



## RESOLUTION 2023-031

### ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2022-23 AND MAKING APPROPRIATIONS

**WHEREAS**, on June 29, 2022, the City of Sherwood budget for fiscal year 2022-23 was adopted and funds were appropriated by the City Council; and

**WHEREAS**, the City of Sherwood has since received or expects to soon receive unanticipated revenues and a supplemental budget is required in order to expend those revenues; and

**WHEREAS**, beginning fund balances either exceeded or fall short of projections due to savings in the later part of fiscal year 2021-2022 or revenue and expenditures failing to meet budgeted/projected expectations; and

**WHEREAS**, certain unplanned events have occurred during the course of this budget year; and

**WHEREAS**, in order not to overspend appropriations in any category of expenditures, it is necessary to transfer appropriations within several funds from certain expenditure categories to other expenditure categories; and

**WHEREAS**, the purpose of all new and transferred appropriations are detailed in Exhibit 1 attached hereto; and

**WHEREAS**, pursuant to ORS 294.463, Oregon Municipalities can transfer appropriation between existing categories during the budget year; and

**WHEREAS**, pursuant to ORS 294.471 and 294.473, Oregon Municipalities can make one or more supplemental budgets; and

**WHEREAS**, in accordance with local budget law, notice was published on April 27, 2023 of the public hearing that was held before the City Council on May 2, 2023.

#### **NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:**


**Section 1.** **Adoption of an FY22-23 Supplemental Budget.** The City Council of the City of Sherwood, Oregon hereby adopts the supplemental budget for FY22-23 in the sum of \$7,385,830.

**Section 2. Making Appropriations.** The additional amounts for the fiscal year beginning July 1, 2022 shown below are hereby appropriated as follows:

Fund	General	TLT	Debt Service	Grants	General Construction	Street Operations	Street Capital	Water	Sanitary	Storm	Sherwood Broadband
<b>Resources</b>											
Beginning fund balance	847,822	8,958	(1,005)	(2,178,088)	121,590	(550,131)	2,436,840	(145,697)	645,779	475,189	(1,576,960)
Intergov	33,000	-	-	2,207,711	-	-	-	-	-	-	-
Charges for services	543,344	-	-	-	-	-	-	-	-	-	-
Infrastructure Development Fees	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	302	45,877	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-
Transfers in	4,471,299	-	-	-	-	-	-	-	-	-	-
<b>Total Resources</b>	<b>5,895,465</b>	<b>8,958</b>	<b>(703)</b>	<b>75,500</b>	<b>121,590</b>	<b>(550,131)</b>	<b>2,436,840</b>	<b>(145,697)</b>	<b>645,779</b>	<b>475,189</b>	<b>(1,576,960)</b>
<b>Requirements</b>											
Administration	28,897	-	-	-	-	-	-	-	-	-	-
Comm. Development	66,500	-	-	-	-	-	-	-	-	-	-
Public Safety	259,837	-	-	-	-	-	-	-	-	-	-
Community Services	60,000	-	-	-	-	-	-	-	-	-	-
PW Operations	51,541	-	-	-	-	-	-	-	-	-	-
Operations Department	-	-	-	59,576	-	-	-	290,025	-	-	-
Capital Department	-	-	-	-	121,590	-	-	-	-	-	-
Debt Service	-	-	(78,737)	-	-	-	-	-	-	-	-
Transfers Out	-	-	78,034	4,471,299	-	-	-	-	-	-	-
Contingency	382,169	-	-	(4,481,755)	-	-	-	(290,025)	-	-	-
<b>Total Appropriations</b>	<b>848,944</b>	<b>-</b>	<b>(703)</b>	<b>49,120</b>	<b>121,590</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Unappropriated and Reserve Amounts	5,046,521	8,958	-	26,380	-	(550,131)	2,436,840	(145,697)	645,779	475,189	(1,576,960)
<b>Total Requirements</b>	<b>5,895,465</b>	<b>8,958</b>	<b>(703)</b>	<b>75,500</b>	<b>121,590</b>	<b>(550,131)</b>	<b>2,436,840</b>	<b>(145,697)</b>	<b>645,779</b>	<b>475,189</b>	<b>(1,576,960)</b>

**Section 3.** This Resolution shall be effective upon its approval and adoption.

**Duly passed by the City Council this 2<sup>nd</sup> day of May, 2023.**



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Tim Rosener, Mayor

Attest:



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Sylvia Murphy, MMC, City Recorder

**Exhibit 1**  
**Requested appropriations by source of funding**

**GENERAL FUND**

1. The beginning fund balance in the General Fund was higher than expected due to revenue exceeding expectations and prudent spending.

<b>Additional beginning fund balance</b>	<b>\$ 847,822</b>	<b>Ongoing annual</b>
City Attorney Recruitment	28,897	-
Public Safety Salaries	259,837	259,837
City Hall Reroofing Carryover	51,541	-
<b>Total proposed FY22-23 uses of funds</b>	<b>\$ 340,275</b>	<b>-</b>
<b>Remaining funds – Reserve for Future Years</b>	<b>\$ 507,547</b>	<b>-</b>

2. The City is also anticipating receiving funds higher than originally budgeted. An updated IGA was signed with Washington County to assist with funding for the Senior Center. The Art Center is exceeding original expectations in both Facility Rental and Class Fees; Building Charges for Services are outperforming original expectations. The City has allocated ARPA Grant Funds to fund eligible government services "Police". Adjustments to account for this additional funding is reflected below:

Senior Center – Washington County	33,000
Art Center – Charges for Services	60,000
Building – Charges for Services	483,344
Transfer In – Grant Fund	4,471,299
<b>Total to General Fund</b>	<b>\$5,047,643</b>
Center for the Arts	60,000
Building – Building Plan Review	66,500
Contingency – For One Time	382,169
<b>Total proposed FY22-23 uses of funds</b>	<b>\$ 508,669</b>
<b>Remaining funds – Reserve for Future Years</b>	<b>\$4,538,974</b>

**DEBT SERVICE FUND**

1. The beginning fund balance in the Debt Service Fund was lower than budgeted due to economic factors that were affecting interest rates on investments. Additionally, interest rates have rebounded significantly in the current fiscal year and the amount earned on investments is higher than original budgeted.
2. Last, there was an error in the resolution adopting the City budget, the budget approved by the budget committee listed a transfer out and in the resolution these funds were mistakenly included in the Debt Service line item. The debt has already been paid off; the original intent was to transfer out the remaining fund balance to the General Fund. This revision along with the adjustments to beginning fund balance and interest revenue is noted below:

<b>Additional beginning fund balance</b>	<b>\$ (1,005)</b>
Interest	302
<b>Total to Debt Service Fund</b>	<b>(703)</b>
Debt Service	(78,737)
Transfers Out	78,034
<b>Total proposed FY22-23 uses of funds</b>	<b>\$ (703)</b>

**GRANTS FUND**

1. The beginning fund balance for the Grants Fund was lower than projected. This was due to revenue recognition requirements for ARPA Funds received but not yet spent. Additionally, interest rates have rebounded significantly in the current fiscal year and the amount earned on investments is higher than original budgeted.
2. The CEP committee held a second round of applications in the fall and the adjustment is reflected below in operations. Additionally, the City has elected the standard allowance in its use of the ARPA Funds and has allocated these funds to eligible government services by transferring these dollars to the General Fund. These revisions along with the adjustments to beginning fund balance, federal ARPA funds, interest and reserve for future years is noted below:

<b>Additional beginning fund balance</b>	<b>\$(2,178,088)</b>
ARPA	2,207,711
Interest	45,877
<b>Total to Grants Fund</b>	<b>\$ 75,500</b>
Contingency	(4,481,755)
Transfer Out to General Fund	4,471,299
Operations	59,576
<b>Total proposed FY22-23 uses of funds</b>	<b>\$ 49,120</b>
<b>Reserve for Future Years</b>	<b>\$ 26,380</b>

**GENERAL CONSTRUCTION FUND**

1. The beginning fund balance in the General Construction Fund was higher than projected. This was due to timing of the Cedar Creek Trail project. The carryforward, unspent funding for this project has been included and an adjustment to Capital is reflected below. This revision along with the adjustment to beginning fund balance is noted below:

<b>Additional beginning fund balance</b>	<b>\$ 121,590</b>
Capital	121,590
<b>Total proposed FY22-23 uses of funds</b>	<b>\$ 121,590</b>
<b>Remaining Funds</b>	<b>\$ 0</b>

**WATER FUND**

1. The beginning fund balance for the Water Fund was lower than projected. This was due to timing of various projects. Additionally, an unexpected repair that was not anticipated nor budgeted is needed at the Snyder Reservoir. This revision along with the adjustments to beginning fund balance and reserve for future years is noted below:

<b>Additional beginning fund balance</b>	<b>\$ (145,697)</b>
<b>Reserve for Future Years</b>	<b>\$ (145,697)</b>
<b>Contingency</b>	<b>\$ (290,025)</b>
<b>Operations</b>	<b>\$ 290,025</b>
<b>Total proposed FY22-23 uses of funds</b>	<b>\$ 0</b>