

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Adoption of Ordinance No. 530, Amending the 2008 Budget for Operating Funds
DEPARTMENT: Finance
PRESENTED BY: Debbie Tarry, Finance Director

PROBLEM/ISSUE STATEMENT:

On December 3, 2007 a major storm event impacted the City of Shoreline in multiple locations. Costs were incurred during 2007 and 2008 to support emergency activities and to make repairs to City facilities. This amendment will increase the budget in the effected programs and recognize grant awards from the Federal Emergency Management Agency (FEMA) and the Washington State Military Department (WMD) to reimburse the City for emergency expenses. The budget is also being amended to include the amount of insurance recovery that the City is expected to receive for the December 3, 2007 storm event and for other damages to City property that have occurred during 2008. This amendment also increases the appropriation in the City's Equipment Replacement Fund to allow for the early replacement of Parks Maintenance equipment.

The following operating programs will be impacted by the amendment:

General Fund - \$129,733

- Finance Flood Emergency Relocation – \$41,939
- Parks Maintenance - \$28,562
- Emergency Services Expenses - \$59,232

Surface Water Utility Fund - \$143,003

- Surface Water Management - \$128,319
- Surface Water Roads - \$14,684

Equipment Replacement Fund - \$36,000

- Early Replacement of Parks Maintenance Tractor - \$36,000

FINANCIAL IMPACT:

The following table summarizes the budget amendment request for each of the affected City funds and the impact that this has on the City's reserve levels.

	Current 2008 Available Beginning Fund Balance	Budget Amendment Request	Revenue Adjustments	Resulting 2008 Available Beginning Fund Balance
Fund	(B)	(C)	(D)	(E) (B - C+D)
General Fund	\$2,115,592	\$129,733	\$117,666	\$2,103,525
Surface Water Utility Fund	\$8,322,579	\$143,003	\$126,089	\$8,305,666
Equipment Replacement Fund	\$1,643,684	\$36,000	\$0	\$1,607,684
Total	\$12,081,855	\$308,736	\$243,756	\$12,016,875

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 530, amending the 2008 budget.

Approved By:

City Manager 

City Attorney 

INTRODUCTION

On December 3, 2007 a major storm impacted the City of Shoreline in multiple locations. Costs were incurred during 2007 and 2008 to support emergency activities and to make repairs to City facilities. Since the 2008 budget was developed and adopted by the City Council prior to this event, the current 2008 budget does not have sufficient spending authority to cover the storm related expenses. This amendment will increase the budget in the effected programs to provide adequate appropriations and recognize grant awards from the Federal Emergency Management Agency (FEMA) and the Washington State Military Department and insurance recoveries to offset these expenses

This amendment also increases the appropriation in the Parks Maintenance program to provide spending authority to make repairs to facilities at Shoreline A & B soccer fields and Hillwood Park. Earlier this year, damages occurred to utility poles and the electrical system at the soccer fields and a slide was burned at Hillwood Park. In both cases, the damages were caused by vandalism.

This amendment also increases the appropriation in the City's Equipment Replacement Fund to allow for the early replacement of a tractor used by Parks Maintenance staff. Due to the significant cost to repair the tractor, it was determined that it would be more cost effective to replace the vehicle early. Adequate funds had been collected over the past few years from the Parks Maintenance program to provide enough of a balance in the fund to make the purchase at this time.

BACKGROUND

Budget Amendments for Operating Programs

General Fund

Revenues: General Fund revenues will be increased by \$117,666. This reflects a reimbursement totaling \$52,564 from FEMA, \$8,761 from WMD, and \$56,341 from insurance recoveries. Fund balance of \$12,067 will be used to support the remaining increases in the appropriation.

Finance Flood Emergency Relocation: The 2008 appropriation for this program will be increased by \$41,939 to cover expenses related to the emergency relocation of the Finance department as a result of the flooding that occurred on December 3, 2007 and for the replacement of equipment loss due to the flooding in the basement of City Hall.

Parks Maintenance: Increase appropriation by \$4,652 to cover the cost of repairs to a trail at Shoreview Park that was damaged during the December 3, 2007 storm and to increase the appropriation by \$23,910 for damages at Shoreline A & B soccer fields and Hillwood Park as a result of vandalism.

Emergency Services: Increase appropriation by \$59,232 to cover the cost of emergency response taken by the City during the December 3, 2007 storm. This includes operation of the Emergency Operations Center (EOC), opening of a shelter at Spartan Recreation Center, citywide debris removal, and repairs to the walking trail at Boeing Creek.

Surface Water Utility Fund

Revenues in this fund will be increase by \$126,089 to include the reimbursement of \$108,077 from FEMA and \$18,012 from WMD for expenses incurred during the December 3, 2007 storm event. Fund balance of \$16,914 will also be used to support the increased funding repairs.

Surface Water Management: Increasing the appropriation by \$128,319 to cover the cost of repairs to 17th Place N.W. and Pump Stations 25 & 26 along with sediment removal from Hidden Lake as a result of the December 3, 2007 storm event.

Surface Water Roads: Increasing the appropriation by \$14,684 to cover the cost of repairs due to damages from the December 3, 2007 storm at 18238 Ridgefield Road N.W.

Equipment Replacement Fund

Fund balance totaling \$36,000 will be used for the early purchase of a tractor to be used by Parks Maintenance staff. Sufficient funds have been accumulated within the Equipment Replacement Fund.

Impact to the Appropriations

The revisions to the 2008 operating budgets result in an increase to the General Fund budget of \$129,733, an increase of \$143,003 in the Surface Water Utility Fund, and an increase of \$36,000 in the Equipment Replacement Fund. The fund balance in the General Fund will decrease by \$12,067. The fund balance in the Surface Water Utility Fund will decrease by \$16,914. The fund balance will decrease in the Equipment Replacement Fund by \$36,000.

SUMMARY

The following table summarizes the budget amendments to each fund and the resulting 2008 appropriations for each of the affected funds.

Fund	Current Budget	Budget Amendment Request	Amended Budget
General Fund	\$33,631,800	\$129,733	\$33,761,533
Street Fund	\$2,744,038	\$0	\$2,744,038
Code Abatement Fund	\$100,000	\$0	\$100,000
Asset Seizure Fund	\$45,500	\$0	\$45,500
Public Arts Fund	\$168,645	\$0	\$168,645
General Capital Fund	\$30,632,881	\$0	\$30,632,881
City Facility-Major Maint. Fund	\$61,000	\$0	\$61,000
Roads Capital Fund	\$23,012,286	\$0	\$23,012,286
Surface Water Utility Fund	\$11,806,854	\$143,003	\$11,949,857
Vehicle Operations Fund	\$135,049	\$0	\$135,049
Equipment Replacement Fund	\$245,088	\$36,000	\$281,088
Unemployment Fund	\$10,000	\$0	\$10,000
Unltd Tax GO Bond	\$1,662,475	\$0	\$1,662,475
Total	\$104,255,616	\$308,736	\$104,564,352

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 530, amending the 2008 budget.

ATTACHMENTS

Attachment A: Ordinance 530, Amending the 2008 Budget

ORDINANCE NO. 530

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE NO. 525 BY INCREASING THE APPROPRIATION FOR THE CITY GENERAL FUND, SURFACE WATER UTILITY FUND, AND THE EQUIPMENT REPLACEMENT FUND ;

WHEREAS, the 2008 Budget was adopted in Ordinance 486 and amended by Ordinances No. 498, 506, 510 and 525; and

WHEREAS, the City has received disaster assistance from the Federal Emergency Management Agency and the Washington State Military Department for the December 3, 2007 Storm Event; and

WHEREAS, the City will receive insurance recovery funds for damages and other expenses incurred during the December 3, 2007 Storm Event; and

WHEREAS, the City will receive insurance recovery funds for damages incurred at Shoreline Soccer Fields A & B from vandalism; and

WHEREAS, there are sufficient funds within the fund balance of the General Fund, Surface Water Utility Fund, and Equipment Replacement Fund; and

WHEREAS, the City of Shoreline is required by RCW 35A.33.075 to include all revenues and expenditures for each fund in the adopted budget;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment. The City hereby amends Section 1 of Ordinance No. 525 and the 2008 Annual Budget, by increasing the appropriation for the General Fund by \$129,733 for a total appropriation of \$33,753,153; for the Surface Water Utility Fund by \$143,003 for a total appropriation of \$11,949,857; for the Equipment Replacement Fund by \$36,000 for a total appropriation of \$308,736 and by increasing the Total Funds appropriation to \$104,564,352 as follows:

General Fund	\$33,631,800	\$33,761,533
Street Fund	\$2,744,038	
Code Abatement Fund	\$100,000	
Asset Seizure Fund	\$45,500	
Public Arts Fund	\$168,645	
General Capital Fund	\$30,632,881	
City Facility-Major Maintenance Fund	\$61,000	
Roads Capital Fund	\$23,012,286	
Surface Water Utility Fund	\$11,806,854	\$11,949,857
Vehicle Operations/Maintenance Fund	\$135,049	
Equipment Replacement Fund	\$245,088	\$281,088

Attachment A

Unlimited Tax GO Bond	\$1,662,475	
Unemployment Fund	\$10,000	
Total Funds	\$104,255,616	\$104,564,352

Section 2. Amending the 2008 Budget. The 2008 Budget is amended as set forth in Exhibit 1 and increases the Total Funds appropriation to \$104,564,352.

Section 3. Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

PASSED BY THE CITY COUNCIL ON NOVEMBER 24, 2008

Mayor Cindy Ryu

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Publication Date:
Effective Date:

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