Budget Update

- Kelley Cochran, Finance Director
- Haritha Narra, Deputy Finance Director

Redmond
WASHINGTON

Agenda

- 2025-2026 Service Enhancements
- Performance Management
  - Community Budget Priority Outcome Maps Update
  - Community Results Team
  - Performance Report Development
- 2027-2028 Budget Process
  - Long-Range Financial Strategy
  - Fiscal Policies
- House Bill 2015

Budgeting by Priorities

2025-2025 Service Enhancements

Healthy and Sustainable
2025-2026 Enhancement Package 1
Utility System Planning

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Senior Planner – Utilities	1.00	$352,266	$72,543	Complete		$374,259	Public Works
ONE-TIME	Water Model Update & CIP Planning		$125,000	-	In process		$75,000	
	Stormwater Regional Facilities Model & CIP Planning		$125,000	-	In process		$75,000	
	Stormwater Neighborhood Model & CIP Planning		$125,000	-	In process		$75,000	
	Wastewater Model & CIP Planning		$175,000	-	In process		$75,000	
	Water Utility Risk & Resiliency Plan		$100,000	-	Complete		-	
	Water Utility Emergency Response Plan		$100,000	-	Complete		-	
	Wastewater Septic to Sewer Conversion Plan		$250,000	-	In process		-	
	Water Shortage Plan		-				$100,000	
	TOTAL (ONE-TIME)		**$1,000,000**	**-**			**$400,000**	
	TOTAL	**1.00**	**$1,352,266**	**$72,543**			**$774,259**	

Healthy and Sustainable
2025-2026 Enhancement Package 2
Parks & Recreation Programs Cost Recovery

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Department Administrative Coordinator – Recreation	1.00	$280,787	$75,786	Complete		$298,984	Parks
	Volunteer Coordinator	1.00	$295,954	$85,108	Complete		$311,630	Parks
	TOTAL (ONGOING)		**$576,741**	**$160,894**			**$610,614**	
ONE-TIME	Park Impact Fees Update		$100,000	-	In process		-	
	Comprehensive Recreation Plan		$100,000	$18,537	In process		-	
	TOTAL (ONE-TIME)		**$200,000**	**$18,537**			**-**	
	TOTAL	**2.00**	**$776,741**	**$179,431**			**$610,614**	

Healthy and Sustainable
2025-2026 Enhancement Package 3
Environmental Sustainability Action Plan (ESAP)

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Construction Inspector - Private Draining/FOG	1.00	$322,041	$78,947	Complete		$339,848	Public Works
	Program Administrator - Environmental	1.00	$346,600	$115,054	Complete		$379,677	Executive
	Program Administrator - Resource Conservation	1.00	$338,022	-	Complete		$379,677	Parks
	Green Building Incentive Program Support		$30,000	$8,680	In process		$30,000	
	Clean Buildings Performance Standard Compliance		$60,000	-	Starting 2026		$60,000	
	RE+ Program Support		$25,000	-	Starting 2026		$50,000	
	Bi-Annual Green House Gas Inventory		$35,000	$29,116	In process		$35,000	
	NPDES Compliance		$115,000	-	In process		$115,000	
	Program Administrator – Urban Forestry		-			1.00	$373,312	Parks
	Program Coordinator - Environmental		-			1.00	$312,024	Executive
	Program Coordinator – E-Mobility		-			1.00	$339,912	Executive
	Senior Planner – Green Building		-			0.50	$198,905	Executive
	TOTAL (ONGOING)	**3.00**	**$1,271,663**	**$231,797**		**3.50**	**$2,613,355**	

Healthy and Sustainable
2025-2026 Enhancement Package 3
Environmental Sustainability Action Plan (ESAP)

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONE-TIME	ESAP Refresh and Implementation		$175,000	$70,509	In process		-	
	Car Share Pilot Subsidy		$15,000	-	Not started		-	
	Solar Plus Storage		$100,000	-	Starting 2026		-	
	Electric Lawn Equipment Incentives		-				$35,000	
	Resilience Pilot		-				$50,000	
	E-Mobility Program		-				$100,000	
	TOTAL (ONE-TIME)		**$290,000**	**$70,509**			**$185,000**	
	TOTAL (ALL)	**3.00**	**$1,561,633**	**$273,190**			**$2,798,355**	

Safe and Resilient
2025-2026 Enhancement Package 4
Vision Zero

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Traffic Signal Technician	1.00	$310,006	$62,992	Complete		$326,582	Public Works
	Maintenance Technician – SR 520 Bridge	1.00	$260,663	$71,180	Complete		$272,982	Public Works
	TOTAL (ONGOING)	**2.00**	**$570,669**	**$134,172**			**$599,564**	
ONE-TIME	Transportation ADA Transition Plan		$150,000	$9,988	In process		-	
	Citywide Speed Audit		$200,000	$1,597	In process		-	
	Park System Signage/Wayfinding Plan		$150,000	-	In process		-	
	Capital Equipment – Mobile Security Barriers		$325,000	$326,309	Complete		-	
	Citywide Bridge Reporting		$35,000	$27,000	Complete		$35,000	
	Curbside Management Plan		$100,000	-	In process		$100,000	
	Citywide Pavement Condition Index Update		-				$100,000	
	TOTAL (ONE-TIME)		**$960,000**	**$364,894**			**$235,000**	
	TOTAL	**2.00**	**$1,530,669**	**$499,066**			**$834,564**	

Safe and Resilient
2025-2026 Enhancement Package 5
Comprehensive Community Response Program

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Police Officer	4.00	$1,291,296	$57,247	In process		$1,348,124	Police
	Program Coordinator	1.00	$298,318	-	Not started		$306,243	Police
	Administrative Assistant	1.00	$248,128	$63,377	Complete		$262,026	Fire
	Mental Health Professional	1.00	$237,534	-	On hold		$247,309	Planning
	Fire Fighter – Fire Station 17	4.00	$1,309,395	$308,336	Complete		$1,361,772	Fire
	Code Enforcement Officer	1.00	$308,789	-	In process		$321,253	Planning
	Police Officer					4.00	$1,348,124	Police
	Police Dispatch					1.00	$268,868	Police
	TOTAL (ONGOING)	**12.00**	**$3,693,460**	**$428,960**		**5.00**	**$5,463,719**	

Safe and Resilient
2025-2026 Enhancement Package 5
Comprehensive Community Response Program

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONE-TIME	Social Worker - Alternative Response	2.00	$316,767	-	On hold		$619,007	Planning
	Training & PPE for New Firefighters		$50,000	-	In process			
	Mental Health Response Training		$40,000	-	On hold		-	
	Capital Equipment – 4 Police Interceptors (EV)		$260,000	-	In process		-	
	Fire Consulting Services		$240,000	$126,225	In process		-	
	Handheld Narcotics Analyzer		$35,000	$34,162	Complete		-	
	Gun Buy Back Program		$50,000	$15,471	In process		-	
	Severe Weather Shelter Pilot		$50,000	-	In process		-	
	Care Solace		$45,000	-	In process		-	
	Fire Impact Fee Update		$35,000	-	In process		-	
	TOTAL (ONE-TIME)	**2.00**	**$1,121,767**	**$175,858**			**$619,007**	
	TOTAL (ALL)	**14.00**	**$8,028,455**	**$604,818**			**$4,465,734**	

Safe and Resilient
2025-2026 Enhancement Package 6
Fire & Medical Apparatus

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Fire Mechanic	1.00	$315,562	$75,961	Complete		$324,221	Fire
	Fire Engine Lease		$545,280	-	In process		$136,320	
	Type 1 Fire Engine Diesel Lease		$99,000	-	In process		$792,000	
	Type 5 Brush Truck Lease		$10,500	-	In process		$84,000	
	TOTAL (ONGOING)		**$970,342**	**$75,961**			**$1,336,541**	
ONE-TIME	Aid Car Purchase (2)		$838,120	-	In process		$924,028	
	Battalion Chief Vehicle Purchase		$77,175	$82,270	Complete		-	
	Fire Prevention Staff Vehicle Purchase		$44,100	-	On hold		-	
	Tractor Drawn Arial (Ladder Truck) Deposit		$1,000,000	-	In process		-	
	Voltera #2 Electric Engine Purchase		$2,205,000	-	In process		-	
	TOTAL (ONE-TIME)		**$4,164,395**	**$82,270**			**$924,028**	
	TOTAL	**1.00**	**$5,134,737**	**$158,231**			**$2,260,569**	

Strategic and Responsive
2025-2026 Enhancement Package 7
Diversity, Equity and Inclusion (DEI)

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Program Specialist (DEI)	1.00	$241,872	-	Starting 2026		$262,026	Executive
	Senior Human Resource Analyst (Recruitment)	1.00	$365,017	$121,971	Complete		$379,619	Human Resources
	Additional Focus Newsletter		$69,118	$23,902	Complete		$69,118	
	TOTAL (ONGOING)	**2.00**	**$676,007**	**$145,873**			**$710,763**	
ONE-TIME	LTD Communications Specialist	0.50	$159,694	$44,130	Complete		-	Executive
	Language Access Support		$30,000	-	Not started		-	
	Real-Time Language Translation Services		$30,000	$1,497	In process		-	
	TOTAL (ONE-TIME)	**0.50**	**$219,694**	**$45,627**			**-**	
	TOTAL	**2.50**	**$895,701**				**$710,763**	

Strategic and Responsive
2025-2026 Enhancement Package 8
In-House Legal Services

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	City Attorney	1.00	$459,740	$65,021	Complete		$563,164	Executive
	Deputy City Attorney	1.00	$325,892	-	Starting 2026		$399,401	Executive
	Paralegal	1.00	$245,640	$17,875	Complete		$300,735	Executive
	Ongoing Operating Costs		$69,433	-	In process		$69,433	
	TOTAL (ONGOING)	**3.00**	**$1,100,705**	**$82,896**			**$1,332,733**	
ONE-TIME	Ogden Murphy Wallace		$710,272	$176,965	In process		-	
	Onboarding Costs		$50,898	$19,899	In process		-	
	TOTAL (ONE-TIME)		**$761,170**	**$196,864**				
	TOTAL	**3.00**	**$1,861,875**	**$279,760**			**$1,332,733**	

Strategic and Responsive
2025-2026 Enhancement Package 9
Citywide Cost Recovery

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONE-TIME	Grant Administrator	2.00	$478,469	$99,598	1.00 Complete 1.00 Starting 2026		$640,694	Executive
	Federal Lobbyist		$160,000	$60,000	Complete		-	
	Grant Administration Support		$200,000	-	Starting 2026		-	
	King County Levy Election & Communications		$300,000	-	On hold		-	
	Purchasing & Procurement Process Improvements		$200,000	-	In process		$50,000	
	Utility Tax Audit		-				$100,000	
	TOTAL	**2.00**	**$1,338,469**	**$159,598**			**$790,694**	

Strategic and Responsive 2025-2026 Enhancement Package 10 Technology Reporting, Data and Innovations

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Senior Systems Analyst - Business Solutions	1.00	$377,036	-	Starting 2026		$406,090	TIS
	Business Analyst – GIS	1.00	$332,486	$13,351	Complete		$350,820	TIS
	Administrative Specialist	1.00	$306,833	$117,734	Complete		$329,382	Human Resources
	TOTAL (ONGOING)	**3.00**	**$1,016,355**	**$131,085**			**$1,086,292**	
ONE-TIME	WFM Supplemental Funding		$60,000	$29,841	In process		-	
	Aerial Photos		$40,000	-	In process		-	
	TOTAL (ONE-TIME)		**$100,000**	**$29,841**			**-**	
	TOTAL	**3.00**	**$1,116,355**	**$160,926**			**$1,086,292**	

Strategic and Responsive
2025-2026 Enhancement Package 11
Technology Security & Operational Improvements

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Administrative Assistant	1.00	$248,438	$70,293	Complete		$262,026	TIS
	Senior Systems Analyst - Business Solutions	1.00	$390,168	$69,720	Complete		$406,560	TIS
	SentinelOne Singularity Ranger AD Protect (Cybersecurity)		$91,500	-	On hold		$91,500	
	KnowBe4 PhishER Plus (Cybersecurity)		$23,000	$10,679	Complete		$23,000	
	Computer Application & Operating System Management		$120,000	-	In process		$20,550	
	TOTAL	**2.00**	**$873,106**	**$150,692**			**$803,636**	

Vibrant and Connected
2025-2026 Enhancement Package 12
Facilities Strategic Plan Development

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONE-TIME	Facilities Strategic Plan		$200,000	$100,000	In Process		-	
	Community Center Community Engagement		$150,000	$175,804	In Process		-	
	TOTAL		**$350,000**	**$275,804**			**-**	

Vibrant and Connected
2025-2026 Enhancement Package 13
2026 World Cup

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONE-TIME	LTD Program Manager	1.00	$364,342	$100,285	Complete		-	Planning
	LTD Communications Specialist	0.50	$144,838	$43,357	Complete		-	Executive
	Operating Response Staffing Plan		$748,320	-	In process		-	
	Event Production		$472,500	$96,114	In process		-	
	Marketing, Communications, and Promotions		$220,000	$247	In process		-	
	Tourism Marketing		$50,000	$1,742	In process		-	
	TOTAL	**1.50**	**$2,000,000**	**$241,745**			**-**	

Vibrant and Connected
2025-2026 Enhancement Package 14
Economic Development

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Program Manager - Economic Development	1.00	$384,427	$132,828	Complete		$403,778	Planning
ONE-TIME	Business License Audit		$300,000	-	In process		-	
	Cultural Arts Plan		$150,000	-	In process		-	
	SE Redmond Industrial Growth Center Market Study		$100,000	$29,646	In process		-	
	Home-Based Business Survey		$30,000	-	On hold		-	
	Community Based Organization Investment						$120,000	
	Childcare Small Business Incubator Program						$100,000	
	TOTAL (ONE-TIME)		**$580,000**	**$29,646**			**$220,000**	
	TOTAL	**1.00**	**$964,427**	**$162,474**			**$623,778**	

Vibrant and Connected
2025-2026 Enhancement Package 15
Tourism Implementation Plan

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Public Relations Consultant		$120,000	$50,388	In process		$120,000	
	Strategic Marketing Partnerships		$60,000	$10,080	In process		$60,000	
	TOTAL (ONGOING)		**$180,000**	**$51,468**			**$180,000**	
ONE-TIME	Light Rail Opening Promotion		$35,000	$26,639	In process			
	Innovation & Technology Industry Promotion		$50,000	-	Starting 2026			
	Promotional Products		$30,000	-	In process			
	Photo & Video Content		$20,000	$2,525	In process			
	Supplemental Staff (Tourism Strategic Plan)		$60,000	$603	Starting 2026			
	Tourism Grant Program		$50,000	-	In process			
	Marketing & Advertising		$40,000	-	In process			
	Capital Equipment - Bike Storage Infrastructure		$40,000	-	Starting 2026			
	TOTAL (ONE-TIME		**$325,000**	**$29,767**			**-**	
	TOTAL		**$505,000**	**$81,235**			**$180,000**	

Vibrant and Connected
2025-2026 Enhancement Package 16
Infrastructure Management

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Planner - Mobility	1.00	$343,282	$87,383	Complete		$369,592	Planning
	Senior Construction Inspector - Right-of-Way	1.00	$340,694	$120,465	Complete		$357,748	Public Works
	Engineering Standards and Details Update		$50,000	-	Starting 2026		$50,000	
	TOTAL (ONGOING)	**2.00**	**$733,976**	**$207,818**			**$777,340**	
ONE-TIME	Monument System Assessment & Re-establishment		$34,000	-	In process		-	
	Citywide Building Design Standards Update		$150,000	-	In process		-	
	TOTAL (ONE-TIME)		**$184,000**	**-**			**-**	
	TOTAL	**2.00**	**$917,976**	**$207,818**			**$777,340**	

Vibrant and Connected
2025-2026 Enhancement Package 17
Parking Policy & Enforcement Improvements

FUNDING TYPE	TITLE	FTE(S)	2025-2026 BUDGET	2025-2026 ACTUAL	STATUS	FTE(S)	2027-2028 PLANNED	NOTES
ONGOING	Program Manager - Parking Policy/Planning	0.50	$187,819	$20,220	Complete		$207,837	Planning
	Program Manager - Parking Enforcement	1.00	$203,592	$27,219	Complete		$381,014	Police
	TOTAL (ONGOING)	1.50	**$391,411**	**$47,439**			**$588,851**	
ONE-TIME	Shared Parking Circulator Pilot Program		$978,000	-	In process		-	
	TOTAL	**1.50**	**$1,369,411**	**$47,439**			**$588,851**	

Budgeting by Priorities

Performance Management

Performance Management

- Outcome Maps Update
  - Budget priority outcomes
  - Dashboard indicator measures
  - Program performance measures
  - Objectives

- Update review and validation
  - Council Study Sessions
  - Community Results Team

- Performance Report Development

Healthy and Sustainable

We value a healthy environment that supports an active community

Outcomes	Environmental preservation responsibly balanced with growth				Climate action goals achieved through green practices and policies		Places and programs that support an active and involved community	
Budget Offers	**Ground/Surface Water Management**	**Safe/Reliable Drinking Water**	**Stormwater Management**	**Wastewater Management**	**Solid Waste Management**	**Environmental Sustainability**	**Community Recreation**	**Parks, Trails, and Open Space**
Dashboard Indicator	Percentage of drinking water quality tests that meet compliance regulations		Freshwater Water Quality Index		-Community-wide greenhouse gas emissions (metric tons)		Recreation expenditures per capita	Percentage of residents and employees that have convenient access to outdoor sports and fitness facilities

Healthy and Sustainable

Objectives

<u>Objective 1:</u> Use the City's environmental and park plans to guide strategic investments and partnerships that support a healthy and sustainable environment and community

<u>Objective 2:</u> Provide engagement, education, and outreach opportunities to promote actions that preserve the natural environment

<u>Objective 3:</u> Measure performance to improve service delivery and program effectiveness

<u>Objective 4:</u> Support efforts that improve the sustainability of natural resources and the community's ability to connect with the natural environment

<u>Objective 5:</u> Maintain Redmond's quality of life and healthy local ecosystem through compliance to local, state, and federal environmental regulations

<u>Objective 6:</u> Inspect, clean, and maintain infrastructure to prevent pollutants from entering streams and groundwater

<u>Objective 7:</u> Provide activities, recreation, and spaces to gather and celebrate our diverse community and learn with each other

Healthy and Sustainable 2025-2026 Baseline Budget

BUDGET OFFER	BASELINE BUDGET OFFER	DEPARTMENT	PRELIMINARY BASELINE BUDGET
0000262	Wastewater Management	Public Works	$61,798,391
0000263	Parks, Trails, & Open Space	Parks	$17,869,210
0000264	Environmental Sustainability	Executive	$986,621
0000265	Solid Waste Management	Public Works	$2,898,862
0000266	Stormwater Management	Public Works	$22,558,738
0000267	Safe & Reliable Drinking Water	Public Works	$39,883,314
0000268	Ground & Surface Water Mgmt	Public Works	$6,419,094
0000401	Community Recreation	Parks	$12,759,108
		TOTAL	**$165,173,338**

Community Results Team

- Formerly Civic Results Team
- Council review study sessions 2/10/26 and 2/24/26
- Process to begin after Council review and feedback
- Assignment
  - Validate outcomes, performance measures, objectives
  - Prioritize baseline budget offers within each budget priority
  - Prioritize baseline budget offers across all budget priorities

Performance Report Development

- Sample of Healthy and Sustainable budget priority chapter in attachments

- Chapter for each budget priority
    - Introduction
        - Outcomes
        - Dashboard Measures

    - Performance measure results by Outcome
        - Overview of outcome
        - Dashboard Measures
        - Program Measures
        - Summary of performance
            - What was achieved
            - What was learned
            - How performance aligns with budget

- Study Sessions: March-May
  (part of department overviews)

Budgeting by Priorities

2027-2028 Budget Process

Long-Range Financial Strategy

The financial decision-making framework used to align resources with the community's long-term service priorities.

- Defines the City's service commitments.
- Provides a strategic, sustainable, and fiscally responsible road map to fulfill them.
- Offers insights into future-financial capacity.
- Helps guide decisions that balance community's needs, expectations, and level of services.

Community Informed Plans and Budget

Community Investments

- Biennial Budget
- Capital Investment Plan

Citywide Plans

- Capital Investment Strategy
- Community Strategic Plan
- Comprehensive Plan
- Long-Range Financial Strategy

Program Plans

Cultural Arts Strategic Plan | Environmental Sustainability Action Plan

Fire Functional Plan | Housing Action Plan | PARCC Plan

R.E.D.I | Safer Streets Action Plan | Tourism Strategic Plan

Transportation Master Plan | Utilities Strategic Plan | + More

Guiding Principles Recommendations

Current	Proposed
1. Resource awareness	1. Resource awareness
2. Understanding interdependencies	2. Understanding interdependencies
3. Strategic alignment	3. Strategic alignment
4. Outcome-based financial planning	4. Outcome-based financial planning
5. Community-informed service outcomes	5. Community-informed service outcomes
	6. Commitment to diversity, equity, and inclusion
	7. Environmental stewardship
	8. Sustaining infrastructure investments
	9. Innovation and continuous improvements
	10. Collaboration and partnerships

Philosophy Recommendations

Current	Proposed
1. Balancing the financial burden on community members with the level of service	1. Balance service levels with financial impacts
2. Being intentional in how the revenues are structured	2. Intentional City revenue structure

Financial Strategies Recommendations

Current	Proposed
1. Community-based budgeting (8)	1. Community Investment Plan
2. The Price of Government (1)	2. Revenue policy framework
3. Revenue philosophy (2)	3. Long-range financial planning
4. Long-range financial planning (3)	4. Community-informed citywide planning
5. Budgeting by Priorities (8)	5. Economic Development Strategic Plan (New)
6. The "value proposition" (performance measurement) (9)	6. Capital Investment Strategy (CIS)
7. Capital investments (6)	7. Business Technology Investment Strategy (New)
8. Maintaining prior investments (6, 7)	8. Community-based budgeting
9. The Capital Facilities Plan as element of Comprehensive Plan (6)	9. Fiscal resilience and reserve management
10. The Capital Investment Strategy (CIS) (6)	10. Performance management
11. Capital Investment Program Business Technology Investment Program (6,7)	

Appendices Recommendations

Current	Proposed
Fiscal policies	Fiscal policy overview
The budget process	Community Investment Rate Calculation
	Biennial Budget Process
	City operating revenues
	City capital revenues
	Other available revenues
	Current rates and fees
	History of Redmond revenues
	History of the Long-Range Financial Strategy

Next Steps

- Internal review, graph development, and edits continuing

- Council review
  - January 2026 FAC meeting check-in
  - February/March FAC meetings finalize draft

- Council approval with 2027-2028 budget document adoption

Fiscal Policies Update

- Initial review: Financial Planning Manager, Senior Financial Analysts, Accounting Manager and Purchasing Manager

- Updated with recommendations that address:
    - Alignment with best practices, legal requirements, regulatory compliance
    - Clarity and equity of policies
    - Consistency across all fund types and programs
    - Legal and regulatory compliance

- Documented crosswalk, key observations, and expected outcomes of recommendations

- Finance leadership review underway

- Council review to begin after January FAC meeting

Budgeting by Priorities

House Bill 2015 (HB 2015)

HB 2015 - Overview

- Passed to support modernized, community-oriented public safety strategies by providing state grants and optional local tax authority.

- Contingent upon adoption of specific training, data, and policy standards.

HB 2015 - Overview

Washington State provided two revenue opportunities, a grant and councilmanic sales tax increase, to create a mechanism for cities to expand criminal justice staffing and programs.

- Enacted July 2025
- Both restricted to criminal justice programs
- The allowable sales tax increase is one tenth of a percent (.1%)
- The grant timeline is 7/27/25 to 6/30/28 with $100MM available for award
- After June 2028, the sales tax increase requires voter approval instead of being councilmanic
- Collection of sales tax revenue can be implemented starting January 2026 and on a quarterly basis thereafter to allow the Department of Revenue time to begin collections

HB 2015 - Funding Mechanisms

Grant

- Administered by Criminal Justice Training Commission
- $100 million program
- Expires June 2028
- Can use for hiring/training new officers and co-responders
- $125K per position maximum
- Policy & training requirements
- Must already impose or receive one of three available public safety or criminal justice sales taxes

Separate, but linked

Must qualify for the grant to impose the sales tax

Must already impose/receive a public safety sales tax to receive grant

Sales Tax

- Councilmanic until June 2028
- .1% tax on sales & use
- Permanent
- Broad use for criminal justice
- Stackable with other taxes & jurisdictions
- Need to meet the same requirements as the grant
- Do not need to apply for or receive the grant, just qualify

HB 2015 - Qualifications

- **Attorney General Training & Policies:** Established policies that comply with state law as well as the Attorney General's guidance for law enforcement practices related to citizenship status
- **CJTC Trainings:** Participated in Criminal Justice Training Commission (CJTC) trainings related to behavioral health and first aid
- **Use of Force Policies:** Complied with state laws on use of force data reporting
- **Court-Ordered Firearm Relinquishment:** Established policies related to civil protection orders and the court-ordered surrender of firearms
- **Crisis Intervention Training:** At least 25% of officers have completed CJTC crisis intervention team training
- **Gender-Based Violence Trainings:** 100% completion by required officers of CJTC trainings on sexual assault and gender-based violence

HB 2015 - Qualifications Continued

- **Receive/Impose Sales Taxes:** Receive funds from or authorized a public safety or criminal justice sales tax
- **Leadership Requirements:** A police chief, sheriff, or marshal who is CJTC-certified and has no felony convictions or gross misdemeanor convictions for moral turpitude, dishonesty, fraud, or corruption
- **Volunteer Requirements:** Establish policies and procedures for supervising agency volunteers
- **Staffing Plans:** Provide detailed staffing reports and plans
- **911 & Case Closure Rates:** Provide average rates from the preceding year for 911 responses and case closures
- **Voting Requirements:** Voters have not repealed a tax imposed pursuant to RCW 82.14.340 nor rejected a ballot proposition imposing taxes pursuant to RCW 82.14.450 in the past 12 months

HB 2015 - Eligible Expenditures

The sales tax funding can be used for all criminal justice and related expenses, while the grant is limited to:

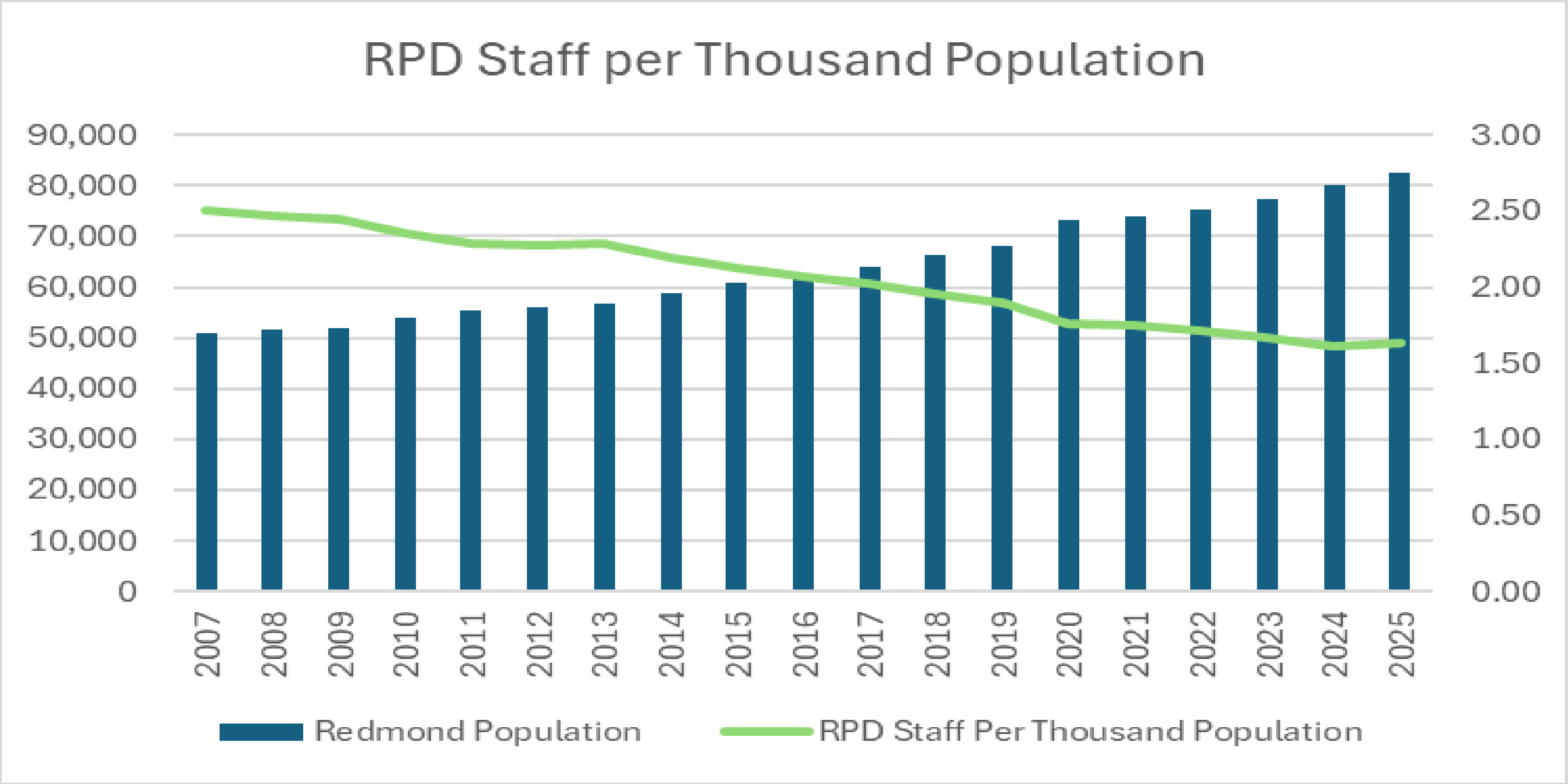
Recruiting & Retaining:
- New positions only
- Lateral hires not allowed
- Law enforcement officers
- Peer counselors
- Behavioral health personnel

Training:
- Use of force
- De-escalation
- Crisis intervention
- Trauma informed trainings

General Law Enforcement:
- Emergency management planning
- Environmental hazard mitigations
- Security personnel
- Community outreach & assistance
- Alternative response programs
- Mental health crisis response

HB 2015 - Redmond Police Staff vs. Population

- Redmond Police was authorized at 127.50 full-time equivalent employees in 2007 and is authorized at 135.00 in 2025.



HB 2015 - Redmond Police Recommended Staffing Level

- Washington Association of Sheriffs and Police Chiefs (WASPC)
  - State average 1.36 per 1,000 residents (112 officers)
  - Redmond 0.96 per 1,000 residents (89 officers)
  - WA state is 51 in the nation for # of Officers per 1,000

- FBI Uniform Crime Reporting (UCR) Program
  - 2.2 to 2.4 per 1,000 residents (181-197 officers)

- Staffing analysis performed
  - Ongoing workload assessments performed to justify staffing based on call volume, population and service demands.

- Redmond Police are accredited

HB 2015 - Underfunded Criminal Justice Program Needs

- Community Engagement & Prevention Programs
  - Neighborhood outreach, youth mentorship, public education, community policing events
- Technology upgrades and Cybercrime units
- Drone as First Responder Program expansion
- Emergency management
- Bike Patrol Team and traffic enforcement
- Body Worn Camera Program
  - New and replacement equipment
  - Redaction software, data storage, increasing technology service contracts
  - Public records staff to handle footage requests
  - Legal reviews
- Increasing jail costs
- New cost of King County court probation services
- Victim support and advocacy within Prosecutor's Office

HB 2015 - RPD Efficiency & Innovation

- Drone as a first responder program
  - Received Aerial Achievement Award for Program Excellence

- Excellence in Training Management

- Real-Time Information Center

- Speed Safety Camera Pilot Program

HB 2015 - Value to Financial Sustainability & Service Levels

Budget pressure relief ($5.5M annually estimate)

- Protect existing services
  - Resources needed for criminal justice would not require reductions to other existing services
- Reevaluate revenue strategies
  - Reconsider the 2025-2026 business license fee and utility tax increases
  - Replace Sound Transit funding for new police officers
- Stabilize property tax levy
  - Back fill public safety levy as it continues to lose purchasing power
- Support growth in core services and emerging priorities
  - Environmental sustainability initiatives
  - Maintenance and operations of facilities, streets,+ and traffic safety infrastructure
  - Code enforcement
  - Housing and human services programs
  - Emergency preparedness and resilience planning
  - Technology systems and service contract cost increases

HB 2015 - Value to Criminal Justice Programs Outcomes

Recruitment and retention advantages

- Public Safety workers increasingly seek modern, well-funded training, mental health support, clear policy frameworks
- Opportunities to work in cities that support innovation, co-response, de-escalation strategies

Institutional learning and data-driven reform

- Required to collect and report data on
  - Use of force
  - Crisis response
  - Outcomes by race/gender
  - Arrests and detentions

Policy influence at regional and state level

- Influence over how public safety reform is shaped
- Inclusion in pilot projects, working groups, or advisory boards tied to HB 2015 implementation and future funding allocations

HB 2015 - Value to Long-Term Fiscal Health

Improved risk insurance profile

- Compliance with industry risk pool recommendations for use-of-force policies, data transparency, and accountability standards.
- Jurisdictions following standards are lower risk, which translates to lower premiums, reduced deductibles, or broader coverage options.
- Avoid surcharges or receive risk reduction credits.
- Reduced claims and lawsuits will improve loss history and lower premiums.

Access and competitiveness for other grants and future funding sources

- Priority access to State public safety grants by aligning with State Public Safety Strategy.
- Improved alignment with federal grant goals.
- Stronger position when applying for behavioral health and co-responder grants.
- Proof of accountability, training and transparency for community support and legislative backing.

HB 2015 - Value to Redmond Community

Increased community support

- Demonstrates commitment to modern policing standards and public accountability.
- Shows willingness to fund or support behavioral health responses, reentry programs, or co-responder models.
- Alliance with civil rights organizations, social justice groups, or advocacy coalitions.

Consistency with regional partners and jurisdictional neighbors

- Prevents confusion of which cities provide which services.
- Avoids strain on regional dispatch systems, mutual aid agreements, or crisis response partnerships.
- Supports reform through implementation and work the has already been done.

HB 2015 - Cumulative Annual Taxpayer Impacts

Jurisdiction	Tax	Type	Increase	Status
King County	Sales Tax	HB 2015	.1%	Approved
King County	Sales Tax	Transportation Benefit District (TBD)	.1%	Pending
King County	Property Tax	Parks Levy		Approved
Redmond	Sales Tax	HB 2015	.1%	Pending

- If all sales taxes imposed:
  - Rate increases to 10.6%.
  - Estimated increase of $485.00 per Redmond household.
  - Reduced to $323.00 without King County TBD.

- King County parks levy will add approximate $196.00 per household.

HB 2015 - Recommendation

- Eliminate additional increase added to Business License Fee for staffing.
- Public Hearing for January 2026.
- Council direction after Public Hearing at February FAC.
- Implement new tax in 2026 and allocated in 2027-2028 budget process.
- Submit grant application in 2026 for one-time expenses.

Thank you

Any Questions?

Redmond
WASHINGTON