



City Council

Public Hearing on the 2020 Preliminary Operating Budget and Preliminary Capital Facilities Plan (CFP) and 2020-2025 Financial Plan

Agenda Date: 11/19/2019
Agenda Item Number: 5.B
File Number: 19-1058

Type: public hearing **Version:** 1 **Status:** Filed

Title

Public Hearing on the 2020 Preliminary Operating Budget and Preliminary Capital Facilities Plan (CFP) and 2020-2025 Financial Plan

Recommended Action

Committee Recommendation:

Planning Commission, Bicycle Pedestrian Advisory Committee, Parks and Recreation Advisory Committee forwarded written comments to the City Council. The Finance Committee has reviewed the budget and will meet on November 20 to finalize their recommendations.

City Manager Recommendation:

Hold the public hearing and receive testimony on the 2020 Preliminary Operating Budget and Preliminary CFP and 2020-2025 Financial Plan

Report

Issue:

Whether to hold a public hearing and receive testimony on the 2020 Preliminary Operating Budget and Preliminary CFP and 2020-2025 Financial Plan.

Staff Contact:

Debbie Sullivan, Director, Administrative Services, 360.753.8499

Presenter(s):

Jay Burney, Interim City Manager, 360.753.8740

Debbie Sullivan, Director, Administrative Services, 360.753.8499

Background and Analysis:

2020 Preliminary Operating Budget

The 2020 Preliminary Operating Budget was presented to Council on October 29, 2019. This hearing provides additional opportunity for the Council to hear from the public. The operating budget

maintains service levels and programs with some enhancements in priority areas. It also includes utility rates increases, recommendations for allocating lodging tax to various organizations, and changes in development fees.

The 2020 preliminary operating budget appropriates \$186.9 million for expenditures. The General Fund, which covers basic core municipal services (i.e. Fire, Police and Parks) is \$85.9 million, a 4% increase over the 2019 budget. The 2020 budget also includes expenditures to cover the following:

- 1) refinancing outstanding debt to take advantage of lower interest rates; as part of the refinance process, bond proceeds will be received to cover the debt; and
- 2) revenues collected through utility rates that will be transferred to the capital budget to support projects.

Utility rate increases reflect the increase of 1% to the Municipal Utility Tax included in the 2020 Preliminary Operating Budget.

Drinking Water	6.3%
Wastewater Collections	0.2%
LOTT	3.0% (Board Approved)
Storm & Surface Water	3.6%
Waste ReSources	
Drop Box	7.67%
Residential	3.33%
Commercial	3.33%
Organics	3.33%

2020 Preliminary CFP and 2020-2025 Financial Plan

The Preliminary CFP and 2020-2025 Financial Plan was presented to Council on August 13th. On October 29 the Council held a public hearing. Council also received a briefing on proposed 2020 impact fees for Transportation, Parks, and Olympia School District on November 12. The impact fees provide revenue to fund projects identified in the CFP.

The Preliminary CFP is \$156.6 million. The 2020 budget is \$26,519,374. This hearing provides an additional opportunity for the Council to hear from the public.

Both the 2020 Preliminary Operating Budget and CFP are on the City website for public review.

Neighborhood/Community Interests (if known):

None

Options:

1. Hold the public hearing and accept written comments until 5:00 PM on Wednesday, November 20, 2019.
2. Move the public hearing to a future City Council meeting.

Financial Impact:

Type: public hearing **Version:** 1 **Status:** Filed

The 2020 Preliminary Operating Expenditure Budget is \$186.9 million.

Attachments:

None