



TO: Mayor and City Council

FROM: Jennifer Ferrer-Santa Ines, Director of Finance and Budget
Kimberly Dominé, Finance Division Manager
Jen Morris, Financial Services Officer

DATE: June 24, 2022

RE: 2022 Budget Ordinance

This budget ordinance effects course corrections based on new information for the 2022 Budget year that was not known at the time of budget adoption. Staff routinely brings budget amendments, approximately quarterly to be transparent and accountable.

Budget amendment is a recurring budget process step; staff accumulates new information anticipating to bring adjustments of this type to council on an approximately quarterly basis and is typically for one of four reasons:

- 1) New additional revenue makes it possible to approve additional related expenses,
- 2) Prior-year budgeted obligations need to be rolled forward to match disbursement in the current year, if not yet disbursed by Feb. 28th (60 days)
- 3) Accumulated fund balances can be appropriated, and
- 4) Corrections or changes between funds.

Staff requests approval of adjustments and corrections to the 2022 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. Item numbers listed match red Ref #'s on attached spreadsheet:

New Revenue:

- 1). Capital Theatre Capital Fund 322 grant from Department of Commerce; this adjustment increases both revenue and expense in equal and offsetting amounts. \$245,000
- 2). Streets Capital Fund 346 grant from Transportation Improvement Board; this adjustment increases both revenue and expense in equal and offsetting amounts. \$250,000
- 3). Streets Capital Fund 346 grant from Department of Transportation; this adjustment increases both revenue and expense in equal and offsetting amounts. \$2,910,000
- 4). General Fund donation from Yakama Tribal Gaming; this adjustment increases both revenue and expense in equal and offsetting amounts. \$15,000

From Fund Balance:

The adjustments and corrections to the 2022 budget that are now known that were not known at the time of adoption, are:

- 5). Increase expenditures in General Fund 001 for domestic violence training registration. \$9,000



- 6). Increase expenditures in the 3% Criminal Justice Fund for increase costs in the YakCorp assessment. \$14,046
- 7). Increase revenue budget for Airport Operating Fund 421 for Cares/ARPA grant money.
Increase Revenue \$2,484,624
- 8). Increase expenditures in ARPA Fund 180 for a Mill Site Water and Sewer improvements.
\$6,000,000
- 9). Increase expenditures in ARPA Fund 180 for homeless/mental health related. \$1,500,000
- 10). Increase expenditures in General Fund 001 for Stowe Development & Strategies for Increment Financing consultant (TIF). \$70,000
- 11). Increase expenditures in ARPA Fund 180 for water/sewer investments. \$1,000,000
- 12). Increase expenditures in ARPA Fund 180 for community partnerships for 5 one-time grants.
\$500,000
- 13). Increase expenditures in General Fund 001 for Fire Suppression overtime. \$200,000
- 14). Increase expenditures in General Fund 001 and PW Admin 560 for new HR position to support recruitment of Public Works personnel. \$20,000 General Fund \$20,000 PW Admn

House Keeping:

- 15) Accounting change- move Transfer in/Transfers out to Equipment Replacement Costs expense/ER Replacement-Govt Funds revenue. \$800,000 for Fire and \$1,000,000 for Police.
- 16) House Keeping- increase interfund insurance charges omitted from the 2022 budget. Increase Trolley Fund 162 \$624 and the 3% Criminal Justice Fund \$46,378.65.
- 17). House Keeping- Increase expenditures in Water Operating budget Fund 474 for correcting debt in the 2022 budget. \$23,451.93

Staff expects further 2022 course-correction budget adjustments later in the year, as new information becomes available that is not fully known at this time.