



TO: Mayor and City Council

FROM: Roselyn Oglesby, Assistant City Manager
Kimberly Dominé, Finance Division Manager
Jen Paxton, Financial Services Officer

DATE: March 21, 2024

RE: 2024 Budget Ordinance - 2023 Carryforward

This budget ordinance effects course corrections based on new information for the 2024 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 2024 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). Streets and Overlay Fund 346 grant from (TIB) Transportation Improvement Board Award for 34th and Fruitvale Roundabouts and NobHill Blvd 2024 Grind and Overlay: This adjustment increases both revenue and expense in equal and offsetting amounts. \$3,306,422
- 2). Streets and Overlay Fund 346 grant from WSDOT National Highway System R2024-008. This adjustment increases both revenue and expense in equal and offsetting amounts. \$200,000.
- 3). Transit Capital Fund 464 grant from WSDOT for Para-Transit ADA Vans. This adjustment increases both revenue and expense in equal and offsetting amounts. \$750,000.
- 4). General Fund 001 Fund grant from Office of Firearm Safety and Violence Prevention. This adjustment increases both revenue and expense in equal and offsetting amounts. \$150,000.
- 5). Police Grants Fund 152 grant from OVC Office for Victims of Crime. This adjustment increases both revenue and expense in equal and offsetting amounts. \$289,300.



- 6). Police Grants Fund 152 from WSDOC Crime Victims Advocacy. This adjustment increases both revenue and expense in equal and offsetting amounts. \$129,783
- 7). Police Grant Fund 152 from Office of Violence Against Women. This adjustment increases both revenue and expense in equal and offsetting amounts. \$473,348.
- 8). General Fund 001 grant from Washington State Traffic Commission for Safety Equipment. This adjustment increases both revenue and expense in equal and offsetting amounts. \$7,450.
- 9). General Fund 001 Fund grant from WTSC Make it Home Safe. This grant is for vehicle purchase and FTE Reimbursement. This adjustment increases both revenue and expense in equal and offsetting amounts. \$239,422.
- 10). General Fund 001 Fund grant from CHIP (Connecting Housing to Infrastructure Program); this adjustment increases both revenue and expenditures. \$796,738.

Prior-Year roll-forward of 2023 encumbrances:

- 11). Prior-Year roll-forward of 2023 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. \$2,483,514.59.

Offsetting revenue and expense for ARPA grant of \$2,538,363.57.

All of these expenditures were included in the 2023 budget and as result are revenue-neutral to the 2024 Budget – these simply renew previously-approved expenditure authority. Similarly, *General Fund* roll-forward of 2023 approved expenditures is \$196,603.25.

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:

- 12). Increase expenditures in General Fund 001 for increase in Municipal Court Interpreter Cost. \$35,000
- 13). Increase expenditures in General Fund 001 for costs of utilities and repairs to the Bank of America Building. \$50,000
- 14). Increase expenditures in EMS Levy Fund 150 for Image Trend Records Management Software for Fire. \$60,000.
- 15). Increase expenditures in Convention Center Capital Fund 370 for restroom remodel project not completed in 2023. \$225,000
- 16). Increase expenditures in Cumulative Reserve Fund 392 for the balance of the Tyler Payroll Software project. \$84,000.



- 17). Increase expenditures in Stormwater Capital Fund for Stormwater Construction Projects. \$2,000,000
- 18). Increase expenditures in Transit Capital Fund 464 for the match for the WSDOT Grant for Para Transit Vans. \$190,000.
- 19). Increase expenditures in Equipment Rental Capital Fund 552 for additional Vehicles/Equipment purchases not know at time of budget.
- 20). Increase expenditures in Streets Operating Fund 141 for increased costs of purchasing Asphalt Grinder. \$150,000.
- 21). Increase expenditures in General Fund 001 for Financial Services Technician omitted from the 2024 budget. \$85,413.57.
- 22). Increase expenditures in General Fund 001 City Hall Maintenance for Temporary Custodial Staff omitted from the 2024 budget. \$14,042.16
- 23). Increase expenditures in General Fund 001 City Hall Maintenance for Repair and Maintenance omitted from the 2024 budget. \$20,000.
- 24). Increase expenditures in Funds 473 Wastewater 55%, 474 Water 35%, and 475 Irrigation 9% for 1 FTE Buyer 1 Position. \$74,000.
- 25). Increase expenditures in Wastewater Construction Funds 476, 472, and 478 for Sewer Collection System Projects \$15,600,000.
- 26). Increase expenditures in Water Construction Fund 477 Water System Projects. \$2,464,000.

Technical Adjustment:

- 27) House Keeping. Increase transfer from Wastewater Operating to Wastewater Construction. This will increase Expenditures in Fund 473 and Increase Revenue in Fund 478.
- 35) House Keeping. Decrease Fund 479 Irrigation Capital Fund Revenue \$2,000,000. Grant was not awarded.
- 36) House Keeping. Increase revenue in Fund 479 Irrigation Capital Fund \$7,600,000. Department Ecology Grant revenue was not received in 2023 and the City is expecting to receive the grant in 2024/2025.



Staff expects further 2024 course-correction budget adjustments later in the year, as new information becomes available that is not fully known at this time.