



City of Bellevue

# Mid Biennium Update

Toni Call, Director  
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Finance & Asset Management  
November 8, 2021



# Information Only

Tonight, is the third of several discussions. Staff will provide the overview of the mid-biennium adjustments and an overview of the general fund forecast.

# AGENDA

Reminder of Calendar and Actions

Recap 2021-2022 Adopted Budget

Overview of the Mid-Bi Adjustments

Review of the General Fund forecast

# Mid-Biennium Key Dates



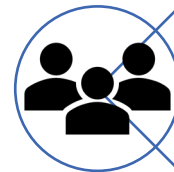
Oct 18: Mid Bi Calendar Overview



Oct 25: Development Services – Council directed to return with Adoption package



Nov 8: Mid-Bi Adjustments and Forecast



Nov 15: Public Hearing



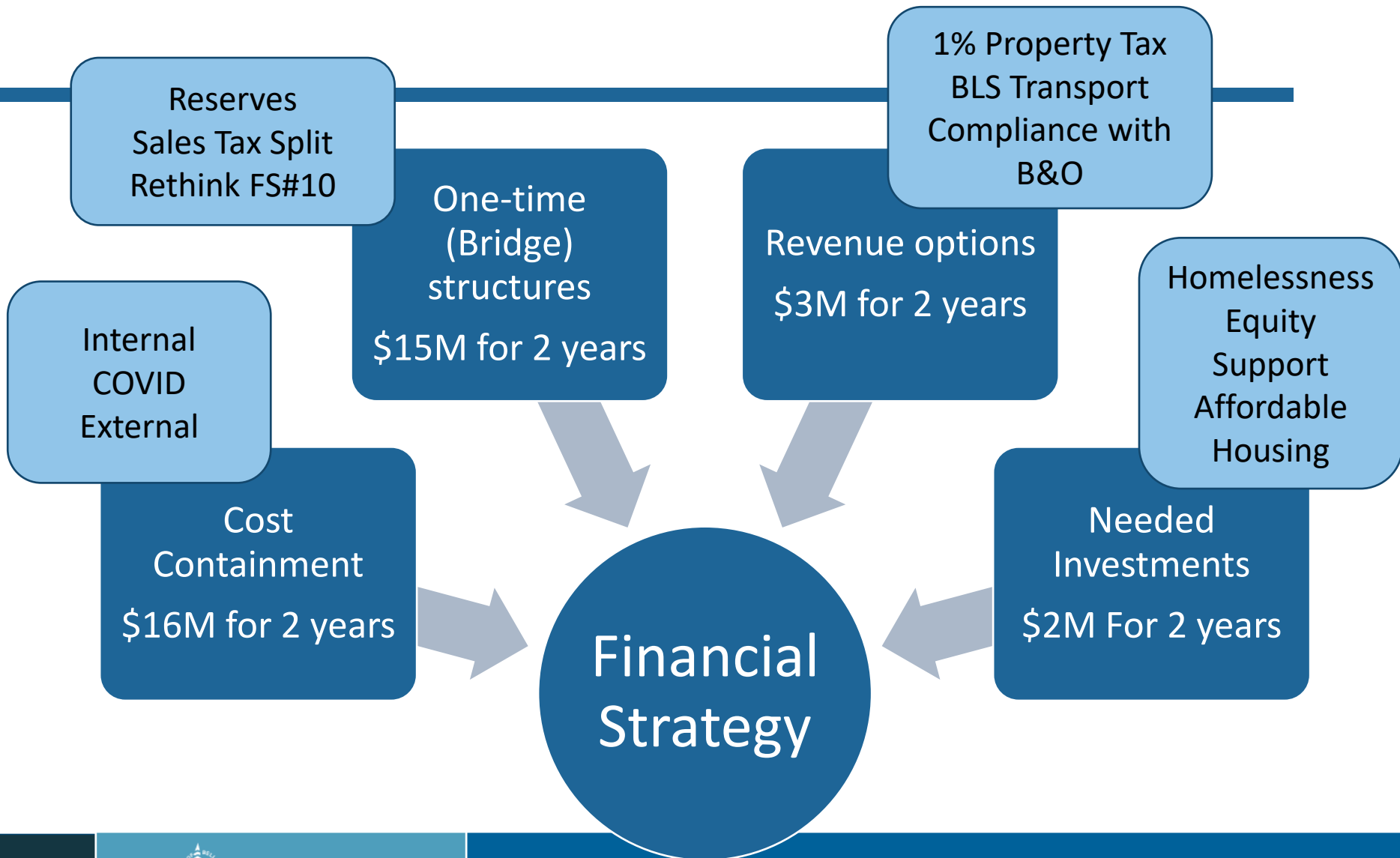
Nov 22 or Dec 6: Adoption

# Actions Required for Adoption

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- 2022 Development Services Fee Ordinance
- 2022 Property Tax Banked Capacity Resolution
- 2022 Property Tax Levy Ordinance
- 2021-2022 Mid Bi Budget Ordinance
- Other actions as directed by Council

# 2021-2022: General Fund Balanced





# Mid Biennium Overview

Required by RCW to adjust for known fiscal condition updates mid way through the 2-year budget.

# Mid-Biennium Overview

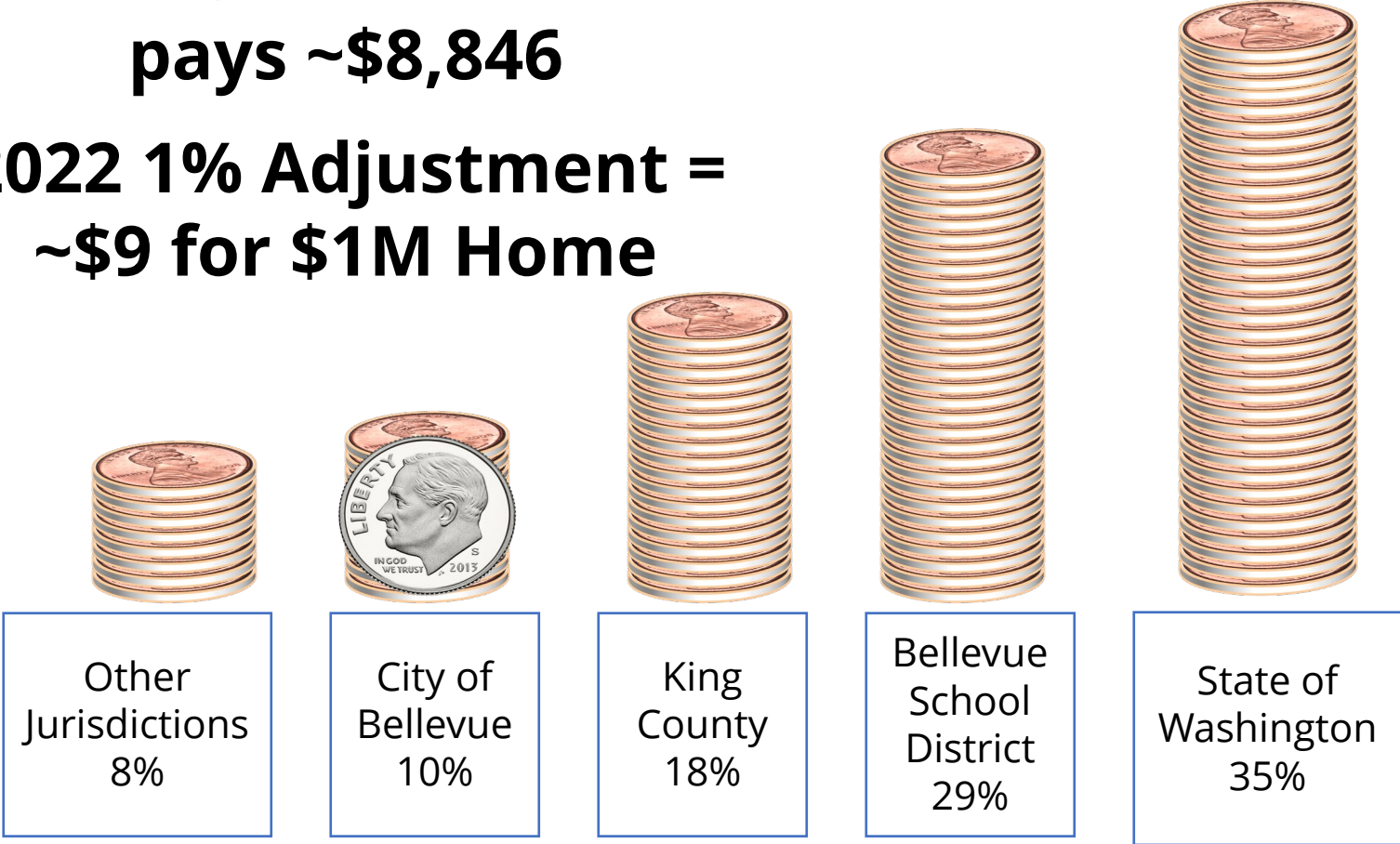
- Continues the direction from Adopted Budget including
  - 1% Property Tax Adjustment
  - Sales Tax Swap from CIP to General Fund
- Updates revenues for current fiscal knowledge
  - Sales & B&O back to 2019 levels
  - Primarily due to high levels of construction
- Expenditures that impact most funds
  - Inflation 6.3% - impacts all personnel and others



# 2021 Property Tax:

2021 \$1M AV home  
pays ~\$8,846

2022 1% Adjustment =  
~\$9 for \$1M Home



# Mid-Biennium Expenditure by Fund

- General Fund:
  - Updated revenues
  - Technical and other items (primarily 6.3% inflation)
  - Correction of errors
  - 1 LTE to FTE conversion for homeless outreach
  - 1 new FTE for daytime Battalion Chief
- Other Funds:
  - CIP: minor adjustments
  - Housing Fund: Direction from May 3 (1590) and September 20 (ARCH – 2 FTE)
  - Human Services: Direction from May 3 (1590) and Amazon Donation



# General Fund Forecast

A financial forecast is an estimate of financial future. It is based on best information today. Its purpose is to provide out year fiscal information that assists in informing financial decisions.

# General Fund Forecast Drivers

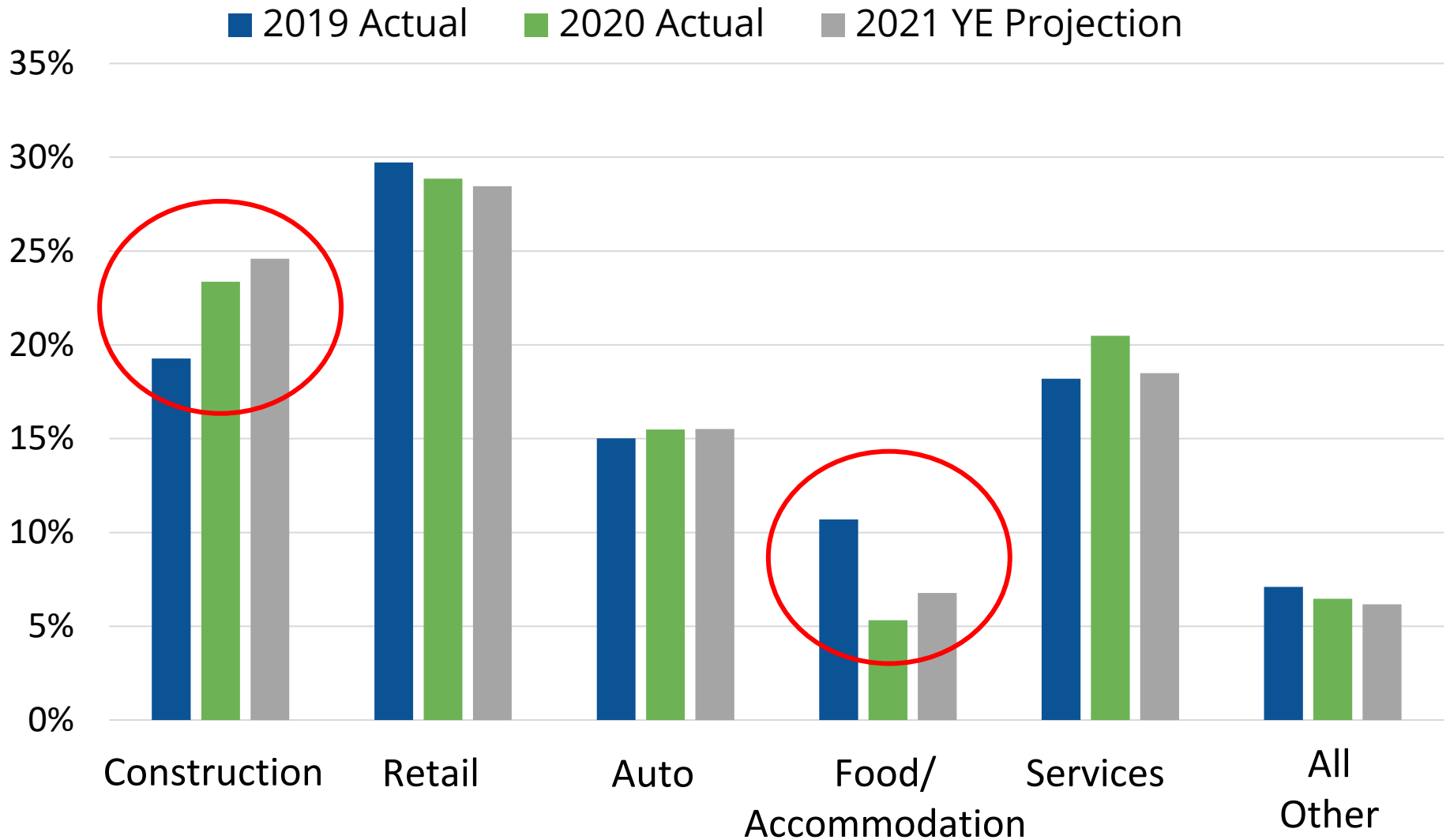
- Uncertainty Remains; to 2019 by YE 2021
  - Sales Tax Growth Estimates

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Bellevue	6.0%	5.6%	4.4%	4.7%	4.5%
Seattle	2.3%	N/A	N/A	N/A	N/A
King County	5.7%	5.7%	5.5%	5.7%	4.6%
State	4.0%	2.5%	3.5%	3.6%	N/A

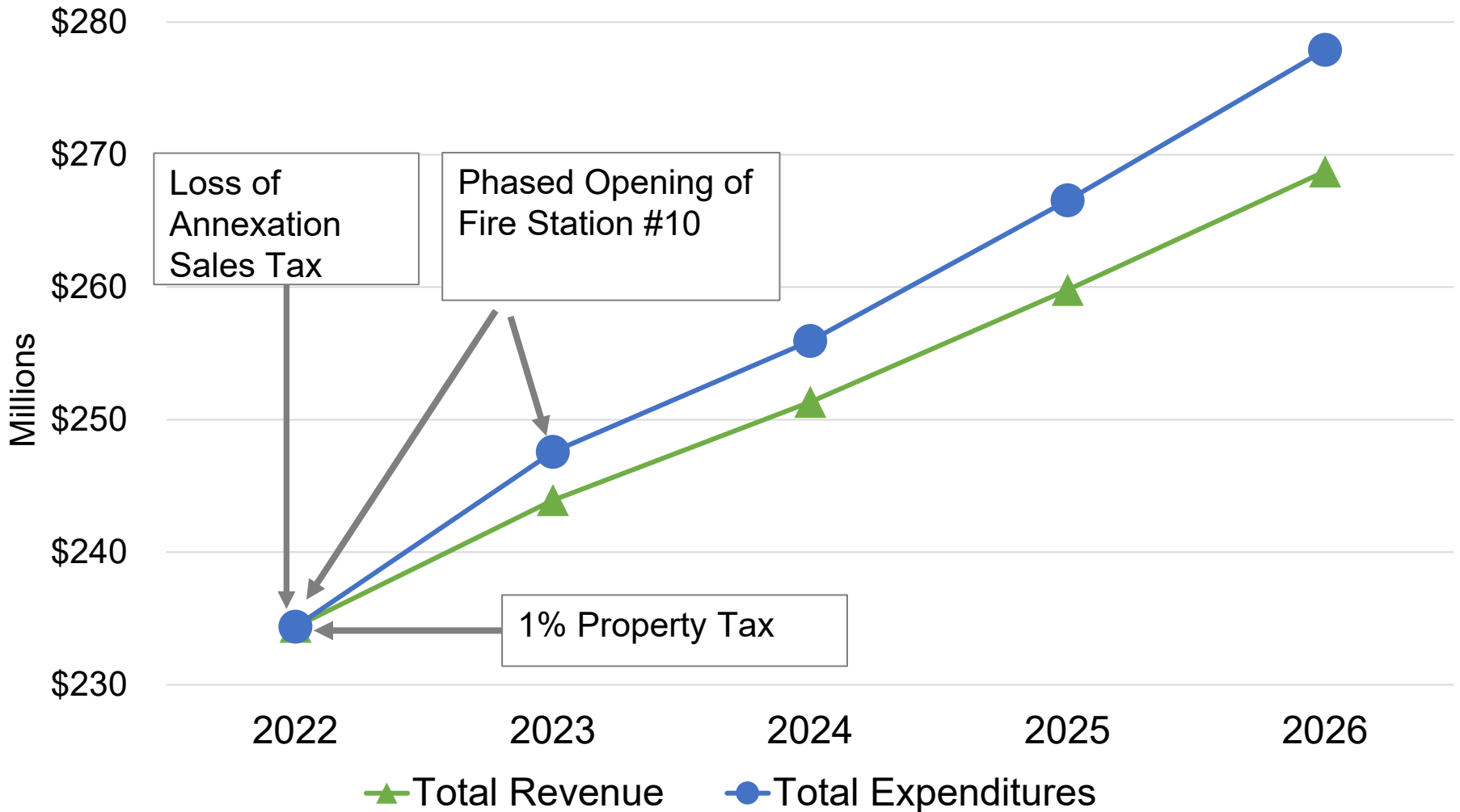
- Expenditures driven by inflation – supply chain

<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
6.3%	3.70%	2.67%	2.48%	2.56%

# Greater reliance on Construction



# General Fund Forecast



# Mid-Biennium Key Dates



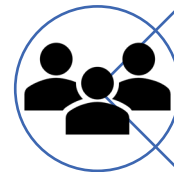
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