



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of March 27, 2023

Title/Subject

Resolution No. 2262 to Supplement FY2023 Budget

Summary and Background

Resolution No. 2262 authorizes appropriations and expenditures in three funds as follows:

General Fund	\$230,800
Street Fund	\$161,000
Reserve Fund	\$905,000

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

Tie-In to Council Goals

Fiscal Prudence

Fiscal Information

03 – GENERAL FUND

Authorize an increase of \$40,000 in Federal Police Grant for Cops Grant proceeds; Authorize an increase of \$3,400 for Hermiston City Taxi-Work to recognize increased customer utilization; Authorize an increase of \$1,500 for Hermiston Zip Taxi to recognize increased customer utilization; Authorize an increase of \$12,500 for Hermiston Plus Taxi to recognize increased customer utilization; Authorize an increase of \$2,900 for Senior Taxi Ticket Sales to recognize increased customer utilization; Authorize an increase of \$48,000 in County Taxi Grant for receipt of grant funding; Authorize an increase of \$2,500 in State Tax to recognize increased customer utilization; Authorize an increase of \$85,000 in Airport Gas & Oil Sales to recognize increased fuel sales in excess of the budget; Authorize an increase of \$35,000 in Interest on Investments to recognize increased interest earnings in excess of budget;

Authorize an increase of \$9,000 in City Planning - Miscellaneous Contractual for unbudgeted expenses; Authorize a decrease of \$5,500 in City Planning - Office Supplies to recognize decrease in expected expenditures; Authorize an increase of \$3,200 in City Planning – Leased Vehicles to recognize unbudgeted increase in monthly lease expenses; Authorize a decrease of \$3,200 in City Planning – Nuisance Abatement to recognize a decrease in expected expenditures; Authorize an increase of

\$30,000 in Airport – Motor Vehicle Fuel & Oil for unbudgeted expenses due to higher fuel costs; Authorize an increase of \$11,000 in Airport Improvements for unbudgeted repair of fuel tank pump motor; Authorize an increase of \$114,800 in Transportation – General Citizen Taxi Program for unanticipated expenses in excess of budget; Authorize an increase of \$4,000 in Police Operations - Other Professional Services for unanticipated expenses in excess of budget; Authorize an increase of \$19,000 in Police Operations - Repairs Motor Vehicles for unanticipated expenses in excess of budget; Authorize an increase of \$5,000 in Police Operations - Miscellaneous Contractual for unanticipated expenses in excess of budget; Authorize an increase of \$12,000 in Police Operations – Motor Vehicle Fuel & Oil for unanticipated expenses in excess of budget; Authorize an increase of \$31,500 in Non-Departmental – Miscellaneous Contractual for unanticipated expenses in excess of budget; Increase Federal Police Grant \$40,000; Increase Hermiston City Taxi-Work \$3,400; Increase Hermiston Zip Taxi \$1,500; Increase Hermiston Plus Taxi \$12,500; Increase Senior Taxi Tickets Sales \$2,900; Increase County Taxi Grant \$48,000; Increase State Taxi Grant \$2,500; Increase Airport Gas & Oil Sales \$85,000; Increase Interest on Investments \$35,000; Increase City Planning Miscellaneous Contractual \$9,000; Decrease City Planning Office Supplies \$5,500; Increase City Planning Leased Vehicles \$3,200; Decrease City Planning Office Nuisance Abatement \$3,200; Increase Airport - Motor Vehicle Fuel & Oil \$30,000; Increase Airport Improvements \$11,000; Increase General Citizen Taxi Program \$114,800; Increase Police Operations Other Professional Services \$4,000; Increase Police Operations Repairs – Motor Vehicles \$19,000; Increase Police Operations Misc. Contractual \$5,000; Increase Police Operations Motor Vehicle Fuel & Oil \$12,000; Increase Non-Departmental Misc. Contractual \$31,500.

04 – STREET FUND

Authorize an increase of \$161,000 in STP Allocation for unanticipated revenue; Authorize an increase of \$23,500 in Salaries & Wages for unanticipated expense of personnel transfer; Authorize a decrease of \$23,500 in Contingency; Increase Federal Exchange \$161,000 for unanticipated funding; Increase Salaries & Wages \$23,500, Increase Federal Exchange \$161,000; Decrease Contingency \$23,500.

06 – UTILITY FUND

Authorize an increase of \$16,353 in various Utility – Recycled Water Plant Maintenance Personnel Services accounts due to the transfer to full-time status for an employee; Authorize an increase of \$500 in Accounting & Auditing expense to recognize unbudgeted increase in this expense; Authorize an increase of \$35,000 in Travel & Training for unbudgeted training expenses; Authorize an increase of \$22,000 in Property & Liability Insurance for unbudgeted increase in allocation; Authorize an increase of \$96,000 in Electricity to recognize unbudgeted increase in this expense; Authorize an increase of \$4,600 in Telephone to recognize unbudgeted increase in this expense; Authorize an increase of \$32,000 in Repairs to Machinery/Equipment for unexpected repairs; Authorize an increase of \$93,000 in Miscellaneous Contractual for unbudgeted increase in this expense; Authorize an increase of \$79,000 in Billing/Mailing Service for increased expenditures for billing costs and interchange fees; Authorize an increase of \$45,000 in Chemicals for unexpected price increases for needed chemicals; Authorize an increase of \$5,000 in Lube – Other Than Vehicles to recognize unbudgeted increase in this expense; Authorize an increase of \$44,000 in Medical Lab Supplies to recognize and unbudgeted increase in this expense; Authorize an increase of \$26,000 in Minor Safety Equipment for unbudgeted increase in this expense; Authorize an increase of \$500 for Paint and Paint Supplies for price increases in materials; Authorize an increase of \$2,000 in Plumbing and Sewage Supplies for unbudgeted increase in this expense; Authorize an increase of \$1,000 in Dues and Membership for unexpected membership cost increases; Authorize an increase of \$2,000 in Food & Miscellaneous for unbudgeted increase

in this expense; Authorize a decrease of \$503,953 in contingency for total adjustments in Recycled Water Plant.

Increase various Recycled Water Plant Maintenance Personnel Services \$16,353; Increase Accounting & Auditing \$500; Increase Travel & Training \$35,000; Increase Property & Liability Insurance \$22,000; Increase Electricity \$96,000; Increase Telephone \$4,600; Increase Repairs to Machinery/Equipment \$32,000; Increase Miscellaneous Contractual \$93,000; Increase Billing & Mailing Service \$79,000; Increase Chemicals \$45,000; Increase Lube – Other Than Vehicles \$5,000; Increase Medical/Lab Supplies \$ 44,000; Increase Minor Safety Equipment \$26,000; Increase Paint/Paint Supplies \$500; Increase Plumbing/Sewage Supplies \$2,000; Increase Dues and Memberships \$1,000; Increase Food & Miscellaneous \$2,000; Decrease Contingency \$503,953."

08 – RESERVE FUND

Authorize an increase of \$100,000 in Federal Reimbursement – FEMA for unexpected increase in reimbursement amount; Authorize an increase of \$805,000 in AWS Reimbursement for unbudgeted construction pass-through expense reimbursement.

Authorize an increase of \$28,365 in Sewer Dept. Equipment for unplanned expenditures; Authorize an increase of \$157,762 in RWTP – Pump & Motor Replacement for an unbudgeted increase for this expense; Authorize a decrease of \$186,127 in Contingency to cover the aforementioned increases in expenditures; Authorize an increase in AWS Cooling Discharge of \$805,000 for this un-budgeted expenditure; Authorize a decrease of \$100,000 in Lift #5 Wetwell Upgrades to offset the Lift #3 Alternative expenditures; Authorize a decrease of \$300,000 in McDonald's & 395 Main Replacement to offset the Lift #3 Alternative expenditures; Authorize a decrease of \$380,000 in E. Evelyn Gravity Replacement; Authorize a decrease of \$100,000 in RWTP Pump/Motor Repairs project to offset the Lift #3 Alternative expenditures; Authorize an increase of \$880,000 in Lift #3 Alternative expenditures; Authorize an increase of \$100,000 in Reserves – Park SDCs for unbudgeted expenditures.

Increase Federal Reimbursement FEMA \$100,000; Increase AWS Reimbursement \$805,000; Increase Sewer Dept Equipment \$28,365; Increase RWPT – Pump & Motor Replacement \$157,762; Decrease Contingency \$186,127; Increase AWS Cooling Discharge \$805,000; Decrease Lift #5 Wetwell Upgrades \$100,000; Decrease McDonalds & 395 Main Replacement \$300,000; Decrease East Evelyn Ave. Gravity Replacement \$380,000; Decrease RWTP Pump/Motor Repairs \$100,000; Increase Lift #3 Alternative \$880,000; Increase Parks Reserve SDC \$100,000.

Alternatives and Recommendation

Alternatives

1. Do not supplement the FY2023 Budget
2. Supplement the FY2023 Budget in the amount of \$1,296,800
3. Supplement the FY2023 Budget by a different amount

Recommended Action/Motion

Staff recommends Resolution No. 2262 be approved/adopted as presented

Request a motion to adopt Resolution No. 2262

Submitted By:

Mark Krawczyk

Director of Finance