

## MEMORANDUM

TO: Mayor and City Council

FROM: Roberta Likens, Finance Director

SUBJECT: RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2023-24 AND MAKING APPROPRIATIONS.

DATE: June 5, 2024

### Background

A public hearing before the City Council was scheduled to be held this evening to receive comments concerning the proposed supplemental budget. ORS 294.471 permits the governing body to create a supplemental budget for the fiscal year in which the regular budget has been adopted for certain and specific reasons. A budget hearing was conducted as the proposed budget changes create new line items and are greater than 10% of the General Fund total appropriations.


The supplemental budget is necessary at this time to appropriate funds for Project Sparrow including the property purchase and payment of associated debt, not anticipated at the time the original budget was prepared.

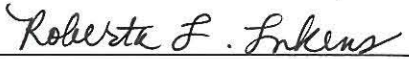
### Recommendation

After consideration of public comment, make any necessary adjustments and adopt the resolution.

### Cost

No cost.

  
\_\_\_\_\_  
Mike Sauerwein, City Manager

  
\_\_\_\_\_  
Roberta Likens, Finance Director

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2023-24 AND MAKING APPROPRIATIONS

WHEREAS, ORS 294.471 permits the governing body of a municipal corporation to make a supplemental budget for the fiscal year for which the regular budget has been prepared if one or more of the following circumstances exist:

- a. An occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning.
- b. A pressing necessity creates a need for prompt action.
- c. Unexpected funds are made available by another unit of federal, state, or local government.
- d. A request for services or facilities is received and the cost will be paid for by a private individual, corporation, or company, or by another governmental unit, and the amount of the request could not have been known for certain at the time the budget was prepared.
- e. Proceeds from the involuntary destruction, involuntary conversion, or sale of property have necessitated the immediate purchase, construction, or acquisition of different facilities to carry on governmental operations.
- f. A sufficiently greater amount of ad valorem taxes than estimated are received during the fiscal year such that the difference will significantly affect the level of government operation to be funded by those taxes for the current year.
- g. A local option tax, as described in ORS 294.476 is approved by the voters and certified for extension on the tax roll for the current tax year.
- h. Available resources are reduced requiring the governing body to reduce appropriations.
- i. Other reasons identified per the statutes, and

WHEREAS, the supplemental budget proposed meets one or more requirements of ORS 294.471, specifically items “a, and b” and listed above.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cottage Grove hereby adopts a supplemental budget for fiscal year 2023-2024, increasing Bond Proceeds in General Fund revenue and increasing Capital Outlay expenditures in the General Fund – Community Development Department and the Internal Support Department, now on file at City Hall.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2023 and for the purposes stated below are hereby appropriated as follows:

<b>General Fund</b>	
Community Development Department - Capital Outlay: Land Acquisition 001-020-82000-000	\$ 2,900,000
Internal Service Department – Transfer to Debt Service 001-095-90217-000	\$ 170,923

The General Fund increases a total amount of \$3,070,923. The Community Development Department – Capital Outlay – Land Acquisition line item is created to be used for expenses associated with the purchase of property located along Cleveland Street, Cottage Grove, which was unanticipated at the time the budget was adopted. The property purchase is to provide economic development, creating additional industrial lands and affordable housing opportunities. The General Fund, Internal Support Department – Transfer to Debt Service, is increased by \$170,923 to allow for the payment of principal and interest associated with the Cleveland Street property purchase.

**Debt Service Fund**

Bond Series 2023A – Principal 817-817-90110-158	\$84,083
Bond Series 2023A – Interest 817-817-90111-159	\$86,840

The Debt Service Fund will receive funds from the General Fund in the amount of \$170,923 to provide for payment of principal and interest associated with the purchase of the Cleveland Street property and associated costs.

BE IT FURTHER RESOLVED that this resolution shall be effective immediately upon its passage.

PASSED BY THE COUNCIL AND APPROVED BY THE MAYOR THIS 10<sup>th</sup> DAY OF JUNE, 2024.

\_\_\_\_\_  
Candace Solesbee, Mayor  
Dated: \_\_\_\_\_

ATTEST:

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Mindy Roberts, City Recorder  
Dated: \_\_\_\_\_