

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

| | |
|----------------------|--|
| AGENDA TITLE: | Adopting Ordinance No. 923 - Amending the 2021-2022 Biennial Budget (Ordinance Nos. 903 & 922) |
| DEPARTMENT: | Administrative Services |
| PRESENTED BY: | Sara Lane, Administrative Services Director Rick Kirkwood, Budget & Tax Manager |
| 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 first quarter of 2021, staff identified several operating programs and capital projects that require additional funding due to unanticipated needs that were unknown in November 2020 at the time the 2021-2022 Biennial Budget was adopted. Additionally, the City is moving forward with the assumption of the Ronald Wastewater District effective April 30, 2021, which requires amendments to both the operating and capital budgets for the Wastewater Utility Fund. Staff is requesting that the 2021-2022 biennial budget be amended to provide funding for these programs and projects. Proposed Ordinance No. 923 (Attachment A) provides for this amendment.

On April 12, 2021, staff presented to the City Council proposed Ordinance No. 923 to amend the 2021-2022 Biennial Budget. Tonight, the City Council is scheduled to take action on proposed Ordinance No. 923.

FINANCIAL IMPACT:

Proposed Ordinance No. 923 would impact expenditures and resources, as follows:

- Increases appropriations for operating and capital expenditures by \$38.472 million;
- Increases appropriations for transfers out by \$0.070 million;
- Provides revenues totaling \$31.712 million;
- Provides transfers in totaling \$0.070 million; and,
- Uses of available 2020 ending fund balance totaling \$8.731 million offset by the anticipated provision of fund balance by certain activities totaling \$1.970 million.

The net impact of proposed Ordinance No. 923 is an increase in 2021-2022 biennial appropriations totaling \$38.542 million, revenues totaling \$31.712 million, interfund transfers totaling \$0.070 million, and the use of available fund balance totaling \$6.760 million. The table in Attachment B lists the programs and impacts resulting from this amendment. The table in Attachment C summarizes the impact of the budget amendment (Ordinance No. 923), the amended 2021-2022 appropriations, and estimated available fund balance.

The table below shows the impact on the available fund balance of the General Fund of the required reserve, currently budgeted use, use for the amendments included in proposed Ordinance No. 923, and additional designation for the City Maintenance Facility:

| Intended Use of General Fund Reserves | 2021 Projection as of Ord. No. 903 | 2021 Amended by Ord. Nos. 922 & 923 |
|--|--|---|
| General Fund Beginning Fund Balance | \$18.504M | \$25.891M* |
| Less Required General Fund Operating Reserve: | | |
| Cash Flow Reserve | 3.000M | 3.000M |
| Budget (Operating) Contingency | 0.871M | 0.871M |
| Insurance Reserve | 0.255M | 0.255M |
| Less Assigned for One-Time Outlays through 2021-2022 Biennial Budget Adoption | 2.980M | 2.980M |
| Less Use/(Provision) for 2020-to-2021 Carryovers | 0.000M | 0.689M |
| Less Use/(Provision) for 2021-2022 Budget Amendment | 0.000M | 0.120M |
| Less Assigned for One-Time Support for City Maintenance Facility | 2.759M | 2.979M |
| Less Designated for City Maintenance Facility | 3.241M | 3.636M** |
| Unassigned and Undesignated Beginning Fund Balance | \$6.510M | \$11.362M |

*The difference between the beginning fund balance projected during the 2021-2022 biennial budget process and the preliminary estimate for Ord. No. 922 is primarily attributable to a stronger-than-expected development economy, which provided one-time revenues, coupled with one-time expenditure savings. The preliminary 2020 results will be discussed in more detail during the presentation of the 2020 Year End Financial Report planned for May 3, 2020.

** The difference between projected and actual amounts Designated for City Maintenance Facility reflects fulfillment of the target of increasing the General Fund contribution by \$1M annually.

RECOMMENDATION

Staff recommends that City Council adopt Ordinance No. 923, amending the 2021-2022 Biennial Budget.

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

INTRODUCTION

During the first quarter of 2021 staff identified several operating programs and capital projects that require additional funding due to unanticipated needs that were unknown in November 2020 at the time the 2021-2022 Final Biennial Budget was adopted by the City Council through Ordinance No. 903. Staff is requesting that the 2021-2022 biennial budget be amended to provide funding for these programs and projects.

On April 12, 2021, staff presented proposed Ordinance No. 923 (Attachment A) to the City Council, which provides for this amendment. The staff report for this Council discussion can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2021/staffreport041221-9c.pdf>.

BACKGROUND

Additional details of the proposed budget amendments are discussed below and presented in Attachment B.

Amendments Impacting Multiple Funds:

Conversion of Appropriations to Purchase Equipment and Trailers: The 2021-2022 biennial budget includes appropriations to support bringing the pavement marking program in-house. This amendment will provide for the acquisition of a trailer and a “true-up” of the final costs, which were higher than the original estimate.

Citywide Janitorial Services: Facilities staff prepared a Request for Proposal (RFP) and requested proposals from qualified janitorial services companies. The RFP was advertised, and prospective companies were invited to attend a voluntary walk-through of the City's facilities. The City Council awarded the janitorial services contract to Kellermeyer Bergenson Services LLC, which is now named Innovative Facility Services, LLC, at its September 28, 2020 meeting. Due to the timing of the RFP process and citywide budget process, the final 2021-2022 biennial budget could not include final budget adjustments for the contract awarded at a total of \$0.326 million.

Police Station at City Hall: The Police Station at City Hall capital project experienced greater-than-estimated expenses in 2020 and through 2021 will continue to incur costs related to a legal contract for the contaminated soil claim and remaining charges for the Leadership in Energy and Environmental Design (LEED) certification that need to be funded in 2021. Staff anticipates completing negotiations for a settlement with prior owners of the property in 2021. The General Fund will contribute additional funds to the General Capital Fund to cover the remaining costs of this project.

Charges for Equipment Replacement Reserves for Wastewater Vehicles: While the City transferred ownership of the wastewater vehicles and equipment as part of the operating agreement in 2017, Ronald Wastewater District (RWD) retained and managed the fund balance necessary to provide for replacement of vehicles upon assumption by the City. With the full assumption of the Wastewater Utility, the replacement reserves for these vehicles will be managed in the City's Equipment

Replacement Fund. This amendment will provide for a charge to the Wastewater Utility Fund that sets aside replacement reserves in the Equipment Replacement Fund in an amount sufficient to support future replacement of wastewater vehicles and equipment. The amount of the charge comprised of the full amount to be set-aside in 2021 is \$0.688 million. The amount of the annual charge for 2022 is also included in this amendment and totals \$0.146 million.

Amendments Impacting the General Fund:

SCORE Jail Booking Fee: SCORE Jail notified the City in 2020 it would be implementing a booking fee of \$35 beginning January 1, 2022. Staff reviewed the number of bookings over the five-year period of 2014-2019 to determine an estimated impact of \$30,000 to the City as a result of this new fee.

PowerDMS for CAPRA Accreditation: In order to standardize the database for Commission for Accreditation of Park and Recreation Agencies (CAPRA) accreditation so all the park districts could use the same software making it easier to organize and evaluate policies and practices, after an extensive research, the National Recreation and Park Association (NRPA) chose PowerDMS as the common software. The City is starting the reaccreditation process and needs to subscribe to PowerDMS to start loading all the practices and compliance documentation. The cost of the subscription is \$2,300.

King County Best Starts for Kids Grant: The King County Best Starts for Kids grant will allow the City to provide youth development program services for the Youth Outreach Leadership and Opportunity program through 2021. The original 3-year grant was awarded for \$0.535 million but the new agreement will add an additional \$0.112 million. Since the City spent approximately \$0.455 million in the prior three years, King County is authorizing the City to spend the additional \$0.081 million in 2021 for a total of \$0.192 million through 2021.

Amendments Impacting the Wastewater Utility Fund:

Assumption of the Ronald Wastewater District: The City will assume RWD on April 30, 2021. In accordance with Governmental Accounting Standards, the City must appropriate a full biennial budget for the Wastewater Utility Fund for 2021-2022, and accordingly will report the full year of activity in its 2021 Financial Report. Proposed Ordinance No. 923 appropriates the full biennium of revenues, operating expenditures and capital expenditures.

Aside from the charges for Equipment Replacement Reserves discussed above, the 2021-2022 appropriation for operating and capital projects reflects an increase of \$37.337 million from the City's adopted 2021-2022 biennial budget for the Wastewater Utility of \$5.673 million. The increase includes \$14.781 million each for 2021 and 2022 for operating expenditures and \$7.775 million for capital expenditures. The 2021-2022 revenue reflects an increase of \$30.685 million. At this time, both capital and operating budgets are being amended to match RWD's 2021 adopted budget and 2022 plan. Staff will be evaluating both the capital program and operating budget for changes and

will present those to Council in the 2021-2022 Mid-Biennial Budget Update later this year.

The City's Financial Policies, which were included in the 2021-2022 Proposed Biennial Budget and 2021-2026 CIP book and last adopted with Ordinance No. 903, must be amended to include a reserve policy for the Wastewater Utility Fund. To that end, section V.G. has been added to the amended Financial Policies (Attachment A – Exhibit A).

ALTERNATIVES ANALYZED

Alternative 1: Take no action

If the City Council chooses to not approve proposed Ordinance No. 923, either these expenditures or projects will not be completed without adversely impacting existing 2021-2022 biennial budget appropriations intended for other operations or projects. In the case of capital projects, there may not be sufficient budget authority to complete the projects. Staff would need to reevaluate the projects and determine which projects could be moved forward. In addition, necessary amendments to the Financial Policies will not be made.

Alternative 2: Approve Ordinance No. 923 (Recommended)

Approval of proposed Ordinance No. 923 will provide the budget authority and avoid adversely impacting existing 2021-2022 biennial budget appropriations, as well as provide necessary amendments to the Financial Policies. In addition, this amendment will result in accurately reflecting the anticipated expenditures in the City's operating and capital funds.

FINANCIAL IMPACT

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proposed Ordinance No. 923, and additional designation for the City Maintenance Facility:

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** The difference between projected and actual amounts Designated for City Maintenance Facility reflects fulfillment of the target of increasing the General Fund contribution by \$1M annually.

RECOMMENDATION

Staff recommends the City Council adopt Ordinance No. 923, amending the 2021-2022 Biennial Budget.

ATTACHMENTS

- Attachment A: Proposed Ordinance No. 923, including Exhibit A
- Attachment B: 2021-2022 Biennial Budget Amendment (Ord. No. 923) Summary
- Attachment C: Impact of Budget Amendment (Ord. No. 923) on Fund Balance

ORDINANCE NO. 923

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON,
AMENDING THE 2021-2022 FINAL BIENNIAL BUDGET.**

WHEREAS, the 2021-2022 Final Biennial Budget was adopted by Ordinance No. 903 and subsequently amended by Ordinance No. 922; and

WHEREAS, additional needs that were unknown at the time the 2021-2022 Final Biennial Budget, as amended, was adopted have occurred; 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, therefore, the 2021-2022 Final Biennial Budget, as amended, needs to be amended to reflect the increases and decreases to the City’s funds; and

WHEREAS, the City Council finds that the proposed adjustments to the Biennial Budget for 2021-2022 reflect revenues and expenditures that are intended to ensure the provision of vital municipal services at acceptable levels; and

WHEREAS, with this Ordinance, the City intends to amend the 2021-2022 Final Biennial Budget, as adopted by Ordinance No. 903 and amended by Ordinance No. 922;

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

Section 1. Amendment – 2021-2022 Final Budget. The City hereby amends the 2021-2022 Final Biennial Budget by increasing or decreasing appropriations, and the budget sets forth totals of estimated revenues and estimated expenditures of each separate fund, and the aggregate totals for all such funds as summarized, as follows:

| Fund | Current Appropriation | Revised Appropriation |
|--|--------------------------|--------------------------|
| General Fund | \$97,469,333 | \$97,782,109 |
| Shoreline Secure Storage Fund | 2,259,500 | 2,259,500 |
| Street Fund | 4,159,217 | 4,159,609 |
| Code Abatement Fund | 200,000 | 200,000 |
| State Drug Enforcement Forfeiture Fund | 36,486 | 36,486 |
| Public Arts Fund | 161,505 | 161,505 |
| Federal Drug Enforcement Forfeiture Fund | 26,000 | 26,000 |
| Transportation Impact Fees Fund | 946,805 | 946,805 |
| Park Impact Fees Fund | 1,102,561 | 1,102,561 |
| 2006/2016 UTGO Bond Fund | 1,135,144 | 1,135,144 |
| 2009/2019 LTGO Bond Fund | 2,202,688 | 2,202,688 |
| 2013 LTGO Bond Fund | 516,520 | 516,520 |

| Fund | Current Appropriation | Revised Appropriation |
|--------------------------------------|---------------------------------|--------------------------|
| 2020 LTGO Bond Fund | 25,960,000 | 25,960,000 |
| Sidewalk LTGO Bond Fund | 1,799,100 | 1,799,100 |
| General Capital Fund | 17,737,874 | 17,785,874 |
| City Facility-Major Maintenance Fund | 709,226 | 709,226 |
| Roads Capital Fund | 56,260,953 | 56,260,953 |
| Sidewalk Expansion Fund | 5,922,995 | 5,922,995 |
| Surface Water Capital Fund | 25,875,682 | 25,875,682 |
| Wastewater Utility Fund | 5,682,519 | 43,855,290 |
| Vehicle Operations/Maintenance Fund | 485,397 | 485,397 |
| Equipment Replacement Fund | 676,363 | 684,468 |
| Unemployment Fund | 35,000 | 35,000 |
| Total Funds | \$251,360,868 | \$289,902,912 |

Section 2. Amendment – Financial Policies. The Financial Policies included with the 2021-2022 Adopted Biennial Budget and 2021-2026 Capital Improvement Plan book are replaced with new Financial Policies as set forth in Exhibit A attached hereto.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 4. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 5. 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 APRIL 26, 2021.

Mayor Will Hall

ATTEST:

APPROVED AS TO FORM:

Jessica Simulcik-Smith
City Clerk

Julie Ainsworth-Taylor, Assistant City Attorney
On Behalf of Margaret King, City Attorney

Date of Publication: , 2021
Effective Date: , 2021

Financial Policies

As Adopted by the Shoreline City Council

- I. Financial Planning Policies
- II. General Budget Policies
 - A. No Operating Deficit
 - B. Resources Greater than Estimates
 - C. Budget Adoption Level
 - D. Necessary to Implement City Council Goals Identified in Workplan
 - E. Public Safety Protection
 - F. Degradation of Current Service Levels
 - G. Investments that are Primarily funded by Additional Fees or Grants
 - H. Investments that delay Future Cost Increases
 - I. Investments that Forestall Adding Permanent Staff
 - J. Commitments that can Reasonably be Maintained over the Long Term
 - K. Overhead and Full Cost Allocation
 - L. Maintenance of Quality Service Programs
 - M. Distinguished Budget Presentation
- III. Formulation and Approval of Budgets
- IV. Budget Adjustment and Amendment Process
 - A. Adjustment
 - B. Amendment
- V. Reserve and Contingency Fund Policies
 - A. General Policy
 - B. Revenue Stabilization Fund
 - C. General Fund Operating Reserves
 - D. Equipment and Vehicle Replacement Reserves
 - E. City Street Fund Reserve
 - F. Surface Water Utility Fund Reserve
 - G. Wastewater Utility Fund Reserve**
- VI. Capital Improvement Program Plan Policies
 - A. Relationship of Long-Range Plans to the CIP
 - B. Capital Improvement Plan Coordination Team
 - C. Establishing CIP Priorities
 - D. Types of Projects Included in the CIP
 - E. Scoping and Costing Based on Predesign Study
 - F. Required Project Features and Financial Responsibility
 - G. Predictability of Project Timing, Cost and Scope
 - H. CIP Maintenance and Operating Costs
 - I. Local Improvement Districts (LID)
 - J. Preserve Existing Capital Infrastructure Before Building New Facilities
 - K. New Facilities Should be of High Quality, Low Maintenance, Least Cost
 - L. Public Input at All Phases of Projects
 - M. Basis for Project Appropriations
 - N. Balanced CIP Plan
 - O. Use of Debt in the CIP
 - P. Finance Director's Authority to Borrow
 - Q. CIP Plan Update and Amendment
 - R. Formalization of Monetary Agreements
 - S. Applicable Project Charges
- VII. Debt Policy

I. FINANCIAL PLANNING POLICY

The City shall develop and maintain a 6-year financial forecast that estimates resource and expenditure behavior for the five years beyond the current budget period. This forecast will provide the City's decision makers with an indication of the long-term fiscal impact of current policy and budget decisions. This planning tool must recognize the effects of economic cycles on the demand for services and the City's resources. To this end, the forecast should differentiate between revenue associated with one-time economic activities and revenues derived as a result of base economic growth. City financial planning should ensure the delivery of needed services (many of which become more critical during economic downturns) by assuring adequate reliance on ongoing resources in order to support continued City services during economic downturns.

II. GENERAL BUDGET POLICIES

These general budget policies are the basis on which staff develops budget recommendations and establishes funding priorities within the limited revenues the City has available to provide municipal services.

- A. No Operating Deficit: Current revenues will be sufficient to support current expenditures. Revenue estimates will be realistic and debt financing will not be used for current operating expenses.
- B. Resources Greater than Budget Estimates: Resources (fund balance) greater than budget estimates in any fund shall be considered "one-time" resources and shall not be used to fund ongoing service delivery programs.
- C. Budget Adoption Level: Budget adoption by the City Council shall be at fund level. Any changes in appropriations at fund level require City Council approval.
- D. Necessary to Implement City Council Goals Identified in Workplan: The City Council identifies specific goals as part of its work-plan, and departmental budgets should include adequate resources to accomplish those goals in the expected timeframes.
- E. Public Safety Protection: Public safety is a top priority, and as such, unmet needs in this area should have a priority over other service areas.
- F. Degradation of Current Service Levels: When increased service demands are experienced over a sustained period of time, resources should be provided to prevent service level degradation below an acceptable level.
- G. Investments that are Primarily Funded by Additional Fees or Grants: Programs and investments that are funded through a dedicated revenue source (i.e., non-tax revenue), that meet the goals of the City Council, will receive priority consideration.
- H. Investments that Delay Future Cost Increases: When practical, resources should be allocated for selective preventative investments that can be made to avoid even larger costs in the future.
- I. Investments that Forestall Adding Permanent Staff: Recognizing that personnel related expenditures represent the largest portion of the City's budget, methods to increase efficiency and effectiveness of the delivery of City services through technology improvements should receive priority funding if it can forestall the addition of permanent staff.
- J. Commitments that can Reasonably be Maintained over the Long-Term: Funding for new programs and services in operating funds should be limited to the extent that they can be reasonably funded over the near-to-long-term given the current revenue stream.
- K. Overhead and Full Cost Allocation: Department budgets should be prepared in a manner to reflect the full cost of providing services.
- L. Maintenance of Quality Service Programs: The City of Shoreline will offer quality service programs. If expenditure reductions are necessary as a result of changing economic status, selective service elimination is preferable to poor or marginal quality programs that are caused by across the board cuts.

- M. Distinguished Budget Presentation: The City will seek to comply with the suggested criteria of the Government Finance Officers Association in producing a budget document that meets the Distinguished Budget Presentation program criteria as policy document, as an operations guide, as a financial plan, and as a communication device.

III. FORMULATION AND APPROVAL OF BUDGETS

In accordance with RCW 35A.33, departments shall be requested by the Finance Director to prepare detailed estimates of revenues and expenditures for the next fiscal year by no later than the second Monday of September. Responses will be due by no later than the fourth Monday in September, and by no later than the first business day in October, the Finance Director will present to the City Manager a proposed preliminary budget setting forth the complete financial program, showing expenditures requested by each department and sources of revenue by which each program is proposed to be financed.

Although the schedule outlined above meets the requirements of the Revised Code of Washington, the Shoreline budget process usually follows an accelerated time schedule. The Finance Director typically requests departments to prepare their detailed estimates of revenues and expenditures for the next fiscal year in July, with those responses due in August.

By no later than the first Monday in October, the City Manager will provide the City Council with current information on estimates of revenues from all sources as adopted in the budget for the current year. The City complies with this requirement by providing the City Council with a quarterly report and a comprehensive overview of the City's current financial position at a summer Budget Retreat.

The administration will analyze program priorities and needs and recommend funding levels for each program in a proposed operating budget and six-year capital improvement program, which will be submitted to the Council by no later than 60 days prior to the end of the fiscal year. The City Manager typically presents the proposed budget to the City Council in late October.

As part of the budget document, a budget message will be prepared that contains the following:

- An explanation of the budget document.
- An outline of the recommended financial policies and programs of the City for the ensuing fiscal year.
- A statement of the relation of the recommended appropriation to such policies and programs.
- A statement of the reason for salient changes from the previous year in appropriation and revenue items.
- An explanation of any recommended major changes in financial policy.

The operating budget proposal for the general fund will include a financial plan that shows projected revenues and expenditures for at least the next five fiscal years. The financial plan will provide an explanation of the assumptions used in projecting future year expenditure and revenue levels, such as growth in tax revenues, inflation, cost of services, and other factors that may impact the financial condition of the City.

The operating budget will be classified and segregated according to a standard classification of accounts as prescribed by the State Auditor.

The Council will hold public hearings as required and approve operating and capital budgets prior to the end of the fiscal year in accordance with State law.

IV. BUDGET ADJUSTMENT & AMENDMENT PROCESSES

Under the provisions of State law and the City's operating procedures, the operating budget may be adjusted or amended in two different ways. Adjustment of the budget involves a reallocation of existing appropriations and does not change the budget "bottom line." Amendment of the budget involves an addition to or reduction of existing appropriations.

A. Adjustment

The City departmental expenditures and program goals are monitored throughout the year. Certain departments may develop the need for additional expenditure authority to cover unanticipated costs that cannot be absorbed within the budget, while other departments may unexpectedly not require their full budget authorizations. The Finance Department reviews and analyzes all department and/or fund budgets to determine what adjustments are necessary and whether the adjustments can be made within existing appropriation limits and within the City Council and Departmental goals as provided in the budget. Necessary adjustments are then reviewed with the affected department and/or fund managers. When an adjustment is needed, the Finance staff will look first to savings within the department and then consider budget transfers between departments. The Finance Director, in conjunction with the Department Directors and the City Manager, reviews and decides if any specific budget reductions are needed. No City Council action is needed as State law allows budget adjustments to be done administratively and approved by the City Manager. As a matter of practice, staff will include any adjustments made between departments with the quarterly financial information provided to the City Council.

B. Amendment

Amending the City's budget occurs whenever the requested changes from departments and/or funds will cause the existing appropriation level for the fund to change. This situation generally occurs when the City Council authorizes additional appropriation. This is done by an ordinance that amends the original budget and states the sources of funding for the incremental appropriations.

V. RESERVE AND CONTINGENCY FUND POLICIES

Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength.

Maintenance of fund balance for each accounting fund assures adequate resources for cash flow and to mitigate short-term effects of revenue shortages. Reserve funds are necessary to enable the City to deal with unforeseen emergencies or changes in condition.

A. General Policy

The City shall maintain reserves required by law, ordinance and/or bond covenants.

All expenditures drawn from reserve accounts shall require prior Council approval unless previously authorized by the City Council for expenditure within the City's biennial budget.

If reserves and/or fund balances fall below required levels as set by this policy, the City shall include within its biennial budget a plan to restore reserves and/or fund balance to the required levels.

All reserves will be presented in the City's biennial budget.

B. Revenue Stabilization Fund

The City will establish a Revenue Stabilization Fund and shall accumulate a reserve equal to thirty percent (30%) of annual economically sensitive revenues within the City's operating budget to cover revenue shortfalls resulting from unexpected economic changes or recessionary periods.

C. General Fund Operating Reserves

The City shall maintain a General Fund Operating Reserve to provide for adequate cash flow, budget contingencies, and insurance reserves. The General Fund Operating Reserves will be determined as follows:

1. Cash Flow Reserve: The City shall maintain a cash flow reserve within the General Fund in an amount equal to \$3,000,000. This is approximately equal to 1.5 months of operating expenditures. The City will review biennially the required cash flow reserve level that is necessary to meet the City's cash flow needs. If it is determined that \$3,000,000 is not adequate, the Finance Director shall propose an amendment to these policies.
2. Budget Contingency: The City shall maintain a budget contingency reserve within the General Fund equal to 2% of budgeted operating revenues.
3. Insurance Deductible Reserve: The City shall maintain an insurance reserve within the General Fund to be used for potential substantial events that cause damage to the City's fixed assets and/or infrastructure.

D. Equipment and Vehicle Replacement Reserves

The City will maintain fully funded reserves for the replacement of vehicles, computer equipment, and equipment identified on the City's fixed asset listing. Contributions will be made through assessments to the using funds and maintained on a per asset basis.

E. City Street Fund Reserve

The City shall maintain an operating reserve within the City's Street Fund an amount equal to 20% of annually budgeted operating revenues.

F. Surface Water Utility Fund Reserve

The City shall maintain an operating reserve within the Surface Water Utility Fund an amount equal to no less than 20% of budgeted operating revenues.

G. Wastewater Utility Fund Reserve

The City shall maintain an operating reserve within the Wastewater Utility Fund an amount equal to no less than 20% of budgeted operating revenues excluding treatment charge pass-through.

VI. CAPITAL IMPROVEMENT PROGRAM PLAN POLICIES

A number of important policy considerations are the basis for the Capital Improvement Program (CIP) Plan. These policies provide guidelines for all financial aspects of the CIP, and ultimately affect the project selection process.

A. Relationship of Long-Range Plans to the CIP

The CIP will be updated annually but the City Council may amend the CIP Plan at any time as required.

Virtually all of the projects included in the CIP are based upon formal long-range plans that have been adopted by the City Council. This ensures that the City's Capital Improvement Program, which is the embodiment of the recommendations of these individual planning studies, is responsive to the officially stated direction of the City Council as contained in the Comprehensive Plan, Council work goals, and supporting

documents. Examples of these supporting documents: Pavement Management System Plan and the Parks and Open Space and Recreation Services Plan. There are exceptions, but they are relatively small when compared to the other major areas of expenditure noted above.

B. CIP Coordination Team

A CIP Coordination Team is a cross-departmental team which participates in the review and recommendation of the CIP program to the City Manager. The Team will review proposed capital projects in regards to accurate costing (design, capital, and operating), congruence with City objectives, and prioritize projects by a set of deterministic criteria. The Finance Director, or his/her designee, will serve as the lead for the team.

C. Establishing CIP Priorities

The City uses the following basic CIP project prioritization and selection process:

1. Each CIP program area establishes criteria to be used in the prioritization of specific projects submitted for funding. These specific criteria are developed by staff in conjunction with City Council priorities and input from citizens, associated City boards and commissions. The criteria are identified in the City's budget document. The City has divided its CIP projects into the following program areas: General Facilities & Parks Capital Projects, Roads Capital Projects, and Surface Water Capital Projects.
2. Designated personnel within City departments recommend project expenditure plans to the Finance Department. The project expenditure plans include all capital costs and any applicable maintenance and operation expenditures along with a recommended funding source.
3. The CIP Coordination Team evaluates the various CIP projects and selects those with the highest priority based on input from citizens, project stakeholders, appropriate advisory committees, and City Council goals.
4. A Preliminary CIP Plan is developed by the Finance Department and is recommended to the City Council by the City Manager.
5. The City Council reviews the Operating and Preliminary CIP Plan, holds a public hearing(s) on the plan, makes their desired alterations, and then officially adopts the CIP and establishes related appropriations as a part of the City's budget.
6. Within the available funding, the highest priority projects are then selected and funded in the CIP.

D. Types of Projects Included in the CIP Plan

The CIP Plan will display, to the maximum extent possible, all major capital projects in which the City is involved. It is difficult to define precisely what characteristics a project should have before it is included in the CIP Plan for the public's and City Council's review and approval. While the following criteria may be used as a general guide to distinguish among projects which should be included or excluded from the CIP Plan, there are always exceptions which require management's judgment. Therefore, the City Manager has the administrative authority to determine which projects should be included in the CIP Plan and which projects are more appropriately contained in the City's operating budget.

For purposes of the CIP Plan, a CIP project is generally defined to be any project that possesses all of the following characteristics:

1. Exceeds an estimated cost of \$10,000;
2. Involves totally new physical construction, reconstruction designed to gradually and systematically replace an existing system on a piecemeal basis, replacement of a major component of an existing facility, or acquisition of land or structures; and

3. Involves City funding in whole or in part, or involves no City funds but is the City's responsibility for implementing, such as a 100% grant-funded project or 100% Local Improvement District funded project.
4. Involves the skills and construction needs beyond those needed for a general repair and maintenance project.

These should be considered general guidelines. Any project in excess of \$25,000 meeting the criteria of (2), (3) and (4) above, or various miscellaneous improvements of a like nature whose cumulative total exceeds \$25,000 (i.e., street overlays) should be considered as part of the CIP process.

Program area managers are responsible for the cost estimates of their proposed programs, including future maintenance and operations costs related to the implementation of completed projects.

E. Scoping and Costing Based on Predesign Study

For some projects it is difficult to develop accurate project scopes, cost estimates, and schedules on which no preliminary engineering or community contact work has been done. To address this problem, some projects are initially proposed and funded only for preliminary engineering and planning work. This funding will not provide any monies to develop final plans, specifications, and estimates to purchase rights-of-way or to construct the projects. Future project costs are refined through the predesign study process.

F. Required Project Features and Financial Responsibility: If a proposed project will cause a direct impact on other publicly-owned facilities, an equitable shared and funded cost plan must be coordinated between the affected program areas.

G. Predictability of Project Timing, Cost and Scope: The predictability of timing and costs of projects is important to specific private developments, such as the provision of street improvements or the extension of major sewer lines or water supply, without which development could not occur. These projects generally involve significant financial contributions from such private development through developer extension agreements, LIDs, and other means. Once a project has been approved by the City Council in the CIP, project scheduling is a priority to maintain.

The City Council authorizes the City Manager to administratively approve the acceleration of project schedules so long as they can be accomplished within budgeted and any allowable contingency expenditures, with the understanding that all controversial issues will be brought before the City Council. All project additions or deletions must be approved by the City Council.

H. CIP Maintenance and Operating Costs: CIP projects, as approved by the City Council, shall have a funding plan for maintenance and operating costs identified in the project description. These costs will be included in the City's long-term financial planning.

I. Local Improvement Districts (LID)

Examples of when future LIDs may be formed are as follows: 1) where old agreements exist, committing property owners to LID participation on future projects; 2) when a group of property owners wish to accelerate development of a certain improvement; 3) when a group of property owners desire a higher standard of improvement than the City's project contemplates; or 4) when a group of property owners request City assistance in LID formation to fund internal neighborhood transportation facilities improvements, which may or may not have City funding involved. If City funding is proposed by the project sponsors (property owners), they shall so request of the City Council (through the City Clerk) in

writing before any LID promotion activity begins. The City Manager shall analyze such request and report his conclusions and recommendation to Council for their consideration. The Council shall by motion affirm or deny the recommendation. The Council's affirmative motion to financially participate shall expire in 180 days, unless the project sponsors have submitted a sufficient LID petition by that time.

In the event that the request is for street resurfacing in advance of the City's normal street resurfacing cycle, the City's contribution, if any, will be determined based on a recommendation from the Public Work's Department and a financial analysis of the impact of completing the project prior to the City's original timeline.

On capital projects whose financing depends in part on an LID, interim financing will be issued to support the LID's portion of the project budget at the same time or in close proximity to the issuance of the construction contract. The amount of the interim financing shall be the current estimate of the final assessment roll as determined by the administering department.

In the event that the project is 100% LID funded, interim financing shall be issued either in phases (i.e., design phase and construction phase) or up front in the amount of the entire estimated final assessment roll, whichever means is estimated to provide the lowest overall cost to the project as determined by the Finance Department.

The City will recapture direct administrative costs incurred by the City for the LID project by including these in the preliminary and final assessment roles.

- J. Preserve Existing Capital Infrastructure Before Building New Facilities: It is the City's policy to ensure that adequate resources are allocated to preserve the City's existing infrastructure before targeting resources toward building new facilities that also have maintenance obligations. This policy addresses the need to protect the City's historical investment in capital facilities and to avoid embarking on a facility enhancement program which, together with the existing facilities, the City cannot afford to adequately maintain.
- K. New Facilities Should Be of High Quality, Low Maintenance, Least Cost: The intent of this policy is to guide the development and execution of the CIP Plan through an emphasis on lowest life-cycle cost. Projects should only be built if the necessary funding to operate them is provided. Also, priority is given to new facilities that have minimal ongoing maintenance costs so as to limit the impact upon both the CIP and the operating budget.
- L. Public Input at All Phases of Projects: The City makes a serious commitment to public involvement. The City's long-range plans are developed through an extensive citizen involvement program.
- M. Basis for Project Appropriations: During the City Council's CIP Plan review, the City Council will appropriate the full estimated project cost for all projects in the CIP Plan. Subsequent adjustments to appropriation levels for amendments to the CIP Plan may be made by the City Council at any time.
- N. Balanced CIP Plan: The CIP Plan is a balanced six-year plan. This means that for the entire six-year period, revenues will be equal to project expenditures in the plan. It is anticipated that the plan will have more expenditures than revenues in single years of the plan, but this imbalance will be corrected through the use of interim financing, if actually needed. Over the life of the six-year plan, however, all planned interim debt will be repaid and all plan expenditures, including interest costs on interim debt will be provided for with identified revenues. Any project funding plan, in which debt is not retired within the current six-year plan, must have specific City Council approval.

- O. Use of Debt in the CIP: The CIP is viewed as a long-term program that will continually address capital requirements far into the future. As such, the use of long-term debt should be minimized, allowing the City to put money into actual projects that benefit Shoreline residents and businesses rather than into interest payments to financial institutions. There may be exceptions to this policy for extraordinary circumstances, where voted or non-voted long-term debt must be issued to achieve major City goals that otherwise could not be achieved, or would have to wait an unacceptably long time. Issuance of long-term debt must receive City Council authorization.

Staff monitors CIP cash flow regularly and utilizes fund balances to minimize the amount of borrowing required. Funds borrowed for cash flow purposes are limited to short-term obligations. Projected financing costs are included within a project in the administrative program area.

- P. Finance Director's Authority to Borrow: The Finance Director is authorized to initiate interim and long-term borrowing measures, as they become necessary, as identified in the CIP Plan and approved by the City Council.
- Q. CIP Plan Update and Amendment: The CIP Plan will be updated at least annually. The City Council may amend the CIP Plan at any time if a decision must be made and action must be taken before the next CIP review period. All project additions or deletions must be approved by the City Council.
- R. Formalization of Monetary Agreements: All agreements between the City and outside jurisdictions, where resources are exchanged shall be in writing specifying the financial terms of the agreement, the length of the agreement, and the timing of any required payments (i.e., Joint CIP projects where the City is the lead agency, grant funded projects, etc.). Formalization of these agreements will protect the City's interests. Program areas shall make every effort to promptly request any reimbursements that are due the City. Where revenues from outside jurisdictions are ongoing, these requests shall be made at least quarterly, unless alternative arrangements are approved by the City Manager or City Council.
- S. Applicable Project Charges: CIP projects should reflect all costs that can be clearly shown to be necessary and applicable. Staff charges to CIP projects will be limited to time spent actually working on those projects and shall include an overhead factor to cover the applicable portion of that person's operating cost.

VII. DEBT POLICY

The Objectives of the City's Debt Management Policy are:

- A. To limit the use of debt so that debt service payments will be a predictable and manageable part of the operating budget.
- B. To raise capital at the lowest cost, consistent with the need to borrow. This will be accomplished by:
 - 1. Keeping a high credit rating (while making attempts to strengthen credit rating).
 - 2. Maintaining a good reputation in the credit markets by adjusting the capital program for regular entry to the bond market and by managing the biennial budget responsibly.
 - 3. Institute and maintain procedures that ensure full and timely repayment of City obligations.

General Debt Policies

Before issuing any debt, the City will consider the impacts of such debt on the operating budget, the effect on the City's credit rating, the debt capacity remaining under constitutional and statutory limitations, the most cost-effective term, structure, and type of debt, and the impact on taxpayers.

Disclosure statements will be used to keep taxpayers and investors informed of the City's financial position. These include printed copies of:

- A. Annual reports
- B. Operating budget and Capital Facilities Plan
- C. Official Statements

Debt issues will be sold on a competitive basis (except when conditions make a negotiated sale preferable) and awarded to the bidder who produces the lowest true interest cost.

Debt issues may be sold on a negotiated basis if the issue is unusually large or small, the project is complex, the issue is a refunding, flexibility is desired in the structure, the market is volatile, or other conditions make it in the City's best interest to conduct a negotiated sale.

Long Term Debt: Long term debt will be used to maintain and develop the municipal infrastructure when the economic life of a fixed asset exceeds five years.

Revenue bonds will generally be used for projects which are financially self-sustaining.

General Obligation bonds can be used to finance public works projects which benefit the community and where there are sufficient dedicated revenues to amortize the debt.

General Obligation pledges can be used to back self-sustaining projects financed through revenue bonds when costs can be reduced and the municipal credit rating is not put in jeopardy by this action.

The City may rely on a local improvement district program for certain local or neighborhood street improvements.

The City will use interfund borrowing where such borrowing is cost effective to both the borrowing and the lending fund. Such borrowing shall implement Council directed policy in a simplified manner, such as borrowing associated with interim financing for local improvement district projects.

2021-2022 Biennial Amendment (Ord. No. 923) Summary (Attachment B)

| Project/Item Fund | Dept / Program | Carryover Details | Amendment Appropriations | Amendment Revenue | Requires Use of Fund Balance |
|--|---------------------------------------|---|--------------------------|-------------------|------------------------------|
| OPERATING BUDGET AMENDMENTS IMPACTING MULTIPLE FUNDS | | | | | |
| Conversion of Appropriations to Purchase Equipment and Trailers | | | \$8,105 | \$8,105 | \$0 |
| General Fund | PW / Traffic Services | Conversion of Operating Supplies to Transfer Out to the Equipment Replacement Fund | (\$8,105) | | \$0 |
| General Fund | PW / Traffic Services | Transfer Out to the Equipment Replacement Fund | \$8,105 | | \$0 |
| Equipment Replacement Fund | ASD / Equipment Replacement | Transfer In from Traffic Services | | \$8,105 | \$0 |
| Equipment Replacement Fund | ASD / Equipment Replacement | Acquisition of a Cargo Trailer | \$5,407 | | \$0 |
| Equipment Replacement Fund | ASD / Equipment Replacement | Acquisition of Equipment for In-House Pavement Marking | \$2,698 | | \$0 |
| Wastewater Utility Vehicle/Equipment Replacement Reserves | | | \$834,005 | \$834,005 | \$834,005 |
| Wastewater Utility Fund | PW / Wastewater Operations Management | Vehicle/Equipment Replacement Reserves through 2021 | \$688,380 | | \$688,380 |
| Wastewater Utility Fund | PW / Wastewater Operations Management | Annual Vehicle/Equipment Replacement Charge for 2022 | \$145,625 | | \$145,625 |
| Equipment Replacement Fund | ASD / Equipment Replacement | Vehicle/Equipment Replacement Reserves through 2021 | | \$688,380 | \$0 |
| Equipment Replacement Fund | ASD / Equipment Replacement | Annual Vehicle/Equipment Replacement Charge for 2022 | | \$145,625 | \$0 |
| Citywide Janitorial Services | | | \$28,698 | \$392 | \$28,306 |
| General Fund | General Fund Admin Key | Transfer Out to Street Fund for Janitorial Service | \$392 | | \$392 |
| General Fund | ASD / Facilities | Janitorial Service | \$55,894 | | \$25,674 |
| General Fund | ASD / Parks Operations | Transfer to ASD / Facilities | (\$6,252) | | \$0 |
| General Fund | PW / Parks Landscape | Janitorial Service | \$416 | | \$416 |
| General Fund | RCCS / Spartan Recreation | Transfer to ASD / Facilities | (\$23,968) | | \$0 |
| Street Fund | Street Fund Admin Key | Transfer In to Street Fund for Janitorial Service | | \$392 | \$0 |
| Street Fund | PW / Street Operations | Janitorial Service | \$90 | | \$0 |
| Street Fund | PW / Street Landscape | Janitorial Service | \$302 | | \$0 |
| Surface Water Utility Fund | PW / Surface Water Management | Janitorial Service | \$124 | | \$0 |
| Surface Water Utility Fund | PW / Surface Water (Roads) | Janitorial Service | (\$60) | | \$0 |
| Surface Water Utility Fund | PW / Surface Water Landscape | Janitorial Service | (\$64) | | \$0 |
| Wastewater Utility Fund | PW / Wastewater Operations Management | Janitorial Service | \$1,824 | | \$1,824 |
| GENERAL FUND OPERATING BUDGET AMENDMENTS | | | | | |
| SCORE Jail Booking Fee | | | \$30,000 | \$0 | \$30,000 |
| General Fund | Criminal Justice / Jail Services | SCORE Jail Booking Fee | \$30,000 | | \$30,000 |
| PowerDMS for CAPRA Accreditation | | | \$2,300 | \$0 | \$2,300 |
| General Fund | RCCS / Administration | PowerDMS for Commission for Accreditation of Park and Recreation Agencies (CAPRA) Accreditation | \$2,300 | | \$2,300 |

2021-2022 Biennial Amendment (Ord. No. 923) Summary (Attachment B)

| Project/Item Fund | Dept / Program | Carryover Details | Amendment Appropriations | Amendment Revenue | Requires Use of Fund Balance |
|--|--|---|--------------------------|---------------------|------------------------------|
| King County Best Starts for Kids Grant | | | \$192,824 | \$192,824 | \$0 |
| General Fund | RCCS / Teen & Youth Development Program | KC Best Starts for Youth / Grant for 1/1/2021-12/31/2021 | | \$112,113 | \$0 |
| General Fund | RCCS / Teen & Youth Development Program | KC Best Starts for Youth / Balance of Grant for 1/1/2018-12/31/2020 | | \$80,711 | \$0 |
| General Fund | RCCS / Teen & Youth Development Program | KC Best Starts for Youth / YOLO Extra Help | \$75,231 | | \$0 |
| General Fund | RCCS / Teen & Youth Development Program | KC Best Starts for Youth / YOLO Supplies | \$5,480 | | \$0 |
| General Fund | RCCS / Teen & Youth Development Program | KC Best Starts for Youth / Center for Human Services Contract | \$112,113 | | \$0 |
| GENERAL CAPITAL FUND BUDGET AMENDMENT | | | | | |
| Police Station @ City Hall | | | \$109,170 | \$61,170 | \$61,170 |
| General Fund | General Capital / Police Station @ City Hall | General Fund Contribution for Police Station @ City Hall project (2819298) to cover \$13,170 in greater-than-estimated expenses for 2020 and \$48,000 needed in 2021. | \$61,170 | | \$61,170 |
| General Capital Fund | General Capital / Police Station @ City Hall | General Fund Contribution for Police Station @ City Hall project (2819298) to cover \$13,170 in greater-than-estimated expenses for 2020 and \$48,000 needed in 2021. | | \$61,170 | \$0 |
| General Capital Fund | General Capital / Police Station @ City Hall | Contamination Issues and Leadership in Energy and Environmental Design (LEED) certification costs. | \$48,000 | | \$0 |
| WASTEWATER UTILITY FUND BUDGET AMENDMENT | | | | | |
| Assumption of Ronald Wastewater District | | | \$37,336,942 | \$30,685,090 | \$7,775,000 |
| Wastewater Utility Fund | Wastewater Fund Admin Key | Contamination Issues and Leadership in Energy and Environmental Design (LEED) certification costs. | | \$36,346,350 | \$0 |
| Wastewater Utility Fund | Wastewater Fund Admin Key | Reduction of Interlocal Government Revenues budgeted to cover operations approved as part of the 2021-2022 biennial budget. | | (\$5,483,542) | \$0 |
| Wastewater Utility Fund | Wastewater Fund Admin Key | Reduction of Interlocal Government Revenues budgeted to cover one-time supplemental requests approved as part of the 2021-2022 biennial budget. | | (\$142,718) | \$0 |
| Wastewater Utility Fund | Wastewater Fund Admin Key | Reduction of Interlocal Government Revenues budgeted to cover ongoing supplemental requests approved as part of the 2021-2022 biennial budget. | | (\$35,000) | \$0 |
| Wastewater Utility Fund | Wastewater Fund Admin Key | Operating budget upon assumption | \$4,605,700 | | \$0 |
| Wastewater Utility Fund | ASD / Wastewater Finance Operations | Operating budget upon assumption | \$800,660 | | \$0 |
| Wastewater Utility Fund | PW / Wastewater Operations Management | Operating budget upon assumption | \$24,155,582 | | \$0 |
| Wastewater Utility Fund | PW / Wastewater Capital Projects | Capital Project budgets as adopted by Ronald Wastewater District | \$7,775,000 | | \$7,775,000 |
| TOTAL 2019-2020 CARRYOVER BUDGET AMENDMENT REQUESTS | | | \$38,542,044 | \$31,781,586 | \$8,730,781 |

Impact of Budget Amendment (Ord. No. 923) on Fund Balance (Attachment C)

| FUND | 2022 | 2021-2022 | 2021-2022 | 2021-2022 | 2021-2022 | 2021-2022 | 2021-2022 | 2022 |
|--|---------------------|----------------------|---------------------|----------------------|----------------------|---------------------|----------------------|-----------------------|
| | Projected Ending | Amended | Amendment | Amended | Current | Amendment | Amended | Ending |
| | Fund Balance | Revenues / | Revenues / | Revenues / | Expenditures / | Expenditures / | Expenditures / | Fund Balance |
| | Ord. No. 922 | Ord. No. 922 | Ord. No. 923 | Ord. No. 923 | Ord. No. 922 | Ord. No. 923 | Ord. No. 923 | |
| | (A) | (B) | (C) | (D) = (B) + (C) | (E) | (F) | (G) = (E) + (F) | (H) = (A) + (D) - (G) |
| OPERATING FUNDS | | | | | | | | |
| General Fund | \$25,891,358 | \$89,695,831 | \$192,824 | \$89,888,655 | \$97,469,333 | \$312,776 | \$97,782,109 | \$17,997,904 |
| Shoreline Secure Storage Fund | \$224,920 | \$2,259,500 | \$0 | \$2,259,500 | \$2,259,500 | \$0 | \$2,259,500 | \$224,920 |
| Revenue Stabilization Fund | \$5,626,456 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,626,456 |
| Street Fund | \$259,904 | \$4,159,217 | \$392 | \$4,159,609 | \$4,159,217 | \$392 | \$4,159,609 | \$259,904 |
| Code Abatement Fund | \$428,409 | \$60,000 | \$0 | \$60,000 | \$200,000 | \$0 | \$200,000 | \$288,409 |
| State Drug Enforcement Forfeiture Fund | \$88,544 | \$36,486 | \$0 | \$36,486 | \$36,486 | \$0 | \$36,486 | \$88,544 |
| Public Arts Fund | \$181,009 | \$22,000 | \$0 | \$22,000 | \$161,505 | \$0 | \$161,505 | \$41,504 |
| Federal Drug Enforcement Forfeiture Fund | \$23,048 | \$26,000 | \$0 | \$26,000 | \$26,000 | \$0 | \$26,000 | \$23,048 |
| DEBT SERVICE FUNDS | | | | | | | | |
| 2006/2016 UTGO Bond Fund | \$0 | \$1,135,144 | \$0 | \$1,135,144 | \$1,135,144 | \$0 | \$1,135,144 | \$0 |
| 2009/2019 LTGO Bond Fund | \$410,710 | \$2,202,688 | \$0 | \$2,202,688 | \$2,202,688 | \$0 | \$2,202,688 | \$410,710 |
| 2013 LTGO Bond Fund | \$0 | \$516,520 | \$0 | \$516,520 | \$516,520 | \$0 | \$516,520 | \$0 |
| 2020 LTGO Bond Fund | \$0 | \$25,960,000 | \$0 | \$25,960,000 | \$25,960,000 | \$0 | \$25,960,000 | \$0 |
| Sidewalk LTGO Bond Fund | \$3,833,167 | \$4,394,202 | \$0 | \$4,394,202 | \$1,799,100 | \$0 | \$1,799,100 | \$6,428,269 |
| CAPITAL FUNDS | | | | | | | | |
| General Capital Fund | \$9,907,114 | \$9,402,852 | \$61,170 | \$9,464,022 | \$17,737,874 | \$48,000 | \$17,785,874 | \$1,585,262 |
| City Facility-Major Maintenance Fund | \$197,081 | \$750,392 | \$0 | \$750,392 | \$709,226 | \$0 | \$709,226 | \$238,247 |
| Roads Capital Fund | \$8,986,650 | \$54,309,915 | \$0 | \$54,309,915 | \$56,260,953 | \$0 | \$56,260,953 | \$7,035,612 |
| Sidewalk Expansion Fund | \$11,321,491 | \$5,731,781 | \$0 | \$5,731,781 | \$5,922,995 | \$0 | \$5,922,995 | \$11,130,277 |
| Transportation Impact Fees Fund | \$5,279,499 | \$0 | \$0 | \$0 | \$946,805 | \$0 | \$946,805 | \$4,332,694 |
| Park Impact Fees Fund | \$1,287,908 | \$750,000 | \$0 | \$750,000 | \$1,102,561 | \$0 | \$1,102,561 | \$935,347 |
| ENTERPRISE FUNDS | | | | | | | | |
| Surface Water Utility Fund | \$4,497,855 | \$33,394,296 | \$0 | \$33,394,296 | \$25,875,682 | \$0 | \$25,875,682 | \$12,016,469 |
| Wastewater Utility Fund | N/A | \$5,673,260 | \$30,685,090 | \$36,358,350 | \$5,682,519 | \$38,172,771 | \$43,855,290 | N/A |
| INTERNAL SERVICE FUNDS | | | | | | | | |
| Vehicle O&M Fund | \$40,001 | \$438,891 | \$0 | \$438,891 | \$485,397 | \$0 | \$485,397 | (\$6,505) |
| Equipment Replacement Fund | \$5,192,991 | \$1,172,631 | \$842,110 | \$2,014,741 | \$676,363 | \$8,105 | \$684,468 | \$6,523,264 |
| Unemployment Fund | \$0 | \$35,000 | \$0 | \$35,000 | \$35,000 | \$0 | \$35,000 | \$0 |
| TOTAL | \$83,678,115 | \$242,126,606 | \$31,781,586 | \$273,908,192 | \$251,360,868 | \$38,542,044 | \$289,902,912 | \$75,180,335 |