



City of Tukwila
**Finance and Governance
 Committee**

- ◆ **Kate Kruller, Chair**
- ◆ **Kathy Hougardy**
- ◆ **De'Sean Quinn**

Distribution:	
K. Kruller	Mayor Ekberg
K. Hougardy	D. Cline
D. Quinn	C. O'Flaherty
C. Delostrinos Johnson	A. Youn
T. McLeod	L. Humphrey
M. Abdi	
T. Sharp	

AGENDA

MONDAY, OCTOBER 23, 2023 – 5:30 PM

THIS MEETING WILL BE CONDUCTED BOTH ON-SITE AT TUKWILA CITY HALL AND ALSO VIRTUALLY.

**ON-SITE PRESENCE WILL BE IN THE DUWAMISH CONFERENCE ROOM
 (2ND FLOOR, 6300 SOUTHCENTER BOULEVARD)**

**THE PHONE NUMBER FOR THE PUBLIC TO LISTEN TO THIS
 MEETING IS:**

1-253-292-9750, Access Code 313004383#

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For Technical Support during the meeting call: 1-206-433-7155.

Item	Recommended Action	
1. BUSINESS AGENDA		
a. Tax Levy legislation: (1) An ordinance levying the general taxes for the City commencing 1/1/2024. (2) An ordinance increasing the regular levy commencing 1/1/2024. <i>Vicky Carlsen, Finance Director</i>	a. Forward to 11/13 C.O.W. Meeting for Public Hearing & 11/20 Regular Meeting.	Pg.1
b. An ordinance amending the 2023-2024 Biennial Budget. <i>Vicky Carlsen, Finance Director</i>	b. Forward to 11/13 C.O.W. Meeting for Public Hearing & 11/20 Regular Meeting.	Pg.11
c. August General Fund Expenditure Update. <i>Tony Cullerton, Deputy Finance Director</i>	c. Discussion only	Pg.29
2. MISCELLANEOUS		

Next Scheduled Meeting: *November 13, 2023*



The City of Tukwila strives to accommodate individuals with disabilities.

Please contact the City Clerk's Office at **206-433-1800** (TukwilaCityClerk@TukwilaWA.gov) for assistance.



INFORMATIONAL MEMORANDUM

TO: Finance & Governance Committee

FROM: Vicky Carlsen, Finance Director

BY: Aaron Williams, Fiscal Manager

CC: Mayor Ekberg

DATE: October 17, 2023

SUBJECT: 2024 Property Tax Levy

ISSUE

Approval of ordinances adjusting the regular levy from the previous year and adopting the general and excess property tax levies for 2024 by November 30, 2023.

BACKGROUND

A Public Hearing for adoption of the 2024 property tax levy is required by RCW 84.55.120. The Hearing is scheduled for November 13, 2023.

The City was notified on October 5, 2023 that the assessed value for Tukwila for 2024 is projected to be \$9,267,988,624.

The ordinance to set the general tax levy also includes the excess levy related to the Public Safety Plan that voters approved on the November 8, 2016, general election. The City sold \$36.5 million of bonds in 2016 and debt service repayment began in 2017. The remaining voter-approved bonds were sold in October 2019. The excess levy for both bond issues will be assessed for as long as the bonds are outstanding; the final payment for the 2016 issue is scheduled for December 2036 and the final payment for the 2019 issue is scheduled for December 2039. The total excess levy requirement for 2024 debt service is \$4,800,000.

DISCUSSION

Levy Amount

The assessed value and the allowable levy are subject to change until final levy rate determination. A levy amount of \$18,400,000 will be used for the ordinance. If the final allowable levy is less than the ordinance amount, King County Department of Assessments will adjust the ordinance amount to the final allowable levy amount and no further action by the Council will be required.

Also included in the tax levy ordinance is an excess levy in the amount of \$4,800,000 for debt service related to the unlimited tax obligation bonds that were sold at the end of 2016 and in 2019. All voter-approved bonds have now been issued.

Levy Limit

RCW 27.12.390 allows for a maximum statutory levy rate for cities at \$3.60 per \$1,000 of assessed value, less the actual regular levy made by a library district. RCW 41.16.060 also allows for an additional levy of \$0.225 if a city has a firemen's pension fund. The maximum allowable levy for 2023 is estimated to be \$3.56297. However, due to the 1% limitation, the Levy Limit Worksheet received from King County estimates the City's preliminary levy rate for 2024 at \$1.94136 per \$1,000 of assessed value.

RECOMMENDATION

The City Council is being asked to approve the ordinance adopting the General Tax Levy and the ordinance showing the dollar and percent change from the previous year at the November 13, 2023 Committee of the Whole meeting and subsequent November 20, 2023 Regular Meeting. A public hearing has also been scheduled at the November 13, 2023 Committee of the Whole.

ATTACHMENTS

Draft Ordinances (2)
Preliminary Levy Limit Worksheet-2024 Tax Roll

DRAFT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, LEVYING THE GENERAL TAXES FOR THE CITY OF TUKWILA IN KING COUNTY FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2024, ON ALL PROPERTY, BOTH REAL AND PERSONAL, IN SAID CITY, THAT IS SUBJECT TO TAXATION FOR THE PURPOSE OF PAYING SUFFICIENT REVENUE TO CARRY ON THE SERVICES OF THE SEVERAL DEPARTMENTS OF SAID CITY FOR THE ENSUING YEAR, WITH AN EXCESS PROPERTY TAX LEVY FOR THE PURPOSE OF PAYING DEBT SERVICE ON THE CITY'S UNLIMITED TAX GENERAL OBLIGATION BONDS ISSUED IN 2016 AND 2019, AS REQUIRED BY LAW; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Tukwila has considered the City's anticipated financial requirements for 2024 and the amounts necessary and available to be raised by ad valorem taxes on real, personal and utility property; and

WHEREAS, the following sentence is provided for information only: The maximum Statutory Levy Rate for the City of Tukwila, as allowed by RCW 84.52.043, is \$3.825, which includes \$0.225 for the Firemen's Pension Fund as allowed by RCW 41.16.060; and

WHEREAS, the City, pursuant to Ordinance No. 2514, passed on November 21, 2016, authorized the issuance and sale of \$36,500,000 principal amount of the City's Unlimited Tax General Obligation Bonds, 2016 and pursuant to Ordinance No. 2610, passed on July 15, 2019, authorized the issuance and sale of \$40,885,000 principal amount of the City's Unlimited General Obligation Bonds, 2019 (together the "Bonds"); and has determined that to provide the money necessary to pay the debt service requirements on the Bonds in the year 2024, an excess property tax levy in the amount of \$4,535,975 for the Bonds must be levied in year 2023, and collected in year 2024; and

WHEREAS, the final assessed valuation calculation has been determined;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Regular and Excess Tax Levy.

A. There shall be and hereby is levied on all real, personal and utility property in the City of Tukwila, in King County, whose estimated assessed valuation is \$9,267,988,624, current taxes for the ensuing year commencing January 1, 2024, in the amounts specified below:

	<u>Rate</u>	<u>Amount</u>
Regular Tax Levy	\$1.94	\$ 18,400,000
Excess Tax Levy	\$0.52	\$ 4,800,000

B. The said taxes herein provided for are levied for the purpose of payment upon the general bonded indebtedness of the City of Tukwila, the General Fund, and for the maintenance of the departments of the municipal government of the City of Tukwila for the fiscal year beginning January 1, 2024. The regular tax levy includes new construction and improvements to property, estimated to be \$221,385, a re-levy of prior year refunds in the estimated amount of \$81,227, and any increase in the value of state-assessed property.

C. The excess levy is levied for the purpose of debt service payments on the unlimited tax obligation bonds sold to finance costs related to the City's Public Safety Plan, as submitted to the qualified electors of the City at a special election held on November 8, 2016.

Section 2. Collection. This ordinance shall be certified to the proper County officials, as provided by law, and taxes here levied shall be collected to pay to the Finance Director of the City of Tukwila at the time and in the manner provided by the laws of the State of Washington for the collection of taxes for non-chartered code cities.

Section 3. Corrections by City Clerk or Code Reviser Authorized. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 4. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 5. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force and effect January 1, 2024.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at
a Regular Meeting thereof this _____ day of _____, 2023.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, MMC, City Clerk

Allan Ekberg, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____

Passed by the City Council: _____

Published: _____

Effective Date: _____

Ordinance Number: _____

Office of the City Attorney

DRAFT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, INCREASING THE CITY OF TUKWILA REGULAR LEVY FROM THE PREVIOUS YEAR, COMMENCING JANUARY 1, 2024, ON ALL PROPERTY, BOTH REAL AND PERSONAL, IN COMPLIANCE WITH RCW 84.55.120; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Tukwila has properly given notice of a public hearing held on November 13, 2023, pursuant to RCW 84.55.120; and

WHEREAS, after such hearing and after duly considering all relevant evidence and testimony presented, the City Council has determined that in order to discharge its expected expenses and obligations the City requires an increase in property tax revenue from the previous year, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in the value of State-assessed property; and

WHEREAS, the City Council has determined it is in the City's best interest and necessary to meet its expenses and obligations for the property tax revenue to be increased for 2024, and the final assessed valuation calculation has been determined;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. An increase in the regular property tax levy, in addition to any amount resulting from the addition of new construction and improvements to property and any increase in the value of State-assessed property, is hereby authorized for the 2024 levy in the amount of \$154,351, which is a percentage increase of 0.88% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of State-assessed property, any annexations that have occurred and refunds made.

Section 2. Corrections by City Clerk or Code Reviser Authorized. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 3. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 4. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City and shall take effect and be in full force and effect January 1, 2024.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2023.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, CMC, City Clerk

Allan Ekberg, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____
Passed by the City Council: _____
Published: _____
Effective Date: _____
Ordinance Number: _____

Office of the City Attorney

PRELIMINARY LEVY LIMITATIONS WORKSHEET 10.12.2023

TAXING DISTRICT	Tukwila		2023	Levy for	2024	Taxes	IPD: 1.03670
A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).							
Year	2023	\$17,514,762	x	101.000%	=	\$17,689,910	
		Highest Lawful Levy Since 1985		Limit Factor/Max Increase 101%			
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).							
	\$113,689,510	x	1.94728	+	\$1,000	=	\$221,385
	A.V.		Last Year's Levy Rate				
C. Tax Increment finance area increment AV increase (RCW 84.55.010(1)€) (value included in B & D cannot be included in C)							
	\$0	x	1.94728	+	\$1,000	=	\$0
	A.V.		Last Year's Levy Rate				
D. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).							
	\$252,416,094	-	\$252,416,094	=	\$	-	
	Current Year's A.V.		Previous Year's A.V.			Remainder	
	\$0	x	1.94728	+	\$1,000	=	\$0.00
	Remainder from Line C		Last Year's Levy Rate				
E. Regular property tax limit: A+B+C+D = \$17,911,295							
Parts F through H are used in calculating the additional levy limit due to annexation.							
F. To find the rate to be used in F, take the levy limit as shown in Line E above and divide it by the current assessed value of the district, excluding the annexed area.							
	\$17,911,295	÷	\$9,267,988,624	x	\$1,000	=	1.93259
	Total in Line E		Assessed Value Less Annexed AV				
G. Annexed area's current assessed value including new construction and improvements, times the rate in Line E.							
	\$0	x	1.93259	÷	\$1,000	=	\$0.00
	Annexed Area's A.V.		Rate in Line F				
H. Regular property tax limit including annexation E+G = \$17,911,295							
I. Statutory maximum calculation							
Only enter fire/RFA rate, library rate, & firefighter pension fund rate for cities annexed to a fire/RFA or library, or has a firefighters pension fund.							
	3.60000	-	0.00000	-	0.26203	+	0.22500 = 3.56297
	District base levy rate		Fire or RFA Rate		Library Rate		Firefighter Pension Fund
	\$9,267,988,624	x	3.56297	÷	\$1,000	=	\$33,021,565
	A.V. of District		Statutory Rate Limit				Statutory Amount
J. Highest Lawful Levy For This Tax Year (Lesser of H and I) = \$17,911,295							
K. New highest lawful levy since 1985 (Lesser of H & I minus C, unless A (before limit factor increase) is greater than I or H minus C, then A before the limit factor increase) \$17,911,295							
L. Lesser of I and J \$17,911,295							
M. Refunds \$81,227							
N. Levy Corrections Year of Error: 0							
1. Minus amount over levied (if applicable) \$0.00							
2. Plus amount under levied (if applicable) \$0.00							
O. Total: L+M+-N (unless voted rate)..... \$17,992,522							
P. Tax Base For Regular Levy							
1. Total district taxable value (including state-assessed property, and excluding boats, timber assessed value, and the senior citizen exemption for the regular levy) \$9,267,988,624							
Q. Tax Base for Excess and Voted Bond Levies							
2. Less assessed value of the senior citizen exemption of less than \$40,000 income or 65% of the median household income for the county based on lower of frozen or market value. \$30,753,160							
3. Plus Timber Assessed Value (TAV) \$0							
4. Tax base for excess and voted bond levies (1-2+3) \$9,237,235,464							
R. Increase Information							
1. Levy rate based on allowable levy 1.94136							
2. Last year's ACTUAL regular levy \$17,535,559							
3. Dollar Increase over last year other than New Construction (-) Annexation \$154,351							
4. Percent Increase over last year other than New Construction (-) Annexation 0.88021%							



INFORMATIONAL MEMORANDUM

TO: Finance & Governance Committee

FROM: Vicky Carlsen, Finance Director

BY: Aaron Williams, Fiscal Manager

CC: Mayor Ekberg

DATE: October 17, 2023

SUBJECT: 2023 - 2024 Mid-Biennium Budget Amendment Ordinance

ISSUE

Approve the administrative 2023 - 2024 mid-biennium budget amendments.

BACKGROUND

While amending the budget is only required when a fund, in total, is in danger of exceeding budget, it is a best practice to adjust the budget to identify significant changes in financial plans, policy decisions, and provide transparency for key decisions.

Several of the proposed budget amendments have been reviewed and consensus given by Council Committee and/or Council process as noted below in the charts. The proposed budget amendments make the following types of modification to the current biennium:

- Housekeeping amendments such as adjusting budgeted beginning fund balance to actual beginning fund balance,
- Increasing certain general fund revenue streams,
- Reflect revenue-backed projects/expenditures,
- Truing up certain expenditure budgets including liability insurance and LEOFF 1 responsibilities
- Formalize budget amendments previously approved via Council consensus.

The proposed amendments also reflect a change in budget philosophy. In order to maintain the integrity of department budgets and demonstrate the cost of providing the current level of services, department budgets that are expected to be below budget due to vacancies, etc., will not be reduced to cover expenditures elsewhere. Rather, unbudgeted expenditures will be called out in the charts below for full transparency, but budgets will not be moved from one department to another to cover the unbudgeted costs. All revenues and expenditures have been reviewed and expected results (net increase in revenue and net decreases in total expenditures) are shown in the Dept. 20 section.

All budget amendments are detailed below with explanations provided for each amendment as well as the effect on ending fund balance. Budget amendments are summarized by fund in the tables attached to this memo.

DISCUSSION

General Fund

Adjust Beginning Fund Balance

A beginning fund balance decrease of \$2,840,262 to adjust the budgeted beginning fund balance to reflect the actual beginning fund balance. Land sale revenue that was anticipated at the end of 2022 was not received.

It should be noted that after all amendments, the general fund is expected to meet reserve policy requirements for both 2023 and 2024.

Amendments by Department

The footnotes following the chart provide additional details about each proposed amendment.

Dept.	Not	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Mayor (Economic Development)	A	Carryforward unused 2022 Econ Dev Strategy funds		84,000		
Mayor (Economic Development)	B	Reallocate unused ARPA for Business assistance for use in 2024 budgets (from 9/25/23 Council meeting)	(190,000)	(190,000)		
Mayor (City Attorney)	C	Increase budget for Prosecution services (from 6/5/23 Reg Council Meeting)		9,000		18,000
		Mayor Total	\$ (190,000)	\$ (97,000)	\$ -	\$ 18,000
Administrative Services (Comm Svcs & Engagement)	B	Reallocate unused ARPA for rental assistance for use in 2024 budgets (from 9/25/23 Council meeting)	(135,000)	(135,000)		
Administrative Services (TIS)	D	Tukwila Connectivity Project (from 3/20/23 Council meeting)	1,336,350	1,336,350		
Administrative	O	True up voter registration costs		20,000		20,000
		Administrative Services Total	\$ 1,201,350	\$ 1,221,350	\$ -	\$ 20,000
Finance	E	Roll forward unused budget-financial sustainability plan		(100,000)		100,000
Finance	F	Roll forward unused budget-ERP expenses		(270,000)		270,000
Finance	I	2nd dedicated B&O position				170,000
Finance	U	Increase in liability insurance per WCIA				68,515
		Finance Total	\$ -	\$ (370,000)	\$ -	\$ 608,515
Recreation-Parks	B	Reallocate returned 2023 ARPA funds to Parks Maint position 2024 (from 9/25/23 Council meeting)			149,455	
Recreation	G	Grant: NRPA Community Wellness Hub grant & related activities (from 6/3/23 Council meeting)	85,000	85,000		
Recreation	G	Grant: add budget for VSHSL grant (from 3/20/23 Council meeting)	60,000	60,000	60,000	60,000
Recreation	G	Add budget to account for Operating Grants & sponsorships activity and operating adjustments	60,396	60,396	61,670	61,670
Recreation	G	Grant: King County Re+ Grant (Reg Council meeting 10/2/23)			83,000	83,000
Recreation	G	Grant: Planning for Recreation Access (PRA) (Reg Council meeting 9/18/23)	10,000	10,000	187,300	187,300
		Recreation Total	\$ 215,396	\$ 215,396	\$ 541,425	\$ 391,970
Community Development	B	Reallocate returned 2023 ARPA funds to Permit Processing position 2024 (from 9/25/23 Council meeting)			246,429	
Community Development	G	Increased funding for WSDOT TDM grant (from 10/2/23 Council meeting)	4,774	4,774	9,548	9,546
Community Development	G	New KC Metro TDM grant (from 2/13/23 Council meeting)	112,500	112,500	112,500	112,500
Community Development	G	New GMC Periodic Update grant (from 2/13/23 Council meeting)	72,500	72,500	52,500	52,500
Community Development	G	New Middle Housing grant (from 2/13/23 Council meeting)	140,500	140,500	10,500	10,500
Community	G	New HAPI grant	15,591	15,591	4,410	4,410
		Community Development Total	\$ 345,865	\$ 345,865	\$ 435,887	\$ 189,456
Police	H	Increase Employer contributions for LEOFF1 plan		21,500		21,500
Police	U	Increase in liability insurance per WCIA				49,414
		Police Total	\$ -	\$ 21,500	\$ -	\$ 70,914

INFORMATIONAL MEMO

Dept.	Not	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Fire	H	Increase Employer contributions for LEOFF1 plan		28,500		28,500
Fire	J	Additional costs of PSRFA contract		700,000		
Fire	J	Additional revenues for Fire services to reflect revised projections	200,000		400,000	
Fire	U	Increase in liability insurance per WCIA				35,257
Fire Department Total			\$ 200,000	\$ 728,500	\$ 400,000	\$ 63,757
Public Works-Street Maintenance	B	Reallocate unused 2023 ARPA to Street Maint positions for 2024 (from 9/25/23 Council meeting)			225,641	
Public Works-Facilities, Eng. & Streets	K	Operating adjustments-PW Facilities, Engineering and Streets				-
Public Works	U	Increase in liability insurance per WCIA				7,336
Public Works Total			\$ -	\$ -	\$ 225,641	\$ 7,336

Dept.	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Dept. 20 - Transfers Out	L	Authorize transfer of Gazebo Insurance funds from Gen Fd to Fd 301		51,681		
Dept. 20 - Transfers Out	F	Roll forward unused budget-ERP transfer from 302	(270,000)		270,000	
Dept. 20 - Transfers Out	M	Carry forward unused transfer in budget for TCC HVAC		(100,000)		100,000
Dept. 20 - Transfers Out	N	Transfer out to Fund 105 - one time construction sales tax		170,470		
Dept. 20 - Transfers Out	P*	Teamsters and non-rep retro pay adjustment for 2020-2022		1,500,000		
Dept. 20 - Transfers Out	V*	General revenue increases & departmental expenditure one-time savings	1,600,000	(400,000)		(600,000)
Dept. 20 Transfers Total			\$ 1,330,000	\$ 1,222,151	\$ 270,000	\$ (500,000)

Dept.	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
General Revenue	S	Increase Sales Tax budget to reflect better than expected results	1,000,000		1,100,000	
General Revenue	T	Add additional budget to reflect higher interest earnings	150,000		150,000	
Total General Revenue Amendments			\$ 1,150,000	\$ -	\$ 1,250,000	\$ -

Total General Fund	4,252,611.00	3,287,762.00	3,122,953.00	869,948.00
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A	Carry forward of unused budget from 2022 for Economic Development Strategy
B	ARPA budget from business assistance and rental assistance are being returned for reallocation to 2024 for Planning, Parks, and Streets Maintenance
C	Increase budgets for prosecution services contracts
D	Add budgets for Tukwila Connectivity project grant revenues and related expenditures
E	Roll-forward of budget for Long Term Financial Sustainability plan, work began later in 2023 and will continue into 2024
F	Roll-forward of budget for ERP project, delays in project timeline including payroll module implementation
G	Adjustments to Parks & Recreation operations and DCD due to grants and other funding received and related expenditures
H	Add budgets to 2023/2024 for contributions to LEOFF 1 retirees healthcare fund (Fund 503) from both Police and Fire
I	2nd B&O position needed for basic program. Administering the B&O tax involves a wide variety of duties that exceed current capacity. We need to answer tax questions from customers, review tax returns filed for accuracy and timeliness (which includes gathering additional records/information and giving written tax reporting instructions), reconcile payments received to amounts reported on the returns, invoice and refund over- or under-payments, work amended returns/refund requests, work penalty waiver requests and appeals/correction requests, and maintain our database of active businesses and their filing

	history (which involves analyzing DOR business licensing and sales tax data on a regular basis) to identify unfiled tax returns and/or unlicensed businesses. This is in addition to the 2 positions approved through the budget process.
J	Adding budget for Fire services contract with PSRFA to account for additional costs to City combined with additional revenue projected for fire services. Costs are associated with overtime and increased dispatch costs
K	Operating adjustments for Facilities, Engineering and Streets, three positions were reclassified resulting in a net \$0 change to the Public Works budget
L	Authorizing a transfer to fund 301 for insurance proceeds related to gazebo replacement costs, which were paid by fund 301. Insurance proceeds were received in General Fund in 2022
M	Work for the TCC HVAC project (in fund 302) is expected to occur primarily in 2024; project costs and sources are being shifted to 2024
N	Authorize the transfer to Contingency of 10% of prior year construction sales taxes, 2022 construction related sales taxes \$1,704,700
O	True up voter registration costs. This is a pass-through charge from King county that we don't have control over
P	Retros for non-represented employees and one bargaining group will be charged to Dept. 20 rather than skew department budgets. Funding for retros will come from departments' underspending in 2023 and will be sufficient to cover the retro payments. Retro includes both salary adjustments as well as associated benefits. This affects approximately 80 employees. Notation only, budgets will not be adjusted. Non-rep retro approved via ordinance 2688
S	Increasing the Retail Sales Taxes budget to reflect revised projections. This increase is primarily related to high costs and inflation and doesn't necessarily reflect higher retail sales activity
T	Adding additional budget to reflect higher interest earnings due to the current economic/interest rate environment
U	Increase in liability insurance per WCIA. This is above what was originally projected when the budget was drafted
V	Projected general revenue increases/departmental underspends. Notation only, budgets will not be adjusted

Other Funds

Included in the proposed budget amendments are amendments in other funds. In addition to the amendments listed below, beginning fund balances are being adjusted to reflect actual balance available in the fund. The footnotes following the chart provide additional details about each proposed amendment.

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Contingency - Fund 105	1	Transfer in from General Fund - one time construction sales tax	170,470			
Contingency - Fund 105	2	Add additional budget to reflect higher interest earnings	100,000		100,000	
Total Contingency Fund Amendments			\$ 270,470	\$ -	\$ 100,000	\$ -

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Drug Seizure - Fund 109	3	Reclassify MHP Co-responder budget from Wages/Benefits to Prof Svcs (Reg meeting 5/8/23)		-		-
Drug Seizure - Fund 109	3	Grant reimbursement AWC Co Responder (Reg meeting 9/18/23)	60,000			
Total Drug Seizure Fund Amendments			\$ 60,000	\$ -	\$ -	\$ -

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Residential Streets - Fund 103	4	Move forward unspent Neighborhood Traffic Calming budget to 2024 (project 82310301)	-	(250,000)	-	250,000
Residential Streets - Fund 103	4	Roll over unspent funds of S 152nd Safe Routes to School (project 91710303)	(4,000,000)	(4,015,000)	4,000,000	4,015,000
Residential Streets - Fund 103	4	Roll over unspent funds of 46th Ave S Safe Routes to School (project 91710301)		(510,000)		510,000
Residential Streets - Fund 103						
Total Residential Street Amendments			\$ (4,000,000)	\$ (4,775,000)	\$ 4,000,000	\$ 4,775,000

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Bridges & Arterial Street - Fund 104	4	Move forward Allentown Truck Reroute/EIS (project 92110405) funds of the \$1.3M council allocation		(750,000)		750,000
Bridges & Arterial Street - Fund 104	4	Move forward unspent Green River Trail Improvements (project 91810403) funds		(1,150,000)		1,150,000
Bridges & Arterial Street - Fund 104	4	Move forward unspent funds, Transportation Element of Comprehensive Plan (project 72010405)		(300,000)		350,000
Bridges & Arterial Street - Fund 104	4	Move forward budget for Southcenter/65th Ave (project 90310404) to 2024		(100,000)		100,000
Bridges & Arterial Street - Fund 104	5	Grant: Safe Streets & Roads for All, Used with Transportation Element of Comp Plan (Reg meeting 3/20/23)			200,000	200,000
Total Bridges & Arterial Street Amendments			\$ -	\$ (2,300,000)	\$ 200,000	\$ 2,550,000

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Land Acq, Rec., & Park Dev. - Fund 301	2	Add additional budget to reflect higher interest earnings			142,000	
Land Acq, Rec., & Park Dev. - Fund 301	6	Authorize additional expenditures for Parks project				142,000
Land Acq, Rec., & Park Dev. - Fund 301	7	Authorize transfer of Gazebo Insurance funds from Gen Fd to Fd 301	51,681			
Total Land Acq., Rec., & Park Dev. Amendments			\$ 51,681	\$ -	\$ 142,000	\$ 142,000

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Urban Renewal - Fund 302	8	Roll forward unused budget-ERP transfer to Gen Fd		(270,000)		270,000
Urban Renewal - Fund 302	9	Funding Transfer to 306 for Government contribution to PW Shops (Reg meeting 6/5/23)		1,000,000		
Total Urban Renewal Amendments			\$ -	\$ 730,000	\$ -	\$ 270,000

INFORMATIONAL MEMO

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Gen Gov Improvements - Fund 303	10	Carry forward unused budget for TCC HVAC	(1,800,000)	(1,865,000)	1,800,000	1,825,000
Gen Gov Improvements - Fund 303	10	Carry forward unused transfer in budget for TCC HVAC	(100,000)		100,000	
Gen Gov Improvements - Fund 303	4	Move forward & adjust unspent citywide facilities plan funds		(340,000)		340,000
Gen Gov Improvements - Fund 303	4	Roll forward unused 2022 budget for City Hall Siding repair		149,200		
Total General Government Improvements Amendments			\$ (1,900,000)	\$ (2,055,800)	\$ 1,900,000	\$ 2,165,000

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Fire Impact Fees - Fund 304	11	Additional Fire Impact fees & authorize transfer 304 to 305	450,000	450,000		
Total Fire Impact Fees Amendments			\$ 450,000	\$ 450,000	\$ -	\$ -

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Public Safety Plan - Fund 305	11	Authorize additional transfer from 304 to 305-Fire Impact fees	450,000			
Total Public Safety Plan Amendments			\$ 450,000	\$ -	\$ -	\$ -

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
City Facilities (PW Shops) - Fd 306	4	Roll forward remaining Minkler Shop improvements budget to 2024		(200,000)		200,000
City Facilities (PW Shops) - Fd 306	9	Additional authorization for 2023 PW Shops expenditures based on projections		200,000		
City Facilities (PW Shops) - Fd 306	9	Funding Transfer from 302 for Government contribution to PW Shops	1,000,000			
Total City Facilities (PW Shops) Amendments			\$ 1,000,000	\$ -	\$ -	\$ 200,000

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
LID/Guaranty - Fund 206 & 233	12	Add budget for LID interest expense based on actual amount paid		19,188		
LID/Guaranty Fund Amendments			\$ -	\$ 19,188	\$ -	\$ -

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Golf Course - Fund 411	13	Golf course fleet capital purchases <i>(from 5/1/23 Council meeting)</i>		80,000		
Golf Course - Fund 411	13	Golf Course operations adjustments	100,000	100,000	333,000	84,199
Golf Course - Fund 411	15	Increase in liability insurance per WCIA				3,512
Total Golf Course Amendments			\$ 100,000	\$ 180,000	\$ 333,000	\$ 87,711

INFORMATIONAL MEMO

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Water - Fund 401	15	Increase in liability insurance per WCIA				5,535
Total Water Amendments			\$ -	\$ -	\$ -	\$ 5,535

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Sewer - Fund 402	15	Increase in liability insurance per WCIA				4,005
Total Sewer Amendments			\$ -	\$ -	\$ -	\$ 4,005

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Surface Water - Fund 412	15	Increase in liability insurance per WCIA				4,005
Total Surface Water Amendments			\$ -	\$ -	\$ -	\$ 4,005

Fund	Note	Description of Proposed Amendment	2023		2024	
			Revenue	Expenditure	Revenue	Expenditure
Insurance Fund LEOFF1 (503)	14	Increase Employer contributions for LEOFF1 plan	50,000		50,000	
Total Insurance LEOFF 1 Fund Amendments			\$ 50,000	\$ -	\$ 50,000	\$ -

1	Transfer in 1% of prior year construction sales tax, per policy
2	Adding additional budget to reflect higher interest earnings due to the current economic/interest rate environment
3	Reclassify mental health professional from a position to a contract. Simply moves existing budget from salaries/benefits to contracted services
4	Reallocate budget from approved projects from 2023 to 2024
5	Recognize new grant revenue
6	Add expenditure budget to account for additional interest earnings
7	Insurance proceeds for the gazebo rebuild were placed in the general fund but expenditures occurred in fund 301. Authorizes transfer of the insurance proceeds to the correct fund
8	Move funding for ERP project from 2023 to 2024
9	Transfer funds from fund 302 to the PW Shops project and align budgets to current project spend plan
10	Reallocate budget from approved projects from 2023 to 2024
11	Increase fire impact fee budget to reflect revised projections and true up transfers to fund 305
12	True up expenditure budget for Local Improvement District #33 to match debt service requirements
13	Add budget for golf course capital purchases. Revenues have increased sufficiently enough to cover these additional expenses
14	Add budgets to 2023/2024 for contributions to LEOFF 1 retirees healthcare fund (Fund 503) from both Police and Fire
15	Increase in liability insurance per WCIA. This is above what was originally projected when the budget was drafted

Adjusting Beginning Fund Balances

In addition to the budget amendments proposed for other funds, beginning fund balances in various funds are also being adjusted to true up to actual beginning fund balances. The chart below details the adjustments to beginning fund balances included with these budget amendments.

Fund		Beginning Fund Balance		
		Adopted Budget	Proposed Amendments	Proposed Revised Budget
General Fund:	General Fund	19,085,142	(2,840,262)	16,244,880
	Contingency	7,042,148	(295,673)	6,746,475
Special Revenue Funds:	Lodging Tax	2,048,201	294,218	2,342,419
	Drug Seizure	435,515	(140,295)	295,220
Debt Service Funds:	LTGO Debt Service Funds (2XX)	-	-	-
	UTGO Debt Service Fund	314,818	87,811	402,630
	LID/Guaranty	1,345,636	(12,837)	1,332,799
Capital Projects Funds:	Residential Streets	847,903	(113,497)	734,407
	Bridges and Arterial Streets	6,570,879	(1,036,386)	5,534,493
	Land Acquisition, Rec. and Park Dev.	3,751,186	(681,383)	3,069,803
	Urban Renewal	1,183,800	220,443	1,404,242
	General Government	444,128	109,258	553,386
	Fire Impact Fees	-	-	-
	Public Safety Plan	538,557	453,309	991,865
	City Facilities (PW Shops)	2,274,324	(314,958)	1,959,366
Enterprise Funds:	Water	4,690,562	479,614	5,170,176
	Sewer	11,742,027	536,097	12,278,125
	Golf	1,505,043	(36,912)	1,468,130
	Surface Water	5,944,369	1,195,951	7,140,321
Internal Service Funds:	Equipment Rental and Replacement	4,322,760	(100,403)	4,222,357
	Employee Healthcare Plan	764,171	1,607,526	2,371,697
	LEOFF 1 Retiree Healthcare Plan	258,737	(84,183)	174,554
Fiduciary Fund:	Firemen's Pension	1,543,370	22,737	1,566,108
		\$ 76,653,277	\$ (649,824)	\$ 76,003,453

RECOMMENDATION

The Council is asked to approve the Budget Amendment ordinance and consider this item at the November 13, 2023, Committee of the Whole, and November 20, 2023, Regular Council Meeting.

ATTACHMENTS

- Draft Ordinance
- Proposed Budget Changes – Summary by Fund
- Reconciliation of 2023 - 2024 Budget Summary to Ordinance

DRAFT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2688, WHICH ADOPTED THE CITY OF TUKWILA'S BIENNIAL BUDGET FOR THE 2023-2024 BIENNIUM, TO ADOPT AN AMENDED MID-BIENNIUM BUDGET; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on November 28, 2022, the City Council of the City of Tukwila adopted Ordinance No. 2688, which adopted the 2023 - 2024 biennial budget of the City of Tukwila; and

WHEREAS, a mid-biennium budget amendment was presented to the City Council in a timely manner for their review, in accordance with RCW 35A.34.130; and

WHEREAS, on November 13, 2023, following required public notification, the City Council conducted a public hearing on the proposed mid-biennium budget amendment;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Ordinance Amended. Tukwila Ordinance No. 2688 is hereby amended with the City Council's adoption of the document entitled "City of Tukwila 2023-2024 Mid-Biennium Budget Amendment," attached hereto and incorporated by this reference as if fully set forth herein, in accordance with RCW 35A.34.200.

Section 2. Cost of living adjustments (COLAs) for non-represented employees shall be implemented per the City Council's Compensation Policy.

Section 3. Estimated Revenues and Appropriations. The totals of the estimated revenues and appropriations for each separate fund and the aggregate totals are as follows:

FUND	EXPENDITURES	REVENUES
000 General	\$166,485,032 <u>\$171,020,334</u>	\$166,485,032 <u>\$171,020,334</u>
105 Contingency	\$7,082,148 <u>\$7,156,945</u>	\$7,082,148 <u>\$7,156,945</u>
101 Hotel/Motel Lodging Tax	\$3,530,201 <u>\$3,824,319</u>	\$3,530,201 <u>\$3,824,319</u>
103 City Street Residential Streets	\$9,326,503 <u>\$9,213,007</u>	\$9,326,503 <u>\$9,213,007</u>
104 <u>Bridges and</u> Arterial Streets	\$30,749,479 <u>\$29,913,093</u>	\$30,749,479 <u>\$29,913,093</u>
109 Drug Seizure Fund	\$666,515 <u>\$586,220</u>	\$666,515 <u>\$586,220</u>
2XX LTGO Debt Service Funds	\$11,815,404	\$11,815,404
213 Unlimited Tax G.O. UTGO Bonds	\$9,615,168 <u>\$9,702,980</u>	\$9,615,168 <u>\$9,702,980</u>
206 LID Guaranty	\$764,958 <u>\$756,347</u>	\$764,958 <u>\$756,347</u>
233 2013 LID	\$1,615,678 <u>\$1,611,452</u>	\$1,615,678 <u>\$1,611,452</u>
301 Land Acquisition, Recreation & Park Dev.	\$4,692,436 <u>\$4,204,734</u>	\$4,692,436 <u>\$4,204,734</u>
302 Facility Replacement Urban Renewal	\$2,533,800 <u>\$2,754,242</u>	\$2,533,800 <u>\$2,754,242</u>
303 General Government Improvements	\$2,345,128 <u>\$2,454,386</u>	\$2,345,128 <u>\$2,454,386</u>
304 Fire Improvements Impact Fees	\$600,000 <u>\$1,050,000</u>	\$600,000 <u>\$1,050,000</u>
305 Public Safety Plan	\$2,738,557 <u>\$3,641,865</u>	\$2,738,557 <u>\$3,641,865</u>
306 City Facilities	\$6,256,324 <u>\$6,941,366</u>	\$6,256,324 <u>\$6,941,366</u>
401 Water	\$22,155,562 <u>\$22,635,176</u>	\$22,155,562 <u>\$22,635,176</u>
402 Sewer	\$34,034,242 <u>\$34,570,340</u>	\$34,034,242 <u>\$34,570,340</u>
411 Foster Golf Course	\$6,094,043 <u>\$6,490,130</u>	\$6,094,043 <u>\$6,490,130</u>
412 Surface Water	\$28,393,244 <u>\$29,589,196</u>	\$28,393,244 <u>\$29,589,196</u>
501 Equipment Rental <u>and Replacment</u>	\$7,945,539 <u>\$7,845,136</u>	\$7,945,539 <u>\$7,845,136</u>
502 Insurance Fund Employee Healthcare Plan	\$13,172,855 <u>\$14,780,381</u>	\$13,172,855 <u>\$14,780,381</u>
503 Insurance --LEOFF 1 Fund Retiree Healthcare Plan	\$959,737 <u>\$975,554</u>	\$959,737 <u>\$975,554</u>
611 Firemen's Pension	\$1,694,370 <u>\$1,717,108</u>	\$1,694,370 <u>\$1,717,108</u>
Total	\$375,266,924 <u>\$385,249,815</u>	\$375,266,924 <u>\$385,249,815</u>

Section 4. Copies on File. A complete copy of the amended budget for 2023-2024, as adopted, together with a copy of this amending ordinance, shall be kept on file electronically by the City Clerk and accessible from the City’s website in accordance with Washington State records retention schedule requirements and City policy, and shall be made available to the public upon request. A copy of the amended budget for 2023-2024, as adopted, together with a copy of this amending ordinance, shall be transmitted by the City Clerk to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

Section 5. Corrections by City Clerk or Code Reviser Authorized. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 6. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 7. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City and shall take effect and be in full force and effect five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2023.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, MMC, City Clerk

Allan Ekberg, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____
Passed by the City Council: _____
Published: _____
Effective Date: _____
Ordinance Number: _____

Office of the City Attorney

Attachment: City of Tukwila 2023-2024 Mid-Biennium Budget Amendment

City of Tukwila Mid-Biennium Budget Amendment
Reconciliation of Budget Summary to Ordinance

REVENUES	2023 Beginning Fund Balance	2023 Revenues	2024 Revenues	Total Revenues	Mid-Biennial Amendment			Mid-Biennial Amendments	Mid-Biennial Amended Revenues
					Beg. Fund Balance Adj.	2023	2024		
000 General	\$ 19,085,142	\$ 71,839,634	\$ 75,560,256	\$ 166,485,032	\$ (2,840,262)	\$ 4,252,611	\$ 3,122,953	\$ 4,535,302	\$ 171,020,334
105 Contingency	7,042,148	20,000	20,000	7,082,148	(295,673)	270,470	100,000	74,797	7,156,945
101 Lodging Tax	2,048,201	726,000	756,000	3,530,201	294,218	-	-	294,218	3,824,419
103 Residential Street	847,903	5,352,800	3,125,800	9,326,503	(113,497)	(4,000,000)	4,000,000	(113,497)	9,213,007
104 Arterial Street	6,570,879	4,873,800	19,304,800	30,749,479	(1,036,386)	-	200,000	(836,386)	29,913,093
109 Drug Seizure Fund	435,515	115,500	115,500	666,515	(140,295)	60,000	-	(80,295)	586,220
2XX LTGO Debt Service	-	6,179,070	5,636,334	11,815,404	-	-	-	-	11,815,404
213 UTGO Bonds	314,818	4,487,175	4,813,175	9,615,168	87,811	-	-	87,811	9,702,980
206 LID Guaranty	758,958	3,000	3,000	764,958	(8,612)	-	-	(8,612)	756,347
233 2013 LID	586,678	525,000	504,000	1,615,678	(4,225)	-	-	(4,225)	1,611,452
301 Land Acquisition, Rec & Park Dev.	3,751,186	487,250	454,000	4,692,436	(681,383)	51,681	142,000	(487,702)	4,204,734
302 Urban Renewal	1,183,800	1,350,000	-	2,533,800	220,443	-	-	220,443	2,754,242
303 General Government Imprmnts	444,128	1,901,000	-	2,345,128	109,258	(1,900,000)	1,900,000	109,258	2,454,386
304 Fire Impact Fees	-	300,000	300,000	600,000	-	450,000	-	450,000	1,050,000
305 Public Safety Plan	538,557	1,100,000	1,100,000	2,738,557	453,309	450,000	-	903,309	3,641,865
306 City Facilities	2,274,324	2,141,000	1,841,000	6,256,324	(314,958)	1,000,000	-	685,042	6,941,366
401 Water	4,690,562	7,728,000	9,737,000	22,155,562	479,614	-	-	479,614	22,635,176
402 Sewer	11,742,027	10,882,300	11,409,915	34,034,242	536,097	-	-	536,097	34,570,340
411 Foster Golf Course	1,505,043	2,294,500	2,294,500	6,094,043	(36,912)	100,000	333,000	396,088	6,490,130
412 Surface Water	5,944,369	11,367,500	11,081,375	28,393,244	1,195,951	-	-	1,195,951	29,589,196
501 Equipment Rental	4,322,760	2,237,991	1,384,788	7,945,539	(100,403)	-	-	(100,403)	7,845,136
502 Insurance Fund	764,171	6,204,342	6,204,342	13,172,855	1,607,526	-	-	1,607,526	14,780,381
503 Insurance - LEOFF 1 Fund	258,737	350,500	350,500	959,737	(84,183)	50,000	50,000	15,817	975,554
611 Firemen's Pension	1,543,370	75,500	75,500	1,694,370	22,737	-	-	22,737	1,717,108
Total	\$ 76,653,277	\$ 142,541,862	\$ 156,071,785	\$ 375,266,924	\$ (649,824)	\$ 784,762	\$ 9,847,953	\$ 9,982,891	\$ 385,249,815

EXPENDITURES	2023 Expenditures	2024 Expenditures	2024 Ending Fund Balance	Total Expenditures	Mid-Biennial Amendment			Mid-Biennial Amendments	Mid-Biennial Amended Expenditures
					2023	2024	Mid-Biennial Net Effect on 2024 Ending Fund Balance		
000 General	\$ 75,756,268	\$ 77,992,440	\$ 12,736,324	\$ 166,485,032	\$ 3,287,762	\$ 869,948	\$ 377,592	\$ 4,535,302	\$ 171,020,334
105 Contingency	-	-	7,082,148	7,082,148	-	-	74,797	74,797	7,156,945
101 Lodging Tax	938,890	944,668	1,646,643	3,530,201	-	-	294,218	294,218	3,824,419
103 Residential Street	5,912,000	3,145,000	269,503	9,326,503	(4,775,000)	4,775,000	(113,497)	(113,497)	9,213,007
104 Arterial Street	6,149,662	19,209,451	5,390,366	30,749,479	(2,300,000)	2,550,000	(1,086,386)	(836,386)	29,913,093
109 Drug Seizure Fund	266,008	279,297	121,211	666,515	-	-	(80,295)	(80,295)	586,220
2XX LTGO Debt Service	6,179,070	5,636,334	-	11,815,404	-	-	-	-	11,815,404
213 UTGO Bonds	4,485,975	4,811,975	317,218	9,615,168	-	-	87,811	87,811	9,702,980
206 LID Guaranty	-	-	764,958	764,958	19,188	-	(27,799)	(8,612)	756,347
233 2013 LID	525,000	504,000	586,678	1,615,678	-	-	(4,225)	(4,225)	1,611,452
301 Land Acquisition, Rec & Park Dev.	931,250	1,179,000	2,582,186	4,692,436	-	142,000	(629,702)	(487,702)	4,204,734
302 Urban Renewal	300,000	200,000	2,033,800	2,533,800	730,000	270,000	(779,557)	220,443	2,754,242
303 General Government Imprmnts	2,345,128	-	-	2,345,128	(2,055,800)	2,165,000	58	109,258	2,454,386
304 Fire Improvements	300,000	300,000	-	600,000	450,000	-	-	450,000	1,050,000
305 Public Safety Plan	1,319,019	1,317,849	101,689	2,738,557	-	-	903,309	903,309	3,641,865
306 City Facilities	2,700,000	3,000,000	556,324	6,256,324	-	200,000	485,042	685,042	6,941,366
401 Water	9,191,362	9,852,599	3,111,601	22,155,562	-	5,535	474,079	479,614	22,635,176
402 Sewer	12,549,000	13,570,855	7,914,388	34,034,242	-	4,005	532,092	536,097	34,570,340
411 Foster Golf Course	2,312,871	2,441,024	1,340,148	6,094,043	180,000	87,711	128,377	396,088	6,490,130
412 Surface Water	12,409,424	11,792,110	4,191,711	28,393,244	-	4,005	1,191,946	1,195,951	29,589,196
501 Equipment Rental	3,210,844	3,076,219	1,658,476	7,945,539	-	-	(100,403)	(100,403)	7,845,136
502 Insurance Fund	6,060,861	6,506,054	605,940	13,172,855	-	-	1,607,526	1,607,526	14,780,381
503 Insurance - LEOFF 1 Fund	444,438	460,558	54,741	959,737	-	-	15,817	15,817	975,554
611 Firemen's Pension	62,000	62,000	1,570,370	1,694,370	-	-	22,737	22,737	1,717,108
Total	\$ 154,349,069	\$ 166,281,432	\$ 54,636,423	\$ 375,266,924	\$ (4,463,851)	\$ 11,073,204	\$ 3,373,538	\$ 9,982,891	\$ 385,249,815

Proposed Budget Changes - Summary by Fund

2023 Fund	Beginning Fund Balance				Revenue				Expenditure				Ending Fund Balance			
	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget	
General Fund Depts.																
Council																
Mayor					(190,000)											
Administrative Services					1,201,350											
Finance					-											
Recreation & Parks					215,396											
Community Development					345,865											
Municipal Court					-											
Police					-											
Fire					200,000											
Public Works					-											
Transfers					1,330,000											
General Revenue					1,150,000											
Total General Fund	19,085,142	(2,840,262)	16,244,880	71,839,634	4,252,611	76,092,245	75,756,268	3,287,762	79,044,030	15,168,508	(1,875,413)	13,293,095				
Special Revenue Funds:																
Lodging Tax	2,048,201	294,218	2,342,419	726,000	-	726,000	938,890	-	938,890	1,835,311	294,218	2,129,529				
Drug Seizure	435,515	(140,295)	295,220	115,500	60,000	175,500	266,008	-	266,008	285,008	(80,295)	204,713				
Contingency	7,042,148	(295,673)	6,746,475	20,000	270,470	290,470	-	-	-	7,062,148	(25,203)	7,036,945				
Debt Service Funds:																
LTGO Debt Service Funds (2XX)																
UTGO Debt Service Fund	314,818	87,811	402,630	4,487,175	-	4,487,175	4,485,975	-	4,485,975	316,018	87,811	403,830				
LID/Guaranty	1,345,636	(12,837)	1,332,799	528,000	-	528,000	525,000	19,188	544,188	1,348,636	(32,024)	1,316,612				
Capital Projects Funds:																
Residential Streets	847,903	(113,497)	734,407	5,352,800	(4,000,000)	1,352,800	5,912,000	(4,775,000)	1,137,000	288,703	661,503	950,207				
Bridges and Arterial Streets	6,570,879	(1,036,386)	5,534,493	4,873,800	-	4,873,800	6,149,662	(2,300,000)	3,849,662	5,295,017	1,263,614	6,558,631				
Land Acquisition, Rec. and Park Dev.	3,751,186	(681,383)	3,069,803	487,250	51,681	538,931	931,250	-	931,250	3,307,186	(629,702)	2,677,484				
Urban Renewal	1,183,800	220,443	1,404,242	1,350,000	-	1,350,000	300,000	730,000	1,030,000	2,233,800	(509,557)	1,724,242				
General Government	444,128	109,258	553,386	1,901,000	(1,900,000)	1,000	2,345,128	(2,055,800)	289,328	-	265,058	265,058				
Fire Impact Fees	-	-	-	300,000	450,000	750,000	300,000	450,000	750,000	-	-	-				
Public Safety Plan	538,557	453,309	991,865	1,100,000	450,000	1,550,000	1,319,019	-	1,319,019	319,538	903,309	1,222,846				
City Facilities (PW Shops)	2,274,324	(314,958)	1,959,366	2,141,000	1,000,000	3,141,000	2,700,000	-	2,700,000	1,715,324	685,042	2,400,366				
Enterprise Funds:																
Water	4,690,562	479,614	5,170,176	7,728,000	-	7,728,000	9,191,362	-	9,191,362	3,227,200	479,614	3,706,814				
Sewer	11,742,027	536,097	12,278,125	10,882,300	-	10,882,300	12,549,000	-	12,549,000	10,075,327	536,097	10,611,425				
Golf	1,505,043	(36,912)	1,468,130	2,294,500	100,000	2,394,500	2,312,871	180,000	2,492,871	1,486,672	(116,912)	1,369,759				
Surface Water	5,944,369	1,195,951	7,140,321	11,367,500	-	11,367,500	12,409,424	-	12,409,424	4,902,446	1,195,951	6,098,397				
Internal Service Funds:																
Equipment Rental and Replacement	4,322,760	(100,403)	4,222,357	2,237,991	-	2,237,991	3,210,844	-	3,210,844	3,349,907	(100,403)	3,249,504				
Employee Healthcare Plan	764,171	1,607,526	2,371,697	6,204,342	-	6,204,342	6,060,861	-	6,060,861	907,652	1,607,526	2,515,178				
LEOFF 1 Retiree Healthcare Plan	258,737	(84,183)	174,554	350,500	50,000	400,500	444,438	-	444,438	164,799	(34,183)	130,616				
Fremont's Pension	1,543,370	22,737	1,566,108	75,500	-	75,500	62,000	-	62,000	1,556,870	22,737	1,579,608				
TOTAL	\$ 76,653,277	\$ (649,824)	\$ 76,003,453	\$ 142,541,862	\$ 784,762	\$ 143,326,624	\$ 154,349,069	\$ (4,463,951)	\$ 149,885,218	\$ 64,846,070	\$ 4,598,789	\$ 69,444,859				

2024 Fund Dept.	Beginning Fund Balance			Revenue			Expenditure			Ending Fund Balance		
	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget	Adopted Budget	Proposed Amendments	Proposed Revised Budget
General Fund Depts.												
Council					\$							
Mayor												
Administrative Services												
Finance												
Recreation & Parks												
Community Development												
Municipal Court												
Police												
File												
Public Works												
Transfers												
General Revenue												
Total General Fund	15,168,508	(1,875,413)	13,293,095	75,560,256	3,122,953	78,683,209	77,992,440	869,948	78,862,388	12,736,324	377,592	13,113,916
Special Revenue Funds:												
Lodging Tax	1,835,311	294,218	2,129,529	756,000	-	756,000	944,668	-	944,668	1,646,643	294,218	1,940,861
Drug Seizure	285,008	(80,295)	204,713	115,500	-	115,500	279,297	-	279,297	121,211	(80,295)	40,916
Contingency	7,062,148	(25,203)	7,036,945	20,000	100,000	120,000	-	-	-	7,082,148	74,797	7,156,945
Debt Service Funds:												
LTGO Debt Service Funds (2XX)												
UTGO Debt Service Fund	316,018	87,811	403,830	5,636,334	-	5,636,334	4,813,175	-	4,811,975	317,218	87,811	405,030
LID/Guaranty	1,348,636	(32,024)	1,316,612	507,000	-	507,000	504,000	-	504,000	1,351,636	(32,024)	1,319,612
Capital Projects Funds:												
Residential Streets	288,703	661,503	950,207	3,125,800	4,000,000	7,125,800	3,145,000	4,775,000	7,920,000	269,503	(113,497)	156,007
Bridges and Arterial Streets	5,295,017	1,263,614	6,558,631	19,304,800	200,000	19,504,800	19,209,451	2,550,000	21,759,451	5,390,366	(1,086,386)	4,303,980
Land Acquisition, Rec. and Park Dev.	3,307,186	(629,702)	2,677,484	454,000	142,000	596,000	1,179,000	142,000	1,321,000	2,582,186	(629,702)	1,952,484
Golf	2,233,800	(509,557)	1,724,243	-	-	-	200,000	270,000	470,000	2,033,800	(779,557)	1,254,242
General Government	-	265,058	265,058	-	1,900,000	1,900,000	300,000	-	2,165,000	-	58	-
Fire Impact Fees	-	-	-	300,000	-	300,000	300,000	-	300,000	-	-	-
Public Safety Plan	319,538	903,309	1,222,846	1,100,000	-	1,100,000	1,317,849	-	1,317,849	101,689	903,309	1,004,997
City Facilities (PW Shops)	1,715,324	685,042	2,400,366	1,841,000	-	1,841,000	3,000,000	200,000	3,200,000	556,324	485,042	1,041,366
Enterprise Funds:												
Water	3,227,200	479,614	3,706,814	9,737,000	-	9,737,000	9,852,599	5,535	9,858,134	3,111,601	474,079	3,585,680
Sewer	10,075,327	536,097	10,611,425	11,409,915	-	11,409,915	13,570,855	4,005	13,574,860	7,914,388	532,092	8,446,480
Golf	1,486,672	(116,912)	1,369,760	2,294,500	333,000	2,627,500	2,441,024	87,111	2,528,735	1,340,148	128,377	1,468,524
Surface Water	4,902,446	1,195,951	6,098,397	11,081,375	-	11,081,375	11,792,110	4,005	11,796,115	4,191,711	1,191,946	5,383,657
Internal Service Funds:												
Equipment Rental and Replacement	3,349,907	(100,403)	3,249,504	1,384,788	-	1,384,788	3,076,219	-	3,076,219	1,658,476	(100,403)	1,558,073
Employee Healthcare Plan	907,652	1,607,526	2,515,178	6,204,342	-	6,204,342	6,506,054	-	6,506,054	605,940	1,607,526	2,213,466
LEOFF 1 Retiree Healthcare Plan	164,799	(34,183)	130,616	350,500	50,000	400,500	460,558	-	460,558	54,741	15,817	70,558
Fireman's Pension	1,556,870	22,737	1,579,608	75,500	-	75,500	62,000	-	62,000	1,570,370	22,737	1,593,108
	\$ 64,846,070	\$ 4,598,789	\$ 69,444,859	\$ 156,071,785	\$ 9,847,953	\$ 165,919,738	\$ 166,281,432	\$ 11,073,204	\$ 177,354,636	\$ 54,636,423	\$ 3,373,538	\$ 58,009,961

REVENUES	2023 Beginning Fund Balance	2023 Revenues	2024 Revenues	Total Revenues	Mid-Biennial Amendment			Mid-Biennial Amended Revenues	
					2023	2024	2024		Mid-Biennial Amendments
000 General	\$ 19,085,142	\$ 71,839,634	\$ 75,560,256	\$ 166,485,032	\$ (2,840,262)	\$ 4,252,611	\$ 3,122,953	\$ 4,535,302	\$ 171,020,334
105 Contingency	7,042,148	20,000	20,000	7,082,148	(295,673)	270,470	100,000	74,797	7,156,945
101 Lodging Tax	2,048,201	726,000	756,000	3,530,201	294,218	-	-	294,218	3,824,419
103 Residential Street	847,903	5,325,800	3,125,800	9,326,503	(113,497)	(4,000,000)	4,000,000	(113,497)	9,213,007
104 Arterial Street	6,570,879	4,873,800	19,304,800	30,749,479	(1,036,386)	-	200,000	(836,386)	29,913,093
109 Drug Seizure Fund	435,515	115,500	115,500	666,515	(140,295)	60,000	-	(80,295)	586,220
2XX LTGO Debt Service	-	6,179,070	5,636,334	11,815,404	-	-	-	-	11,815,404
206 LID Guaranty	758,958	4,487,175	4,813,175	9,615,168	(8,612)	-	-	(8,612)	9,702,980
233 2013 LID	586,678	525,000	504,000	1,615,678	(4,225)	-	-	(4,225)	1,611,452
301 Land Acquisition, Rec & Park Dev.	3,751,186	487,250	454,000	4,692,436	(681,383)	51,681	142,000	(487,702)	4,204,734
302 Urban Renewal	1,183,800	1,350,000	-	2,533,800	220,443	-	-	220,443	2,754,242
303 General Government Imprmnts	444,128	1,901,000	-	2,345,128	109,258	(1,900,000)	1,900,000	109,258	2,454,386
304 Fire Impact Fees	-	300,000	300,000	600,000	-	450,000	-	450,000	1,050,000
305 Public Safety Plan	538,557	1,100,000	1,100,000	2,738,557	453,309	450,000	-	903,309	3,641,865
306 City Facilities	2,274,324	2,141,000	1,841,000	6,256,324	(314,958)	1,000,000	-	685,042	6,941,366
401 Water	4,690,562	7,728,000	9,737,000	22,155,562	479,614	-	-	479,614	22,635,176
402 Sewer	11,742,027	10,882,300	11,409,915	34,034,242	536,097	-	-	536,097	34,570,340
411 Foster Golf Course	1,505,043	2,294,500	2,294,500	6,094,043	(36,912)	100,000	333,000	396,088	6,490,130
412 Surface Water	5,944,369	11,367,500	11,081,375	28,393,244	1,195,951	-	-	1,195,951	29,589,196
501 Equipment Rental	4,322,760	2,237,991	1,384,788	7,945,539	(100,403)	-	-	(100,403)	7,845,136
502 Insurance Fund	764,171	6,204,342	6,204,342	13,172,855	1,607,526	-	-	1,607,526	14,780,381
503 Insurance - LEOFF 1 Fund	258,737	350,500	350,500	959,737	(84,183)	50,000	50,000	15,817	975,554
611 Firemen's Pension	1,543,370	75,500	75,500	1,694,370	22,737	-	-	22,737	1,717,108
Total	\$ 76,653,277	\$ 142,541,862	\$ 156,071,785	\$ 375,266,924	\$ (649,824)	\$ 784,762	\$ 9,847,953	\$ 9,982,891	\$ 385,249,815

EXPENDITURES	2023 Expenditures	2024 Expenditures	2024 Ending Fund Balance	Total Expenditures	Mid-Biennial Amendment			Mid-Biennial Amended Expenditures	
					2023	2024	2024		Mid-Biennial Amendments
000 General	\$ 75,756,268	\$ 77,992,440	\$ 12,736,324	\$ 166,485,032	\$ 3,287,762	\$ 869,948	\$ 377,592	\$ 4,535,302	\$ 171,020,334
105 Contingency	-	-	7,082,148	7,082,148	-	-	74,797	74,797	7,156,945
101 Lodging Tax	938,890	944,668	1,646,643	3,530,201	-	-	294,218	294,218	3,824,419
103 Residential Street	5,912,000	3,145,000	2,699,503	9,326,503	(4,775,000)	4,775,000	(113,497)	(113,497)	9,213,007
104 Arterial Street	6,149,662	19,209,451	5,390,366	30,749,479	(2,300,000)	2,550,000	(1,086,386)	(836,386)	29,913,093
109 Drug Seizure Fund	266,008	279,297	121,211	666,515	-	-	(80,295)	(80,295)	586,220
2XX LTGO Debt Service	6,179,070	5,636,334	-	11,815,404	-	-	-	-	11,815,404
206 LID Guaranty	4,485,975	4,811,975	317,218	9,615,168	19,188	-	87,811	87,811	9,702,980
233 2013 LID	525,000	504,000	586,678	1,615,678	-	-	(27,799)	(8,612)	756,347
301 Land Acquisition, Rec & Park Dev.	931,250	1,179,000	2,582,186	4,692,436	-	-	(4,225)	(4,225)	4,204,734
302 Urban Renewal	300,000	200,000	2,033,800	2,533,800	730,000	270,000	(629,702)	(487,702)	2,754,242
303 General Government Imprmnts	2,345,128	-	-	2,345,128	(2,055,800)	2,165,000	58	109,258	2,454,386
304 Fire Improvements	300,000	300,000	-	600,000	450,000	-	-	450,000	1,050,000
305 Public Safety Plan	1,319,019	1,317,849	10,1689	2,738,557	-	-	903,309	903,309	3,641,865
306 City Facilities	2,700,000	3,000,000	556,324	6,256,324	-	200,000	485,042	685,042	6,941,366
401 Water	9,191,362	9,852,599	3,111,601	22,155,562	-	5,535	474,079	479,614	22,635,176
402 Sewer	12,549,000	13,570,855	7,914,388	34,034,242	-	4,005	532,092	536,097	34,570,340
411 Foster Golf Course	2,312,871	2,441,024	1,340,148	6,094,043	180,000	87,711	128,377	396,088	6,490,130
412 Surface Water	12,409,424	11,792,110	4,191,711	28,393,244	-	4,005	1,191,946	1,195,951	29,589,196
501 Equipment Rental	3,210,844	3,076,219	1,658,476	7,945,539	-	-	(100,403)	(100,403)	7,845,136
502 Insurance Fund	6,060,861	6,506,054	605,940	13,172,855	-	-	1,607,526	1,607,526	14,780,381
503 Insurance - LEOFF 1 Fund	444,438	460,558	54,741	959,737	-	-	15,817	15,817	975,554
611 Firemen's Pension	62,000	62,000	1,570,370	1,694,370	-	-	22,737	22,737	1,717,108
Total	\$ 154,349,069	\$ 166,281,432	\$ 54,636,423	\$ 375,266,924	\$ (4,463,851)	\$ 11,073,204	\$ 3,373,538	\$ 9,982,891	\$ 385,249,815



INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**

FROM: **Tony Cullerton, Deputy Finance Director**

CC: **Mayor Ekberg**

DATE: **October 23, 2023**

SUBJECT: **August 2023 General Fund Departmental Budget-to-Actuals Report**

Summary

The purpose of the August 2023 General Fund Financial Report is to summarize for the City Council the general state of departmental expenditures and to highlight significant items. The following provides a high-level summary of the departmental financial performance. The August 2023 report is based on financial data available as of October 9, 2023, for the period ending August 31, 2023.

Expenditures

General Fund departmental expenditures totaled \$46 million through August, which is \$2.2 million below the allocated budget of \$48 million. Department 20, which transfers to other funds, reported \$3 million in expenditures. This number reflects transactions for debt payments and interfund activity. In total the General Fund activity YTD as of the end of August was \$49 million, which is below the allocated budget by \$2.5 million. However, due to ongoing labor negotiations, the two million dollars under budget does not represent savings.

Allocated Budget

As of the end of August, all departments except Administrative Services and Fire are operating within their allocated budgets. The overage in **Administrative Services** is attributed to the Private LTE project that will be reimbursed by a State grant. The increase in **Fire** is due to higher than anticipated overtime and increased call volume with dispatch services.

% Expended

When comparing YTD spending to the percent of year completed (67%), both Administrative Services and Fire finished the month above 57%. **Administrative Services** is a result of the Private LTE project. The increase in **Fire** pertains to higher than anticipated overtime and increased call volume with dispatch services.

2023 Compared to 2022

A few departments reported increases greater than 5% and \$50,000 when compared to the same period last year. However, most departments are within their budget allocations and hovering around the 67% mark of % Expended. **Mayor's Office** is up \$124,980 (9.3%) over last year. Increases are attributed to Attorney Services (Special Matters) and Economic Development - Consulting Services (Community Attributes Inc). **Administrative Services** has been previously explained by the computer/laptop purchases for the Chromebooks, related to the Private LTE project. These expenditures will be reimbursed by a State grant. **Police** is significantly under their allocated budget and finished the month at 60% at 67% of the year. However, because they were \$1.3 million (10.4%) over last year, we look further into the change. The increases in PD are salaries, OT, Supplies, and Tech Services. Salaries and OT are due to limited staffing. Examples of Supplies include equipment for firearm instructor school, revolver supplies, body cam repair kits. Tech Services is a contract between the City and Axon Enterprises. **Fire** has been previously explained.

Departmental Variances

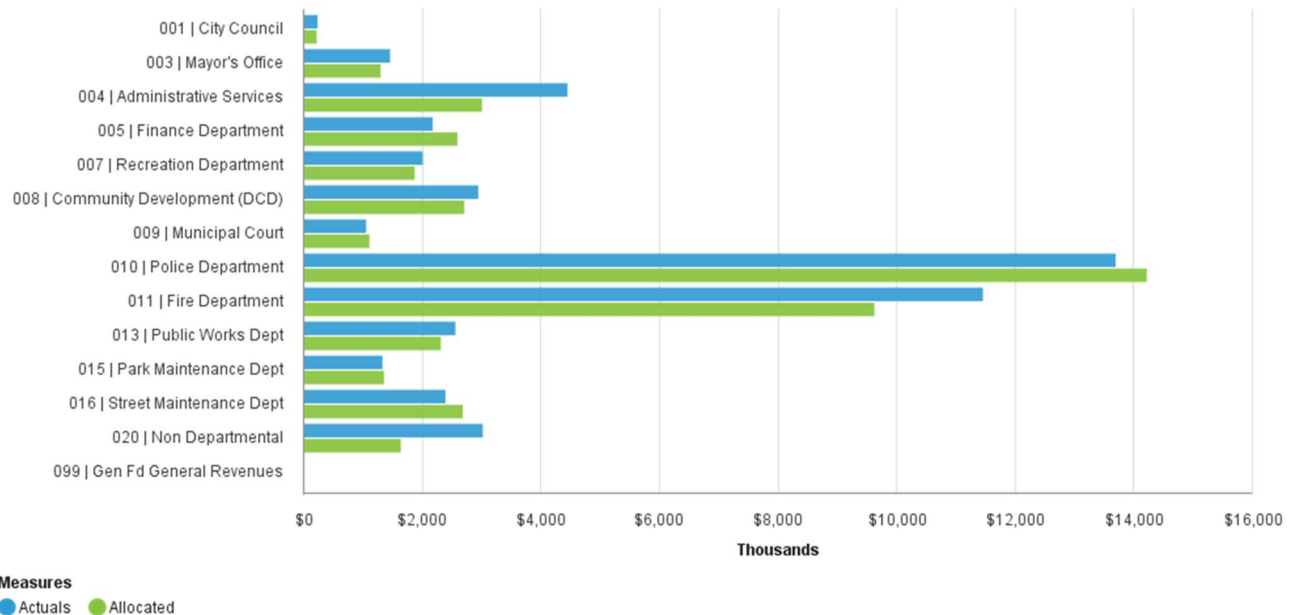
Year to Date Department Expenditures Through August 2023:

DEPARTMENT	BUDGET		ACTUAL			Allocated Budget vs Actual OVER/(UNDER)	%	Expended	\$ Change	% Change
	2023	2023	2021	2022	2023					
	Annual	Allocated								
City Council	384,889	254,092	222,681	231,966	246,451	(7,641)	64.0%	14,485	6.2%	
Mayor's Office	2,502,666	1,674,077	1,287,985	1,343,393	1,468,372	(205,704)	58.7%	124,980	9.3%	
Administrative Services	5,676,491	3,719,233	3,183,419	3,121,353	4,461,149	741,916	78.6%	1,339,796	42.9%	
Finance Department	3,868,642	2,610,403	1,789,333	2,252,979	2,187,915	(422,488)	56.6%	(65,064)	-2.9%	
Rec Dept / Parks Maint	5,109,490	3,547,237	2,762,115	3,218,833	3,361,290	(185,947)	65.8%	142,457	4.4%	
Community Dev	4,672,314	3,112,971	2,526,548	2,755,581	2,956,228	(156,743)	63.3%	200,646	7.3%	
Municipal Court	1,741,340	1,160,893	802,203	1,027,557	1,065,698	(95,195)	61.2%	38,141	3.7%	
Police Department	22,746,448	15,292,231	11,653,368	12,414,647	13,706,302	(1,585,930)	60.3%	1,291,654	10.4%	
Fire Department	14,790,120	11,244,295	9,000,611	9,625,066	11,467,774	223,479	77.5%	1,842,708	19.1%	
PW Dept / Street Maint	7,574,988	5,538,258	4,548,810	4,900,921	4,974,344	(563,913)	65.7%	73,423	1.5%	
Subtotal	69,067,388	48,153,691	37,777,072	40,892,297	45,895,523	(2,258,168)	66.5%	5,003,227	12.2%	
Non Departmental	6,688,881	3,282,566	2,732,130	2,683,765	3,032,704	(249,862)	45.3%	348,939	13.0%	
Total Expenditures	75,756,269	51,436,257	40,509,202	43,576,061	48,928,227	(2,508,030)	64.6%	5,352,165	12.3%	
						% of Year	66.7%			

Overall General Fund departmental costs increased by 12.3% over the same period last year. The majority of increases in expenditures were identified ahead of time and budgeted for.

The graph below shows the Actual Expenditures, and Allocated Budget amounts for the General Fund departments.

The graph below displays Year to Date Department Expenditures Compared to Allocated Budget as of August 31, 2023.



General Fund by Category

Per ordinance, the City adopts a biennial budget by fund. This is the required level of reporting for external authoritative sources of oversight such as of the Washington State Auditor’s office. This level of reporting is also utilized for the purposes of debt issuance and by other stakeholders.

For managerial reporting and internal use, the city reports activity at the department level. This provides more details and additional information used by decision makers within the city and those charged with governers. In an effort to provide an enhanced level of reporting, additional information is being provided for activity at the transaction level that reflect an increase of more than **5%** over the prior year AND **\$50,000**, that are part of a Category that is reporting total activity above the % of Year calculation.

% Expended

The end of August represents the completion of 67% of the year. Services is the only category that exceeds 67%. **Professional Services** finished the month at 73.9%. Additionally, Professional Services reported 2023 spending significantly higher than 2022. The overage is directly related to Fire’s contract agreement with the RFA that went into effect this year. **Communications** is reported higher this month. The increase is relatively modest, finishing the month at 69.2% at 67% of the year. The largest portion of the expenditures are traced to an increase in Micorfilm/Imaging over the prior year. **Technology Services** also came in slightly higher, at 68%. A significant portion of the increase is the PD software & maintenance agreement with the

vendor Spillman. **Utilities** finished August at 82% at 67% of the year. However, Utilities are currently under allocated budget and behind prior year spending YTD. **Repairs & Maintenance Svcs.** is the final account that finished the month higher than % Expended. This account is 0.7% above % Expended and \$618,647 (41.6%) below the same period last year. These expenditures are within the normal course of business.

\$ Change 2022/2023

There are several accounts that are reporting increases over the prior year of 5% and 50k. **Supplies** are higher than the prior year but under both the allocated budget and % Expended. **Technology Supplies** is reporting the purchase of computers related to the Private LTE Infrastructure grant. **Professional Services** has been continuously reported as the Fire RFA agreement. **Professional Development** is higher as a result of the return to in-person training and seminars. **Rentals** are up over the prior year, but below allocated budget as well as % Expended YTD. **Technology Services** has previously been explained as is the PD software & maintenance agreement with the vendor Spillman. **Machinery & Equipment** is the final account that finished the month higher than the prior year. The increase has been identified as infrastructure expenditures associated with the Private LTE Infrastructure grant secured by TIS.

INFORMATIONAL MEMO
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General Fund
City of Tukwila
General Fund Expenditures

Year-to-Date as of Aug 31, 2023

	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2023	2023	2021	2022	2023	Actual Budget vs Allocated	% Expended	Change	
	Annual	Allocated						\$ 2022/2023	% 2022/2023
						OVER/(UNDER)			
Salaries	25,787,016	17,191,344	18,541,097	19,834,605	15,295,177	(1,896,167)	59.3%	(4,539,428)	(22.9%)
Extra Labor	769,106	598,966	109,036	314,988	430,111	(168,855)	55.9%	115,123	36.5%
Overtime	755,184	491,221	1,478,149	1,717,114	982,356	491,135	130.1%	(734,758)	(42.8%)
Holiday Pay	250,000	104,300	78,815	84,116	71,993	(32,306)	28.8%	(12,123)	(14.4%)
FICA	2,110,086	1,406,724	1,177,800	1,288,132	1,265,699	(141,026)	60.0%	(22,433)	(1.7%)
Pension-LEOFF	635,410	448,273	649,939	690,043	433,032	(15,241)	68.1%	(257,011)	(37.2%)
Pension-PERS/PSERS	1,744,919	1,163,279	1,056,362	968,765	982,752	(180,528)	56.3%	13,987	1.4%
Industrial Insurance	586,183	390,789	612,975	495,983	277,704	(113,085)	47.4%	(218,279)	(44.0%)
Medical & Dental	5,748,432	3,832,288	4,483,393	4,883,745	3,574,402	(257,886)	62.2%	(1,309,343)	(26.8%)
Unemployment	0	0	20,710	31,615	2,076	2,076	-	(29,539)	(93.4%)
Uniform/Clothing	33,290	24,527	2,124	1,511	1,314	(23,213)	3.9%	(198)	(13.1%)
Total Salaries & Benefits	38,419,627	25,651,711	28,210,402	30,310,618	23,316,615	(2,335,096)	60.7%	(6,994,003)	(23.1%)
Supplies	678,334	444,699	350,017	181,581	290,402	(154,297)	42.8%	\$108,821	59.9%
Repairs & Maint Supplies	450,010	297,577	140,246	215,214	247,174	(50,402)	54.9%	\$31,960	14.9%
Resale Supplies	2,500	1,500	0	128	0	(1,500)	-	(\$128)	-
Small Tools	213,203	142,636	35,933	42,712	52,161	(90,475)	24.5%	\$9,448	22.1%
Technology Supplies	110,798	73,865	32,220	20,174	268,090	194,225	242.0%	\$247,915	1,228.9%
Fleet Supplies	7,000	4,667	2,289	3,932	4,414	(253)	63.1%	\$482	12.3%
Total Supplies	1,461,845	964,943	560,705	463,742	862,241	(102,702)	59.0%	\$398,499	85.9%
Professional Services	21,798,537	16,401,804	4,588,387	4,784,461	16,102,785	(299,019)	73.9%	\$11,318,324	236.6%
Communications	440,528	285,330	288,902	276,452	304,951	19,621	69.2%	\$28,499	10.3%
Professional Dev	570,359	361,646	268,831	225,768	293,721	(67,925)	51.5%	\$67,953	30.1%
Advertising	66,300	45,033	4,834	9,723	24,282	(20,751)	36.6%	\$14,559	149.7%
Rentals	1,298,059	705,572	338,887	244,556	640,706	(64,867)	49.4%	\$396,149	162.0%
Technology Services	1,031,264	724,262	312,402	476,018	704,773	(19,488)	68.3%	\$228,756	48.1%
Utilities	2,244,354	1,888,513	1,751,795	1,870,251	1,839,884	(48,629)	82.0%	(\$30,368)	(1.6%)
Repairs & Maint Svs.	1,286,418	857,776	1,313,477	1,485,891	867,244	9,468	67.4%	(\$618,647)	(41.6%)
Miscellaneous	1,012,899	683,503	62,267	455,672	308,238	(375,265)	30.4%	(\$147,434)	(32.4%)
Total Services	29,748,719	21,953,439	8,929,782	9,828,793	21,086,584	(866,855)	70.9%	11,257,792	114.5%
Capital Outlay-Land	0	0	0	0	0	0	-	0	-
Other Improvements	0	0	0	0	0	0	-	0	-
Machinery & Equipment	420,000	75,000	76,184	289,145	1,082,062	1,007,062	257.6%	792,917	274.2%
Construction Projects	0	0	0	0	39,423				
Total Capital Outlay	420,000	75,000	76,184	289,145	1,121,485	1,007,062	267.0%	832,340	287.9%
Transfers Out	5,706,078	2,791,164	2,732,130	2,683,765	2,541,302	(3,164,776)	44.5%	(142,463)	(5.3%)
Total Non Operating Expense	5,706,078	2,791,164	2,732,130	2,683,765	2,541,302	(3,164,776)	44.5%	(142,463)	(5.3%)
Total Expenditures	75,756,269	51,436,257	40,509,202	43,576,061	48,928,227	(5,462,367)	64.6%	5,352,165	12.3%
							% of Year	66.7%	

