



City Council

Presentation of the 2019 Preliminary Operating Budget

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Title

Presentation of the 2019 Preliminary Operating Budget

Recommended Action

Committee Recommendation:

The Finance Committee discussed utility rates and development fees and a proposed budget stabilization reserve policy at their October 17 meeting and will continue budget discussions at the October 25 meeting.

City Manager Recommendation:

Receive a presentation on the 2019 Preliminary Operating Budget and begin budget discussions. Briefing only; no action requested.

Report

Issue:

Whether to receive a presentation on the 2019 Preliminary Operating Budget

Staff Contact:

Debbie Sullivan, Administrative Services Director, 360.753.8499

Presenter(s):

Debbie Sullivan, Administrative Services Director
Steve Hall, City Manager

Background and Analysis:

The City's 2019 Preliminary Operating Budget will be presented to Council. The preliminary budget maintains service levels and programs with some enhancements in priority areas.

The 2019 preliminary budget is \$155.9 million reflecting a 3.8 percent increase over 2018 adopted budget. The budget includes a 1 percent increase for property taxes, plus new construction, and an increase in State shared revenue. The General Fund, which covers basic municipal services, is \$81.85 million, a 4.2 percent increase over the 2018 budget.

Staff will present the 2019 preliminary budget, which will include a five-year projection of General

Fund revenue and expenses, 2019 revenue and expense assumptions, additions to the General Fund baseline, operational efficiencies, and considerations for year-end funds.

The preliminary operating budget does not include all of the 2019 revenue and expenses associated with the immediate strategies to address homelessness. The final budget will be adjusted before Council approval on December 11.

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

Oct. 25	Finance Committee review and discuss preliminary
Nov 13	City Council review and discuss preliminary budget Public Hearing <ul style="list-style-type: none">• Ad Valorem Tax• Operating Budget and Capital Facilities Plan
Nov 23	Finance Committee final review of preliminary budget
Nov 27	City Council Discuss final balancing
Dec 11	Approve Operating and Capital budget - 1 st Reading
Dec 18	Adopt Final Operating and Capital Budget

Neighborhood/Community Interests (if known):

N/A

Options:

Briefing only.

Financial Impact:

The 2019 preliminary operating budget is \$155.9 million. The General Fund portion is \$81.85 million representing a 4.2 percent increase over the 2018 adopted budget.

Attachments:

None