



## STAFF REPORT

**DATE:** June 24, 2025  
**TO:** Mayor and City Councilors  
**FROM:** Katie Henry, Finance Director  
**SUBJECT:** FY2024-25 Budget Amendment Resolution

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**Report in Brief:** In preparing for the FY2025-26 budget, staff has completed a thorough review of all financial activities year to date, revised expectations for the remainder of the year, and proposed related budget transfers and amendments. These are presented in the attached report for consideration to be adopted into the City's budget for FY2024-25.

### **Discussion of Budget Amendment**

#### 1) General Fund

- a. Parks & Recreation. The retirement of the Parks and Recreation Director at the end of May 2024 was not included in the original budget. This cost of \$15,000 is being transferred from contingency.
- b. Library. The library has received more donations than originally anticipated both in overall donations and from the Friends of the Library. Some of these funds have required purchases to be eligible for the donations. Both the revenue and the expense side of these donations of \$40,000 are included in this amendment.

#### 2) Street Fund

- a. Retirement of an employee: This unbudgeted expense added \$20,000 to Street Program.
- b. Prior year PERS contribution correction: This correction was for the same employee noted above and was an additional unanticipated expense of \$20,000.
- c. A 10 yard dump truck was purchased from McMinnville Water & Light in February 2025. We are requesting the difference between the cost of the vehicle (\$15,000) and the remaining budget in the capital line (\$3,000) to be transferred from contingency to ensure adequate budget authority through year end.

#### 3) Insurance Services Fund

- a. Unanticipated revenue was received from SAIF as a rebate on worker's compensation (\$20,000).
- b. A police vehicle was replaced out of the insurance fund. Initial budgeted amount for vehicle replacement was only \$30,000 while Police cars, when upfitted, cost about \$60,000. We are requesting the difference between the additional \$20,000 in revenue mentioned above and the \$30,000 needed for vehicle replacement, to be transferred from contingency.

The proposed budget adjustment by account is found in Appendix A. The proposed adjustment at the appropriation level is in Exhibit A to the Resolution.

**Fiscal Impact:**

This action increases appropriations in the General Fund by \$40,000, does not impact total appropriations in the Street Fund, and increases appropriations in the Insurance Services Fund by \$20,000. It does not impact budgeted ending fund balance in any of these funds.

**Council Options:**

1. Adopt the FY2024-25 budget amendment as presented. This is staff's recommendation.
2. Do not adopt the proposed FY2024-25 budget amendment. This could result in audit findings if the City were to exceed budget authority during the final weeks of the fiscal year and while accounting for year end closeout.

**Documents:**

1. Appendix A
2. Resolution 2025-27 FY2024-25 Final Budget Amendment
3. Exhibit A

## Appendix A

### 1) General Fund

#### a. Revenues

Full account	Account Description	Increase/ (Decrease)
01-21.6440	Donations - Library	9,500
01-21.6440-15	Donations - Library Friends of the Library	30,500
<b>Total Revenues General Fund</b>		<b>40,000</b>

#### b. Expenses

Full account	Account Description	Increase/ (Decrease)
01-17-001.7000-05	Salaries & Wages Regular Full Time	15,000
01-21.8160	Donations - Library	9,500
01-21.8160-40	Donations - Library Friends of the Library	30,500
01-99.9800	Contingencies	(15,000)
<b>Total Expenses General Fund</b>		<b>40,000</b>

### 2) Street Fund

Full account	Account Description	Increase/ (Decrease)
20.7000-05	Salaries & Wages Regular Full Time	20,000
20.7300-15	Fringe Benefits PERS - OPSRP - IAP	20,000
20.8710	Equipment	12,000
20.9800	Contingencies	(52,000)
<b>Total Expenses Street Fund</b>		<b>-</b>

### 3) Insurance Services Fund

#### a. Revenues

Full account	Account Description	Increase/ (Decrease)
85.6600	Other Income	20,000
<b>Total Revenues Insurance Services Fund</b>		<b>20,000</b>

#### b. Expenses

Full account	Account Description	Increase/ (Decrease)
85.8850-10	Vehicles Replacement	30,000
85.9800	Contingencies	(10,000)
<b>Total Expenses Insurance Services Fund</b>		<b>20,000</b>