

CITY COUNCIL AGENDA TOPIC

2023-2024 Mid-Biennium Budget Calendar and Process Overview

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Finance & Asset Management Department

EXECUTIVE SUMMARY

INFORMATION ONLY

Tonight is the first of several discussions regarding the upcoming mid-biennium budget update. Staff will provide the calendar and process overview as a reminder of those upcoming discussions.

RECOMMENDATION

N/A

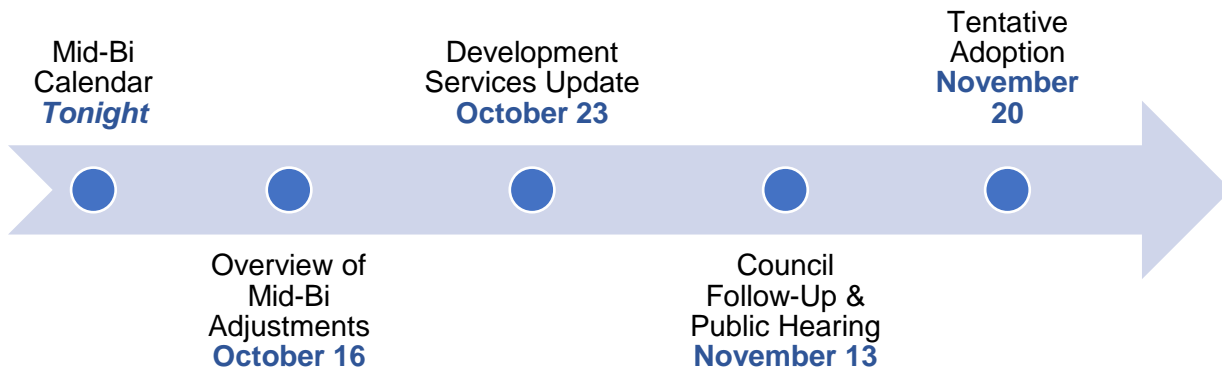
BACKGROUND/ANALYSIS

The City adopted the 2023-2024 Budget and the 2023-2029 Capital Investment Program (CIP) Plan by Ordinance 6698 on November 21, 2022. The mid-biennium budget update provides an opportunity for modifications to the 2023-2024 operating budget and the 2023-2029 CIP Plan in accordance with RCW 35A.34.130. As in prior practice, mid-biennium changes include adjustments to personnel for updated benefit costs, collectively-bargained contracts, and other impacts, as well as adjustments to fund budgets for updated fiscal information, correction of errors and other modifications as needed.

Tonight, staff will review the proposed timeline for the mid-biennium budget update. This will be the first of several meetings with Council to hear from the public, discuss, consider and provide direction for updates to the 2023-2024 mid-biennium operating budget and the 2023-2029 CIP Plan.

Timeline

The following reflects the upcoming discussions related to the mid-biennium budget process.



Upcoming Discussions

October 16: Overview of Mid-Biennium (Mid-Bi) Adjustments

Staff will provide for Council consideration and discussion an overview of the primary changes proposed for the 2023-2024 mid-biennium budget and 2023-2029 CIP Plan. The overview includes technical updates to the General Fund and the City's other operating and capital funds.

October 23: Development Services Update

Development Services Department staff will present for Council consideration, discussion, and direction on adjustments to the 2024 Development Services fee ordinance for all Development Services functions, including building, land use, fire, transportation, survey and utilities plan review and inspection. Rates are adjusted annually to ensure that fees reflect the cost of providing services, and to sustain adequate resources to meet demand through the development cycle.

November 13: Council Follow-up and Public Hearing

The mid-biennium budget public hearing will be held. This provides an opportunity for the public to provide feedback on any of the changes or considerations under discussion. Time will also be reserved for any Council follow-up or Council considerations that have not been addressed previously.

November 20: Tentatively Scheduled Mid-Biennium Budget Adoption

Depending on Council Direction, tentative action on the mid-biennium budget is scheduled for November 20. If needed, action can also occur on November 27. The following actions are required to adopt the 2023-2024 mid-biennium budget update:

- Development Services Fee Ordinance: Set the Development Services 2024 rates
- 2024 Property Tax Ordinance*: Adopt 2023 property tax levy (RCW 35A.23.230 and RCW 84.55.092)
- 2024 Property Tax Banked Capacity Resolution: Preserve the full levy amount available to the City
- 2023-2024 Mid-Biennium Budget Ordinance: "Umbrella" budget ordinance that includes appropriation approval by fund, 2024 pay plans and summarizations of grants and donations accepted that are less than \$350,000.
- Any other action directed by Council

*Must be adopted by City Council by November 27 to meet King County's November 30, 2023 deadline for the 2024 property tax levies.

The Council will not be required to adopt the 2024 Utilities rates as they were included in the 2023-2024 Adopted Budget via Ordinances 6693, 6694, and 6695 on November 21, 2022.

POLICY & FISCAL IMPACTS

Policy Impact

RCW 35A.34.130: State law requires that a mid-biennium budget review be completed between September 1 and the end of the first year of the biennium and that a public hearing be held on the mid-biennium review.

RCW 35A.34.230: Council action on the City's 2024 property tax levy required by State law in conjunction with the budget update. RCW 84.55.092 protects the future levy capacity for tax levies below the level that otherwise could be imposed.

Fiscal Impact

There is no fiscal impact associated with this item.

OPTIONS

N/A

ATTACHMENTS

N/A

AVAILABLE IN COUNCIL LIBRARY

N/A