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City Council

Approval of an Ordinance Amending Ordinance 7258 (Operating, Special and Capital Budgets) - Fourth Quarter 2020

Agenda Date: 12/15/2020
Agenda Item Number: 4.G
File Number: 20-1021

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

Title

Approval of an Ordinance Amending Ordinance 7258 (Operating, Special and Capital Budgets) -
Fourth Quarter 2020

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the proposed Ordinance that amends Ordinance 7258 on second reading.

Report

Issue:

Whether to approve the proposed Ordinance amending Ordinance 7258 on f second reading.

Staff Contact:

Nanci Lien, Finance 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 7258.

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

Funds, and Capital Funds for department requests for budget amendments for the 4th Quarter in 2020. Department requests are summarized below:

Administrative Services

- \$73,129 in appropriations for information technology hardware and software related to COVID-19 response. Funding from economic recovery funds.
- \$2,374,650 in appropriations for response to COVID-19. Funding from CARES federal public assistance program.
- \$3,527,792 in appropriations for debt service related to refundings completed late 2019 for the 2010 LTGO Street Project bonds. 2020 debt service budget had already been finalized at that time. Funding from debt proceeds.
- \$3,372,211 in appropriations for debt service related to refundings completed late 2019 for the Hands On Children Museum bonds. 2020 debt service budget had already been finalized at that time. Funding from debt proceeds.
- \$40,500 in appropriations for debt service related to 2020 refundings of water/sewer revenue bonds and usage of previously restricted funds to pay down debt principle. Funding from debt reserve fund balance.
- \$723,000 in appropriations for appropriation transfers related to the exigent circumstance declaration for voted and non-voted utility tax. Funding from Voted Utility Tax Fund's and Capital Improvement Fund's fund balance.
- Reduction in appropriations of \$990,000 for Home Fund operating Fund interfund loan. This is an administrative correction as interfund loans should not appear as revenue in budget ordinance. Reduction in revenue funded by fund balance.
- \$22,300 in appropriations. This is an administrative correction from Q1 budget amendment where only one side of transfer was included in the ordinance. Funding from impact fee fund balance.
- Reduction of \$508,082 in appropriations and revenue for impact fee fund. This is an administrative correction from original 2020 budget ordinance.
- \$550,000 in appropriations. This represents emergency Ordinance 7235 approved by Council in March 2020 to transfer of economic develop capital funds for use in COVID response. The ordinance was not fully recorded in the earlier quarterly ordinance.
- Reduction in appropriation of \$930,059. This is an administrative correction from Q1 budget amendment. Funds for the TBD fund were added and should not have been. TBD has a separate budget process and therefore should not have been recorded in the City ordinance.
- Reduction in appropriations of \$2,673,719. This is an administrative correction from Q1 budget amendment. Funds for the OMPD fund were added and should not have been. OMPD has a separate budget process and should not have been recorded in the City ordinance.

Community Planning & Development

- \$1,105,850 in appropriations for contracts related to COVID-19 response; including Thurston EDC Childcare and Small Business Grant & PPE Program; Enterprise for Equity technical assistance training programs; ODA Positive Notes and Artist on Board programs; ODA Downtown Recovery and Reopening grants; South Sound YMCA Emergency Childcare Funding; Thurston County United Way COVID Relief for rent and food assistance; WCPA downtown holiday entertainment industry support; and West Olympia Business Association

PPE bulk distribution program. Funding from economic development reserve.

- \$5,000 in appropriations for grant from Arts WA Olympia Creative District. Funding from fund balance where grant was recorded.
- \$41,454 in appropriations COVID-19 related response to mitigation site. Funding from economic recovery funds.
- \$10,000 in appropriations for micro-housing. Funding from Thurston County Micro-Housing grant. Total grant \$60,000 with remaining \$50,000 being appropriated in 2021.
- \$20,000 in appropriations micro-housing. Funding from donation from Providence Foundation. Total donation, \$50,000 with remaining to be appropriated in 2021.
- \$24,000 in appropriations for response to homelessness. Funding from Thurston County Hygiene grant.
- \$269 in appropriations additional labor costs related to COVID-19 response. Funding from economic recovery funds.

Fire

- \$56,000 in appropriations for bunker gear replacement. This was a request approved during the 2019 year-end process and was omitted during an earlier budget amendment. Funding from General Fund fund balance.
- \$6,203 in appropriations for vehicle repair. Funding from insurance proceeds.
- \$169,276 in appropriations for salaries and benefits for providing wildfire service to another agency. Funding from Department of Natural Resources.
- \$200,000 in appropriations for overtime. Funding from Thurston County Medic One reimbursement.

Parks

- \$25,000 in appropriations for the Parks scholarship program to assist with need during COVID -19 era. Funding from economic recovery funds.
- \$1,500 in appropriations for storage and removal of derelict vessel. Funding from surplus sale proceeds.
- \$85,000 for appropriations related to the Municipal Arts Work Plan. Funding from Municipal Arts Fund reserve.

Police

- Reduction in appropriations of \$139,493 due to grant revenue from Washington Association of Sheriffs & Police Chief being reduced at year end by granting agency.

Public Works

- Reduction in appropriations of \$24,276 due to grant being completed and revenue will not be received.
- \$370,851 in appropriations related to design development of the new Waste ReSources Facility. Funding from capital reserve fund balance.
- \$20,455 in appropriations for additional labor costs related to COVID-19 response. Funding from economic recovery funds.

All General Fund Departments

- Reduction in appropriations of \$3,957,008 to recognize general and program revenue reductions related to COVID-19 revenue shortfalls.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve ordinance amending ordinance 7258. 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 increase in appropriations of \$2,235,920 (includes transfers between funds); Operating Funds increase in appropriations of \$6,660,182; Special Funds decrease appropriations of \$5,008,055; and Capital Funds increase in appropriations of \$583,793. Funding sources are noted above.

Attachments:

Revised Ordinance - Second Reading

Ordinance - First Reading