



TO: Mayor and City Council

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

DATE: August 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). General Fund 001 emergency fiber restoration reimbursement; this adjustment increases both revenue and expense in equal and offsetting amounts. \$7,627.57.
- 2). General Fund 001 Department of Commerce Community Partnership Program (CAD) Grants to educated residents on vandalisms; this adjustment increases both revenue and expense in equal and offsetting amounts. \$75,000.
- 3). Parks Operating Fund 131 donation for benches at the pickleball courts at Franklin Park; this adjustment increases both revenue and expense in equal and offsetting amounts. \$2,865.
- 4). Parks Operating Fund 131 donation for programs at the Washington Fruit Community Center; this adjustment increases both revenue and expense in equal and offsetting amounts. \$5,000.
- 5). Transit Capital Fund 464 ARPA Revenue for increase costs of bus purchase; this adjustment increases both revenue and expense in equal and offsetting amounts. \$250,000.



- 6). Parks Capital Fund 131 Department of Commerce Grant for construction MLK Jr. pool; this adjustment increases both revenue and expense in equal and offsetting amounts. \$1,000,000.
- 7). Transit Capital Fund 464 Department of Transportation grant for Paratransit vans; this adjustment increases both revenue and expense in equal and offsetting amounts. \$320,000.
- 8). Police Grant Fund 152 from Department of Justice. Office on Violence Against Women (OVW) Grant; this adjustment increases both revenue and expense in equal and offsetting amounts. \$499,212.

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:

- 9). Increase expenditures in Public Safety Communications/Dispatch Fund 154 for radio equipment. \$48,588
- 10). Increase expenditures in Law & Justice Capital Fund 333 for office remodel. \$62,000
- 11). Increase expenditures in Transit Capital Fund 464 for purchase of McCurley Fruitvale Property \$5,775,000
- 12). Increase expenditures in Capital Theatre Capital Fund 332 for match for the Department of commerce Grant \$35,334
- 13). Increase expenditures in Fire Capital Fund 332 for Fire Station 93 roof repair. \$35,000.
- 14). Increase expenditures in Equipment Rental Capital Fund 552 for 1 Police vehicles and for change orders due to manufacturing delays not accounted for in the 2022 budget. \$604,000
- 15). Increase expenditures in Equipment Rental Capital Fund 552 for Tire Management System, mowers, and trailers not accounted for in the 2022 budget. \$21,000
- 16). Increase expenditures in ARPA Fund 180 for East Side Pool Capital Project. \$1,500,000.
- 17). Increase revenues in ARPA Fund 180 for American Rescue Plan revenue received in 2022. \$13,097,739.50

House Keeping:

- 18) Accounting change- record the resale of unleaded and diesel fuel expenditures/revenues in Equipment Rental operating fund 551. This will increase both expenditures and revenues



\$1,530,154.

- 19) House Keeping- move budget for debt expenditure from Fund 142 Arterial Streets to Fund 346 Streets Overlay and Reconstruction budget. \$46,779.40

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.