

Council Business Meeting

Date: May 23, 2022

Agenda Item	Public Hearing for a Supplemental Budget	
From	Alison Chan	Interim Finance Director
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SUMMARY

Two issues are being addressed in this Council Communication:

1. Change how the city accounts for the restricted portion of the Transient Lodging Tax (TLT).
2. Change how the city accounts for System Development Charges (SDC).

POLICIES, PLANS & GOALS SUPPORTED

Administrative/Governance goal:

“To ensure on-going fiscal ability to provide desired and required services at an acceptable level”

PREVIOUS COUNCIL ACTION

None

BACKGROUND AND ADDITIONAL INFORMATION

Item 1- Establish a Tourism Fund to account for the restricted portion of Transient Lodging Tax Revenue. Currently the City records all the revenue in the General Fund and keeps an excel spreadsheet to account for the portion of TLT revenue that is restricted.

The resolution will establish the fund and transfer the appropriations for the fiscal year beginning July 1, 2022, from the General Fund to the Tourism Fund.

Additionally, the City has further committed a portion of the restricted Tourism related funds to provide for future long term parking supply. The balance of funds committed to future parking supply is \$165,811. That balance will also be transferred to the Tourism Fund.

The name of the fund is Tourism, and the fund number is 230

Item 2 – Establish five (5) System Development Charges Funds to account the restricted SDC revenue. Currently the City records the SDC revenue in the utility fund associated with the SDC and keeps an excel spreadsheet to account for the portion of the revenue that is restricted.

The resolution will establish the funds. In the next biennial budget balances will be transferred, and all revenue and expenditures will be budgeted in the new funds. The name of the fund are as follows:

- SDC – Street Projects, fund number 263
- SDC – Parks Projects, fund number 413
- SDC – Water Projects, fund number 673
- SDC – Sewer Projects, fund number 677
- SDC – Stormwater Projects, fund number 683

FISCAL IMPACTS

None.

STAFF RECOMMENDATION

Staff recommends approval of establishing a Tourism Fund as well as five (5) SDC Funds.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

N/A

REFERENCES & ATTACHMENTS

Supplemental budget document with amounts being transferred.

1 **RESOLUTION NO. 2022-12**

2 A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR CHANGES TO THE
3 2021/23 BIENNIAL BUDGET

4 **RECITALS:**

5 ORS 294.471 permits the governing body of a municipality to make a supplemental budget for
6 one or more of the following reasons:

- 7 a. An occurrence or condition which had not been ascertained at the time of the preparation
8 of a budget for the current year which requires a change in financial planning.
- 9 b. A pressing necessity which was not foreseen at the time of the preparation of the budget
10 for the current year which requires prompt action.
- 11 c. Funds were made available by another unit of federal, state or local government and the
12 availability of such funds could not have been ascertained at the time of the preparation of the
13 budget for the current year.

14 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ASHLAND, OREGON,**
15 **RESOLVES AS FOLLOWS:**

16 SECTION 1. In accordance with provisions stated above, the Mayor and City Council of the
17 City of Ashland determine that it is necessary to adopt a supplemental budget, establishing the
18 following amendments:

	<u>Transfers:</u>	
	<u>Appropriation</u>	<u>Resource</u>
<u>General Fund</u>		
Transfer Out	775,474	
Administration Department		609,663
Contingency		165,811
	<u>\$ 775,474</u>	<u>\$ 775,474</u>
	<u>Additional appropriations:</u>	
	<u>Appropriation</u>	<u>Resource</u>
<u>Tourism Fund</u>		
Materials and Services	609,663	
Contingency	165,811	
Transfer In		775,474
	<u>\$ 775,474</u>	<u>\$ 775,474</u>

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SECTION 2. All other provisions of the adopted 2021-2023 BIENNIUM BUDGET not specifically amended or revised in this Supplemental Budget remain in full force and effect as stated therein.

SECTION 3. This resolution is effective upon adoption.

ADOPTED by the City Council this _____ day of _____, 20__.

ATTEST:

Melissa Huhtala, City Recorder

SIGNED and APPROVED this _____ day of _____, 20__.

Julie Akins, Mayor

Reviewed as to form:

Katrina Brown, City Attorney