FINANCE

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: June 21, 2023

RE: 2023 2nd Quarter Budget Ordinance

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 schedule I:

New Revenue:

1). Grant from Washington State Traffic Safety Commission for General Fund 001. This increases both revenue and expense in equal and offsetting amounts. $5,045.50

2). Grant from Office on Violence Against Women for Police Fund 152. This increases both revenue and expense in equal and offsetting amounts. $499,212

3). Capital Theatre Construction Fund 332. Transfer money from PFD Fund 174 to Capital Theatre construction Fund 332. This increases both revenue and expense in equal and offsetting amounts. $58,274.62.

4). Transit Operating Fund 462. WSDOT Transit Formula Grant. This increases both revenue and expense in equal and offsetting amounts. $268,456

5). Street Overlay Capital Fund 346. YVCOG Congestion Mitigation & Air Quality Grant for Northside Alley Paving. This increases both revenue and expense in equal and offsetting amounts. $500,000.

6). Utility Services Fund 581, Utility Residential Customer Arrearages Department of Commerce grant; this adjustment increases both revenue and expense in equal and offsetting amounts. $454,751.61

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:

7). Increase expenditures in 3% Criminal Justice Fund 003 for an increase in the YakCorp Assessment in 2023. $20,400

8). Increase expenditures in Airport Capital Fund 422 for AIP-47 East GA Apron construction project $110,000

9). Increase expenditures in Airport Capital Fund 422 for AIP-47 East GA Apron construction project $25,000

10). Increase expenditures in Police Capital Fund 333 for swat rifles. $60,000

11). Increase expenditures in Cumulative Reserves Fund 392 for new Tyler Technologies Payroll System. $65,000

Technical Adjustment:

12) House Keeping. Moved Animal Control to Police Community Services Officers. This is to correct 1st quarter budget amendment. This is budget neutral and has no impact on the budget.

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.