



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: April 14, 2023

RE: 2023 Budget Ordinance - 2022 Carryforward

This budget ordinance effects course corrections based on new information for the 2023 Budget year that was not known at the time of budget adoption. Budget amendments come before City Council; normally on a quarterly basis, to be transparent and accountable.

The budget amendment is a recurring budget process step; staff accumulates information as it occurs and brings the adjustments to council. It 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 2023 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 grant from Secretary of State Archives and Records Management Grant:
This adjustment increases both revenue and expense in equal and offsetting amounts.
\$22,218.11
- 2). ONDS Fund 124 grant from Housing and Urban development for Home American
Rescue Plan: this adjustment increases both revenue and expense in equal and offsetting
amounts. \$1,822,807
- 3). Streets Capital Fund 346 grant from Transportation Improvement Board Grant for Nob Hill
Boulevard Overlay; this adjustment increases both revenue and expense in equal and
offsetting amounts. \$1,335,000
- 4). Capital Theatre Capital Fund 322 grant from Department of Commerce; this adjustment
increases revenue. \$245,000
- 5). Codes General Fund 001 grant from Department of Commerce CHIPS Grant; this adjustment
increases both revenue and expenditures. \$325,599.54



- 6). Codes General Fund 001 grant from Department of Commerce CAD Grant; this adjustment increases revenue and expenditures. \$47,153.06
- 7). Police General Fund 001 revenue from WASPC (Washington Association of Sheriffs & Police Chiefs); this adjustment increases revenue and expenditures. \$47,153.06

Prior-Year roll-forward of 2022 encumbrances:

- 8). Prior-Year roll-forward of 2022 encumbrances. A large portion of this adjustment is for the Equipment Rental Fund, for prior-year-authorized purchases of vehicles and equipment that have a long purchase lead-time. \$1,213,260.23

Offsetting revenue and expense for CDBG and HOME grants of \$3,760,725.6 not yet obligated are also carried forward.

Offsetting revenue and expense for ARPA grant of \$2,530,954.95.

All of these expenditures were included in the 2022 budget and as result are revenue-neutral to the 2023 Budget – these simply renew previously-approved expenditure authority. Similarly, *General Fund* roll-forward of 2022 approved expenditures is \$361,961.47.

From Fund Balance:

The adjustments and corrections to the 2023 budget that are now known that were not known at the time of adoption, are:

- 9). Increase expenditures in General Fund 001 for City Hall emergency repair of heating and cooling system. \$20,000
- 10). Increase expenditures in Water Operating Fund for Nelson Dam repairs. \$43,991
- 11). Increase expenditures in PFD Fund 174 for transfer out to Capital Theatre Capital Budget 322 for HVAC and scope and scale evaluation. \$133,006
- 12). Increase expenditures in Water Capital Fund 477 for Water WTP Flume repair project. \$50,000
- 13). Increase expenditures in ARPA Fund 180 for Community Partnerships for 5 one-time payments. \$500,000
- 14). Increase expenditures in ARPA Fund 180 for Mental Homeless/Mental Health. \$1,500,000
- 15). Increase expenditures in ARPA Fund 180 for East Side Pool. \$1,500,000
- 16). Increase expenditures in American Rescue Plan Fund 180 for Sewer Investment Mill Site. \$500,000



- 17). Increase expenditures in American Rescue Plan Fund 180 for Water Investment Mill Site. \$500,000
- 18). Increase expenditures in American Rescue Plan Fund 180 for YWCA Young Women's Christian Association Domestic Violence Shelter. \$2,000,000
- 19). Increase expenditures in General Fund 001 for Code Book for Codes omitted from the 2023 budget. \$7,000
- 20). Increase expenditures in the Capital Theatre Fund 322 for additional costs for construction project. \$3,507
- 21). Increase expenditures in the Police Capital Fund 333 for additional costs for police vehicle uplifting. \$134,850
- 22). Increase expenditures in Wastewater Construction Funds 476,472, and 478 for Sewer Collection System Projects \$10,900,000
- 23). Increase expenditures in Equipment Rental Capital Fund 552 for police vehicles upfitting costs. \$345,481.00
- 24). Increase expenditures in General Fund 001 \$4,400, Water Operating \$4,400, Sewer Operating 473 \$4,400 and Refuse Operation 471 \$4,400 for Civic Spark Fellow.
- 25). Increase expenditures Wastewater Operating Fund 473 for a transfer out to Wastewater Capital Fund 478. \$4,300,000
- 26). Increase expenditures in 3% Criminal Justice Fund 303 for Police Tasers. \$92,500
- 27). Increase expenditures in 3% Criminal Justice Fund 303 for Municipal Court remodel. \$40,000
- 28). Increase expenditures in 370 Convention Center Capital Fund 370 for \$77,000 for new flooring and \$29,000 for partitions. \$106,000
- 29). Increase expenditures and revenues in 464 Transit Capital Fund for 2 Transit buses. \$1,157,380.44
- 30). Increase expenditures in 370 Fire Capital Fund for parking feasibility study. \$5,490
- 31). Increase expenditures and revenues in 464 Transit Capital Fund for Transit grant. \$209,366
- 32). Increase revenues in 464 Transit Capital Fund for Department of Transportation Grant omitted from the 2023 Budget. \$361,858



- 33). Increase revenues in 462 Transit Operating Fund for Fed Pass WADOT JARC Eburg Grant omitted from the 2023 budget. \$3,764,086

Technical Adjustment:

34) House Keeping. Moving the Parking Enforcement department 653 to the Community Service Officer department 308 in General Fund. \$97,822.24 This will have a zero impact on General Fund.

35) House Keeping. Moving the Animal Control Department in the Criminal Justice Fund 003 to General Fund 001 Community Service Officer department. Moving 2 Police officers to the Criminal Justice department Fund 003.

36) House Keeping. Increase Workers Compensation rates due to increased volume and cost of claims. This will increase expenditures in General Fund. \$383,292.35

Staff expects further 2023 course-correction budget adjustments later in the year, as new information becomes available that is not fully known at this time.