



Reader's Guide and Glossary

Understanding a municipal budget and its specialized terminology can be a challenge. 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. 2015-2016 Budget Process

This section describes the Budget One process used by Bellevue to develop the City's budget.

B. Budget Document

This section identifies the format and information presented in the 2015-2016 Budget document.

C. Basis of Accounting and Budgeting

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

D. Glossary

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

E. Locating Additional Budget and Financial Information

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



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A. 2015-2016 Budget Process

Starting with the development of the 2011-2012 Budget, the City has used a “budgeting for outcomes” (also known as “priorities of government”) process called "Budget One" to develop the City’s budget. The 2015-2016 Operating Budget and 2015-2021 CIP Budget continue using Budget One to develop the City’s budgets.

Budget One is a process that:

- 1) identifies the community’s broad priorities, referred to as “Outcomes”;
- 2) prioritizes services to meet those Outcomes; and
- 3) Funds those services within available revenue.

Budget One puts the emphasis on community expectations for government services, not how the City is organized (departments). The process is designed to focus on results and priorities. The budget process shifts the emphasis from paying for costs to buying results. It puts identified community priorities first. The Budget One methodology is designed to emphasize accountability, innovation and partnerships.

Budget One Outcome Areas

On February 3, Council approved using the same budget outcomes utilized in the last two budget cycles:

- **Safe Community** - focusing on maintaining a safe place to live, work and play.
- **Improved Mobility** - focusing on existing and future infrastructure, traffic flow, built environment and travel options.
- **Healthy and Sustainable Environment** - focusing on preserving natural spaces and providing a healthy environment, which supports healthy living for current and future generations.
- **Innovative, Vibrant, and Caring Community** - promoting community engagement and fostering diversity and creativity in City-provided services.
- **Quality Neighborhoods** - creating a “sense of community” by maintaining neighborhoods that support families and providing convenient access to day-to-day activities.
- **Economic Growth and Competiveness** –planning for growth that will add value to the quality of the City and create a competitive business environment that supports entrepreneurs and creates jobs.
- **Responsive Government** - fostering stewardship of financial and property interests, reflecting sound business practices, and ensuring deployment of programs that are necessary to deliver the highest priority services.



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Budget One Guiding Principles

In January, building on the 2013-2014 Budget One, the Leadership Team validated the overall guiding principles under which Budget One 2015-2016 would be developed.

Foremost is the Council's long-term policy that quality service programs will be offered by the City of Bellevue.

Other guiding principles included:

- a focus on services that deliver Outcomes important to the community and that are responsive and accessible to all;
- position Bellevue to realize opportunities and enhance the City's image;
- an examination of the entire budget, not just incremental changes from the last budget;
- a commitment to innovation, efficiency, and sound business practice;
- a focus on Citywide, not Department, priorities;
- a long-range strategic approach to an affordable and sustainable budget; and
- if expenditure reductions are necessary, service elimination is preferable to poor or marginal quality programs.



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Budget One Process Calendar

The 2015-2016 Budget One Process for both Operating and CIP budgets consists of the following:

Milestone/Process Point	2014 Month	Status
Budget Survey of citizens	Survey conducted in January; report published March 24	Completed
Performance Measures Survey	Conducted in January/February; report published May 5	Completed
Council validates the seven identified community Outcomes that will frame 2015-2016 Budget, as well as the 2015-2021 Capital Investment Program (CIP) Plan.	February 3	Completed
Neighborhood Leadership Gathering	February 27	Completed
Staff Results Teams develop Cause and Effect Maps and Requests for Results (RFR's) for each Outcome.	February - March	Completed
City Council provides policy direction and priorities during a Workshop for the development of the operating and CIP budgets.	4-hour Budget Workshop March 24	Completed
Service providers or proposal writers (which could be a cross-section of departments, work teams, partnerships, etc.) request funding from Results Teams in alignment with the Outcomes.	April	Completed
First Public Hearing	May 19	Completed
Second Public Hearing	July 7	Completed
Results Teams' recommendations go to the Leadership Team for a comprehensive review across Outcomes.	July - August	Completed
Second Council Workshop held to provide ongoing policy direction based on the Results Teams' rankings and to review a revised and updated comprehensive financial forecast that includes the effects of the June-June CPI Cost of Living Adjustment.	July 28	Completed
Leadership Team recommends a budget to City Manager.	August	Completed
Third Council Workshop held to follow-up on Council suggestions from the July 28 th budget workshop. Staff presents the current status of the Operating Budget, highlighting the changes made through the Leadership Team and early City Manager review. Staff requests additional Council feedback.	October 6	Completed
The City Manager presents his proposed budget to the City Council.	October 27	Completed
Third Public Hearing	November 19	
Council reviews, deliberates, and adopts a final 2015-2016 Budget and 2015-2021 CIP.	October to December	



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Why Budget for Outcomes

The Budget One process examines all City services and projects in relation to community values and priorities as defined by City management and the City Council. The overarching goal of Budget One is to produce a budget that effectively and efficiently provides government programs that produce the results that matter most to the community. The Budget One approach challenges the traditional budgeting and is focused on producing positive outcomes for all Bellevue stakeholders.

Budgeting for outcomes (Budget One) increases accountability by placing the focus on achieving results. This drives the organization to track performance and assess whether we are delivering the results citizens expect.

The Budget One process allocates money to the community results, called Outcomes that are important to residents and stakeholders. City staff members then write proposals to cross-departmental, Outcome-based review teams called Results Teams. Results Teams evaluate and rank proposals based on evidence of what works to achieve the desired Outcomes.

Each Result Team ranks proposals for their Outcome and draws a line where the money allocated to that Outcome runs out. Proposals above the line are recommended for funding and those below the line are not. Additionally, Results Teams evaluate proposals to ensure that they are delivering the right level of service for a reasonable price and make recommendations to alter proposals to reflect this “rightsizing.” Results Teams present their rankings to the City’s Leadership Team of department directors, who look across the Outcomes with the goal of addressing the overall needs of the City. The Leadership Team forwards the combined recommendations to the City Manager. The City Manager then submits his recommendations as a preliminary budget to the Bellevue City Council for their review and approval.

The Bellevue City Council adopted seven Outcome areas during the 2011-2012 Budget One process that reflect Bellevue citizens’ highest priorities. These Outcomes were validated by Council for the 2015-2016 Budget early in the process.

The City Manager selected staff from throughout the organization to serve on Results Teams (RTs). These teams – representing citizens -- created cause-and-effect maps that graphically displayed the logic model for delivering municipal services. Using information such as budget and performance survey data, past performance, industry standards, leading practices and other relevant benchmarks to assess service levels and delivery they developed purchasing strategies for each Outcome that departments used as a guide for developing funding proposals to achieve results that matter most to the community.

In May, RTs completed an initial evaluation and ranked list of proposal based on the criteria in their Outcome’s Request for Results.



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In June RTs completed their 2nd ranking of proposals. Each RT received a resource allocation based on Council last adopted policy direction (Adopted Budget 2013/2014) and an updated financial forecast. Council convened two additional budget workshops in July and October.

Results Teams provided their recommendation for funding to the City's Leadership Team of department directors in July 2014. In August, the Leadership Team worked to balance proposals across Outcomes with an eye toward citywide priorities and provided their recommendation for funding to the City Manager.

The City Manager presents his preliminary budget to the City Council on October 27, 2014. Council will adopt a budget in December.

B. Budget Document

The 2015-2016 Preliminary Budget and 2015-2021 CIP Plan

The 2015-2016 Budget and 2015-2021 CIP Plan is designed to provide the reader with a comprehensive look at Bellevue's Budget. It is organized both by Outcome and department, and includes summaries relating to the Forecast, resources and expenditures, staffing, department organization, and the Capital Investment Program (CIP) Plan. The following is a description of each section of the document.

Chapter 1 – Transmittal Letter

The Budget Transmittal Letter presents the City Manager's message on the 2015-2016 Budget and the 2015-2021 CIP Plan to the Mayor, Councilmembers, residents, and other stakeholders. The City Manager's transmittal letter highlights priorities and issues for both operating and CIP budgets.

Chapter 2 – Executive Summary

The Executive Summary presents a high level summary of the key components of the 2015-2016 Budget.

Chapter 3 – Council Priorities

Council Priorities presents the priorities of the Bellevue Council. The Council approved a long-term vision, called "Bellevue 2035 – The City Where You Want To Be" at its May 19, 2014 Regular Session. The vision introduction reads: "Bellevue welcomes the world. Our diversity is our strength. We embrace the future while respecting our past."



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This section shows the Council's two year priorities of their seven strategic target areas in relationship to proposals recommended for funding in this budget.

Chapter 4 – Reader's Guide, Glossary

The Reader's Guide provides an overview and glossary of definitions. The Glossary provides the definition of terms and acronyms used in this document.

Chapter 5 – Stakeholder Summary

The Stakeholder Summary section presents an overview of the 2015-2016 stakeholder outreach process through September 2014.

Chapter 6 – Forecast

The Forecast predicts the resources (income) and service level expenditures (spending) for major City operations and enterprise funds. 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 predictions.

Chapter 7 – Resource and Expenditure Summaries

This chapter provides an overview of resources and expenditures through graphic presentations of tax and fee revenue and spending by fund, department and outcome.

Chapter 8 – Proposed Operating Budget by Outcome

This chapter provides an overview of each of Bellevue's community outcomes:

- Economic Growth and Competitiveness
- Healthy and Sustainable Environment
- Improved Mobility
- Innovative, Vibrant and Caring Communities
- Quality Neighborhoods
- Responsive Government
- Safe Community

It contains summary information on the strategies adopted by the Results Teams. Each Outcome's Results Team decided which strategies will most impact achievement of the Outcome. Departments and cross-departmental teams wrote proposals to the Results Teams on how best to achieve the desired outcomes relating to the purchasing strategies, and Results Teams ranked them, recommending top-ranked proposals.

In this chapter, you will find Cause and Effect Maps that list the strategies that influence Outcome achievement and a Purchasing Plan Overview that provides a



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summary of the services that will be purchased. Additionally, this chapter contains proposal rankings by Outcome, a listing of proposals that were and were not recommended for funding, proposal summaries and a list of performance measures for each proposal. Finally, each Outcome's section includes a list of key indicators that measure overall Outcome results.

Chapter 9 - Preliminary CIP

This chapter provides information about the Capital Investment Program (CIP) Plan. It provides a balanced seven-year forecast through 2021.

Chapter 10 – Department Information

This chapter provides an organizational chart of each departments' major activities, information regarding the departments' objectives for the 2015-2016 budget and major accomplishments in the 2013-2014 biennium, and overview of departmental expenditures by category and by fund, a comparison of staffing levels between the 2013-2015 Budget, 2013 Actual Expenditures and 2014 Amended Budget.

Chapter 11 – Appendix

This chapter contains the Financial Policies for the City, past budget related ordinances and a summary of Full Time Equivalent (FTEs) positions.

***Note:** Complete versions of each proposal and of the 2015-2016 Budget document are available on the City's internet and in hard copy at Bellevue Regional Library and City Hall. Please see Section E of the Reader's Guide for more information on accessing these documents.*

C. Basis of Accounting and Budgeting

The City budgets and accounts for all funds on a modified accrual basis. The "basis" of either accounting or budgeting refers to the timing with which the City recognizes revenues and expenses. Under modified accrual, expenditures are recognized when goods are received or services are executed, and revenues are recognized when they are measurable and available; provided that payments for expenditures are made, and revenues are collected, within a 60-day period thereafter.

At year-end, the City also prepares financial statements on the modified and 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).



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D. Glossary

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

Adopted Budget: A plan of financial operations, legally adopted by the City Council, providing an approved level of expenditures and a means of financing them for a given fiscal period.

Amended Budget: The amended budget is the authorized type 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. They represent the adopted budgets plus additional appropriations resulting from City Council decisions made throughout the year and any reorganizations.

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, appropriations lapse at the end of each fiscal biennium. For non-operating/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 tax 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.

Balanced Budget: The budget is in balance when revenues plus available resources are equal to or greater than planned expenditures plus reserves. The requirement for a balanced budget is found in the **RCW 35A.34.120**.

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

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

Basis: This refers to the method 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) expenditures are recognized when goods are received or services are executed, and 2) revenues are recognized when they are measurable and available; provided that payments for expenditures are made, and revenues are collected, within a 60-day period thereafter.

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.



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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 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: 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.

Budget – Preliminary and Adopted: 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.

Budgeting for Outcomes: A process used to create budgets that focuses on achieving specific results with strategies that provide the highest value for the dollar.

Budget One: The term used for the City of Bellevue’s budgeting for outcomes-based budget process; the term was first used in development of the 2011-2012 Budget.

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 and 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.

Cause and Effect Maps: A visual representation of the pathway to a desired Outcome. Using words and/or images, it helps viewers understand the cause-effect connection between funding, activities and an Outcome. Cause and Effect Maps are included in the Request for Results.

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



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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.

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 Investors 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: A 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.

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.



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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 higher budget values because the same expenditure or revenue dollar is budgeted twice, once in each fund's budget. This document shows the budget with (gross) and without (net of) double budgeting.

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 entity 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: 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, 2013 - December 31, 2014).

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.



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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.

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

General CIP Revenue: Revenue dedicated to CIP use. General CIP Revenue is derived from real estate excise tax, portions of local optional sales tax and business and occupation tax, interest earnings on unexpended balances, and 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 City government.

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 support 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).

Interfunds: Transactions between individual funds of the City of Bellevue (rather than transactions between the City and private companies, other governments, or vendors). Funds are budgeted in both the service providing and service receiving departments (see, "Double Budgeting"). Examples of interfund revenues include equipment rental charges, self-insurance premiums, and contributions for debt service obligations.

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.

Leadership Team: The City's administrative decision-making body consisting of all Department Directors, the Deputy City Manager, and the City Manager.

LEOFF 1: The acronym "LEOFF I" stands for Law Enforcement Officers and Firefighters I retirement program.



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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: An 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).

Mandate: A legal requirement that a jurisdiction provide a specific service at a specific level.

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 executed, and revenues are recognized when they are measurable and available; 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.

Non-Operating/Special Purpose Fund: A budgeting, accounting, and reporting entity established to receive revenues typically of a non-continuing nature and to make expenditures for non-continuing 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 non-lapsing and continue from biennium to biennium.

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: See M&O Costs.

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.



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

Outcome: The result citizens want from their government programs and activities. Bellevue has seven Outcomes: Responsive Government; Healthy & Sustainable Environment; Innovative, Vibrant & Caring Community; Quality Neighborhoods; Safe Community; Improved Mobility; and Economic Growth & Competitiveness.

Output: An output is a unit of a product or service produced through activities and programs (e.g. number of clients lunches served, tons of waste collected, or the number of applications processed).

Pay-As-You-Go Basis: A term used to describe a financial policy by which outlays are financed from current revenues rather than through borrowing (in the case of capital expenditures) or reserve building (in the case of retirement funds).

Performance Measure: A measure or combination of measures that allows the observer to know whether performance is in line, ahead of or behind expectations. Also known as an "Indicator."

In Chapter 10—Department Information, the text Not Available has been shortened to the acronym NA and the text To Be Determined has been shortened to the acronym TBD.

Personnel: Expenditure category that represents amounts paid for employees (e.g., salaries and overtime pay) and their benefits.

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

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

Project Cost: 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.

Proposal: A written offer of services by a department(s) in response to a Request for Results, issued by a Results Team, to provide a particular service, program or activity that achieves a result. It indicates what the department proposes to do to produce an Outcome, how much it will cost, and how success will be measured. Proposals can be submitted by one department or multiple departments in collaboration with each other.

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.



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Purchasing Strategies: A set of actions chosen to achieve an outcome. A strategy is based on an understanding (or assumption) of the cause-effect connection between specific actions and specific Outcomes. Purchasing strategies are included in the Request for Results.

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

Request for Results (RFR): A description of the desired Outcome, the factors that contribute to achievement of the Outcome, the strategies that will influence Outcome achievement, and the indicators that will serve as a gauge in determining if the results have been achieved.

Result: A result is the Outcome of a program, service, set of activities, or strategy. It describes the impact of a service, set of activities, or strategy. Synonymous with “outcome.”

Results Teams (RT): Interdepartmental teams responsible for determining a set of ranked and optimized budget proposals to achieve an Outcome. There is one result team for each Outcome. The teams set purchasing strategies, create Request for Results, rank proposals, and make initial funding recommendations to the Leadership Team.

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 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 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 payer, or their receipt is directly tied to an expenditure. Revenue is also considered restricted when voters or the City Council have 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.



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

Special Purpose/Non-Operating Fund: A budgeting, accounting, and reporting entity established to receive revenues typically of a non-continuing nature and to make expenditures for non-continuing 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 non-lapsing and continue from biennium to biennium.

Supplemental CIP: In 2007, the City Council adopted the Supplemental CIP plan 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.

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.

Unrestricted Revenue: Revenues not designated restricted are considered unrestricted (see, "Restricted Revenue").

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 and 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.



Reader's Guide and Glossary

E. Locating Additional Budget and Financial Information

In addition to the 2015-2016 Budget document, the City of Bellevue publishes other 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. Each year's CAFR can be found on the City's Finance Department home page at http://www.bellevuewa.gov/financial_reports.htm.

Quarterly Monitoring Reports discuss the status of operating and CIP resources and expenditures each quarter including a year-end projection of probable outcomes. Quarterly Monitoring Reports can be found on the City's Finance Department home page by scrolling down to Quarterly Monitoring Reports: http://www.bellevuewa.gov/financial_reports.htm.

Performance Survey and Budget Survey reports discuss the results of scientifically conducted surveys of residents' opinion on City performance and budget priorities. Performance and Budget Survey reports are located on the City's Performance page at: http://www.bellevuewa.gov/citizen_outreach_performance.htm.

The Annual Performance Report shows selected performance measures for all departments. This document shows target and actual performance for the year, whether actual performance has met or exceeded targets, and it describes steps being taken to improve performance. Please see the City's Performance page at: http://www.bellevuewa.gov/citizen_outreach_performance.htm.

The 2015-2016 Budget document, complete proposals for the 2015-2016 Budget, and other financial reports can be found online at <http://www.bellevuewa.gov/finance.htm>.

Hard copies of the 2015-2016 Budget document can also be found at this location:

Service First Desk, City Hall, 450 110th Avenue N. E.

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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