



City Council

Approval of an Ordinance Amending Ordinance 7281 (Second Quarter Budget Amendment)

Agenda Date: 8/10/2021
Agenda Item Number: 4.H
File Number: 21-0694

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

Title

Approval of an Ordinance Amending Ordinance 7281 (Second Quarter Budget Amendment)

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the proposed Ordinance that amends Ordinance 7281 (Second Quarter Budget Amendment) on second reading.

Report

Issue:

Whether to amend Ordinance 7281 on second reading.

Staff Contact:

Debbie Sullivan, Assistant City Manager, Strategic Initiatives, 360.753.8499
Joan Lutz, Budget/Financial Analyst, Finance Department, 360.753.8760

Presenter(s):

None - Consent Calendar item

Background and Analysis:

Background and analysis has not changed from first to second reading.

The City Council may revise the City's Operating Budget by approving an Ordinance. Generally, budget amendments are presented quarterly to the City 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.

The Ordinance includes recommended amendments to the 2021 Operating Funds, Specials Funds, and Capital Funds for use of 2020 end of year fund balance and Department requests for budget amendments for the Second Quarter in 2021.

- 1) Appropriation of \$3,780,938 of 2020 available end of year fund balance per Council meeting presentation on May 4, 2021. The remaining \$202,840 will remain unallocated in fund balance.
- 2) Department requests for budget amendments for the second quarter in 2021 represent new budget adjustments and associated transfers departments requested for 2021. These appropriations total \$ \$2,486,316.

Department requests for budget amendments for the second quarter in 2021 are summarized below.

City Manager's Office

- \$147,691 in appropriations for three new FTE's and funding for five months' salary and benefits as well as start-up costs in 2021. The three FTE's requested are: Deputy PIO, Social Media/Content Strategist and Graphic Designer as outlined in the Communications Strategic Recommendations. Funding is from recognition of unanticipated revenue.
- \$150,000 for on-call contract services for crisis communications, photography, videography, graphic design and professional writers to support the Communications Strategic recommendations.

Community Planning & Development

- \$7,000 increase in PBIA fund balance for correcting entries in 2018 and 2017. The 2017 PBIA supporting contribution for the Downtown Ambassadors to the General Fund was short \$3,000. In 2018, the funding of the flower baskets was changed from flat rate General Fund contribution to actual expenditures paid directly from the PBIA fund. However, the \$10,000 annual flat rate transfer still occurred. Funding is from the General Fund fund balance.

Municipal Court

- \$400,000 in appropriations for expenditures to Community Court to be utilized for salary, benefits, travel/training, operating costs, and social service provider contracts. Funding is a 2-year BIA Federal Grant.

Fire Department

- \$11,363 in appropriations for expenditures to Fire Department Fleet Services repair supplies. Funding is insurance proceeds.

Parks, Arts & Recreation

- \$4,500 in appropriations for expenditures for the key card installation at The Olympia Center. Funding from shared costs.

Public Works Operating Funds

- Drinking Water CIP- \$471,670 increase in fund balance. Project budget remains unchanged however, added an additional funding option. Funding is from additional funds available through Drinking Water State Revolving Fund (DWSRF) loan.
- Stormwater CIP - \$13,000 in appropriations for additional implementation needs of CityWorks software. Funding is from Stormwater CIP fund balance.
- Sewer CIP - \$12,000 in appropriations for additional implementation needs of CityWorks software. Funding is from Sewer CIP fund balance.
- Transportation - \$175,000 in appropriations for professional services contract for a pavement management system. This will be a transfer from Capital Projects to the General Fund. Funding is from Capital Projects fund balance.
- Transportation - \$775 in appropriations for supplies due to unanticipated revenue from recycling aluminum streetlights and signal poles. Funding is from recognition of unanticipated revenue.

Neighborhood/Community Interests (if known):

The Community has an interest in the City's budget and how funds are managed.

Options:

1. Approve ordinance amending ordinance 7281. 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.
3. Recommend changes to the ordinance and send it back to staff for revision.

Financial Impact:

Operating Funds - total increase in appropriations of \$5,664,254; Special Funds - total increase in appropriations of \$203,000; and Capital Funds - total increase in appropriations of \$400,000. Funding sources are noted above.

Attachments:

Ordinance