



City Council

Presentation of the 2020 Preliminary Operating Budget

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Title

Presentation of the 2020 Preliminary Operating Budget

Recommended Action

Committee Recommendation:

The Finance Committee discussed utility rates and development fees at their October 28 meeting and will continue budget discussions at the November 20 meeting.

City Manager Recommendation:

Receive the 2020 Preliminary Operating Budget presentation and begin budget discussions. Briefing only; no action requested.

Report

Issue:

Whether to receive a presentation on the 2020 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 2020 Preliminary Operating Budget will be presented to Council. The preliminary budget maintains service levels and programs with some enhancements in priority areas.

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 percent 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.

Staff will present the 2020 preliminary budget, feedback from the public engagement process, revenue and expense assumptions, operational efficiencies, and considerations for year-end funds.

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

November 12	Utility Rates, Impact Fees, Lodging Tax, PBIA Budget Discussion
November 19	Public Hearing <ul style="list-style-type: none">• Ad Valorem Tax• Operating Budget and Capital Facilities Plan
November 20	Finance Committee final review of preliminary budget
November 26	City Council Discuss final balancing
December 10	Approve Operating and Capital budget - 1 st Reading
December 17	Adopt Final Operating and Capital Budget

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:

The 2020 preliminary operating budget is \$186.9 million. The General Fund portion is \$85.9 million representing a 4 percent increase over the 2019 adopted budget.

Attachments:

None