



**RIDGEFIELD CITY COUNCIL
MEETING AGENDA**

**Thursday, August 27, 2020
Teleconference
N/A, Ridgefield, WA 98642**

- I. STUDY SESSION - 5:30PM**
 - 1. 2021 Introduction to Budget and Baseline Operating Budget - Kirk Johnson, Finance Director**
- II. GENERAL SESSION CALL TO ORDER - 6:30 PM**
 - 1. Roll Call**
 - 2. Late changes to the agenda**
- III. CONSENT AGENDA**
 - 1. Approval of Claims And/Or Payroll**
 - 2. Approval of Minutes from the August 13, 2020 Meeting**
- IV. BUSINESS**
 - 1. Motion - Approval of Cloverhill Phase 7 Final Plat - Claire Lust, Community Development Director**
 - 2. Motion - Approval of Urban Downs Final Plat and Urban Holding Removal - Claire Lust, Community Development Director**
 - 3. Motion - Approval of Bid Award for North 10Th Ave Rehabilitation Project - Bryan Kast, Public Works Director**
- V. COUNCIL/PRESIDING OFFICER/STAFF REPORTS**
 - 1. Council**
 - 2. Mayor**
 - 3. City Manager**
- VI. ADJOURN**

**City Council Agenda Packet is available at the following link:
<http://ridgefieldwa.iqm2.com/Citizens/>**

**CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION**

MEETING DATE: August 27, 2020

ITEM: STUDY SESSION - 5:30 P.M.

AGENDA ITEM TITLE: 2021 Introduction to Budget and Baseline Operating Budget

GOVERNING LEGISLATION:

RCW 35A.33; Budgets in Code Cities, City of Ridgefield Financial Policy #07: Budget

PREVIOUS COUNCIL ACTION TAKEN:

Council adopts an annual budget. The 2020 annual budget was adopted November 21, 2019

SUMMARY/BACKGROUND:

Introduction to the baseline operating budget and budget assumptions

BUDGET/FINANCIAL IMPACTS:

N/A – Presentation, discussion and Council direction

RECOMMENDED ACTION OR MOTION:

No action requested at this time

STAFF CONTACT: Kirk Johnson, Finance Director

ATTACHMENTS: 2021 Baseline Operating Budget(PDF)



2021 Baseline Operating Budget

August 27, 2020



Agenda

2021 Baseline Operating Budget

- Budget Calendar
- Key Assumptions
- Baseline Operating Budget
- Available Fund Balance
- Revenue Projection – Special Revenue and Capital Project Funds
- Next Steps



Key Assumptions

2021 Baseline Budget

A baseline budget consists of the current years operating budget adjusted for inflation, contractual commitments, cost of living adjustments and population projections. The baseline assumes the City will maintain levels of service consistent with current operations.



Key Assumptions

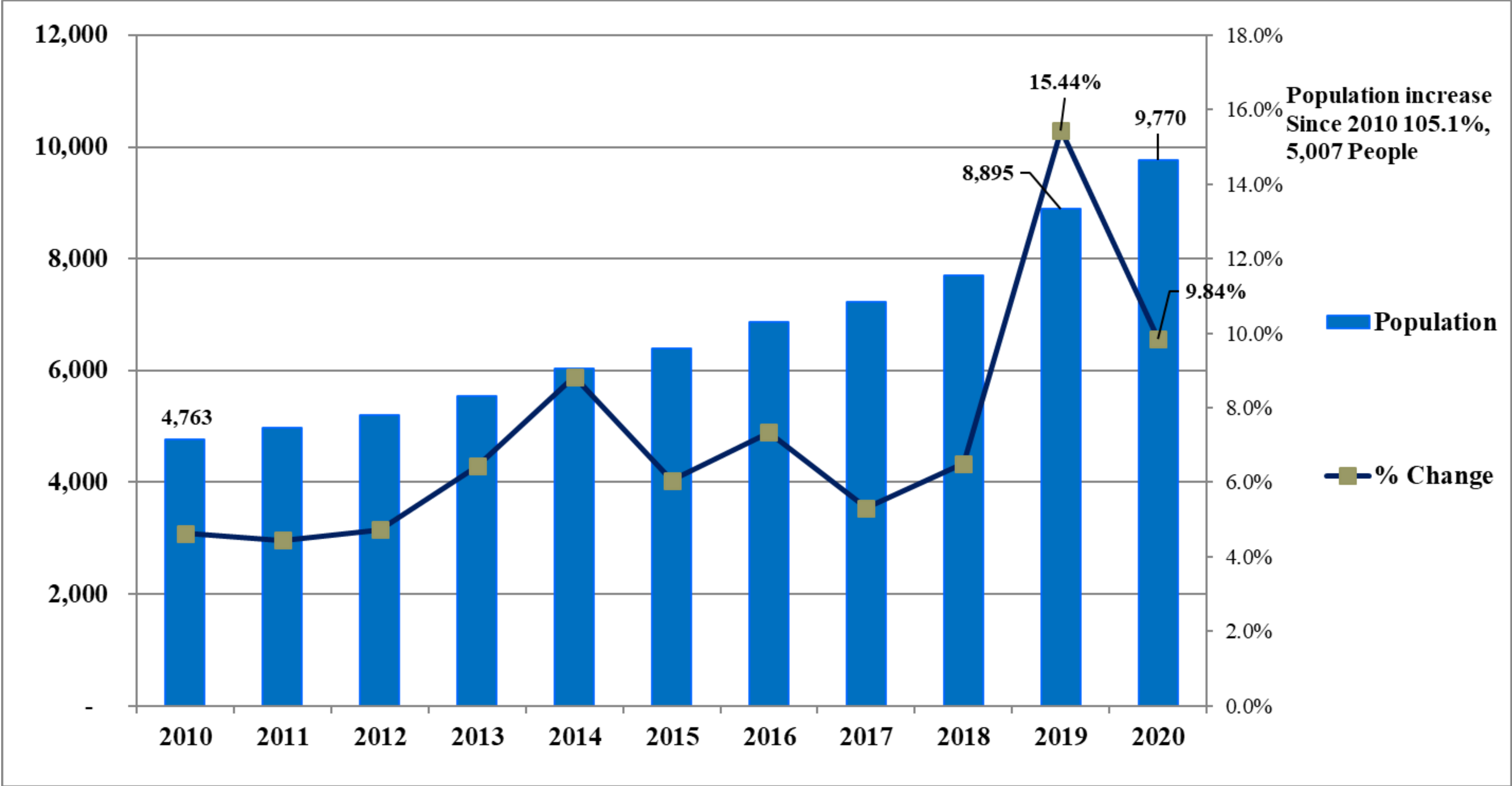
2021 Baseline Budget

General		
Assumption	Source	Amount
Population April 1, 2020	State of Washington OFM	9,770
Population April 1, 2021	Estimated growth of 7% (avg. since 2010 per OFM)	10,454
Population Change	Change 2021 – 2020	684
New Housing Units	Estimate using 2.99 persons per household (2020 avg. persons per household per OFM)	229
Total Housing Units	2020 household units per OFM plus estimated new housing units	3,608
Housing Unit Increase	New household compared to 2020 OFM numbers	7%
Inflationary Factor (indexing for impact fees/SDC and policy related Cola)	West Region CPI-U (June released July 2020) all items. Mainly due to reduced energy prices.	1.2%



Key Assumptions

Population Growth Trends



Source: Office of Financial Management



Key Assumptions

2021 Baseline Budget

Facility Expense		
RACC Lease	Annual lease payment	\$114,875
RACC	Operating expenses	\$28,350
Public Safety Lease	State Capital Grant (2020)	\$120,280
Public Safety Lease	Sale of property at 211 Main Ave (Sold 2020)	\$185,000
Public Safety Lease	2021 initial lease expense	\$300,000
Public Works Operation Center	Annual Bond Payments (Principal and Interest)	\$351,980
Ridgefield Outdoor Recreation Complex (RORC)	Annual Bond Payments (Principal and Interest)	\$1,061,425
RORC	Operating expenses	\$75,000



Key Assumptions

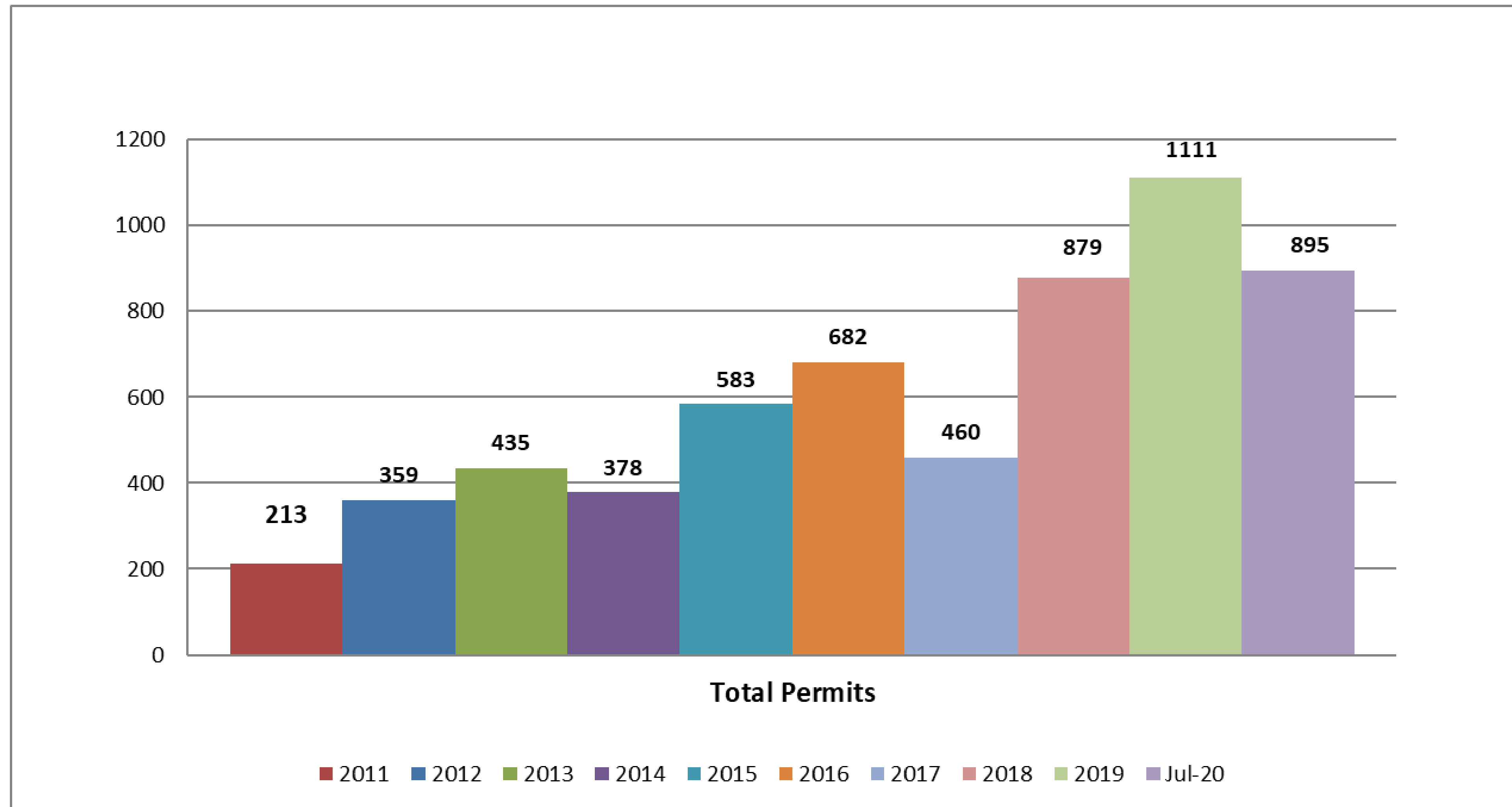
2021 Baseline Budget

Revenue		
Revenue Source	Description	Amount +/-
Property Tax	Statutory increase 1%	\$14,417
Property Tax	New Construction \$200 million assessed valuation	\$164,352
Property Tax	Annexation	\$0
Sales/Use Tax	55% retail 45% construction; 1.4% decrease over 2020 year-end estimate, 20% decrease over 2020 adopted budget	(\$34,838)
Utility Tax	Limited rate changes (sewer down 1.44%); 7% increase in households	\$95,659
State Shared Revenue	Per capita revenue MRSC estimate (3.9% overall General/Street Fund Rev.)	\$67,012



Key Assumptions

Permits and Development Trends



Attachment: 2021 Baseline Operating Budget (2021 Introduction to Budget and Baseline Operating Budget)



