Exhibit A

SUPPLEMENTAL BUDGET #1

Fiscal Year 2026/27

City of Gresham, Oregon

Presentation to Gresham Finance Committee on November 18, 2026
Presentation to Gresham City Council on December 1, 2026

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Supplemental Budget Overview

The following is an explanation of the amounts and justifications for the recommended changes in appropriations for the fiscal year 2026/27 Adopted Budget which requires authorization of Gresham City Council. The supplemental budget overview is organized by adjustment category, budget adjustment and fund.

Recognize Revenue and Appropriate Expense

A. Civic Neighborhood Home Forward Site Improvement

RFC Joint Venture, owner of the former Kmart property, will contribute approximately $59,000 and dedicate right-of-way to support transportation improvements associated with development in the Civic Neighborhood. These funds represent RFC Joint Venture's share of improvements attributable to the Kmart property as identified in the Civic Neighborhood Home Forward Site Improvement Agreement. The funds will be passed-through to Home Forward who will complete the required improvements.

Funding will help support construction of the new Sleret Street connection and related right-of-way improvements serving the Home Forward development and adjacent properties. The project will improve neighborhood connectivity and enhance access within the Civic Neighborhood.

This item accepts and appropriates the revenue in the Urban Design & Planning Fund.

Budgetary Effect

Urban Design & Planning Fund Impact:

Resources:	
Miscellaneous Income	$59,000
Requirements:	
Urban Design & Planning – Comprehensive/Transportation Planning	$59,000

B. Oregon Community Foundation Donation

The Oregon Community Foundation awarded the City of Gresham a 2026 Oregon Disaster Relief donation in the amount of $25,000 to support wildfire readiness efforts by the Gresham Fire Department. The funds will be used to support wildfire preparedness initiatives that help the department prepare for and respond to wildfire threats. These efforts will strengthen the City's readiness for wildfire emergencies and support the protection of the community, property, and natural resources.

This item accepts and appropriates the donation revenue into the Designated Purpose Fund.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:	
Miscellaneous Income – Donations	$25,000
Requirements:	
Fire – Fire Department Donations	$25,000

C. Fire Conflagrations Reimbursement

The 2026 wildfire season resulted in numerous state emergency declarations related to the State of Oregon Conflagrations Act. These declarations allow responding fire departments to be reimbursed for the firefighting resources they provide while responding to wildfires across the State. The City of Gresham Fire Department provided staffing and equipment in response to 14 wildfires.

This item accepts and appropriates the revenue from the State of Oregon. Reimbursements will provide the appropriations needed to offset the additional overtime and other personnel costs incurred.

Additional revenue will be received as reimbursement for vehicle equipment used but these funds will assist with future fire equipment purchases in the Equipment Replacement Fund and therefore do not need to be recognized at this time.

Budgetary Effect

General Fund Impact:

Resources:	
Intergovernmental Revenue – Fire Service Agreements	$586,000
Requirements:	
Fire – Emergency Operations	$586,000

Accept & Appropriate Grants

D. Urban Area Security Initiative 2025 Grant

The Regional Disaster Preparedness Organization has awarded the City of Gresham $50,000 in federal grant funding through the Urban Area Security Initiative to support emergency preparedness training and community readiness efforts. Funding will be used to provide training and exercises for City staff responsible for coordinating emergency response activities during disasters and other emergencies. Grant funds will also support development of a network of community organizations that can work together to assist residents before, during, and after emergencies. These investments will strengthen the City's ability to respond to emergencies, improve coordination with community partners, and help ensure residents are better prepared for disasters.

This item accepts and appropriates grant revenue into the Designated Purpose Fund.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:	
Intergovernmental Revenue – Federal Grants	$50,000
Requirements:	
Citywide Services – Emergency Management	$50,000

E. Urban Area Security Initiative 2026 Grant

The Regional Disaster Preparedness Organization has awarded the City of Gresham $80,000 in federal grant funding through the Urban Area Security Initiative to support specialized maritime tactical operations training for Gresham Police and other regional public safety partners. The funding will be used to provide training for an estimated 40+ personnel from the East Metro SWAT Team, Portland Police Bureau SERT, Southwest Washington Regional SWAT, and participating fire and emergency management agencies. The project will improve interagency coordination, maritime response capabilities, and regional preparedness for terrorism-related threats and other high-risk incidents along the Columbia and Willamette Rivers.

This item accepts and appropriates grant revenue into the Designated Purpose Fund.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:	
Intergovernmental Revenue – Federal Grants	$80,000
Requirements:	
Police – State Homeland Security	$80,000

F. U.S. Department of Justice Assistance Grant Program 2025

The U.S. Department of Justice has awarded the City of Gresham $49,000 through the 2025 Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The JAG program provides funding to local governments to support activities that prevent and control crime and improve the criminal justice system. Grant allocations are based on population and crime data and are distributed locally through a partnership between the City of Portland, Multnomah County, and the City of Gresham. Gresham's allocation will be used to replace aging precision rifles utilized by the East Metro SWAT Team, a regional partnership between the Gresham Police Department and the Multnomah County Sheriff's Office that serves multiple East Multnomah County jurisdictions. The existing rifles have exceeded their recommended service life, and replacement will help maintain the reliability and performance of equipment used during high-risk law enforcement operations.

This item accepts and appropriates grant revenue into the Designated Purpose Fund.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:	
Intergovernmental Revenue – Federal Grants	$49,000
Requirements:	
Police – JAG Grants	$49,000

G. U.S. Department of Justice Assistance Grant Program 2026

The U.S. Department of Justice has awarded the City of Gresham $51,000 through the 2026 Edward Byrne Memorial Justice Assistance Grant (JAG) Program. Gresham's allocation will be used to purchase a specialized cellular analysis system to support criminal investigations. The system improves the accuracy of investigations involving cell phone evidence by allowing investigators to verify cellular coverage and better interpret location information obtained through lawful investigative processes.

This item accepts and appropriates grant revenue into the Designated Purpose Fund.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:	
Intergovernmental Revenue – Federal Grants	$51,000
Requirements:	
Police – JAG Grants	$51,000

H. Portland General Electric Drive Change Grant

Portland General Electric has awarded the City of Gresham a $474,000 grant through its Drive Change Fund to support the transition of municipal fleets from gasoline-powered vehicles to electric vehicles. The funding will be used to install four electric vehicle charging stations across Gresham and purchase up to eight electric vehicles in the City's fleet that are due for replacement. Replacing conventional gas vehicles with electric vehicles supports the goals of the City's Climate Action Plan by reducing greenhouse gas emissions, lowering air pollution, and decreasing reliance on fossil fuels. Electric vehicles also generally have lower fuel and maintenance costs, which can reduce long-term fleet operating expenses.

This item accepts and appropriates grant revenue into the Designated Purpose Fund and provides transfer appropriation to the Equipment Replacement Fund.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:	
Intergovernmental Revenue – Local Grants	$474,000
Requirements:	
Interfund Transfers – City Facility Capital Fund	$109,000
Interfund Transfers – Equipment Replacement Fund	$365,000

City Facility Capital Fund Impact:

Resources:	
Interfund Transfers – Designated Purpose Fund	$109,000
Requirements:	
Capital Improvement – Capital Outlay	$109,000

Equipment Replacement Fund Impact:

Resources:	
Interfund Transfers – Designated Purpose Fund	$365,000
Requirements:	
Unappropriated	$365,000

Contingency Transfer

I. Fuel

The City's Fleet Division provides funding and management of fueling operations for all vehicles in the City's fleet. During the FY 2026/27 budget development there was uncertainty about fuel prices due to significant market volatility related to Middle East oil supply disruptions and higher crude oil prices. To address the uncertainty, additional funds were budgeted in contingency to allow flexibility during the year. Based on the latest information and forecast, staff is anticipating these funds will be required to cover the cost of the annual fleet fuel consumption.

This item transfers contingency within the Facilities & Fleet Management Fund to allow the City to continue purchasing fuel for its vehicles and equipment through the 2026/27 fiscal year.

Budgetary Effect

Facilities & Fleet Management Fund Impact:

Requirements:	
Citywide Services – Fleet Operations	$300,000
Contingency	($300,000)

J. ADA Curb Ramps

The Transportation Department continues to construct and upgrade curb ramps within the right-of-way to comply with Americans with Disabilities Act (ADA) requirements, in support of implementing the City's ADA Transition Plan. The FY 2027/28 budget for this project only included materials and services. To be consistent with the City's budgetary and accounting practices, internal personnel costs need to be included in the project budget as well.

This item transfers funds from the Transportation Fund to the Footpaths Subfund in the Transportation Capital Improvement Fund to reflect the personnel costs.

Budgetary Effect

Transportation Fund Impact:

Requirements:	
Interfund Transfers – Transportation Capital Fund	$400,000
Contingency	($400,000)

Transportation Capital Fund Impact:

Resources:	
Interfund Transfers – Transportation Fund	$400,000
Requirements:	
Capital Improvement – Capital Outlay	$400,000

Transfer Appropriation

K. Strategic Property Purchase

At the October, 6, 2026 business meeting, the Gresham City Council moved to approve the Purchase and Sale Agreement for the property at 202-218 N. Main Avenue in Gresham, subject to the acceptable completion of all due diligence. Acquisition of this parcel aligns with the 2025 Council adopted Gresham Downtown/Civic Urban Renewal Plan and will help ensure that the future development of the property will support the City's vision for Downtown Gresham. This site is strategically located and will offer the ability for future uses and redevelopment opportunities that support our community.

This item transfers funds from the Economic Development Enterprise Zone Projects within the Designated Purpose Fund to the City Facility Capital Fund, from which the purchase of property and all associated due diligence expenses will be made.

Budgetary Effect

Designated Purpose Fund Impact:

Requirements:	
Economic Development – Enterprise Zone Projects	($1,525,000)
Interfund Transfers – City Facility Capital Fund	$1,525,000

City Facility Capital Fund Impact:

Resources:	
Interfund Transfers – Designated Purpose Fund	$1,525,000
Requirements:	
Capital Improvement – Capital Outlay	$1,525,000

Other

L. Bucket Truck for Police Cameras

City policy requires that expansion of the City's fleet be considered through the budget process. When new vehicles are added to the fleet, the original purchase is included in the department's operating budget and then the vehicle is added to the equipment replacement schedule. When a department receives a donated vehicle, the process is less apparent because there is no visible budget impact for a purchase.

The Police Department has the opportunity to receive a donated bucket truck from the City of Portland. The bucket truck will be used for the installation and maintenance of cameras used by the Police Department. There is no budgetary impact for the acceptance of this donation, so this item serves to document that this donation, if accepted, will add a new vehicle to the Police Department's fleet. Ongoing maintenance costs for this vehicle will be covered by funds received by the Police Department through asset forfeiture programs. The use of these funds is restricted and costs associated with this vehicle are an eligible use.

General Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	29,621,000	-	-	29,621,000
Operating Revenues				
Taxes	41,081,000	-	-	41,081,000
Licenses & Permits	573,000	-	-	573,000
Intergovernmental Revenue	23,966,000	-	586,000 [1]	24,552,000
Charges for Services	8,858,000	-	-	8,858,000
Utility License Fees	24,609,000	-	-	24,609,000
Miscellaneous Income	692,000	-	-	692,000
Internal Service Charges	955,228	-	-	955,228
Subtotal	100,734,228	-	586,000	101,320,228
Interfund Transfers	256,000	-	-	256,000
TOTAL RESOURCES	130,611,228	-	586,000	131,197,228
REQUIREMENTS				
Operating Expenditures				
Police	54,814,930	-	-	54,814,930
Fire	43,359,883	-	586,000 [1]	43,945,883
Economic Development	976,528	-	-	976,528
Community Services	1,730,468	-	-	1,730,468
Youth & Recreation Services	765,856	-	-	765,856
Parks	5,961,774	-	-	5,961,774
Subtotal	107,609,439	-	586,000	108,195,439
Interfund Transfers	3,249,000	-	-	3,249,000
Contingency	2,030,000	-	-	2,030,000
Unappropriated	17,722,789	-	-	17,722,789
Subtotal	23,001,789	-	-	23,001,789
TOTAL REQUIREMENTS	130,611,228	-	586,000	131,197,228

NOTES:

[1] C - Fire Conflagrations

Urban Design & Planning Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	1,645,000	-	-	1,645,000
Operating Revenues				
Licenses & Permits	273,000	-	-	273,000
Charges for Services	977,000	-	-	977,000
Miscellaneous Income	33,000	-	59,000 [1]	92,000
Subtotal	1,283,000	-	59,000	1,342,000
Interfund Transfers	2,560,000	-	-	2,560,000
TOTAL RESOURCES	5,488,000	-	59,000	5,547,000
REQUIREMENTS				
Operating Expenditures				
Urban Design & Planning	4,467,939	-	59,000 [1]	4,526,939
Subtotal	4,467,939	-	59,000	4,526,939
Interfund Transfers	82,000	-	-	82,000
Contingency	446,000	-	-	446,000
Unappropriated	492,061	-	-	492,061
Subtotal	1,020,061	-	-	1,020,061
TOTAL REQUIREMENTS	5,488,000	-	59,000	5,547,000

NOTES:

[1] A - Civic Neighborhood Home Forward Site Impr

Designated Purpose Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	15,200,500	-	-	15,200,500
Operating Revenues				
Taxes	243,000	-	-	243,000
Intergovernmental Revenue	24,034,000	-	704,000 [2,3,4,5,6]	24,738,000
Charges for Services	635,000	-	-	635,000
Miscellaneous Income	2,138,500	-	25,000 [1]	2,163,500
Subtotal	27,050,500	-	729,000	27,779,500
Interfund Transfers	460,000	-	-	460,000
TOTAL RESOURCES	42,711,000	-	729,000	43,440,000
REQUIREMENTS				
Operating Expenditures				
Citywide Services	3,421,301	-	50,000 [2]	3,471,301
Police	2,216,622	-	180,000 [3,4,5]	2,396,622
Fire	484,000	-	25,000 [1]	509,000
Urban Design & Planning	10,889,506	-	-	10,889,506
Economic Development	9,172,000	-	(1,525,000) [7]	7,647,000
Community Services	2,211,190	-	-	2,211,190
Youth & Recreation Services	4,510,874	-	-	4,510,874
Parks	459,000	-	-	459,000
Environmental Services	6,334,000	-	-	6,334,000
Subtotal	39,698,493	-	(1,270,000)	38,428,493
Interfund Transfers	2,133,000	-	1,999,000 [6,7]	4,132,000
Unappropriated	879,507	-	-	879,507
Subtotal	3,012,507	-	1,999,000	5,011,507
TOTAL REQUIREMENTS	42,711,000	-	729,000	43,440,000

NOTES:

[1] B - Oregon Community Foundation Donation

[2] D - Urban Area Security Initiative 2025 Grant

[3] E - Urban Area Security Initiative 2026 Grant

[4] F - U.S. Department of Justice Assistance Grant Program 2025

[5] G - U.S. Department of Justice Assistance Grant Program 2026

[6] H - Portland General Electric Drive Change Grant

[7] K - Strategic Property Purchase

Transportation Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	22,901,000	-	-	22,901,000
Operating Revenues				
Intergovernmental Revenue	14,438,000	-	-	14,438,000
Charges for Services	95,000	-	-	95,000
Utility License Fees	2,287,000	-	-	2,287,000
Miscellaneous Income	352,000	-	-	352,000
Internal Payments	1,200,000	-	-	1,200,000
Subtotal	18,372,000	-	-	18,372,000
Interfund Transfers	1,629,000	-	-	1,629,000
TOTAL RESOURCES	42,902,000	-	-	42,902,000
REQUIREMENTS				
Operating Expenditures				
Environmental Services	15,320,146	-	-	15,320,146
Subtotal	15,320,146	-	-	15,320,146
Interfund Transfers	17,690,000	-	400,000 [1]	18,090,000
Contingency	2,295,000	-	(400,000) [1]	1,895,000
Unappropriated	7,596,854	-	-	7,596,854
Subtotal	27,581,854	-	-	27,581,854
TOTAL REQUIREMENTS	42,902,000	-	-	42,902,000

NOTES:

[1] J - ADA Curb Ramps

Transportation Capital Improvement
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	1,925,000	-	-	1,925,000
Operating Revenues				
Intergovernmental Revenue	23,261,000	-	-	23,261,000
Subtotal	23,261,000	-	-	23,261,000
Interfund Transfers	24,371,000	-	400,000 [1]	24,771,000
TOTAL RESOURCES	49,557,000	-	400,000	49,957,000
REQUIREMENTS				
Operating Expenditures				
Capital Improvement	48,635,000	-	400,000 [1]	49,035,000
Subtotal	48,635,000	-	400,000	49,035,000
Unappropriated	922,000	-	-	922,000
Subtotal	922,000	-	-	922,000
TOTAL REQUIREMENTS	49,557,000	-	400,000	49,957,000

NOTES:

[1] J - ADA Curb Ramps

Facilities & Fleet Management Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	1,309,000	-	-	1,309,000
Operating Revenues				
Intergovernmental Revenue	125,000	-	-	125,000
Miscellaneous Income	255,300	-	-	255,300
Internal Payments	150,000			150,000
Internal Service Charges	7,373,316	-	-	7,373,316
Financing Proceeds	-	-	-	-
Subtotal	7,903,616	-	-	7,903,616
Interfund Transfers	319,000	-	-	319,000
TOTAL RESOURCES	9,531,616	-	-	9,531,616
REQUIREMENTS				
Operating Expenditures				
Citywide Services	7,938,616	-	300,000 [1]	8,238,616
Subtotal	7,938,616	-	300,000	8,238,616
Interfund Transfers	896,000	-	-	896,000
Contingency	697,000	-	(300,000) [1]	397,000
Subtotal	1,593,000	-	(300,000)	1,293,000
TOTAL REQUIREMENTS	9,531,616	-	-	9,531,616

NOTES:

[1] I - Fuel

City Facility Capital Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	525,000	-	-	525,000
Interfund Transfers	525,000	-	1,634,000 [1,2]	2,159,000
TOTAL RESOURCES	1,050,000	-	1,634,000	2,684,000
REQUIREMENTS				
Operating Expenditures				
Capital Improvement	1,050,000	-	1,634,000 [1,2]	2,684,000
Subtotal	1,050,000	-	1,634,000	2,684,000
TOTAL REQUIREMENTS	1,050,000	-	1,634,000	2,684,000

NOTES:

[1] H - Portland General Electric Drive Change Grant

[2] K - Strategic Property Purchase

Equipment Replacement Fund
Fiscal Year 2026/27

	Adopted Budget 7/1/26	Transfers/ Resolutions 7/1/26-11/30/26	Recommended Supplemental Budget 12/1/2026	Revised Budget 12/1/26
RESOURCES				
Beginning Balance	28,927,000	-	-	28,927,000
Operating Revenues				
Miscellaneous Income	8,389,000	-	-	8,389,000
Internal Service Charges	3,037,000	-	-	3,037,000
Subtotal	11,426,000	-	-	11,426,000
Interfund Transfers	107,000	-	365,000 [1]	472,000
TOTAL RESOURCES	40,460,000	-	365,000	40,825,000
REQUIREMENTS				
Operating Expenditures				
Citywide Services	12,397,000	-	-	12,397,000
Subtotal	12,397,000	-	-	12,397,000
Other Requirements	7,955,000	-	-	7,955,000
Unappropriated	20,108,000	-	365,000 [1]	20,473,000
Subtotal	28,063,000	-	365,000	28,428,000
TOTAL REQUIREMENTS	40,460,000	-	365,000	40,825,000

NOTES:

[1] H - Portland General Electric Drive Change Grant