



**CITY OF YELM**

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**BUDGET AMENDMENT BRIEFING  
MARCH 2020**





# Background

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- December 11, 2018 Council adopted 2019-2020 Biennial Budget
- December 10, 2019 Council adopted Mid-Biennial Budget Amendment focused on 2019



# Purpose

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The purpose of this first quarter 2020 budget amendment is to be consistent with the schedule adopted by Council Resolution No. 602, which specifies the budget be routinely updated and reviewed in March, July, and November of every year using year to date actual revenue and expenditures.



## Next Steps

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- Provide high level overview of carryforward, housekeeping, and miscellaneous budget items & First Public Hearing, February 25.
- Provide detailed budget spreadsheet for Second Public Hearing, March 10.
- Continue regular budget review and updates in July and November, with 2021-2022 Biennial Budget Development starting in September.



## General Fund Balances CITY OF YELM

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- 2019 Projected Beginning Fund Balance:  
\$1,008,741
- 2019 Actual Ending Fund Balance:  
\$1,083,367
- 2020 Projected Revenues:  
\$ 6,850,389
- 2020 Projected Expenditures:  
\$6,922,301
- 2020 Projected Ending Fund Balance:  
\$1,011,455



# Revenue Adjustment

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- The Association of Washington Cities awarded the City of Yelm with two grants of \$9,758 and \$500 for employee wellness
- Correct initial revenue budgeting oversights
  - \$170,000 Electric Utility Tax – over estimation
  - \$67,000 Yelm Community Schools Contribution – duplicated from Fund 109



# Purposed Adjustments

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The following proposed General Fund adjustments reallocate cost savings and re-appropriate ending fund balances for carryforward, housekeeping, and miscellaneous items in a manner that exceeds financial reserve requirements established by City financial policies to maintain conservative fiscal management.



## Public Safety

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- Hire Additional Police Officer in preparation of anticipated retirements to enhance and maintain coverage (one-time budget investment) \$85,864
- Emergency Management Plan Update \$11,000
- Traffic Camera (Yelm & 1<sup>st</sup>) \$12,000





# Human Resources

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- Parks Employees Wage Adjustment – correct initial Public Works department budgeting error which did not account for all employee salaries and benefits \$220,800
- Increase expected payouts for retiring officer \$25,000
- City Council Wage Increase adopted from the Salary Commission recommendations \$34,150



## Other Adjustments

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- RMSA Insurance – correct initial budgeting omission which did not account for the 2020 premium \$220,000
- Utility Services – correct initial budgeting oversight which did not cover fully anticipate expenditures in some funds \$119,000



## Next Steps

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- Provide detailed budget spreadsheet for Second Public Hearing, March 10.
- Continue regular budget review and updates in July and November, followed by 2021-2022 Biennial Budget Development.



## Recommendation

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Move to continue the public hearing to the March 10, 2020 City Council meeting and move the Ordinance adjusting the 2019-2020 Biennial Budget to old business for further consideration and possible adoption at the March 10, 2020 City Council meeting.



Questions?

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