



Interoffice Memorandum

To: City Council
From: Shelley Coleman, Finance Director
CC: Nancy Backus, Mayor
Date: March 20, 2019
Re: Ordinance #6712 – 2019-2020 Budget Amendment #1

Budget Amendment #1 is the first amendment of the City of Auburn's 2019-2020 biennial budget. For details on specific requests to amend the 2019 budget, please refer to the accompanying ***Schedule A, Summary of 2019 Budget Adjustments by Fund***.

The main purpose of the first budget amendment of the year is to carry forward remaining 2018 budget authority for identified programs and costs that were budgeted in 2018 but not completed. The requested unspent budget authority from 2018 to be carried forward into the 2019 budget year for all funds is \$1,308,950.

Additional items included in this amendment are recognition of new revenue, either grants or transfers in from other supporting funds, requests to change budget authority, and requests for funding for costs not anticipated in the 2019 budget.

Carryforward of unspent expenditure spending authority from 2018: This amendment enables the completion of various contracts in 2019 by carrying forward unspent resources at the end of 2018. Note that carry forwards in capital funds are not included in this budget amendment due to the adoption of multi-year capital budget, as approved in Ordinance No. 6682. Total amounts requested to be carried forward by fund are:

• General Fund (Fund 001)	\$ 539,000
• Hotel/Motel Tax Fund (Fund 104)	6,650
• Housing & Community Development Fund (Fund 119)	269,900
• BIA Fund (Fund 121)	5,400
• Water Utility (Fund 430)	115,200
• Sewer Utility (Fund 431)	12,100
• Storm Drainage Utility (Fund 432)	13,800
• Airport Fund (Fund 435)	40,000
• Facilities Fund (Fund 505)	136,000
• Innovation & Technology Fund (Fund 518)	124,500
• Equipment Rental Capital Fund (Fund 560)	<u>46,400</u>
TOTAL	\$ 1,308,950

Revenue Adjustments:

- Reduce Private Security Revenues: This amendment adjusts 2019 estimated private security revenues in the General Fund downward by \$130,000 to reflect a lower level of service being requested by area businesses. Associated overtime and related costs will also be reduced in this amendment to offset the reduction in revenues.
- New Grant Revenues: This amendment increases General Fund revenues by \$72,300 to reflect new grant awards. Associated expenditure authority is being requested to reflect the use of these funds.

Expenditure Funding Adjustments: Expenditure funding adjustment requests included in this budget amendment revise the spending authority for existing programs. Total expenditure funding adjustment requests equal \$152,100, and include:

- Increase budget for landscaping costs due to new state prevailing wage requirements: This amendment adjusts 2019 estimated expenditures upward by \$27,100 to cover unanticipated increases in landscaping services costs resulting from the new Washington State Prevailing Wage requirements.
- Provide additional funding for the Pedestrian Accessibility and Safety Program: This amendment increases budget for the design and construction of pedestrian accessibility and safety improvements by \$75,000 to address citizen requests and identified high-priority concerns.

New Funding Requests: Requests for new funding

• Accelerate funding for Academy Pump Station replacement project from 2020 to 2019; to be bond funded	\$ 285,000
• Accelerate funding for Lea Hill AC Main replacement project from 2020 to 2019; to be bond funded	235,000
• Funding for vehicles originally scheduled for replacement in 2017	178,300
• Increase funding to pay downtown development traffic impact fees in catalyst area	150,000
• Replace electrical services/panels at City Hall	104,600
• Replace patrol unit beyond useful life	58,600
• Purchase truck and provide additional funding for tractor at the Auburn Airport	36,200
• Provide additional funding for 2019 Auburn Adventure Film Festival	35,000
• Change maintenance of Airport facilities from in-house to contracted services	13,200
• Additional budget for Senior Center kitchen equipment	12,000
TOTAL	\$ 1,247,900

The following table summarizes the current and revised budget as a result of this amendment.

Table 1: 2019 Budget as Amended

2019 Adopted Budget	\$ 315,500,679
Budget Amendment #1 (Ord #6712)	<u>1,630,750</u>
Budget as Amended	\$ 317,131,429

Attachments:

- ❖ 1. Proposed Ordinance #6712 (budget adjustment #1)
- ❖ 2. Summary of proposed 2019 budget adjustments by fund and department (Schedule A)
- ❖ 3. Summary of proposed changes to adopted 2019 budget by fund (Schedule B)