

**MEMORANDUM**  
For Meeting of December 9, 2008

TO: Mayor and Councilmembers  
THROUGH: Steve Worthington, City Manager  
FROM: Steve Marcotte, Finance Director  
SUBJECT: Ordinance No.1686, Budget Ordinance for 2009

**REPORT IN BRIEF:** The City is required to adopt a budget by ordinance prior to the end of the year. The City has prepared a budget and has held all required public hearings and is now ready to adopt the budget ordinance.

**DISCUSSION:** The City Council, as the elected legislative authority for the City of Fife, controls City expenditures through the annual budget process. This process, as required by State law, provides for Council oversight and citizen review through several required public hearings prior to any expenditure of City monies. By adopting the annual Budget Ordinance, Council creates "appropriations" for each fund which serve as the limit of spending authority for each fund and expenditures cannot legally exceed the appropriations for each fund. As a matter of policy, the City of Fife adopts an annual budget at the fund level, meaning that Council establishes the total level of expenditure for each fund rather than individual line items. When adopted by Council, the attached Budget Ordinance will authorize total expenditures of \$50,043,442 for all funds, with an additional \$24,872,164 to be retained in ending fund balances. For the General Fund, total expenditures for all departments are authorized at \$14,274,056 with \$4,371,595 projected as ending fund balance. This represents a total "reserve" of 31% of budgeted annual expenditures (not including the fund balance in the Contingency Fund) and is comprised of \$2,385,790 for the required 17% reserve, \$1,531,379 for the Tribal Interlocal reserve, \$88,757 for the crime prevention reserve, and \$365,669 for unreserved ending fund balance.

The Budget was developed through a nearly year-long process that began with a Council Retreat last January to set Council Goals. Additional Council workshops were held in March and June to estimate project costs and set Council priorities. The City Manager then developed the detailed Preliminary Budget. The Budget, as presented, is a balanced budget in that planned expenditures are kept within expected available resources. The required public hearing for the Revenue Budget was held on October 14 and the two required public hearings on the Preliminary Budget were held on October 28 and November 12. State law requires final adoption of the annual budget ordinance by year end.

**ATTACHMENTS:** Ordinance No. 1686

**FISCAL IMPACT:** \$74,915,607

**ALTERNATIVE COURSES OF ACTION:**

1. Adopt Ordinance No.1686, the Budget Ordinance for 2009 as presented.
2. Amend Ordinance No.1686, the Budget Ordinance for 2009 prior to final adoption.

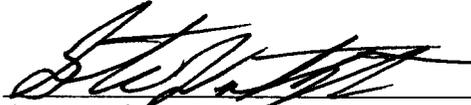
**RECOMMENDATION:** Adopt Ordinance No.1686 as presented.

**SUGGESTED MOTION:** "I move we adopt Ordinance No 1686, the Budget Ordinance for 2009 as presented".



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Steve Marcotte  
Finance Director



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Approved for Agenda  
Steve Worthington, City Manager

**ORDINANCE NO. 1686**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
FIFE, PIERCE COUNTY, WASHINGTON ADOPTING THE  
FINAL BUDGET FOR THE CALENDAR YEAR 2009**

WHEREAS; the Preliminary Budget for the calendar year 2009 was submitted to the City Council by the City Manager on November 25, 2008; and

WHEREAS; after providing notice as required by RCW 35A.33.060, the City Council held public hearings on October 28, 2008 and November 12, 2008; and

WHEREAS; a copy of the Preliminary Budget was on file with the City Clerk for examination by the public during the time it was being considered by the City Council; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF FIFE, WASHINGTON  
DO ORDAIN AS FOLLOWS:

Section 1. The Preliminary Budget of the City of Fife for the 2009 calendar year, a copy of which is on file with the City Clerk, is hereby adopted by reference as the final annual budget of the City of Fife for the calendar year 2009.

Section 2. The total estimated revenue from all sources and the expenditures by funds, all as set forth in the 2009 budget document adopted by reference; is as follows:

**A. ESTIMATED REVENUES FROM ALL SOURCES: \$74,915,607.**

**B. EXPENDITURES BY FUND:**

General Fund	\$14,274,056
Street Operating Fund	793,219
Detention Services Fund	950,580
Public Safety Fund	103,531
Stadium and Convention Center Fund	1,270,309
Contingency Fund	0
Growth Management Fund	928,499
Criminal Justice Fund	119,329
D.A.R.E. Fund	7,500
Impact and Mitigation Fund	500,000
Drug Intervention Fund	67,324
Park Acquisition and Development Fund	950,000
Street Construction Bond Fund	654,605
1997 LTGO Bond Fund	2,601,133
2001 LTGO Bond Fund	362,838

Street Construction Fund	18,049,000
Recreation/Pedestrian Capital Facilities Fund	100,000
Water Utility Fund	2,352,916
Sewer Utility	2,850,247
Storm Utility Fund	622,698
Parity Bond Fund	1,096,024
Utility Construction Fund	825,000
Fleet Fund	564,634
Ending Fund Balances	<u>24,872,164</u>
<b>TOTAL EXPENDITURES</b>	<b>\$74,915,607</b>

Section 3. This ordinance shall be in full force and effect five (5) days from and after its passage, approval and publication in summary form as provided by law.

Introduced to the City Council on the twenty-fifth day November, 2008.

Passed by the City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Steve Worthington, City Manager

Attest:

\_\_\_\_\_  
Steve Marcotte, City Clerk

Approved as to form:

\_\_\_\_\_  
Loren D. Combs, City Attorney

Published: \_\_\_\_\_

Effective Date: \_\_\_\_\_