

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

<b>AGENDA TITLE:</b>	Discussion of Ordinance No. 727 - Final Budget Amendment for 2015
<b>DEPARTMENT:</b>	Administrative Services
<b>PRESENTED BY:</b>	Sara Lane, Administrative Services Director
<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:**

As discussed at the November 9 Council meeting, during the course of the year, changes to the adopted budget are identified. Council is made aware of changes throughout the year in Staff Reports and Council discussion. A final budget amendment to formally adopt these changes is a routine procedure that occurs at approximately this time each year. Proposed Ordinance No. 727 (Attachment A) provides for this budget amendment.

**FINANCIAL IMPACT:**

Proposed Ordinance No. 727 totals \$3,393,542, and increases both revenues and expenditures with a net effect on the bottom line of \$2,716,807, as follows:

**General Fund: \$1,998,595**

- Administrative Services – Information Technology: \$117,760
- Contingency for Purchase of Molver Property: \$275,000
- Transfers Out for CIP Support: \$500,000
- Police – Special Support: \$631,380
- Criminal Justice – Jail Services: \$450,000
- Community Services – Neighborhoods: \$0 (temporary FTE increase only)
- Community Services – Emergency Management Planning: \$14,016
- Public Works – Environmental Services: \$10,439

**Federal Criminal Forfeiture Fund: \$1,289,047**

- Transfer Out for CIP Support: \$1,289,047

**General Capital Fund: \$75,000**

- Pool and Recreation Facility Master Planning: \$15,000
- Shoreline Veteran Recognition: \$10,000
- Parks, Recreation and Open Space Plan Update: \$50,000

**City Facilities-Major Maintenance Fund: \$20,000**

- City Hall Garage Maintenance: \$20,000

**Surface Water Utility Fund: \$10,900**

- Surface Water Management: \$10,900

**RECOMMENDATION**

Staff recommends that Council approve Ordinance No. 727, amending the 2015 budget.

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

## **BACKGROUND**

As discussed at the November 9 Council meeting, during the course of the year, changes to the adopted budget are identified. Council is made aware of changes throughout the year in Staff Reports and Council discussion. A final budget amendment to formally adopt these changes is a routine procedure that occurs at approximately this time each year. Proposed Ordinance No. 727 (Attachment A) provides for this budget amendment. Attachment B to this staff report provides the detail for proposed Ordinance No. 727.

## **DISCUSSION**

### **Budget Amendment Detail**

#### **General Fund: \$1,998,595**

**Revenues:** General Fund revenues will be increased by \$655,835. This includes a US Department of Justice Smart Policing Grant totaling \$631,380, an Emergency Management Performance Grant (EMPG) from the U.S. Department of Homeland Security totaling \$14,016, and a Waste 2 Resources Coordinated Prevention Grant (CPG) from the Department of Ecology totaling \$10,439.

**Administrative Services – Information Technology:** The 2015 appropriation will be increased by \$117,760 to complete the acquisition of the Cityworks Asset Management system. It has been discovered that a request for this re-appropriation should have been submitted, but was not, to be included in the action adopted by Council in April 2015.

**Citywide – Contingencies:** The 2015 appropriation will be increased by \$275,000 to acquire the Molver property per the acquisition agreement authorized by the City Council on July 13. Of this amount, \$250,000 will be for the purchase price and closing costs with an additional \$25,000 to demolish the existing structure. Funding comes from available fund balance.

**Transfers Out:** The 2015 appropriation will be increased by \$500,000. The expenditure re-appropriation from 2014 to 2015 for the Annual Roads Safety Maintenance project in the Roads Capital Fund was included in the action adopted by Council in April 2015; however, the appropriation for the transfer out from the General Fund was accidentally omitted from that action. Funding for the Transfer Out from the General Fund (Fund 001) to the Roads Capital Fund (Fund 330) comes from available fund balance.

**Police – Special Support:** The 2015 appropriation will be increased by \$631,380 to support the Risk Awareness, De-Escalation, And Referral (RADAR) Program which focuses on direct engagement, information sharing, and collaboration between police, high risk individuals, and the individuals' "circles of support". The ultimate goal of the project is to enhance community and first responder safety through relationship-based policing, community caretaking, and procedural justice. This action will appropriate the full amount of the three year grant. Near the beginning of each of the next three years, staff will be requesting a re-appropriation of the balance of the revenues and expenditure appropriations.

**Criminal Justice – Jail Services:** The 2015 appropriation will be increased by \$450,000 due to an increase in the estimated costs for jail services at SCORE, the City's primary jail and booking facility due to a projected increase in the number of jail days and bookings related to City cases.

**Community Services – Neighborhoods:** Staff is requesting to temporarily increase the current FTE count through the remainder of 2015 by 0.42 FTE for a temporary overlap of five months in how the Neighborhood Coordinator position is filled. The position has historically been filled with two 0.50 FTEs. One employee retired August 3 and the other will be retiring at year's end. The overlap noted above was created as the position was filled with a 1.00 FTE in August. A vacancy in the Human Services program due to the retirement of the Human Resources Associate Planner at the end of 2014 has been maintained through 2015.

**Community Services – Emergency Management Planning:** The 2015 appropriation will be increased by \$14,016 to use EMP grant funding to fund 50% of an Administrative Assistant to support program activities.

**Public Works – Environmental Services:** The 2015 appropriation will be increased \$10,439 to use a Department of Ecology Waste 2 Resources Coordinated Prevention Grant (CPG) for residential recycling events to collect hard to recycle items from single and multi-family residents, recycling an estimated 400 tons. This grant will be spread over three years (July 2015 through June 2017) with \$10,439 used in 2015, \$20,878 in 2016, and \$10,439 in 2017.

The impact to the General Fund 2015 expenditure appropriation is an increase of \$1,548,595. The increase in expenditures is offset by the increase in revenues totaling \$674,135 and the use of available fund balance totaling \$892,760.

#### **Federal Criminal Forfeiture Fund: \$1,289,047**

**Transfers Out:** The 2015 appropriation will be increased by \$1,289,047 for a transfer to the General Capital Fund to support the Police Station at City Hall project. Funding for the Transfer Out from the Federal Criminal Forfeiture Fund (Fund 116) to the General Capital Fund (Fund 301) comes from available fund balance.

#### **General Capital Fund: \$75,000**

**Pool & Recreation Facility Master Planning:** The 2015 appropriation will be increased by \$15,000 to support the selection of a consultant in 2015 as the bulk of the project's workload will be conducted in 2016. Funding will come from available fund balance.

**Shoreline Veteran Recognition:** The 2015 appropriation will be increased by \$10,000 to use a King Conservation District Grant to assist in the construction of the Shoreline Veterans Memorial.

**Parks, Recreation & Open Space Plan Update:** The 2015 appropriation will be increased by \$50,000 to begin consultant selection in 2015 for the Community Survey and Recreation Demand Study. Funding will come from available fund balance.

**City Facilities-Major Maintenance Fund: \$20,000**

**City Hall Parking Garage Long-Term Maintenance:** The 2015 appropriation will be increased by \$20,000 as project cost estimates have increased since the time the 2015 CIP was adopted. Funding will come from available fund balance.

**Surface Water Utility Fund: \$10,900**

**Surface Water Management:** The 2015 appropriation will be increased by \$10,900 to use a King Conservation District Grant to support a survey for the Soak-It-Up Program.

**FINANCIAL IMPACT**

Proposed Ordinance No. 727 totals \$3,393,542, and increases both revenues and expenditures with a net effect on the bottom line of \$2,716,807, as follows:

**General Fund: \$1,998,595**

- Administrative Services – Information Technology: \$117,760
- Contingency for Purchase of Molver Property: \$275,000
- Transfers Out for CIP Support: \$500,000
- Police – Special Support: \$631,380
- Criminal Justice – Jail Services: \$450,000
- Community Services – Neighborhoods: \$0 (temporary FTE increase only)
- Community Services – Emergency Management Planning: \$14,016
- Public Works – Environmental Services: \$10,439

**Federal Criminal Forfeiture Fund: \$1,289,047**

- Transfer Out for CIP Support: \$1,289,047

**General Capital Fund: \$75,000**

- Pool and Recreation Facility Master Planning: \$15,000
- Shoreline Veteran Recognition: \$10,000
- Parks, Recreation and Open Space Plan Update: \$50,000

**City Facilities-Major Maintenance Fund: \$20,000**

- City Hall Garage Maintenance: \$20,000

**Surface Water Utility Fund: \$10,900**

- Surface Water Management: \$10,900

**SUMMARY OF BUDGET AMENDMENT**

The following table summarizes the budget amendments for each fund and the resulting 2015 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	\$38,152,434	\$1,998,595	\$40,151,029
Street Fund	\$1,569,007	\$0	\$1,569,007
Code Abatement Fund	\$100,000	\$0	\$100,000
State Drug Forfeiture Fund	\$13,800	\$0	\$13,800
Public Arts Fund	\$54,408	\$0	\$54,408
Federal Drug Forfeiture Fund	\$65,750	\$0	\$65,750
Property Tax Equalization Fund	\$0	\$0	\$0
Federal Criminal Forfeiture Fund	\$534,358	\$1,289,047	\$1,823,405
Transportation Impact Fees Fund	\$0	\$0	\$0
Revenue Stabilization Fund	\$0	\$0	\$0
Unltd Tax GO Bond 2006	\$1,712,175	\$0	\$1,712,175
Limited Tax GO Bond 2009	\$1,663,217	\$0	\$1,663,217
Limited Tax GO Bond 2013	\$260,823	\$0	\$260,823
General Capital Fund	\$3,492,919	\$75,000	\$3,567,919
City Facility-Major Maintenance Fund	\$348,525	\$20,000	\$368,525
Roads Capital Fund	\$23,749,289	\$0	\$23,749,289
Surface Water Utility Fund	\$6,180,934	\$10,900	\$6,191,834
Vehicle Operations/Maintenance Fund	\$278,950	\$0	\$278,950
Equipment Replacement Fund	\$954,714	\$0	\$954,714
Unemployment Fund	\$17,500	\$0	\$17,500
<b>Total Funds</b>	<b>\$79,148,803</b>	<b>\$3,393,542</b>	<b>\$82,542,345</b>

### **RECOMMENDATION**

Staff recommends that Council approve Ordinance No. 727, amending the 2015 budget.

### **ATTACHMENTS**

Attachment A: Proposed Ordinance No. 727

Attachment B: Proposed Amendment Detail

## ORDINANCE NO. 727

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE NO. 709 BY INCREASING THE APPROPRIATIONS IN THE GENERAL FUND, FEDERAL CRIMINAL FORFEITURE FUND, GENERAL CAPITAL FUND, CITY FACILITIES-MAJOR MAINTENANCE FUND, AND SURFACE WATER UTILITY FUND.**

WHEREAS, the 2015 Budget was adopted by Ordinance No. 699 and amended by Ordinance Nos. 708 and 709; 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; and

WHEREAS, new grants have been awarded to the City not anticipated when the 2015 budget was adopted by Council and should be appropriated to the those funds with these increases, and

WHEREAS, amendments are required in the General Fund, Federal Criminal Forfeiture Fund, General Capital Fund, City Facilities-Major Maintenance Fund, and Surface Water Utility Fund; and

**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. 709, *Summary of Revenues and Expenditures* and the 2015 Current Budget, by increasing the Total Funds appropriation to \$82,542,345 as follows:

	<u>Current Appropriation</u>	<u>Revised Appropriation</u>
General Fund	\$38,152,434	\$40,151,029
Street Fund	1,569,007	
Code Abatement Fund	100,000	
State Drug Enforcement Forfeiture Fund	13,800	
Public Arts Fund	54,408	
Federal Drug Enforcement Forfeiture Fund	65,750	
Property Tax Equalization Fund	\$0	
Federal Criminal Forfeiture Fund	534,358	1,823,405
Transportation Impact Fees Fund	0	
Revenue Stabilization Fund	0	
Unltd Tax GO Bond 2006	1,712,175	
Limited Tax GO Bond 2009	1,663,217	

Limited Tax GO Bond 2013	260,823	
General Capital Fund	3,492,919	3,567,919
City Facility-Major Maintenance Fund	348,525	368,525
Roads Capital Fund	23,749,289	
Surface Water Utility Fund	6,180,934	6,191,834
Vehicle Operations/Maintenance Fund	278,950	
Equipment Replacement Fund	954,714	
Unemployment Fund	17,500	
Total Funds	<del>\$79,148,803</del>	\$82,542,345

**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 NOVEMBER 23, 2015**

\_\_\_\_\_  
Mayor Shari Winstead

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Jessica Simulcik Smith  
City Clerk

\_\_\_\_\_  
Margaret King  
City Attorney

Publication Date: \_\_\_\_\_, 2015  
Effective Date: \_\_\_\_\_, 2015



Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
<b>General Fund</b>										
<b>Administrative Services - IT Strategic Plan &amp; Advisory Services</b>										
		1602013	5410000	\$ 117,760				\$ 117,760	\$ 117,760	Asset Management System Acquisition
		OP264500	9041							
<b>Citywide-Contingencies</b>										
		1700022	5992000	\$ 275,000				\$ 275,000	\$ 275,000	Acquisition of the Molver property (\$250,000) and demolition of structure (\$25,000).
<b>General Fund Admin. Key - Transfers Out</b>										
		0010000	5970002	\$ 500,000				\$ 500,000	\$ 500,000	Transfer to Roads Capital Fund (Fund 330) to support Annual Roads Safety Maintenance Program.
<b>Police - Special Support</b>										
		2005035	5111000	\$ 151,488	US Department of Justice Smart Policing Grant	3311673	\$ 151,488		\$ 151,488	Risk Awareness, De-escalation, And Referral (RADAR) program.
		GR270153	0101							
		2005035	5410000	\$ 300,116	US Department of Justice Smart Policing Grant	3311673	\$ 300,116		\$ 300,116	RADAR Program
		GR270153	9041							
		2005035	5430000	\$ 33,489	US Department of Justice Smart Policing Grant	3311673	\$ 33,489		\$ 33,489	RADAR Program
		GR270153	9043							
		2005035	5494000	\$ 3,000	US Department of Justice Smart Policing Grant	3311673	\$ 3,000		\$ 3,000	RADAR Program
		GR270153	9043							
		2005035	5510000	\$ 17,676	US Department of Justice Smart Policing Grant	3311673	\$ 17,676		\$ 17,676	RADAR Program
		GR270153	9049							
		2005035	5360000	\$ 90,792	US Department of Justice Smart Policing Grant	3311673	\$ 90,792		\$ 90,792	RADAR Program
		GR270153	9049							
		2005035	5640000	\$ 22,819	US Department of Justice Smart Policing Grant	3311673	\$ 22,819		\$ 22,819	RADAR Program
		GR270153	9049							
		2005035	5310000	\$ 12,000	US Department of Justice Smart Policing Grant	3311673	\$ 12,000		\$ 12,000	RADAR Program
		GR270153	9031							
<b>Criminal Justice - Jail Services</b>										
		2103027	5510000	\$ 450,000				\$ 450,000	\$ 450,000	Increased jail housing costs.
<b>Community Services - Emergency Management Planning</b>										
		2005062	Various	\$ 14,016	Emergency Management Performance Grant	3319701	\$ 14,016		\$ 14,016	Administrative Asst. program support.
		GR268416	0201							
<b>Public Works - Environmental Services</b>										
		2708092	5410000	\$ 10,439	Department of Ecology, Waste 2 Resources Coordinated Prevention Grant (CPG)	3340311	\$ 10,439		\$ 10,439	Waste 2 Resources Coordinated Prevention Grant for Residential Recycling events.
<b>Total General Fund</b>										
	001			\$ 1,998,595			\$ 655,835	\$ 1,342,760	\$ 1,998,595	

Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
<b>Federal Criminal Forfeiture Fund</b>										
<b>Federal Criminal Forfeit Admin. Key - Transfers Out</b>										
		1160000	5970000	\$ 1,289,047				\$ 1,289,047	\$ 1,289,047	Transfer to General Capital Fund (Fund 301) to support Police Station at City Hall project.
<b>Total Federal Criminal Forfeiture Fund</b>	<b>116</b>			<b>\$ 1,289,047</b>			<b>\$ -</b>	<b>\$ 1,289,047</b>	<b>\$ 1,289,047</b>	
<b>General Capital Fund</b>										
<b>Pool &amp; Recreation Facility Master Planning</b>										
		2812331	5410000	\$ 15,000				\$ 15,000	\$ 15,000	To begin consultant selection.
		GN268800	0101							
<b>Shoreline Veteran Recognition</b>										
		2820317	5650000	\$ 10,000	KC Community Services	3371501	\$ 10,000		\$ 10,000	Provides funding to assist in the construction of the Shoreline Veterans Memorial.
		GR268129	0612							
<b>Parks, Rec &amp; Open Space Plan Update</b>										
		2822273	5410000	\$ 50,000				\$ 50,000	\$ 50,000	To begin consultant selection in 2015 for the Community Survey and Recreation Demand Study.
		GN255600	0101							
<b>Total General Capital Fund</b>	<b>301</b>			<b>\$ 75,000</b>			<b>\$ 10,000</b>	<b>\$ 65,000</b>	<b>\$ 75,000</b>	
<b>City Facilities-Major Maintenance Fund</b>										
<b>City Hall Parking Garage Long-Term Maintenance</b>										
		3119320	5630000	\$ 20,000				\$ 20,000	\$ 20,000	Project costs estimates have increased.
		MA266500	0630							
<b>Total City Facilities-Major Maintenance Fund</b>	<b>312</b>			<b>\$ 20,000</b>			<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	
<b>Surface Water Utility Fund</b>										
<b>Surface Water Management</b>										
		2709000	5410000	\$ 10,900	King Conservation Distrct Grant		\$ 10,900		\$ 10,900	Support for a survey for the Soak-It-Up program.
		GR267351	9041							
<b>Total Surface Water Utility Fund</b>	<b>401</b>			<b>\$ 10,900</b>			<b>\$ 10,900</b>	<b>\$ -</b>	<b>\$ 10,900</b>	
<b>Total Amendments</b>				<b>\$ 3,393,542</b>			<b>\$ 676,735</b>	<b>\$ 2,716,807</b>	<b>\$ 3,393,542</b>	