

April 18, 2016

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Ordinance correcting Ordinance No. 6265 adopting the modification of the 2015-2016 Mid-Biennial Budget and the 2015-2021 Capital Investment Program Plan to reflect that fund 2021, Interest & Debt Redemption - Regular Fund has an appropriation authority of \$50,875,634.

### **FISCAL IMPACT**

Ordinance corrects Ordinance 6265 for the Interest & Debt Redemption – Regular Fund, a Special Purpose Fund, to correct the appropriation authority to \$50,875,634. During the processing of the Mid-Biennium, staff tracked all previous adopted Council budget actions throughout the year to ensure that they are included in the final Mid-Biennium Update. In the process of tracking past Council budget actions, staff inadvertently missed recording the budget authority amendment from Ordinance 6218, dated February 17, 2015, in the Mid-Biennium packet. Thus, the Mid-Biennium was understated by \$13,115,670. This Ordinance will correct the oversight. There is no impact to any of the operating or capital funds.

### **STAFF CONTACT**

Jan Hawn, Director, 452-6846

Toni Rezab, Asst. Director, 452-7863

*Finance Department*

### **POLICY CONSIDERATION**

RCWs 35.34.130, 35A.34.230 and 84.55.092

State law requires that a mid-biennium budget review be completed between August 31 and the end of the first year of the biennium. The 2015-2016 Mid-Biennium Budget Update was reviewed with the Council at the October 26, November 16, and November 23 Study Sessions, the required public hearing was held on November 23, with action on December 7.

### **DIRECTION NEEDED FROM COUNCIL**

    X     Action

### **BACKGROUND**

Ordinance No. 6265 adopted by Council on December 7, 2015 implemented the 2015-2016 Mid-Biennium Budget Update. As is the normal course of business, staff track each amendment between the date of the original Adopted 2015-2016 Budget and the 2015-2016 Mid-Biennium Budget Update to ensure that all previous actions are accounted for in the final appropriation authority by fund. During final recording and reconciling of the mid-biennium budget amendment into all financial systems of record, staff realized that one of the 2015 budget actions adopted by Council was not included in the tracking sheet (see Attachment A to this memo for the original Attachment A to Ordinance 6265). As noted in Attachment A, Ordinance No. 6218 was not reflected and therefore the final 2015-2016 Mid-Biennium Update for the Debt and Investment Fund was understated. Attachment B is a corrected copy of the changes by fund.

There is no impact to any of the operating or capital funds. Those appropriations were correctly stated and the correct debt service payments assumed.

Ordinance will correct the Mid-Biennium Update to reflect all of Council previous budget actions.

**EFFECTIVE DATE**

If approved, this Ordinance becomes effective five days after passage and legal publication.

**OPTIONS**

1. Approve the Ordinance No. 6282 correcting Ordinance No. 6265 adopting the modification of the 2015-2016 Mid-Biennial Budget and the 2015-2021 Capital Investment Program Plan to reflect that fund 2021, Interest & Debt Redemption - Regular Fund has an appropriation authority of \$50,875,634.
2. Do not approve the Ordinance and provide alternative direction to staff.

**RECOMMENDATION**

Approve Ordinance No. 6282 correcting Ordinance No. 6265 adopting the modification of the 2015-2016 Mid-Biennial Budget and the 2015-2021 Capital Investment Program Plan to reflect that fund 2021, Interest & Debt Redemption - Regular Fund has an appropriation authority of \$50,875,634.

**ATTACHMENTS**

Ordinance 6265 Attachment A

Corrected copy of the Changes by Fund