



City Council

Public Hearing on the 2017 City of Olympia Operating Budget

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Title

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Recommended Action

Committee Recommendation:

Various City advisory committees forwarded written recommendations to the Council at an earlier date. The Finance Committee has reviewed various aspects of the budget and will meet on November 16 to finalize their recommendations.

City Manager Recommendation:

Hold the public hearing and receive testimony on the 2017 City of Olympia Preliminary Operating Budget. At the end of comments, close the public hearing and accept written comments until Friday, November 18, 2016 at 5:00 p.m.

Report

Issue:

Whether to hold a hearing for the public to comment on the 2017 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 2017 Preliminary Operating Budget was presented on October 25, 2016. 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 with a declaration of substantial need, utility rate increases, other fee increases, and recommendations for the Lodging Tax.

2017 Operating Budget: The 2017 City of Olympia Preliminary Operating Budget is \$139 million representing a 4.9% increase over the 2016 budget. The General Fund, comprising the basic

municipal services is \$71.7 million, or a 6.6% increase in expenditures. The General Fund without the influx of Olympia Municipal Park District (OMPD) funds is \$70 million, a 4.2% increase.

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

- Drinking Water - 5.7% revenue increase

- Wastewater - 4% rate increase

- Stormwater - 6.3% rate increase

- LOTT - 2% rate increase

- Waste Resources:

 - Residential - 0% increase

 - Commercial - 0% rate increase

 - Organics - 6.5% rate increase

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 \$287,000 in tourism service contracts for 2017. (See attachment.)

Neighborhood/Community Interests (if known):

The 2017 Operating Budget includes \$23,000 for neighborhood matching grants.

Options:

Hold the public hearing. In addition, staff recommends Council allow written comment until 5:00 p.m. on Friday, November 18, 2016.

Financial Impact:

The 2017 Operating Expenditure Budget is \$139 million. The Preliminary Operating Budget (including LTAC recommendations and utility rate increases) is available on the City website for public review.

Attachments:

None.