



To: Mayor and City Councilmembers
 From: Tho Kraus, Deputy City Manager
 Through: John J. Caulfield, City Manager
 Date: November 4, 2024
 Subject: Public Hearing on 2024 Year-End Budget Adjustment

BACKGROUND

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

- Adjustments to incorporate items previously approved by the City Council;
- Appropriate projects funded by grants and contributions;
- Continuation of capital projects; and
- New allocations as necessary.

PROPOSED BUDGET ADJUSTMENT SUMMARY

Year 2024:

- No change in beginning fund balance.
- Increases revenues by \$11.52M, resulting in a revised estimate of \$138.97M.
- Increases expenditures by \$12.64M, resulting in a revised estimate of \$170.37M.
- Decreases ending fund balance by \$1.12M, resulting in a revised estimate of \$25.76M.

The following 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 Adj | Proposed Revised Budget | Current Budget | Prop Adj | Proposed Revised Budget | Current Budget | Prop Adj | Proposed Revised Budget | Current Budget | Prop Adj | Proposed Revised Budget |
| Total | \$ 57.16 | \$ - | \$ 57.16 | \$ 127.45 | \$ 11.52 | \$ 138.97 | \$ 157.73 | \$ 12.64 | \$ 170.37 | \$ 26.88 | \$ (1.12) | \$ 25.76 |
| General | \$ 13.50 | \$ - | \$ 13.50 | \$ 49.03 | \$ 3.89 | \$ 52.92 | \$ 54.68 | \$ 3.16 | \$ 57.84 | \$ 7.85 | \$ 0.73 | \$ 8.58 |
| Special Revenue | \$ 7.09 | \$ - | \$ 7.09 | \$ 18.27 | \$ 3.25 | \$ 21.53 | \$ 21.74 | \$ 3.29 | \$ 25.03 | \$ 3.63 | \$ (0.03) | \$ 3.59 |
| Debt Service | \$ 2.04 | \$ - | \$ 2.04 | \$ 3.61 | \$ (0.83) | \$ 2.78 | \$ 3.68 | \$ 0.49 | \$ 4.16 | \$ 1.97 | \$ (1.32) | \$ 0.65 |
| Capital Projects | \$ 16.81 | \$ - | \$ 16.81 | \$ 40.11 | \$ 3.82 | \$ 43.93 | \$ 56.61 | \$ 3.82 | \$ 60.43 | \$ 0.31 | \$ - | \$ 0.31 |
| Enterprise | \$ 11.22 | \$ - | \$ 11.22 | \$ 5.13 | \$ - | \$ 5.13 | \$ 8.29 | \$ 0.06 | \$ 8.35 | \$ 8.06 | \$ (0.06) | \$ 8.00 |
| Internal Service | \$ 6.50 | \$ - | \$ 6.50 | \$ 11.30 | \$ 1.39 | \$ 12.68 | \$ 12.73 | \$ 1.83 | \$ 14.56 | \$ 5.07 | \$ (0.44) | \$ 4.62 |

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.

Additionally, on November 15, 2021, the City Council via Ordinance 764 established an Economic Development Opportunity Fund within the General Fund ending fund balance for the purpose of accumulating excess funds from the General Fund and other funds that are eligible to provide funding for economic development opportunity related expenditures. The set aside amount as approved in the 2021/2022 mid-biennium budget adjustment is \$1,000,000 in each year of 2021 and 2022 for a total of \$2,000,000. The City shall appropriately use the funds as approved by the City Council.

The proposed budget adjustment maintains General Fund ending fund balance reserves, Economic Development Opportunity Fund, and a balanced budget as follows:

| General Fund Ending Fund Balance | 2024 Budget | |
|---|---------------------|---------------------|
| | Current | Proposed |
| 2% Contingency Reserves | \$ 974,582 | \$ 1,007,117 |
| 5% Ending Fund Balance Reserves | 2,436,455 | 2,517,791 |
| 5% Strategic Reserves | 2,436,455 | 2,517,791 |
| Total 12% Ending Fund Balance Reserves | 5,847,492 | 6,042,699 |
| + Economic Development Opportunity Fund | 2,000,000 | 2,000,000 |
| + Unreserves/Designated for 2025/2026 Budget | 3,203 | 537,989 |
| Total Ending Fund Balance | \$ 7,850,694 | \$ 8,580,691 |

| General Fund Financial Summary | 2024 Budget | |
|---|----------------------|----------------------|
| | Current | Proposed |
| Operating Revenue | \$ 47,749,160 | \$ 49,375,899 |
| Operating Expenditures | 46,090,558 | 47,749,798 |
| Operating Income / (Loss) | 1,658,602 | 1,626,101 |
| As a % of Operating Expenditures | 3.6% | 3.4% |
| Other Financing Sources | 1,281,588 | 3,548,429 |
| Other Financing Uses | 8,587,360 | 10,091,701 |
| Beginning Fund Balance | \$ 13,497,864 | \$ 13,497,864 |
| Ending Fund Balance | \$ 7,850,694 | \$ 8,580,691 |

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

Revenue Adjustments, New/Ongoing

- Increase development services permits and fees revenue estimates by \$2,100,422 resulting in a revised budget estimate of \$4,547,357.
- Increase property tax revenue estimate by \$85,857 for a total revised budget estimate of \$7,931,957.
- Increase sales tax revenue estimate by \$372,00 for a total revised budget estimate of \$14,645,000.
- Increase utility tax revenue estimate by \$427,900 for a total revised budget estimate of \$5,970,000.
- Decrease gambling tax revenue estimate by \$1,276,500 for a total revised budget estimate of \$2,633,700.
- Decrease municipal court fines & forfeitures revenue estimate by \$82,940 for a total revised budget estimate of \$263,560.

CC – Independent Salary Commission Decision, New/Ongoing

Add \$17,540 in salary and benefits for 2024 to update the Independent Salary Commission (ISC) decision. The Lakewood City Council established by Ordinance #605 the ISC to provide an independent authority to set compensation for elected officials and separate officials from the compensation the decision. The ordinance requires the ISC to convene and determine salaries paid to the Mayor and City Council within 45 days of confirmation by the City Council (with extensions available, if necessary).

CM – Personnel Costs, New/Ongoing

Add \$21,700 in personnel costs to align position budget with actual placement of positions on the pay scale and related payroll benefits.

LG - Opioid Abatement Funds, New/Revenue Neutral

Add \$388,320 for the Opioid distribution of which \$289,326 is from the Janssen of WA and \$53,983 is from Distributor #4, and early distributions for Teva \$14,666, Allergan \$16,116, and CVS \$14,229. According to the most recent estimates provided in Opioid portal, the City is scheduled to receive a total of \$1,638,293 over the course of 18 years (2021-2038). The specific use of the fund is currently under review. The first three years of distributions have been received (\$84,168, \$43,130, & \$634,589 respectively). Note from portal: The calculations are the amounts that the indicated State(s) and/or Subdivision(s) would receive pursuant to the Settlement Agreements if all the relevant facts and circumstances were to remain unchanged. Be advised, however, that the relevant facts and circumstances, including but not limited to current levels of State and Subdivision participation, are subject to change and thus, there are no guarantees regarding the amounts or timing of any future payment(s). The amounts and timing of any future payments will be governed by the terms of the Settlement Agreements. Payment timing and amounts are subject to change and may be affected by, among other things, increased participation in a State, or State's eligibility for Incentive Payment D, and suspensions or offsets related to Later Litigating Subdivisions. Payment timing and amounts may also be affected by the Pre-Payment Option and/or Significant Financial Constraint provisions of the Distributor Settlement Agreement. Also, note, these calculations do not take into account any Settlement Fund Administrator costs and fees that exceed the available interest accrued in the Settlement Fund.

MC – Office of Public Defense SPAR Grant, Grant/1-Time

Add \$42,000 for OPD (Office of Public Defense) SPAR (Simple Possession Advocacy and Representation) Funding for use in FY25 (FY25 (July 1, 2024 – June 30, 2025). This award shall be used to reimburse Lakewood's eligible expenses related to public defense services for indigent adults facing charges under RCW 69.50.4011(1)(b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(1), or under local ordinances involving allegations of possession or public use of a controlled substance, counterfeit substance, or legend drug. These funds shall be disbursed by OPD on a reimbursement basis only.

PD – Tahoma Narcotics Enforcement Team Puyallup (TNET), Grant/1-Time

Add \$4,274 in revenue available for drawdown. The current contract runs from 7/1/2024 – 6/30/2025. This is indirect federal funding from the Department of Justice through the Department of Commerce and the City of Puyallup. These funds pay a portion of the regular time and benefits of a dedicated Lakewood Officer to TNET.

PD – Websedge Film Production for 2024 IACP, New/1-Time

Add \$28,900 to produce a film, 5 to 6 minutes in length which will include interviews with client spokespeople and case study material; Produce a series of news programs for the Event and include the client's film in one or more of these programs; Screen the client's film at the event via a dedicated television channel in selected HQ delegate's hotels in the area; Broadcast this film to attendees of the event on television screens; Stream and host the client's film online for 12 months after the event; Include the film in any social media activities carried out by IACP TV for the conference; Provide the client with a link to their full 5 minute film and 1 minute version for their own social media and marketing; And guarantees: Pre-production consultation on the client's topic and schedule; One (1) day of filming; Final approval of film before broadcast; Use of any rushes / B-Roll (including unused footage) for client's own purposes via a royalty-free, indefinite license; Delivery of all assets including footage from the shoot, a high quality master digital file, plus a file in a format suitable to your marketing needs. (Note: Quote does not include tax.)

PD – North Carolina Hurricane 2024, Revenue Neutral/1-Time

Add \$69,172 in revenue reimbursements and expenditures for costs of a 10-member team to assist with North Carolina's hurricane relief efforts during the period 10/4/2014 – 10/19/2024. Washington also has the right to request resources back should conditions dictate need in our state.

PD – Personnel Cost, New/Ongoing

Add \$1,620,000 in personnel costs to align position budget with actual placement of positions on the pay scale and related payroll benefits due to implementation of collective bargaining agreement, filling all authorized and overhire positions. The department is currently fully staffed.

PK – CHOICE Grant, Grant/1-Time

Add \$130,000 for expenditures covering July 2024 through July 2025, funded by grant revenue from the Washington State Health Care Authority (HCA) CHOICE. The City has been the fiscal agent for the Lakewood's CHOICE program since July 1, 2019. It is a behavioral health initiative that serves parents and youth directly with various programs and curricula in partnership with the school district and local nonprofit organizations. This initiative does high impact work and is a great partner in Lakewood. The contract ends 06/30/2025. Most of this funding pays for the two CHOICE contractors who perform the work, with 10% set aside to cover a portion of the administrative costs as it relates to the Human Services Coordinator position but does not cover other administrative costs such as finance and accounting.

PPW – New Permit System, Grant/1-Time

Add \$240,000 for new permitting system, funded by grant

Internal Service Charges

See internal services funds for additional information.

Fund 101 Streets O&M

Internal Service Charges

See internal services funds for additional information.

Fund 103 Transportation Benefit District

On December 20, 2021 the City Council approved to use the Transportation Benefit District \$20 Vehicle License Fee to leverage the issuance of bonds in support of seven transportation projects totaling \$11,600,000. The estimated bond repayment period is 20 years with annual debt service of \$835,000. Ordinance 767 added these seven projects to the list of eligible projects and extended the original sunset date from 12:01 AM on July 16, 2032 unless dissolved sooner to 12:01 AM on December 2, 2044 to coincide with the debt service schedule. With the delay in issuing the bonds, Bond Ordinance 766, along with Ordinance 767 will need to be extended with City Council review and approval tentatively scheduled to be issued in 2025. The delay in bond issuance frees up \$835,000 for the Interlaaken Bridge repair by reallocating Transportation Benefit District \$20 Vehicle Licensing Fees to eligible projects.

Fund 104 Hotel/Motel Lodging Tax

GASB 87 Lease Accounting, Revenue Neutral/Ongoing

Add \$220,000 in revenues and expenditures to account for GASB 87 Leases.

Transfer to General Fund, New/1-Time

Fund 105 Property Abatement/Rental Housing Safety Program /1406 Affordable Housing

Transfer to General Fund, New/1-Time

Return General Fund contributions of \$640,000 received for abatement expenditures in advance of abatement lien revenues. The General Fund provided a total of \$640,000 during 2021-2024, including \$500,000 for Karwan Village abatement. The City has since received payment from Karwan Village totaling \$1,076,982.

Fund 180 Narcotics Seizure Fund

The purpose of this fund is to track assets seized as a result of involvement with the illegal sale, possession, or distribution of drugs or controlled substances, and for the purchase of controlled substances or drugs by law enforcement officers or agents, as well as other expenses to enhance and improve law enforcement activities having a close and demonstrable relationship to enforce enforcement of controlled substances. Funds may not be used to supplant existing funding sources.

Organized Crime Drug Enforcement Task Forces (OCDETF), Grant/1-Time

Reduce \$1,944 in revenues and expenditures funded by the US. Department of Justice organized Crime Drug Enforcement Task Force for the Pacific Region with a period of performance of 10/01/2023-09/30/24. The funding amount of the High Mileage Initiative has been reduced by \$1,944. This initiative focuses on dismantling drug trafficking organizations that distribute large quantities of drugs across the United States. The program targets drug traffickers who use vehicles to transport drugs across the country, hence the name "High Mileage".

Replace Freezer & Refrigerator Units, Revenue Neutral/1-Time

Add \$20,000 in seizure revenues and expenditures to replace freezer and refrigerator units. The police are required to store evidence, and sometimes that means freezing or chilling evidence for later use. The units in the evidence storage warehouse are 15 years old and are considered at the end of useful life. This equipment is something the police consider to be a "No Fail" situation, meaning that they cannot lose evidence due to failed equipment and thus request replacement prior to any failures.

Fund 182 Federal Seizure

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 do 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 or wasteful expenditures and entertainment; cash on hand, secondary accounts, and stored value cards (such as prepaid credit cards); transfers to other law enforcement agencies; purchase of items for other law enforcement agencies; costs related to lawsuits; loans; and money laundering operations.

Federal Seizure, Revenue Neutral/1-Time

Add \$9,000 in revenues and expenditures funded by seizure revenues received for eligible expenditures.

Fund 190 Community Development Block Grant (CDBG) Fund

Fund 190 CDBG is predominantly comprised of U.S. Department of Housing and Urban Development funds for Community Development Block Grant Entitlements (CDBG), HOME program funding through the Lakewood and Tacoma HOME Consortium and Section 108 Loan Guarantees. There is also a grant from the Nisqually Tribe for minor home repairs and West Pierce Fire & Rescue for emergency assistance for displaced residents.

Through the planning and citizen participation process CDBG and HOME spending priorities are set on an annual basis, to be broken out into funding projects for physical improvements, public service (not to exceed 15%), housing, economic development, and administration (not to exceed 20%).

HOME Investment Partnerships American Rescue Plan Program (HOME ARP), Grant/1-Time

Add \$1,175,489 to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the country. The grant period is 3/1/2024-12/31/2026

HUD - Community Development Block Grant, Grant/1-Time

Add \$1,131,118 to provide annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Fund 192 South Sound Military Communities Partnership

Tactical Tailor Insurance Recovery - New/1-Time

Add \$32,436 to be transferred to Risk Management Internal Service Fund to reimburse insurance costs incurred by Tactical Tailor from the start of their lease in 2022 through 2024. Tactical Tailor has been responsible for covering insurance premiums associated with the leased building during this period. This transfer will ensure that the Risk Management Internal Service Fund is appropriately reimbursed for providing insurance coverage to Tactical Tailor.

Fund 195 Public Safety Grants

Office of Justice Programs Veterans Court, Grant/1-Time

Carry forward \$201,854 remaining grant balance from prior years. This is an enhancement grant for the Veterans Treatment Court and serves Type A non-violent offenders. The total grant amount is \$500,000 and runs through December 31, 2024. In addition to personnel costs, the grant includes travel and training, supplies, and subaward for prosecution, consultant evaluator/information manager, and public defense.

Washington Auto Theft Prevention Authority, Grant/1-Time

Add \$157,355 to provide Lakewood police officers to the task force in support of the Washington Auto Theft Prevention Grant Program. The funding covers public outreach, training, and innovative programs. The grant period is 6/1/2024 – 6/30/2025.

Washington State Parks Recreational Boating Safety, Grant/1-Time

Add \$12,884 for grant period 10/1/2023 – 9/30/2024. This grant provides funding for officer overtime for emphasis patrol, vessel safety inspections, and educational boater safety-related activities. This grant has in-kind (such as personnel, maintenance of boats, fuel, trailers, and boat house) matching requirements of \$3,208. The match is the annual vessel registration fee.

Washington Association of Sheriffs & Police Chiefs - Traffic Safety Equipment, Grant/1-Time

Add \$6,000 for the grant period 1/1/2024 – 9/30/2024. The grant provides funding for 2 lidar equipment purchases.

Washington Traffic Safety Commission - School Zones, Grant/1-Time

Add \$10,000 for the grant period 1/1/2024 – 6/30/2024. The grant provides funding for heavy weather gear for motorcycle enforcement..

Emergency Management Planning, Grant/1-Time

The grant pays the partial salary and benefits of an emergency management coordinator in cooperation with West Pierce Fire and Rescue and the City of University Place. This grant requires a match that is already budgeted in the General Fund Emergency Management budget in addition to in-kind Assistant Police Chief personnel cost and balance of the coordinator's salary.

- Add \$50,022 to assist with enhancing, sustaining, and improving state, local, and tribal emergency management programs. The grant period is 07/1/2024-06/30/2025
- Add \$16,066 to provide Community Emergency Response Team (CERT) training and basic supplies. The grant period is 1/1/2024-9/30/2024.

Washington Traffic Safety Commission – Impaired Driving Emphasis, Grant/1-Time

Add \$7,600 in revenues and expenditures for the WTSC Impaired Driving Emphasis grant (10/1/2023-09/30/2024). The grant provides funding for overtime wages and related benefits for law enforcement personnel to participate in scheduled local and multi-jurisdictional DUI, distracted, speeding, and safety patrols.

WTSC – Pierce County Regional Phlebotomy, Grant/1-Time Revenue Neutral

Add \$1,228 in grant revenue and expenditures. This grant provides funding for the Pierce County Regional Law Enforcement Phlebotomy Program. This project would provide fully equipped and supplied phlebotomy sites at the established sites strategically located in Pierce County. These sites are in the City of Fife, the City of Edgewood, two cities in unincorporated Pierce County, in the City of Tacoma, in the City of Lakewood, and in the City of Puyallup. The grant period is from February 23, 2024, through June 30, 2024.

Washington Auto Theft Prevention Authority – Public Safety Equipment, Grant/1-Time

Add \$131,250 in revenues and expenditures. This grant supports the cost of equipment specifically designed to deter, reduce, or investigate auto theft cases. The Police Department will use this funding to purchase 17 flock cameras to increase the city's flock cameras network. The grant period is 7/1/2024-06/30/2025.

Fund 201 Debt Service Funds

Eliminate TBD \$20 VLF Funded Debt Service (Issue Debt in 2025). See Fund 103 Transportation Benefit District for additional details.

Fund 204 Sewer Debt Service Fund

Transfer \$943,480 to Sewer Capital Projects. See Fund 311 Sewer Capital Projects.

Fund 301 Parks Capital

301.0020 Wards Lake Improvements, Revenue Neutral/1-Time

Add \$355,000 in project expenditures funded by grants \$250,000 and Park CIP Fund interest earnings \$105,000.

This budget adjustments results in a life-to-date through 2024 cost estimate of \$6,297,518 funded by:

- \$7,315 Grant - Pierce County Conservation Futures
- \$500,000 Grant - WWRP (WA Wildlife & Recreation Program) Phase 1
- \$500,000 Grant – WWRP (WA Wildlife & Recreation Program) Phase 2
- \$960,430 Grant- LWCF (Land & Water Conservation Fund) Phase 1
- \$1,250,000 Grant – LWCF (Land & Water Conservation Fund) Phase 2
- \$350,000 Grant - YAF (Youth Athletic Fields) Phase 1
- \$350,000 Grant - YAF (Youth Athletic Fields) Phase 2
- \$252,840 Grant – DOC (Department of Commerce)
- \$637,500 General Fund
- \$1,260,837 REET
- \$105,000 Parks CIP Interest Earnings
- \$100,000 SWM
- \$23,596 MVET for Paths & Trails
- \$6,297,518 Total Sources**

301.0054 Harry Todd Deferred Maintenance Program, Grant/1-Time

Add \$100,000 for deferred maintenance items at Harry Todd Park, funded by RCO for \$100,000. This work will include applying a protective seal coat and striping to asphalt-based pavements, painting and striping the basketball courts, filling potholes and adding material to grade and level gravel surfaces, and adding wood chips to the playground. Lakewood will also hire additional seasonal staff to complete the maintenance activities.

This budget adjustments results in a life-to-date through 2024 cost estimate of \$100,000 funded by:

- \$100,000 Grant – RCO (Recreation Conservation Office)

\$100,000 Total Sources

Fund 302 Transportation Capital

302.0083 Hipkins Road SW from Steilacoom Blvd to 104th St SW, Revenue Neutral/1-Time

Add \$1,595,000 for expenditures directly related to work for Lakewood Water District, funded by Lakewood Water.

This budget adjustment results in a life-to-date through 2024 cost estimate of \$5,543,488 funded by:

- \$1,595,000 Lakewood Water District
- \$1,422,000 GO Bonds Funded by TBD \$20 VLF
- \$1,153,000 REET
- \$364,000 TBD \$20 VLF
- \$517,000 SWM
- \$337,500 Unallocated CIP (from various project savings, interest earnings, other revenue)

\$5,543,488 Total Sources

302.0135 JBLM North Access, Grant/1-Time

Add \$8,825 for expenditures, funded by addition to TIB Grant of \$8,825.

The budget adjustment results in a life-to-date through 2024 budget of \$22,759,571 as follows:

- \$5,484,970 GO Bonds
- \$6,706,827 Grants - TIB
- \$252,860 General Fund
- \$2,389,108 REET
- \$195,000 TBD \$20 VLF
- \$123,530 Developer Fees
- \$4,311,914 SWM
- \$3,295,362 Lakewood Water District

\$22,759,571 Total Sources

302.0178 Interlaaken Bridge Repair, New/1-Time

Add \$835,000 for bridge repair funded by reallocation of Transportation Benefit District \$20 Vehicle Licensing Fees to eligible projects by delaying issuance of bonds for TBD eligible projects.

The budget adjustment results in a life-to-date through 2024 budget of \$835,000 as follows:

- \$329,446 MVET (Motor Vehicle Excise Tax)
- \$184,602 General Fund
- \$320,952 REET

\$835,000 Total Sources

Fund 311 Sewer Capital Projects

311.0004 North Thorne Lane Sewer Extension, Continuation/1-Time

Eliminate project budget of \$7,615 due to project completion.

311.0005 Maple Street Sewer Extension, Continuation/1-Time

Eliminate project budget of \$327,905 due to project completion.

311.0006 Rose Road & Forest Road Sewer Extension, Continuation/1-Time

Additional \$711,000 in project expenditures funded by sewer surcharge \$711,000 due bid results coming in higher than the City's estimates.

The budget adjustment results in a life-to-date through 2024 cost estimate of \$1,920,000 funded by:

- \$711,000 Sewer Surcharge
- \$611,005 Sewer Availability
- \$597,995 Pierce County ARPA Grant

\$1,920,000 Total Sources

311.0007 Wadsworth, Silcox & Boat Street Sewer Extension, Continuation/1-Time

Additional \$200,000 in project expenditures funded by sewer availability \$200,000. The increase is due to bid results coming in higher than the City's estimates.

The budget adjustment results in a life-to-date through 2024 cost estimate of \$2,487,000 funded by:

\$887,000 Sewer Availability
\$1,182,822 Pierce County ARPA Grant
\$417,178 Sewer Surcharge
\$2,487,000 Total Sources

311.0008 Grant Avenue & Orchard Street Sewer Extension, Continuation/1-Time

Additional \$500,000 in project expenditures funded by sewer surcharge \$212,480 and sewer availability \$287,520. The increase is due to bid results coming in higher than the City's estimates.

The budget adjustment results in a life-to-date through 2024 cost estimate of \$735,600 funded by:

\$212,480 Sewer Surcharge
\$287,520 Sewer Availability
\$735,600 Pierce County ARPA Grant
\$1,235,600 Total Sources

311.0013 Fort Steilacoom Park Sewer Extension, Continuation/1-Time

Eliminate project budget of \$152,000 due to project completion.

Fund 401 Surface Water Management

Internal Service Charges

See internal services funds for additional information.

Fund 501 Fleet & Equipment

Replace Totaled Police Vehicle 40641, Revenue Neutral/1-Time

Add \$85,000 for the replacement of totaled police vehicle involved in a two-car collision (no injuries). WCIA declared the vehicle a total loss. The new patrol car is fully funded by WCIA insurance proceeds.

Fund 502 Property Management

City Hall Beam Repair, New/1-Time

Additional \$700,000 in expenses to replace, seal and protect the exposed exterior beams on City Hall building.

City Hall Beam Painting, New/1-Time

Add \$60,000 to paint the exterior beams on the City Hall building once replaced.

City Hall Server Room Air Conditioner, New/1-Time

Add \$25,000 to add air conditioning system to the City Hall server room.

Fund 503 Information Technology

Transfer to General Fund, New/1-Time

Close out unspent fund balance of \$355,786 to General Fund.

GASB 96 SBITA Accounting, Revenue Neutral/Ongoing

Add \$520,000 in revenues and expenditures to account for GASB 96 SBITA (Subscription Based Information Technology Arrangements). This new standard enhances financial reporting by defining SBITAs and providing consistent guidance for accounting and financial reporting related to these arrangements

504 Risk Management

Insurance Reimbursement Tactical Tailor, New/1-Time

Add \$32,436 insurance reimbursement for Tactical Tailor as part of their lease agreement. The reimbursement offsets internal service charges allocated to operating funds.

Insurance Reimbursement for Police Totaled Vehicle 40641, Revenue Neutral/1-Time

Add \$85,000 insurance reimbursement for police vehicle involved in a two-car collision (no injuries). WCIA declared the vehicle a total loss. The patrol car is covered at replacement cost estimated at \$85,000. The insurance proceeds will be transferred to the fleet & equipment fund to cover the cost of replacement.

**2024 Year-End Budget Adjustment
Summary of Proposed Requests**

| | Adjustment Type | Ongoing/ 1-Time | Year 2024 | |
|--|-----------------|-----------------|----------------------|----------------------|
| | | | Revenue | Expenditure |
| Grand Total - All Funds | | | \$ 11,523,528 | \$ 12,644,478 |
| Total - Fund 001 General | | | \$ 3,893,577 | \$ 3,163,581 |
| RV Development Services Permits & Fees | Revenue | Ongoing | 2,100,422 | - |
| RV Property Tax | Revenue | Ongoing | 85,857 | - |
| RV Sales Tax | Revenue | Ongoing | 372,000 | - |
| RV Utility Tax | Revenue | Ongoing | 427,900 | - |
| RV Gambling Tax | Revenue | Ongoing | (1,276,500) | - |
| RV Fines & Forfeitures | Revenue | Ongoing | (82,940) | - |
| CC Implement Independent Salary Commission Decision | New | Ongoing | - | 17,540 |
| CM Personnel Cost Adj (Actual Position Placement vs. Budget) | New | Ongoing | - | 21,700 |
| ND Office of Public Defense SPAR Grant FY 2025 | Revenue Neutral | 1-Time | 42,000 | 42,000 |
| LG Opioid Abatement Funds Distributions | Revenue Neutral | 1-Time | 388,320 | 388,320 |
| PD DOC Grant - Tahoma Narcotics Enforcement Team (TNET) | Revenue Neutral | 1-Time | 4,274 | - |
| PD IAP Film Production | New | 1-Time | - | 28,900 |
| PD Assist with North Carolina Hurricane 2024 | New | 1-Time | 69,172 | 69,172 |
| PD Personnel Cost Adj (Collective Bargaining, Unfunded FTEs, Overhires, Placement) | New | Ongoing | - | 1,620,000 |
| PK Washington State HCA (Health Care Authority) CHOICE Grant | New | 1-Time | 130,000 | 130,000 |
| PPW New Permit System, Grant Funded | New | 1-Time | 240,000 | 240,000 |
| GF Transfer from Property Abatement | New | 1-Time | 640,000 | - |
| GF Transfer from LID Guaranty | New | 1-Time | 53,000 | - |
| GF Transfer from LID Debt Svcs | New | 1-Time | 344,286 | - |
| GF Transfer from Information Technology Fund | New | 1-Time | 355,786 | - |
| CW City Hall Server Room Air Conditioner - Internal Service Charge | New | 1-Time | - | 18,890 |
| CW City Hall Beam Painting (Separate from Beam Repair) - Internal Service Charge | New | 1-Time | - | 45,336 |
| CW City Hall Beam Repair - Internal Service Charge | New | 1 - time | - | 463,662 |
| CW WCIA Assessment Reduction from Tactical Tailor Reimb - Internal Service Charge | New | 1-Time | - | (28,345) |
| TR General/Street Fund Subsidy | New | 1-Time | - | 106,406 |
| Total - Special Revenue Funds | | | \$ 3,254,328 | \$ 3,286,764 |
| Total - Fund 101 Street O&M | | | 106,406 | 106,406 |
| CW City Hall Server Room Air Conditioner - Internal Service Charge | New | 1-Time | 3,910 | 3,910 |
| CW City Hall Beam Painting (Separate from Beam Repair) - Internal Service Charge | New | 1-Time | 9,384 | 9,384 |
| CW City Hall Beam Repair - Internal Service Charge | New | 1 - time | 95,998 | 95,998 |
| CW WCIA Assessment Reduction from Tactical Tailor Reimb - Internal Service Charge | New | 1-Time | (2,886) | (2,886) |
| Total - Fund 103 Transportation Benefit District | | | \$ - | \$ - |
| Delay Issuance of TBD Bonds | Revenue Neutral | 1-Time | - | (835,000) |
| Redirect Funds to Eligible Projects for Interlaaken Bridge Repair | Revenue Neutral | 1-Time | - | 835,000 |
| Total - Fund 104 Lodging Tax | | | \$ 220,000 | \$ 220,000 |
| GASB 87 Leases | Revenue | Ongoing | 220,000 | 220,000 |
| Total - Fund 105 Property Abatement | | | \$ - | \$ - |
| CD Abatement - Return General Fund Contributions \$640K offset by Exp Reduction | New | 1-Time | - | - |
| Total - Fund 180 Narcotics Seizure | | | \$ 18,056 | \$ 18,056 |
| PD OCDETF - High Mileage 2024 Funding Change | Revenue Neutral | 1-Time | (1,944) | (1,944) |
| PD Replace Freezer & Refridgerator Units | Revenue Neutral | 1-Time | 20,000 | 20,000 |
| Total - Fund 182 Federal Seizure | | | \$ 9,000 | \$ 9,000 |
| PD Federal Seizure Revenue & Eligible Expenditures | Revenue Neutral | 1-Time | 9,000 | 9,000 |
| Total - Fund 190 CDBG | | | \$ 2,306,607 | \$ 2,306,607 |
| CD HOME Investment Partnerships American Rescue Plan Program (HOME ARP) | Revenue Neutral | 1-Time | 1,175,489 | 1,175,489 |
| CD HUD - Community Development Block Grant | Revenue Neutral | 1-Time | 1,131,118 | 1,131,118 |
| Total - Fund 192 South Sound Military Communities Partnership (SSMCP) | | | \$ - | \$ 32,436 |
| CD Tactical Tailor - Reimburse Insurance Costs 2022-2024 | New | 1-Time | - | 32,436 |
| Total - Fund 195 Public Safety Grants | | | \$ 594,259 | \$ 594,259 |
| MC Office of Justice Programs Veterans Court Grant | Revenue Neutral | 1-Time | 201,854 | 201,854 |
| PD Washington Auto Theft Prevention Authority Mini Grant | Revenue Neutral | 1-Time | 157,355 | 157,355 |
| PD WA State Parks & Recreation Boaters Safety | Revenue Neutral | 1-Time | 12,884 | 12,884 |
| PD Washington Association of Sheriffs & Police Chiefs - Traffic Safety Equipment | Revenue Neutral | 1-Time | 6,000 | 6,000 |
| PD Washington Traffic Safety Commission - School Zones | Revenue Neutral | 1-Time | 10,000 | 10,000 |
| PD Emergency Management Planning EMPG- Main Program Activities | Revenue Neutral | 1-Time | 50,022 | 50,022 |
| PD Emergency Management Planning EMPG. CERT Trainings | Revenue Neutral | 1-Time | 16,066 | 16,066 |
| PD WTSC - Impaired and Distracted Driving | Revenue Neutral | 1-Time | 7,600 | 7,600 |
| PD Pierce County Regional Law Enforcement Phlebotomy Program | Revenue Neutral | 1-Time | 1,228 | 1,228 |
| PD WATPA -Public Safety Equipment | Revenue Neutral | 1-Time | 131,250 | 131,250 |

**2024 Year-End Budget Adjustment
Summary of Proposed Requests**

| | Adjustment Type | Ongoing/1-Time | Year 2024 | |
|---|-----------------|----------------|---------------------|---------------------|
| | | | Revenue | Expenditure |
| Grand Total - Debt Service Funds | | | \$ (830,341) | \$ 485,769 |
| Total - Fund 201 General Obligation Debt Service | | | \$ (835,000) | \$ (835,000) |
| Eliminate TBD \$20 VLF Funded Debt Service (Issue Debt in 2025) | Continuation | 1-Time | (835,000) | (835,000) |
| Total - Fund 202 LID Debt Service | | | \$ - | \$ 344,289 |
| Earmark for Early Redemption | Continuation | 1-Time | - | - |
| Transfer to General Fund | New | 1-Time | - | 344,289 |
| Total -Fund 204 Sewer Project Debt | | | \$ - | \$ 923,480 |
| Transfer to Sewer CIP | New | 1-Time | - | 923,480 |
| Total - Fund 251 LID Guarantee | | | \$ 4,659 | \$ 53,000 |
| Transfer to General Fund | New | 1-Time | 4,659 | 53,000 |
| Total - Capital Improvement Project Funds | | | \$ 3,817,305 | \$ 3,817,305 |
| Total - Fund 301 Parks CIP | | | \$ 455,000 | \$ 455,000 |
| 301.0020 Wards Lake, Funded by Grants \$2,150,000 & Interest Earnings \$105,000 | New | 1-Time | 355,000 | 355,000 |
| 301.0054 Harry Todd Deferred Maintenance Program, Funded by RCO Grant | New | 1-Time | 100,000 | 100,000 |
| Total - Fund 302 Transportation CIP | | | \$ 2,438,825 | \$ 2,438,825 |
| 302.0178 Interlaaken Bridge Repair | New | 1-Time | 835,000 | 835,000 |
| 302.0135 Streets: WA Blvd & Edgewood Dr (North Fort to Gravelly Lk. Dr.) - TIB | New | 1-Time | 8,825 | 8,825 |
| 302.0083 Hipkins Road SW from Steilacoom Blvd to 104th St SW Reimbursed by Lakewood Water District | New | 1-Time | 1,595,000 | 1,595,000 |
| Total - Fund 311 Sewer Project CIP | | | \$ 923,480 | \$ 923,480 |
| 311.0006 Rose Road - Source is Sewer Surcharge | New | 1-Time | 711,000 | 711,000 |
| 311.0004 Thorne Lane - Project Complete | Revenue Neutral | 1-Time | - | (7,615) |
| 311.0005 Maple Street - Project Complete | Revenue Neutral | 1-Time | - | (327,905) |
| 311.0013 Fort Steilacoom Park - Project Complete | Revenue Neutral | 1-Time | - | (152,000) |
| 311.0007 Wadsorth/Silcox - Source is Sewer Availability Charge | Revenue Neutral | 1-Time | - | 200,000 |
| 311.0008 Grant Ave - Source is Sewer Surcharge | New | 1-Time | 212,480 | 212,480 |
| 311.0008 Grant Ave - Source is Sewer Availability Charge | Revenue Neutral | 1-Time | - | 287,520 |
| Total - Enterprise Funds | | | \$ - | \$ 60,274 |
| Total - Fund 401 Surface Water Management | | | \$ - | \$ 60,274 |
| CW City Hall Server Room Air Conditioner - Internal Service Charge | New | 1-Time | - | 2,200 |
| CW City Hall Beam Painting (Separate from Beam Repair) - Internal Service Charge | New | 1-Time | - | 5,280 |
| CW City Hall Beam Repair - Internal Service Charge | New | 1-time | - | 53,999 |
| CW WCIA Assessment Reduction from Tactical Tailor Reimb - Internal Service Charge | New | 1-Time | - | (1,205) |
| Total - Internal Service Funds | | | \$ 1,388,659 | \$ 1,830,786 |
| Total - Fund 501 Fleet & Equipment | | | \$ 85,000 | \$ 85,000 |
| PD Replace Totaled Police Vehicle 40641, Funded by Insurance Proceeds | Revenue Neutral | 1-Time | 85,000 | 85,000 |
| Total - Fund 502 Property Management | | | \$ 698,659 | \$ 785,000 |
| CW City Hall Beam Repair | New | 1-time | 613,659 | 700,000 |
| CW City Hall Beam Painting (Separate from Beam Repair) | New | 1-time | 60,000 | 60,000 |
| CW City Hall Server Room Air Conditioner | New | 1-Time | 25,000 | 25,000 |
| Total - Fund 503 Information Technology | | | 520,000 | 875,786 |
| GF Transfer to General Fund | New | 1-Time | - | 355,786 |
| GF GASB 96 SBITA (Subscription Based Information Technology Arrangements) | Revenue Neutral | Ongoing | 520,000 | 520,000 |
| Total - Fund 504 Risk Management | | | \$ 85,000 | \$ 85,000 |
| PD Transfer Insurance Proceeds to Fleet Fund to Replace Totaled Police Vehicle | Revenue Neutral | 1-Time | 85,000 | 85,000 |
| CW Tactical Tailor Insurance Reimbursement \$32,436 / Reduce Assessments, Net \$0 | New | 1-Time | - | - |

ORDINANCE NO.

AN ORDINANCE of the City Council of the City of Lakewood, Washington, amending the 2023/2024 Biennial Budget.

WHEREAS, the tax estimates and budget for the City of Lakewood, Washington, for the 2023/2024 fiscal biennium have been prepared and filed on October 3, 2022 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 7, 2022, and having considered the public testimony presented; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 779 on November 21, 2022 implementing the 2023/2024 Biennial Budget; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 785 on May 15, 2023 implementing the 2023 Carry Forward Budget Adjustment; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 795 on December 4, 2023 implementing the 2023 Year-End Budget Adjustment; and

WHEREAS, the City Council of the City of Lakewood adopted Ordinance 804 on May 20, 2024 implementing the 2024 Carry Forward Budget Adjustment; and

WHEREAS, the City Council of the City of Lakewood finds it necessary to revise the 2024 Budget to: incorporate items previously approved by the City Council, appropriate projects funded by grants and contributions; continue capital projects; and include new allocations as necessary; and

WHEREAS, the City Council of the City of Lakewood held a public hearing on the 2024 Year-End Budget Adjustment on November 4, 2024.

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

Section 1. Budget Amendment. The budget for year 2024 as set forth in Ordinance 804, and as shown in Exhibit A (Current Revised Budget by Fund – Year 2024) is amended to adopt the revised budget for year 2024 in the amounts and for the purposes as shown in Exhibit B (Proposed Revised Budget by Fund – Year 2024).

Section 2. Severability. If any portion of this Ordinance or its application to any person or circumstances is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances shall not be affected.

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. That this Ordinance shall be in full force and effect for year 2024 five (5) days after publication of the Ordinance Summary.

ADOPTED by the City Council this 18th day of November, 2024.

CITY OF LAKEWOOD

Attest:

Jason Whalen, Mayor

Briana Schumacher, City Clerk

Approved as to Form:

Heidi Ann Wachter, City Attorney

EXHIBIT A
CURRENT REVISED BUDGET BY FUND - YEAR 2024

| Fund | Beginning Fund Balance | | | Revenue | | | Expenditure | | | Ending |
|-------------------------------------|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Prior Amount | Adjustment | Revised | Prior Amount | Adjustment | Revised | Prior Amount | Adjustment | Revised | Fund Balance |
| General Government Funds: | \$ 16,311,163 | \$ 6,315,952 | \$ 22,627,115 | \$ 56,691,050 | \$ 14,221,554 | \$ 70,912,604 | \$ 60,657,732 | \$ 19,438,956 | \$ 80,096,688 | \$ 13,443,032 |
| 001 General | 11,462,172 | 2,035,692 | 13,497,864 | 46,328,920 | 2,701,828 | 49,030,748 | 50,147,904 | 4,530,014 | 54,677,918 | 7,850,694 |
| 101 Street | - | - | - | 3,018,862 | 910,661 | 3,929,523 | 3,018,862 | 910,661 | 3,929,523 | - |
| 103 Transportation Benefit District | 226,608 | (14,320) | 212,288 | 835,000 | - | 835,000 | 999,924 | - | 999,924 | 47,364 |
| 104 Hotel/Motel Lodging Tax Fund | 3,230,825 | 362,186 | 3,593,011 | 1,338,567 | - | 1,338,567 | 1,340,367 | - | 1,340,367 | 3,591,211 |
| 105 Property Abatement/RHSP/1406 | - | 102,893 | 102,893 | 488,000 | 1,079,291 | 1,567,291 | 488,000 | 1,182,184 | 1,670,184 | - |
| 106 Public Art | - | 26,902 | 26,902 | 37,000 | - | 37,000 | 37,000 | 26,902 | 63,902 | - |
| 180 Narcotics Seizure | - | 76,230 | 76,230 | - | 28,595 | 28,595 | - | 104,825 | 104,825 | - |
| 181 Felony Seizure | - | 22,370 | 22,370 | - | - | - | - | 22,370 | 22,370 | - |
| 182 Federal Seizure | - | 4,671 | 4,671 | - | - | - | - | 4,671 | 4,671 | - |
| 190 CDBG | - | 1,852,040 | 1,852,040 | 550,000 | 699,404 | 1,249,404 | 550,000 | 2,551,444 | 3,101,444 | - |
| 191 Neighborhood Stabilization Prog | - | 14,148 | 14,148 | 45,500 | 303,000 | 348,500 | 45,500 | 317,148 | 362,648 | - |
| 192 SSMCP | (190,066) | 76,359 | (113,707) | 441,925 | 1,166,885 | 1,608,810 | 352,796 | 1,155,770 | 1,508,566 | (13,462) |
| 195 Public Safety Grants | - | - | - | - | 675,714 | 675,714 | - | 675,714 | 675,714 | - |
| 196 ARPA (American Rescue Plan Act) | - | 1,301,077 | 1,301,077 | - | 6,656,176 | 6,656,176 | - | 7,957,253 | 7,957,253 | - |
| 201 GO Bond Debt Service | - | - | - | 2,517,754 | - | 2,517,754 | 2,517,754 | - | 2,517,754 | - |
| 202 LID Debt Service | - | 344,289 | 344,289 | 219,765 | - | 219,765 | 219,765 | - | 219,765 | 344,289 |
| 204 Sewer Project Debt | 1,446,436 | 105,262 | 1,551,698 | 869,757 | - | 869,757 | 939,860 | - | 939,860 | 1,481,595 |
| 251 LID Guaranty | 135,188 | 6,153 | 141,341 | - | - | - | - | - | - | 141,341 |
| Capital Project Funds: | \$ 786,193 | \$ 16,024,363 | \$ 16,810,556 | \$ 16,662,261 | \$ 23,445,555 | \$ 40,107,816 | \$ 17,082,343 | \$ 39,529,437 | \$ 56,611,780 | \$ 306,592 |
| 301 Parks CIP | 22,488 | 5,638,436 | 5,660,924 | 3,785,788 | 4,743,938 | 8,529,726 | 3,785,788 | 10,404,863 | 14,190,651 | - |
| 302 Transportation CIP | 166,449 | 8,527,457 | 8,693,906 | 9,261,855 | 16,940,054 | 26,201,909 | 9,387,720 | 25,508,094 | 34,895,814 | - |
| 303 Real Estate Excise Tax | 44,232 | 235,196 | 279,428 | 2,917,500 | (543,976) | 2,373,524 | 2,916,657 | (263,705) | 2,652,952 | - |
| 311 Sewer Project CIP | 553,024 | 1,623,274 | 2,176,298 | 697,118 | 2,305,539 | 3,002,657 | 992,178 | 3,880,185 | 4,872,363 | 306,592 |
| Enterprise Fund: | \$ 6,183,940 | \$ 5,035,680 | \$ 11,219,620 | \$ 4,847,382 | \$ 287,342 | \$ 5,134,724 | \$ 5,002,200 | \$ 3,287,572 | \$ 8,289,772 | \$ 8,064,572 |
| 401 Surface Water Management | 6,183,940 | 5,035,680 | 11,219,620 | 4,847,382 | 287,342 | 5,134,724 | 5,002,200 | 3,287,572 | 8,289,772 | 8,064,572 |
| Internal Service Funds: | \$ 5,635,740 | \$ 863,594 | \$ 6,499,334 | \$ 10,010,582 | \$ 1,285,349 | \$ 11,295,931 | \$ 10,573,938 | \$ 2,155,892 | \$ 12,729,830 | \$ 5,065,435 |
| 501 Fleet & Equipment | 5,215,297 | 205,424 | 5,420,721 | 1,627,120 | 97,100 | 1,724,220 | 2,172,320 | 349,312 | 2,521,632 | 4,623,309 |
| 502 Property Management | 85,000 | 654,671 | 739,671 | 916,396 | 682,473 | 1,598,869 | 1,001,396 | 1,250,804 | 2,252,200 | 86,340 |
| 503 Information Technology | 335,443 | 3,499 | 338,942 | 4,187,674 | 392,031 | 4,579,705 | 4,120,830 | 442,031 | 4,562,861 | 355,786 |
| 504 Risk Management | - | - | - | 3,279,392 | 113,745 | 3,393,137 | 3,279,392 | 113,745 | 3,393,137 | - |
| Total All Funds | 28,917,036 | \$ 28,239,589 | \$57,156,625 | \$ 88,211,275 | \$ 39,239,800 | \$127,451,075 | \$ 93,316,213 | \$ 64,411,856 | \$157,728,069 | \$ 26,879,632 |

EXHIBIT B
PROPOSED REVISED BUDGET BY FUND - YEAR 2024

| Fund | Beginning Fund Balance | | | Revenue | | | Expenditure | | | Ending Fund Balance |
|-------------------------------------|------------------------|-------------|----------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| | Prior Amount | Adjustment | Revised | Prior Amount | Adjustment | Revised | Prior Amount | Adjustment | Revised | |
| General Government Funds: | \$ 22,627,115 | \$ - | \$ 22,627,115 | \$ 70,912,604 | \$ 6,317,567 | \$ 77,230,171 | \$ 80,096,688 | \$ 6,936,113 | \$ 87,032,801 | \$ 12,824,485 |
| 001 General | 13,497,864 | - | 13,497,864 | 49,030,748 | 3,893,580 | 52,924,328 | 54,677,918 | 3,163,580 | 57,841,498 | 8,580,694 |
| 101 Street | - | - | - | 3,929,523 | 106,406 | 4,035,929 | 3,929,523 | 106,406 | 4,035,929 | - |
| 103 Transportation Benefit District | 212,288 | - | 212,288 | 835,000 | - | 835,000 | 999,924 | - | 999,924 | 47,364 |
| 104 Hotel/Motel Lodging Tax Fund | 3,593,011 | - | 3,593,011 | 1,338,567 | 220,000 | 1,558,567 | 1,340,367 | 220,000 | 1,560,367 | 3,591,211 |
| 105 Property Abatement/RHSP/1406 | 102,893 | - | 102,893 | 1,567,291 | - | 1,567,291 | 1,670,184 | - | 1,670,184 | - |
| 106 Public Art | 26,902 | - | 26,902 | 37,000 | - | 37,000 | 63,902 | - | 63,902 | - |
| 180 Narcotics Seizure | 76,230 | - | 76,230 | 28,595 | 18,056 | 46,651 | 104,825 | 18,056 | 122,881 | - |
| 181 Felony Seizure | 22,370 | - | 22,370 | - | - | - | 22,370 | - | 22,370 | - |
| 182 Federal Seizure | 4,671 | - | 4,671 | - | 9,000 | 9,000 | 4,671 | 9,000 | 13,671 | - |
| 190 CDBG | 1,852,040 | - | 1,852,040 | 1,249,404 | 2,306,607 | 3,556,011 | 3,101,444 | 2,306,607 | 5,408,051 | - |
| 191 Neighborhood Stabilization Prog | 14,148 | - | 14,148 | 348,500 | - | 348,500 | 362,648 | - | 362,648 | - |
| 192 SSMCP | (113,707) | - | (113,707) | 1,608,810 | - | 1,608,810 | 1,508,566 | 32,436 | 1,541,002 | (45,899) |
| 195 Public Safety Grants | - | - | - | 675,714 | 594,259 | 1,269,973 | 675,714 | 594,259 | 1,269,973 | - |
| 196 ARPA (American Rescue Plan Act) | 1,301,077 | - | 1,301,077 | 6,656,176 | - | 6,656,176 | 7,957,253 | - | 7,957,253 | - |
| 201 GO Bond Debt Service | - | - | - | 2,517,754 | (835,000) | 1,682,754 | 2,517,754 | (835,000) | 1,682,754 | - |
| 202 LID Debt Service | 344,289 | - | 344,289 | 219,765 | - | 219,765 | 219,765 | 344,289 | 564,054 | - |
| 204 Sewer Project Debt | 1,551,698 | - | 1,551,698 | 869,757 | - | 869,757 | 939,860 | 923,480 | 1,863,340 | 558,115 |
| 251 LID Guaranty | 141,341 | - | 141,341 | - | 4,659 | 4,659 | - | 53,000 | 53,000 | 93,000 |
| Capital Project Funds: | \$ 16,810,556 | \$ - | \$ 16,810,556 | \$ 40,107,816 | \$ 3,817,305 | \$ 43,925,121 | \$ 56,611,780 | \$ 3,817,305 | \$ 60,429,085 | \$ 306,592 |
| 301 Parks CIP | 5,660,924 | - | 5,660,924 | 8,529,726 | 455,000 | 8,984,726 | 14,190,651 | 455,000 | 14,645,651 | - |
| 302 Transportation CIP | 8,693,906 | - | 8,693,906 | 26,201,909 | 2,438,825 | 28,640,734 | 34,895,814 | 2,438,825 | 37,334,639 | - |
| 303 Real Estate Excise Tax | 279,428 | - | 279,428 | 2,373,524 | - | 2,373,524 | 2,652,952 | - | 2,652,952 | - |
| 311 Sewer Project CIP | 2,176,298 | - | 2,176,298 | 3,002,657 | 923,480 | 3,926,137 | 4,872,363 | 923,480 | 5,795,843 | 306,592 |
| Enterprise Fund: | \$ 11,219,620 | \$ - | \$ 11,219,620 | \$ 5,134,724 | \$ - | \$ 5,134,724 | \$ 8,289,772 | \$ 60,274 | \$ 8,350,046 | \$ 8,004,298 |
| 401 Surface Water Management | 11,219,620 | - | 11,219,620 | 5,134,724 | - | 5,134,724 | 8,289,772 | 60,274 | 8,350,046 | 8,004,298 |
| Internal Service Funds: | \$ 6,499,334 | \$ - | \$ 6,499,334 | \$ 11,295,931 | \$ 1,388,660 | \$ 12,684,591 | \$ 12,729,830 | \$ 1,830,786 | \$ 14,560,616 | \$ 4,623,309 |
| 501 Fleet & Equipment | 5,420,721 | - | 5,420,721 | 1,724,220 | 85,000 | 1,809,220 | 2,521,632 | 85,000 | 2,606,632 | 4,623,309 |
| 502 Property Management | 739,671 | - | 739,671 | 1,598,869 | 698,660 | 2,297,529 | 2,252,200 | 785,000 | 3,037,200 | - |
| 503 Information Technology | 338,942 | - | 338,942 | 4,579,705 | 520,000 | 5,099,705 | 4,562,861 | 875,786 | 5,438,647 | - |
| 504 Risk Management | - | - | - | 3,393,137 | 85,000 | 3,478,137 | 3,393,137 | 85,000 | 3,478,137 | - |
| Total All Funds | 57,156,625 | \$ - | \$57,156,625 | \$ 127,451,075 | \$ 11,523,532 | \$138,974,607 | \$ 157,728,069 | \$ 12,644,478 | \$170,372,547 | \$ 25,758,685 |