

MEMORANDUM

TO: Mayor and City Council

FROM: Roberta Likens, Finance Director

SUBJECT: PUBLIC HEARING FOR PROPOSED SUPPLEMENTAL BUDGET

DATE: June 5, 2024

Background

There is a need to adopt a supplemental budget for expenses not anticipated at the time the original budget was adopted.

The proposed supplemental budget is to fund the purchase of property located along Cleveland Street, Cottage Grove, in the amount of \$2,900,000 and to appropriate funds to service debt associated with bond issuance. The Street SDC fund is paying for a portion of the property for use as street right-of way, in the amount of \$170,923. Property sale proceeds are being recognized in the general fund, then transferred to the Debt Service Fund to pay the associated principal and interest.

A public hearing is required before the City Council. The proposed amount of the appropriation is more than 10% of the General Fund total appropriations. A new property purchase line item in the General Fund – Community Development Department is being created.

Not less than five days before the hearing, a notice of hearing and summary of the changes proposed in the funds that differ by more than 10 percent must be published using the same method used to publish the notice of the original budget hearing. The Budget Committee is not required to be involved.

Notice of the supplemental budget consideration was included on the Council's agenda for this date, and advertised in the Cottage Grove Sentinel on May 29th, using the same methods as the original budget, and met the notice requirement of at least 5 days.

Recommendation

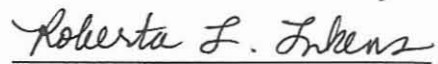
Hold the public hearing to consider all comments offered during the public hearing.

Cost

If the supplemental budget is approved, there are additional appropriations of \$3,070,923 in the General Fund and \$170,923 appropriated to pay bonded debt in the Debt Service Department.



Mike Sauerwein, City Manager



Roberta Likens, Finance Director