



2019-2020 Preliminary Budget Overview

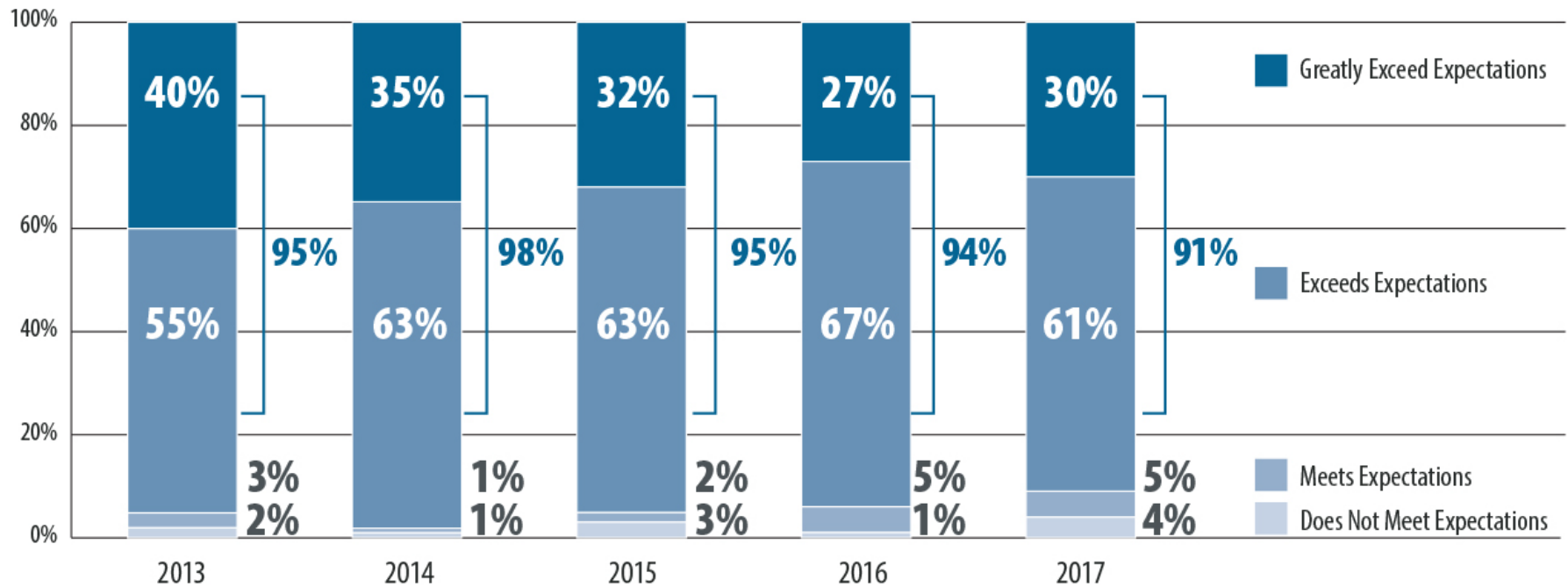
BRAD MIYAKE, CITY MANAGER
TONI CALL, FINANCE DIRECTOR
OCTOBER 15, 2018

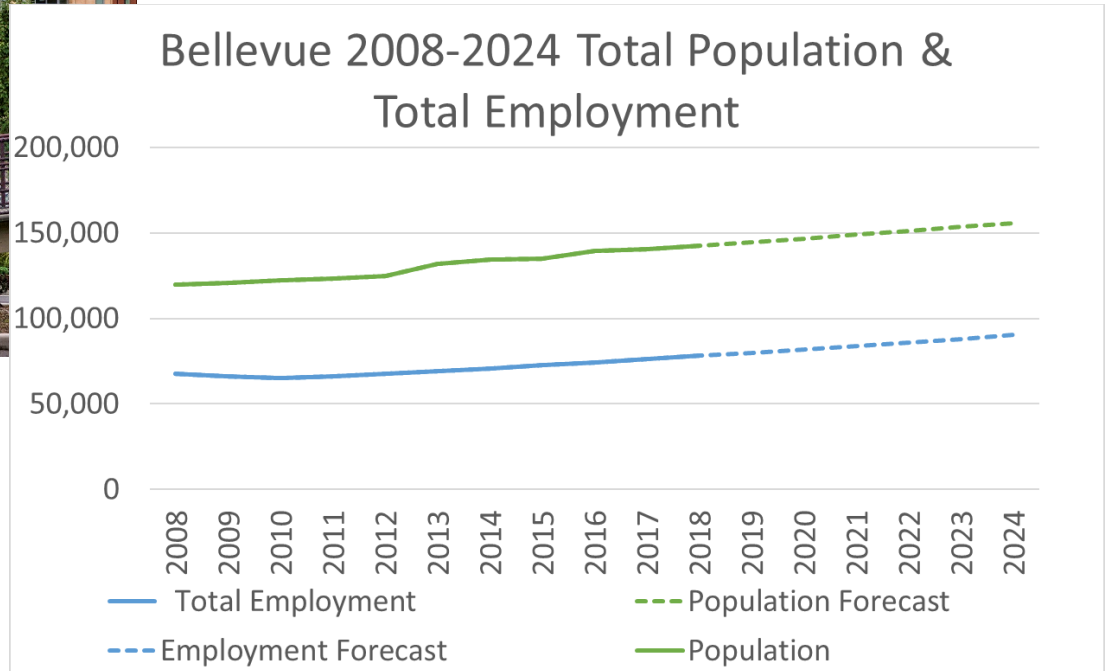


City Council Vision Priorities 2018-2020



Performance Survey Results Overall Quality of Life in Bellevue





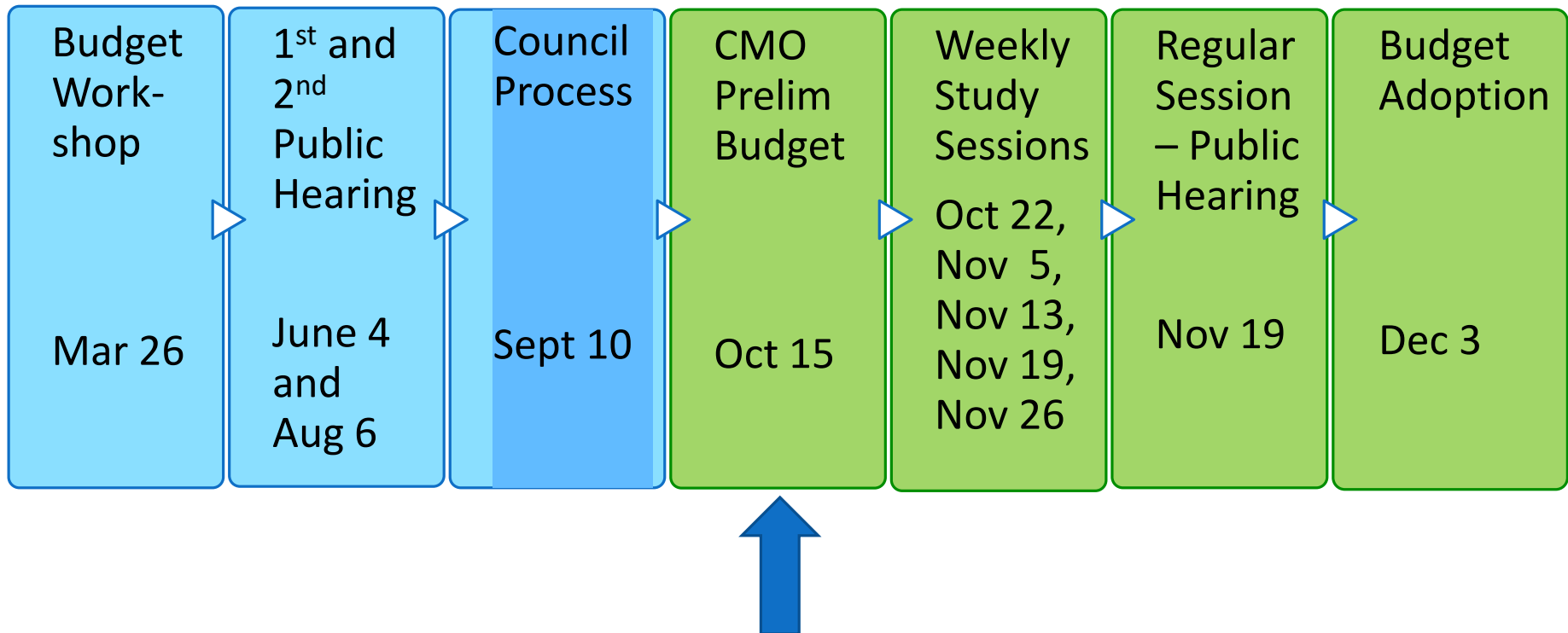


Tonight's Agenda

Overview

- Calendar and Actions for Budget Deliberation
- Budget One Guiding Principles
- Recap of March 26 Workshop Conclusions
- Overview of the Total Budget
- Operating Budget
- General Fund
- General CIP
- Next Steps

Calendar





Proposed Meeting Schedule*

| | |
|---------|--|
| Oct 15: | City Manager's Prelim |
| Oct 22: | Development Services Rates |
| Nov 5: | Human Services |
| Nov 13: | Utilities Rates; CIP (Trans, Parks, CD); Operating (Public Safety) |
| Nov 19: | Follow up as needed and Public Hearing |
| Nov 26: | Council Direction for Adoption |
| Dec 3: | Tentative Budget Adoption |

*General follow up of Council interests will occur throughout as needed



Budget One

Guiding Principles

- ***Foremost is the Council's long-term policy that quality service programs will be offered***
 - ✓ *a focus on services.....responsive and accessible to all;*
 - ✓ *realize opportunities*
 - ✓ *examine the entire budget*
 - ✓ *commitment to innovation, efficiency, and sound business practice*
 - ✓ *focus on citywide*
 - ✓ *long-range strategic approach*



Council Actions to Adopt

- 2019 Development Services Fee Ordinance
- 2019-2020 Utilities Rates Ordinances
- 2019 Property Tax Banked Capacity Resolution
- 2019 Property Tax Levy Ordinance
- 2019-2020 Biennial Budget Ordinance
- Human Services and Block Grant Ordinances
- Fire Code Revision Ordinance



Recap of March 26 Conclusions

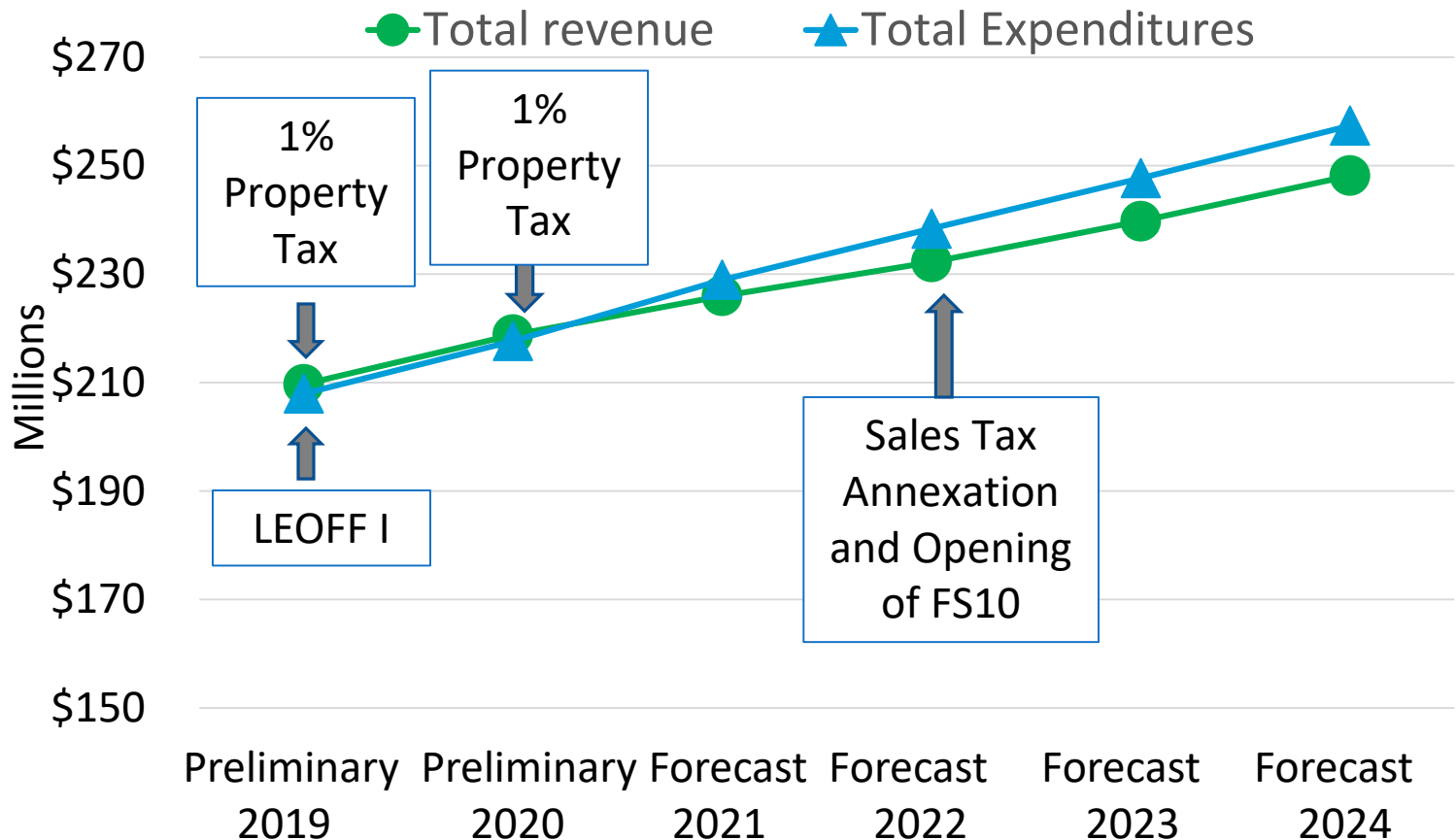


March 26 Workshop – General Fund

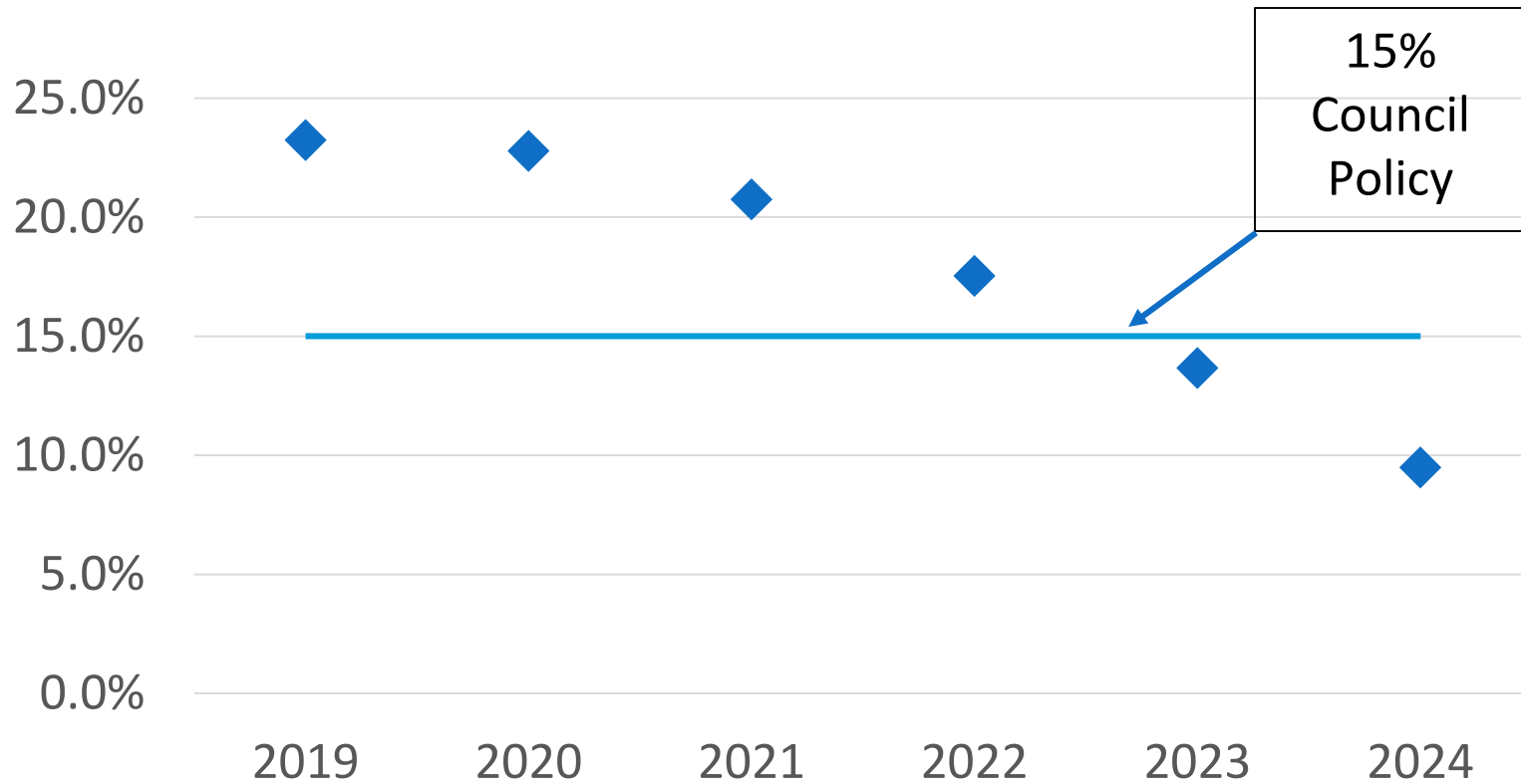
Conclusions are similar

- Revenues were forecasted to exceed expenditures in the near term, yet by mid-term, the reverse occurs

General Fund Forecast



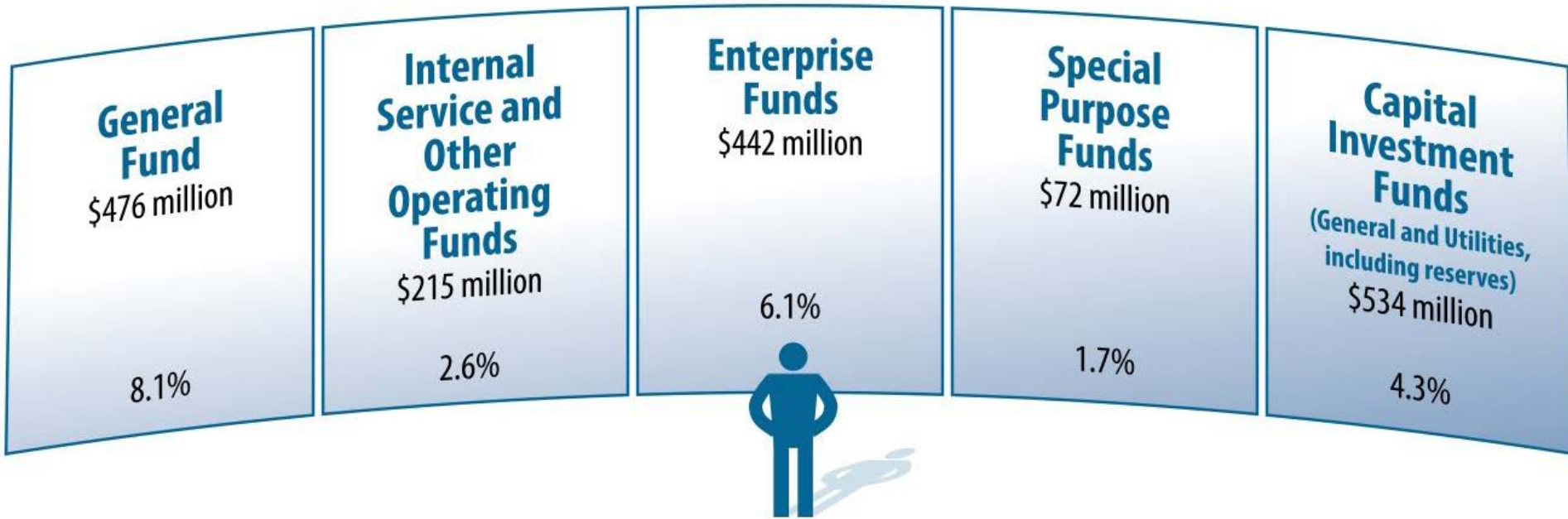
Ending Fund Balance





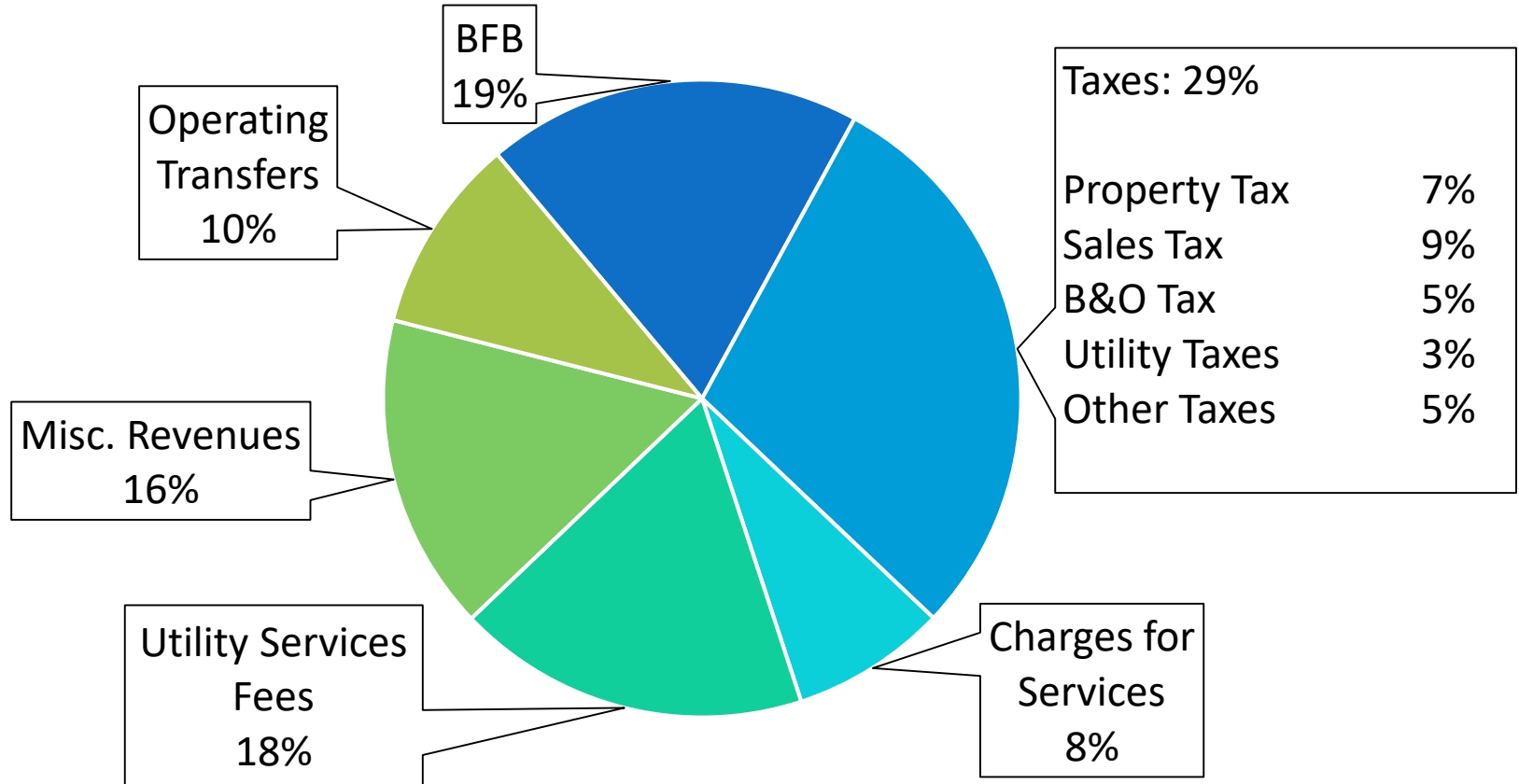
2019-2020 TOTAL CITY BUDGET OVERVIEW

Total Budget \$1.7B

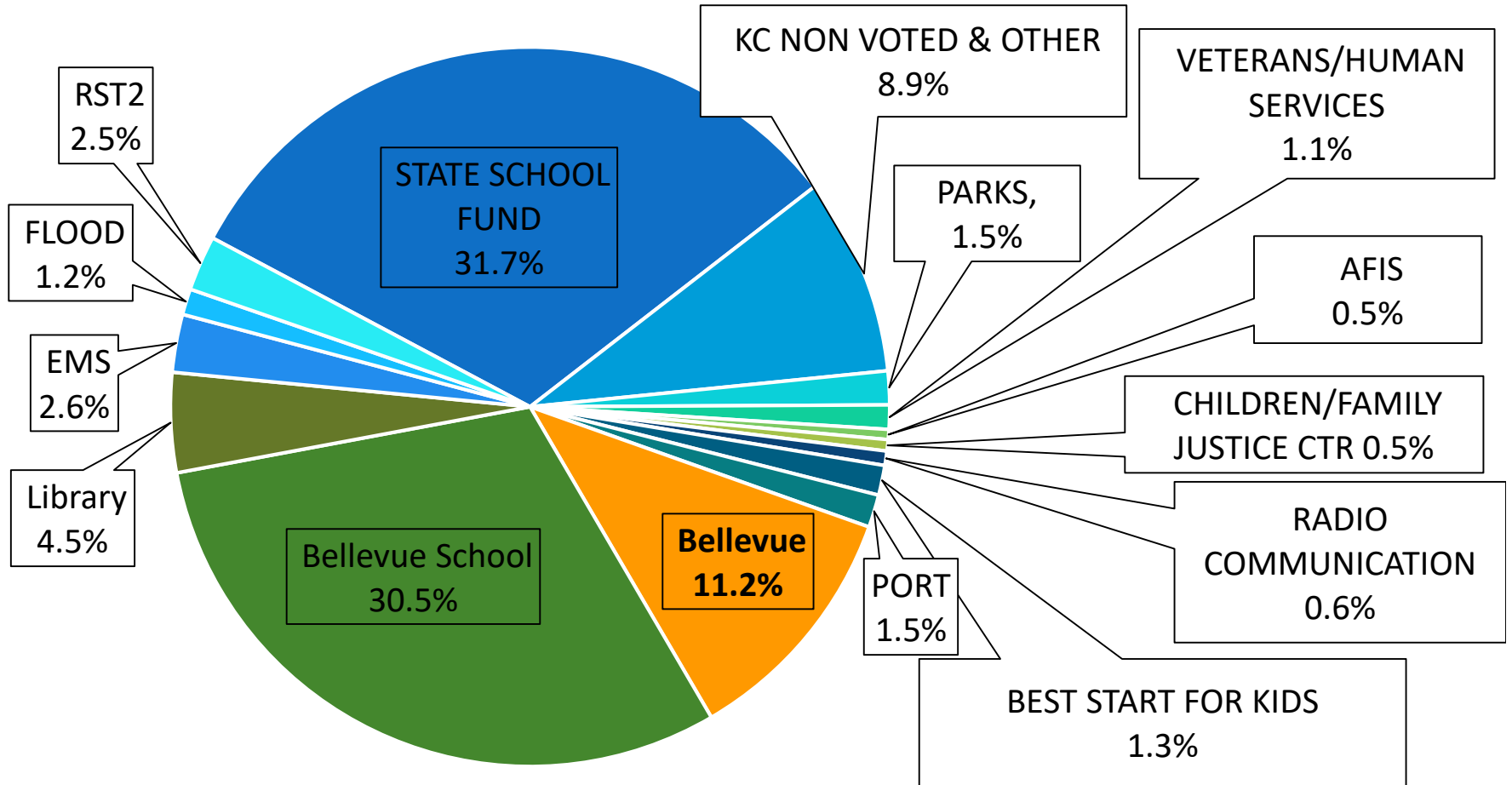


All numbers are 2-year numbers; growth rates are net of double budgeting and reserves

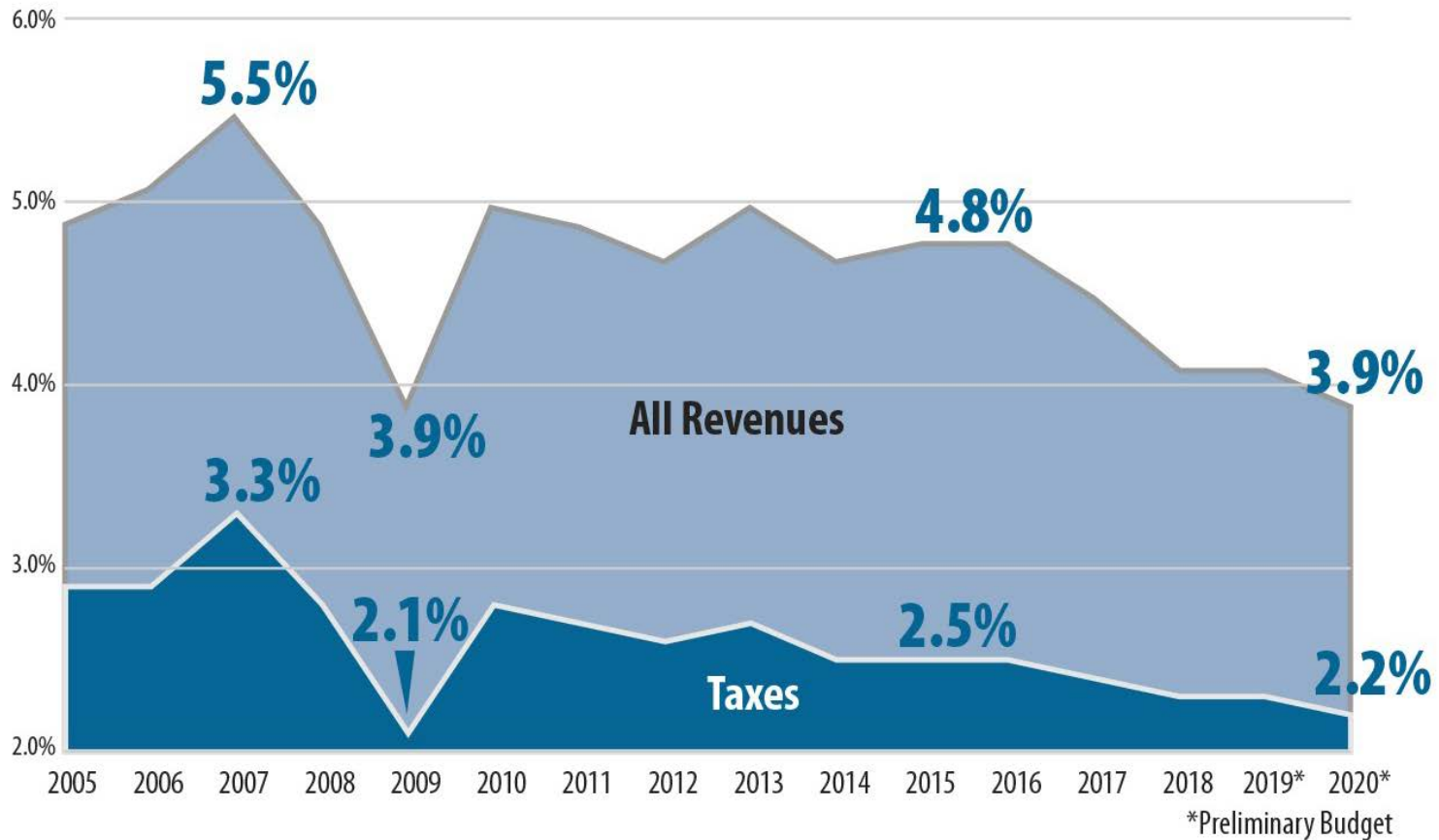
Total City Resources \$1.7B



2018 Property Tax Distribution



Price of Government



Source: United States Census Bureau, American Community Survey 1-Year Estimates



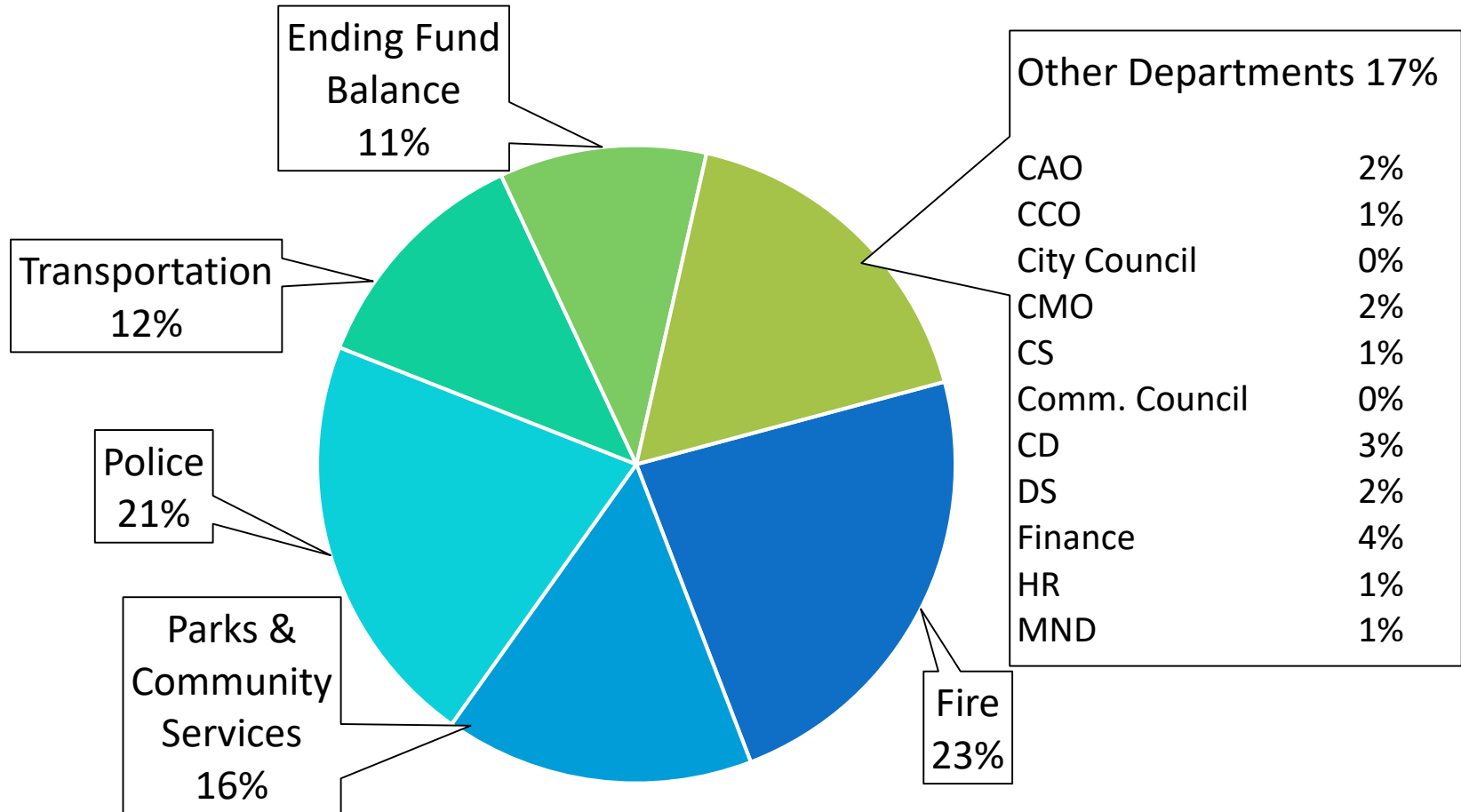
2019-2020 GENERAL FUND BUDGET



The General Fund

- \$476 Million
- 8.1% Biennial Growth
- Supports many of the community direct facing services: Transportation, Parks, Fire, Police, Community Development
- And most of the administrative support work including Finance, City Manager, City Council, City Attorney, et al.

General Fund Expenditures by Department (\$476M)





Council Priorities – New Enhancements

Economic Development

- Community Relations Coordinator

High Quality Built and Natural Environment

- Franchise Manager

Achieving Human Potential

- Homelessness Outreach Coordinator



New Investments

- Police to provide more patrol in community policing
- Fire Inspectors to maintain bi-annual inspections supported by fire inspection fee
- Homelessness Outreach Coordinator
- LEOFF I impact starting in 2019
- Other increases offset by cost reductions or increased revenue



Strategies

- Impacting out year expenditure growth
 - Health care strategies
- Proposes 1% Property tax in 2019 and 1% in 2020
 - *Estimated \$9.50 annually for a \$791,000 AV*
 - *2019 estimated rate is \$0.92/\$1000 AV*
- Proposes Fire Inspection Fee starting in 2020
 - Cost recovery for direct program costs similar to other inspections
 - Maintains current bi-annual inspections



Next Steps

- Development Services – October 22
 - Rate Review for 2019
- Utilities – November 13
 - Rate Review for 2019-2020
- Public Safety – November 13
 - Police and Fire Deeper Dive



one city
one public
one purpose

2019-2025

CAPITAL INVESTMENT
PLAN



Total Capital Investment Program

- General CIP
 - \$222M for 2 years
 - \$693M for 7 years
- Utilities CIP
 - \$312M for 2 years (\$131M exp; \$181M reserves)
 - \$225M in expenditures for 7 years
 - Return on November 13



General CIP...

- Builds on the 2017-2023 CIP
- Advances the Council Priorities – total of \$30 million
- Ensures debt obligations are met; TIFIA starts in 2024
- Maintains existing infrastructure in accordance with the council policy
- Promotes diversity and accessibility

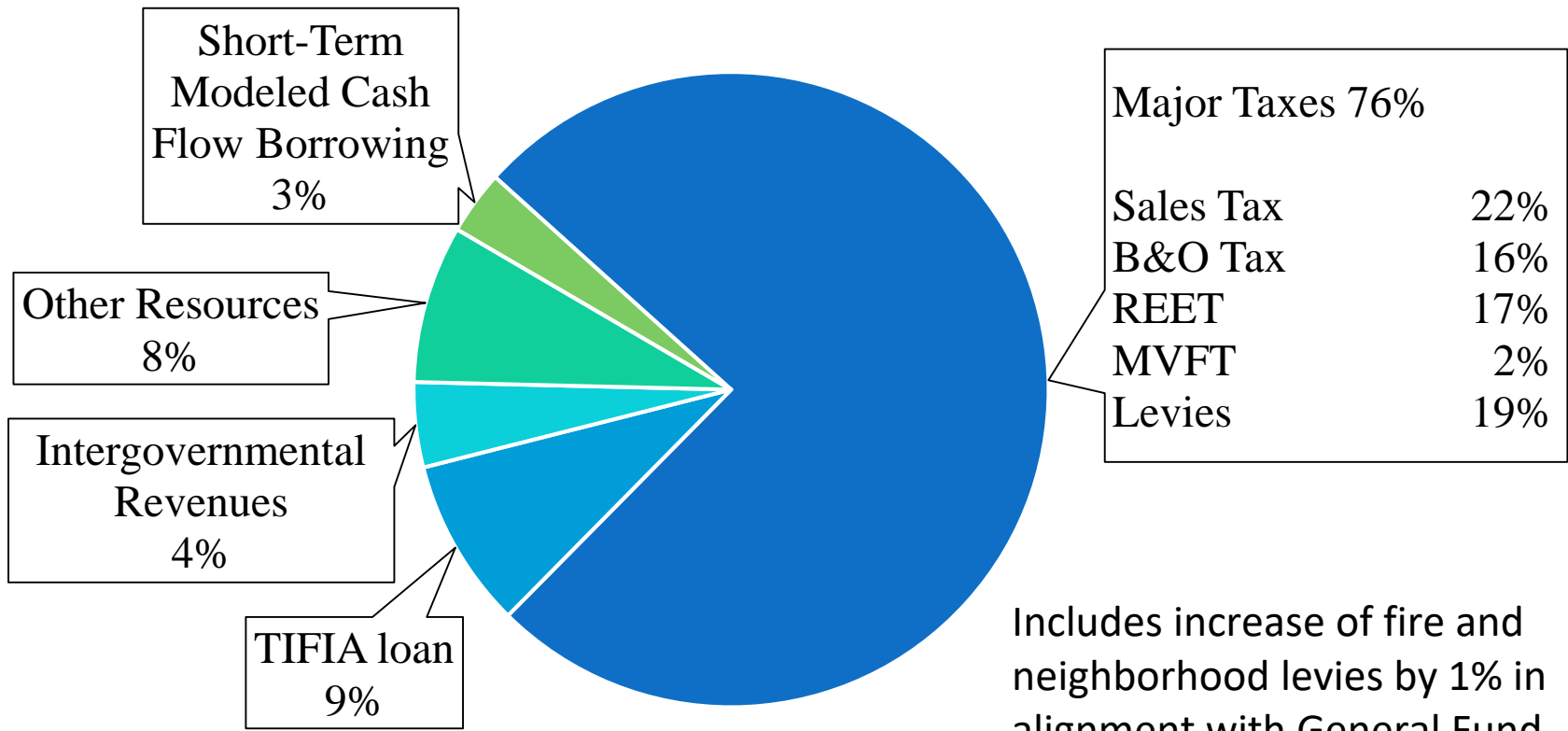


Cont....

- Ensures TIFIA projects are completed
- Continues voter approved levies
- Continues to show progress on large scale, long term projects
- Fulfills general government capital responsibilities
- Supports neighborhood programs
- Provides quality of life amenities

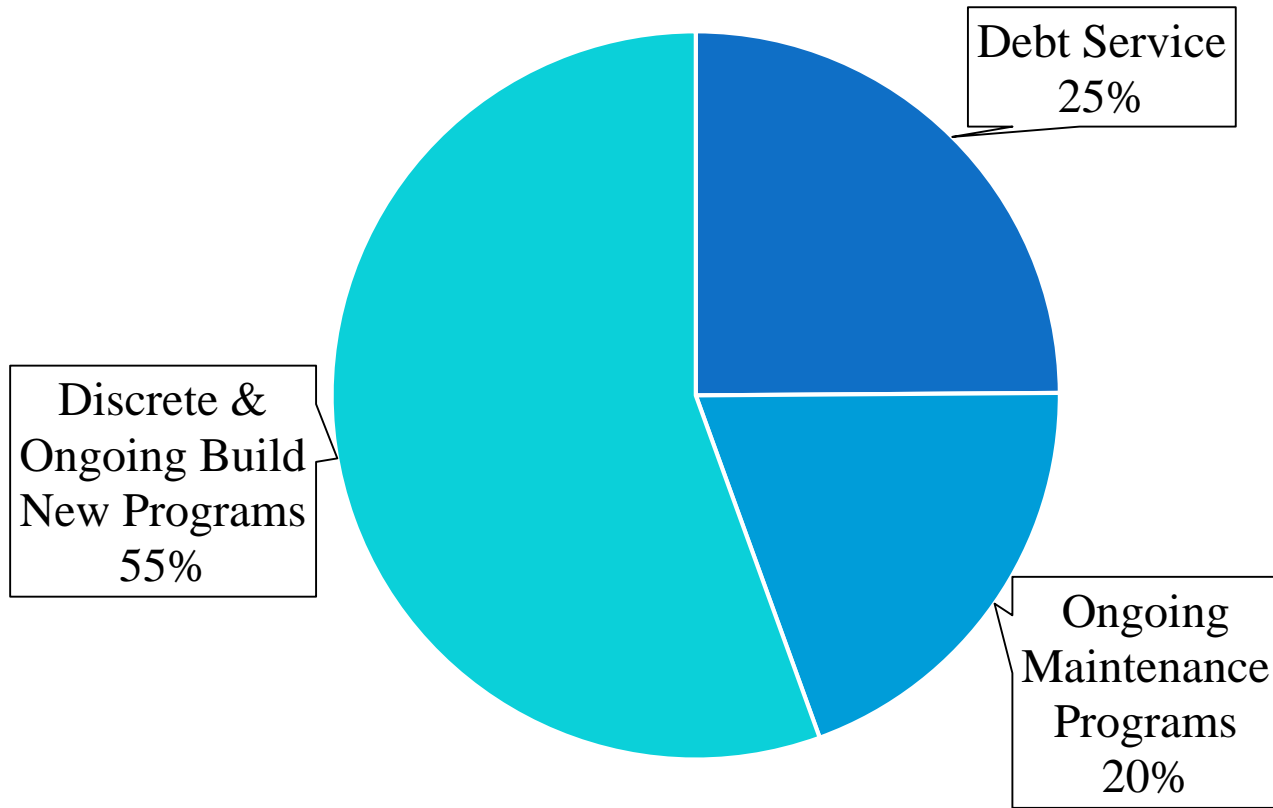
General Capital Investment Funds by Resource – 7 Year

\$693 Million



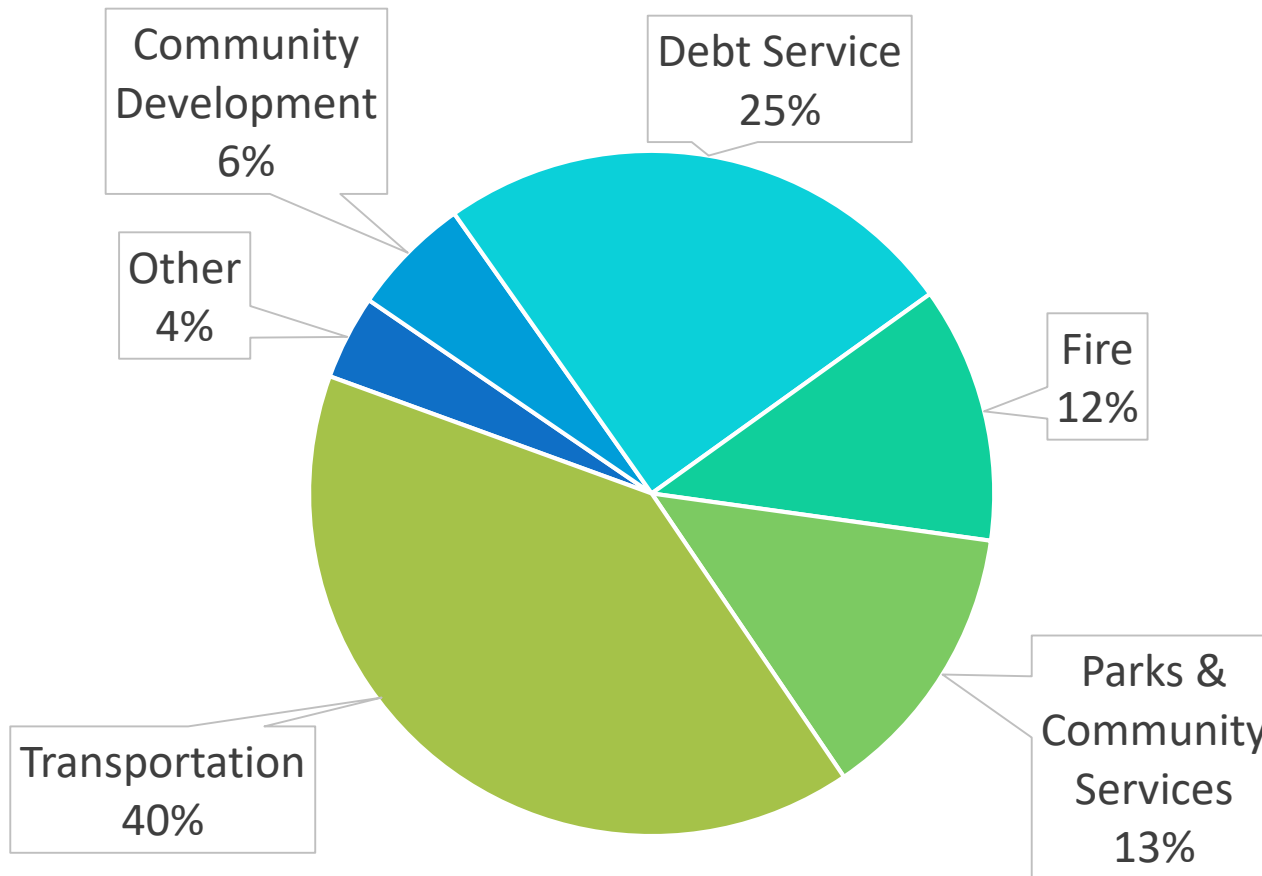


General Capital Investment Fund Expenditures by Category— 7 Year (\$693M)





General Capital Investment Fund Expenditures by Department— 7 Year (\$693M)





Council Priorities – New Investments CIP (\$30M)

| | |
|--|---|
| <p>Transportation and Mobility</p> <ul style="list-style-type: none"> • 150th Ave SE and SE Newport Way (\$2.5M) • Neighborhood Congestion Management (\$5.0M) • BelRed Parks & Streams (\$2.5M) | <p>High Quality Built and Natural Environment</p> <ul style="list-style-type: none"> • Affordable Housing Contingency (\$11.5M) • Gateway NE Entry/Downtown Park (\$5.3M) • Smart City Connectivity (\$0.4M) • Environmental Stewardship Initiative (\$0.3M) |
| <p>Bellevue: Great Places Where You Want to Be</p> <ul style="list-style-type: none"> • Grand Connection – Early Implementation (\$2.5M) | <p>Achieving Human Potential</p> <ul style="list-style-type: none"> • Bellevue College Connection (\$0.4M) |



General CIP New Investments

Mini City Hall
(\$0.3M)

Bridle Trails/ 140th
Street Park
Development
(\$2.6M)

Newport Hills Park
Development
(\$3.0M)

BelRed Parks &
Streams (\$2.5M)

Meydenbauer Bay
Park Phase 2
(\$9.2M)

Bellevue College
Connection (\$0.4M)

Environmental
Stewardship
Initiative (\$0.3M)

Neighborhood
Congestion
Management
(\$5.0M)

150th Ave SE as SE
Newport Way
(\$2.5M)



Next Steps

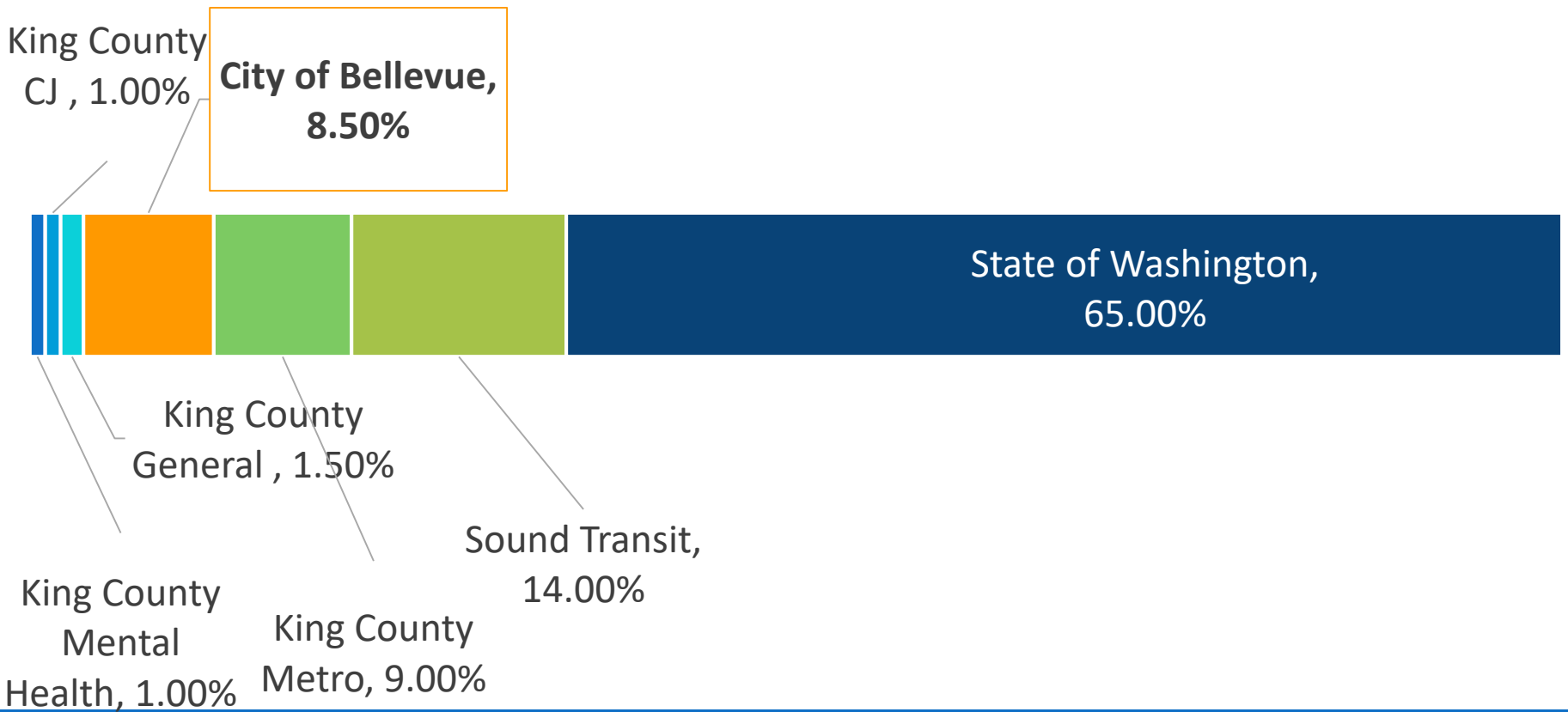
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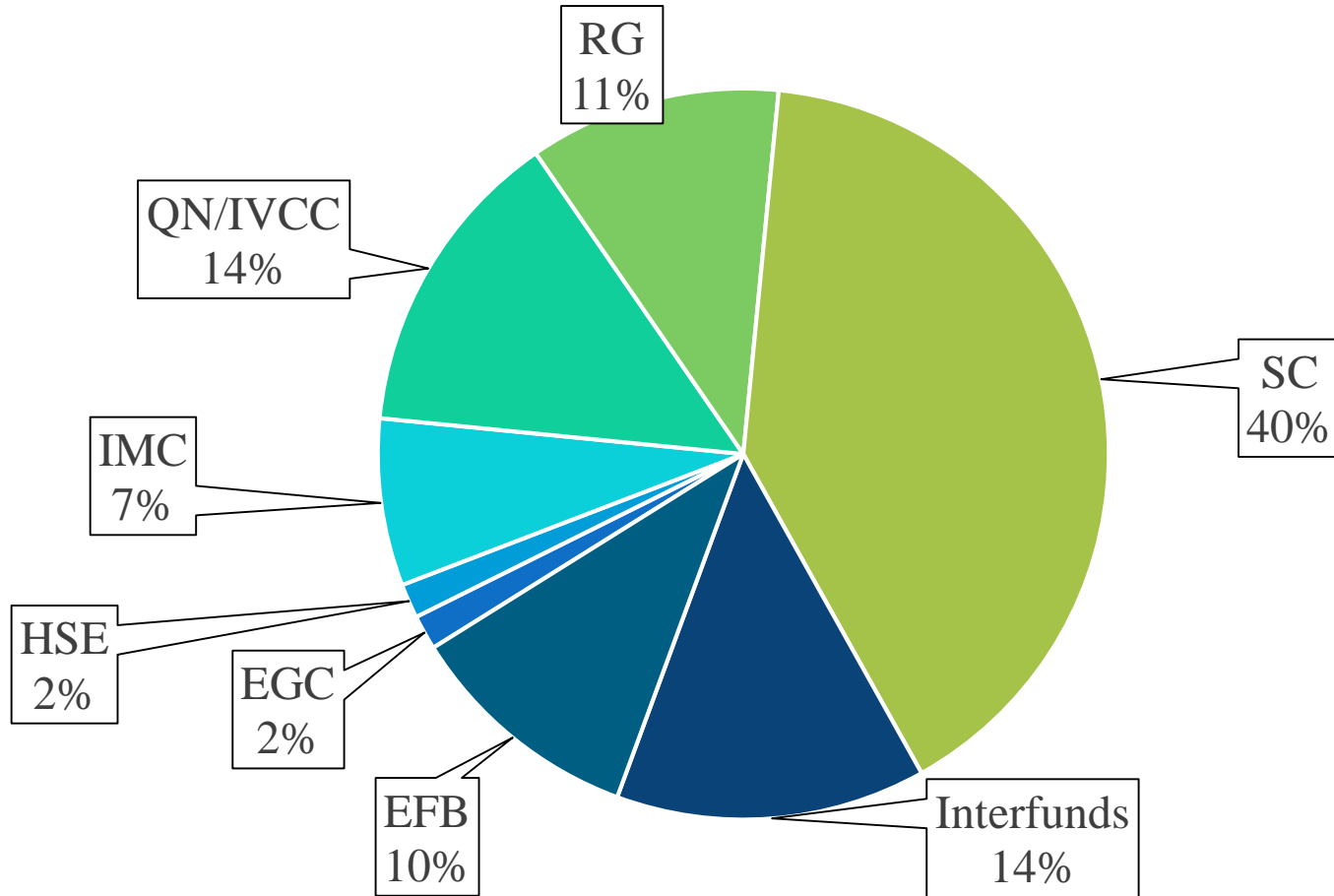




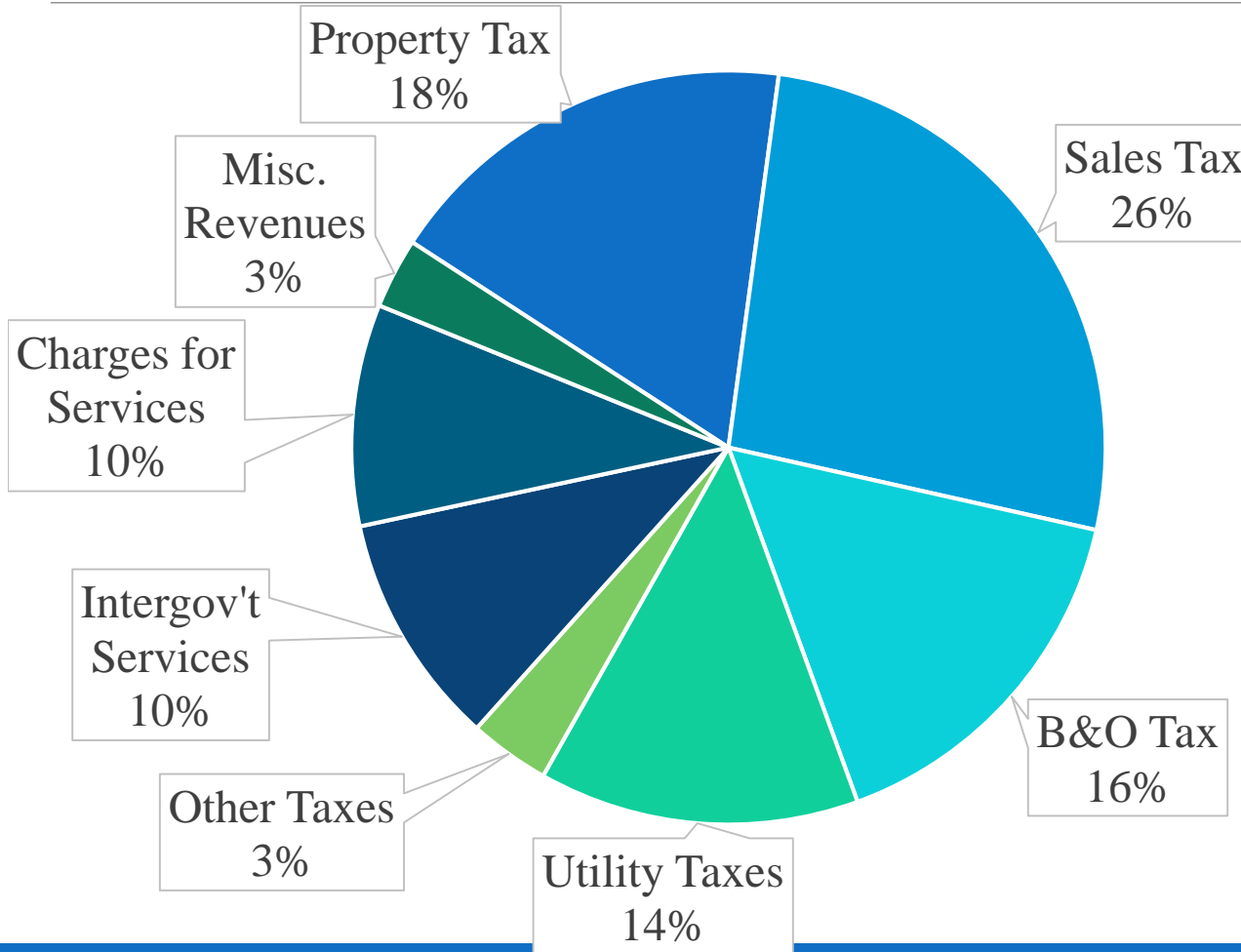
Sales Tax Distribution: Total Rate = 10% of Purchase



General Fund Expenditures by Outcome



General Fund by Resource



Does not include beginning fund balance