City of North Plains, Oregon

Proposed Supplemental Budget 2013-14

April 7, 2014

City of North Plains
FY2013-14 Supplemental Budget

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Revised Budget Message, 4/7/2014

Honorable Mayor and Council,

A supplemental budget was presented and discussed on March 3, 2014, and the following changes were suggested and have been incorporated into this supplemental budget:

- General Fund contingency was originally presented as decreasing from $100,000 to $65,000. Council advised that they want to keep the General Fund contingency available for emergencies, and any reductions should be clearly approved by the Council. The one item in FY14 which has been approved to come out of the contingency is $15,000 for the Springbrook accounting software upgrade. The revised supplemental budget has a General Fund contingency of $85,000.
- The loan made from the General Fund to the URA for the purpose of paying off bank loans was not included in the original supplemental budget. Finance Manager Rachael Lembo excluded it per governmental modified accrual accounting guidance, however a later discussion with the Oregon Department of Revenue clarified that it is necessary under budget law. A line item in the General Fund for Special Payments- URA loan for $185,000 has been added to the supplemental budget.

Respectfully submitted,
Rachael Lembo, Finance Manager

Budget Message

Honorable Mayor and Council,

The original FY2013-14 budget was adopted on June 3, 2013. This supplemental budget proposes updates to various revenue and expenditure line items based on the most current financial information. A list of changes is included within each fund.

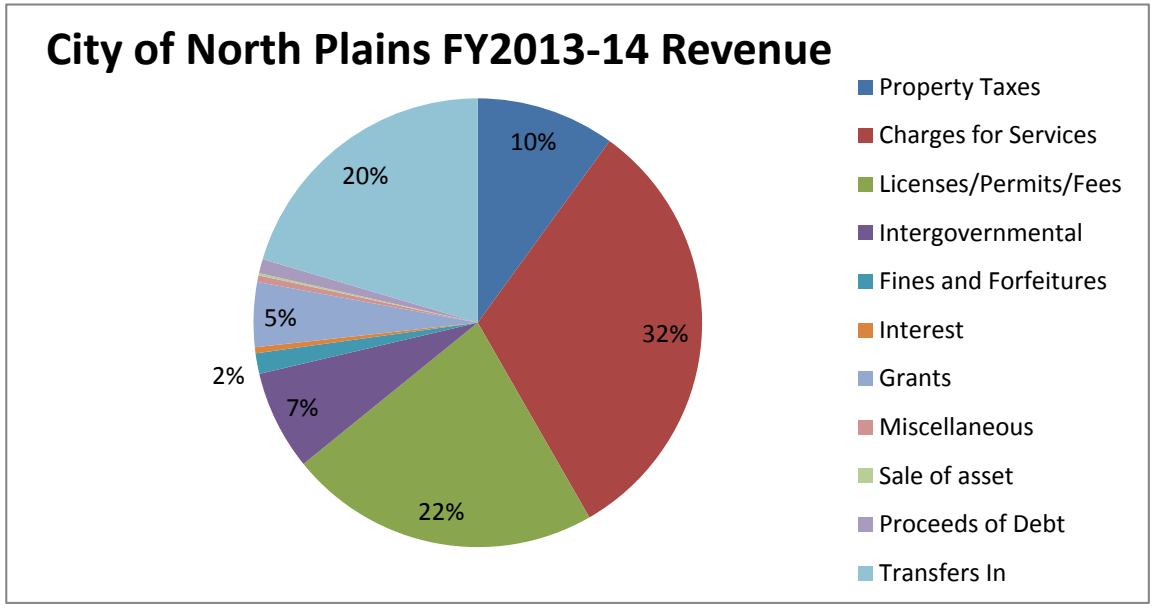
The largest revenue change is in System Development Charges, which are based on new builds. The original budget was for 25 new builds, and as of January 31 there have already been 24. The revised number of new builds is 40.

Some funds are budgeted to have a decrease in fund balance in FY2013-14. This is not abnormal, but does require explanation:

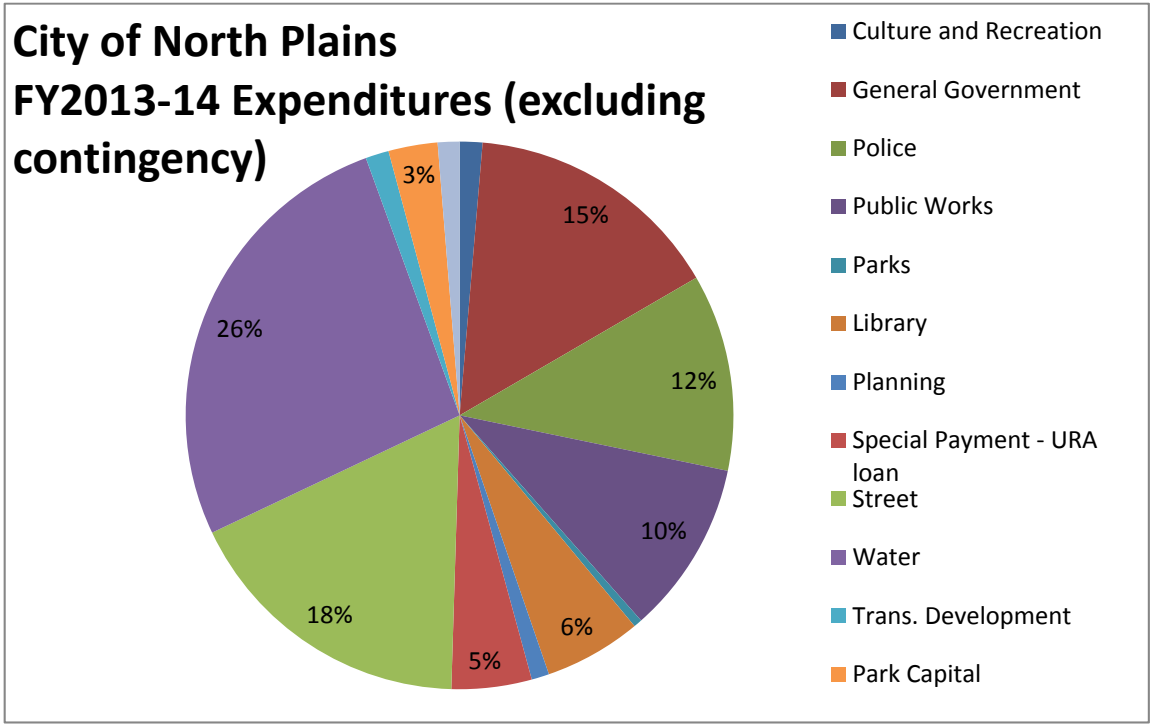
> In the Street, Park Capital and Traffic Impact Fee Funds the decrease is due to budgeted capital expenditures. These are one-time projects that are funded by beginning fund balance, or revenues collected in prior years. Thus in the current year the fund balance is decreasing, however it was sufficiently built up by those prior year revenues.
>
> In the General Fund proposed supplemental budget the fund balance is decreasing by $101k, which includes $65k of contingency; assuming the contingency is not used the decrease at year-end will be $35k. The original budget for the General Fund was a decrease of $87k, including a $100k contingency. This is due to investments that will support the City as it continues to grow. This includes equipment (Springbrook accounting software upgrade, new police vehicle), staff (City Recorder, part time Police Officer, Management Analyst) and increased community events. Higher property tax revenues are expected as the new houses fill with new families, but the expenditures are occurring now. The General Fund beginning fund balance, over $1M at the start of this year, is sufficient to cover these expenditures until property tax revenues increase.

The Urban Renewal Agency (URA) budget has been extracted from the City's budget as it is a separate entity. The URA board will review the URA supplemental budget separately.

Respectfully submitted,
Rachael Lembo, Finance Manager

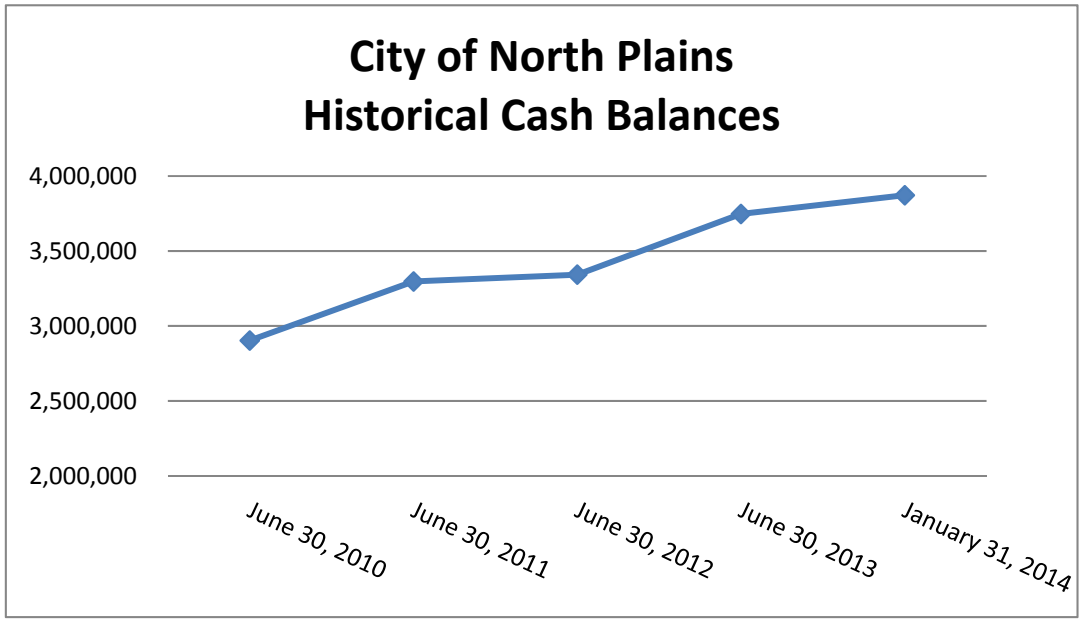


The primary sources of revenue are Property Taxes (General Fund), Charges for Services (Water Fund), and Licenses/Permits/Fees (General Fund franchise fees, Street Fund SDCs, Trans. Devel. Tax Fund SDCs and Parks Capital Fund SDCs).

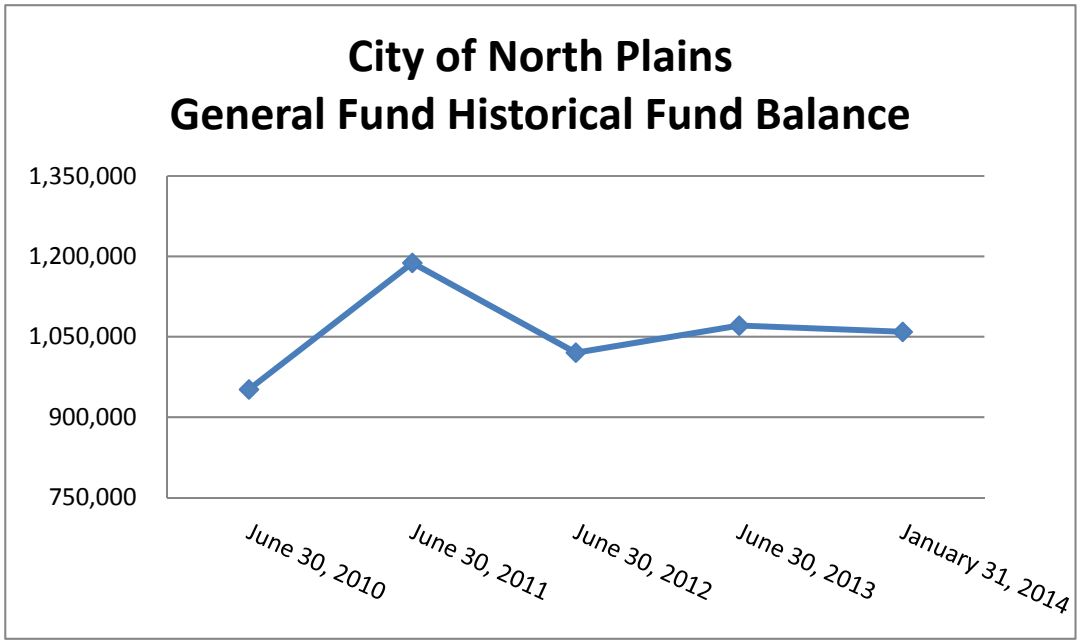


The largest departments are General Government (City Manager, Finance, City Hall shared expenses), Street and Water.

The General Fund departments, Culture and Recreation - Planning, make up nearly half of the City budget.



The City's cash balance has been climbing over the past four years, from $2.9M in June 2010 to $3.9M in January 2014.



The fund balance of the General Fund has been steadily increasing over the past four years. The spike in FY2010-11 was the result of LOCAP bond proceeds, which were transferred to the Street Fund in FY2011-12 to pay for capital expenditures.

INTERNAL SERVICE FUND 610

In FY13 the City added an Internal Service Fund (ISF) to account for shared expenses, including City Manager, Finance, Public Works, General Government, City Council, City Recorder, Attorney and Engineer. Prior to FY13, these costs had been allocated at the time of data entry, which made it hard to determine the full cost. The ISF was helpful in identifying the true cost of these items, as well as understanding which aspects of these costs should be shared, how much, and to which funds. After review of the ISF for the past year and a half, management has determined it would be more efficient and transparent to combine these departments into the General Fund, and calculate transfers based on specific costs within these departments. That change is proposed with this supplemental budget. The new transfers are discussed below.

Management proposes City Council approve a resolution to close the ISF.

GENERAL FUND 110

This fund is the primary operating fund and is accounts for all activities except those legally or administratively required to be accounted for in other funds.

General Fund departments include:

- Culture and Recreation: all community events and personnel supporting those events.
- General Government: City Manager, Finance and administrative staff, and shared costs such as attorney, IT and insurance.
- Police: all costs related to the Police Dept.
- Public Works: personnel and general public works expenditures (excluding direct costs to Streets, Water and Parks).
- Parks: maintenance of Parks and Jessie Mays Community Center
- Library: all costs related to the Library Dept.
- Planning: primarily the City's engineering firm.

Supplemental budget changes:

General Fund Revenue:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.
- Increase of building fees based on YTD actuals. Engineering fees have been increased in relation to this.
- Increase of various grants and donations, primarily due to ODOT and Cover Oregon. Related expenditures have also increased.
- Transfers have been added to the General Fund as a result of the ISF elimination. Total transfers are less than the original ISF budget due to a reduced allocation amount for the Water Fund.
- Debt proceeds are related to the capital lease for the 2014 Dodge Charger. The lease payment was budgeted but accounting rules require the full amount of the capital lease to be reported as debt proceeds and capital outlay.

General Fund non-departmental:

- Contingency decreased by $15k for Springbrook software, remaining contingency is $85k.
- Special payments of $185k have been added for the loan to the URA.

GENERAL FUND 110		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
OPENING FUND BALANCE		**1,017,900**	**-**	**1,079,207**	**61,307**	**1,079,207**	**-**	
REVENUES								
411000	Property Taxes	352,922	-	352,922	-	318,958	(33,964)	90%
462000	Rentals	7,000	-	7,000	-	3,422	(3,579)	49%
	Licenses, Permits, Fees							
418101	Water Franchise	39,000	-	39,000	-	39,000	-	100%
418102	CWS Franchise	20,000	-	20,000	-	16,631	(3,369)	83%
418103	Qwest Franchise	6,000	-	6,000	-	81	(5,919)	1%
418104	Comcast Franchise	5,400	-	5,400	-	3,500	(1,900)	65%
418105	Garbage Franchise	10,000	-	10,000	-	5,314	(4,686)	53%
418107	PGE Franchise	91,000	-	91,000	-	12,681	(78,319)	14%
418108	NW Natural Gas Franchise	24,000	-	24,000	-	11,345	(12,655)	47%
418109	Misc Franchise	750	-	750	-	599	(151)	80%
418110	MACC Franchise	13,200	-	13,200	-	6,929	(6,271)	52%
421000	Business License	6,400	-	6,400	-	5,116	(1,284)	80%
422000	Recology Fund	35,000	-	35,000	-	29,024	(5,976)	83%
441419	Building Permit	16,500	-	62,500	46,000	62,210	(290)	100%
450000	Misc Fees	1,000	-	1,000	-	-	(1,000)	0%
450455	Library Fines and Fees	10,400	-	10,400	-	5,855	(4,545)	56%
		278,650	-	324,650	46,000	198,285	(126,365)	61%
	Intergovernmental							
436000	Liquor Tax	23,000	-	23,000	-	13,724	(9,276)	60%
437000	Cigarette Tax	2,800	-	2,800	-	1,459	(1,341)	52%
438000	State Revenue Sharing	13,000	-	13,000	-	8,434	(4,566)	65%
439000	WCCLS	99,405	-	99,405	-	66,273	(33,132)	67%
		138,205	-	138,205	-	89,891	(48,314)	65%
	Fines and Forfeitures							
450421	Police Citations	52,229	-	52,229	-	32,354	(19,875)	62%
		52,229	-	52,229	-	32,354	(19,875)	62%

GENERAL FUND 110		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
	Grants and Donations							
431000	Grants - General	-	-	5,500	5,500	6,250	750	114%
431001	Grants - Police	9,000	-	38,500	29,500	13,270	(25,230)	34%
431002	Grants - Library	1,000	-	29,891	28,891	8,350	(21,541)	28%
431003	Grants - Planning	-	-	1,000	1,000	1,000	-	100%
464000	Donations - General	-	-	-	-	200	200	100%
464101	4th of July don/spon	14,000	-	14,000	-	1,730	(12,270)	12%
464102	Comm Events Don/spon	-	-	15,141	15,141	5,920	(9,221)	39%
464421	Donations - Police	-	-	1,700	1,700	200	(1,500)	12%
464455	Donations - Library	6,500	-	7,000	500	6,613	(387)	94%
		30,500	-	112,732	82,232	43,532	(69,200)	39%
461000	Interest	4,410	-	4,410	-	3,127	(1,283)	71%
440000	Miscellaneous	10,000	-	10,000	-	7,737	(2,263)	77%
445000	Sale of asset	6,000	-	6,000	-	5,000	(1,000)	83%
	Transfers							
820111	Transfers In - Rec. Street	62,000	-	62,000	-	62,000	-	100%
820111x	Transfers In - Street	-	*169,966*	175,449	5,483	-	(175,449)	0%
820210	Transfers In - Water	-	*502,724*	458,428	(44,295)	-	(458,428)	0%
820130	Transfers In - TDT	-		4,000	4,000	-	(4,000)	0%
820131	Transfers In - Parks Cap	-		8,400	8,400	-	(8,400)	0%
820113	Transfers In - URA	-	*8,086*	-	(8,086)			0%
		62,000	*680,775*	708,277	(34,498)	62,000	(646,277)	9%
840000	Debt Proceeds	-	-	35,803	35,803	35,803	-	100%
TOTAL REVENUES		**941,916**	***680,775***	**1,752,228**	**129,537**	**800,107**	**(952,121)**	**46%**

GENERAL FUND 110		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
EXPENDITURES - BY DEPT								
110-411	Culture and Recreation	-	*25,850*	52,461	26,611	32,337	20,124	62%
110-419	General Government	-	*545,670*	597,094	51,424	358,367	238,726	60%
110-421	Police	433,170	-	454,844	21,674	287,500	167,345	63%
110-433	Public Works	-	*415,861*	399,470	(16,391)	230,937	168,533	58%
110-452	Parks	169,650	-	19,760	(149,890)	5,834	13,926	30%
110-455	Library	247,368	-	224,210	(23,158)	109,672	114,538	49%
110-465	Planning	78,724	*5,000*	40,850	(42,874)	7,433	33,417	18%
Trans	Transfers Out	-	*(311,606)*	-	311,606	-	-	0%
SP	Special Payment- URA loan	-	-	185,000	185,000	185,000	-	100%
	CONTINGENCY	100,000	-	85,000	(15,000)	-	85,000	0%
TOTAL EXPENDITURES		**1,028,912**	***680,775***	**2,058,689**	**349,002**	**1,217,080**	**841,609**	**59%**
CHANGE IN FUND BALANCE		**(86,996)**	***0***	**(306,461)**	**(219,465)**	**(416,973)**	**841,609**	
UNAPPROPRIATED ENDING FUND BALANCE		**930,904**	***0***	**772,746**	**(158,158)**	**662,234**	**1,683,218**	

GENERAL FUND 110-411

Culture and Recreation:

- Increase in personnel for 4th of July event planning and volunteer coordination.
- Increase in 4th of July event for expenses related to 2014 event.
- Increase in Music Shows for donation expense. This is offset by the revenue collected by the City which funds the donation. So far this year Music Shows have raised $705 for the North Plains Senior Center/Food Bank and $415 for the Friends of the North Plains Public Library.
- Addition of the BBQ event. This is offset with additional donation revenue.

CULTURE AND RECREATION 110-411		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
EXPENDITURES								
110000	Salaries	-	-	6,000	6,000	2,313	3,687	39%
220000	Payroll Taxes	-	-	1,327	1,327	189	1,138	14%
230000	Retirement	-	-	865	865	214	650	25%
	PERSONAL SERVICES	**-**	**-**	**8,191**	**8,191**	**2,716**	**5,475**	**33%**
300100	Community Events	-	-	1,000	1,000	967	33	97%
300101	4th of July	-	*19,000*	24,000	5,000	21,137	2,863	88%
300102	Concerts in the Park	-	*900*	2,100	1,200	2,054	46	98%
300103	Music Shows	-	*1,200*	2,320	1,120	1,401	919	60%
300106	Fall Festival (Pumpkin Run)	-	*3,000*	3,100	100	3,063	37	99%
300107	Chili Cookoff	-	*300*	500	200	492	8	98%
300108	National Night Out	-	*600*	400	(200)	384	16	96%
300109	Playdates	-	*150*	150	-	38	112	25%
300111	Ice Cream Social	-	*300*	300	-	-	300	0%
300112	Farmers' Market	-	*300*	300	-	-	300	0%
300113	Holiday Bazaar	-	*100*	100	-	85	15	85%
300114	BBQ	-	-	10,000	10,000	-	10,000	0%
	MATERIALS AND SERVICES	**-**	***25,850***	**44,270**	**18,420**	**29,621**	**14,649**	**67%**
TOTAL EXPENDITURES		**-**	***25,850***	**52,461**	**26,611**	**32,337**	**20,124**	**62%**

GENERAL FUND 110-419

General Government:

- Increase in salaries includes new Management Analyst position, step increases for Account Clerk II and Clerical, and hours increase for Finance Manager. Employee benefits increased due to changes in benefits elections. Payroll taxes decreased due to lower SUI rate. PERS increased due to salary increases, but also decreased due to a lower PERS rate.
- Increase for City Recorder training (previously none was budgeted).
- Increase for donation to the Senior Center for CWS fees.
- Increase for annual BUG connection fee.
- Decrease in attorney based on current year usage.
- Decrease in audit fees due to Finance Manager drafting the reports.
- Increase for Springbrook upgrade.
- Decrease in contracted Recorder expenses due to reclassification of Account Clerk II to City Recorder.
- Decrease in workers' compensation insurance premium.
- Various other small changes to reflect cost changes and expected usage.

GENERAL GOVERNMENT 110-419		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
EXPENDITURES								
110000	Salaries	-	*249,354*	285,301	35,947	155,428	129,873	54%
210000	Employee Benefits	-	*33,835*	39,731	5,896	28,032	11,699	71%
220000	Payroll Taxes	-	*30,196*	26,498	(3,698)	14,297	12,201	54%
230000	Retirement	-	*39,756*	41,112	1,356	18,570	22,542	45%
	PERSONAL SERVICES	**-**	***353,141***	**392,642**	**39,501**	**216,327**	**176,314**	**55%**
300000	Education and Training	-	*7,500*	8,500	1,000	5,754	2,746	68%
300105	Donations							
	Senior Center Donation		*1,000*	8,900	7,900	8,855	45	99%
	Community Action Don.		*500*	500	-	-	500	0%
		-	*1,500*	9,400	7,900	8,855	545	94%
300010	BUG Connection	-	*2,000*	9,000	7,000	7,668	1,332	85%
310000	Utilities	-	*16,602*	16,602	-	7,612	8,990	46%
330000	Professional Services							
	Attorney	-	*25,000*	20,000	(5,000)	9,023	10,977	45%
	Audit	-	*13,000*	9,000	(4,000)	8,250	750	92%
	Springbrook	-		15,000	15,000	6,749	8,251	45%
	IT Services	-	*11,900*	11,900	-	5,936	5,964	50%
	IT Services - hardware	-		-	-	380	(380)	100%
	Moonlight	-	*10,500*	10,500	-	7,152	3,348	68%
	Recorder	-	*6,000*	-	(6,000)	-	-	0%
	Payroll Processing	-	*3,600*	3,600	-	2,800	800	78%
	Janitorial - City Hall	-	*2,400*	2,400	-	1,540	860	64%
	Security - City Hall	-	*1,200*	2,520	1,320	1,470	1,050	58%
	Other	-	*3,500*	3,500	-	2,458	1,042	70%
		-	*77,100*	78,420	1,320	45,758	32,662	58%

GENERAL GOVERNMENT 110-419		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
340000	Repairs and Maintenance							
	Copier Usage/Main.	-	*11,880*	9,000	(2,880)	3,836	5,164	43%
	HVAC	-	*3,720*	3,720	-	2,163	1,557	58%
	Other	-	*5,000*	5,000	-	2,042	2,958	41%
		-	*20,600*	17,720	*(2,880)*	8,041	9,679	45%
350000	Agency Memberships	-	*3,660*	3,660	-	3,499	161	96%
380000	Miscellaneous	-	-	500	500	390	110	78%
500000	Employee/ Vol Recognition	-	*1,100*	1,500	400	1,471	29	98%
540000	Advertising	-	*1,000*	800	(200)	567	233	71%
610000	Supplies	-	*13,350*	13,350	-	9,456	3,894	71%
621000	Insurance	-	*26,711*	27,500	789	27,444	56	100%
621002	Workers' Compensation	-	*21,406*	17,500	(3,906)	15,525	1,975	89%
	MATERIALS AND SERVICES	**-**	***192,529***	**204,452**	**11,923**	**142,040**	**62,412**	**69%**
TOTAL EXPENDITURES		**-**	***545,670***	**597,094**	**51,424**	**358,367**	**238,726**	**60%**

GENERAL FUND 110-421

Police:

- Increase in salaries includes a step increase for the Police Chief and hours increase for Reserves based on an increased ODOT grant. Employee benefits increased due to changes in benefits elections. Payroll taxes and PERS decreased due to lower SUI and PERS rates.
- Increase in training offset by a decrease in firearms.
- Increase in professional services based on cost and usage. The original budget for this line item was reduced $2.5k from the prior year but expected cost savings were not achieved.
- Increase in repairs and maintenance based on expected costs. This line item was reduced $5k from the prior year, based on expected savings because the vehicles are new. While the costs are down significantly, actual expenses indicate the budget needed to increase slightly.
- Increase in supplies for the Hood to Coast run, offset by donations.
- Decrease in uniforms based on cost and usage.
- Increase in equipment for the security camera, offset by a CIS grant.
- Increase in capital outlay for the capital lease on the 2014 Dodge Charger. The lease payment was originally budgeted but accounting rules require the full amount of the capital lease to be reported as debt proceeds and capital outlay.
- Decrease in transfers out due to the elimination of the ISF.

POLICE 110-421		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
EXPENDITURES							
110000	Salaries	138,553	142,350	3,797	72,178	70,172	51%
120000	Hourly	36,799	36,799	(0)	18,512	18,286	50%
125000	Reserves	10,000	32,000	22,000	23,181	8,819	72%
210000	Employee Benefits	13,970	21,514	7,544	10,997	10,517	51%
220000	Payroll Taxes	22,446	20,484	(1,962)	10,492	9,992	51%
230000	Retirement	42,565	38,927	(3,637)	21,431	17,496	55%
	PERSONAL SERVICES	**264,333**	**292,074**	**27,741**	**156,792**	**135,282**	**54%**
300000	Education and Training	3,000	5,200	2,200	5,524	(324)	106%
330000	Professional Services						
	Wireless Access	4,200	4,200	-	1,639	2,561	39%
	Webleds	1,575	1,575	-	1,575	-	100%
	HPD Evidence Storage	1,500	2,600	1,100	2,547	53	98%
	Law Enforcement Manual	-	2,000	2,000	1,950	50	98%
	E-ticket	3,750	2,000	(1,750)	1,970	30	99%
	Other	3,000	4,500	1,500	3,964	536	88%
		14,025	16,875	2,850	13,645	3,230	81%
330912	WA County Dispatch	12,060	12,060	-	9,045	3,015	75%
340000	Repairs and Maintenance	5,000	6,000	1,000	5,130	870	85%
350000	Agency Memberships	1,500	1,500	-	664	836	44%
370000	Rentals and Leases						
	Chevy Tahoe	11,458	11,458	-	11,458	-	100%
	Dodge Charger	13,493	13,493	-	-	13,493	0%
	Dodge V8 Charger	9,181	9,181	-	9,181	-	100%
	Other	1,000	1,000	-	402	598	40%
		35,132	35,132	-	21,041	14,091	60%
610000	Supplies	10,000	13,200	3,200	10,883	2,317	82%
610100	Uniforms	4,500	3,500	(1,000)	2,856	644	82%

POLICE 110-421		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	Description						
610224	Fuel	12,500	12,500	-	8,044	4,456	64%
630000	Equipment (non-capital)					-	0%
	Firearms	7,000	4,800	(2,200)	5,384	(584)	112%
	Radio	3,000	3,000	-	2,475	525	83%
	Camera	-	5,000	5,000	3,985	1,015	80%
	Other	-	-	-	0	(0)	100%
		10,000	12,800	2,800	11,844	956	93%
207000	Court Pass Through	3,000	3,000	-	1,029	1,971	34%
	MATERIALS AND SERVICES	**110,717**	**121,767**	**11,050**	**89,705**	**32,063**	**74%**
770000	Equipment/Vehicles	-	35,803	35,803	35,803	-	100%
	CAPITAL OUTLAY	**-**	**35,803**	**35,803**	**35,803**	**-**	**100%**
810009	Transfers Out - Equip Res.	5,200	5,200	-	5,200	-	100%
810610	Transfers Out - ISF Alloc.	52,920	-	(52,920)	-	-	0%
	TRANSFERS	**58,120**	**5,200**	**(52,920)**	**5,200**	**-**	**100%**
TOTAL EXPENDITURES		**433,170**	**454,844**	**21,674**	**287,500**	**167,345**	**63%**

GENERAL FUND 110-433

Public Works:

- Increase in salaries includes step increases for the Public Works Director, Utility Worker III and Utility Worker II. Employee benefits decreased due to changes in benefits elections. Payroll taxes and PERS decreased due to lower SUI and PERS rates.

PUBLIC WORKS 110-433		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
EXPENDITURES								
110000	Salaries	-	*248,816*	251,463	2,647	142,717	108,746	57%
210000	Employee Benefits	-	*39,728*	38,284	(1,444)	27,185	11,098	71%
220000	Payroll Taxes	-	*30,132*	22,914	(7,218)	12,715	10,199	55%
230000	Retirement	-	*56,165*	45,789	(10,376)	26,774	19,015	58%
	PERSONAL SERVICES	**-**	***374,841***	**358,450**	**(16,391)**	**209,391**	**149,059**	**58%**
300000	Education and Training	-	*2,300*	2,300	-	296	2,004	13%
310000	Utilities	-	*1,320*	1,320	-	499	821	38%
330000	Professional Services	-	*1,600*	1,600	-	161	1,439	10%
340000	Repairs and Maintenance	-	*15,000*	15,000	-	6,152	8,848	41%
610000	Supplies	-	*2,000*	2,000	-	2,027	(27)	101%
610090	Uniforms	-	*1,000*	1,000	-	150	850	15%
610224	Fuel	-	*10,800*	10,800	-	5,262	5,538	49%
	MATERIALS AND SERVICES	**-**	***34,020***	**34,020**	**-**	**14,546**	**19,474**	**43%**
810009	Transfers - Veh Reserve	-	*7,000*	7,000	-	7,000	-	100%
	TRANSFERS	**-**	***7,000***	**7,000**	**-**	**7,000**	**-**	**100%**
TOTAL EXPENDITURES		**-**	***415,861***	**399,470**	**(16,391)**	**230,937**	**168,533**	**58%**

GENERAL FUND 110-452

Parks:

- Decrease in repairs and maintenance based on amount incurred to date.
- Decrease in transfers out due to the elimination of the ISF.

PARKS 110-452		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
EXPENDITURES							
310000	Utilities	5,160	5,160	-	2,828	2,332	55%
330000	Professional Services	600	600	-	-	600	0%
340000	Repairs and Maintenance	15,000	8,000	(7,000)	1,455	6,545	18%
610000	Supplies	6,000	6,000	-	1,551	4,449	26%
	MATERIALS AND SERVICES	**26,760**	**19,760**	**(7,000)**	**5,834**	**13,926**	**30%**
810000	Transfers Out - ISF Alloc.	142,890	-	(142,890)	-	-	0%
	TRANSFERS	**142,890**	**-**	**(142,890)**	**-**	**-**	**0%**
TOTAL EXPENDITURES		**169,650**	**19,760**	**(149,890)**	**5,834**	**13,926**	**30%**

GENERAL FUND 110-455

Library:

- Increase in salaries includes step increase for the Volunteer Coordinator, new Cataloger position (replacing Margaret Reh) and salary expense related to Cover Oregon, which is covered by the grant. Employee benefits decreased due to a policy change, which disallows benefits for employees working under 30 hours/week. Payroll taxes and PERS increased in relation to salary changes, offset by lower SUI and PERS rates.
- Increase in education and training and supplies is part of the Cover Oregon education program and offset by grant revenue.
- Increase in library supplies is offset by a donation.
- Decrease in transfers out due to the elimination of the ISF.

LIBRARY 110-455		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
EXPENDITURES							
110000	Salaries	116,055	140,623	24,567	71,331	69,291	51%
210000	Employee Benefits	395	255	(140)	255	(0)	100%
220000	Payroll Taxes	14,054	15,184	1,130	7,018	8,166	46%
230000	Retirement	16,594	16,198	(396)	7,240	8,957	45%
	PERSONAL SERVICES	**147,099**	**172,260**	**25,161**	**85,845**	**86,414**	**50%**
300000	Education and Training	500	1,970	1,470	401	1,569	20%
310000	Utilities	8,160	8,160	-	3,918	4,242	48%
330000	Professional Services						
	Computer Software	2,000	2,000	-	1,449	551	72%
	Janitorial	2,100	2,100	-	1,050	1,050	50%
	Security	770	770	-	473	298	61%
	Other	450	450	-	102	348	23%
		5,320	5,320	-	3,074	2,246	58%
340000	Repairs and Maintenance						
	Building Maintenance	3,000	3,000	-	63	2,937	2%
	HVAC Maintenance	2,000	2,000	-	-	2,000	0%
	Copier Maintenance	2,600	2,600	-	1,350	1,250	52%
		7,600	7,600	-	1,413	6,187	19%
610000	Supplies	11,250	13,700	2,450	5,865	7,835	43%
640000	Library Supplies	13,100	13,600	500	7,556	6,044	56%
	MATERIALS AND SERVICES	**45,930**	**50,350**	**4,420**	**22,227**	**28,123**	**44%**
810009	Transfers Out - Equip Res.	1,600	1,600	-	1,600	-	100%
810610	Transfers Out - ISF Alloc.	52,739	-	(52,739)	-	-	0%
	TRANSFERS	**54,339**	**1,600**	**(52,739)**	**1,600**	**-**	**100%**
TOTAL EXPENDITURES		**247,368**	**224,210**	**(23,158)**	**109,672**	**114,538**	**49%**

GENERAL FUND 110-465

Planning:

- Decrease in salaries due to elimination of Assistant Planner position.
- Increase in engineering fees due to new planning and building work, covered by increased building permits.
- Decrease in transfers out due to the elimination of the ISF.

PLANNING 110-465		Adopted Budget 2013-2014	*ISF Adopted Budget 2013-2014*	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**							
EXPENDITURES								
110000	Salaries	7,498		-	(7,498)	-	-	0%
220000	Payroll Taxes	908		-	(908)	-	-	0%
230000	Retirement	1,410		-	(1,410)	-	-	0%
	PERSONAL SERVICES	**9,816**		**-**	**(9,816)**	**-**	**-**	**0%**
300000	Education and Training	100		100	-	500	(400)	500%
330000	Professional Services	3,750	*5,000*	38,750	30,000	6,828	31,922	182%
360000	Advertising	2,000		2,000	-	105	1,895	5%
	MATERIALS AND SERVICES	**5,850**	***5,000***	**40,850**	**30,000**	**7,433**	**33,417**	**18%**
810000	Transfers Out - ISF Alloc.	63,057		-	(63,057)	-	-	0%
	TRANSFERS	**63,057**		**-**	**(63,057)**	**-**	**-**	**0%**
TOTAL EXPENDITURES		**78,724**	***5,000***	**40,850**	**(42,874)**	**7,433**	**33,417**	**18%**

STREET FUND 111

This fund accounts for Oregon gasoline tax apportionments, Street System Development Charges, grants and expenditures for street maintenance and improvements.

Supplemental budget changes:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.
- Increase of SDC revenue based on increased number of new builds.
- Decrease in grant revenue, which was budgeted to be received equally in both years but was mostly received in FY13.
- Increase in miscellaneous revenue for a credit for LED street lights.
- Decrease in supplies based on current year usage.
- Increase in capital outlay for the Claxtar Street project. Unexpected changes resulted in increased costs with the contractor and the engineering firm. Total project budget (over three years) was approx $645k and estimated final costs are approx $810k, for an increase of approx. $165k. Total grant revenue was approx $445k, therefore net costs to the City were approx $365k. The budget for other street projects was reduced to offset some of this increase, however some budget was retained for reimbursement to DR Horton for street work on the Highland Court development.
- Increase of Transfers Out. The elimination of the ISF was replaced with a transfer to the General Fund for General Government and Public Works staff, staff time related to capital outlay and shared supplies. See Transfer page for more detail.
- The contingency was reduced to zero to offset the decrease in grant revenue.

STREET FUND 111		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
OPENING FUND BALANCE		**513,369**	**570,236**	**56,867**	**570,236**	**-**	
REVENUES							
	Licenses, Permits, Fees						
435003	TUF	25,200	25,200	-	14,872	(10,328)	59%
445000	SDCs	12,950	20,720	7,770	12,044	(8,677)	58%
		38,150	45,920	7,770	26,915	(19,005)	59%
	Intergovernmental						
435001	Gas Tax - State	108,000	108,000	-	69,018	(38,982)	64%
435002	Gas Tax - County	7,500	7,500	-	4,433	(3,067)	59%
		115,500	115,500	-	73,451	(42,049)	64%
431110	Grants - Claxtar	268,000	52,000	(216,000)	52,132	132	100%
461000	Interest	2,900	2,900	-	749	(2,151)	26%
440000	Miscellaneous	1,000	6,500	5,500	6,506	6	100%
TOTAL REVENUES		**425,550**	**222,820**	**(202,730)**	**159,754**	**(63,066)**	**72%**
EXPENDITURES							
360000	Advertising	400	400	-	-	400	0%
610000	Supplies	6,000	2,000	(4,000)	-	2,000	0%
640000	Street Lights	27,552	27,552	-	14,017	13,535	51%
	MATERIALS AND SERVICES	**33,952**	**29,952**	**(4,000)**	**14,017**	**15,935**	**47%**
770101	Claxtar Project	268,000	401,000	133,000	360,982	40,018	90%
770103	Street Projects	100,000	15,000	(85,000)	13,468	1,532	90%
	CAPITAL OUTLAY	**368,000**	**416,000**	**48,000**	**374,450**	**41,550**	**90%**

STREET FUND 111		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	Description						
810110	Transfers Out -Rec. to GF	62,000	62,000	-	62,000	-	100%
810110x	Transfers Out - Gen Fund	-	175,449	175,449	-	175,449	0%
810610	Transfers Out - ISF Alloc.	169,966	-	(169,966)	-	-	0%
	TRANSFERS	**231,966**	**237,449**	**5,483**	**62,000**	**175,449**	**26%**
	CONTINGENCY	50,000	-	(50,000)	-	-	0%
TOTAL EXPENDITURES		**683,918**	**683,401**	**(517)**	**450,467**	**232,933**	**66%**
CHANGE IN FUND BALANCE		**(258,368)**	**(460,581)**	**(202,213)**	**(290,713)**	**169,867**	
UNAPPROPRIATED ENDING FUND BALANCE		**255,001**	**109,655**	**(145,346)**	**279,523**	**169,867**	

WATER FUND 210

This fund accounts for the activities of providing water service to the public, including capital improvements and major acquisitions.

As part of this supplemental budget management is proposing that Council approve a resolution committing System Development Charges to capital projects. This will formally establish a Committed fund balance line to track SDC revenue less capital expenditures, in both internal documents and the annual financial statements. This is the highest level of constraint that can be placed by Council, and will remain in place until Council formally removes it. The Committed fund balance will consist of the fund balance transferred from the Water Capital Fund into the Water Fund in FY13, plus SDC revenue less capital expenditures incurred in FY13 and FY14.

Supplemental budget changes:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.
- Increase of SDC revenue based on increased number of new builds.
- Increase in Materials and Services to reflect costs for new water service and JWC SDCs pass through to WA County, both funded by additional revenue. Transfer from Repairs and Maintenance to Supplies.
- Increase of PW Projects by $64k for reimbursement to DR Horton for water construction. The reimbursement was based on SDCs paid by DR Horton in FY13 and FY14 for the Highland Court development.
- Decrease of Transfers Out. The elimination of the ISF was replaced with a transfer to the General Fund for General Government and Public Works staff, staff time related to capital outlay and shared supplies. See Transfer page for more detail.

WATER FUND 210		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	Description						
	Committed to Capital Projects	99,073	188,574	89,501	188,574	-	
	Unassigned	648,764	723,536	74,772	723,536	-	
OPENING FUND BALANCE		**747,837**	**912,110**	**164,273**	**912,110**	**-**	
REVENUES							
	Charges for Services						
444000	Charges, Fees, Fines	805,977	805,977	-	519,772	(286,205)	64%
445000	SDCs (Capital)	107,450	181,920	74,470	110,673	(71,248)	61%
207000	SDCs - Pass thru JWC	72,700	126,320	53,620	77,045	(49,275)	61%
		986,127	1,114,217	128,090	707,490	(406,727)	63%
461000	Interest	3,845	3,845	-	2,359	(1,486)	61%
440000	Miscellaneous	200	200	-	7	(193)	4%
TOTAL REVENUES		**990,172**	**1,118,262**	**128,090**	**709,857**	**(408,406)**	**63%**
EXPENDITURES							
208150	Franchise Fee -Water	39,000	39,000	-	39,000	-	100%
310000	Utilities	5,130	5,130	-	3,425	1,705	67%
330000	Professional Services						
	Meter Reader	1,000	1,000	-	989	11	99%
	Alexin Laboratory	2,250	2,250	-	764	1,486	34%
	Other	6,000	6,000	-	-	6,000	0%
		9,250	9,250	-	1,753	7,497	19%
340000	Repairs and Maintenance	20,000	15,000	(5,000)	2,275	12,725	15%
610000	Supplies	2,500	7,500	5,000	5,603	1,897	75%
610600	Water Purchase	120,000	120,000	-	70,429	49,571	59%
630000	New Water Service Materials	-	5,000	5,000	2,748	2,252	55%
207000	SDC Pass Thru JWC	72,700	126,320	53,620	75,608	50,712	60%
	MATERIALS AND SERVICES	**268,580**	**327,200**	**58,620**	**200,840**	**126,360**	**61%**

WATER FUND 210		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	Description						
770000	PW Projects	51,000	115,000	64,000	110,200	4,800	96%
	CAPITAL OUTLAY	**51,000**	**115,000**	**64,000**	**110,200**	**4,800**	**96%**
500500	Debt Service - 2005 Bond	134,332	134,332	-	134,332	0	100%
	DEBT SERVICE	**134,332**	**134,332**	**-**	**134,332**	**0**	**100%**
810110	Transfers Out - Gen Fund	-	458,428	458,428	-	458,428	0%
810610	Transfers Out - ISF Alloc.	502,724	-	(502,724)	-	-	0%
	TRANSFERS	**502,724**	**458,428**	**(44,296)**	**-**	**458,428**	**0%**
	CONTINGENCY	50,000	50,000	-	-	50,000	0%
TOTAL EXPENDITURES		**1,006,636**	**1,084,960**	**78,324**	**445,372**	**639,589**	**41%**
CHANGE IN FUND BALANCE		**(16,464)**	**33,302**	**49,766**	**264,485**	**231,183**	
UNAPPROPRIATED							
ENDING FUND BALANCE		**731,373**	**945,412**	**214,039**	**1,176,595**	**231,183**	
	Committed to Capital Projects	155,523	255,494	99,971	189,047	(66,447)	
	Unassigned	575,850	689,918	114,068	987,548	297,630	

TRANSPORTATION DEVELOPMENT TAX FUND 130

This fund collects TDT tax on building activity for the construction of new streets. TDT rates are set by Washington County.

Supplemental budget changes:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.
- Increase of SDC revenue based on increased number of new builds. In addition, the original budget was based on a lower townhouse fee, but new houses this year have been single family detached.
- Increase of Transfers Out to the General Fund for allocation of General Government overhead costs. This allocation is based on capital expenditures in this fund which resulted in City Manager, Public Works Director and Finance staff time.

TRANSPORTATION DEVELOPMENT TAX FUND 130		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
OPENING FUND BALANCE		**173,836**	**263,325**	**89,489**	**263,325**	**-**	
REVENUES							
415100	TDT	99,400	266,600	167,200	146,532	(120,068)	55%
461000	Interest	420	420	-	739	319	176%
TOTAL REVENUES		**99,820**	**267,020**	**167,200**	**147,271**	**(119,749)**	**55%**
EXPENDITURES							
770000	PW Projects	50,000	50,000	-	32,677	17,323	65%
	CAPITAL OUTLAY	**50,000**	**50,000**	**-**	**32,677**	**17,323**	**65%**
810110	Transfers Out - Gen Fund	-	4,000	4,000	-	4,000	0%
	TRANSFERS	**-**	**4,000**	**4,000**	**-**	**4,000**	**0%**
	CONTINGENCY	50,000	50,000	-	-	50,000	0%
TOTAL EXPENDITURES		**100,000**	**104,000**	**4,000**	**32,677**	**71,323**	**31%**
CHANGE IN FUND BALANCE		**(180)**	**163,020**	**163,200**	**114,594**	**(48,426)**	
UNAPPROPRIATED ENDING FUND BALANCE		**173,656**	**426,345**	**252,689**	**377,919**	**(48,426)**	

PARKS CAPITAL FUND 131

This fund collects System Development Charges on building activity for the construction and upgrade of parks.

Supplemental budget changes:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.
- Increase of SDC revenue based on increased number of new builds.
- Increase of PW Projects by $30k for reimbursement to DR Horton for construction of new park. The reimbursement was based on SDCs paid by DR Horton in FY13 and FY14 for the Highland Court development.
- Increase of Transfers Out to the General Fund for allocation of General Government overhead costs. This allocation is based on capital expenditures in this fund which resulted in City Manager, Public Works Director and Finance staff time.

PARKS CAPITAL FUND 131		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
OPENING FUND BALANCE		**391,517**	**458,181**	**66,664**	**458,181**	**-**	
REVENUES							
445000	SDCs	97,750	156,400	58,650	90,908	(65,493)	58%
461000	Interest	1,925	1,925	-	1,228	(697)	64%
TOTAL REVENUES		**99,675**	**158,325**	**58,650**	**92,135**	**(66,190)**	**58%**
EXPENDITURES							
770000	PW Projects	75,000	105,000	30,000	94,660	10,340	90%
	CAPITAL OUTLAY	**75,000**	**105,000**	**30,000**	**94,660**	**10,340**	**90%**
810000	Transfers Out - ISF Alloc.	-	-	-	-	-	0%
810110	Transfers Out - Gen Fund	-	8,400	8,400	-	8,400	0%
	TRANSFERS	**-**	**8,400**	**8,400**	**-**	**8,400**	**0%**
	CONTINGENCY	100,000	100,000	-	-	100,000	0%
TOTAL EXPENDITURES		**175,000**	**213,400**	**38,400**	**94,660**	**118,740**	**44%**
CHANGE IN FUND BALANCE		**(75,325)**	**(55,075)**	**20,250**	**(2,525)**	**52,550**	
UNAPPROPRIATED							
ENDING FUND BALANCE		**316,192**	**403,106**	**86,914**	**455,656**	**52,550**	

TRAFFIC IMPACT FEE FUND 132

This fund was the predecessor to the Transportation Development Tax Fund. Funds can only be used for projects that expand transportation capacity.

Supplemental budget changes:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.

TRAFFIC IMPACT FEE FUND 132		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
OPENING FUND BALANCE		**287,033**	**287,669**	**636**	**287,669**	**-**	
REVENUES							
461000	Interest	1,435	1,435	-	767	(668)	53%
TOTAL REVENUES		**1,435**	**1,435**	**-**	**767**	**(668)**	**53%**
EXPENDITURES							
770000	PW Projects	50,000	50,000	-	-	50,000	0%
	CAPITAL OUTLAY	**50,000**	**50,000**	**-**	**-**	**50,000**	**0%**
	CONTINGENCY	50,000	50,000	-	-	50,000	0%
TOTAL EXPENDITURES		**100,000**	**100,000**	**-**	**-**	**100,000**	**0%**
CHANGE IN FUND BALANCE		**(98,565)**	**(98,565)**	**-**	**767**	**99,332**	
UNAPPROPRIATED ENDING FUND BALANCE		**188,468**	**189,104**	**636**	**288,436**	**99,332**	

VEHICLE AND EQUIPMENT RESERVE FUND 009

This fund is used to build reserves for future vehicle and equipment purchases. Current year transfers include $1,600 from Library, $5,200 from Police and $7,000 from Public Works.

Supplemental budget changes:

- Adjustment of Beginning Fund Balance to match FY13 Ending Fund Balance.

VEHICLE AND EQUIPMENT RESERVE FUND 009		Adopted Budget 2013-2014	Supplemental Budget 2013-2014	Budget Changes Inc / (Dec)	Actuals Through 1/31/2014	Supp Budget to Actuals Variance Pos / (Neg) $	%
Account	**Description**						
OPENING FUND BALANCE		**25,488**	**25,580**	**92**	**25,580**	**-**	
REVENUES							
461000	Interest	225	225	-	74	(151)	33%
820110	Transfers In	13,800	13,800	-	13,800	-	100%
TOTAL REVENUES		**14,025**	**14,025**	**-**	**13,874**	**(151)**	**99%**
EXPENDITURES							
	CONTINGENCY	10,000	10,000	-	-	10,000	0%
TOTAL EXPENDITURES		**10,000**	**10,000**	**-**	**-**	**10,000**	**0%**
CHANGE IN FUND BALANCE		**4,025**	**4,025**	**-**	**13,874**	**9,849**	
UNAPPROPRIATED ENDING FUND BALANCE		**29,513**	**29,605**	**92**	**39,454**	**9,849**	

TRANSFERS

Transfers are used to allocate shared costs from the General Fund to other funds. The allocation amount is determined in one of two ways:

- As a percentage of the total cost of an item in the General Fund. For example, 10% of General Government Personal Services (including City Manager, Deputy City Recorder and Finance) is allocated to the Street Fund. This represents the cost of regular staff and supplies charged to the General Fund that is in support of another fund. These percentages will be reviewed annually.

- As a percentage of capital expenditures incurred in another fund. For example, 8% of Street Capital Outlay is recorded as a transfer from the Street Fund to the General Fund. This represents that capital expenditures in another fund require additional General Fund staff resources for management, review and reconciliation of the capital project.

TRANSFERS

Street Fund to General Fund			
for staff and supplies charged to the General Fund			
General Government:			
Personal Services	392,642	10%	39,264
Professional Services	82,100	10%	8,210
Insurance	26,711	10%	2,671
Public Works:			
Personal Services	358,450	25%	89,612
Fuel	10,800	25%	2,700
for staff time related to capital outlay			
Street Capital Outlay	386,000	8%	30,880
			173,338
Water Fund to General Fund		*previous ISF allocation was $169,966*	
for staff and supplies charged to the General Fund			
General Government:			
Personal Services	392,642	30%	117,792
Professional Services	82,100	30%	24,630
Professional Services - Moonlight			7,500
Insurance	26,711	30%	8,013
Public Works:			
Personal Services	358,450	80%	286,760
Fuel	10,800	50%	5,400
for staff time related to capital outlay			
Water Capital Outlay	115,000	8%	9,200
			459,296
TDT Fund to General Fund		*previous ISF allocation was $502,724*	
for staff time related to capital outlay			
TDT Capital Outlay	50,000	8%	4,000
Parks Capital Fund to General Fund			
for staff time related to capital outlay			
Parks Capital Outlay	105,000	8%	8,400