



FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

MARCH 4, 2015

8:00 AM

COUNCIL CHAMBERS

1. **2014 ENCUMBRANCE CARRYOVER BUDGET AMENDMENT**
TROY WOO, FINANCE DIRECTOR
(ATTACHMENT)

2. **2015 REFUNDING BOND ORDINANCE**
TROY WOO, FINANCE DIRECTOR
(VERBAL REPORT-NO ATTACHMENT)



**FINANCE & ECONOMIC
DEVELOPMENT COMMITTEE**
March 4, 2015

SUBJECT: 2014 Budget Encumbrance Carryovers

RECOMMENDATION: Upon review and concurrence, recommend full City Council adoption of ordinance.

STAFF CONTACT: Scott Spence, City Manager 
Troy Woo, Finance Director 

ORIGINATED BY: Troy Woo, Finance Department

ATTACHMENTS: 1. [Proposed Ordinance](#)
2. [Summary for the Proposed Ordinance](#)

FISCAL NOTE: See attached Ordinance Exhibit "A"

PRIOR REVIEW: None

BACKGROUND:

Despite all the extensive budget planning and efforts to complete projects and purchases prior to the year-end closing, staff is not always able to complete all of the projects and purchases. The projects and purchases are completed in the following year, so it becomes necessary to carryover previously approved budget appropriations into the next year. This amendment is limited to carryover encumbrances and capital projects.

This carryover process relieves concerns that authorized budgets will be exceeded when large carryover projects do not have the authorized appropriations until late into the year. When the City Council approves these appropriations earlier in the year, the risk of exceeding authorized expenditure levels is minimized.

The encumbrance and capital carryover requests are limited to purchase orders that were initiated in the previous year and capital projects that were authorized in the previous year's budget. The outstanding purchase order carryover requests are limited to significant (over

\$2,500) unfilled material, equipment, and supply orders. Capital project carryover requests do not have a dollar threshold. The funds requesting the carryovers must have adequate fund balance before the requests can be granted.

Each fund is detailed separately on the proposed carryover amendment list. There are three columns of dollar values. The first column contains the amount currently authorized for that line item in the 2015 budget. The second column is the amount of the proposed adjustment. The last dollar column shows what the new total of that particular line-item account will be if the amendments are adopted. Total lines are included to illustrate the grand total of the fund before and after the amendments. This is important since the budget is adopted by fund total and not by line-item detail. A brief explanation or description is also provided for each line-item of the form.

It is requested that the Finance and Economic Development Committee review the proposed carryover amendment ordinance and recommend full City Council adoption of the proposed ordinance.

ADVANTAGES:

1. The proposed adjustments to the 2015 Budget reflects more accurately the necessary requirements of each fund or adjustments made by City Council action.
2. The proposed adjustments ensure that the proper level of budget appropriations have been authorized to complete prior year projects and purchases.

DISADVANTAGES:

1. There are no significant disadvantages since there must be a revenue source or adequate fund balance to match the proposed expenditure.

ORDINANCE NO. XXXX

CITY OF LACEY

**AN ORDINANCE AMENDING THE 2015 FISCAL YEAR BUDGET AND
ORDINANCE 1451 ADOPTING SAID BUDGET TO RE-APPROPRIATE 2014
BUDGETED AMOUNTS FOR PROJECTS NOT COMPLETED IN 2014 AND
ADOPTING A SUMMARY FOR PUBLICATION.**

WHEREAS, at the end of the 2014 fiscal year, certain funds which had been appropriated had not been spent because the programs, improvements, contracts or orders had not, as yet, been completed, and

WHEREAS, in order to complete such programs, projects and orders, and to pay the cost thereof, it is necessary that such funds be re-appropriated in the 2015 budget, NOW, THEREFORE

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY,
WASHINGTON, AS FOLLOWS:**

Section 1. The 2015 fiscal year budget and Ordinance No. 1451 adopting said budget are hereby amended in the manner set forth on Exhibit A, which is attached hereto and made a part hereof as though fully set forth at length.

Section 2. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. The Summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON,
on this 12th day of March, 2015.

CITY COUNCIL

By: _____
Mayor

Approved as to form:

City Attorney

Attest:

City Clerk

DRAFT

SUMMARY FOR PUBLICATION

ORDINANCE NO. XXXX

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on March 12, 2015, Ordinance No. XXXX entitled “**AN ORDINANCE AMENDING THE 2015 FISCAL YEAR BUDGET AND ORDINANCE 1451 ADOPTING SAID BUDGET TO RE-APPROPRIATE 2014 BUDGETED AMOUNTS FOR PROJECTS NOT COMPLETED IN 2014 AND ADOPTING A SUMMARY FOR PUBLICATION.**”

A section by section summary of this ordinance is as follows:

Section 1 amends the 2015 fiscal year budget and Ordinance No. 1451, adopting said budget by re-appropriating funds from the 2014 fiscal year budget which were not expended because the programs, projects, contracts and orders were not completed in 2014.

Section 2 provides provisions for corrections.

Section 3 approves this summary.

A copy of the full text of this ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

City Clerk

Published: March 16, 2015

2015 Budget Amendments - Ordinance No. XXXX Exhibit "A"

Account Numbers	Account Description	2015 Budget	Budget Amendment	2015 Budget as Amended	Comments
Current Expense Fund					
Revenues					
1-0000-308-0000	Beginning Cash	512,500	97,725	610,225	Beginning Cash
Total Current Expense Fund Revenues		32,557,856	97,725	32,655,581	
Expenditures					
1-7403-574-4203	Communications-Recreation	51,200	762	51,962	Carry forward purchase order Arbor day banners
1-3702-524-4101	Professional Services	155,000	96,963	251,963	Carry forward development code Woodland District
Total Current Expense Fund Expenditures		32,557,856	97,725	32,655,581	
Community Buildings Fund					
Revenues					
5-0000-308-0000	Beginning Cash	11,000	2,174	13,174	Beginning Cash
Total Community Buildings Fund Revenues		528,769	2,174	530,943	
Expenditures					
5-7602-575-4101	Professional Services	8,650	2,174	10,824	Carry forward Jacob Smith House interior painting
Total Community Buildings Fund Expenditures		528,769	2,174	530,943	
Arterial Street Fund					
Revenues					
102-0000-308-0000	Beginning Cash	3,281,244	1,004,114	4,285,358	Beginning Cash
Total Arterial Street Fund Revenues		7,209,030	1,004,114	8,213,144	
Expenditures					
102-4101-595-9001	Preliminary Engineering	1,131,750	181,762	1,313,512	Carry forward <u>design</u> College & 22nd roundabout and Hogum Bay improvements
102-4101-595-9002	Right of Way	1,260,800	822,352	2,083,152	Carry forward <u>right of way</u> College & 22nd roundabout and Hogum Bay improvements
Total Arterial Street Fund Expenditures		7,209,030	1,004,114	8,213,144	
Building Improvement Fund					
Revenues					
301-0000-308-0000	Beginning Cash	4,500	284,657	289,157	Beginning Cash
Total Building Improvement Fund Revenues		181,500	284,657	466,157	
Expenditures					
301-0101-514-6004	Capital Outlay-Buildings	-	284,657	284,657	Carry forward Depot project, Sr. Center public art & misc. rental property improve.

Account Numbers	Account Description	2015 Budget	Budget Amendment	2015 Budget as Amended	Comments
Total Building Improvement Fund Expenditures		181,500	284,657	466,157	

Capital Equipment Fund					
Revenues					
302-0000-308-0000	Beginning Cash	168,000	187,072	355,072	Beginning cash
Total Capital Equipment Fund Revenues		1,101,001	187,072	1,288,073	
Expenditures					
302-0102-519-6412	Capital Outlay-Parks Maintenance	115,000	75,000	190,000	Carry forward security cameras various parks
302-0102-519-6416	Capital Outlay-Parks & Recreation	20,000	62,072	82,072	Carry forward replacement Homann park equipment
302-0104-559-6001	Economic Development	100,000	50,000	150,000	Carry forward economic study
Total Capital Equipment Fund Expenditures		1,101,001	187,072	1,288,073	

Water Construction Fund					
Revenues					
410-0000-308-0000	Beginning Cash - Construction	1,632,640	629,252	2,261,892	Beginning cash
Total Water Construction Fund Revenues		9,057,500	629,252	9,686,752	
Expenditures					
410-3418-534-9001	Preliminary Engineering	1,338,284	36,000	1,374,284	Carry forward preliminary engineering cost various water construction projects
410-3418-534-9005	Construction Engineering	531,284	181,000	712,284	Carry forward construction engineering costs various water construction projects
410-3418-534-9013	Water Rights Mitigation	6,021,224	412,252	6,433,476	Carry forward utility construction costs various water construction projects
Total Water Construction Fund Expenditures		9,057,500	629,252	9,686,752	

Wastewater Construction Fund					
Revenues					
411-0000-308-0000	Beginning Cash - Construction	-	568,700	568,700	Beginning cash
Total Wastewater Construction Fund Revenues		5,836,343	568,700	6,405,043	
Expenditures					
411-3518-535-9001	Construction-Preliminary Engineering	374,927	287,400	662,327	Carry forward preliminary engineering cost various wastewater construction projects
411-3518-535-9013	Construction-Construction Engineering	4,249,169	281,300	4,530,469	Carry forward construction engineering costs various wastewater constr. projects
Total Wastewater Construction Fund Expenditures		5,836,343	568,700	6,405,043	

Stormwater Construction Fund					
Revenues					
412-0000-308-0000	Beginning Cash - Construction	1,257,470	220,000	1,477,470	Beginning cash
Total Stormwater Construction Fund Revenues		1,807,194	220,000	2,027,194	
Expenditures					

Account Numbers	Account Description	2015 Budget	Budget Amendment	2015 Budget as Amended	Comments
412-4218-542-9001	Preliminary Engineering	544,781	110,000	654,781	Carry forward Police impound facility design and Low Impact Design code revisions
412-4218-542-9005	Construction Engineering	1,073,005	110,000	1,183,005	Carry forward Police impound facility construction
Total Stormwater Construction Fund Expenditures		1,807,194	220,000	2,027,194	