

CITY OF COOS BAY
JOINT CITY COUNCIL / URA WORK SESSION
Agenda Staff Report

MEETING DATE January 31, 2017	AGENDA ITEM NUMBER
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TO: Mayor Benetti and City Councilors

FROM: Susanne Baker, Finance Director

THROUGH: Rodger Craddock, City Manager

ISSUE: Resolution 17-01 City and 17-02 URA Public Hearing and Supplemental Budget

BACKGROUND:

It is anticipated during the fiscal year that several supplemental budgets will be brought forward to the Council for consideration to adjust the budget based upon operational needs. Reasons for a supplemental budget include appropriating grant funding not included in the budget, appropriating additional carryover balance from the prior fiscal year that was more than budgeted and are needed to meet operational needs, reallocating funds within categories, and appropriating new funds.

Oregon budget law is regulated through ORS 294. ORS 294.473 requires when funds are adjusted by more than 10% of the fund's adopted expenditure total that a public hearing be held to allow for public comment and then the governing body at a regularly scheduled meeting adopts a supplemental budget by resolution. The resolution is required to state the need, purpose, and amount of the appropriation; provide notice of the meeting by publishing not less than five days before the meeting; and the notice includes a summary of the changes proposed.

A supplemental budget is needed at this time to appropriate funds for the State Gas Tax fund capital outlay category for capital equipment purchases and repairs due to the receipt of insurance proceeds. Insurance proceeds of \$9,700 for a workers' compensation claim and approximately \$80,000 for repair of the grader blade.

The General fund appropriation adjusts the Urban Renewal Agency du jour financing amount to reconcile to the Agency's budget. The final figure in the General Fund was not adjusted at budget preparation to the final figure in the Agency's budget.

The Wastewater fund is a day-to-day operations fund and the Wastewater Improvement Fund is where capital expenses are budgeted. To meet generally accepted accounting principles (GAAP), appropriation authority for large repairs, which are not of a capital nature, are being moved into the operations fund. This requires a change in appropriation authority and will meet GAAP requirements at a higher level than in previous years.

The resolution appropriates the additional carryover balance in the County-Wide CAD Core Fund from FYE 16 which was more than anticipated when the FYE17 budget was prepared. The additional funds will be available for the purchase of hardware/software items in FYE 17. Because

the appropriation is more than 10% of the adopted budget, this will require a public hearing to receive public comment.

Resolution 17-02 is an Urban Renewal Agency supplemental budget and moves budget appropriation authority from the capital outlay category into the material and services category to allow for contractual expenses for the downtown urban renewal assessment of the streets by Mr. Skinner. The amount requested is more than required for this contract and provides a margin for additional contractual work required for the balance of this fiscal year.

ADVANTAGES:

Adoption of the resolution provides funding resources to meet anticipated expenditures and complies with Oregon budget law.

DISADVANTAGES:

None.

BUDGET IMPLICATIONS:

The appropriations allow for approved expenditures within the budget for transparency.

ACTION REQUESTED:

It is staff's recommendation the City Council hold a public hearing to accept public comment and then adopt the resolution to appropriate and reallocate funds in the State Gas Tax, General, Wastewater, County-Wide CAD Core, and Downtown Capital Projects URA funds.

City of Coos Bay

Resolution 17 – 01

A RESOLUTION OF THE CITY OF COOS BAY, COOS COUNTY, OREGON, PUBLIC HEARING FOR A SUPPLEMENTAL BUDGET FOR STATE GAS TAX, GENERAL, WASTEWATER, AND COUNTY-WIDE CAD CORE FUND APPROPRIATIONS.

WHEREAS, the City of Coos Bay has complied with the provisions of ORS 294.473 to appropriate funds to adjust one fund's expenditures by more than 10% of the fund's adopted expenditure total; a public hearing shall be held; the governing body at a regularly scheduled meeting shall adopt a supplemental budget by resolution stating the need, purpose, and amount of the appropriation; provide notice of the meeting by publishing not less than five days before the meeting; and the notice includes a summary of the changes proposed; and

WHEREAS, the State Gas Tax fund requires a capital outlay category for needed capital expenditures in FYE 17 for equipment purchases as a result of receipt of insurance proceeds; and

WHEREAS, the General fund requires an appropriation to reconcile to the approved Urban Renewal Agency du jour financing budget for FYE 17; and

WHEREAS, the Wastewater fund requires an appropriation of carryover from FYE 16 for noncapital expenditures that were budgeted in the Wastewater Improvement Fund as capital outlay; and

WHEREAS, the County-Wide CAD Core Reserve fund has additional carryover from FYE 16 needed for the purchase of hardware/software items in FYE 17 which requires a public hearing;

State Gas Tax Fund

Resources	Revenue	\$100,000
Requirements	Capital Outlay	100,000
	New Total Capital Outlay	\$100,000
	New Total Requirements	1,490,031

General Fund

Resources	Other Financing Sources	\$571,824
Requirements	Debt Service	571,824
	New Total Debt Service	\$1,459,309
	New Total OFS Requirements	2,517,909
	New Total Requirements	15,801,830

Wastewater Fund

Resources	Carryover	\$1,304,199
Requirements	Material & Services	400,000
	Contingency	904,199

New Contingency	\$936,570
New Total Material & Services	\$5,016,193
New Total Requirements	8,431,586

County-Wide CAD Core Reserve Fund

Resources	Carryover	\$23,895	
Requirements	Capital Outlay	23,895	
	New Total Capital Outlay		\$35,309
	New Total Requirements		55,309

NOW, THEREFORE, BE IT RESOLVED THAT, the City of Coos Bay hereby adopts the FYE 2017 Resolution and appropriates the sums as shown above. The foregoing resolution was duly adopted by the City of Coos Bay, Coos County, Oregon this 7th day of February 2017.

Joe Benetti, Mayor

ATTEST:

Susanne Baker, City Recorder

Urban Renewal Agency of the City of Coos Bay

Resolution 17-02

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF COOS BAY, COOS COUNTY, OREGON, ADOPTING A SUPPLEMENTAL BUDGET TO REALLOCATE APPROPRIATIONS IN THE DOWNTOWN CAPITAL PROJECTS FUND.

WHEREAS, appearing to the Urban Renewal Agency of the City of Coos Bay that the Agency has complied with the provisions of ORS 294.473 to appropriate funds to adjust fund expenditures by less than 10% of the fund's adopted expenditure total; the governing body at a regularly scheduled meeting shall adopt a supplemental budget by resolution stating the need, purpose, and amount of the appropriation; provide notice of the meeting by publishing not less than five days before the meeting; and the notice includes a summary of the changes proposed; and

WHEREAS, the Agency recognizes the need to reallocate appropriation authority from the capital outlay category to the material and services category to allow for contract services in the Downtown Capital Projects Fund; and

WHEREAS, the resources and requirements have been determined and set forth as below:

Downtown Capital Projects Fund

Resources	Capital Outlay	\$50,000	
Requirements	Material and Services	\$50,000	
	New Total Material and Services		\$ 407,189
	New Total Capital Outlay		\$ 892,566
	New Total Downtown Capital Projects Fund		\$1,597,522

NOW, THEREFORE, BE IT RESOLVED THAT, the Urban Renewal Agency of the City of Coos Bay, Coos County Oregon hereby adopts the FY 2016-2017 supplemental budget as set forth above, and appropriates the sums as shown.

The foregoing resolution was duly adopted by the Urban Renewal Agency of the City of Coos Bay, Coos County, Oregon this 7th day of February 2017.

Stephanie Kramer, Chair

ATTEST:

Drew Farmer, Secretary