

RESOLUTION NO. 2019-18

A Resolution making budgetary transfers of appropriation authority for fiscal year 2018-2019

RECITAL:

This resolution transfers appropriations from General Fund contingency to the General Fund, Fire Department personnel services and materials and services categories and also transfers appropriations from Ambulance Fund contingency to the Ambulance Fund personnel services and materials and services categories.

Contingency transfers are necessary due to costs related to the hiring of firefighters to fill an unanticipated number of vacant positions and unanticipated attorney costs related to the firefighter contractual bargaining agreement. Because firefighter costs are generally allocated to the Fire Department and Ambulance Fund, transfers are needed in both the Fire Department and Ambulance Fund budgets.

Due to unexpected vacancies in firefighter positions in 2018-19, personnel services and materials and services costs related to newly hired employees have been higher than expected. Costs related to the hiring of new employees include costs for overtime, protective clothing, medical/psychiatric screening, and uniforms. Total transfers of \$78,600 are necessary due to these unanticipated costs, with a transfer of \$53,250 from General Fund contingency to the Fire Department personnel services and materials and services categories and a transfer of \$25,350 from the Ambulance Fund contingency to the Ambulance Fund personnel services and materials and services categories.

In addition, the City has incurred unanticipated attorney costs related to contractual bargaining agreement negotiations and arbitration proceedings between the City of McMinnville (the "City") and International Association of Firefighters, Local 3099 (the "Union"). The City and Union were unable to reach agreement on all of the terms of the collective bargaining agreement that expired on June 30, 2018 and, as a result, the parties entered into arbitration proceedings in January 2019. The City contracted with an attorney to represent its interest in the arbitration proceedings, causing unanticipated attorney costs to be incurred. Therefore, total contingency transfers of \$70,000 are necessary due to these unanticipated costs, with \$24,500 from the General Fund contingency to the General Fund, Fire Department materials and services category and a transfer of \$45,500 from the Ambulance Fund contingency to the Ambulance Fund materials and services category.

The total amount of the contingency transfers for unanticipated new hire costs and attorney costs in the General Fund, Fire Department is \$77,750 and in the Ambulance Fund the total amount is \$70,850.

Oregon Revised Statute (ORS) 294.463 allows a governing body to authorize a transfer of appropriation authority after a budget has been adopted by passing a resolution or ordinance. Transfers may be made from an operating contingency appropriation to the appropriation category from which it will be expended.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, OREGON that the following transfer of appropriation authority under the fiscal year 2018-2019 City of McMinnville Amended Budget is hereby made, to wit:

1. The following emergency need exists in the General Fund, Fire Department:

In the Personnel Services and Materials & Services categories due to unanticipated costs related to firefighter new hire expenses and arbitration attorney expenses

<u>General Fund:</u>	<u>Adopted Budget</u>	<u>Budget Adjustment</u>	<u>Amended Budget</u>
Requirements:			
Administration	1,505,991		1,505,991
Finance	805,929		805,929
Engineering	1,091,207		1,091,207
Planning	1,502,007		1,502,007
Police	8,506,466		8,506,466
Municipal Court	539,655		539,655
Fire	3,538,396	77,750	3,616,146
Parks & Recreation	2,949,569		2,949,569
Park Maintenance	1,328,774		1,328,774
Library	1,678,331		1,678,331
Not Allocated to Organization:			
Debt Service	487,996		487,996
Transfers Out to Other Funds	2,182,508		2,182,508
Operating Contingencies	900,000	(77,750)	822,250
Ending Fund Balance	1,763,866		1,763,866
Total Requirements	<u>\$28,780,695</u>	-----	<u>\$28,780,695</u>

2. The following emergency need exists in the Ambulance Fund:

In the Personnel Services and Materials & Services categories due to unanticipated costs related to firefighter new hire expenses and arbitration attorney expenses

<u>Ambulance Fund:</u>	<u>Adopted Budget</u>	<u>Budget Adjustment</u>	<u>Amended Budget</u>
Requirements:			
Emergency Medical Services	5,051,158	70,850	5,122,008
Transfers Out to Other Funds	366,015		366,015
Contingency	300,000	(70,850)	229,150
Ending Fund Balance	1,025,296		1,025,296
Total Requirements	<u>\$6,742,469</u>	-----	<u>\$6,742,469</u>

This Resolution will take effect immediately upon passage and shall continue in full force and effect until revoked or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 12th day of March 2019 by the following votes:

Ayes: Drabkin, Garvin, Geary, Menke, Peralta, Stassens

Nays: _____

Approved this 12th day of March 2019.



MAYOR

Approved as to form:



CITY ATTORNEY