



TO: Mayor and City Council

FROM: Steve Groom, Director of Finance and Budget
Kimberly Dominé, Finance Division Manager
Jen Morris, Financial Services Officer

DATE: May 27, 2020

RE: 2nd Quarter 2020 Budget Ordinance

This budget ordinance effects course corrections based on new information for the 2020 Budget year that was not known at the time of budget adoption. Staff routinely brings budget amendments approximately quarterly to course-correct, and to be transparent and accountable.

COVID-19 budget amendments are currently being clarified as eligibility and applicability is unfolding and will be brought separately outside of the normal quarterly routine.

Budget amendments are a routine, recurring budget process step; staff accumulates new information anticipating to bring adjustments of this type to council on an approximately quarterly basis. Staff requests approval of adjustments and corrections to the 2020 budget that are now known that were not known at the time of adoption, per the attached detail spreadsheet, described in more detail as follows:

New Revenue:

- 1) Substance Abuse and Mental Health Services Administration (SAMHSA) Grant approved by council, but was not budgeted. Increase of both Revenues and Expenditures in the General Fund \$630,000
- 2) Office of Juvenile Justice and Delinquency Prevention (OJJDP) Grant approved by council, but was not budgeted. Increase of both Revenues and Expenditures in the General Fund \$230,000

True Up Funds:

Interfund charges are done as-budgeted until year-end at which time actuals are then known, re-allocated and budget re-aligned to match.

- 3) Transfer between the Public Facilities District Fund and Capital Theatre Fund for an increase in management fees that was presented prior to budget adoption but incorporated incorrectly in equal and opposite amounts to each fund by \$20,430.

From Fund Balance:

The adjustments and corrections to the 2020 budget that are now known that were not known at the time of adoption, are:

- 4) Increase Water Operating Fund expenditures for new software for tracking backflow assemblies \$8,600