

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Public Hearing and Action: Resolution Adopting a Supplemental Budget; Making Appropriations for the City of Eugene for the Fiscal Year Beginning July 1, 2013 and Ending June 30, 2014

Meeting Date: June 9, 2014
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Vicki Silvers
Contact Telephone Number: 541-682-5082

ISSUE STATEMENT

The City Council approval of the second Supplemental Budget (SB2) for Fiscal Year 2013 - 2014 (FY14) is requested. Oregon Local Budget Law (ORS 294.471) allows for supplemental budgets in the event of "an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year." ORS 294.471 also allows for a supplemental budget if there are "funds that are made available by another unit of federal, state or local government and the availability of which could not reasonably be foreseen when preparing the original budget." This Supplemental Budget does not authorize any increase in the property tax levy and has been published in compliance with the Oregon Local Budget Law.

BACKGROUND

This Supplemental Budget recognizes new revenues and authorizes changes in legal levels of appropriations for the current fiscal year (FY14). A summary of items included in this supplemental budget is presented below:

City Hall Project

- Increase capital appropriations by \$14.25 million in the General Capital Projects Fund for the purpose of completing the funding plan for City Hall. Together with \$750,000 already appropriated on SB#2 in June 2013, the total project budget will be \$15 million. Funding for the appropriation is from: \$2 million in Telecom Registration and Licensing Fund, \$9.81 million in Facility Reserve in the Facilities Services Fund, and \$2.44 million in future revenue allocations. Future revenue allocations are anticipated to come from a portion of the capital budget and unanticipated carry-over balances in the General Fund in future years, as outlined in Attachment A and the email from Kristie Hammitt, Central Services Director, on May 23, 2014.

General Fund

- Recognize \$40,000 in grant revenue from the Urban Sustainability Directors Network (USDN) to convene the first Cascadia regional workshop on integrating climate adaptation principles into urban forestry management. This workshop will be conducted by the City of Eugene; the increase in department operating appropriation authority of \$40,000 is needed to cover the costs associated with this event. No grant match is required from the City of Eugene.

Community Development Fund

- Recognize \$30,000 in interfund transfer revenue from the 310 General Capital Project Fund, increase fiscal transactions by \$50,000 and increase department operating appropriations by the same amounts to repay HUD for property that was purchased in 2005 for affordable housing that has not yet been developed.

General Obligation Debt Service Fund

- Increase tax revenue in the amount of \$314,329, decrease Reserves by \$385,671, and increase debt service by \$700,000 to allow for an early principal payment on General Obligation bonds.

Municipal Airport Fund

- Increase charges for services by \$408,865 and increase Public Works appropriations by the same amount for unanticipated winter storm activity costs, parking management fees, and contracted facility repairs.

RELATED CITY POLICIES

Transactions included in this Supplemental Budget conform to the City's Financial Management Goals and Policies.

COUNCIL OPTIONS

Particular requests requiring more information or discussion may be removed from the Supplemental Budget and delayed for action in the following fiscal year Supplemental Budget. In certain cases, there may be financial, legal or operational impacts to delaying budget approval.

These impacts may include Oregon Local Budget Law violations due to exceeding the legal appropriation levels, or delays with implementation of capital projects. The council may also adopt amended appropriation amounts or funding sources for specific items included in this Supplemental Budget.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approval of the attached resolution adopting the Supplemental Budget.

SUGGESTED MOTION

Move to adopt Resolution 5105, adopting a Supplemental Budget; making appropriations for the City of Eugene for the Fiscal Year beginning July 1, 2013, and ending June 30, 2014.

ATTACHMENTS

- A. City Hall Funding Plan
- B. Transaction Summary
- C. Resolution
 - Exhibit A - Fund Schedules

FOR MORE INFORMATION

Staff Contact: Michael Allen
Telephone: 541-682-5512
Staff E-Mail: Michael.L.Allen@ci.eugene.or.us

OR

Staff Contact: Vicki Silvers
Telephone: 541-682-5082
Staff E-Mail: Vicki.J.Silvers@ci.eugene.or.us