



TO: Elizabeth Pauli, City Manager
FROM: Kathryn Johnston, Office of Management and Budget
Andy Cherullo, Finance Director
COPY: City Council and City Clerk
SUBJECT: Ordinance – 2023-2024 Biennial Operating Budget Amendment – April 21, 2023
DATE: May 9, 2023

SUMMARY AND PURPOSE:

Amend the 2023-2024 Biennial Operating Budget for recommended budget adjustments, 2021-2022 contract obligations, and transfers to the Capital Budget for Council-approved capital projects with outstanding balances or budget adjustments.

BACKGROUND:

This ordinance will adjust the biennial budgets for departments for the following reasons: a) Obligations from 2021-2022 that are not complete, b) transfers to the Capital Budget for Council-approved capital projects, and c) other recommended adjustments. This last category includes costs that were not anticipated at the time the 2023-2024 Operating Budget Ordinance was adopted.

This budget adjustment increases to the 2023-2024 Operating Budget by \$73,705,316. This increase is funded by grants, existing fund balances, and other miscellaneous revenue sources. The General Fund portion of the budget increase is \$16,151,076. With this increase in General Fund expenses, the General Fund will still maintain fully funded reserves.

Exhibit A shows the 2023-2024 Adopted Operating Budget by fund, the Reappropriation, the budget adjustment amounts requested, and the revised appropriation authority (if approved). Exhibit B provides the expenditures and revenues and totals by fund and category.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

This is an administrative action to carry 2021-2022 Budget into the current biennium, programs and projects funded all have their own customer research and community engagement processes.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

Ensure all Tacoma residents are valued and have access to resources to meet their needs.

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



ALTERNATIVES:

The City Council may choose not to approve the budget adjustments for the 2023-2024 Biennium. This course of action would require departments to identify savings to cover expenses within their 2023-2024 budgeted appropriation or, when possible, require the cancellation of encumbered obligations.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Take no action	2021-2022 savings added to fund cash balance.	Programs and projects would not be funded sufficiently to execute 2023-2024 work plan.

STAFF RECOMMENDATION:

Staff recommends the City Council approve this ordinance to appropriate budget adjustments, contract obligations, and Capital Budget adjustments, as outlined in Exhibit "A."

FISCAL IMPACT:

The ordinance will amend the 2023-2024 Adopted Budget (Ordinance 28557) as outlined in Exhibit "A."

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? Multiple – see Exhibit "A"

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

NO, PLEASE EXPLAIN BELOW

This ordinance, if approved, would provide the budget for these items.

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

Legislation provides for a technical correction of three (3) FTE positions.

ATTACHMENTS:

- Exhibit A: 2023-2024 Adopted Operating Budget by fund, the Reappropriation, the budget adjustment amounts requested, and the revised appropriation authority (if approved)
- Exhibit B: Expenditures and Revenues and totals by fund and category