

City of Vancouver 2021 First Supplemental Budget

CITY OF
Vancouver
WASHINGTON

Vancouver City Council Workshop
Natasha Ramras, CFO

Presentation Overview & Background

- Supplemental budget background
- Overview of first supplemental
- 2021 Revenue update
- Review of supplemental operating and capital adjustments
- Timing and next steps

Workshop Objectives

- Review major items included in the 2021 First Supplemental Budget Appropriation:
 - Operating & Capital Budget
 - Changes to authorized full time equivalent employees (FTE's)
- Extraordinary circumstances have impacted budget preparation and management over last 12 months
- Positive financial performance enables funding some targeted capacity and additional strategic capital investments

First supplemental of 2021 does not include any ARPA funds

Background – Supplemental Budgets

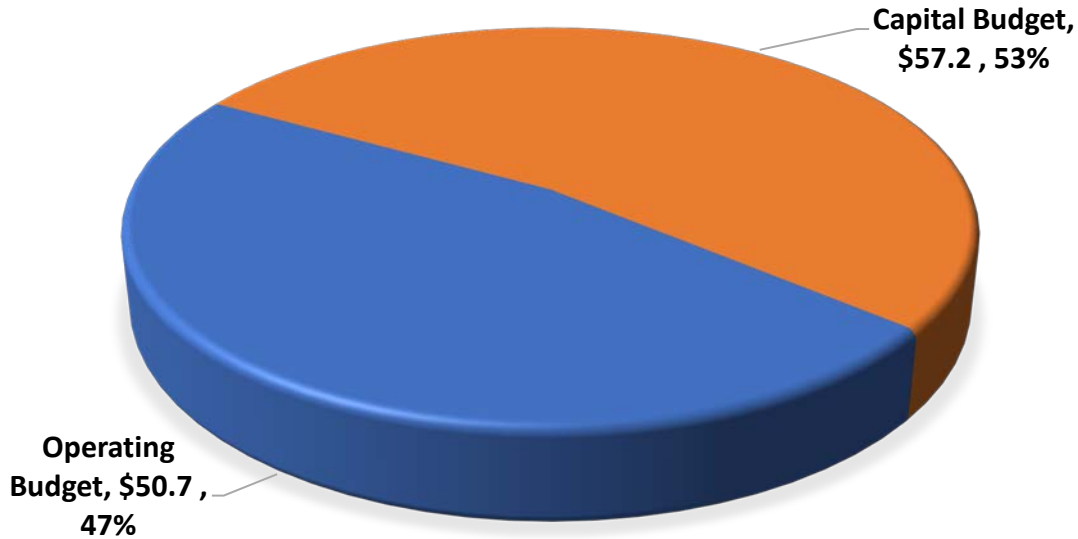
Supplemental Appropriation - a mid-biennial budget amendment that allows for necessary adjustments to the adopted biennial budget as a result of unanticipated circumstances.

Council Approval is required for increases in appropriations and staffing.

- **Scope of the 2021 First Supplemental:**
 - Grant and other funding sources – supported items;
 - Corrections and administrative items;
 - FTEs only due to previously unanticipated need;

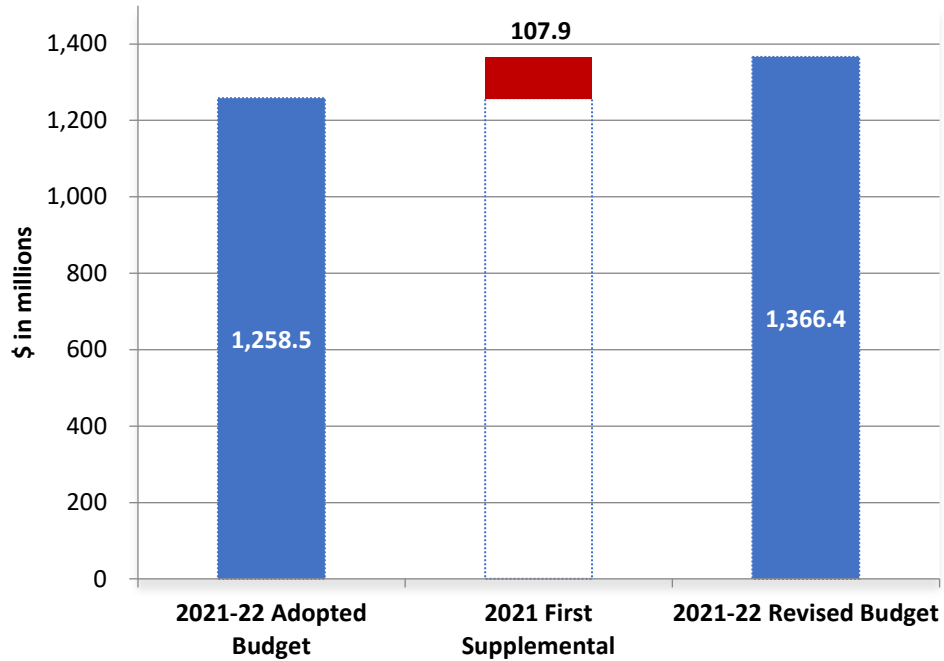
2021 First Supplemental Operating and Capital Budget

\$107.9 M Total
(including transfers)



8.6% increase to the current biennium budget bringing the revised budget to \$1.4 B overall

2021-22 City of Vancouver Biennial Budget



2021 First Supplemental Budget Appropriation

Total 2021 First Supplemental: \$107.9M

Operating Budget
\$50.7M

Capital Budget
\$57.2M

- Total net impact: \$41.6 M city-wide
- Net Impact on the General Fund: utilization of undesignated cash balance of \$3.5 M

2021 First Supplemental Budget Appropriation

Total 2021 First Supplemental: \$107.9M

Operating Budget

\$50.7M

Capital Budget

\$57.2M

General, Street, Fire
Funds

\$19.8M

Other Funds

\$30.8M

Capital Projects

\$35.7M

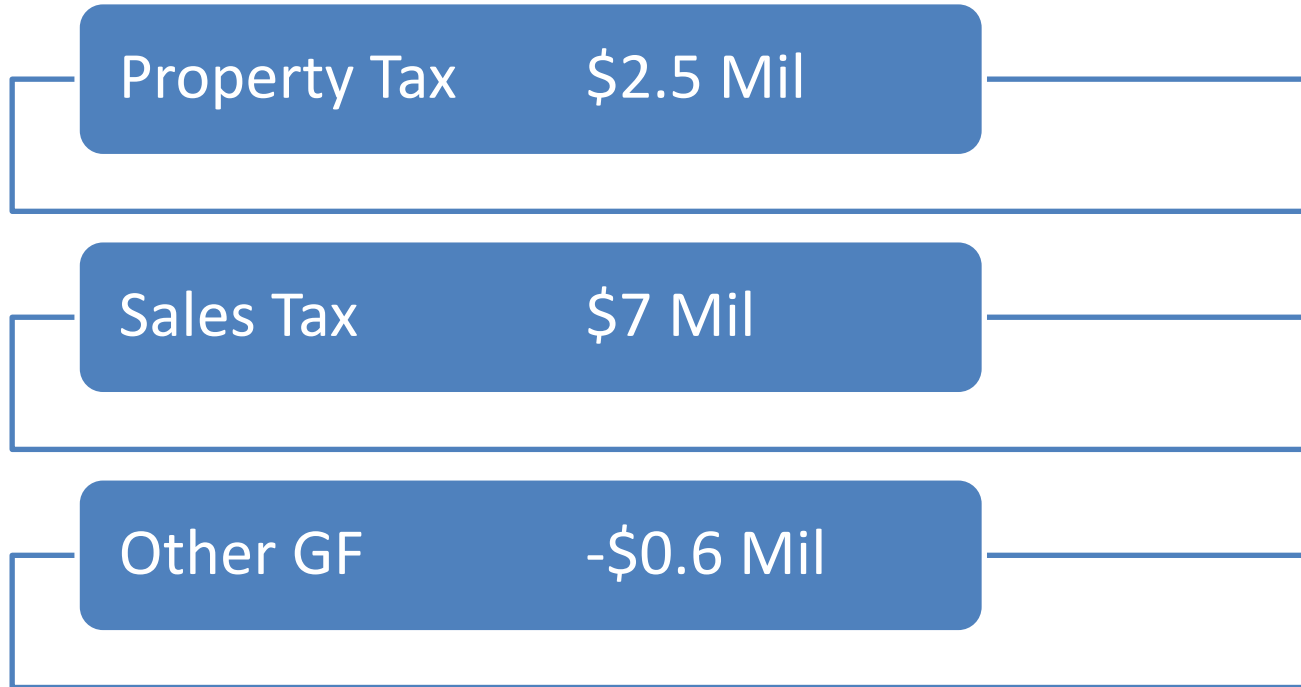
Funding Transfers

\$21.5M

Major Highlights

- Update GF revenue forecast \$8.9 M
- Reinstate 20 FTEs across the organization
- Add 4.0 FTEs to increase administrative support capacity
- One-time investments:
 - Chkalov 521 (police training facility/HQ) buildout
funding true-up General fund support
 - The Heights infrastructure to construction drawings \$1.8 M
 - CED: Critical Areas Code Update \$0.3 M
 - CED: Complete Streets evaluation \$0.1 M
 - Streets: Set aside for Section 30 infrastructure \$3.5 M

2021-2022 Revenue Forecast Update: \$8.9 Mil.



GF Revenues: Property Tax

September Forecast

2.6% of property taxes not received in 2020,
5.2% of property taxes not received in 2021,
received in future years

1% growth in levied revenue

NC=1% of AV in 2021-2022

2021 Forecast Update

2021 and 2022 are consistent with
historical trends

1% growth in levied revenue

NC=1% of AV in 2021-2022

Impact over 2021-2022 Biennium – increase of \$2.5 mil over September forecast



GF Revenues: Sales Tax

September Forecast

Shallow reduction in 2020, followed by longer and slower recovery through 2025

6% reduction in 2020, followed by 2% increase in 2021 and 4% increase in 2022

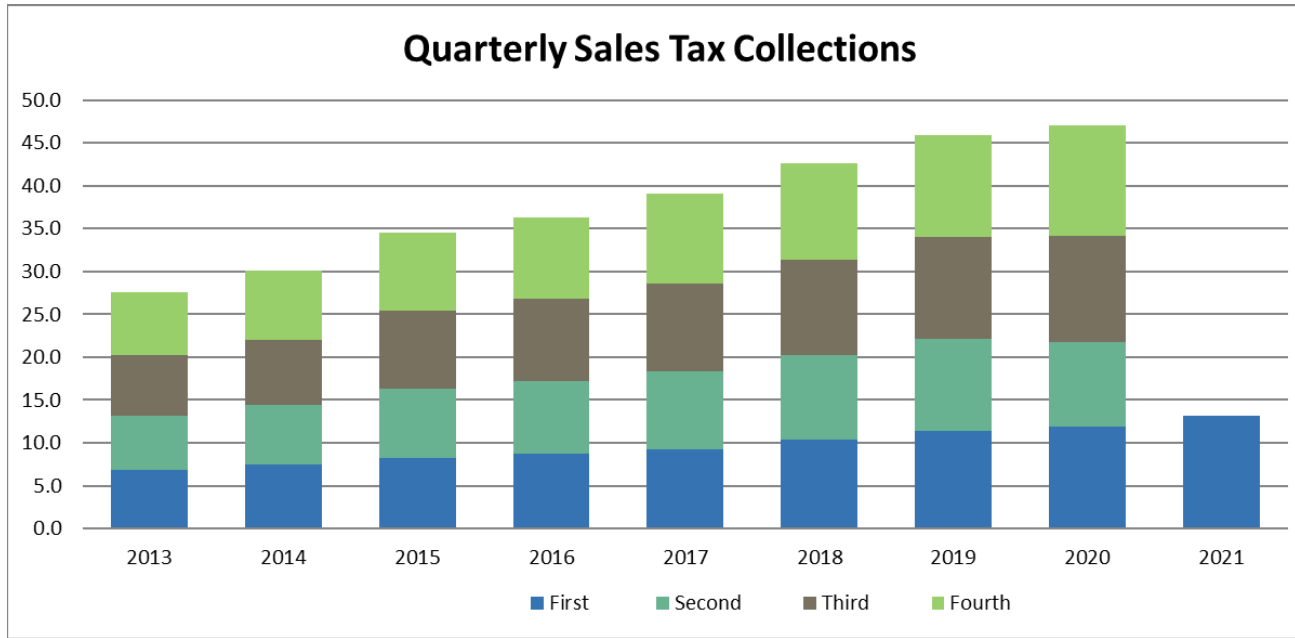
2021-22 Forecast Update

Increased economic growth in 2021-2022, continued federal policies supporting the economy

6% increase in 2021 over 2020, additional 5% in 2022

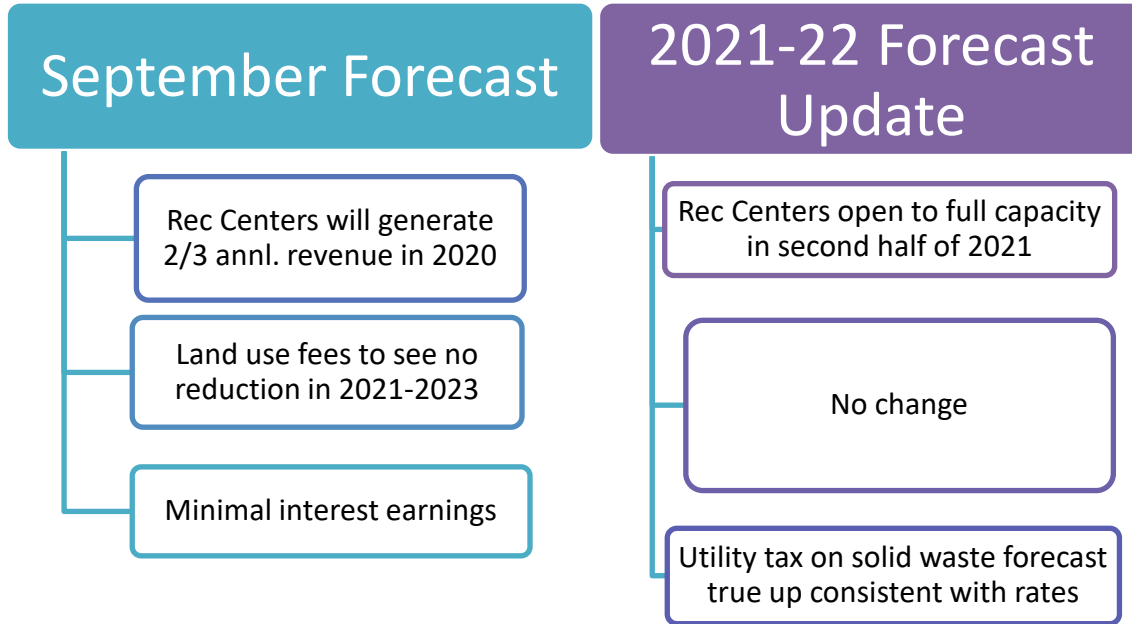
Impact on 2021-22: \$7 mil increase over the September forecast

Sales Tax Revenue



City of Vancouver
Sales Tax
revenue: 2.4%
increase in 2020

GF Revenues: Fees and Utility Taxes



Impact on 2021-22: -\$0.6 mil reduction compared to the September Forecast

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Capital Projects

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Funding Transfers

\$21.5M

General, Street, Fire Funds \$19.8M

New

Administrative

Grant and Other Revenue -
funded

Carry-forward Items

General, Street, Fire: Grants

Fire & Police **\$1.2M**

- ICAC Grant to purchase Mobile Forensic Vehicle
- JAG & WASPC
- DOH Prehospital Trauma Grant

CED & Streets **\$0.9M**

- Commute Trip Reduction
- Interstate Bridge project: 3.0 FTEs

Streets **\$2.2M**

- LED project CPU reimbursement
- Westside Bike Mobility Grant

General, Street, Fire: Administrative and CF

Administrative Items:

- City Hall O&M elevator project
- Adjustments of Information Technology overhead rate
- Administrative adjustments reflecting organizational restructuring
- Increase in Tower Mall on-going maintenance
- Increase in Streets for the 2021 snow and ice event
- Increases for vehicle cost increases and replacements across departments

Carry-forward Items:

- Mark 43 appropriation to complete the project
- Pavement Management program
- Major facilities projects postponed in 2020

Major items in Other Operating Funds:

- Bond Fund: Bond refinancing (2020 with forward delivery and 2021) \$17.4M
- Federal HOME and CDBG – Stimulus grants increase \$ 3.5M
- Affordable Housing Sales Tax Fund – contribution to VHA towards hotel purchase to house population experiencing homelessness \$ 2.5M
- Vehicle purchases \$ 2.1M
- Risk Fund – Action on-site city-wide program to reduce injuries \$ 0.2M
- Human Resources – Market Study, Training Program \$ 0.4M

2021 First Supplemental: FTE Summary: Net New 11.5 FTEs

Community & Economic Development (5.5 Net FTE)

- 1.5 FTEs for Administrative Support and Analysis
- 2.0 FTEs LT Revenue-Funded Limited-Term FTEs to support Interstate Bridge project and Complete Streets
- Add 1.0 FTE LT to support HOME ARP grant
- 1.0 FTE Extend LT CTR Program Coordinator

Internal Services (1.75 Net FTE)

- 1.0 FTE in HR to support Employee Engagement, Recognition and Wellness
- Reinstate 0.5 FTE Legal Secretary for HART Diversion
- 0.25 FTE Increase of a Legal Program Coordinator to 1.0 FTE

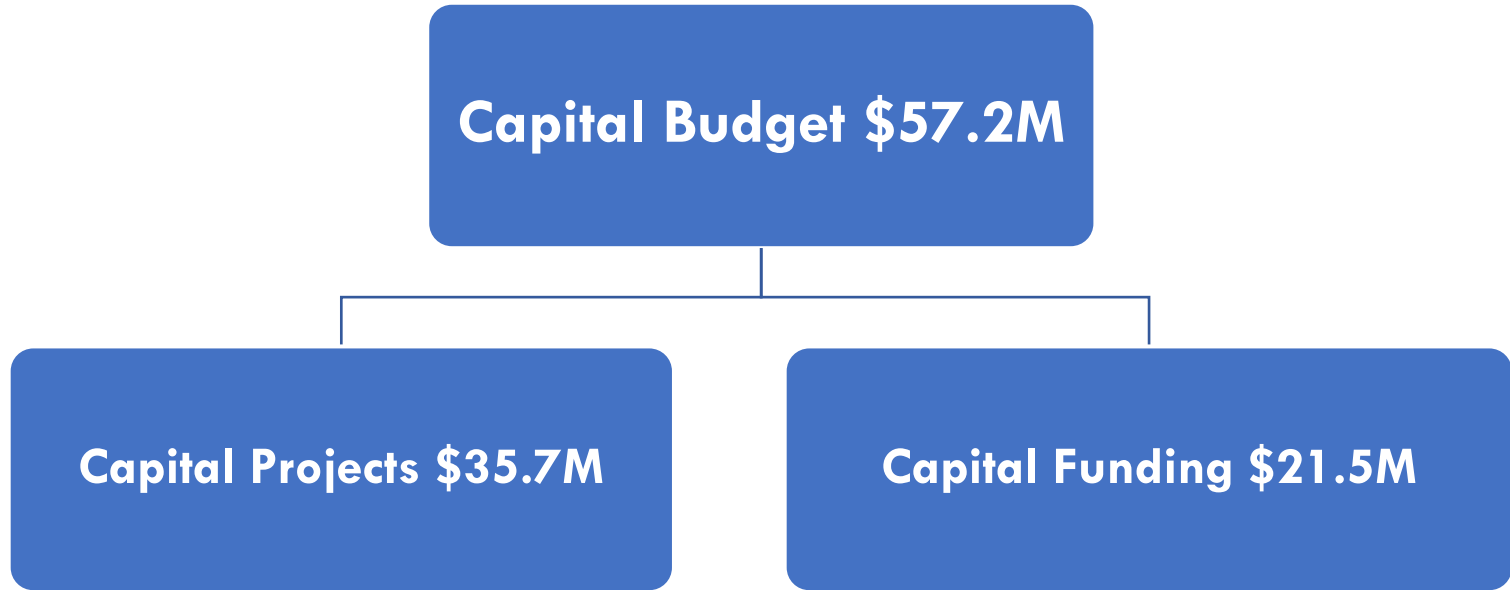
Parks & Recreation (2.25 Net FTE)

- 1.0 FTE Capital Projects Manager
- 1.0 FTE Administrative Assistant
- 0.25 FTE increase for an existing Program Coordinator to 1.0 FTE

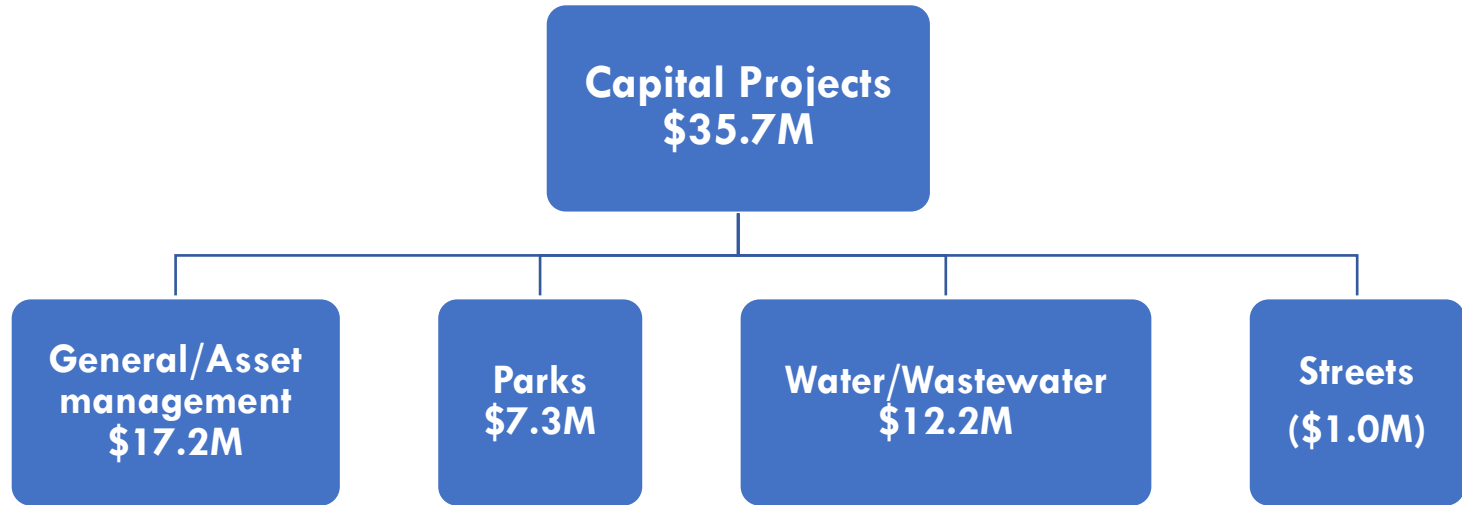
Public Works (2.0 Net FTE)

- 1.0 FTE Program Coordinator at the Pearson Airport
- 1.0 FTE Revenue-Funded Limited-Term Senior Traffic Engineer to support the IBR project

2021 First Supplemental: Capital Budget

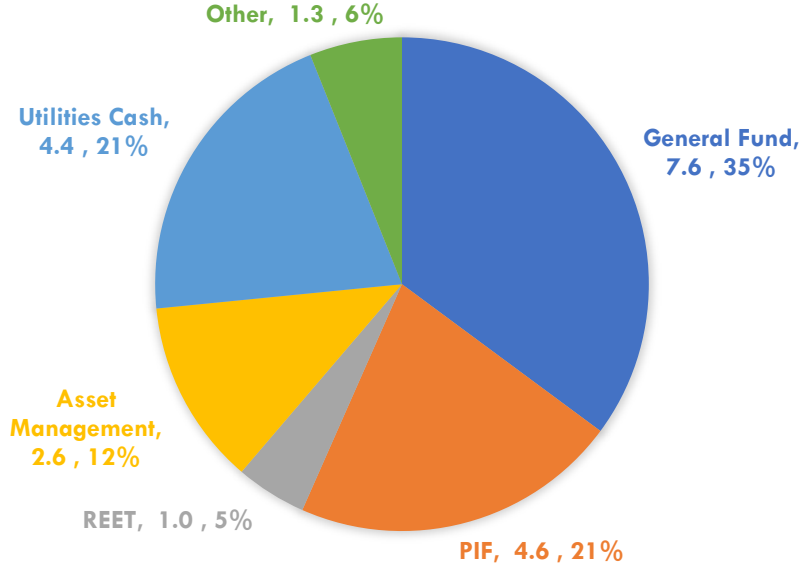


2021 First Supplemental: Capital Projects



2021 First Supplemental: Capital Funding

CAPITAL FUNDING: \$21.5M (DOLLARS IN MILLIONS)



Capital Budget: Parks and General



General/ Asset Management

Total
\$17.2M

Highlights:

- 521 Chkalov Building (Police Training Facility/HQ) buildout \$8.5M
- Vancouver Fire Station 3 replacement/relocation \$2.5M
- Old library/future community arts building ph. 1 \$2.0M
- Tower mall demolition \$1.0M
- Pearson Field Taxiway and runway rehab project phase 1 \$0.7M
- Marshall Community Center pool resurfacing \$0.5M

Parks

Total
\$7.3M

Highlights:

- Heights park, streets, utilities design, permitting, and infrastructure \$2.6M
- PIF-funded acquisition of new land parcels in District C \$4.0M

Capital Budget: Water and Wastewater



**Water
Total
\$8.4 M**

Highlights:

- WS 5 to WS 9 Transmission Main \$2.2M
- Water Station 1 Reservoirs \$2.0M
- 4th Plain blvd. (36th to Lincoln Ave) \$1.5M
- WS 6 Tower Internal/External Coating \$0.8M

**Wastewater
Total \$2.8M**

Highlights:

- 63rd St Pump Station Re-build/relocation \$1.2M
- Westside Electrical Upgrade Design \$0.9M

Next Steps

First Reading
June 14, 2021

Public Hearing
June 21, 2021



Questions and Discussion

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