

# 2019/20 Proposed Mid-Biennial Budget Amendment

City Council Meeting  
November 19, 2019

Presented by  
Chase Donnelly, Accounting Manager  
November 19, 2019

# Background

- RCW 35a.34.130 –
- The legislative **authority** of a city having adopted the provisions of this chapter shall provide by ordinance for a mid-biennial review and modification of the biennial budget.

# Background<sub>-continued</sub>

- Adopted 2019/2020 Biennial Budget
  - - December 4, 2018
- Amended 2019/2020 Biennial Budget
  - - April 16, 2019
- Budget Amendment Presentation At FEDRAC
  - - October 22, 2019
- Public Hearing on Proposed 2019/20 Budget Amendment
  - - November 05, 2019

# Budget Factors

- **1 – Fund Balance Per Council Policy**
  - All Funds within required reserve level
    - General Fund - \$9.0M
    - Street Fund - \$0.5M
    - Strategic Reserve Fund - \$3M
  
- **2 – Interfund Loans**
  - PAEC Operation - \$0.50 million (forgiving loan)
  - PAEC Construction - \$5.0 million (bonded with proceeds received of approx. \$5.0 million)
  
- **3 - Outstanding General Obligation Bonds**
  - Community Center - \$9.9 million
  - Target Property - \$6.0 million
  - SCORE - \$12.9 million
  - PAEC Capital Project - \$5.0 million

EXHIBIT C

2019/2020 Proposed Mid-Year Amended Budget

Fund	2019			2020			Ending Fund Balance
	Beginning Fund Balance	Revenue	Expenditure	Beginning Fund Balance	Revenue	Expenditure	
<b>General Fund</b>	\$ 11,144,460	\$ 53,941,744	\$ 55,182,175	\$ 9,904,029	\$ 53,693,852	\$ 54,587,710	\$ 9,010,171
<b>Special Revenue Funds:</b>							
Street	517,592	4,801,577	4,803,963	515,206	4,421,618	4,420,001	516,823
Arterial Street	94,682	1,658,000	1,625,064	127,618	1,548,000	1,515,065	160,553
Utility Tax	1,600,471	9,128,135	9,228,606	1,500,000	9,173,135	9,173,135	1,500,000
Solid Waste/Recycling	154,581	529,910	595,549	88,942	568,474	581,800	75,616
Special Contract/Studies	686,209	-	100,000	586,209	-	407,000	179,209
Hotel/Motel Lodging Tax	1,177,880	306,000	394,700	1,089,180	306,000	224,700	1,170,480
2% for Arts	-	-	-	-	-	-	-
Community Center	1,566,460	2,355,351	2,331,536	1,590,275	2,252,875	2,343,150	1,500,000
Traffic Safety Fund	1,909,111	3,815,500	4,146,536	1,578,075	3,815,500	4,189,726	1,203,849
Real Estate Excise Tax	3,303,937	4,677,564	5,314,370	2,667,131	3,670,000	4,299,567	2,037,564
Utility Tax Proposition 1	1,002,101	3,456,375	3,446,375	1,012,101	3,483,145	3,475,246	1,020,000
Performing Arts and Event Center	(447,382)	2,622,427	2,078,407	96,638	2,153,198	2,249,836	-
Community Development Block Grant	37,544	1,213,400	1,236,911	14,033	912,446	926,479	-
Paths and Trails	962,997	189,000	-	1,151,997	169,000	-	1,320,997
Technology Fund	-	20,000	15,986	4,014	20,000	-	24,014
Strategic Reserve	2,656,969	341,031	-	2,998,000	2,000	-	3,000,000
Parks Reserve	1,265,796	530,000	720,000	1,075,796	50,000	-	1,125,796
<b>Debt Service Fund</b>	2,956,848	14,792,863	15,152,510	2,597,201	2,358,567	2,894,957	2,060,811

**EXHIBIT C**

**2019/2020 Proposed Mid-Year Amended Budget**

Fund	2019			2020			Ending Fund Balance
	Beginning Fund Balance	Revenue	Expenditure	Beginning Fund Balance	Revenue	Expenditure	
<b>Capital Project Funds:</b>							
Downtown Redevelopment	1,431,611	1,000,000	-	2,431,611	1,000,000	-	3,431,611
Municipal Facilities	282,779	1,000	-	283,779	1,000	-	284,779
Parks	1,637,206	325,000	1,450,480	511,726	300,000	300,000	511,726
Surface Water Management	2,886,075	2,700,000	5,042,324	543,751	1,000,000	1,400,000	143,751
Transportation	8,910,374	14,967,225	23,152,401	725,198	4,766,000	4,666,000	825,198
Capital Project Reserve	360,520	-	-	360,520	-	-	360,520
Performing Arts and Event Center (Construction)	(7,351,556)	7,549,897	7,000,000	198,341	-	-	198,341
<b>Enterprise Fund:</b>							
Surface Water Management	2,373,543	4,373,612	5,360,628	1,386,527	4,432,381	4,289,061	1,529,847
Dumas Bay Centre	1,585,695	961,751	959,872	1,587,574	788,251	850,473	1,525,352
<b>Internal Service Funds:</b>							
Risk Management	1,595,478	1,186,040	1,453,932	1,327,586	1,166,040	1,453,932	1,039,694
Information Technology	3,753,608	2,431,350	2,547,906	3,637,052	2,450,108	2,338,186	3,748,974
Mail & Duplication	199,068	135,947	149,874	185,141	135,947	148,152	172,936
Fleet & Equipment	7,628,193	2,314,752	2,028,499	7,914,446	2,300,644	1,987,993	8,227,097
Buildings & Furnishings	3,019,790	508,355	712,139	2,816,006	490,355	483,088	2,823,273
Health Insurance	2,940,231	4,966,800	5,256,726	2,650,305	4,966,800	5,256,726	2,360,379
Unemployment Insurance	279,116	3,000	50,000	232,116	5,000	20,000	217,116
<b>Grand Total All Funds</b>	<b>\$ 62,121,987</b>	<b>\$ 147,803,606</b>	<b>\$ 161,537,469</b>	<b>\$ 55,388,124</b>	<b>\$ 112,400,336</b>	<b>\$ 114,481,982</b>	<b>\$ 53,306,477</b>

# Proposed Major Changes in General Fund

Major Funding in General Fund includes:	2019 Proposed Changes
Mayor - Public defender contract increase	\$ 139,016
CD - Code Compliance supplies & nuisance abatement	45,000
Clerk - Election & hearing examiner costs	47,000
Parks - Add copper wire alarm system to Celebration Park and Steel Lake Annex	58,200
Parks - Hazardous tree work	30,000
Parks - Sand for restoring natural turf	70,000
Parks - Sacajawea lift station repairs	30,000
Transfer of funding to PAEC operations in addition to original amount of \$453,855	1,063,000
Replenishing Strategic Reserve	294,461
<b>TOTAL</b>	<b>\$ 1,776,677</b>

# Proposed Major Changes in General Fund

Major Funding in General Fund includes:	2020 Proposed Changes
Mayor - Public defender contract increase	\$ 191,396
CD - Rental housing program	100,000
CD - After school program	106,875
Law - Legal contract costs	130,000
IT - Cell data, radio, and email security services	84,500
Transfer of funding to PAEC for operations	800,000
<b>TOTAL</b>	<b>\$ 1,412,771</b>



# Proposed Major Changes in Non- General Fund

Major Funding in Non-General funds includes:	2019 Proposed Changes	Fund
Repair street light system - copper wire theft (repl. wire only)	30,000	(Street)
Transfer of funding to General Fund	(413,394)	(Utility Tax)
Council chambers upgrade	(163,200)	(Special Studies)
Variable message sign board	100,000	(Lodging Tax)
Payment on PAEC Interfund loan	1,000,000	(REET)
PAEC operations expense	150,441	(PAEC Operations)
PAEC Manager Contribution Equipment & Transition Costs	55,980	(PAEC Operations)
CDBG grant funded expenditures	544,500	(CDBG)
Saghalie turf replacement	95,000	(Parks Reserve)
Transportation capital projects	8,420,563	(Transp. CIP)
Dumas Bay temp help, supplies, and services	154,400	(Dumas Bay)
Replacements of printers	15,242	(IT)
Replacements of mobile & portable radios	103,500	(IT)
Decatur Police radio	70,000	(IT)
Replacement of Police vehicles	87,000	(Fleet)
Replacement of Parks mower	94,575	(Fleet)
Replacement of furnance at Steel Lake shop	5,000	(Bldg. Reserve)
Police, Law, & Council security gates	13,000	(Bldg. Reserve)
City Hall security camera additions and replacement	25,920	(Bldg. Reserve)
<b>TOTAL</b>	<b>\$ 10,388,527</b>	

# Proposed Major Changes in Non- General Fund

Major Funding in Non-General funds includes:	2020 Proposed Changes	Fund
Transfer of funding to General Fund	(531,764)	(Utility Tax)
Council chambers upgrade	400,000	(Special Studies)
PAEC operations expense	331,492	(PAEC Operations)
PAEC Manager Contribution Equipment Costs	44,020	(PAEC Operations)
CDBG grant funded expenditures	243,546	(CDBG)
PAEC debt payment on construction bond	550,000	(Debt Service)
Dumas Bay temp help, supplies, and services	165,000	(Dumas Bay)
Replacement of Police vehicles	262,000	(Fleet)
<b>TOTAL</b>	<b>\$ 1,464,294</b>	

# Council Action

- **Consider First Reading of 2019/20 Mid-Biennial Budget Amendment Ordinance & Consider Moving it to December 03, 2019 for Second Reading and Final Adoption**

# Questions?

Thank You!