



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of January 9, 2023

Title/Subject

Resolution No. 2251 to Supplement FY2023 Budget

Summary and Background

Resolution No. 2251 authorizes appropriations and expenditures in four funds as follows:

General Fund	\$264,450
Reserve Fund	\$6,499,400
EOTEC Fund	\$328,523
IT Fund	\$135,200

Resolution No.2251 additionally authorizes inter-fund transfers in four funds.

Exhibit A (attached) provides additional detail regarding these requests.

Tie-In to Council Goals

Fiscal Prudence

Fiscal Information

03 – GENERAL FUND

Authorize an increase in budgeted Property Tax revenue of \$144,450; Authorize an increase Personnel Services expense in all General Fund depts for unbudgeted increase in Long-Term Disability insurance coverage and the new Paid Leave Program implemented by the state of Oregon effective January 1, 2023; Authorize an increase Personnel Services expenses in City Manager Legal, City Planning and Police Operations due to unbudgeted salary/benefits increases; Authorize an increase in Transfers From of \$120,000 for the transfer of the application fee revenue from the Enterprise Zone fund; Increase Transfers From \$120,000; Increase Misc. Contractual \$120,000; Increase Property Taxes Revenue \$144,450.

04 – STREETS FUND

Authorize an increase in Personnel Services expense by \$3,722 for unbudgeted increase in Long-Term Disability insurance coverage and the new Paid Leave Program implemented by the state of Oregon effective January 1, 2023; Increase Personnel Services Expense \$3,722; Decrease Contingency \$3,722.

06 – UTILITY FUND

Authorize an increase in Personnel Services expense for Recycled Water Plant by \$7,500 and for Water by \$5,200 for unbudgeted increase in Long-Term Disability insurance coverage and the new Paid Leave Program implemented by the state of Oregon effective January 1, 2023. Authorize an increase in RES-CIP Water Projects \$388,140 for unbudgeted transfer for capital projects; Increase Recycled Water Plant Personnel Services Expense \$7,500; Increase Water Personnel Services Expense \$5,200; Increase RES-CIP Water Projects \$388,140; Decrease Recycled Water Plant Contingency \$7,500. Decrease Water Contingency \$393,340.

08 – RESERVE FUND

Authorize acceptance of an award of \$550,000 from the Bi-Partisan Infrastructure Law (BIL) this spring for the construction of a new hangar at the Hermiston Airport; Authorize the expenditure of \$3,949,400 for the construction of a water line for Amazon Web Services (AWS) on a direct reimbursement basis for the total cost of \$3,949,400; Authorize expenditure of \$520,000 Well #5 Improvements; Authorize an increase in expenditures of \$60,000 for Well #6 backup generator; Authorize \$450,000 for Well #6 Chlorination; Authorize \$390,000 for Well #4 Control System; Authorize an increase of \$388,140 in Transfer from the Utility Fund – Water; Authorize an increase in Cash Forward of \$1,611,860; Authorize an increase of \$1,000,000 for Future Expansion of North 1st Place water line: Authorize the re-allocation of \$420,000 from CIP projects completed in FY2021; Increase AWS Reimbursement – Regional \$3,949,400; Increase Cash Forward \$1,611,860; Increase Transfers from Utility Fund \$388,140; Increase Federal Grants Direct \$550,000; Increase Repair & Replacement – Regional \$3,949,400; Increase Future Expansion of North 1st Place water line \$1,000,000; Increase Well #5 Improvements \$520,000; Increase Well #6 Backup Generator \$60,000; Increase Well #6 Chlorination \$450,000; Increase Well #4 Control System \$390,000; Increase BIL Funding Hangar \$550,000; Re-Allocate \$420,000 from CIP projects completed in FY2022.

13 – HES FUND

Authorize an increase in Personnel Services expense for HES by \$1,400 for unbudgeted increases in Long-Term Disability insurance coverage and the new Paid Leave Program implemented by the state of Oregon effective January 1, 2023; Increase Personnel Services Expense \$1,400; Decrease Contingency \$1,400.

15 – REGIONAL WATER

Authorize an increase in Personnel Services expense for Regional Water Fund by \$1,500 for unbudgeted increase in Long-Term Disability insurance coverage and the new Paid Leave Program implemented by the state of Oregon effective January 1, 2023; Increase Personnel Services Expense \$1,500; Decrease Contingency \$1,500.

23 – ENTERPRISE ZONE PROJECT FUND

Authorize an increase in Transfers Out to General Fund of \$120,000 for the transfer of the application fee revenue from the Enterprise Zone fund; Increase Transfers Out \$120,000; Decrease Contingency \$120,000.

25 – EOTEC FUND

Authorize an increase in Personnel Services of \$233,248; Authorize an increase in Materials & Services of \$95,275; Authorize an increase of \$109,000 in Service Charges; Authorize an increase of \$219,523 in Cash Forward; Increase Service Charges \$109,000; Increase Cash Forward \$219,523; Increase Personnel Services \$233,248; Increase Materials & Services \$95,275.

26 – IT FUND

Authorize an increase in Personnel Services of \$233,248; Authorize an increase in Materials & Services of \$95,275; Authorize an increase of \$1135,200 in Service Charges; Authorize an increase of \$219,523 in Cash Forward; Increase Service Charges \$135,200; Increase Cash Forward \$219,523; Increase Personnel Services \$233,248; Increase Materials & Services \$95,275.

Alternatives and Recommendation

Alternatives

1. Do not supplement the FY2023 Budget
2. Supplement the FY2023 Budget in the amount of \$7,227,573 as presented.
3. Supplement the FY2023 Budget by a different amount.

Recommended Action/Motion

Staff recommends Resolution No. 2251 be approved/adopted as presented.

Request a motion to adopt Resolution No. 2251.

Submitted By:

Mark Krawczyk