

**CITY OF MONROE
ORDINANCE NO. 010/2015**

AN ORDINANCE OF THE CITY OF MONROE, WASHINGTON, AMENDING THE BUDGET FOR FISCAL YEAR 2015 TO ACCOUNT FOR ACTUAL BEGINNING FUND BALANCES AND NEW REVENUES AND EXPENDITURES; AUTHORIZING AND SETTING FORTH SUPPORTIVE FINDINGS FOR THE USE OF CERTAIN RESERVES FROM THE CITY'S CONTINGENCY FUND IN ACCORDANCE WITH THE CITY'S ADOPTED RESERVE POLICY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City Council adopted the budget for fiscal year 2015 through Ordinance No. 018/2014 on December 9, 2014; and

WHEREAS, the beginning fund balances set forth in the 2015 budget were only estimates in 2014 and are now known amounts; and

WHEREAS, certain expenditures, the necessity and/or amount of which were largely unexpected by the City, have come to light; and

WHEREAS, new revenues and corresponding expenditures need to be realized in and reflected by the adopted budget through an amendment thereof; and

WHEREAS, per RCW 35A.33.120, the City Council finds that it is in the best interest of the City to decrease, revoke, or recall all or portions of the total appropriations provided for certain funds as set forth in the previously adopted budget, and to re-appropriate the same for another purpose or purposes, as provided herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Findings. The above recitals and the content of Exhibit A, B, C, and D, attached hereto and incorporated herein by the reference as if set forth in full, are hereby adopted as finding in support of this ordinance. The City Council further adopts by reference Agenda Bill Nos. 15-110 and 15-117 as findings.

Section 2. Budget Amendment. The budget for the fiscal year 2015 is hereby amended as follows:

Fund	Name	Amended Beginning Balance	Original Budgeted Revenues	Amended Revenues	Original Budgeted Expenditures	Amended Expenditures	Amended Restricted Fund Balance	Amended Undesignated Fund Balance
001	General Fund	\$ 2,933,802	\$ 10,866,915	\$ 11,029,165	\$ 11,038,539	\$ 11,632,083	\$ 2,309,771	\$ 21,113
002	Contingency Fund	414,658	2,400	178,400	-	86,000	507,058	-
008	Donation Fund	6,570	4,100	4,100	2,600	8,505	-	2,165
105	Street Fund	281,168	578,571	578,571	631,341	636,384	-	223,355
106	Transportation Concurrency	1,314,229	-	-	1,026,188	1,026,188	-	288,041
109	Tourism Fund	54,347	65,200	65,200	80,385	80,385	-	39,162
114	Narcotics Fund	40,568	3,000	3,000	25,000	25,000	-	18,568
117	Real Estate Excise Tax Fund	74,342	400,000	400,000	200,000	274,000	-	200,342
203	North Kelsey Debt Service	25,366	4,100,100	4,100,100	4,117,305	4,117,305	-	8,161
307	General Capital Projects	438,437	-	-	-	-	-	438,437
317	Parks CIP Fund	1,067,202	2,250	2,250	644,193	651,193	10,407	407,852
318	Street CIP Fund	92,711	8,853,800	5,719,857	7,612,384	5,812,568	-	-
319	North Kelsey Development	1,295,628	2,837,897	2,837,897	3,803,769	3,803,769	-	329,756
411	Water Fund	1,459,676	3,707,790	3,707,790	4,014,046	4,044,604	372,968	749,894
412	Water CIP Fund	5,388,005	505,420	505,420	2,355,504	2,425,204	135,260	3,332,961
421	Sewer Fund	1,106,211	7,168,535	7,168,535	6,979,813	7,055,878	362,056	856,812
422	Sewer CIP Fund	4,532,722	2,000,000	2,000,000	2,484,317	2,791,917	406,675	3,334,130
431	Stormwater Fund	64,489	1,533,945	1,614,783	1,551,786	1,530,343	147,865	1,064
432	Stormwater CIP Fund	1,505,819	967,250	917,250	1,144,631	1,852,931	5,617	564,521
441	Solid Waste Fund	1,086,428	3,343,700	3,343,700	3,267,564	3,268,401	-	1,161,727
450	Revenue Bond Reserve	1,995,151	6,000	6,000	25,000	25,000	1,959,469	16,682
510	Info Tech Services Fund	75,748	491,973	491,973	491,157	492,399	60,000	15,322
520	Equipment & Fleet Fund	2,214,278	1,476,175	1,476,175	989,476	992,041	2,610,653	87,759
530	Facilities Management Fund	270,022	870,838	1,005,838	1,217,612	1,220,556	55,000	304
	Totals	\$ 27,737,577	\$ 49,785,859	\$ 47,156,004	\$ 53,702,610	\$ 53,852,654	\$ 8,942,799	\$ 12,098,128

Section 3. Use of Reserves Authorized. The budget amendment effectuated by Section 2 of this ordinance authorizes the expenditure of certain restricted reserves from the City's Contingency Fund in accordance with Section 1(a)(i) of the Reserve Policy established under Resolution No. 2012/018, which allows such reserves to be utilized for non-budgeted required expenditures. In addition to the findings set forth in Section 1 above, the City Council hereby enters the following additional findings in support of the expenditure of reserve funds pursuant to this section:

A. The City has a utility capital project that requires reconstruction of the downtown Main Street. Street CIP funds are budgeted to improve the downtown appearance in accordance with the Council goal for downtown revitalization. It has been determined that an additional expense for parking bollards would enhance this project to create a Main Street Plaza. The budget amendment effectuated by this ordinance authorizes a transfer of monies from the Contingency Fund to the Street CIP Fund.

B. The specific amount of the bollards was previously undetermined.

C. Use of the Contingency Funds in the amount of \$86,000 towards this project, as a one-time expense, is an opportunity that is an appropriate use of Contingency Funds.

D. As required by the Reserve Policy, the expended reserves shall be replenished at a rate that does not impair established programs or create undue hardship.

Section 4. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 5. Effective Date. This ordinance shall take effect five (5) days after publication.

PASSED by the City Council and APPROVED by the Mayor of the City of Monroe, at a regular meeting held this 23rd day of June, 2015.

1st Reading June 16, 2015
Final Reading: June 23, 2015
Published: June 30, 2015
Effective: July 5, 2015

(SEAL)

ATTEST:


Elizabeth M. Smoot, MMC, City Clerk

CITY OF MONROE, WASHINGTON:


Geoffrey Thomas, Mayor

APPROVED AS TO FORM:


J. Zachary Lell, City Attorney

EXHIBIT A

2015 Budget Amendment #1 - Detail

<u>Item #</u>	<u>Amount</u>	<u>Funds</u>	<u>Description</u>	<u>Account Numbers</u>
		GENERAL FUND		
1	\$ 157,000	Revenue	Increase in estimated sales tax revenue	001.000.000.313.11.00.00
2	\$ 176,000	Expenditure	Interfund transfer out to the Contingency Fund	001.000.000.597.00.20.00
3	\$ 30,000	Expenditure	Council approved market adjustments for non-represented employees' salaries	<i>Some of this should be split out to other funds</i>
4	\$ 104,707	Expenditure	Increase facilities management fund interfund fees charged to make up difference in beginning fund balance from estimate to actual	<i>various</i>
5	\$ 72,000	Expenditure	Professional Services (lobbying firm, downtown Main Street program, rewrite municipal code development procedures & temporary part time help for Planning/Permitting)	<i>TBD</i>
		Legislative		
6	\$ 25,836	Expenditure	Salary Commission to file increase in Mayor salary from \$3,000/month to \$3,600/month & Council salary to \$800/month.	001.000.005.511.60.10.00 \$24,000; 001.000.005.511.60.21.00 \$1,488; 001.000.005.511.60.22.00 \$348
		City Clerk		
7	\$ 24,700	Expenditure	5 months' salary & benefits for Executive Administrative Assistant	001.000.007.514.20.10.00
		Finance		
8	\$ 38,750	Expenditure	5 months' salary & benefits for Accountant	001.000.002.514.23.10.00
		Municipal Court		
9	\$ 5,158	Expenditure	Roll over unspent start-up appropriations from 2014	001.000.009.512.50.49.01
		Parks		
10	\$ 5,000	Expenditure	Scrivener's error from original budget for parks repairs & maintenance	001.000.010.576.80.48.09
		Emergency Management		
11	\$ 7,050	Expenditure	Additional supplies \$5,000, travel \$50, and equipment \$2,000	001.000.190.525.10.43.09 \$50.00; 001.000.190.525.60.31.09 \$5,000; 001.000.190.594.25.64.00 \$2,000

		Police		
12	\$ 5,250	Revenue	Grant from Washington Auto Theft Prevention Authority	001.000.004.334.01.20.00
13	\$ 5,250	Expenditure	Grant funded expenditures: 100 "Club" steering wheel locks & movie theatre PSA's	001.000.004.521.22.41.05
14	\$ 90,460	Expenditure	Used PD restricted fund balance from photo enforcement program to cover cost of employee	001.000.004.521.22.10.01
		Fund Balance		
15	\$ 4,533	Fund Balance	Increase PD restricted fund balance from photo enforcement program from estimate to actual	001.000.000.508.11.00.00
16	\$ 9,903	Fund Balance	Increase PD restricted fund balance from local sales tax levy program from estimate to actual	001.000.000.508.13.00.00
17	\$ (90,460)	Fund Balance	Decrease PD restricted fund balance from photo enforcement program to cover cost of employee	001.000.000.508.11.00.00
18	\$ 78,560	Fund Balance	Increase General Fund restricted fund balance for emergencies by 17% of increase of operating expenditures, per Reserve Policy	001.000.000.508.10.00.00
		CONTINGENCY FUND		
19	\$ 176,000	Revenue	Interfund transfer in from the General Fund	002.000.000.397.00.10.00
20	\$ 86,000	Expenditure	Interfund transfer out to the Street CIP Fund for the Main Street Plaza project (bollards)	002.000.000.597.31.80.00
		REAL ESTATE EXCIST TAX FUND		
21	\$ 74,000	Expenditure	Increase interfund transfer out to the Street CIP Fund for Main Street Plaza project (bollards)	117.000.000.597.44.01.00
		DONATION FUND		
22	\$ 4,905	Expenditure	Community Egg Hunt event appropriations not in original budget	008.000.010.573.90.49.00
23	\$ 1,000	Expenditure	Increase Flower Basket costs	008.000.010.576.90.49.00
		STREET FUND		
24	\$ 250	Expenditure	Increase safety clothing \$50, supplies \$150, travel \$50	105.000.120.542.30.31.03 \$50; 105.000.120.542.30.35.00 \$150; 105.000.120.542.40.43.09 \$50

		PARKS CIP FUND		
25	\$ 7,000	Expenditure	Increase athletic courts resurfacing budget from \$28,000 to \$35,000. Bids came back higher than what was originally budgeted for this project.	317.000.010.594.76.63.08
		STREET CIP FUND		
26	\$(3,186,139)	Revenue	Decrease grant revenue to \$4,291,346 to reflect amount actually expected to be received in 2015	318.000.120.334.00.00.00
27	\$ 39,196	Revenue	Increase GMA Impact Fees to \$142,323	318.000.120.345.85.00.00
28	\$ (147,000)	Revenue	Decrease transfer in from TBD Fund	318.000.120.397.10.00.00
29	\$ 86,000	Revenue	Interfund transfer in from the Contingency Fund for the Main Street Plaza project (bollards)	318.000.120.397.00.00.00
30	\$ 74,000	Revenue	Increase interfund transfer in from the REET Fund for the Main Street Plaza project (bollards)	318.000.120.397.40.01.00
31	\$(1,799,816)	Expenditure	Decrease amount budgeted for Capital Construction Projects	318.000.120.595.10.65.00
		UTILITIES		
		Water Fund		
32	\$ 19,622	Expenditure	Seasonal & Overtime labor left out of original budget; error made when transferring amounts from one document to another	411.000.130.534.80.10.01 & 411.000.130.534.80.11.00
33	\$ 770	Expenditure	Increase AutoCad 3D Classes \$400, safety clothing \$50, supplies \$150, travel \$50, dues \$120	411.000.120.534.80.49.01 \$400; 411.000.120.534.80.31.01 \$50; 411.000.120.534.80.31.09 \$150; 411.000.120.534.80.43.09 \$50; 411.000.130.534.80.49.02 \$120
		Sewer Fund		
34	\$ 57,205	Expenditure	Seasonal & Overtime labor left out of original budget; error made when transferring amounts from one document to another	421.000.130.535.80.10.01 & 421.000.130.535.80.11.00 & 421.000.140.535.80.11.00
35	\$ 770	Expenditure	Increase AutoCad 3D Classes \$400, safety clothing \$50, supplies \$150, travel \$50, dues \$120	421.000.120.535.80.49.01 \$400; 421.000.120.535.80.31.01 \$50; 421.000.120.535.80.35.00 \$150; 421.000.120.535.80.43.00 \$50; 421.000.130.535.80.49.01 \$120
		Stormwater Fund		
36	\$ 18,445	Expenditure	Seasonal & Overtime labor left out of original budget; error made when transferring amounts from one document to another	431.000.130.531.38.10.01 & 431.000.130.531.38.11.00

		Stormwater Fund (continued)		
37	\$ 50,000	Expenditure	Reduce amount of transfer to stormwater CIP fund to maintain positive fund balance	431.000.130.597.43.20.00
38	\$ 945	Expenditure	Increase AutoCad 3D Classes \$400, safety clothing \$50, supplies \$150, travel \$50, dues \$120, trainings CESL \$175	431.000.120.531.38.49.01 \$400; 431.000.120.531.38.31.01 \$50; 431.000.120.531.38.31.00 \$150; 431.000.120.531.38.43.00 \$50; 431.000.130.531.38.49.01 \$120; 431.000.120.531.38.49.01 \$175
39	\$ 80,838	Revenue	DOE grant for surface water management	431.000.130.334.03.10.00
		Water CIP Fund		
40	\$ 69,700	Expenditure	Main Stree Plaza Phase I (DOE) \$40,000, BHC Utility System Plan \$31,700, 132nd Street SE water main (\$2,000)	412.000.120.594.34.65.00
		Sewer CIP Fund		
41	\$ 307,600	Expenditure	Main Street Plaza Phase I (DOE) \$184,400, Main Street Plaza Phase II \$277,300, Taft/McDougal project is assumed to be an O&M project and if it is CIP it will not be done in 2015 (\$205,800), BHC Utility System Plan \$31,700, surveying costs for new project \$20,000	422.000.120.594.35.65.00
		Storm CIP Fund		
42	\$ 708,300	Expenditure	Main Street Plaza Phase I (DOE) \$184,400, Main Street Plaza Phase II \$277,300, surveying costs for new project \$30,000, North Kelsey Lot 8 \$216,600	432.000.120.595.38.65.00
43	\$ 50,000	Revenue	Reduce amount of transfer from Stormwater Operations Fund	432.000.000.397.00.00.00
		FACILITIES MGT FUND		
44	\$ 2,944	Expenditure	Overtime labor left out of original budget; error made when transferring amounts from one document to another	530.000.130.518.20.11.00
45	\$ 135,000	Revenue	Increase facilities management fund interfund fees charged to make up difference in beginning fund balance from estimate to actual	530.000.130.341.93.00.00

**EXHIBIT B
2015 Budget Amendment #1**

Fund	Name	Budgeted Beginning Balance	Actual Beginning Balance	Budgeted Revenues	Amended Revenues	Budgeted Expenditures	Amended Expenditures	Budgeted Restricted Fund Balance	Budgeted Undesignated Fund Balance	Amended Restricted Fund Balance	Amended Undesignated Fund Balance
001	General Fund	2,484,346	2,933,802	10,866,915	11,029,165	11,038,539	11,632,083	2,307,135	5,487	2,309,771	21,113
002	Contingency Fund	414,517	414,658	2,400	1,784,400	-	86,000	416,917	-	507,058	-
108	Donation Fund	6,512	6,570	4,100	4,100	2,600	8,505	-	8,012	-	2,165
105	Street Fund	97,626	281,168	5,785,571	5,785,571	6,313,341	6,366,384	-	44,856	-	223,355
106	Transportation Concurrence	1,026,188	1,314,229	-	-	1,026,188	1,026,188	-	-	-	288,041
109	Tourism Fund	53,241	54,347	65,200	65,200	80,385	80,385	-	38,056	-	59,162
114	Narcotics Fund	24,811	40,568	3,000	3,000	25,000	25,000	-	2,811	-	18,568
117	Real Estate Excise Tax Fund	2,619	74,342	400,000	400,000	200,000	274,000	-	202,619	-	200,342
203	North Kelsey Debt Service	25,314	25,366	4,100,100	4,100,100	4,117,305	4,117,305	-	8,109	-	8,161
307	General Capital Projects	436,912	438,437	-	-	-	-	-	436,912	-	438,437
317	Parks CIP Fund	939,280	1,067,202	2,250	2,250	644,193	651,193	10,407	286,930	10,407	407,852
318	Street CIP Fund	1,143,077	92,711	8,853,800	5,719,857	7,612,384	5,812,568	-	2,384,493	-	-
319	North Kelsey Development	1,157,706	1,295,628	2,897,897	2,837,897	3,803,769	3,803,769	-	191,834	-	329,756
411	Water Fund	1,123,335	1,459,676	3,707,790	3,707,790	4,014,046	4,044,604	372,968	444,111	373,968	749,894
412	Water CIP Fund	4,967,173	5,388,005	505,420	505,420	2,355,504	2,425,204	135,260	2,981,829	135,260	3,332,961
421	Sewer Fund	986,158	1,106,211	7,168,535	7,168,535	6,979,813	7,055,878	362,056	822,824	362,056	856,812
422	Sewer CIP Fund	4,272,482	4,532,722	2,000,000	2,000,000	2,484,317	2,791,917	406,675	3,381,490	406,675	3,334,130
431	Stormwater Fund	200,536	64,489	1,533,945	1,614,783	1,551,786	1,530,343	147,865	34,830	147,865	1,064
432	Stormwater CIP Fund	935,078	1,505,819	967,250	917,250	1,144,631	1,852,931	5,637	752,075	5,637	564,521
441	Solid Waste Fund	1,048,187	1,086,428	3,343,700	3,343,700	3,267,564	3,268,401	-	1,124,323	-	1,161,727
450	Revenue Bond Reserve	1,990,614	1,995,151	6,000	6,000	25,000	25,000	1,959,469	12,145	1,959,469	16,582
510	Info Tech Services Fund	65,990	75,748	491,973	491,973	491,157	492,399	60,000	6,806	60,000	15,322
520	Equipment & Fleet Fund	2,134,971	2,214,278	1,476,175	1,476,175	989,476	992,041	2,610,653	11,017	2,610,653	87,759
530	Facilities Management Fund	425,532	270,022	870,838	1,005,838	1,217,612	1,220,556	55,000	23,758	55,000	304
	Totals	25,973,200	27,737,577	49,785,859	47,136,004	53,702,610	53,832,654	8,850,122	13,205,327	8,942,799	12,098,128

Exhibit C

2015 Beginning Cash Balance vs. Budgeted Beginning Balances

Fund	Description	Budgeted Beginning Balance	Actual Cash Beginning Balance	Difference	Comments
001	General Fund	2,484,346	2,933,802	449,456	2014 expenditures less than estimated
002	Contingency Fund	414,517	414,658	141	
008	Donation Fund	6,512	6,570	58	
105	Street Fund	97,626	281,168	183,542	overlays/repairs/sealings put off until 2015
106	Transportation Concurrency Fund	1,026,188	1,314,229	288,041	this fund is being absorbed by Streets CIP fund in 2015
109	Tourism/Lodging Tax Fund	53,241	54,347	1,106	
114	Narcotic/Drug Buy Fund	24,811	40,568	15,757	
117	REET Fund	2,619	74,342	71,723	revenues came in at budget; had anticipated them being under
203	North Kelsey Debt Fund	25,314	25,366	52	
307	General CIP Fund	436,912	438,437	1,525	
317	Parks CIP Fund	939,280	1,067,202	127,922	timing of capital projects expenditures
318	Street CIP Fund	1,143,077	92,711	(1,050,366)	timing of capital projects expenditures
319	North Kelsey Development Fund	1,157,706	1,295,628	137,922	timing of capital projects expenditures
411	Water Fund	1,123,335	1,459,676	336,341	revenues higher than estimated
412	Water CIP Fund	4,967,173	5,388,005	420,832	timing of capital projects expenditures
421	Sewer Fund	996,158	1,106,211	110,053	revenues higher than estimated
422	Sewer CIP Fund	4,272,482	4,532,722	260,240	timing of capital projects expenditures
431	Stormwater Fund	200,536	64,489	(136,047)	revenues less than estimated (especially grants)
432	Stormwater CIP Fund	935,073	1,505,819	570,746	timing of capital projects expenditures
441	Solid Waste Fund	1,048,187	1,086,428	38,241	
450	Revenue Bond Reserve Fund	1,990,614	1,995,151	4,537	
510	Info Technology Fund	65,990	75,748	9,758	
520	Fleet & Equipment Fund	2,134,971	2,214,278	79,307	expenses less than estimated
530	Facilities Management Fund	425,532	270,022	(155,510)	capital projects spend down of reserves
		25,972,200	27,737,577	1,765,377	

Exhibit D

Authorized Full Time Equivalent (FTE) Employees	2010	2011	2012	2013	2014	2015
General Fund						
Administration	2.20	2.40	2.40	2.40	3.00	3.00
Municipal Court	-	-	-	-	1.00	2.20
Human Resources	1.00	1.00	1.00	1.00	1.00	1.00
Finance	4.00	3.91	3.91	3.59	3.59	4.35
Planning, Permitting & Building	7.50	6.05	5.80	6.10	7.30	8.00
Engineering	0.72	-	-	-	-	-
Economic Development	-	1.00	1.00	1.00	1.00	-
Emergency Management	0.88	-	-	-	0.10	0.10
Police	45.00	41.00	41.00	41.00	43.00	42.00
Parks & Recreation	10.52	7.54	6.54	6.79	7.09	7.24
Total General Fund	71.82	62.90	61.65	61.88	67.08	67.89
Street Fund	2.14	2.25	2.24	2.23	2.27	2.33
Parks CIP Fund	0.46	0.46	0.46	0.46	0.46	0.88
Street CIP Fund	1.60	2.60	2.75	2.60	1.50	1.69
Water Fund	8.83	8.25	7.67	7.55	7.57	6.72
Water CIP Fund	1.09	1.85	1.85	1.85	1.55	1.74
Sewer Fund	15.18	13.33	13.17	13.14	13.01	13.12
Sewer CIP Fund	1.65	1.65	1.65	1.65	1.55	1.74
Stormwater Fund	8.34	8.37	7.67	7.58	6.61	6.02
Stormwater CIP Fund	0.05	0.05	0.05	0.05	1.50	1.69
Solid Waste Fund	1.45	0.54	0.54	0.38	0.38	0.68
Information Technology Fund	3.00	2.00	2.00	2.00	1.00	1.00
Facilities Management Fund	1.71	1.75	2.00	2.75	2.75	2.93
Fleet & Equipment Fund	1.00	1.00	1.30	1.30	1.80	2.07
Total	118.32	107.00	105.00	105.42	109.03	110.50