



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Kathryn Johnston, Budget Officer, Office of Management and Budget  
Andy Cherullo, Director of Finance  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance - 2023-2024 Biennial Operating Budget Adoption - November 15, 2022  
**DATE:** October 13, 2022

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**SUMMARY AND PURPOSE:**

An Ordinance adopting the City’s 2023-2024 Biennial Operating Budget.

**BACKGROUND:**

On October 4, 2022, the City Manager presented to the City Council the 2023-2024 Proposed Operating Budget. In order to inform the community and receive feedback on the Proposed Budget, staff hosted a series of engagement sessions, worksessions, and tools to receive feedback.

In October 2022, the Office of Management and Budget launched an interactive budgeting tool, called Balancing Act, for community members to submit feedback on redirecting General Fund resources between programs in the Proposed Budget.

The City Council held three virtual Community Town Halls in October and November 2022. At the Town Halls, staff gave a brief presentation on the Proposed Budget and attendees were given opportunities to provide their thoughts and ask questions.

To inform City Council and the public further, four Budget worksessions were held between October 11 and November 1, 2022. These departmental worksessions provided more detailed information on the Proposed Budget as it relates to City Council priorities: Community Safety, Health, Affordable Housing, Access, Livable Wage Jobs, Belief and Trust, and Culture and Effectiveness. Each department presentation also highlighted their goals and financial state.

Two public hearings were held on November 1 and November 15, 2022.

Budgets, estimates, notices of hearing(s), hearing(s) and adoption of the Biennial Budget are processed and accomplished in accordance with the requirements of RCW 35.34.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

Community Engagement was included throughout the budget development process. This included a statistically significant and representative community survey, an interactive online budget-balancing tool, online and in person community events, and public hearings. The City Council priorities were set based on the strategic priorities of Tacoma 2025 and input from community members. The 2023-2024 Proposed Budget is aligned with City Council priorities.



**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility**

The City’s budget is one of the most basic and important ways that we demonstrate our commitment to the community. In the budget development process, and with this Proposed Budget, we are honoring City Council Resolution No. 40622, which directs staff to keep anti-racism as a top priority in budget development and to prioritize anti-racism in the planning of an economic recovery strategy. Staff did this through a program and services review performed by the Office of Equity and Human Rights, and through adoption of the City’s first Departmental Racial Equity Action Plans.

The Operating Budget helps advance many of the City’s goals in many different ways, as detailed in the worksessions.

**ALTERNATIVES:**

Pursuant to RCW 35.34, the City of Tacoma must pass an ordinance that appropriates estimated expenditures and revenues/use of available funds for the biennium; therefore, no alternatives have been identified.

**EVALUATION AND FOLLOW UP:**

The Office of Management and Budget will continue to produce reports for budget versus actuals in the 2023-2024 biennium and provide quarterly updates to City Council.

**STAFF/SPONSOR RECOMMENDATION:**

Staff recommends that the City Council approve the ordinance to appropriate the estimated expenditures and revenues/use of available funds for the Operating Budget for the 2023-2024 biennium, as outlined in Exhibit “A.”

**FISCAL IMPACT:**

Please provide a short summary of the fiscal impacts associated with the grant, agreement, policy action, or other action.

| Fund Number & Name         | COST OBJECT<br>(CC/WBS/ORDER) | Cost Element | Total Amount |
|----------------------------|-------------------------------|--------------|--------------|
| Multiple – See Exhibit “A” |                               |              |              |
| <b>TOTAL</b>               |                               |              |              |



City of Tacoma

City Council Action Memorandum

**What Funding is being used to support the expense?**

Multiple – see Exhibit “A”

**Are the expenditures and revenues planned and budgeted in this biennium’s current budget?**

**NO, PLEASE EXPLAIN BELOW**

This Ordinance adopts expenditures and revenues for the next biennium.

**Are there financial costs or other impacts of not implementing the legislation?**

**YES**

Failing to adopt the 2023-2024 Biennial Budget will result in the City being out of compliance with RCW 35.34.

**Will the legislation have an ongoing/recurring fiscal impact?**

**YES**

See Exhibit “A”

**Will the legislation change the City’s FTE/personnel counts?**

**YES, PLEASE EXPLAIN BELOW**

Personnel changes are outlined in the Proposed Budget Book.

**ATTACHMENTS:**

- Exhibit A
- 2023-2024 Proposed Budget Book