

City of Oak Harbor
City Council Agenda Bill

Bill No. 7. b.
Date: November 20, 2018
Subject: Ordinance No. 1859: Budget
Amendment

FROM: Patricia Soule, Finance Director

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- Patricia Soule, Finance Director
- Nikki Esparza, City Attorney, as to form

RECOMMENDED ACTION

Adopt Ordinance No. 1859

BACKGROUND / SUMMARY INFORMATION

Finance has completed its review of funds and budgets for Fiscal Year 2018 and has determined that a budget amendment is required to authorize increased appropriation authority in three funds. The amendments are required for the following reasons:

- 1) Clean Water Facility Fund #422 - A budget amendment is required to increase the appropriation authority for the Project Budget for 2018 in the amount of \$40,228,171. The increased costs will be funded by the detail provided in Attachment A to the Ordinance.
- 2) Windjammer Park Improvement Fund #325 - A budget amendment is required to increase the appropriation authority for the Project Budget for 2018 in the amount of \$5,308,473. The increased costs will be funded by the detail provided in Attachment A to the Ordinance.
- 3) Marina Fund #410 - A budget amendment is required to increase the appropriation authority for the Fund for 2018 by \$83,574 for repairing F Dock due to storm damage. The increase in costs will be funded by insurance proceeds from the City insurance.

LEGAL AUTHORITY

FISCAL IMPACT

The appropriation budget will be increased by the amendment and keep spending within fiscal appropriations.

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [Ordinance No. 1859 2018 Budget Amendment \(1\)](#)
2. [Windjammer Park Budget](#)
3. [Clean Water Facility Project Budget](#)

ORDINANCE NO. 1859

AN ORDINANCE OF THE CITY OF OAK HARBOR TO AMEND THE 2017-2018 BIENNIAL BUDGET FOR REQUIRED INCREASES IN 2018 APPROPRIATION AUTHORITY.

WHEREAS, the City has determined that a budget amendment is needed for fiscal year 2018 of the 2017-2018 Biennial Budget for required increases in 2018 appropriation authority; and

WHEREAS, the City has determined that a budget amendment is needed to increase the 2018 Clean Water Facility Project Fund #422 appropriation authority in the amount of \$40,228,171 to provide funding for the building expenditures in excess of original appropriation of \$14,256,085. The funding sources are varied and will be detailed in Attachment A;

WHEREAS, the City has determined that a budget amendment is needed to increase the 2018 Windjammer Park Project Fund #325 appropriation authority in the amount of \$5,308,473 to provide funding for the improvement expenditures in excess of the original appropriation of \$5,933,158. The funding sources are varied and will be detailed in Attachment A;

WHEREAS, The City has determined that a budget amendment is needed to increase the 2018 Marina Fund #410 appropriation authority in the amount of \$83,574 for final cost in repairing damage to F Dock due to storm damage. The increase in revenues is from insurance recoveries to cover the cost;

NOW THEREFORE, the City Council of the City of Oak Harbor do hereby ordain as follows:

Section One: The revenues and expenditures for the applicable funds are hereby amended for the budget year 2016 as set forth below:

<u>Fund Name</u>	<u>Fund #</u>	<u>Previous Budget</u>	<u>Amendment</u>	<u>Amended Budget</u>
Clean Water Facility	422	\$ 14,256,085	\$ 40,228,171	\$ 54,484,256
Windjammer Park	325	\$ 5,933,158	\$ 5,308,473	\$ 11,241,631
Marina Fund	410	\$ 2,229,479	\$ 83,574	\$ 2,313,053

Section Two: Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances is not affected.

Section Three: Effective Date. This Ordinance shall take effect five days after publication as provided by law.

Adopted by the City Council this 20th day of November 2018.

CITY OF OAK HARBOR

ROBERT SEVERNS, MAYOR

Attest:

Approved as to Form:

Carla Brown, City Clerk

Nikki Esparza, City Attorney

Introduction:

Adopted:

Published:

Ordinance No. 1859

Revenue Sources for 2018 Budget for Windjammer Park and Clean Water Facility

2018 Budget Amendment

Attachment A

Revenue Source	Clean Water Facility	Windjammer Park
Beginning Fund Balance	\$ 12,368,664	\$ (74,678)
IC RED Grant	333,333	
Sale of Water Tanks	10,582	
SRF Loan Proceeds	22,765,494	
Park Rent Adjustment	220,689	
Sewer Rates	(470,591)	
Sewer Cumulative Reserve	5,000,000	
WA State Parks & Rec Grant		(400,000)
Legislative Grant		727,500
Stability Fund		711,076
Community Parks		52,009
Park Impact Fees		39,258
REET 1		1,439,429
REET 2		260,607
Clean Water Facility		2,553,272
	\$ 40,228,171	\$ 5,308,473

City of Oak Harbor, WA

WINDJAMMER PARK IMPROVEMENTS PROJECT			
Revenue	Project Budget	Spent to Date thru 10/31/2018	Balance
Cash	388,697.03	-	388,697.03
Beginning Fund Balance	380,735.19		380,735.19
Interest Allocaiton	7,961.84		7,961.84
Transfers	11,140,037.01	2,832,100.79	8,307,936.22
001 - General Fund	1,804,283.00	616,107.49	1,188,175.51
126 - Comm Park Impact Fees	264,739.85		264,739.85
127 - Park Impact Fees	103,243.00		103,243.00
311 - REET 1	1,526,929.00		1,526,929.00
312 - REET 2	383,070.16		383,070.16
422 - Clean Water Facility	7,057,772.00	2,215,993.30	4,841,778.70
Grants	1,426,320.00	727,500.00	698,820.00
WA State Legislative Grant	727,500.00	727,500.00	-
Isand County RCED Grant	698,820.00		698,820.00
Total Revenue	12,955,054.04	3,559,600.79	9,395,453.25
EXPENDITURES			
	Project Budget	Spent to Date	Balance
Administration	391,234.94	444,293.54	(53,058.60)
IDCA	391,234.94	444,293.54	(53,058.60)
Construction	11,300,943.90	2,002,394.62	9,298,549.28
Demolition	9,999.98	8,872.63	1,127.35
Utilities	10,000.00		10,000.00
Miscellaneous	139,514.26	2,220.00	137,294.26
Const & Imp			
Hoffman	11,115,915.30	1,965,787.63	9,150,127.67
PSE-Schedule 52	25,514.36	25,514.36	-
Prof. Serv. Con.	169,149.20	91,479.15	77,670.05
Archaeology			
ERCI	87,330.70	51,750.36	35,580.34
Public Outreach			
Chamber of Commerce Phase 1	7,699.00	2,100.00	5,599.00
Chamber of Commerce Phase 2 2019	18,764.50		18,764.50
Chamber of Commerce Phase 3 2019	13,855.00		13,855.00
Other	1,500.00	1,450.53	49.47
Construction Engineering			
Carollo	40,000.00	36,178.26	3,821.74
Construction Management			
Open	-		-
Prof. Serv. Design	1,093,726.00	1,021,433.48	72,292.52
Archaeology	-		-
Design	-		-
Carollo	855,560.73	783,956.41	71,604.32
Permits	156,000.00	155,705.25	294.75
Public Outreach			
Carollo	74,165.27	74,165.27	-
Other	8,000.00	7,606.55	393.45
Total Expendiutes	12,955,054.04	3,559,600.79	9,395,453.25
Surplus (Deficit)	-	-	-

CLEAN WATER FACILITY PROJECT FINANCIAL REPORT

Summary Through 10/31/18

REVENUE	FUNDING OBTAINED	FUNDING USED	BALANCE
SRF LOANS	97,983,466.00	97,983,466.00	-
BONDS	25,777,229.30	22,176,740.24	3,600,489.06
GRANTS	8,500,000.00	8,255,000.00	245,000.00
PROGRAM INCOME	15,512,446.73	7,757,218.80	7,755,227.93
CUMMULATIVE RESERVE	5,000,000.00	-	5,000,000.00
TOTAL REVENUE	152,773,142.03	136,172,425.04	16,600,716.99

EXPENDITURES	CONTRACTED/ESTIMATED BUDGET	PROJECT TO DATE ACTUAL	BALANCE
ACQUISITIONS	3,396,325.69	3,377,432.95	18,892.74
ADMINISTRATION	692,852.01	657,008.83	35,843.18
CONSTRUCTION	124,222,645.68	110,627,137.03	13,595,508.65
FINANCE	258,638.16	216,860.16	41,778.00
PROFESSIONAL SERVICES - DESIGN	9,447,726.92	9,251,614.22	196,112.70
PROFESSIONAL SERVICES - CONSTRUCTION	10,907,612.88	9,037,556.60	1,870,056.28
TOTAL PROJECT EXPENDITURES	148,925,801.34	133,167,609.79	15,758,191.55
CASH SURPLUS (DEFICIT)	3,847,340.69	3,004,815.25	842,525.44

FINANCING/TRANSFERS			
BONDS	2,776,377.50	2,348,781.87	427,595.63
LOANS	586,100.19	206,033.38	380,066.81
TRANSFERS- WINDJAMMER PARK - DESIGN	484,863.00	450,000.00	34,863.00
TOTAL FINANCING/TSFR	3,847,340.69	3,004,815.25	842,525.44

ESTIMATED CASH REMAINING	0.00	0.00	0.00
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Prepared by Patricia Soule, Finance Director

CLEAN WATER FACILITY PROJECT FINANCIAL REPORT

Expanded Detail

(ALL COSTS - EXCEPT OUTFALL AND FACILITY PLAN)

REVENUE	Estimated Budget	Actual through 10/31/18	Balance
Loans	97,983,466.00	97,983,466.00	-
2015 SRF LOAN (00021)	8,260,000.00	8,260,000.00	-
2016 SRF LOAN (00240)	15,832,311.00	15,832,311.00	-
2017 SRF Loan (00081)	44,766,854.00	44,766,854.00	-
2018 SRF Loan (00112)	29,124,301.00	29,124,301.00	-
Bonds	25,777,229.30	22,176,740.24	3,600,489.06
2016 Revenue Bonds	25,777,229.30	22,176,740.24	3,600,489.06
Grants	8,500,000.00	8,255,000.00	245,000.00
2016 Forgivable Principal Grant #00240	463,154.00	463,154.00	-
2016 Centennial Grant #00240	4,586,846.00	4,586,846.00	-
2015 Legislative Capital Grant	2,450,000.00	2,205,000.00	245,000.00
Rural Economic Dev .09 Grant	1,000,000.00	1,000,000.00	-
City Cash	20,512,446.73	7,757,218.80	12,755,227.93
System Development Fees	5,000,000.00		5,000,000.00
Sale of Scrap	10,582.50		10,582.50
Other Fund Transfer In	220,689.26		220,689.26
City Reserves	15,281,174.97	7,757,218.80	7,523,956.17
Total Revenue	152,773,142.03	136,172,425.04	16,600,716.99
EXPENDITURES	Estimated Budget	Actual through 10/31/18	Balance
Acquisitions	3,396,325.69	3,377,432.95	18,892.74
Contract			
Fullerton	12,990.00	12,990.00	-
Legal	38,774.97	23,064.72	15,710.25
Misc	15,523.45	15,523.45	-
Property	2,923,824.83	2,923,824.83	-
Rent	402,086.96	398,904.47	3,182.49
Supplies	125.48	125.48	-
Utilities	3,000.00	3,000.00	-
Administration	692,852.01	657,008.83	35,843.18
IDCA	680,790.04	644,946.86	35,843.18
Travel	12,061.97	12,061.97	-
Construction	124,222,645.68	110,627,137.03	13,595,508.65
Contract			
Carollo	1,828,155.00	1,502,006.44	326,148.56
Hoffman ⁽¹⁾	114,934,957.09	104,578,773.26	10,356,183.83
Hoffman ⁽²⁾	6,485,578.30	4,054,500.00	2,431,078.30
PSE	568,742.77	99,626.22	469,116.55
Equipment	80,828.85	14,338.63	66,490.22
Materials	14,972.32	14,972.32	-
Misc	6,537.35	29,019.56	(22,482.21)
Supplies	3,586.45	1,799.52	1,786.93
Travel	18.00	18.00	-
Utilities	299,269.55	332,083.08	(32,813.53)
Finance	258,638.16	216,860.16	41,778.00
Audit	16,823.70	11,823.70	5,000.00
Contract			
Katy Isaksen	17,940.00	9,880.00	8,060.00
PFM	125,000.00	90,717.74	34,282.26
Financing	98,796.98	104,361.24	(5,564.26)
Misc	77.48	77.48	-

Notes:

1. Hoffman's estimated budget excludes GMPA No. 2
2. Hoffman amount transferred to Windjammer Park Project Fund so costs can be tracked in detail there

CLEAN WATER FACILITY PROJECT FINANCIAL REPORT

Expanded Detail

(ALL COSTS - EXCEPT OUTFALL AND FACILITY PLAN)

EXPENDITURES - continued	Estimated Budget	Actual through 10/31/18	Balance
Professional Services - Design	9,447,726.92	9,251,614.22	196,112.70
Advertising	15,984.39	15,984.39	-
Contract			-
Carollo	7,672,145.46	7,497,276.32	174,869.14
Christensen	10,000.00	5,039.37	4,960.63
ERCI	269,127.83	269,127.83	-
Hoffman	781,766.00	779,621.07	2,144.93
KBA	-	-	-
OAC	47,624.55	47,624.55	-
Perkins Coie	55,251.84	55,251.84	-
RSR	128,304.00	128,304.00	-
Equipment	7,860.42	7,860.42	-
Food	1,453.79	1,453.79	-
Materials	4,745.09	4,745.09	-
Misc	3,702.23	3,702.23	-
Monitoring	13,285.38	12,954.38	331.00
Permit	435,872.47	422,065.47	13,807.00
Supplies	361.60	361.60	-
Utilities	241.87	241.87	-
Professional Services - Construction	10,907,612.88	9,037,556.60	1,870,056.28
Advertising	13,688.53	14,547.59	(859.06)
Contract			-
Carollo	5,505,213.25	4,340,824.90	1,164,388.35
C2G	15,000.00	6,176.70	8,823.30
ERCI	1,112,002.15	1,111,599.21	402.94
ERCI-Tsfr for WJP	87,330.70		87,330.70
Gary Goltz	70,500.30	39,724.22	30,776.08
KBA	4,024,813.28	3,489,802.16	535,011.12
OAC	7,855.45	7,855.45	-
Perkins Coie	43,208.16	5,911.31	37,296.85
Food	321.65	131.72	189.93
Misc	4,079.41	4,079.41	-
Monitoring	23,600.00	16,903.93	6,696.07
Total Expenditures - Project #ENG 1609	148,925,801.34	133,167,609.79	15,758,191.55
Estimated Cash Remaining	3,847,340.69	3,004,815.25	842,525.44

FINANCING/TRANSFERS			
Bonds	2,776,377.50	2,348,781.87	427,595.63
Interest	2,204,493.03	1,776,897.40	427,595.63
Miscellaneous	571,884.47	571,884.47	-
Loans	586,100.19	206,033.38	380,066.81
Principal	217,403.38	96,115.12	121,288.26
Interest	368,696.81	109,918.26	258,778.55
Transfers	484,863.00	450,000.00	34,863.00
Windjammer Park - for 1/2 Design Costs	484,863.00	450,000.00	34,863.00
Project #FIN1601	3,847,340.69	3,004,815.25	842,525.44
Surplus (Deficit)	-	-	-