

CITY COUNCIL AGENDA TOPIC

2025-2026 Preliminary Budget Deliberations Summary – An overview of the ongoing process in advance of final Council discussions

John Resha, Chief Financial Officer, 452-2567

Evan Phillips, Financial Strategy & Performance Director, 452-2831

Finance & Asset Management Department

EXECUTIVE SUMMARY**INFORMATION
ONLY**

Staff will provide an overview of the ongoing Council Deliberations on the Preliminary 2025-2026 Operating Budget and 2025-2030 Capital Improvement Program (CIP) Plan. This will include a summary of the public engagement during the process, notable themes from the Memory Bank, with questions from Council that have been answered by City staff. This item provides a baseline for Council discussion in advance of the final public hearing and request for direction on the Budget and CIP during Council's November 12, 2024 meeting.

RECOMMENDATION

N/A

BACKGROUND/ANALYSIS

Tonight, staff will provide a roundup of the major themes shared with Council through the Memory Bank and presentations on the 2025-2026 Preliminary Budget and the 2025-2030 CIP Plan. This includes the session topics covered during the previous City Council sessions as listed below:

- September 17:
 - Introduction and Overview of the Preliminary Budget and CIP with Key Investments
 - Next Steps in a Budget Equity Toolkit
- September 24:
 - Second Public Hearing
 - Updated Comprehensive Financial Policies & Fund Structure
 - Citywide Revenues & Resources
 - Development Services & School Impact Fees Update
- October 8:
 - Strategic Target Area Overviews:
 - Safe Community & Health,
 - Safe & Efficient Transportation System
 - Utilities Rates Update

- October 15:
 - Strategic Target Area Overviews:
 - Vibrant Economy
 - High-Quality Built & Natural Environment,
- October 22:
 - Strategic Target Area Overviews:
 - High-Performance Government
 - Thriving People & Communities

Public Engagement During Council Deliberations

Second Public Hearing

The City of Bellevue conducts three public hearings as part of its budget process. The first was held on July 9, 2024, to inform staff’s development of the Preliminary Budget, with the second and third public hearings occurring during Council’s deliberation period after the Preliminary Budget was transmitted to Council by the City Manager. During the public hearing, nearly 20 community members shared the priorities they would like to see funded including environmental stewardship, road safety, transit access, pedestrian/bicycle infrastructure and more.

Community Information Sessions

Staff held three information sessions with the public to orient Bellevue’s communities with the Preliminary Budget and CIP Plan. Staff provided insights on how each Strategic Target Area would be impacted and how these investments as well as ongoing operations and projects would be funded. This high-level information was published in seven (including English) languages and the staff presentation was published on the Bellevue Television YouTube page to ensure the broadest outreach and sharing.

At each of these information sessions attendees were welcomed to provide written feedback on postcards or online. In total, staff received four responses with feedback to invest further in sidewalks and artistic endeavors.

Memory Bank Themes

Since the introduction of the Preliminary Budget on September 17, staff have cataloged and answered more than 112 questions from Council in the Memory Bank. These questions and answers have been posted regularly in agenda materials throughout the process. The questions and answers fit in the broad themes below.

Themes	Questions
Affordable & Stable Housing	2, 19, 21, 79, 110
Arts & Culture	11, 14, 85
Capital Improvement Program	17, 47, 88, 90, 94
Cost of Living/Services & Inflation	3, 62, 69
Cross Cultural Center	15, 74, 76, 108, 111, 112
Development Services	20, 21, 23, 25, 26, 27, 28, 32, 33, 37, 38, 75
Diversity, Equity & Inclusion (DEI)	7, 12, 99, 101
Economic Development	13, 16, 24, 68, 70, 73, 77, 78, 80, 81, 82, 83
Environmental Stewardship	36, 38, 63, 64, 71, 87, 96, 97
Human Services	91, 92, 93, 95, 102, 103, 104, 105, 106, 107

Themes	Questions
Other	18, 41, 44, 48, 49, 58, 67, 98, 100, 109
Public Engagement	4, 84
Public Safety	9, 10, 42, 43, 51, 52, 53, 54, 55, 56
Resources, Revenues, & Reserves	1, 6, 8, 22, 29, 30, 31, 34, 35, 36, 39, 40, 45, 48, 72, 89
Transportation	47, 49, 50, 57, 60, 61, 65, 66, 86
Utilities	46, 62, 64

POLICY & FISCAL IMPACTS

Policy Impact

RCW 35A.34 – Biennial Budgets: State law specifies requirements that must be followed in budgeting each of the City’s funds. Key areas covered include:

- Preparation and filing of a preliminary budget by the Chief Administrative Officer, i.e., City Manager;
- A budget message: from the Chief Administrative Officer explaining the content, financial policies and major proposed changes;
- A public hearing on the proposed preliminary budget conducted before adoption of a final budget, which shall be held on or before the first Monday in December;
- Balanced expenditures and revenue estimates for each of the City’s funds;
- Council adoption of the budget prior to the beginning of the ensuing fiscal biennium, i.e., January 1, 2023.

Fiscal Impact

This briefing is for information only and, until adoption, will have no fiscal impact.

OPTIONS

N/A

ATTACHMENTS

A. Council Questions and Responses (Memory Bank)

AVAILABLE IN COUNCIL LIBRARY

N/A