

# Council Business Meeting

June 18, 2019

<b>Agenda Item</b>	2017/19 Supplement Budget & Resolution	
<b>From</b>	Kelly Madding	City Administrator
<b>Contact</b>	<a href="mailto:Kelly.Madding@ashland.or.us">Kelly.Madding@ashland.or.us</a> (541) 488-6002	

## **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 adjustments for transfer of appropriation to ensure compliance level. Below is the explanation of the needed transfers.

<b><u>Transfer of appropriation only:</u></b>		
Central Service Fund	To transfer for FMLA, software purchase and additional licensing costs	165,000
Central Service Fund	To transfer for program advertising	10,000
Insurance Service Fund	To transfer for personnel costs	60,000
<b><i>Total transfer of appropriation needed</i></b>		<b><i>\$ 235,000</i></b>

The budget amendment reflects two increases in appropriations.

<b><u>Increase In appropriation:</u></b>		
Debt Service Fund	Increase for Briscoe school debt and professional services	162,000
Finance	Increase from investments returns	25,000
<b><i>Total Increased Appropriation</i></b>		<b><i>\$ 187,000</i></b>

The explanations of each change can be found on the attached Budget Transfer Request forms.

## **FISCAL IMPACTS**

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

**STAFF RECOMMENDATION**

Staff recommends 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 2019-21 authorizing a 2017/19 supplement budget.

**REFERENCES & ATTACHMENTS**

Attachment 1: Resolution 2019-21 Adopting the Supplemental Budget

Attachment 2: Staff Budget Transfer Requests

**RESOLUTION NO. 2019-21**  
**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:

	<b><u>Transfers:</u></b>	
	<b><u>Appropriation</u></b>	<b><u>Resource</u></b>
<b><u>Central Services Fund</u></b>		
Administrative Services	165,000	
Public Works	10,000	
Contingency		175,000
	<b>\$ 175,000</b>	<b>\$ 175,000</b>
<b><u>Insurance Services Fund</u></b>		
Personnel Services	60,000	
Capital Outlay		60,000
	<b>\$ 60,000</b>	<b>\$ 60,000</b>
	<b><u>Additional appropriations:</u></b>	
	<b><u>Appropriation</u></b>	<b><u>Resource</u></b>
<b><u>Debt Service Payment</u></b>		
Debt Service Payment	162,000	
Interest on Investment		2,000
Transfers In		160,000
	<b>\$ 162,000</b>	<b>\$ 160,000</b>
<b><u>Insurance Services Fund</u></b>		
Transfer Out	25,000	
Interest on Investment		25,000
	<b>\$ 25,000</b>	<b>\$ 25,000</b>

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

4 Section 3. This resolution was duly PASSED and ADOPTED this 18th day of June, 2019,  
5 and takes effect upon signing by the Mayor.

6  
7 \_\_\_\_\_  
8 Melissa Huhtala, City Recorder

9 SIGNED and APPROVED this 18th day of June, 2019.

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11  
12 \_\_\_\_\_  
13 John Stromberg, Mayor

14 Reviewed as to form:

15  
16  
17 \_\_\_\_\_  
18 David Lohman, City Attorney



## Budget Transfer Request

Date: 5/1/2019

Department: Finance

Explanation of request:

To cover personnel services cost over runs due to FMLA. To cover additional software purchases and licensing costs

### Transfer From

Account Number	Line Item Name	Amount
990710.905000	Contingency	\$ 165,000.00
Total Amount of Transfer		<u>\$ 165,000.00</u>

### Transfer To

Account Number	Line Item Name	Amount
030800.510100	Salaries	\$ 20,000.00
030900.604100	Professional	\$ 75,000.00
030800.605700	Licensing	\$ 70,000.00
Total Amount of Transfer		<u>\$ 165,000.00</u>

Requested By: 

Approved By: 

Department Head



## Budget Transfer Request

Date: 5/31/2019

Department: Public Works

Explanation of request:

Although we do not anticipate additional expenses, this will allow for any unforeseen expenditures through the end of June for the engineering and support account. Staff has been consciously charging to the correct line item in this budget. This will reimburse the advertising budget for program advertising.

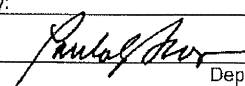
### Transfer From

Account Number	Line Item Name	Amount
990710.905000	Contingency	\$ 10,000.00
Total Amount of Transfer		<u>\$ 10,000.00</u>

### Transfer To

Account Number	Line Item Name	Amount
081100-606100	advertising	\$ 10,000.00
Total Amount of Transfer		<u>\$ 10,000.00</u>

Requested By: \_\_\_\_\_

Approved By:  31 May 2019  
Department Head



## Budget Transfer Request

Date: 5/1/2019

Department: Finance

Explanation of request:

To cover personnel services cost.

### Transfer From

Account Number	Line Item Name	Amount
030022.704100	Capital	\$ 60,000.00
Total Amount of Transfer		<u>\$ 60,000.00</u>

### Transfer To

Account Number	Line Item Name	Amount
030022.510100	Salaries	\$ 60,000.00
Total Amount of Transfer		<u>\$ 60,000.00</u>

Requested By: Lynette 2 Han

Approved By: [Signature]

Department Head



## Budget Supplemental Request

Date: 6/5/2019

Department: Finance

**Explanation of request:**

This is a request to cover professional services fees associated with debt  
payments. The second request is to cover the payment to the school  
district for Briscoe school and the park - this is offset by revenue paid by  
the tenants and Food & Beverage Tax (Parks).

### New Revenue

Account Number	Line Item Name	Amount
0530.470010	Interest	\$ 2,000
0530.490414	Transfer from CIP	\$ 110,000
0530.490423	Transfer from Parks CIP	\$ 50,000.00
Total Amount of Transfer		<u>\$ 162,000.00</u>

### Additional Appropriations (Expense)

Account Number	Line Item Name	Amount
033200.604100	Professional Services	\$ 2,000.00
033000.801301	Municipal Buildings	\$ 110,000.00
033000.801302	Parks	\$ 50,000.00
Total Amount of Transfer		<u>\$ 162,000.00</u>

Requested By: 

Approved By:   
Department Head





## Budget Supplemental Request

Date: 5/1/2019

Department: Finance

**Explanation of request:**

Increase Transfers due to higher than expected revenue from investment  
earnings

### New Revenue

Account Number	Line Item Name	Amount
0810.470010	Interest on investment	\$ 25,000
Total Amount of Transfer		<u>\$ 25,000.00</u>

### Additional Appropriations (Expense)

Account Number	Line Item Name	Amount
990810.902110	Transfer - General Fund	\$ 25,000.00
Total Amount of Transfer		<u>\$ 25,000.00</u>

Requested By: Cynthia A. Hanks

Approved By: [Signature]  
Department Head