



TO: Elizabeth Pauli, City Manager
FROM: Katie Johnston, Budget Officer, Office of Management and Budget
 Andy Cherullo, Director, Department of Finance
COPY: City Council and City Clerk
SUBJECT: Ordinance – 2021-2022 Capital Budget Amendment – November 9, 2021
DATE: October 29, 2021

SUMMARY AND PURPOSE:

Modifying the 2021-2022 Capital Budget to recognize changes in transfers, additional revenues, and budget adjustments. The City of Tacoma’s Capital Budget consists of three funds with multi-year appropriation authority: the Transportation Capital and Engineering Fund (1060), the Paths and Trails Reserve Fund (1140), and the Capital Projects Fund (3211). The transfers and adjustments to these funds are outlined in the attached exhibits.

BACKGROUND:

This Department’s Recommendation is Based On: This ordinance will amend the 2021-2022 Capital Budget to appropriate additional project funding, new grant revenues, and other budget adjustments as outlined in the attached exhibits.

The Growth Management Act requires a capital facilities element of the comprehensive plan that is periodically reviewed and updated. This element serves as a planning document for capital projects and enables the City to seek funding for potential projects.

The Capital Facilities Program helps inform development of the City’s Biennial Capital Budget. As the biennium progresses, changes to the budget are necessary due to variances in capital revenue projections and unforeseen expenditure adjustments and/or needs. The purpose of the capital budget amendment is to more accurately budget for the ongoing needs of the City.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

Departments submitted budget proposals with equity impacts in mind. The Office of Management and Budget and the City Manager’s Office evaluated proposals accordingly.

ALTERNATIVES:

Pursuant to RCW 35.34.130 the City of Tacoma must pass an ordinance that appropriates estimated expenditures and revenues/use of available funds for the biennium; therefore, no alternatives have been identified for the amendment of the Capital Budget.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Adopt Capital Modification Ordinance	Increase spending authority will allow City departments to pursue initiatives important to the community.	City departments will be legally required to spend within pre-existing capital budget authority.



2. Do not adopt Capital Modification Ordinance	-	City departments will be legally required to spend within pre-existing capital budget authority.
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STAFF/SPONSOR RECOMMENDATION:

Staff recommends the adoption of the Capital Modification Ordinance in order to address budget corrections, allow departments to spend additional revenues, and begin new projects for the community.

FISCAL IMPACT:

The 2021-2022 Capital Budget will be amended as set forth in Exhibit “A” and list the projects in Exhibit “B”.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. Multiple – See Exhibit “A”			
TOTAL			

What Funding is being used to support the expense? Revenues from Real Estate Excise Tax, the General Fund, and Miscellaneous Grants support these additional capital projects.

Are the expenditures and revenues planned and budgeted in this biennium’s current budget?
YES

Are there financial costs or other impacts of not implementing the legislation?
YES

Will the legislation have an ongoing/recurring fiscal impact?
YES

Will the legislation change the City’s FTE/personnel counts?
NO

ATTACHMENTS:

- Exhibit A – Capital Budget Modification by Fund
- Exhibit B – Capital Budget Modification Project List