

## RESOLUTION NO. 2018-38

A Resolution making a budgetary transfer of appropriation authority for fiscal year 2017-2018

### RECITAL:

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.

This resolution transfers appropriations from Ambulance Fund contingency to Ambulance Fund personnel services and materials and services categories.

Due to unexpected vacancies in firefighter positions and absences due to medical leave, overtime costs for shift coverage have been higher than expected in 2017-2018. A transfer of \$20,000 from contingency to personnel services is necessary due to the unanticipated additional cost of overtime.

In addition, a transfer of \$75,000 from contingency to the materials and services category is necessary due to higher than anticipated ambulance revenue "write-off" expenses. Due to a personnel shortage in the Ambulance Billing Department, the amount of the ambulance accounts receivable had increased to \$1.8 million in July 2017. Since that time, additional staffing has contributed to reducing the receivable to \$1.4 million. The reduction in the receivable is partially due to identifying uncollectable accounts, which were "written off" and sent to a credit collection agency, resulting in an unanticipated increase in "write off" expenses in 2017-2018. "Write off" expenses in 2016-17 were significantly lower than expected, reflecting that the increase in 2017-18 is related to the timing of the "write offs" and not an overall reduction in net revenue.

Therefore, due to higher than expected expenses in 2017-2018, it is necessary to transfer a total of \$95,000 in appropriation authority, as allowed in ORS 294.436(1), from the Ambulance Fund operating contingency appropriation, with \$20,000 to the Ambulance Fund personnel services and with \$75,000 to the materials and services category.

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 2017-2018 City of McMinnville Amended Budget is hereby made, to wit:

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

In the PERSONNEL SERVICES category due to unanticipated overtime costs for shift coverage.

In the MATERIALS & SERVICES category due to higher than anticipated "write off" expense.

<b><u>AMBULANCE FUND:</u></b>	<b><u>Amended Budget</u></b>	<b><u>Budget Adjustment</u></b>	<b><u>Amended Budget</u></b>
Emergency Medical Services	4,572,617	95,000	4,667,617
Transfers Out to Other Funds	325,092	-	325,092
Operating Contingencies	300,000	(95,000)	205,000
<b>Requirements</b>	<b>\$ <u>5,197,709</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>5,197,709</u></b>

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 26th day of June 2018 by the following votes:

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

Nays: \_\_\_\_\_

Approved this 26th day of June 2018.



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COUNCIL PRESIDENT

Approved as to form:



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CITY ATTORNEY