



City Council

Approval of an Ordinance Amending Ordinances 7224 (Operating, Special and Capital Budgets) and 7235 (COVID-19 Emergency Appropriation)

Agenda Date: 5/19/2020
Agenda Item Number: 4.D
File Number: 20-0379

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

Title

Approval of an Ordinance Amending Ordinances 7224 (Operating, Special and Capital Budgets) and 7235 (COVID-19 Emergency Appropriation)

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance that amends Ordinances 7224 and 7235 on second reading.

Report

Issue:

Whether to amend Ordinances 7224 and 7235 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 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.

One separate ordinance was passed since the adoption of Ordinance 7224 in December 2019. On

March 24, 2020, Council approved Ordinance 7235 authorizing the appropriation of \$550,000 for response to the COVID-19 Emergency.

The attached ordinance includes recommended amendments to the 2020 Operating Funds, Specials Funds, and Capital Funds for: 1) Department requested carry-forward appropriations; 2) Miscellaneous carry-forward for non-lapsed appropriations; and 3) Department requests for budget amendments for the 1st Quarter in 2020.

- 1) Department requested carry-forward appropriations include appropriations representing 2019 obligations for purchase orders and contracts not completed in 2019. These appropriations total \$5,105,800.
- 2) Miscellaneous carry-forward appropriations include 2019 appropriations and associated transfers that did not lapse (end) in 2019. The majority of these appropriations are related to capital project appropriations. These appropriations total \$98,240,020.
- 3) Department requests for budget amendments for 1st Quarter in 2020 represent new budget adjustments and associated transfers Departments requested for 2020. These appropriations total \$1,715,639.

Department requests for budget amendments for the 1st Quarter in 2020 are summarized below.

Administrative Services

- Reduction of \$37,500 in fund balance for an administrative correction. A 2020 budget enhancement for Water, Wastewater and Stormwater Funds Transfer was corrected on the “transfer-out side” in each of those funds but missed on the “transfer-in” side on the original budget entry. No change in appropriations.
- \$19,594 in appropriations for transfer from LID Guaranty Fund to LID Obligation Control for debt service payment. Funding from LID Guaranty Fund.
- \$6,538 in appropriations related to PC Users rates due to a data entry error on original budget. Funding to come from the fund balances of General Fund, Special Funds, HUD Fund, Water Fund Sewer Fund, and Park & Rec Utility Tax Fund.

Community Planning and Development

- \$50,000 in appropriations for expenditures related to the United Way Contract due to Emergency Declaration. Funding from Special Funds Economic Development Program.
- \$45,300 in appropriations for expenditures related to the Olympia Downtown Alliance contract due to the Emergency Declaration. Funding from Special Funds Economic Development Program.

- \$36,000 in appropriations for expenditures related to the Thurston County Chamber of Commerce contract due to Emergency Declaration. Funding from Special Funds Economic Development Program.
- \$100,000 in appropriations for expenditures related to the Robertson and Company contract due to Emergency Declaration. Funding from Special Funds Economic Development Program.
- \$600,000 in appropriations for expenditures related to Phase I & II of environmental assessments and development of cleanup plans focusing on Peninsula and West Bay Neighborhoods. Funding from the Brownfields Assessment & Clean-up hazardous substances and petroleum grants.
- \$28,000 in appropriations for expenditures related to the Shoreline Mater Plan. Funding from a Washington State Department of Ecology grant.
- \$200,000 in appropriations for expenditures related to the Housing Action Plan. Funding from Washington State Department of Commerce.

General Government

- Reduce \$550,000 in appropriations and increase fund balance for correcting entry related to Budget Ordinance 7235 approved by Council on March 24, 2020. The budget entry was recorded as increasing appropriations for professional services related to COVID-19 emergency and should have been entered as increasing Fund Balance in the Special Fund Economic Development Program.
- \$100,000 in appropriations for expenditures related to remediation of former West Olympia Landfill site. Funding to come from insurance proceeds

Fire

- \$3,000 in appropriations for expenditures related to New Wellness agreement with IAFF Collective Bargaining Agreement. Funding from reduction in Fire Department's operating budget.
- \$548 in appropriations for expenditures related to safety masks for COVID-19 emergency. Funding from Special Funds Economic Development Program.
- \$373 increase in General Fund balance for administrative correction related to transfer from Water, Sewer and Storm Funds. No change in appropriations.

Public Works Operating Funds

- Facilities - \$9,566 in appropriations related to a Puget Sound Energy rebate received in 2019. Funding to come from fund balance.
- Facilities - \$495,000 in appropriations for Building Repair & Maintenance Fund. Funding from General Fund 2019 carryover funds.

- Fleet - \$36,941 in appropriations related to upgrade of fuel island pedestal, electronic pump, fuel software. Funding from Fleet Operations Fund balance.
- Fleet - \$29,200 in appropriations related to replacement towards underground fuel tanks, replacement of island pedestal/pumps/software, and replacement of new lifts. Funding from Fleet Operations Fund balance.
- Drinking Water - reduce \$120,478 in appropriations for reduction in FTE transferred to Storm Water. Funding returned to fund balance.
- Storm Water - \$120,478 in appropriations for transfer of FTE from Drinking Water. Funding from Storm Water fund balance.
- Transfer \$120,478 in appropriations related to transferring FTE from the Water Utility to the Storm Water Utility. Funding from the Storm Water utility operations budget.
- Transportation - \$156,253 in appropriations related to capital project. Funding from Capital Campus TMD [spell out] grant.
- Transportation - \$54,000 in appropriations for City's share of Thurston County Regional Planning Commission study for Martin Way Corridor Study. Funding from Capital Improvement Fund.
- Transportation - \$17,148 in appropriations for materials purchased for State Avenue signal modification. Funding from Intercity Transit reimbursement.
- Transportation - \$20,000 in appropriations for materials used on Views on 5th Project. Funding was received from developer.
- Transportation - \$25,974 in appropriations for guardrail repair on Cooper Point Rd NW & 20th Ave NW. Funding from Risk Insurance Fund.
- \$66,000 in appropriations for expenditure related to the purchase of vehicle for Washington Conservation Corp Crew. Funding from Storm Water Operations fund balance.
- \$40,000 in appropriations for expenditure related to the purchase of vehicle for Community Planning and Development's Rapid Response Team. Funding from the Home Fund Operating Fund.
- Reduction in appropriations of \$16,101 for expenditure and revenue associated with closing out the Transportation Alternatives Program Grant project for installing a school zone flashing beacon
- Fleet - \$92,678 in appropriations related to the acquisition of 6 mobile column lifts. Funding from Fleet Operations Fund balance.

Neighborhood/Community Interests (if known):

None noted.

Options:

1. Approve ordinance amending ordinance 7224 and 7235. 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:

Operating Funds - total increase in appropriations of \$6,422,379; Special Funds - total increase in appropriations of \$9,650,962; and Capital Funds - total increase in appropriations of \$88,988,118. Funding sources are noted above.

Attachments:

Ordinance