



## City Council

### Approval of Amendment to Ordinance 6903 (Operating Budget)

**Agenda Date:** 6/17/2014  
**Agenda Item Number:** 4.F  
**File Number:** 14-0546

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

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**Title**

Approval of Amendment to Ordinance 6903 (Operating Budget)

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve amending ordinance on second reading.

**Report**

**Issue:**

Amendment to Ordinance 6903

**Staff Contact:**

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465

**Presenter(s):**

Dean Walz, Fiscal Services Director

**Background and Analysis:**

The background and analysis have not changed from first reading to second reading.

To change the budget the Council must approve a new ordinance amending the budget. Generally, budgetary amendments are made quarterly. On occasion a budget change needs to be made between the quarterly updates and a separate ordinance will come before the council. These ordinances do not officially amend the budget ordinance, but does provide authorization to expend funds. The attached ordinance reflects ordinances which may have been adopted relating to the budget since the last quarterly update, and other proposed changes to the budget.

Four ordinances were passed since the adoption of ordinance 6903.

Ordinance 6901, which appropriated General Fund fund balance for the following purposes:  
\$836,300 for the Equipment & Facilities Reserve Fund

\$500,000 for the Isthmus Park Project  
\$325,000 for PSE - Street Light Conversion  
\$200,000 for Information Systems improvements  
\$ 88,880 for the Parking Special Account

The above fund balance resources were generated from 2013 budget savings and revenues excess of anticipated revenues.

Ordinance 6906, which appropriated \$50,000 for Community Renewal Planning, funded from the General Fund fund balance.

Ordinance 6907, which appropriated \$200,000 for the Police Annex demolition project, funded from the City Hall Construction Fund.

Ordinance 6908, which appropriated \$233,070 for installation of solar panels at City Hall, funded by a \$183,070 grant from the State of Washington, Department of Commerce and \$50,000 from the City Hall Construction Fund.

Budget Items Not Previously Presented to the Council:

- 1) Appropriation of \$1,830 to be transferred to the General Fund, from the 1995 LTGO Bond Fund, which is being closed by the attached ordinance. This represents the residual balance in the Bond Fund.
- 2) Appropriation of \$10,000 for the development of an urban forest strategic plan. Funded by a community forestry assistance grant from the State of Washington Department of Natural Resources.
- 3) Appropriation of \$5,400 from the operation and maintenance of the Artesian Park. Funded by rent revenue from food vendors.
- 4) Appropriation of \$219,360 for lawn care education by the Storm & Surface Water Utility. Funded by a grant from the State of Washington Department of Ecology.
- 5) Appropriation of \$36,000 for the Zonar system. Funded from the Equipment Rental (Fleet) Fund fund balance. Zonar is a system which provides vehicle inspection reports, GPS opportunities, and real-time diagnostics.
- 6) Appropriation of \$16,845 to replenish budget expended providing services to the Oso landslide incident. Funding is through reimbursements from Snohomish County.
- 7) Appropriation of \$40,000 for additional sidewalk repair. Funding provided by a \$31,730 grant from the Washington Cities Insurance Authority, and by \$8,270 from the Insurance Trust Fund.
- 8) Appropriation of \$167,902 to be paid from the Storm & Surface Water Debt Fund. The Debt Fund is being created by the attached ordinance. The City recently received a grant which requires a separate Debt Fund be established. Funding is from funds already budgeted within the Storm & Surface Water Utility O&M Fund.
- 9) Public Works re-organized its administration functions. Due to re-org the indirect cost allocations for various sections was re-computed. This resulted in a change in allocations to various sections within Public Works. The changes require an additional appropriation in the General Fund of \$210,938. This appropriation is funded by additional revenue of \$230,912, resulting in a budget gain of \$19,974 in fund balance. Additionally, the Fleet Operating Fund requires an appropriation of \$39,783. This is off-set by \$16,500 in revenue, resulting in a net

use of fund balance of \$23,283.

10) Appropriation of \$6,621 for microfilming costs related to a public records request. Funding is from fees charged for the costs of microfilming.

11) Appropriation of \$20,160 for lease payments of electric vehicles to the Fleet Operating Fund. Funding is from vehicle rental payments.

**Neighborhood/Community Interests (if known):**

None noted.

**Options:**

1) Approve ordinance amending ordinance 6903.

2) Do not approve the amending ordinance. The budget items would not be authorized.

**Financial Impact:**

The total increase in appropriations is \$3,208,089. The sources of funding for these appropriations are noted above.