



City Council

Public Hearing on the 2016 City of Olympia Operating Budget

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Title

Public Hearing on the 2016 City of Olympia Operating Budget

Recommended Action

Committee Recommendation:

Various City advisory committees forwarded written recommendations to the Council at an earlier date.

City Manager Recommendation:

Hold the public hearing and receive testimony on the 2016 City of Olympia Preliminary Operating Budget. At the end of comments, close the public hearing for oral presentations and accept written comments until Friday, November 20, 2015 at 5:00 p.m.

Report

Issue:

The hearing is an opportunity for the public to comment on the 2016 Operating Budget.

Staff Contact:

Steve Hall, City Manager, 360.753.8447

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

Steve Hall, City Manager

Jane Kirkemo, Administrative Services Director

Background and Analysis:

The 2016 Preliminary Operating Budget was presented on October 27, 2015. This hearing provides additional opportunity for the Council to hear from the public on the Operating Budget of the City. The Operating Budget includes a property tax increase, utility rate increases, and recommendations for the Lodging Tax.

2016 Operating Budget: The 2016 City of Olympia Preliminary Operating Expense Budget is \$129 million representing a 3.5% increase over the 2015 budget. The General Fund, comprising the basic municipal services is \$67.9 million, or a 4.4% increase in expenditures.

The utilities comprise about 45% of the total expenditures. The utility budgets include the following increases in residential rates:

Drinking Water - 7.3% revenue increase

Wastewater - 0% rate increase*

Stormwater - 6.7% rate increase

LOTT - 3% rate increase

Waste Resources:

Residential - 5.5% increase

Commercial - 4% rate increase

Organics - 9% rate increase

* Rates reflect implementation of volumetric-based billing.

Lodging Tax Advisory Committee (LTAC) - Also included in the Operating Budget is the recommendation from LTAC. Councilmember Hankins is the Council Representative on the committee. The committee recommends \$250,035 in tourism service contracts for 2016. (See attachment.)

Neighborhood/Community Interests (if known):

The 2016 Operating Budget includes \$23,000 for neighborhood matching grants plus \$5,000 for support for the Coalition of Neighborhood Associations agreement.

Options:

Hold the public hearing. In addition, staff recommends Council allow written comment until 5:00 p.m. on Friday, November 20, 2015.

Financial Impact:

The 2016 Operating Expenditure Budget is \$129 million. The Preliminary Operating Budget (including LTAC recommendations and utility rate increases) is available on the City website for public review.