

# MEMORANDUM

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**DATE:** July 11, 2024

**TO:** Environmental Services Commission

**FROM:** Lucy Liu, Utilities Director  
Scott Edwards, Utilities Deputy Director  
Scott Pickard, Acting Fiscal Manager

**SUBJECT:** Utilities 2025-2026 Budget and Rates Recommendation

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## **ACTION REQUIRED**

Staff is seeking the Commission's recommendation to the City Manager on the Utilities Department 2025-2026 operating budget and rates, and the 2025-2034 capital investment program (CIP) budget.

## **BACKGROUND / ANALYSIS**

This is a continuation of a series of briefings to facilitate the Commission's review of the proposed Utilities Department 2025-2026 operating budget and rates, and 2025-2034 CIP.

Commission previously reviewed:

- January: Utilities Asset Renewal Forecast;
- February: Utilities financial policies;
- April: Utilities 2023 financial performance results and department-proposed 2025-2034 CIP Plan;
- May: Operations & Maintenance/CIP field tour;
- June:
  - 2025-2030 Utilities Early Outlook Financial Forecast, and
  - Utilities 2025-2034 CIP budget proposals and Utilities CIP community engagement results;
  - Utilities 2025-2026 operating budget proposals.

On July 11, staff will review the following with the Commission:

- City of Bellevue Comprehensive Financial Policies
- Answer any additional questions the Commission may have concerning the 2025-2026 operating budget and rates, and 2025-2034 CIP.
- Seek the Commission's recommendation to the City Manager regarding the budget and rates.

Please forward any questions regarding the budget in advance of July 11, and staff will provide the Commission with responses at the meeting.

With the Commission's concurrence, staff will work with the Commission Chair to develop and submit its budget recommendation to the City Manager. The City Manager will submit her recommended budget to City Council for consideration in the fall.

The next step in the Commission's budget review process will be to hold a public hearing on Utilities budget and rates on September 5. The Commission will have an opportunity to provide a budget recommendation to City Council in mid-September. Budget adoption is anticipated in November.