

ORDINANCE NO. 2006-024

AN ORDINANCE AUTHORIZING EXPENDITURES OF FUNDS FOR MATTERS NOT FORESEEN AT THE TIME OF FILING THE PRELIMINARY BUDGET FOR 2006 AND NOT PROVIDED FOR IN THE ANNUAL BUDGET FOR THAT YEAR.

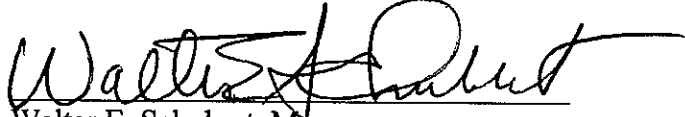
THE CITY COUNCIL OF THE CITY OF SEQUIM DO ORDAIN AS FOLLOWS:

SECTION 1: Certain necessary obligations have been incurred by the City of Sequim which were not and could not reasonably have been foreseen at the time of filing the preliminary budget and which require the expenditure of money not provided for in the annual budget for 2006, which obligations are set forth in the attached Exhibit "A". The City has received or transferred revenues in 2006 within the funds and departments set forth in Exhibit "A" or has fund balance in excess of the amounts budgeted for the year which are sufficient to pay these expenditures.

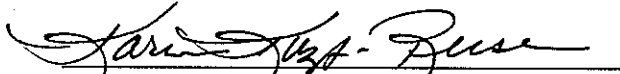
SECTION 2: These expenditures are not one of the emergencies specifically enumerated in RCW 35A.33.080.

SECTION 3: This Ordinance shall not be voted upon until five days have elapsed after its introduction, and for its passage it shall require the vote of one more than the majority of all members of the City Council.

PASSED by the City Council of the City of Sequim at its regular meeting held the 4th day of December 2006.


Walter E. Schubert, Mayor

ATTEST:


Karen Kuznek-Reese, CMC, City Clerk

Approved as to form:


Craig A. Ritchie, City Attorney

First Reading: 11/13/06
Second Reading: 12/4/06
Notice of Publication:

City of Sequim
Proposed Budget Amendments – November 2006
Description

Reclassifications of Funds

These transactions have evolved as additional information became available for review and analysis, and it was determined that the funds or expenses could be more appropriately accounted for in a different fund or subfund.

Reclassifications			
#	Description	Request	Amount
1	Vacated Streets Open Space – This subfund, as well as Vacated Streets – Transportation Projects, was created in 2005 from monies received for abandonment of city right of way. Since the Vacated Streets Open Space cannot be used for street projects, it would be more appropriate to classify the subfund under the Parks Restricted fund.	<u>Transfer Out</u> balance of funds from Streets Restricted-Vacated Streets Open Space (101R 104). <u>Transfer In</u> funds to Parks Vacated Streets Open Space (140-142) Move corresponding budget of \$100,000.	(\$ 73,367) \$ 73,367
2	Sewer WWTP Expansion – Since this will be a large project over several years, a subfund is being created to facilitate the tracking of costs. The 2006 budget was included in Sewer General Facility and Sewer Replacement Reserves.	<u>Transfer Out</u> from Sewer General Facility (402R 422) <u>Transfer Out</u> from Sewer Replacement (402R 424) <u>Transfer In</u> to Sewer WWTP Expansion (402R 420)	(\$ 20,000) (\$ 20,000) \$ 40,000
3	LID (Local Improvement District) Fund – This fund is the result of setting aside specific monies to research and initiate a LID. It is being funded from the No Name Road project. Plans are to investigate the potential for a LID to construct No Name Road.	<u>Transfer Out</u> from No Name Rd (between Grant & Western) (355-314) <u>Transfer In</u> to: LID (195-000)	(\$ 20,000) \$ 20,000

Closing of Funds & Transfer to Other Projects

When a capital project is completed and there are funds remaining, we review the source of the money and either return the remaining monies back to the original fund or transfer the money to another appropriate project based on the source of funds. If multiple funds contributed to the project, the monies are returned according to their proportional share.

Closing of Funds & Transfer to Other Projects			
#	Description	Request	Amount
2004 Capital Projects:			
4	354-302 Transit – This is the only remaining project from 2005. The final payment will be made in January 2007. Currently there is a negative project balance. Funds are needed to bring the balance to zero.	<u>Transfer Out</u> from General Fund (001-098) <u>Transfer In</u> to Transit (354-302)	(\$ 1,187) \$ 1,187
5	354-305 West Brownfield – The June budget amendment increased the spending authority by \$75,000 to complete West Brownfield, however, funds were not transferred to cover the additional expense. At the time of the June budget amendments, several projects were in progress and the amount of excess funds was not known. Now that other projects are completed, the excess funds are being transferred to West Brownfield, as well as additional funds from the General Fund.	<u>Transfers Out</u> from 354 Project Funds include: 354-000 Interest 354-304 SR101/River Rd <u>Transfer Out</u> from General Fund (001-098) <u>Transfer In</u> to West Brownfield (354-305)	(\$ 13,524) (\$ 19,094) (\$ 8,664) \$ 41,282
2005 Capital Projects:			
6	355-316 5th Ave Overlay – Now that several projects are complete, we need to transfer funds to cover 5 th Ave project costs. The funds are coming from other 355 projects and from cancelling the No Name Road project.	<u>Transfer Out</u> from 355 Project Funds: 355-000 Interest 355-311 N Sequim/Olympic Roundabout 355-313 E Spruce St 355-314 No Name Rd (between Grant & Western) <u>Transfer In</u> to: 355-316 5 th Ave Overlay	(\$ 14,193) (\$ 38,004) (\$ 219) (\$ 44,654) \$ 97,070
2007 Capital Projects:			
7	357-331 Signal: 5th & Hendrickson – Funds are needed to start this project in 2007. In 2006, funds will come from the cancelled No Name Road project and anticipated mitigation fee revenue from N Sequim/Olympic roundabout of \$45,000. We need to setup this 2007 project this year.	<u>Transfer Out</u> from: 355-311 N Sequim/Olympic Roundabout 355-314 No Name Rd <u>Transfer In</u> to: 357-331 Signal: 5 th & Hendrickson	(\$ 45,000) (\$ 57,165) \$ 102,165

Grants/Contributions and Associated Expenses

Grants and contributions are often difficult to predict. If the funds are received then expenditures will occur.

Grants/Contributions and Associated Expenses			
#	Description	Request	Amount
8	120 Criminal Justice Grant – A grant was received for an in-car video surveillance system. The expenditure was not budgeted.	<u>Establish</u> grant revenue <u>Establish</u> budgeted expense	\$ 2,500 (\$ 2,500)
9	160 Gifts & Donations – During the year it was determined to start a Music in the Parks program. The cost of the program is covered by local business through sponsorship.	<u>Establish</u> budgeted revenue <u>Establish</u> budgeted expense	\$ 5,000 (\$ 5,000)

Other Unforeseen Expenses

These expenses relate to activities that are difficult to predict, or expenses that cannot be accurately estimated or reasonably foreseen at the time of budgeting. Some items are based on the estimated completion of the project or the forecasted year-end due to activity levels and trends.

Unforeseen Expenses			
#	Description	Request	Amount
<u>Capital Projects:</u>			
10	001-040 Parks (General Fund) – The paving of the Skateboard park was budgeted for \$110,000. In May, Council approved to expand the project to include a paved path to Carrie Blake park. The bid for the parking lot and paved path was \$137,025.	<u>Increase</u> budgeted expense in the General Fund	(\$ 27,025)
11	001-040 Parks (General Fund) – An off-leash dog park was started in 2006. Although some materials were provided by donation, the irrigation system and water fountains were not. These expenses have not been budgeted.	<u>Establish</u> budgeted expense in the General Fund	(\$ 6,000)
12	101-102 Streets Restricted – Olympic Discovery Trail – An additional section of Olympic Discovery Trail was approved in March to take advantage of the County performing work on Hendrickson Road. In November, the City learned the amount would be higher due to confusion over several different estimates. At the time of preparing this budget amendment the exact amount was being researched. It is not likely to exceed \$76,500. Funds need to be transferred from Streets Unrestricted to Streets Restricted for the trail.	<u>Transfer Out</u> from Streets Unrestricted (101U-000) <u>Transfer In</u> to Streets Restricted-ODT (101R-102) <u>Establish</u> budgeted expense in Streets Restricted	(\$ 76,500) \$ 76,500 (\$ 76,500)

Unforeseen Expenses			
#	Description	Request	Amount
Operations			
13	001-098 Public Works/Planning Facility Lease (General Fund) – In August, Council approved the move of Public Works and Planning to a new location on 5 th Ave. The expenses for the rent and move were not previously budgeted. The expenses include: \$22,500 deposit and rent, \$30,000 move in costs, wiring, phone system, setup and equipment, and \$20,000 for paving the parking lot.	<u>Establish</u> budgeted expense in the General Fund	(\$ 72,500)
14	115 Hotel/Motel – Utility expense for the Guy Cole Center was budgeted at \$5,800. We recently reviewed the billings and discovered that PUD bills for Guy Cole were not appropriately charged to the Hotel/Motel Fund. This correction requires an increase in the budget.	<u>Increase</u> budgeted expenses in Hotel/Motel Fund	(\$ 5,000)
15	120 Criminal Justice SRO Program – The cost for wages/benefits was based on a Police Officer A. The Officer that filled the position is a Police Officer B.	<u>Increase</u> budgeted expenses in Criminal Justice Fund	(\$ 6,000)
16	120 Criminal Justice K-9 Program – Titus, the K-9 dog, had a tumor that required surgery and recuperation. Fortunately the tumor was benign.	<u>Increase</u> budgeted expense in Criminal Justice Fund	(\$ 1,000)

City of Sequim
Proposed Budget Amendments - November 2006
Impact by Fund
Grouped by Type of Expenses

#	Fund	Fund Name	Revenue	Expense	Net Impact
Reclassifications					
1	140-142	Vacated Streets-Open Space - Close to Parks	\$ 73,367	\$ (73,367)	-
2	402R-420	Sewer WWTP Expansion - Create subfund	\$ 40,000	\$ (40,000)	-
3	195-000	Create LID Fund	\$ 20,000	\$ (20,000)	-
			\$ 133,367	\$ (133,367)	\$ -
Closing of Funds & Transfer to Other Projects					
2004 Capital Projects					
4	354-302	Transit - Transfer In to offset negative balance	\$ 1,187	\$ (1,187)	-
5	354-305	W Brownfield - Transfer funds to cover project costs	\$ 41,282	\$ (41,282)	-
6	355-316	5th Ave Overlay - Transfer funds to cover project costs	\$ 97,070	\$ (97,070)	-
7	357-331	Signal: 5th & Hendrickson - Transfer funds for project	\$ 122,165	\$ (122,165)	-
			\$ 261,704	\$ (261,704)	\$ -
Grant/Contribution Revenues and Expenses					
8	120-000	Criminal Justice - video surveillance grant	\$ 2,500	\$ (2,500)	-
9	160-000	Gifts & Donations - Music in the Park sponsorship	\$ 5,000	\$ (5,000)	-
			\$ 7,500	\$ (7,500)	\$ -
Other Unforeseen Expenses					
Capital Projects					
10	001-040	Skateboard Park - higher bid plus paved path		\$ (27,025)	(27,025)
11	001-040	Off-Leash Dog Park - irrigation and fountain		\$ (6,000)	(6,000)
12	101R-102	ODT Hendrickson - Transfer funds for project	\$ 76,500	\$ (76,500)	-
12	101R-102	Olympic Discovery Trail - Hendrickson		\$ (76,500)	(76,500)
			\$ 76,500	\$ (186,025)	\$ (109,525)
Operations					
13	001-098	PW/Planning Facility Lease-rent, setup, etc.		\$ (72,500)	(72,500)
14	115-000	Hotel/Motel - Guy Cole utilities		\$ (5,000)	(5,000)
15	120-000	Criminal Justice - SRO wages/benefits		\$ (6,000)	(6,000)
16	120-000	Criminal Justice - K-9 Surgery for Titus		\$ (1,000)	(1,000)
			\$ -	\$ (84,500)	\$ (84,500)
Total Impact by Fund			\$ 479,071	\$ (673,096)	\$ (194,025)