

Oregon City
Budget Adjustment Summary
2017 - 2019 Budget Adjustment 1

<u>Description</u>	<u>Account</u>	<u>Original Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
1) Police and Municipal Court Building Bond Proceeds					
Community Facilities Fund					
Bond Proceeds	R 310-210-4982	\$ -	\$ 14,615,000	\$ -	\$ 14,615,000
Premium on Bonds Issued	R 310-210-4984	\$ -	\$ 1,542,183	\$ -	\$ 1,542,183
Bond Issuance Costs	E 310-210-8006	\$ -	\$ 153,805	\$ -	\$ 153,805
Capital Outlay - Building Improvements	E 310-210-7032	\$ 3,939,893	\$ 16,003,378	\$ -	\$ 19,943,271
2) Police and Municipal Court Building Bond Debt Service					
Community Facilities Fund					
Capital Outlay - Building Improvements	E 310-210-7032	\$ 19,943,271	\$ -	\$ 1,102,522	\$ 18,840,749
Other Services (Paying Agent)	E 310-210-6090	\$ -	\$ 400	\$ -	\$ 400
Transfer to Debt Service Fund	E 310-210-9942	\$ -	\$ 1,102,122	\$ -	\$ 1,102,122
Debt Service Fund					
Transfer from Community Facilities Fund	R 420-210-4931	\$ -	\$ 1,102,122	\$ -	\$ 1,102,122
Debt Service - Principal	E 420-210-8002	\$ -	\$ 490,000	\$ -	\$ 490,000
Debt Service - Interest	E 420-210-8004	\$ -	\$ 612,122	\$ -	\$ 612,122
3) Police and Municipal Court Building Project Resources					
General Fund					
Contingency (Ending Fund Balance)	E 100-190-9998	\$ 2,703,662	\$ -	\$ 555,929	\$ 2,147,733
Transfer to Community Facilities Fund	E 100-210-9931	\$ 440,000	\$ 555,929	\$ -	\$ 995,929
Community Facilities Fund					
Transfer from General Fund	R 310-210-4910	\$ 440,000	\$ 555,929	\$ -	\$ 995,929
Investment Income	R 310-210-4702	\$ 6,000	\$ 103,322	\$ -	\$ 109,322
Sale of Capital Assets	R 310-210-4987	\$ -	\$ 2,500,000	\$ -	\$ 2,500,000
Capital Outlay - Building Improvements	E 310-210-7032	\$ 18,840,749	\$ 3,159,251	\$ -	\$ 22,000,000
4) Emergency Communications System Radio Replacements					
General Fund					
Contingency (Ending Fund Balance)	E 100-190-9998	\$ 2,147,733	\$ -	\$ 133,000	\$ 2,014,733
Transfer to Equipment Replacement Fund	E 100-210-9932	\$ 700,000	\$ 133,000	\$ -	\$ 833,000
Equipment Replacement Fund					
Transfer from General Fund	R 320-210-4910	\$ 700,000	\$ 133,000	\$ -	\$ 833,000
Local Operating Grants (County)	R 320-210-4360	\$ -	\$ 177,000	\$ -	\$ 177,000
Equipment Under \$5,000	E 320-210-6580	\$ -	\$ 310,000	\$ -	\$ 310,000
5) City Hall and End of the Oregon Trail Facilities Maintenance					
General Fund					
Contingency (Ending Fund Balance)	E 100-190-9998	\$ 2,014,733	\$ -	\$ 110,000	\$ 1,904,733
Building Maintenance	E 100-190-6122	\$ 132,000	\$ 110,000	\$ -	\$ 242,000
6) Willamette Falls Locks Repair Contributions					
General Fund					
Contingency (Ending Fund Balance)	E 100-190-9998	\$ 1,904,733	\$ -	\$ 14,000	\$ 1,890,733
Miscellaneous (Donations)	E 100-190-6590	\$ 72,000	\$ 14,000	\$ -	\$ 86,000
7) Extended Municipal Elevator Hours					
General Fund					
Contingency (Ending Fund Balance)	E 100-190-9998	\$ 1,890,733	\$ -	\$ 6,147	\$ 1,884,586
Transfer to Transportation Fund	E 100-900-9926	\$ 240,987	\$ 6,147	\$ -	\$ 247,134
Transportation Fund					
Transfer from General Fund	R 260-900-4910	\$ 240,987	\$ 6,147	\$ -	\$ 247,134
Technical Services	E 260-526-6004	\$ 282,987	\$ 6,147	\$ -	\$ 289,134
8) Pass Through Legal Fines Revenue to County and State					
General Fund					
County/State Pass-Through Revenue	R 100-148-4681	\$ 360,000	\$ 280,000	\$ -	\$ 640,000
County/State Pass-Through Expense	E 100-148-6705	\$ 360,000	\$ 280,000	\$ -	\$ 640,000

Descriptions:

- 1) After receiving voter approval on Measure 3-517 at the September 17, 2017 election, the City issued Full Faith and Credit Obligations (bonds) on June 5, 2018 to fund the Police and Municipal Court Building. The sale was structured to include proceeds in the form of principal and a premium. After deducting issuance costs, the City received \$16,003,378 in net proceeds for the project. This budget adjustment recognizes the proceeds as budgeted resources and appropriates the expenditures in capital outlay to construct the building.
- 2) Community Safety Advancement Fund revenues will be used to make debt service payments on the Police and Municipal Court Building bonds. Payments begin in December of 2018 and are scheduled each December and June over the twenty year term of the bonds. This budget adjustment appropriates expenditures for debt service and paying agent fees.
- 3) Additional resources allocated for the Police and Municipal Court Building include Police Reserves (development fees restricted for Police and held in General Fund Contingency/Ending Fund Balance), earnings from investment of Bond proceeds during the project construction period and proceeds from the sale of the existing Police building and property on Warner Milne Road. This budget adjustment allocates these resources as appropriations in capital outlay to construct the building.
- 4) At the May 17, 2016 election, Clackamas County voters approved a bond measure to upgrade the County Emergency Communications System. The measure includes funding to pay for a significant portion of the cost of first responder radio upgrades (from analog to digital and for overall compatibility), and participating jurisdictions are responsible for the remaining cost. The City budgeted for the purchase in the prior biennium using savings on fuel costs and a vacant officer position, however, the County did not make funding available until the current biennium. This adjustment transfers money from Contingency/Ending Fund Balance to carry over prior year savings, recognizes the County's grant contribution and transfers spending appropriation to the Equipment Replacement Fund where the radios will be purchased.
- 5) When funding was set aside for the Emergency Communications System radio upgrades, the City's cost was anticipated to be approximately \$400,000. The final actual cost will be substantially less. In addition, there is a pressing need for maintenance and repair work at two City owned facilities. The City Hall building requires multiple roof and siding repairs, and the cost for full replacement of both is similar to the total cost of the repairs, approximately \$65,000, including painting of the siding. The End of the Oregon Trail Interpretive Center Building requires significant roof repairs as well and replacement would cost approximately \$45,500. The estimates are based on contractor quotes obtained by the Deputy Community Services Director. This adjustment transfers money from Contingency/Ending Fund Balance to carry over prior year funds that were set aside for radio purchases and appropriates the money for the building repairs.
- 6) On December 20, 2017, the City Commission approved financial support for Willamette Falls locks repair and re-opening efforts. Adding to contributions from the State and other regional and local agencies, Oregon City agreed to contribute \$7,000 in each fiscal year of the biennium to fund engineering, outreach and advocacy efforts. This adjustment transfers money from Contingency/Ending Fund Balance to make the annual payments.
- 7) On July 18, 2018, the City Commission approved an amendment to the Personal Services Agreement with the Downtown Oregon City Association to extend the operating hours of the municipal elevator at a cost of \$9,220. This adjustment transfers money from General Fund Contingency/Ending Balance to the Transportation Fund and appropriates \$6,147 for the prorated cost in this biennium (calculated as twelve of eighteen months) of extending the hours over the remaining contract term.
- 8) The State of Oregon regulates the majority of the fines associated with legal violations that the Municipal Court adjudicates. Most of the fines include portions that are required to be collected and remitted to the Oregon Department of Revenue and the County Circuit Court. The pass-through revenue is significantly higher this biennium than in the prior period, primarily due to enhanced traffic enforcement by the Police Department. This adjustment increases the revenue and corresponding expense for these pass-through revenues.

Department Director: Various by email

Date: _____

Finance Director: _____

Date: _____

City Manager: _____

Date: _____