

# Preliminary Budget

2021-2022

Brad Miyake, City Manager

Toni Call, Director

Keyi Lu, Asst. Director

Finance & Asset Management

October 19, 2020



# Direction Needed from Council

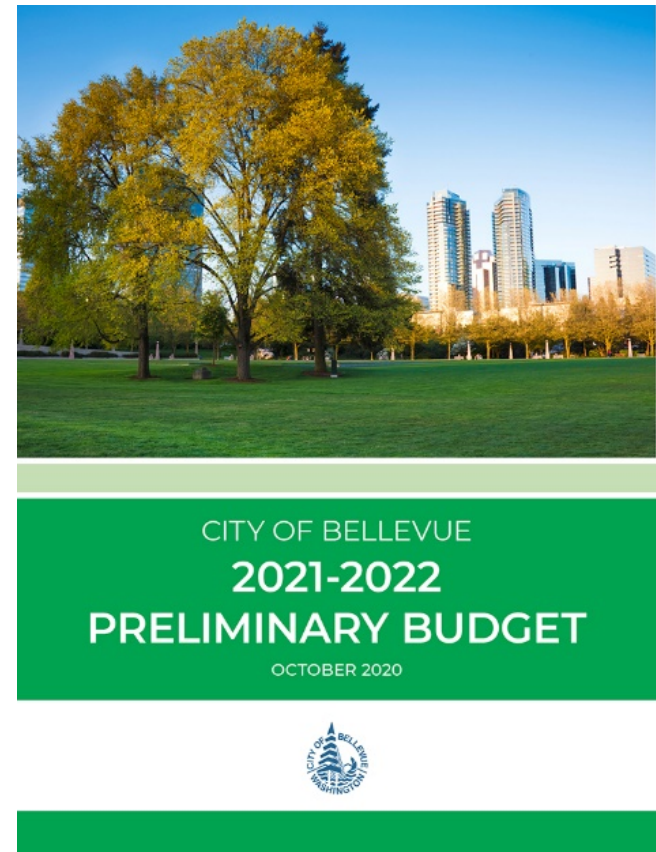
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Information Only.

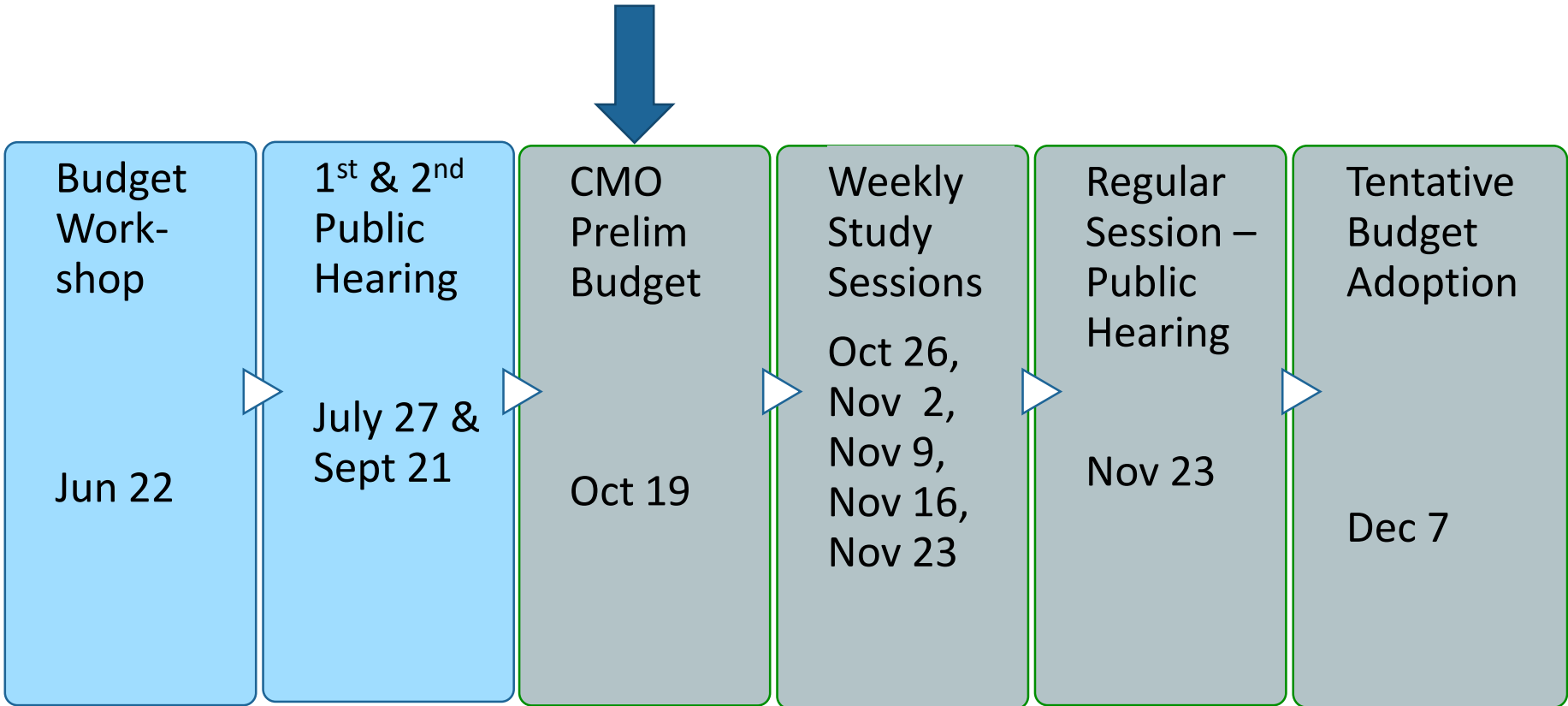


# Agenda

- Calendar and Actions needed for Final Adoption
- Overview of the Total Budget
- General Fund Overview and Major Adjustments
- Capital Investment Program
- Upcoming Presentations



# Council Calendar



# Proposed Meeting Schedule\*

Oct 19:	City Manager's Preliminary Presentation
Oct 26:	Development Services, Council Interests
Nov 2:	Human Services, Council Interests
Nov 9:	Utility Rates, Council Interests
Nov 16:	Fire Inspection Fee, Council Interests
Nov 23:	Public Hearing, Council Direction for Adoption
Dec 7:	Tentative Budget Adoption

\*Will be adjusted as needed, based on Council interests



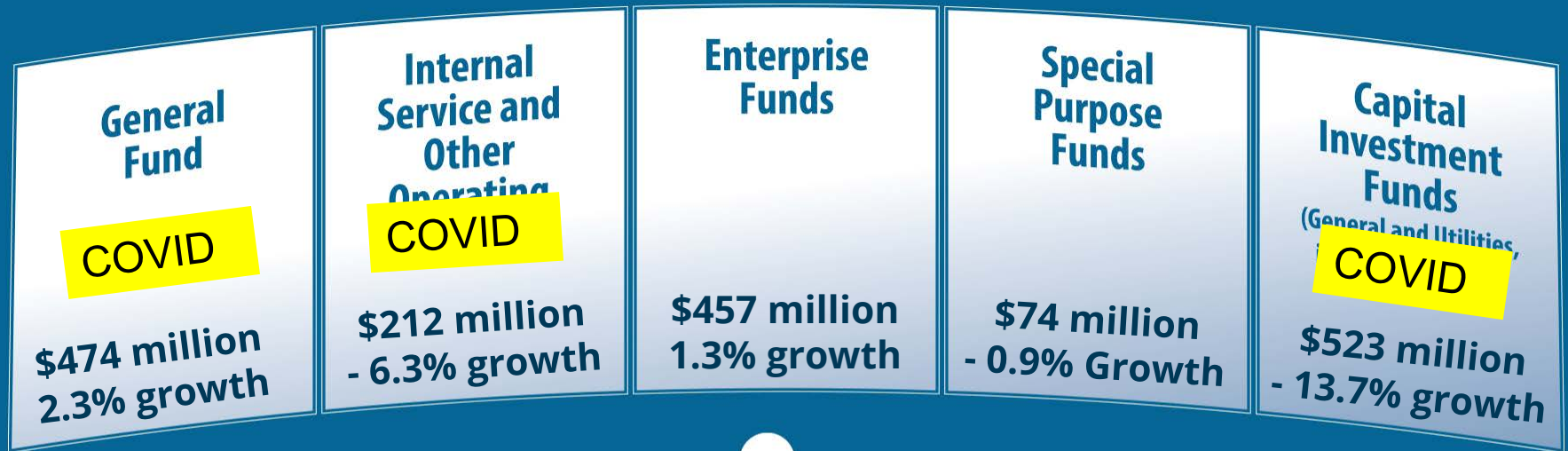
# Council Actions to Adopt

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- 2021 Development Services Fee Ordinance
- 2021-2022 Utilities Rates Ordinances
- Human Services and Block Grant Ordinances
- 2021-2022 Fire Inspection Fee Ordinance
- Basic Life Support Fee Ordinance
- 2021 Substantial Need Ordinance
- 2021 Property Tax Banked Capacity Resolution
- 2021 Property Tax Levy Ordinance
- 2021-2022 Biennial Budget Ordinance



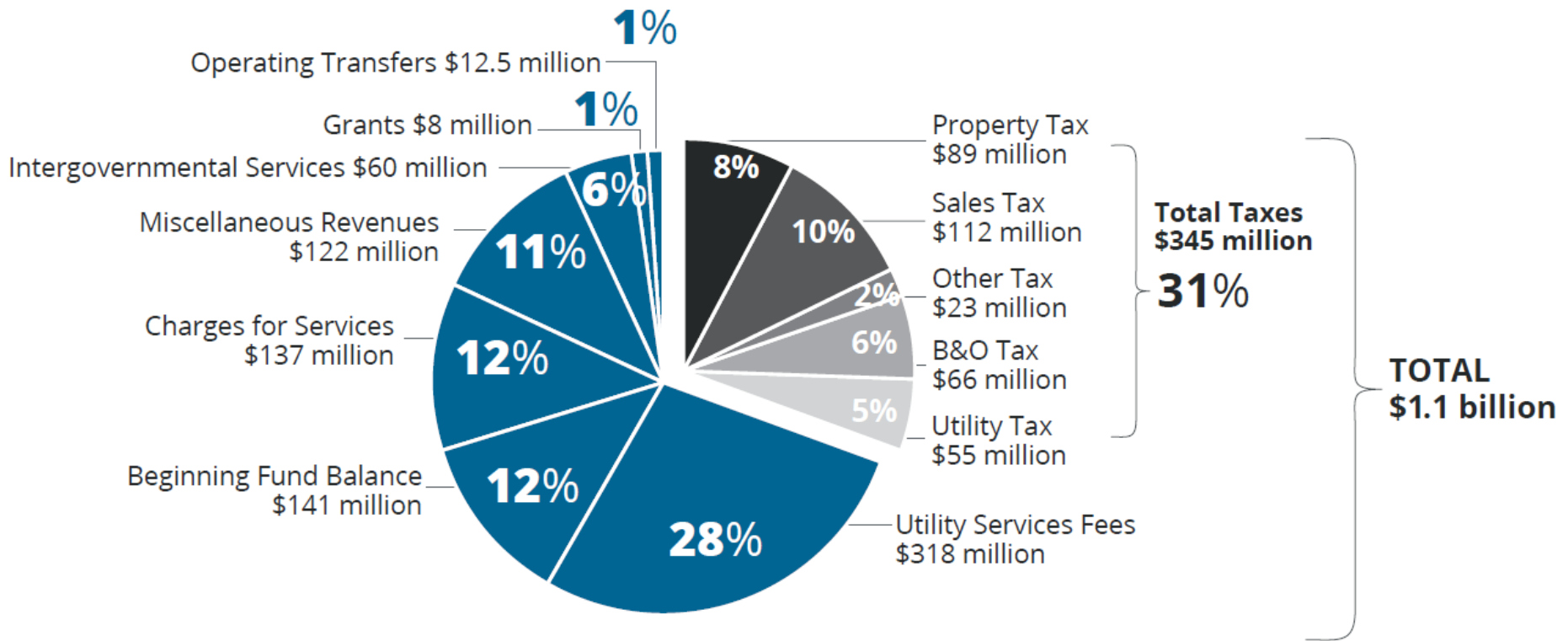
# Total Budget \$1.7B; 0% growth



Net of transfers between funds and reserves except as noted



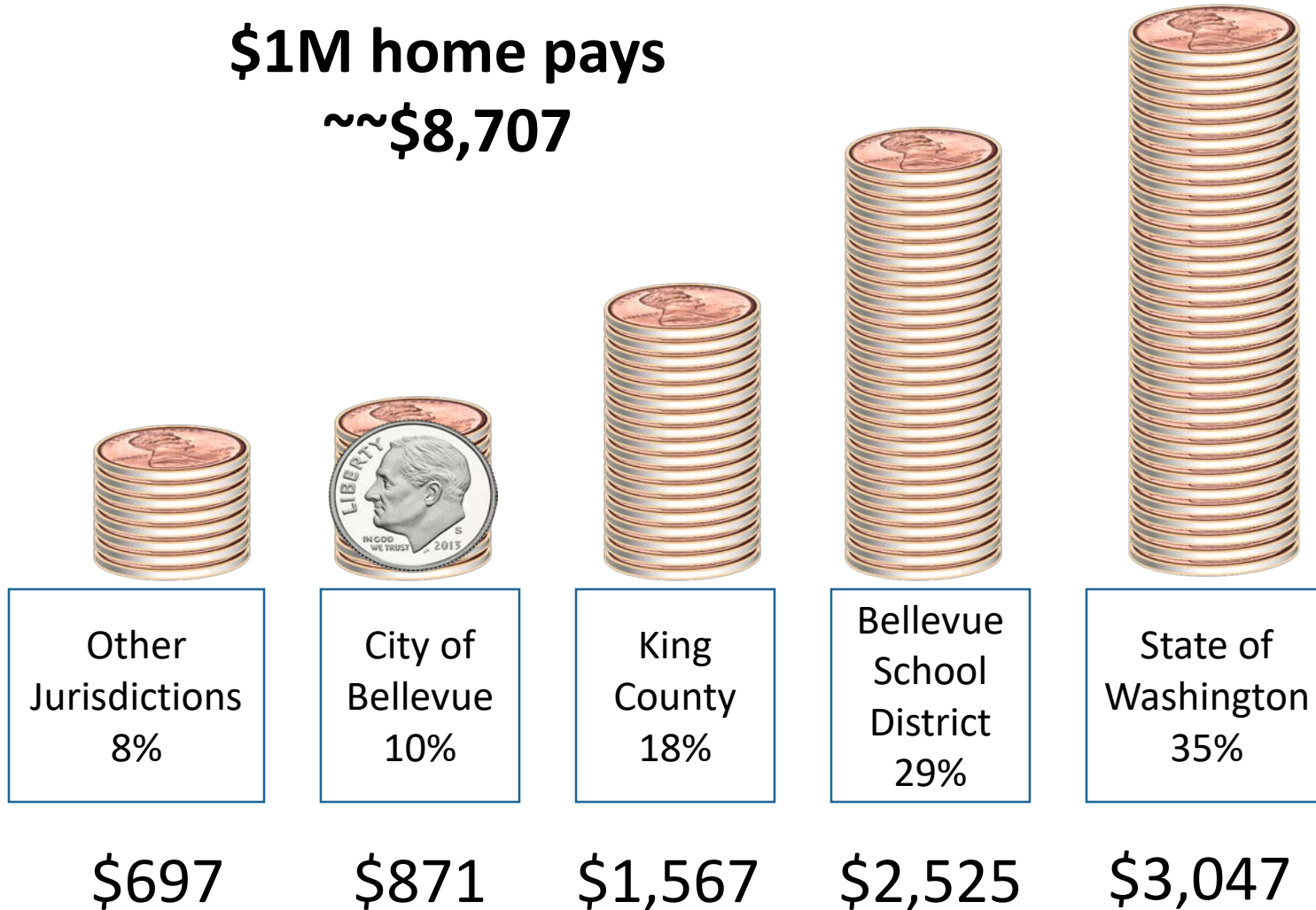
# Total Revenues - Operating





# 2020 Property Tax Distribution

\$1M home pays  
~~\$8,707



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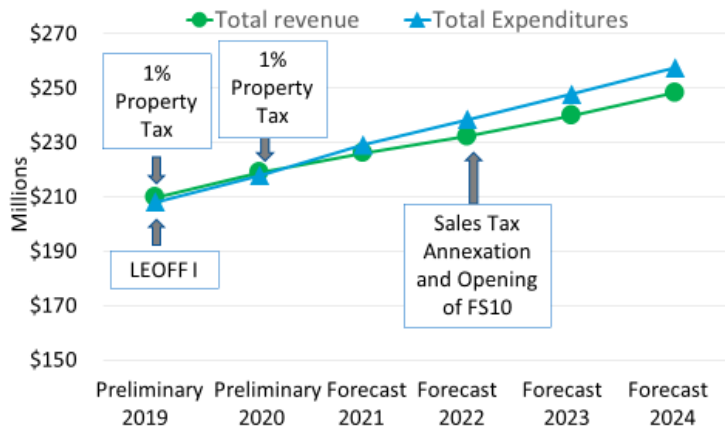
# General Fund



# General Fund - 2 years ago



## 2019-2020 Budget General Fund Forecast

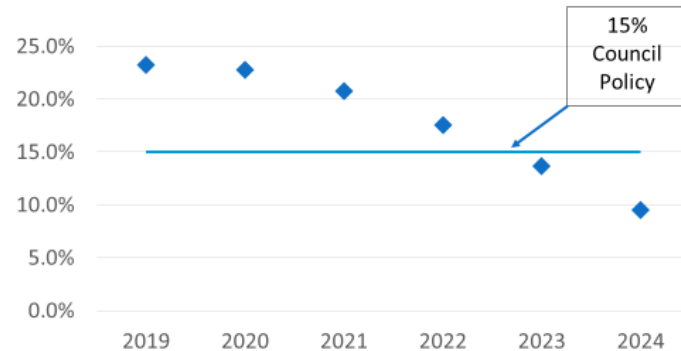


PRELIM BUDGET PRESENTATION OCTOBER 2018

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## 2019-2020 Budget Ending Fund Balance



PRELIM BUDGET PRESENTATION OCTOBER 2018

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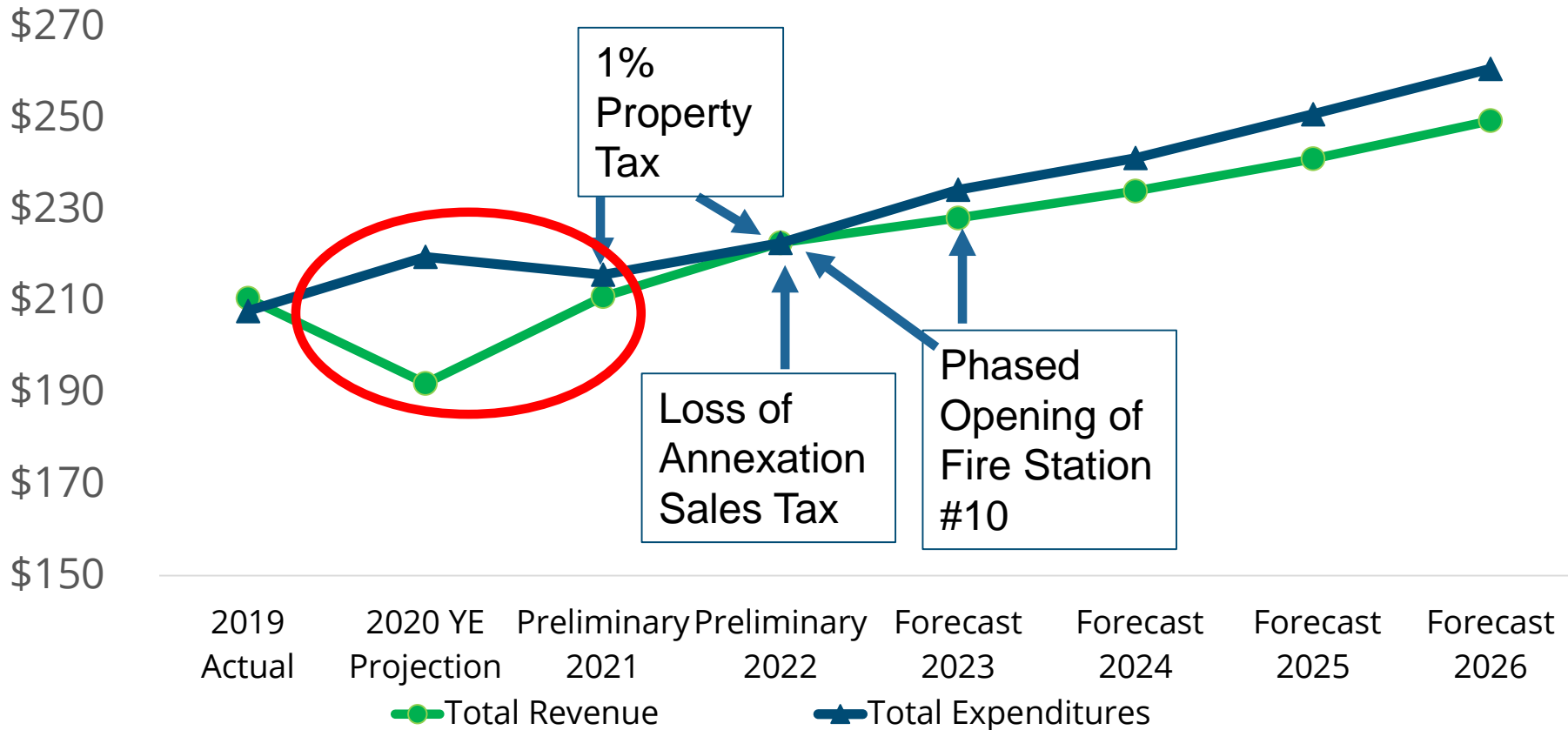


# COVID = Uncharted Territory Very Different than 2 years ago

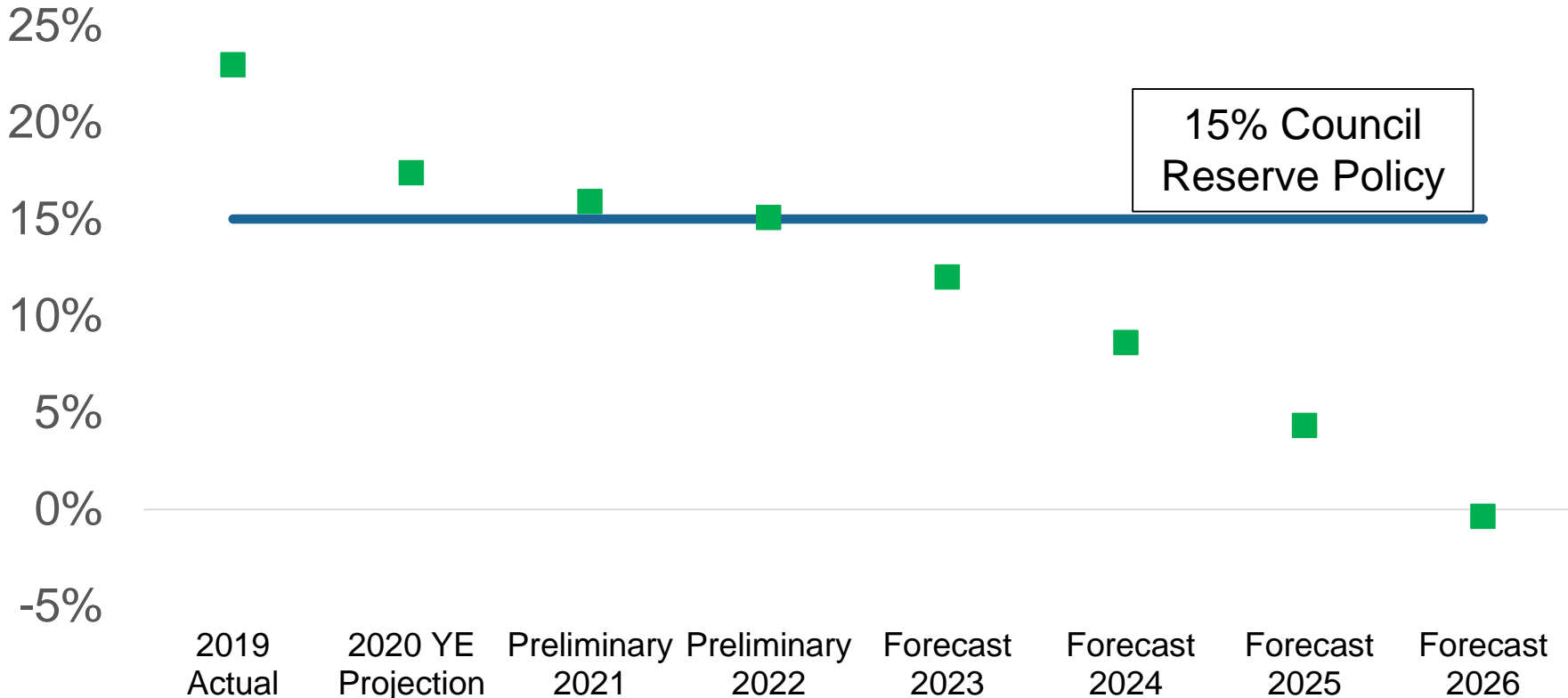
- The closing of the economy has had a swift and substantial impact on the city's finances
- Economic recovery projections largely depend on the predictability to control the virus, which remains uncertain



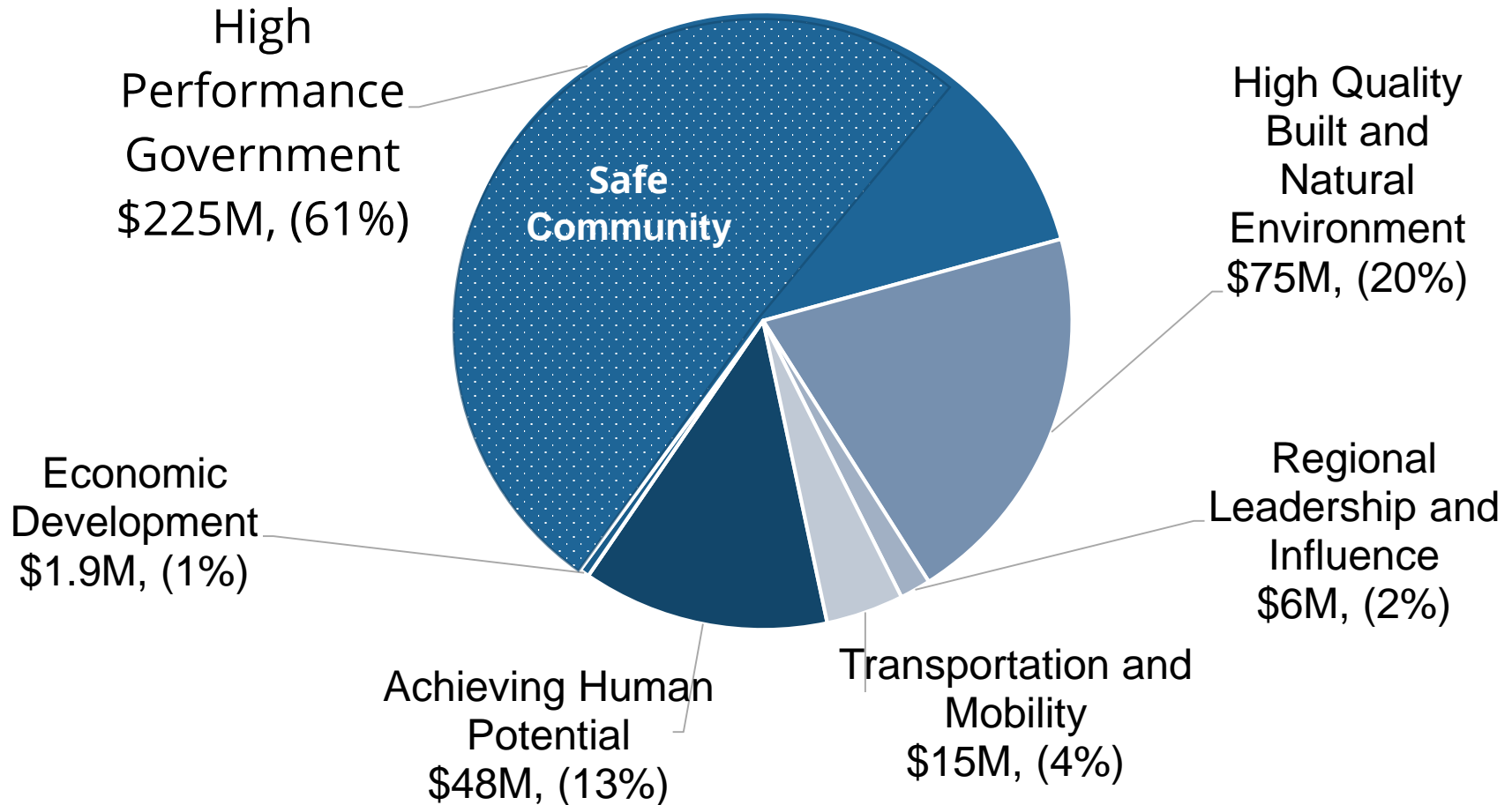
# General Fund Forecast = COVID + Long Term Challenge



# General Fund Reserves



# General Fund by Strategic Target Area - \$474M



# Challenges to bring a balanced budget

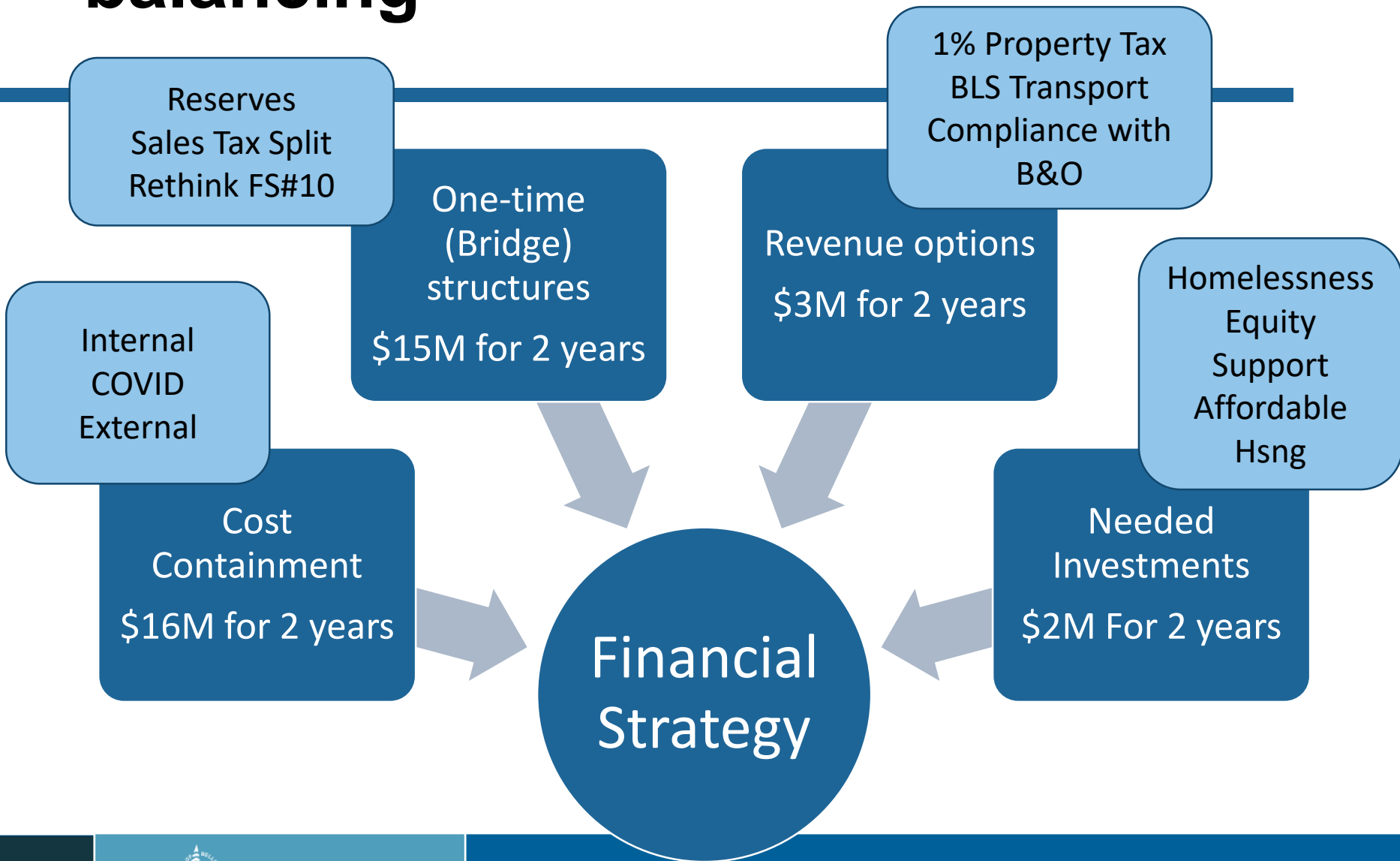
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- Uncertainty Exists - Use one-time options where possible to buy time
- Maintain people facing services – public safety, human services
- Focus on maintaining existing programs and staff, where it was possible
- There are areas that require modest investments





# No easy answers to budget balancing



# Parks Maintenance Impacts

- **Streetscapes**
  - Eliminate seasonal turf irrigation and reduce mowing
  - Eliminate non-routine maintenance and site renovation
- **Neighborhood Parks/City Facilities**
  - Eliminate seasonal turf irrigation and reduce mowing 25%
  - Reduce contract maintenance frequencies 25%
- **Community Parks/Sports fields**
  - Eliminate 4 LTE maintenance staff
  - Reduce material and supplies 40%
- **Natural Areas**
  - Eliminate 2 PBE Forest Mgmt. positions
  - Reduce supplies, professional services, contracted site maintenance
  - Eliminate Well-KEPT Crew program



# Transportation Impact-System Maintenance



Approach: Defer Maintenance by Reducing Work in Streets, Signals, and Streetlighting

## Affected Programs:

➤ Paving



➤ Sidewalks



# Transportation Impact-System Maintenance

## Affected Programs: (continued)

### ➤ Street Lighting



### ➤ Vegetation Control



### ➤ Traffic Signals



### ➤ Signs & Striping



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Questions? Up next is  
information the Capital  
Investment Program



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# Capital Investment Program



# Total CIP

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- General CIP
  - \$209M for 2 years
  - \$659M for 7 years
  
- Utilities CIP
  - \$314M for 2 years (\$77M exp; \$237M reserves)
  - \$236M in expenditures for 7 years
  - Return to Council TBD – planned for November 9<sup>th</sup>



# The General CIP invests in...

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- Ensures that the City meets its debt obligations
- Continues to maintain what is built
- Maintains affordable housing at \$2M annually
- Supports continued improvements in the neighborhoods, e.g. increase congestion construction \$1M
- Continues transportation infrastructure in the BelRed area with the Transportation Infrastructure Financing Innovation loan projects
- Address growth such as Bellevue Way HOV design, Fire Station #10, Economic Development Plan Implementation/3P





# - continued...

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- Ensures the continuation of the city's three voted levies
- Funds the city's IT infrastructure – increased funding for a next generation financial system and continues SMART city.
- Adds roadway improvements, and pedestrian bicycle improvements
- Fulfills capital responsibilities for general government capital obligations

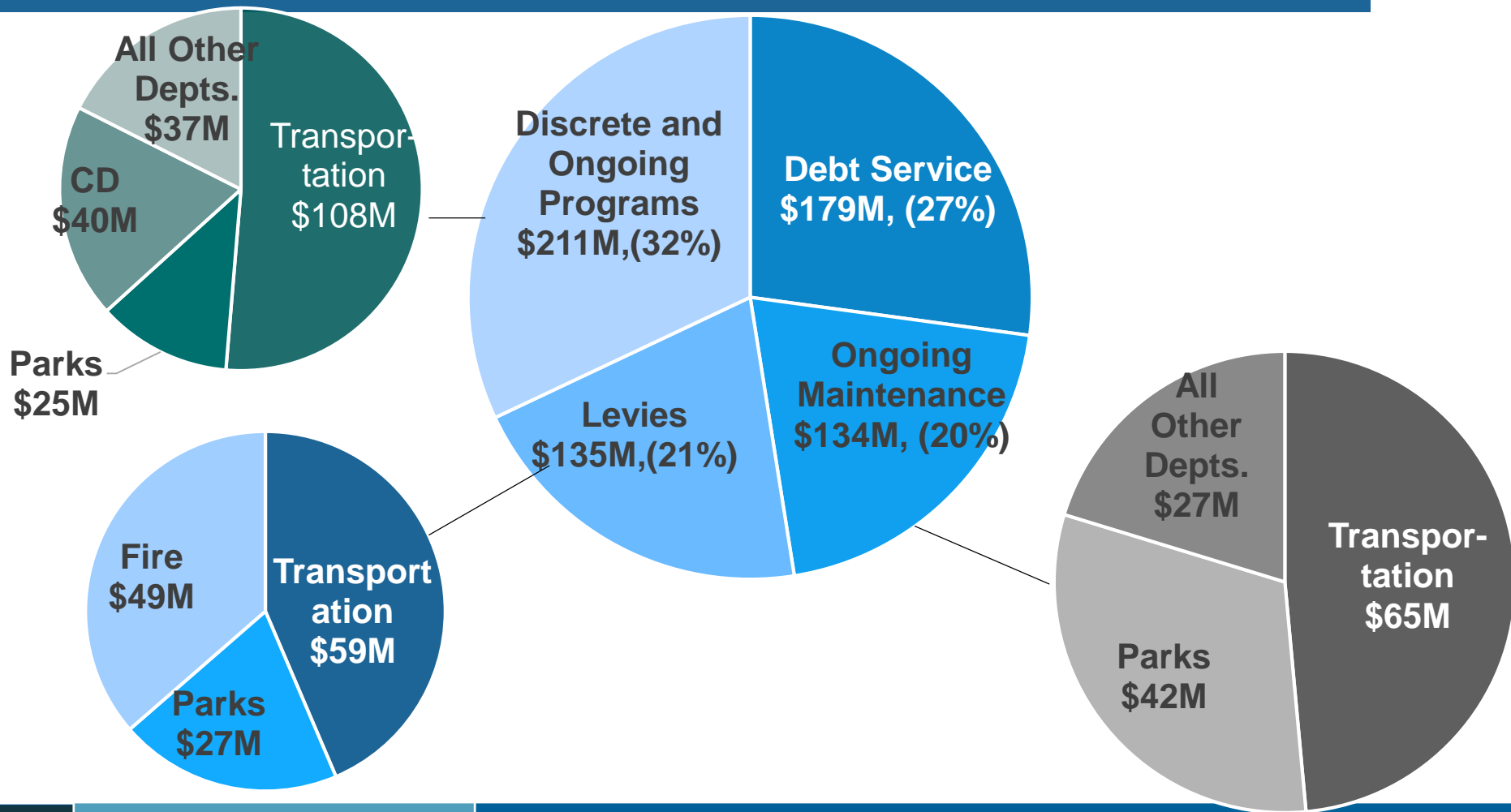


# New Projects in the CIP

Growth Oriented		General Infrastructure
Major Comprehensive Plan Periodic Update (\$500k)	112th Avenue NE at McCormick Park(\$1.0M)	City Fleet In-Ground Lift Replacement (\$1.13M)
Vision Zero Rapid Build Data Driven Safety Program(\$2.5M)	130th TOD Paving Parking Lot(\$4M)	Space Planning at City Hall & BSC (\$1.3M)
Transportation Grant Match Program(\$3M)	Growth Corridor High Comfort Bicycle Network Implementation(\$1.5M)	Parks Operation and Maintenance Facility(\$12.6M)
114th Avenue SE and SE 8th Street(\$3.41M)		



# 2021-2027 General CIP Expenditures \$659M



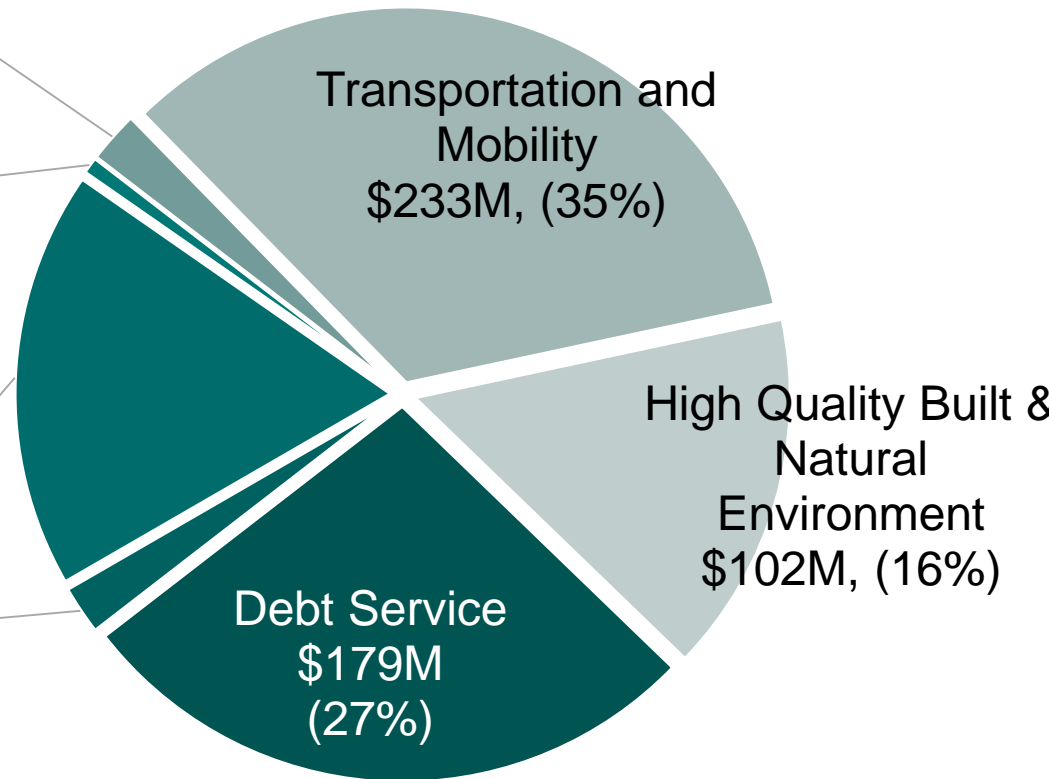
# 2021-2027 CIP by Strategic Target Area

Bellevue: Great Places Where  
You Want to Be  
\$13M, (2%)

Economic  
Development  
\$5M, (1%)

High  
Performance  
Government  
\$112M, (17%)

Achieving Human  
Potential  
\$14M, (2%)



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Questions? Up next is  
reminder on upcoming  
presentations.



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# Upcoming Rate based Presentations



# Upcoming Rate Presentations

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- Utilities – Wholesale and Aging Infrastructure
  - Total increase 3.8% in 2021, 3.9% in 2022
- Development Services – Cost of Service Study
  - 1% to 4% depending on fee
- Fire Inspection Fee – currently no change



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