



BUSINESS OF THE CITY COUNCIL CITY OF SNOQUALMIE

AB23-141
November 27, 2023
Ordinance

AGENDA BILL INFORMATION

TITLE:	2024 Utility Fiscal Health and Rate Study Adjustment	<input type="checkbox"/> Discussion Only
PROPOSED ACTION:	Update Utility Rates for 2024	<input checked="" type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

REVIEW:	Department Director	Jeff Hamlin	Click or tap to enter a date.
	Finance	Janna Walker	Click or tap to enter a date.
	Legal	David Linehan	Click or tap to enter a date.
	City Administrator	Mike Chambless	Click or tap to enter a date.

DEPARTMENT:	Parks & Public Works		
STAFF:	Dylan Gamble, CIP Manager		
COMMITTEE:	Finance & Administration	COMMITTEE DATE: November 21, 2023	
EXHIBITS:	1. Discussion		

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUESTED	\$ n/a

SUMMARY

INTRODUCTION

Recommended Utility Rate increases for 2024 based on a 2024 Fiscal Health Utility Rates review by FCS Group.

LEGISLATIVE HISTORY

In June of 2020, City of Snoqualmie Council approved an agreement with Financial Consulting Solutions (FCS) Group to conduct a Utility Rate Study and General Facilities Charges Update for the City's combined utility. Since the adoption of Ordinance 1248, the product of the 2020 Rate study effort, the City has maintained the Utility Rates increases accordingly.

BACKGROUND

FCS Group, in collaboration with the Administration, has worked to define the overall revenue needs of the combined utility, evaluate the cost to provide service to each customer class, determine the one-time charge

imposed on new development as a condition of service, and develop rates reflecting the fiscal sustainability and equity goals of Council. Council requested a review and recommendation to reduce the negative budgetary impacts of increased inflation to capital projects since the 2020 Utility Rate Study.

ANALYSIS

A 2024 updated fiscal health report will present several alternative funding strategies and rates for Committee/Council Review.

NEXT STEPS

Following any decision made as part of the 2024 fiscal health review and utility rate study, staff will begin work on the 2025-2030 Utility Rate Study. This document and process will be a complete review of the utility rates maintained by the City's Utilities.

PROPOSED ACTION

Direction Needed:

- **Hold Utility rate changes to the existing Utility Rate Study Amounts for each utility**
- **Increase Utility rates to X% based on staff and administration recommendation.**