

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Ordinance No. 554, Amending the 2009 Budget for Operating Funds & Capital projects
DEPARTMENT:	Finance
PRESENTED BY:	Debbie Tarry, Finance Director

PROBLEM/ISSUE STATEMENT:

During the course of the year, the City has received several grants and other revenues that should be included in the 2009 appropriations along with their corresponding expenditures. These new revenue sources were not anticipated when the 2009 budget was developed and adopted by Council. Other operating programs need to be adjusted for unanticipated expenditures.

The following operating programs will be impacted by the amendment:

General Fund - \$504,824

- Emergency Management/EMPG Grant - \$35,267
- Jail Planning/Analysis/Siting - \$440,391
- District Court - \$47,456
- Police Administration - \$22,175
- Police Patrol - \$30,000
- Kruckeberg Trust - \$40,000
- General Fund Transfers Out to Street Fund-- (\$110,465)

Street Fund -

- Street Operations - \$12,389

State Drug Forfeiture Fund

- State forfeitures - \$35,000

Federal Drug Forfeiture Fund

- Federal Forfeiture Fund - \$30,000

General Capital Fund

- City Hall/Civic Center Project - \$311,732

Surface Water Utility Fund

- SWM Roads - \$16,612

Vehicle Operations/Maintenance Fund

- Vehicle Maintenance - \$30,000

Equipment Replacement Fund

- Replacement of Copiers - \$120,000

FINANCIAL IMPACT:

The following table summarizes the budget amendments to each fund and the resulting 2009 appropriations for each of the affected funds.

Fund	Current Budget	Budget Amendment Request	Amended Budget
General Fund	\$31,758,285	\$504,824	\$32,263,109
Street Fund	\$2,582,164	\$12,389	\$2,594,553
Code Abatement Fund	\$100,000	\$0	\$100,000
State Drug Forfeiture Fund	\$21,500	\$35,000	\$56,500
Federal Drug Forfeiture Fund		\$30,000	\$30,000
Public Arts Fund	\$114,500	\$0	\$114,500
Revenue Stabilization Fund	\$594,959	\$0	\$594,959
General Capital Fund	\$36,165,554	\$311,732	\$36,477,286
City Facility-Major Maint. Fund	\$55,953	\$0	\$55,953
Roads Capital Fund	\$41,189,313	\$0	\$41,189,313
Surface Water Utility Fund	\$7,086,314	\$16,612	\$7,102,926
Vehicle Operations Fund	\$142,959	\$30,000	\$172,959
Equipment Replacement Fund	\$245,204	\$120,000	\$365,204
Unemployment Fund	\$10,000	\$0	\$10,000
Unltd Tax GO Bond	\$1,676,850	\$0	\$1,676,850
Total	\$121,743,555	\$1,060,557	\$122,804,112

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 554, amending the 2009 budget.

Approved By:

City Manager 

City Attorney 

INTRODUCTION

During the course of the year, the City has received several grants and other revenues that should be included in the 2009 appropriations along with their corresponding expenditures. These new revenue sources were not anticipated when the 2009 budget was developed for adoption by Council. In addition, staff is requesting to use available fund balance in the General Fund for unanticipated costs related to the operation of the municipal court and for the 2009 share of the Kruckeberg Trust donation to be used for the operation and maintenance of the Kruckeberg Gardens. Staff is also requesting to use available fund balance in the State Drug Forfeiture Fund for various investigative needs and in the Equipment Replacement Fund for the replacement of copiers. This request also included a technical correction to Ordinance 538 which was adopted by Council on April 13, 2009. This ordinance reduced expenditures within the Street Fund but did not reduce the level of General Fund Support. This request will reduce the General Fund Transfer to the Street Fund.

BACKGROUND

Budget Amendments for Operating Programs

General Fund

Revenues: General Fund revenues will be increased by \$527,833. This reflects an Emergency Management Performance Grant (EMPG) from the Washington State Military Department and the Department of Homeland Security totaling \$35,267, a U.S. Dept. of Justice Byrne Memorial Grant totaling \$74,566, and Washington Auto Theft Prevention Authority Grant totaling \$30,000 and proceeds from the sale of property totaling \$388,000. In 2003, the City of Shoreline entered into an inter-local agreement with 38 other King County municipalities for jail administration (JAG) and jail operations (JOG). In 2002, the City of Shoreline as well as other King County cities entered into an agreement with King County for King County to house and provide jail services. This agreement also included the transfer of land from the County to the City of Bellevue to serve as the location for a new misdemeanor jail facility. Subsequently, it has been determined that the Bellevue property is no longer a viable site for a future jail facility and has been sold. Per the agreement with King County the proceeds from the sale shall be used by the contract cities to site and build a new jail facility. In 2009, the City of Bellevue sold the property and the member municipalities received their share of the proceeds. The use of General Fund fund balance is reduced by \$23,009.

Emergency Management Planning: The 2009 appropriation for this program will be increased by \$35,267. Funding from the EMPG grant will be used for a Vista volunteer, a consultant to develop a Hazard Mitigation and upgrades to the Emergency Operations Center.

Jail Planning/Analysis/Siting: Increase appropriation by \$440,391 the use of proceeds from the sale totaling \$388,000 and \$52,391 from the Byrne Memorial Grant to cover the cost of the City's share of the Environmental Impact Statement for the siting of the new jail.

District Court: Increase appropriation by \$47,456 to cover the cost of services for 2008 as included in the final annual reconciliation.

Police Administration: Increase appropriation by \$22,175 to use proceeds from the Byrne Memorial Grant to purchase video and other equipment.

Police Patrol: Increase the appropriation by \$30,000 to use the proceeds from an Auto Theft Prevention Grant to purchase digital cameras and a mobile license plate recognition system.

Kruckeberg Trust: To set an appropriation of \$40,000 for 2009 for the amount of the Kruckeberg Trust monies to be used as a match with City funds for the maintenance and operation of the Kruckeberg Gardens during the year. The City received \$100,000 from Art Kruckeberg in early 2008 to be used to match the amount of City support for the maintenance and operation of the Kruckeberg Garden over a three year period beginning in 2008. This appropriation is for the second year of operation and was omitted from the original 2009 budget. This funding is included in the General Fund fund balance.

Operating Transfers Out: Reduce the appropriation for the transfer to the Street Fund by \$110,465. This is a technical correction to Ordinance 538 which was adopted by Council on April 13, 2009. Expenditures were reduced in the Street Fund by \$110,465 and the contribution from the General Fund to the Street Fund should have been reduced by the same amount.

Street Fund

Revenues in this fund will be increased by \$12,389 to include reimbursement from the Federal Emergency Management Agency (FEMA) and \$1,611 from Washington State Emergency Management for damages and expenses incurred during the December 2008/January 2009 storm event.

Street Maintenance: Funding for overtime will be increased by \$6,442, operating supplies will be increased by \$2,947 and repairs and maintenance will be increased by \$3,000. These costs were all associated with the storm event and will be reimbursed by FEMA and WA State Emergency Management grants.

State Drug Forfeiture Fund

Fund balance of \$35,000 will be appropriated to increase revenues. This funding will be used to for overtime (\$5,000), to take advantage of training opportunities for police staff (\$5,000) and to purchase equipment (\$25,000).

Federal Fund Forfeiture Fund

Revenue will increase by appropriating federal forfeiture funds totaling \$30,000 that have been received by the City. These funds will be used to purchase equipment to aid in investigation activities.

General Capital Fund

Revenue will increase by \$311,732 due to the award of an Energy Efficiency and Conservation Block Grant (EECBG) from the U.S. Department of Energy

City Hall/Civic Center Project: The project will increase by \$311,732 to include the proceeds from the EECBG grant. The funds will be used to install daylight sensors

(\$184,067), occupancy HVAC sensors (\$108,433), occupancy stairway lighting sensors (\$5,079) and visqueen partition for the network server racks in the server room (\$14,153).

Surface Water Utility Fund

Revenues in this fund will increase by \$14,265 from a reimbursement from FEMA and \$2,347 from Washington State Emergency Management for damages and expenses incurred during the December 2008/January 2009 storm event.

SWM Roads: Funding for overtime will be increased by \$1,493, Intergovernmental Professional Services will be increased by \$14,635 for King County services to remove sand from City streets that was used during the storm event, and repairs & maintenance will be increased by \$482 for damages incurred to equipment during the storm.

Vehicle Maintenance & Operations Fund

Revenues will be increased to include a reimbursement from FEMA totaling \$27,300 and reimbursement from WA Emergency Management of \$2,700 for the use of City vehicles and equipment during the December storm and for the use of the street sweeper during the spring months to remove sand used during the storm from City streets.

Equipment Replacement Fund

Fund balance of \$120,000 will be used for the replacement of City copiers to be installed in the City Hall prior to occupancy and in other City facilities. Funds have been accumulated annually in the Equipment Replacement Fund for the replacement of these copiers.

Impact to the Operating Funds

The revisions to the 2009 operating budgets result in an increase to the General Fund budget of \$504,824, an increase to the Street Fund budget of \$12,389, an increase of \$35,000 for the State Drug Forfeiture Fund, and increase of \$30,000 in the Federal Drug Forfeiture Fund, and increase of \$16,612 in the Surface Water Utility Fund, and increase of \$30,000 in the Vehicle Maintenance and Operations Fund, and an increase of \$120,000 in the Equipment Replacement Fund.

The fund balance in the General Fund will increase by \$23,009. The fund balance will decrease in the State Drug Forfeiture Fund by \$35,000. The fund balance will not change in the Street Fund, the Federal Drug Forfeiture Fund, the General Capital Fund, the Surface Water Utility Fund or the Vehicle Operations Fund. The fund balance will decrease by \$120,000 in the Equipment Replacement Fund.

Impact to the Capital Funds

The appropriation in the General Capital Fund will increase by \$311,732. There will be no impact on the fund balance in the General Capital Fund.

SUMMARY

The table on the following page summarizes the budget amendments to each fund and the resulting 2009 appropriations for each of the affected funds.

Fund	Current Budget	Budget Amendment Request	Amended Budget
General Fund	\$31,758,285	\$504,824	\$32,263,109
Street Fund	\$2,582,164	\$12,389	\$2,594,553
Code Abatement Fund	\$100,000	\$0	\$100,000
State Drug Forfeiture Fund	\$21,500	\$35,000	\$56,500
Federal Drug Forfeiture Fund		\$30,000	\$30,000
Public Arts Fund	\$114,500	\$0	\$114,500
Revenue Stabilization Fund	\$594,959	\$0	\$594,959
General Capital Fund	\$36,165,554	\$311,732	\$36,477,286
City Facility-Major Maint. Fund	\$55,953	\$0	\$55,953
Roads Capital Fund	\$41,189,313	\$0	\$41,189,313
Surface Water Utility Fund	\$7,086,314	\$16,612	\$7,102,926
Vehicle Operations Fund	\$142,959	\$30,000	\$172,959
Equipment Replacement Fund	\$245,204	\$120,000	\$365,204
Unemployment Fund	\$10,000	\$0	\$10,000
Unltd Tax GO Bond	\$1,676,850	\$0	\$1,676,850
Total	\$121,743,555	\$1,060,557	\$122,804,112

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 554, amending the 2009 budget.

ATTACHMENTS

Attachment A: Ordinance 554, Amending the 2009 Budget
Exhibit 1: Amendment Detail

ORDINANCE NO. 554

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE 538 BY INCREASING THE APPROPRIATION IN THE GENERAL, STREET, STATE DRUG FORFEITURE, FEDERAL DRUG FORFEITURE, GENERAL CAPITAL, SURFACE WATER UTILITY, VEHICLE MAINTENANCE AND OPERATION, AND EQUIPMENT REPLACEMENT FUNDS.

WHEREAS, the 2009 Budget was adopted by Ordinance 528 and amended by Ordinances 537 and 538; and

WHEREAS, the City has received an Emergency Management Performance Grant to be used in the Emergency Management Planning Program; and

WHEREAS, the City has received an U.S. Department of Justice Byrne Memorial Grant to be used for the purchase of police equipment and for jail planning and site analysis; and

WHEREAS, the City has received a Washington Auto Theft Authority Prevention Grant to be used by Police Patrol; and

WHEREAS, the City has received a grant from the Federal Emergency Management Agency and the Washington State Emergency Management Division to reimburse the City for expenses incurred during and the recovery from the December 2008/January 2009 storm event; and

WHEREAS, the City has received a Energy Efficiency and Conservation Block grant from the U.S. Department of Energy to be used for the construction of energy saving improvements in the City Hall and

WHEREAS, the City has received its share of the proceeds of the sale of property as outlined in the agreement between King County and various cities for the provision of jail services; and

WHEREAS, the City has identified unanticipated expenses in the General Fund, the State Drug Forfeiture Fund and the Equipment Replacement Fund and has sufficient fund balances available to meet these expenses; 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 2 of Ordinance No. 538, *Summary of Revenues and Expenditures*, by increasing the appropriation from the General Fund by \$504,824, by increasing the appropriation for the Street Fund by \$12,389 , by increasing the appropriation in the State Drug Forfeiture Fund by \$35,000, by increasing the appropriation in

the Federal Drug Forfeiture Fund by \$30,000, by increasing the appropriation in the General Capital Fund by \$311,732, by increasing the appropriation in the Surface Water Utility Fund by \$16,612, by increasing the appropriation in the Vehicle Maintenance and Operations Fund by \$30,000 and by increasing the appropriation of the Equipment Replacement Fund by \$120,000 and by increasing the Total Funds appropriation to \$122,804,112 as follows:

General Fund	\$31,758,285	32,263,109
Street Fund	\$2,582,164	2,594,553
Code Abatement Fund	\$100,000	
<u>State Drug Forfeiture Fund</u>	\$21,500	<u>56,500</u>
<u>Federal Drug Forfeiture Fund</u>		<u>30,000</u>
Public Arts Fund	\$114,500	
Revenue Stabilization Fund	\$594,959	
General Capital Fund	\$36,165,554	36,447,286
City Facility-Major Maintenance Fund	\$55,953	
Roads Capital Fund	\$41,189,313	
Surface Water Utility Fund	\$7,086,314	7,102,926
Vehicle Operations/Maintenance Fund	\$142,959	172,959
Equipment Replacement Fund	\$245,204	365,204
Unemployment Fund	\$10,000	
Unltd Tax GO Bond	\$1,676,850	
Total Funds	<u>\$121,743,555</u>	<u>\$122,804,112</u>

Section 2. Amending the 2009 Budget. The 2009 Budget is amended as set forth in Exhibit 1 and increases the Total Funds appropriation to \$122,804,112.

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 JULY 13, 2009.

Mayor Cindy Ryu

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Publication Date: July 16, 2009

Effective Date: July 21, 2009

July 13, 2009 Budget Amendment Detail

Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
General Fund										
Transfer to Street Fund					Fund Balance					Technical Correction to Ordinance No. 538 to reflect the reduced level of General Fund support since the Street Fund expenditures were reduced.
	001	0001000	5970000	\$ (110,465)				\$ (110,465)	\$ (110,465)	
Emergency Management Planning	001	2005062	5350000	\$ 12,267	Emergency Management Performance Grant	3339701	\$ 12,267		\$ 12,267	EOC Facility Upgrades
Emergency Management Planning					Emergency Management Performance Grant					\$11,000 for Vista staff and \$12,000 for Hazard Mitigation consultant
	001	2005062	5410000	\$ 23,000		3339701	\$ 23,000		\$ 23,000	Continue analysis for for siting of new jail
Jail Planning/Analysis/Siting	000	2103269	5410000	\$ 52,391	Byrne Memorial Recovery Grant	3331680	\$ 52,391		\$ 52,391	Purchase video and other equipment
Police-Admin	001	2005034	5640000	\$ 22,175	Byrne Memorial Recovery Grant	3331680	\$ 22,175		\$ 22,175	Purchase digital cameras
Police-Patrol	001	2005034	5350000	\$ 1,299	Anti Auto Theft Grant	3340120	\$ 1,299		\$ 1,299	Mobile License Plate Recognition System
	001	2005034	5360000	\$ 4,500	Anti Auto Theft Grant		\$ 4,500		\$ 4,500	
	001	2005034	5410000	\$ 3,280	Anti Auto Theft Grant		\$ 3,280		\$ 3,280	
	001	2005034	5640000	\$ 20,921	Anti Auto Theft Grant		\$ 20,921		\$ 20,921	
Jail Planning/Analysis/Siting	001	2103269	5510000	\$ 229,586		TBD	\$ 229,586		\$ 229,586	Environmental Impact Study for Jail Siting
Jail Planning/Analysis/Siting	001	2103269	5410000	\$ 158,414		TBD	\$ 158,414		\$ 158,414	Ongoing siting expenses
District Court	001	2104028	5510000	\$ 47,456	Fund Balance			\$ 47,456	\$ 47,456	2007 Reconciliation Payment
Kruckeberg Trust					Fund Balance					Establish a 2009 budget for matching
	001	6520000	5510000	\$ 40,000				\$ 40,000	\$ 40,000	
Total General Fund				\$ 504,824			\$ 527,833	\$ (23,009)	\$ 504,824	
Street Fund										
Street Operations					FEMA					Reimbursement for 12/08 Storm for Overtime
	101	2709054	5112000	\$ 4,999	WA State Emergency Management	3339701	\$ 4,285		\$ 4,285	Reimbursement for 12/08/ Storm for Overtime
					FEMA	3340185	\$ 714		\$ 714	Reimbursement for Direct Administrative costs for 12/08 Storm
	101	2709054	5112000	1443	WA State Emergency Management	3339701	\$ 1,237		\$ 1,237	Reimbursement for Direct Administrative costs for 12/08 Storm
					FEMA	3340185	\$ 206		\$ 206	Reimbursement for 12/08 Storm for Purchase of Sand and Salt
	101	2709054	5320000	\$ 2,947	WA State Emergency Management	3339701	\$ 2,526		\$ 2,526	Reimbursement for 12/08 Storm for Purchase of Sand and Salt
					FEMA	3340185	\$ 421		\$ 421	Reimbursement for use of vehicles and equipment during 12/08 Storm
	101	2709054	5480000	\$ 3,000	WA State Emergency Management	3339701	\$ 2,730		\$ 2,730	Reimbursement for use of vehicles and equipment during 12/08 Storm
					FEMA	3340185	\$ 270		\$ 270	
Total Street Fund				\$ 12,389			\$ 12,389	\$ -	\$ 12,389	

July 13, 2009 Budget Amendment Detail

Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
State Drug Forfeiture Fund										
State Asset Seizure										Use fund balance from prior year seizure revenue for investigations requiring overtime
	108	2005134	5112000	\$ 5,000				\$ 5,000	\$ 5,000	
	108	2005134	5494000	\$ 5,000				\$ 5,000	\$ 5,000	Use fund balance from prior year seizure revenue for training
	108	2005134	5640000	\$ 25,000				\$ 25,000	\$ 25,000	Use fund balance from prior year seizure revenue for equipment purchases
Total State Forfeiture Fund				\$ 35,000			\$ -	\$ 35,000	\$ 35,000	
Federal Drug Forfeiture Fund										
Federal Asset Seizure					Federal Asset Seizure					Recognize and use federal seizure fund received in April
	112	TBD	5640000	\$ 30,000		3693300	\$ 30,000		\$ 30,000	
Total Federal Forfeiture Fund				\$ 30,000			\$ 30,000		\$ 30,000	
General Capital Fund										
City Hall/Civic Center	301	2819148	5620000	\$ 311,732	EECBG Grant	3318112	\$ 311,732		\$ 311,732	Energy Conservation Projects
Total General Capital Fund				\$ 311,732			\$ 311,732	\$ -	\$ 311,732	
Surface Water Utility Fund										
SWM Roads					FEMA					Reimbursement for 12/08 Storm for Overtime
	401	2709169	5112000	\$ 1,493		3339701	\$ 1,280		\$ 1,280	Reimbursement for 12/08/ Storm for Overtime
					WA State Emergency Management	3340185	\$ 213		\$ 213	Reimbursement for King County street sweeping to remove sand debris
					FEMA					
	401	2709169	5510000	\$ 14,635		3339701	\$ 12,545		\$ 12,545	Reimbursement for King County street sweeping to remove sand debris
					WA State Emergency Management					
					FEMA	3340185	\$ 2,090		\$ 2,090	Reimbursement for use of vehicles and equipment during 12/08 Storm
	401	2709169	5480000	\$ 484		3339701	\$ 440		\$ 440	Reimbursement for use of vehicles and equipment during 12/08 Storm
					WA State Emergency Management					
						3340185	\$ 44		\$ 44	
Total Surface Water Utility Fund				\$ 16,612			\$ 16,612	\$ -	\$ 16,612	
Vehicle Maintenance & Operations Fund										
Vehicle Maintenance					FEMA					Reimbursement for use of vehicles and equipment during 12/08 Storm
	501	2709113	5480000	\$ 30,000		3339701	\$ 27,300		\$ 27,300	Reimbursement for use of vehicles and equipment during 12/08 Storm
					WA State Emergency Management					
						3340185	\$ 2,700		\$ 2,700	
Total Vehicle Maintenance & Operations Fund				\$ 30,000			\$ 30,000	\$ -	\$ 30,000	
Equipment Replacement Fund										
Purchase of copiers	503	1608155	5640000	\$ 120,000	Interfund Charges		\$ -	\$ 120,000	\$ 120,000	Replacement of various copiers
Total Equipment Replacement Fund				\$ 120,000			\$ -	\$ 120,000	\$ 120,000	
TOTAL AMENDMENTS				\$ 1,060,557			\$ 928,566	\$ 131,991	\$ 1,060,557	