



City Council

Approval of an Ordinance Amending Ordinance 7247 (Operating, Special and Capital Budgets) - Third Quarter 2020

Agenda Date: 11/2/2020
Agenda Item Number: 4.G
File Number:20-0828

Type: ordinance **Version:** 2 **Status:** Passed

Title

Approval of an Ordinance Amending Ordinance 7247 (Operating, Special and Capital Budgets) -
Third Quarter 2020

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the proposed Ordinance that amends Ordinances 7247 on second reading.

Report

Issue:

Whether to amend Ordinances 7247 on second reading.

Staff Contact:

Nanci Lien, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None - Consent Calendar item

Background and Analysis:

Background and analysis has not changed from first to second reading.

City Council may revise the City's Operating, Special Funds and Capital Budgets by approving an ordinance. Generally, budget amendments are presented quarterly to Council for review and approval but may be made at any time during the year. The amended ordinances appropriate funds and provide authorization to expend the funds.

No separate ordinances have been passed since the adoption of ordinance 7247.

The attached ordinance includes recommended amendments to the 2020 Operating Funds, Specials

Funds, and Capital Funds for department requests for budget amendments for the 3rd Quarter in 2020. Department requests are summarized below:

Administrative Services

- Reduction in appropriations of (\$64,000). Correction of in 2nd Quarter Budget amendment for addition of Equity & Inclusion Coordinator. Funding already existed within the General Fund. Reduction in appropriation will increase fund balance.
- Transfers appropriations of \$148,300 for 2020 debt service on the new fire truck. Funding from Fire Equipment Reserve.
- Reduction of (\$13,664,600) in appropriations and associated transfers for adjustments in debt service for Parks property. This is an administrative budget clean-up for the BAN pay-off of the Yelm Highway Park property. The payoff was originally budgeted to occur in the 2020 budget. Timing on the payoff was changed when City refinanced on BAN in December 2019. Reduction in appropriations will increase fund balance in the Parks & Sidewalk Utility Tax fund.
- \$375,622 in appropriations and associated transfers for replacement of financial management information and human resource system. Funding from General Fund fund balance that resulted from ASD budget savings at end of 2019.

Community Planning & Development

- \$51,500 in appropriations for contracted hygiene services for unsheltered population. Funding from Thurston County Public Health and Social Services related to COVID-19 response.
- \$159,177 in appropriation for City's homeless response. Funding to come from Home Fund (operating) fund balance.
- \$1,000,000 in transfers for supporting community economic recovery efforts resulting from the COVID-19 pandemic. \$25,000 is appropriated and \$975,000 remains in fund balance. Funding from the Capital Economic Reserve fund.

Parks

- \$5,000 in appropriations related to REI grant that was omitted in carryover budget amendment earlier this year. Funding from General Fund fund balance.

Police

- Reduction in appropriations of (\$402,562) for Substance Abuse Block Grant. Recognized revenue for full grant in 2nd Quarter Budget Amendment. City will only receive 50 percent of grant funding in 2020. The remaining 50 percent will be received in 2021.

Neighborhood/Community Interests (if known):

None noted.

Options:

1. Approve ordinance amending ordinance 7247. This provides staff with budget capacity to proceed with initiatives approved by Council.

2. Do not approve the amending ordinance; staff will not have authorization to expend the funds.

Financial Impact:

Total decrease in appropriations of \$11,665,541 (includes transfers between funds); Operating Funds decrease in appropriations of \$13,201,618; Special Funds increase in appropriations of \$210,677; and Capital Funds increase in appropriations of \$1,335,400. Funding sources are noted above.

Attachments:

Ordinance