



Agenda Report 2015-04-13-02

Date: April 3, 2015

To: Thomas Frank, Council President
Members, West Linn City Council

From: Richard Seals, Chief Financial Officer

Through: Chris Jordan, City Manager *CJ*

Subject: Supplemental Budget Adjustments for the 2014-2015 Biennium

Purpose

The purpose of this report is to request the approval of supplemental budget adjustments.

Question(s) for Council:

Should the City Council approve the changes to the current budget as noted herein?

Public Hearing Required: Yes

Background & Discussion:

ORS 294 allows for supplemental budget adjustments when conditions arise which were not known at the time the budget was adopted. It requires a public hearing which is scheduled at the April 13, 2015 Council meeting.

Budget Impact:

The attached resolution reflects two budget changes increasing the overall budget by \$2,800,000 for additional capital projects funded from new revenues received during the budget biennium:

- Increasing the Street Fund by \$900,000 for additional street projects funded by the September 2013 street maintenance fee increase; and
- Increasing the Water Fund by \$1,900,000 for additional water capital projects funded by contributions from the Lake Oswego/Tigard project

Council Options:

1. Approve the resolution and increase the 2014-2015 adopted budget;
2. Approve the resolution, but change the supplemental adjustment amounts; or
1. Do not approve the resolution and do not change the 2014-2015 adopted budget.

Staff Recommendation: Staff recommends approval of the attached resolution.

Potential Motion:

Proposed Motion – move to approve Resolution 2015-05 approving supplemental budget adjustments to the 2014-2015 adopted budget.

Attachments:

1. Summary of 2014-2015 biennium by appropriation line
2. Resolution 2015-05 on supplemental budget adjustments for the 2014-2015 biennium.

RESOLUTION NO. 2015-05

A RESOLUTION ADJUSTING THE BUDGET FOR THE 2014-2015 BIENNIUM BY ADOPTING THIS SUPPLEMENTAL BUDGET AND REVISING APPROPRIATIONS AND BONDED DEBT PROPERTY TAX LEVY.

WHEREAS, certain conditions and situations have arisen since the initial preparation of the 2014-2015 biennium budget and necessitate changes in financial planning; and

WHEREAS, a public hearing discussing the supplemental budget adjustments was also held before the City Council on April 13, 2015.

NOW, THEREFORE, THE CITY OF WEST LINN RESOLVES AS FOLLOWS:

SECTION 1. The City Council hereby adjusts the budget for the 2014-2015 biennium increasing the total budget by \$2,800,000.

SECTION 2. The City Council hereby authorizes:

- A) The resources and requirements listed below are hereby approved and appropriated.

- B) The transfers of funds and transfers of fund appropriations as listed herein.

	<u>Adopted</u>	<u>Revised</u>	<u>Increase (decrease)</u>
<u>Street Fund</u>			
Resources:			
Fees from Street Maint	\$ 1,804,000	\$ 2,704,000	<u>\$ 900,000</u>
Requirements:			
Capital Outlay	\$ 2,193,000	\$ 3,093,000	<u>\$ 900,000</u>

Explanation: the above change reflects additional appropriation for street capital projects funded from the 75 percent increase in the residential street maintenance fee. This fee increase was adopted in September 2013 after the original biennium budget, which included no increase, was adopted in June 2013.

	<u>Adopted</u>	<u>Revised</u>	<u>Increase (decrease)</u>
<u>Water Fund</u>			
Resources:			
Intergovernmental	\$ -	\$ 5,429,000	\$ 5,429,000
Reserved for next biennium		(3,529,000)	(3,529,000)
	<u>\$ -</u>	<u>\$ 1,900,000</u>	<u>\$ 1,900,000</u>
Requirements:			
Capital Outlay	\$ 976,000	\$ 2,876,000	<u>\$ 1,900,000</u>

Explanation: the above change reflects additional appropriation for water capital projects funded from new and previously unbudgeted intergovernmental revenue received during the biennium from the City of Lake Oswego for the Mapleton project (\$429,000) and the LOT project (\$5 million). The Mapleton project is completed but the LOT project will continue past this fiscal year ended June 30, 2015.

SECTION 3. The City Manager or his designee shall certify, file with, and give notice to the County Clerks and County Assessors of Clackamas County, Oregon and the Oregon Department of Revenue, information as required by ORS 294.555.

SECTION 4. Effective Date. This Resolution shall take effect upon passage.

This resolution was PASSED and ADOPTED this 13th day of April, 2015, and takes effect upon passage.

THOMAS FRANK, COUNCIL PRESIDENT

ATTEST:

KATHY MOLLUSKY, CITY RECORDER

APPROVED AS TO FORM:

CITY ATTORNEY

CITY OF WEST LINN

Summary of Appropriation Budget Adjustments
for the biennium ended June 30, 2015

	Original 2014-2015 Biennium Budget	Proposed Supplemental Budget Adjustments	Proposed Final 2014-2015 Biennium Budget	Actuals			Variance with Proposed Final Budget
				1st Year Actual Amounts	2nd Year Estimated Actuals	Estimated Total Actuals	
General Fund							
Requirements:							
City Council	\$ 307,000	\$ -	\$ 307,000	\$ 151,488	\$ 152,500	\$ 303,988	\$ 3,012
City Administration	2,054,000	-	2,054,000	950,047	1,080,000	2,030,047	23,953
Economic Development	634,000	-	634,000	172,712	223,000	395,712	238,288
Human Resources	868,000	-	868,000	424,615	440,000	864,615	3,385
Finance	2,014,000	-	2,014,000	777,478	1,095,000	1,872,478	141,522
Information Technology	2,039,000	-	2,039,000	1,003,504	1,027,000	2,030,504	8,496
Municipal Court	666,000	-	666,000	286,600	350,000	636,600	29,400
Facility Services	1,037,000	-	1,037,000	472,269	551,000	1,023,269	13,731
Public Works Support Servi	2,192,000	-	2,192,000	905,993	1,050,000	1,955,993	236,007
Vehicle & Equipment Maint	804,000	-	804,000	304,029	334,000	638,029	165,971
Nondepartmental	1,970,000	-	1,970,000	770,887	1,193,000	1,963,887	6,113
Contingency	700,000	-	700,000	-	-	-	700,000
Total General Fund	15,285,000	-	15,285,000	6,219,622	7,495,500	13,715,122	1,569,878
Public Safety Fund							
Requirements:							
Personnel services	8,918,000	-	8,918,000	4,107,494	4,287,000	8,394,494	523,506
Materials & services	1,615,000	-	1,615,000	642,244	810,000	1,452,244	162,756
Debt Service	-	-	-	-	-	-	-
Transfers	2,862,000	-	2,862,000	1,410,000	1,452,000	2,862,000	-
Capital outlay	6,537,000	-	6,537,000	4,812,414	1,607,000	6,419,414	117,586
Contingency	820,000	-	820,000	-	-	-	820,000
Total Public Safety Fund	20,752,000	-	20,752,000	10,972,152	8,156,000	19,128,152	1,623,848
Library Fund							
Requirements:							
Personnel services	2,732,000	-	2,732,000	1,169,118	1,176,000	2,345,118	386,882
Materials & services	441,000	-	441,000	170,917	224,000	394,917	46,083
Transfers	1,578,000	-	1,578,000	774,000	804,000	1,578,000	-
Capital outlay	607,000	-	607,000	353,413	-	353,413	253,587
Contingency	245,000	-	245,000	-	-	-	245,000
Total Library Fund	5,603,000	-	5,603,000	2,467,448	2,204,000	4,671,448	931,552
Parks & Recreation Fund							
Requirements:							
Personnel services	3,357,000	-	3,357,000	1,388,757	1,505,000	2,893,757	463,243
Materials & services	1,569,000	-	1,569,000	745,885	796,000	1,541,885	27,115
Debt service	76,000	-	76,000	37,764	38,000	75,764	236
Transfers	1,842,000	-	1,842,000	901,000	941,000	1,842,000	-
Capital outlay	1,550,000	-	1,550,000	27,796	50,000	77,796	1,472,204
Contingency	390,000	-	390,000	-	-	-	390,000
Total Parks & Recreation Fund	8,784,000	-	8,784,000	3,101,202	3,330,000	6,431,202	2,352,798
Park Bond Fund							
Requirements:							
Capital outlay	131,000	-	131,000	9,535	50,000	59,535	71,465
Total Park Bond Fund	131,000	-	131,000	9,535	50,000	59,535	71,465
Building Inspection Fund							
Requirements:							
Personnel services	843,000	-	843,000	371,511	418,000	789,511	53,489
Materials & services	93,000	-	93,000	16,291	20,000	36,291	56,709
Transfers	619,000	-	619,000	304,000	315,000	619,000	-
Contingency	50,000	-	50,000	-	-	-	50,000
Total Building Insp. Fund	1,605,000	-	1,605,000	691,802	753,000	1,444,802	160,198

CITY OF WEST LINN
Summary of Appropriation Budget Adjustments
for the biennium ended June 30, 2015

	Original 2014-2015 Biennium Budget	Proposed Supplemental Budget Adjustments	Proposed Final 2014-2015 Biennium Budget	Actuals			Variance with Proposed Final Budget
				1st Year Actual Amounts	2nd Year Estimated Actuals	Estimated Total Actuals	
Planning Fund							
Requirements:							
Personnel services	1,157,000	-	1,157,000	507,844	518,000	1,025,844	131,156
Materials & services	382,000	-	382,000	151,884	134,000	285,884	96,116
Transfers	539,000	-	539,000	265,000	274,000	539,000	-
Contingency	80,000	-	80,000	-	-	-	80,000
Total Planning Fund	2,158,000	-	2,158,000	924,728	926,000	1,850,728	307,272
Street Fund							
Requirements:							
Personnel services	1,187,000	-	1,187,000	518,851	530,000	1,048,851	138,149
Materials & services	1,024,000	-	1,024,000	439,122	462,000	901,122	122,878
Debt service	304,000	-	304,000	151,000	152,000	303,000	1,000
Transfers	1,343,000	-	1,343,000	660,000	683,000	1,343,000	-
Capital outlay	2,193,000	900,000	3,093,000	1,054,624	1,858,000	2,912,624	180,376
Contingency	600,000	-	600,000	-	-	-	600,000
Total Street Fund	6,651,000	900,000	7,551,000	2,823,597	3,685,000	6,508,597	1,042,403
Water Fund							
Requirements:							
Personnel services	1,255,000	-	1,255,000	521,293	570,000	1,091,293	163,707
Materials & services	3,245,000	-	3,245,000	1,436,501	1,611,000	3,047,501	197,499
Debt service	304,000	-	304,000	149,694	154,000	303,694	306
Transfers	1,433,000	-	1,433,000	703,000	730,000	1,433,000	-
Capital outlay	976,000	1,900,000	2,876,000	732,680	1,902,000	2,634,680	241,320
Contingency	300,000	-	300,000	-	-	-	300,000
Total Water Fund	7,513,000	1,900,000	9,413,000	3,543,168	4,967,000	8,510,168	902,832
Environmental Services Fund							
Requirements:							
Personnel services	1,518,000	-	1,518,000	635,874	685,000	1,320,874	197,126
Materials & services	752,000	-	752,000	250,435	287,000	537,435	214,565
Transfers	2,212,000	-	2,212,000	1,094,000	1,118,000	2,212,000	-
Capital outlay	3,158,000	-	3,158,000	1,002,102	1,902,000	2,904,102	253,898
Contingency	750,000	-	750,000	-	-	-	750,000
Total Env. Svcs. Fund	8,390,000	-	8,390,000	2,982,411	3,992,000	6,974,411	1,415,589
System Development Fund							
Requirements:							
Materials & services	300,000	-	300,000	1,213	96,000	97,213	202,787
Transfers	200,000	-	200,000	41,490	91,000	132,490	67,510
Capital outlay	3,349,000	-	3,349,000	477,131	2,708,000	3,185,131	163,869
Contingency	1,740,000	-	1,740,000	-	-	-	1,740,000
Total SDC Fund	5,589,000	-	5,589,000	519,834	2,895,000	3,414,834	2,174,166
Debt Services Fund							
Requirements:							
Debt service	2,682,000	-	2,682,000	1,324,113	-	1,324,113	1,357,887
Total Debt Service Fund	2,682,000	-	2,682,000	1,324,113	-	1,324,113	1,357,887
Unappropriated EFB	4,660,000	-	4,660,000				
Total Biennium Budget	\$ 89,803,000	\$ 2,800,000	\$ 92,603,000	\$ 35,579,612	\$ 38,453,500	\$ 74,033,112	\$ 13,909,888

Attachment to Staff Report regarding Supplemental Budget Adjustment