



# BUSINESS OF THE CITY COUNCIL CITY OF SNOQUALMIE

**AB23-141**  
**November 27, 2023**  
**Ordinance**

## AGENDA BILL INFORMATION

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

<b>REVIEW:</b>	Department Director	Jeff Hamlin	11/22/2023
	Finance	Janna Walker	11/22/2023
	Legal	David Linehan	Click or tap to enter a date.
	City Administrator	Mike Chambless	Click or tap to enter a date.

<b>DEPARTMENT:</b>	Parks & Public Works		
	<b>STAFF:</b> Dylan Gamble, CIP Manager		
	<b>COMMITTEE:</b> Finance & Administration		<b>COMMITTEE DATE:</b> November 21, 2023
	<b>EXHIBITS:</b> 1. Ordinance 1284 2. Snoqualmie 2024 Fiscal Health Review		

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUESTED</b>	\$ n/a

## SUMMARY

### INTRODUCTION

Review and recommend action based on 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 2021 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 2021 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 recommended amounts as shown in Ordinance 1248**