 10,000.00
121200.510100	Operations Regular Employee	\$ 44,000.00
125302.510200	Rec. Temporary Employees	\$ 70,000.00
Total Amount of Transfer		\$ 124,000.00

Transfer To

Account Number	Line Item Name	Amount
125305.51*	SR. Services Personnel	\$ 111,500.00
125305.60*	SR. Services Supplies	\$ 12,500.00
Total Amount of Transfer		\$ 124,000.00

Requested By: *Tara Kipoid*

Approved By: *[Signature]*
Department Head

CITY OF
ASHLAND

Budget Transfer Request

Date: 2/14/2019

Department: AFN

Explanation of request:

The money budgeted for for the equipment and capital outlay was actually earmarked for purchasing materials needed to maintain the plant infrastructure(fiber, coax, conduit, taps, mule tape, line equipment, etc.)

Transfer From

Account Number	Line Item Name	Amount
024700-703000	Equipment	\$ 40,000.00
024700-704100	Capital Outlay	\$ 60,000.00
204700-704200	Capitalized Projects	\$ 10,000.00
Total Amount of Transfer		\$ 110,000.00

Transfer To

Account Number	Line Item Name	Amount
024700-602400	Infrastructure	\$ 110,000.00
Total Amount of Transfer		\$ 110,000.00

Requested By: 

Approved By: 
Department Head

Budget Transfer Request

Date: 9/26/2018

Department: Finance

Explanation of request:

To Transfer from Electric fund debt service to Electric Distribution.

Transfer From

Account Number	Line Item Name	Amount
111800.802100	Debt	\$ 1,082,600.00
Total Amount of Transfer		<u>\$ 1,082,600.00</u>

Transfer To

Account Number	Line Item Name	Amount
111800.605812	Internal Chg - Tech Deb	\$ 1,082,600.00
Total Amount of Transfer		<u>\$ 1,082,600.00</u>

Requested By: *Cynthia Z. Harris*

Approved By: *[Signature]*
Department Head

Budget Transfer Request

Date: 1/26/2019

Department: Finance

Explanation of request:

To Transfer the forgivable Interfund loan into Material and Services. The City moved from Self Insurance to fully insured.

Transfer From

Account Number	Line Item Name	Amount
014922.607250	Health Care Premiums	\$ 1,050,000.00
Total Amount of Transfer		<u>\$ 1,050,000.00</u>

Transfer To

Account Number	Line Item Name	Amount
990725.90100	Intefund loan	\$ 1,050,000.00
Total Amount of Transfer		<u>\$ 1,050,000.00</u>

Requested By: *Cynthia Hank*

Approved By: *[Signature]*
Department Head

Budget Supplemental Request

Date: 5/29/2018

Department: Police

Explanation of request:

Funding of three new officers. The first funding source is the state marijuana
tax. The second funding source is the Public safety fee

New Revenue

Account Number	Line Item Name	Amount
0110.410645	Marijuana Tax - State	\$ 110,000
0110.410205	Public Safety Fee	\$ 220,000
Total Amount of Transfer		<u>\$ 330,000.00</u>

Additional Appropriations (Expense)

Account Number	Line Item Name	Amount
061200.510100	Regular Employees	\$ 330,000.00
Total Amount of Transfer		<u>\$ 330,000.00</u>

Requested By: Cynthia A. Hank

Approved By: [Signature]
Department Head

Budget Supplemental Request

Date: 09/06/2018

Department: Fire - Operations Division

Explanation of request:

This is a reimbursement for a FEMA Assistance to Firefighters Grant.

Funds expended were used to install a diesel exhaust capture system at

Fire Station #1. All funds were expended in FY 18.

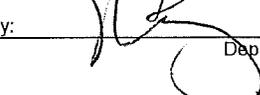
New Revenue

Account Number	Line Item Name	Amount
0110.430123	2016 Assistance to Firefighters	\$ 70,910
Total Amount of Transfer		\$ 70,910.00

Additional Appropriations (Expense)

Account Number	Line Item Name	Amount
071200.704200	Capitalized Projects	\$ 70,910.00
Total Amount of Transfer		\$ 70,910.00

Requested By: 

Approved By: 
Department Head

Budget Supplemental Request

Date: 12/28/2018

Department: Fire - Operations Division

Explanation of request:

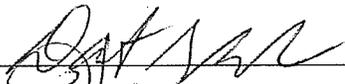
The fire department sent firefighting apparatus and personnel to Josephine
County to assist with the Garner/Taylor Complex fire. As the fire was declared
a conflagration by Governor Brown we were able to submit for reimbursement
from the State. The fire department is requesting that this additional revenue
be added to our overtime and technical equipment line items.

New Revenue

Account Number	Line Item Name	Amount
0110.430123	Garner Fire Revenue	\$ 69,510.32
0110.430123	Taylor Creek Fire Revenue	\$ 13,467.88
Total Amount of Transfer		<u>\$ 82,978.20</u>

Additional Appropriations (Expense)

Account Number	Line Item Name	Amount
071200.510310	Scheduled Overtime	\$ 62,754.80
071200.601400	Technical Supplies	\$ 20,223.40
Total Amount of Transfer		<u>\$ 82,978.20</u>

Requested By: 

Approved By: 
Department Head

Budget Supplemental Request

Date: 11/27/2018

Department: Public Works

Explanation of request:

Steve Burkhalter has been charged out of the Street Fund for years yet he
spends a significant amount of his time in multiple other divisions/funds.
To better account for his time it was agreed to move him into the PW support
division and not fund the water conservation position to stay position neutral.
Cost allocations for all of the PW Engineering/Support have been updated.

New Revenue

Account Number	Line Item Name	Amount
0710.440161	Central Service Fee	\$ 93,500
Total Amount of Transfer		\$ 93,500.00

Additional Appropriations (Expense)

Account Number	Line Item Name	Amount
081100.510100	Salaries	\$ 93,500.00
Total Amount of Transfer		\$ 93,500.00

Requested By:  29 JAN 2019

Approved By: 
 Department Head

Budget Transfer Request

Date: 4/3/2019

Department: Electric

Explanation of request:

To fund the contract with Knife River for the Hersey St. underground project approved by Council 3/19/2019

Transfer From

Account Number	Line Item Name	Amount
990695.905000	Contingency	\$ 225,000.00
990695.909000	Unappropriated	\$ 875,000.00
Total Amount of Transfer		<u>\$ 1,100,000.00</u>

Transfer To

Account Number	Line Item Name	Amount
111800.704100	Capital Outlay	\$ 1,100,000.00
Total Amount of Transfer		<u>\$ 1,100,000.00</u>

Requested By:  4/3/19

Approved By: _____
Department Head

Budget Transfer Request

Date: 5/1/2019

Department: Administration

Explanation of request:

To Transfer funds within the Electric Fund from transmission to Conservation Programs. Conservation Programs in both solar and non-BPA energy efficiency outpaced original budgeted estimates. Electric transmission cost estimates for wholesale power delivery from BPA came in lower than estimated at the beginning of the budget cycle.

Transfer From

Account Number	Line Item Name	Amount
112100.606740	Electric - Transmission	\$ 100,000.00
Total Amount of Transfer		\$ 100,000.00

Transfer To

Account Number	Line Item Name	Amount
010600.610110	Administration - Conservation	\$ 100,000.00
Total Amount of Transfer		\$ 100,000.00

Requested By: _____

Approved By: *[Signature]* 5/1/19
Department Head