

**CLACKAMAS RIVER WATER BOARD OF COMMISSIONERS
SPECIAL BOARD MEETING AND WORK SESSION
March 25, 2019**

COMMISSIONERS PRESENT:

Hugh Kalani, President
Sherry French Secretary
Naomi Angier, Treasurer
Rusty Garrison
David McNeel

STAFF PRESENT:

Todd Heidgerken, General Manager
Karin Holzgang, Executive Assistant to the Board

CRW Employees: Chief Financial Officer, Carol Bryck; Chief Engineer, Adam Bjornstedt; Engineering Manager, Joe Eskew; IT Manager, Kham Keobounnam; Emergency Manager, Donn Bunyard; Water Resources Manager, Rob Cummings; Sr. Finance and Accounting Specialists, Ted Ebor & Kathy Jaeger

COMMISSIONERS ABSENT: 0

VISITORS: Bob Steringer (Legal Counsel), Chris Hawes, Gary Kerr, Debbie Noble, Erin Blue

Call Special Meeting to Order

Commissioner Kalani called the meeting to order at 6:00 pm. The pledge of allegiance was recited.

MOTION: Commissioner Angier move to approve the agenda as presented. Commissioner Garrison seconded the motion

MOTION CARRIED 5-0

Ayes: Angier, French, Kalani, Garrison, McNeel

Nays: None

Abstentions: None

Public Comment:

Gary Kerr, Budget Committee Chair – The Backbone project is vital to CRW and eventually SFWB could stop allowing the sale of water to CRW since they would not have the capacity for this (a list of questions and or comments was provided by Mr. Kerr). Talked about how to finish the backbone in order to have enough water to serve the district.

Debbie Noble, rate payer- Questions about passing the supplemental budget so close on the heels on the approval of the review of the backbone fund by Moss Adams. Asked about the rent that the tenants of CRW pay, questions on the auditors letter regarding the estimates.

BUDGET HEARING

MOTION: Commissioner Angier moved to open the budget hearing. Commissioner Garrison seconded the motion.

MOTION CARRIED 4-1

Ayes: Angier, French, Garrison, Kalani
Nays: McNeel
Abstentions: None

The hearing of the Clackamas River Water Board of Commissioners, Clackamas County, Oregon will be called to order pursuant to ORS 192.640, 294.438 and 294.453, to allow members of the public an opportunity to testify regarding the CRW supplemental budget under consideration for the biennium July 1, 2017 to June 30, 2019. The budget hearing will be closed by board action and considered for approval on Agenda Item #1

Mr. Bjornstedt presented a timeline of the backbone project from the inception of a plan to serve the South Service area customers with water from the CRW plant back in 2014/2015, through the bonding package and acquisition in 2016 through the first phase project 1 up to the 2018 when the Water System Master Plan was completed to early 2019 (current) updated tracking showing there was and additional \$5.9 million needed to complete the phase 1 of the Backbone project above the bonded amount secured in 2016.

Reasons costs are higher

- Levels of contingencies in 2015 were not sufficient
- 2015 estimates did not take into account annual inflation for multi-year projects
- 2015 estimates were based on general design not finalized design

Typical CRW Design-Bid-Build Approach

- Planning/pre-design: high level planning and budgetary estimates with contingencies
- Projects scoped for traditional waterline projects rather than more complex projects like pump stations and reservoirs
- Design –Final Engineer's estimate of probable cost based on final design
- Bidding- awarded to the lowest responsive responsible bidder for construction. A qualification based selection process is utilized for engineering services contracts
- Board reviews and approves all contracts beyond GM's authority is required

Project Planning and Prioritization

- Project criteria, project selection, annual budgeting

- Master Plan identified project

Ms. Bryck shared with the Board the breakdown of the Revenue Bond Proceeds the bonded amount, interest earnings and surplus on the original bond through the spending down of the bond funding with projects from the backbone project.

Spending to Date: FY 2016- \$189,900- FY 2017 \$3,108,821- FY 2018 \$6,052,602 – FY 2019 \$9,458,677 (up through January and does not include overhead from October through February)

Total- \$18,810,000

The Supplemental budget:

Revenue Bond Proceeds Fund

- Increase beginning fund balance by \$1,000,000
- Increase transfer to CIP Bond Construction fund by \$3,000,000
- Decrease Ending fund balance by \$2,000,000

CIP Bond Construction Fund

- Increase transfers in from revenue bond proceeds fund by \$3,000,000
- Increase capital outlay by \$3,000,000

**This may be more than is required to meet FY 2019 needs but is a conservative number

Commissioner French asked what safe guards will be in place to avoid this situation in the future. One approach will be utilizing a more accurate contingency amount in phase 2 and then presenting each project for approval there will be the original estimate, and what the engineers estimate is as well as the bid and or contract amounts are that the board will be approving

Commissioner Angier asked about the timing of the supplemental budget approval and finishing the audit of the backbone fund

Commissioner Kalani asked about the type of audit that the board has approved and asked to have the board meet with the auditors prior to and or at the start of the audit process.

Mr. Steringer answered the question about the Board meeting with the Auditor and explained that the work could not start until after the Boards next meeting.

Commissioner Kalani expressed that he would like to have a meeting set up with the Auditors to discuss the process and how they are going to proceed.

Commissioner McNeel asked that staff not wait so long to share the information that costs are higher than expected even though the ratepayers are getting value out of the projects.

Also asked how things can be different in how and what projects are included in the phase 2 Backbone bond funding.

Commissioner Garrison asked about the capital reserves and how it will be impacted by the moving of funds for the supplemental budget being requested. Ms. Bryck said that the projects that were planned could still be completed

Public Comment: Debbie Noble- rate payer

- Had questions on the 2015 estimates- when was it know that the estimates were not sufficient and Mr. Bjornstedt began to see a different estimating model during the Master Plan efforts. Asked about the Carver Bridge being added to the Backbone projects, asked about the timing of when staff knew about the bond shortfall, asked about an upsized pipe
- Gary Kerr-Budget Committee Chair- asked about the upcoming budgeting process and how the supplemental budget amount of \$3,000,000 would be dealt with in the next BN budget, when will the next phase 2 of the backbone projects be started, how will the 82nd Ave. work the state might construct be dealt with by CRW and could this work be included in the bonding of the phase 2 of the Backbone. Asked about the higher costs of some of the contracts versus the estimates. Told the Board the auditors and legal counsel work for the Board.

MOTION: Commissioner Angier moved to close the budget hearing. Commissioner Garrison seconded the motion.

MOTION CARRIED 5-0

Ayes: Angier, French, Garrison, Kalani, McNeel
Nays: None
Abstentions: None

Budget Hearing Closed

Agenda Item 1.0 Resolution 07-2019- A Resolution to transfer funds and adopt appropriations for BN 2017-2019

MOTION: Commissioner Angier move that the Board approve Resolution No. 07-2019 authorizing an appropriation increase of \$3,000,000 to Capital Outlay in the CIP Bon Construction Fund, and Transfers out of \$3,000,000 in the Revenue Bond Proceeds Fund for the 2017-2019 biennium. Commissioner Garrison seconded the motion.

MOTION CARRIED 4-1

Ayes: Angier, French, Garrison, Kalani
Nays: McNeel
Abstentions: None

Special Meeting Adjourned at 7:12pm

Call Work Session to Order

Commissioner Kalani called the work session to order at 7:12pm

1. Budget 101-

Process for Budgeting Phase 1 –Develop the Budget

- District Goals- these include the items the Board have asked staff to work on
- Department Mangers and staff
- Coordination by FACS staff

Process for Budgeting Phase 2 – Approve the budget

- One or more public meetings lead by budget committee

Process for Budgeting Phase 3- Adopt the budget

- Public hearing lead by Boar

Process for Budgeting Phase 4- Manage the Budget

- Ongoing through the year

Budget as a

- Reflection of Policy
- Plan
- Control Devise
- Communication Device

Guiding Principles for budgeting

- Operating expenses will balance with operating revenue (exception of planned drawdowns or buildup of reserves)
- Maintain quality services
- Sustainable
- Facilitate and accomplish district goals- including reserve policies
- Prepare a document that can be used as a communication devices
- Oregon Budget law is followed– 5 Board member and 5 Citizen members make up the Budget Committee
- Each fund needs to balance
- Proposed budget should include funding for District priorities and Board goals
- Public meeting held on proposed budget
- Budget Committee recommends
- Board approves for adoption

2. 2018 Year in Review

Mr. Heidgerken provided an overview of the document compiled as a look back at 2018 at the accomplishments and activities of the district

3. Commissioner Communications

Commissioner McNeel asked about the Bradley Rd. project that the Board approved at the March 14th meeting and if it was over or under budget. Mr. Heidgerken said the project came in under budget

4. General Manager Update

- A tour of the district is scheduled for the new budget committee members on April 12th from 8:30 to noon. If there are members of the Board who also want to attend they are welcome but need to let Ms. Bryck know by April 8th.
- There is now a vacancy on the budget committee due to one of the members moving out of the district.

Public Comment: none

The CRW Board of Commissioners is convening an Executive Session to:

1. Discuss information or records that are exempt by law from public inspection pursuant to ORS 192.660 (2) (f) and 192.355 (9)
2. Review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing pursuant to ORS 192.660 (2) (i)

Open meeting is adjourned at **7:32pm**

March 25, 2019

TO: Board of Directors
Clackamas River Water

From: Gary Kerr
Budget Committee Chairman

RE: Cost overruns on Phase I of the Backbone

I'm here tonight in my position as the Chairman of the Budget Committee (at least until a new Chairman is chosen) as well as a citizen/ratepayer of CRW.

Since the last Board Meeting, I have pondered some questions that I believe need to be resolved as CRW moves forward with the apply named "Backbone" and some comments about its importance.

First, however, two important comments –

(1) In my view, the Backbone is a mandatory requirement to keep CRW and its customers in the South Service Area from eventually running out of water.

The problems with South Fork's limited intake and plant capacities make our South Unit vulnerable. In addition, because South Fork is jointly owned by the Cities of Oregon City and West Linn, these owners of the South Fork facility have first call on its resources and available capacity! Thus, CRW—even with "firm supply agreement" with South Fork—is vulnerable to becoming 'dry' in the South Service Area.

In addition, the expenditures for the backbone's Phase One will be significantly ineffective if Phase Two is not completed.

(2) CRW **MUST**, in my view, find the funds to complete Phase One of the Backbone and also obtain the necessary bonding to properly complete Phase Two.

The risk for not completing Phase Two is to be taken over by the County when the South Unit runs dry and/or CRW becomes financially vulnerable.

Background – About 2003, When CRW was looking at organizing itself as a PUD and/or merging with the Rockwood Water District or becoming a Water Authority--like Sunrise--two of us, then on the CRW Board) met informally with one or two County Commissioners. After the informal meeting, we later held a formal joint meeting with both Boards.

They were, though publicly concerned about the either option we were exploring, I believe they were actually wanting (again my personal view) another option that helped them more than CRW

When two of us on CRW's Board met informally with one or two County Commissioners, the first thing out the mouth of one of the commissioners was (paraphrasing): "If you let WES (Water Environmental Services) merge with you, your problems will be solved."

WES is, of course, the county owned waste treatment entity. This 'merger' would have given control of water and sewer to the County.

Water, of course, is vital to a governmental waste accumulating and processing system because they have no way to enforce nonpayment of a sewer bill because there is no fear of a water shutoff!

Additionally, such a merger gives the county the legal right to charge the combined unit (CRW merged with WES) a 'franchise fee' that can go into the General Fund of the County—which, of course, would be added to the water bill of each CRW customer.

Portland has done this for years—to the tune of \$6-10+ million per year for water lines in the streets, and etc. (These are estimated amounts—as no current on the look up has been done.)

A County take over can also happen if CRW becomes insolvent or appears to be so and then they can declare an 'emergency' and just take us over (legal work here is tricky, but it can be done).

The Board's Legal Counsel should explain these issues for you to understand what is at stake with the current challenges.

I trust that the following questions—at a minimum—will be answered during the Budget Hearing!

Questions

1 - Why, are we spending money on Master Plan projected needs before the Plan is approved?

2 - What has our project overseeing engineering firm said about the rock and other issues that have arisen?

3 – Why did the final outside engineering costs exponentially increase? Did they low-ball their bid? Did we or they substantially underestimate the scope of the projects? Were their initial presentations about the project flawed in their responses/bids and, if so, why are we responsible for their errors?

4 – How much of the increased cost is associated with the cost of the Pipe? (**Note**-last I heard there was only one pipe manufacturer left in the US.) Is all of the pipe is coming from China? If so, how much did the tariff changes increase the cost of pipe and/or availability?

5 - What are our financing options for the current projects under construction?

6 - What are the revised costs for each of the Phase Two projects?

7 – What is the bonding capacity that can be utilized for revised costs of Phase Two?

8 – What is the estimated interest rate on the Phase Two Bonds?

9 – What will the current overruns cost us in interest rate percentage for the new bonds?

10 – What is the anticipated overall change in Bond Coverage % of the Phase Two bonding plan?

11 – What is the water rate impact on the overruns and the increases in Phase Two costs?

12 - What is the possibility of actually obtaining a Phase Two Bond issue and in its the needed time frame?

(Handed out to each Commissioner, the General Manager, the District's Legal Counsel, and staff records recorder)



Clackamas River Water

Carol Bryck, CPFO, CTP
March 25, 2019 - Budget 101



Budget 101

- This is an introductory discussion about budget process in accordance with Oregon Local Budget law – not a discussion of the proposed biennial budget for 2019 – 2021.
- The budget message will be presented at the first budget committee meeting on April 18, 2019.
- The proposed budget will be available on April 11, 2019 at 16770 SE 82nd Dr., Clackamas, OR 97015 and on our web site at www.crwater.com

Budget 101 - Process

- Phase 1 – Develop the Budget
 - District goals
 - Department Managers & Staff
 - Coordination by FACS Staff
- Phase 2 – Approve the budget
 - One or more public meetings led by the Budget Committee
- Phase 3 – Adopt the Budget
 - Public hearing led by the Commission
- Phase 4 – Manage the budget – ongoing throughout the year

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Budget 101 - Function

Budget as a . . .

- Reflection of policy
 - Proposed budget should include funding for District priorities and Board goals
- Plan
 - Compromise between funding available and service level desired (and/or mandated)
- Control device
 - Adopted budget provides spending limits
- Communication device

4

Budget 101 – Budget Preparation Guiding Principals

- Operating expenses will balance with operating revenue, with the exception of planned draw downs or build up of reserves
- Maintain quality of services
- Sustainable (avoid service disruptions)
- Facilitate and accomplish Districts goals – including Board adopted reserve policies
- Prepare a document that can be used as a communication device

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Budget 101

- Oregon Budget Law
 - Budget Committee – 5 Board Members, 5 Citizen Members
 - Budget Committee approves proposed budget as submitted or modified
 - Board holds Budget Hearing to adopt approved budget – as approved or modified
 - And sets Budget Appropriations by fund
 - Personnel Services
 - Materials & Services
 - Capital Outlay
 - Debt Service

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Budget 101 – CRW Funds

- Each fund needs to balance
 - General Fund (operating costs)
 - CIP Fund (capital improvements)
 - Bond CIP Construction Fund (Backbone projects)
 - Bond Proceeds Fund
 - Revenue Bond fund (payment of debt)
 - Capital Reserve Fund (savings account for future capital)
 - SDC Fund (special revenue)
 - Rate Stabilization Reserve Fund
 - CRWSC Activity Fund (ORS 190 with Sunrise)

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Budget 101 – Roles

- Proposed budget should include funding for District priorities and Board goals
 - Revenue is 87% water sales
 - Operating expenses are 78% internally or externally mandated
- Input from Departments for specific needs, one-time purchases and new initiatives
- Include funding for Board initiatives
 - Example: Backbone Projects

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Budget 101 – Phase 2 & 3

- Public Meeting held on proposed budget
 - Public comment – must be available at all meetings
- Budget Committee
 - Reviews proposed budget
 - Approves BN 2019-21 budget
- Board
 - Holds hearing
 - Adopts budget
 - Sets appropriations

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Budget 101 – Phase 4

- Managing the Budget – not just Finance
 - Financial reporting – monthly and quarterly;
 - Compare Budget to Actual and track percentage complete;
 - Monitor available balance with regard to outstanding projects and activity;
 - Report changes in needs/requirements throughout the budget cycle;
 - Submit supplemental budget request, if necessary.

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Calendar

- April 11, 2019 – budget made available to committee members and public
- April 18, 2019 - First Budget Committee meeting
 - Committee discusses budget, potential changes, and possible approval of budget
 - Approval of the BN 2019-21 Budget
- April 25, 2019 – Second Budget Committee meeting – if necessary
- April 30, 2019 – Third Budget Committee meeting – if necessary
- June 13, 2019 – Public hearing on Budget at regular Commission meeting – must be adopted prior to July 1, 2019

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Budget 101

Questions?

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Backbone Projects Supplemental Budget Request

Board Special Meeting
March 25, 2019

Presented by:

Carol Bryck, *Chief Financial Officer*
Adam Bjornstedt, *Chief Engineer*



Presentation Overview

- Backbone Projects Overview
- Current financial recap
- CRW Design-Bid-Build Project Execution
- Project Planning and Prioritization
 - Selection Criteria and Annual Budget
 - Master Plan- purpose and use
- Overview of Supplemental Budget

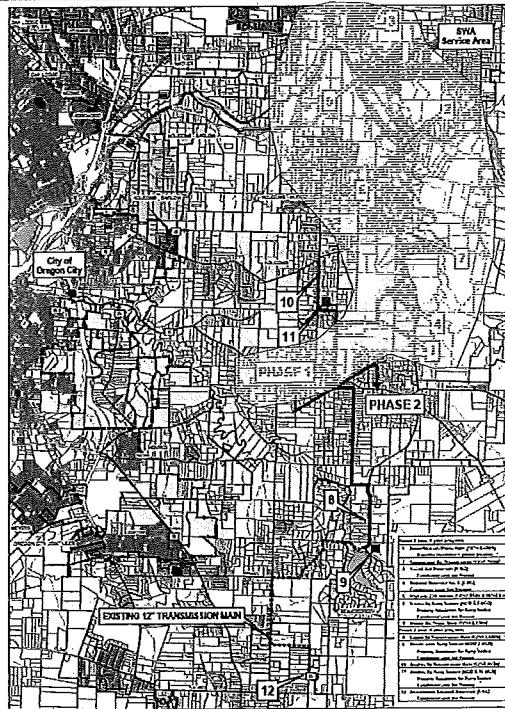
Backbone Projects Overview

- Timeline:
 - 2014-15: Board directed Staff to develop solutions for goal of serving South service area customers with CRW WTP to use available capacity, reduce dependence on SFWB, improve fire flows and pumping efficiencies, and create a new primary resilient supply across the Clackamas River.
 - November 2015: Overall Backbone concept plan (Phases 1 and 2), including conceptual scope and estimates.
 - March 2016: Acquired bonding for Phase 1 projects, based on 2015 estimates.
 - August 2016: Work began on first of the Phase 1 projects.
 - 2018: Water System Master Plan completed (final draft to Board and OHA).
 - Early 2019: Updated tracking and reporting shows actual projected Phase 1 costs are \$5.9 million more than 2015 estimates and bond funding.

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Backbone Map *Phase 1 Projects*

- 1- Butterfield Lane Transmission Main
- 2- Carver-Springwater Transmission Main
- 3- 152nd Avenue Reservoir
- 4- Redland Reservoir #3
- 5- Highway 224 Intertie
- 6- Hattan Road Pump Station
- 7- Hattan Road Transmission Main



4

Backbone Projects – Recap: Why are the actual costs higher?

- As presented at the February 28th work session, there are several reasons why the \$5.9 million shortfall exists:
 - 2015 Estimates did not take into account sufficient (industry-standard) contingencies for planning level estimates for these types of projects.
 - 2015 Estimates did not take into account annual inflation, an important factor for multi-year projects.
 - 2015 Estimates were based on general design assumptions and not finalized design detail- in many cases scope of the final designed project reflected anticipated needs of the District. Actual project scopes and designs were refined to meet:
 - Actual system requirements, including peripheral facilities (inlet/outlet transmission mains for reservoirs) to build a complete system that will meet projected demands.
 - Additional scope for Backbone connectivity and improvement, including Carver Bridge and Redland Reservoir #2 retrofits, among others.
 - Permitting requirements.
 - Hydraulic needs identified in 2018 Master Plan (and built in to above via final project designs).

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Backbone Phase 1 Project Execution

- Typical CRW Design-Bid-Build Approach
 - **Planning/Pre-design:** High level planning and budgetary estimates with contingencies.
 - Projects are scoped and contingencies applied based on recent similar work, degree of familiarity/uncertainty, pre-design assumptions, schedule, etc. Rule of thumb- More contingency for more complex projects.
 - **Design:** Includes survey, alignment/layout, easements, permitting, final stamped design to meet CRW, jurisdictional and OHA requirements. Final Engineer's Estimate of Probable Cost based on final design.
 - **Bidding:** ORS 279 and CRW LCRB Rules are followed. Typically includes public advertisement, competitive bidding, award to lowest responsive bidder.

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Backbone Phase 1 Project Execution

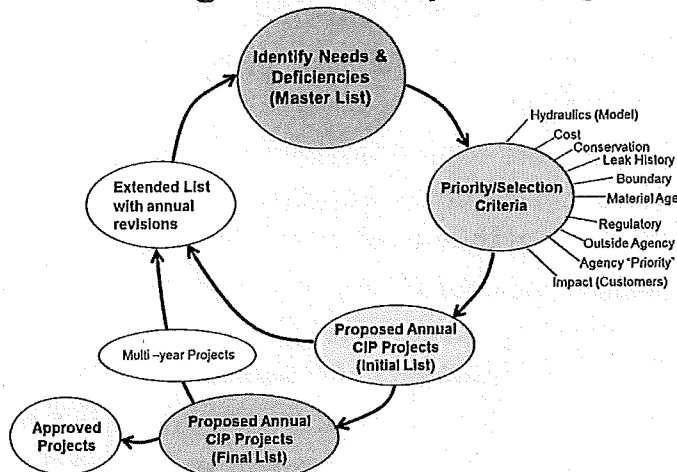
- Typical CRW Design-Bid-Build Project Approach (cont'd)
 - **Bidding (cont'd):** For specialty procurements, such as engineering services contracts (design or construction inspection/management services), a Qualification Based Selection (QBS) process is utilized (as required by statute).
 - Phase 1 work required a significant amount of specialty engineering service work due to design requirements, lack of in-house expertise in specialty designs, and staffing availability. This includes Design and Construction phase services.
 - Board review and approval of all contracts beyond GM's authority is required.

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CRW Project Planning and Prioritization

- Project Criteria, Project Selection, Annual Budgeting
 - CIP developed as presented during past Budget meetings (figure)
- Master Plan
 - State mandated
 - Sets general 20-year improvement horizon
 - Plans are not static, but change as system needs change

CIP Program Development Cycle



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Backbone Phase 1 Summary

- We are on track to complete Phase 1- which will provide beneficial system improvements and a critical connection for us to serve our water in the South Service Area.
- We are in good financial position with enough reserve funds to be on track to complete the Phase 1 projects on time, with the approval of the supplemental budget.
- We will meet the Phase 1 Backbone Goals: enhance fire flows, improve system pumping efficiencies, use CRW WTP available capacity, and improve distribution with a resilient connection to our South Service Area.

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Supplemental Budget for BN 2017-2019

Backbone Phase 1 Project Funding

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Funding CIP Bond Construction

Revenue Bond Proceeds

BN 2017-19	2017-18	2018-19	Total 2017-19
Beginning Fund Balance (est during budget preparation process Spring 2017)	\$ 19,100,000	\$ -	\$ 19,100,000
Non-Operating Resources (Interest)	146,400	55,000	201,400
Total Resources	<u>\$ 19,246,400</u>	<u>\$ 55,000</u>	<u>\$ 19,301,400</u>
Transfers to Other Funds (CIP Bond)	\$ 5,258,000	\$ 12,034,000	\$ 17,292,000
Unappropriated and Reserved	-	2,009,400	2,009,400
Total Requirements	<u>\$ 5,258,000</u>	<u>\$ 14,043,400</u>	<u>\$ 19,301,400</u>
Actual through February 2019	Actual Yr 1		
Beginning Fund Balance	\$ 20,185,233	\$ -	\$ 20,185,233
Non-Operating Resources (Interest)	352,845	226,902	579,747
Total Resources	<u>\$ 20,538,078</u>	<u>\$ 226,902</u>	<u>\$ 20,764,980</u>
Transfers to Other Funds (CIP Bond)	\$ 5,500,000	\$ 11,792,000	\$ 17,292,000
Unappropriated and Reserved	-	3,472,980	3,472,980
Total Requirements	<u>\$ 5,500,000</u>	<u>\$ 15,264,980</u>	<u>\$ 20,764,980</u>

Beginning fund balance was greater than budgeted by \$1,085,233 and interest earnings are \$378,347 above forecast for this budget period.

The combination of those two items and the unappropriated and reserved balance from the budget provides more than \$3 million in available funding for Backbone projects from the original bond proceeds.

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CIP Bond Construction Fund

- Existing BN 2017- 2019 appropriation is \$20,193,000.
- This supplemental budget resolution will increase the capital outlay appropriation by \$3,000,000 for a total of \$23,193,000.
- Spending to date – all of fiscal year 2018 and fiscal year 2019 through February 2019 is \$15,511,000 leaving an unspent appropriation of \$4,682,000.
- Any remaining funds at year end will be included in the BN 2019 – 2021 to complete the Phase 1 projects.

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Spending to Date:

- By Fiscal Year

– FY 2016	\$189,900
– FY 2017	\$3,108,821
– FY 2018	\$6,052,602
– FY 2019	\$9,458,677 – does not include all of February construction invoices and overhead from October through February
– Total*	\$18,810,000

* This total includes prior budgetary periods and current fiscal year as presented on February 28, 2019.

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Budgetary need
For Fiscal Year 2018 - 2019

Appropriation Requirement

- Appropriation for BN 2017 – 2019 and additional requirement:

Beginning Fund Balance	\$ 1,000
Capital Reserve Fund	3,000,000
Revenue Bond Proceeds Fund	<u>17,192,000</u>
Appropriated Capital Outlay BN 2017-19	\$ 20,193,000
Fiscal Year 2018 spending	<u>\$ 6,052,602</u>
Remaining Appropriation	\$ 14,140,398
Estimated total costs for Fiscal Year 2019	\$ 16,540,398
Additional appropriation needed	\$ 2,400,000
Proposed Supplemental Budget *	\$ 3,000,000
* Transfer in from Revenue Bond Proceeds	

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Supplemental Budget

- Revenue Bond Proceeds Fund
 - Increase Beginning Fund Balance by \$1,000,000 to match actual
 - Increase Transfer to CIP Bond Construction Fund by \$3,000,000
 - Decrease Ending Fund Balance by \$2,000,000

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Supplemental Budget

- CIP Bond Construction Fund
 - Increase Transfers in from Revenue Bond Proceeds Fund by \$3,000,000
 - Increase Capital Outlay by \$3,000,000
- This may be more than required to meet the total for fiscal year 2019, but timing of work is uncertain between end of fiscal year and beginning of next.

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Supplemental Budget

Revenue Bond Proceeds Fund		CIP Bond Construction Fund	
Resources		Resources	
Beginning Fund Balance	<u>\$ 1,000,000</u>	Transfers In	<u>\$ 3,000,000</u>
Requirements		Requirements	
Transfers to Other Funds	\$ 3,000,000	Capital Outlay	<u>\$ 3,000,000</u>
Unappropriated & Reserved	<u>\$ (2,000,000)</u>		
	<u>\$ 1,000,000</u>		

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Supplemental Budget – Revised Totals

Revenue Bond Proceeds Fund

Resources

Beginning Fund Balance	\$ 20,100,000
Non-Operating Resources	204,100

Revised Total Resources	<u>\$ 20,304,100</u>
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Requirements

Transfers to Other Funds	\$ 20,292,000
Unappropriated & Reserved	12,100

Revised total Requirements	<u>\$ 20,304,100</u>
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CIP Bond Construction Fund

Resources

Beginning Fund Balance	\$ 1,000
Transfers	23,192,000

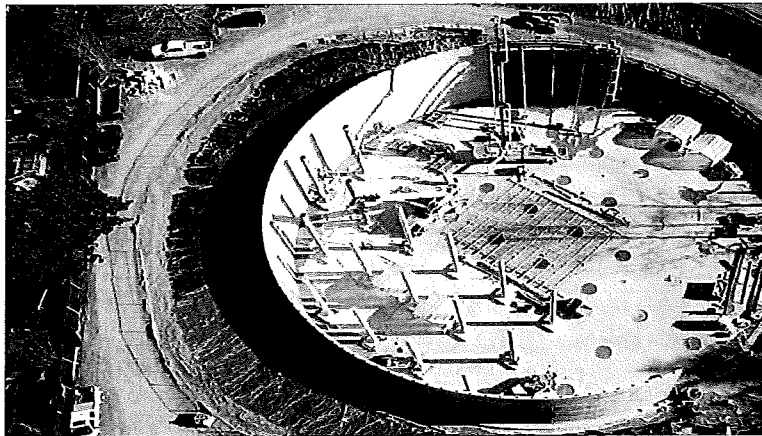
Revised Total Resources	<u>\$ 23,193,000</u>
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Requirements

Capital Outlay	\$ 23,193,000
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<u>\$ 23,193,000</u>

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Questions or further discussion?

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