



MEMORANDUM

Finance Department

To: Mayor Jackola & Lebanon City Councilors
Ron Whitlatch, City Manager & Budget Officer

Date: June 11, 2025

From: Brandon Neish, Finance Director

Subject: FY25 Supplemental Budget

I. INTRODUCTION

Oregon Local Budget Law, ORS 294, allows for either the transfer of appropriations or a supplemental budget to increase expenditure authority after a budget has been adopted. The 2025 fiscal year budget was adopted by the City Council on June 12, 2024. ORS 294.471 allows for the City Council to adopt a supplemental budget in certain cases.

II. CURRENT REPORT

There are two adjustments outlined in Resolution No. 2025-06 necessary to cover expenditures unanticipated in the current year. The first adjustment is needed in the General Fund to cover a trail project built by Build Lebanon Trails (BLT). The project was not originally planned for the current fiscal year but was built after BLT secured the necessary donation funds to complete the project. Since the project was not planned at the time the budget was adopted, no budget authorization existed and a supplemental budget is needed to authorize the expense. To offset the expenditures, BLT donated the funds to the City and the related revenue line will be increased as well. This adjustment is authorized under ORS 294.471(1)(a), an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning.

The second adjustment requested seeks additional expenditure authority in the storm drainage fund under "Improvements" and offset with additional fund balance rolled from the prior year beyond the adopted budget. Projects that started in the prior fiscal year, 2024, were expected to be completed by June 30, 2024. Unfortunately, this timetable was not attainable. As a result, the funds were not spent in the prior year and rolled over into the beginning fund balance. The City seeks a supplemental budget to add the additional funds to the improvements line to cover the now completed project. This adjustment is authorized under ORS 294.471(1)(b), a pressing necessity that could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires prompt action.

III. RECOMMENDATION

THE CITY THAT FRIENDLINESS BUILT

- Adopt Resolution No. 2025-06 authorizing a transfer in budget appropriations.