



Staff Report

File #: 24-20

Version: 1

Date: 1/22/2024

Item #: 3.2a.

TO: Mayor and City Council
THROUGH: Keith Stahley, City Manager
FROM: Josh Eggleston, Chief Financial Officer

SUBJECT:

Transfer of appropriations within the City's Fiscal Year (FY) 2024 Budget to fund a water leak repair at City Hall and the lease of two fire apparatus.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Good Governance; Natural Environment Stewardship; Safe and Healthy Community; Safe, Reliable and Efficient Infrastructure.

SUMMARY:

A transfer from contingency in the amount of \$260,200 is needed to fund two unanticipated items in the FY 2024 budget. A water leak at City Hall was impacting the mechanical room and required urgent repair in December 2023. Also, the Fire Department leased one fire engine and one ladder truck. At the time of budget development there was uncertainty if the lease expense would be incurred moving forward. There is not sufficient budget authority in the departments' budget to absorb either of these unbudgeted expenses.

ISSUE:

Shall City Council adopt Resolution No. 2024-4 authorizing a transfer of \$260,200 in appropriations within the City's FY 2024 budget for unanticipated changes?

RECOMMENDATION:

Adopt Resolution No. 2024-4 authorizing a transfer of \$260,200 in appropriations within the City's FY 2024 budget for unanticipated changes.

FACTS AND FINDINGS:

FROM: General Fund, Non Departmental, Contingencies, 101-60961000-61110, \$30,000
TO: General Fund, GS Facilities Services, Other maintenance & repairs, 101-22510000-53380, \$30,000

On Monday, November 27, 2023, Facilities staff discovered large volumes of water leaking into the City Hall mechanical room. After determining it was domestic water, a below grade leak was discovered in the 8" main fire sprinkler feed. Excavation repair, backfill, and concrete replacement were completed in early December. The pipe likely failed due to age or old damage that occurred during directional boring in the past.

FROM: General Fund, Non Departmental, Contingencies, 101-60961000-61110, \$230,200
TO: General Fund, Fire EOD, Equipment & machinery, 101-37202500-55130, \$230,200

Prior to voter approval of the 2022 Safety and Livability Bond, the aging fleet of Fire apparatus were becoming less reliable and needing frequent repair rendering them out of service for longer periods of time. To keep the number of required trucks in service to respond to calls for service, the Fire department leased one fire engine and one ladder truck. After the bond funds were received and during budget development, the idea was being explored to pay for the leased trucks with bond funds which was determined to be unfeasible. Due to timing, the lease expense was not included in the FY 2024 budget.

BACKGROUND:

Oregon State budget law allows the City Council to approve transfers of appropriations from Contingency to another expense category within a fund when a specific need is identified.

Kali Leinenbach
Budget Manager

Attachments:

1. Resolution No. 2024-4