



City Council

Presentation of the 2021 Preliminary Operating Budget

Agenda Date: 10/20/2020
Agenda Item Number: 6.A
File Number:20-0830

Type: report **Version:** 1 **Status:** Filed

Title

Presentation of the 2021 Preliminary Operating Budget

Recommended Action

Committee Recommendation:

The Finance Committee discussed utility rates and general facilities charges at their September 16 meeting and will continue budget discussions at their October 21 and November 18 meetings.

City Manager Recommendation:

Receive the 2021 Preliminary Operating Budget presentation and begin budget discussions. Briefing only; no action requested.

Report

Issue:

Whether to receive a presentation on the 2021 Preliminary Operating Budget

Staff Contact:

Nanci Lien, Finance Director, 360.753.8465

Presenter(s):

Jay Burney, City Manager, 360.753.8740

Nanci Lien, Finance Director, 360.753.8465

Background and Analysis:

The City's 2021 Preliminary Operating Budget will be presented to Council. The preliminary budget maintains basic service levels and programs as well as reductions and enhancements in various areas.

The 2021 Preliminary Operating Budget recommends appropriations to fund:

- 1) General Fund - basic core municipal services such as Fire, Police and Parks, etc.;
- 2) Debt Service Funds - debt service to support outstanding debt obligations;
- 3) Enterprise Funds - utility operational services;
- 4) Specials Funds - providing appropriations for lodging tax recipients and Parking Business Improvement Area; and

- 5) Operating transfers between funds, including revenues collected through special revenue and utility funds that will be transferred to the capital budget to support projects.

Staff will present an overview of the 2021 Preliminary Operating Budget, the budget process, and revenue and expense assumptions. Due to impacts related to COVID-19 pandemic and projecting the preliminary 2021 revenue, budget numbers were not finalized in time to be included in this Staff Report.

The Finance Committee and City Council will continue discussing the operating budget at the following scheduled meetings:

October 21 Finance Committee - 2021 Preliminary Operating Budget
November 2 City Council - Budget discussion
November 10 City Council - Utility Rates, General Facility Charges, Impact Fees, Lodging Tax, and PBIA
November 10 City Council - Public Hearing - Ad Valorem Tax
November 17 City Council - Public Hearing - Operating Budget & Capital Budget
November 18 Finance Committee - Final review of 2021 Preliminary Operating Budget
December 1 City Council - Discuss final balancing
December 8 City Council - Approve Operating and Capital budget - 1st Reading
December 15 City Council - Adopt Final Operating and Capital Budget - 2nd Reading

Neighborhood/Community Interests (if known):

The City's operating budget provides a financial plan that reflects the City Council and Community's priorities.

Options:

Briefing only

Financial Impact:

Preliminary 2021 revenue, budget numbers were not finalized in time to be included in this Staff Report. A summary will be presented at the City Council meeting.

Attachments:

None