

**EXECUTIVE/COUNCIL APPROVAL FORM**

**MANAGEMENT ROUTING:**  
 EXECUTIVE Dave Somers  
 EXEC. DIR. Ken Klein *KK*  
 DIRECTOR/ELECTED Tom Teigen *TT*  
 DEPARTMENT Parks & Recreation  
 DIV. MGR. Bridgid Smith *BBS*  
 DIVISION Administration  
 ORIGINATOR Bridgid Smith *BBS*  
 DATE 3/07/19 EXT. 6613

**TO: COUNCIL CHAIRPERSON:**  
**SNOHOMISH COUNTY COUNCIL**

**EXECUTIVE RECOMMENDATION:**

Approve  No Recommendation  
 Further Processing  
 Requested By \_\_\_\_\_

*[Signature]* **KEN KLEIN** 3/22/19  
 Executive Office Signature **Executive Director**  
 CEO Staff Review *[Signature]*  
 Received at Council Office *[Signature]* 3:25 pm MAR 22 2019 3/22/19

**DOCUMENT TYPE:**

BUDGET ACTION: \_\_\_\_\_ GRANT APPLICATION  
 Emergency Appropriation \_\_\_\_\_ ORDINANCE  
 \_\_\_\_\_ Supplemental Appropriation \_\_\_\_\_ Amendment to Ord. # \_\_\_\_\_  
 \_\_\_\_\_ Budget Transfer (Adm Budget Change) \_\_\_\_\_ PLAN  
 \_\_\_\_\_ CONTRACT: \_\_\_\_\_ OTHER  
 \_\_\_\_\_ New  
 \_\_\_\_\_ Amendment

**DOCUMENT / AGENDA TITLE:**

Making an Emergency Appropriation in the General Fund 002 -2019 Budget to provide expenditure authority for an operating transfer of prior year Fairgrounds' operating and admission tax revenue surplus.

EXECUTIVE \_\_\_\_\_ COUNCIL   
 CITE BASIS Snohomish County Charter Sect 6.85

HANDLING: NORMAL  EXPEDITE \_\_\_\_\_ URGENT \_\_\_\_\_ DEADLINE DATE \_\_\_\_\_

**PURPOSE:**

The purpose of this ordinance is to request additional appropriation authority in the General Fund 002, for additional expenditures related to 2018 Fairgrounds' operating surplus, which exceeded the amounts transferred in 2018.

**BACKGROUND:**

- Each year, Parks and Finance staff work together in assessing the surplus operating revenues for the fairgrounds.
- Attached is the Parks Department - 2018 Fiscal Recap for the Evergreen Fairgrounds. This financial recap was reviewed and approved by the Department of Budget and Finance.
- In 2018, Admission Tax revenue of \$ 179,350 was transferred as a budgeted operating transfer out to Fund 180; which was less then the \$ 211,744 actually collected – an adjustment of \$ 32,394 is necessary to accurately reflect surplus.
- Of the total 2018 Operating Surplus of \$ 893,528; \$ 382,330 was transferred as a budgeted operating transfer out to Fund 180 – leaving a 2018 Operating Surplus of \$ 511,198 to be recognized.
- An Emergency Appropriation in General Fund 002 and Fairgrounds Cumltv Reserve Fund 180 in the amount of \$ 543,592 will provide the operating transfer and spending authority for the balance of surplus funds to be recognized.
- Through this action and the accompanying Ordinance, the surplus balance of operating revenues can be transferred for expenditure authority into the Fairgrounds Reserve fund for Capital Improvements per SCC 4.87.050 (2)
- This was the eighth consecutive year that the Evergreen Fairgrounds revenue surplus has exceeded \$500,000.

**FISCAL IMPLICATIONS:**

EXPEND: FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
002.5169905543 Transfer Out - Fund 180	\$543,592		
180.5095456501 Construction	\$543,592		
<b>TOTAL</b>	<b>\$ 1,087,184</b>		

REVENUE: FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
002.3169900800 Beginning Fund Balance	\$543,592		
180.3095459720 Transfer In-Fund 002	\$543,592		
<b>TOTAL</b>	<b>\$ 1,087,184</b>		

DEPARTMENT FISCAL IMPACT NOTES:

This action requests 2019 expenditure authority for the additional amount of Fairgrounds surplus, above what was already transferred last year for the 2018 Fairgrounds surplus calculations.

BUDGET REVIEW Analyst [Signature] Administrator [Signature] Recommend Approval [Signature]

**CONTRACT INFORMATION:**

ORIGINAL \_\_\_\_\_ CONTRACT # \_\_\_\_\_ AMOUNT \$ \_\_\_\_\_  
 AMENDMENT \_\_\_\_\_ CONTRACT # \_\_\_\_\_ AMOUNT \$ \_\_\_\_\_

**CONTRACT PERIOD:**

ORIGINAL Start \_\_\_\_\_ End \_\_\_\_\_  
 AMENDMENT Start \_\_\_\_\_ End \_\_\_\_\_

CONTRACT PROJECT TITLE:

CONTRACTOR

APPROVED:

RISK MANAGEMENT N/A Yes \_\_\_\_\_ No \_\_\_\_\_

COMMENTS \_\_\_\_\_

PROSECUTING ATTY - AS TO FORM: Yes  No \_\_\_\_\_

**OTHER DEPARTMENTAL REVIEW / COMMENTS:**

**ELECTRONIC ATTACHMENTS:**

G:/Ecaf/Dept/09\_Parks/2019-Emerg-Approp-2018-FairSurplus, ECAF.docx  
 G:/Ecaf/Dept/09\_Parks/2019-Emerg-Approp-2018-FairSurplus, Ordinance.docx  
 G:/Ecaf/Dept/09\_Parks/Fairgrounds-2018-Recap-Council-Final.xlsx - 2018 Recap Council.xlsx

**OTHER ATTACHMENTS:**

1 APPROVED:  
2 EFFECTIVE:  
3  
4

5 SNOHOMISH COUNTY COUNCIL  
6 Snohomish County, Washington  
7

8 ORDINANCE NO. 19-016  
9

10 RELATED TO THE 2019 BUDGET;  
11 MAKING AN EMERGENCY APPROPRIATION IN THE EVERGREEN STATE  
12 FAIRGROUNDS CAPITAL IMPROVEMENTS AND OPERATING RESERVE FUND 180  
13 TO AUTHORIZE EXPENDITURE OF PRIOR YEAR SURPLUS REVENUES AND  
14 ADMISSIONS TAX REVENUES TO SUPPORT COSTS ASSOCIATED WITH THE  
15 FAIRGROUNDS  
16  
17

18 WHEREAS, the determination of the actual operating revenues and admission  
19 tax revenues of the Evergreen Fairgrounds (the "Fairgrounds") cannot be made until the  
20 closing of the books for the year in which those revenues are received, which closing  
21 occurs after the budget for the next-ensuing fiscal year has been adopted; and  
22

23 WHEREAS, the actual 2018 operations of the Fairgrounds resulted in revenues  
24 that exceeded the operating expenditures for that year; and  
25

26 WHEREAS, the actual 2018 admission tax revenues received exceeded the  
27 operating transfer of the admission tax revenues for that year; and  
28

29 WHEREAS, SCC 4.87.050 requires that surplus operating revenues of the  
30 Fairgrounds be placed in Fund 180 for relief of future operating deficits or other  
31 Fairgrounds uses determined by the County Council; and  
32

33 WHEREAS, the surplus Fairgrounds' operating revenues and admission tax  
34 revenues for 2018 have been held in the General Fund 002 awaiting transfer to the  
35 Evergreen State Fairgrounds Capital Improvements and Operating Reserve Fund 180;  
36

37 NOW, THEREFORE, BE IT ORDAINED:  
38

39 Section 1. The Council makes the following findings of fact: an emergency  
40 appropriation in the Evergreen State Fairgrounds Capital Improvements and Operating  
41 Reserve Fund 180 for the 2019 budget year in the amount of \$ 543,592 is necessary to  
42 provide expenditure authority for surplus operating revenues determined under SCC  
43 4.87.050 and admission tax revenues under SCC 4.23.090(2) for funding operating  
44 reserves in accordance with SCC 4.87.030 in support of the county fair and fairgrounds.

ORDINANCE NO. 19-016  
RELATED TO THE 2019 BUDGET; MAKING AN EMERGENCY  
APPROPRIATION IN THE EVERGREEN STATE FAIRGROUNDS  
CAPITAL IMPROVEMENTS AND OPERATING RESERVE FUND 180, ETC. - 1

1 This appropriation is funded by the surplus operating revenues and admission tax  
2 revenues of the Fairgrounds in 2018.

3  
4 Section 2. The appropriation unit and allocation detail are as follows:

5  
6 **General Fund**

7  
8 EXPENDITURE:

9  
10 002 General Fund  
11 002.516 990 5543 Transfer Out-Fund 180 \$ 543,592

12  
13 REVENUE:

14  
15 002 General Fund  
16 002.316 990 0800 Beginning Fund Balance \$ 543,592

17  
18 **Total Emergency Appropriation Fund 002:** **\$ 543,592**

19  
20  
21 **Fairgrounds Cumulative Reserve Fund**

22  
23 EXPENDITURE:

24  
25 180 Evergreen Fairgrounds Cumulative Reserve  
26 180.509 545 6501 Fairgrounds Construction \$543,592

27  
28 REVENUE:

29  
30 180.309 545 9720 Transfer In – Fund 002 \$543,592

31  
32 **Total Emergency Appropriation Fund 180:** **\$543,592**

33  
34  
35 Section 3. The County Council finds as a fact that the need for, and amount of,  
36 the funding for the fairgrounds operating reserve was not known and could not have  
37 been determined prior to the adoption of the 2019 budget. The Council therefore finds  
38 that the need for the appropriation authorized by this ordinance constitutes a public  
39 emergency which could not reasonably have been foreseen at the time of budget  
40 approval and appropriation for the year 2019 and hereby authorizes the appropriation.

41  
42 ///

43  
44 ///

1 PASSED this \_\_\_\_ day of \_\_\_\_\_, 2019.

2  
3 SNOHOMISH COUNTY COUNCIL  
4 Snohomish County, Washington

5  
6 \_\_\_\_\_  
7 Chairperson

8 ATTEST:

9  
10  
11 \_\_\_\_\_  
12 Asst. Clerk of the Council

- 13  
14  
15  
16 ( ) APPROVED  
17 ( ) EMERGENCY  
18 ( ) VETOED

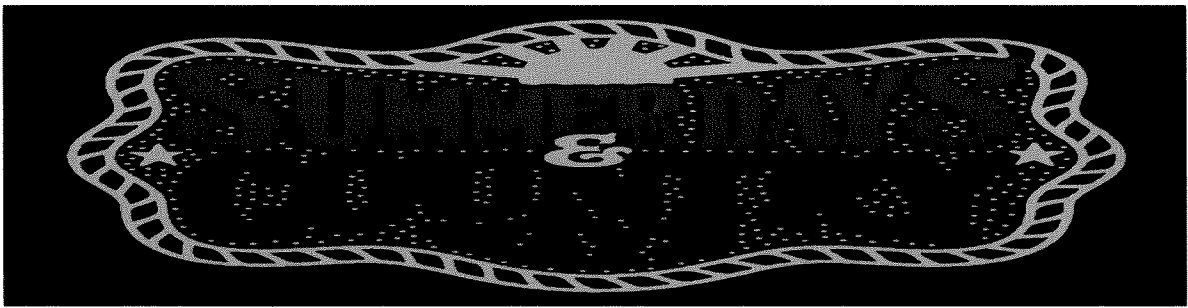
19  
20 DATE: \_\_\_\_\_

21  
22 \_\_\_\_\_  
23 County Executive

24  
25 ATTEST:

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27  
28 \_\_\_\_\_  
29  
30 Approved as to form only:

31  
32  
33   
34 \_\_\_\_\_  
35 Deputy Prosecuting Attorney



## 2018 Final Fairgrounds Recap

28-Feb-19

General Fund Revenues- does not include Admission Tax	\$ 5,523,308
Total General Fund Expenses -0966	\$ (4,514,046)
Net Fairgrounds Operating Surplus	\$ 1,009,262
2018 Indirect Cost Allocation- per Budget/Finance	\$ (115,734)
2018 Operating Surplus to Fund 180- SCC 4.87.050 (2)	\$ 893,528
2018 Completed Operating Transfer (541-5543) to Fund 180	\$ (382,330) *
Balance of Operating Surplus to be transferred to Fund 180	\$ 511,198
<b>Admission Tax Revenues</b>	
2018 Admission Tax Revenue to Fund 180- SCC 4.23.090 (2)	\$ 211,744
2018 Completed Operating Transfer (541-5502) to Fund 180	\$ (179,350) *
Balance of Admission Tax to be transferred to Fund 180	\$ 32,394
Total Funds Transferred To Fund 180 in 2018	\$ 561,680 *
Balance of Funds to be transferred (via Emerg. Approp. Ord)	\$ 543,592
Total 2018 Surplus Rev/Admission Tax to Fund 180	\$ 1,105,272
<b>180 Cummulative Reserve Fund</b>	
2018 Year-End Cash Balance- with transfers complete	\$ 1,336,047
2018 Balance of Surplus Funds to Fund 180- Emerg Appropriation	\$ 543,592
2018- 180 Fund Year End Balance (after Emerg Approp. Transfer)	\$ 1,879,639
<hr/>	
<b>2019- 180 Fund Projected Activity</b>	
2019- Fund 180 Revenue Projections-	
Budgeted Admission Tax	\$ 200,000
Budgeted Surplus Revenue- 2018	\$ 382,330
Other -10% of Base Rental/interest/Grant	\$ 140,000
2019- Revenue Projections	\$ 722,330
2019- Total Revenue (2018 Fund Balance & 2019 Rev Projections)	\$ 2,601,969
2019 Expenditure/Reserve Commitments to Date:	
2019- Prof Sves/Repair & Maintenance/Equip	\$ (230,000)
2019-Debt Service RezDbe (Net)	\$ (393,703)
2019 Debt Maint Annex	\$ (21,987)
2019 Interfund Indirect	\$ (18,851)
2019 Rainy Day Reserve	\$ (250,000)
2019 Additional Reserve- future debt service	\$ (300,000)
	\$ (1,214,541)
180 Balance- Available for Projects/Construction	\$ 1,387,428