

RESOLUTION NO. 2016 - 45

A Resolution making budgetary transfers for fiscal year 2015 - 2016.

RECITAL:

Oregon Local Budget Law allows a governing body to amend an adopted budget by increasing an existing appropriation and decreasing another existing appropriation by a corresponding amount (ORS 294.463).

The City's July 15th payroll includes hours worked during the last week of the current fiscal year and first week of the next fiscal year (i.e., June 23rd through July 8th). The City's policy has been to record personnel services expenditures for June 23rd through June 30th, which is the City's fiscal year end, in July of the next fiscal year.

In previous years, the City had considered these expenditures to be immaterial and did not record a liability. However, as payroll costs are increasing, the City has now determined that it is appropriate to accrue personnel services costs incurred through June 30th. This accounting change was not anticipated when the 2015-2016 budget was prepared. As a result of the accrual, in several General Fund departments and the Ambulance Fund, actual personnel services expenditures may exceed appropriations for fiscal year 2015-2016. Appropriation transfers are not required in some General Fund departments, the Street Fund, Building Fund, Wastewater Services Fund, and Information Systems & Services Fund, as it appears that savings will be sufficient to offset the accrued personnel services costs in those departments. This resolution transfers appropriations from contingency to Salaries & Wages and Fringe Benefits accounts to ensure the City's compliance with Local Budget Law.

The City has determined that maintenance and lighting costs for the City's public parking structures and lots should be recorded in the General Fund instead of the Street Fund. This accounting change was not anticipated when the 2015-2016 budget was prepared. As a result of recording the costs in the General Fund, Administration Department, Materials and Services costs will exceed appropriations in that Department. This resolution transfers appropriation authority from contingency to the materials and services appropriation in the General Fund, Administration Department to ensure the City's compliance with Local Budget Law.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMinnville, OREGON that the following transfer of appropriation authority under the 2015 - 2016 City of McMinnville Adopted Budget is hereby made, to wit:

1. The following emergency need exists in the **GENERAL FUND, Administration, Finance, Planning, Fire, Parks & Recreation, Park Maintenance, and Library Departments:**

In the **Personnel Services** category due to unanticipated personnel services costs related to accrual of June 30, 2016 payroll expenditures and in the **Materials & Services** category due to the unanticipated transfer of parking lot maintenance and lighting costs to the General Fund.

	2016 Amended Budget	Budget Amendment	2016 Amended Budget
GENERAL FUND:			
Administration	\$ 885,311	20,000	\$ 905,311
Finance	724,344	5,000	729,344
Engineering	906,281		906,281
Planning	470,479	8,500	478,979
Police	7,438,263		7,438,263
Municipal Court	466,731		466,731
Fire	2,860,570	35,000	2,895,570
Parks & Recreation	2,450,159	8,000	2,458,159
Park Maintenance	1,015,615	8,000	1,023,615
Library	1,456,116	12,000	1,468,116
Special Payments	224,100		224,100
Transfers Out to Other Funds	2,126,202		2,126,202
Operating Contingency	<u>542,000</u>	<u>(96,500)</u>	<u>445,500</u>
Total General Fund	<u>\$21,566,171</u>	---	<u>\$21,566,171</u>

2. The following emergency need exists in the **AMBULANCE FUND:**

In the **Personnel Services** category due to unanticipated personnel services costs related to accrual of June 30, 2016 payroll expenses in the Ambulance Fund.

	2016 Amended Budget	Budget Amendment	2016 Amended Budget
AMBULANCE FUND:			
Personnel Services	\$ 3,071,748	90,000	\$ 3,161,748
Materials & Services	854,937		854,937
Capital Outlay	231,903		231,903
Transfers Out	312,834		312,834
Operating Contingency	<u>250,000</u>	<u>(90,000)</u>	<u>160,000</u>
Total Ambulance Fund	<u>\$ 4,721,422</u>	---	<u>\$ 4,721,422</u>

This resolution shall 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 28th day of June 2016 by the following votes:

Ayes: Drabkin, Hill, Jeffries, Menke, Ruden, Yoder

Nays: _____

Approved this 28th day of June 2016.



MAYOR

Approved as to form:



CITY ATTORNEY