



City Council

Approval of an Ordinance Amending Ordinance 7173 (Operating Budget)

Agenda Date: 6/11/2019
Agenda Item Number: 4.D
File Number: 19-0511

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

Title

Approval of an Ordinance Amending Ordinance 7173 (Operating Budget)

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the Ordinance that amends Ordinance 7173 on forward to second reading.

Report

Issue:

Whether to amend Ordinance 7173 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 Budget by approving an ordinance. Generally, budget amendments are presented quarterly to Council for their 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 were passed since the adoption of ordinance 7173 on December 18, 2018, relating to the Operating Budget.

The attached ordinance includes recommended amendments to the 2019 Operating Budget for: 1) recognizing actual year-end fund balances; 2) 2018 year-end carry forward appropriations; and 3)

department appropriation requests for the First Quarter in 2019.

2018 Year-End Appropriations of \$1,351,418 include: year-end contractual obligations, and Council's direction to appropriate \$155,545 of end of year funds to Building Repair and Replacement (\$100,000) and to purchase Case Management Software for Public Defense and Prosecution (\$55,454). The budget stabilization reserve of \$7,760,038 is included in the "Additions to Fund Balance" on the ordinance.

2019 First Quarter department requests of \$10,688,308 include:

1. Parks

- \$8,400 for increased class offerings. Funding is from increased program revenue.
- \$310,306 for parks operations. Funding is from program revenue and additional OMPD funds after final property tax levy assessments.
- \$9,500 for Lodging Tax Advisory Committee. Funding provided from Oly-on-Ice revenue.
- \$3,336 to Special Revenue fund to support Parks program scholarships. Funding provided from existing Parks appropriations.

2. Public Works

- \$368,000 to Waste ReSources Capital fund from the Waste ReSources Operating fund. Capital funding was established as part of the 2018 rates to cover expenses related to a new maintenance center for Waste ReSources.

3. Administrative Services

- \$11,234 reduction in the Water/Sewer Bond fund as an administrative correction to the 2019 original budget.
- \$10,000,000 to refinance original 2016 BAN (bond anticipation note). Funding provided from proceeds of the 2018 BAN.

Neighborhood/Community Interests (if known):

None noted.

Options:

1. Approve ordinance amending ordinance 7173. This provides staff with budget capacity to proceed with initiatives approved by Council.

2. Do not approve the amending ordinance. The budget items not previously presented to the council would not be authorized.

Financial Impact:

Total increase in appropriations of \$12,039,726. The sources of funding are noted above.

Attachments:

Ordinance