

NOTICE OF SUPPLEMENTAL BUDGET HEARING

A public hearing on a proposed supplemental budget for the City of Newberg, Yamhill County, State of Oregon, for the fiscal year July 1, 2013 to June 30, 2014, will be held at the Newberg Public Safety Building. The hearing will take place on the 18th of February at 7 pm. The purpose of the hearing is to discuss the supplemental budget with interested persons. A copy of the supplemental budget document will be posted February 14, 2014 on public bulletin boards at the Public Safety Building, located at 401 E Third Street, at City Hall, located at 414 E First, between the hours of 8:30 am and 4:30 pm, and at the Newberg Library during open library hours. The Supplemental Budget is also posted on the City's website at www.newbergoregon.gov/finance/annual-budget

Supplemental Budget #2 2013-2014

City of Newberg
Supplemental BUDGET #2
Fiscal Year 2013-2014

<u>FUND 01 - GENERAL FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Reimbursed Costs - Confligation	<i>Increase</i>	-	21,165.00	21,165.00
Capital Outlay - Fire	<i>Increase</i>	-	21,165.00	21,165.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		14,205,698.00	21,165.00	14,226,863.00
Total Requirements (Expenditures)		14,205,698.00	21,165.00	14,226,863.00

During fire season, the Newberg Fire Department (NFD) is often called upon to help fight fires throughout Oregon. The NFD responded to a plea to help fight the Douglas Complex Fire (July 27-August 22, 2013). In appreciation for responding, the NFD received additional monies above what it cost the NFD to provide this response. The NFD would like to use these additional monies to purchase equipment for the Fire Department. This Supplemental Budget shows an increase in revenues and a corresponding increase in appropriations for Capital Outlay - Fire.

Supplemental Budget #2 2013-2014

<u>FUND 04 - UTILITY CAPITAL IMPROVEMENT FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Reimbursed Costs - Materials & Labor	Increase	28,500.00	2,137,000.00	2,165,500.00
Transfer In - Wastewater Reserves	Increase	857,500.00	103,000.00	960,500.00
Transfer In - Water Reserves	Increase	2,038,250.00	442,600.00	2,480,850.00
Transfer In - Wastewater SDCs	Increase	202,500.00	309,000.00	511,500.00
Transfer In - Water SDCs	Increase	203,750.00	427,800.00	631,550.00
N College St Waterline Relocation	Increase	310,000.00	200,000.00	510,000.00
By-Pass: Sprbrk/Wynoooski Riverfront Utilities	Increase	-	1,877,225.00	1,877,225.00
By-Pass: Sprbrk/Wynoooski Riverfront Utilities	Increase	-	781,625.00	781,625.00
By-Pass: Sprbrk/Wynoooski Riverfront Utilities	Increase	245,000.00	124,625.00	369,625.00
By-Pass: Sprbrk/Wynoooski Riverfront Utilities	Increase	810,000.00	335,925.00	1,145,925.00
Wellfield Pump #8 Upsizing	Increase	-	100,000.00	100,000.00

	Current	Inc/(Decr)	Revised
Total Resources (Beg Fund Balance + Current Revenues)	3,650,500.00	3,419,400.00	7,069,900.00
Total Requirements (Expenditures)	3,650,500.00	3,419,400.00	7,069,900.00

The Utility Capital Improvement Fund is based on a 5-year Capital Improvement Plan. Actual construction activities often differ from the original plan due to timing. This Supplemental Budget recognizes these changes as:

An increase in appropriations in the amount of \$3,119,400.00 for work to be done in conjunction with the utilities on the Springbrook and Wynoooski Riverfront in preparation for the Newberg-Dundee Bypass, Phase I+B56. The funding will come from an increase in Reimbursed Costs from ODOT (\$2,137,000.00), an increase in Transfers Out – Capital Outlay – Wastewater Reserves (\$103,000.00), Transfers Out – Capital Outlay – Water Reserves (\$142,600.00), Transfers Out – Capital Outlay – Wastewater SDC (\$309,000.00), and Transfers Out – Capital Outlay – Water SDC (\$427,800.00).

An increase in appropriations in the amount of \$200,000.00 for the relocation of the water utilities on N College Street. The funding will require an increase in appropriations in the amount of \$200,000.00 in Transfers Out – Capital Projects from the Water Reserves.

An increase in appropriations in the amount of \$100,000.00 for the upsizing of Well #8. With the recent failures of Wells #1 and #2, the need to upsize Well #8 has been pushed up in priority. The funding will require an increase in appropriations in the amount of \$100,000.00 in Transfers Out – Capital Projects from the Water Reserves.

Supplemental Budget #2 2013-2014

FUND 18 - STREET CAPITAL IMPROVEMENT FUND		FY 13-14 BUDGET	CHANGE	REVISED
Federal Exchange Grant - Pavement Rehab	Increase	100,000.00	31,000.00	131,000.00
Federal Exchange Grant - Sheridan Street	Increase	633,155.00	112,000.00	745,155.00
Transfer In - Street SDC Fund	Increase	70,000.00	550,000.00	620,000.00
N College St Bike Lane & Sidewalks	Increase	20,000.00	550,000.00	570,000.00
Pavement Rehabilitation	Increase	100,000.00	31,000.00	131,000.00
Sheridan Street CPRD Project	Increase	878,088.00	112,000.00	990,088.00

	Current	Inc/(Decr)	Revised
Total Resources (Beg Fund Balance + Current Revenues)	1,843,481.00	693,000.00	2,536,481.00
Total Requirements (Expenditures)	1,843,481.00	693,000.00	2,536,481.00

The Streets Capital Improvement Fund is based on a 5-year Capital Improvement Plan. The scope of the projects has changed since the development of the original plan. This Supplemental Fund recognizes these changes as:

The N College St Bike Lane and Sidewalk estimated costs have increased \$550,000.00 as a result of increases in costs from ODOT. This Supplemental Budget requires an increase in appropriations for this project in the amount of \$550,000.00 and a corresponding increase in appropriations from Transfers Out – Capital Projects - Streets SDC fund.

The City is contracting with Pavement Services Inc to evaluate the condition of the city’s pavement. An increase in appropriations in the amount of \$31,000.00 is needed for the Pavement Rehab capital project. The funding for this project will be an increase in revenues from the Federal Exchange.

The FY 2013-2014 Budget prepared in the Spring of 2013 estimated the city’s cost of the Sheridan Street improvement project adjacent to the Chehalem Cultural Center to be \$485,000.00. The project was designed last summer and advertised for bid in the fall of 2013. Kodiak Pacific Inc. was the lowest responsive bidder, and was awarded the construction contract for the Sheridan Street and CPRD Cultural Center forecourt improvements by City Council on August 19, 2013 (Resolution No. 2013-3069), in the amount of \$847,043.01 (city’s cost \$553,972.63). FY 2013-2014 Supplemental Budget #1 adopted by City Council (Resolution No. 2013-3095) on November 18, 2013, increased the FY 2013-2014 budgeted amount for the project to \$878,088.00.

Construction for the project is nearing completion. The final construction cost (street and forecourt) is projected to be \$931,000.00. The majority of the cost overruns for this project were due to additional wintertime construction costs, such as additional roadway subgrade stabilization. Additional costs were also incurred due to several incorrect/low bid quantity measurements prepared by the Architect.

The total cost for the project (including construction and special inspections) is estimated at \$1,032,000.00. An increase in the appropriations for this project in the amount of \$112,000.00, with a corresponding increase in the Federal Exchange Grant is needed for the completion of this project.

Supplemental Budget #2 2013-2014

<u>FUND 22 - LIBRARY GIFT & MEMORIAL FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Children's Room Remodel/Grants - Revenue	Increase	40,000.00	93,000.00	133,000.00
Children's Room Remodel - Expense	Increase	100,000.00	93,000.00	193,000.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		200,723.00	93,000.00	293,723.00
Total Requirements (Expenditures)		200,723.00	93,000.00	293,723.00

A Ford Family Foundation Grant in the amount of \$93,000.00 was received for the Children's Room Remodel at the Newberg Public Library. This Supplemental Budget recognizes the revenues and appropriates the grant funds as an increase in the amount of \$93,000.00 in Capital Outlay – Children's Room Remodel.

<u>FUND 26 - WASTEWATER CIP RESERVE FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Transfer Out - Capital Projects	Increase	857,500.00	103,000.00	960,500.00
Reserve For Wastewater Improvement	Decrease	5,081,040.00	(103,000.00)	4,978,040.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		5,938,540.00	-	5,938,540.00
Total Requirements (Expenditures)		5,938,540.00	-	5,938,540.00

Increases in the Utility Capital Improvement Projects requires transfers from the Wastewater Reserves Fund. This Supplemental Budget appropriates increased Transfers Out - Capital Projects with a corresponding reduction in the Reserves for Wastewater Improvements.

<u>FUND 27 - WATER CIP RESERVE FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Transfer Out - Capital Projects	Increase	2,038,250.00	442,600.00	2,480,850.00
Reserve For Water Improvement	Decrease	3,231,426.00	(442,600.00)	2,788,826.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		5,269,676.00	-	5,269,676.00
Total Requirements (Expenditures)		5,269,676.00	-	5,269,676.00

Increases in the Utility Capital Improvement Projects requires transfers from the Water Reserves Fund. This Supplemental Budget appropriates increased Transfers Out - Capital Projects with a corresponding reduction in the Reserves for Water Improvements.

<u>FUND 32 - VEHICLE/EQUIPMENT REPLACEMENT FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Capital Outlay - Computers - Finance	Increase	-	5,000.00	5,000.00
Contingency	Decrease	1,148,284.00	(5,000.00)	1,143,284.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		2,587,132.00	-	2,587,132.00
Total Requirements (Expenditures)		2,587,132.00	-	2,587,132.00

The Equipment Replacement Fund has funds held in reserve for computer equipment replacement. This Supplemental Budget appropriates an increase in Capital Outlay – Computer Finance in the amount of \$5,000.00, with a corresponding decrease in Contingency allocated to Finance.

Supplemental Budget #2 2013-2014

<u>FUND 42 - STREET SYSTEMS DEVELOPMENT FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Transfer Out - Capital Projects	Increase	70,000.00	550,000.00	620,000.00
Contingency	Decrease	2,960,051.00	(550,000.00)	2,410,051.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		3,030,051.00	-	3,030,051.00
Total Requirements (Expenditures)		3,030,051.00	-	3,030,051.00

Increases in the Streets Capital Improvement Projects requires transfers from the Streets SDC Fund. This Supplemental Budget appropriates increased Transfers Out - Capital Projects with a corresponding reduction in the Streets SDC Contingency.

<u>FUND 46 - WASTEWATER SYSTEMS DEVELOPMENT FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Transfer Out - Capital Projects	Increase	202,500.00	309,000.00	511,500.00
Contingency	Decrease	2,001,068.00	(309,000.00)	1,692,068.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		2,484,862.00	-	2,484,862.00
Total Requirements (Expenditures)		2,484,862.00	-	2,484,862.00

Increases in the Utility Capital Improvement Projects requires transfers from the Wastewater SDC Fund. This Supplemental Budget appropriates increased Transfers Out - Capital Projects with a corresponding reduction in the Wastewater SDC Contingency.

<u>FUND 47 - WATER SYSTEMS DEVELOPMENT FUND</u>		FY 13-14 BUDGET	CHANGE	REVISED
Transfer Out - Capital Projects	Increase	203,750.00	427,800.00	631,550.00
Contingency	Decrease	882,608.00	(427,800.00)	454,808.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		1,931,133.00	-	1,931,133.00
Total Requirements (Expenditures)		1,931,133.00	-	1,931,133.00

Increases in the Utility Capital Improvement Projects requires transfers from the Water SDC Fund. This Supplemental Budget appropriates increased Transfers Out - Capital Projects with a corresponding reduction in the Water SDC Contingency.

Total Increase (decrease) in appropriations: 4,226,565.00