



City Council

Approval of a Resolution to Reallocate \$175,000 from Council-Approved Policy Analyst Contracts to Unallocated General Fund

Agenda Date: 5/5/2020
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Title

Approval of a Resolution to Reallocate \$175,000 from Council-Approved Policy Analyst Contracts to Unallocated General Fund

Recommended Action

Committee Recommendation:

Finance Committee met on April 15 and unanimously passed a motion to reallocate \$175,000 planned for Council Policy Analyst contracts to the 2020 General Fund Operating budget as unallocated to cover impacts to revenue as a result of the pandemic.

City Manager Recommendation:

Approve the resolution reallocating \$175,000 from Council-Approved Policy Analyst Contracts to Unallocated General Fund

Report

Issue:

Whether to reallocate \$175,000 from Council Approved Policy Analyst Contracts to Unallocated General Fund

Staff Contact:

Jay Burney, Interim City Manager, 360.753.8740

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

Finance Committee adjusted their 2020 Work Plan as a result of the coronavirus (COVID-19) pandemic. The Governor's "Stay home, Stay healthy" order closed non-essential businesses which is having a significant impact on the City's General Fund Revenue.

On April 15, Finance Committee proposed reallocating 2020 Council Policy Analyst contracts to the General Fund as unallocated. This action will reduce General Fund expenditures and help offset a

shortfall in revenue. In 2019, Council appropriated \$100,000 for Policy Analyst contracts. Two on-call contracts were established for the Council to use to research and evaluate policy issues. The Athena Group and Harvey M. Rose Associates were selected. In 2019, Harvey M. Rose Associates provided analyst work for Finance Committee regarding the Economic Ecosystem.

The 2020 Operating Budget appropriated \$100,000 for Council Policy Analyst Contracts and carried forward \$75,000 of unspent funds in 2019. The intent was to provide resources and expertise to research and evaluate policy issues as a resource for Council.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Accept the approach to mitigating the 2020 General Fund Revenue Shortfall and forward to full Council.
2. Direct staff to modify the approach to mitigating the 2020 General Fund Revenue Shortfall and forward to full Council.
3. Direct staff to modify the approach to mitigating the 2020 General Fund Revenue Shortfall and return to Finance Committee for further discussion.

Financial Impact:

The City projects a 12 percent loss in revenue (over \$10 million) as a result of the pandemic.

Attachments:

Resolution