



**TO:** Elizabeth Pauli, Interim City Manager  
**FROM:** *TW* Tadd Wille, Budget Director  
Andrew Cherullo, Finance Director  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance - 2017-2018 Biennial Operating Budget Amendment – May 2, 2017  
**DATE:** April 7, 2017

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**SUMMARY:**

Amending the 2017-2018 Biennial Operating Budget for recommended budget adjustments, 2015-2016 contract obligations, and transfers to the Capital Budget for Council-approved capital projects with outstanding balances or budget adjustments.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

**BACKGROUND:**

This ordinance appropriates 1) obligations from 2015-2016 that have not been complete, 2) transfers to the Capital Budget for Council-approved capital projects, and 3) other recommended budget adjustments, which represent emergent needs that were not identifiable before the approval of the 2017-2018 Operating Budget Ordinance.

The total increase to the 2017-2018 Operating Budget as a result of this ordinance is **\$55,628,469**. This increase is funded by grants, existing fund balances, and other miscellaneous revenue sources. The General Fund portion of the budget increase is **\$10,951,748** funded by fund balance reserved for encumbrances and budget adjustments and a sales tax plan adjustment.

Items included in this ordinance will not increase budgeted expenditures within the 2017-2018 Operating Budget beyond what has been planned and is necessary to ensure execution of 2015-2016 commitments. It will also not negatively impact financial reserves.

Exhibit A shows the 2017-2018 Adopted Operating Budget by fund, the reappropriation and budget adjustment amounts requested, and the revised appropriation. Exhibit B provides more detail of the expenditures and revenues and totals by fund and fund category.

**ISSUE:**

City Council will consider amending the 2017-2018 Biennial Operating Budget for recommended budget adjustments, prior year contractual obligations, and transfers to the Capital Budget.



**ALTERNATIVES:**

The City Council could choose not to amend the 2017-2018 Adopted Operating Budget. If not approved, contractual obligations and needed adjustments would require departments to identify savings to cover the expenses within their 2017-2018 budgeted appropriation, or when possible, require the cancellation of encumbered obligations.

**RECOMMENDATION:**

Staff recommends that the City Council approve the ordinance to appropriate budget adjustments, contract obligations, and transfers to the Capital Budget for the 2017-2018 biennium, as outlined in Exhibit "A."



**FISCAL IMPACT:**

The ordinance will set appropriation for all budgeted funds for 2017-2018, as outlined in Exhibit "A."

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Multiple – See Exhibit "A"			
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Multiple – See Exhibit "A"			
<b>TOTAL</b>			

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: N/A**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? N/A**

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

N/A