

Reader's Guide

Understanding a municipal budget and its specialized terminology can be a challenging exercise. This Reader's Guide has been developed to make review of the City of Bellevue's budget easier. It highlights the type of information contained in each chapter, describes some parts in detail, presents a glossary of commonly used budget terms, and gives directions for locating additional budget information.

The Reader's Guide is organized into the following sections:

A. 2009-2010 Budget Documents

This section identifies the information presented in each volume of the budget.

B. Basis of Accounting

This section discusses the basis of accounting used to present budget information.

C. Glossary

This section provides definitions for many of the terms used in the budget document.

D. Locating Additional Budget and Financial Information

This section provides a list of other documents containing information about the City's finances.

A. 2009-2010 BUDGET DOCUMENTS

The City of Bellevue has consolidated its operating and capital investment spending plans into three volumes:

2009-2010 Operating Budget - is designed to provide the reader with a “one stop” comprehensive look at Bellevue’s Budget. See the following section for details on each chapter in the 2009-2010 Budget document.

2009-2015 Capital Investment Program Plan - is designed for readers who are most interested in the City’s long range plan for improving and maintaining its capital and technological infrastructure. It contains information relating to criteria for setting project priorities, maps, lists of funded projects, and project detail for all capital projects the City plans to implement between 2009 and 2015.

2009-2010 Budget Detail - is designed for those who want to get “behind the broader numbers” and explore some of the source data. It includes detail information on the resources supporting the budget as well as expenditures by type with comparisons to previous years. Also included are personnel reports and descriptions of each of the City’s funds. This volume is not included in the Preliminary Budget but will be part of the adopted budget.

2009-2010 Budget Document Organization

Chapter 1 - Transmittal Letter

The Budget Transmittal Letter presents the City Manager's message on the 2009-2010 Budget and the 2009-2015 CIP Plan to the Mayor, Councilmembers, residents, and other stakeholders. The City Manager's transmittal letter highlights the priorities and issues for both operating and CIP budgets.

Chapter 2 - Reader's Guide

Chapter 3 - Executive Summary

The Executive Summary presents a high level summary of the key components of the 2009-2010 Budget. It begins with narrative sections highlighting the General Fund, Utility Funds, Parks Enterprise, and Development Services Fund Financial Forecasts. It includes information on "where the money comes from" such as taxes, grants, and beginning fund balances; "where the money goes" such as Transportation, Police, and Parks; and "what the money buys" such as personnel, maintenance and operations, and capital. The chapter includes a series of charts, graphs, and tables summarizing 2009-2010 resource and expenditure information.

Chapter 4 - Resource Summary

The Resource Summary presents 2009-2010 Budget resource information primarily through the use of graphic presentations. This chapter contains more detailed information on resources than what is included in the Executive Summary chapter.

Chapter 5 - Financial Forecasts

This chapter presents the six-year financial forecasts for the General Fund, Utility Funds, Parks Enterprise, and Development Services Fund. A forecast is a mid-range look into the future that tries to anticipate what spending and resources will be and what actions the City may need to take now based on those results. It also discusses significant factors that might influence the future including the economy, health benefit costs, collective bargaining agreements with the City's workforce, charges for water, and other factors that might increase or reduce resources or expenditures.

Chapter 6 - About Bellevue

This chapter provides background information about the City of Bellevue, such as its form of government and organization, location, population, and business climate.

Chapter 7 - Council Priorities and Organizational Mission, Vision, and Core Values

The Council's vision, mission, and priorities are always "building blocks" of the budget process. In preparation for the 2009-2010 Budget, the Council met in several Budget retreats and workshops during 2008 and provided a framework for departments to use in developing their proposed budgets.

Chapter 8 - Comprehensive Financial Management Policy

This chapter presents significant City budget and accounting policies relating to financial monitoring, budget preparation, revenues, and the Capital Investment Program Plan.

Chapter 9 - Stakeholder Outreach Summary

The City of Bellevue strives to involve the community in the budget process. This chapter describes Bellevue's survey efforts and public hearing process that assures stakeholder input on budget priorities.

Chapter 10 through Chapter 28 - Department Budgets

The 2009-2010 Budget marks the second time that the City of Bellevue is publishing a budget using an automated budget planning and development system. The system, called GovMax, allows the City to facilitate its budget development and business processes. The new system serves as a planning tool and stores background financial data in detail for every City fund including salary schedules, filled and vacant position information, benefit costs, and information on CIP projects. The system will support an iterative planning process, keeping track of changes in the budget from initial request through various stages of departmental, budget office, City Manager and Council review and approval of a final budget.

The benefits of a strong budget system include automating manual processes, improving data collection and workflow, strengthening analysis capabilities, reducing data entry and re-keying, and reducing time spent compiling numbers, thus allowing additional time for analysis.

Each department presentation has a standard format and presents the budget at the department level and by major program areas. Information at the department level is shown on the pages that have only the department title such as "City Attorney", "Fire", or "Utilities". Information at the program level includes the program area title as well as the department name (such as Fire, followed by Fire Suppression & Rescue).

Department level information: The first section of each department presentation is at the departmental level and includes a *Program Outcome Statement*, a discussion of *Services and Accomplishments*, an *Organizational Chart*, *2009-2010 Work Initiatives*, *Major Challenges for the Biennium*, *Program Overviews*, *Financial Summary*, and a *Biennial Budget Comparison*.

- **Program Outcome Statement** - This section addresses the mission of the department and can be expressed as conditions or other values resulting from the conduct of the department's activities. For example, a Police Department outcome could be expressed as a safe city. In the 2009-2010 Budget the department can use outcome statements or a more traditional mission statement that includes the department's major goals and reflects the department's activities and programs.
- **Services and Accomplishments** - This section discusses the services provided by the department and its major accomplishments of the previous biennium.
- The next department level presentation provides four different financial summaries:
 - **Budgeted Cost Summary** - provides the budgets for each department program area;

- **Expenditure Category Summary** - shows what the money is spent on including (1) *personnel* (wages and benefits), (2) *interfunds* (services provided by one department on behalf on another), (3) *M&O* (maintenance and operational expenditures), and (3) *Capital* (large equipment purchases or on the city's infrastructure including roads, parks, land acquisition and other commodities that are depreciable).
- **Funding Summary** - a summary of the funding sources that support the expenditure activity;
- **FTE Summary** - the Full Time Equivalent (FTE) positions assigned to each program area.
- **2009-2010 Work Initiatives** - describes the major work activities that the department plans to conduct during the biennium.
- **Major Challenges for the Biennium** – discusses the issues and challenges faced by the department during the two years of the budget. The discussion could include discussions of increased workload, new programs, improvements in service delivery and other factors that the department needs to consider to assure quality program delivery.

Program level information: Information at the program level follows a presentation pattern similar to the department level presentation. In addition, the program level presentation includes a *Summary of Services Provided*, key performance measures, including actual performance results for 2007 and targets through 2010. Additionally, the program level presentation includes a discussion of departmental performance, and a section titled *Program Notes* to highlight program areas for the reader's benefit.

B. BASIS OF ACCOUNTING

The City budgets and accounts for all funds on a modified accrual basis. This means that (1) revenues are recognized only when they are measurable and available and (2) expenditures are recognized when the good or service being conducted is accepted and approved. For example, an expenditure for consulting services is budgeted when the service (or a portion of the service) is expected to be completed.

At year-end, the City also prepares financial statements on the modified or full accrual basis, as required by the State-prescribed Budgeting, Accounting, and Reporting System (BARS), and by generally accepted accounting principles (GAAP). These financial statements are presented in the City's Comprehensive Annual Financial Report (CAFR).

C. GLOSSARY

The following are definitions of some of the more common terms one may encounter in reviewing this budget document.

Accrual Basis: A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Amended Budget: The amended budget is defined as the authorized mix and level of services, in place as of the last budget amendment ordinance, adjusted for reorganizations so that costs are comparable to the new biennial budget.

Appropriation: A legal authorization granted by the legislative body (City Council) to make expenditures and to incur obligations for specific purposes. For operating fund budgets, these appropriations lapse at the end of each fiscal biennium. For nonoperating/special purpose funds such as the Capital Investment Program Funds, appropriations do not lapse but continue in force until fully expended or until the purpose for which they were granted has been accomplished, abandoned or revised by the City Council.

Assessed Valuation (AV): The fair market value of both real (land and buildings) and personal property as determined by the King County Assessor's Office for the purpose of calculating property taxes.

Asset: Resources owned or held by a government that have monetary value.

BARS: The acronym "BARS" stands for Budgeting, Accounting, and Reporting Systems as prescribed by the State of Washington.

Balanced Budget: The budget is in balance when revenues plus available resources are equal to or greater than planned expenditures plus reserves.

Base Budget: Cost of continuing the existing levels of service in the current budget biennium.

Beginning Fund Balance: A revenue account used to record resources available in one fiscal biennium because revenues collected were in excess of the budget and/or expenditures in the prior fiscal biennium.

Biennial Budget: The financial and operating plan for the City that establishes a two-year appropriation in accordance with Washington State law.

Bond: A long-term "IOU" or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are typically used to finance capital projects.

Budget – Adopted and Preliminary: The City Manager submits to the City Council a recommended expenditure and revenue level for all City operations for the coming biennial year as the Preliminary Budget. When the city Council agrees upon the revenue and expenditure levels, the Preliminary Budget becomes the Adopted Budget, funds are appropriated, and legal expenditure limits are established.

Budget Calendar: The schedule of key dates that a government follows in the preparation and adoption of the budget.

Budget: A financial operating plan for a given period which displays the estimated expenditures to provide services or to accomplish a purpose during that period together with the estimated sources of revenue (income) to pay for those expenditures. Once the fund totals shown in the budget are appropriated by the City Council, they become maximum spending limits.

Budgetary Basis: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: Generally Accepted Accounting Principles (GAAP), cash, or modified accrual. The City budgets and accounts for all funds on a modified accrual basis. This means that (1) revenues are recognized only when they are measurable and available and (2) expenditures are recognized when the good or service being conducted is accepted and approved.

Budgetary Control: The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Asset: Property that has an initial useful life longer than one year and that is of significant value. The useful life of most capital assets extends well beyond one year. Includes land, infrastructure, buildings, renovations to buildings that increase their value, equipment, vehicles, and other tangible and intangible assets.

Capital Expenditure: An outlay that results in or contributes to the acquisition or construction of a capital asset.

Capital Investment Program (CIP): The CIP is a major planning tool of the City of Bellevue in which needed improvements to the City's facilities and infrastructure are identified, prioritized, priced, and discussed with the City Council and public. Funding from a variety of sources, including local taxes, is matched with the costs of these projects. After the City Council has reviewed and approved the program, these projects are implemented. The CIP covers a seven-year period and is updated every two years.

Capital Project: Major construction, acquisition, or renovation activities that add value to a government's physical assets or significantly increase the useful life.

Cash Basis: The "basis" of either accounting or budgeting refers to the timing with which we recognize revenues and expenses. Under "cash" basis, a transaction is recorded when cash is increased or decreased.

Chart of Accounts: A list of expenditure, revenue, and other accounts describing and categorizing financial transactions.

CIP: The acronym "CIP" stands for Capital Investment Program. It is a seven-year plan of capital improvements approved by the Council on a biennial basis. This plan is a blueprint which City staff can follow in implementation of the listed projects.

Community Development Block Grant (CDBG): A U.S. Department of Housing and Urban Development (HUD) annual grant to Bellevue and other local governments to support economic development projects, human services, low-income housing, and services in low-income neighborhoods.

Comprehensive Annual Financial Report of the City (CAFR): The City's annual financial statement prepared by the Finance Department.

Constant or Real Dollars: The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money as compared to a certain point in time in the past.

Consumer Price Index (CPI): A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services: Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Credit Rating: The credit worthiness of a governmental unit as determined by an independent rating agency. The City of Bellevue is rated by two rating agencies: 1) Moody's Investor Service and 2) Standard and Poor's.

Debt Service: The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Deficit: The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department: Basic organizational unit of City government responsible for carrying out a specific function.

Depreciation: Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence.

Desired Program Outcomes: The consequence of what a program or activity does. An end result of a process.

Development-Related Fees: Those fees and charges generated by building, development, and growth in a community. Included are building and street permits, development review fees, zoning, platting, and subdivision fees.

Direct Services Overhead: Costs for centrally-provided internal services which can be identified to specific departments and which departments can control how much of the service they use (e.g., postage, word processing, long-distance phone charges).

Disbursement: The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program: A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Double Budgeting: The result of having governmental funds or departments purchase services from one another rather than from outside vendors. When internal purchasing occurs, both the "buyer" and the "seller" of services must have a budget. The "buyer" has to budget the expenditure and the "seller" has to have resources in its budget to provide the service. This type of transaction results in inflated budget values because the same expenditure or revenue dollar is budgeted twice, once in each fund's budget. The budget has not been adjusted to remove double budgeting.

Effectiveness Measure: A measure used to determine if a program or department is achieving its desired outcome. The degree to which a performance objective is being achieved.

Efficiency Measure: This measure reflects the relationship between work performed and the resources required to perform it. It demonstrates how well the available resources are being used.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund: Separate financial accounting used for government operations that are financed and operated in a manner similar to business enterprises and for which preparation of an income statement is desirable.

Expenditure: An expenditure is, in simple terms, the payment for goods and services. Under the modified accrual basis, expenditures are recognized when goods are received or services are rendered; provided that payments for expenditures are made within a 60-day period thereafter.

Expense: Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Financial Policy: A government's conscious decision on the financial direction it wants to take regarding revenue, spending, and debt management in relation to government services, programs, and capital investment. Financial policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Biennium: In accordance with Washington State Law (RCW 35A.34), a fiscal biennium is the period from January 1 of each odd-numbered year through December 31 of the next succeeding even-numbered year (i.e., January 1, 2009 - December 31, 2010).

Fiscal Year: A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Bellevue's fiscal year is the same as the calendar year.

Fixed Assets: Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Full-Time Equivalent (FTE): The acronym "FTE" stands for Full-Time Equivalent and represents the measure by which the City accounts for its staffing. A regular City employee working a standard 40-hour week is counted as 1.0 FTE; a regular City employee working fewer than 40 hours per week is counted as a portion of an FTE (e.g., 30 hours a week is counted as 0.75 FTE).

Fund Balance: The difference between resources and expenditures.

Fund: Governmental accounting systems are organized and operated on a fund basis. A fund is an independent financial and accounting entity with a self-balancing set of accounts in which financial transactions relating to resources, expenditures, assets, and liabilities are recorded. Funds are established to account for the use of restricted revenue sources and, normally, to carry on specific activities or pursue specific objectives. Funds may be established by the State Constitution, State statute, City Charter, City ordinance, or Finance Director.

GAAP: Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

General CIP Revenue: General CIP Revenue is defined as the revenue dedicated to CIP use derived from the 0.5% local optional sales tax, 0.03% business and occupation tax, interest earnings on unexpended balances, and any miscellaneous unrestricted revenues. General CIP Revenue is allocated to each non-utility program area based on overall priorities.

General Fund: A central fund into which most of the City's general tax revenues and discretionary resources are pooled and which is allocated to support many of the operations of City government.

General Obligation (GO) Bond: This type of bond is backed by the full faith, credit, and taxing power of the government.

Goal: The end toward which effort or ambition is directed. Condition or state to be brought about by a course of action.

Grants: A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantor.

Indirect Services Overhead: Cost of centrally-provided internal services for which there is a citywide benefit that cannot be readily identified to specific departments (e.g., financial services).

Infrastructure: The physical assets of a government (e.g., streets, water, sewer, public buildings, and parks).

Interfund Services Revenue: The term "interfund" refers to transactions between individual funds of the City of Bellevue (rather than transactions between the City and private companies, other governments, or vendors). From a budgeting and accounting perspective, the service receiver must budget and pay for the service received. The service provider will budget for the cost of providing the service and receive revenue in the form of a payment from the service receiver. Interfund revenues can be either payment for intracity services or contributions of revenue from one City organization to another. Examples of interfund revenues include equipment rental charges, self-insurance premiums, and contributions for debt service obligations. As can be seen from this description, interfund activities inflate both expenditures and revenues; this causes what we refer to as "double budgeting".

Intergovernmental Revenue: Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Charges: The charges to user departments for internal services provided by another government agency, such as data processing or insurance funded from a central pool.

Lapsing Appropriation: An appropriation made for a certain period of time, generally for the budget biennium. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provided by law.

Leadership Team: The City's administrative decision-making body consisting of all department heads, the deputy and assistant city managers, and the City Manager.

LEOFF: The acronym "LEOFF I" stands for Law Enforcement Officers and Firefighters I retirement program.

Levy: To impose taxes for the support of government activities.

Limited-Term-Employee (LTE): The acronym "LTE" stands for Limited Term Employee and represents an individual hired full or part-time for a specific project or purpose with an employment period not to exceed three years.

Line-Item Budget: A budget prepared along departmental lines that focuses on what is to be bought.

Long-Term Debt: Debt with a maturity of more than one year after the date of issuance.

M&O (Maintenance and Operating) Costs: Expenditure category that represents amounts paid for supplies (e.g., office supplies, repair and maintenance supplies, minor equipment, and software), and other services and charges (e.g., ongoing contracts, professional services, communications, rent, utilities, and intergovernmental services).

Maintenance of Current Service Levels: A budget concept aimed at identifying the additional level of resources needed in a particular budgetary period to provide the same quality level of service as was provided in the prior budgetary period. Factors which might affect the cost of maintaining a current service level from year to year include inflation and mandatory cost changes, and changes in service volumes.

Modified Accrual: The basis of accounting used by the City of Bellevue to recognize revenues and expenditures. The "basis" of either accounting or budgeting refers to the timing with which we recognize revenues and expenses. Under modified accrual, expenditures are recognized when goods are received

or services are rendered, and revenues are recognized when earned; provided that payments for expenditures are made, and revenues are collected, within a 60-day period thereafter.

Net Budget: The legally adopted budget less double-budgeted items such as interfund transfers and interdepartmental charges.

Nonoperating/Special Purpose Fund: A budgeting, accounting, and reporting entity established to receive revenues typically of a noncontinuing nature and to make expenditures for noncontinuing projects or programs. It usually has a short-term life, after which the fund will be disbanded. Although budgets may be established on an annual or biennial basis, appropriations are nonlapsing and continue from biennium to biennium.

Object of Expenditure: An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, land, or furniture.

Objective: Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations: Amounts which a government may be legally required to pay out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Costs: Operating costs (also called maintenance and operating costs or M&O costs) are planned expenditures, covered in the City's Operating Budget, for conducting continuing service programs based at the physical facilities constructed, reconstructed, or acquired by the Capital Investment Program. For example, the costs of personnel and supplies for maintaining a park property once it is constructed are "operating costs," while the costs of constructing the park itself are capital costs. Another example of an operating cost would be the necessity of paying for electricity to run a traffic signal once a CIP-financed intersection has been constructed.

Operating Expenditure: The cost of personnel, materials, and equipment required for a department to function.

Operating Fund: Operating funds have biennially-established balanced budgets which lapse automatically at the end of the fiscal biennium. These funds carry on the traditional service operations of a municipality.

Operating Revenue: Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Transfers: Amounts transferred from one fund to another to assist in funding the services for the recipient fund.

Pay-As-You-Go Basis: A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Budget: A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Performance Indicators: Specific quantitative and qualitative measures of work performed as an indicator of specific department or program activity or accomplishment.

Performance Measure: An indicator which measures the degree of accomplishment of an activity. The three types used in the City of Bellevue are: Effectiveness - the degree to which performance objectives are being achieved; Efficiency - the relationship between work performed and the resources required to perform it and is typically presented as unit costs; and Workload - a quantity of work performed.

Personnel: Expenditure category that represents amounts paid for personal services rendered by employees (e.g., salaries and overtime pay) and benefits paid by the City.

Policy: A policy is a guiding principle which defines the underlying rules which will direct subsequent decision-making processes.

Program: A group of related activities and projects which seek to accomplish a common objective.

Program Area: The CIP can be described as having ten program areas. They are: Transportation, Parks, General Government, Public Safety, Community and Economic Development, Neighborhood Enhancement Program, Neighborhood Investment Strategy, Water, Sewer, and Storm Drainage. Three program areas are further segmented into established project categories as follows: Transportation (Roadways, Intersections, Walkways/ Bikeways, and Maintenance/Minor Capital); Parks (Park Acquisition and Development and Park Redevelopment); and Community and Economic Development (Community Development and Economic Development).

Program Budget: A method of budgeting whereby the services provided to the stakeholders are broken down in identifiable service programs or performance units. A unit can be a department, a division, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

Program Revenue: Revenues earned by a program, including fees for services, licenses and permits, and fines.

Project Cost: The project cost is an estimate of the resources required to complete the capital project as described on the project description page. Many of the project costs shown in the CIP Plan are preliminary in nature since no significant engineering has been done which would allow for more specific estimates to be produced. Most cost estimates are produced using rule-of-thumb approximations as opposed to specific lists of materials.

Project Prioritization Criteria: Individual capital projects are ranked by priority which has an impact on funding and scheduling in the CIP Plan. In the review process, department staff, with input from Councilmembers, boards and commissions, and other interested groups, identify factors which would make one project of higher priority than another. These factors are termed project prioritization criteria.

Public Hearing: A public hearing is a specifically designated time, place, and opportunity for citizens, community groups, businesses, and other stakeholders to address the City Council on a particular issue. It allows interested parties to express their opinions and the City Council and/or staff to hear their concerns and advice.

RCW: The acronym "RCW" stands for Revised Code of Washington which is Washington State Law.

Reserve: An account used either to set aside budgeted resources that are not required for expenditure in the current budget biennium or to earmark resources for a specific future purpose.

Resolution: A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources: Total dollars available for appropriation, including estimated revenues, interfund transfers, other financing sources such as the sale of fixed assets, and beginning fund balances.

Restricted/Unrestricted Revenue: A revenue is considered restricted when its receipt is either based upon the reasonable expectation that fees or charges paid to the City will be utilized to provide a specific product, service, or capital asset to the payor, or their receipt is directly tied to an expenditure. Revenue

is also considered restricted when voters or the City Council has designated it for a specific purpose by ordinance or resolution. Revenues not designated restricted are considered unrestricted.

Revenue: Sources of income received during a fiscal year, operating transfers from other funds, and other financing sources such as the proceeds derived from the sale of fixed assets.

Revenue Bond: A type of bond backed only by the revenues from a specific enterprise or project, such as a utility.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically a future fiscal year.

Service Level: Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Source of Revenue: Revenues are classified according to their source or point of origin.

Supplemental CIP: In 2007, the City Council adopted the Supplemental CIP which represents high priority capital projects that focus on the following priority areas: 1) Downtown Implementation; 2) Transportation Capacity and Congestion; and 3) Neighborhood Investments. Funding for these projects is provided by limited tax general obligation bonds.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Training Pool Employee: An employee who is hired into a position created for the purpose of training for a regular position of the City. This classification is typically used for positions that required extensive training such as police officers or dispatchers.

Transitional Employee Position: An employee who is hired into a position created for the purpose of training for a regular position when the incumbent has submitted a resignation or the manager knows the position will be vacant within a year.

Uncommitted Resources: The net resources available after meeting the estimated cost of providing existing levels of service which may be used to support new or qualitatively expanded service programs or resource reductions.

Undesignated Fund Balance: The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Unless otherwise noted, the 2007, 2008, 2009, and 2010 budget values shown in this document have been amended. They represent the adopted budgets plus additional appropriations resulting from City Council decisions made throughout the year and any reorganizations.

User Charges: The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Utility Services: A term used to describe services provided by Bellevue's three self-supporting utility funds: Sewer, Storm & Surface Water, and Water.

Variable Cost: A cost that increases/decreases with increases/decreases in the amount of service provided such as the payment of a salary.

Workload Measure: A unit of work accomplished (e.g., number of permit applications reviewed, the number of households receiving refuse collection service, or the number of burglaries investigated).

D. LOCATING ADDITIONAL BUDGET AND FINANCIAL INFORMATION

The City of Bellevue publishes a number of documents that provide information about the City's finances. Some of the more important documents that might be of interest include:

- The Comprehensive Annual Financial Report (CAFR) presents the year-end financial status and results of operations for each of the City's funds, as well as various statistical and demographic information about the City of Bellevue.
- Quarterly Monitoring Reports discuss the status of operating and CIP resources and expenditures each quarter including a year-end projection of probable outcomes.
- Performance Measures and Budget Survey reports discuss the results of scientifically conducted telephone surveys of residents' opinion on City performance and budget priorities.
- Annual Performance Report shows selected performance measures for all departments. This document shows target and actual performance for the year, where actual performance has met or exceeded the target, and describes steps being taken to improve performance.
- ICMA Comparative Cities Report compares Bellevue's performance to other cities nationwide.
- Our financial reports can be found at <http://www.bellevuewa.gov/finance.htm>.

Requests for any of these documents or inquiries about other financial programs of the City of Bellevue should be directed to:

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