

Fiscal Impact Notes

Government Performance and Finance Committee

November 19, 2024

2025-2026 CITY OF TACOMA

**BIENNIAL OPERATING
& CAPITAL BUDGET**

1

Agenda

- Overview
 - Definition of Fiscal Notes
 - Best Practices
- Fiscal Notes in the Policymaking Process
- Examples of Fiscal Notes
 - Written with background and assumptions
 - Additional tables for complex issues

2025-2026 CITY OF TACOMA

**BIENNIAL OPERATING
& CAPITAL BUDGET**

2

2

Overview of Fiscal Notes

Definition

- Objective statement of the fiscal impact of proposed legislation.
- Primary purpose is to provide the most reasonable estimate of revenues and/or expenditures using the best and most rationale set of assumptions.

Best Practices

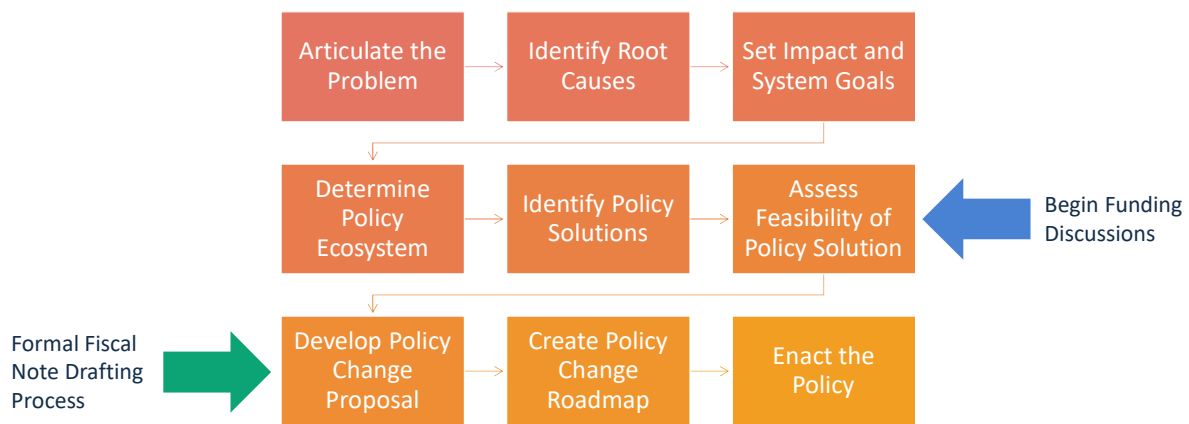
- If the cost impact is indeterminate, provide some illustrative information or range of scenarios;
- Base your assumptions on the least expensive way to implement the legislation;
- Respond to the policy/legal language;
- Be objective and factual;
- Starting point is today's investment level.

2025-2026 CITY OF TACOMA
**BIENNIAL OPERATING
 & CAPITAL BUDGET**

³ Source: [Agency Fiscal Note Instructions, 2021-23 Biennium](#)

3

Fiscal Notes & Policy Development Process



Budget Appropriation occurs as part of the Regular Budget Adjustment Processes

4

4

Example of Fiscal Notes

Charter Review Process: Simple, memo form

- TPU Board Compensation

Charter Review Process: Complex, memo and table

- Council Staff

Council Action Memos

Labor Agreements

Home in Tacoma – Financial Feasibility Analysis in the EIS

- [Final EIS](#) (warning, it's about 400 pages long)

2025-2026 CITY OF TACOMA

**BIENNIAL OPERATING
& CAPITAL BUDGET**

5

5

Policy Questions

Prompts

- Are you getting the right information at the right time?
- What would help you best incorporate fiscal considerations into policy making?
- Are there times you would like information that you do not have?
- Do you need different information for policy making?
- Do you want a formal process or format for fiscal impacts
- Who should draft them? Departments? OMB?

2025-2026 CITY OF TACOMA

**BIENNIAL OPERATING
& CAPITAL BUDGET**

6

6

Fiscal Impact Notes

Government Performance and Finance Committee

November 19, 2024



2025-2026 CITY OF TACOMA
**BIENNIAL OPERATING
& CAPITAL BUDGET**