

SNOHOMISH COUNTY COUNCIL  
PUBLIC HEARING PACKET

**ORDINANCE 21-081** RELATED TO THE 2021 BUDGET; MAKING AN  
EMERGENCY APPROPRIATION IN LIMITED TAX DEBT  
SERVICE FUND 215 AND REAL ESTATE EXCISE TAX  
FUND 191 TO PAY HIGHER THAN ESTIMATED BOND  
DEBT SERVICE COSTS

ECAF: 2021-0797

Date/Time: Wednesday, October 20, 2021, at 10:30 a.m.

Staff Person: Jim Martin

DPA: George Marsh

**EXHIBIT LIST**

***Click on Exhibit # to view document.***

<b>Exhibit #</b>	<b>Date</b>	<b>Exhibit Description</b>
<b>1</b>	9/23/21	Council Staff Report
<b>2</b>	9/23/21	ECAF Received
<b>3</b>	9/23/21	Ordinance Introduction Slip

1 APPROVED:  
2 EFFECTIVE:

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5 SNOHOMISH COUNTY COUNCIL  
6 Snohomish County, Washington

7  
8 ORDINANCE NO. 21-081

9  
10 RELATED TO THE 2021 BUDGET; MAKING AN EMERGENCY  
11 APPROPRIATION IN LIMITED TAX DEBT SERVICE FUND 215 AND REAL  
12 ESTATE EXCISE TAX FUND 191 TO PAY HIGHER THAN ESTIMATED BOND  
13 DEBT SERVICE COSTS  
14

15 WHEREAS, Ordinance 20-054, approved by Council on October 14, 2020,  
16 authorized the issuance and sale of the County's Tax-exempt Limited Tax General  
17 Obligation Refunding Bonds, 2020, Series A (the "2020A Bonds"), in an original  
18 principal amount not to exceed \$90,000,000; and  
19

20 WHEREAS, estimates for debt service costs for the 2020A Bonds were included  
21 in the 2021 Adopted Budget; and  
22

23 WHEREAS, actual debt service costs for the 2020A Bonds were \$93,950 higher  
24 than estimates included in the 2021 Adopted Budget creating a budget shortage; and  
25

26 WHEREAS, it has been determined that Limited Tax Debt Service Fund 215 has  
27 fund balance available that can be utilized but that additional funds will be needed to  
28 fully cover the shortage; and  
29

30 WHEREAS, it has been determined that the Real Estate Excise Tax (REET)  
31 Fund 191 has sufficient capacity to transfer the remaining funds needed to fully cover  
32 the shortage;  
33

34 NOW, THEREFORE, BE IT ORDAINED:  
35

36 Section 1. The County Council makes the following findings of fact: An  
37 emergency appropriation is necessary for the 2021 budget year in the Limited Tax Debt  
38 Service Fund 215, in the amount of \$93,950, and in the REET Fund 191, in the amount  
39 of \$50,000, to provide expenditure authority to pay higher than estimated debt service  
40 costs on the 2020A Bonds.  
41

42 Section 2. The appropriation unit and allocation detail of the emergency  
43 appropriation are as follows:  
44  
45

1 **Limited Tax Debt Service Fund 215**

2  
3 EXPENDITURE:

4	215 5174497101	Debt Service Principal - Roads	\$ 5,000
5	215 5174498301	Debt Service Interest - Roads	800
6	215 5174498302	Debt Service Interest - Fairgrounds	2,300
7	215 5174498303	Debt Service Interest - EOC	850
8	215 5174497106	Debt Service Principal - CRI	45,000
9	215 5174498306	Debt Service Interest - CRI	<u>40,000</u>

10  
11 **Total Emergency Appropriation Fund 215** **\$ 93,950**

12  
13 REVENUE:

14	215 3174499707	OpTransfer from REET1	\$ 50,000
15	215 3174490800	Debt Service Fund Balance	\$ <u>43,950</u>

16  
17 **Total Revenue** **\$ 93,950**

18  
19 **Real Estate Excise Tax Fund 191**

20  
21 EXPENDITURE:

22	191 5169905554	OpTransfer REET1 to Debt Service	\$ 50,000
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23  
24 **Total Emergency Appropriation Fund 191** **\$ 50,000**

25  
26 REVENUE:

27	191 3169900800	REET1 Fund Balance	\$ <u>50,000</u>
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28  
29 **Total Revenue** **\$ 50,000**

30  
31 Section 3. The Council finds that there is a need for additional expenditure  
32 authority to pay for higher than estimated debt service costs. The need for this  
33 appropriation was not known and could not have been determined prior to the adoption  
34 of the 2021 budget. The Council therefore finds that the need for the appropriation  
35 authorized by this ordinance constitutes a public emergency that could not reasonably  
36 have been foreseen at the time of budget approval and appropriation for the year 2021  
37 and hereby authorizes the appropriation.

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40 PASSED this \_\_\_ day of \_\_\_\_\_, 2021.

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SNOHOMISH COUNTY COUNCIL  
Snohomish County, Washington

\_\_\_\_\_  
Council Chair

ATTEST:

\_\_\_\_\_  
Asst. Clerk of the Council

- ( ) APPROVED
- ( ) EMERGENCY
- ( ) VETOED

DATE: \_\_\_\_\_

\_\_\_\_\_  
County Executive

ATTEST:

\_\_\_\_\_

Approved as to form only:

/s/ George B. Marsh 9/21/2021  
Deputy Prosecuting Attorney



## Snohomish County Council

**Committee:** Finance Committee

**Analyst:** Jim Martin

**ECAF:** 2021-0797

**Proposal:** Ord 21-081

**Date:** September 23, 2021

### **Consideration:**

Related to the 2021 Budget; Making an emergency appropriation in Limited Tax Debt Service Fund 215 and Real Estate Excise Tax Fund 191 to pay higher than estimated bond debt service costs.

### **Background**

Council approved Ordinance 20-054 on October 14, 2020, authorizing the issuance and sale of the County's Tax-exempt Limited Tax General Obligation Refunding Bonds, 2020, Series A, in an original principal amount not to exceed \$90,000,000.

While estimates for debt service costs related to the issuance and sale of these bonds was included in the 2021 Council adopted budget, actual costs were \$93,950 higher than the estimates included in the budget, creating a budget shortage. Fund 215 has fund balance available to cover a portion of the shortfall, and Fund 191 has sufficient fund balance to cover the remaining amount.

### **Current Proposal**

To make an emergency appropriation in Limited Tax Debt Service Fund 215 and Real Estate Excise Tax Fund 191 to pay higher than estimated bond debt services costs.

*Duration:* N/A

*Fiscal Implications:* \$93,950

### **2021 Budget:**

*Is this in the current year budget:* No

**Future Budget Impacts:** N/A

**Handling:** Expedite

**Approved-as-to-form:** Yes

**Risk Management:** N/A

**Executive Recommendation:** Approval

**Attachments:** Refer to the submitted ECAF that includes the following attachments:

(1) Proposed Ordinance

**Amendments:** NONE.

**Request:** Move to GLS on September 29<sup>th</sup> to set Time and Date for Public Hearing.



# Snohomish County Council

## Legislation Text

File #: 2021-0797, Version: 1

### Executive/Council Action Form (ECAF)

**ITEM TITLE:**

Ordinance 21-081, related to the 2021 Budget; making an emergency appropriation in Limited Tax Debt Service Fund 215 and Real Estate Excise Tax Fund 191 to pay higher than estimated bond debt service costs

**DEPARTMENT:** Finance

**ORIGINATOR:** Jim Woodard

**EXECUTIVE RECOMMENDATION:** Approved Ken Klein 09/23/21

**PURPOSE:** An Emergency Appropriation to provide \$94K of budget authority in 2021 to be able to pay the 12/1/21 debt service payment for the 2020A Bonds.

**BACKGROUND:** Estimates for debt service costs for the 2020A Bonds were included in the 2021 Adopted Budget. Actual debt service costs for the 2020A Bonds were \$93,950 higher than estimates included in the 2021 Adopted Budget creating a budget shortage. Fund 215 has fund balance available that can be utilized but additional funds will be needed to fully cover the shortage. REET1 has sufficient capacity to transfer the remaining funds needed to fully cover the shortage.

**FISCAL IMPLICATIONS:**

<b>EXPEND:</b> FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
Fund 215, 12/1/21 debt service payment	\$ 93,950		
Fund 191, REET1 OpTransfer to F215	50,000		
<b>TOTAL</b>	\$ 143,950		

<b>REVENUE:</b> FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
Fund 215, OpTransfer from REET1	\$ 50,000		
Fund 215, Debt Service Fund Balance	43,950		
Fund 191, REET1 Fund Balance	50,000		
<b>TOTAL</b>	\$ 143,950		

**DEPARTMENT FISCAL IMPACT NOTES:** Click or tap here to enter text.

**CONTRACT INFORMATION:**

ORIGINAL	CONTRACT#	AMOUNT
AMENDMENT	CONTRACT#	AMOUNT

**Contract Period**

ORIGINAL	START	END
AMENDMENT	START	END

**OTHER DEPARTMENTAL REVIEW/COMMENTS:** Approved Finance-Nathan Kennedy, 09/23/21

**ORDINANCE  
INTRODUCTION SLIP**

TO: Clerk of the Council

TITLE OF PROPOSED ORDINANCE:

~~~~~  
*Stephanie Wright*  
\_\_\_\_\_  
Councilmember Date  
~~~~~

Clerk's Action: Proposed Ordinance No. \_\_\_\_\_

Assigned to: \_\_\_\_\_ Date: \_\_\_\_\_

~~~~~  
**STANDING COMMITTEE RECOMMENDATION FORM**

On \_\_\_\_\_, the Committee considered the item and by \_\_\_\_ Consensus /  
\_\_\_\_ Yeas and \_\_\_\_ Nays, made the following recommendation:

\_\_\_\_ Move to Council to schedule public hearing \_\_\_\_\_

**Public Hearing Date** 10/20/2021 **at** 10:30 a.m.

\_\_\_\_ Move to Council as amended to schedule public hearing

\_\_\_\_ Move to Council with no recommendation

**This item \_\_\_\_ should/ \_\_\_\_ should not be placed on the Consent Agenda.**

(Consent agenda may be used for routine items that do not require public hearing and do not need discussion at General Legislative Session)

**This item \_\_\_\_ should/ \_\_\_\_ should not be placed on the Administrative Matters Agenda**

(Administrative Matters agenda may be used for routine action to set time and date for public hearings)

*Stephanie Wright*  
\_\_\_\_\_  
Committee Chair