

STAFF REPORT

For Meeting of November 14, 2016

MAYOR AND MEMBERS OF THE CITY COUNCIL

NO. 2016-

SUBJECT: 2016-17
Supplemental
Budget

Subject

Resolution to supplement the 2016-17 annual budget.

Summary and Background

Resolution number 2044 is being presented tonight for Council approval. The resolution authorizes additional expenditures in the Utility Fund and the Reserve Fund. The Utility Fund supplemental request is \$1,420,200 and the Reserve Fund request is \$11,050.

The Utility Fund request is for the following:

- \$1,390,100 for draining the sludge lagoon (originally budgeted in 2015-16 but unspent as of June 30, 2016);
- \$9,880 for additional engineering costs to monitor the treatment plant; and
- \$22,220 for pump repair parts.

The Reserve Fund request is for higher than anticipated costs to purchase pick-up trucks for the Sewer department.

Fiscal Information

The total supplemental budget request is \$1,431,250.

Alternatives and Recommendation

Alternatives

1. Do not supplement the budget.
2. Supplement the budget for a different amount

Recommendation

I recommend that Resolution 2044 be adopted.

Requested Action/Motion

Motion to adopt resolution 2044.

Reviewed by:



Department Head: Amy Palmer



City Manager Approval

RESOLUTION NO. 2044

WHEREAS, ORS 294.471 permits the governing body of a municipal corporation to adopt a supplemental budget for the fiscal year for which the regular budget has been prepared if an occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning or creates a pressing necessity for prompt action; and

WHEREAS, the conditions requiring a change in financial planning are listed in Exhibit A attached to and made a part of this resolution, now, therefore,

BE IT RESOLVED that due to the conditions listed in Exhibit A that were not known at the time the budget was prepared, the total budget for the City of Hermiston for the fiscal period beginning July 1, 2016 is hereby supplemented in the amount of **\$1,431,250**. The amounts for the purposes shown below are hereby appropriated:

UTILITY FUND

Requirements:

Materials & Supplies	<u>1,420,200</u>
Total Utility Fund Requirements	1,420,200

RESERVE FUND

Requirements:

Capital Outlay	<u>11,050</u>
Total Reserve Fund Requirements	11,050

Total Appropriations **\$1,431,250**

This resolution shall become effective immediately upon its passage as of the date and year set out below.

PASSED by the Common Council this 14th day of November, 2016

SIGNED by the Mayor this 14th day of November, 2016

MAYOR

ATTEST:

ASSISTANT CITY RECORDER

Fund No.	Description	2016-17 Adopted Budget	Budget Supp Res 2044	2016-17 Amended Budget
2	Bonded Debt Fund	699,925	-	699,925
3	General Fund	15,187,125	-	15,187,125
4	Street Fund	1,730,474	-	1,730,474
5	Transient Room Tax Fund	830,460	-	830,460
6	Utility Fund	7,310,820	1,420,200	8,731,020
7	Recreation Fund	375,000	-	375,000
8	Reserve Fund	6,330,090	11,050	6,341,140
10	Muni Court Fund	281,900	-	281,900
11	Misc Spec Rev Fund	35,000	-	35,000
12	Conference Ctr Fund	237,525	-	237,525
13	Energy Services Fund	11,970,249	-	11,970,249
15	Regional Water Fund	1,317,060	-	1,317,060
19	Christmas Express	34,690	-	34,690
20	Law Enforcement Fund	78,880	-	78,880
21	Library Fund	57,200	-	57,200
32	Sr Center Const Fund	2,706,300	-	2,706,300
Total		49,182,698	1,431,250	50,613,948

	2016-17 Adopted Budget	Budget Supp Res 2044	2016-17 Amended Budget
UTILITY FUND			
Taxes & Assessments	20,900		20,900
Interest	8,000		8,000
Service Charges	5,378,920		5,378,920
Transfers In	263,000		263,000
Cash Forward	1,640,000	1,420,200	3,060,200
Total Resources	7,310,820	1,420,200	8,731,020
Sewer	3,495,515	1,420,200	4,915,715
Water	3,040,305		3,040,305
Capital outlay	-		-
Transfers Out:			
Bonded Debt Fund	-		-
General Fund	-		-
Reserve Fund	-		-
Reserve for Future Expenditure	775,000		775,000
Total Requirements	7,310,820	1,420,200	8,731,020

EXHIBIT A

	2016-17 Adopted Budget	Budget Supp Res 2044		2016-17 Amended Budget
RESERVE FUND				
Interest Earnings	50,000			50,000
From Other Agencies	1,161,850			1,161,850
Service Charges	45,000			45,000
Transfers In	939,882			939,882
Cash Forward	4,133,358	11,050		4,144,408
Total Resources	6,330,090	11,050		6,341,140
Materials & Services	817,274			817,274
Capital Outlay	4,026,798	11,050		4,037,848
Transfers Out:				
Utility Fund	263,000			263,000
HES Fund	-			-
Debt Service	165,000			165,000
Contingency	65,245			65,245
Reserve for Future Expenditures	992,773			992,773
Total Requirements	6,330,090	11,050	-	6,341,140

Total Budget	49,182,698	1,431,250	-	50,613,948
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Total Appropriations	45,370,520	1,431,250	-	46,801,770
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EXHIBIT A

UTILITY FUND

Authorize expenditure of \$1,390,100 from cash for draining the sludge lagoon, \$9,880 for engineering costs to monitor the treatment plant, and \$22,220 for pump repair parts.

RESERVE FUND

Authorize expenditure of \$11,050 from cash for additional costs to purchase pick-ups for Sewer Dept.