

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Adoption of Ordinance No. 316, amending the 2002 Budget for the Unemployment Fund

DEPARTMENT: Finance

PRESENTED BY: Debbie Tarry

PROBLEM/ISSUE STATEMENT:

The 2002 Adopted Budget contained an appropriation of \$8,259 for the Unemployment Fund. It now appears that this appropriation will not be sufficient to meet the projected 2002 expenditures within the fund. Expenditures in the Unemployment Fund are projected to total \$30,000 in 2002. The City is charged directly by the State for all applicable unemployment benefits paid to former employees. Although this amount is greater than charges in previous years, we expect this cost to decline during late 2002 and early 2003. There are sufficient reserves that have accumulated from prior years to cover these 2002 costs.

The Revised Code of Washington (RCW) 35A.33.120(1) requires that the expenditure of city funds or the incurring of current liabilities on behalf of the city shall be limited to the total amount appropriated for each fund in the budget for the current fiscal year. In order for expenditures in the Fund to stay within the legal appropriation, an amendment is necessary to increase the appropriation to the required level.

ALTERNATIVES ANALYZED:**Alternative 1: Take no action.**

If the Council chose not to approve this budget amendment the expenditures within the Fund would exceed the legal appropriation, which would be a violation of State law.

Alternative 2: Approve Ordinance No. 316 (Recommended)

Approval of ordinance No. 316 will provide the budget authority to adequately meet the projected expenditures within the Unemployment Fund.

FINANCIAL IMPACT:

The following table summarizes the budget amendment request and the impact that this has on the fund's reserve level.

Fund	2002 Beginning Fund Balance	Current 2002 Appropriation	Budget Amendment Request	Resulting 2002 Appropriation	Resulting 2003 Available Beginning Fund Balance
Unemployment Fund	\$81,413	\$8,259	\$21,741	\$30,000	\$59,672

RECOMMENDATION

Staff recommends that Council approve Ordinance No. 316, amending the 2002 budget.

Approved By:

City Manager  City Attorney 

ORDINANCE NO. 316

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE 305, BY INCREASING THE APPROPRIATION IN THE UNEMPLOYMENT FUND

WHEREAS, the 2002 Budget was adopted in Ordinance 294 and amended by Ordinance No. 305; and

WHEREAS, there are sufficient resources within the Unemployment Fund; and

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

Section 1. Amending 2002 Budget Summary. The City hereby amends the 2002 Annual Budget as amended by Ordinance No. 305 Section 1, by increasing the appropriation for the Unemployment Fund by \$21,741 for an Unemployment appropriation of \$30,000 and by increasing the Total Funds appropriation to \$43,720,299 as follows:

General Fund	27,018,730	
Development Services Fund	1,914,731	
Street Fund	3,585,011	
Arterial Street Fund	369,042	
Surface Water Management Fund	2,345,524	
General Capital Fund	3,299,574	
Roads Capital Fund	4,042,649	
Surface Water Capital Fund	645,038	
General Reserve Fund	0	
Equipment Replacement Fund	275,000	
Vehicle Operations/Maintenance Fund	70,000	
Unemployment Fund	8,259	<u>30,000</u>
Code Abatement Fund	100,000	
Asset Seizure	<u>25,000</u>	
Total Funds	43,698,558	<u>43,720,299</u>

Section 2. Appropriation for the Unemployment Fund. The additional appropriation will provide sufficient funding for the projected expenditures for the year 2002.

Section 3. Net Impact on the Unemployment Fund. This ordinance decreases the budgeted ending fund balance of the Unemployment Fund by \$21,741 to \$59,672.

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 NOVEMBER 12, 2002

Mayor Scott Jepsen

ATTEST:

APPROVED AS TO FORM:

Sharon Mattioli, CMC
City Clerk

Ian Sievers
City Attorney

Date of Publication: November 15, 2002
Effective Date: November 20, 2002