

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Ordinance No. 676, Amending the 2013 Budget for Operating and Capital Funds
DEPARTMENT:	Administrative Services
PRESENTED BY:	Robert Hartwig, Administrative Services Director
ACTION:	<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 received 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. Amendments are also required due to unanticipated costs in the General Fund and the General Capital Fund. Ordinance No. 676 amends the 2013 budget to incorporate these new revenues and expenditures. This is a routine procedure that occurs at approximately this time each year.

FINANCIAL IMPACT:

Ordinance No. 676 totals \$628,918. The following programs will be impacted by this amendment:

General Fund - \$536,772

- Citywide – Non Departmental - \$193,625
- Police – Patrol - \$3,000
- Parks - Administration - \$10,000
- Planning & Community Development – City Planning - \$5,000
- Community Services – Emergency Management Planning - \$61,235
- Public Works – Environmental Services - \$95,850
- Public Works - Right of Way - \$84,153
- General Fund Transfers Out - \$83,909

Public Art Fund - \$5,500

- Public Art Projects - \$5,500

General Capital Fund - \$70,000

- Paramount Open Space Acquisition - \$70,000

Roads Capital Fund - \$16,646

- Traffic Safety Improvements - \$16,646

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 676, amending the 2013 budget.

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

INTRODUCTION

During the course of the year, the City received 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. Amendments are also required due to unanticipated costs in the General Fund and the General Capital Fund.

BACKGROUND

The following section provides the detail for the budget amendments in Ordinance No. 676:

General Fund

Revenues: General Fund revenues will be increased by \$259,238. This includes a King County Project Rampart – EMS Grant totaling \$3,000; an Urban Forestry Grant from the Washington State Department of Natural Resources (DNR) totaling \$10,000; an Emergency Management Performance (EMP) grant from the U.S. Department of Homeland Security totaling \$61,235; a Coordinated Prevention Grant (CPG) from the Washington State Department of Ecology totaling \$95,850; a grant from the Washington State Department of Ecology for Shoreline Environmental Assistance of \$5,000; and unanticipated right of way fees of \$84,153.

City Wide Non-Departmental: The 2013 appropriation will be increased by \$193,625 to cover the cost of the 2013 General Election and voter registration. The county has historically billed the City for election costs in the following fiscal year and as such the anticipated costs for the 2013 election and voter registration activities have been included in the 2014 proposed budget. The County recently notified the City that due to improvements in their billing process, they will now be able to bill the City for election and voter registration costs in the same fiscal year. Earlier in 2013, the City paid for the costs of the 2012 General Election and for voter registration. This will result in the City paying twice for election costs during 2013. Available fund balance will be used to cover this unanticipated one-time additional cost. The General Election is expected to cost \$85,000 and voter registration costs are estimated at \$108,625. Funding included in the proposed 2014 budget will be used for 2014 election and voter registration costs.

Police Patrol: The 2013 appropriation will be increased by \$3,000 to include a grant award from the King County EMS Project Rampart program. The grant has been used to purchase three automated external defibrillators (AED) to be placed in patrol vehicles.

Parks Administration: The 2013 appropriation for this program will be increased by \$10,000 to use the proceeds from an Urban Forestry Grant received from the WA State DNR to be used to develop an Urban Forestry Strategic Plan.

City Planning: The 2013 appropriation for this program will be increased by \$5,000 to use a grant from the Washington State Department of Ecology Shoreline Environmental Assistance program to update the City's Shoreline Master Program.

Community Services – Emergency Management Planning: The 2013 appropriation will be increased by \$61,235 to use EMP grant funding to purchase equipment for the Emergency Operations Center (\$23,090); to fund 50% of an Administrative Assistant to support program activities (\$36,545); and for staff training (\$1,600).

Public Works – Environmental Services: The 2013 appropriation will be increased by \$95,850 to use CPG funds to support events for the collection of recycling and hazardous materials.

Public Works – Right of Way: The 2013 appropriation will be increased by \$84,153 to fund unanticipated staff and extra help costs along with training and supplies to provide right of way inspection services. This increase will be covered by additional right of way fees as a result of the increased level of activity.

General Fund Transfers Out: The 2013 appropriation is being increased by \$83,909 to include a one-time transfer of \$70,000 to the General Capital Fund of street vacation funds designated for open space purposes to be used for the purchase of available open space property. The transfer to Fund 211- Limited Tax GO Bond 2009 -has been increased by \$16,646 to provide additional funding for debt service payments. The City was recently notified that since sequestration reductions will continue into the next federal fiscal year, the Build America Bonds subsidy scheduled to be received on December 1, 2013 totaling \$193,185 will be reduced by \$13,909. The June 1, 2013 subsidy payment was also reduced by \$16,807 due to the sequestration for a total impact this year of \$30,716.

The net impact to the General Fund 2013 expenditure appropriation is an increase of \$536,772. The increase in expenditures is partially offset by the increase in revenues totaling \$259,238. Available fund balance totaling \$277,534 will be used for the rest of the increased appropriation. The street vacation proceeds designated for open space purposes are part of the fund balance being requested for appropriation.

Public Arts Fund

Revenues: Revenues will be increased by \$5,500 to include a grant from the King County 4-Culture Group Arts Projects Program.

Public Arts Projects: The 2013 appropriation will be increased by \$5,500 to reflect the use of the grant to fund the Piano Time Street project.

General Capital Fund

Revenues: Transfers In from the General Fund will be increased by \$70,000 as available street vacation proceeds designated for open space acquisition in the General Fund will be transferred to the General Capital Fund.

Paramount Open Space Acquisition: A 2013 appropriation of \$70,000 will be established in this project for the purchase of property available east of the Paramount Open Space. Council approved the property purchase on October 7, 2013.

Roads Capital Fund

Revenues: Revenues: Revenues will be increased by a School Zone Safety Grant from the Washington State Traffic Safety Commission totaling \$16,646.

Traffic Safety Improvements: The 2013 appropriation will be increased by \$16,646 to purchase and install school zone flashing lighting at Kellogg Middle School, Ridgecrest Elementary, Briarcrest Elementary, Meridian Park Elementary, Parkwood Elementary and the Evergreen School.

FINANCIAL IMPACT

Ordinance No. 676 totals \$628,918. The following programs will be impacted by this amendment:

General Fund - \$536,772

- Citywide – Non Departmental - \$193,625
- Police – Patrol - \$3,000
- Parks - Administration - \$10,000
- Planning & Community Development – City Planning - \$5,000
- Community Services – Emergency Management Planning - \$61,235
- Public Works – Environmental Services - \$95,850
- Public Works - Right of Way - \$84,153
- General Fund Transfers Out - \$83,909

Public Art Fund - \$5,500

- Public Art Projects - \$5,500

General Capital Fund - \$70,000

- Paramount Open Space Acquisition - \$70,000

Roads Capital Fund - \$16,646

- Traffic Safety Improvements - \$16,646

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.

Fund	Current Budget	Budget Amendment Request	Amended Budget
General Fund	\$34,877,599	\$536,772	\$35,414,371
Street Fund	\$2,217,696	\$0	\$2,217,696
Code Abatement Fund	\$100,000	\$0	\$100,000
State Drug Forfeiture Fund	\$13,800	\$0	\$13,800
Federal Drug Forfeiture Fund	\$20,750	\$0	\$20,750
Public Arts Fund	\$70,000	\$5,500	\$75,500
Revenue Stabilization Fund	\$0	\$0	\$0
Federal Treasury Forfeitures Fund	\$147,000	\$0	\$147,000
Unltd Tax GO Bond 2006	\$1,660,567	\$0	\$1,660,567
Limited Tax GO Bond 2009	\$1,705,050	\$0	\$1,705,050
General Capital Fund	\$5,974,435	\$70,000	\$6,044,435
City Facility-Major Maint. Fund	\$218,797	\$0	\$218,797
Roads Capital Fund	\$20,410,625	\$16,646	\$20,427,271
Surface Water Utility Fund	\$5,208,385	\$0	\$5,208,385
Vehicle Operations/Maintenance Fund	\$213,635	\$0	\$213,635
Equipment Replacement Fund	\$244,090	\$0	\$244,090
Unemployment Fund	\$17,500		\$17,500
Total	\$73,099,929	\$628,918	\$73,728,847

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 676, amending the 2013 budget.

ATTACHMENTS:

Attachment A: Ordinance No. 676, Amending the 2013 Budget
Attachment B: Amendment Detail

ORDINANCE NO. 676**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE NO. 650 BY INCREASING THE APPROPRIATION IN THE GENERAL FUND, THE PUBLIC ART FUND, THE GENERAL CAPITAL FUND AND THE ROADS CAPITAL 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, new grants have been awarded to the City not anticipated when the 2013 budget was adopted by Council and should be appropriated to the General Fund, Public Art Fund, and Roads Capital Fund; and

WHEREAS, unanticipated costs require increases in appropriations in the General Fund and the General Capital Fund; and

WHEREAS, the City wishes to appropriate a portion of the greater than budgeted beginning fund balance in 2013 to fund the unanticipated costs; 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 \$536,772; for the Public Art Fund by \$5,500; for the General Capital Fund by \$70,000; for the Roads Capital Fund by \$16,646; and by increasing the Total Funds appropriation to \$73,728,847 as follows:

General Fund	\$34,877,599	\$35,414,371
Street Fund	\$2,217,696	
Code Abatement Fund	\$100,000	
State Drug Enforcement	\$13,800	
Public Art Fund	\$70,000	\$75,500
Federal Drug Enforcement	\$20,750	
Revenue Stabilization Fund	\$0	
Federal Treasury Forfeiture Fund	\$147,000	
General Capital Fund	\$5,974,435	\$6,044,435
City Facility-Major Maintenance Fund	\$218,797	
Roads Capital Fund	\$20,410,625	\$20,427,271
Surface Water Capital Fund	\$5,208,385	
Vehicle Operations/Maintenance Fund	\$213,635	

Equipment Replacement Fund	\$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>\$73,099,929</u>	<u>\$73,728,847</u>

Section 2. Amending the 2013 – 2018 Capital Improvement Plan. The 2013 – 2018 Capital Improvement Plan is amended as set forth in Exhibit 1 to add the Paramount Open Space Acquisition project.

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 4, 2013

Mayor Keith A. McGlashan

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik Smith
Interim City Clerk

Ian Sievers
City Attorney

Publication Date:

Effective Date:

Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
General Fund	001									
Citywide - Non Departmental		1700024	5510000	\$ 85,000				\$ 85,000	\$ 85,000	2013 General Election Cost to be billed in current year
		1700024	5510000	\$ 108,625				\$ 108,625	\$ 108,625	2013 Voter Registration Costs to be billed in current year
Total Citywide-Non Departmental				\$ 193,625				\$ 193,625	\$ 193,625	
Police - Patrol		2005034 GR262945	5350000 9044	\$ 3,000	KC Project Rampart-EMS Levy	3339701	\$ 3,000		\$ 3,000	Funding for the purchase of 3 Automated External Defibrillator (AED)
Parks Administration		2408037 GR262120	5410000 9041	\$ 10,000	WA State DNR Urban Forestry Grant	3331066	\$ 10,000		\$ 10,000	Development of an Urban Forestry Strategic Plan
City Planning		2506137	5410000	\$ 5,000	DOE Grant Shoreline Environmental Assistance	3340312	\$ 5,000		\$ 5,000	Shoreline Master Program Update
Community Services-Emergency Management Planning		2005062 GR263419	5110000 0101	\$ 36,545	Emergency Management Performance Grant	3319701	\$ 36,545		\$ 36,545	Administrative Asst. program support
		2005062 GR263419	5430000 9043	\$ 1,600			\$ 1,600		\$ 1,600	Staff training
		2005062 GR263419	5350000 9044	\$ 23,090			\$ 23,090		\$ 23,090	EOC Equipment
Total Emergency Management Planning				\$ 61,235			\$ 61,235		\$ 61,235	
Public Works - Environmental Services		2708092 OP259515	5410000 9041	\$ 29,605	Coordinated Prevention Grant	3340311	\$ 29,605	\$ -	\$ 29,605	Recycling Collection Event
		2708092 OP259515	5410000 9041	\$ 66,245	Coordinated Prevention Grant	3340311	\$ 66,245	\$ -	\$ 66,245	Wastemobile Hazardous Collection Event
Total Environmental Services				\$ 95,850			\$ 95,850	\$ -	\$ 95,850	
Public Works- Right of Way		2713153	5110000	\$ 39,758	ROW Permit Fees	3224001	\$ 84,153	\$ -	\$ 84,153	Additional staff time, extra help, supplies, small tools, professional services, and training due to increased permit activity
			5111000	\$ 33,588						
			5310000	\$ 1,000						
			5350000	\$ 2,500						
			5410000	\$ 5,807						
			5494000	\$ 1,500						
Total PW Right of Way				\$ 84,153			\$ 84,153		\$ 84,153	
General Fund Admin. Key - Transfers Out		0010000	5977600	\$ 70,000				\$ 70,000	\$ 70,000	Street Vacation Proceeds to Gen Capital for Open Space
		0010000	5970004	\$ 13,909				\$ 13,909	\$ 13,909	Purchase Additional support to offset reduction in Build America Bonds Subsidy due to continued sequestration

Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
Total General Fund Admin. Key - Transfers Out				\$ 83,909			\$ -	\$ 83,909	\$ 83,909	
Total General Fund	001			\$ 536,772			\$ 259,238	\$ 277,534	\$ 536,772	
Public Arts Fund	108									
Public Arts Projects		2411156	5410000	\$ 5,500	KC-4Culture Group Arts Projects Grant	3373104	\$ 5,500		\$ 5,500	Piano Time Street Project
		GR113129	9041							
Total Public Arts Fund	108			\$ 5,500			\$ 5,500		\$ 5,500	
General Capital Fund	301									
Paramount Open Space Acquisition		2822083	5610000	\$ 70,000		3977600	\$ 70,000		\$ 70,000	Street Vacation Proceeds from General Fund
		GN263032	0540							
Total General Capital Fund	301			\$ 70,000			\$ 70,000	\$ -	\$ 70,000	
Roads Capital Fund	330									
Traffic Safety Improvements		2914179	5350000	\$ 16,646	WA Traffic Safety Commission School Zone Safety Grant	3340351	\$ 16,646		\$ 16,646	
		GR260641-9044								
Total Roads Capital Fund				\$ 16,646			\$ 16,646		\$ 16,646	
Total Amendments				\$ 628,918			\$ 351,384	\$ 277,534	\$ 628,918	