

**294.471 Supplemental budget in certain cases; no increase in property taxes permitted. (1)**

Notwithstanding requirements as to estimates of and limitation on expenditures, during the fiscal year or budget period for which the original budget was adopted, the governing body of a municipal corporation may make one or more supplemental budgets under any of the following circumstances:

(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.

(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.

(c) Funds that are made available by another unit of federal, state or local government and the availability of which could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period.

(d) A request for services or facilities the cost of which is to be supplied by a private individual, corporation or company or by another governmental unit and the amount of which could not be accurately estimated when preparing the original budget or a previous supplemental budget for the current year or current budget period.

(e) Proceeds from the involuntary destruction, involuntary conversion, or sale of property that necessitates the immediate purchase, construction or acquisition of different facilities in order to carry on governmental operations.

(f) Ad valorem property taxes that are received during the fiscal year or budget period in an amount sufficiently greater than the amount estimated to be collected such that the difference will significantly affect the level of government operations to be funded by the taxes as provided in the original budget or a previous supplemental budget for the current year or current budget period.

(g) A local option tax described in ORS 294.476 that is certified for extension on the assessment and tax roll under ORS 310.060 for the fiscal year or budget period in which the local option tax measure is approved by voters.

(h) A reduction in available resources that requires the governing body to reduce appropriations in the original budget or a previous supplemental budget for the current year or current budget period.

(2) A supplemental budget may not extend beyond the end of the fiscal year or budget period during which it is submitted.

(3)(a) If the amended estimated expenditures contained in an individual fund that is being changed by a supplemental budget differ by 10 percent or less from the expenditures in the budget as most recently amended prior to the supplemental budget, the governing body of the municipal corporation may adopt the supplemental budget at a regular meeting of the governing body.

(b) Notice of a regular meeting convened pursuant to paragraph (a) of this subsection, including a statement that a supplemental budget will be considered at the meeting, must be published not less than five days before the meeting.

(c) Additional expenditures contained in a supplemental budget described in this subsection may not be made unless the governing body of the municipal corporation enacts appropriation ordinances or resolutions authorizing the expenditures. The ordinances or resolutions must state the need for and the purpose and amount of the appropriation.

(4) Except as provided in ORS 294.476, the making of a supplemental budget does not authorize the governing body to increase the municipal corporation's total ad valorem property taxes above the amount or rate published with the regular budget and certified to the assessor under ORS 310.060 in conjunction with the regular budget for the fiscal year or for each fiscal year of the budget period to which the supplemental budget applies. [Formerly 294.480; 2013 c.420 §4]

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