



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sri Krishnan, Financial Planning Manager

Date: December 7, 2010

Subject: **2010 YEAR-END BUDGET ADJUSTMENT**

RECOMMENDATION:

City Council adopts the attached ordinance increasing the 2009-2010 biennial budget appropriation for selected funds.

BACKGROUND DISCUSSION:

State law prohibits expenditures in excess of the budget appropriation for any fund. All recommended expenditure adjustments included in this budget adjustment are funded by recognizing unanticipated revenues.

The proposed budget adjustments (Attachment A) consist of housekeeping adjustments, items previously approved by Council (for which fiscal notes were done) and other requests.

Housekeeping Adjustments:

- **American Recovery and Reinvestment Act (ARRA) Grant (\$181,878):** Recognize revenue and associated expenses from ARRA Grant, which includes replacement of fire station windows, OPower report and LED street lights.
- **Reimbursements (\$68,951):** Recognize revenue and associated reimbursable expenses associated with the Police and Fire Departments.
- **COPS Technology Program Grant (-\$300,000):** This housekeeping adjustment removes the associated revenue and expenses from the 2009-10 budget from the General Fund and General Capital Fund. This adjustment will be made in the 2011-12 biennium to reflect updated timing for the grant receipt.
- **Police Radios (\$66,462):** Recognize the use of drug seizure funds to purchase Police radios.
- **Other Housekeeping Adjustments (\$6,048):** Several minor adjustments.

Previously Approved by Council/Other:

- **Parkplace Legal and Financial Consulting (\$20,000):** In May, Council authorized the use of the Council Special Projects Reserve for specialized legal and financial consulting services related to the Parkplace Development agreement.
- **Municipal Court Staffing (\$35,221):** In June, Council authorized additional funding for the Municipal Court to increase court and probation staffing, which is funded by an increase in probation revenues and fines and forfeitures.
- **Parks Youth Employment Grant (\$14,000):** In July, Council authorized the Summer Youth Employment Program, which was fully funded from a Federal Grant. This adjustment recognizes revenue and associated expenses for the program.
- **Concours d' Elegance Donation to Evergreen Hospital charity (\$2,229):** In August, Council authorized the rebate of admissions tax received from the Concours d' Elegance event to the Evergreen Hospital Women's and Children's uncompensated care program.
- **Additional Unbudgeted Cost of Purchasing the Costco Home Property (\$3,910,559):** In August, 2010, Council authorized the City Manager to enter into a purchase and sale agreement for the purchase of the Costco Home Property as part of the plan for City Hall and Public Safety facility expansion. This purchase was approved with the use of interfund loans from the utilities (water/sewer and surface water capital funds) to be repaid with interest by debt issuance loan proceeds. This recognizes the difference between the original 2009-10 budget for this project and the actual purchase price.

The budget is adopted at the fund level which sets the total expenditure authority for the biennium for each fund. A summary of the adjustments and 2009-2010 revised budget by fund type, is included in the table below:

Fund Type	Current 09-10 Budget	Adjustments	Revised 09-10 Budget
General Government:			
General Fund	121,304,415	34,190	121,338,605
Other Operating Funds	15,697,743	142,105	15,839,848
Internal Service Funds	33,139,801	68,494	33,208,295
Non-Operating Funds	113,247,736	3,760,559	117,008,295
Utilities:			
Water/Sewer	68,107,620	0	68,107,620
Surface Water	24,184,544	0	24,184,544
Solid Waste	18,578,902	0	18,578,902
Total Budget	394,260,761	4,005,348	398,266,109

This is the final adjustment to the 2009-2010 Budget.

City of Kirkland
 2009-2010 Budget
 2010 Year End Budget Adjustment Summary

Adjustment Type	Dept.	Description	Adjustments	Appropriation Adjustment	Funding Source				Funding Source Notes
					Internal Transf./Chrg.	Reserves	Resources Forward	External Revenue	
General Fund									
Council Directed/Other	ND	Concours d'Elegance Admissions Tax Refund	2,229	2,229				2,229	Admissions Tax
Council Directed/Other	Var.	Parkplace Legal and Financial Consulting	20,000	20,000	20,000				Council Special Project Reserve
Council Directed/Other	CMO	Municipal Court Staffing	35,221	35,221				35,221	Probation Fees & Fines and Forfeits
Council Directed/Other	PK	Parks Youth Employment Grant	14,000	14,000				14,000	Indirect Federal Grant
Housekeeping	ND	eCity Gov Adjustment	(9,984)	(9,984)				(9,984)	External Revenue
Housekeeping	ND	Bullet Proof Vests Reimbursements	14,234	14,234				14,234	Dept. of Justice Grant
Housekeeping	CMO	CTED Grant for Artist Brochure Move to Lodging Tax Fund	(7,000)	(7,000)				(7,000)	Community Trade & Economic Development Grant
Housekeeping	PK	Friday Market Management	11,998	7,000	7,000				Revenue from Friday Market
Housekeeping	PW	ARRA Grant - Fire Station Windows and Opower Report	53,773	53,773				53,773	ARRA Direct Federal Grant
Housekeeping	PD	Police Department Reimbursements	52,531	52,531				52,531	State Grants & Other Reimbursements
Housekeeping	PD/FB	Move COPS Technology Program Grant to 2011-12 Budget	(150,000)	(150,000)				(150,000)	U.S. Dept. of Justice Federal Grant
Housekeeping	FB	Medical Supply Reimbursement	2,186	2,186				2,186	Dept. of Social and Health Services State Grant
General Fund Total			39,188	34,190	27,000	-	-	7,190	
OTHER FUNDS									
Lodging Tax Fund									
Housekeeping	CMO	CTED Grant for Artist Brochure	7,000	7,000				7,000	CTED Grant
Lodging Tax Fund Total			7,000	7,000	-	-	-	7,000	
Street Operating Fund									
Housekeeping	PW	ARRA Grant - LED Street Lights	128,105	128,105				128,105	ARRA Direct Federal Grant
Street Operating Fund Total			128,105	128,105	-	-	-	128,105	
Recreation Revolving Fund									
Housekeeping	PK	Friday Market Management	7,000	7,000				7,000	Market Revenue
Recreation Revolving Fund Total			7,000	7,000	-	-	-	7,000	
General Capital Projects Fund									
Council Directed/Other		Interfund Loan for Purchase of Costco Home Property	3,910,559	3,910,559	3,910,559				Interfund Loan from Utilities
Housekeeping	FB	Move COPS Technology Program Grant to 2011-12 Budget	(150,000)	(150,000)				(150,000)	U.S. Dept. of Justice Federal Grant
General Capital Projects Fund Total			3,760,559	3,760,559	3,910,559	-	-	(150,000)	
Equipment Rental Fund									
Housekeeping	PK	Purchase Parks Scooter	2,032	2,032	2,032				Transfer in from General Fund
Housekeeping	PD	Purchase Police Radios	102,714	66,462	66,462				Transfer in from Drug Seizure Fund 157
Equipment Rental Fund Total			104,746	68,494	68,494	-	-	-	
TOTAL OTHER FUNDS			4,007,410	3,971,158	3,979,053	-	-	(7,895)	-
TOTAL ALL FUNDS			4,046,598	4,005,348	4,006,053	-	-	(705)	

ORDINANCE NO. 4276

AN ORDINANCE OF THE CITY OF KIRKLAND AMENDING THE BIENNIAL BUDGET FOR 2009-2010.

WHEREAS, the City Council finds that the proposed adjustments to the Biennial Budget for 2009-2010 reflect revenues and expenditures that are intended to ensure the provision of vital municipal services at acceptable levels;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. The Year End 2010 adjustments to the Biennial Budget of the City of Kirkland for 2009-2010 are hereby adopted.

Section 2. In summary form, modifications to the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined are as follows:

<u>Funds</u>	Current Budget	Adjustments	Revised Budget
General	121,304,415	34,190	121,338,605
Lodging Tax	791,648	7,000	798,648
Street Operating	9,577,812	128,105	9,705,917
Cemetery Operating	210,362	0	210,362
Parks Maintenance	2,227,124	0	2,227,124
Recreation Revolving	2,890,797	7,000	2,897,797
Contingency	2,598,660	0	2,598,660
Cemetery Improvement	586,574	0	586,574
Impact Fees	4,151,098	0	4,151,098
Park & Municipal Reserve	11,528,172	0	11,528,172
Off-Street Parking Reserve	217,610	0	217,610
Tour Dock	126,275	0	126,275
Street Improvement	2,833,503	0	2,833,503
Grant Control Fund	222,924	0	222,924
Excise Tax Capital Improvement	22,396,187	0	22,396,187
Limited General Obligation Bonds	2,585,729	0	2,585,729
Unlimited General Obligation Bonds	2,687,388	0	2,687,388
General Capital Projects	43,349,137	3,760,559	47,109,696
Grant Capital Projects	18,330,402	0	18,330,402
Water/Sewer Operating	46,202,650	0	46,202,650
Water/Sewer Debt Service	3,505,639	0	3,505,639
Utility Capital Projects	18,399,331	0	18,399,331
Surface Water Management	12,946,027	0	12,946,027
Surface Water Capital Projects	11,238,517	0	11,238,517
Solid Waste	18,578,902	0	18,578,902
Equipment Rental	13,599,185	68,494	13,667,679

<u>Funds</u>	Current Budget	Adjustments	Revised Budget
Information Technology	10,167,580	0	10,167,580
Facilities Maintenance	9,373,036	0	9,373,036
Firefighter's Pension	1,634,077	0	1,634,077
	<u>394,260,761</u>	<u>4,005,348</u>	<u>398,266,109</u>

Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 7th day of December, 2010.

Signed in authentication thereof this 7th day of December, 2010.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney