CITY OF SEQUIM

City Council and TBD Board 2013 Budget Kickoff/Study Session

Discussion Items

- 2012 Budget Amendments
- 2013 City Council Budget Calendar
- Six Month/Mid-Year Financial Review with 2013 Beginning Fund Balance Projections for Operating Funds
- Budget Development Policy
- Personnel Overview

City of Sequim
Proposed Budget Amendments – June 2012
Description
Reclassifications, Closing of Funds, Transfers

		Revenue/(Expense)	
#	Description	Request	Amount
	Closing of the Solid Waste Fund caused by a larger than anticipated 2011 Ending Fund balance	Increase transfer out of the Solid Waste Fund/Increase Transfer in of the General Fund	($ 1,900)/ $ 1,900
	Transfer of Police Restricted Funds to fund a portion of the SPD VIP Truck budgeted in 2011	Increase transfer out of the Police Restricted Fund/Increase Transfer in of the SPD Equipment Replacement Fund	($ 10,000)/ $ 10,000
	Establishing a close out transfer from a sub-fund of Parks Restricted for Vacated Streets	Increase transfer out of the Parks Restricted sub-Fund for Vacated Streets /Increase Transfer in of the Parks Restricted sub-Fund for Debt	($ 515)/ $ 515
	Establishing a close out transfer from a sub-fund of Sewer Restricted for WRF to Sewer General Facility	Increase transfer out of the Sewer Restricted sub-Fund for WRF /Increase Transfer in of the Sewer Restricted sub-Fund for General Facility	($ 113,040)/ $ 113,040
	Establishing a close out transfer from a sub-fund of Sewer Restricted for the WRF Fund to Sewer Equipment Replacement	Increase transfer out of the Sewer Restricted sub-Fund for WRF /Increase Transfer in of the Sewer Restricted sub-Fund for General Facility	($ 43,960)/ $ 43,960

Grants and Contributions

		Revenue/(Expense)	
#	Description	Request	Amount
	Unanticipated TIB Grant Revenue for South Sequim Avenue Project	Increase budgeted revenue to the Streets Restricted Fund	$ 300,300
	Utility contributions required for the South Sequim Avenue Project	Increase interfund contribution in the Streets Restricted Fund	$ 193,339
	Establish additional expense authorization for the South Sequim Avenue Project	Increase budgeted capital in the Streets Restricted Fund	($ 369,234)
	Establish additional expense authorization for the Brackett Road Utility Trench repairs	Increase budgeted capital expense in the Streets Restricted Fund	($ 5,800)
	Establish additional contribution from the REET Fund for School Zone Grant Match in the Streets Restricted Fund by way of Transfers	Increase Transfer In of the Streets Restricted Fund and Transfer Out of the REET Fund	$ 3,100/ ($ 3,100)
	Establish additional contribution from the REET Fund for Bracket Road project in the Streets Restricted Fund by way of Transfers	Increase Transfer In of the Streets Restricted Fund and Transfer Out of the REET Fund	$ 27,000/ ($ 27,000)

Other Unforeseen Expenses

		Revenue/(Expense)	
#	**Description**	**Request**	**Amount**
	Voter Registration – The 2011 election costs and voter registration invoice that was received late. This is a carryover expense.	Increase expense for General Fund-City Council	($ 12,100)
	Transportation Master Plan carryover	Increase expense for Streets Restricted Fund	($ 50,000)
	Unanticipated expenses related to a Soccer Tournament for Marketing	Increase expense for Hotel/Motel Fund	($ 6,800)
	Unanticipated expenses related to a Soccer Tournament for first time set up	Increase expense for Hotel/Motel Fund	($ 8,150)
	Unanticipated additional expense for SPD vehicle equipment	Increase expense for SPD Equipment Reserve Fund	($ 2,300)
	2011 budgeted vehicle replacement carryover for a SPD VIP truck	Increase expense for SPD Equipment Reserve Fund	($ 20,000)

CITY OF SEQUIM

City Council and TBD Board

Budget 2013 Calendar

City Council Meeting

2012 Budget Amendments	**July 23**	Monday
Qtr2 Fin Stmt Analysis/2012 and 2013 Forecasts		
2013 City Council TBD Board Budget Calendar		
Personnel overview		
Budget Policy Review		

City Council Meeting

Outside Agency Requests	**Aug 27**	Monday
LRFP and budget implications		
First Review of City Fees		

City Council Meeting

Capital Projects	**Sept 10**

City Council Meeting

City Manager Executive presentation of 2013 Proposed Budget	**Oct 1**	Monday
City Council schedules meetings/hearings on budget prior to final hearing		

City Council Meeting

Budget Study Session - Dept Budgets	**Oct 15**	Monday

City Council Meeting

Budget Study Session - Dept Budgets	**Oct 22**	Monday

City Council Meeting

Public Hearing on revenue sources	**Nov 13**	Tuesday
First Reading of Fee Ordinance and updated Utility rates First Reading on Property Tax Levy		
First Reading on 2013 Budget Ordinance Public Hearing on proposed Budget		

City Council Meeting

Second Reading of Fee Ordinance and updated Utility rates Second Reading on Property Tax Levy	**Nov 26**	Monday
Second Reading on **2013 Budget Ordinance** **City Council Adopts 2013 Budget**		

CITY OF SEQUIM

2012 Mid Year Review

City

and

Sequim Transportation Benefit District

2012 First Six Months Results

General Fund

Revenues are $48k over budget

- Strong Property and Utility Taxes plus interfund charges
- Sales Tax down 9%, ($104,000)

Expenditures are $301k less than budget

- Cost containment across all departments with adequate contingencies

Projected 2012 Ending Fund Balance $1.51ml

2012 First Six Months Results

Street Operations Fund (unrestricted)

- Revenues for the first six months are $9.7k higher than budget
- Expenditures are only $509 higher than budget
- Projected 2012 Ending Fund Balance $206k

2012 First Six Months Results

Water Unrestricted

Revenues for the first six months are $29.7k less than budget

Expenditures are $67.7k less than budget

Projected 2012 Ending Fund Balance $992k

Sewer Unrestricted

Revenues for the first six months were $24.2k less than budget

Expenditures are $74.6k less than budget

Projected 2012 Ending Fund Balance $1.35ml

2012 First Six Months Results

Other Funds

On track or above general budget projections and represent positive activity and solid fund balances

2012 First Six Months Results

Capital Projects

- Police Station/City Hall land acquisition and needs assessment
- Pavement Management Plan
- Transportation Master Plan
- Water System Master Plan
- Sewer System Master Plan
- South Sequim Avenue

DEBT

- The City of Sequim has nominal outstanding debt for facilities leased, vehicles and Keeler Park
- Water Utility Debt outstanding is $270 and will be paid in full Sept 2013
- Sewer Utility Debt outstanding is $7ml, $2ml due by 2018 and $5ml due by 2030

INVESTMENTS

- $5.3ml invested through US Bank
- $5.3 invested through SNW Securities

Sequim
Transportation Benefit District
(TBD)

Sequim
Transportation Benefit District
(TBD)

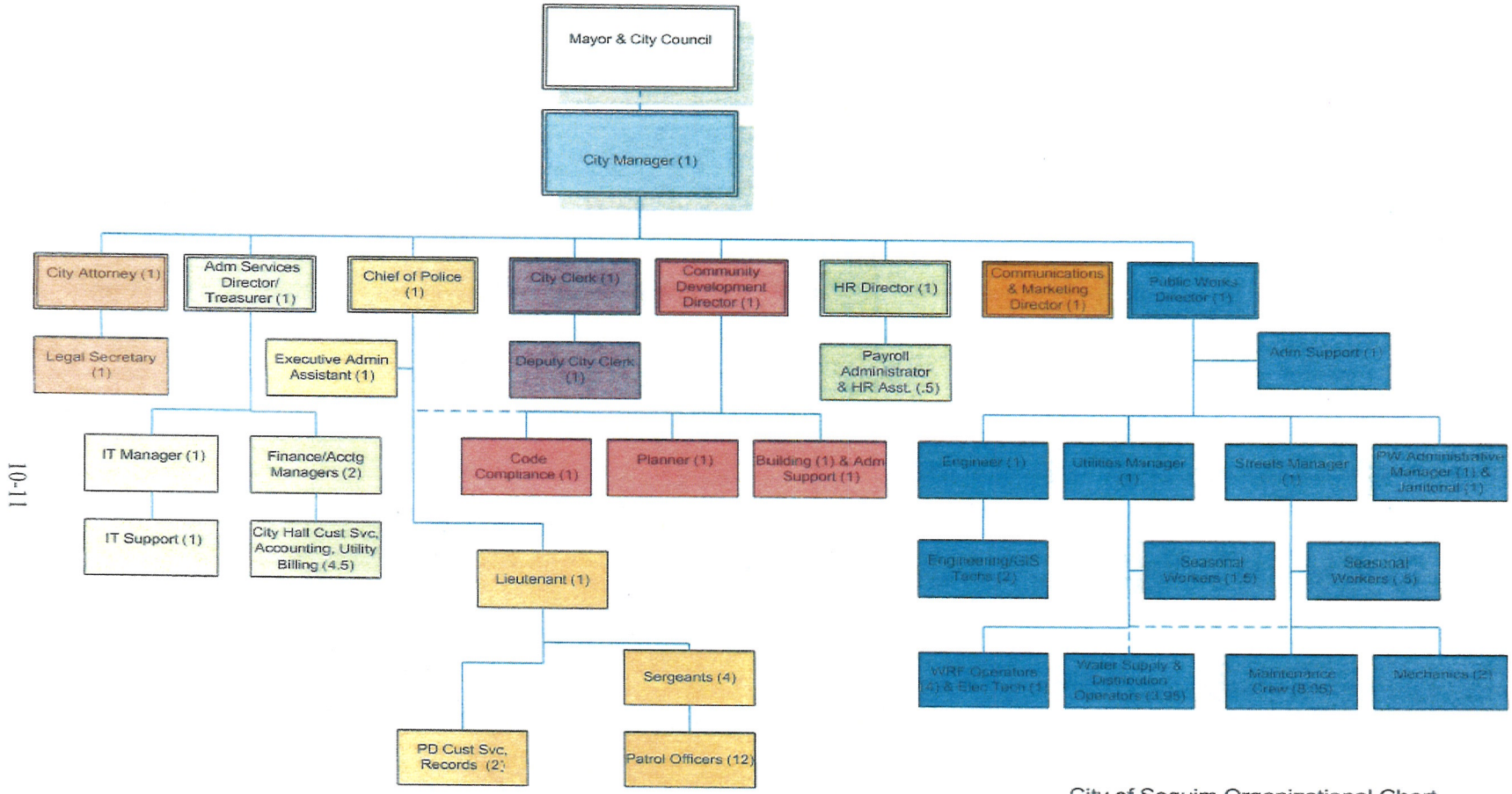
Financial Activity for First Six Months of 2012

- Revenues of $241,997 tax and $2,398 interest
- Expenses of $305,893 include:
  - Bike Racks $8,750
  - Priest Road Sidewalk $3,316
  - South Sequim Pavement Repair $31,599
  - North 3rd Sidewalk $54,442
  - Connector Road Project $118,787
  - Safety and Maintenance $39,840
  - Overhead and Insurance expenses $49,159

Budget Development Policy

- Budget at Fund Level
- Balance Ongoing Revenues with Ongoing Expenses
- City Council Goals Identified in Annual Workplan
- Municipal Service Levels and Priorities
- Maintain Quality Service Programs
- New Programs and Services
  - Funding New vs Existing Programs
  - Adding Fee for Service Revenues
  - Programs with Dedicated Funding
- Cost Allocation

Personnel Overview



City of Sequim Organizational Chart
January 2012 Budget
73.0 FTE
9/19/2011

10-11