

## CITY COUNCIL STUDY SESSION

Mid-Biennium Budget proposed timeline and process overview.

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*Finance & Asset Management*

## DIRECTION NEEDED FROM COUNCIL

### 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.

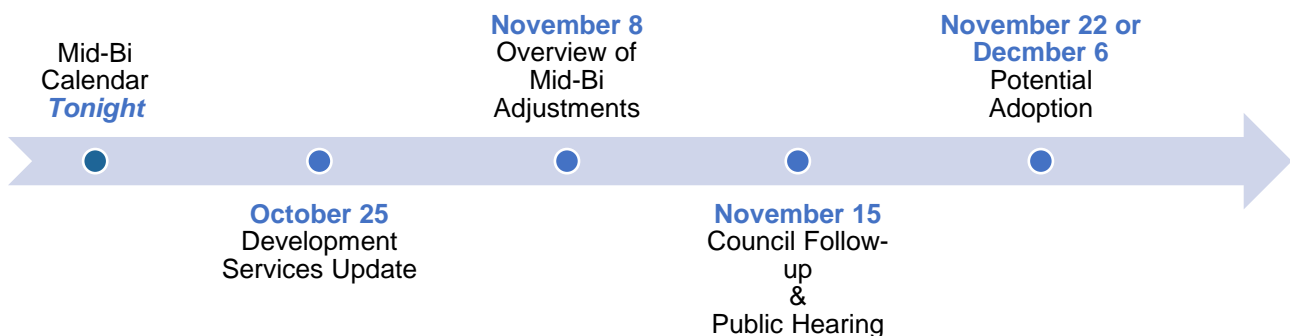
## RECOMMENDATION

N/A

## BACKGROUND & ANALYSIS

Ordinance No. 6557 adopted the 2021-2022 Budget and the 2021-2027 Capital Investment Program (CIP) on December 14, 2020. The mid-biennium budget update provides an opportunity for modifications to the 2021-2022 operating budget and 2021-2027 CIP plan in accordance with RCW 35A.34.130. As is prior practice, mid-biennium changes include adjustments to personnel for updated cost of living and other impacts, adjustments to fund budgets for updated fiscal information, corrections of errors, adjustments for impacts to recently passed state legislation, and other adjustments as needed. Since the mid-biennium is limited by design, there may be other adjustments that Council wishes to consider. The budget is a fiscal plan and changes to it are typical.

Tonight, staff will review the proposed timeline for the mid-biennium budget update. This will be the first of several meetings with the Council to discuss, consider, and provide direction for the adoption of the 2021-2022 Mid- Biennium Operating Budget and the 2021-2027 CIP Plan.



## Upcoming Discussions

### October 25: Development Services Permit Fees Update

Development Services staff will present for Council consideration, discussion, and direction on adjustments to the 2022 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 8: Overview of Mid-Bi Adjustments

Staff will provide for Council consideration and discussion an overview of the primary changes included in the proposed 2021-2022 Mid-Biennium budget and the updated 2021-2027 CIP Plan. The overview includes technical updates to the General Fund and the City's other operating funds as well technical changes impacting the City CIP Plan.

#### November 15: 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 22 or December 6: Tentatively Scheduled Mid-Biennium Budget Adoption

Depending on Council direction, tentative action on the mid-biennium is scheduled for November 22. If needed, action could also occur on December 6. There are several actions that will be required to adopt the 2021-2022 mid-biennium update:

- Development Services Fee Ordinance: Set the Development Services 2022 rates
- 2022 Property Tax Ordinance: Adopt 2022 property tax levy (RCW 35A.23.230 and RCW 84.55.092)
- 2022 Property Tax Banked Capacity Resolution: Preserve the full levy amount available to the City
- 2021-2022 Mid-Bi Budget Ordinance: "Umbrella" budget ordinance that includes appropriation approval by Fund, 2022 pay plans and summarizations of grants and donations accepted that are less than \$90,000
- Any other action as directed by Council

Council will not be required to adopt the 2022 Utilities Rates or the 2022 Fire Inspection Rates as they were included in the 2021-2022 Adopted Budget via Ordinance Nos. 6551, 6552, 6553, and 6554.

## **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 2022 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.

In addition, in accordance with labor agreements, Cost of Living Adjustments (COLA) are updated to reflect the final COLA amounts.

**Fiscal Impact**

There is no fiscal impact associated with this item.

**OPTIONS**

N/A

**ATTACHMENTS & AVAILABLE DOCUMENTS**

N/A

**AVAILABLE IN COUNCIL LIBRARY**

N/A