



Memorandum

Date: 11/12/2025

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 25-603

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Deputy Finance Director
Finance	Hailey Zurcher	Financial Planning Manager

TITLE:

Adoption of an Ordinance for the 2025-2026 Budget Adjustment #4

OVERVIEW STATEMENT:

An Ordinance amending Ordinance Nos. 3196, 3215, 3224, and 3229 by adjusting the City's 2025-2026 Biennial Budget to recognize new and increased revenue sources, appropriate funds for projects and programs previously approved by Council, make minor corrections identified throughout the biennium, and establish a Capital Improvement Program (CIP) Fund for the Business Technology Investment Program (BTIP).

General Fund (100): \$458,809

a) Junior Fire Chief Program Reimbursement - \$30,000

The Fire Department received sponsorship funds from Amazon.com to support the Junior Fire Chief Program. The funds received by Amazon.com are sufficient to support the 2025 and 2026 program expenditures.

b) Port of Seattle Grant - \$120,000

On September 16, 2025 (AM No. 25-126), the City Council approved the acceptance of the Port of Seattle Economic Development Grant in the amount of \$120,000 for 2025 and 2026 programming. Funds will support district development, World Cup activations, and Startup425 programming.

c) SPAR Grant - \$6,000

On September 16, 2025 (AM No. 25-127), the City Council approved the acceptance of the Accept Simple Possession Advocacy Representation (SPAR) Grant. The state provides this grant funding to reimburse cities for public defense costs incurred in the representation of adults charged with misdemeanor drug possession or public use offense.

d) World Cup Event Programming Reimbursement - \$135,000

The Planning Department received sponsorship funds from Amazon.com to support World Cup activities. The funding will be utilized for the following:

- World Cup Watch Party - \$15,000

- Outdoor Screen - \$100,000
- Match Draw Party - \$10,000
- Futbol for All - \$10,000

e) FEMA Knox Box and Structural Collapse Equipment Grants - \$167,809

The Fire Department received two equipment grants from FEMA for Knox Box and Structural Collapse Equipment. This adjustment recognizes the cash value of the received equipment.

Arts Activity Fund (011): \$108,000

f) King County 4Culture Grant - \$108,000

On May 6, 2025 (AM No. 25-067), the City Council approved the acceptance of the 4Culture grant funding for Cultural Arts Programming, including the sixth annual Public Art Intensive Eastside workshop and the temporary public art exhibit at the third annual Downtown Redmond Art Walk. The total award is \$72,000 in 2025 and \$72,000 in 2026, and the biennial budget already includes \$18,000 per year. This adjustment adds the additional \$54,000 per year to the biennial budget.

Human Services Fund (019): \$6,000

g) King County Veterans, Seniors, and Human Services Levy (VSHSL) Grant - \$6,000

On September 16, 2025 (AM No. 25-128), the City Council approved the acceptance of the King County Veterans, Seniors, and Human Services Levy (VSHSL) Grant in the amount of \$6,000. The funding will be used to support the City's comprehensive case management services for people experiencing homelessness or housing insecurity.

Parks Capital Projects Fund (315): \$708,550

h) Washington Department of Commerce Grant - Idylwood Park - \$208,550

The Parks Department received grant funding, through a state earmark, in the amount of \$208,550 from the Washington Department of Commerce to support the Idylwood Park Parking Lot Expansion & Frontage Improvements project. This adjustment recognizes the revenue and increases the project budget accordingly.

i) Washington Recreation and Conservation Grant - \$500,000

On May 21, 2024 (AM No. 24-066), the City Council approved a resolution for the Parks Department to apply for a Washington Wildlife and Recreation Program grant to assist in funding Southeast Redmond Neighborhood Park construction. In June of 2025, this grant was awarded in the amount of \$500,000.

General Governmental Capital Fund (319) \$894,796

j) Washington Department of Commerce Grant - Intercultural City Services Center - \$616,920

On July 21, 2025, the City of Redmond was awarded a grant, through a state earmark, from the Washington State Department of Commerce in the amount of \$616,920. The funds will be utilized to purchase and build a city services space on the ground floor of Bellwether's Prisma project.

k) United States Department of Energy Grant - \$143,150

On June 3, 2025 (AM No. 25-093), the City Council approved the acceptance of the Department of Energy Energy Efficiency and Conservation Block Grant (EECBG) in the amount of \$143,150. The funding will be used for the Public Safety Building energy efficiency upgrades project to support compliance with the Clean Buildings

Performance Standard.

l) Puget Sound Energy (PSE) Rebate - \$134,726

The City of Redmond implemented energy efficiency improvements as part of the Public Safety Building project and LED lighting updates in City Hall. These improvements allowed the City to meet Puget Sound Energy energy efficiency targets, and PSE awarded the City of Redmond with energy rebates in the amount of \$134,726. The rebates will be added back into the project budgets as follows:

- Public Safety Building - Phase 2 - \$28,255
- Sustainability LED Lighting Building Retrofit - \$106,471

Business Technology Investment Program Fund (320): \$10,285,980

m) Establishment of a Business Technology Investment Program (BTIP) Fund - \$10,285,980

The Business Technology Investment Program (BTIP) currently operates out of the Information Technology Fund (520), along with the TIS operating expenditures. Now that the program has grown, and continues to expand, the Finance Department has recognized the need for a separate fund for BTIP expenditures. The funds proposed here are already budgeted within fund 520, and this adjustment simply transfers the BTIP expenditures from 520 to the new fund, 320.

Water Capital Projects Fund (403)

n) Washington Department of Commerce Grant - \$970,000

On July 21, 2025, the City of Redmond was awarded a grant, through a state earmark, from the Department of Commerce in the amount of \$970,000. The funding is to be utilized for the Asbestos Cement Pipe Replacement portion of the Pavement Management - Avondale Road (NE 90th St to Novelty Hill Road) project. The project is already existing in the CIP, and this award is intended to supplant the current funding.

Information Technology Fund (520) - (\$9,573,369)

o) TIS Department Staffing Funding Corrections - \$712,611

There are two positions within the TIS department that are currently funded out of funding sources that do not align with their job descriptions:

- The Technical Systems Coordinator was originally funded out of the Police Levy (036) fund, as it once fully supported the Police Department. As the work of this position has evolved to be more central to the TIS department, it is appropriate to transfer the budget from the Police Levy fund to the Information Technology fund. The expenditures will be funded with a transfer from the General Fund. In order to mitigate the impact on the General Fund, a similarly budgeted position in the Police Department will be transferred from the General Fund to the Police Levy fund.
- The Business Analyst position was originally funded out of the Stormwater Management (405) fund, as the position used to reside in the Public Works Department. During the 2025-2026 budget process, the position was transferred to the TIS Department, but the funding remained in Stormwater Management. This adjustment transfers the budget from the Stormwater Management fund to the Information Technology fund to correct the department funding.

p) Establishment of BTIP Fund - (\$10,285,980)

As described above, the Finance Department has recognized the need to establish a separate fund for the BTIP program. This adjustment moves existing BTIP budget from the Information Technology fund to the newly created BTIP fund. The net budget impact to the City is zero.

☒ Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

☐ Receive Information

☒ Provide Direction

☐ Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Fiscal Policies
- **Required:**
RCW 35A.33.120 Funds-Limitations on expenditures-Transfers and adjustments.
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

This budget adjustment is necessary to align city financial records to account for Council decisions and corrections to the existing budget.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

\$3,858,766

Approved in current biennial budget:

☐ Yes

☒ No

☐ N/A

Budget Offer Number:

N/A

Budget Priority:

N/A

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Other budget impacts or additional costs: ☐ Yes ☒ No ☐ N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

☒ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
11/18/2025	Business Meeting	Approve

Time Constraints:

All budget adjustments for the 2025-2026 biennium must be approved no later than December 31, 2026.

ANTICIPATED RESULT IF NOT APPROVED:

The adopted budget would not align city financial records with decisions made and corrections in budgeted funds.

ATTACHMENTS:

Attachment A: Ordinance: 2025-2026 Budget Adjustment #4

Exhibit 1: Summary of 2025-2026 Budget Adjustment #4