



To: Mayor and City Councilmembers  
From: Tho Kraus, Assistant City Manager/Administrative Services  
Through: John J. Caulfield, City Manager  
Date: October 26, 2020  
Subject: 2020 Year-End Budget Adjustment

---

## **BACKGROUND**

The proposed budget adjustment makes the following types of modification to the current biennium:

- Revise the beginning fund balance by adjusting the estimated amount to reflect the final 2019 ending (Anomaly – to account for unanticipated revenues received after FY2019 closing).
- Adjustments to incorporate items previously approved by the City Council;
- Appropriate projects funded by grants and contributions;
- New allocations on an exception basis.

The budget adjustment does not revise the budget to match the 2020 year-end estimates as prepared for the 2021/2022 biennial budget. However, following the City Manager's directives and action strategies below (through 2020 and continue indefinitely through 2021/2022) to mitigate the impact of the COVID-19 pandemic, it is expected that by year-end, we will meet or exceed the 2020 year-end estimated General Fund ending fund balance.

- All current and future vacant positions will not be filled in the foreseeable future, with exceptions given funding sources, legal mandates and/or reporting requirements.
- All discretionary spending are on hold indefinitely. Only those expenditures related to basic services are authorized.
- Anything not covered above shall be approved in advance after review by Assistant City Manager/Administrative Services and City Manager.
- Fleet & equipment, information technology, and property management projects and replacements shall only include essential items as well as those completed by December 31, 2020.
- Transportation, parks and sewer improvement projects will continued as planned for 2020 given these projects are funded with very limited general government funds.
- Excess REET will be set aside to offset any decrease in 2020 REET collections and to ensure payment of debt service in 2020 and 2021.

## **NEXT STEPS**

- Public Hearing – November 2, 2020 Regular Council Meeting
- Adoption – November 16, 2020 Regular Council Meeting

## PROPOSED BUDGET ADJUSTMENT SUMMARY

- Increases beginning fund balance by \$0.01M, resulting in a revised estimate of \$39.65M;
- Increases revenues by \$5.58M, resulting in a revised estimate of \$96.42M;
- Increases expenditures by \$5.28M, resulting in a revised estimate of \$116.44M; and
- Increases ending fund balance by \$0.31M, resulting in a revised estimate of \$19.64M.

The table below provides a breakdown of the proposed budget adjustment (\$ in millions):

| Fund Group       | Beginning Fund Balance |               |                     | Revenue        |               |                     | Expenditure     |               |                     | Ending Fund Balance |               |                     |
|------------------|------------------------|---------------|---------------------|----------------|---------------|---------------------|-----------------|---------------|---------------------|---------------------|---------------|---------------------|
|                  | Current Budget         | Prop Adjust   | Prop Revised Budget | Current Budget | Prop Adjust   | Prop Revised Budget | Current Budget  | Prop Adjust   | Prop Revised Budget | Current Budget      | Prop Adjust   | Prop Revised Budget |
| <b>Total</b>     | <b>\$39.64</b>         | <b>\$0.01</b> | <b>\$39.65</b>      | <b>\$90.84</b> | <b>\$5.58</b> | <b>\$96.42</b>      | <b>\$111.15</b> | <b>\$5.28</b> | <b>\$116.44</b>     | <b>\$19.33</b>      | <b>\$0.31</b> | <b>\$19.64</b>      |
| General          | \$ 9.87                | \$ -          | \$ 9.87             | \$ 40.81       | \$ 2.98       | \$ 43.79            | \$ 42.57        | \$ 3.00       | \$ 45.57            | \$ 8.11             | \$ (0.02)     | \$ 8.09             |
| Special Revenue  | \$ 5.32                | \$ -          | \$ 5.32             | \$ 16.60       | \$ 1.48       | \$ 18.08            | \$ 18.97        | \$ 1.14       | \$ 20.12            | \$ 2.94             | \$ 0.34       | \$ 3.28             |
| Debt Service     | \$ 0.49                | \$ -          | \$ 0.49             | \$ 2.53        | \$ -          | \$ 2.53             | \$ 2.32         | \$ -          | \$ 2.32             | \$ 0.70             | \$ -          | \$ 0.70             |
| Capital Projects | \$15.30                | \$0.01        | \$15.32             | \$ 18.79       | \$ 1.08       | \$19.87             | \$ 32.61        | \$ 1.08       | \$ 33.69            | \$ 1.49             | \$ 0.01       | \$ 1.50             |
| Enterprise       | \$ 4.31                | \$ -          | \$ 4.31             | \$ 4.68        | \$ -          | \$ 4.68             | \$ 7.43         | \$ 0.12       | \$ 7.55             | \$ 1.56             | \$ (0.12)     | \$ 1.43             |
| Internal Service | \$ 4.36                | \$ -          | \$ 4.36             | \$ 7.43        | \$ 0.04       | \$ 7.47             | \$ 7.25         | \$ (0.07)     | \$ 7.19             | \$ 4.54             | \$ 0.10       | \$ 4.64             |

## GENERAL FUND ENDING FUND BALANCE

In support of the City's financial integrity, the City Council originally adopted on September 15, 2014, a set of financial policies including fund balance reserves totaling 12% of General/Street O&M Funds operating revenues as follows:

- 2% General Fund Contingency Reserves: The purpose of this reserve is to accommodate unexpected operational changes, legislative impacts, or other economic events affecting the City's operations which could not have been reasonably anticipated at the time the original budget was prepared.
- 5% General Fund Ending Fund Balance Reserves: The purpose of this reserve is to provide financial stability, cash flow for operations and the assurance that the City will be able to respond to revenue shortfalls with fiscal strength.
- 5% Strategic Reserves: The purpose of this reserve is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters or similarly major, unanticipated events.

With the 2020 year-end estimates prepared as part of the 2021/2022 proposed biennial budget, 2020 estimated General/Street O&M Funds ending fund balance of \$5.8M equates to 15% of General/Street O&M Funds operating revenues and is in alignment with the City's financial policies. The composition of the \$5.8M consists of \$4.5M or 12% allocated to General Fund Reserves and Unreserved set aside for 2021/2022 biennium to assist in mitigating the impact of COVID-19 pandemic.

\$747K for 2% General Fund Contingency Reserves

\$1.9M for 5% General Fund Ending Fund Balance Reserves

\$1.9M for 5% Strategic Reserves

**\$4.5M Total Reserves**

\$1.3M Unreserved Designated for 2021/2022 Budget to Mitigate Impact of COVID-19

**\$5.8M Total Estimated Ending Fund Balance at 12/31/2020**

## PROPOSED BUDGET ADJUSTMENT DETAILS

The narrative below provides detailed information on the proposed budget adjustments. A summarized list is included as an attachment to this memo.

### **Fund 001 General**

#### ***Comprehensive Plan Energy and Climate Change, Grant/1-Time***

Add \$20,000 in revenues and expenditures for grant received from Washington State Department of Commerce Growth Management Services for 2020/2021 Climate Change Grant. The purpose of this grant is to assist the City with development of a new, separate Comprehensive Plan Energy and Climate change Chapter that includes goals, policies and objectives and replaces the current sustainability chapter.

#### ***COVID-19 Coronavirus Relief Funds, Grant/1-Time***

Add \$2,685,150 in revenues and \$2,560,150 (reimbursements for payroll expenses related to straight time not budgeted) in expenditures for grant received from the Washington State Department of Commerce for Coronavirus Relief Fund for local governments for costs incurred due to the public health emergency with respect to the COVID-19 during the periods March 1, 2020 through November 30, 2020. Final invoices must be received by December 15, 2020. The grant allocation as approved by the City Council is as follows:

**Public Partners \$177,013** – This assistance program provides for public agencies or organizations (e.g. utility, fire service, library) providing services within the City of Lakewood that has COVID-19 related cost burdens that will not otherwise be reimbursed.

**Business Assistance \$745,567** – This assistance programs provides support small businesses impacted by the COVID-19 pandemic. The program is focused on providing much needed capital to sustain business operations and retain employees who may otherwise be laid off as a result of the current economic climate.

**Human Services \$674,500** – This assistance program provides for human services agencies and organizations with whom the City of Lakewood has pre-existing service contracts and who can assist the City with providing financial, housing, and child care to city residents. The program also provides \$18,000 in mini-grants to licensed child care providers in Lakewood. The funds are available to providers to increase safety measures to maintain healthy environment.

**Commercial Landlord \$250,000** – This programs provides rental relief to Lakewood commercial landlords that have lost revenue due to measures taken during the pandemic to minimize the public's exposure to COVID-19. The program provides up to \$5,000 per month, per location and up to six and a half months of assistance for a maximum of \$37,500 for each tenant that a landlord has within one property.

**Other \$838,070** – This program provides for expenditures: to facilitate compliance with COVID-19 measures such as telework capabilities for employees; public health expenses (communication and enforcement of public health measures, medical and protective supplies, including sanitation supplies, disinfecting public areas and other facilities, public safety measures undertaken); economic support (translation services, web development); and payroll expenses incurred related to public safety, economic development, public health, human services).

#### ***COVID-19 CARES Act Facility Safety Improvements, Grant/1-Time***

Add \$171,500 in revenues and expenditures for grant received from Pierce County's CARES Act monies to purchase equipment and make essential facility improvements and modifications to allow for a safe reopening for recreation and special events in Phase 2 and Phase 4. These essential improvements and modifications include: retrofit public restrooms with touch free fixtures, portable pedestal hand sanitizing stations; stanchions and barriers to create physically distance line queuing; PPE, public address systems at all entries to communicate health and safety policies; handheld barcode readers and software; portable restroom trailer; HVAC updates; automatic gate; exterior security infrastructure to create appropriate entry spacing; portable pressure washing system; signage; event and venue staff training; improved access control system to reduce touchpoints; portable Plexiglas guards; and portable kiosk.

***COVID-19 Pierce County Emergency Operations Senior Center, Grant/1-Time***

Add \$7,000 in revenues and expenditures for grant received from Pierce County CARES Act. This grant will pay for COVID-19 specific programs, deep cleaning of the center, purchase of PPE, purchase of supplies necessary to facilitate a safe environment for reopening and purchase of disposable, single-use goods, and cameras for virtual classes at the Lakewood Senior Activity Center.

***COVID-19 Emergency Management Planning, Grant/1-Time***

Add \$22,495 for grant received from Pierce County's EOC CARES Act. The grant is for the purpose of paying for over time related costs for the West Pierce Emergency Management Assistant Coordinator. These funds support the collection of data and ongoing communications of community lifelines related to the response to COVID.

***COVID-19 Washington State Military Emergency Planning, Grant/1-Time***

Add \$11,210 in revenues and expenditures for grant received from Washington State Military Department Emergency Management Performance Grant COVID-19 Supplemental. The purpose of this program is to provide US Department of Homeland Security (DHS)/Federal Emergency Agency (FEMA) federal award funds to assist state, local, territorial, and tribal governments with their public health and emergency management activities supporting the prevention of, preparation for, response to, and recovery from the COVID-19 public health emergency. This grant is specifically for the purpose of paying for over time related costs for the West Pierce Emergency Management Assistant Coordinator. These funds support the collection of data and ongoing communications of community lifelines related to the response to COVID.

***COVID-19 Emergency Management Planning, Grant/1-Time***

Add \$45,000 for grant received from Douglas County. The grant is for the purpose of paying for over time related costs to support Chelan and Douglas County in response to the COVID-19 pandemic. These funds support the collection of data and ongoing communications of community lifelines.

***CHOICE Contract Increase, Grant/1-Time***

Add \$20,000 in revenues and expenditures for increase in grant contract which includes and increase to City administrative fee. The current contract was for \$110,000 per year for two years which included an 8% contract administration fee (approximately \$8,906/year) for service. The updated contract provides for \$18,600 increase for program work and additional \$1,400 in administrative fees to offset costs associated with being the fiscal agent dating back to July 1, 2020. The grant funding period remains July 1, 2019 through June 30, 2021.

***Transfers to Parks CIP, New/1-Time***

Transfer \$212,000 to 301.0032 Springbrook Park Expansion/Acquisition for the purchase of the Louwien property of \$184,000 and related fees for negotiations by outside legal counsel.

**Fund 102 Real Estate Excise Tax**

***Transfer to Transportation CIP, New/1-Time***

Transfer \$548,722 to Transportation CIP for JBLM North Access Design, funded by an ending fund balance and increase in real estate excise tax revenue of \$248,722.

**Fund 103 Transportation Benefit District**

***Reinstate Transportation Benefit District Budget, New/Ongoing***

Add \$835,000 in revenues and \$195,000 expenditures funded by the \$20 vehicle licensing fee. \$260,000 is earmarked to restore 2022 funding for minor capital/major capital/pavement patching and \$380,000 for the chip seal program which are eligible projects for TBD funding. The remaining \$195,000 is for JBLM North Access Design.

Background: On October 15, 2020, the Washington State Supreme Court ruled on the constitutionality of I-976 and struck down the initiative because it contained multiple subjects and a misleading ballot title. Now that the court has ruled, the 2020 vehicle license fees that the City has been receiving from the State Department of Licensing (DOL) will now be recognized as revenue.

## **Fund 181 Felony Seizure**

### ***Felony Seizure, New/1-Time***

Add \$41,000 in expenditures funded by felony seizure related activity. The purpose of this fund is for tracking assets seized under RCW 10.105.101 and the related expenditures. The state statute authorizes the seizure of assets that have been or was actually employed as an instrumentality in the commission or in the aiding or abetting in the commission of any felony, or which was furnished or was intended to be furnished by any person in the commission of, as a result of, or as a compensation for the commission of, any felony, or which was acquired in whole or in part with the proceeds traceable to the commission of a felony. Funds shall be used exclusively by the City in the expansion and improvement of law enforcement activity; however may not be used to supplant existing funding sources.

## **Fund 182 Federal Seizure**

### ***Federal Seizure, Continuation/1-Time***

Add \$100,000 for purchase of replacement boat offset by a reduction in the current existing budget, funded by federal seizure related revenue. The purpose of this fund is to track the revenues associated with assets seized as a result the Police Department working in conjunction with federal law enforcement.

The Federal Equity Sharing Guidelines lists the following (funds shall be used to increase or supplement and not be used to replace or supplant):

Permissible Uses: law enforcement investigations; law enforcement training, law enforcement and detention facilities; law enforcement equipment; law enforcement travel and transportation; law enforcement awards and memorials; drug and gang education awareness programs; matching fund for grants; pro rata funding of the law enforcement agency's percentage of costs associated with supporting multi-agency items or facilities; asset accounting and tracking of expenditures of federally shared funds; language assistance services in connection with law enforcement activity; transfers of cash to other law enforcement agencies; support of community-based programs (cash transfers to community-based programs are not permitted); and windfall situations to provide additional support to community –based programs.

Impermissible Uses: Salaries and benefits of permanent law enforcement personnel, except in limited circumstances (i.e. express statutory authorization, overtime of officers and investigators, new positions and temporary or not-to-exceed one year appointments and salary of an officer hired to replace an officer assigned to a task force, specialized programs that generally to not involve traditional law enforcement functions); use of forfeited property by non-law enforcement personnel; payment of education-related costs; uses contrary to the laws of the state or local jurisdiction; non-official government use of shared assets; purchase of food and beverage (except for conference and meals during local operations); extravagant expenditures

## **Fund 192 Office of Economic Adjustment/South Sound Military Communities Partnership**

### ***North Clear Zone, Grant/1-Time***

Increase grant revenues by \$47,000 and expenditures by \$47,000 resulting \$1,500,000 in revenues and \$1,500,000 in expenditures received from Department of Defense Readiness and Environmental Protection Integration (REPI) grant. These funds are to be used to develop a buffer zone in the North Clear zone adjacent to JBLM (Joint Base Lewis McChord), which includes the purchase of the Tactical Tailor property.

The budget adjustment results in a life-to-date through 2020 cost estimate of \$6,914,698 funded by the following grants:

- \$3,566,565 United States Air Force (Amount carried forward from 2019)
- \$1,500,000 DoD REPI Funds
- \$768,133 WA State Department of Commerce
- \$580,000 Pierce County 2020 Budget Funds
- \$500,000 WA State Capital Budget Funds

**Fund 195 Public Safety Grants**

***Emergency Management Planning, Grant/1-Time***

Add \$50,877 in revenue and expenditures for grant received from the Washington State Military Department. The purpose of this grant is to pay for a portion of the salary and benefits of an emergency management coordinator’s position shared in cooperation with the West Pierce Emergency Management Coalition (WPEMC) which includes the City of Lakewood, West Pierce Fire and Rescue, and the City of University Place. This grant requires a match of \$84,797 which is to be provided by the coalition partner’s balance of personnel costs contributions after grant funding. The estimated match funding would be allocated: West Pierce Fire \$33,919; City of University Place \$24,369, and City of Lakewood \$26,509. The City of Lakewood has its match portion budgeted. The grant period runs from 7/1/2020 through 8/31/2021.

***COVID-19 Department of Justice (JAG) Supplemental, Grant/1-Time***

Add \$134,430 in revenues and expenditures for grant received from Department of Justice (JAG) COVID-19 Supplemental. The Coronavirus Emergency Supplemental Funding (CESF) Program allows local governments to support a broad range of activities to prevent, prepare for, and respond to the coronavirus. The City of Lakewood will use these funds from equipment and supplies.

***Washington Auto Theft Prevention Authority (WAPTA), Grant/1-Time***

Add \$127,800 in revenues and expenditures for grant received from Washington Auto Theft Task Prevention Authority. This funding through the City of Federal Way provides for the position of an Auto Crimes Enforcement Task Force Investigators who are assigned to the WAPTA program. There is no local match required. The mission of the WAPTA is to prevent and reduce motor thefts in the State

**Fund 301 Parks Capital**

***301.0027 American Lake Park Improvements, Grant/1-Time***

Add \$3,500 in revenues and expenditures for grant received from the Greater Tacoma Community Foundation. South Sound Together has a desire to fund murals in the community that beautify spaces and encourage community engagement while supporting and promoting the South Sound Proud community badge and promotional slogan “Live Like the Mountain’s Out”. The American Lake Park boat launch retaining wall has been chosen as one of these sites.

The budget adjustments results in a life-to-date through 2020 cost estimate of \$288,500 funded by:

- \$35,000 Pierce County Grant
- \$250,000 REET
- \$3,500 Greater Tacoma Community Foundation Grant
- \$288,500 Total Sources**

***301.0032 Springbrook Park Expansion, Continuation & New/1-Time***

Add \$212,000 in expenditures for the purchase of the Louwien property and related outside legal counsel for negotiations funded by General Fund.

This budget adjustment results in a life-to-date through 2020 cost estimate of \$1,103,616 funded by:

- \$788,000 Funds Anticipated – State Legislative Ask
- \$10,000 TPCHD Grant
- \$212,000 General Fund
- \$121,616 Springbrook Park Acquisition Phase III Project Savings
- \$1,131,616 Total Sources**

**Fund 302 Transportation Capital**

***302.0135 JBLM – North Access Design, New/1-Time***

Add \$908,730 in expenditure for project design funded by transfer in of \$743,722 from real estate excise tax and \$121,930 from Surface Water Management Fund for storm drainage element of project.

The budget adjustment result in a life-to-date through 2020 cost estimate of \$2,345,000 funded by:

\$443,930 SWM  
\$786,800 REET  
\$784,270 GO Bonds  
\$2,058,068 Subtotal Sources in Project 302.0135  
\$50,000 SWM  
\$280,000 GO Bonds  
\$330,000 Subtotal Sources in Project 302.0077  
**\$2,345,000 Total Sources**

**Fund 401 Surface Water Management**

Add \$121,930 in expenditures to account for transfer to Transportation CIP JBLM North Access Design for storm drainage related element of the project.

**Fund 501 Fleet & Equipment**

***Police Boat Replacement, Housekeeping/1-Time***

Remove \$100,000 budget for replacing SAFE Boat, funded by replacement reserves. The boat will be purchased from Federal Seizure fund. Additionally, add \$35,000 in expenditures funded by proceeds from sale of boat for upgrades and costs associated with replacement boat.



**2020 Carry Forward Budget Adjustment  
Summary of Proposed Requests**

|   | Adjustment Type | Ongoing 1-Time | Year 2020           |                     |
|---|-----------------|----------------|---------------------|---------------------|
|   |                 |                | Revenue             | Expenditure         |
| <b>Grand Total - All Funds</b>  |                 |                | <b>\$ 5,583,336</b> | <b>\$ 5,284,771</b> |
| <b>Total - Fund 001 General</b>   |                 |                | <b>\$ 2,982,355</b> | <b>\$ 3,001,860</b> |
| Comprehensive Plan Energy and Climate Change  | New/Grant       | 1-Time         | 20,000              | 20,000              |
| COVID-19 Grant - Coronavirus Relief Funds (CRF)   | New/Grant       | 1-Time         | 2,685,150           | 2,560,150           |
| COVID-19 Grant - CARES Act Facility Safety Improvements   | New/Grant       | 1-Time         | 171,500             | 171,500             |
| COVID-19 Grant - Pierce County EOC CARES Senior Center  | New/Grant       | 1-Time         | 7,000               | 7,000               |
| COVID-19 Grant - Pierce County EOC Reimbursement  | New/Grant       | 1-Time         | 22,495              | -                   |
| COVID-19 Grant - WA State Military - Emergency Management   | New/Grant       | 1-Time         | 11,210              | 11,210              |
| COVID-19 Grant - Douglas County EOC Reimbursement - Chelan Fires  | New/Grant       | 1-Time         | 45,000              | -                   |
| CHOICE Grant Increase   | New/Grant       | 1-time         | 20,000              | 20,000              |
| Transfer to Parks CIP - For Springbrook Park Property Acquisition/Louwien Property                                      | New/Grant       | 1-Time         | -                   | 212,000             |
| <b>Total - Special Revenue Funds</b>  |                 |                | <b>\$ 1,484,829</b> | <b>\$ 1,144,829</b> |
| <b>Total - Fund 102 Real Estate Excise Tax</b>  |                 |                | <b>\$ 248,722</b>   | <b>\$ 548,722</b>   |
| Transfer to Transportation CIP - For JBLM North Access Design Funded by Increase in REET Revenue                        | New/CIP         | 1-Time         | 248,722             | 548,722             |
| <b>Total - Fund 103 Transportation Benefit District</b>   |                 |                | <b>\$ 835,000</b>   | <b>\$ 195,000</b>   |
| \$20 Vehicle Licensing Fee  | New             | Ongoing        | 835,000             | -                   |
| Transfer to JBLM North Access Design  | New/CIP         | 1-Time         | -                   | 195,000             |
| <b>Total - Fund 181 Felony Seizure</b>  |                 |                | <b>\$ 41,000</b>    | <b>\$ 41,000</b>    |
| Felony Seizure Authorized Uses Funded by Felony Seizure Revenues  | New             | 1-Time         | 41,000              | 41,000              |
| <b>Total - Fund 182 Federal Seizure</b>   |                 |                | <b>\$ -</b>         | <b>\$ -</b>         |
| Purchase of Replacement Boat  | New             | 1-Time         | -                   | 100,000             |
| Reduce Current Budget to Accommodate Boat Purchase  | New             | 1-Time         | -                   | (100,000)           |
| <b>Total - Fund 192 OEA/SSMCP</b>   |                 |                | <b>\$ 47,000</b>    | <b>\$ 47,000</b>    |
| North Clear Zone - Dept of Defense Readiness and Environmental Protection Integration (REPI) Funds                      | New/Grant       | 1-Time         | 47,000              | 47,000              |
| <b>Total - Fund 195 Public Safety Grants</b>  |                 |                | <b>\$ 313,107</b>   | <b>\$ 313,107</b>   |
| PD - Emergency Management Planning Grant  | New/Grant       | 1-Time         | 50,877              | 50,877              |
| PD - COVID-19 Grant - JAG Supplemental  | New/Grant       | 1-Time         | 134,430             | 134,430             |
| PD - Washington Auto Theft Task Force   | New/Grant       | 1-Time         | 127,800             | 127,800             |
| <b>Total - Capital Improvement Project Funds</b>  |                 |                | <b>\$ 1,081,152</b> | <b>\$ 1,081,152</b> |
| <b>Total - Fund 301 Parks CIP</b>   |                 |                | <b>\$ 215,500</b>   | <b>\$ 215,500</b>   |
| South Sound Together Fund Mural   | New Grant       | 1-Time         | 3,500               | 3,500               |
| Transfer from General Fund - For Springbrook Park Property Acquisition \$184,000 & Outside Legal Counsel Fees \$28,000  | New             | 1-Time         | 212,000             | 212,000             |
| <b>Total - Fund 302 Transportation CIP</b>  |                 |                | <b>\$ 865,652</b>   | <b>\$ 865,652</b>   |
| Transfer In from SWM - For JBLM North Access Design for Storm Drainage Element of Project                               | New/CIP         | 1-Time         | 121,930             | 121,930             |
| Transfer in from REET - For JBLM North Access Design  | New/CIP         | 1-Time         | 548,722             | 548,722             |
| Transfer in From TBD \$20 VLF - For JBLM North Access Design  | New/CIP         | 1-time         | 195,000             | 195,000             |
| <b>Total - Enterprise Funds</b>   |                 |                | <b>\$ -</b>         | <b>\$ 121,930</b>   |
| <b>Total - Fund 401 Surface Water Management</b>  |                 |                | <b>\$ -</b>         | <b>\$ 121,930</b>   |
| Transfer to Transportation CIP -  | New/CIP         | 1-Time         | -                   | 121,930             |
| <b>Total - Internal Service Funds</b>   |                 |                | <b>\$ 35,000</b>    | <b>\$ (65,000)</b>  |
| <b>Total - Fund 501 Fleet &amp; Equipment</b>   |                 |                | <b>\$ 35,000</b>    | <b>\$ (65,000)</b>  |
| Remove Purchase of Replacement Boat - To Be Purchased with Seizure Funds Instead  | Housekeepin     | 1-Time         | -                   | (100,000)           |
| Upgrades and Costs Associated with Replacement Boat Purchased Funded by Anticipated Proceeds from Sale of Existing Boat | New             | 1-Time         | 35,000              | 35,000              |



|  | 2018<br>Annual Actual | 2019<br>Annual Actual | 2019<br>YTD Actual  | 2020<br>Original Budget | 2020<br>Revised Budget | 2020<br>YND BudAdj | 2020 Budget<br>Prop Revised |
|--|-----------------------|-----------------------|---------------------|-------------------------|------------------------|--------------------|-----------------------------|
| <b>(001) GENERAL FUND</b>                        |                       |                       |                     |                         |                        |                    |                             |
| <i>REVENUES:</i>                                 |                       |                       |                     |                         |                        |                    |                             |
| <b>Taxes</b>                                     | <b>\$28,837,365</b>   | <b>\$30,197,457</b>   | <b>\$23,737,558</b> | <b>\$27,970,400</b>     | <b>\$28,604,900</b>    | <b>\$0</b>         | <b>\$28,604,900</b>         |
| Property Tax                                     | 6,910,944             | 7,159,443             | 6,566,879           | 7,202,400               | 7,400,000              | -                  | 7,400,000                   |
| Local Sales & Use Tax                            | 10,978,014            | 11,955,004            | 8,956,460           | 9,951,100               | 10,630,000             | -                  | 10,630,000                  |
| Sales/Parks                                      | 631,395               | 663,655               | 497,191             | 620,900                 | 650,900                | -                  | 650,900                     |
| Brokered Natural Gas Use Tax                     | 41,558                | 50,477                | 40,676              | 30,000                  | 40,000                 | -                  | 40,000                      |
| Criminal Justice Sales Tax                       | 1,133,354             | 1,179,058             | 878,199             | 1,111,200               | 1,166,200              | -                  | 1,166,200                   |
| Admissions Tax                                   | 545,816               | 504,879               | 377,069             | 496,000                 | 496,000                | -                  | 496,000                     |
| Utility Tax                                      | 5,408,728             | 5,575,351             | 4,001,774           | 5,745,800               | 5,415,800              | -                  | 5,415,800                   |
| Leasehold Tax                                    | 5,901                 | 9,779                 | 3,553               | 12,000                  | 5,000                  | -                  | 5,000                       |
| Gambling Tax                                     | 3,181,655             | 3,099,813             | 2,415,758           | 2,801,000               | 2,801,000              | -                  | 2,801,000                   |
| <b>Franchise Fees</b>                            | <b>4,035,453</b>      | <b>4,145,138</b>      | <b>3,102,532</b>    | <b>4,232,100</b>        | <b>4,335,700</b>       | <b>-</b>           | <b>4,335,700</b>            |
| Cable, Water, Sewer, Solid Waste                 | 2,945,276             | 3,021,837             | 2,260,056           | 3,049,000               | 3,172,600              | -                  | 3,172,600                   |
| Tacoma Power                                     | 1,090,176             | 1,123,301             | 842,476             | 1,183,100               | 1,163,100              | -                  | 1,163,100                   |
| Small Cell                                       | -                     | -                     | -                   | -                       | -                      | -                  | -                           |
| <b>Development Service Fees</b>                  | <b>2,204,665</b>      | <b>1,749,026</b>      | <b>1,112,667</b>    | <b>1,744,000</b>        | <b>1,744,000</b>       | <b>-</b>           | <b>1,744,000</b>            |
| Building Permits                                 | 897,791               | 690,016               | 422,147             | 728,300                 | 728,300                | -                  | 728,300                     |
| Other Building Permit Fees                       | 492,983               | 315,885               | 197,271             | 316,400                 | 316,400                | -                  | 316,400                     |
| Plan Review/Plan Check Fees                      | 625,754               | 603,498               | 384,685             | 575,200                 | 575,200                | -                  | 575,200                     |
| Other Zoning/Development Fees                    | 188,137               | 139,627               | 108,564             | 124,100                 | 124,100                | -                  | 124,100                     |
| <b>Licenses &amp; Permits</b>                    | <b>417,487</b>        | <b>415,674</b>        | <b>316,327</b>      | <b>384,000</b>          | <b>421,525</b>         | <b>-</b>           | <b>421,525</b>              |
| Business License                                 | 275,552               | 292,489               | 234,769             | 314,000                 | 276,525                | -                  | 276,525                     |
| Alarm Permits & Fees                             | 104,411               | 84,348                | 45,034              | 30,000                  | 105,000                | -                  | 105,000                     |
| Animal Licenses                                  | 37,525                | 38,838                | 36,524              | 40,000                  | 40,000                 | -                  | 40,000                      |
| <b>State Shared Revenues</b>                     | <b>1,195,471</b>      | <b>1,144,373</b>      | <b>861,919</b>      | <b>1,255,900</b>        | <b>1,178,900</b>       | <b>-</b>           | <b>1,178,900</b>            |
| Sales Tax Mitigation                             | 10,006                | -                     | -                   | -                       | -                      | -                  | -                           |
| Criminal Justice                                 | 158,293               | 167,506               | 125,135             | 154,000                 | 154,000                | -                  | 154,000                     |
| Criminal Justice High Crime                      | 231,905               | 162,777               | 122,793             | 318,800                 | 241,800                | -                  | 241,800                     |
| Liquor Excise Tax                                | 304,078               | 330,276               | 251,123             | 291,700                 | 291,700                | -                  | 291,700                     |
| Liquor Board Profits                             | 491,189               | 483,806               | 362,864             | 491,400                 | 491,400                | -                  | 491,400                     |
| Marijuana Enforcement/Excise Tax                 | 1                     | 8                     | 4                   |                         |                        |                    | -                           |
| <b>Intergovernmental</b>                         | <b>512,739</b>        | <b>528,086</b>        | <b>405,418</b>      | <b>576,450</b>          | <b>424,134</b>         | <b>-</b>           | <b>424,134</b>              |
| Police FBI & Other Misc                          | 12,640                | 14,080                | 14,080              | 12,000                  | 12,000                 | -                  | 12,000                      |
| Police-Animal Svcs-Steilacoom                    | 13,740                | 18,012                | 12,613              | 14,380                  | 16,368                 | -                  | 16,368                      |
| Police-Animal Svcs-Dupont                        | 29,533                | 33,252                | 24,939              | 29,770                  | 33,877                 | -                  | 33,877                      |
| Police-South Sound 911 Background Investigations | 19,593                | 32,640                | 23,943              | 3,000                   | 3,000                  | -                  | 3,000                       |
| Muni Court-University Place Contract             | 285,396               | 153,321               | 126,714             | 294,000                 | 251,187                | -                  | 251,187                     |
| Muni Court-Town of Steilacoom Contract           | 111,537               | 155,276               | 113,092             | 114,900                 | 72,137                 | -                  | 72,137                      |
| Muni Court-City of Dupont                        | 40,301                | 121,505               | 90,037              | 108,400                 | 35,565                 | -                  | 35,565                      |

|  | 2018<br>Annual Actual | 2019<br>Annual Actual | 2019<br>YTD Actual  | 2020<br>Original Budget | 2020<br>Revised Budget | 2020<br>YND BudAdj | 2020 Budget<br>Prop Revised |
|--|-----------------------|-----------------------|---------------------|-------------------------|------------------------|--------------------|-----------------------------|
| <b>(001) GENERAL FUND-continued</b>                |                       |                       |                     |                         |                        |                    |                             |
| <b>Charges for Services &amp; Fees</b>             | <b>1,300,239</b>      | <b>1,648,838</b>      | <b>1,087,876</b>    | <b>1,442,700</b>        | <b>1,467,700</b>       | -                  | <b>1,467,700</b>            |
| Parks & Recreation Fees                            | 250,101               | 279,541               | 223,029             | 288,700                 | 313,700                | -                  | 313,700                     |
| Police - Various Contracts                         | 15,507                | 23,643                | 22,070              | 7,000                   | 7,000                  | -                  | 7,000                       |
| Police - Towing Impound Fees                       | 10,300                | 6,300                 | 6,000               | 12,000                  | 12,000                 | -                  | 12,000                      |
| Police - Extra Duty                                | 655,726               | 978,470               | 644,452             | 775,000                 | 775,000                | -                  | 775,000                     |
| Police - Western State Hospital Community Policing | 366,750               | 355,500               | 189,000             | 355,500                 | 355,500                | -                  | 355,500                     |
| Other  | 1,855                 | 5,384                 | 3,325               | 4,500                   | 4,500                  | -                  | 4,500                       |
| <b>Fines &amp; Forfeitures</b>                     | <b>1,626,872</b>      | <b>1,762,837</b>      | <b>1,298,776</b>    | <b>1,560,900</b>        | <b>1,483,400</b>       | -                  | <b>1,483,400</b>            |
| Municipal Court                                    | 798,411               | 812,773               | 634,075             | 860,900                 | 783,400                | -                  | 783,400                     |
| Photo Infraction                                   | 828,460               | 950,064               | 664,701             | 700,000                 | 700,000                | -                  | 700,000                     |
| <b>Miscellaneous/Interest/Other</b>                | <b>325,024</b>        | <b>417,942</b>        | <b>250,077</b>      | <b>133,700</b>          | <b>142,964</b>         | -                  | <b>142,964</b>              |
| Interest Earnings                                  | 130,742               | 160,388               | 121,260             | 68,000                  | 68,000                 | -                  | 68,000                      |
| Penalties & Interest - Taxes                       | 77,122                | 167,569               | 57,559              | 15,200                  | 15,200                 | -                  | 15,200                      |
| Miscellaneous/Other                                | 117,160               | 89,985                | 71,258              | 50,500                  | 59,764                 | -                  | 59,764                      |
| <b>Interfund Transfers</b>                         | <b>284,700</b>        | <b>284,700</b>        | <b>213,525</b>      | <b>284,700</b>          | <b>284,700</b>         | -                  | <b>284,700</b>              |
| Transfers In - Fund 401 SWM                        | 284,700               | 284,700               | 213,525             | 284,700                 | 284,700                | -                  | 284,700                     |
| <b>Subtotal Operating Revenues</b>                 | <b>\$40,740,015</b>   | <b>\$42,294,072</b>   | <b>\$32,386,676</b> | <b>\$39,584,850</b>     | <b>\$40,087,923</b>    | <b>\$0</b>         | <b>\$40,087,923</b>         |
| <i>EXPENDITURES:</i>                               |                       |                       |                     |                         |                        |                    |                             |
| <b>City Council</b>                                | <b>122,436</b>        | <b>135,995</b>        | <b>97,992</b>       | <b>136,853</b>          | <b>155,073</b>         | -                  | <b>155,073</b>              |
| Legislative  | 122,436               | 133,874               | 95,871              | 133,403                 | 151,623                | -                  | 151,623                     |
| Sister City  | -                     | 2,121                 | 2,121               | 3,450                   | 3,450                  | -                  | 3,450                       |
| <b>City Manager</b>                                | <b>706,432</b>        | <b>722,760</b>        | <b>537,163</b>      | <b>716,460</b>          | <b>735,971</b>         | -                  | <b>735,971</b>              |
| Executive  | 559,533               | 567,347               | 422,432             | 563,586                 | 583,097                | -                  | 583,097                     |
| Communications                                     | 146,899               | 155,413               | 114,732             | 152,874                 | 152,874                | -                  | 152,874                     |
| <b>Municipal Court</b>                             | <b>2,050,968</b>      | <b>1,958,515</b>      | <b>1,486,295</b>    | <b>2,158,419</b>        | <b>2,165,074</b>       | -                  | <b>2,165,074</b>            |
| Judicial Services                                  | 1,092,375             | 1,065,824             | 808,575             | 1,099,223               | 1,105,878              | -                  | 1,105,878                   |
| Professional Services                              | 652,000               | 591,672               | 456,809             | 658,400                 | 658,400                | -                  | 658,400                     |
| Probation & Detention                              | 306,592               | 301,019               | 220,911             | 400,796                 | 400,796                | -                  | 400,796                     |
| <b>Administrative Services</b>                     | <b>1,731,553</b>      | <b>1,775,396</b>      | <b>1,371,812</b>    | <b>1,863,255</b>        | <b>1,877,297</b>       | -                  | <b>1,877,297</b>            |
| Finance  | 1,166,248             | 1,193,231             | 930,977             | 1,254,474               | 1,259,386              | -                  | 1,259,386                   |
| Human Resources                                    | 565,305               | 582,165               | 440,835             | 608,781                 | 617,911                | -                  | 617,911                     |
| <b>Legal</b>                                       | <b>1,699,409</b>      | <b>1,706,817</b>      | <b>1,161,622</b>    | <b>1,681,540</b>        | <b>1,688,196</b>       | -                  | <b>1,688,196</b>            |
| Civil Legal Services                               | 1,087,523             | 1,124,353             | 807,308             | 950,693                 | 956,017                | -                  | 956,017                     |
| Criminal Prosecution Services                      | 240,632               | 232,724               | 199,567             | 351,722                 | 351,722                | -                  | 351,722                     |
| City Clerk   | 287,036               | 204,178               | 154,747             | 289,125                 | 290,457                | -                  | 290,457                     |
| Election   | 84,219                | 145,562               | -                   | 90,000                  | 90,000                 | -                  | 90,000                      |

|  | 2018<br>Annual Actual | 2019<br>Annual Actual | 2019<br>YTD Actual  | 2020<br>Original Budget | 2020<br>Revised Budget | 2020<br>YND BudAdj | 2020 Budget<br>Prop Revised |
|--|-----------------------|-----------------------|---------------------|-------------------------|------------------------|--------------------|-----------------------------|
| <b>(001) GENERAL FUND-continued</b>                    |                       |                       |                     |                         |                        |                    |                             |
| <b>Community &amp; Economic Development</b>            | <b>2,073,063</b>      | <b>2,266,964</b>      | <b>1,503,957</b>    | <b>2,223,800</b>        | <b>2,353,919</b>       | -                  | <b>2,353,919</b>            |
| Current Planning                                       | 659,093               | 718,158               | 530,109             | 721,574                 | 740,369                | -                  | 740,369                     |
| Long Range Planning                                    | 192,837               | 218,809               | 169,048             | 217,368                 | 226,765                | -                  | 226,765                     |
| Building   | 1,035,962             | 1,146,618             | 680,064             | 1,093,347               | 1,192,142              | -                  | 1,192,142                   |
| Economic Development                                   | 185,169               | 183,379               | 124,736             | 191,511                 | 194,643                | -                  | 194,643                     |
| <b>Parks, Recreation &amp; Community Services</b>      | <b>2,718,160</b>      | <b>2,903,440</b>      | <b>2,137,140</b>    | <b>2,821,605</b>        | <b>2,986,335</b>       | -                  | <b>2,986,335</b>            |
| Human Services   | 418,594               | 403,779               | 201,471             | 436,099                 | 436,099                | -                  | 436,099                     |
| Administration   | 301,174               | 329,201               | 262,356             | 316,462                 | 319,656                | -                  | 319,656                     |
| Recreation   | 405,448               | 467,173               | 397,721             | 422,141                 | 472,141                | -                  | 472,141                     |
| Senior Services  | 236,627               | 246,535               | 178,505             | 241,021                 | 241,021                | -                  | 241,021                     |
| Parks Facilities                                       | 500,484               | 544,466               | 410,608             | 504,716                 | 522,457                | -                  | 522,457                     |
| Fort Steilacoom Park                                   | 672,444               | 733,560               | 545,441             | 675,795                 | 710,600                | -                  | 710,600                     |
| Street Landscape Maintenance                           | 183,388               | 178,727               | 141,038             | 225,371                 | 284,360                | -                  | 284,360                     |
| <b>Police</b>  | <b>24,469,816</b>     | <b>24,953,309</b>     | <b>18,574,249</b>   | <b>25,369,543</b>       | <b>25,950,745</b>      | -                  | <b>25,950,745</b>           |
| Command  | 4,596,657             | 4,084,467             | 3,185,948           | 3,882,300               | 4,073,975              | -                  | 4,073,975                   |
| Jail Service   | 633,754               | 811,899               | 654,793             | 700,000                 | 950,000                | -                  | 950,000                     |
| Dispatch Services/SS911                                | 2,118,919             | 2,069,771             | 1,551,173           | 2,068,490               | 2,048,930              | -                  | 2,048,930                   |
| Investigations   | 3,385,410             | 3,935,607             | 2,909,493           | 4,717,513               | 4,744,668              | -                  | 4,744,668                   |
| Patrol   | 7,764,555             | 7,730,510             | 5,679,172           | 7,999,003               | 8,026,158              | -                  | 8,026,158                   |
| Special Units  | 913,301               | 373,704               | 272,314             | 110,850                 | 110,857                | -                  | 110,857                     |
| SWAT/Special Response Team                             | 124,032               | 148,476               | 78,344              | 118,176                 | 118,176                | -                  | 118,176                     |
| Neighborhood Policing Unit (Formerly Crime Prevention) | 1,114,361             | 1,195,099             | 866,124             | 1,371,776               | 1,398,931              | -                  | 1,398,931                   |
| Contracted Services (Extra Duty, offset by Revenue)    | 951,870               | 1,033,057             | 724,423             | 775,000                 | 775,000                | -                  | 775,000                     |
| Community Safety Resource Team (CSRT)                  | 421,180               | 403,968               | 302,366             | 389,286                 | 393,609                | -                  | 393,609                     |
| Training   | 286,671               | 843,556               | 619,902             | 799,837                 | 826,992                | -                  | 826,992                     |
| Traffic Policing                                       | 869,386               | 928,309               | 688,495             | 1,313,271               | 1,317,593              | -                  | 1,317,593                   |
| Property Room  | 249,181               | 276,447               | 204,623             | 281,262                 | 281,262                | -                  | 281,262                     |
| Reimbursements   | 301,055               | 356,392               | 276,597             | 109,905                 | 114,227                | -                  | 114,227                     |
| Emergency Management                                   | 72,620                | 51,141                | 26,749              | 38,040                  | 38,040                 | -                  | 38,040                      |
| Animal Control   | 280,958               | 324,810               | 244,359             | 304,834                 | 342,327                | -                  | 342,327                     |
| Road & Street/Camera Enforcement                       | 385,906               | 386,095               | 289,375             | 390,000                 | 390,000                | -                  | 390,000                     |
| <b>Non-Departmental</b>                                | <b>127,456</b>        | <b>121,530</b>        | <b>107,534</b>      | <b>133,960</b>          | <b>133,960</b>         | -                  | <b>133,960</b>              |
| Citywide   | 127,456               | 121,530               | 107,534             | 133,960                 | 133,960                | -                  | 133,960                     |
| IT 6-Year Strategic Plan & Fleet/Equip Reserves        | -                     | -                     | -                   | -                       | -                      | -                  | -                           |
| <b>Interfund Transfers</b>                             | <b>1,791,977</b>      | <b>1,983,711</b>      | <b>1,262,041</b>    | <b>1,877,774</b>        | <b>1,877,210</b>       | -                  | <b>1,877,210</b>            |
| Transfer to Fund 101 Street O&M                        | 1,358,130             | 1,512,108             | 1,000,242           | 1,402,118               | 1,400,723              | -                  | 1,400,723                   |
| Transfer to Fund 105/190 Abatement Program             | 35,000                | 35,000                | 35,000              | 35,000                  | 35,000                 | -                  | 35,000                      |
| Transfer to Fund 201 GO Bond Debt Service              | 398,847               | 436,603               | 226,799             | 440,656                 | 441,487                | -                  | 441,487                     |
| <b>Subtotal Operating Expenditures</b>                 | <b>\$37,491,270</b>   | <b>\$38,528,437</b>   | <b>\$28,239,804</b> | <b>\$38,983,209</b>     | <b>\$39,923,781</b>    | <b>\$0</b>         | <b>\$39,923,781</b>         |
| <b>OPERATING INCOME (LOSS)</b>                         | <b>3,248,745</b>      | <b>3,765,635</b>      | <b>4,146,871</b>    | <b>601,641</b>          | <b>164,142</b>         | <b>0</b>           | <b>164,142</b>              |

|  | 2018<br>Annual Actual | 2019<br>Annual Actual | 2019<br>YTD Actual  | 2020<br>Original Budget | 2020<br>Revised Budget | 2020<br>YND BudAdj | 2020 Budget<br>Prop Revised |
|--|-----------------------|-----------------------|---------------------|-------------------------|------------------------|--------------------|-----------------------------|
| <b>(001) GENERAL FUND-continued</b>                    |                       |                       |                     |                         |                        |                    |                             |
| <i>OTHER FINANCING SOURCES:</i>                        |                       |                       |                     |                         |                        |                    |                             |
| <b>Grants, Donations/Contrib, 1-Time</b>               | <b>423,455</b>        | <b>544,035</b>        | <b>375,944</b>      | <b>140,750</b>          | <b>720,463</b>         | <b>2,982,355</b>   | <b>3,702,818</b>            |
| Contributions/Donations/Other                          | 171,941               | 97,102                | 55,009              | 140,750                 | 140,750                | -                  | 140,750                     |
| Grants   | 251,514               | 446,933               | 320,935             | -                       | 579,713                | 2,982,355          | 3,562,068                   |
| <b>Transfers In</b>                                    | <b>16,000</b>         | <b>-</b>              | <b>-</b>            | <b>-</b>                | <b>-</b>               | <b>-</b>           | <b>-</b>                    |
| Transfer In - Fund 501 Fleet & Equipment               | 16,000                | -                     | -                   | -                       | -                      | -                  | -                           |
| <b>Subtotal Other Financing Sources</b>                | <b>\$439,455</b>      | <b>\$544,035</b>      | <b>\$375,944</b>    | <b>\$140,750</b>        | <b>\$720,463</b>       | <b>\$2,982,355</b> | <b>\$3,702,818</b>          |
| <i>OTHER FINANCING USES:</i>                           |                       |                       |                     |                         |                        |                    |                             |
| <b>Capital &amp; Other 1-Time</b>                      | <b>1,756,983</b>      | <b>1,620,058</b>      | <b>1,268,309</b>    | <b>174,826</b>          | <b>1,601,782</b>       | <b>2,789,860</b>   | <b>4,391,642</b>            |
| Municipal Court  | 78,647                | 94,366                | 54,046              | 9,240                   | 131,752                | -                  | 131,752                     |
| City Council   | 4,218                 | -                     | -                   | -                       | -                      | -                  | -                           |
| City Manager   | 9,817                 | 25,796                | 23,859              | 2,217                   | 17,830                 | -                  | 17,830                      |
| Administrative Services                                | 21,310                | 32,136                | 25,456              | 11,371                  | 42,702                 | -                  | 42,702                      |
| City-Wide COVID-19 Grants                              | -                     | -                     | -                   | -                       | -                      | 2,749,860          | 2,749,860                   |
| IT 6-Year Strategic Plan & I/S Charges to be Allocated | -                     | -                     | -                   | -                       | -                      | -                  | -                           |
| Legal/Clerk  | 165,623               | 57,002                | 38,477              | 9,240                   | 71,138                 | -                  | 71,138                      |
| Community & Economic Development                       | 249,841               | 600,928               | 514,085             | 46,289                  | 527,735                | 20,000             | 547,735                     |
| Parks, Recreation & Community Services                 | 38,310                | 102,495               | 51,561              | 10,718                  | 301,848                | 20,000             | 321,848                     |
| Police   | 1,189,217             | 707,335               | 560,824             | 85,751                  | 508,777                | -                  | 508,777                     |
| <b>Interfund Transfers</b>                             | <b>2,235,910</b>      | <b>1,663,097</b>      | <b>1,094,865</b>    | <b>956,417</b>          | <b>1,045,795</b>       | <b>212,000</b>     | <b>1,257,795</b>            |
| Transfer Out - Fund 101 Street                         | -                     | -                     | -                   | 76,417                  | 243,119                | -                  | 243,119                     |
| Transfer Out - Fund 105 Property Abatement/RHSP        | 215,000               | 50,000                | 50,000              | 50,000                  | 50,000                 | -                  | 50,000                      |
| Transfer Out - Fund 106 Public Art                     | -                     | 100,000               | 100,000             | -                       | -                      | -                  | -                           |
| Transfer Out - Fund 192 SSMCP                          | 50,000                | 50,000                | 50,000              | 50,000                  | 50,000                 | -                  | 50,000                      |
| Transfer Out - Fund 301 Parks CIP                      | 925,275               | 479,300               | 105,000             | 80,000                  | 282,129                | 212,000            | 494,129                     |
| Transfer Out - Fund 302 Transportation CIP             | 1,045,635             | 983,797               | 789,865             | 700,000                 | 393,547                | -                  | 393,547                     |
| Transfer Out - Fund 311 Sewer                          | -                     | -                     | -                   | -                       | 27,000                 | -                  | 27,000                      |
| <b>Subtotal Other Financing Uses</b>                   | <b>\$3,992,893</b>    | <b>\$3,283,155</b>    | <b>\$2,363,174</b>  | <b>\$1,131,243</b>      | <b>\$2,647,577</b>     | <b>\$3,001,860</b> | <b>\$5,649,437</b>          |
| <b>Total Revenues and Other Sources</b>                | <b>\$41,179,470</b>   | <b>\$42,838,107</b>   | <b>\$32,762,620</b> | <b>\$39,725,600</b>     | <b>\$40,808,386</b>    | <b>\$2,982,355</b> | <b>\$43,790,741</b>         |
| <b>Total Expenditures and other Uses</b>               | <b>\$41,484,163</b>   | <b>\$41,811,592</b>   | <b>\$30,602,978</b> | <b>\$40,114,458</b>     | <b>\$42,571,357</b>    | <b>\$3,001,860</b> | <b>\$45,573,217</b>         |
| <b>Beginning Fund Balance:</b>                         | <b>\$9,152,227</b>    | <b>\$8,847,534</b>    | <b>\$8,847,534</b>  | <b>\$5,256,028</b>      | <b>\$9,874,049</b>     |                    | <b>\$9,874,049</b>          |
| <b>Ending Fund Balance:</b>                            | <b>\$8,847,534</b>    | <b>\$9,874,049</b>    | <b>\$11,007,178</b> | <b>\$4,867,170</b>      | <b>\$8,111,078</b>     |                    | <b>\$8,091,573</b>          |
| Ending Fund Balance as a % of Gen/Street Operating Rev | 21.2%                 | 22.8%                 | 33.2%               | 12.0%                   | 19.8%                  |                    | 19.7%                       |
| Reserve - Total Target 12% of Gen/Street Operating Rev | \$5,011,691           | \$5,194,795           | \$5,194,795         | \$4,867,170             | \$4,927,539            |                    | \$4,927,539                 |
| 2% Contingency Reserves                                | \$835,282             | \$865,799             | \$865,799           | \$811,195               | \$821,256              |                    | \$821,256                   |
| 5% General Fund Reserves                               | \$2,088,205           | \$2,164,498           | \$2,164,498         | \$2,027,988             | \$2,053,141            |                    | \$2,053,141                 |
| 5% Strategic Reserves                                  | \$2,088,205           | \$2,164,498           | \$2,164,498         | \$2,027,988             | \$2,053,141            |                    | \$2,053,141                 |
| Unreserved / (12% Adopted Reserves Shortfall):         | \$3,835,843           | \$4,679,253           | \$4,679,253         | \$0                     | \$3,183,539            |                    | \$3,164,034                 |

ORDINANCE NO.

AN ORDINANCE of the City Council of the City of Lakewood, Washington, adopting the 2019/2020 Biennial Budget.

WHEREAS, the tax estimates and budget for the City of Lakewood, Washington, for the 2019/2020 fiscal biennium have been prepared and filed on October 1, 2018 as provided by Titles 35A.34 and 84.55 of the Revised Code of Washington; and

WHEREAS, the budget was printed for distribution and notice published in the official paper of the City of Lakewood setting the time and place for hearing on the budget and said notice stating copies of the budget can be obtained on-line and at the Office of the City Clerk; and

WHEREAS, the City Council of the City of Lakewood having held a public hearing on November 5, 2018, and having considered the public testimony presented; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 700 on November 19, 2018 implementing the 2019/2020 Biennial Budget; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 707 on May 6, 2019 implementing the 2019 Carry Forward Budget Adjustment; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 721 on November 18, 2019 implementing the 2019/2020 Mid-Biennium Budget Adjustment; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 734 on May 18, 2020 implementing the 2020 Carry Forward Budget Adjustment; and

WHEREAS, the City Council of Lakewood finds it necessary to revise the 2020 Budget to adjust the 2020 beginning fund balance from the estimated amount to actual for the Transportation CIP Fund for unanticipated revenues received well after closing fiscal year 2019; adjustments to incorporate items previously approved by the City Council; appropriate projects funded by grants and contributions; and new allocations on an exception basis.

WHEREAS, the City Council of the City of Lakewood having held a public hearing on the 2020 Year-End Budget Adjustment on November 2, 2020.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON DO ORDAIN as follows:

Section 1. Budget Amendment. The 2020 Budget, as originally set forth in Ordinance 734, Section 1, is amended to adopt the revised budget for the year 2020 amounts and for the purposes as shown on Exhibit A Current Revised Budget by Fund – Year 2020 and Exhibit B Proposed Revised Budget by Fund – Year 2020.

Section 2. Severability. If any section, sentence, clause or phrase of this Ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, or its application held inapplicable to

any person, property or circumstance, such invalidity or unconstitutionality or inapplicability shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance or its application to any other person, property or circumstance.

Section 3. Copies of the Budget to Be Filed. A complete copy of the final budget as adopted herein shall be transmitted to the Office of the State Auditor, the Association of Washington Cities and to the Municipal Research and Services Center of Washington. Copies of the final budget as adopted herein shall be filed with the City Clerk and shall be made available for use by the public.

Section 4. Effective Date. This Ordinance shall be in full force and effect for fiscal year 2020 and five (5) days after publication as required by law.

ADOPTED by the City Council this 16<sup>th</sup> day of November 2020.

CITY OF LAKEWOOD

\_\_\_\_\_  
Don Anderson, Mayor

Attest:

\_\_\_\_\_  
Briana Schumacher, City Clerk

Approved as to Form:

\_\_\_\_\_  
Heidi Ann Wachter, City Attorney

**EXHIBIT A**  
**CURRENT REVISED BUDGET BY FUND - YEAR 2020**  
Per Ord. 734 Adopted on May 18, 2020

| Fund                                | Beginning Fund Balance |                      |                      | Revenue              |                      |                      | Expenditure          |                      |                      | Ending Fund Balance  |
|-------------------------------------|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                     | Prior Amount           | Adjustment           | Revised              | Prior Amount         | Adjustment           | Revised              | Prior Amount         | Adjustment           | Revised              |                      |
| <b>General Government Funds:</b>    | <b>\$ 8,272,900</b>    | <b>\$ 7,403,990</b>  | <b>\$ 15,676,890</b> | <b>\$ 50,288,625</b> | <b>\$ 9,651,194</b>  | <b>\$ 59,939,819</b> | <b>\$ 50,579,916</b> | <b>\$ 13,282,597</b> | <b>\$ 63,862,513</b> | <b>\$ 11,754,196</b> |
| 001 General                         | 5,421,605              | 4,452,445            | 9,874,050            | 40,559,871           | 248,515              | 40,808,386           | 41,041,795           | 1,529,562            | 42,571,357           | 8,111,079            |
| 101 Street                          | -                      | 4,786                | 4,786                | 2,454,032            | 167,210              | 2,621,242            | 2,454,030            | 171,998              | 2,626,028            | -                    |
| 102 Real Estate Excise Tax          | 48,256                 | 752,014              | 800,270              | 1,700,000            | 100,000              | 1,800,000            | 1,748,042            | 552,228              | 2,300,270            | 300,000              |
| 103 Transportation Benefit District | 32,325                 | 20,132               | 52,457               | 814,000              | (814,000)            | -                    | 814,000              | (761,543)            | 52,457               | -                    |
| 104 Hotel/Motel Lodging Tax Fund    | 1,015,984              | 544,650              | 1,560,634            | 800,000              | -                    | 800,000              | 812,250              | 311,034              | 1,123,284            | 1,237,350            |
| 105 Property Abatement/RHSP         | -                      | 605,817              | 605,817              | 328,800              | 48,849               | 377,649              | 328,800              | 654,666              | 983,466              | -                    |
| 106 Public Art                      | -                      | 142,778              | 142,778              | 15,000               | -                    | 15,000               | 15,000               | 142,778              | 157,778              | -                    |
| 180 Narcotics Seizure               | -                      | 282,319              | 282,319              | 70,000               | -                    | 70,000               | 70,000               | 282,319              | 352,319              | -                    |
| 181 Felony Seizure                  | -                      | 8,143                | 8,143                | -                    | -                    | -                    | -                    | 8,143                | 8,143                | -                    |
| 182 Federal Seizure                 | -                      | 259,829              | 259,829              | 39,600               | -                    | 39,600               | 39,600               | 259,829              | 299,429              | -                    |
| 190 Grants                          | 1,339,865              | 63,360               | 1,403,225            | 560,000              | 2,265,006            | 2,825,006            | 560,000              | 2,265,006            | 2,825,006            | 1,403,225            |
| 191 NSP                             | -                      | 142,434              | 142,434              | 24,700               | 49,316               | 74,016               | 24,700               | 191,750              | 216,450              | -                    |
| 192 SSMCP                           | 45,114                 | 8,318                | 53,432               | 277,100              | 7,258,067            | 7,535,167            | 277,100              | 7,311,499            | 7,588,599            | -                    |
| 195 Public Safety Grants            | -                      | -                    | -                    | 130,037              | 310,501              | 440,538              | 130,037              | 310,501              | 440,538              | -                    |
| 201 GO Bond Debt Service            | -                      | -                    | -                    | 1,551,487            | -                    | 1,551,487            | 1,551,487            | -                    | 1,551,487            | -                    |
| 202 LID Debt Service                | -                      | 35,097               | 35,097               | 175,521              | 17,730               | 193,251              | 175,521              | 52,827               | 228,348              | -                    |
| 204 Sewer Project Debt              | 240,064                | 79,261               | 319,325              | 788,477              | -                    | 788,477              | 537,554              | -                    | 537,554              | 570,248              |
| 251 LID Guaranty                    | 129,687                | 2,607                | 132,294              | -                    | -                    | -                    | -                    | -                    | -                    | 132,294              |
| <b>Capital Project Funds:</b>       | <b>\$ 5,708,616</b>    | <b>\$ 9,594,354</b>  | <b>\$ 15,302,970</b> | <b>\$ 11,885,418</b> | <b>\$ 6,908,030</b>  | <b>\$ 18,793,448</b> | <b>\$ 15,075,718</b> | <b>\$ 17,535,258</b> | <b>\$ 32,610,976</b> | <b>\$ 1,485,442</b>  |
| 301 Parks CIP                       | 676,553                | 2,040,003            | 2,716,556            | 2,044,718            | 3,389,222            | 5,433,940            | 2,674,718            | 5,461,158            | 8,135,876            | 14,620               |
| 302 Transportation CIP              | 3,703,629              | 7,636,965            | 11,340,594           | 9,645,700            | 3,408,808            | 13,054,508           | 12,278,000           | 11,111,866           | 23,389,866           | 1,005,236            |
| 311 Sewer Project CIP               | 1,328,434              | (82,614)             | 1,245,820            | 195,000              | 110,000              | 305,000              | 123,000              | 962,234              | 1,085,234            | 465,586              |
| <b>Enterprise Fund:</b>             | <b>\$ 2,518,301</b>    | <b>\$ 1,787,988</b>  | <b>\$ 4,306,289</b>  | <b>\$ 4,103,374</b>  | <b>\$ 571,840</b>    | <b>\$ 4,675,214</b>  | <b>\$ 5,182,512</b>  | <b>\$ 2,243,865</b>  | <b>\$ 7,426,377</b>  | <b>\$ 1,555,126</b>  |
| 401 Surface Water Management        | 2,518,301              | 1,787,988            | 4,306,289            | 4,103,374            | 571,840              | 4,675,214            | 5,182,512            | 2,243,865            | 7,426,377            | 1,555,126            |
| <b>Internal Service Funds:</b>      | <b>\$ 5,132,259</b>    | <b>\$ (777,075)</b>  | <b>\$ 4,355,184</b>  | <b>\$ 5,534,996</b>  | <b>\$ 1,896,355</b>  | <b>\$ 7,431,351</b>  | <b>\$ 6,024,752</b>  | <b>\$ 1,226,360</b>  | <b>\$ 7,251,112</b>  | <b>\$ 4,535,423</b>  |
| 501 Fleet & Equipment               | 4,623,188              | (842,738)            | 3,780,450            | 822,520              | 1,087,628            | 1,910,148            | 1,384,120            | 365,700              | 1,749,820            | 3,940,778            |
| 502 Property Management             | 352,227                | 83,829               | 436,056              | 827,684              | 17,600               | 845,284              | 822,684              | 69,533               | 892,217              | 389,123              |
| 503 Information Technology          | 156,844                | (18,166)             | 138,678              | 2,128,333            | 601,657              | 2,729,990            | 2,061,489            | 601,657              | 2,663,146            | 205,522              |
| 504 Risk Management                 | -                      | -                    | -                    | 1,756,459            | 189,470              | 1,945,929            | 1,756,459            | 189,470              | 1,945,929            | -                    |
| <b>Total All Funds</b>              | <b>21,632,076</b>      | <b>\$ 18,009,257</b> | <b>\$39,641,333</b>  | <b>\$ 71,812,413</b> | <b>\$ 19,027,419</b> | <b>\$90,839,832</b>  | <b>\$ 76,862,898</b> | <b>\$ 34,288,080</b> | <b>\$111,150,978</b> | <b>\$ 19,330,187</b> |



**EXHIBIT B**  
**PROPOSED REVISED BUDGET BY FUND - YEAR 2020**

| Fund                                | Beginning Fund Balance |                  |                     | Revenue              |                     |                     | Expenditure           |                     |                      | Ending Fund Balance  |
|-------------------------------------|------------------------|------------------|---------------------|----------------------|---------------------|---------------------|-----------------------|---------------------|----------------------|----------------------|
|                                     | Prior Amount           | Adjustment       | Revised             | Prior Amount         | Adjustment          | Revised             | Prior Amount          | Adjustment          | Revised              |                      |
| <b>General Government Funds:</b>    | <b>\$ 15,676,890</b>   | <b>-</b>         | <b>15,676,890</b>   | <b>\$ 59,939,819</b> | <b>\$ 4,467,184</b> | <b>\$64,407,003</b> | <b>\$ 63,862,513</b>  | <b>\$ 4,146,689</b> | <b>\$ 68,009,202</b> | <b>\$ 12,074,691</b> |
| 001 General                         | 9,874,050              | -                | 9,874,050           | 40,808,386           | 2,982,355           | 43,790,741          | 42,571,357            | 3,001,860           | 45,573,217           | 8,091,574            |
| 101 Street                          | 4,786                  | -                | 4,786               | 2,621,242            | -                   | 2,621,242           | 2,626,028             | -                   | 2,626,028            | -                    |
| 102 Real Estate Excise Tax          | 800,270                | -                | 800,270             | 1,800,000            | 248,722             | 2,048,722           | 2,300,270             | 548,722             | 2,848,992            | -                    |
| 103 Transportation Benefit District | 52,457                 | -                | 52,457              | -                    | 835,000             | 835,000             | 52,457                | 195,000             | 247,457              | 640,000              |
| 104 Hotel/Motel Lodging Tax Fund    | 1,560,634              | -                | 1,560,634           | 800,000              | -                   | 800,000             | 1,123,284             | -                   | 1,123,284            | 1,237,350            |
| 105 Property Abatement/RHSP         | 605,817                | -                | 605,817             | 377,649              | -                   | 377,649             | 983,466               | -                   | 983,466              | -                    |
| 106 Public Art                      | 142,778                | -                | 142,778             | 15,000               | -                   | 15,000              | 157,778               | -                   | 157,778              | -                    |
| 180 Narcotics Seizure               | 282,319                | -                | 282,319             | 70,000               | -                   | 70,000              | 352,319               | -                   | 352,319              | -                    |
| 181 Felony Seizure                  | 8,143                  | -                | 8,143               | -                    | 41,000              | 41,000              | 8,143                 | 41,000              | 49,143               | -                    |
| 182 Federal Seizure                 | 259,829                | -                | 259,829             | 39,600               | -                   | 39,600              | 299,429               | -                   | 299,429              | -                    |
| 190 Grants                          | 1,403,225              | -                | 1,403,225           | 2,825,006            | -                   | 2,825,006           | 2,825,006             | -                   | 2,825,006            | 1,403,225            |
| 191 NSP                             | 142,434.00             | -                | 142,434.00          | 74,016.00            | -                   | 74,016.00           | 216,450.00            | -                   | 216,450.00           | -                    |
| 192 SSMCP                           | 53,432                 | -                | 53,432              | 7,535,167            | 47,000              | 7,582,167           | 7,588,599             | 47,000              | 7,635,599            | -                    |
| 195 Public Safety Grants            | -                      | -                | -                   | 440,538              | 313,107             | 753,645             | 440,538               | 313,107             | 753,645              | -                    |
| 201 GO Bond Debt Service            | -                      | -                | -                   | 1,551,487            | -                   | 1,551,487           | 1,551,487             | -                   | 1,551,487            | -                    |
| 202 LID Debt Service                | 35,097                 | -                | 35,097              | 193,251              | -                   | 193,251             | 228,348               | -                   | 228,348              | -                    |
| 204 Sewer Project Debt              | 319,325                | -                | 319,325             | 788,477              | -                   | 788,477             | 537,554               | -                   | 537,554              | 570,248              |
| 251 LID Guaranty                    | 132,294                | -                | 132,294             | -                    | -                   | -                   | -                     | -                   | -                    | 132,294              |
| <b>Capital Project Funds:</b>       | <b>\$ 15,302,970</b>   | <b>\$ 13,543</b> | <b>\$15,316,513</b> | <b>\$ 18,793,448</b> | <b>\$ 1,081,152</b> | <b>\$19,874,600</b> | <b>\$ 32,610,976</b>  | <b>\$ 1,081,152</b> | <b>\$ 33,692,128</b> | <b>\$ 1,498,985</b>  |
| 301 Parks CIP                       | 2,716,556              | -                | 2,716,556           | 5,433,940            | 215,500             | 5,649,440           | 8,135,876             | 215,500             | 8,351,376            | 14,620               |
| 302 Transportation CIP              | 11,340,594             | 13,543           | 11,354,137          | 13,054,508           | 865,652             | 13,920,160          | 23,389,866            | 865,652             | 24,255,518           | 1,018,779            |
| 311 Sewer Project CIP               | 1,245,820              | -                | 1,245,820           | 305,000              | -                   | 305,000             | 1,085,234             | -                   | 1,085,234            | 465,586              |
| <b>Enterprise Fund:</b>             | <b>\$ 4,306,289</b>    | <b>\$ -</b>      | <b>\$ 4,306,289</b> | <b>\$ 4,675,214</b>  | <b>\$ -</b>         | <b>\$ 4,675,214</b> | <b>\$ 7,426,377</b>   | <b>\$ 121,930</b>   | <b>\$ 7,548,307</b>  | <b>\$ 1,433,196</b>  |
| 401 Surface Water Management        | 4,306,289              | -                | 4,306,289           | 4,675,214            | -                   | 4,675,214           | 7,426,377             | 121,930             | 7,548,307            | 1,433,196            |
| <b>Internal Service Funds:</b>      | <b>\$ 4,355,184</b>    | <b>\$ -</b>      | <b>\$ 4,355,184</b> | <b>\$ 7,431,351</b>  | <b>\$ 35,000</b>    | <b>\$ 7,466,351</b> | <b>\$ 7,251,112</b>   | <b>\$ (65,000)</b>  | <b>\$ 7,186,112</b>  | <b>\$ 4,635,423</b>  |
| 501 Fleet & Equipment               | 3,780,450              | -                | 3,780,450           | 1,910,148            | 35,000              | 1,945,148           | 1,749,820             | (65,000)            | 1,684,820            | 4,040,778            |
| 502 Property Management             | 436,056                | -                | 436,056             | 845,284              | -                   | 845,284             | 892,217               | -                   | 892,217              | 389,123              |
| 503 Information Technology          | 138,678                | -                | 138,678             | 2,729,990            | -                   | 2,729,990           | 2,663,146             | -                   | 2,663,146            | 205,522              |
| 504 Risk Management                 | -                      | -                | -                   | 1,945,929            | -                   | 1,945,929           | 1,945,929             | -                   | 1,945,929            | -                    |
| <b>Total All Funds</b>              | <b>39,641,333</b>      | <b>\$ 13,543</b> | <b>\$39,654,876</b> | <b>\$ 90,839,832</b> | <b>\$ 5,583,336</b> | <b>\$96,423,168</b> | <b>\$ 111,150,978</b> | <b>\$ 5,284,771</b> | <b>\$116,435,749</b> | <b>\$ 19,642,295</b> |