

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Adoption of Ordinance No. 662, Amending the 2013 Budget for Operating and Capital Funds; and Amending SMC 3.01.010		
<b>DEPARTMENT:</b>	Administrative Services		
<b>PRESENTED BY:</b>	Patti Rader, Finance Manager		
<b>ACTION:</b>	<input checked="" type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Motion
	<input type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

**PROBLEM/ISSUE STATEMENT:**

During the course of the year, the City receives grants and other revenues that should be included in the 2013 budget along with the corresponding expenditures. These new revenue sources were not anticipated when the 2013 budget was developed and adopted by Council. An amendment is required in the Facilities Major Maintenance Fund due to unanticipated pool repair costs. Some of the City's computer equipment replacement that was planned for 2012 was delayed, resulting in a greater 2012 ending fund balance and 2013 beginning fund balance. This amendment proposes the use of 2012 savings to complete the equipment purchase in 2013.

**FINANCIAL IMPACT:**

The following programs will be impacted by this amendment:

**General Fund - \$134,023**

- Police – Traffic Enforcement - \$9,935
- Public Works - Environmental Services – \$124,088

**City Facilities Major Maintenance Fund - \$87,000**

- Pool Long-Term Maintenance - \$87,000

**Equipment Replacement Fund - \$55,030**

- Equipment Replacement – Technical - \$55,030

**RECOMMENDATION**

Staff recommends that Council approve Ordinance No. 662, amending the 2013 budget.

Approved By:            City Manager ***JU***    City Attorney ***IS***

## **INTRODUCTION**

During the course of the year, the City receives grants and other revenues that should be included in the 2013 budget along with the corresponding expenditures. These new revenue sources were not anticipated when the 2013 budget was developed and adopted by Council. An amendment is required in the Facilities Major Maintenance Fund due to unanticipated pool repair costs. Some of the City's computer equipment replacement that was planned for 2012 was delayed, resulting in a greater 2012 ending fund balance and 2013 beginning fund balance. This amendment proposes the use of 2012 savings to complete the equipment purchase in 2013.

## **BACKGROUND**

### **Budget Amendment Detail**

#### **General Fund**

**Revenues:** General Fund revenues will be increased by \$134,023. This includes an FY12 Edward Byrne Memorial Justice Assistance grant from the U.S. Department of Justice totaling \$9,935 and an Energy Efficiency and Conservation Block Grant (EECBG) from the U.S. Department of Energy (DOE) totaling \$124,088. The EECBG grant is a reprogramming of a previous award for City Hall energy related improvements. This item was discussed at the January 28, 2013 Council Meeting. The City amended the City Hall development agreement with Opus to use the EECBG grant funds to install HVAC occupancy sensor controls and a Vizqueen curtain for server racks. DOE determined that these items did not meet the required Buy American provision. They are allowing the City to reprogram these funds to be used to purchase and install solar garbage and recycling compactors as discussed with Council. The contract for the acquisition of the solar garbage and recycling compactors is scheduled for Council consideration on July 1, 2013.

**Police – Traffic Enforcement:** The 2013 appropriation will be increased by \$9,935 to purchase five traffic radar units funded by the FY12 Edward Byrne Memorial Justice Assistance grant.

**Public Works - Environmental Services:** The 2013 appropriation for this program will be increased by \$124,088 to use reprogrammed EECBG grant funds to purchase thirteen solar trash and recycling compactor sets. Twelve of the compactors will be installed along the Aurora Corridor and one in the North City Business District.

#### **City Facilities Major Maintenance Fund**

**Revenues:** Revenues will be increased \$87,000 by appropriating available fund balance. The fund ended 2012 with a fund balance of \$294,991.

**Pool Long-Term Maintenance:** The 2013 appropriation will be increased by \$87,000 to fund the emergency replacement of the boiler at the Shoreline Pool. This project was programmed in the 2013 – 2018 CIP to occur in 2015; therefore funds were accumulating in the fund balance for the future work. This amendment will bring the funds forward into the current year.

**Equipment Replacement Fund**

**Revenues:** Revenues will be increased \$55,030 by appropriating available fund balance above the projected 2013 beginning fund balance due to delay in the completion of equipment replacement purchases.

**Equipment Replacement – Technical:** The 2013 appropriation will be increased by \$55,030 to purchase laptop, desktop and zero client computers, monitors for all the new desktop/zero client workstations, and three new servers.

**SUMMARY OF BUDGET AMENDMENT**

The following table summarizes the budget amendments for each fund and the resulting 2013 appropriation for each of the affected funds.

<b>Fund</b>	<b>Current Budget</b>	<b>Budget Amendment Request</b>	<b>Amended Budget</b>
General Fund	\$34,743,576	\$134,023	\$34,877,599
Street Fund	\$2,217,696		\$2,217,696
Code Abatement Fund	\$100,000		\$100,000
State Drug Forfeiture Fund	\$13,800		\$13,800
Federal Drug Forfeiture Fund	\$20,750		\$20,750
Public Arts Fund	\$70,000		\$70,000
Revenue Stabilization Fund	\$0		\$0
Federal Treasury Forfeitures Fund	\$147,000		\$147,000
Unltd Tax GO Bond 2006	\$1,705,050		\$1,705,050
Limited Tax GO Bond 2009	\$1,660,567		\$1,660,567
General Capital Fund	\$5,974,435		\$5,974,435
City Facilities-Major Maint. Fund	\$131,797	\$87,000	\$218,797
Roads Capital Fund	\$20,410,625		\$20,410,625
Surface Water Utility Fund	\$5,208,385		\$5,208,385
Vehicle Operations/Maintenance Fund	\$213,635		\$213,635
Equipment Replacement Fund	\$189,060	\$55,030	\$244,090
Unemployment Fund	\$17,500		\$17,500
<b>Total</b>	<b>\$72,823,876</b>	<b>\$276,053</b>	<b>\$73,099,929</b>

**RECOMMENDATION**

Staff recommends that Council approve Ordinance No. 662, amending the 2013 budget.

**ATTACHMENTS**

Attachment A: Ordinance 662, Amending the 2013 Budget  
Exhibit 1: Amendment Detail

**ORDINANCE NO. 662****AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE 650 BY INCREASING THE APPROPRIATION IN THE GENERAL FUND, THE FACILITIES-MAJOR MAINTENANCE FUND, AND THE EQUIPMENT REPLACEMENT FUND.**

WHEREAS, the 2013 Budget was adopted in Ordinance 650; and

WHEREAS, the 2013–2018 Capital Improvement Plan was adopted in Ordinance 650; and

WHEREAS, the 2013 Budget has assumed completion of planned equipment replacement purchases in 2012; and

WHEREAS, the equipment replacement purchases were not completed as planned and need to be continued and completed in 2013; and

WHEREAS, due to the replacement purchases not being completed, the 2012 ending fund balance and the 2013 beginning fund balance for the Equipment Replacement Fund is greater than budgeted; and

WHEREAS, the City wished to appropriate the greater than budgeted beginning fund balance in 2013 to complete 2012 work; and

WHEREAS, new grants have been awarded to the City not anticipated when the 2013 budget was adopted by Council should be appropriated to the General Fund, and an amendment is required in the City Facilities – Major Maintenance Fund for an emergency capital project; and

WHEREAS, the City of Shoreline is required by RCW 35A.33.00.075 to include all revenues and expenditures for each fund in the adopted budget; and

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

**Section 1.** Amending Section 2 of Ordinance No. 650. The City hereby amends Section 2 of Ordinance No. 650, the 2013 Adopted Budget, by increasing the appropriation from the General Fund by \$134,023; for the Facilities – Major Maintenance Fund by \$87,000; and by increasing the Total Funds appropriation to \$73,099,929 as follows:

General Fund	<del>\$34,743,576</del>	\$34,877,599
Street Fund	\$2,217,696	
Code Abatement Fund	\$100,000	
State Drug Enforcement	\$13,800	
Public Arts Fund	\$70,000	
Federal Drug Enforcement	\$20,750	
Revenue Stabilization Fund	\$0	

Federal Treasury Forfeiture Fund	\$147,000	
General Capital Fund	\$5,974,435	
City Facility-Major Maintenance Fund	<del>\$131,797</del>	\$218,797
Roads Capital Fund	\$20,410,625	
Surface Water Capital Fund	\$5,208,385	
Vehicle Operations/Maintenance Fund	\$213,635	
Equipment Replacement Fund	<del>\$189,060</del>	\$244,090
Unemployment Fund	\$17,500	
Limited Tax GO Bond 2009	\$1,660,567	
Unltd Tax GO Bond 2006	\$1,705,050	
Total Funds	<u>\$72,823,876</u>	<u>\$73,099,929</u>

**Section 2.** 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 June 17, 2013**

\_\_\_\_\_  
Mayor Keith A. McGlashan

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott Passey  
City Clerk

\_\_\_\_\_  
Ian Sievers  
City Attorney

Publication Date:

Effective Date:

**June 17, 2013**  
**Budget Amendment Detail**

Item	Fund	2013 Current Budget	AmendmentA mount	Revenue Source	Amount	Use of Fund Balance	Total Revenues	2013 Amended Budget	Explanation
<b>General Fund</b>	001								
Police - Traffic Enforcement			\$ 9,935	FY12 Edward Byrne Memorial Justice Assistance Grant	\$ 9,935		\$ 9,935		Purchase of traffic radar units
Public Works - Environmental Services			\$ 124,088	Energy Efficiency and Conservation Block Grant	\$ 124,088	\$ -	\$ 124,088		Purchase of solar trash and recycling compactors
<b>Total General Fund</b>	<b>001</b>	<b>\$ 34,743,576</b>	<b>\$ 134,023</b>		<b>\$ 134,023</b>	<b>\$ -</b>	<b>\$ 134,023</b>	<b>\$ 34,877,599</b>	
<b>Facilities - Major Maintenance</b>	312								
Pool Long-Term Maintenance			\$ 87,000			\$ 87,000	\$ 87,000		Emergency Boiler Replacement at Shoreline Pool
<b>Total Facilities - Major Maint</b>	<b>312</b>	<b>\$ 131,797</b>	<b>\$ 87,000</b>		<b>\$ -</b>		<b>\$ 87,000</b>	<b>\$ 218,797</b>	
<b>Equipment Replacement Fund</b>	503								
Equip. Replacement -Technical			\$ 55,030			\$ 55,030	\$ 55,030		Additional equipment replacement from 2012 savings
<b>Total Equip Replacement Fund</b>		<b>\$ 189,060</b>	<b>\$ 55,030</b>			<b>\$ 55,030</b>	<b>\$ 55,030</b>	<b>\$ 244,090</b>	
<b>TOTAL AMENDED FUNDS</b>		<b>\$ 35,064,433</b>	<b>\$ 276,053</b>		<b>\$ 134,023</b>	<b>\$ 55,030</b>	<b>\$ 276,053</b>	<b>\$ 35,340,486</b>	
* Funds not being amended for a total of \$37,759,443 are not included in the detail									
<b>TOTAL BUDGET</b>		<b>\$ 72,823,876</b>	<b>\$ 276,053</b>		<b>\$ 134,023</b>		<b>\$ 276,053</b>	<b>\$ 73,099,929</b>	