



City of Tualatin

CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council
THROUGH: Sherilyn Lombos, City Manager
FROM: Don Hudson, Assistant City Manager/Finance Director
DATE: January 10, 2022

SUBJECT:

Consideration of **Resolution No. 5588-22**, Authorizing Changes to the FY 2021-2022 Adopted Budget.

RECOMMENDATION:

Staff recommends adopting the attached resolution.

EXECUTIVE SUMMARY:

Local Budget Law allows for the preparation of a supplemental budget when an occurrence or condition arose which had not been ascertained at the time of the budget preparation (ORS 294.471).

The City receives an allocation of vehicle license fees adopted by both Washington and Clackamas Counties. The revenues are received in the Road Operating Fund and then transferred to the Road Utility Fee Fund, to be used for the pavement maintenance program. During the preparation of the FY 2020-2021 year end close and final receipts from the counties were received, staff realized that more revenue was received than anticipated. Because we didn't have the budget capacity to transfer all of the received funds and it was after June 30th, we are proposing to increase the FY 2021-2022 transfer appropriation to move the dollars into the proper fund. In reviewing the accounts, we also discovered that the revenues received from the first year of allocations from the Counties had not been transferred into the Road Utility Fund.

The Supplemental Budget proposes to move the FY 2018-2019 revenues received and the revenues that exceeded projections in FY 2020-2021 from the Road Operating Fund to the Road Utility Fund, to be used for the City's pavement maintenance program.

All proposed changes to the adopted budget are included in the attached Resolution.

FINANCIAL IMPLICATIONS:

The reserves in the Road Operating Fund will be reduced by \$424,930 and the Contingency in the Road Utility Fund will be increased by the same amount.

ATTACHMENTS:

- Resolution No. 5588-22