



**TOPPENISH CITY COUNCIL
STUDY SESSION AGENDA
DECEMBER 5, 2022 – 5:00 P.M.**

1. Call To Order/Roll Call
2. New Employee Introduction
3. Approve Agenda
4. **Public Comment**

The City Council welcomes public attendance at Council meetings. This meeting is for the conduct of regular City business. At this time, citizen comments and inquiries about agenda business or general City matters are encouraged. If you wish to address the City Council, please stand or raise a hand so you can be called upon. After you are recognized, please come forward to the lectern, state your name, and address for the public record. Your remarks must be limited to three minutes or less. Please use the microphone.

5. 2023 General Fund Revenue Reduction and 2023 Budget Enhancement Requests
6. Public Hearing Regarding the 2023 Final Budget. Receive Staff Presentation and Public Comments on Proposed 2023 Final Budget
7. Ordinance 2022-22, Adopt 2023 Budget for the City of Toppenish, Washington
8. Adjournment

Next Regular Council Meeting will be on December 12, 2022



City of Toppenish
Executive Department
MEMORANDUM

DATE: December 1, 2022

TO: Mayor and Councilmembers

CC: Gary Cuillier, City Attorney
Heather Jobe, Administrative Services Director

FROM: Debbie Zabell, City Manager

RE: General Fund Revenue Reduction and 2023 Budget Enhancement Requests

The 2023 Budget proposal presented to council provided for a reduction of utility tax from 31% to 29% and an increase to water, sewer, and solid waste rates of 3%. At the November 28, 2022, Regular Council Meeting, the Council determined to implement the recommended reduction in the utility tax on city owned utilities from 31% to 29% for 2023, but not to increase the utility rates effective January 1, 2023. The effect of these two decisions will be a reduction of anticipated revenues into the General Fund and the three enterprise funds.

In addition, Council considered the funding of three 2023 Budget Enhancement Requests:

1. Police vehicle funded from 2% casino award and from the Criminal Justice Fund
2. Drug dog vehicle funded from ARPA funds
3. Evidence Technician funded from the General Fund

At the conclusion of the budget enhancement discussion, Council directed staff to bring all three enhancement requests back for consideration at the next council meeting (December 5, 2022).

Staff has had the opportunity to further evaluate the enhancements and the impact of the utility rate decision and offers the following as a recommended path forward. Enhancements 1 and 2, as proposed, are not impacted by the reductions in the utility tax as they are to be funded from outside of the General Fund, staff continues to recommend approval of these two enhancements.

Enhancement 3 is however a General Fund expenditure. With the corresponding reduction in anticipated General Fund revenues as a result of the recommended utility tax rate reduction, and to not increase utility rates at this time, staff is recommending the removal of Enhancement 3 from further consideration by Council at this time.

Staff has reviewed and adjusted the 2023 Preliminary Budget according to the reduction of revenue, which include the Water, Sewer, Solid waste, and General Funds. Expenditures in the three utility

funds have been reduced (utility tax and transfers to capital water and sewer funds and vehicle replacement) to offset the reduction of revenues.

The General Fund revenues have been updated to reflect the reduction of utility tax which is estimated to be \$250,000; and the General Fund expenditures have been updated through the recommended elimination of enhancement item 3 (Evidence Technician); as well as the use of additional fund reserves.

Because the City's final 2023 Budget must be adopted by the Council no later December 7, 2022 (RCW 35.33.071), staff is recommending Council adopt the 2023 Budget using the additional fund reserves; and spending the needed time to evaluate the services funded from the General Fund, as well as evaluating additional revenue options at the Council's February Study Session.

Council Action: Motion to approve Enhance Request 1 Purchase of Police Vehicle and Enhancement Request 2 purchase of K-9 Vehicle



City of Toppenish
Finance Department
MEMORANDUM

DATE: December 2, 2022
TO: Mayor and Councilmembers
FROM: Heather Jobe, Administrative Service Director
RE: **2023 Final Budget Hearing**

This memo serves to provide supporting information for the December 5, 2022, Public Hearing pertaining to the 2023 Final Budget. State statute requires that local governments hold a public hearing on the final budget for providing the opportunity for any taxpayer to be heard for or against any part of the budget.

Below are the dates and actions taken by staff and Council in preparation of the 2023 Final Budget:

Date	Action
September 6:	Present 2023 Budget Calendar to City Council
October 3:	City Council provided with estimated revenues from all sources including estimates for consideration of setting the 2023 property tax.
November 2 & 23:	City Clerk publishes Public Notices for the 2022 Revenue Sources and Property Tax Levy public hearing, the Preliminary Budget public hearing, and the Final Budget Hearing.
November 7:	2023 Preliminary Budget provided to City Council.
November 21:	City Council held Public Hearings for the 2023 Revenues and Property Tax Levy, and the 2023 Preliminary Budget.
November 22:	2023 Preliminary Budget posted to City's website.
December 5:	Public Hearing on the Final 2023 Budget.

The 2023 Budget reflects reduced general fund revenues. The general fund is balanced utilizing a 1% property tax increase, and approximately \$1.1M of general fund reserves.

The 2023 Budget includes many “carryovers” from 2022 to include capital purchases related to new financial software, police building remodel, city hall roof, fire building flooring, two police vehicles (one for a K9), a fire engine and a fire ladder truck.

The 2023 Final Budget totals **\$30,977,306 (a reduction of \$487,209 from 2022)** and includes the following revenues and expenditures:

2023 Final Revenues		2023 Final Expenditures	
308 - Beginning Fund Balance	16,024,308	00-Fund Balance	11,278,390
310 - Taxes	5,741,900	10-Salaries & Wages	4,707,938
320 - Licenses & Permits	122,200	20-Benefits & Personnel Costs	2,388,819
330 - Intergovernmental	797,935	30-Supplies	742,864
340 - Charges for Services	7,360,243	40-Services	6,493,643
350 - Fines & Forfeitures	73,225	60-Capital Purchase/Projects	3,929,996
360 - Miscellaneous Revenues	132,000	70- Debt Service	1,240,525
380 - Non Revenues	191,600	80-Non Expenditures	(480,379)
390 - Other Financing	533,895	90-Transfers Out	675,510
Total Revenues:	30,977,306	Total Expenditures:	30,977,306

The ordinance adopting the Final 2023 Budget will be presented to the City Council for adoption at the December 5, 2022, Study Session.

Council Action: Receive public input regarding the 2023 Final Budget.

CITY OF TOPPENISH

21 West First Avenue
Toppenish, WA 98948

"Where the West Still Lives"

CITY OF TOPPENISH NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Toppenish City Council will hold a final public hearing at 5:00 p.m. on December 5, 2022, in the Council Chambers at City Hall. The purpose of the hearing is to consider the 2023 Final Budget. All residents are encouraged to attend.

The Council Chamber is handicap accessible. Additional arrangements to reasonably accommodate special needs will be made upon receiving twenty-four (24) hour advance notice. Contact City Clerk at (509) 865-6754 for assistance.



Heidi Riojas, CMC
City Clerk

PUBLISH:

Sunnyside Sun: November 23, 2022, and November 30, 2022

CITY OF TOPPENISH

21 West First Avenue
Toppenish, WA 98948

"Where the West Still Lives"

CIUDAD DE TOPPENISH AVISO DE AUDIENCIA PÚBLICA

POR MEDIO DE LO PRESENTE SE AVISA que el Concilio de la Ciudad de Toppenish llevará a cabo una última audiencia pública el día 5 de diciembre, 2022, a las 5:00 p.m. en las Salas del Concilio en el Ayuntamiento de la ciudad. El propósito de la audiencia es considerar el Presupuesto Final del año 2023. Se anima a todos los residentes a asistir.

La sala del concilio de Toppenish es accesible para personas discapacitadas. Arreglos adicionales para el acomodo razonable de necesidades especiales se harán notificando con veinticuatro (24) horas de anticipación. Si tiene preguntas comuníquese con el Secretario de la Ciudad al (509) 865-6754.



Heidi Riojas, CMC
City Clerk

PUBLICADO:

Sunnyside Sun: 23 de noviembre, 2022 y 30 de noviembre, 2022



City of Toppenish
Finance Department
MEMORANDUM

DATE: December 2, 2022
TO: Mayor and Councilmembers
FROM: Heather Jobe, Administrative Service Director
RE: **2023 Final Budget**

At the December 5, 2022, Study Session, the City Council held a Public Hearing, to receive public input, on the Final 2023 Budget. At the Public Hearing, staff provided a presentation on the 2023 Final Budget noting the dates and actions taken by the City Council as well as noting the 2023 Final Budget amount of \$30,977,306.

The attached proposed ordinance is being presented to the City Council for adopting the City's 2023 Budget. The Budget serves to provide many important functions, such as:

1. It is a legal document that gives the City Manager the authority to incur obligations and pay expenses.
2. Allocates resources among departments.
3. Reflects the City Council's priorities and policies.
4. Controls how much each department may spend.

Upon adoption, the expenditure levels in the budget are enacted into law through the budget ordinance. The budget is adopted at the fund level which refers to the appropriation level, i.e., General Fund, Street Fund, Water Fund, etc.

The 2023 Budget continues to push the city forward in its vision to make Toppenish a Safe, Healthy and Vibrant Community by continuing to improve public safety, code enforcement, citywide technology, and youth recreation.

The 2023 Budget reflects several key items:

1. the purchase of two new fire trucks;
2. an improved police station and implementation of a K9 program,
3. infrastructure preservation and upgrades;
4. a new city-wide integrated financial system;
5. economic development; and
6. city-wide workforce professional development.

Council Action: Motion to adopt Ordinance 2022-22, adopting the 2023 Annual Budget

ORDINANCE 2022-22

**AN ORDINANCE ADOPTING THE 2023 BUDGET FOR
THE CITY OF TOPPENISH, WASHINGTON**

WHEREAS, the City Council of the City of Toppenish, Washington, did on the 5th day of December 2022, approve a budget for the year 2023 after hearings on the same as required by law, and

WHEREAS, there was no objection to the budget at said hearings, and

WHEREAS, said final budget for the year 2023 shows in detail the amount of revenues and expenditures, including salaries, and totals of various funds as follows:

Fund #	Fund Name	Budget Amt.
001	General Fund	\$ 8,838,682
002	General Fund Capital Reserve Fund	\$ 817,327
003	Welcome Center Fund	\$ 24,059
004	Railroad Depot Facility Fund	\$ 3,705
006	Public Works Building Fund	\$ 194,665
007	Library Fund	\$ 27,590
021	Urban Development Action Grant Fund	\$ 31,925
030	Criminal Justice Fund	\$ 1,656,456
050	Special Projects Fund	\$ 334,681
101	Street Fund	\$ 461,020
103	Vehicle License Fee Fund	\$ 372,163
106	Tourism Development Fund	\$ 102,098
108	Cemetery Fund	\$ 209,850
119	Public Safety Grants Fund	\$ 805,445
129	Special Investigations Drug Account Fund	\$ 62,280
157	Cable TV Fund	\$ 321,783
158	Cable TV Equipment Reserve Fund	\$ 72,902
170	Housing Rehabilitation Fund	\$ 628,741
225	Community Economic Development Loan Fund	\$ 5,537
301	Municipal Capital Improvement Fund	\$ 910,722
302	Street Capital Fund	\$ 102,537
401	Water Fund	\$ 4,284,793
403	Wastewater Fund	\$ 4,360,493
405	Solid Waste Fund	\$ 1,411,364
410	Water Capital Fund	\$ 434,716
413	Wastewater Capital Fund	\$ 851,675
510	Vehicle Replacement Fund	\$ 3,231,822
611	Pension Trust Fund	\$ 45,027
701	Perpetual Care Fund	\$ 373,247
	2023 Final Budget Total	\$ 30,977,306

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF TOPPENISH, WASHINGTON DO ORDAIN AS FOLLOWS:

The final budget for the fiscal year 2023, a copy of which is attached hereto and is made a part hereof by reference, is adopted by the City of Toppenish, Washington. Said budget will be available for the public and may be obtained from the Clerk's office.

This ordinance shall become effective five (5) days after publication of a summary thereof.

PASSED by the Toppenish City Council at its meeting held on December 5, 2022.

ELPIDIA SAAVEDRA, Mayor

ATTEST:

HEIDI RIOJAS, CMC, City Clerk

APPROVED AS TO FORM:

GARY M. CUILLIER, City Attorney