# City of Bellevue, Washington

# 2009-2010 Preliminary Operating Budget

For the Biennium
January 1, 2009 through December 31, 2010

**Bellevue City Council**
Grant Degginger, Mayor
Claudia Balducci, Deputy Mayor
Patsy Bonincontri
John Chelminiak
Don Davidson
Conrad Lee
Phil Noble

GOVERNMENT FINANCE OFFICERS ASSOCIATION

# Distinguished Budget Presentation Award

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## City of Bellevue

## Washington

For the Biennium Beginning

**January 1, 2007**

President | Executive Director

**The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Bellevue, Washington for its biennial budget for the fiscal biennium beginning January 1, 2007.**

**In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.**

**The award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.**

# City of Bellevue, Washington
# 2009-2010 Budget

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# City of Bellevue, Washington
# 2009-2010 Budget

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City of
Bellevue

Post Office Box 90012 • Bellevue, Washington • 98009-9012

October 27, 2008

The Honorable Mayor Grant Degginger
Members of the City Council
Residents and Stakeholders of the City of Bellevue

Dear Mayor Degginger, City Councilmembers, Residents and Stakeholders of Bellevue:

We are pleased to present the City's 2009-2010 Preliminary Operating Budget and the 2009-2015 Capital Investment Program (CIP) Plan. As in past years, the Budget is being transmitted in late October* to provide residents and other stakeholders with sufficient time to review the documents prior to the final public hearing scheduled for November 17 and prior to the Council's vote on December 1. These combined Budgets (the Budget), totaling $1.1 billion for the 2009-2010 biennium, are recommended for your consideration.

*The Budget recognizes the fiscal constraints faced by the City and the difficult economic times felt by our region and the nation. The Budget maintains the City's quality service levels, provides strategic investments in our utility infrastructure and provides limited investments in streets, sidewalks, parks and other facilities. The investments in roadways and streets are consistent with feedback from our residents who designated streets, traffic and transportation related issues as the number one budget priority for 2009 and 2010. This Budget also continues the City's commitment to work smarter and more efficiently through new technologies.*

Over the last several years, respondents to our citizen surveys have given us consistently high and sustaining scores for quality service delivery and value for tax dollar. Citizens see Bellevue as an excellent city and their neighborhoods as wonderful places to live. The scores that we receive suggest that residents are not only satisfied with our services but that they are confident about Bellevue and proud to live here.

Our last resident survey conducted at the beginning of this year continues this long history of quality and sustainability with high marks from our citizens once more:

- More than 90% described Bellevue as an excellent place to live. Nine in ten consider their neighborhood an excellent or good place to live. [*While consistent with community polls in recent years, this indicator of quality is significant on a national level.*]

- 87% of respondents feel they are getting their money's worth for their tax dollars. [*This is the highest level in the decade history of collecting this standardized data*.]

- Bellevue residents feel safe in the City and in their neighborhoods. [*95% of residents during the day and 76% at night feel safe to very safe in Bellevue's Downtown Business Area. 98% of residents feel safe during the day and 95% feel safe at night in their neighborhoods. From a national perspective, this level of feeling safe is impressive.*]

People and businesses are moving to our city in unprecedented numbers. Our downtown

residential population will double in the next few years from 5,000 to 10,000 just in the projects that are currently under construction. Equally significant is the growing commerical sector of our community. With nearly 8 million square feet of office and commerical space recently occupied or under construction since 2006 (excluding parking structures), we will see approximately 7,000 new workers in Bellevue by the end of 2009. Most of this growth is expected downtown.

An increasing daytime workforce and our growing residential population will require new amenities such as restaurants, retail shops, entertainment, parks, open space, new transportation modes as well as core municipal services such as police, emergency medical services, and fire suppression.

This Budget takes several steps at addressing many of those needs, but does not address all issues.

The fundamental and most significant gap that the City faces is how we will fund the enormous capital needs of a booming City while maintaining the character and quality of life that we have all come to expect.

This Budget is being proposed after extensive discussions with Council that provided a long-range look at the City's needs and evaluated the City's ability to finance those needs. That process assessed major direct services including police, fire, transportation, parks, planning and community development, and utilities over the next 20 years. This past May, Council took early action and invested in critical emerging public safety needs.

This Budget makes the best use of available resources by investing in current services and meeting federal government mandates.

While we've done an excellent job of outlining a future vision for Bellevue as a world class city, much work remains to determine how the City will pay for capital needs to make this vision a reality. This is our greatest challenge.

To meet these needs and remain competitive, the City must focus energies on the development of a comprehensive strategy for addressing the City's long-term capital and operating needs of the community.

**Ready to Face a Slowing and Uncertain Economy**

This proposal comes at a time when the economy is slowing dramatically. Despite the current economic conditions, our years of fiscal restraint, lean and efficient workforce, and targeting only the most pressing needs has positioned the City well. We have successfully faced difficult times through recessionary downturns such as in 2001 and the end of the "dot.com" years and have emerged as a stronger community.

We have the management structure in place to take necessary actions to manage through economic downturns and to continue the level of high quality core services that our residents and other stakeholders expect. It is our practice to budget for the long-term and manage our resources carefully. We add programs and positions only in response to identified needs and not because our revenues have faired well for a budget period. Department managers are able to curb spending during tough times and closely monitor expenditures and revenues periodically to assure that we live within our means. We are prudent guardians of our resources and our conservative fiscal approach positions us to constrain spending or take advantage of new opportunities to assure a balanced budget.

Given this uncertainty, this Budget takes a cautious approach with minimal investments. This Budget:

- Has no increase in tax rates
- Sustains current operations
- Invests in the environmental stewardship initiative
- Invests in efficiencies that will reduce City costs in the long run
- Makes permanent several pilot programs
- Funds federal mandates

**Budget Maintains Bellevue's Quality Services**

The Preliminary Operating Budget maintains services and includes the addition of 8.25 new positions. Many of these positions are revenue supported or necessary to convert limited term positions where service demands are expected to continue. Details of these budget adds can be found on the Budget Enhancement pages of each department's section in the Budget document. These positions will improve the efficiency and effective of our services to our residents and will maximize our revenues. They address not only critical maintenance needs but also advances such as opening of the Mercer Slough Environmental Center. Highlights of the proposed service additions include:

Streetlight Maintenance. This Budget makes permanent a position that addresses the increased number of street lights and traffic signals maintenance and outages. This position is funded through existing resources.

Implementation of NORCOM. The Budget allocates $1 million to the implementation of the new regional communication center that will be operated jointly with several other cities. Over the long-term, this regional facility is expected to reduce costs by increasing operational efficiencies for all jurisdictions.

Addresses Federal Mandates. This Budget includes $0.1 million to meet the requirements of the Clean Water Act and our National Pollutant Discharge Elimination System permit. A companion proposal, that includes additional staffing is included in the Utilities funds.

Parks and Open Space. The Budget includes the addition of one position to staff the new Mercer Slough Environmental Center and makes permanent the "Wrap Around Services" pilot program at Lake Hills Elementary. The position at Lake Hills uses existing resources.

Improving the Housing Stock. The Budget increases staffing to a full time position from the current .75 position for the Community Development Block Grant funded program focused on the home repair program for low and moderate income residents.

Commitment to the Arts. Despite the economic uncertainty that we face, this Budget continues our strong commitment to arts and culture. The Budget includes $80,000 over the biennium to support the Bellevue Jazz Festival.

Support Services. This Budget makes permanent two positions that support the City's motor vehicle fleet. One position makes permanent the City's Fleet Warranty Recovery Program which has been successful in receiving rebates for parts and services which fully offset the cost of this position. The second position makes permanent a position to maintain the City's growing vehicle fleet.

The Budget includes a Tax Analyst position to assist with the growing volume of delinquent collections and desk audits. This position will pay for itself and is revenue producing.

The Budget makes permanent a public disclosure position to help manage the growing complexity and demands for public disclosure information from the public.

The Budget includes making permanent an office assistant in Fire Prevention to coordinate the City's fire permit fee process. The following table provides a summary of these proposed position additions excluding Utility positions:

| | |
|---|---|
| Streetlight Maintenance | |
| Streetlight Maintenance Technician -- LTE Conversion | 1.00 |
| Parks and Open Space | |
| Wrap Around Services Coordinator -- LTE Conversion | 1.00 |
| Mercer Slough | 1.00 |
| Improving the Housing Stock | |
| Home Repair Loan Specialist | 0.25 |
| Support Services | |
| Public Disclosure Analyst -- LTE Conversion | 1.00 |
| Fire Prevention Sr. Office Asst -- LTE Conversion | 1.00 |
| Fleet Warranty Program -- LTE Conversion | 1.00 |
| Asst Mechanical Svcs Tech -- LTE Conversion | 1.00 |
| Tax Analyst | 1.00 |

**This Budget Invests in the City's Infrastructure and Future**

As with many cities, Bellevue is struggling to keep up with infrastructure needs. This Budget does not meet all of Bellevue's capital needs, nor does it fund all investment requests put forward by departments related to the City's streets, sidewalks and related infrastructure. Our long-range CIP financing discussions have been helpful to setting a future strategic direction. We will have additional discussions on the CIP needs that have to be addressed over the next decade and the ways to finance them. This capital budget funds only a fraction of those needs.

The 2009-2015 General Capital Investment Program (CIP) makes the best use of limited resources by sustaining current capital programs and includes a handful of investments in critical projects that are focused on reducing traffic and maintaining mission critical City systems. This Budget is intended to complement the supplemental CIP proposal and the Parks Levy. The Capital Budget:

- Sustains current capital programs
- Provides a minimum number of new projects to support advances in Transportation Safety and Mobility, Technology and Internal Infrastructure; and Environmental Stewardship
- Includes 10.0 FTE positions to move the capital program forward on critical infrastructure.

The 2009-2015 General CIP Plan includes fifteen new or enhanced projects totaling $6.9

million. These projects are highlighted below.

Transportation Safety and Mobility (5 projects):

*Traffic Computer/Communication System Upgrade ($1.7 million).* Funds specialized network engineering, monitoring, response and trouble shooting services in support of the upgrade to the City's traffic computer system from obsolete copper wiring to a new fiber optic system.

*Bellevue Mobility Initiative ($0.7 million).* Studies and updates the Downtown Subarea Transportation Plan, by extending the planning horizon to 2030 to meet the challenges of downtown growth in the long term.

*Pedestrian/Bicycle Safety Program ($0.6 million).* This project provides enhanced funding to the existing program to provide a more comprehensive community-wide safety program emphasizing a more balanced transportation system that offers a safe alternative to travelling by automobile.

*Transportation Demand Management (TDM) Program Enhancement Study ($0.2 million).* This project provides enhanced funding to broaden the current program to provide a more comprehensive city-wide effort to address the impacts of growth on the Transportation system by promoting alternative travel options, such as walking, bicycling, riding the bus, ride sharing and telecommuting.

*I-90 Corridor Modeling Study ($0.2 million).* This project provides funding for the transportation modeling needed to evaluate the impacts of potential Eastgate land use changes and to plan for TDM and other transportation enhancements needed to support the updated land use vision.

Technology and Internal Infrastructure (5 projects):

*ECM Digital Asset Management Implementation ($0.2 million).* This project provides funding to manage the growing volume of digital assets organization wide, such as audio, video, photographs, drawings, recordings, etc.

*Security Payment Card Industry (PCI) Mandated Requirements ($0.5 million).* This project provides funding to acquire the necessary hardware and software to meet the PCI requirements.

*Land Information System (LIS) Redesign/Upgrade ($0.5 million).* This project provides funding to develop system changes and tools for a centralized Master Address Repository.

*Distributed Antenna System (DAS). City Hall Radio and Cell Coverage ($0.3 million).* This project provides funding to replace the current DAS in order to maintain capability to extend cellular service into City Hall.

*Network Resiliency ($0.1 million).* This project provides funding to enhance the City's network to add redundancy in critical systems and add diversity in locations and systems.

Environmental Stewardship (4 projects):

*Right of Way and Restoration Program ($0.7 million).* Provides funding for plantings and restorations for high need and highly visible portions of city right of way.

*Renovation & Refurbishment of Park Facilities Program Enhancement – Enhanced Forest Management ($0.7 million).* Funding to increase the rate at which the City is able to restore and

improve City owned trees and forests, including those at parks, natural areas and open space properties.

*Greenhouse Gas Community Action Plan ($0.1 million*). This project provides funding to continue the City's goal of reducing greenhouse gas emissions by creating and implementing a community wide action plan.

*Green Infrastructure Master Plan ($0.2 million).* This project provides funding to create a consistent and integrated approach to managing the City's Green Infrastructure (i.e., tree canopy, vegetation and ground cover) in order to most efficiently reach desired tree canopy and vegetation levels, neighborhood aesthetics, as well as ecological function.

Electric Service Reliability Study ($0.2 million): This project provides funding to assess Puget Sound Energy's current and future plans/abilities to provide highly reliable electric service to the City of Bellevue.

Placeholder for Parks.

The Plan also includes a $28.5 million funding placeholder, which is earmarked to provide the matching funds for the November 2008 Parks ballot measure. The ballot measure would provide $40.5 million of capital funding over the next twenty years for the acquisition, improvement and development of the open space and park system. The measure is expected to provide $660,000 annually for maintenance and operating costs.

Capital Improvement Plan Staffing.

The CIP proposal includes the addition of six FTEs and the conversion of four limited term positions to permanent status. The following table provides a summary of these proposed position additions:

| | |
|---|---|
| Transportation Safety & Mobility | |
| Traffic Computer/Communications System Implementation | 4.00 |
| Ped/Bike Safety Improvements Project Manager | 1.00 |
| Technology and Internal Infrastructure | |
| LIS Redesign & Upgrade FTE | 1.00 |
| ERP IT Systems & Business Analysts -- LTE Conversion | 2.00 |
| Neighborhood Outreach | |
| Neighborhood Outreach Coordinator -- LTE Conversion | 1.00 |
| Public Art | |
| Art Program Coordinator -- LTE Conversion | 1.00 |

In addition, the Plan includes six projects adopted by the City Council in 2007, collectively known as the Supplemental CIP. Funding for these projects is provided by limited tax general obligation (LTGO) bonds totaling $14.0 million issued in January 2008. These projects focus on several priority areas identified by the City Council:

- Downtown Implementation
- Transportation Capacity and Congestion; and
- Neighborhood Investments

**Budget Includes the Practice of Funding for Reserves**

The Budget includes a new General Fund reserve policy and target reserve levels to assure that we will always be in a position to weather economic tides or to respond to natural disasters. The new policy sets an annual target of 15% of General Fund revenues as a sustaining reserve level and consolidates the current "Rainy Day" fund into this reserve. The changes can be found in Section IX and X of the City's Financial Management Policies.

**Our Utilities Make Needed Investments to Ensure the Long-term Health of our Infrastructure**

This Budget includes the following proposed utility rate increases for 2009 and 2010:

| | 2009 | 2010 |
|---|---|---|
| Water | 9.50% | 9.20% |
| Wastewater | 14.50% | 3.50% |
| Storm and Surface Water | 7.50% | 7.00% |

Increases in wholesale Metro/King County Sewer, Cascade Water Alliance Water costs, inflationary increases in salaries, maintenance & operations, as well as additional capital needs are the primary drivers of the proposed rate increases.

Rapid growth in our housing, retail and commercial stock and regulatory mandates require additional investments to maintain current levels of service. The Utility Budget invests in capacity to accommodate growth, responds to repairs and maintenance demands on aging infrastructure, provides a minimum number of investments to comply with mandated requirements, and includes the addition of 15 new positions.

The following table provides a summary of these proposed position additions:

| | |
|---|---|
| Mandates | |
| Water Technician | 1.00 |
| Water Skilled Worker | 1.00 |
| Development Services - Reviewer | 1.00 |
| Development Services Inspector | 1.00 |
| Illicit Discharge Skilled Worker | 1.00 |
| Surface Water Skilled Worker | 1.00 |
| Aging Infrastructure | |
| Water Skilled Worker | 1.00 |
| Telemetry Technician | 1.00 |
| Sewer Skilled Workers | 4.00 |
| CIP Support | |
| Design Engineer | 1.00 |
| Construction Project Inspector | 1.00 |
| Engineer, Contract Administrator | 1.00 |

The 2009-2010 Budget seeks to minimize rate impacts to city customers while striving to meet Utility system demands. Average monthly Utility bills (including water, wastewater, and storm and surface water) for single-family residential customers are projected as follows:

| Projected Rate Increase | 2009 | | 2010 | |
|---|---|---|---|---|
| Combined Monthly Bill (typical) | $ 98.48 | | $ 109.93 | |
| Wholesale | 6.05 | | 1.88 | |
| Local | 5.40 | | 4.99 | |
| Total Increase | $ 11.45 | 12% | $ 6.87 | 6% |
| Expected Monthly Bill | $ 109.93 | | $ 116.80 | |

In closing, I want to say that Bellevue staff are consistently customer focused and dedicated to producing a quality product for those who live and work in our city. They are the ones who give life to our budget and produce the accolades from our residents and other stakeholders each day. I want to thank all of the City's staff for their dedicated work on developing and producing this Budget.

Sincerely,

Steve Sarkozy
City Manager

** Bellevue submits its preliminary budget to the Council in late October of each biennium. The schedule of budget delivery dates for the last decade was* 10/23/06 for 2007-2008; 10/18/04 for 2005-2006; 10/28/02 for 2003-2004 and 10/23/00 for 2001-2002.

# 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;

- o **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).

- o **Funding Summary** - a summary of the funding sources that support the expenditure activity;

- o **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.

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.

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.

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

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 CALENDAR

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

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.

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.

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.

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.

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.

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.

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

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.

FUND BALANCE

The difference between resources and expenditures.

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 OBLIGATION (G.O.) BOND

This type of bond is backed by the full faith, credit, and taxing power of the 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 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 I

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 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 EXPENDITURES

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

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 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. Typically presented as unit costs.
- Workload - a quantity of work performed.

PERFORMANCE INDICATORS

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

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.

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.

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:

| | | |
|---|---|---|
| Ms. Jan Hawn<br>Finance Director<br>City of Bellevue<br>P.O. Box 90012<br>Bellevue, WA 98009-9012<br>Phone: (425) 452-6846<br>Fax: (425) 452-6163 | or | Mr. Rich Siegel<br>Performance and Outreach Coordinator<br>City of Bellevue<br>P.O. Box 90012<br>Bellevue, WA 98009-9012<br>Phone: (425) 452-7114<br>Fax: (425) 452-6163 |

# Executive Summary

This chapter presents a high level summary of the key components of the 2009-2010 Budget. More detailed revenue and expenditure information can be found in subsequent chapters of this document.

The Executive Summary is organized into the following sections:

**A. General Fund Financial Forecast Summary**

This section provides a brief overview of the 2009-2014 General Fund Financial Forecast.

**B. Utility Funds Financial Forecast Summary**

This section provides a brief overview of the 2009-2014 Utility Funds Financial Forecast.

**C. Parks Enterprise Fund Financial Forecast Summary**

This section provides a brief overview of the 2009-2014 Parks Enterprise Fund Financial Forecast.

**D. Development Services Fund Financial Forecast Summary**

This section provides a brief overview of the 2009-2014 Development Services Fund Financial Forecast.

**E. Budget Summary**

This section presents summary resource and expenditure budget and trend information through the use of graphs and tables for the total City budget and its subcomponents (i.e., operating, special purpose, and capital investment program funds).

**F. Debt Information**

This section presents information about Bellevue's total general obligation debt capacity, current general obligation and revenue bond debt, and annual debt service requirements.

## A. GENERAL FUND FINANCIAL FORECAST SUMMARY

The General Fund Financial Forecast (Forecast) builds on the proposed 2009-2010 level of resources and anticipated service levels. It presents a fiscally conservative outlook aimed at ensuring Bellevue's long-term stability. The Forecast calculates future resource and expenditure estimates based on current budget performance, historical trend analysis, current economic information, input from other governments and industries, feedback from local economists and a number of financial management tools that allow Bellevue to remain flexible in times of opportunity or hardship.

The following summarizes the results of the forecast analysis:

### Summary

The Forecast projects that resources will be sufficient to sustain the City's quality and mix of municipal services through 2014 without creating any new taxes or increasing current tax rates. The Forecast is sensitive to the uncertainty of the economy. Given this uncertainty, the proposed budget takes a cautious approach with minimal investments in core City services, including the addition of 8.25 new positions. Many of these positions are revenue supported or necessary to convert limited term positions where service demands are expected to continue. These investments are consistent with feedback from our residents and continues the City's commitment to work smarter and more efficiently through new technologies. It also includes a new General Fund reserve policy and target reserve level to assure that we will always be in a position to weather economic tides or respond to natural disasters.

### Economic Outlook

The Puget Sound region is not immune to the troubles of the national economy. During the year, the region has experienced a decline in job growth, home sales and housing starts have dropped off significantly, consumer spending has slowed in response to slower income growth, rising unemployment, the sagging housing market and high prices. With that said, Bellevue is fairing well economically. Regionally, economic growth is expected to continue slowing through 2009 and begin gaining momentum again in 2010. Bellevue is projecting development activity to remain fairly robust through the next biennium and drop-off in subsequent years of the Forecast, as many of the larger projects under construction are finished. Employment growth mimics the slowing economy and is expected to remain sluggish through 2009 but increase modestly in 2010. Personal income is projected to rise at a rate greater than inflation (5.8%) in both 2008 and 2009. Local economists with the Puget Sound Economic Forecaster are projecting the toll on the region to be over by 2010.

### Budget Growth

Budget modifications incorporate increased service needs, including the addition of 2.25 new FTEs, the conversion of 6.0 existing LTEs to FTEs, and the projected economic impact on revenues and expenses. It also incorporates reductions in the City's Emergency Dispatch program scheduled to move to the North East King County Regional Public Safety Communications (NORCOM) Agency in mid-2009 and other expenditure reductions. As illustrated in Section 5. Financial Forecasts, projected increases in revenues are sufficient to support service additions throughout the forecast period. However, the reserve level falls below the proposed target of 15% of General Fund revenues in all years of the forecast period.

See Chapter 5 - Financial Forecasts for more information on the 2009-2014 General Fund Financial Forecast.

## B. UTILITY FUNDS FINANCIAL FORECAST SUMMARY

This section contains the 2009-2014 Financial Forecast for the City's Water, Sewer, and Storm & Surface Water Utility Funds, based on amounts reflected in the Utility's 2009-2010 Preliminary Budgets.

### EXECUTIVE SUMMARY

#### Introduction

The following key financial policies approved by Council in 1995, and updated in subsequent budgets, are incorporated in these financial forecast results:

- Consolidated reserve funding policies which define target and minimum reserve levels for each Utility fund;
- Operating reserve management policies which stipulate the transfer of greater-than-anticipated year-end reserves (ending fund balances) to the CIP Renewal & Replacement (R&R) Account;
- Capital reinvestment policies for future replacement of Utility infrastructure systems which base transfers to the CIP R&R account on long-term capital investment;
- System expansion and connection policies which stipulate all capital related Capital Recovery Charges (CRC) and Direct Facility Charges will be deposited directly to the CIP Renewal & Replacement (R&R) account; and
- Rate-planning policies which set rates at a level sufficient to cover current and future expenses and maintain reserves consistent with Utility financial policies and the long-term financial plans, and to pass through wholesale cost increases directly to customers. Inflationary indices are used as a basis for evaluating rate increases but no longer limit the growth in local programs.

#### Significant Issues

Significant issues expected to impact the Utilities current and future financial performance are briefly discussed below.

#### King County/METRO Wastewater Treatment Costs

Sewage treatment charges from King County/METRO will increase by 14.1% (from $27.95 to $31.90) per residential equivalent unit in 2009. This increase is primarily driven by higher debt service resulting from increased capital costs (including the Brightwater treatment plant). Since this rate increase is expected to cover cost increases for both 2009-2010, there is no projected rate increase for 2010. Per Council-adopted financial policies, wholesale cost increases are passed through to the customer. The increase in wastewater treatment costs will result in an increase to Bellevue ratepayers of approximately 10.1% in 2009.

#### Cascade Water Alliance

The Cascade Water Alliance (Cascade) has developed its proposed 2009 operating and capital budgets. Cascade's proposed 2009 operating budget is $26.7 million, a 32.5% increase from 2008. This increase is largely due to increases in purchased water costs, such as the new Seattle contract for short term supply, costs for Cascade's water supply planning effort to update its Transmission and Supply Plan, and costs to operate Lake Tapps. Cascade's 2009 wholesale charges to Bellevue are currently projected to increase by $1.8 million, or 14.3%. This increase will be reduced by a one-time credit of $0.2 million in 2009, resulting in a net increase to Bellevue of 12.7% or approximately $1.5 million. Cascades' 2010 wholesale charges to Bellevue are estimated to increase by an additional 8.3% in 2010. This will result

in retail rate increases to City of Bellevue customers of 4.8% in 2009 and 4.7% in 2010 for wholesale water purchases.

Regional water resource decisions may be made over the next biennium that could have significant programmatic and cost implications for Bellevue Utilities. These efforts include county-wide water supply planning, King County's efforts to expand production and use of reclaimed water, regional salmon recovery planning, and the state Puget Sound Partnership's Action Agenda to protect and clean up the Puget Sound. Utilities will monitor regional water resource activities and participate in regional issues, as directed by Council interests and policies.

**Aging Infrastructure**

Half of Bellevue's infrastructure is past mid-life. Aging systems require more preventive maintenance to remain operational while at the same time cause more reactive work to deal with system failures. Significant investment is also needed to replace components that are reaching the end of their useful life. Pipe defects and the resulting breaks are increasing as are the number of claims and their associated cost. Finally, increased effort is required to maintain current service levels.

**Additional Staff**

Static labor resources and growing workload pressures have led to declining service delivery. Capital delivery staff positions have not been added since before the Utilities Department was formed in 1993. Maintenance staff were added only to respond to service territory expansions resulting from water and/or sewer district assumptions. Aging infrastructure, regulatory requirements such as NPDES and water quality programs, and increasing capital programs are factors that were not considered.

The 2009-2010 budget proposes adding 15 full-time employees:

- 6 staff to maintain and repair aging water and wastewater infrastructure. Aging systems require more preventive maintenance to remain operational while at the same time cause more reactive work to deal with system failures. Increased effort is required to maintain current service levels. Some examples of services affected include water security system maintenance, major fire hydrant repairs, meter replacements, water locates, water valve surveys and repairs, sewer pipe cleaning and repairs, and sewer manhole inspections.

- 2 staff to support mandated drinking water quality programs such as backflow prevention testing, cross-connection control inspections, and water system flushing.

- 4 staff to provide increased maintenance / monitoring and development services activities required by NPDES. Two of these positions will be 80% fee-supported.

- 3 staff to provide design, inspection and project administration in support of the increased capital investments to repair or replace aging systems, and for mandated and growth-related projects.

**Capital Projects**

There are several new capital projects highlighted as being high priority during, and just beyond, this forecast period. These include projects to meet sewer capacity needs in the central business district and water infrastructure renewal projects. In addition, actual and forecasted construction inflation have escalated significantly since adoption of the last budget.

## Sensitivity and Risks

Each item discussed above could potentially affect annual Utility costs and rate requirements over the forecast period. Changes in inflation rates for various services can also affect annual cost levels. Each projection made in this forecast is based on the best information currently available, but actual costs and revenues in future years may be higher or lower than forecasted amounts, as changes in prevailing economic conditions or other circumstances influence actual Utility financial outcomes.

See Chapter 5 – Financial Forecasts for more information on the 2009-2014 Utility Financial Forecast.

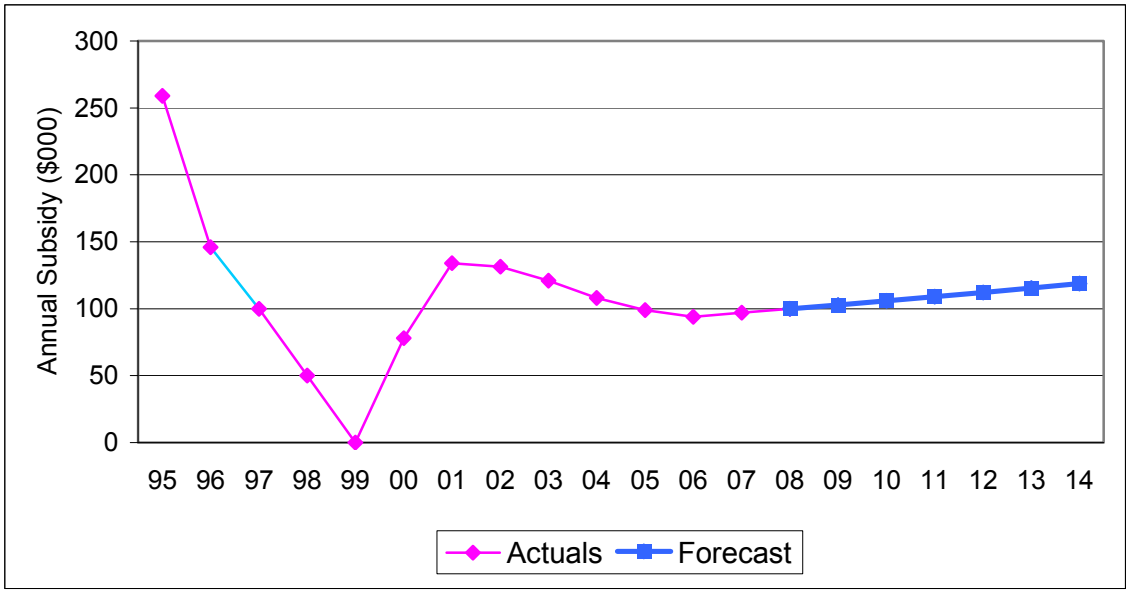
## C. PARKS ENTERPRISE FUND FINANCIAL FORCAST SUMMARY

### Introduction

The Parks Enterprise Fund accounts for the services provided by the Enterprise Program within the Parks & Community Services Department. These services include golf, tennis, aquatics, adult sports, and facility rentals. Enterprise Programs are primarily supported through user fees but attempt to serve all residents regardless of ability to pay through the use of scholarships, sponsorships and fee waivers. The Parks Enterprise Fund receives a subsidy payment from the General Fund to ensure that programs are accessible to all Bellevue residents.

### General Fund Subsidy

- The Forecast shows that the Parks Enterprise Fund can continue to operate at the current General Fund Subsidy level of about $100,000 per year and adjusted for inflation.
- The graph below shows the actual and forecasted subsidy payment from the General Fund:




Note: Between 1997 and 1999, the Parks Enterprise Fund received an annual payment of $140,000 from King County to offset a portion of the operating costs associated with the Bellevue Aquatic Center. Starting in 2001, the subsidy includes an adjustment for the impact of the benefited employee rule changes.

- The Aquatic Center continues to be the driver behind the need for a General Fund Subsidy throughout the forecast period. Due to the nature of Aquatic Center programs, the majority of services provided at this facility are not "Full Cost Recovery" services. Most of these services recover only the direct program costs in an effort to provide affordable and accessible programs to youth and physically challenged participants. In addition to the General Fund subsidy, approximately $300,000 of other Parks Enterprise Fund revenues are needed to support the Aquatic Center operation each year. Overall, this level of subsidy is consistent with the financial performance that was anticipated in 1995 when the City took over the pool.

## Parks Enterprise Fund Reserves

Parks Enterprise Fund reserves will be managed within the targeted reserve level of 2-months operating expenses, or approximately $730,000 to $1.1M over the forecast period.

## Enterprise Capital Improvements

The Parks Enterprise program funds the Enterprise Facility Improvements Project (CIP project P-R-2), including capital projects at the Bellevue Golf Course. In addition to regular maintenance projects, the City has begun to evaluate the feasibility of making additional capital improvements to the golf course driving range.

In 2007, the City completed construction of two all-weather sportsfields at Robinswood Park which are being rented to youth and adult user groups as part of the Parks Enterprise Fund. These fields are generating an additional $150,000 in annual user fees, of which $100,000 per year is being reserved in the Enterprise CIP for eventual field resurfacing or new field development.

## Budget Assumptions and Issues

Below are some of the major assumptions used in developing the 2009-2014 forecast:
Parks Enterprise Fund revenues are assumed to increase at the same rate as expenditures from 2009-2014, or roughly 3% per year. Like other City programs, Park Enterprise Fund expenditures are being impacted by rising utility and commodity costs, increased prevailing wages for contracted labor, and tightening temporary help markets.
City Council will be discussing pricing and resident/non-resident access policies as part of the Recreation Program Plan Update. While these policy decisions could impact the pricing strategy and customer base for Enterprise Programs, no fundamental policy changes have been incorporated into this forecast update.
Golf course revenues and expenses have been adjusted to reflect the management contract with Premier Golf Centers approved by Council in October 2006. Staff will continue to prepare an annual management report to Council reviewing the financial, operational, and customer service performance of the course under this management agreement.
No new programs were included in this forecast update.

See Chapter 5 - Financial Forecasts for more information on the 2009-2014 Parks Enterprise Fund Financial Forecast.

## D. DEVELOPMENT SERVICES FUND FINANCIAL FORECAST SUMMARY

### Executive Summary

The Development Services Fund supports delivery of development review, inspections, land use, and code enforcement services.

The Development Services Fund forecast reflects growth in development activity through 2008 as a result of the addition of several major projects in 2007-2008. Additional staffing and contracted services were added during the 2007-2008 Mid-biennium Budget update in response to the continued increase in activity.

Beginning in 2009, the forecast reflects modest decreases in development activity through 2010. In subsequent years development activity is anticipated to decrease more rapidly until the next generation of major projects begin the permitting process.

### Background

Bellevue continues to experience unprecedented growth in 2007 and 2008 with the completion of several major projects (e.g. Lincoln Square Office Tower, Belletini, Tower 333) and the initiation of new projects (e.g. Avalon Bellevue Towers, Bellevue Plaza, Madison Apartments). In response to this continued increase in activity, 13 Full-Time Employees (FTEs) were added in 2008 to meet the high demand for project review and inspection services. The construction valuation for issued permits, considered a key barometer of development activity, exceeded estimates in 2006 and 2007 reflecting consecutive record-setting years in Bellevue. This trend has slowed as 2008 levels appear to be in alignment with forecasted estimates.

### 2009-2014 Outlook

Office vacancy rates in the central business district are a key indicator of the interest in development activity. Rates have risen to 9.6% in the last year, in part due to additional space availability and lease rate increases. As such, development activity is anticipated to decrease through the early years of the forecast (2009-2010). The number of design review applications (an early indicator of development activity) received through the first half of 2008 indicates that the demand for major projects in the central business districts may see a notable drop from recent record setting levels, however, project job growth in the region and proposed land use changes in the Bel-Red Corridor, will help drive future commercial and residential development in the City. The impacts of the decline in the mortgage and lending sector are already being felt in Bellevue. New single-family development is not assumed to grow until the latter years of the forecast although, as interest rates continue to fall, the demand for single family additions and remodel projects is expected to remain steady. As a result of the aforementioned variables, this forecast reflects a decrease in revenue collections through 2012 and a demand on reserves during the completion of major projects and throughout the latter years of the forecast period.

**Development Services Fund**
**2009-2014 Financial Forecast**
**(in $000)**

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|
| **Beginning Reserve** | **$10,500** | **$11,394** | **$11,367** | **$9,334** | **$6,520** | **$4,576** |
| **Resources:** | | | | | | |
| Building Fees | $9,750 | $9,263 | $8,336 | $7,503 | $7,698 | $7,898 |
| Land Use Fees | 1,556 | 1,452 | 1,307 | 1,176 | 1,206 | 1,238 |
| Fire, Transp. & Utilities Fees | 4,360 | 4,251 | 3,826 | 3,443 | 3,533 | 3,624 |
| Gen Fund Subsidy | 3,423 | 3,558 | 3,630 | 3,725 | 3,821 | 3,921 |
| Other Revenue/Interest | 755 | 780 | 702 | 561 | 449 | 359 |
| **Total Resources** | **$19,845** | **$19,303** | **$17,800** | **$16,407** | **$16,707** | **$17,040** |
| **Expenditures:** | | | | | | |
| Building | $9,958 | $10,184 | $10,449 | $9,926 | $9,430 | $9,675 |
| Land Use | 3,441 | 3,588 | 3,681 | 3,777 | 3,875 | 3,975 |
| Fire, Transp. & Utilities Development Services | 4,318 | 4,264 | 4,375 | 4,156 | 3,948 | 4,051 |
| Code Compliance & Gen Fund Support | 1,235 | 1,295 | 1,329 | 1,363 | 1,399 | 1,435 |
| **Total Expenditures** | **$18,951** | **$19,330** | **$19,833** | **$19,222** | **$18,651** | **$19,136** |
| **Ending Reserves** | **$11,394** | **$11,367** | **$9,334** | **$6,520** | **$4,576** | **$2,480** |

## Forecast Drivers and Assumptions

1) The following major projects are assumed to be substantially completed in the early years of the forecast:

- Avalon Bellevue Towers
- Belcarra
- Bellewood Aegis Assisted Living
- The Bravern Phase II
- Essex Condos
- Hyatt Hotel Expansion
- Madison Apartments
- One Main Street
- Marketplace @ Factoria
- Metro 112th
- Summit Building III
- Target (Factoria)

2) A significant demand in new major projects is not assumed beyond 2009.

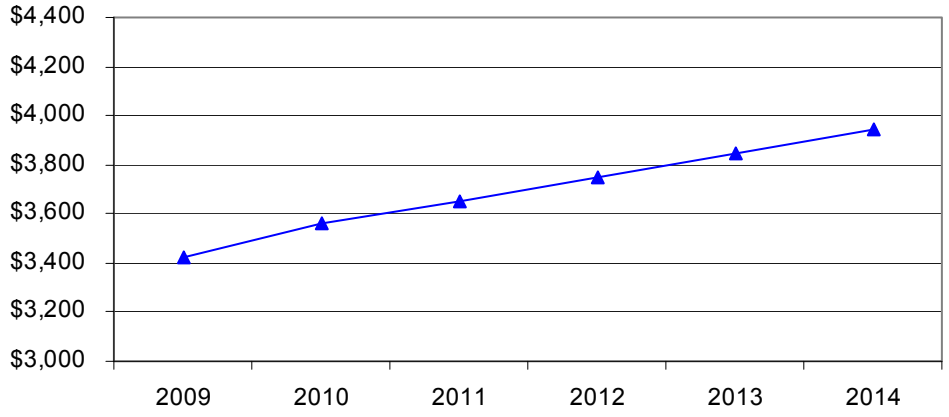
3) The Forecast reflects the addition of 13 FTEs added in 2008 to address the continued workload associated with the major projects. This baseline forecast assumes no additional investments or positions. However, consistent with the long-range financial planning effort, changes in resource levels are continually assessed and modified to accommodate the workload.

4) Development fees are reviewed annually and may be adjusted to assure they are set accordingly to meet cost recovery objectives endorsed by Council. This forecast assumes that fees will grow at the rate of inflation (2.6%).

## General Fund Subsidy

The General Fund contribution to the Development Services Fund accounts for approximately 2% of the General Fund budget. This contribution (subsidy) supports personnel, M&O and capital costs for programs that have been designated as general funded activities. These programs include Code Compliance and a portion of Land Use. Land Use activities supported by the General Fund include public information, policy development, and approximately 50% of discretionary review.

**General Fund Subsidy Forecast 2009-2014**
**($ in Thousands)**




The General Fund contribution to the Development Services Fund is anticipated to grow at an average rate of approximately 2.9% over the forecast period, consistent with inflation projections, due primarily to growth in personnel costs (e.g. salaries, health benefits, pensions).

## Development Services Fund Reserves

The Development Services Fund maintains reserves to assure that core staffing levels are balanced with cyclical needs, thus mitigating the effects of downturns or rapid increases in development activity. Reserves also ensure the Development Services Center, capital equipment, and technology systems are adequately funded when they need replacement or renovation.

Development Services Fund reserves are anticipated to decrease slightly to approximately $11.4 million through 2010. This reflects the collection of permitting fees for projects currently in design or building permit review. Reserve levels are then assumed to decline by approximately $9.0 million from 2010 through 2014 reflecting completion of major projects within the forecast period.

Development activity and reserve levels will be closely monitored over the next biennium. Corrective measures will be taken in the latter years of the forecast period if market conditions warrant doing so.

## E. BUDGET SUMMARY

The remaining part of the Executive Summary presents 2009-2010 Budget information primarily through the use of tables and graphics.

### Total City Budget

The gross total City budget figures are presented in this section.

Figure 3-1 on the following page summarizes the budget from both a total City budget perspective and from the operating budget, special purpose budget, and capital investment program budget perspectives. Further breakdown within each fund category is provided. Figures at the bottom of the table are presented "net of double budgeting" to give a more accurate representation of the size of the total City budget. Double budgeting is the result of transactions between funds that inflate the budget because expenditure and revenue dollars are budgeted twice, once in each fund's budget.

Figure 3-2 shows the 2009-2010 total City budget resources by source and expenditures by department with comparisons to the 2007-2008 Budget.

Figure 3-3 shows the City's total expenditure budget by category and compares the 2007-2008 and the 2009-2010 biennial budgets, including dollar and percentage change.

Additional comments on the components of the total City budget are provided within the separate operating budget, special purpose funds budget, and capital project budget sections of this chapter.

# Figure 3-1

## Budget Summary

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Operating Funds** | | | | |
| General | 304,808,007 | 337,933,097 | 33,125,090 | 10.9 % |
| Utilities | 189,481,583 | 224,878,471 | 35,396,888 | 18.7 % |
| Development Services | 54,023,234 | 49,647,659 | (4,375,575) | (8.1)% |
| Parks Enterprise | 10,669,000 | 12,255,101 | 1,586,101 | 14.9 % |
| Internal Services | 80,687,633 | 85,668,472 | 4,980,839 | 6.2 % |
| Reserve/Other | 110,734,155 | 121,830,671 | 11,096,516 | 10.0 % |
| **Total Operating Funds** | **750,403,612** | **832,213,471** | **81,809,859** | **10.9 %** |
| **Special Purpose Funds** | | | | |
| Grants | 7,894,692 | 5,495,602 | (2,399,090) | (30.4)% |
| Debt Service | 65,675,411 | 27,597,471 | (38,077,940) | (58.0)% |
| Trust/Other | 12,952,408 | 14,047,812 | 1,095,404 | 8.5 % |
| **Total Special Purpose Funds** | **86,522,511** | **47,140,885** | **(39,381,626)** | **(45.5)%** |
| **Capital Project Funds** | | | | |
| General Capital Investment Program | 165,305,115 | 146,725,000 | (18,580,115) | (11.2)% |
| Utility Capital Investment Program | 73,055,028 | 110,616,168 | 37,561,140 | 51.4 % |
| **Total Capital Project Funds** | **238,360,143** | **257,341,168** | **18,981,025** | **8.0 %** |
| **Total City Budget** | **1,075,286,266** | **1,136,695,524** | **61,409,258** | **5.7 %** |

### 2009-2010 Net City Budget

**For analytical and comparison purposes, the budget is adjusted to remove internal transactions between City departments or City funds including transfers between funds and charges for services provided by one department to another department within the City. These adjustments are detailed below:**

| | |
|---|---|
| **1. Adjusted for internal transfers (e.g., General CIP contribution from the General Fund) between City funds, the net City budget is:** | **1,061,135,305** |
| **2. Adjusted for charges for services provided by one department to another (e.g., information technology services), the net City budget is:** | **972,908,437** |

# Figure 3-2

## Resources by Source and Expenditures by Department
## Operating Funds

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Beginning Fund Balance** | **119,804,023** | **129,522,214** | **9,718,191** | **8.1%** |
| **Revenue Sources** | | | | |
| Property Tax | 56,131,865 | 60,982,656 | 4,850,791 | 8.6 % |
| Sales Tax | 71,243,454 | 78,801,000 | 7,557,546 | 10.6 % |
| Business & Occupation Tax | 39,269,240 | 47,244,000 | 7,974,760 | 20.3 % |
| Utility Tax | 45,384,033 | 52,498,000 | 7,113,967 | 15.7 % |
| Other Tax | 22,011,000 | 25,133,000 | 3,122,000 | 14.2 % |
| Grants | - | - | - | - % |
| Intergovernmental Services | 37,482,095 | 37,757,951 | 275,856 | 0.7 % |
| Charges for Services | 96,854,738 | 99,962,046 | 3,107,308 | 3.2 % |
| Utility Service Fees | 166,922,477 | 196,433,733 | 29,511,256 | 17.7 % |
| Miscellaneous Revenues | 74,143,732 | 84,903,047 | 10,759,315 | 14.5 % |
| Operating Transfers | 21,156,956 | 18,975,823 | (2,181,133) | (10.3)% |
| **Total Revenues** | **630,599,590** | **702,691,256** | **72,091,666** | **11.4 %** |
| **Total Resources** | **750,403,613** | **832,213,470** | **81,809,857** | **10.9%** |
| **Departmental Expenditures** | | | | |
| City Attorney | 14,846,489 | 15,627,556 | 781,067 | 5.3 % |
| City Clerk | 3,492,082 | 4,308,881 | 816,799 | 23.4 % |
| City Council | 831,416 | 823,425 | (7,991) | (1.0)% |
| City Manager's Office | 3,339,008 | 3,999,757 | 660,749 | 19.8 % |
| Civic Services | 36,909,932 | 38,797,975 | 1,888,043 | 5.1 % |
| Community Council | 61,493 | 63,949 | 2,456 | 4.0 % |
| Office of Economic Development | 1,179,185 | 1,350,390 | 171,205 | 14.5 % |
| Finance | 14,817,900 | 16,430,753 | 1,612,853 | 10.9 % |
| Fire | 65,473,030 | 72,308,072 | 6,835,042 | 10.4 % |
| Human Resources | 34,921,892 | 42,144,677 | 7,222,785 | 20.7 % |
| Information Technology | 29,435,142 | 33,866,880 | 4,431,738 | 15.1 % |
| Parks & Community Services | 68,815,405 | 76,405,023 | 7,589,618 | 11.0 % |
| Development Services | 53,178,536 | 45,260,414 | (7,918,122) | (14.9)% |
| Planning & Community Development | - | 7,585,166 | 7,585,166 | - % |
| Police | 76,867,755 | 73,584,724 | (3,283,031) | (4.3)% |
| Transportation | 43,286,905 | 45,851,944 | 2,565,039 | 5.9 % |
| Utilities | 163,090,009 | 204,167,032 | 41,077,023 | 25.2 % |
| Miscellaneous Non-Departmental | 17,096,817 | 16,404,801 | (692,015) | (4.0)% |
| Hotel/Motel Taxes | 13,476,000 | 15,689,000 | 2,213,000 | 16.4 % |
| **Total Departmental Expenditures** | **641,118,996** | **714,670,419** | **73,551,424** | **11.5 %** |
| **Total Resources** | **641,118,996** | **714,670,419** | **73,551,424** | **11.5%** |
| **Ending Fund Balance** | **109,284,617** | **117,543,051** | **8,258,433** | **7.6%** |
| **Total Expenditures** | **750,403,613** | **832,213,470** | **81,809,857** | **10.9%** |

## Figure 3-2 cont.

## Resources by Source and Expenditures by Department
## Special Purpose Funds

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Beginning Fund Balance** | **15,678,257** | **18,550,312** | **2,872,055** | **18.3%** |
| **Revenue Sources** | | | | |
| Property Tax | 1,380,680 | - | (1,380,680) | - % |
| Sales Tax | 1,390,611 | 8,857,530 | 7,466,919 | 537.0 % |
| Grants | 5,757,333 | 4,732,184 | (1,025,149) | (17.8)% |
| Intergovernmental Services | 1,960,661 | 1,132,707 | (827,954) | (42.2)% |
| Charges for Services | 20,000 | 30,000 | 10,000 | 50.0 % |
| Miscellaneous Revenues | 4,396,174 | 3,323,810 | (1,072,364) | (24.4)% |
| Operating Transfers | 55,938,795 | 10,514,342 | (45,424,453) | (81.2)% |
| **Total Revenues** | **70,844,254** | **28,590,573** | **(42,253,681)** | **(59.6)%** |
| **Total Resources** | **86,522,511** | **47,140,885** | **(39,381,626)** | **(45.5)%** |
| **Departmental Expenditures** | | | | |
| Civic Services | - | 267,250 | 267,250 | - % |
| Finance | 12,802,177 | 15,251,883 | 2,449,706 | 19.1 % |
| Fire | 1,639,052 | 1,728,378 | 89,326 | 5.4 % |
| Parks & Community Services | 5,885,350 | 3,450,840 | (2,434,510) | (41.4)% |
| Planning & Community Development | 4,825,975 | 4,788,617 | (37,358) | (0.8)% |
| Police | 1,158,607 | 454,062 | (704,545) | (60.8)% |
| Transportation | 3,244,601 | 2,098,055 | (1,146,546) | (35.3)% |
| Utilities | 4,530,807 | 2,921,799 | (1,609,008) | (35.5)% |
| Miscellaneous Non-Departmental | 32,457,052 | 1,880,000 | (30,577,052) | (94.2)% |
| Hotel/Motel Taxes | 1,436,423 | 1,436,545 | 122 | - % |
| **Total Departmental Expenditures** | **67,980,044** | **34,277,429** | **(33,702,615)** | **(49.6)%** |
| **Ending Fund Balance** | **18,542,467** | **12,863,456** | **(5,679,011)** | **(30.6)%** |
| **Total Expenditures** | **86,522,511** | **47,140,885** | **(39,381,626)** | **(45.5)%** |

**The Budgeted Ending Fund Balance is not in agreement with the next biennium Budgeted Beginning Fund Balance because the budget estimates were developed at different times and actual over/under revenue collections and/or actual over/under expenditures will cause them to be different.**

## Figure 3-2 cont.

# Resources by Source and Expenditures by Department
## Capital Funds

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Beginning Fund Balance** | **37,362,174** | **72,366,274** | **35,004,100** | **93.7%** |
| **Revenue Sources** | | | | |
| Sales Tax | 30,258,805 | 23,315,000 | (6,943,805) | (22.9)% |
| Business & Occupation Tax | 14,134,000 | 17,008,000 | 2,874,000 | 20.3 % |
| Other Tax | 32,226,000 | 20,574,000 | (11,652,000) | (36.2)% |
| Grants | 24,107,969 | 6,441,352 | (17,666,617) | (73.3)% |
| Intergovernmental Services | 3,468,000 | 5,480,521 | 2,012,521 | 58.0 % |
| Charges for Services | 1,048,000 | 1,862,000 | 814,000 | 77.7 % |
| Utility Service Fees | 2,239,295 | 1,789,042 | (450,253) | (20.1)% |
| Miscellaneous Revenues | 63,934,062 | 64,821,754 | 887,692 | 1.4 % |
| Operating Transfers | 29,581,838 | 43,683,225 | 14,101,387 | 47.7 % |
| **Total Revenues** | **200,997,969** | **184,974,894** | **(16,023,075)** | **(8.0)%** |
| **Total Resources** | **238,360,143** | **257,341,168** | **18,981,025** | **8.0%** |
| **Departmental Expenditures** | | | | |
| City Clerk | 93,500 | 482,000 | 388,500 | 415.5 % |
| City Manager's Office | 157,000 | 42,000 | (115,000) | (73.2)% |
| Civic Services | 19,480,000 | 1,450,000 | (18,030,000) | (92.6)% |
| Finance | 441,000 | 520,000 | 79,000 | 17.9 % |
| Fire | 3,786,000 | 3,470,000 | (316,000) | (8.3)% |
| Information Technology | 6,904,319 | 3,538,794 | (3,365,525) | (48.7)% |
| Parks & Community Services | 38,754,511 | 23,009,374 | (15,745,137) | (40.6)% |
| Development Services | 1,687,800 | 595,000 | (1,092,800) | (64.7)% |
| Planning & Community Development | 10,840,000 | 8,810,000 | (2,030,000) | (18.7)% |
| Police | 1,293,000 | - | (1,293,000) | - % |
| Transportation | 63,135,739 | 71,971,832 | 8,836,093 | 14.0 % |
| Utilities | 17,280,300 | 31,142,328 | 13,862,028 | 80.2 % |
| Miscellaneous Non-Departmental | 18,732,246 | 32,836,000 | 14,103,754 | 75.3 % |
| **Total Departmental Expenditures** | **182,585,415** | **177,867,328** | **(4,718,087)** | **(2.6)%** |
| **Ending Fund Balance** | **55,774,728** | **79,473,840** | **23,699,112** | **42.5%** |
| **Total Expenditures** | **238,360,143** | **257,341,168** | **18,981,025** | **8.0%** |

**The Budgeted Ending Fund Balance is not in agreement with the next biennium Budgeted Beginning Fund Balance because the budget estimates were developed at different times and actual over/under revenue collections and/or actual over/under expenditures will cause them to be different.**

## Figure 3-2 cont.

## Resources by Source and Expenditures by Department
## Total City Budget

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Beginning Fund Balance** | **172,844,454** | **220,438,800** | **47,594,346** | **27.5%** |
| **Revenue Sources** | | | | |
| Property Tax | 57,512,545 | 60,982,656 | 3,470,111 | 6.0 % |
| Sales Tax | 102,892,870 | 110,973,530 | 8,080,660 | 7.9 % |
| Business & Occupation Tax | 53,403,240 | 64,252,000 | 10,848,760 | 20.3 % |
| Utility Tax | 45,384,033 | 52,498,000 | 7,113,967 | 15.7 % |
| Other Tax | 54,237,000 | 45,707,000 | (8,530,000) | (15.7)% |
| Grants | 29,865,302 | 11,173,536 | (18,691,766) | (62.6)% |
| Intergovernmental Services | 42,910,756 | 44,371,179 | 1,460,423 | 3.4 % |
| Charges for Services | 97,922,738 | 101,854,046 | 3,931,308 | 4.0 % |
| Utility Service Fees | 169,161,772 | 198,222,775 | 29,061,003 | 17.2 % |
| Miscellaneous Revenues | 142,473,968 | 153,048,611 | 10,574,643 | 7.4 % |
| Operating Transfers | 106,677,589 | 73,173,390 | (33,504,199) | (31.4)% |
| **Total Revenues** | **902,441,813** | **916,256,723** | **13,814,910** | **1.5 %** |
| **Total Resources** | **1,075,286,267** | **1,136,695,523** | **61,409,256** | **5.7%** |
| **Departmental Expenditures** | | | | |
| City Attorney | 14,846,489 | 15,627,556 | 781,067 | 5.3 % |
| City Clerk | 3,585,582 | 4,790,881 | 1,205,299 | 33.6 % |
| City Council | 831,416 | 823,425 | (7,991) | (1.0)% |
| City Manager's Office | 3,496,008 | 4,041,757 | 545,749 | 15.6 % |
| Civic Services | 56,389,932 | 40,515,225 | (15,874,707) | (28.2)% |
| Community Council | 61,493 | 63,949 | 2,456 | 4.0 % |
| Office of Economic Development | 1,179,185 | 1,350,390 | 171,205 | 14.5 % |
| Finance | 28,061,077 | 32,202,636 | 4,141,559 | 14.8 % |
| Fire | 70,898,082 | 77,506,450 | 6,608,368 | 9.3 % |
| Human Resources | 34,921,892 | 42,144,677 | 7,222,785 | 20.7 % |
| Information Technology | 36,339,461 | 37,405,674 | 1,066,213 | 2.9 % |
| Parks & Community Services | 113,455,266 | 102,865,237 | (10,590,030) | (9.3)% |
| Development Services | 54,866,336 | 45,855,414 | (9,010,922) | (16.4)% |
| Planning & Community Development | 15,665,975 | 21,183,783 | 5,517,808 | 35.2 % |
| Police | 79,319,362 | 74,038,786 | (5,280,576) | (6.7)% |
| Transportation | 109,667,245 | 119,921,831 | 10,254,586 | 9.4 % |
| Utilities | 184,901,116 | 238,231,159 | 53,330,043 | 28.8 % |
| Miscellaneous Non-Departmental | 68,286,115 | 51,120,801 | (17,165,313) | (25.1)% |
| Hotel/Motel Taxes | 14,912,423 | 17,125,545 | 2,213,122 | 14.8 % |
| **Total Departmental Expenditures** | **891,684,455** | **926,815,176** | **35,130,722** | **3.9 %** |
| **Ending Fund Balance** | **183,601,812** | **209,880,347** | **26,278,534** | **14.3%** |
| **Total Expenditures** | **1,075,286,267** | **1,136,695,523** | **61,409,256** | **5.7%** |

**The Budgeted Ending Fund Balance is not in agreement with the next biennium Budgeted Beginning Fund Balance because the budget estimates were developed at different times and actual over/under revenue collections and/or actual over/under expenditures will cause them to be different.**

# Figure 3-3

## Total City Budget Expenditures by Category

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Personnel** | | | | |
| Salaries | 187,008,677 | 211,772,704 | 24,764,027 | 13.2 % |
| Medical | 46,586,845 | 53,625,837 | 7,038,992 | 15.1 % |
| Pension | 23,415,235 | 29,719,744 | 6,304,509 | 26.9 % |
| Temporary Help | 7,387,828 | 8,277,301 | 889,473 | 12.0 % |
| Other (Medicare, Worker Comp, etc.) | 13,464,474 | 14,778,622 | 1,314,148 | 9.8 % |
| Overtime | 7,917,455 | 7,455,699 | (461,756) | (5.8)% |
| **Total Personnel** | **285,780,514** | **325,629,908** | **39,849,394** | **13.9 %** |
| **M&O** | | | | |
| Outside Services | 79,994,434 | 87,632,589 | 7,638,155 | 9.5 % |
| Interfund Service Payments | 77,151,178 | 88,226,868 | 11,075,690 | 14.4 % |
| Operating Transfers to Other Funds | 81,334,507 | 75,560,219 | (5,774,288) | (7.1)% |
| Supplies | 40,172,258 | 47,314,031 | 7,141,773 | 17.8 % |
| Other Services & Charges | 25,669,883 | 36,716,686 | 11,046,804 | 43.0 % |
| Debt Service | 56,266,117 | 25,624,400 | (30,641,717) | (54.5)% |
| Repairs & Maintenance | 17,912,691 | 19,286,168 | 1,373,477 | 7.7 % |
| Utilities | 13,210,064 | 14,475,918 | 1,265,854 | 9.6 % |
| Other Intergovernmental Services & Taxes | 24,696,169 | 24,588,580 | (107,589) | (0.4)% |
| Jail Costs | 2,842,000 | 2,952,341 | 110,341 | 3.9 % |
| Communication Services | 2,287,094 | 2,444,832 | 157,738 | 6.9 % |
| Travel/Training | 2,081,944 | 2,090,565 | 8,621 | 0.4 % |
| **Total M&O** | **423,618,339** | **426,913,197** | **3,294,859** | **0.8 %** |
| **Capital Outlay** | **182,285,602** | **174,272,071** | **(8,013,531)** | **(4.4)%** |
| **Reserves** | **183,601,812** | **209,880,348** | **26,278,536** | **14.3 %** |
| **Total City Budget** | **1,075,286,266** | **1,136,695,524** | **61,409,258** | **5.7 %** |

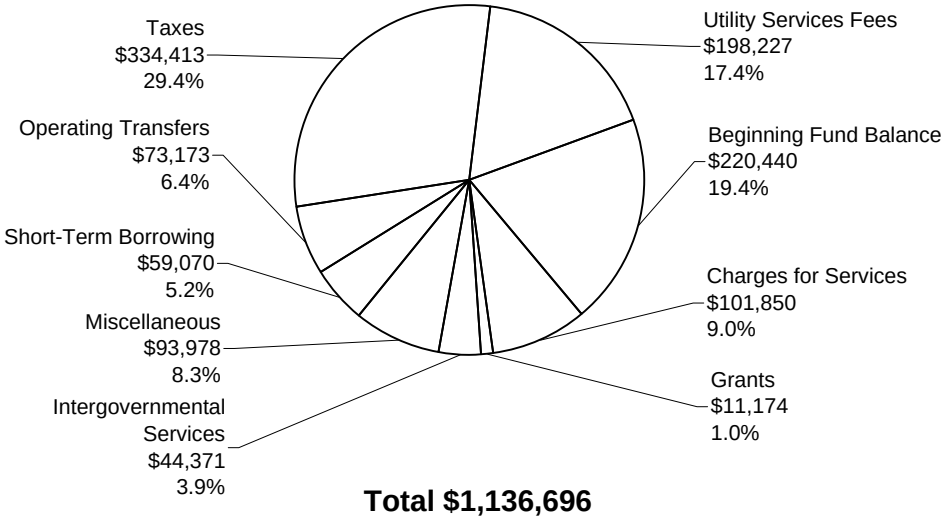
## Figure 3-4

## 2009-2010 Total City Budget
## Resources by Source and Expenditures by Category
## $000

Figure 3-4 presents the 2009-2010 total City budget resources by source and expenditures by category. As the resources chart indicates, at $334.4 million or 29.4%, taxes make up the largest piece of the "pie', followed by beginning fund balance at $220.4 million, or 19.4% and utility services fees at $198.2 million, or 17.4%.

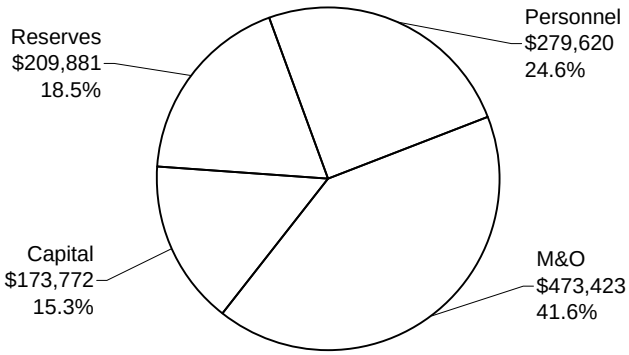
On the expenditure chart, at $473.4 million, M&O accounts for 41.6% of the expenditure budget, followed by personnel at $279.6 million or 24.6%.

### Resources




**Total $1,136,696**

### Expenditures

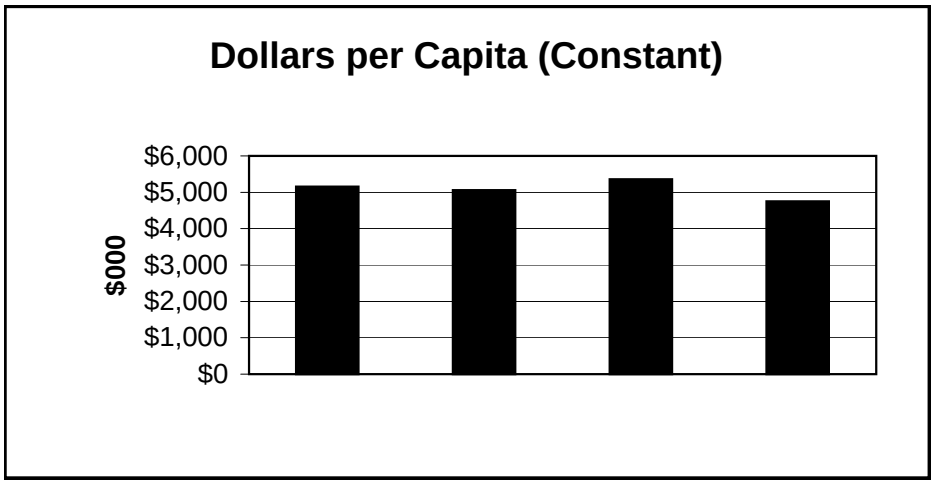



**Total $1,136,696**

## Figure 3-5

## Total Budget Comparison
## Constant Dollar Total Budget Per Capita

This figure displays a 2007 to 2010 comparison of the total city budget per capita on a constant dollar basis and shows the total city budget per capita fluctuating between $5,154 in 2007 and $4,752 in 2010.




| | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|
| Total City Budget ($000) | $620,291 | $630,692 | $698,434 | $645,696 |
| Budget in Constant ($000) | $608,725 | $602,660 | $644,823 | $577,648 |
| Population | 118,100 | 119,200 | 120,310 | 121,549 |
| Total Budget per Capita | $5,154 | $5,056 | $5,360 | $4,752 |

## Figure 3-6

## Total Budget Position Trends
## Full-Time Equivalent Positions / 1,000 Population by Year

Figure 3-6 presents the ratio of total City positions per 1,000 population for the period of 2007 through 2010.

In 2008, position growth outpaced population growth due to FTE increases made for emerging critical needs; in 2009 FTEs will again grow more than population due to position adds that are revenue supported or convert limited term positions to permanent status or are required by mandates. In 2010, there is a decrease in positions due to the move to NORCOM. As a result, the annual positions/1,000 ratios increases in 2008 and 2009 and then decreases in 2010.

| | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|
| Positions | 1,284.5 | 1,329.6 | 1,366.6 | 1,309.1 |
| Population | 118,100 | 119,200 | 120,310 | 121,549 |
| Positions/1,000 | 10.9 | 11.2 | 11.4 | 10.8 |

## Operating Budget Highlights

This budget makes the best use of available resources by investing in current services and meeting federal government mandates. This proposal comes at a time when the economy is slowing and uncertain. Despite the current economic conditions, years of fiscal restraint, a lean and efficient workforce, and targeting only the most pressing needs has served the City well. We have been prudent guardians of our resources and our conservative fiscal approach positions us to constrain spending or take advantage of new opportunities to assure a balanced budget and continue to deliver of key services in public safety, parks and other areas.

The Preliminary Operating Budget maintains services and includes the addition of 8.25 new positions. Details of these budget adds can be found on the Budget Enhancement pages of each department's section in the budget document. Highlights of the proposed service additions include:

*Streetlight Maintenance.* This budget makes permanent a position that addresses the increased numbers of street lights and traffic signals maintenance and outages. This position is funded through existing resources.

*Implementation of NORCOM.* The budget allocates $1.0 million to the implementation of the new regional communication center that will be operated jointly with several other cities.

*Addresses Federal Mandates.* This budget includes $0.1 million to meet the requirements of the Clean Water Act and our National Pollutant Discharge Elimination System permit. A companion proposal, which includes additional staffing, is included in the Utilities funds.

*Parks and Open Space.* The budget includes the addition of one position to staff the new Mercer Slough Environmental Education Center and makes permanent the Wrap Around Services pilot program at Lake Hills Elementary. The position at Lake Hills uses existing resources.

*Improving the Housing Stock.* The budget increases staffing to a full time position for the Community Development Block Grant funded program focused on the home repair program for low and moderate income residents.

*Support Services.* This budget makes permanent two positions that support the City's motor vehicle fleet. One position makes permanent the City's Fleet Warranty Recovery Program which has been successful in receiving rebates for parts and services which fully offsets the cost of this position. The second position makes permanent a position to maintain the City's growing vehicle fleet.

The budget includes a Tax Analyst position to assist with the growing volume of delinquent collections and desk audits. This position will pay for itself and return additional revenue to the City.

The budget makes permanent a public disclosure position to help manage the growing complexity and demands for public disclosure information from the public.

The budget includes making permanent an office assistant in Fire Prevention to coordinate the City's fire permit fee process.

This Budget Includes the Practice of Funding for Contingencies.

The 2009-2014 Forecast includes a number of financial management tools that allow Bellevue to remain flexible in times of opportunity or hardship. The budget includes a new General Fund reserve policy to assure that we will always be in a position to weather economic tides or to respond to natural disasters. The new policy sets an annual target of 15% of General Fund revenues as a sustaining reserve level and includes the existing "Rainy Day" fund reserves.

## Ongoing Operating and Maintenance Costs for New Capital Projects

The City places a high priority on maintaining its facilities. The 2009-2010 operating budget includes an additional $922,000 for new operating and maintenance costs for capital projects expected to come on line during the 2009-2010 biennium primarily for Transportation and Parks projects.

## Utility Operations

This Budget includes the following proposed utility rate increases for 2009 and 2010:

| | 2009 | 2010 |
|---|---|---|
| Water | 9.5% | 9.2% |
| Wastewater | 14.5% | 3.5% |
| Storm and Surface Water | 7.5% | 7.0% |

Rate increases are needed to fund 1) pass-through increases in wholesale Metro/King County Sewer and Cascade Water Alliance water costs to customers; 2) aging systems' maintenance and capital requirements; 3) inflationary increases in salaries, maintenance and operations costs; and 4) additional staff.

Average monthly Utility bills (including water, wastewater, and storm and surface water) for single family residential customers are projected as follows:

| | Monthly Bill | $ Increase | % Increase |
|---|---|---|---|
| **2008 Utility Bill** | **$98.48** | | |
| 2009 Cascade | 1.75 | | |
| 2009 METRO | 4.30 | | |
| 2009 Local | 4.81 | | |
| Utility Tax on Increase | 0.59 | | |
| **2009 Utility Bill** | **$109.93** | **$11.45** | **11.6%** |
| 2010 Cascade | 1.88 | | |
| 2010 METRO | - | | |
| 2010 Local | 4.63 | | |
| Utility Tax on Increase | 0.36 | | |
| **2010 Utility Bill** | **$116.80** | **$6.87** | **6.2%** |

CITY OF BELLEVUE WASHINGTON

As depicted in Figure 3-7, the 2009-2010 operating budget totals $832.2 million. The operating budget in total grew $81.8 million or 10.9%.

The City's General Fund is the largest fund, accounting for most of the City's day-to-day operations. The budget growth in the General Fund from the prior biennium is $33.1, million or 10.9%.

The Utility Funds show a budget increase of $35.4 million, or 18.7% as compared to the 2007-2008 budget. This increase is primarily attributable to pass-through rate increases in Metro sewer costs and Cascade Water Alliance costs, investments associated with aging infrastructure, regulatory requirements such as NPDES and water quality programs, and capital program cost increases.

The Development Services Fund budget shows a decline from the prior biennium of $4.4 million, or 8.1%. This decrease is attributable to the projected decline in development activity.

The Parks Enterprise Fund Budget shows an increase from the prior biennium of $1.6 million, or 14.9%. The increase is primarily attributable to the recognition of golf course revenues and expenses.

The Internal Services Fund category grew by $5.0 million, or 6.2%, primarily due to additional costs associated with the timing of capital replacements in the Equipment Rental Fund and the impact of inflation on City budgets.

The Reserve/Other Fund category increased by $11.1 million, or 10.0%, primarily due to lower than anticipated expenditures in 2007-2008 and the additional reserve balance proposed for the General Fund.

# Figure 3-7

## Operating Budget Expenditures by Fund

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **General Fund** | **304,808,007** | **337,933,097** | **33,125,090** | **10.9 %** |
| **Utilities** | | | | |
| Sewer Utility Fund | 75,794,822 | 88,518,335 | 12,723,513 | 16.8 % |
| Solid Waste Fund | 3,320,666 | 3,665,286 | 344,620 | 10.4 % |
| Storm & Surface Water Utility Fund | 31,310,674 | 37,691,979 | 6,381,305 | 20.4 % |
| Water Utility Fund | 79,055,421 | 95,002,871 | 15,947,450 | 20.2 % |
| **Total Utilities** | **189,481,583** | **224,878,471** | **35,396,888** | **18.7 %** |
| **Development Services Fund** | **54,023,234** | **49,647,659** | **(4,375,575)** | **(8.1)%** |
| **Parks Enterprise Fund** | **10,669,000** | **12,255,101** | **1,586,101** | **14.9 %** |
| **Internal Services** | | | | |
| Equipment Rental Fund | 38,400,877 | 40,769,425 | 2,368,548 | 6.2 % |
| Facilities Services Fund | 13,064,550 | 12,566,656 | (497,894) | (3.8)% |
| Information Technology Fund | 29,222,206 | 32,332,391 | 3,110,185 | 10.6 % |
| **Total Internal Services** | **80,687,633** | **85,668,472** | **4,980,839** | **6.2 %** |
| **Reserve/Other** | | | | |
| Franchise Fund | 3,419,069 | 4,050,370 | 631,301 | 18.5 % |
| General Self-Insurance Fund | 10,179,000 | 11,369,997 | 1,190,997 | 11.7 % |
| Health Benefits Fund | 35,577,470 | 41,863,505 | 6,286,035 | 17.7 % |
| Hotel/Motel Tax Fund | 17,342,738 | 20,477,500 | 3,134,762 | 18.1 % |
| Human Services Fund | 6,663,531 | 7,581,446 | 917,915 | 13.8 % |
| Land Purchase Revolving Fund | 4,456,039 | 3,035,572 | (1,420,467) | (31.9)% |
| LEOFF I Medical Reserve Fund | 18,806,061 | 18,237,469 | (568,592) | (3.0)% |
| Marina Fund | 1,481,995 | 1,899,228 | 417,233 | 28.2 % |
| Park M&O Reserve Fund | 2,870,583 | 2,892,583 | 22,000 | 0.8 % |
| Rainy Day Reserve Fund | 5,319,669 | 5,320,000 | 331 | - % |
| Unemployment Compensation Fund | 644,000 | 551,000 | (93,000) | (14.4)% |
| Workers' Compensation Fund | 3,974,000 | 4,552,000 | 578,000 | 14.5 % |
| **Total Reserve/Other** | **110,734,155** | **121,830,671** | **11,096,516** | **10.0 %** |
| **Total Operating Budget** | **750,403,612** | **832,213,471** | **81,809,859** | **10.9 %** |

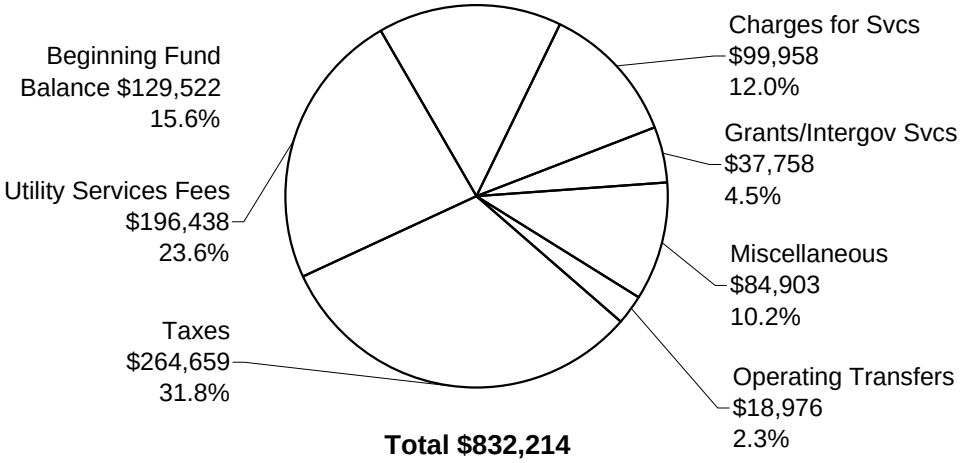
# Figure 3-8

## 2009-2010 Operating Budget
## Resources by Source and Expenditures by Group
## $000

This figure presents the 2009-2010 total operating budget resources by source and expenditures by group. At 31.8% of the "pie", taxes represents the largest resource category followed by utility services fees and beginning fund balance. Together, these three sources represent 71.0% of operating budget resources.

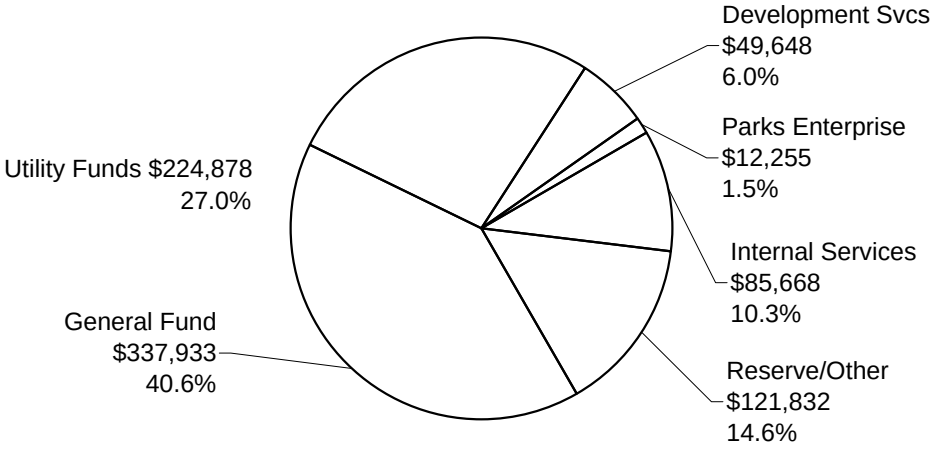
The General Fund is the largest operating budget fund at $337.9 million, representing 40.6% of expenditures.

### Resources




**Total $832,214**

### Expenditures




**Total $832,214**

CITY OF BELLEVUE WASHINGTON

## Special Purpose Budget Highlights

Special purpose funds highlights for 2009-2010 include:

- **Lower transfer of Council Reserve from the Operating Grants and Donations Fund**

  The 2009-2010 Operating Grants and Donations Fund budget has decreased by $2.4 million compared to the 2007-2008 biennium. The decrease is due in-part to the elimination of a Homeland Security (UASI) grant ($0.8), and the use of $0.5 million Council reserves to support New City Hall (NCH) debt service for the 2007-2008 biennium only. The remaining decrease is mainly due to timing in budgeting for grants.

  For the 2009-2010 biennium, the majority of the debt service payments on the NCH bonds will be supported from excess reserves from a number of City funds.

- **Lower Debt Service Requirement**

  The 2009-2010 Budget for the City's Debt Service Funds has decreased by $38.1 million compared to the previous biennium. The primary reason for the decrease is due to the retirement of the 2003 Unlimited Tax General Obligation (UTGO) refunding bonds and 2003 Limited Tax General Obligation (LTGO) bond anticipation notes (CIP Line of Credit) in 2008. In addition, the 2004 Waterworks Utility Revenue refunding bonds are anticipated to be retired in 2010.

- **Increase of Housing Fund Reserves**

  Reserves accumulate in the Housing Fund until projects are selected and funded by A Regional Coalition for Housing Fund (ARCH). Reserves increased in the 2008 due to lower than anticipated program expenditures in 2006 and 2007. In 2007, the Housing Program did not meet the target for low-income housing production. Several potential projects are in the works for funding in the upcoming biennium. Contribution to the Housing Fund from the General Fund remains constant at $312,000 through 2010.

# Figure 3-9

## Special Purpose Budget Expenditures by Fund

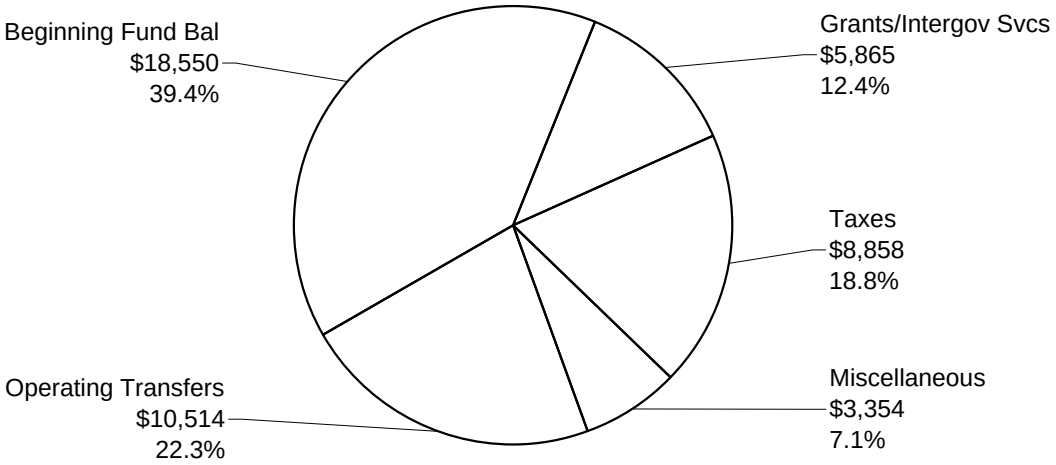
| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Grants** | | | | |
| Operating Grants/Donations/Sp Reserves Fd | 7,894,692 | 5,495,602 | (2,399,090) | (30.4)% |
| **Total Grants** | **7,894,692** | **5,495,602** | **(2,399,090)** | **(30.4)%** |
| **Debt Service** | | | | |
| Interest & Debt Redemption-Regular Fund | 54,643,006 | 22,382,137 | (32,260,869) | (59.0)% |
| Interest & Debt Redemption-Special Fund | 2,873,400 | 80,000 | (2,793,400) | (97.2)% |
| LID Control Fund | 2,457,405 | 2,100,502 | (356,903) | (14.5)% |
| LID Guaranty Fund | 1,983,150 | 815,655 | (1,167,495) | (58.9)% |
| Util Revenue Bond Redm SSWU | 2,779,557 | 1,594,094 | (1,185,463) | (42.6)% |
| Util Revenue Bond Redm Water | 938,893 | 625,083 | (313,810) | (33.4)% |
| **Total Debt Service** | **65,675,411** | **27,597,471** | **(38,077,940)** | **(58.0)%** |
| **Trust/Other** | | | | |
| Firemen's Pension Fund | 7,317,361 | 7,703,368 | 386,007 | 5.3 % |
| Housing Fund | 5,635,047 | 6,344,444 | 709,397 | 12.6 % |
| **Total Trust/Other** | **12,952,408** | **14,047,812** | **1,095,404** | **8.5 %** |
| **Total Special Purpose Budget** | **86,522,511** | **47,140,885** | **(39,381,626)** | **(45.5)%** |

## Figure 3-10

## 2009-2010 Special Purpose Budget
## Resources by Source and Expenditures by Group
## $000

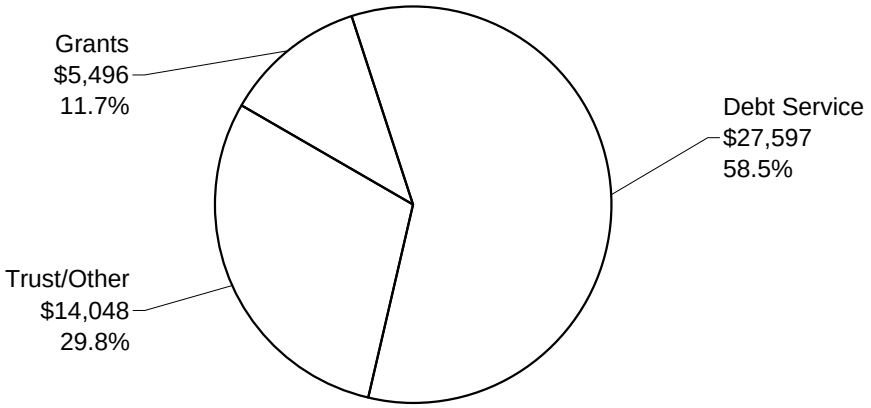
This figure depicts the resource and expenditure budget for the City's eight special purpose funds (not including the three capital funds). For the purposes of this display, resources have been categorized into five main components with the "pie slices" revealing the comparative size of each component of the budget. As the graph shows, excluding transfers between funds, the largest resource category is the beginning fund balance. This is primarily due to large reserves being held in some of these funds (e.g., Firemen's Pension Fund).

### Resources




**Total $47,141**

### Expenditures




**Total $47,141**

## Capital Project Budget Highlights

Bellevue's CIP Plan presents a schedule of major public facility improvements for implementation within a seven-year period.

The 2009-2015 CIP makes the best use of limited resources by sustaining current capital programs and includes a handful of investments in critical projects that are focused on reducing traffic and maintaining critical City systems and infrastructure. As with most cities, the ability to keep up with infrastructure needs is lagging. This budget does not meet all of Bellevue's capital needs, nor does it fund all investment requests put forward by departments related to the City's streets, sidewalks, and related infrastructure. Nearly half a billion dollars of new capital needs are estimated over the next decade; this CIP funds only a fraction of that. However, the projects that are included in the Plan are consistent with Council direction and feedback from the community to continue Bellevue's high quality services. The Capital Plan:

1. Sustains current programs
2. Provides a minimum number of new projects to support advances in
    a. Transportation Safety and Mobility;
    b. Technology and Internal Infrastructure; and
    c. Environmental Stewardship
3. Addresses aging infrastructure
4. Funds mandates
5. Provides the matching funds for the November 2008 Parks ballot measure

The Plan also continues the practice of moving more projects forward in the early years of the seven-year period. We have often referred to this as "frontloading" the CIP Plan. Transportation and Parks projects are a priority, and to the greatest extent possible, they have been programmed in the early years of the CIP. The Plan assumes that borrowing, via a line of credit (LOC), will be needed in the early years of the CIP to support cash flow needs related to frontloading. As such the 2009-2015 CIP Plan sets aside $7.2 million to pay the interest on borrowing. The recommended CIP Plan assumes full repayment of the LOC by the end of 2015.

The Plan also includes a $28.5 million funding placeholder, which is earmarked to provide the matching funds for the November 2008 Parks ballot measure. The ballot measure would provide $40.5 million of capital funding over the next twenty years for the acquisition, improvement and development of the open space and park system. The measure will also provide $660,000 annually for maintenance and operating costs.

In addition, the Plan includes six projects adopted by the City Council in 2007, collectively known as the Supplemental CIP. Funding for these projects is provided by limited tax general obligation (LTGO) bonds totaling $14.0 million issued in January 2008. These projects focus on several priority areas identified by the City Council:

- Downtown Implementation
- Transportation Capacity and Congestion; and
- Neighborhood Investments

In total, the seven-year Capital Investment Program Plan is recommended at $485.8 million, of which $322.6 million is allocated for the General Capital Investment Program, $17.2 million for the Supplemental CIP (includes LTGO bond payments) and $146.0 million for the Utility Capital Investment Program. The General CIP Plan includes fifteen new or enhanced projects, while the Utilities Capital Investment Program Plan includes the addition of thirteen new or enhanced projects.

**Key Projects for 2009-2010**

A number of projects are scheduled to be undertaken in the next biennium. While the following list is not inclusive of all the projects the City will be funding in 2009-2010, it includes some of the more high profile projects.

Detailed project descriptions for these and other CIP projects can be found within the 2009-2015 Capital Investment Program Plan.

Transportation

Northup Way 120th to 124th Avenues NE (PW-R-133)
NE 2nd St Roadway Enhancement – Pre Design (PW-R-150)
145th Place SE/SE 16th to SE 24th and SE22/145th Place to 156th Pl SE (PW-R-151)
NE 8th Street/106th Avenue NE to 108th Avenue NE (PW-R-152)
Traffic Computer System Upgrade (PW-R-155)
148th Avenue NE/Bel-Red Road (PW-I-76)
148th Avenue NE/NE 20th Street (PW-I-78)
108th Avenue SE/Bellevue Way to I-90 (PW-W/B-71)

Parks

Resource Management Division Facility (P-AD-59)
Bellevue Challenge Grant (P-AD-69)
King County Special Property Tax Levy (P-AD-79)

General Government

Enterprise Content Management (ECM) System (G-57)
Security – PCI Mandated Requirements (G-72)
LIS Redesign & Upgrade (G-73)
Enhanced Forest Mgmt/ROW Plantings (G-77)

Community and Economic Development

Urban Boulevards/Great Streets (CD-22)
Shoreline Update- Inventory Phase (CD-25)

Utilities

Reservoir Water Quality Upgrades (W-92)
Relocate Water for WSDOT I-405/SR 520 Braids Project (W-101)
East CBD Sewer Trunkline Improvement (S-52)
Relocate Sewer for WSDOT I-405/SR 520 Braids Project (S-55)
Retrofit Regional Detention Facilities for Improved Water Quality (D-92)
Replace Coal Creek Pkwy Culvert @ Coal Creek (D-103)

# Figure 3-11

## 2009-2010 Capital Project Budget
## Expenditures by Program Area and Fund
## $000

Figure 3-11 compares the 2009-2010 biennium to the 2007-2008 biennium for the City's two Capital Investment Program (CIP) funds and the Supplemental CIP.

The 2009-2010 budget includes a $28.5 million placeholder for the November Parks Bond measure and also assures that the interest from the short-term borrowing is funded. Budgeted expenditures in the Utility CIP Fund increased to reflect funding for several projects to meet sewer capacity in the central business district and water infrastructure and renewal capital needs.

| Capital Project Budget | 2007-2008 Budget | 2009-2010 Budget | $ Change | % Change |
|---|---|---|---|---|
| **Supplemental CIP** | | | | |
| Transportation | $7,627 | $7,695 | $68 | 0.9% |
| General Government | 1,834 | 2,156 | 322 | 17.6% |
| Community and Economic Development | 2,150 | 2,000 | (150) | (7.0%) |
| **Subtotal Supplemental CIP** | $11,611 | $11,851 | $240 | 2.1% |
| **General Capital Investment Program Fund** | | | | |
| Transportation | $46,172 | $63,229 | $17,057 | 36.9% |
| Parks | 43,402 | 20,262 | (23,140) | (53.3%) |
| General Government | 44,158 | 36,789 | (7,369) | (16.7%) |
| Public Safety | 5,205 | 3,470 | (1,735) | (33.3%) |
| Community and Economic Development | 10,470 | 7,680 | (2,790) | (26.6%) |
| Neighborhood Enhancement Program | 2,814 | 2,924 | 110 | 3.9% |
| Neighborhood Investment Strategy | 1,473 | 520 | (953) | (64.7%) |
| **Subtotal General Capital Investment Program Fund** | $153,694 | $134,874 | ($18,820) | (12.2%) |
| **Utility Capital Investment Program Fund** | | | | |
| Water | $25,680 | $40,363 | $14,683 | 57.2% |
| Sewer | 30,636 | 40,897 | 10,261 | 33.5% |
| Storm Drainage | 16,739 | 29,356 | 12,617 | 75.4% |
| **Subtotal Utility Capital Investment Program Fund** | $73,055 | $110,616 | $37,561 | 51.4% |
| **Total Capital Project Budget** | $238,360 | $257,341 | $18,981 | (8.0%) |

## Figure 3-12

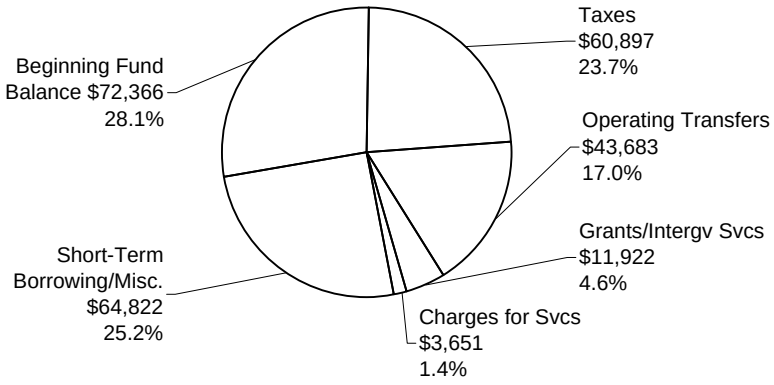
## 2009-2010 Capital Investment Program Budget
## Resources by Source and Expenditures by Program Area
## $000

This figure depicts the resource and expenditure budget for the City's two CIP funds and the Supplemental CIP.

Resources have been divided into six main categories revealing the comparative size of each component of the budget. The largest resource categories are taxes, which is comprised of sales, real estate excise, and business and occupation taxes. Beginning fund balance which represents the utilities reserve and replacement funds for future funding of capital improvements and Short-Term Borrowing/Miscellaneous revenue, which primarily represents the maximum amount of short-term borrowing that may be needed to fund all planned expenditures for the biennium.

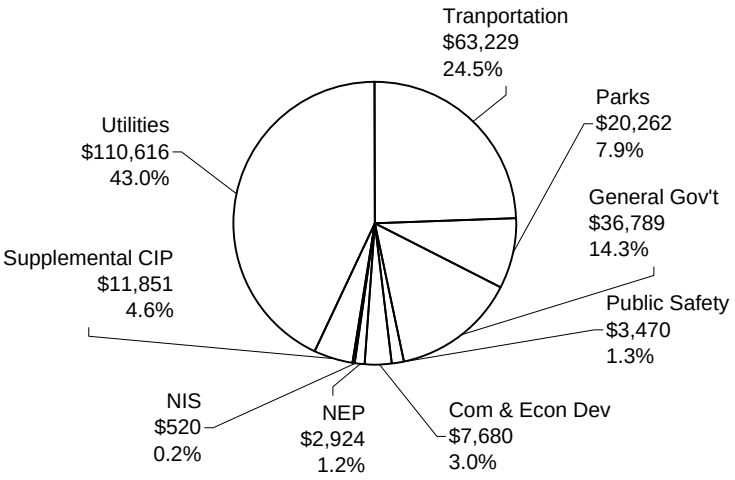
The expenditure pie has been divided into the CIP program areas and reveals the comparative size of each. Transportation, Parks, and Utilities combine to make up 75% of the expenditure budget reflecting the overall capital funding priorities in the City.

### Resources




**Total $257,341**

### Expenditures




**Total $257,341**

## Figure 3-13

## Operating Costs Funded by the Capital Investment Program (CIP)
## $000

This figure presents the 2009 and 2010 operating budget maintenance & operations (M&O) expenditures funded by the Capital Investment Program (CIP).

Refer to the 2009-2015 Capital Investment Program (CIP) Plan to obtain more detailed information on M&O expenditures. The budgets reflect the project completion schedules in the 2009-2015 CIP Plan. Actual transfers to the General Fund may vary depending on the timing of actual project completions.

| | 2009 Budget | 2010 Budget |
|---|---|---|
| **Base M&O Funding** | **$8,886** | **$9,109** |
| **New M&O Funding Approved (by Major Program Area)** | | |
| Transportation | $161 | $279 |
| Parks | 231 | 210 |
| General Government | 43 | 44 |
| Public Safety | 0 | 0 |
| Community & Economic Development | 21 | 22 |
| Neighborhood Enhancement | 94 | 96 |
| Neighborhood Investment | 3 | 3 |
| **Total M&O Funding** | **$9,439** | **$9,763** |

## F. DEBT INFORMATION

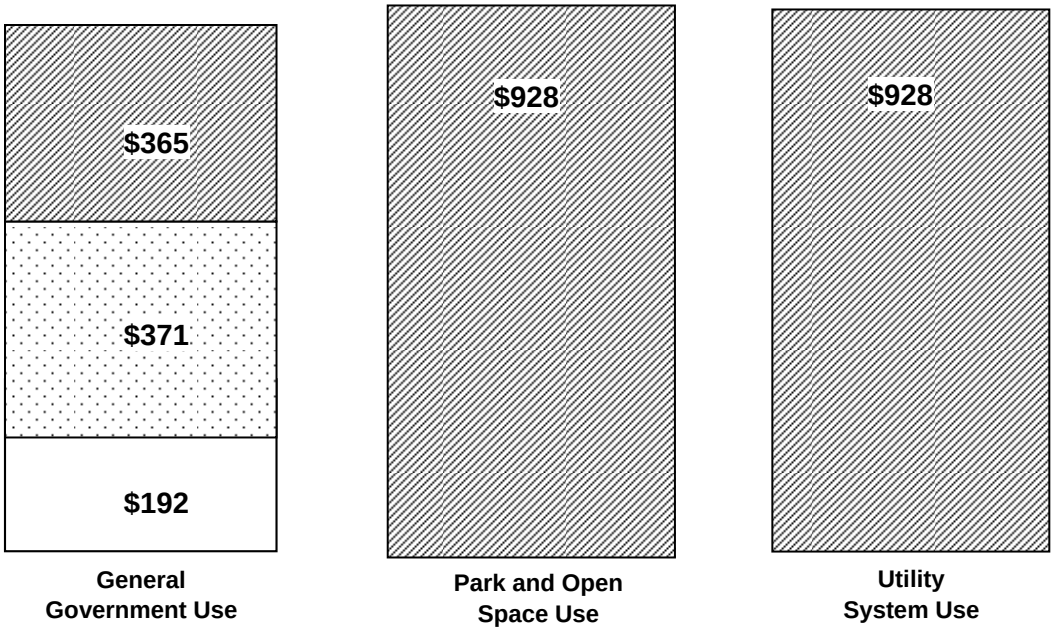
State Law enables the City to issue debt for three general categories of use: General Government, Park and Open Space, and Utility System uses. The debt issued in each category is limited to 2.5% of the City's assessed valuation (for a total limit of 7.5%). In addition, the State Constitution also allows for non-voted, or councilmanic debt limited to 1.5% of the City's assessed valuation, to be included within the General Government 2.5% limit. Such councilmanic debt can be funded by property taxes, but does not result in an increase to regular levy property taxes. Publicly-voted bonds (which exclude councilmanic debt) require a 60% majority approval for passage of a bond election and a total voter turnout of at least 40% of the total votes cast in the last general election. Publicly-voted bonds are funded by voted levy property taxes and the approval of these bonds will result in an increase to voted levy property taxes.

Figure 3-14 exhibits by category the City's total general obligation debt capacity, the amount of debt issued, and the allocation of remaining debt capacity between voted and councilmanic limits. As of January 1, 2009, the City's remaining general government debt capacity was approximately $736 million, approximately $371 million in voted capacity and $365 million in councilmanic capacity. The approximate remaining debt capacity for park and open space use is $928 million and for utility system use is $928 million.

**Figure 3-14**

**Total Debt Capacity and Debt Issued**
**as of January 1, 2009**
**($ Millions)**

**Maximum Legal Capacity = $37,116 x 0.025 = $928**




Unused debt capacity (including lease purchase debt) which may be issued by the City Council without voter approval.

Unused debt capacity which must be approved by the voters and will result in increased property taxes.

Debt which has been issued.

Figure 3-15 on the following page presents detailed information on the City's General Obligation and Revenue Bond debt. For each debt issue, this figure lists the amount issued, the issue and maturity dates, interest rate, source of debt payment funding, and the debt service requirements included in the 2009-2010 Budget.

## Figure 3-15
## GENERAL OBLIGATION AND REVENUE BOND DEBT INFORMATION
## $000

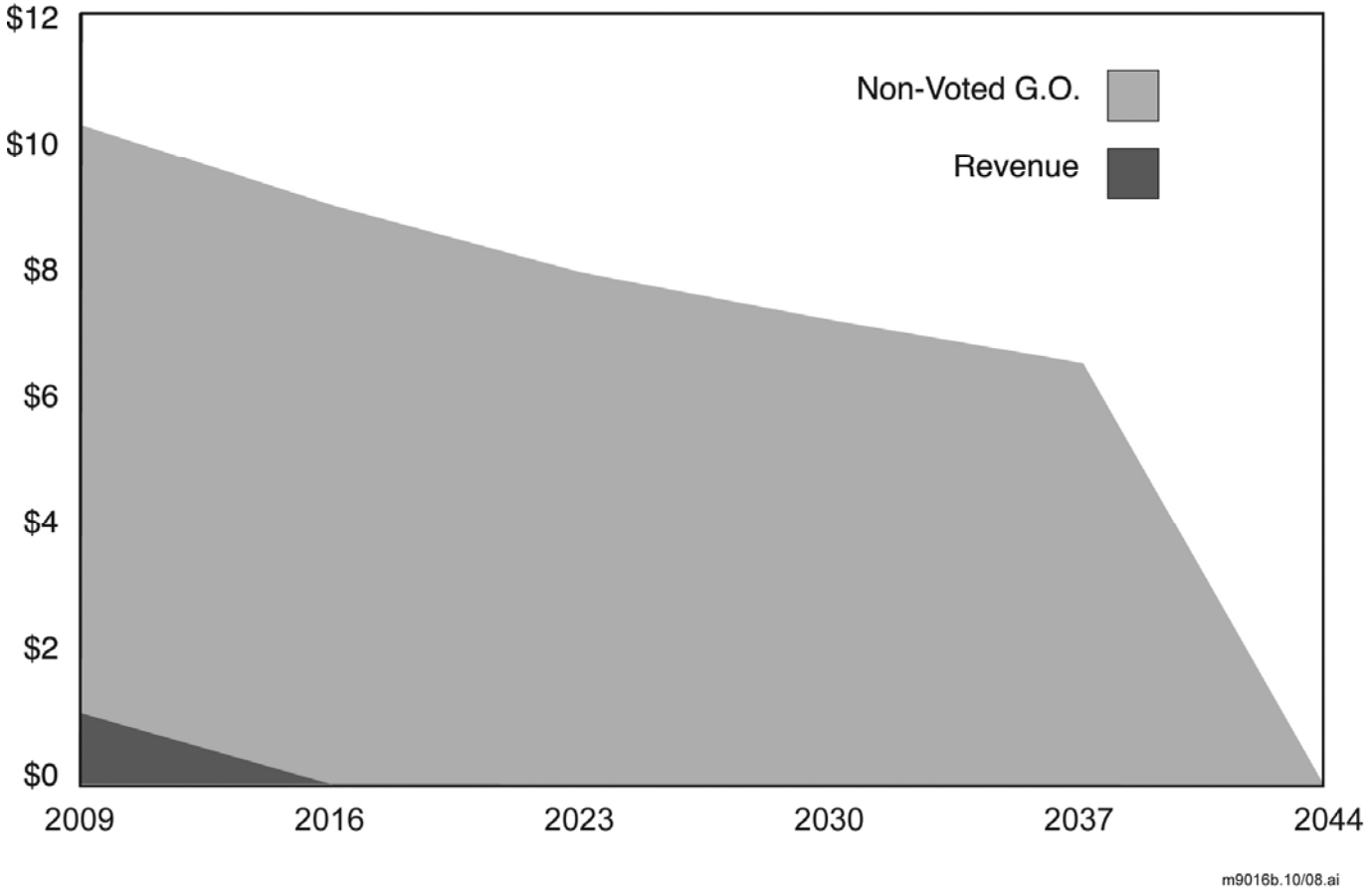
| | Original Amount Issued | Issue Date | Final Maturity Date | Interest Rate | Source of Debt Service Funding |
|---|---|---|---|---|---|
| **Non-Voted General Obligation (G.O.) Bonds:** | | | | | |
| 1995 Limited G.O. | $5,140 | 1995 | 2025 | 5.15 - 5.80% | Hotel/Motel Taxes |
| 1998 Limited G.O. | 4,310 | 1998 | 2018 | 4.00 - 4.78% | Grants/CIP/Moorage Fee |
| 2002 Limited G.O. | 10,450 | 2002 | 2032 | 3.50 - 5.50% | Hotel/Motel Taxes |
| 2003 Limited G.O. Refunding, Series B | 4,635 | 2003 | 2014 | 2.00 - 4.50% | CIP |
| 2004 Limited GO (City Building) | 102,710 | 2004 | 2043 | 5.00 - 5.50% | CIP/Reserves |
| 2006 Limited GO (City Building II) | 6,060 | 2006 | 2026 | 3.80 - 4.25% | CIP/Reserves |
| 2008 Limited GO (Supplemental CIP) | 14,230 | 2008 | 2027 | 3.00 - 4.25% | CIP |
| 2008 Limited GO BAN (LOC) | 30,000 | 2008 | 2013 | Variable | CIP |
| Subtotal Non-Voted G.O. Bonds | $177,535 | | | | |
| **Revenue Bonds:** | | | | | |
| 1991 Bellevue Convention Center Authority, Series B (1) | $21,120 | 1991 | 2019 | 5.90 - 7.20% | BCCA |
| 1994 Bellevue Convention Center Authority Refunding (1) | 13,749 | 1994 | 2025 | 6.25 - 7.50% | BCCA |
| 2004 Waterworks Refunding | 6,825 | 2004 | 2010 | 2.00 - 3.625% | Utility Services Fees |
| Subtotal Revenue Bonds | $41,694 | | | | |
| **TOTAL GENERAL OBLIGATION AND REVENUE BONDS** | $219,229 | | | | |

**(1)** The Bellevue Convention Center Authority (BCCA) is a component unit of the City for financial reporting purposes. The Authority's revenue bonds
Lease Purchase Rental payments from the City paid for with Hotel/Motel Tax revenues and other revenues of the City available without a vote of th

Figure 3-16 presents the annual debt service requirements for the City's voted, councilmanic (non-voted), and revenue debt through 2044. The 2009 debt service requirements are $1.1 million for revenue bond debt, and $9.7 million on councilmanic debt. If no further debt is issued, the final debt payment for the revenue debt will be made in the year 2010, and for councilmanic debt in 2043. This graph shows the City's annual debt service requirements decreasing over time.

**Figure 3-16**
**ANNUAL DEBT SERVICE REQUIREMENTS**
**FOR EXISTING GENERAL OBLIGATION AND REVENUE BONDS**

**($ Millions)**




CITY BOND RATINGS

On October 20, 2008 the City held the following bond ratings:

| Bond Type | Standard and Poor's | Moody's |
|---|---|---|
| Unlimited Tax General Obligation | AAA | Aaa |
| Limited Tax General Obligation | AAA | Aa1 |
| Revenue | N/A | Aa2 |

# Resource Summary

This chapter illustrates 2009-2010 Budget resource estimates primarily through the use of graphic presentations. Text describing the graphic presentations is included to highlight some of the key information presented.

This Resource Summary is organized into the following sections:

**A. Total City Budget Resources**

This section provides the reader with additional information on City taxes.

**B. Operating Funds Budget Resources**

This section provides information regarding operating budget resources by category and General Fund resource changes by source.

**C. Special Purpose Funds Budget Resources**

This section provides information regarding special purpose budget resources by category.

**D. Capital Project Funds Budget Resources**

This section provides information regarding capital project budget resources by category.

## A. TOTAL CITY BUDGET RESOURCES

Figure 4-1 presents the 2009-2010 resource budget for all City funds and contains a comparison to 2007-2008 resources. Resources for 2009-2010 are anticipated to increase $61.4 million or 5.7% from 2007-2008. The increase is primarily due to an increase in beginning fund balances ($47.6 million), Utility Service Fees ($29.1 million) and taxes ($21.0 million).

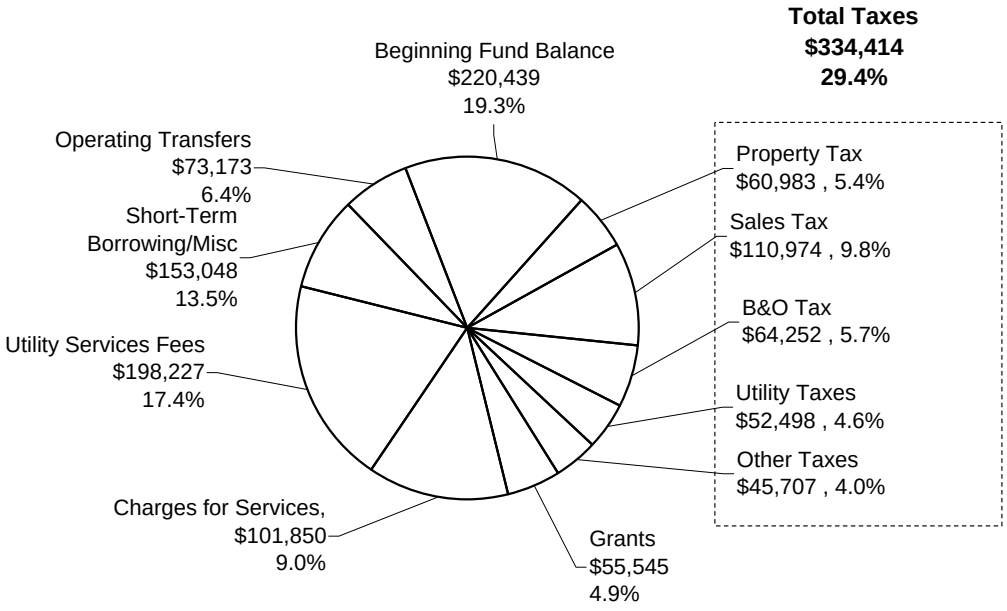
As illustrated in the pie chart, taxes represent the largest resource category contributing 29.4% of total City resources. Tax collections are anticipated to increase by $21.0 million based on the economic growth projected for the region. Within the taxes category, the largest components include sales tax, property tax and business and occupation (B&O) tax.

Beginning Fund Balance (BFB) is the second largest category of resources. This level of reserves is dictated by policies which specify that the City shall maintain adequate reserves to cover future liabilities (e.g., equipment replacement reserves). These reserve policies allow the City to handle large expenditure increases caused by the timing of certain expenditure items without having to raise revenues. Additionally, the 2009-2010 Preliminary Biennial Budget proposes a new General Fund reserve policy and target reserve level to assure that we will be in a position to weather economic tides or to respond to natural disasters. The new policy sets an annual target of 15% of General Fund revenues as a sustaining reserve level and includes the existing “Rainy Day” fund reserves.

Utility Service Fees is the third largest category of resources. This revenue category is made up of water, sewer and storm and surface water service fees. These revenues are projected to grow by nearly $29.1 million over the 2007-2008 biennium primarily attributable to pass-through rate increases in Metro sewer costs and Cascade Water Alliance costs, investments associated with aging infrastructure, regulatory requirements such as NPDES and water quality programs, and capital program cost increases.

## Figure 4-1

## 2009-2010 Total City Budget Resources
## $000




**Total $1,136,696**

### Comparison to 2007-2008 Budget

| | 2007-2008 Budget | 2009-2010 Budget | $ Change | % Change |
|---|---|---|---|---|
| **Taxes** | | | | |
| Sales Tax | $102,893 | $110,974 | $8,081 | 7.9% |
| Property Tax | 57,513 | $60,983 | 3,470 | 6.0% |
| Business & Occupation Tax | 53,403 | $64,252 | 10,849 | 20.3% |
| Utility Taxes | 45,384 | $52,498 | 7,114 | 15.7% |
| Other Taxes | 54,237 | $45,707 | (8,530) | (15.7%) |
| **Total Taxes** | $313,430 | $334,414 | $20,984 | 6.7% |
| **Beginning Fund Balance** | 172,844 | 220,439 | 47,595 | 27.5% |
| **Utility Services Fees** | 169,161 | 198,227 | 29,066 | 17.2% |
| **Short-Term Borrowing/Miscellaneous** | 142,474 | 153,048 | 10,574 | 7.4% |
| **Charges for Services** | 97,923 | 101,850 | 3,927 | 4.0% |
| **Operating Transfers** | 106,678 | 73,173 | (33,505) | (31.4%) |
| **Grants/Intergovernmental Services** | 72,776 | 55,545 | (17,231) | (23.7%) |
| **Total Resources** | $1,075,286 | $1,136,696 | $61,410 | 5.7% |

## FIGURE 4-2
## SUMMARY OF LOCALLY LEVIED TAXES

Bellevue has a diverse mix of revenues that grow and retract based on various drivers. Through a diverse revenue base, and conservative financial management, Bellevue is able to weather economic downturns with minimal negative impact.

This figure includes specific information on each of the taxes levied to support City services. Included for each tax are the maximum allowable rate, the current City rate, the 2009 and 2010 budgets, and supplemental information.

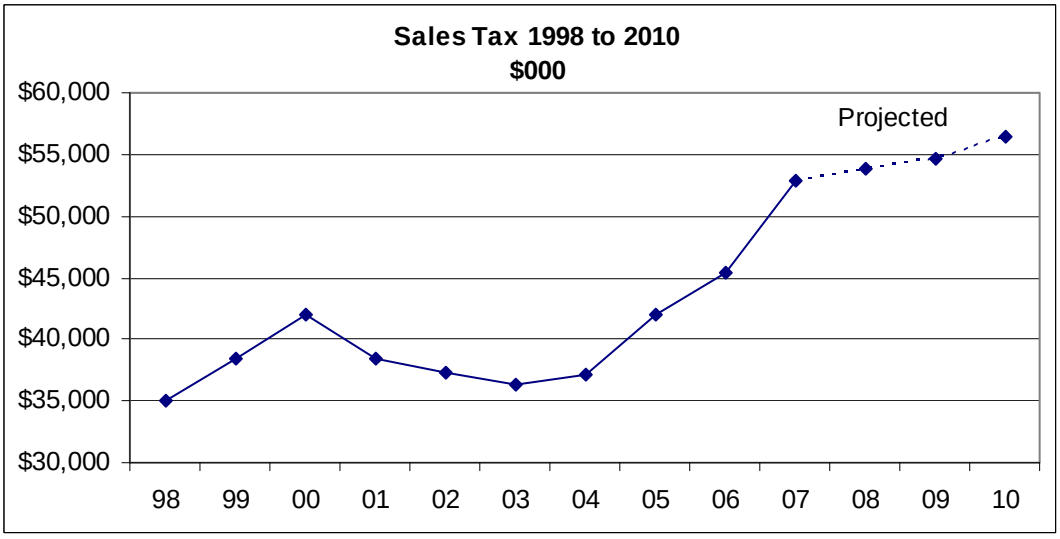
### 1. Sales Tax

Sales tax is imposed on the sale of most goods and some services. This tax is remitted to the State by businesses and in turn, the State provides the City with a portion of this revenue on a monthly basis. The total sales tax rate is 9.0% in Bellevue and Bellevue receives 0.85% of this rate.

Growth in sales tax revenues is driven by growth in sales at retail outlets, direct expenditures by households and businesses, and development activity. Sales tax revenues support activities of the General Fund, General CIP Fund and Housing Fund.

Historical Collections & Trends

Sales tax collections have continued to grow in Bellevue since 2004. From 2005-2007, sales tax collections grew significantly, primarily due to increases in development activity and consumer spending (retail and services sectors growth). For 2008 through the 2009-2010 biennium, construction related activity is projected to drop-off and consumer spending is expected to slow.



| | |
|---|---|
| Maximum Rate: | 1.0%* |
| Current Rate: | 1.0%* |
| 2009 Estimate: | |
| General Fund** | $38,766,000 |
| General CIP Fund | 12,988,000 |
| Supplemental CIP Fund | 1,078,000 |
| Housing Fund | 100,000 |
| Interest & Debt Redemption – Regular Fund | 1,666,000 |
| Total 2009 Sales Tax | $54,598,000 |
| 2010 Estimate: | |
| General Fund** | $40,035,000 |
| General CIP Fund | 8,171,000 |
| Supplemental CIP Fund | 1,078,000 |
| Housing Fund | 100,000 |
| Interest & Debt Redemption – Regular Fund | 6,992,000 |
| Total 2010 Sales Tax | $56,376,000 |

* 15% of the sales tax revenue produced by the City's 1% is allocated to the County.

** Includes a portion of CIP allocation for maintenance and operating costs associated with completed capital projects.

Each 0.1% of the sales tax rate generates $5,460,000 in 2009 and $5,638,000 in 2010 of sales tax revenue.

Watch Areas

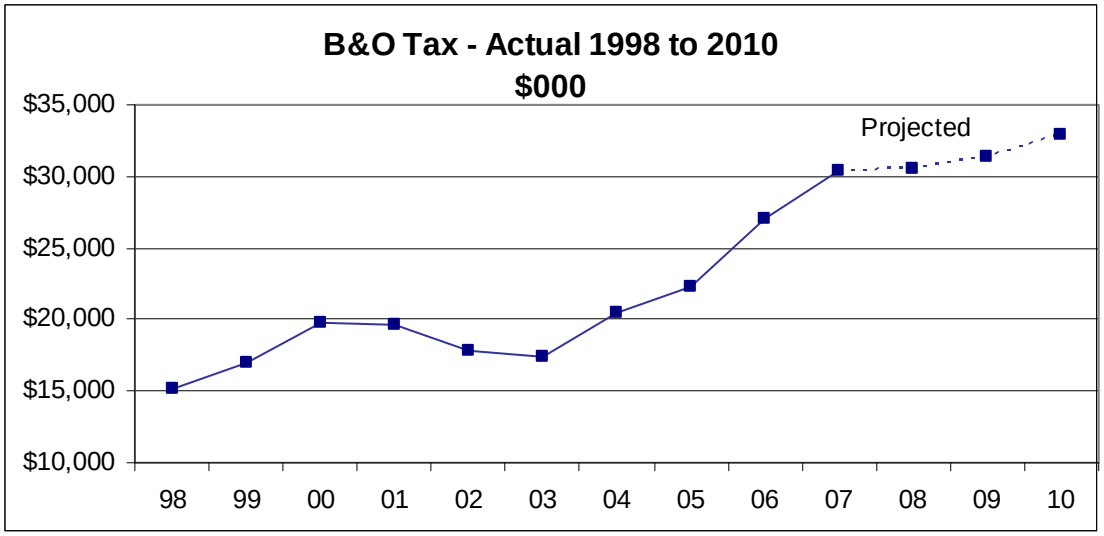
Streamlined Sales Tax: With passage of Substitute Senate Bill 5089, Washington changed from an origin-based system for local retail sales tax to a destination-based system effective July 1, 2008. Prior to July 1, 2008, Washington retailers collected local sales tax based on the jurisdiction from which a product was shipped or delivered - the "origin" of the sale. Starting July 1, 2008, they must collect based on the destination of the shipment or delivery - the "destination" of the sale. This legislation will shift sales tax revenues among local jurisdictions, some jurisdictions are expected to gain revenues while others will lose. The State has adopted a provision to mitigate losses until a jurisdiction's revenue exceeds its losses. While these legislative changes are complex and the ongoing impacts are difficult to estimate, the existing budget and 2009-2014 Forecast include an estimate of these changes to the tax codes.

## 2. Business & Occupation (B&O) Tax

Business and occupation (B&O) tax is made up of two components: gross receipts and square footage. The gross receipts B&O tax is primarily measured on gross proceeds of sales or gross income. The square footage B&O tax applies to businesses whose activities produce gross revenue indirectly, such as at a headquarter locations. In some cases, businesses are excluded from paying this tax (e.g. gross receipts for a business less than $135,000 or offices with less than 250 square feet). The City levies the same rate for all types of business activities. The gross receipt B&O tax rate is 0.1496% of receipts/income and the square footage rate is $0.21 per square foot. B&O revenues support General Fund and the Capital Investment Program (CIP) Fund activities.

Historical Collections & Trends

Following a similar pattern to sales tax, B&O tax collections grew considerably from 2004-2007, reflecting the upswing in the economy and healthy growth in collections resulting from audit activities. A decline in audit activity and the impact of B&O apportionment will produce lower collections in 2008. However, the B&O tax base is steadily growing and is projected to sustain B&O tax growth through the biennium.




| | |
|---|---|
| Maximum Rate: | 0.2% |
| Current Rate: | 0.1496% |
| 2009 Estimate: | |
| General Fund (0.11%) | $23,026,000 |
| General CIP Fund - Unrestricted (0.03%) | 6,279,000 |
| General CIP Fund - Restricted Transportation Only (0.0096%) | 2,010,000 |
| Total 2009 Business & Occupation Tax | $31,315,000 |
| 2010 Estimate: | |
| General Fund (0.11%) | $24,218,000 |
| General CIP Fund - Unrestricted (0.03%) | 6,604,000 |
| General CIP Fund - Restricted Transportation Only (0.0096%) | 2,115,000 |
| Total 2010 Business & Occupation Tax | $32,937,000 |

A majority of voters may approve a rate in excess of 0.2%. Each 0.01% of the business and occupation tax rate generates $2,093,000 in 2009 and $2,202,000 in 2010 of B&O tax revenue.

Watch Areas

B&O Apportionment: State legislative changes to B&O tax, called apportionment, are expected to adversely affect Bellevue's General Fund and Capital Improvement Program Fund (CIP) beginning in 2008. Apportionment will narrow our current tax base by reallocating a portion of it to other jurisdictions. The legislative changes are complex and impacts are difficult to estimate. The budget included a projected impact in 2008 and beyond. Future budgets will reflect Bellevue's experience as more information becomes available.

## 3. Property Tax

Property tax is applied to the assessed value (AV) of all taxable real and personal property located within the City, with several exceptions such as public structures (government buildings, roads, etc.), property owned by several types of non-profit organizations, personal property (up to a specified dollar value), and others.

Real property includes land, buildings, and improvements to the land such as driveways. Personal property includes movable assets used in conducting a business such as machinery, supplies, and other non-inventory items. The King County Department of Assessments determines the assessment of real and personal properties and collects this revenue for the City. Official property tax records are maintained by the King County Assessor's Office.

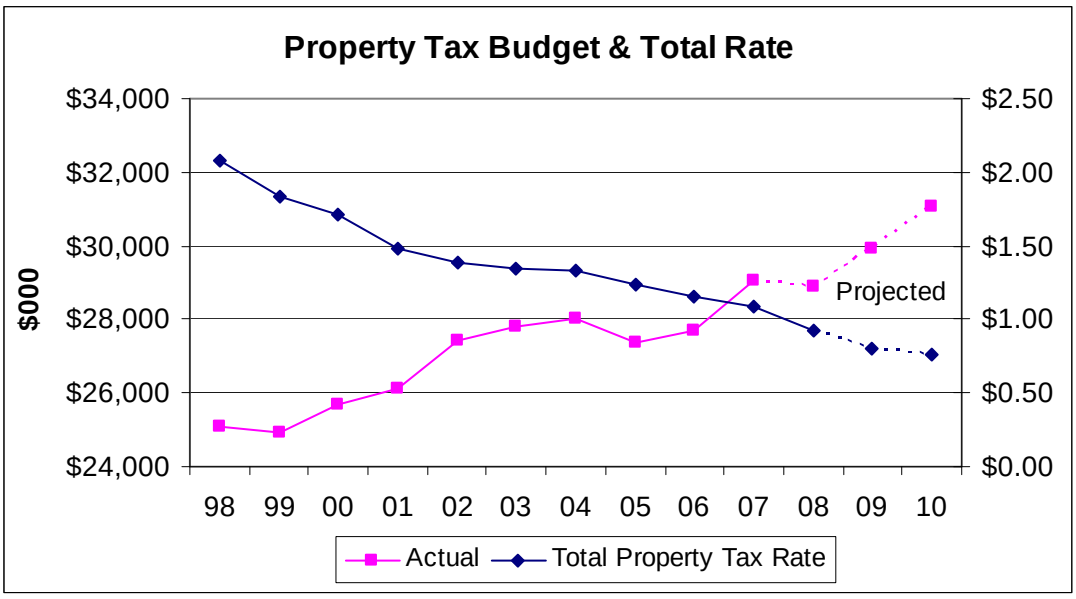
Property tax revenues support General Fund activities as well as the Human Services Fund, which accounts for human services activities, including agency contracts, and Youth Link programs.

Historical Collections & Trends

Under Initiative 747, the regular levy can grow at a maximum of one percent annually or the rate of "inflation" (defined as the increase in the implicit price deflator (IPD), whichever is less, plus additions for new construction, changes in value of state-assessed utility property and newly annexed property (referred to as "add-ons"). For nine of the past eleven years, Bellevue has opted to only levy the additional property tax associated with add-ons, but has preserved, or "banked" its remaining allowable levy capacity (maximum allowable levy less actual levy). In 2008, Bellevue has $8.7 million in banked capacity available.

In 2007 and 2008, the Bellevue City Council approved the use of some banked capacity to support the ongoing maintenance and operating costs of City infrastructure. The Forecast does not reflect the use of any additional amounts of banked capacity.

As displayed below, Bellevue's property tax levy rate continues to decline. Bellevue's property tax levy has fluctuated based on changes in new construction, debt service requirements and most recently, the use of banked capacity.



| | |
|---|---|
| Maximum Rate: | $3.17/$1,000 AV |
| 2009 Rate: | $0.81/$1,000 AV |
| 2009 Levy: | |
| General Fund | $27,436,000 |
| Human Services Fund | 2,492,000 |
| Total 2009 Regular Property Tax Levy | $29,928,000 |
| 2010 Estimated Rate: | $0.76/$1,000 AV |
| 2010 Estimated Levy: | |
| General Fund | $28,472,000 |
| Human Services Fund | 2,583,000 |
| Total 2010 Estimated Regular Property Tax Levy | $31,055,000 |

Current law limits the property tax increase from the prior highest allowable regular levy to the lesser of 101% or 100% plus inflation, where inflation is measured by the percentage change in the IPD (whichever is less). For 2008 the IPD changed 4.5%.

Based on the estimated 2009 regular levy of $29,928,000 and the 2010 levy of $31,055,000, each $0.01 per $1,000 assessed value (AV) of the regular property tax levy rate generates $371,000 in 2009 and $408,000 in 2010 in property tax revenue.

The 2009 regular levy AV is at $37.1 billion, an increase of $5.7 billion or 18.2% from the 2008 AV. The 2010 regular levy AV is estimated to be $40.8 billion, an increase of $3.7 billion or 10.0% from the 2009 AV.

**Voted Property Tax Levy**

The City accumulated reserves sufficient to cover the last voted levy's debt service payment in 2008. No voted property tax monies are levied in 2009.

Watch Areas

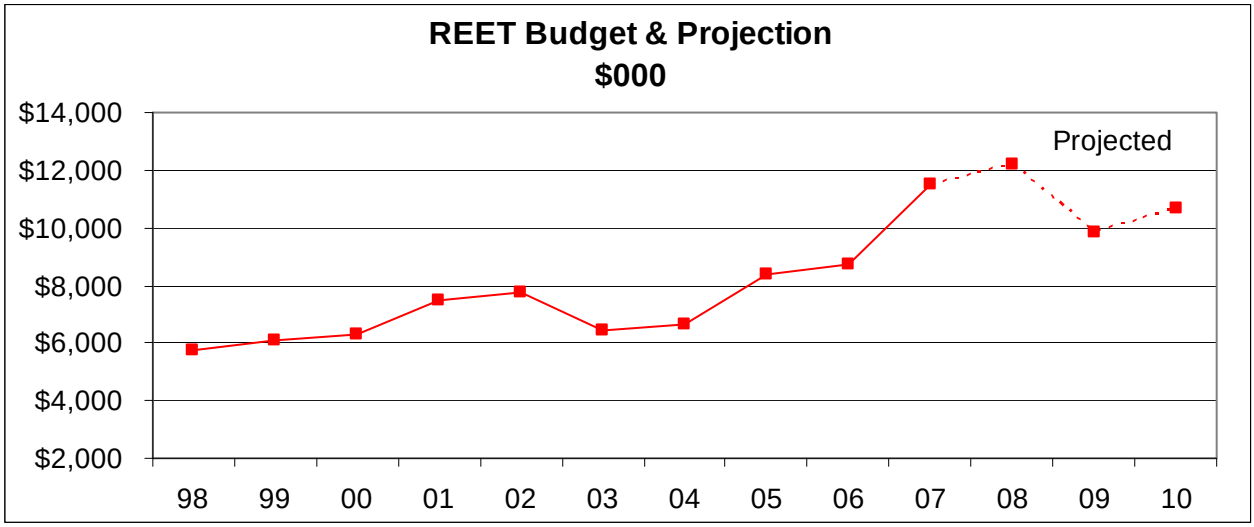
Parks & Opens Space Levy: A parks and open space levy lid lift will be placed on the November 2008 election ballot to provide capital funding over the next 20 years and ongoing maintenance and operations funding. If voters approve the levy lid lift at the November election, City Council will be authorized to increase the 2009 regular property tax levy rate by $0.12 per $1,000 of assessed value.

## 4. Real Estate Excise Tax (REET)

The Real Estate Excise Tax (REET) is levied on all sales of real estate. The rate is 0.5% of the selling price of the property. The first 0.25% of local REET must be used to fund capital facilities expenditures that have been identified in the City's comprehensive plan. The second 0.25% of local REET revenues must also be used to fund capital facilities, with the added stipulation that they cannot be used for the acquisition of land for parks. REET revenues are cyclical in nature, mimicking underlying real estate market trends.

Historical Collections & Trends

Real Estate Excise Tax collections increased an annual average of 11.5% per year between 1998 and 2006. Collections increased 94.3% in 2007, fueled by the sale of the portfolio of a major landholder in Bellevue.




| | |
|---|---|
| Maximum Rate: | 0.5% |
| Current Rate: | 0.5% |
| 2009 Estimate: | $9,248,000 |
| 2010 Estimate: | $9,871,000 |

Revenue proceeds are receipted to the General Capital Investment Program Fund for use on capital projects. Each 0.25% of the real estate excise tax rate generates $4,624,000 in 2009 and $4,935,000 in 2010 of real estate excise tax revenue.

Watch Areas

Residential Housing Market: The current slowdown in home sales and new housing permits has significantly affected REET collections in 2008. While local economists are projecting housing permits to increase in 2009, the recent credit market collapse could further delay future development activity, including housing starts.

## 5. Utility Tax

Bellevue levies a tax on the gross income derived from sales of utility services provided in the City. Services include electricity, gas, water, sewer, storm drainage, garbage, telephone, and cellular phone. The revenues generated by these taxes support General City operations.

**Electric Utility Tax**

| | |
|---|---|
| Maximum Rate: | 6.0% |
| Current Rate: | 5.0% |
| 2009 Estimate: | $7,322,000 |

| | |
|---|---|
| 2010 Estimate: | $7,600,000 |

A majority of the voters may approve a rate in excess of 6%. Each 0.1% of the electric utility tax rate generates $146,000 in 2009 and $152,000 in 2010 of electric utility tax revenue.

**Gas Utility Tax**

| | |
|---|---|
| Maximum Rate: | 6.0% |
| Current Rate: | 5.0% |
| 2009 Estimate: | $3,428,000 |
| 2010 Estimate: | $3,558,000 |

A majority of the voters may approve a rate in excess of 6%. Each 0.1% of the gas utility tax rate generates $69,000 in 2009 and $71,000 in 2010 of gas utility tax revenue.

**Water Utility Tax**

| | |
|---|---|
| Maximum Rate: | None |
| Current Rate: | 5.0% |
| 2009 Estimate: | $1,516,000 |
| 2010 Estimate: | $1,663,000 |

Tax levied on the City's Water Utility. Each 0.1% of the water utility tax rate generates $30,000 in 2009 and $33,000 in 2010 of water utility tax revenue.

**Sewer Utility Tax**

| | |
|---|---|
| Maximum Rate: | None |
| Current Rate: | 5.0% |
| 2009 Estimate: | $1,825,000 |
| 2010 Estimate: | $1,886,000 |

Tax imposed on the City's Sewer Utility. Each 0.1% of the sewer utility tax rate generates $37,000 in 2009 and $38,000 in 2010 of sewer utility tax revenue.

**Storm Drainage Utility Tax**

| | |
|---|---|
| Maximum Rate: | None |
| Current Rate: | 5.0% |
| 2009 Estimate: | $705,000 |
| 2010 Estimate: | $757,000 |

Tax levied on the City's Storm & Surface Water Utility. Each 0.1% of the storm drainage utility tax rate generates $14,000 in 2009 and $15,000 in 2010 of storm drainage utility tax revenue.

**Garbage Tax**

| | |
|---|---|
| Maximum Rate: | None |
| Current Rate: | 4.5% |
| 2009 Estimate: | $1,040,000 |
| 2010 Estimate: | $1,071,000 |

Tax levied upon the private garbage collection company that services Bellevue. Each 0.1% of the garbage tax rate generates $23,000 in 2009 and $24,000 in 2010 of garbage tax revenue.

**Telephone Utility Tax**

| | |
|---|---|
| Maximum Rate: | 6.0% |
| Current Rate: | 6.0% |
| 2009 Estimate: | |
| Telephone Utilities | $3,071,000 |
| Cellular Telephone Utilities | 5,102,000 |
| Total 2009 Telephone Utility Tax | $8,173,000 |
| 2010 Estimate: | |
| Telephone Utilities | $3,065,000 |
| Cellular Telephone Utilities | 5,415,000 |
| Total 2010 Telephone Utility Tax | $8,480,000 |

Tax levied on all telephone companies. Each 0.1% of the telephone utility tax rate generates $136,000 in 2009 and $141,000 in 2010 of telephone utility tax revenue.

## 6. Other Taxes

**Accommodations (Hotel/Motel) Tax**

100% of accommodations taxes are committed to the Bellevue Convention Center Authority (BCCA), a public development authority created by the City Council on December 4, 1989.

| | |
|---|---|
| Maximum Rate: | 5.0% |
| Current Rate: | 5.0% |
| 2009 Estimate: | $7,339,000 |
| 2010 Estimate: | $8,290,000 |

Proceeds are used first to pay Convention Center related debt. Collections in excess of debt requirements are transferred to the BCCA to support operations. There is a 2% credit against the State sales tax on accommodations in Bellevue. The accommodations tax may be used only for tourism facilities and tourism promotion purposes. Each 0.1% of the tax generates $147,000 in 2009 and $166,000 in 2010.

**Television Cable Franchise Fee**

| | |
|---|---|
| Maximum Rate: | 5.0% |
| Current Rate: | 5.0% |
| 2009 Estimate: | $1,703,000 |
| 2010 Estimate: | $1,842,000 |

Fees levied on cable television companies operating in the City. This fee is collected in the Franchise Fund, where it will be used to support the development of cable television activities. Each 0.1% of the television cable fee generates $34,000 in 2009 and $37,000 in 2010 of television cable franchise revenue.

**Motor Vehicle Fuel Tax**

| | |
|---|---|
| 2009 Estimate: | $1,315,000 |
| 2010 Estimate: | $1,333,000 |

Unit tax levied on each gallon of motor vehicle fuel sold and distributed to Cities and Counties. City distribution is on a per-capita basis. Generally, as the price of fuel rises, the amount of fuel purchased decreases and revenues decline. Distribution amounts are projected to increase approximately 1.3% per year over the next biennium.

**Admissions Tax**

| | |
|---|---|
| Maximum Rate: | 5.0% |
| Current Rate: | 3.0% |
| 2009 Estimate: | $535,000 |
| 2010 Estimate: | $548,000 |

Tax levied on persons who pay an admission charge for entrance to an event or establishment. It is collected for the City by the business charging the admission for entrance to theaters, amusement parks, and swimming pools, among others. Each 0.1% of the admissions tax rate generates $18,000 in 2009 and 2010 of admissions tax revenue.

**Gambling Tax- General Fund**

| | |
|---|---|
| Maximum Rate: | 2% - 5% |
| Current Rate: | 2% - 5% |
| 2009 Estimate: | $10,000 |
| 2010 Estimate: | $10,000 |

Gambling tax on amusement games, bingo, and raffle activities. State law provides that the City must first use these proceeds to pay for enforcement activities. In Bellevue, the remaining funds are dedicated to providing youth facilities.

**Gambling Tax- Human Services Fund**

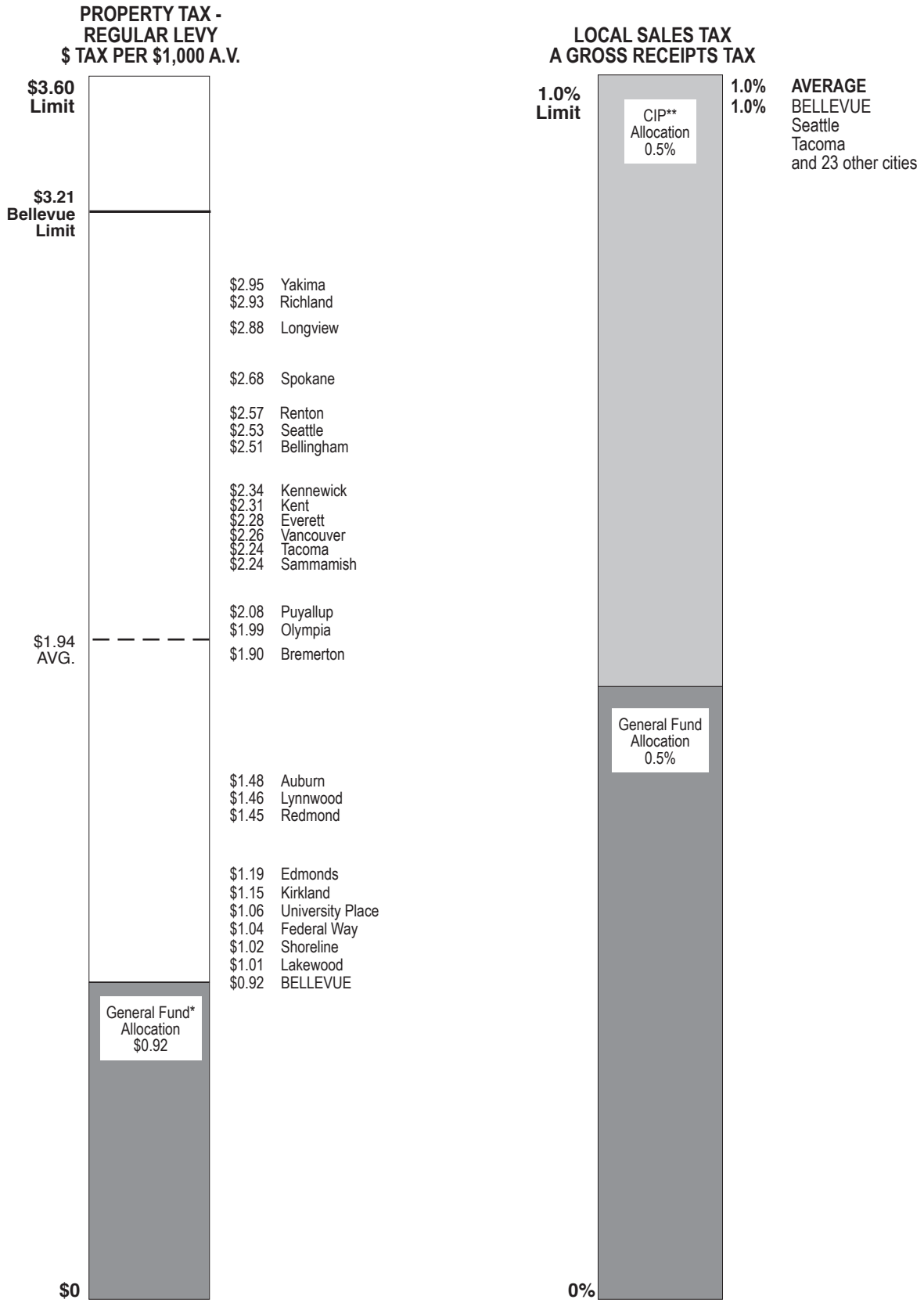
| | |
|---|---|
| Maximum Rate: | 5.0% |
| Current Rate: | 5.0% |

| | |
|---|---|
| 2009 Estimate: | $250,000 |
| 2010 Estimate: | $250,000 |

Gambling tax on punch board and pull tab activities. The proceeds from this revenue source are receipted into the Human Services Fund. They are reserved for the purpose of providing youth facilities to the extent that funds from this tax are not first required to enforce gambling laws as required by State law.

## Figure 4-3(A)
# Comparison of 2008 Urban Tax Rates
### Rates in Effect for Property and Local Taxes as of January 2008

This figure provides a comparison of City of Bellevue tax rates to the tax rates of the 25 other Washington cities with over 30,000 population. Comparisons in Figure 4-3(A) show that Bellevue's property tax rate is well below the average for these Washington cities and that like 25 other cities, our sales tax rate is 1.0%.




* A portion of the General Fund allocation supports the Human Services Fund.
** A portion of the CIP allocation supports the Housing, Facilities, and Land Purchase Revolving Funds, and General Fund maintenance and operating costs associated with completed capital projects.

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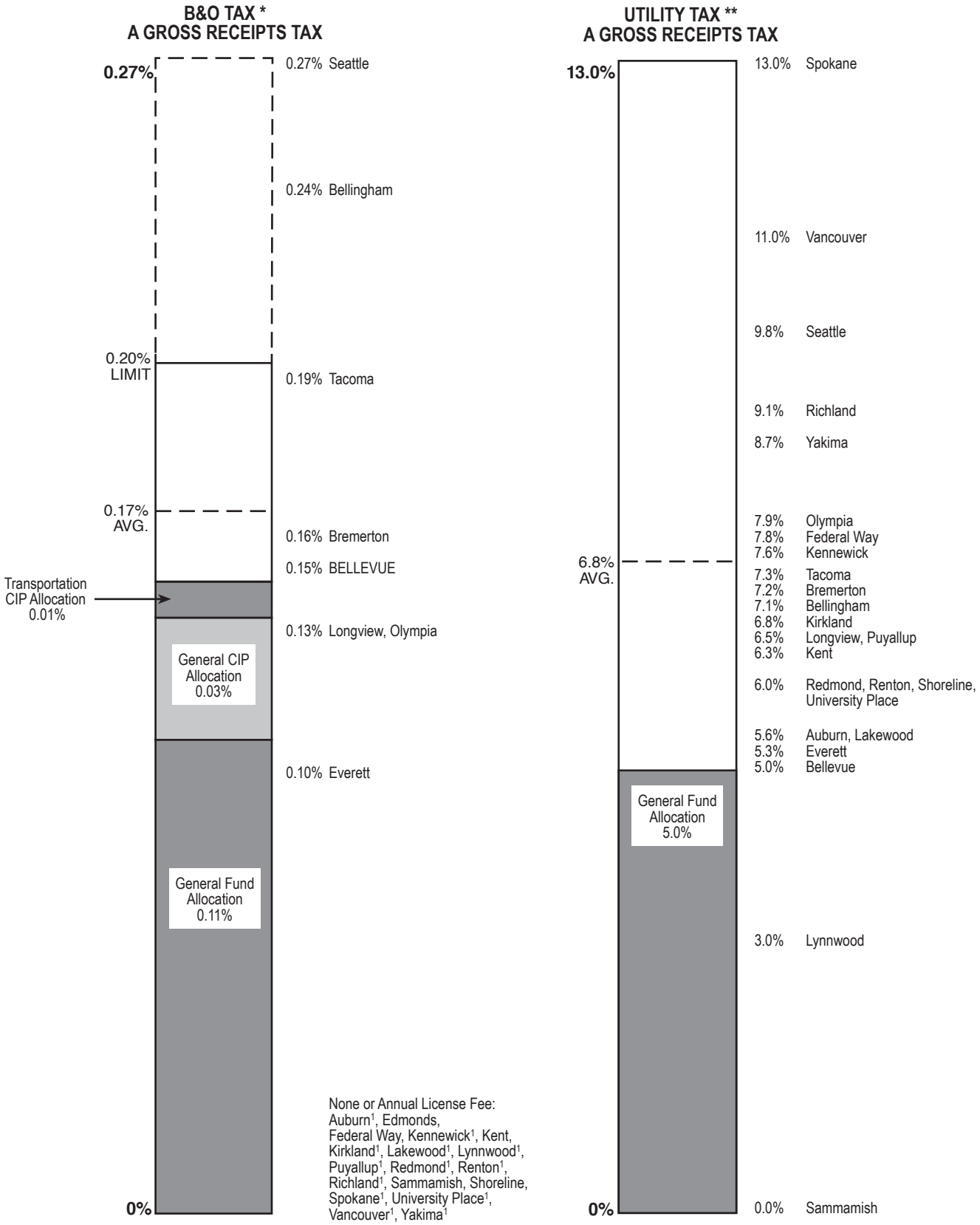
## Figure 4-3(B)
# Comparison of 2008 Urban Tax Rates
**Rates in Effect for Property and Local Taxes as of January 2008**

Comparisons in Figure 4-3(B) show that Bellevue's business & occupation (B&O) tax rate is slightly below the average of those cities with a B&O tax (0.15%) and that Bellevue's utility tax rates are well below the average of the 25 Washington cities.




** Unweighted average B&O tax on service, retail, wholesale, manufacturing and services activities for those cities which impose a gross receipts business tax.

*** Unweighted average of natural gas, electric, telephone, water, sewer, storm drainage, cable, and garbage.

1) Auburn, Kennewick, Kirkland, Lakewood, Lynnwood, Puyallup, Redmond, Renton, Richland, Spokane, University Place, Vancouver, and Yakima: Business license fee based on square footage, number of employees, and/or type of business.

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## FIGURE 4-4
## PROPERTY VALUATION & TAX LEVY INFORMATION
## 1980 through 2009

This figure displays historical property tax information for comparison purposes. Official property tax records are maintained by the King County Assessor's Office. Property owners are taxed on 100% of the fair market value of their property.

The 2009 preliminary regular levy assessed valuation (AV) and preliminary regular property tax levy amounts shown in this exhibit reflect preliminary AV amounts.

| | | | | | Tax Rate per $1,000 Assessed Valuation | | |
|---|---|---|---|---|---|---|---|
| Year | Regular Levy Assessed Valuation ($ in millions) | % Change from Prior Year | Regular Property Tax Levy ($000) | % Change from Prior Year | Voted Levy | Regular Levy | Total Property Tax Rate |
| 1980 | 1,794 | 18.6 | 4,891 | 13.8 | 0.71 | 2.72 | 3.43 |
| 1981 | 3,194 | 78.1 | 5,635 | 15.2 | 0.37 | 1.76 | 2.13 |
| 1982 | 3,400 | 6.4 | 6,229 | 10.6 | 0.77 | 1.84 | 2.61 |
| 1983 | 4,460 | 31.2 | 7,078 | 13.6 | 0.44 | 1.58 | 2.02 |
| 1984 | 4,482 | 0.5 | 7,748 | 9.5 | 0.45 | 1.73 | 2.18 |
| 1985 | 4,737 | 5.7 | 8,545 | 10.3 | 0.22 | 1.80 | 2.02 |
| 1986 | 4,882 | 3.0 | 9,304 | 8.9 | 0.70 | 1.90 | 2.60 |
| 1987 | 5,366 | 9.9 | 10,230 | 10.0 | 0.41 | 1.90 | 2.31 |
| 1988 | 5,620 | 4.7 | 11,257 | 10.0 | 0.21 | 2.00 | 2.21 |
| 1989 | 6,455 | 14.8 | 13,409 | 19.1 | 0.20 | 2.08 | 2.28 |
| 1990 | 6,610 | 2.4 | 14,556 | 8.6 | 0.53 | 2.20 | 2.73 |
| 1991 | 9,065 | 37.1 | 16,113 | 10.7 | 0.31 | 1.76 | 2.07 |
| 1992 | 9,238 | 1.9 | 17,143 | 6.4 | 0.29 | 1.85 | 2.14 |
| 1993 | 9,958 | 7.8 | 18,414 | 7.4 | 0.26 | 1.85 | 2.11 |
| 1994 | 10,249 | 2.9 | 20,422 | 10.9 | 0.20 | 1.99 | 2.19 |
| 1995 | 10,701 | 4.4 | 19,492 | (4.6) | 0.35 | 1.82 | 2.17 |
| 1996 | 10,876 | 1.6 | 19,861 | 1.9 | 0.35 | 1.83 | 2.18 |
| 1997 | 11,308 | 4.0 | 21,026 | 5.9 | 0.34 | 1.86 | 2.20 |
| 1998 | 12,115 | 7.1 | 21,246 | 1.0 | 0.32 | 1.75 | 2.07 |
| 1999 | 13,652 | 12.7 | 21,685 | 2.1 | 0.24 | 1.59 | 1.83 |
| 2000 | 14,981 | 9.7 | 22,497 | 3.7 | 0.21 | 1.50 | 1.71 |
| 2001 | 17,605 | 17.5 | 23,489 | 4.4 | 0.14 | 1.34 | 1.48 |
| 2002 | 19,705 | 11.9 | 24,859 | 5.8 | 0.13 | 1.26 | 1.39 |
| 2003 | 20,696 | 5.0 | 25,214 | 1.4 | 0.13 | 1.22 | 1.35 |
| 2004 | 21,212 | 2.5 | 25,572 | 1.4 | 0.13 | 1.21 | 1.34 |
| 2005 | 22,214 | 4.7 | 25,814 | 0.9 | 0.07 | 1.16 | 1.23 |
| 2006 | 23,957 | 7.8 | 26,264 | 1.7 | 0.06 | 1.10 | 1.16 |
| 2007 | 26,612 | 11.4 | 27,638 | 10.6 | 0.05 | 1.04 | 1.09 |
| 2008 | 31,486 | 18.0 | 28,904 | (0.5) | 0.00 | 0.92 | 0.92 |
| 2009 | 37,116 | 15.2 | 29,928 | 3.4 | 0.00 | 0.81 | 0.81 |

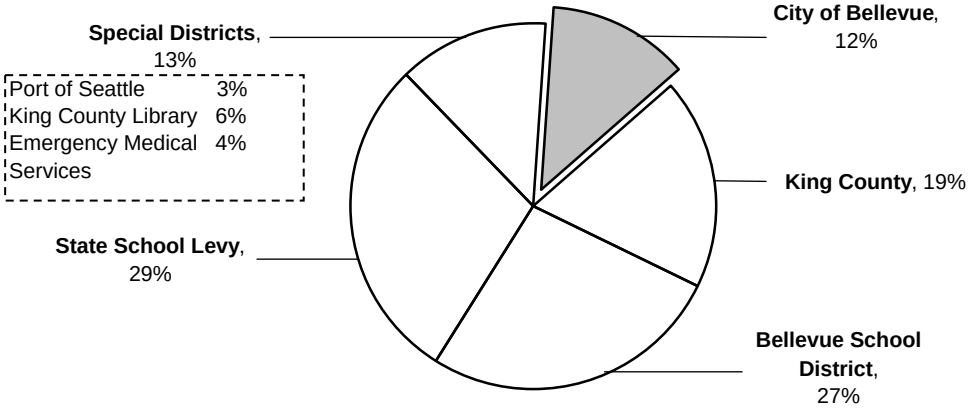
Note- 2008 Regular Property Tax Levy reflects retirement of the 2003 Unlimited Tax General Obligation bonds.

# Figure 4-5

## Property Taxes
## Typical Distribution of Property Tax Dollars

This figure illustrates the property tax distribution for a typical Bellevue taxpayer in 2008. As shown in the pie chart, Bellevue's property tax levies make up only 12% of a property owner's tax bill. The largest components are the State school levy and the Bellevue School District levy.

Official property tax records are maintained by the King County Assessor's Office.




The following table displays the 2008 property tax bills for hypothetical low-, medium-, and high-assessed value (AV) homes.

| | 2008 Rate/$1,000 of AV | Low AV = $200,000 | Medium AV = $600,000 | High AV = $800,000 |
|---|---|---|---|---|
| Emergency Medical Services | $0.30 | $60 | $180 | $240 |
| Port of Seattle | 0.23 | 47 | 139 | 184 |
| King County Library | 0.45 | 91 | 270 | 359 |
| **City of Bellevue** | **0.92** | **184** | **553** | **738** |
| King County | 1.36 | 273 | 819 | 1,091 |
| Bellevue School District | 1.96 | 393 | 1,179 | 1,574 |
| State School Levy | 2.13 | 426 | 1,280 | 1,708 |
| Total | $7.35 | $1,473 | $4,421 | $5,895 |

## B. OPERATING FUNDS BUDGET RESOURCES

Figure 4-6 presents the 2009-2010 resource budget for the City's 23 operating budget funds. This figure highlights that the largest operating budget resource categories are taxes at 31.8%, utility services fees at 23.6%, and beginning fund balance at 15.6%. Overall, operating budget resources are projected to increase by $81.8 million or 10.9%.

- Tax revenues are projected to increase moderately in the biennium based on projected levels of development activity, utility service fee increases, employment growth and consumer spending.

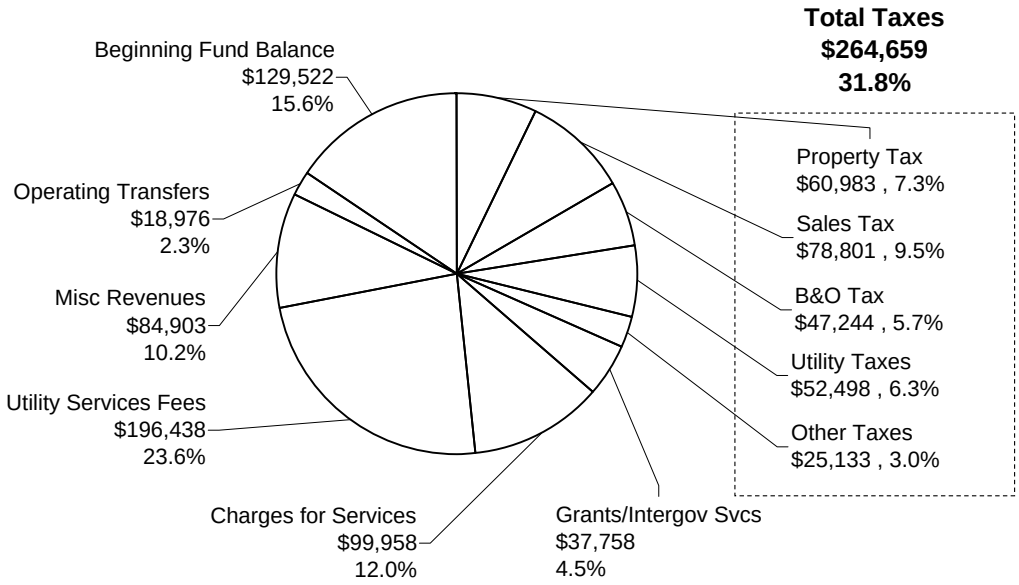
- Increased pass-through wholesale sewer and water costs to customers, along with increased local program and capital costs, resulted in increased utility service fees.

- Beginning fund balance increased reflecting the impact of the change in budgetary basis to modified accrual in 2008.

## Figure 4-6

## 2009-2010 Total Operating Budget Resources

**$000**




**Total $832,214**

**Comparison to 2007-2008 Budget**

| | 2007-2008 Budget | 2009-2010 Budget | $ Change | % Change |
|---|---|---|---|---|
| Taxes | | | | |
| Sales Tax | $71,243 | $78,801 | $7,558 | 10.6% |
| Property Tax | 56,132 | 60,983 | 4,851 | 8.6% |
| Utility Taxes | 45,384 | 52,498 | 7,114 | 15.7% |
| Business & Occupation Tax | 39,269 | 47,244 | 7,975 | 20.3% |
| Other Taxes | 22,011 | 25,133 | 3,122 | 14.2% |
| Total Taxes | $234,039 | $264,659 | $30,620 | 13.1% |
| Utility Services Fees | 166,922 | 196,438 | 29,516 | 17.7% |
| Beginning Fund Balance | 119,804 | 129,522 | 9,718 | 8.1% |
| Charges for Services | 96,855 | 99,958 | 3,103 | 3.2% |
| Miscellaneous | 74,144 | 84,903 | 10,759 | 14.5% |
| Grants/Intergovernmental Services | 37,482 | 37,758 | 276 | 0.7% |
| Operating Transfers | 21,157 | 18,976 | (2,181) | (10.3%) |
| **Total Resources** | $750,403 | $832,214 | $81,811 | 10.9% |

Figure 4-7 is a summary of the General Fund resource changes from 2007-2008 to 2009-2010. General Fund resources are anticipated to increase $33.1 million or 10.9% over 2007-2008.

- Business and Occupation (B&O) Tax receipts are anticipated to be $8.0 million or 20.3% higher than in 2007-2008. This growth is projected based on historic collections and trends. Additional growth of the daytime population will also contribute to B&O tax growth as major employers move into new downtown buildings. Growth in the B&O tax is assumed a function of employment growth and inflation.

- Sales Tax revenues are anticipated to increase $7.6 million or 10.6% as major projects under construction are completed in the biennium. Additional growth of the daytime population will also contribute to sales tax growth as major employers move into new downtown buildings and patronize shops and restaurants.

- Utility tax collections are anticipated to be $6.9 million or 16.5% higher in 2009-2010 than in 2007-2008. Tax collections for electric, natural gas, garbage, water, sewer and storm drainage utilities are projected to increase based on recent or proposed utility service rate increases and population growth. Telephone utility tax revenues are projected to decline some based on historical trends.

- Property taxes are projected to grow by $4.4 million or 8.6% as major development is completed. The Forecast incorporates the property tax levy increase as well as the authorized increases for new construction and adjustments for refunds, omitted assessments for prior years, etc.

- Charges for Services revenues are anticipated to be $2.9 million or 10.9% higher reflecting growth in General Fund staff support of activities outside of the General Fund such as development activities and the demand for permitting and inspection services.

- Miscellaneous revenues are projected to grow $2.6 million or 54.3% due to the recognition of one time revenues associated with the move to NORCOM.

- Intergovernmental Services revenues are anticipated to be $0.1 million or 0.2% lower reflecting the elimination of dispatch revenues as the City's dispatch activities move to NORCOM.

- Beginning Fund Balance is anticipated to be $4.8 million or 22.6% less than in 2007-2008 due to the one-time recognition of fourteen months of revenue with the move to modified accrual in the 2007-2008 biennium. The 2009-2010 budget proposes a new General Fund reserve policy. The new policy sets an annual target of 15% of General Fund revenues as a sustaining reserve level and includes the existing "Rainy Day" fund reserves.

# Figure 4-7

## Total General Fund Resources by Source

| | 2007-2008 Budget | 2009-2010 Budget | Variance | % Change |
|---|---|---|---|---|
| **Beginning Fund Balance** | **21,207,152** | **16,413,000** | **(4,794,152)** | **(22.6)%** |
| **Property Tax** | **51,503,798** | **55,908,000** | **4,404,202** | **8.6 %** |
| **Sales Tax** | **71,243,454** | **78,801,000** | **7,557,546** | **10.6 %** |
| **Business & Occupation Tax** | **39,269,240** | **47,244,000** | **7,974,760** | **20.3 %** |
| **Utility Tax** | | | | |
| Elect Util Tax Priv | 13,059,000 | 14,922,000 | 1,863,000 | 14.3 % |
| Gas Util Tax Priv | 5,864,000 | 6,986,000 | 1,122,000 | 19.1 % |
| Garbage/Solid Waste Priv | 1,675,000 | 2,111,000 | 436,000 | 26.0 % |
| Telephone Util Tax | 5,916,000 | 6,136,000 | 220,000 | 3.7 % |
| Util Tax Cell Phone | 8,440,000 | 10,517,000 | 2,077,000 | 24.6 % |
| Water Util Tax Public | 2,629,000 | 3,179,000 | 550,000 | 20.9 % |
| Sewer Util Tax Public | 3,107,000 | 3,711,000 | 604,000 | 19.4 % |
| Storm Drain Util Tax | 1,403,000 | 1,462,000 | 59,000 | 4.2 % |
| **Total Utility Tax** | **42,093,000** | **49,024,000** | **6,931,000** | **16.5 %** |
| **Other Tax** | **8,035,000** | **8,944,000** | **909,000** | **11.3 %** |
| **Intergovernmental Services** | **34,820,349** | **34,746,525** | **(73,824)** | **(0.2)%** |
| **Charges for Services** | **26,655,860** | **29,559,235** | **2,903,375** | **10.9 %** |
| **Utility Service Fees** | **136,946** | **144,089** | **7,143** | **5.2 %** |
| **Miscellaneous Revenues** | **4,777,945** | **7,371,890** | **2,593,945** | **54.3 %** |
| **Operating Transfers** | **5,065,263** | **9,777,358** | **4,712,095** | **93.0 %** |
| **Total General Fund Resources** | **304,808,007** | **337,933,097** | **33,125,090** | **10.9 %** |

## C. SPECIAL PURPOSE FUNDS BUDGET RESOURCES

Figure 4-8 is a summary of the City's Special Purpose resource changes from 2007-2008 to 2009-2010. Overall, Special Purpose resources are projected to be $39.4 million or 45.5% less in 2009-2010 than in 2007-2008.

- Beginning fund balance increase of $2.9 million in 2009-2010 is attributed to a transfer from the General Fund and the Land Purchase Revolving Fund for future New City Hall debt service.

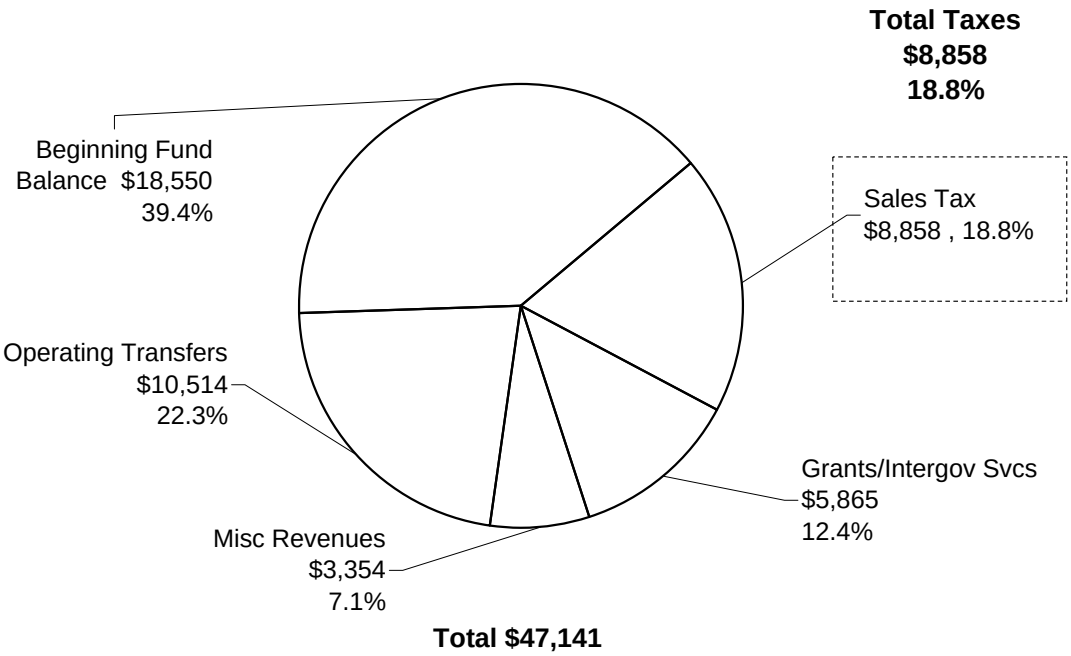
- Tax revenues will increase by $6.1 million due to the reallocation of sales tax to fund principal payments on the 2004 Limited Tax General Obligation Bonds (LTGO) for the New City Hall project, offset by a decrease in property tax revenues due to the retirement of the 2003 UTGO bonds in 1/1/08 (Parks M&O levy).

- Operating Transfers are expected to decrease by $45.4 million or 81.2% primarily due to the retirement of the 2003 Limited Tax General Obligation (LTGO) bond anticipation notes (CIP Line of Credit) in 2008.

- Grants/intergovernmental services revenues are lower mainly due to timing in budgeting for grant revenues.

## Figure 4-8

## 2009-2010 Total Special Purpose Budget Resources
## $000




### Comparison to 2007-2008 Budget

| | 2007-2008 Budget | 2009-2010 Budget | $ Change | % Change |
|---|---|---|---|---|
| Beginning Fund Balance | $15,678 | $18,550 | $2,872 | 18.3% |
| Operating Transfers | 55,939 | 10,514 | (45,424) | (81.2%) |
| Taxes | | | | |
| Sales Tax | 1,391 | 8,858 | 7,467 | 537.0% |
| Property Tax | 1,381 | 0 | (1,381) | (100.0%) |
| Total Taxes | 2,771 | 8,858 | 6,087 | 219.6% |
| Miscellaneous | 4,416 | 3,354 | (1,062) | (24.1%) |
| Grants/Intergovernmental Services | 7,718 | 5,865 | (1,854) | (24.0%) |
| **Total Resources** | $86,523 | $47,141 | ($39,381) | (45.5%) |

## D. CAPITAL PROJECT FUNDS BUDGET RESOURCES

Figure 4-9 is a summary of the City's Capital Project resource changes from 2007-2008 to 2009-2010. Overall, Capital Project resources are slightly higher than the 2009-2010 budget due to the following:

- Sales Tax receipts are anticipated to decrease by $6.9 million or 22.9% due to the reallocation of revenues to fund principal payments on the 2004 Limited Tax General Obligation Bonds (LTGO) for the New City Hall project (see *Section C. Special Purpose Funds Budget Resources*).

- Business and Occupation Tax receipts are anticipated to be $2.9 million or 20.3% higher than in 2007-2008. This growth is projected based on historic collections and trends. Additional growth of the daytime population will also contribute to B&O tax growth as major employers move into new downtown buildings. Growth in the business and occupation tax is assumed a function of employment growth and inflation.

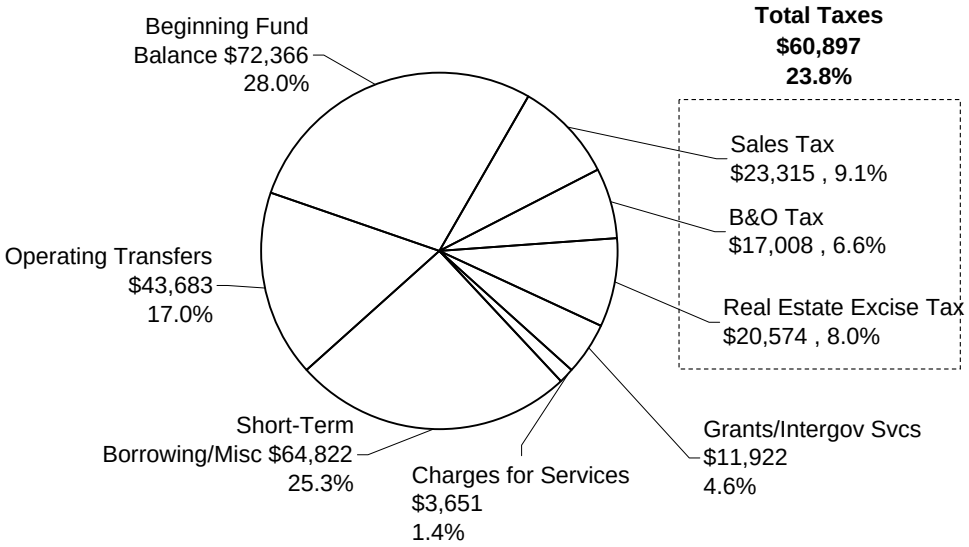
- Real Estate Excise Tax receipts are anticipated to decrease by $11.7 million or 36.2% which reflects the recent credit market collapse and the market risks related to delays in future development activity, including housing starts.

- Operating Transfers and Beginning Fund Balance are anticipated to increase by $49.1 million or 73.4% due to a project delays in 2007-2008 and subsequent increase in planned capital expenditures in 2009-2010.

- Grants/Intergovernmental Services revenues are projected to decrease by $15.7 million or 56.8% primarily due to the completion of several multi-agency partnership projects such as the Mercer Slough Environmental Education Center (P-AD-75) and 150th Avenue SE/Newport Way to SE 36th Street.

## Figure 4-9

## 2009-2010 Total Capital Project Budget Resources
## $000




**Total $257,341**

### Comparison to 2007-2008 Budget

| | 2007-2008 Budget | 2009-2010 Budget | $ Change | % Change |
|---|---|---|---|---|
| Taxes | | | | |
| Sales Tax | $30,259 | $23,315 | ($6,944) | (22.9%) |
| Real Estate Excise Tax | 32,226 | 20,574 | (11,652) | (36.2%) |
| Business & Occupation Tax | 14,134 | 17,008 | 2,874 | 20.3% |
| Total Taxes | $76,619 | $60,897 | ($15,722) | (20.5%) |
| Operating Transfers | 29,582 | 43,683 | 14,101 | 47.7% |
| Beginning Fund Balance | 37,362 | 72,366 | 35,004 | 93.7% |
| Short-Term Borrowing/Miscellaneous | 63,934 | 64,822 | 888 | 1.4% |
| Grants/Intergovernmental Services | 27,576 | 11,922 | (15,654) | (56.8%) |
| Charges for Services | 3,287 | 3,651 | 364 | 11.1% |
| **Total Resources** | $238,360 | $257,341 | $18,981 | 8.0% |

CITY OF BELLEVUE WASHINGTON

# Financial Forecasts

This chapter presents the General Fund and Enterprise Funds financial forecasts. Financial Forecasts has the following sections:

**A. General Fund Financial Forecast**

This section provides the full 2009-2015 General Fund Financial Forecast.

**B. Utility Funds Financial Forecast**

This section provides the full 2009-2015 Utility Funds Financial Forecast.

**C. Parks Enterprise Fund Financial Forecast**

This section provides the full 2009-2015 Parks Enterprise Fund Financial Forecast.

**D. Development Services Fund Financial Forecast**

This section provides the full 2009-2015 Development Services Fund Financial Forecast.

# A. GENERAL FUND FINANCIAL FORECAST

## Executive Summary

The General Fund Financial Forecast (Forecast) projects that resources will be sufficient to sustain the City's quality and mix of municipal services through 2014. The Forecast builds upon the proposed 2009-2010 projected revenues and expenditures and calculates future resource and expenditure estimates based on recent and anticipated economic trends.

The Forecast illustrates that while resources are sufficient to support core services, the General Fund reserve is below the proposed target level through 2014.

## Overview

The Forecast illustrates how we expect the City's finances as a whole to perform over the six-year period from 2009-2014. Some of the benefits of forecasting include:

- Provides insight into the long-term financial effects of current policies, programs, and priorities;
- Provides an early warning for potential problem areas to watch where alternative strategies may need to be developed;
- Assists in strategic decision-making and long-range planning efforts by allowing Council to see how programs fit within the overall context of City finances; and
- Illustrates the bottom line effect of current budget decisions on future resources.

The General Fund Forecast is divided into four sections:

- Section I: Economic Outlook discusses the major economic trends affecting the Forecast.
- Section II: Forecast Results summarizes the major revenue and expenditure trends in the current forecast.
- Section III: Resource Highlights provides a detailed discussion of the predicted growth or decline of the major economically-sensitive revenue sources. Includes a discussion of major issues and risks associated with select revenues and issues not included in the base Forecast.
- Section IV: Expenditure Highlights provides an overview of the major drivers of expenditure growth in the Forecast. Includes a detailed discussion of major drivers and other issues not included in the base Forecast.

## Section I: Economic Outlook

Despite the uncertain and changing national economic picture, Bellevue's economy has remained stable with measured growth projected for the forecast period. Bellevue is a regional economic and employment hub. It is a destination city for people and businesses who want to live and work in the same community. Bellevue's population is generally highly educated with household incomes that are higher than the State and much higher than in the nation as a whole.

Bellevue is headquarters for several of the largest and strongest companies in Washington, including PACCAR, Puget Sound Energy and Symetra. Other companies, such as Microsoft, T-Mobile and Overlake Hospital are some of Bellevue's largest employers.

Bellevue continues to attract retailers, restaurants and services, with nearly 3,100 new business added year-to-date. The recently redesigned Bellevue Square and The Bellevue Collection attract shoppers from neighboring cities and beyond. The Bravern complex, scheduled for completion in 2009, plans to house more than 35 destination retailers, restaurants and services as well as 455 residential units.

On the national front, the economy is deteriorating. A Moody's Economy analysis released in September suggested that two-thirds of the nation's metropolitan areas are already in recession, and another one-in-five is at risk. The National Bureau of Economic Research, a nonprofit research group that assesses economic conditions, has not officially recognized a recession. The group, which monitors economic indicators, such as those summarized below, has encountered mixed signals over the past several quarters.

- Real GDP (the output of goods and services produced by labor and property located in the United States) rose 2.8% in the second quarter, reflecting positive contributions from exports, personal consumption and government spending.

- Consumer spending, which accounts for nearly two-thirds of the economy, dropped in July and August from the previous year, and many retailers are reporting a sharp decline in sales during September.

- The nation saw the highest annual increase in inflation in 17 years this summer (5.6%).

- August marked the ninth straight month that the nation lost jobs, for a total loss of 760,000 jobs year-to-date.

The Puget Sound region has experienced substantial slowing in economic activity. Over the past year, the region has experienced a decline in job growth and unemployment has reached a 2-year high. Home sales and housing starts have plummeted, declining nearly 40% over the past twelve months. Consumer spending has slowed in response to slower income growth, rising unemployment, the sagging housing market and high prices.

With that said, Bellevue is fairing well economically. Local economists with the Puget Sound Economic Forecaster (PSEF) attribute much of the local downturn to the decline of construction activity and the multiplier effect of the building industry on the region. PSEF is projecting the toll on the region to be over by 2010, with increases in housing starts, employment and personal income.

Regionally, economic growth is expected to continue slowing through 2009 and begin gaining momentum again in 2010. Bellevue is projecting development activity to remain fairly robust through the next biennium, as nearly two million square feet of office and retail space currently under construction are completed. With strong local employers preleasing much of this space, Bellevue is expected to experience increased business and utility tax collections as well as increased activity for downtown businesses. The development cycle is expected to drop-off more rapidly in subsequent years of the Forecast, as many of the larger projects under construction are finished.

While the region continues to add jobs, 2008 second quarter growth slowed significantly. Employment growth reflects the slowing economy and is expected to remain sluggish through 2009 but increase modestly in 2010. Despite a lower rate of job growth, personal income is projected to rise at a rate greater than inflation (5.8%) in both 2008 and 2009. Continued job and personal income growth should support consumer spending, resulting in modest increases in sales and business taxes.

Residential and daytime population in downtown Bellevue are projected to increase significantly over the forecast period, as new residential homes are occupied and businesses move into the downtown. The increased urbanization of Bellevue is expected to provide additional revenues to the City, as well as additional service demands. Key factors such as employment, inflation and personal income impact the growth rate of the City's revenues. These key factors affect retail sales, office vacancy rates and new development.

**Employment.** Job growth in the Puget Sound area, which has continued grow despite the decline in jobs nationally, has shown a steady decline over the past several months. The Seattle-Bellevue-Everett Metropolitan District added approximately 41,600 jobs in the past year compared to nearly 57,600 for the same period in 2007. The industries experiencing the most notable decline are construction and finance. The Puget Sound Economic Forecaster (PSEF) attributes the current slowdown in job growth to the housing downturn and the multiplier effect of the building industry on regional employment. PSEF is projecting employment growth to drop from 1.7% in 2008 to 0.4% in 2009. On a brighter note, housing starts and sales are expected begin growing moderately in 2009. Job growth is expected to follow, climbing back to 1.7% in 2010. Based on projections, job growth is expected to average 1.6% through the remainder of the Forecast period.

**Development Activity.** Bellevue is projecting development activity to remain fairly robust through 2009 and into 2010 as projects permitted or under construction are completed. The duration of this development cycle has been unprecedented, with permitting activity in 2008 projected to exceed that of 2007. The crane-index, which measures current development activity, was at 13 in mid-2008, with projects such as Bravern, City Center and Bellevue Towers at various stages of construction. While the City is not seeing any significant slow downs in projects underway, it is experiencing a decline in residential permits and preapplication conferences, indicating that activity will likely be dropping off in the next few years.

**Inflation.** The high prices of energy, food and other items pushed the regional inflation rate up to 5.4% as of August 2008. PSEF is projecting that personal income will keep pace with inflation rising by 5.8% in 2008 and 2009, primarily due to the surge in prices. Recent declines in oil costs are encouraging, as the cost of food, travel and many other commodities have been negatively affected by the high cost of fuel. The Forecast assumes inflation at 3.5% and 3.2% in 2009 and 2010, respectively. This rate is expected to slow consumption some over the next year. The Forecast projects inflation will average 2.9% through the remainder of the period.

**Retail Sales.** The high cost of goods such as food and energy, has lead to a decline in consumer spending. PSEF's projections for taxable retail sales growth (retail sales subject to sales tax) drops to 1.5% in 2008 after experiencing a healthy 7.2% growth rate in 2007. Some recovery is expected beginning in 2009 and into 2010. Continued development in Bellevue will further contribute to sales tax collections through the biennium. As the economy begins to gain momentum again, sales tax revenue is expected to increase as a result of increased consumer spending and retail activity in Bellevue's downtown.

**Vacancy Rates.** Bellevue's Central Business District (CBD) office vacancy rates climbed to 9.6% in the second quarter of 2008 as reported by CB Richard Ellis. This rate reflects rentable office space and doesn't reflect any preleased space currently under construction. Bellevue currently has nearly 2.0 million square feet of office space under construction with planned projects of over 1.5 million square feet not yet underway. Despite the increased vacancy rate, Bellevue's lease rates have remained high, with

average rents on the Eastside increasing over the last six quarters. CB Richard Ellis primarily attributes this to Bellevue's CBD adding higher priced space to the market.

**Legislative Changes.** State legislative changes to the Business and Occupation (B&O) tax, called apportionment, is expected to impact Bellevue's General Fund and Capital Investment Program Fund (CIP) in 2008. Apportionment narrowed our current tax base by reallocating a portion of it to other jurisdictions. Additionally, streamlined or destination-based sales tax legislation went into effect in July 2008. This legislation will shift sales tax revenues among local jurisdictions, some jurisdictions are expected to gain revenues while others will lose. The State has adopted a provision to mitigate losses until a jurisdiction's revenue exceeds its losses. While these legislative changes are complex and the ongoing impacts are difficult to estimate, the existing budget and 2009-2014 Forecast include an estimate of these changes to the tax codes.

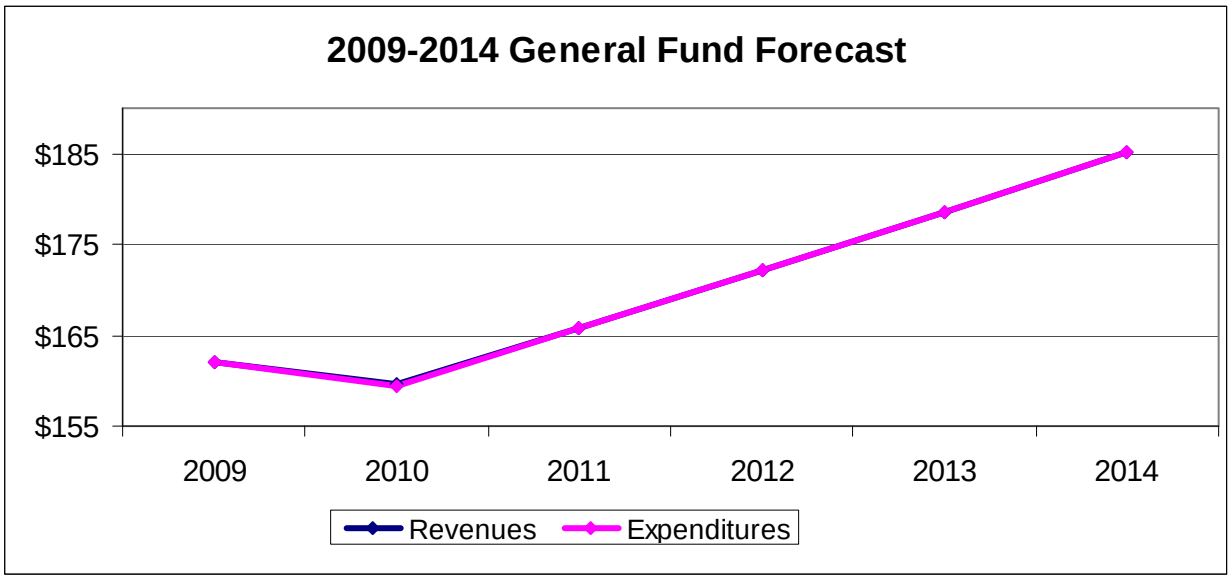
## Section II: Forecast Results

The Forecast builds on the proposed 2009-2010 level of resources and anticipated service levels. It calculates future resource and expenditure estimates based on current budget performance, historical trend analysis, current economic information, input from other governments and industries and feedback from local economists.

The Forecast is sensitive to the uncertainty of the economy and the economic issues facing other jurisdictions. Given this uncertainty, the proposed budget takes a cautious approach with minimal investments in core City services. It includes the addition of 2.25 new FTEs and the conversion of 8.25 existing LTEs to FTEs, and the projected economic impact on revenues and expenses. It also incorporates reductions in the City's Emergency Dispatch program scheduled to move to the North East King County Regional Public Safety Communications (NORCOM) Agency in mid-2009 and other expenditure reductions discussed in more detail in the Section B.

The Forecast presents a fiscally conservative outlook aimed at ensuring Bellevue's long-term stability. The plan includes a number of financial management tools that allow Bellevue to remain flexible in times of opportunity or hardship. The budget proposes an update to the City's Comprehensive Financial Management Policies to include a General Fund reserve target at 15% of annual unreserved General Fund revenues. This balance is intended to protect the City's essential service programs during periods of economic downturn. Additionally, as demonstrated in past times of economic uncertainty, Bellevue remains flexible and poised to constrain spending if needed to assure a balanced budget.

As illustrated below, the Forecast projects that while revenues are sufficient to support expenditures, the ending fund balance is somewhat below the proposed target level of 15% in all years.




| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|
| Revenues | $162.0 | $159.5 | $165.8 | $172.1 | $178.5 | $185.1 |
| Expenditures | 162.0 | 159.5 | 165.8 | 172.1 | 178.5 | 185.1 |
| Uncommitted Resources | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 |
| | | | | | | |
| Ending Fund Balance | $22 | $22 | $22 | $23 | $24 | $25 |
| % Target EFB | 14% | 14% | 13% | 13% | 13% | 14% |

## Section III: Resource Highlights

This section includes, A) **Summary** or general discussion of resources; B) a detailed discussion of **Taxes**; and C) a detailed discussion of **Other Revenues**.

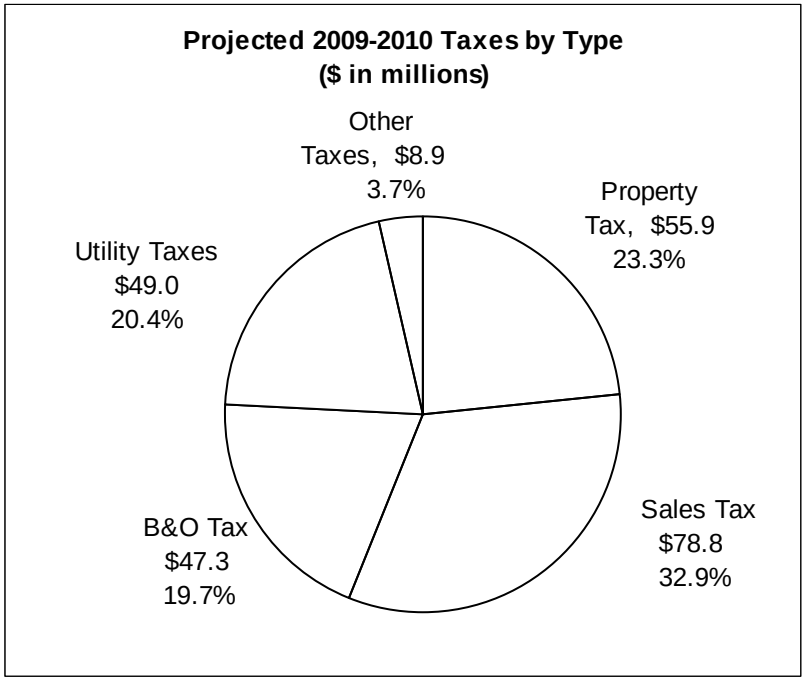
### A. Summary

Projections for taxes (71% of all revenues), the most economically sensitive General Fund revenues, remain positive through the forecast period, averaging a modest 4.1% growth through 2014. After an exceptional year of growth in 2007 (8.2%), projections have been adjusted to reflect the most recent economic outlook of regional economists.

Prospects for other revenues (23% of all revenues) are also generally positive with the exception of dispatch revenues which are projected to decrease as the City's dispatch activity moves to NORCOM in mid-2009 (see detailed discussion in C: Other Revenues). The elimination of dispatch revenues are more than offset by expenditure savings with the transition of personnel to NORCOM.

### B. Taxes

For the 2009-2010 biennium, taxes are estimated at 71%, or $239.9 million, of all General Fund revenues. This group consists of sales, property, business and occupation (B&O), utility and other miscellaneous taxes. The table below illustrates the forecasted percentage and amount by tax category for the 2009-2010 biennial budget.




Each tax is discussed below.

**Sales Tax ($78.8 million or 32.9% of taxes).** Sales tax collections projected for the 2009-2010 biennium represent a lower level of anticipated consumer spending bolstered by development activity as projects currently under construction are completed. Collections are expected to increase at an average rate of 5.1% during the forecast period. Local economists are projecting consumer spending to slow through the remainder of 2008 and begin picking-up in 2009.

Additionally, streamlined or destination-based sales tax legislation went into effect in July 2008. This legislation will shift sales tax revenues among local jurisdictions, some jurisdictions are expected to gain revenues while others will lose. The State has adopted a provision to mitigate losses until a jurisdiction's

revenue exceeds its' losses. While these legislative changes are complex and the ongoing impacts are difficult to estimate, the Forecast does include an estimate of these changes to the tax code.

**Property Tax ($55.9 million or 23.3% of taxes).** Some increase is expected to occur in the early years of the Forecast as major development projects are completed. The Forecast assumes no property tax levy increase to support the General Fund other than from the authorized increases for new construction, adjustments for refunds, omitted assessments for prior years, etc. Additionally, the voted property tax levy (approved in 1988) supporting a bond issue for the maintenance and operating costs of City park facilities, will expire in 2008. A subsequent parks levy will be presented to the voters in November 2008. The Forecast does not include estimates of additional property tax revenues associated with this levy.

**Business and Occupation Tax (B&O) ($47.3 million or 19.7% of taxes).** B&O tax projections are based on historical trends, and projected changes in employment and inflation. As of September, Bellevue's B&O base (collections excluding audit, and delinquency and detection activities) increased 9% over 2007. Growth in wholesaling, services and square footage tax (i.e. tax paid by headquarter offices and businesses that make out-of-City sales) displayed the strongest growth, offset somewhat by a decline in retail and manufacturing.

State legislative changes to the B&O tax are expected to impact Bellevue's collections beginning in 2008. Apportionment will narrow our current tax base by reallocating a portion to other jurisdictions. While the legislative changes are complex and impacts are difficult to estimate, the 2008 budget reduced the B&O base for the expected impact by $1.8 million.

**Other Taxes ($8.9 million or 3.7% of taxes).** This tax category includes criminal justice sales tax, admissions tax and business penalty tax. Criminal justice sales tax is distributed based on the proportion of Bellevue's population compared to King County's and the State's population. This revenue is expected to grow an average of 5.6% during the Forecast. Admissions tax and business penalty tax are expected to rise at about the rate of inflation.

**Utility Taxes ($49.0 million or 20.4% of taxes).** The following table illustrates the relative proportion of each utility tax for the 2009-2010 biennium, followed by specific detail of each utility.

**Projected 2009-2010 Utility Tax Revenues by Type (in $ millions)**

| Utility Tax | | |
|---|---|---|
| Electric | $14.9 | 30.4% |
| Gas | 7.0 | 14.1% |
| Cellular Phone | 10.5 | 21.5% |
| Telephone | 6.1 | 12.5% |
| Sewer | 3.7 | 7.6% |
| Water | 3.2 | 6.5% |
| Garbage/Solid Waste | 2.1 | 4.3% |
| Storm/Surface | 1.5 | 3.0% |
| Total | $49.0 | 100% |

**Electric ($14.9 million or 30.4% of utility taxes) and Gas ($7.0 million or 14.1% of utility taxes) Utility Taxes.** Electric and gas utility taxes are expected to grow an average of 3.0% and 4.8% respectively per year through the Forecast period. The Forecast includes a recent increase in gas rates of approximately 10% (pass-through of increased gas costs) that took effect October 1, 2008, as well as a net decrease in electric rates associated with the reinstatement of the Bonneville Power Administration (BPA) "Residential Exchange" credit to customer's bills. This rate change will take effect November 1, 2008.

**Cellular Telephone Utility Tax ($10.5 million or 21.5% of utility taxes).** The Forecast assumes that the rate of cellular telephone tax growth will hold steady at 6.1% through 2014. This growth rate, which tracks close to the three year average growth rate of 7.1%, is higher than prior projections. The increase in cellular activity is likely due to the introduction and popularity of new technologies introduced to the market over the past several years.

**Telephone Utility Tax ($6.1 million or 12.5% of utility taxes).** Telephone utility tax collections grew by 4% last year in 2007. Year-to-date collections indicate that telephone tax revenues will be close to 2007 experience, indicating that activity appears to be leveling off after several years of decline. A slight decline in collections is factored into the Forecast and will be adjusted based on developing trends.

**Sewer Utility Tax ($3.7 million or 7.6% of utility taxes), Water ($3.2 million or 6.5%) and Storm and Surface Water ($1.5 million or 3.0% of utility taxes).** Sewer utility tax collections are projected to increase by $0.3 million in the 2009-2010 biennium. This increase is due to proposed sewer utility rate increases necessary to support local program costs, including increased maintenance of the City's aging infrastructure, and pass-through cost increases from the Wastewater Treatment Division (formally METRO King County). Sewer tax collections are projected to grow at an average of 9.3% for the remainder of the forecast period based on additional proposed utility rate increases.

Water utility tax collections are projected to increase by $0.3 million in the 2009-2010 biennium. This increase is due to proposed water utility rate increases necessary to support local program costs, including increased maintenance of the City's aging infrastructure, and pass-through cost increases from Cascade Water Alliance. The Forecast assumes that water tax collections will grow an average of 9.6% for the remainder of the forecast period based on additional proposed utility rate increases.

Storm and surface water tax collections are projected to increase by 6.6% on average through the forecast period as a result of proposed utility rate increases necessary to support local program costs.

**Garbage ($2.1 million or 4.3% of utility taxes) Utilities Taxes.** Garbage utility tax is expected to grow at roughly the rate of inflation from 2009 forward.

## C. Other Revenues

For the 2009-2010 biennium, other revenues are estimated at 29%, or $98.0 million, of all General Fund resources. Other Revenues consists of beginning fund balance, intergovernmental, charges for services, other finance sources, miscellaneous, licenses and permits, and fines and forfeits. The following table illustrates the forecasted percentage and amount by revenue group for the 2009-2010 biennial budget.

**Projected 2009-2010 Other Revenues by Type (in $ millions)**

| Revenue Group | | |
|---|---|---|
| Beginning Fund Balance | $16.4 | 16.7% |
| Intergovernmental | 34.8 | 35.5% |
| Charges for Services | 29.7 | 30.3% |
| Other Finance Sources | 11.3 | 11.5% |
| Miscellaneous | 5.1 | 5.2% |
| Licenses & Permits | 0.6 | 0.6% |
| Fines/Forfeits | 0.2 | 0.2% |
| Total | $98.0 | 100% |

Each revenue group is discussed below.

**Beginning Fund Balance ($16.4 million or 16.7% of other revenues).** Beginning fund balance or resources forward is projected to be at 16.7% of other revenues. In 2008, the City changed the budgetary basis from cash to modified accrual, which resulted in a one-time recognition of fourteen months of revenues. These additional funds are carried forward as fund balance in the 2009-2010 biennium.

**Intergovernmental Revenues ($34.8 million or 35.5% of other revenues).** This revenue group includes Fire protection services (from neighboring-contract communities and emergency medical services (EMS) distributions), emergency dispatch services, motor vehicle fuel tax (MVFT) and liquor profits and excise tax. Fire protection services grow at an average of 8.9% during the biennium due to the impact of added Fire personnel in 2008 and inflationary increases in operating costs. The remainder of the Forecast projects these revenues to grow at 3% annually. The Forecast eliminates dispatch services revenues beginning in 2009 due to the move of the City's dispatch activities to NORCOM.

Revenues such as MVFT and liquor profits and excise tax are tied to population growth. MVFT is projected to remain flat over the forecast period based on information from the Washington State Department of Transportation, which reflects the estimated impact of higher fuel costs and declining fuel consumption. Liquor profits and excise tax are projected to grow by 7.3% and 5.9% on average over the forecast period due to a State projected increase in sales.

**Charges for Services ($29.7 million or 30.3% of other revenues).** Charges for services, which include interfund charges, parks and recreation fees and probation charges are expected to increase at a rate roughly equal to inflation or 3.7% on average over the forecast period.

**Other Finance Sources ($11.3 million or 11.5% of other revenues).** Other Finance Sources includes operating transfers from Cable Franchise and Development Services, a one-time transfer from the Rainy Day fund and one-time revenues for NORCOM related activities. Contributions from Cable Franchise are expected to rise at a rate greater than inflation due to the delay in the transfer of funds from a prior period. Transfers from Development Services, which reimburse the General Fund for staff support, are projected to increase at roughly the rate of salary and benefit costs. The one-time transfer from the Rainy Day fund consolidates General Fund's reserves per the proposed reserve policy. The one-time revenues for NORCOM transfers reserves no longer needed to the General Fund to support the transition in mid-2009.

**Miscellaneous ($5.1 million or 5.2% of other revenues).** Miscellaneous revenues includes interest earnings, rents and other revenues. Investment interest is expected to decline in 2009 and then level off as the economy continues to moderate. Other revenues, including rents are projected to increase at the rate of inflation over the forecast period.

**Licenses and Permits ($0.6 million or 0.6% of other revenues).** Licenses and permits, which include business registrations, street restoration fees and concealed weapons fees, are expected to increase at the rate of inflation over the forecast period.

**Fines and Forfeits ($0.2 million or 0.2% of other revenues).** The King County Court Service revenues (parking and moving violations, etc.) have been negligible in 2008. The Forecast does not assume court service revenues for the 2009-2010 biennium as our cost for court services are projected to equal or exceed revenues for infractions. The Forecast assumes the City will continue to contract with King County District Court for the provision of court services into the near future.

This revenue category is now made up primarily of false alarm fines which are projected to remain constant over the forecast period.

## Section IV: Expenditure Highlights

This section includes A) a **Summary** or general discussion of expenditures through the forecast period and B) a detailed discussion of **Major Drivers**.

### A. Summary

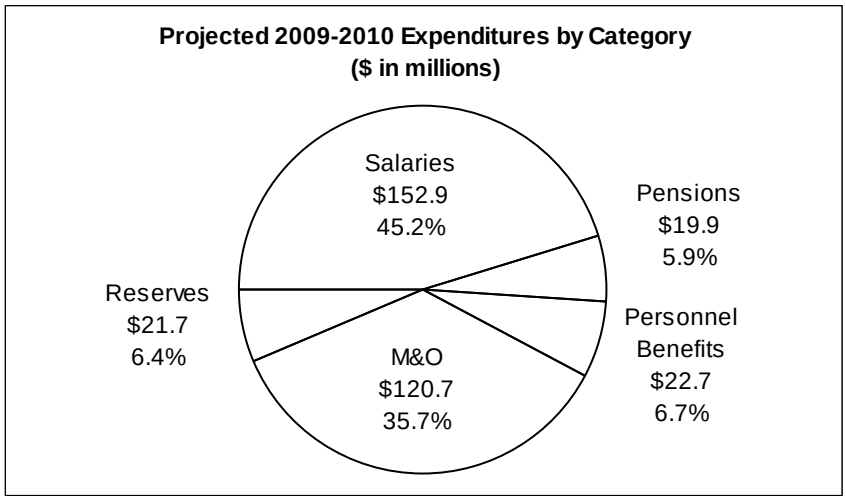
Projected expenditure growth for the Forecast period is lower than past Forecasts. Expenditures are projected to decline 0.7% in 2009 and grow by 2.3% in 2010 (excluding ending fund balance), and then level out at an average of 3.6% through 2014.

The 2009-2010 Budget includes:

- Inflationary adjustments to personnel and other operating costs
- Addition of public safety personnel added in mid-year 2008
- Net cost of the City's dispatch activity moving to NORCOM
- Elimination of a one-time City Hall debt service payment made in 2008
- Reduction in contributions to the Rainy Day fund and asset replacement reserves

The proposed 2009-2010 General Fund budget also includes the addition of 2.25 new FTEs, the conversion of 8.25 LTEs to FTEs and a reduction of 57.5 FTEs as dispatch staff moves to NORCOM in mid-2009. Most FTE's proposed are offset by existing expenditures or new revenues.

As illustrated in the table below, salaries are the largest expenditure component, followed by maintenance and operating (M&O), personnel benefits, pensions, and proposed General Fund Balance. Each expenditure group is discussed below.




**Salaries ($152.9 million or 45.2%).** Salaries are the largest expenditure category in the General Fund, and have historically represented about half of its total budget. Total salary costs are expected to rise an average of 4.1% during the forecast period. The Forecast includes the addition of 15 public safety and transportation positions approved in mid-2008 as well as 2.25 additional FTEs. Salaries' proportional share of the total expenditure budget has declined in the biennium due to the inclusion of a larger General Fund reserve in the 2009-2010 proposed budget.

These increases are offset by a $1.5 million reduction associated with the NORCOM transition in mid-2009. In 2010, total salary costs are expected to rise 0.7%, which includes full-year reduction associated with the NORCOM transition.

**Personnel Benefits ($22.7 million or 6.7%) and Pensions ($19.9 million or 5.9%).** The Personnel Benefits and Pensions categories include costs for worker's compensation, health benefits, Medicare and employee pensions. Together they equal 12.6% of the 2009-2010 General Fund budget.

Personnel benefits are increasing 3.1% in 2009 and 9.0% in 2010. The increase is primarily associated with an increase in health care costs, rising at 3% in 2009 and then averaging 10% annually over the forecast period. Pension cost increases are tied to increase in both salaries and state pension rates, both of which increased significantly in 2009. Total pension costs are projected to increase by 16.7% in 2009 and then average 5% annually through 2014. A detailed discussion of state pensions and health benefits is included in Section B. Major Drivers.

**Maintenance and Operating (M&O) ($120.7 million or 35.7%).** Included in this category are the non-personnel support costs associated with General Fund operations. This category is the second largest classification of General Fund expenditures, representing 35.7% of the 2009-2010 budget. It includes materials, supplies and services associated with General Fund operations.

M&O expenditures (including interfund transactions) are projected to decline by 14.8% in 2009. Increases due to inflation (including increased energy costs), the net impact of the transition to NORCOM, and budget investments are offset by decreases in the City Hall debt service payment (see major drivers below), a reduction in contributions for asset replacement reserves and the removal of dispatch staff M&O in mid-year. M&O costs are projected to increase 3.4% in 2010 and then grow at 2.6% through the remainder of the forecast period

**General Fund Reserve ($21.7 million or 6.4%).** Earlier this year Staff recommended to Council that the City's reserve policy be updated to include a target reserve level equal to 15% of General Fund revenues in order to reduce the potential need for borrowing or service reductions during periods of economic downturn, natural catastrophe, or for other one-time extraordinary expenditures. The Forecast projects reserve levels fall just short of the 15% target in all years. As displayed in the table in Section II: Forecast Results, reserve levels are at 14% in both 2009 and 2010 and then average13.5% annually for the remainder of the forecast period.

## B. Major Drivers

Key expenditure drivers for 2009-2014 include inflationary increases in personnel and operating costs, health benefits and pension costs and the 2008 mid-year public safety investment. These are being offset by the transition to NORCOM and the 2008 City Hall debt service payment.

**Inflationary Increases.** Projected growth in salaries and maintenance and operating expenditures are based on the regional consumer price indices. General salary adjustments are based on the consumer price index for urban wage earners (CPI-W). The inflationary salary adjustment for 2009 is $4.3 million, or $1.9 million higher than anticipated in the Early Outlook Forecast. For 2010, the growth rate is estimated to be less than 1%, including the completed transition to NORCOM. For the remainder of the forecast period, salaries are estimated to grow at 3%.

Maintenance and operating expenditure budgets are based on the consumer price index for all urban consumers (CPI-U). This forecast includes an increase of 2.6% for 2009 and 2.5% for 2010 for all maintenance and operating expenditure budgets other than utilities (see below). For the remainder of the forecast period, maintenance and operating budgets are estimated to grow at an average of 2.4%.

Other costs, such as utility and fuel expenses, have been growing at a rate greater than inflation for the past several years. Utility costs are anticipated to continue to grow at a rate slightly higher than inflation, mainly due to projected increases in pass-through wholesale costs and capital costs. Fuel costs rose to an all-time high in 2008 and declined somewhat in the past month. Based on the volatility of fuel costs, the budget includes an additional $0.5 million in 2009 and an additional $0.2 million in 2010 to address increases if necessary. For the remainder of the forecast period, utility and fuel costs are anticipated to grow with inflation. Due to the current unpredictability of utility and fuel prices, staff will continue to monitor these costs closely.

**Pension Rate Increases.** City pension contributions are expected to increase by $1.0 million in 2009, primarily due to a increase in the State's rate charge to employers. Pension costs and the State rate are expected to remain relatively flat in 2010. The Forecast projects 3% growth in pension contributions during the remainder of the forecast period. It is important to note that the State has recently contemplated incorporating higher life expectancies into its pension calculations, which would likely increase employer and employee costs. This possible increase is not included in the Forecast but will be incorporated into future Forecast updates if this change is made.

**Health Benefit Costs.** Health benefit costs stabilized in recent years due to several factors including a change in Bellevue's provider network, higher employee payments, and fewer extraordinary claims. In response to this, excess reserves will be used to smooth General Fund health benefit contributions in 2009 and 2010. Contributions are increasing by 6% on average in the 2009-2010 biennium. Based on actuarial projections, health benefit contributions are forecasted to increase 10% on average over the remainder of the forecast period.

**2008 Mid-Year Public Safety and Transportation Investment.** In 2007, the City began an on-going Long-Range Financial Planning initiative. Significant population growth, changing demographics, increasing urbanization and density of our downtown and other factors indicated that a variety of investments are needed to maintain the City's delivery of quality services into the future. In mid-2008, some resources were available to make limited priority investments in core services and infrastructure. This resulted in the Council's approval of 15 additional FTEs and a $1.5 million on-going increase to the budget.

**NORCOM.** As approved by Council, Bellevue will be a participant of NORCOM. NORCOM creates a partnership where agencies are owners who make decisions jointly to improve the delivery, cost, service and effectiveness of public safety communications services on the Eastside. This partnership with other agencies is expected to reduce Bellevue's costs over several years. By the end of the forecast period, net savings to the General Fund are anticipated at approximately $1 million per year with additional savings in the future. The Forecast also includes one-time expenses and revenues ($2.5 million) for the transition to NORCOM.

**City Hall Debt Payment.** Expenditures declined by $8.0 million in 2009 due to the elimination of a one-time transfer to fund City Hall debt payments. During the 2007-2008 budget process, Council concurred with changing the budgetary basis to match the City's accounting approach beginning in 2008. This change provided $8.0 million in one-time resources to be transferred from the General Fund in 2008 to pay debt service costs for City Hall bonds.

## B. UTILITY FUNDS FINANCIAL FORECAST

This section contains the 2009-2014 Financial Forecast for the City's Water, Sewer, and Storm & Surface Water Utility Funds, based on amounts reflected in the Utility's 2009-2010 Preliminary Budgets.

### EXECUTIVE SUMMARY

#### Introduction

The following key financial policies approved by Council in 1995, and updated in subsequent budgets, are incorporated in these financial forecast results:

- Consolidated reserve funding policies which define target and minimum reserve levels for each Utility fund;
- Operating reserve management policies which stipulate the transfer of greater-than-anticipated year-end reserves (ending fund balances) to the CIP Renewal & Replacement (R&R) Account;
- Capital reinvestment policies for future replacement of Utility infrastructure systems which base transfers to the CIP R&R Account on long-term capital investment;
- System expansion and connection policies which stipulate all capital related Capital Recovery Charges (CRC) and Direct Facility Charges will be deposited directly to the CIP Renewal & Replacement (R&R) Account; and
- Rate-planning policies which set rates at a level sufficient to cover current and future expenses and maintain reserves consistent with Utility financial policies and the long-term financial plans, and to pass through wholesale cost increases directly to customers. Inflationary indices are used as a basis for evaluating rate increases but no longer limit the growth in local programs.

#### Significant Issues

Significant issues expected to impact the Utilities current and future financial performance are briefly discussed below.

**King County/METRO Wastewater Treatment Costs**

Sewage treatment charges from King County/METRO will increase by 14.1 % (from $27.95 to $31.90) per residential equivalent unit in 2009. This increase is primarily driven by higher debt service resulting from increased capital costs (including the Brightwater treatment plant). Since this rate increase is expected to cover cost increases for both 2009-2010, there is no projected rate increase for 2010. Per Council-adopted financial policies, wholesale cost increases are passed through to the customer. The increase in wastewater treatment costs will result in an increase to Bellevue ratepayers of approximately 10.1% in 2009.

**Cascade Water Alliance**

The Cascade Water Alliance (Cascade) has developed its proposed 2009 operating and capital budgets. Cascade's proposed 2009 operating budget is $26.7 million, a 32.5% increase from 2008. This increase is largely due to increases in purchased water costs, such as the new Seattle contract for short term supply, costs for Cascade's water supply planning effort to update its Transmission and Supply Plan, and costs to operate Lake Tapps. Cascade's 2009 wholesale charges to Bellevue are currently projected to increase by $1.8 million, or 14.3%. This increase will be reduced by a one-time credit of $0.2 million in 2009, resulting in a net increase to Bellevue of 12.7% or approximately $1.5 million. Cascades' 2010

wholesale charges to Bellevue are estimated to increase by an additional 8.3% in 2010. This will result in retail rate increases to City of Bellevue customers of 4.8% in 2009 and 4.7% in 2010 for wholesale water purchases.

Regional water resource decisions may be made over the next biennium that could have significant programmatic and cost implications for Bellevue Utilities. These efforts include county-wide water supply planning, King County's efforts to expand production and use of reclaimed water, regional salmon recovery planning, and the state Puget Sound Partnership's Action Agenda to protect and clean up the Sound. Utilities will monitor regional water resource activities and participate in regional issues, as directed by Council interests and policies.

**Aging Infrastructure**

Half of Bellevue's infrastructure is past mid-life. Aging systems require more preventive maintenance to remain operational while at the same time cause more reactive work to deal with system failures. Significant investment is also needed to replace components that are reaching the end of their useful life. Pipe defects and the resulting breaks are increasing as are the number of claims and their associated cost. Finally, increased effort is required to maintain current service levels.

**Additional Staff**

Static labor resources and growing workload pressures have led to declining service delivery. Capital delivery staff positions have not been added since before the Utilities Department was formed in 1993. Maintenance staff were added only to respond to service territory expansions resulting from water and/or sewer district assumptions. Aging infrastructure, regulatory requirements such as NPDES and water quality programs, and increasing capital programs are factors that were not considered.

The 2009-2010 budget proposes adding 15 full-time employees:

- 6 staff to maintain and repair aging water and wastewater infrastructure. Aging systems require more preventive maintenance to remain operational while at the same time cause more reactive work to deal with system failures. Increased effort is required to maintain current service levels. Some examples of services affected include water security system maintenance, major fire hydrant repairs, meter replacements, water locates, water valve surveys and repairs, sewer pipe cleaning and repairs, and sewer manhole inspections.

- 2 staff to support mandated drinking water quality programs such as backflow prevention testing, cross-connection control inspections, and water system flushing.

- 4 staff to provide increased maintenance / monitoring and development services activities required by NPDES. Two of these positions will be 80% fee-supported.

- 3 staff to provide design, inspection and project administration in support of the increased capital investments to repair or replace aging systems, and for mandated and growth-related projects.

**Capital Projects**

There are several new capital projects highlighted as being high priority during, and just beyond, this forecast period. These include projects to meet sewer capacity needs in the central business district and water infrastructure renewal projects. In addition, actual and forecasted construction inflation have escalated significantly since adoption of the last budget.

## Sensitivity and Risks

Each item discussed above could potentially affect annual Utility costs and rate requirements over the forecast period. Changes in inflation rates for various services can also affect annual cost levels. Each projection made in this forecast is based on the best information currently available, but actual costs and revenues in future years may be higher or lower than forecasted amounts, as changes in prevailing economic conditions or other circumstances influence actual Utility financial outcomes.

## KEY ASSUMPTIONS

### Overall:

- An investment interest rate of 3.5% is assumed in 2009, increasing to 4.0% per year thereafter through 2014.

- In general, an annual 2.7% growth in miscellaneous revenues is assumed in 2009 through 2014.

- All Direct Facility Charges and Capital Recovery Charges will be deposited directly to the CIP Renewal & Replacement Accounts.

- General salary adjustments are based on 90% of the Consumer Price Index (CPI) and include a salary and benefit under-expenditure rate based on historical spending trends.

- Proposed FTE growth is discussed above. In the Water fund, an increase of five FTEs is assumed, including a Senior Engineering Technician for the Drinking Water Quality program, a Lead Worker and a Skilled Worker in O&M, a Telemetry Technician, and a Senior Construction Project Inspector to support CIP design, inspection, and administration. In the Sewer fund, an increase of five FTEs is assumed, including four Skilled Workers in O&M and a Senior Engineer to support CIP design, inspection, and administration. In the Storm fund, an increase of five FTEs is assumed, including a Contract Administrator and four FTEs associated with NPDES: a Senior Engineering Technician for the Illicit Discharge Detection and Elimination program, a Skilled Worker in O&M, and two Utilities Review Professionals; the costs for these last two positions would be largely paid for by Development Services revenues.

- Operating expenses other than personnel and wholesale costs are expected to increase by the CPI, starting in 2009.

- The re-development of the Bel-Red corridor is not included in the 2009-2010 budget forecast.

### Water:

- Cascade Water Alliance (Cascade) 2009 wholesale charges to Bellevue are currently projected to increase by $1.8 million, or 14.3%. This increase will be reduced by a one-time credit of $0.2 million in 2009, resulting in a net increase to Bellevue of 12.7% or approximately $1.5 million. Cascade's 2010 wholesale charges to Bellevue are estimated to increase by an additional 8.3% in 2010, and 10% per year for 2011 through 2014. This will result in retail rate increases to City of Bellevue customers of 4.8% in 2009 and 4.7% in 2010 for wholesale water purchases. From 2011 through 2014, an average increase of 5.6% is assumed.

- The local rate increase is projected to be 4.7% in 2009 and 4.5% in 2010. The projected rate increases for 2011 through 2014 are 4.6%, 4.6%, 4.7%, and 4.7% respectively.

**Sewer:**

- King County-METRO rates for wastewater treatment are projected to be $31.90 per equivalent residential unit, representing an increase of 14.1%, for 2009 and 2010. METRO rates are projected to increase by 11.2% for 2011 and approximately 9.6%, 10.4%, and 8.0% annually from 2012 through 2014. The resulting pass-through rate increases to Bellevue customers are estimated to be 10.0% in 2009, 0.0% in 2010, 7.9% in 2010, and approximately 6.8%, 7.4%, and 5.8% annually from 2012 through 2014.

- The local rate increase is projected to be 4.5% in 2009 and 3.5% in 2010. The projected rate increases for 2011 through 2014 are 2.5%, 2.0%, 2.0%, and 2.1% respectively.

**Storm & Surface Water:**

- Storm & Surface Water rates will increase by 7.5% in 2009 and 7.0% 2010. The projected rate increases for 2011 through 2014 are 7.0%, 7.0%, 7.0%, and 5.8% respectively.

## FORECAST RESULTS

This section contains an analysis of the three Utility Funds' financial forecasts, including a page describing the costs and revenue requirements for each Utility and the actual financial forecast for that fund. This data provides information on projected rate increases, revenues and expenses by category, and reserves.

### Water System Costs and Revenue Requirements

Over the forecast period, rate revenues are projected to grow from $30.8 million in 2008 to $54.9 million in 2014, or by an average annual increase of 10.1%. Rate revenues show a steady increase throughout the forecast, mainly due to the projected increases from Cascade. Of the $24.1 million increase in annual rate revenues over the interval, $23.8 million is due to projected rate increases; the remaining $0.3 million is due to growth in the number of customer accounts and related water volumes.

Based on historical collection experience, annual growth in other Utility revenues is projected at 2.9% in 2009 through 2014, and includes developer fees, rental revenue, and other miscellaneous items. Interest earnings are expected to decline at an average annual rate of about -7.0%, largely due to lower reserve levels during the forecast period.

Wholesale water purchases represent 36.8% of total projected Water expenses for the upcoming 6-year period. Water costs are projected to increase by $9.0 million or 69.8%. This will result in pass-through rate increases of 4.8% in 2009 and 4.7% in 2010, and an average of 5.6% per year for 2011 through 2014.

Growth in annual City utility and other tax payments over the forecast period are due to impacts of projected customer/volume growth. No changes in existing tax rates or policies are assumed.

Water CIP transfers are projected to equal $65.8 million over the 6-year period. Of this amount, $56.0 million is needed to support projects approved in the CIP plan. The remaining $9.8 million will be deposited to the Water Renewal & Replacement (R&R) Account. Annual amounts deposited to the R&R Account are based on replacement needs per the Utility's long-term capital investment plan.

Water personnel costs are projected to increase by 20.3% in 2009, largely due to a 5.58% cost of living adjustment and the addition of five FTE positions. For the remainder of the forecast period, 2010 through 2014, the average increase is 3.0% due to higher benefit costs and cost-of-living adjustments projected by the City Budget Office. Other operating expenses include supplies and outside services which are projected to increase by estimated annual inflation rates. Interfund payments to other city funds are projected to increase by 14.0% in 2009 and decrease by 3.1% in 2010. This is largely due to increases for technology, fuel, equipment maintenance, self-insurance, and City-wide overhead. The forecast beyond the biennium assumes historical average levels.

Capital asset costs shown in the forecast are based on the Utility's long-term asset replacement plan and can fluctuate from year to year. The Asset Replacement Account (ARA) is used to levelize rate impacts of Utility capital asset spending and all asset purchases are financed from the ARA balance.

Water reserve status shown in this forecast is based on calculated target reserve amounts defined by the Utilities Consolidated Reserve Policy. The long-range objective under the Utilities Reserve Policy is to maintain reserves at or close to target levels with excess reserves above target transferred to the CIP R&R Account.

# WATER UTILITY FUND
# PRELIMINARY FORECAST
# 2009 THROUGH 2014

| PROJECTED RATE INCREASES | 2008 Amended Budget | 2009 Preliminary Budget | 2010 Preliminary Budget | 2011 Budget Estimate | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| Pass-Through Cascade Increase | 5.0% | 4.8% | 4.7% | 5.6% | 5.6% | 5.6% | 5.5% |
| Local Program Increase | 1.4% | 4.7% | 4.5% | 4.6% | 4.6% | 4.7% | 4.7% |
| TOTAL RATE INCREASE | 6.4% | 9.5% | 9.2% | 10.2% | 10.2% | 10.2% | 10.2% |
| Projected Annual CPI Increases | 2.6% | 2.6% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |

| ANNUAL BUDGET BY CATEGORY | 2008 Amended Budget | 2009 Preliminary Budget (1) | 2010 Preliminary Budget | 2011 Budget Estimate (2) | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| **Beginning Fund Balances:** | | | | | | | |
| Operating Reserves | $ 11,317,541 | $ 14,582,029 | $ 9,228,778 | $ 8,966,770 | $ 8,792,340 | $ 9,079,231 | $ 9,956,078 |
| Asset Replacement Account | 2,420,647 | 2,581,981 | $ 2,907,088 | 3,060,395 | 1,926,717 | 2,333,835 | 2,734,585 |
| Subtotal | $ 13,738,188 | $ 17,164,010 | $ 12,135,866 | $ 12,027,165 | $ 10,719,057 | $ 11,413,066 | $ 12,690,663 |
| **REVENUES:** | | | | | | | |
| Water Rate Revenues | $ 30,832,471 | $ 33,832,310 | $ 37,013,286 | $ 40,855,475 | $ 45,090,581 | $ 49,752,675 | $ 54,887,070 |
| Interest/Other Revenues | 3,847,177 | 3,508,376 | 3,484,889 | 3,737,651 | 3,799,307 | 3,945,037 | 4,118,238 |
| Subtotal | $ 34,679,648 | $ 37,340,686 | $ 40,498,175 | $ 44,593,126 | $ 48,889,888 | $ 53,697,711 | $ 59,005,309 |
| **TOTAL BUDGET (Sources)** | $ 48,417,836 | $ 54,504,696 | $ 52,634,041 | $ 56,620,291 | $ 59,608,944 | $ 65,110,777 | $ 71,695,971 |
| **EXPENSES:** | | | | | | | |
| Cascade Water Purchases | $ 12,916,105 | $ 13,831,466 | $ 14,979,712 | $ 16,477,683 | $ 18,125,451 | $ 19,937,996 | $ 21,931,796 |
| City/State Taxes and Franchise Fees | 2,886,070 | 3,302,363 | 3,598,049 | 3,961,373 | 4,361,304 | 4,799,638 | 5,281,357 |
| Transfer to CIP/R&R | 5,881,137 | 11,222,269 | 8,450,803 | 9,751,708 | 11,131,792 | 12,595,258 | 14,147,324 |
| Debt Service | 461,222 | 359,027 | 30,975 | 30,680 | 30,385 | 30,090 | 29,795 |
| Personnel | 5,416,408 | 6,516,106 | 6,710,604 | 6,909,526 | 7,114,335 | 7,325,208 | 7,542,329 |
| Interfund Payments to Other City Funds | 2,091,811 | 2,349,679 | 2,277,182 | 2,343,934 | 2,472,850 | 2,608,857 | 2,752,344 |
| Capital Asset Costs | 851,480 | 389,089 | 390,826 | 1,700,412 | 119,194 | 162,818 | 301,919 |
| Other Operating Expenses | 2,974,524 | 4,398,830 | 4,312,387 | 4,725,918 | 4,840,568 | 4,960,250 | 5,085,260 |
| Subtotal | $ 33,478,757 | $ 42,368,830 | $ 40,750,537 | $ 45,901,234 | $ 48,195,878 | $ 52,420,114 | $ 57,072,124 |
| **Ending Fund Balances:** | | | | | | | |
| Operating Reserves | $ 12,357,098 | $ 9,228,778 | $ 8,823,109 | $ 8,792,340 | $ 9,079,231 | $ 9,956,078 | $ 11,590,011 |
| Asset Replacement Account | 2,581,981 | 2,907,088 | 3,060,395 | 1,926,717 | 2,333,835 | 2,734,585 | 3,033,836 |
| Subtotal | $ 14,939,079 | $ 12,135,866 | $ 11,883,504 | $ 10,719,057 | $ 11,413,066 | $ 12,690,663 | $ 14,623,847 |
| **TOTAL BUDGET (Uses)** | $ 48,417,836 | $ 54,504,696 | $ 52,634,041 | $ 56,620,291 | $ 59,608,944 | $ 65,110,777 | $ 71,695,971 |

| TARGET RESERVE STATUS | 2008 Amended Budget | 2009 Preliminary Budget | 2010 Preliminary Budget | 2011 Budget Estimate | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| Operating Reserves | $ 12,357,098 | $ 9,228,778 | $ 8,823,109 | $ 8,792,340 | $ 9,079,231 | $ 9,956,078 | $ 11,590,011 |
| Target Reserve Level | 7,582,030 | 7,961,271 | 8,105,800 | 9,088,771 | 9,656,321 | 10,272,693 | 10,942,839 |
| **Reserves Over (Under) Target Level** | $ 4,775,068 | $ 1,267,507 | $ 717,309 | $ (296,431) | $ (577,090) | $ (316,615) | $ 647,172 |

(1) The beginning fund balance in 2009 does not equal the budgeted ending fund balance in 2008 because:
– higher than budgeted revenues and/or savings during the last biennium.
– 2008 capital expenditures delayed until 2009.

(2) The beginning fund balance for 2011 does not equal the budgeted ending fund balance in 2010 primarily due to projected underexpenditures and reconciling items for ratemaking purposes.

**Sewer System Costs and Revenue Requirements**

Revenue requirements from sewer rates are displayed in the Sewer Utility Fund Financial Forecast. Over the upcoming forecast period, rate revenues are projected to grow from $34.8 million in 2008 to $58.9 million in 2014, or by an average annual increase of 11.5%. Of the $24.4 million increase in annual rate revenues over the interval, approximately $24.1 million is due to projected rate increases, with the remaining $0.3 million due to growth in the number of customer accounts and related sewer volumes.

Based on historical collection experience, annual growth in other Utility revenues is projected to be 2.8% for 2009 through 2014. This includes interest earnings, developer fees, rental revenue, and other miscellaneous items.

King County-METRO payments for wholesale sewage treatment costs represent approximately 59% of the total projected Sewer expenses for the 6-year period. The 2009 METRO rate increase assumed in this forecast, as projected by King County, include 14.1% and 0.0% for 2009 and 2010 respectively. For the remainder of the forecast period, projected METRO rate increases are 11.2% for 2011 and an average of 9.3% annually from 2012 to 2014. These rate increases translate into pass-through increases to Bellevue customers of 10.0% in 2009, 0.0% in 2010, 7.9% in 2011, and an average of 6.7% annually from 2012 through 2014.

Growth in City/State taxes over the forecast period are due to impacts of projected customer/volume growth and rate increases on annual taxable revenues. No changes in existing tax rates or policies are assumed.

Sewer CIP transfers are projected to equal $48.4 million over the 6-year period. Of this amount $41.5 million is needed to support projects approved in the CIP plan. The remaining $6.9 million will be deposited to the Renewal & Replacement (R&R) Account. Annual contributions to the R&R Account are determined by the infrastructure replacement needs per the Utility's long-term capital investment plan.

Sewer personnel costs are projected to increase by 23.5% in 2009, mainly due to a 5.58% cost of living adjustment and the addition of five FTE positions. Subsequently, the personnel cost increase is expected to average 3.1% in 2010 through 2014, due to higher benefit costs and cost-of-living adjustments projected by the City Budget Office. Other operating expenses include supplies and outside services which are projected to increase by the estimated annual inflation rates shown in the forecast from 2009 through 2014. Interfund payments to other city funds are projected to increase by approximately 14.0% in 2009, largely due to increases for equipment maintenance, technology services, and City-wide overhead. Interfund payments to other city funds are projected to decrease by approximately 4.4% in 2010, due to decreased costs for insurance. The forecast period beyond the current biennium assumes interfund payments at historical average levels.

Capital asset costs shown in the forecast are based on the Utility's long-term asset replacement plan and can fluctuate from year to year. The Asset Replacement Account (ARA) is used to levelize rate impacts of Utility capital asset spending and all asset purchases are financed from the ARA balance.

Sewer reserve status shown in this forecast is based on calculations of target reserve amounts defined by the Utilities Consolidated Reserve Policy. The long-range objective under this policy is to maintain reserves at or close to target levels with excess reserves above target transferred to the CIP R&R Account. Reserves are projected to be mostly below target levels for the forecast period, largely for rate stabilization purposes.

# SEWER UTILITY FUND
## PRELIMINARY FORECAST
## 2009 THROUGH 2014

| PROJECTED RATE INCREASES | 2008 Amended Budget | 2009 Preliminary Budget | 2010 Preliminary Budget | 2011 Budget Estimate | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| Pass-Through Metro Increase | 0.0% | 10.0% | 0.0% | 7.9% | 6.8% | 7.4% | 5.8% |
| Local Program Increase | 2.5% | 4.5% | 3.5% | 2.5% | 2.0% | 2.0% | 2.1% |
| TOTAL RATE INCREASE | 2.5% | 14.5% | 3.5% | 10.4% | 8.8% | 9.4% | 7.9% |
| Projected Annual CPI Increases | 2.6% | 2.6% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |

| ANNUAL BUDGET BY CATEGORY | 2008 Amended Budget | 2009 Preliminary Budget (1) | 2010 Preliminary Budget | 2011 Budget Estimate (2) | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| **Beginning Fund Balances:** | | | | | | | |
| Operating Reserves | $ 4,122,689 | $ 2,735,036 | $ 2,534,551 | $ 2,765,007 | $ 3,203,636 | $ 3,616,789 | $ 4,009,447 |
| Asset Replacement Account | $ 1,636,832 | $ 1,585,114 | 1,841,987 | 1,802,415 | 560,335 | 1,085,095 | 1,052,720 |
| Subtotal | $ 5,759,521 | $ 4,320,150 | $ 4,376,538 | $ 4,567,422 | $ 3,763,971 | $ 4,701,884 | $ 5,062,167 |
| **REVENUES:** | | | | | | | |
| Sewer Rate Revenues | $ 34,768,562 | $ 39,854,850 | $ 41,291,306 | $ 45,648,275 | $ 49,740,114 | $ 54,529,989 | $ 58,868,885 |
| Interest/Other Revenues | 1,346,895 | 1,503,450 | 1,548,579 | 1,402,848 | 1,409,773 | 1,487,622 | 1,543,676 |
| Subtotal | $ 36,115,457 | $ 41,358,300 | $ 42,839,885 | $ 47,051,123 | $ 51,149,887 | $ 56,017,611 | $ 60,412,561 |
| **TOTAL BUDGET (Sources)** | $ 41,874,978 | $ 45,678,450 | $ 47,216,423 | $ 51,618,545 | $ 54,913,858 | $ 60,719,495 | $ 65,474,728 |
| **EXPENSES:** | | | | | | | |
| Metro | $ 21,383,163 | $ 24,289,263 | $ 24,339,218 | $ 27,114,486 | $ 29,787,185 | $ 32,972,370 | $ 35,693,029 |
| City/State Taxes and Franchise Fees | 2,104,432 | 2,404,150 | 2,493,327 | 2,754,495 | 3,001,668 | 3,290,161 | 3,547,937 |
| Transfer to CIP/R&R | 4,683,283 | 6,004,328 | 6,707,310 | 7,492,066 | 8,368,637 | 9,347,768 | 10,441,457 |
| Debt Service | 63,734 | 63,734 | 63,734 | 63,734 | 63,734 | 63,734 | 63,734 |
| Personnel | 3,745,399 | 4,625,361 | 4,805,317 | 4,944,671 | 5,088,066 | 5,235,620 | 5,387,453 |
| Interfund Payments to Other City Funds | 1,689,927 | 1,926,130 | 1,840,674 | 1,950,981 | 2,077,795 | 2,212,851 | 2,356,687 |
| Capital Asset Costs | - | 313,449 | 589,541 | 1,812,963 | 3,250 | 606,623 | 61,367 |
| Other Operating Expenses | 1,534,839 | 1,675,497 | 1,704,390 | 1,721,179 | 1,821,639 | 1,928,201 | 2,041,429 |
| Subtotal | $ 35,204,777 | $ 41,301,912 | $ 42,543,511 | $ 47,854,574 | $ 50,211,974 | $ 55,657,328 | $ 59,593,093 |
| **Ending Fund Balances:** | | | | | | | |
| Operating Reserves | $ 5,155,803 | $ 2,534,551 | $ 2,870,497 | $ 3,203,636 | $ 3,616,789 | $ 4,009,447 | $ 4,296,854 |
| Asset Replacement Account | 1,514,398 | 1,841,987 | 1,802,415 | 560,335 | 1,085,095 | 1,052,720 | 1,584,781 |
| Subtotal | $ 6,670,201 | $ 4,376,538 | $ 4,672,912 | $ 3,763,971 | $ 4,701,884 | $ 5,062,167 | $ 5,881,635 |
| **TOTAL BUDGET (Uses)** | $ 41,874,978 | $ 45,678,450 | $ 47,216,423 | $ 51,618,545 | $ 54,913,858 | $ 60,719,495 | $ 65,474,728 |

| TARGET RESERVE STATUS | 2008 Amended Budget | 2009 Preliminary Budget | 2010 Preliminary Budget | 2011 Budget Estimate | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| Operating Reserves | $ 5,155,803 | $ 2,534,551 | $ 2,870,497 | $ 3,203,636 | $ 3,616,789 | $ 4,009,447 | $ 4,296,854 |
| Target Reserve Level | 2,726,051 | 3,089,282 | 3,114,758 | 3,400,741 | 3,680,616 | 4,009,447 | 4,296,854 |
| **Reserves Over (Under) Target Level** | $ 2,429,752 | $ (554,731) | $ (244,261) | $ (197,105) | $ (63,827) | $ - | $ - |

(1) The beginning fund balance in 2009 does not equal the budgeted ending fund balance in 2008 because:
– higher than budgeted revenues and/or savings during the last biennium.
– 2008 capital expenditures delayed until 2009.

(2) The beginning fund balance for 2011 does not equal the budgeted ending fund balance in 2010 primarily due to projected underexpenditures and reconciling items for ratemaking purposes.

**Surface Water System Costs and Revenue Requirements**

Revenue requirements from surface water rates are displayed in the Surface Water Utility Fund Financial Forecast. Over the upcoming forecast period, rate revenues are projected to grow from $13.1 million in 2008 to $19.8 million in 2014, or by an average annual increase of 7.1%. Of the $6.7 million increase in annual rate revenues over the interval, approximately $6.5 million is due to projected rate increases, with the remaining $0.2 million due to growth in the customer base.

Based on historical collection experience, net of interest revenue, an annual growth in other Utility revenues is projected at 2.1% on average from 2009 through 2014, and includes developer fees and other miscellaneous items.

Growth in City/State taxes over the forecast period is due to impacts of projected customer-base growth and rate increases on annual taxable revenues. No changes in existing tax rates and policies are assumed. Debt service, which has been a major component of Surface Water Utility annual expenses, is projected to be eliminated by 2014.

Surface Water CIP transfers are projected to equal $42.2 million over the 6-year period. Of this amount $41.3 million is needed to support projects approved in the annual CIP budget. The remaining $0.9 million will be deposited to the Renewal & Replacement (R&R) Account. Annual contributions to the R&R Account are determined by infrastructure replacement needs per the Utility's long-term capital investment plan.

Surface Water personnel costs are projected to increase by 7.9% in 2009, largely due to a 5.58% cost of living adjustment and the addition of five FTE positions. For the remainder of the forecast period, 2010 through 2014, the average increase is 4.8% due to higher benefit costs and cost-of-living adjustments projected by the City Budget Office. Other operating expenses, which include supplies and outside services, are projected to increase by estimated annual inflation rates. Interfund payments to other city funds are projected to decrease by approximately 3.3% in 2009, largely due to a reduction in self-insurance costs, partially offset by increases for facilities, technology, fuel, equipment maintenance, and City-wide overhead. The forecast period beyond the current biennium assumes interfund payments at historical average levels.

Capital asset costs shown in the forecast are based on the Utility's long-term asset replacement plan and can fluctuate from year to year. The Asset Replacement Account (ARA) is used to levelize rate impacts of Utility capital asset spending and all asset purchases are financed from the ARA balance.

Surface Water reserve status shown in this forecast is based on calculations of target reserve amounts defined by the Utilities Consolidated Reserve Policy. The long-range objective under this policy is to maintain reserves at or close to target levels with excess reserves above target transferred to the CIP R&R Account for renewal and replacement projects. Reserve levels are projected to be somewhat above target levels for most of the forecast period.

# STORM AND SURFACE WATER UTILITY FUND
## PRELIMINARY FORECAST
## 2009 THROUGH 2014

| PROJECTED RATE INCREASES | 2008 Amended Budget | 2009 Preliminary Budget | 2010 Preliminary Budget | 2011 Budget Estimate | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| Local Program Increase | 5.0% | 7.5% | 7.0% | 7.0% | 7.0% | 7.0% | 5.8% |
| Projected Annual CPI Increases | 2.6% | 2.6% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |

| ANNUAL BUDGET BY CATEGORY | 2008 Amended Budget | 2009 Preliminary Budget (1) | 2010 Preliminary Budget | 2011 Budget Estimate (2) | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| **Beginning Fund Balances:** | | | | | | | |
| Operating Reserves | $ 1,273,766 | $ 2,343,942 | $ 1,666,229 | $ 1,531,341 | $ 1,570,879 | $ 1,285,846 | $ 1,234,756 |
| Asset Replacement Account | 2,608,626 | 2,473,545 | 2,781,874 | 2,275,791 | 1,116,499 | 1,567,695 | 1,753,946 |
| Subtotal | $ 3,882,392 | $ 4,817,487 | $ 4,448,103 | $ 3,807,133 | $ 2,687,378 | $ 2,853,540 | $ 2,988,702 |
| **REVENUES:** | | | | | | | |
| Surface Water Rate Revenues | $ 13,066,521 | $ 14,094,811 | $ 15,122,653 | $ 16,221,093 | $ 17,395,100 | $ 18,650,790 | $ 19,770,202 |
| Lakemont Surcharge | 255,812 | 255,812 | 255,812 | 255,812 | - | - | - |
| Interest/Other Revenues | 1,053,866 | 1,570,955 | 1,574,449 | 1,244,684 | 1,113,188 | 1,146,989 | 1,180,282 |
| Subtotal | $ 14,376,199 | $ 15,921,578 | $ 16,952,914 | $ 17,721,589 | $ 18,508,288 | $ 19,797,779 | $ 20,950,484 |
| **TOTAL BUDGET (Sources)** | $ 18,258,591 | $ 20,739,065 | $ 21,401,016 | $ 21,528,722 | $ 21,195,666 | $ 22,651,319 | $ 23,939,186 |
| **EXPENSES:** | | | | | | | |
| City/State Taxes and Franchise Fees | 815,769 | 877,988 | 940,755 | 1,008,789 | 1,080,046 | 1,160,508 | 1,230,329 |
| Transfer to CIP/R&R | 4,412,944 | 5,508,079 | 6,142,275 | 6,758,302 | 7,343,522 | 7,916,037 | 8,513,035 |
| Debt Service | 792,453 | 559,638 | 92,827 | 27,788 | 7,291 | 7,151 | - |
| Personnel | 4,341,204 | 5,024,941 | 5,256,850 | 5,535,465 | 5,922,948 | 6,133,728 | 6,352,016 |
| Interfund Payments to Other City Funds | 1,705,162 | 1,745,903 | 1,719,328 | 1,752,712 | 1,849,111 | 1,950,812 | 2,058,107 |
| Capital Asset Costs | 198,000 | 281,646 | 1,003,789 | 1,649,626 | - | 307,273 | 116,255 |
| Other Operating Expenses | 1,629,348 | 2,292,768 | 2,237,917 | 2,108,661 | 2,139,208 | 2,187,108 | 2,236,005 |
| Subtotal | $ 13,894,880 | $ 16,290,963 | $ 17,393,742 | $ 18,841,344 | $ 18,342,126 | $ 19,662,617 | $ 20,505,747 |
| **Ending Fund Balances:** | | | | | | | |
| Operating Reserves | $ 1,890,166 | $ 1,666,229 | $ 1,731,483 | $ 1,570,879 | $ 1,285,846 | $ 1,234,756 | $ 1,272,154 |
| Asset Replacement Account | 2,473,545 | 2,781,874 | 2,275,791 | 1,116,499 | 1,567,695 | 1,753,946 | 2,161,285 |
| Subtotal | $ 4,363,711 | $ 4,448,103 | $ 4,007,274 | $ 2,687,378 | $ 2,853,540 | $ 2,988,702 | $ 3,433,439 |
| **TOTAL BUDGET (Uses)** | $ 18,258,591 | $ 20,739,065 | $ 21,401,016 | $ 21,528,722 | $ 21,195,666 | $ 22,651,319 | $ 23,939,186 |

| TARGET RESERVE STATUS | 2008 Amended Budget | 2009 Preliminary Budget | 2010 Preliminary Budget | 2011 Budget Estimate | 2012 Budget Estimate | 2013 Budget Estimate | 2014 Budget Estimate |
|---|---|---|---|---|---|---|---|
| Operating Reserves | $ 1,890,166 | $ 1,666,229 | $ 1,731,483 | $ 1,570,879 | $ 1,285,846 | $ 1,234,756 | $ 1,272,154 |
| Target Reserve Level | 995,666 | 1,113,413 | 1,125,957 | 1,148,521 | 1,198,650 | 1,234,756 | 1,272,154 |
| **Reserves Over (Under) Target Level** | $ 894,500 | $ 552,815 | $ 605,527 | $ 422,358 | $ 87,196 | $ (0) | $ - |

(1) The beginning fund balance in 2009 does not equal the budgeted ending fund balance in 2008 because:
– higher than budgeted revenues and/or savings during the last biennium.
– 2008 capital expenditures delayed until 2009.

(2) The beginning fund balance for 2011 does not equal the budgeted ending fund balance in 2010 primarily due to projected underexpenditures and reconciling items for ratemaking purposes.

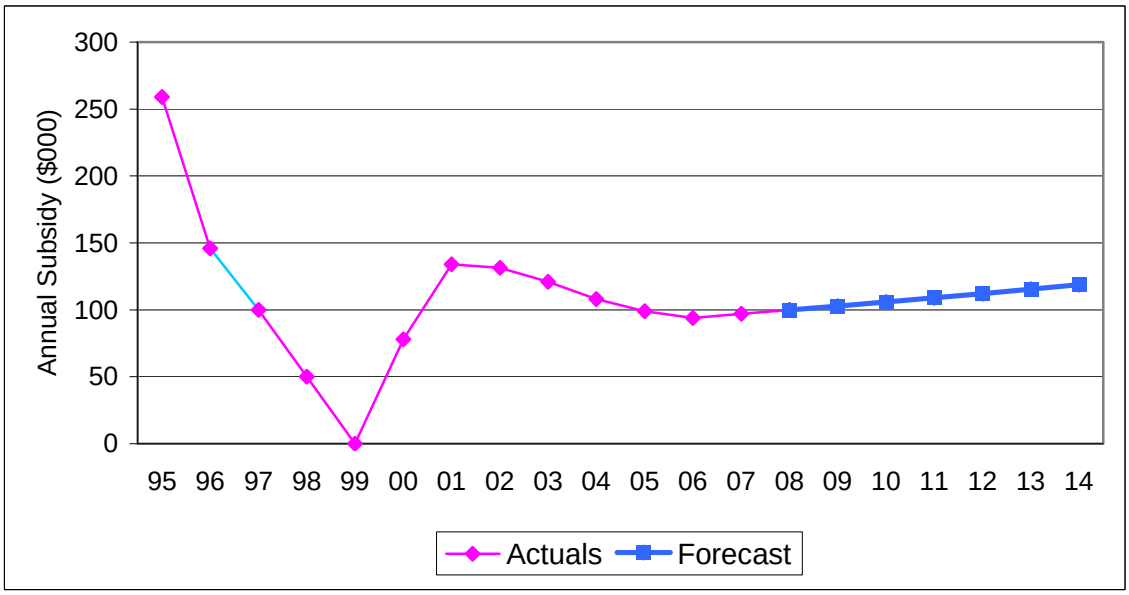
## C. Parks Enterprise Fund 2009-2014 Financial Forecast

### Introduction

The Parks Enterprise Fund accounts for the services provided by the Enterprise Program within the Parks & Community Services Department. These services include golf, tennis, aquatics, adult sports, and facility rentals. Enterprise Programs are primarily supported through user fees but attempt to serve all residents regardless of ability to pay through the use of scholarships, sponsorships and fee waivers. The Parks Enterprise Fund receives a subsidy payment from the General Fund to ensure that programs are accessible to all Bellevue residents.

### General Fund Subsidy

- The forecast shows that the Parks Enterprise Fund can continue to operate at the current General Fund Subsidy level of about $100,000 per year and adjusted for inflation.
- The graph below shows the actual and forecasted subsidy payment from the General Fund:




Note: Between 1997 and 1999, the Parks Enterprise Fund received an annual payment of $140,000 from King County to offset a portion of the operating costs associated with the Bellevue Aquatic Center. Starting in 2001, the subsidy includes an adjustment for the impact of the benefited employee rule changes.

- The Aquatic Center continues to be the driver behind the need for a General Fund Subsidy throughout the forecast period. Due to the nature of Aquatic Center programs, the majority of services provided at this facility are not “Full Cost Recovery” services. Most of these services recover only the direct program costs in an effort to provide affordable and accessible programs to youth and physically

challenged participants. In addition to the General Fund subsidy, approximately $300,000 of other Parks Enterprise Fund revenues are needed to support the Aquatic Center operation each year. Overall, this level of subsidy is consistent with the financial performance that was anticipated in 1995 when the City took over the pool.

## Parks Enterprise Fund Reserves

Parks Enterprise Fund reserves will be managed within the targeted reserve level of 2-months operating expenses, or approximately $730,000 to $1.1M over the forecast period.

## Enterprise Capital Improvements

The Parks Enterprise program funds the Enterprise Facility Improvements Project (CIP project P-R-2), including capital projects at the Bellevue Golf Course. In addition to regular maintenance projects, the City has begun to evaluate the feasibility of making additional capital improvements to the golf course driving range.

In 2007, the City completed construction of two all-weather sportsfields at Robinswood Park which are being rented to youth and adult user groups as part of the Parks Enterprise Fund. These fields are generating an additional $150,000 in annual user fees, of which $100,000 per year is being reserved in the Enterprise CIP for eventual field resurfacing or new field development.

## Budget Assumptions and Issues

Below are some of the major assumptions used in developing the 2009-2014 forecast:

- Parks Enterprise Fund revenues are assumed to increase at the same rate as expenditures from 2009-2014, or roughly 3% per year. Like other City programs, Park Enterprise Fund expenditures are being impacted by rising utility and commodity costs, increased prevailing wages for contracted labor, and tightening temporary help markets.
- City Council will be discussing pricing and resident/non-resident access policies as part of the Recreation Program Plan Update. While these policy decisions could impact the pricing strategy and customer base for Enterprise Programs, no fundamental policy changes have been incorporated into this forecast update.
- Golf course revenues and expenses have been adjusted to reflect the management contract with Premier Golf Centers approved by Council in October 2006. Staff will continue to prepare an annual management report to Council reviewing the financial, operational, and customer service performance of the course under this management agreement.

No new programs were included in this forecast update.

# Parks Enterprise Fund
## 2009-2014 Financial Forecast
## (In $000)

| | 2009 Budget | 2010 Budget | 2011 Forecast | 2012 Forecast | 2013 Forecast | 2014 Forecast |
|---|---|---|---|---|---|---|
| **Resources:** | | | | | | |
| Program Revenues | $6,262 | $6,513 | $6,756 | $7,006 | $7,263 | $7,526 |
| General Fund Subsidy | 102 | 106 | 109 | 112 | 115 | 119 |
| **Total Resources** | **$6,364** | **$6,619** | **$6,865** | **$7,118** | **$7,378** | **$7,645** |

| | 2009 Budget | 2010 Budget | 2011 Forecast | 2012 Forecast | 2013 Forecast | 2014 Forecast |
|---|---|---|---|---|---|---|
| **Expenditures:** | | | | | | |
| Personnel | $1,750 | $1,829 | $1,884 | $1,940 | $1,998 | $2,058 |
| M&O | 2,426 | 2,489 | 2,564 | 2,641 | 2,720 | 2,801 |
| Interfund Transfers | 1,460 | 1,502 | 1,547 | 1,593 | 1,641 | 1,690 |
| **Total Expenditures** | **$5,636** | **$5,820** | **$5,995** | **$6,174** | **$6,359** | **$6,549** |
| **Reserves** | **$727** | **$799** | **$870** | **$944** | **$1,019** | **$1,096** |

# D. DEVELOPMENT SERVICES FUND FINANCIAL FORECAST

## Executive Summary

The Development Services Fund supports delivery of development review, inspections, land use, and code enforcement services.

The Development Services Fund forecast reflects growth in development activity through 2008 as a result of the addition of several major projects in 2007-2008. Additional staffing and contracted services were added during the 2007-2008 Midbiennium Budget update in response to the continued increase in activity.

Beginning in 2009, the forecast reflects modest decreases in development activity through 2010. In subsequent years development activity is anticipated to decrease more rapidly until the next generation of major projects begin the permitting process.

## Background

Bellevue continues to experience unprecedented growth in 2007 and 2008 with the completion of several major projects (e.g. Lincoln Square Office Tower, Belletini, Tower 333) and the initiation of new projects (e.g. Avalon Bellevue Towers, Bellevue Plaza, Madison Apartments). In response to this continued increase in activity, 13 Full-Time Employees (FTEs) were added in 2008 to meet the high demand for project review and inspection services. The construction valuation for issued permits, considered a key barometer of development activity, exceeded estimates in 2006 and 2007 reflecting consecutive record-setting years in Bellevue. This trend has slowed as 2008 levels appear to be in alignment with forecasted estimates.

## 2009-2014 Outlook

Office vacancy rates in the central business district are a key indicator of the interest in development activity. Rates have risen to 9.6% in the last year, in part due to additional space availability and lease rate increases. As such, development activity is anticipated to decrease through the early years of the forecast (2009-2010). The number of design review applications (an early indicator of development activity) received through the first half of 2008 indicates that the demand for major projects in the central business districts may see a notable drop from recent record setting levels, however, project job growth in the region and proposed land use changes in the Bel-Red Corridor, will help drive future commercial and residential development in the city. The impacts of the decline in the mortgage and lending sector are already being felt in Bellevue. New single-family development is not assumed to grow until the latter years of the forecast although, as interest rates continue to fall, the demand for single family additions and remodel projects is expected to remain steady. As a result of the aforementioned variables, this forecast reflects a decrease in revenue collections through 2012 and a demand on reserves during the completion of major projects and throughout the latter years of the forecast period.

**Development Services Fund**
**2009-2014 Financial Forecast**
**(in $000)**

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|
| **Beginning Reserve** | **$10,500** | **$11,394** | **$11,367** | **$9,334** | **$6,520** | **$4,576** |
| **Resources:** | | | | | | |
| Building Fees | $9,750 | $9,263 | $8,336 | $7,503 | $7,698 | $7,898 |
| Land Use Fees | 1,556 | 1,452 | 1,307 | 1,176 | 1,206 | 1,238 |
| Fire, Transp. & Utilities Fees | 4,360 | 4,251 | 3,826 | 3,443 | 3,533 | 3,624 |
| Gen Fund Subsidy | 3,423 | 3,558 | 3,630 | 3,725 | 3,821 | 3,921 |
| Other Revenue/Interest | 755 | 780 | 702 | 561 | 449 | 359 |
| **Total Resources** | **$19,845** | **$19,303** | **$17,800** | **$16,407** | **$16,707** | **$17,040** |
| **Expenditures:** | | | | | | |
| Building | $9,958 | $10,184 | $10,449 | $9,926 | $9,430 | $9,675 |
| Land Use | 3,441 | 3,588 | 3,681 | 3,777 | 3,875 | 3,975 |
| Fire, Transp. & Utilities Development Services | 4,318 | 4,264 | 4,375 | 4,156 | 3,948 | 4,051 |
| Code Compliance & Gen Fund Support | 1,235 | 1,295 | 1,329 | 1,363 | 1,399 | 1,435 |
| **Total Expenditures** | **$18,951** | **$19,330** | **$19,833** | **$19,222** | **$18,651** | **$19,136** |
| **Ending Reserves** | **$11,394** | **$11,367** | **$9,334** | **$6,520** | **$4,576** | **$2,480** |

## Forecast Drivers and Assumptions

1) The following major projects are assumed to be substantially completed in the early years of the forecast:
   - Avalon Bellevue Towers
   - Belcarra
   - Bellewood Aegis Assisted Living
   - The Bravern Phase II
   - Essex Condos
   - Hyatt Hotel Expansion
   - Madison Apartments
   - One Main Street
   - Marketplace @ Factoria
   - Metro 112th
   - Summit Building III
   - Target (Factoria)

2) A significant demand in new major projects is not assumed beyond 2009.

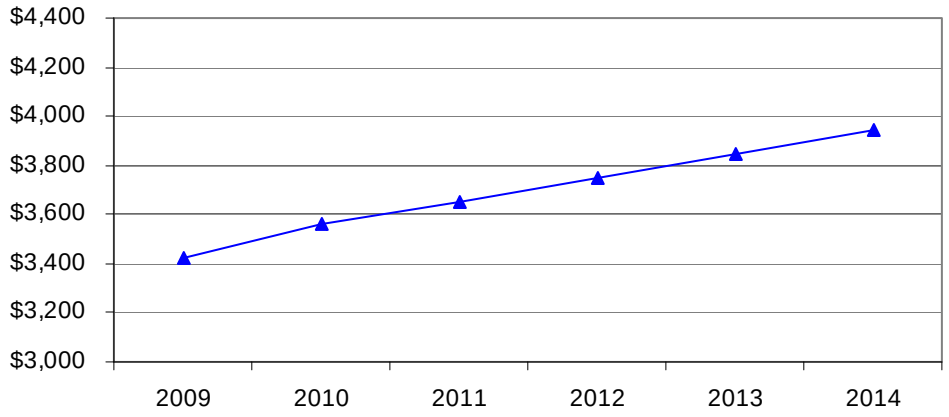
3) The Forecast reflects the addition of 13 FTEs added in 2008 to address the continued workload associated with the major projects. This baseline forecast assumes no additional investments or positions. However, consistent with the long-range financial planning effort, changes in resource levels are continually assessed and modified to accommodate the workload.

4) Development fees are reviewed annually and may be adjusted to assure they are set accordingly to meet cost recovery objectives endorsed by Council. This forecast assumes that fees will grow at the rate of inflation (2.6%).

## General Fund Subsidy

The General Fund contribution to the Development Services Fund accounts for approximately 2% of the General Fund budget. This contribution (subsidy) supports personnel, M&O and capital costs for programs that have been designated as general funded activities. These programs include Code Compliance and a portion of Land Use. Land Use activities supported by the General Fund include public information, policy development, and approximately 50% of discretionary review.

**General Fund Subsidy Forecast 2009-2014**
**($ in Thousands)**




The General Fund contribution to the Development Services Fund is anticipated to grow at an average rate of approximately 2.9% over the forecast period, consistent with inflation projections, due primarily to growth in personnel costs (e.g. salaries, health benefits, pensions).

## Development Services Fund Reserves

The Development Services Fund maintains reserves to assure that core staffing levels are balanced with cyclical needs, thus mitigating the effects of downturns or rapid increases in development activity. Reserves also ensure the Development Services Center, capital equipment, and technology systems are adequately funded when they need replacement or renovation.

Development Services Fund reserves are anticipated to decrease slightly to approximately $11.4 million through 2010. This reflects the collection of permitting fees for projects currently in design or building permit review. Reserve levels are then assumed to decline by approximately $9.0 million from 2010 million from 2010 through 2014 reflecting completion of major projects within the forecast period.

Development activity and reserve levels will be closely monitored over the next biennium. Corrective measures will be taken in the latter years of the forecast period if market conditions warrant doing so.

CITY OF BELLEVUE WASHINGTON

# General Information About Bellevue

This chapter provides information about the City of Bellevue, its form of government, management structure, location, population, and business climate. This information will aid the reader in understanding Bellevue's service programs and means of providing these services. Budgetary values have more complete meaning when placed in this context.

## A. FORM OF GOVERNMENT AND ORGANIZATION

The City of Bellevue is a noncharter optional code city. It was incorporated as a third class city on April 1, 1953. On June 1, 1970, however, Bellevue elected to become an optional code city and be governed under the provisions of the Optional Municipal Code of the Revised Code of Washington. Optional code city status increases the City's operating authority by extending to it the powers of all four city classifications which exist in Washington law.

From its incorporation, Bellevue has maintained a Council-City Manager form of government. The City Manager is appointed by the Council as the chief executive officer of the City and is responsible to the Council for the proper administration of all City affairs. Councilmembers are elected at large by Bellevue voters, and each serves a four-year term. They are part-time officials who exercise the legislative power of the City and determine City policy. Bellevue has a seven-member Council, one of whom is elected by his or her fellow members to serve as Mayor for two years. The Mayor serves as Chairperson of the Council, makes appointments to Council committees, and presides over weekly Council meetings. The Mayor has an equal vote with other Councilmembers.

The offices of City Clerk, City Treasurer, and Chief of Police are subordinate positions required by State statute. They are established by the Council and appointed by the City Manager. The City Clerk is responsible for keeping public records and the City Treasurer is responsible for the receipt, disbursement, and custody of public monies. Though the City Clerk position, by statute, can include the duties of Treasurer, the City of Bellevue has established both positions, with the City Treasurer being defined as the Finance Director. All officers and/or department directors of the City are appointed by the City Manager.

On the following pages several different organization and responsibility charts are presented. These charts illustrate the City's management organization from different perspectives.

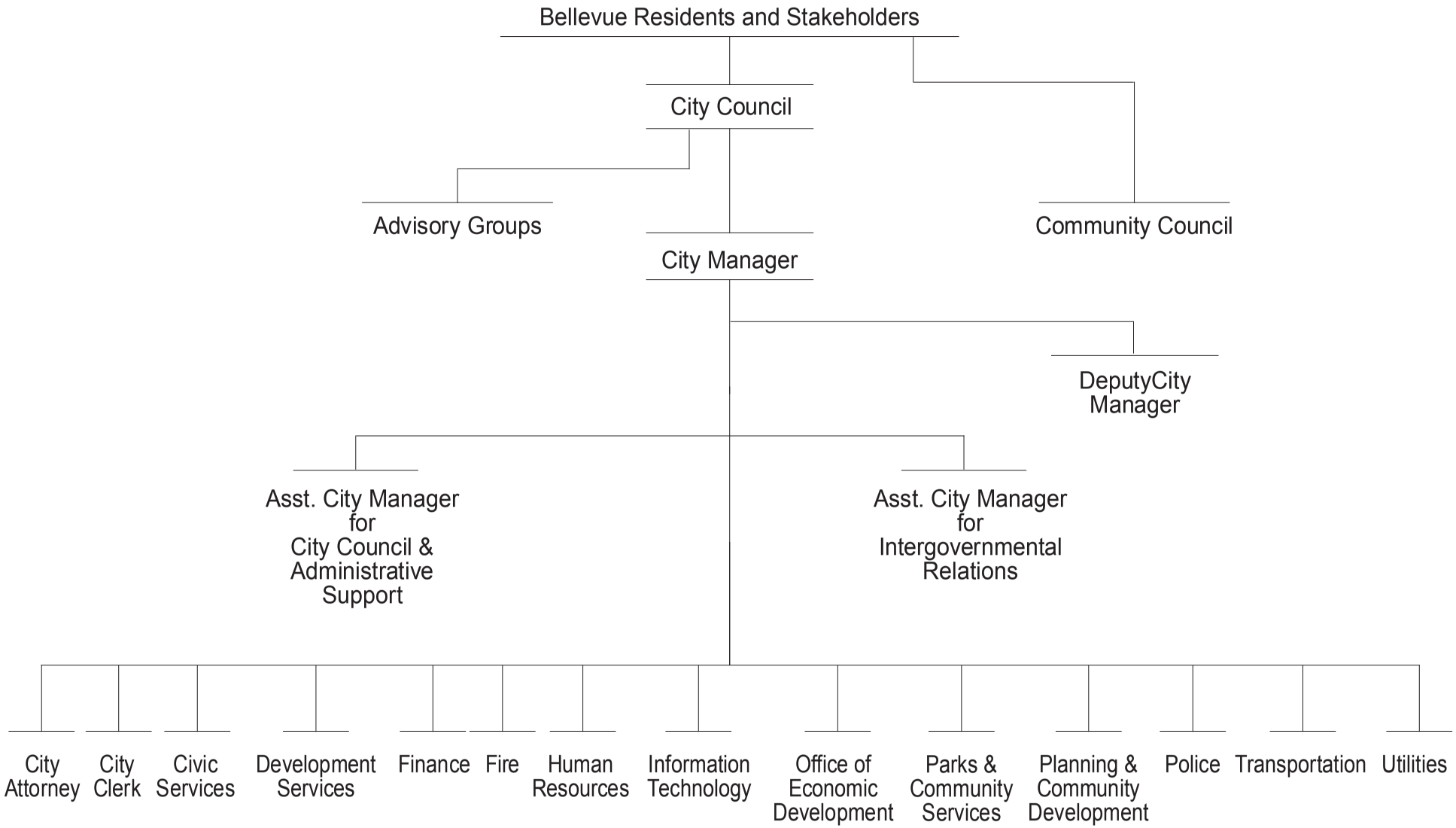
Figure 6-1 presents a hierarchical organization chart that shows the "chain-of-command" reporting relationships that currently exist.

Figure 6-2 presents a functional organization chart showing the principal activities for which each organization is responsible. These functional responsibilities are shown in detail in the department organization charts presented in the departmental chapters of the Preliminary Budget.

Figure 6-3 lists the current Councilmembers and department directors.

Figure 6-4 presents and describes the array of advisory boards and commissions.

# FIGURE 6-1
# CITY OF BELLEVUE
# HIERARCHICAL ORGANIZATION CHART



# FIGURE 6-2
# CITY OF BELLEVUE
# FUNCTIONAL ORGANIZATION CHART

| | |
|---|---|
| **City Attorney**<br>• Legal support for City Council, all departments, and boards & commissions<br>• Prosecution<br>• Litigation<br>• Risk Management | **Finance**<br>• General supervision over the City's financial affairs |
| **City Clerk**<br>• City Council support<br>• City records and documents<br>• Hearing Examiner staffing<br>• Community Council staffing | **City Manager**<br>• City administration<br>• Intergovernmental relations<br>• Media relations<br>• Publications |
| **Human Resources**<br>• Personnel Services, including recruitment, selection<br>• Matters of personnel policy<br>• Compensation and classification<br>• Workforce diversity<br>• Staff training | **Fire**<br>• Fire suppression and rescue services<br>• Fire prevention and education<br>• Emergency medical services<br>• Disaster preparedness<br>• Hazardous materials emergency management |
| **Civic Services**<br>• Information Center<br>• Facilities Services<br>• Mechanical and electronic equipment repair | **Development Services**<br>• Development review and permitting<br>• Clearing & grading permitting and inspection |
| **Parks & Community Services**<br>• Administration of City parks and recreation programs<br>• Youth Link<br>• Human Services<br>• Human Services Commission staffing<br>• Probation<br>• Park planning and development<br>• Park Board staffing | **Planning and Community Development**<br>• Rezones<br>• Code enforcement<br>• Affordable housing<br>• Citywide policy coordination<br>• Comprehensive planning<br>• Community outreach<br>• Planning Commission staffing<br>• Economic and statistical analysis<br>• Community Development functions of CIP<br>• Arts program and Arts Commission staffing |
| **Information Technology**<br>• Management of City's computer and telecommunications systems<br>• Telephone systems management<br>• Computer applications programming<br>• Geographic Information Systems (GIS) | **Utilities**<br>• Water, sewer, storm & surface water, and solid waste utilities<br>• Private utility franchising<br>• Utility billing<br>• Environmental Services Commission staffing<br>• Street maintenance |
| **Police**<br>• Policing functions<br>• Police-related community programs<br>• Park patrol<br>• Public safety communications center | **Transportation**<br>• Transportation planning, design, construction management, and operation<br>• Transportation Commission staffing |
| **Office of Economic Development**<br>• Enhance the economy<br>• Business development<br>• Redevelopment of small neighborhood centers<br>• Promote tourism & international trade | |

## FIGURE 6-3
## CITY OFFICIALS

### ELECTED CITY COUNCIL

| | |
|---|---|
| Mayor | Grant Degginger |
| Council | Claudia Balducci<br>Patsy Bonincontri<br>John Chelminiak<br>Dr. Don Davidson<br>Conrad Lee<br>Phil Noble |

### APPOINTED ADMINISTRATIVE STAFF

| | |
|---|---|
| City Manager | Steve Sarkozy |
| Deputy City Manager | Brad Miyake |
| City Attorney | Lori Riordan |
| Assistant City Manager for City Council and Administrative Support | Myrna Basich |
| Development Services Director | Mike Brennan |
| Economic Development Director | Robert Derrick |
| Facilities Director | Nora Johnson |
| Finance Director | Jan Hawn |
| Fire Chief | Mario Treviño |
| Human Resources Director | Yvonne Tate |
| Chief Information Technology Officer | Toni Cramer |
| Parks & Community Services Director | Patrick Foran |
| Planning and Community Development Director | Matt Terry |
| Police Chief | Linda Pillo |
| Transportation Director | Goran Sparrman |
| Utilities Director | Dennis Vidmar |

# FIGURE 6-4
# BOARDS & COMMISSIONS

## Arts Commission

Number of Members: 7

Appointed By: Mayor, Confirmed by City Council

Purpose/Comments: To perform the necessary functions in order that Bellevue may provide leadership in the Arts and to advise the City Council on matters of the Arts.

The Board meets once a month, and staffing is provided by the Planning and Community Development Department.

## Bellevue Convention Center Authority Board

Number of Members: 7

Appointed By: City Manager, Confirmed by City Council

Purpose/Comments: To govern the affairs of the Bellevue Convention Center Authority (BCCA) which was established by City Council action on December 4, 1989. All corporate powers of the BCCA are exercised by or under direction of the Board of Directors.

The BCCA Board meets monthly and staffing is provided by the Meydenbauer Center staff.

## Building Code Board of Appeals

Number of Members: 7

Appointed By: City Manager

Purpose/Comments: 1) To hear appeals of any order issued by the City related to the Uniform Building and related codes; 2) to determine the suitability of alternative materials or methods of construction; and 3) to make recommendations to the City Council for new legislation related to the City's building codes.

The Board meets when convened to hear appeals filed with the City Building Official, and staffing is provided by the Planning and Community Development Department.

**FIGURE 6-4 (Continued)**

Civil Service Commission

| | |
|---|---|
| Number of Members: | 5 |
| Appointed By: | City Manager |
| Purpose/Comments: | 1) To provide for, formulate, and hold competitive tests to determine the relative qualifications of persons who seek employment for the position of Police Officer or Firefighter with the City of Bellevue; 2) to provide for promotion on the basis of merit; 3) to give uniformed personnel tenure; and 4) to provide for a commission to investigate, by public hearing, suspensions, demotions, and discharges.<br><br>The Board meets quarterly and as needed, and staffing is provided by the Human Resources Department. |

Disability Board

| | |
|---|---|
| Number of Members: | 5 |
| Appointed By: | Two members appointed by the mayor, one firefighter elected by the City's firefighters, one law enforcement officer elected by the City's law enforcement officers, and one member of the public appointed by the other four members. |
| Purpose/Comments: | To act upon, approve, or deny firefighters' and law enforcement officers' claims for disability leave/retirement or medical benefits.<br><br>The Board meets once a month, and staffing is provided by the Risk Management Office. |

Environmental Services Commission

| | |
|---|---|
| Number of Members: | 7 |
| Appointed By: | Mayor, Confirmed by City Council |
| Purpose/Comments: | To act in an advisory capacity to the City Council regarding City Water, Sewer, Storm & Surface Water, and Solid Waste Utility programs. The Commission makes recommendations to the Council as needed regarding short- and long-term planning, rates and rate structures, annual budgets, bond issues, and other policies directly related to utility functions.<br><br>The Commission meets at least once a month, and staffing is provided by the Utilities Department. |

**FIGURE 6-4 (Continued)**

Human Services Commission

| | |
|---|---|
| Number of Members: | 7, plus City staff from the Police and Parks & Community Services Departments appointed as ex officio members by the City Manager |
| Appointed By: | Mayor, Confirmed by City Council |
| Purpose/Comments: | To make recommendations to the City Council regarding human services issues such as the community's needs, policy development, and the allocation of local and federal funds.<br><br>The Commission meets once a month and is staffed by the Parks & Community Services Department. |

Library Board

| | |
|---|---|
| Number of Members: | 7 |
| Appointed By: | Mayor, Confirmed by City Council |
| Purpose/Comments: | 1) To serve as a liaison between the libraries and the community; and 2) to cooperate with the local, regional, and national trustees associations to participate in library matters.<br><br>The Board meets once a month, and staffing is provided by the local libraries. |

Parks & Community Services Board

| | |
|---|---|
| Number of Members: | 7 |
| Appointed By: | Mayor, Confirmed by City Council |
| Purpose/Comments: | The Parks & Community Services Board advises the City Council on policies regarding parks and open space issues such as park planning; design and construction; development, redevelopment and renovation; enterprise management; natural resources, land stewardship, and environmental education. The Board also advises the City Council on policies regarding community services issues such as recreation opportunities for a wide range of interests, ages, and abilities; cultural diversity; community centers; Parks & Community Services Department-related special events; and probation services.<br><br>The Board meets once a month, and staffing is provided by the Parks & Community Services Department. |

**FIGURE 6-4 (Continued)**

Planning Commission

| | |
|---|---|
| Number of Members: | 7 |
| Appointed By: | Mayor, Confirmed by City Council |
| Purpose/Comments: | To make recommendations to the City Council regarding land use issues such as the City's Comprehensive Plan, Subarea Plans, land use management ordinances, potential annexations, etc.<br><br>The Commission meets once a week, and staffing is provided by the Planning and Community Development Department. |

Transportation Commission

| | |
|---|---|
| Number of Members: | 7 |
| Appointed By: | Mayor, Confirmed by City Council |
| Purpose/Comments: | To advise the City Council on transportation issues and to make recommendations to the City Council regarding Transportation Facility Plans and related transportation capital investment projects.<br><br>The Commission meets weekly and is staffed by the Transportation Department. |

## B. LOCATION, POPULATION, AND BUSINESS CLIMATE

A Growing City

Bellevue, the fifth largest city in the state with a population of 119,200 in 2008, is located on the eastern shore of Lake Washington near the population and geographical center of the Puget Sound region. It is just 11 miles from Seattle and 40 miles from Tacoma with the mountains of the Cascades to the east, the Olympics to the west, and Mount Rainier to the south. Bellevue is about three hours north of Portland, Oregon, and two hours south of Vancouver, Canada.

As a thriving regional city encompassing an area of approximately 31.5 square miles, Bellevue is a major and growing employment center within the Puget Sound region.

Bellevue demographics are viewed as particularly favorable for economic growth and well positioned to meet the needs of a dynamic and resilient economy. City planners estimate that the residential population will rise significantly over the next several years gaining more than 7,000 new residents by the year 2010. In the downtown central business district, the residential population will grow from about 4,500 current residents to 14,000 residents by 2020. Citywide jobs will increase at a rapid pace also with close to 18,000 more jobs added through 2010. Office vacancy rates in the central business district (CBD) continue to drop (6.0% reported for the 2nd quarter of 2008) with over 1,000,000 square feet of office space being absorbed in the last year alone.

Between 2001 and 2002, Bellevue, like the region as a whole, experienced a loss of jobs, and Bellevue was hard hit and lost approximately 8 percent of its employment base, or nearly 10,000 jobs during this time and experienced an office vacancy rate of 26.4% in the third quarter of 2002. Today, the city has bounced back from difficult economic times and is in the midst of an unprecedented development boom. Many residential and office projects dot the city's horizon; Lincoln Square's Office Tower is entirely occupied by Microsoft and Eddie Bauer, The Bravern and City Plaza are both fully pre-leased to Microsoft and Tower 333 is occupied by Expedia. Downtown office vacancy rates are expected to remain low due to the strong employment growth in the region.

Bellevue's employment base is expected to grow about 30 percent over the next 25 years, resulting in an increase of more than 50,000 new jobs. Bellevue's daytime population is more than 180,000. Bellevue ranks second in the state in both retail sales and property values (as measured by assessed valuation). Its location at the crossroads of the Eastside between the shores of Lake Sammamish and Lake Washington strategically positions Bellevue as one of the strongest economic forces in the Puget Sound region.

Expanding Economy

Bellevue started as a pastoral market hub for blueberry fields and farms. Founded in 1869 by William Meydenbauer, the rural community did not change much until the first floating bridge crossed Lake Washington in 1940. In the past two decades the City has grown to skyscraper heights and shed its "suburban" status to become a thriving metropolitan center and a "Technology Corridor" that is home to many of the world's leading high-tech companies. Bellevue is the metropolitan hub for companies encompassing such sectors as software development, internet and network services, multi and digital media, financial services and biotech. Its prestigious high-rise core provides office space for thousands of professionals. Microsoft Corporation and the University of Washington, one of the nation's largest public research institutions, are within close proximity.

A diversified mix of industries exists within Bellevue with retail and service sectors being the largest. Department stores such as Nordstrom and Neiman Marcus (coming in 2009), luxury retail, automobile dealerships, and electronic/computer stores lead the retail sector. The service sector has a high concentration of real estate companies, engineering firms, financial institutions, accounting firms, and computer software companies. Bellevue is home to several of the top 25 largest public companies in Washington including Puget Sound Energy, a regional electric and natural gas utility; PACCAR, a manufacturer of trucks and other heavy equipment; T-Mobile, a cellular communication company; and Esterline Technologies, a diversified aerospace company. Newer companies located in Bellevue make up many of the top 50 fastest-growing public companies in Washington and include: Infospace, a provider of software and high-tech applications, Drugstore.com, an online retailer, and Coinstar, Inc. which provides a network of supermarket-based coin counting and other electronic services.

Bellevue is also a major trading center that is well-linked to established transportation corridors. Two interstate highways converge at Bellevue: I-90 links the City to the east-west interstate system and I-405 connects Bellevue with the north-south interstate system. Its convention center attracts over a quarter of a million people to the City each year. The Port of Seattle, the seventh largest container port in North America, is less than 20 minutes by interstate highway from downtown Bellevue. The City is also less than one-half hour from the Seattle-Tacoma International Airport and several commuter airfields which provide links to other cities in the Pacific Northwest as well as internationally.

Downtown Development

Downtown Bellevue continues to evolve as a vibrant urban center with a diverse mix of retail, residential, office, and cultural uses. Major new tenants are choosing Bellevue as a “destination” location and the office vacancy rate in mid-2008 was 6.0% and is expected to decline in the 3rd quarter. A major signing at the end of 2004 brought Symetra Financial, a former division of Safeco insurance company, which leases nearly 300,000 square feet in the core of downtown. Bellevue is the national headquarters of Eddie Bauer and of Microsoft NA. Both moved into the new Lincoln Tower office complex in 2007.

2.8 million square feet of office space are proposed, in permit review, or currently under construction. Many new residential and retail projects will add greatly to street-level pedestrian activity and the attractiveness of Downtown Bellevue as a place to both live and do business. These recent projects include mixed-use buildings with residential units and ground-floor retail space. Nearly 4,500 people now call Downtown Bellevue home, with another 35,000 plus working downtown. Large projects under construction in 2008 include The Bravern (4 towers), Tower 333, and the City Center Plaza. A 256-room Courtyard by Marriott Hotel opened in 2007, and more than 1,000 city employees occupied a new downtown City Hall in 2006.

With completion of the Access Downtown project, the City has largely implemented its 1989 downtown plan. An update of the downtown plan, completed in 2003, identifies new recommendations to support ongoing growth and development through 2020, including transportation, parks, and community character. A major project component of the Downtown Plan underway is the extension of NE 10th Street. This project will ultimately extend NE 10th Street from 112th Ave NE across I-405 & through the Overlake Hospital Medical Center campus to connect with 116th Ave NE, resulting in improved access to the Overlake Hospital and Group Health Cooperative Medical Centers and reducing pressure on the already busy NE 8th Street crossing of I-405.

Bellevue Schools and Higher Education

The Bellevue School District is one of the most "high-tech" in the country. Bellevue public schools have computers in every classroom. Many technically oriented courses, such as drafting, are taught exclusively on computers. With a total enrollment of 16,179 students in 2005, the Bellevue School District consists of 16 elementary schools, 5 middle schools, 5 high schools, and 6 alternative schools. All five Bellevue School District's large high schools were ranked in the top 1% of high schools in America according to the 2008 assessment and ranking of *America's Best High Schools* reported by Newsweek Magazine and a similar ranking of the nation's high schools by U.S. News and World Report.

Bellevue is home to one of the nation's finest community colleges. The National Workforce Center for Emerging Technologies, located on the campus of Bellevue Community College (BCC), focuses on cutting-edge information technology. BCC has a student body of nearly 35,000 total students for the year. Based on information from the 2005 Census, Bellevue's adult population is very highly educated, with over 60 percent having a bachelor's degree or higher. This is one of the highest levels in the nation and well above the county-wide average of 40 percent.

A Wired City

Bellevue residents value information technology and are among the nation's most "connected" citizens. Based on a survey conducted in January 2008, nearly 100% of Bellevue residents have Internet access at home and 76% of those surveyed have high-speed access by either a cable modem or DSL. People use the Internet for a variety of daily activities including access to the City of Bellevue's web page. Seventy-three percent of Bellevue residents are aware of the City's Internet site. Of these residents, sixty-six percent have used the City's web site.

Climate

Mild winters and cool summers characterized Bellevue. High temperatures in July average about 75° F (24° C) while low temperatures in winter drop below freezing an average of only 15 days per year. Average rainfall in the region is about 38 inches per year compared to 19.5 inches in San Francisco, 34.5 inches in Chicago, and 40.3 inches in Washington, D.C.

Recreation Opportunities

Bellevue provides residents, visitors, and other stakeholders with a wealth of year-round outdoor recreation and spectacular natural beauty. Sailing, fishing, hiking, canoeing, kayaking, bicycling, golf, and water skiing are all popular activities. The City preserved over 1,700 acres of parks and open space, and nearly 50 miles of trails. It is truly a community for the future.

General Demographics

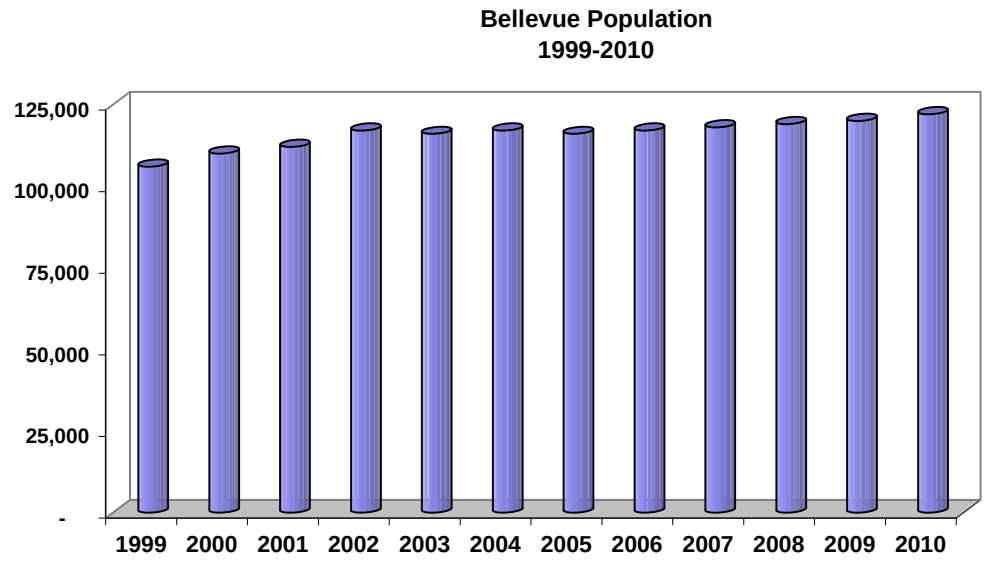
Bellevue's official 2007 population was *118,100* and is projected to be *119,200* in 2008 and 120,310 in 2009 and 121,500 in 2010. As the population has grown over the years, so has the median age and the diversity in Bellevue's ethnic makeup.

In 2000, the median age was 38.2 years, up from 35.4 in 1990. During this period, residents age 65 or over went from comprising 10 percent of the population to making up 13.4 percent of the population. Bellevue's per capita/ income was $36,905 in 1999 (as reported in the 2000 Census), which was significantly higher than the per capita income in the county as a whole. As a reflection of the diversity of Bellevue's increasing population, over 30 percent of Bellevue's residents in 2007 were born outside of the United States, and almost 27 percent of Bellevue residents over the age of five speak a language at home other than English. Nearly 70 different languages are now spoken by children in Bellevue public schools. The City is also much more racially diverse, with over 30 percent of its residents being non-Caucasian. The City's Asian and Hispanic populations more than doubled since 1990.

Figure 6-5 displays key demographic trends for Bellevue.

# Figure 6-5

## Key Demographic Trends




| Year | Population |
|---|---|
| 1999 | 106,000 |
| 2000 | 110,000 |
| 2001 | 112,000 |
| 2002 | 117,000 |
| 2003 | 116,000 |
| 2004 | 117,000 |
| 2005 | 116,000 |
| 2006 | 117,000 |
| 2007 | 118,000 |
| 2008 | 119,000 |
| 2009 | 120,000 |
| 2010 | 122,000 |

Note: Population figures presented are estimates.

**Other Key Demographics**
**2007-2010**

| | Actual 2007 | Projected 2008 | Projected 2009 | Projected 2010 | Unit Change 2009-2010 | % Change 2009-2010 |
|---|---|---|---|---|---|---|
| Puget Sound Per Capita Personal Income | $45,707 | $48,499 | $52,864 | $57,622 | $4,758 | 9.0% |
| Puget Sound Unemployment | 4.0% | 4.4% | 4.8% | 4.6% | (0.1%) | (2.6%) |
| Seattle CPI-U | 2.2% | 2.3% | 2.3% | 2.4% | 0.1% | 2.4% |
| Square Miles | 31.5 | 31.5 | 31.5 | 31.5 | - | 0.0% |
| Assessed Value ($ in billions) | $26.6 | $31.4 | $37.1 | $40.8 | $3.7 | 10.0% |
| Total Budget All City Funds ($ in millions) | $620.3 | $630.7 | $698.4 | $645.7 | ($52.7) | (7.6%) |

CITY OF BELLEVUE WASHINGTON

# Council Priorities
# Organizational Mission, Vision and Core Values

This section includes the Bellevue City Council's priorities and the City of Bellevue's organizational mission, vision, and core values.

The Bellevue City Government Priorities were adopted by the City Council in 2001 and reaffirmed in 2002, and represent the overall priorities for the City government.

City of Bellevue employees revisited the mission and vision statements during the winter of 2007-2008. The Leadership Team proposed new language and sought staff feedback.

- A video with visionary comments from the City Manager and city staff was shown at department meetings and available online. Forty-five percent of staff completed a survey with their reactions and suggestions for a new organizational mission and vision statement.

- The Leadership Team and City Manager, as well as a staff task force with representatives from each department, read and discussed the employee feedback.

In preparation for the 2009-2010 Budget, the City Council engaged in several Budget retreats and workshops during 2008 and provided a framework for departments to use in developing their proposed budgets.

Additionally, the Council held three public hearings prior to adopting the 2009-2010 Preliminary Budget.

## CITY COUNCIL PRIORITIES

- Transportation
- Neighborhood Assistance Strategy
- Technology
- Arts and Cultural Infrastructure
- Community Outreach
- Human Infrastructure
- Regional Leadership Role and Messages
- Economic Vitality
- Environmental Stewardship
- Public Safety
- Neighborhood Livability
- Parks and Open Space

# COUNCIL DISCUSSION TOPICS

## Transportation

- Create City-wide circulation network/circulator
- Integrate regional and local transportation visions /Exert regional and national leadership
- Implement the transportation visions
- Refine street and transit solutions that will serve Downtown for next ten years
- Achieve higher level of neighborhood satisfaction

## Neighborhood Livability

- Help neighborhoods identify their distinctive characteristics, unique identity and pride
- Establish strategy for neighborhood redevelopment/renewal
- Rethink services delivered to neighborhoods and how we are internally organized/structured to provide these services
- Develop packet of information detailing Neighborhood Services
- Work with neighborhood partnerships on Code enforcement

## Technology Advancement

- Become a “Wired City” – provide equal access to technology/bandwidth
- Promote electronic service delivery to enhance convenience and accessibility for the public
- Leverage existing technology to streamline business processes
- Provide leadership to the region in integrating service delivery systems for users
- Explore opportunities for regional collaboration and sharing of information related to technology
- Continue to invest in research and development, partnerships, and innovative initiatives to maximize the benefits from our investments in technology

## Arts and Cultural Infrastructure

- Create community and neighborhood festivals/events
- Support cultural enhancements/performing arts center
- Define City role in promoting/sponsoring cultural arts
- Define what actions would be necessary for Bellevue to become the cultural center of the Eastside

## Community Engagement

- Connect with and get involved with neighborhoods – Council more interactive/involved with neighborhoods
- Create additional opportunities for public forums for general outreach as well as specific topical discussions
- Utilize the City’s website to reach out and interact with neighborhoods and individual citizens
- Explore integrated communication network that serves all segments of the community
- Develop and implement “push” communication technologies to notify, inform and educate users based on their expressed interests

## Human Services Infrastructure

- Leverage work of existing human services agencies and religious institutions
- Consult with schools and religious institutions to learn about major changes in immigrant populations and needed revisions to programs affecting people

- Continue to partner with BCC and the schools on programming for disadvantaged/technology introduction/skill building
- Identify ways to leverage skills and smarts of retired residents into public/community service
- Increase multi-generational programs
- Continue to reach out to seniors, youth, immigrants, and disadvantaged citizens
- Explore relevance and applicability of federal human services initiatives to Bellevue's human services network

**Regional Leadership Role and Messages**
- Address regional transportation, water, and human services governance issues
- Monitor and advocate for favorable Eastside Jail solutions
- Improve coordination of criminal justice programs/services

**Environmental Stewardship:** Preserve the environment for future generations

**Economic Vitality**
- Foster ability to retain and enhance competitive advantage
- Rethink parking philosophy/consider building Downtown garage
- Promote neighborhood shopping center vitalization
- Link marina property to the City/Pedestrian Corridor
- Articulate the importance of economic vitality to citizens and employees

**Public Safety**
- Keeping our neighborhoods and downtown business center safe
- Minimizing property loss due to fire or natural disaster

**Parks and Open Space:** Increase recreational opportunities, land acquisition and open space vision

## ORGANIZATIONAL MISSION

Provide exceptional customer service, uphold the public interest and advance the Community Vision.

## ORGANIZATIONAL VISION

Be a collaborative and innovative organization that is future focused and committed to excellence.

## ORGANIZATIONAL CORE VALUES:

**Exceptional Public Service:** We deliver outstanding service to the customer.

**Stewardship:** We preserve and enhance the community's environmental, financial, human, and physical resources.

**Commitment to Employees:** We value all employees and their contributions and treat each other with caring and respect.

**Integrity:** We are trustworthy, truthful, and ethical.

**Innovation:** We encourage and reward creative ideas and solutions.

CITY OF BELLEVUE WASHINGTON

# Comprehensive Financial Management Policy

## Purpose

The Comprehensive Financial Management Policy assembles all of the City's financial policies in one document. They are the tools used to ensure that the City is financially able to meet its immediate and long-term service objectives. The individual policies contained herein serve as guidelines for both the financial planning and internal financial management of the City.

The City of Bellevue is accountable to its citizens for the use of public dollars. Municipal resources must be wisely used to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs. These policies safeguard the fiscal stability required to achieve the City's goals and objectives.

## Objectives

In order to achieve its purpose, the Comprehensive Financial Management Policy has the following objectives for the City's fiscal performance.

A. To guide City Council and management policy decisions that have significant fiscal impact.

B. To set forth operating principles that minimize the cost of government and financial risk.

C. To employ balanced and fair revenue policies that provide adequate funding for desired programs.

D. To maintain appropriate financial capacity for present and future needs.

E. To promote sound financial management by providing accurate and timely information on the City's financial condition.

F. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's debt obligations on all municipal debt.

G. To ensure the legal use of financial resources through an effective system of internal controls.

H. To promote cooperation and coordination with other governments and the private sector in the financing and delivery of services.

## Significant Changes

The development of the biennial budget provides the opportunity to review the City's Comprehensive Financial Management Policies and make necessary adjustments due to new or revised City ordinances and policies, State laws, or recommendations made by national accreditation and/or approval authorities. The Comprehensive Financial Management Policies were reviewed by Finance and other department staff and warrant only minor changes in the 2009-2010 Budget. These changes are highlighted in the following table.

## 2009-2010 Policy Changes

| Page/Section | Title | Change Summary |
|---|---|---|
| Page 13<br>Section IX, E. | Cash Reserves | Provides guidance for use of General Fund reserves. Sets an ending Fund balance target of 15 percent. |
| Page 14<br>Section X, 3. | Rainy Day Reserve Target and Purpose | Eliminate entirely reference to a Rainy Day reserve and adds new language that targets 15% of General Fund revenues as an ending fund balance or reserve. Provides examples of when the reserve can be used such as natural disaster, or counter cyclical basic revenue growth. |
| Page 14<br>Section X, 4. | Bond Rating and Reserve | Relates General Fund reserve to City's exceptional bond rating. |

# Comprehensive Financial Management Policy
## Outline

I. Financial Planning Policies
   A. General Fund
   B. Utility Funds
   C. Parks Enterprise Fund
   D. Development Services Fund
   E. Resource/Expenditure Estimating

II. General Budget Policies
   A. Resources Greater than Budget Estimates
   B. Budget Preparation
   C. Public Hearings
   D. Overhead and Full Cost Allocation
   E. Examination of Existing Base Budget
   F. Services to Keep Pace with Needs of Community
   G. Maintenance of Quality Service Programs
   H. Maintenance of Existing Services vs. Additional or Enhanced Service Needs
   I. Budget Monitoring
   J. Performance Budgeting
   K. Interfund Charges Based on Full Cost
   L. Program Budget Presentation Format
   M. Distinguished Budget Presentation

III. Utility & Other Fund Budget Policies
   A. Waterworks Utility Financial Policies *(Figure 8-1)*
   B. Building Permit Revenues and Expenditures
   C. Parks Enterprise Revenues and Expenditures

IV. State-Mandated Budget Requirements *(Figure 8-2)*
   A. Key Requirements
   B. Fund Types

V. Budget Development Process

VI. Budget Adjustment & Amendment Processes
   A. Adjustment
   B. Amendment

VII. Agenda Memorandum Review

VIII. Revenue Policies
   A. Mix of Revenues
   B. Taxes Should Be Selected for Balance, Applicability, and Probable Economic Impact
   C. Property Tax Revenues for Park Maintenance
   D. Charges for Services
   E. Backup Convention Center Financing (Figures 8-3 and 8-4)

IX. Operating Policies
- A. Expenditures Should be Within Current Resource Projections
- B. Unrestricted Revenues Should Remain Unrestricted
- C. Continual Improvement of Service Delivery
- D. Cash Management
- E. Cash Reserves
- F. Fund Balances
- G. Fixed Asset Inventories
- H. Allocation of Overhead Costs
- I. Utility Debt Coverage Ratio Target

X. Fund Description & Reserve Policies
- A. Fund Descriptions
- B. Reserve Policies

XI. Capital Investment Program Plan Policies
- A. Relationship of Long-Range Plans to the CIP
- B. Establishing CIP Priorities
- C. Types of Projects Included in the CIP
- D. Scoping and Costing Based on Predesign Study
- E. Required Project Features and Financial Responsibility
- F. Predictability of Project Timing, Cost, and Scope
- G. Local Improvement Districts
- H. CIP Non-Utility Maintenance and Operating Costs
- I. Preserve Existing Capital Infrastructure Before Building New Facilities
- J. New Facilities Should be of High Quality, Low Maintenance, Least Cost
- K. Public Input at All Phases of Projects
- L. Basis for Project Appropriations
- M. Balanced CIP Plan
- N. Use of Debt in the CIP
- O. Finance Director's Authority to Borrow
- P. CIP Plan Update and Amendment
- Q. Formalization of Monetary Agreements
- R. Projected Grant Reserves
- S. Projected Revenues from Future Land Sales
- T. Land Sale Remnants
- U. Applicable Project Charges

XII. Intergovernmental Revenues
- A. Grants Should Not Fund Ongoing Services
- B. Grant Agreements Reviewed for Compliance with Regulations
- C. Budgeting for Grant Expenditures
- D. Protecting the City's Interests
- E. Intergovernmental Agreements

XIII. Accounting, Auditing, & Financial Reporting Policies
- A. Accounting Records and Reporting
- B. Auditing
- C. Excellence in Financial Reporting
- D. Simplified Fund Structure

XIV. Investment Policy (Figure 8-5)

XV. Debt Management Policy (Figure 8-6)

XVI. Budget Ordinances *(Figure 8-7)*
- A. Ordinance 5704, Water Rates and Charges, 12/11/06
- B. Ordinance 5705, Sewer Rates and Charges, 12/11/06
- C. Ordinance 5706, Storm and Surface Water Rates and Charges, 12/11/06
- D. Ordinance 5707, Human Services Funding, 12/11/06
- E. Ordinance 5710, 2007 Property Taxes, 12/11/06
- F. Ordinance 5711, 2007-2008 Budget and 2007-2013 CIP Budget Adoption, 12/11/06

XVII. Fund Descriptions and Reserve Policies *(Figure 8-8)*

## I. FINANCIAL PLANNING POLICIES

The City shall develop and maintain a six-year Financial Forecast that estimates resource and expenditure behavior for the two bienniums beyond the current budget period. This Forecast will provide the City's decision-makers with an indication of the long-term fiscal impact of current policies and budget decisions. This planning tool must recognize the effects of economic cycles on the demand for services and the City's resources. To this end, the Forecast should differentiate between revenue associated with one-time economic activities and revenues derived as a result of base economic growth. City financial planning should ensure the delivery of needed services (many of which become more critical during economic downturns) by assuring adequate reliance on ongoing resources in order to support continued City services during economic downturns.

The City is a major force in a complex regional economic system. The City must understand and anticipate changes in both regional and national economic trends in order to engage in strategic financial and management planning.

### A. General Fund:

1. The Finance Department will prepare and maintain a Financial Forecast for General Fund operations based on current service levels and current funding sources. This forecast will include the upcoming biennium as well as the two bienniums beyond the current period (a total of six forecast years). This future-oriented look will provide insight into whether the current mix and level of resources are likely to continue to be sufficient to cover current service levels. The forecast also allows staff and City Council to test various "what-if" scenarios and examine the fiscal impact on future bienniums.

2. The City will constantly test both its planning methodology and use of planning tools in order to provide information that is timely, accurate, and widely disseminated to users throughout the City.

3. Departments will forecast and monitor their respective revenues and expenditures with assistance from the Finance Department. The Finance Department will assist departments in developing appropriate systems for such monitoring and will retain overall fiscal oversight responsibility for the General Fund.

4. The Financial Forecast is updated at least two times each year. Any unexpected changes in economic conditions or other circumstances may prompt more frequent updates. Any significant changes are reported to the Leadership Team, City Manager, and Council.

### B. Utility Funds:

1. Financial forecasting will be done for the three Utility Funds in a manner similar to the General Fund. The purpose of these forecasts will be to allow the City Council and citizens to evaluate the longer-term financial needs of these programs.

2. The forecasts should rely on the same basic economic assumptions as the General Fund Forecast. These forecasts will also identify other assumptions used in their preparation and the risks associated with them.

3. The forecasts must identify how they will impact rate structures.

C. Parks Enterprise Fund:

1. Financial forecasting will be done for the Parks Enterprise Fund in a manner similar to the General Fund. The purpose of this forecast will be to allow the City Council and citizens to evaluate the longer-term financial needs of the funds' programs.

2. The forecasts should rely on the same basic economic assumptions as the General Fund Forecast. This forecast will also identify other assumptions used and the risks associated with them.

D. Development Services Fund:

1. Financial forecasting will be done for the Development Services Fund in a manner similar to the General Fund. The purpose of this forecast will be to allow the City Council and citizens to evaluate the longer-term financial needs of the funds' programs.

2. The forecasts should rely on the same basic economic assumptions as the General Fund Forecast. This forecast will also identify other assumptions used and the risks associated with them.

E. Resource/Expenditure Estimating: The financial planning and subsequent budgeting for all funds will be based on the following principles:

1. Resource and expenditure estimates should be prepared on a realistic basis with a target of ± 2% variance from the estimate for resources and ± 1% variance for expenditures.

2. Expenditure estimates should anticipate contingencies that are reasonably predictable.

## II. GENERAL BUDGET POLICIES

A. Resources Greater than Budget Estimates: Resources (fund balance) greater than budget estimates in any internal service fund shall be refunded to the contributing funds unless circumstances warrant retaining such monies for future expenditure in the current fund.

B. Budget Preparation: Department directors have primary responsibility for formulating budget proposals in line with City Council, Leadership Team, and City Manager priority direction, and for implementing them once they are approved.

The Finance Department is responsible for coordinating the overall preparation and administration of the City's biennial budget and Capital Investment Program Plan. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.

The Finance Department assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.

C. Public Hearings: The City Council will hold three public hearings on the budget. The first two will be held sufficiently early in the budget process to allow citizens to influence budget decisions and to allow the Council to indicate special priorities before City staff develops a preliminary budget recommendation. The third and final public hearing will be held shortly after the preliminary budget's initial presentation to the Council and before the Council's final budget deliberations. The final public hearing will be held prior to the time the Council fixes the annual property tax levy. If deemed necessary, additional public hearings may be conducted.

D. Overhead and Full Cost Allocation: Department budgets should be prepared in a manner to reflect the full cost of providing services.

E. Examination of Existing Base Budget: During each biennial budget development process, the existing base budget will be thoroughly examined to assure removal or reduction of any services that could be eliminated or reduced in cost.

F. Services to Keep Pace With Needs of Community: The City will strive to ensure that City service priorities keep pace with the dynamic needs of the community by incorporating a service needs review as part of the budget process.

G. Maintenance of Quality Service Programs: Quality service programs will be offered by the City of Bellevue. If expenditure reductions are necessary, service elimination is preferable to poor or marginal quality programs.

H. Maintenance of Existing Services Versus Additional or Enhanced Service Needs: Significant annual resource allocations needed to maintain existing service quality will compete directly with investment proposals during the budget evaluation process. Inflation adjustments will be provided for all operating budgets.

I. Budget Monitoring: The Finance Department will maintain a system for monitoring the City's budget performance. This system will provide the City Council with quarterly presentations to Council regarding fund level resource collections and department level expenditures. Included will be provisions for amending the budget during the year in order to address unanticipated needs, emergencies, or compliance with State of Washington budgetary statutes. Budget amendments requiring City Council approval will occur through a process coordinated by the Finance Department. Significant financial issues that need to be addressed between regular monitoring reports will be provided to Council as warranted.

J. Performance Budgeting: Performance measures will be utilized and reported in department budgets. The City will prepare trends, comparisons to other cities, and other financial management tools to monitor and improve service delivery in City programs.

K. Interfund Charges Based on Full Cost: Interfund charges will be based on recovery of the full costs associated with providing those services. Internal Service Agreements shall be established between vendor and client departments reflecting full cost recovery unless special circumstances exist. Any disputes will be brought to the City Manager or Deputy City Manager for resolution after thorough evaluation by the Finance Department.

L. Program Budget Presentation Format: The focus of the City's biennial budget presentation is directed at displaying the City's services plan in a Council and constituent-friendly format.

M. Distinguished Budget Presentation: The City will seek to obtain the Government Finance Officers Association Distinguished Budget Presentation Award for each biennial budget. The Budget will be presented in a way that clearly communicates the budget to members of the public.

## III. UTILITY & OTHER FUND BUDGET POLICIES

A. Utilities Department Financial Policies: The Utilities Department Financial Policies, including Solid Waste Reserves policies, were last updated in the 2007-2008 Budget. These policies have been included as Figure 8-1.

B. Building Permit Revenues and Expenditures: Revenues derived from building permit fees shall be designated for the exclusive support of the development activities in the Development Services Fund. This fund will provide permit processing and compliance inspection services. Building

permit fees shall include an overhead rate component to recover its share of general overhead costs, as well as department overhead from those departments directly involved in permit processing activities.

C. Parks Enterprise Revenues and Expenditures: Revenues derived from golf and certain culture and recreation fees shall be designated for the exclusive support of activities in the Parks Enterprise Fund. This fund will maintain and operate the golf course, tennis center, and Robinswood House, administer adult athletic programs, pay approved maintenance services and overhead charges to the General Fund, and fund golf course improvements in the Capital Investment Program Fund. The Parks Enterprise Fund may also charge the General Fund for a portion of their programs that are offered with a "fee subsidy". This charge is designed to allow youth and special populations access to programs at less than full cost, to encourage participation.

## IV. STATE-MANDATED BUDGET REQUIREMENTS

Washington State law (RCW 35A.34) specifies requirements that must be followed in budgeting each of the City's funds. The following summarizes the key areas covered in Washington State law:

A. Key Requirements:

1. The timing, process, and responsibility for each step.

2. A standard account classification system prescribed by the State Auditor.

3. Preparation and filing of a preliminary budget by the chief administrative officer.

4. A "budget message" from the chief administrative officer explaining the content, financial policies, and major proposed changes.

5. A public hearing on the proposed preliminary budget conducted before adoption of a final budget, which shall be held on or before the first Monday in December.

6. Procedures for handling special situations such as mid-biennium emergencies.

7. Limitations on the expenditure of City funds and procedures for amending the budget.

8. Quarterly or more frequent reporting to the City's legislative authority on the revenue and expenditure status of each fund.

9. Budgeting of nonoperating/special purpose funds on a different basis from operating budget funds.

B. Fund Types: The City budgets all funds in accordance with the Optional Municipal Code, Section 35A.34 of the Revised Code of Washington, which is attached as Figure 8-2. In accordance with State law, the City prepares its biennial budget on an estimated cash receipts and disbursements basis and by a process that conforms to the stated timing requirements. The only exceptions are the following special purpose funds: special assessment (e.g., Local Improvement District (LID) Bond Fund) and custodial agency funds (e.g., Firemen's Pension Fund), where the City acts in a custodial capacity as the bookkeeper for monies belonging to others. The City maintains three primary types of funds: operating, capital project and other special purpose funds.

1. Operating funds finance the continuous, traditional service delivery functions of a municipality in Washington State. Expenditure authority (appropriations) for each of these funds lapses at the end of each biennium, and a new budget must be adopted by the City Council.

2. Capital project funds include the General and Utility Capital Investment Program Funds and the 2004 New City Hall Bond Fund which provide for the City's seven-year capital funding. This budget establishes the 2009-2010appropriations for the Funds.

3. Special purpose funds are distinguished from operating/budgetary funds by their limited objectives and/or finite life spans. Special purpose fund budgets do not lapse at the end of the biennium, but are carried forward until the monies are fully expended or their objectives are accomplished or abandoned (RCW 35A.34.270). Examples of special purpose funds are the Operating Grants and Donations Fund, and the Housing Funds. The City has nine active special purpose funds.

As required by State law, the 2009-2010 Budget reflects balanced expenditure and revenue estimates for each of the City's funds. Although revenue estimates are made only at the fund level, expenditure budgets are prepared at the department and division level for the purpose of administrative control.

## V. BUDGET DEVELOPMENT PROCESS

The Finance Department is responsible for coordinating the overall preparation of the City's budgets. To accomplish this, staff issues budget instructions, conducts budget preparation training sessions, and communicates regularly with department staff. Their guidance provides the overall "rules of the game" within which the more detailed budget instructions and coordinating efforts are developed.

The following are key procedural steps in the City's budget development process. Note that the process and dates indicated below match the 2009-2010 process, and may be changed for future processes.

1. In March, the official "budget call" required by State law was made to all department directors or fund managers by the Budget Office as designees of the City Manager and Finance Director. Budget development instructions and other materials were provided to the departments at that time.

2. During February and March, an operating and CIP budget telephone survey was conducted. The telephone survey reached a statistically valid sample of Bellevue residents and queried residents on a variety of City services, including how important and satisfied residents were with these services.

3. Early in the process a budget retreat was held to provide an overview of the 2009-2010 Budget and 2009-2015 CIP, and to identify Council initiatives.

4. From late April to early October, departments reviewed and updated their existing budget, including expenditure and revenue estimates, performance data, and financial and program delivery outcomes. Additionally, Directors met with staff to gather their input on the budget.

5. Revenue and expenditure estimates were developed and updated by the Finance Department throughout the budget process. "Early Outlook" Financial Forecasts were prepared and presented to the Council.

6. The initial public hearing was held during May and a second public hearing was held in July to provide the public with ample opportunity to comment on recommended programs and/or ideas for new programs.

7. Between April and July the Council met in a series of Review Sessions to discuss all aspects of the budget with City management staff. Council held two budget retreats and provided policy guidance to the City Manager.

8. From March through July, departments prepared investment requests (cost/benefit proposals for new spending) and reduction proposals (cost/service reductions) for review and discussion by City management staff.

9. From June through September a Budget Advisory Team comprised of staff from key line departments met to review all investment requests and to provide advice to the Budget Division. The City Manager met with Leadership Team members to review department budget submittals. By mid October, the preliminary budget proposal was established.

10. During October, preliminary budget documents were prepared, printed, and filed with the City Clerk. This proposed budget was presented to the City Council in late October, and copies were made available to the public immediately after the presentation.

11. Between late October and early December, the City Council will meet in a series of budget sessions to review and discuss the recommended budget.

12. The third and final public hearing will be held in November during the time the City Council discusses the preliminary budget proposal. Citizens will be able to comment on recommended programs and/or ideas for new programs at these public hearings.

13. In early December, the City Council will adopt the budget by ordinance and establish the budget appropriation for the next biennium (January 1, 2009 through December 31, 2010).

14. The final budget is published and distributed during the first quarter of the following year. Copies are made available to the public and are available on the City's website.

15. Monthly and quarterly budget monitoring reports are prepared by the Finance Department to report on actual performance compared to budget estimates and to identify any remedial actions that may be needed.

16. As required by State law, a mid-biennium update will occur during the year following adoption of the biennial budget. This update is required by state law and allows for budget modifications and technical adjustments.

17. The budget development process described above is supplemented by information generated by the City's Financial Forecast. The forecast is a financial tool that provides the City's decision-makers with an indication of the long-term fiscal impact of current policies and budget decisions.

18. The budget process is also supplemented by information on service delivery performance and benchmarking with discussions and publication of a Comparative Cities Performance Report and an Annual Performance Report.

## VI. BUDGET ADJUSTMENT & AMENDMENT PROCESSES

Under the provisions of State law and the City's operating procedures, the operating budget may be adjusted or amended in two different ways. Adjustment of the budget involves a reallocation of existing appropriations and does not change the budget "bottom line". Amendment of the budget involves an addition to or reduction of existing appropriations.

A. Adjustment: Under the first method, departmental expenditures and requirements are monitored throughout the year. Certain departments may develop the need for additional expenditure authority to cover unanticipated costs that cannot be absorbed within the budget, while other departments will not require their full budget authorizations. The Finance Department reviews and analyzes all department and/or fund budgets to determine what adjustments are necessary

and whether the adjustments can be made within existing appropriation limits. These changes are then reviewed with the affected department and/or fund managers. When an adjustment is needed, Finance staff will look first to savings within the department; and then transfers between departments. No City Council action is needed as State law allows budget adjustments to be done administratively.

B. Amendment: Amending the City's budget occurs whenever the requested changes from department and/or fund managers will cause the existing appropriation level for the fund to change. This situation generally occurs when the City Council authorizes additional appropriation. This is done by an ordinance that amends the original budget and states the sources of funding for the incremental appropriations.

## VII. AGENDA MEMORANDUM REVIEW

The Finance Department will review all agenda items submitted for City Council action. The objective of these reviews will be to ensure compliance with the budget and disclosure of all fiscal issues to the Council. This information will be presented in the fiscal impact section of each agenda memorandum.

## VIII. REVENUE POLICIES

The City must be sensitive to the balance between the need for services and the City's ability to raise fees, charges, and taxes to support those services.

A. Mix of Revenues: The City should strive to maintain a diversified mix of revenues in order to balance the sources of revenue amongst taxpayers and to provide ongoing stability and predictability.

1. Property taxes and other stable revenues provide a reliable base of revenues during periods of economic downturn.

2. The City's overall revenue structure should be designed to recapture for the City some of the financial benefits resulting from City economic and community development investments.

3. The City will strive to keep a total revenue mix that encourages growth, and keeps Bellevue economically competitive and a City of choice for people to live and do business.

B. Taxes Should Be Selected for Balance, Applicability, and Probable Economic Impact: The following factors will be considered when the City's taxes are increased, decreased, extended, or changed in any way.

1. Stability of the tax source over its expected life.

2. Suitability for a pledge against future debt, if that is part of the City Council's long-range intent for the revenue source.

3. Spread the tax burden throughout the City's tax base by utilizing a broad array of the tax sources available, and by investigating mitigation of inequities and hardships where appropriate (e.g., property tax exemptions and deferrals, and utility tax rebates for low-income elderly people). State and local legislative remedies for detrimental tax impacts should be sought where appropriate.

4. Apply the tax impact information for both residential and business taxpayers against a future vision of what the tax policy decision is intended to foster.

C. Property Tax Revenues for Park Maintenance: Revenues derived from the Property Tax Lid Lift for Park Maintenance, which Bellevue voters approved in May 1988, shall be deposited in the General Fund to pay all costs necessary to fund the maintenance and operating costs of specific park facilities.

D. Charges for Services: As much as is reasonably possible, City services that provide private benefit should be supported by fees and charges in order to provide maximum flexibility in use of general City taxes to meet the cost of services of broader public benefit. Charges for services that benefit specific users should recover full costs, including all direct costs, capital costs, department overhead, and Citywide overhead. Departments that impose fees or service charges should prepare and periodically update cost-of-service studies for such services. A subsidy of a portion of the costs for such services may be considered when consistent with legal requirements to meet other City interests and objectives, such as remaining competitive within the region.

E. Backup Convention Center Financing: In accordance with Ordinance No. 4094 (passed on 12/4/89) and Ordinance No. 4229 (passed on 3/4/91), 0.01% of the City's total gross receipts business and occupation taxing authority of 0.2%, is reserved as a backup financing mechanism for the Convention Center should additional financing beyond that contemplated in the adopted Convention Center Financing Plan become necessary. In addition, any additional increase in the City's B&O tax (measured by gross receipts) shall first require an analysis of the status of the Convention Center Financing Plan. This information must be included in any fiscal impact notes on agenda materials presented to the City Council for the purpose of increasing the B&O tax rate described above. Ordinance Nos. 4094 and 4229 are attached as Figures 8-3 and 8-4.

## IX. OPERATING POLICIES

The City should accommodate both one-time and ongoing expenditures within current resources, establish and adequately fund reserves, regularly monitor and report on budget performance, evaluate the fiscal impact of new proposals, operate as efficiently as possible, and constantly review City services for appropriateness and effectiveness.

A. Expenditures Should be Within Current Resource Projections: Ongoing expenditures should be equal to or less than ongoing revenues. Each City fund budget must identify ongoing resources that at least match expected ongoing annual requirements. One-time resources and non-recurring ending fund balances will be applied to reserves or to fund one-time expenditures; they will not be used to fund ongoing programs.

B. Unrestricted Resources Should Remain Unrestricted: Unless otherwise stated explicitly by the City Council, unrestricted resources will not be earmarked for specific purposes in the General Fund. This will preserve the ability of the Council to determine the best use of available resources to meet changing service requirements.

C. Continual Improvement of Service Delivery: The City will seek to optimize the efficiency and effectiveness of its services through Business Process Improvement (BPI) efforts, performance budgeting and measuring, and by assessing its services with comparable cities to reduce costs and improve service quality.

D. Cash Management: The Finance Department will develop, maintain, and constantly seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security of all cash assets. All cash received by City departments will be deposited with Finance within 24 hours of receipt.

E. Cash Reserves: The City will maintain adequate cash reserves in order to reduce the potential need for borrowing or service reductions during periods of economic downturn, natural

catastrophe, or for other, one-time extraordinary expenditures. Annually, the City will target 15% of General Fund revenues as a General Fund ending balance, commonly known as a reserve.

F. Fund Balances: Accruals and non-cash enhancements to revenues will not be made as a means to influence fund balances at year-end or during budget discussions.

G. Fixed Asset Inventories: Accurate inventories of all physical assets (including roads infrastructure), their condition, life spans, and cost will be maintained to ensure proper stewardship of public property. The Finance Director will establish policies and appropriate procedures to manage fixed assets, including establishing the threshold dollar amount for which fixed asset records are maintained and how often physical inventories will be taken.

H. Allocation of Overhead Costs: Overhead costs will be allocated to determine the full cost of providing services. Overhead costs will be allocated according to consistent methodology developed in consultation between the Finance Department and other operating departments.

I. Utility Debt Coverage Ratio Target: The City Council adopted the following debt service coverage policy for the bonds issued by the City's Waterworks Utility on March 7, 1994 by Resolution No. 5759:

"The City Council will establish utility rates/charges and appropriations in a manner intended to achieve a debt service coverage ratio (adjusted by including City taxes as an expense item) of approximately 2.00. The City Council authorizes the Waterworks Utility to utilize this policy in development of pro forma projections which will be disseminated to the bond rating agencies and to the financial community generally."

## X. FUND DESCRIPTION & RESERVE POLICIES

Fund descriptions and reserve policies have been developed in a standard format for all City funds and are included at the end of this section starting on page 8-63.

A. Fund Descriptions include the following:

1. Fund Type
2. Fund Description
3. Year Created
4. Major Revenue Sources
5. Major Expenditures
6. Fund Custodian
7. Reserve Policy
8. Other Notes

B. Reserve Policies include the following:

1. Budgeting for Reserves: The City will maintain and justify budgeted reserves.
2. Expenditure of Budgeted Reserves: Reserves included in the operating budget shall not be expended without the express written approval of the Finance Director.

3. Annually the City will target 15% of General Fund revenues as a General Fund ending balance. This balance is to protect the City's essential service programs during periods of economic downturn, which may temporarily reduce actual resources or cut the growth rate of City resources below that necessary to maintain pre-existing service levels. Additionally, the ending fund balance, commonly known as a reserve, can be used in the event of a natural catastrophe, counter cyclical basic revenue growth (Property, Sales, and B & O taxes combined) below 5 percent for the biennium, or because of unfunded federal or state mandates.

4. The target of 15% of annual General Fund revenues as a General Fund reserve shall be sufficient to maintain the City's exceptional bond rating for both its unlimited and limited general obligation tax bonds.

## XI. CAPITAL INVESTMENT PROGRAM PLAN POLICIES

A number of important policy considerations are the basis for the Capital Investment Program (CIP) Plan. These policies provide guidelines for all financial aspects of the CIP, and ultimately affect the project selection process.

A. Relationship of Long-Range Plans to the CIP: Virtually all of the projects included in the CIP are based upon formal long-range plans that have been adopted by the City Council. This ensures that the City's Capital Investment Program, which is the embodiment of the recommendations of these individual planning studies, is responsive to the officially stated direction of the City Council as contained in the Comprehensive Plan and supporting documents. Examples of these supporting documents are: Transportation Facility Plans (Central Business District (CBD), Bellevue-Redmond Overlake Transportation Study (BROTS), East Bellevue Transportation Study (EBTS), Newcastle), the Parks and Open Space Plan, the Municipal Facilities Plan, the Fire Master Plan, the CBD Implementation Plan and the Comprehensive Plans of the Water, Sewer, and Storm & Surface Water Utilities. There are exceptions, but they are relatively small when compared to the other major areas of expenditure noted above. These exceptions include activities such as the Neighborhood Enhancement Program (NEP) and the Community Development Program.

B. Establishing CIP Priorities: The City uses the following basic CIP project prioritization and selection process.

1. Each CIP program area establishes criteria to be used in the prioritization of specific projects submitted for funding. These specific criteria are developed in conjunction with City Council priorities and input from citizens and associated City boards and commissions (if applicable). The criteria established for this CIP are displayed in the 2009-2015 CIP Plan document in the tab titled "CIP Project Prioritization Criteria".

2. The Finance Department determines revenue projections available to the non-utility CIP in consultation with various revenue-generating departments and the amount of resources available for new projects for each new seven-year Plan.

3. The Finance Department and City Manager evaluate the various CIP projects and selects those with the highest priority.

4. Within the available funding, the highest priority projects are then selected and funded in the CIP.

5. CIP program area managers recommend an expenditure plan to the Finance Department and City Manager, which includes all capital costs and any applicable maintenance and operations (M&O) and/or required short-term financing costs. Program area managers are responsible for

the cost estimates of their proposed programs, including future M&O costs related to the implementation of completed projects.

6. A Preliminary CIP Plan is recommended to the City Council by the City Manager along with the operating budget recommendations.

7. The City Council reviews the Operating and Preliminary CIP Plan, holds a public hearing(s) to allow for citizen input, makes desired alterations, and then officially adopts the budget and establishes related appropriations as a part of the City's biennial budget process.

C. Types of Projects Included in the CIP Plan: The CIP Plan will display, to the maximum extent possible, all major capital projects in which the City is involved. While the following criteria may be used as a general guide to distinguish which projects should be included or excluded from the CIP Plan, there are always exceptions which require management's judgment.

For purposes of the CIP Plan, a CIP project is generally defined to be any project that possesses all of the following characteristics:

1. Exceeds an estimated cost of $100,000;

2. Involves totally new physical construction, reconstruction designed to gradually and systematically replace an existing system on a piecemeal basis, replacement of a major component of an existing facility or computer system, or acquisition of land or structures; and

3. Involves City funding in whole or in part, or involves no City funds but is the City's responsibility for implementing, such as a 100% grant-funded project or 100% Local Improvement District funded project.

D. Scoping and Costing Based on Predesign Study: It has proven difficult to develop accurate project scopes, cost estimates, and schedules on which no preliminary engineering or community contact work has been done. To address this problem, some projects are initially proposed and funded only for preliminary engineering and planning work. This funding will not provide any monies to develop final plans, specifications, and estimates to purchase rights-of-way or to construct the projects. However, generally, an estimated amount, sufficient to cover these costs based on a rough preliminary estimate is earmarked within the program area.

E. Required Project Features and Financial Responsibility: If a proposed project will cause a direct impact on other publicly-owned facilities, an equitable shared and funded cost plan must be coordinated between the affected program areas.

F. Predictability of Project Timing, Cost, and Scope: The predictability of timing and costs of projects is important to specific private developments, such as the provision of street improvements or the extension of major sewer lines or water supply, without which development could not occur. These projects generally involve significant financial contributions from such private development through impact fees, developer extension agreements, LIDs, and other means. Once a project has been approved by the City Council in the CIP, project scheduling is a priority to maintain.

G. Local Improvement Districts (LID): This policy limits the use of LIDs to specific instances. Examples of when future LIDs may be formed are as follows: 1) where old agreements exist committing property owners to LID participation on future projects; 2) when current development activity or very recently past development activity has exempted these projects from the assessment of Transportation Impact Fees; 3) when a group of property owners wish to accelerate development of a certain improvement; 4) when a group of property owners desire a higher standard of improvement than the City's project contemplates; or 5) when a group of property owners request City assistance in LID formation to fund internal neighborhood

transportation facilities improvements, which may or may not have City funding involved. If City funding is proposed by the project sponsors (property owners), they shall so request of the City Council (through the City Clerk) in writing before any LID promotion activity begins. The City Manager shall analyze such request within 45 days and report his conclusions and recommendation to Council for their consideration. The Council shall by motion affirm or deny the recommendation. The Council's affirmative motion to financially participate shall expire in 180 days, unless the project sponsors have submitted a sufficient LID petition by that time.

In the event the request is for street resurfacing in advance of the City's normal street resurfacing cycle, the City's contribution shall not exceed 50% of all project eligible costs.

On capital projects whose financing depends in part on an LID, interim financing will be issued to support the LID's portion of the project budget at the same time or in close proximity to the issuance of the construction contract. The amount of the interim financing shall be the current estimate of the final assessment roll as determined by the administering department.

In the event that the project is 100% LID funded, interim financing shall be issued either in phases (i.e., design phase and construction phase) or up front in the amount of the entire estimated final assessment roll, whichever means is estimated to provide the lowest overall cost to the project as determined by the Finance Department.

H. CIP Non-Utility Maintenance and Operating (M&O) Costs: Non-utility CIP project M&O costs identified in the project description, as approved by the City Council, shall have a funding plan. Preferably, operating budget tax sources will not be provided for this purpose. More suitable sources of funding include: General CIP Revenue (the combination of the 5/10 and 3/100 of 1% of sales and B&O tax rates that have been allocated to the CIP for general capital purposes), property tax lid lifts, project-generated revenues e.g., user fees, or other new taxes. When the fund source for a project is General CIP Revenue, costs will be budgeted in the operating budget and an amount equivalent to their estimated cost will be reallocated from the CIP to the operating budget. This amount is adjusted upward each year by the anticipated inflation rate after first making any necessary adjustments (e.g., partial vs. full-year costs) and eliminating any one-time items. The amounts of these transfers are checked periodically for reasonableness.

I. Preserve Existing Capital Infrastructure Before Building New Facilities: It is the City's policy to ensure that adequate resources are allocated to preserve the City's existing infrastructure before targeting resources to build new facilities that also have operating and maintenance obligations. This policy addresses the need to protect the City's historical investment in capital facilities and to avoid embarking on a facility enhancement program, which when coupled with the existing facilities requirements, the City cannot afford to adequately maintain.

J. New Facilities Should Be of High Quality, Low Maintenance, Least Cost: This policy has guided the development and execution of the CIP Plan through an emphasis on lowest life-cycle cost. Projects should only be built if the necessary funding to operate them is provided. Also, priority is given to new facilities that have minimal ongoing maintenance costs so as to limit the impact upon both the CIP and the operating budget.

K. Public Input for Capital Projects: The City makes a serious commitment to public involvement. All of the City's long-range plans have been developed through an extensive citizen involvement program. Citizen involvement occurs at the long-range plan development stage, during CIP review and adoption, during master planning processes, during design and construction of specific projects, and through public processes associated with City boards and commissions. Public hearings are held during the CIP Plan development process to allow the public to comment on the recommended projects. The projects themselves call for an extensive public outreach effort, allowing those most closely effected to influence the design of the projects. While public input is essential to the successful implementation of the CIP Plan, staff and Council must also remain conscious of the overall effect upon costs when responding to requests of project

neighbors.

L. Basis for Project Appropriations: During the City Council's biennial CIP Plan review, the City Council will appropriate the estimated project costs for the biennium for all projects in the CIP Plan. Subsequent adjustments to appropriation levels for amendments to the CIP Plan may be made by the City Council at any time.

M. Balanced CIP Plan: The CIP Plan is a balanced seven-year plan. This means that for the entire seven-year period, revenues will be equal to project expenditures in the Plan. It is anticipated that the plan will have more expenditures than revenues in single years of the Plan, but this imbalance will be corrected through the use of interim financing as needed. However, over the life of the seven-year plan, all planned interim debt will be repaid and all Plan expenditures, including interest costs on interim debt will be provided for with identified revenues. Any project funding plan, in which debt is not retired within the current seven-year Plan, must have specific City Council approval.

N. Use of Debt in the CIP: The CIP is viewed as a long-term program that will continually address capital requirements far into the future. As such, the use of long-term debt has been minimized, allowing the City to put money into actual projects that benefit Bellevue residents and businesses rather than into interest payments to financial institutions. To that end, this policy limits debt to short-term obligations, primarily for cash flow purposes. Debt incurred will be paid back before the end of the current CIP. Finance staff monitor CIP cash flow regularly and utilize fund balances to minimize the amount of borrowing required. Projected financing costs are included within a project in the General Government program area. There are exceptions to this policy for extraordinary circumstances, where Councilmanic or voted long-term debt have been issued to achieve major City goals that otherwise could not have been achieved, or would have been delayed an unacceptable amount of time.

O. Finance Director's Authority to Borrow: The Finance Director is authorized to initiate interim and long-term borrowing measures, as they become necessary, as identified in the current CIP Plan.

P. CIP Plan Update and Amendment: The CIP Plan will be updated at least biennially as a part of the City's biennial budget process. The City Council may amend the CIP Plan at any time if a decision must be made and action must be taken before the next CIP review period. The City Council has delegated authority to the City Manager to administratively approve CIP Plan adjustments, except for changes in project scope or changes that total more than 10% of a project's adopted CIP Plan budget (unless a 10% adjustment is less than $10,000), or regardless of the percentage, budget changes totaling more than $100,000. The Council has further authorized the City Manager to administratively approve the acceleration of project schedules so long as they can be accomplished without causing cash flow problems and with the understanding that any controversial issues would be brought before the City Council. All project additions or deletions must be approved by the City Council.

Q. Formalization of Monetary Agreements: All agreements between the City and outside jurisdictions shall be in writing specifying the financial terms of the agreement, the length of the agreement, and the timing of any required payments. Formalization of these agreements will protect the City's interests. Program areas shall make every effort to promptly request any reimbursements that are due the City. Where revenues from outside jurisdictions are ongoing, these requests shall be made at least quarterly, unless alternative arrangements are approved by the City Manager or City Council.

R. Projected Grant Revenues: At the Finance Director's discretion, grant-funded capital expenditures are budgeted prior to the specific grant award. City overhead or indirect costs for grant-funded programs will be included in all grant proposals, where permitted. With grant-funded capital acquisitions, the City will attempt to recover ongoing M&O costs, and replacement costs

associated with the acquisition.

S. Projected Revenues from Future Land Sales: The City recognizes that City-owned land is an asset that can be sold to finance CIP projects. With this in mind, the City shall cautiously allow land sale proceeds to be used as a funding source by program areas that have oversight responsibility for the land. The land shall be valued based on an appraisal performed either by the Transportation Department or an outside appraisal company. A conservative value shall be used to provide a cushion for economic shifts. The timing of the proceeds shall be estimated based on the length of time the property is likely to be on the market. However, if the land does not sell in a timely manner or its value turns out to be overestimated, then the program area must either reallocate revenue sources from other projects within its area, find an agreeable replacement funding source, or cease work on the project, if possible.

T. Land Sale Remnants: The City is frequently left with property remnants following the completion of a project that required rights-of-way (ROW) acquisition. These remnants represent an asset to the program area that purchased them. If the project selling the land remnants is still active, the revenue from the sale shall be receipted as land sale proceeds in the project, therefore serving to partially offset the ROW acquisition costs. If the project is already completed at the time of the remnant sale, the land sale proceeds can either be used by the selling program area to help fund another of that program area's projects, or they can be deposited in the Land Purchase Revolving Fund for future use by the purchasing program area.

U. Applicable Project Charges: CIP projects should reflect all costs that can be clearly shown to be necessary and applicable. Staff charges to CIP projects will be limited to time spent actually working on those projects and shall include an overhead factor to cover the applicable portion of that person's operating cost.

## XII. INTERGOVERNMENTAL REVENUES

Many service costs of the City are influenced by other governments, either because of service overlap or service mandates imposed by the county, state, or federal government. The City should take advantage of opportunities to enhance service delivery through intergovernmental cooperation, shared revenues, and grants while aggressively opposing mandates that distort local service priorities.

A. Grants Should Not Fund Ongoing Services: The City will refrain from using grants to meet ongoing service delivery needs. In the City's financial planning, grants will be treated in the same manner as all other temporary and uncertain resources and will not be used to fund ongoing, basic service needs. With grant-funded capital acquisitions, the City will attempt to recover ongoing maintenance and operating costs, and replacement costs associated with the acquisition.

B. Grant Agreements Reviewed for Compliance with Regulations: All grant agreements will be reviewed by the appropriate City staff, including Finance, City Attorney's Office, and sponsoring department, to ensure compliance with state, federal, and City regulations.

C. Budgeting for Grant Expenditures: At the City Manager's discretion, grant-funded capital expenditures are budgeted prior to the specific grant award. City overhead or indirect costs for grant-funded programs will be included in all grant proposals, where permitted. With grant-funded capital acquisitions, the City will attempt to recover ongoing maintenance and operating costs, and replacement costs associated with the acquisition.

D. Protecting the City's Interests: The City will aggressively oppose state or federal actions that mandate expenditures that the City Council considers unnecessary. The City will pursue intergovernmental funding to support the incremental cost of those mandates.

E. Intergovernmental Agreements: The City will work with other governments to identify the jurisdiction most capable and appropriate to provide specific public services. All

intergovernmental agreements and contracts for service delivery will be brought forward to the City Council for approval.

## XIII. ACCOUNTING, AUDITING, & FINANCIAL REPORTING POLICIES

The City shall maintain a system of financial monitoring, control, and reporting for all operations and funds in order to provide effective means of ensuring that overall City goals and objectives are met.

A. Accounting Records and Reporting: The City will maintain its accounting records in accordance with state and federal law and regulations. Budgetary reporting will be in accordance with the state's budget laws and regulations. The City will report its financial condition and results of operations in accordance with state regulations and generally accepted accounting principles (GAAP) applicable to governments.

B. Auditing: The State Auditor will annually perform the City's financial and compliance audit. Their opinions will be contained in the City's Comprehensive Annual Financial Report (CAFR). Results of the annual audit shall be provided to the Council in a timely manner.

C. Excellence in Financial Reporting: As an additional independent confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. The CAFR will be presented in a way designed to communicate with citizens about the financial affairs of the City.

D. Simplified Fund Structure: The City will minimize the number of funds. The funds will be categorized in accordance with generally accepted accounting principles (GAAP) for reporting purposes, although some funds may be functional classifications but may also be referred to by City of Bellevue fund types.

## XIV. INVESTMENT POLICY

The City shall maintain a current investment policy. A copy is attached as Figure 8-5.

As an additional independent confirmation of the integrity of the City's Investment Policy, the City's policy has been certified by the Municipal Treasurers' Association of the United States and Canada.

## XV. DEBT MANAGEMENT POLICY

The City shall maintain a current debt policy. A copy is attached as Figure 8-6.

## XVI. BUDGET ORDINANCES

Budget Ordinances are attached as Figure 8-7.

A. Ordinance 5704, Water Rates and Charges, 12/11/06

B. Ordinance 5705, Sewer Rates and Charges, 12/11/06

C. Ordinance 5706, Storm and Surface Water Rates and Charges, 12/11/06

D. Ordinance 5707, Human Services Funding, 12/11/06

E. Ordinance 5710, 2007 Property Taxes, 12/11/06

F. Ordinance 5711, 2007-2008 Budget and 2007-2013 CIP Budget Adoption, 12/11/06

## XVII. FUND DESCRIPTIONS AND RESERVE POLICIES

The City maintains numerous funds for various purposes; Figure 8-8 provides a short description of each fund and applicable reserve policies.

# Waterworks Utility

# Financial Policies

December, 2008

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## INTRODUCTION

The Waterworks Utility is the financial consolidation of the Sewer, Storm & Surface Water and Water Utilities of the City of Bellevue for debt rating and coverage purposes as established in Ordinance No.'s 2169, 2845, 3158 and 4568. It pledges the strengths and revenues of the three separate Utilities for the common financial good while keeping each Utility financially separate for budgeting, rate-setting, revenues, expenditures, debt and accounting.

These "Financial Policies" apply uniformly to the Sewer, Storm & Surface Water and Water Utilities with few, unique exceptions which are identified separately. This update reflects changes consistent with current long-range financial planning, particularly with regard to renewal and replacement funding, the use of debt and rate policies. They supersede the Financial Policies, which were adopted under Resolution No. 5967 in 1995.

These policies do not stand-alone. They must be taken in context with the other major City and Utilities documents and processes. For instance, each Utility has its own Comprehensive Plan, which documents its unique objectives, planning, operations and capital needs. These Comprehensive Plans have historically had a 20-year planning horizon. Future Comprehensive Plans will need to evaluate long term renewal and replacement of aging facilities, much of which were constructed in the 1950's and 1960's during periods of high growth rates and are approaching the end of their useful life. Life cycle costs should be considered in planning the future capital facilities and infrastructure needs.

The City has a seven-year City-wide Capital Investment Program (CIP) Plan which is updated with each biennial budget cycle. All major City capital projects are included. Generally, they are described as over $25,000; involving new physical construction, reconstruction or replacement; and involving City funding. The CIP identifies the level and source of funding for each project. The CIP includes specific sections for each Utility which identify near-term capital projects consistent with each current Utility Comprehensive Plan and several projects of general scope including renewal and rehabilitation, capital upgrades, response to growth and other system needs.

## I. GENERAL POLICIES

### A. *Fiscal Stewardship*

**The Waterworks Utility funds and resources shall be managed in a professional manner in accordance with applicable laws, standards, City financial practices and these Financial Policies.**

Discussion:

It is incumbent on Utility management to provide professional fiscal management of utility funds and resources. This requires thorough knowledge of and conformance with the City financial management processes and systems as well as applicable laws and standards. It also requires on-going monitoring of revenues and expenses in order to make decisions and report to City officials, as needed, regarding the status of Utilities financing. Independent financial review, analysis and recommendations should be undertaken as needed.

**B*. Self-sufficient Funding***

**Each Utility shall remain a self-supporting enterprise fund.**

Discussion:

The revenues to each Utility primarily come from customer charges dependent on established rates. State law requires that utility funds be used only for utility purposes. Since each Utility has somewhat differing service areas, it is essential for ratepayer equity that they be kept financially separate and accountable. The City's General Fund can legally contribute to the Utility funds but does not. The City budgeting process includes a balanced and controlled biennial Utility budget. This requires careful preparation of expense and revenue projections that will be reviewed by City management, the Environmental Services Commission, the general public and the City Council prior to approval of any change in Utility rates.

**C. *Comprehensive Planning Policies***

**Comprehensive Plans for the Water and Sewer Utilities shall be completed or updated every six years, using a 20-year planning horizon or greater and considering life cycle costs to identify funding needs. Comprehensive Storm & Surface Water System Plans and individual Storm & Surface Water Basin Plans will be completed and updated as required using similar criteria for planning infrastructure needs.**

Substantial portions of the City utility systems were constructed in the 1950's and 1960's. These systems are approaching the end of their useful life as illustrated on the following Exhibit 1 - Watermain Replacement Spending and Exhibit 2 - Sewermain Replacement Spending. The storm & surface water infrastructure is of similar age but has not been graphed. It most likely has a relatively shorter expected life span. The object is to determine and follow a survivor curve replacement schedule rather than the replacement schedule based on age alone. Assumptions for survivor curves and useful lives are revisited periodically. These were assessed in 2004 and updated for the most recent engineering and financial findings. Significant changes include the adjustment of replacement costs to current price levels, categorization of pipe assets based on expected useful lives, and replacement of major non-pipe Utility assets such as pump stations and reservoirs. The Exhibits illustrate an example survival replacement curve based on preliminary estimates only. As real needs are determined, they will replace the estimated curves. Renewal and/or replacement will require substantial reinvestment in the future and have major rate impacts if large portions of the systems have to be replaced in relatively short periods of time. The actual useful life of underground utilities is difficult to determine and the best available data is needed to be able to plan for the orderly and timely renewal and/or replacement. For this purpose, the comprehensive plans need to have at least 20 year planning horizons and must address the aging of the Utility systems.

Long term comprehensive planning for the Utility systems is required in order to assure that the future financial needs are anticipated and equitable funding plans can be developed. In order to keep funding plans current, comprehensive plans need to be updated approximately every six years (as required by State law for water and sewer comprehensive plans). These Financial Policies will then be reviewed and updated as needed.

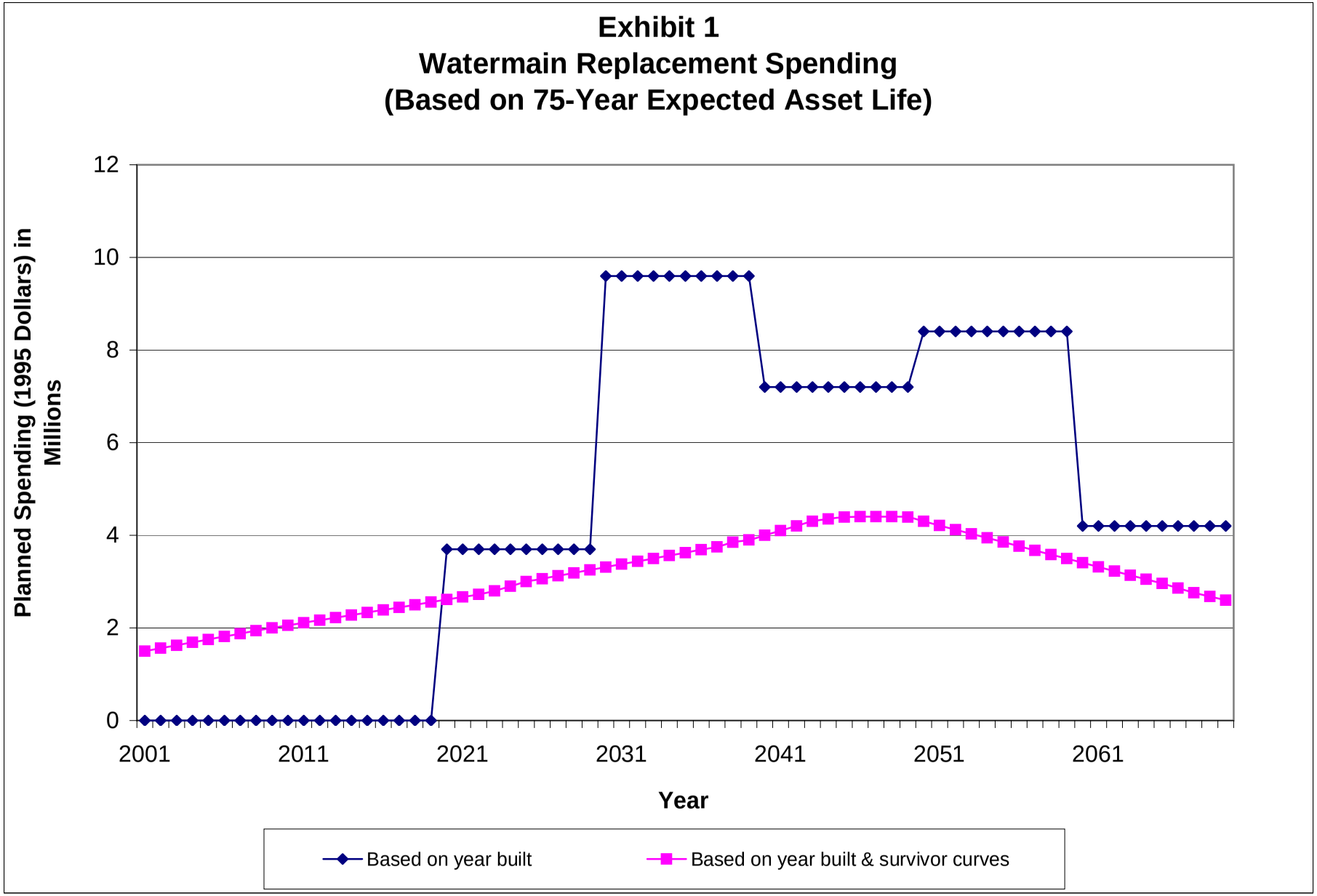
Exhibit 1
Watermain Replacement Spending
(Based on 75-Year Expected Asset Life)
Planned Spending (1995 Dollars) in Millions
12
10
8
6
4
2
0
2001
2011
2021
2031
2041
2051
2061
Year
Based on year built
Based on year built & survivor curves

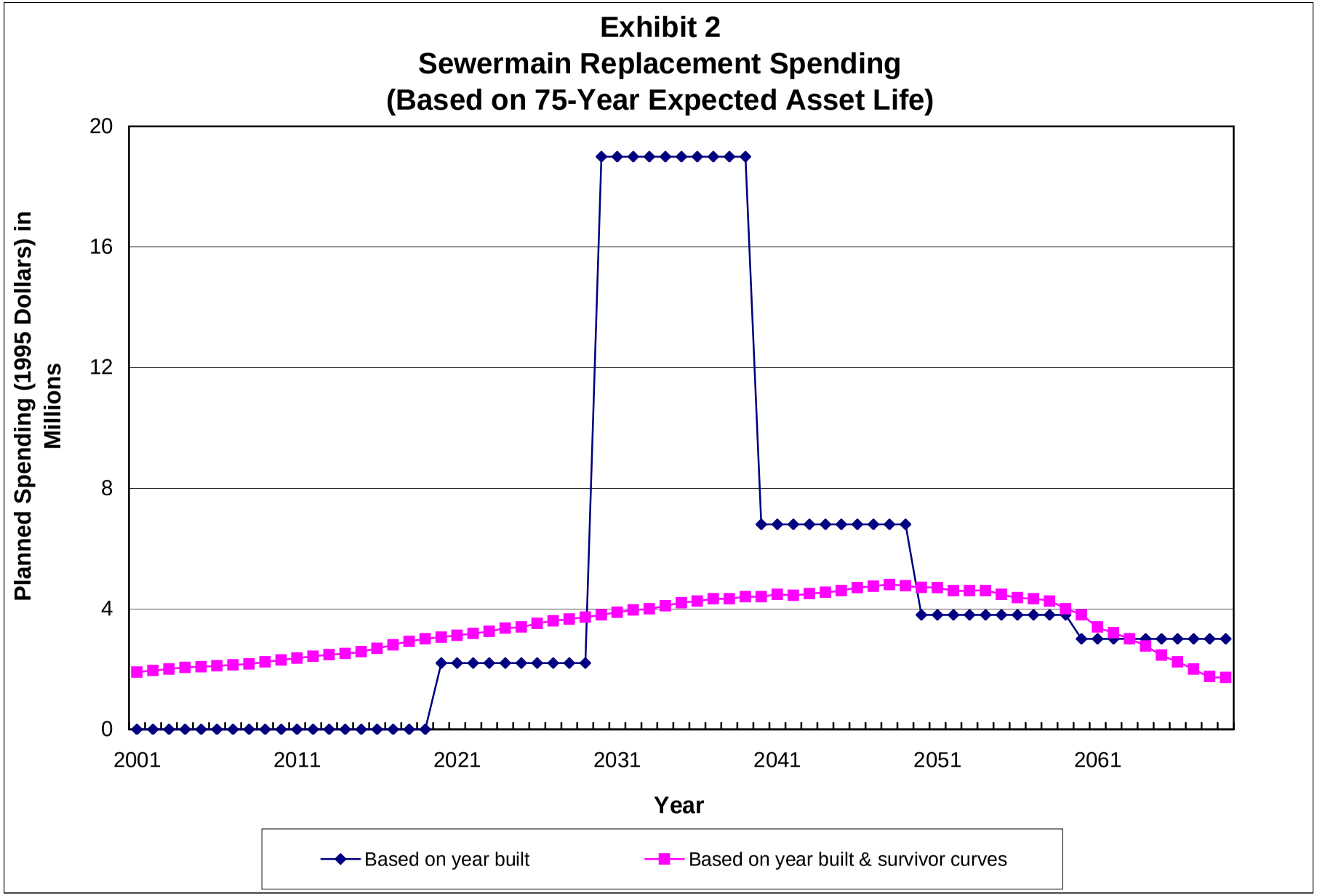
Exhibit 2
Sewermain Replacement Spending
(Based on 75-Year Expected Asset Life)
Planned Spending (1995 Dollars) in Millions
20
16
12
8
4
0
2001
2011
2021
2031
2041
2051
2061
Year
Based on year built
Based on year built & survivor curves

## II. CAPITAL INVESTMENT PROGRAM POLICIES

### A. *General Scope*

**The Utilities Capital Investment Program (CIP) will provide sufficient funds from a variety of sources for implementation of both short- and long-term capital projects identified in each Comprehensive Plan and the City-wide Capital Investment Program as approved by the City Council.**

**Financial planning for long-term capital investment shall be based on principles that result in smooth rate transitions, maintain high credit ratings, provide for financial flexibility and achieve inter-generational equity.**

Discussion:

These near-term capital projects are usually identified in each Comprehensive Plan which also provides the criteria and prioritization for determining which projects will be constructed. Several projects of general scope are also included to allow for on-going projects that are less specifically identified due to their more inclusive nature.

In addition to these near-term projects, funding should be provided for long-term capital reinvestment in the system to help minimize large rate impacts as the systems near the end of their useful life and have to be renewed or replaced. Ordinance No. 4783 established a Capital Facilities Renewal & Replacement (R&R) Account for each Utility to provide a funding source for this purpose. Other policies describe how this Account is to be funded and expended.

A reinvestment policy by itself, without some form of planned and needed expenditure, could lead to excessive or unneeded expenditures, or conversely unnecessary accumulations of cash reserves. The reinvestment policy needs to tie the planned expenditures over time with a solid, long-term financial plan that is consistent with these policies.

The actual needs for the renewal/replacement expenditures should relate to the on-going need to minimize system maintenance and operating costs consistent with providing safe and reliable service, the age and condition of the system components, and any regulatory or technical obsolescence. In essence, plant should be replaced when it is needed and before it fails. As such, the goal setting measure of how much is an appropriate annual or periodic reinvestment in renewals and replacement of existing assets should be compatible with the age and condition of the infrastructure and its particular circumstances.

WP0459C-ORD
06/27/95

ORIGINAL

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4783

AN ORDINANCE creating utility capital replacement accounts for the Water, Sewer and Storm and Surface Water Utilities within the Utility Capital Investment Fund for the purpose of accumulating funding for long term replacement of utility facilities.

WHEREAS, the Utilities 1995 Cost Containment Study prepared by Financial Consulting Solutions Group, Inc. (FCSG) recommends that current utility rates recover from the ratepayers amounts which at a minimum are equal to the depreciated value of the original cost of utility facilities and at a maximum are amounts equal to the replacement value of utility infrastructure; and

WHEREAS, FCSG recommends that utility funds not needed for current expenditure be placed in a replacement account to be used in the future in combination with current revenues and/or debt financing to replace capital facilities nearing the end of their useful life; and

WHEREAS, implementation of FCSG's recommendations would promote intergenerational rate equity and provide more stable rates to customers over the long term; and

WHEREAS, the Council desires to make an initial, 1995 deposit of $600,000 in savings from the Water Fund into the new capital replacement account for the Water Utility; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The purpose of this ordinance is to establish capital facilities replacement accounts within the Utility Capital Investment Fund in order to assure a future funding source for replacement of utility facilities nearing the end of their useful life. The City Council will determine each year, as part of the adoption of the utilities operating budgets, how much, if any, utility revenue during the upcoming year shall be designated for transfer to a replacement account. The City Council may also authorize the receipt of other funds directly into these capital facility replacement accounts. Once deposited the funds will accumulate with interest. The decision regarding when and how to utilize such accumulated funds for the replacement of utility facilities will be made as part of the Utility Comprehensive Plans and Utility Capital Investment Program approval process.

ORIGINAL

WP0459C-ORD
06/27/95

Section 2. The following new accounts are established in the Utility Capital Investment Fund:

Capital Facilities Replacement Account - Sewer
Capital Facilities Replacement Account - Water
Capital Facilities Replacement Account - Storm and Surface Water

Section 3. There is hereby authorized the 1995 transfer from the Water Utility Operating Fund to the Capital Facilities Replacement Account - Water the amount of $600,000.

Section 4. This ordinance shall take effect and be in force five days after its passage and legal publication.

PASSED by the City Council this 24th day of July, 1995, and signed in authentication of its passage this 24th day of July, 1995.

(SEAL)

Donald S. Davidson, DDS, Mayor

Approved as to form:

Richard L. Andrews, City Attorney

Richard L. Kirkby, Assistant City Attorney

Attest:

Myrna L. Basich, City Clerk

Published July 28, 1995

**B. *Funding Levels***

**Funding for capital investments shall be sustained at a level sufficient to meet the projected 20 year (or longer) capital program costs.**

**Funding from rate revenues shall fund current construction and engineering costs, contributions to the Capital Facilities Renewal and Replacement (R&R) Account, and debt service, if any.**

**Inter-generational equity will be assured by making contributions to and withdrawals from the R&R Account in a manner which produces smooth rate transitions over a 20 year (or longer) planning period.**

**On an annual basis, funding should not fall below the current depreciation of assets expressed in terms of historical costs less any debt principal payments.**

Discussion:

These policies are based on the experience gained by developing a long-term Capital Replacement Funding Plan. In absence of such a plan, the range of capital investment funding should fall between the following minimum and maximum levels:

The minimum annual rate funding level would be based on the current depreciation of assets expressed in terms of historical costs, less any debt principal payments.

The maximum annual rate funding level would be based on the current depreciation of assets expressed in terms of today's replacement costs, less any debt principal payments.

The minimum level based on historical cost depreciation approximates the depletion of asset value. Some of the cost may already be in the rates in the form of debt service. Depreciation less debt principal repayment provides a minimum estimate of the cost of assets used. Any funding level below this amount defers costs to future rate payers and erodes the Utility's equity position, which puts the Utility's financial strength and viability at risk.

The maximum level based on replacement cost depreciation represents full compensation to the utility, in terms of today's value, for the depletion of assets. The replacement cost depreciation, again less debt principal repayment, provides a ceiling to an equitable definition of "cost of service".

The purpose of long-term capital reinvestment planning is to establish a target funding level which is based on need and to assure that funds will be available for projected capital costs in an equitable manner. The best projection of the needed capital reinvestment is based on a "survival curve" approach, approximating the timing and cost of replacing the entire system. This defines the projected financial needs and allows determination of equitable rate levels, funding levels for current capital construction and engineering, contributions to and withdrawals from the R&R Account, and the use of debt, if any. It also provides a means to project depreciation on both historical cost and replacement cost basis which are used to calculate minimum and maximum funding levels, debt to fixed asset ratios, and debt coverage levels, if debt is used. These later measures can be used to assure that the financial plan meets conventional standards.

### C. *Use of Debt*

**The Utilities should fund capital investment from rates and other revenue sources and should not plan to use debt except to provide rate stability in the event of significantly changed circumstances, such as disasters or external mandates.**

**Resolution No. 5759 states that the City Council will establish utility rates/charges and appropriations in a manner intended to achieve a debt service coverage ratio (adjusted by including City taxes as an expense item) of approximately 2.00". Please note that the Moody's Investor Services rating should be Aa2 (not Aa as stated in Resolution No. 5759).**

Discussion:

The Utilities are in a strong financial position and have been funding the Utility Capital Investment Program from current revenues for a number of years. The current 20 year and 75 year capital funding plans conclude that the entire long-term renewal and replacement program can be funded without the use of debt if rates are planned and implemented uniformly over a sufficient period. Customers will pay less over the long-term if debt is avoided, unless it becomes truly necessary due to unforeseen circumstances such as a disaster or due to changes in external mandates. Having long-term rate stability also assures inter-generational equity without the use of debt because the rate pattern is similar to that achieved by debt service.

Use of low interest rate debt such as the Public Works Trust Fund loans, by offering repayment terms below market rates, investment earnings or even inflation, should be viewed as a form of grant funding. When available or approved, such sources should be preferred over other forms of rate or debt funding, including use of available resources. Since such reserves would generate more interest earnings than the cost of the loan, the City's customers would be assured to benefit from incurring such debt.

WP0254C-RES
03/03/94

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 5759

A RESOLUTION relating to financial policy for the Waterworks Utility and adopting a debt service coverage policy for the Waterworks Utility

WHEREAS, the City of Bellevue is consistently recognized for its prudent financial management; and

WHEREAS, the City of Bellevue's Water and Sewer Bonds are currently rated Aa by Moody's Investor Services and AA- by Standard & Poor's Corporation, which are considered to be excellent ratings; and

WHEREAS, these excellent ratings result in lower interest costs on the City's Water and Sewer bonds, which, in turn, may result in lower water, sewer and storm drainage costs; and

WHEREAS, it is important to the rating agencies and to the financial community that the City articulate its financial goals for its Waterworks Utility; and

WHEREAS, a desirable debt service coverage ratio, the ratio of revenues available for debt service to the annual debt service requirement, positively affects the Utility's bond ratings; and

WHEREAS, the City Council deems it in the City's best interest to establish a debt service coverage policy target for the purpose of protecting its current bond rating and to allow for the development of financial projections, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Council hereby adopts the following debt service coverage policy for the bonds issued by the City's Waterworks Utility.

The City Council will establish utility rates/charges and appropriations in a manner intended to achieve a debt service coverage ratio (adjusted by including City taxes as an expense item) of approximately 2.00. The City Council authorizes the Waterworks Utility to utilize this policy in development of pro

WP0254C-RES
03/03/94

forma projections which will be disseminated to the bond rating agencies and to the financial community generally.

PASSED by the City Council this 7th day of March, 1994, and signed in authentication of its passage this 8th day of March, 1994.

(SEAL)

Donald S. Davidson, DDS, Mayor

Attest:

Myrna L. Basich, City Clerk

## D. *Capital Facilities Renewal & Replacement (R&R) Account*

### 1. Sources of Funds

**Revenues to the R&R Account may include planned and one-time transfers from the operating funds, transfers from the CIP Funds above current capital needs, unplanned revenues from other sources, Capital Recovery Charges, Direct Facility Connection Charges and interest earned on the R&R Account.**

### 2. Use of Funds

**Funds from the R&R Account shall be used for system renewal and replacement as identified in the CIP. Because these funds are invested, they may be loaned for other purposes provided repayment is made consistent with the need for these funds and at appropriate interest rates. Under favorable conditions, these funds may be loaned to call or decrease outstanding debt.**

### 3. Accumulation of Funds

**The R&R Account will accumulate high levels of funds in advance of major expenses. These funds will provide rate stability over the long-term when used for this purpose and *should not be used for rate relief.***

Discussion:

Revenues from Capital Recovery Charges, Direct Facility Connection Charges and interest earned on the R&R Account are deposited directly into the R&R Account. Other transfers are dependent on the long-term financial forecast, current revenues and expenses, and CIP cash flows. The long-term financial forecast projects a certain funding level for the transfers to the CIP and the R&R Accounts. Rates should be established consistent with this long-term financial plan and will generate the funds for such transfers. Setting rates at lower levels may result in current rate payers contributing less than their fair share for long-term equity.

R&R Account funds must only be used for the purpose intended; that is, the long-term renewal and replacement of the utility systems. They may be used for other purposes if it is treated as a loan, which is repaid with appropriate interest in time for actual R&R needs for those funds.

These accounts are each projected to accumulate tens of millions of dollars in order to meet the anticipated costs for the actual projects at the time of construction. It is the intent of these policies that these reserve funds will not be used for other purposes or to provide rate relief because that would defeat the long-term equity and could lead to the need for the use of debt to fund the actual needs when they occur.

## III. SYSTEM EXPANSION AND CONNECTION POLICIES

### A. *Responsibilities*

**Those seeking or who are required to have Utility service are responsible for extending and/or upgrading the existing Utility systems prior to connecting.**

Discussion:

It is the responsibility of the party seeking Utility service to make and pay for any extensions and/or upgrades to the Utility systems that are needed to provide service to their property. The extensions or upgrades must be constructed to City standards and requirements. This is typically accomplished through a Developer Extension Agreement with the City wherein requirements are documented, standards are established, plans are reviewed and construction is inspected and approved. Service will not be provided until these requirements are met.

The philosophical underpinning of this policy is that "growth pays for growth". Historically, developers constructed much of the City's utility infrastructure. If the infrastructure eventually would benefit more than the initial developer, the Utility signed a Latecomer Agreement to reimburse the original financier from charges to those connecting and receiving benefit at a later point in time. When the cost to extend and/or upgrade the system to accommodate development or redevelopment is beyond the means of a single developer, the Utility has employed a variety of methods to assist in the construction of the necessary infrastructure. Local Improvement Districts (LID's) historically have been used to provide financing for infrastructure for new development, with the debt paid over time by the property owners. Most of the older Utilities infrastructure was financed by this method.

The Utility has in some cases up-fronted the infrastructure construction for new development or redevelopment from rate revenues which are later reimbursed with interest, in whole or in part, by subsequent development through direct facility connection charges (see Cost Recovery Policy). Examples are the water and sewer infrastructure for Cougar Mountain housing development and Central Business District (CBD) redevelopment. Another example is the use of the Utility's debt capacity to provide for development infrastructure whereby the City sells bonds at lower interest rates than can private development, constructs the infrastructure, and collects a rate surcharge from the benefited area to pay off the bonds. Examples of this type of financing include the Lakemont development drainage infrastructure and the Meydenbauer Drainage Pipeline in the CBD.

### B. *Cost Recovery*

**The Utility shall establish fees and charges to recover Utility costs related to: (1) development services, and (2) capital facilities that provide services to the property.**

**The Utility may enter into Latecomer Agreements with developers for recovery of their costs for capital improvements, which benefit other properties in accordance with State law. The Utility will add an administrative charge for this service.**

Discussion:

In general, Utility costs related to development services are recovered through a variety of fees and charges. There are fixed rates for some routine services based on historical costs and inflation. There are fixed plus direct cost charges and applicable overhead for developer extension projects to cover the lengthy but variable level of development review and inspection

typically required to implement these projects. These rates are reviewed periodically to ensure that the cost recovery is appropriate.

When the means of providing the infrastructure to serve a new development or redevelopment are beyond the means of a single developer, the Utility may elect to assist the developer by using: LID's, Latecomer Agreements, special debt (to be paid by special rate surcharges), up-fronting the costs from Utility rate revenues (to be reimbursed by future developers with interest through direct facility connection charges), or other lawful means. It is the intent of this policy to fully recover these costs, including interest, so as to reimburse the general rate payer.

Latecomer charges allow cost recovery for developers and private parties, for facilities constructed at their own expense and transferred to the Utility for general operation. Properties subsequently connecting to those systems will pay a connection charge that will be forwarded to the original individual or developer or the current owner depending on the terms of the Latecomer Agreement. The Utility collects an overhead fee on this charge for processing the agreements and repayments.

**C. *Use of Revenues***

**All capital-related revenues such as Capital Recovery Charges and Direct Facility Connection Charges should be deposited in the Capital Facilities Renewal & Replacement Accounts.**

Discussion:

Capital Recovery Charges are collected from all newly developed properties in the form of monthly rate surcharges over a ten year period to reimburse the Utility for historical costs that have been incurred by the general rate base to provide the necessary facilities throughout the service area. These Capital Recovery Charges should be deposited in the Capital Facilities Renewal & Replacement Accounts.

Direct Facility Connection Charges are collected for capital improvements funded by the City as described above in Section 2 under Cost Recovery. The total cost of the improvement is allocated to the area of benefit and distributed on an equitable basis such as per residential equivalent unit. Interest is collected in accordance with State law.

**D. *Affordable Housing Consideration***

**The Utility shall base connection charges on the number of units allowed under the basic zoning. Only incremental cost increases will be charged to affordable housing units.**

Discussion:

The City has adopted bonus density incentives for developers to build units specifically for affordable housing. Under historical practices these additional units would have been charged the same connection fee as all other units, resulting in a lower cost per unit for all units. While this is fair, it does not create any incentive to develop affordable housing. By charging only the incremental increased facility cost to the affordable housing units, all developers who include an affordable housing component will experience no increase in cost because of the affordable bonus density units. The cost per unit for affordable units is thereby reduced. The cost per unit for all other units, based on underlying land use zoning, remains unchanged.

## IV. RATE POLICIES

### A. *Rate Levels*

**Rates shall be set at a level sufficient to cover current and future expenses and maintain reserves consistent with these policies and long-term financial forecasts.**

**Changes in rate levels should be gradual and uniform to the extent that costs (including CIP and R&R transfers) can be forecast.**

**Cost increases or decreases for wholesale services shall be passed directly through to Bellevue customers.**

**Local and/or national inflation indices such as the Consumer Price Index (CPI) shall be used as a basis for evaluating rate increases.**

**At the end of the budget cycle, fund balances that are greater than anticipated and other one-time revenues should be transferred to the R&R account until it is shown that projected R&R account funds will be adequate to meet long-term needs, and only then used for rate relief.**

Discussion:

A variety of factors including rate stability, revenue stability, the encouragement of practices consistent with Utility objectives and these Waterworks Utility Financial Policies are considered in developing Utility rates. The general goal is to set rates as low as possible to accomplish the on-going operations, maintenance, repair, long-term renewal and replacement, capital improvements, debt obligations, reserves and the general business of the Utility.

Long-range financial forecast models have been developed for each of the Utilities, which include estimated operating, capital and renewal/replacement costs for a 75 year period in order to plan for funding long-term costs. Operating costs are assumed to remain at the same level of service and don't include impacts of potential changes due to internal, regional or federal requirements. Capital costs, including renewal/replacement, are projected based on existing CIP costs and approximated survival curves for the infrastructure. The models are used to project rate levels that will support the long-term costs and to spread rate increases uniformly over the period. This is consistent with the above policy that changes in rate levels should be gradual and uniform. Uniform rate increases help ensure that each generation of customers bears their fair share of costs for the long-term use and renewal/replacement of the systems.

The biennial budget process provides an opportunity to add to or cut current service levels and programs. The final budget, with the total authorized expenses including transfers to the CIP Fund and the R&R Account, establishes the amount of revenue required to balance the expenses. A balanced budget is required. The budgeted customer service revenue determines the level of new rates. For example, if the current rates do not provide sufficient revenues to meet the projected expenses, the costs have to be reduced or the rates are increased to make up the shortfall.

For purposes of these policies, wholesale costs are defined as costs to the Utilities from other regional agencies such as the Seattle Public Utilities and/or the Cascade Water Alliance (CWA), and King County Department of Natural Resources for sewer treatment and any agreed upon Storm & Surface Water programs. Costs which are directly based on the Utilities' revenues or budgets such as taxes, franchise fees and reserve levels that increase proportionally to the wholesale increases are included within the definition of wholesale costs.

**B.** ***Debt Coverage Requirements***

**Utility rates shall be maintained at a level necessary to meet minimum debt coverage levels established in the bond covenants and to comply with Resolution No. 5759 which establishes a target coverage ratio of 2.00.**

Discussion:

Existing revenue bond covenants legally require the City's combined Waterworks Utility, which includes the Water, Sewer and Storm & Surface Water Utilities, to maintain a minimum debt coverage ratio of 1.25 on a combined basis. In 1994, Council also adopted Resolution No. 5759 that established a policy, which mandates the Utilities to maintain a target combined debt coverage ratio of approximately 2.00, to further protect the City's historically favorable Utility revenue bond ratings. Water and Sewer Utility resources are counted in the official coverage calculation though Storm & Surface Water is responsible for the major portion of current outstanding Utility debt. Requiring Storm & Surface Water to separately maintain the minimum 1.25 legal debt coverage level and to move toward the 2.00 level will help ensure that necessary coverage requirements are met, and that customers of the other Utilities will not be unfairly burdened with the cost of meeting this obligation. It also ensures that sufficient coverage is available to the Water and Sewer Utilities if they need to incur debt.

**C.** ***Frequency of Rate Increases***

**Utility rates shall be evaluated annually and adjusted as necessary to meet budgeted expenses including wholesale cost increases and to achieve financial policy objectives.**

Discussion:

In 1996, the City changed to a biennial budget process and adopted a two-year Utilities budget including separate rates for 1997 and 1998. This practice will continue on a biennial basis. However, Utility rates will be evaluated on an annual basis and adjusted as necessary to ensure that they are effectively managed to achieve current and future financial policy objectives. Annual rate reviews will include preparation of forecasts covering a twenty-year period for Utility revenues, expenditures, reserve balances and analysis of the impact of various budgetary elements (i.e. CIP transfers, R&R Account transfers, debt service costs, debt coverage levels, operating expenses, and reserves) on both current and future rate requirements.

**D.** ***Rate Structure - Sewer***

**The Sewer Utility rate structure will be based on a financial analysis considering cost-of-service and other policy objectives, and will provide for equity between customers based on use of the system and services provided.**

Discussion:

In 1993, a Sewer Rate Study was performed that resulted in Council approval of a two-step, volume-based rate structure for single-family customers based on winter average metered water volumes instead of the traditional flat rate structure. Flat rate structures were seen as inequitable to low-volume customers who paid the same amount as high volume customers. Rates are based on the level of service used, rather than the availability of service.

The revenue requirements are based on the "average" single-family winter average volume calculated annually from the billing database. The charge for an individual customer is based on their winter average and then charged at that level each bill for the entire year to avoid charging for irrigation use. The customer's winter average is based upon the prior year's three winter bills because the current year's bills include winter months, which would result in the average constantly changing. Customers without prior winter averages to use for a basis are charged at the "average" volume until they establish a “winter-average” or sufficient evidence that their use is significantly different than the "average".

**E.** ***Rate Structure - Storm & Surface Water***

**The Storm & Surface Water Utility rate structure will be based on a financial analysis considering cost-of-service and other policy objectives, and will provide adjustments for actions taken under approved City standards to reduce related service impacts.**

Discussion:

In the existing Storm & Surface Water rate structure, customer classes are defined by categories of development intensity, i.e., *undeveloped, lightly developed, moderately developed, heavily developed* and *very heavily developed*. Based on theoretical run-off coefficients for each of these categories, higher rates are charged for increasing degrees of development to reflect higher run-off resulting from that development. Under this structure, billings for both residential and non-residential customers are determined by total property area and rates assigned to applicable categories of development intensity. Customers providing on-site detention to mitigate the quantity of run-off from their property receive a credit equal to a reduction of one rate level from their actual development intensity. Property classified as "wetlands" is exempt from Storm & Surface Water service charges.

Large properties, over 35,000 square feet, with significantly different levels of intensity of development may be subdivided for rate purposes in accordance with Ordinance No. 4947. In addition, properties with no more than 35,000 square feet of developed area in the light and moderate intensity categories may, at the option of the owner, defer charges for that portion of the property in excess of 66,000 square feet. The property owner may apply for a credit against the Storm & Surface Water charge when they can demonstrate that the hydrologic response of the property is further mitigated through natural conditions, on-site facilities, or actions of the property owner that reduce the City’s costs in providing Storm & Surface Water quantity or quality services.

Future design of a water quality rate component will also use cost-of-service principles to assign defined water quality costs to customer classes, according to their proportionate contribution to Utility service demand. It is anticipated that these rate structure revisions will also provide financial incentives to customers taking approved actions to mitigate related water quality impacts.

**F.** ***Rate Structures - Water***

**The water rate structure will be based on a financial analysis considering cost-of service and other policy objectives, and shall support water conservation and wise use of water resources.**

Discussion:

The water rate structure consists of fixed monthly charges based on the size of the customer’s

water meter and volume charges, which vary according to customer class and the actual amount of water that the customer uses. There are three different meter rate classifications: domestic, irrigation and fire standby. The different charges are based on a cost-of-service study.

State law and the wholesale water supply contract require the Utility to encourage water conservation and wise use of water resources. Seattle first established a seasonal water volume rate structure for this purpose in 1989 with higher rates in the summer than in the winter. In 1990, based on a water rate study and the desire to provide a conservation-pricing signal to our customers, the City adopted an increasing block rate structure for local volume rates. The rate structure was revised in 1991 to pass through an increase in wholesale water costs, which also included a higher seasonal water rate for summer periods. The block water rate structure was revised again in 1997, to incorporate new cost-of-service results from a 1996 water rate study.

An increasing block rate structure, charges higher unit rates for successively higher water volumes used by the customer. The current rate structure has four rate steps for single-family and three rate steps for multi-family customers, based on metered water volumes. All irrigation-metered water is charged at a separate, higher rate. Because non-residential classes do not fit well in an increasing block rate approach due to wide variations in their size and typical water use requirements, seasonal rates, with and without irrigation, were established for these customers. This rate structure will be thoroughly reviewed, as more historical information is available on the effect of the increasing block and seasonal rate structure.

In 1997, an additional category of fire protection charges was added for structures and facilities that benefit from the City water system but are not otherwise being charged for water service. For example, a number of homes are on private wells but are near a City-provided fire hydrant and enjoy the additional benefit of fire protection yet didn't pay for the benefit on a water bill. The charge is based on an equivalent meter size that would normally serve the facility. It also applies to facilities that have terminated water service but still stand and require fire protection, such as homes or buildings that are not occupied.

## G. *Rate Equity*

**The rate structure shall fairly allocate costs between the different customer classes. Funding of the long-term Capital Investment Program also provides for rates that fairly spread costs over current and future customers.**

Discussion:

As required under State law, Utility rates will provide equity in the rates charged to different customer classes. In general, rates by customer class are designed to reflect the contribution by a customer group to system-wide service demand, as determined by cost-of-service analysis. The RCW also authorizes utility rates to be designed to accomplish "any other matters, which present a reasonable difference as a ground for distinction". For example, increasing water rates for irrigation and higher levels of use is allowed to encourage the wise use and conservation of a valuable resource. Formal rate studies are periodically conducted to assure ongoing rate equity between customer classes and guide any future rate modifications necessary to support changing Utility program or policy objectives.

Contributions from current rates to the R&R Account also provide equity between generations of rate payers by assuring that each user pays their fair share of capital improvements, including renewal and replacement, over the long-term. (See sections B and D under the Capital Investment Program Policies).

## H. *Rate Uniformity*

**Rates shall be uniform for all utility customers of the same class and level of service throughout the service area. However, special rates or surcharges may be established for specific areas, which require extraordinary capital investments and/or maintenance costs. Revenues from such special rates or surcharges and expenses from capital investments and/or extraordinary maintenance shall be accounted for in a manner to assure that they are used for the intended purposes.**

Discussion:

The City Water and Sewer Utilities originally formed by assuming ownership of three separate operating water districts and two sewer districts. In the assumption agreements, each included a provision that requires the Utility to uniformly charge all customers of the same class throughout the entire service area. The basic rates are set for all customers, inside and outside of the City, except for local utility taxes in Bellevue, and franchise fees in Clyde Hill, Hunts Point, Medina, and Yarrow Point. Unlike the Water and Sewer Utilities, the Storm & Surface Water Utility only serves areas within the City limits.

Under state law, Utilities are required to charge uniform rates to all customers in a given customer class, regardless of property location within the service area. The only exception permitted is for certain low-income customers (see below).

However, when conditions in particular service areas require extraordinary capital improvement or maintenance costs to be incurred, special rates or surcharges may be adopted to recover those costs directly from properties contributing to the specific service demand, instead of assigning that cost burden to the general Utility rate base. This will only apply for costs above and beyond normal operations, maintenance and capital improvements. For example, rate surcharges are being used to recover debt service costs for capital facilities in Lakemont and the CBD. An additional rate surcharge for Lakemont properties is being collected for extraordinary maintenance costs of the storm water treatment facility.

## I. *Rate Assistance*

**Rate assistance programs shall be provided for specific low-income customers as permitted by State law.**

Discussion:

Continual increases in all utility rates have had a significant impact on low-income customers. The City has adopted a rate discount or rebate program for disabled customers and senior citizens over 62 years old and with income below certain levels as permitted under State law and defined in Ordinance No. 4458. It has two levels, one discounting Utility rates by 40 percent and the other level by 75 percent, based on the customer's income level. Customers that indirectly pay for Utility charges through their rent can obtain a rebate for the prior year's Utility charges on the same criteria. The City also rebates 100 percent of the Utility Tax for these customers. The cost of this program is absorbed in the overall Utility expenses and is recovered through the rate base. The General Fund provides for the Utility tax relief.

There are other low-income customers who are less than 62 years old and currently receive no Utility rate relief. However, the City has instituted a separate rebate of Utility taxes for qualified low-income citizens.

## V. OPERATING RESERVE POLICIES

### A. *Operating Reserve Levels*

**The Utilities' biennial budget and rate recommendations shall provide funding for working capital, operating contingency, and plant emergency reserve components on a consolidated basis in accordance with the attached Summary of Recommended Consolidated Reserve Levels table and as subsequently updated.**

Discussion:

Utility resources not spent for operations remain in the fund and are referred to as reserves. At the end of each year, these funds are carried forward to the next year's budget and become a revenue source for funding future programs and operations. Under the terms of this policy, the Utility budget is targeted to include a balance of funds for the specific purposes stated above. While included in the total operating budget, these reserves will only be available for use pursuant to these reserve policies. Setting aside these budget resources in the reserve balance will help to ensure continued financial rate stability in future Utility operations and protect Utility customers from service disruptions that might otherwise result from unforeseen economic or emergency events.

The working capital reserve is maintained to accommodate normal cyclical fluctuations within the two month billing cycle and during the budget year. These are higher for Water than for Sewer and Storm & Surface Water due to more variable revenues and expenditures. They are described in terms of a number of days of working capital as a percentage of a full-year's budget.

The operating contingency reserve protects against adverse financial performance or budget performance due to variations in revenues or expenses. Again, the Water Utility is most susceptible to year-to-year variations in water demand. They are described in terms of percentages of budgeted wholesale costs and operations and maintenance (O&M) costs.

The plant emergency contingency reserve provides protection against a system failure at some reasonable level. The Storm & Surface Water Utility requires the largest reserve due to the risk of major flood damage to Utility facilities. Water and Sewer Utilities protect against the cost of a major main break or failure. These do not protect against the loss of facilities that are covered by the City's Self-Insurance to which the Utilities pay annual premiums nor are they sufficient to respond to a major disaster, such as a major earthquake.

The reserves of the three utilities have historically been treated separately. This protects against cross-subsidy, thereby retaining rate equity for each utility, each of which has different customers. However, it results in higher reserve targets, with more funds retained than otherwise may be needed. Sharing risks among utilities can reduce reserves. This does not require that reserves actually be consolidated into a single fund, but simply that individual reserve targets reflect the strength provided by the availability of cross-utility support. Under the "consolidated" scenario, cash shortfalls in one reserve could be funded through inter-utility loans, to be repaid from future rates. The likelihood that a serious shortfall would occur in more than one fund at the same time is slight and the benefits of lower overall reserve levels will benefit rate payers. Also, the rate policies and the debt coverage policy will ensure that there will be a strong financial response to any significant shortfall. The risk is considered a prudent financial policy.

City of Bellevue

# Summary of Recommended Consolidated Reserve Levels

| | Water | | Wastewater | | Storm Drainage | |
|---|---|---|---|---|---|---|
| Type of Reserve | Basis | Level | Basis | Level | Basis | Level |
| Working Capital – Reserves against revenue and expense fluctuations within the 2 month billing cycle and during the budget year. | 70 days of budgeted O&M costs (excludes debt service, capital funding). | $5,292,000 | 30 days of Metro costs and 20 days of City O&M costs (excludes debt service, capital funding). | $2,273,000 | 29 days of budgeted O&M costs (excludes debt service, capital funding). | $654,000 |
| Operating Contingency – Reserves against annual budget shortfalls due to poor financial performance. | 7.5% of water purchase costs and 11% of other water O&M costs. | $2,421,000 | 2% of Metro costs and 5% of other wastewater O&M costs. | $815,000 | 2.5% of O&M costs. | $206,000 |
| Plant Emergency Contingency – Reserves against failure of a major facility or piece of equipment. | Cost for repair of water main break. | $100,000 | Cost of repair for wastewater main break. | $100,000 | $500,000 based on potential net cost of flood damage. | $500,000 |
| Less: Allowance for duplicating or offsetting reserves | None. | $0 | Working Capital and Operating Contingency include offsetting reserves equal to 2% of all O&M. | $(583,000) | None. | $0 |
| Less: Allowance for consolidating reserves | 2.5% of City O&M for interfund charges between utilities. | $(330,000) | 1% City O&M for interfund charges between utilities. | $(78,000) | 1% of City O&M for interfund charges between utilities. | $(82,000) |
| | Share of reduced plant emergency reserve. | $(15,000) | Share of reduced plant emergency reserve. | $(15,000) | Share of reduced plant emergency reserve. | $(70,000) |
| | Lesser of min. working capital or plant emergency reserves. | $(85,000) | Lesser of min. working capital or plant emergency reserves. | $(85,000) | Lesser of min. working capital or plant emergency reserves. | $(220,000) |
| Total | | $7,383,000 | | $2,427,000 | | $988,000 |

Note: Reserve levels based on amended 2008 utility budgets.

For this purpose, O&M costs are the entire annual operating budget of the Utility less the annual debt service, Capital Investment Program transfers and R&R Account transfers. Independent reserve levels are the levels that would be required by an individual Utility Fund (Water, Sewer and Storm & Surface Water) at any point in time to cover financial obligations if any one of the three reserve components where called for; i.e., working capital, operating contingency or plant emergency. At any single time, the full independent reserve levels should be available for the individual stated purpose, again because it is unlikely that all three components would be called for at once. For example, the Water Utility needs $100,000 available for an emergency repair but it is not likely that the Sewer Utility will need $100,000 and the Storm & Surface Water Utility will need $500,000 all at the same point in time.

The consolidated basis is for budget and rate setting purposes only, to reduce the total revenue requirement by considering the reserve risk shared between the three utilities. The dual reserve levels should be considered as circumstances evolve.

In 2004, the Financial Consulting Solution Group (FCSG) performed an analysis of recommended changes to the Water Utility's working capital and operating contingency reserves to reflect the new wholesale water contract with CWA and to update reserve levels for current conditions. Under the new contract, billing practices for wholesale costs have changed as follows:

1. CWA payment occurs before the associated revenues are collected, resulting in a greater lag between wholesale expense and when revenues are collected.

2. CWA payments are distributed over the whole year based on predetermined percentages and not based on actual consumption during the year. Due to seasonal revenue variation, there is an accumulative deficit in revenues prior to the peak revenue period.

In addition, the total costs to Bellevue are now largely fixed for the year due to the "take or pay" nature of the contract between CWA and Seattle Public Utilities. This shifts the risk during a poor water sales year to the City since there will not be a corresponding reduction in water purchase costs when water sales are down.

Changes in both billing practices as well as the fixed nature of the wholesale costs will result in an increase in required reserves for working capital and operating contingency for the Water Fund.

## B. *Management of Operating Reserves*

**Related to the recommended target reserve levels, a working range of reserves is established with minimum and target levels. Management of reserves will be based on the level of reserves with respect to these thresholds, as follows:**

**Above target - Reserve levels will be reduced back to the target level by transferring excess funds to the R&R Accounts in a manner consistent with the long-range financial plan.**

**Between Minimum and Target - Rate increases would be imposed sufficient to ensure that: 1) reserves would not fall below the minimum in an adverse year; and 2) reserves would recover 50% of the shortfall from target levels in a normal year. Depending on the specific circumstances, either of these may be the constraint, which defines the rate increase needed.**

**Below Minimum - Rate increases would be imposed sufficient to ensure that even with adverse financial performance, reserves would return at least to the minimum at the end of the following year. To meet this "worst case" standard, a year of normal performance would be likely to recover reserve levels rapidly toward target levels.**

**Negative Balance - Reserves would be borrowed from another utility to meet working capital needs. Similar to the "below minimum" scenario, rate increases would be imposed sufficient to ensure that even with adverse financial performance, reserves would return from the negative balance to at least the minimum target at the end of the following year, which would allow for loan repayment within that time frame.**

Discussion:

"Adverse financial performance" or "worst case" are defined by the 95% confidence interval based on historical patterns. The worst case year is currently defined as a year with sales volumes 15% below the sales volume for a normal year. This was determined by using statistical measurements of sales volumes for 18 years with a 95% confidence interval. That is, in any given year there is only a 5% chance that the worst case year would be more than 15% below the normal year. Another way to say the same thing is that in 19 out of 20 years the worst case year would not be more than 15% below the normal year.

Maintaining the 95% confidence interval, as more and more data becomes available, a worst case year could change upward or downward from the 15% variation from a normal year.

The recommended reserve policies are premised on the vital expectation that reserves are to be used and reserve-levels will fluctuate. Although budget and rate planning are expected to use the target reserve number, reserve levels planned to remain static are by definition unnecessary. It is therefore important to plan for managing the reserves within a working range between the minimum and target levels as stated in the above policies. There may be situations in short-range financial planning where reserves are maintained above target levels to overcome peaks in actual expenses.

In the event of an inter-utility loan, the balance for the borrowing utility would essentially be any cash balance less the amount owed. The lending utility would count the note as a part of its reserves, so that it does not unnecessarily increase rates to replenish reserves that are loaned.

In this management approach, there is still a risk that a major plant emergency could exceed the amount reserved. Such a major shortfall would require rate action to assure a certain level of replenishment in one year. To avoid rate spikes due to this type of action, they should be considered on a case-by-case basis. This will provide the flexibility to use debt or capital reserves in lieu of operating reserves to cover the cost and allow a moderated approach to replenishing reserves out of rates.

### C. *Asset Replacement Reserves*

**Utility funds will maintain separate Asset Replacement Accounts to provide a source of funding for future replacement of operating equipment and systems.**

**Anticipated replacement costs by year for the upcoming 20-year period, for all Utility asset and equipment items, will be developed as a part of each biennial budget preparation**

**process. Budgeted contribution to the Asset Replacement Account will be based on the annual amount needed to maintain a positive cash flow balance in the Asset Replacement Account over the 20-year forecast period. At a minimum, the ending Asset Replacement Account balance in each Utility will equal, on average, the next year's projected replacement costs for that fund.**

**The Utilities Department will observe adopted Equipment Rental Fund (ERF) and Information Services budget policies and procedures in formulating recommendations regarding specific equipment items to be replaced.**

Discussion:

Providing reserves for equipment and information technology systems replacement allows monies to be set aside over the service life of these items to pay for their eventual replacement and alleviate one-time rate impacts that these purchases might otherwise require. Annual revenues set aside for this purpose will be based on aggregate Utility asset replacement cash flow needs over the long-term forecast period, instead of individual asset replacement amounts. This strategy will allow Utilities to minimize the progressive build-up of excess Asset Replacement Account balances that would result from creating and funding separate reserve accounts for individual Utility asset and equipment items.

# SOLID WASTE RESERVES POLICY

## Reserve Levels

Consistent with other Utility funds, this policy recommends that some resources be budgeted as reserves to provide funding for working capital and emergencies. Setting aside reserves will help to ensure continued financial rate stability in future Solid Waste operations, and protect customers from service disruptions that might otherwise result from unforeseen economic or emergency events. While included in the total operating budget, these reserves will only be available for use pursuant to these reserve policies.

The Solid Waste fund performs three main functions: management and administration of the contract for the collection/disposal of residential and commercial garbage and recycling; customer outreach and education; and management of waste reduction and recycling grant-funded projects.

The fund's two sources of income are fees and grant monies, as described below:

1. Management fees are paid to the fund per the garbage collection contract and provide base funding for all solid waste personnel, supplies and activities. Additional management fees are received for the commercial recycling program and are primarily used to compensate the contractor for that program.

2. The Solid Waste fund receives grant funding from several agencies for waste reduction and recycling projects. Grant agencies reimburse the fund for project expenses annually or semi-annually.

Reserve components are as follows:

1. Working Capital. Working capital reserves are necessary to accommodate normal cyclical fluctuations within the Solid Waste fund. There are two elements for this reserve component; one element supports Solid Waste Management and the other supports the grant-funded programs.

   The solid waste collection/disposal and recycling programs have fairly predictable revenues and expenditures. Because of this, 45 days of budgeted O&M expenses are adequate for this portion of the reserve.

   The grant-funded programs are pre-funded by the Solid Waste fund and reimbursement requests are made semi-annually or annually, depending on the grant agency agreement. While most grant agencies pay reimbursement requests within 45 days of receipt, the existing reimbursement billing schedule can result in carrying project expenses for up to a year before funds are received. For this reason, reserves equal to 100% of historical average grant budgets are included to support cash-flow.

2. Emergencies**.** A reserve component is necessary to fund emergencies such as windstorms. While the majority of funding may be provided by FEMA, a reserve is required to support some part of the City's portion of FEMA-covered emergencies, or additional clean-up/collection events due to weather-related emergencies. A reserve policy allocation is recommended to meet funding or cash flow needs. The basis for this component is the cost of a supplemental windstorm debris pick-up by a contractor. This reserve level amount is adjusted by the annual CPI.

   No reserve components are necessary for capital expenditures, operating contingency, debt service, liability or asset replacement since the majority of the operations are contracted and are not the City's responsibility. Reserves will be updated at each biennial budget development period.

**Projected Solid Waste Target Reserves**

| Type of Reserve | Basis | 2009 Level | 2010 Level |
|---|---|---|---|
| **Working Capital** – Reserves against revenue and expense fluctuations | | | |
| - Solid Waste collection/disposal and recycling programs | 45 days of budgeted O&M | $167,000 | $177,000 |
| - Grant funded programs | 100% of historical average of grant budget | $299,311 | $299,311 |
| **Emergencies** | $75,000 (2008 dollars) adjusted for annual CPI | $75,000 | $75,000 |
| TOTAL | | $541,311 | $551,311 |

**Management of the Reserve**

The policy is premised on the expectation that reserves are to be used and reserve levels will fluctuate. It is therefore important to plan for managing the reserves within a working range. There may be situations in short-range financial planning where reserves are maintained above or below target levels.

The target reserve level will be established during the budget development process. If the reserve balance, including grant receivables, is projected to be less than the next year's reserve requirement, a deficit is created. This deficit would be recouped via a rate increase or through an adjustment to expenses. If the deficit is significant, a rate increase may be phased in over a two-year period to alleviate a spike in rates.

Surplus funds are those funds over and above the target reserve level. As part of the biennial budget review, Council would direct the use of excess reserves.

**Figure 8-2**

## Chapter 35A.34 RCW
## BIENNIAL BUDGETS

SECTIONS
35A.34.010 Legislative intent.
35A.34.020 Application of chapter.
35A.34.030 Definitions.
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35A.34.050 Budget estimates -- Submittal.
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35A.34.205 Administration, oversight, or supervision of utility -- Reimbursement from utility budget authorized.
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35A.34.240 Funds -- Quarterly report of status.
35A.34.250 Contingency fund -- Creation.
35A.34.260 Contingency fund -- Withdrawals.
35A.34.270 Unexpended appropriations.
35A.34.280 Violations and penalties.

**35A.34.010 Legislative intent.**
See RCW 35.34.010.

**35A.34.020 Application of chapter.**
This chapter applies to all code cities which have by ordinance adopted this chapter authorizing the adoption of a fiscal biennium budget. [1985 c 175 § 34.]

**35A.34.030 Definitions.**
Unless the context clearly indicates otherwise, the definitions in this section apply throughout this chapter.

(1) "Clerk" includes the officer performing the functions of a finance or budget director, comptroller, auditor, or by whatever title the officer may be known in any code city.

(2) "Department" includes each office, division, service, system, or institution of the city for which no other statutory or charter provision is made for budgeting and accounting procedures or controls.

(3) "Legislative body" includes the council, commission, or any other group of officials serving as the legislative body of a code city.

(4) "Chief administrative officer" includes the mayor of cities having a mayor-council plan of government, the commissioners in cities having a commission plan of government, the manager, or any other city official designated by the charter or ordinances of such city under the plan of government governing the same, or the budget or finance officer designated by the mayor, manager, or commissioners, to perform the functions, or

portions thereof, contemplated by this chapter.

(5) "Fiscal biennium" means the period from January 1 of each odd-numbered year through December 31 of the next succeeding even-numbered year.

(6) "Fund" and "funds" where clearly used to indicate the plural of "fund" means the budgeting or accounting entity authorized to provide a sum of money for specified activities or purposes.

(7) "Funds" where not used to indicate the plural of "fund" means money in hand or available for expenditure or payment of a debt or obligation.

(8) Except as otherwise defined in this chapter, municipal accounting terms used in this chapter have the meaning prescribed by the state auditor pursuant to RCW 43.09.200. [1985 c 175 § 35.]

**35A.34.040 Biennial budget authorized – Limitations.**

All code cities are authorized to establish by ordinance a two-year fiscal biennium budget. The ordinance shall be enacted at least six months prior to commencement of the fiscal biennium and this chapter applies to all code cities which utilize a fiscal biennium budget. Code cities which establish a fiscal biennium budget are authorized to repeal such ordinance and provide for reversion to a fiscal year budget. The ordinance may only be repealed effective as of the conclusion of a fiscal biennium. However, the city shall comply with chapter 35A.33 RCW in developing and adopting the budget for the first fiscal year following repeal of the ordinance. [1985 c 175 § 36.]

**35A.34.050 Budget estimates – Submittal.**

On or before the second Monday of the fourth month prior to the beginning of the city's next fiscal biennium, or at such other time as the city may provide by ordinance or charter, the clerk shall notify in writing the head of each department of a city to file with the clerk within fourteen days of the receipt of such notification, detailed estimates of the probable revenue from sources other than ad valorem taxation and of all expenditures required by the department for the ensuing fiscal biennium. The notice shall be accompanied by the proper forms provided by the clerk, prepared in accordance with the requirements and classification established by the state auditor. The clerk shall prepare the estimates for interest and debt redemption requirements and all other estimates, the preparation of which falls properly within the duties of the clerk's office. The chief administrative officers of the city shall submit to the clerk detailed estimates of all expenditures proposed to be financed from the proceeds of bonds or warrants not yet authorized, together with a statement of the proposed method of financing them. In the absence or disability of the official or person regularly in charge of a department, the duties required by this section shall devolve upon the person next in charge of such department. [1995 c 301 § 55; 1985 c 175 § 37.]

**35A.34.050 Budget estimates – Classification and segregation.**

On or before the second Monday of the fourth month prior to the beginning of the city's next fiscal biennium, or at such other time as the city may provide by ordinance or charter, the clerk shall notify in writing the head of each department of a city to file with the clerk within fourteen days of the receipt of such notification, detailed estimates of the probable revenue from sources other than ad valorem taxation and of all expenditures required by the department for the ensuing fiscal biennium. The notice shall be accompanied by the proper forms provided by the clerk, prepared in accordance with the requirements and classification established by the state auditor. The clerk shall prepare the estimates for interest and debt redemption requirements and all other estimates, the preparation of which falls properly within the duties of the clerk's office. The chief administrative officers of the city shall submit to the clerk detailed estimates of all expenditures proposed to be financed from the proceeds of bonds or warrants not yet authorized, together with a statement of the proposed method of financing them. In the absence or disability of the official or person regularly in charge of a department, the duties required by this section shall devolve upon the person next in charge of such department. [1995 c 301 § 55; 1985 c 175 § 37.]

**35A.34.060 Budget estimates — Classification and segregation.**

All estimates of receipts and expenditures for the ensuing fiscal biennium shall be fully detailed in the biennial budget and shall be classified and segregated according to a standard classification of accounts to be adopted and prescribed by the state auditor after consultation with the Washington finance officers association, the association of Washington cities, and the association of Washington city managers. [1995 c 301 § 56; 1985 c 175 § 38.]

**35A.34.070 Proposed preliminary budget.**

On or before the first business day in the third month prior to the beginning of the biennium of a city or at such

other time as the city may provide by ordinance or charter, the clerk or other person designated by the charter, by ordinances, or by the chief administrative officer of the city shall submit to the chief administrative officer a proposed preliminary budget which shall set forth the complete financial program of the city for the ensuing fiscal biennium, showing the expenditure program requested by each department and the sources of revenue by which each such program is proposed to be financed.

The revenue section shall set forth in comparative and tabular form for each fund the actual receipts for the last completed fiscal biennium, the estimated receipts for the current fiscal biennium, and the estimated receipts for the ensuing fiscal biennium, which shall include the amount to be raised from ad valorem taxes and unencumbered fund balances estimated to be available at the close of the current fiscal biennium. However, if the city was not utilizing a fiscal biennium budget for the previous three years, it shall set forth its fiscal years' revenues to reflect actual and estimated receipts as if it had previously utilized a biennial budgetary process.

The expenditure section shall set forth in comparative and tabular form for each fund and every department operating within each fund the actual expenditures for the last completed fiscal biennium, the appropriations for the current fiscal biennium, and the estimated expenditures for the ensuing fiscal biennium. However, if the city was not utilizing a fiscal biennium budget for the previous three years, it shall set forth its fiscal years' expenditures to reflect actual and estimated levels as if it had previously utilized a biennial budgetary process. The expenditure section shall further set forth separately the salary or salary range for each office, position, or job classification together with the title or position designation thereof. However, salaries may be set out in total amounts under each department if a detailed schedule of such salaries and positions be attached and made a part of the budget document. [1985 c 175 § 39.]

**35A.34.080 Preliminary budget.**
The chief administrative officer shall prepare the preliminary budget in detail, making any revisions or additions to the reports of the department heads deemed advisable by such chief administrative officer. At least sixty days before the beginning of the city's next fiscal biennium the chief administrative officer shall file it with the clerk as the recommendation of the chief administrative officer for the final budget. The clerk shall provide a sufficient number of copies of such preliminary budget and budget message to meet the reasonable demands of taxpayers therefor and have them available for distribution not later than six weeks before the beginning of the city's next fiscal biennium. [1985 c 175 § 40.]

**35A.34.090 Budget message — Hearings.**
(1) In every city, a budget message prepared by or under the direction of the city's chief administrative officer shall be submitted as a part of the preliminary budget to the city's legislative body at least sixty days before the beginning of the city's next fiscal biennium and shall contain the following:

(a) An explanation of the budget document;

(b) An outline of the recommended financial policies and programs of the city for the ensuing fiscal biennium;

(c) A statement of the relation of the recommended appropriation to such policies and programs;

(d) A statement of the reason for salient changes from the previous biennium in appropriation and revenue items; and

(e) An explanation for any recommended major changes in financial policy.

(2) Prior to the final hearing on the budget, the legislative body or a committee thereof shall schedule hearings on the budget or parts thereof, and may require the presence of department heads to give information regarding estimates and programs. [1985 c 175 § 41.]

**35A.34.100 Budget — Notice of hearing.**
Immediately following the filing of the preliminary budget with the clerk, the clerk shall publish a notice once a week for two consecutive weeks stating that the preliminary budget for the ensuing fiscal biennium has been filed

with the clerk, that a copy thereof will be made available to any taxpayer who will call at the clerk's office therefor, that the legislative body of the city will meet on or before the first Monday of the month next preceding the beginning of the ensuing fiscal biennium for the purpose of fixing the final budget, designating the date, time, and place of the legislative budget meeting, and that any taxpayer may appear thereat and be heard for or against any part of the budget. The publication of the notice shall be made in the official newspaper of the city if there is one, otherwise in a newspaper of general circulation in the city. If there is no newspaper of general circulation in the city, then notice may be made by posting in three public places fixed by ordinance as the official places for posting the city's official notices. [1985 c 175 § 42.]

**35A.34.110 Budget — Hearing.**
The legislative body shall meet on the day fixed by RCW 35A.34.100 for the purpose of fixing the final budget of the city at the time and place designated in the notice thereof. Any taxpayer may appear and be heard for or against any part of the budget. The hearing may be continued from day to day but not later than the twenty-fifth day prior to commencement of the city's fiscal biennium. [1985 c 175 § 43.]

**35A.34.120 Budget — Adoption.**
Following conclusion of the hearing, and prior to the beginning of the fiscal biennium, the legislative body shall make such adjustments and changes as it deems necessary or proper and, after determining the allowance in each item, department, classification, and fund, shall by ordinance adopt the budget in its final form and content. Appropriations shall be limited to the total estimated revenues contained therein including the amount to be raised by ad valorem taxes and the unencumbered fund balances estimated to be available at the close of the current fiscal biennium. Such ordinances may adopt the final budget by reference. However, the ordinance adopting the budget shall set forth in summary form the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined.

A complete copy of the final budget as adopted shall be transmitted to the state auditor and to the association of Washington cities. [1995 c 301 § 57; 1985 c 175 § 44.]

**35A.34.130 Budget — Mid-biennial review and modification.**
The legislative authority of a city having adopted the provisions of this chapter shall provide by ordinance for a mid-biennial review and modification of the biennial budget. The ordinance shall provide that such review and modification shall occur no sooner than eight months after the start nor later than conclusion of the first year of the fiscal biennium. The chief administrative officer shall prepare the proposed budget modification and shall provide for publication of notice of hearings consistent with publication of notices for adoption of other city ordinances. City ordinances providing for a mid-biennium review and modification shall establish procedures for distribution of the proposed modification to members of the city legislative authority, procedures for making copies available to the public, and shall provide for public hearings on the proposed budget modification. The budget modification shall be by ordinance approved in the same manner as are other ordinances of the city.

A complete copy of the budget modification as adopted shall be transmitted to the state auditor and to the association of Washington cities. [1995 c 301 § 58; 1985 c 175 § 45.]

**35A.34.140 Emergency expenditures — Nondebatable emergencies.**
Upon the happening of any emergency caused by violence of nature, casualty, riot, insurrection, war, or other unanticipated occurrence requiring the immediate preservation of order or public health, or for the property which has been damaged or destroyed by accident, or for public relief from calamity, or in settlement of approved claims for personal injuries or property damages, or to meet mandatory expenditures required by law enacted since the last budget was adopted, or to cover expenses incident to preparing for or establishing a new form of government authorized or assumed after adoption of the current budget, including any expenses incident to selection of additional or new officials required thereby, or incident to employee recruitment at any time, the city legislative body, upon the adoption of an ordinance, by the vote of one more than the majority of all members of the legislative body, stating the facts constituting the emergency and the estimated amount required to meet it, may make the expenditures therefor without notice or hearing. [1985 c 175 § 46.]

**35A.34.150 Emergency expenditures — Other emergencies — Hearing.**
If a public emergency which could not reasonably have been foreseen at the time of filing the preliminary budget requires the expenditure of money not provided for in the budget, and if it is not one of the emergencies specifically enumerated in RCW 35A.34.140, the city legislative body before allowing any expenditure therefor shall adopt an ordinance stating the facts constituting the emergency and the estimated amount required to meet it and declaring that an emergency exists.

The ordinance shall not be voted on until five days have elapsed after its introduction, and for passage shall require the vote of one more than the majority of all members of the legislative body of the city.

Any taxpayer may appear at the meeting at which the emergency ordinance is to be voted on and be heard for or against the adoption thereof. [1985 c 175 § 47.]

**35A.34.160 Emergency expenditures — Warrants — Payment.**
All expenditures for emergency purposes as provided in this chapter shall be paid by warrants from any available money in the fund properly chargeable with such expenditures. If, at any time, there is insufficient money on hand in a fund with which to pay such warrants as presented, the warrants shall be registered, bear interest, and be called in the same manner as other registered warrants as prescribed in RCW 35A.21.110. [1985 c 175 § 48.]

**35A.34.170 Registered warrants — Payment.**
In adopting the final budget for any fiscal biennium, the legislative body shall appropriate from estimated revenue sources available, a sufficient amount to pay the principal and interest on all outstanding registered warrants issued since the adoption of the last preceding budget except those issued and identified as revenue warrants and except those for which an appropriation previously has been made. However, no portion of the revenues which are restricted in use by law may be appropriated for the redemption of warrants issued against a utility or other special purpose fund of a self-supporting nature. In addition, all or any portion of the city's outstanding registered warrants may be funded into bonds in any manner authorized by law. [1985 c 175 § 49.]

**35A.34.180 Adjustment of wages, hours and conditions of employment.**
Notwithstanding the appropriations for any salary or salary range of any employee or employees adopted in a final budget, the legislative body of any city may, by ordinance, change the wages, hours, and conditions of employment of any or all of its appointive employees if sufficient funds are available for appropriation to such purposes. [1985 c 175 § 50.]

**35A.34.190 Forms — Accounting — Supervision by state.**
The state auditor is empowered to make and install the forms and classifications required by this chapter to define what expenditures are chargeable to each budget class and to establish the accounting and cost systems necessary to secure accurate budget information. [1995 c 301 § 59; 1985 c 175 § 51.]

**35A.34.200 Funds — Limitations on expenditures — Transfers and adjustments.**
(1) The expenditures as classified and itemized in the final budget shall constitute the city's appropriations for the ensuing fiscal biennium. Unless otherwise ordered by a court of competent jurisdiction, and subject to further limitations imposed by ordinance of the city, the expenditure of city funds or the incurring of current liabilities on behalf of the city shall be limited to the following:

(a) The total amount appropriated for each fund in the budget for the current fiscal biennium, without regard to the individual items contained therein, except that this limitation does not apply to wage adjustments authorized by RCW 35A.34.180;

(b) The unexpended appropriation balances of a preceding budget which may be carried forward from prior fiscal periods pursuant to RCW 35A.34.270;

(c) Funds received from the sale of bonds or warrants which have been duly authorized according to law;

(d) Funds received in excess of estimated revenues during the current fiscal biennium, when authorized by an

ordinance amending the original budget; and

(e) Expenditures authorized by budget modification as provided by RCW 35A.34.130 and those required for emergencies, as authorized by RCW 35A.34.140 and 35A.34.150.

(2) Transfers between individual appropriations within any one fund may be made during the current fiscal biennium by order of the city's chief administrative officer subject to such regulations, if any, as may be imposed by the city legislative body. Notwithstanding the provisions of RCW 43.09.210 or of any statute to the contrary, transfers, as authorized in this section, may be made within the same fund regardless of the various offices, departments, or divisions of the city which may be affected.

(3) The city legislative body, upon a finding that it is to the best interests of the city to decrease, revoke, or recall all or any portion of the total appropriations provided for any one fund, may, by ordinance, approved by the vote of one more than the majority of all members thereof, stating the facts and findings for doing so, decrease, revoke, or recall all or any portion of an unexpended fund balance, and by said ordinance, or a subsequent ordinance adopted by a like majority, the moneys thus released may be reappropriated for another purpose or purposes, without limitation to department, division, or fund, unless the use of such moneys is otherwise restricted by law, charter, or ordinance. [1985 c 175 § 52.]

**35A.34.205 Administration, oversight, or supervision of utility — Reimbursement from utility budget authorized.**
Whenever any code city apportions a percentage of the city manager's, administrator's, or supervisor's time, or the time of other management or general government staff, for administration, oversight, or supervision of a utility operated by the city, or to provide services to the utility, the utility budget may identify such services and budget for reimbursement of the city's current expense fund for the value of such services. [1991 c 152 § 4.]

**35A.34.210 Liabilities incurred in excess of budget.**
Liabilities incurred by any officer or employee of the city in excess of any budget appropriations shall not be a liability of the city. The clerk shall issue no warrant and the city legislative body or other authorized person shall approve no claim for an expenditure in excess of the total amount appropriated for any individual fund, except upon an order of a court of competent jurisdiction or for emergencies as provided in this chapter. [1985 c 175 § 53.]

**35A.34.220 Funds received from sales of bonds and warrants — Expenditures.**
Moneys received from the sale of bonds or warrants shall be used for no other purpose than that for which they were issued and no expenditure shall be made for that purpose until the bonds have been duly authorized. If any unexpended fund balance remains from the proceeds realized from the bonds or warrants after the accomplishment of the purpose for which they were issued, it shall be used for the redemption of such bond or warrant indebtedness. Where a budget contains an expenditure program to be financed from a bond issue to be authorized thereafter, no such expenditure shall be made or incurred until after the bonds have been duly authorized. [1985 c 175 § 54.]

**35A.34.230 Revenue estimates — Amount to be raised by ad valorem taxes.**
At a time fixed by the city's ordinance or city charter, not later than the first Monday in October of the second year of each fiscal biennium, the chief administrative officer shall provide the city's legislative body with current information on estimates of revenues from all sources as adopted in the budget for the current biennium, together with estimates submitted by the clerk under RCW 35A.34.070. The city's legislative body and the city's administrative officer or the officer's designated representative shall consider the city's total anticipated financial requirements for the ensuing fiscal biennium, and the legislative body shall determine and fix by ordinance the amount to be raised the first year of the biennium by ad valorem taxes. The legislative body shall review such information as is provided by the chief administrative officer and shall adopt an ordinance establishing the amount to be raised by ad valorem taxes during the second year of the biennium. Upon adoption of the ordinance fixing the amount of ad valorem taxes to be levied, the clerk shall certify the same to the county legislative authority as required by RCW 84.52.020. [1985 c 175 § 55.]

**35A.34.240 Funds — Quarterly report of status.**
At such intervals as may be required by city charter or city ordinance, however, being not less than quarterly, the clerk shall submit to the city's legislative body and chief administrative officer a report showing the expenditures and liabilities against each separate budget appropriation incurred during the preceding reporting period and like information for the whole of the current fiscal biennium to the first day of the current reporting period together with the unexpended balance of each appropriation. The report shall also show the receipts from all sources. [1985 c 175 § 56.]

**35A.34.250 Contingency fund — Creation.**
Every city may create and maintain a contingency fund to provide moneys with which to meet any municipal expense, the necessity or extent of which could not have been foreseen or reasonably evaluated at the time of adopting the annual budget, or from which to provide moneys for those emergencies described in RCW 35A.34.140 and 35A.34.150. Such fund may be supported by a budget appropriation from any tax or other revenue source not restricted in use by law, or also may be supported by a transfer from other unexpended or decreased funds made available by ordinance as set forth in RCW 35A.34.200. However, the total amount accumulated in such fund at any time shall not exceed the equivalent of thirty-seven and one-half cents per thousand dollars of assessed valuation of property within the city at such time. Any moneys in the emergency fund at the end of the fiscal biennium shall not lapse except upon reappropriation by the council to another fund in the adoption of a subsequent budget. [1985 c 175 § 57.]

**35A.34.260 Contingency fund — Withdrawals.**
No money shall be withdrawn from the contingency fund except by transfer to the appropriate operating fund authorized by a resolution or ordinance of the legislative body of the city, adopted by a majority vote of the entire legislative body, clearly stating the facts constituting the reason for the withdrawal or the emergency as the case may be, specifying the fund to which the withdrawn money shall be transferred. [1985 c 175 § 58.]

**35A.34.270 Unexpended appropriations.**
All appropriations in any current operating fund shall lapse at the end of each fiscal biennium. However, this shall not prevent payments in the following biennium upon uncompleted programs or improvements in progress or on orders subsequently filled or claims subsequently billed for the purchase of material, equipment, and supplies or for personal or contractual services not completed or furnished by the end of the fiscal biennium, all of which have been properly budgeted and contracted for prior to the close of such fiscal biennium, but furnished or completed in due course thereafter.

All appropriations in a special fund authorized by ordinance or by state law to be used only for the purpose or purposes therein specified, including any cumulative reserve funds lawfully established in specific or general terms for any municipal purpose or purposes, or a contingency fund as authorized by RCW 35A.34.250, shall not lapse, but shall be carried forward from biennium to biennium until fully expended or the purpose has been accomplished or abandoned, without necessity of reappropriation.

The accounts for budgetary control for each fiscal biennium shall be kept open for twenty days after the close of such fiscal biennium for the purpose of paying and recording claims for indebtedness incurred during such fiscal biennium; any claim presented after the twentieth day following the close of the fiscal biennium shall be paid from appropriations lawfully provided for the ensuing period, including those made available by provisions of this section, and shall be recorded in the accounts for the ensuing fiscal biennium. [1985 c 175 § 59.]

**35A.34.280 Violations and penalties.**
Upon the conviction of any city official, department head, or other city employee of knowingly failing, or refusing, without just cause, to perform any duty imposed upon such officer or employee by this chapter, or city charter or city ordinance, in connection with the giving of notice, the preparing and filing of estimates of revenues or expenditures or other information required for preparing a budget report in the time and manner required, or of knowingly making expenditures in excess of budget appropriations, the official or employee shall be guilty of a misdemeanor and shall be fined not more than five hundred dollars for each separate violation. [1985 c 175 § 60.]

ORIGINAL

Figure 8-3

1247C
02/15/91

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4229

AN ORDINANCE regarding the Convention Center Back Up Financing Plan; adding a business and occupation tax to the recommended financing mechanisms under the Plan; stating the intention of the City Council to provide the Convention Center first priority call on certain unused city business and occupation tax capacity; and directing the City Manager to issue an administrative order regarding staff reporting requirements on all agenda materials relating to matters involving use of city business and occupation tax authority.

WHEREAS, on December 4, 1989, the City Council adopted Ordinance No. 4094 approving a Convention Center Back Up Financing Plan, and stating the intent of the City Council to reserve a portion of the City's business and occupation tax capacity for convention center purposes; and

WHEREAS, the City Council Civic Center Committee has recommended to the full City Council that Ordinance No. 4094 be amended to provide:

A) That additional protection be provided to the City's General Fund by providing that the Convention Center has first priority on the City's unused business and occupation tax capacity under RCW 35.21.710 over and above that reservation of capacity provided for under Ordinance No. 4094; and

B) That the Back Up Financing Plan be supplemented with a provision designating as a recommended financing mechanism a business tax on businesses within a geographic area benefiting from the Convention Center Project; and

WHEREAS, the Council also desires that in connection with any future proposals that involve the use of City business and occupation tax authority measured by gross receipts, the staff will so report to the Council on such proposed use in the appropriate agenda materials; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The Convention Center Back Up Financing Plan, as adopted by Ordinance No. 4094 and given Clerk's receiving No. 14955, is hereby supplemented with the following financing mechanism:

Levy a business and occupation tax (other than a tax upon business activities consisting of the making of retail sales of tangible personal property measured by gross receipts or gross income from such

ORIGINAL

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02/15/91

sales) on business located within a geographical area which benefits from the Convention Center.

Section 2. Section 2 of Ordinance No. 4094 is hereby amended to read as follows:

> The City Council hereby states its intent to reserve a rate of .0001 from the City's unlevied capacity under RCW 35.21.710 for business and occupation taxes upon business activities measured by gross receipts or gross income from sales of tangible personal property; and further states its intent that the Convention Center has first priority call on any additional, unlevied business and occupation tax capacity under RCW 35.21.710.

Section 3. The City Manager is hereby directed to issue an administrative order regarding any proprosed use of the City's business and occupation tax capacity, and providing that whenever an item is included on the Council agenda which would include the use of any City business and occupation tax capacity, the agenda materials prepared by staff shall include a section indicating that such use is proposed and describing the nature and extent of such use. Further, the agenda materials shall address the financial status of the Meydenbauer Center.

PASSED by the City Council this 4th day of March, 1991, and signed in authentication of its passage this 4th day of March, 1991.

(SEAL)

Terry Lukens, Mayor

Approved as to form:

Richard L. Andrews, City Attorney

Richard Gidley, Deputy City Attorney

Attest:

Marie K. O'Connell, City Clerk

Published March 8, 1991

ORIGINAL

Figure 8-4

0212C
11/29/89

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4094

AN ORDINANCE approving a Convention Center Backup Financing Plan and stating the intent of the City Council to reserve a portion of the City's Business & Occupation Tax capacity for Convention Center purposes.

WHEREAS, on March 20, 1989, the City Council adopted Resolution No. 5114 regarding the Bellevue Convention Center Project; and

WHEREAS, consistent with that resolution, staff has prepared additional information on the financing of the Project; and

WHEREAS, a Backup Financing Task Force was formed by the City Manager to prepare recommendations on establishing backup financing mechanism(s) to stand between the Convention Center debt and expense requirements and the City's General Fund; and

WHEREAS, the final recommendations of the Backup Financing Task Force, dated September 8, 1989, were reviewed and approved by the Convention Center Citizens Committee; and

WHEREAS, the Council Civic Center Committee approved forwarding those recommendations to the full City Council for incorporation into the Convention Center finance plan as an unprioritized array of sixteen fallback options to stand between the Convention Center project expenses and the City's General Fund; and

WHEREAS, the final Task Force report recommended that the City reserve .0001 of the City's Business and Occupation Tax capacity as a backup finance tool for the Bellevue Convention Center Project; and

WHEREAS, under RCW 35.21.710, the taxing authority granted the City for taxes upon business activities measured by gross receipts or gross income from sales cannot exceed a rate of .002, except upon an approval by majority vote of the qualified voters of the City; and

WHEREAS, the current Business and Occupation Tax in the City on activities measured by gross receipts or gross income from sales is .001496, leaving an unlevied capacity of .000504; and

WHEREAS, the City Council desires to reserve from its unlevied capacity a rate of .0001 for Convention Center purposes; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The Convention Center Backup Financial Plan, a copy of which has been given Clerk's Receiving No. 14956 is hereby adopted.

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11/29/89

Section 2. The City Council hereby states its intent to reserve a rate of .0001 from the City's unlevied capacity under RCW 35.21.710 for business and occupation taxes upon business activities measured by gross receipts or gross income from sales of tangible personal property.

Section 3. This ordinance shall take effect and be in force five days after its passage and legal publication.

PASSED by the City Council this 4th day of December, 1989, and signed in authentication of its passage this 4th day of December, 1989.

(SEAL)

Nan Campbell
Nan Campbell, Mayor

Approved as to form:

Richard L. Andrews, City Attorney

Richard Gidley
Richard Gidley, Deputy City Attorney

Attest:

Marie K. O'Connell
Marie K. O'Connell, City Clerk

Published December 9, 1989

Figure 8-5

# City of Bellevue
# Investment Policy

Revised: August 9, 2006

## Objectives

This policy sets forth criteria for the operation of the investment portfolio. It will be recognized that the primary objective of the Investment Policy is to establish a conservative set of investment criteria that will prudently protect Bellevue's (hereafter referred to as the City) principal sums and enable the City to generate a fair rate of return from its investment activities while assuring adequate liquidity to meet its cash flow needs. All investment activity will be in compliance with RCW 35A.40.050 "Fiscal - Investment of Funds' and any other statutes or regulatory requirements, such as Internal Revenue Codes, which may apply.

## Scope

This policy guides the investment of all available City funds except it does not include assets held in escrow in order to defease refunded debt, nor does it include retirement funds managed by others such as the state, the Municipal Employees Benefit Trust, and deferred compensation plan providers.

## Responsibility

Authority to manage the investment program is derived from Bellevue City Code Section 3.37.060. This section gives the Finance Director authority to determine the amount of money available in each fund administered by the City for investment purposes, and the authority to invest such moneys in all forms of investments that are authorized by law. This section also authorizes the Director to appoint a subordinate employee(s) to assist in the performance of these duties.

The Finance Director will provide a letter(s) of authorization to individuals or firms on the approved broker/dealer list specifically designating City staff who have the authority to commit the City to investment transactions.

The Finance Director or his designee will establish written investment procedures including a glossary of investment terms for the operation of the investment program, consistent with this investment policy.

## Types of Investment and Diversification

The City may invest in any of the securities identified as eligible investments as defined by RCW 35A.40.050 "Fiscal - Investment of Funds". For purposes of this policy, the major eligible investment categories have been further restricted as follows:

1. **United States Treasury Debt Obligations**

   - Maximum % of Portfolio 100%
   - Maximum Maturity 5.5 years
   - Securities will be held by the City's third party safekeeping agent in the City's name.

**2. United States Agency Coupon Securities**

- Maximum % of Portfolio 100%
- Maximum Maturity 3 years
- Maximum % of Portfolio Per Issuer 25%
- Defined by RCW 43.84.080 to include obligations of any United States government-sponsored corporation whose obligations are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System.
- Does not allow investment in variable rate securities (those where the interest rate changes based on an index or reference rate) or securities whose value depends on the value of an underlying asset (such as a pool of mortgages or small business loans). Variable rate securities held prior to the adoption of this policy may be held to maturity.
- Securities will be held by the City's third party safekeeping agent in the City's name.

**3. United States Agency Discount Notes**

- Maximum % of Portfolio 100%
- Maximum Maturity 1 year
- Maximum % of Portfolio Per Issuer 25%
- Defined by RCW 43.84.080 to include obligations of any United States government-sponsored corporation whose obligations are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System.
- Does not allow investment in variable rate securities (those where the interest rate changes based on an index or reference rate) or securities whose value depends on the value of an underlying asset (such as a pool of mortgages or small business loans). Variable rate securities held prior to the adoption of this policy may be held to maturity.
- Securities will be held by the City's third party safekeeping agent in the City's name.

**4. Repurchase Agreements secured by United States Government and United States Agency Debt Obligations**

- Maximum % of Portfolio 50%
- Maximum Maturity 30 days
- Collateral Maximum % of Portfolio Per Issuer. Agency amounts should stay within the 25% limit.
- A Master Repurchase Agreement must be executed with the broker/dealer prior to initiating a repurchase agreement investment with the broker/dealer.
- Collateral equal to 102% of the repurchase agreement must be delivered to the City's third

party safekeeping agent.

- Only US Treasury and US Agency securities may be accepted as collateral.
- Securities will be held by the City's third party safekeeping agent in the City's name.

**5. Certificates of Deposit, and other Interest Bearing Bank Deposits with instate financial institutions recognized by the State of Washington Public Deposit Protection Commission (PDPC) as qualified to hold public deposits.**

- Maximum % of Portfolio 50%
- Maximum Maturity 1 year
- Maximum % of Portfolio Per Issuer 10%

**6. Bankers Acceptances purchased on the secondary market**

- Maximum % of the Portfolio 50%
- Maximum Maturity 6 months
- Maximum % of Portfolio Per Issuer 10%
- Securities will be held by the City's third party safekeeping agent in the City's name.

**7. Commercial Paper Issued by United States Corporations in compliance with the provisions adopted by the State Investment Board.**

- Required Investment Rating A1, P-1
- Maximum % of Portfolio 15%
- Maximum Maturity 90 days
- Maximum Percent of Portfolio Per Issuer 5%
- Securities will be held by the City's third party safekeeping agent in the City's name.

**8. State of Washington Local Governmental Investment Pool**

- Maximum % of Portfolio 100%
- A copy of the pool's investment policy must be obtained and reviewed.

The portfolio and issuer limits listed above shall be complied with at the time of a security purchase. However, no sale of securities shall be required to meet revised limits due to a decrease in the total size of the portfolio.

## Distribution of Portfolio Maturities and Liquidity

The maturity structure will be maintained such that the weighted average maturity of the portfolio using the maximum maturity of each investment security does not exceed 36 months.

The portfolio should be laddered with staggered maturities to assure that: 1) adequate resources are available to meet cash flow requirements without forced liquidation of investments, and 2) price volatility and reinvestment risks are minimized.

## Prudence

“Investments shall be made with the same judgement and care which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering probable safety of their principal as well as probable income to be derived.”

The standard of prudence to be used by employees authorized to commit the City to investment transactions shall be the "prudent person" standard. Employees meeting the prudent person standard shall be relieved of personal responsibility for an individual security's subsequent performance, provided appropriate action is taken to control adverse developments.

## Performance

The portfolio shall be managed to obtain a fair rate of return, keeping in mind the primary objectives of protecting the City’s capital and assuring adequate liquidity to meet cash flow needs.

For purposes of this policy, “fair rate of return” will be a band between the average yield of the ninety-day Treasury Bill and the 2-year Treasury Note for the period of time being evaluated. The goal is for the portfolio to generally perform within or above the band.

## Ethics and Conflicts of Interest

Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. These employees shall disclose to the City Manager and Finance Director any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to performance of the City’s portfolio, particularly with regard to the time of purchases and sales. Employees shall subordinate their personal investment transactions to those of the City.

## Authorized Financial Dealers and Institutions

The Finance Director will approve financial institutions to be eligible to conduct investment business with the City. A current list of approved brokerage firms will be maintained by the Finance Director or his designee. This list may include primary dealers (government securities reporting to the Market Reports Division of the Federal Reserve Bank of New York), regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capitalization), and national banks.

To become authorized to provide investment services to the City, each institution must provide an annual letter to the City from the individual providing the service certifying that he or she has read the City’s investment policy and assures that all transactions with the City will fall within the policy boundaries.

This letter shall also certify that the firm and broker assigned to this account have the required credentials and licenses with the NASD, SEC or appropriate agencies and that they must immediately notify the City if at any time the firm or broker is not in compliance with SEC rule 15C3-1, the firms capital position falls short of the Capital Adequacy or uniform Net Cap Rule standard, or a material control weakness is identified by the firm's independent auditor. In addition, each institution must also provide the City with a copy of their annual audited financial report or Consolidated Report of Condition (call report).

In the case of certificates of deposit, those financial institutions recognized by the PDPC (Public Deposit Protection Commission) are qualified to hold public deposits

## Broker Allocation

Investment transactions will be based upon the financial institution or brokerage firm that offers the best price to the City on each particular transaction. The City will make its best effort to obtain three bids for purchase or sale of government agency securities other than new issues. If circumstances dictate fewer than three bids due to the volatility of the market place, lack of bids, etc., the Finance Director or the Accounting, Tax and Treasury Manager has the authority to waive this. Generally all brokers will not have the same inventory of agency securities available to sell, but should be able to offer comparable alternatives. Treasury security transactions will be accomplished at or within the bid or asked price spread indicated on the live DTN screens or similar reliable real time investment information service. Issues not actively traded on such services will be subject to the three bid requirement. Bankers Acceptances and Certificates of Deposit (other than a compensating balance CD) also require the acquisition of at least three bids, and acceptance of the most attractive rate from among comparable alternatives. Where two or more institutions or brokers have offered the same low bid, allocation will go to the lowest bidder that has provided the best service to the City.

## Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery versus payment (DVP) basis. Securities will be held by a third party custodian designated by the Finance Director or his designee as evidenced by safekeeping receipts in the City's name.

## Investment Committee

An Investment Committee will be established by the City Manager, and will include at least three members from the business community knowledgeable in the area of institutional investment management. This Committee will periodically meet to review the investment program and make recommendations to the Finance Director with regard to proposed changes to the investment policy.

## Internal Control

Investment procedures will be defined, documented, and implemented by the Finance Director or his designee to assure adequate internal control of the investment process.

The Finance Director or his designee will establish a process of periodic independent review by an external auditor or competent staff not assigned to the investment function.

The Washington State Auditor's Office will customarily conduct independent annual reviews of the investment function.

## Reporting

Investment reports will be prepared and provided on a monthly basis to meet the needs of the users including sufficient detail to provide an accurate and meaningful representation of the portfolio, showing its performance in relation to established benchmarks and its compliance with the investment policy.

## Policy Adoption

The Investment Policy is adopted by the City Council as part of the biennial budget. The Finance Director has authority to approve changes to this Investment Policy.

Figure 8-6

# City of Bellevue
# Debt Policy

October 23, 2006

## Background

The City of Bellevue (City) maintains conservative financial policies to assure strong financial health both in the short- and long-term. The City is an infrequent issuer of debt with debt primarily used as a tool to finance large capital investments such as property acquisitions.

Maintaining the City's bond rating is an important objective of the City's financial policies. To this end, the City is constantly working to improve its financial policies, budgets, forecasts, and financial health.

## Purpose

This policy sets forth the criteria for issuance and repayment of debt. The primary objective of the Debt Policy is to establish criteria that will protect the City's financial integrity while providing a funding mechanism to meet the City's capital needs. The underlying approach of the City is to borrow only for capital improvements that cannot be funded on a pay-as-you-go basis. The City will not issue long-term debt to finance current operations.

All debt issued will be in compliance with this policy, Bellevue City Code (BCC) Chapter 2.30 - Registration Procedure for Bonds and Obligations, Chapter 35A.40 Revised Code of Washington (RCW) - Fiscal Provisions Applicable to Code Cities and Chapter 43.80 RCW - Fiscal Agencies along with all other City, State, and Federal laws, rules, and regulations.

## Scope

This Policy provides general guidance for the issuance and management of all City debt. In addition, it includes the management of all debt absorbed by the City through utility assumptions or the like. It does not include the debt issued by the Bellevue Convention Center Authority.

## Responsibility

Authority to issue and manage debt is derived from BCC 2.37.030. This section gives the Finance Director authority to act in the capacity of City Treasurer, which includes the duties of debt management.

This section also authorizes the Finance Director to appoint a subordinate employee from the Department to assist in the performance of the duties of City Treasurer. The Finance Director has appointed the Investment and Debt Manager to act as the Debt Manager to assist in the duties of debt issuance, interest payments, principal repayments and other debt-related activities.

The Finance Director is responsible for assuring that the activities related to the issuance and payment of bonds or other obligations not jeopardize the bond rating.

## Budgeting and Capital Planning

The City shall develop and maintain a capital planning process such as the biennial Capital Investment Program Plan for consideration and adoption by the City Council as part of the City's budget process. The Finance Department is responsible for coordinating and analyzing the debt requirements. This will include timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and current revenue requirements.

Prior to issuance of debt, the City will prepare revenue projections, such as the biennial budget or the Financial Forecast, to ensure that there is adequate revenue to make principal and interest payments.

## Types of Long-Term Debt

The following is a description of the types of long-term debt the City may issue:

### 1. General Obligation

This debt is backed by the full faith and credit of the City. The State RCW limits this debt to 2.5% of the assessed valuation of the City for each of three purposes:

#### A. General Purposes

Debt issued in this category can be used for any purpose allowed by law.

***Non-Voted***

The City Council may authorize the issuance of general obligation debt up to 1.5% of the City's assessed value without a vote of the public as long as there is an available source of funding to pay the debt service. This funding source can be the diversion of an existing revenue source or a new revenue coming from the enactment of a new tax or other revenue source. The debt can take the form of bonds, bond anticipation notes, lease-purchase agreements, conditional sales contracts, certificates of participation, or other forms of installment debt.

***Voted***

The City Council may place any general obligation debt issue before the electorate. According to State law, if a debt issue is placed before the City's electorate, it must receive a 60% or greater yes vote and have a turnout of at least 40% of those voting at the previous general election. Voted issues are limited to capital purposes only.

#### B. Open Space and Parks

Debt issued in this category must be used for park and open space and/or recreation facilities. All debt in this category must be approved by the voters.

#### C. Utilities

Debt issued in this category must be used for utility infrastructure. All debt in this category must be approved by the voters.

### 2. Revenue Debt

Revenue bonds are generally payable from a designated source of revenue generated by the project which was financed. No taxing power or general fund pledge is provided as security. Unlike general obligation bonds, revenue bonds are not subject to the City's statutory debt limitation nor is voter approval required.

### 3. Local Improvement District (LID) Debt

LID bonds are payable solely from assessments of property owners within the local improvement district. Similar to revenue debt, no taxing power or general fund pledge is provided as security, and LID bonds are not subject to statutory debt limitations.

The debt is backed by the value of the property within the district and a LID Guaranty Fund. The LID Guaranty Fund is required by State law.

## Short-Term Debt and Interim Financing

The City may utilize short-term borrowing in anticipation of long-term bond issuance or to fund cash flow needs in anticipation of tax or other revenue sources. Short-term borrowing excludes the City's warrant redemption process.

In accordance with BCC 3.37.070, the Finance Director is authorized to make loans from one City fund to another City fund for periods not exceeding three months. The Finance Director or designee is required to assure that the loaning fund will have adequate cash balances to continue to meet current expenses after the loan is made and until repayment from the receiving fund.

## Limitation of Indebtedness

In addition to the limitations required by the RCW, the City's indebtedness is further limited by this policy to assure strong financial health. The limitations are applied to the assessed value of the City to arrive at a dollar value of indebtedness. For example, the 2008 assessed valuation used to determine the 2009 property tax levy was $31.5 billion, and the statutory limitation for general obligation debt is 2.5%. Therefore, the City's statutory debt limitation is $787.5 million. The following matrix shows the general limitation by type of debt. These limitations may be modified by the City Council up to the statutory limitation at the Council's discretion.

| Type of Debt | Statutory Limitations | Policy Limitations | 2006 Bellevue Actual |
|---|---|---|---|
| General Obligation: | 2.5% | 1.75% | 0.70% |
| Non-Voted | 1.5% | 1.0% | 0.69% |
| Voted | 1.0% | 0.75% | 0.01% |
| Open Space and Parks | 2.5% | 1.75% | 0.01% |
| Utilities | 2.5% | 1.75% | 0.00% |
| Revenue | no limit | no limit * | NA |
| Local Improvement District | no limit | no-limit * | NA |

* Revenue and LID debt is not limited because no taxing power or general fund pledge is provided as security.

## Structure and Term of Debt

### 1. Debt Repayment

The City shall pay all interest and repay all debt in accordance with the terms of the bond ordinance. The maturity of bonds issued should be the same or less than the expected life of the project for which the bonds were issued. To the extent possible, the City will seek level or declining debt repayment schedules.

### 2. Variable-Rate Securities

When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities. However, the City will avoid over use of variable-rate debt due to the potential volatility of such instruments.

## Professional Services

The City's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt program.

### 1. Bond Counsel

All debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.

### 2. Financial Advisor

A Financial Advisor(s) will be used to assist in the issuance of the City's debt. The Financial Advisor will provide the City with objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.

### 3. Underwriters

An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.

### 4. Fiscal Agent

A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. In accordance with Chapter 43.80 RCW, the City will use the Fiscal Agent that is appointed by the State.

## Method of Sale

The City will generally issue its debt through a competitive process but may use a negotiated process under the following conditions.

- The bond issue is, or contains, a refinancing that is dependent on market/interest rate timing.

- At the time of issuance, the interest rate environment or economic factors that affect the bond issue are volatile.
- The nature of the debt is unique and requires particular skills from the underwriter(s) involved.
- The debt issued is bound by a compressed time line due to extenuating circumstances such that time is of the essence and a competitive process cannot be accomplished.

## Credit Ratings

The City will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the City's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The City will continually strive to maintain its bond rating by improving financial policies, budgets, forecasts and the financial health of the City.

Credit enhancements may be used to improve or establish a credit rating on a City debt obligation. Credit enhancements should only be used if cost effective.

## Refunding Debt

A debt refunding is a refinance of debt typically done to take advantage of lower interest rates. Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will require a present value savings of three percent of the principal amount of the refunding debt being issued.

## Arbitrage Rebate Monitoring and Reporting

The City will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract or other documents to avoid arbitrage. Arbitrage is the interest earned on the investment of the bond proceeds above the interest paid on the debt. If arbitrage occurs, the City will pay the amount of the arbitrage to the Federal Government as required by Internal Revenue Service Regulation 1.148-11. The City will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. For each bond issue not used within the established time frame, the recordkeeping shall include tracking investment earnings on bond proceeds, calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the outstanding debt.

## Covenant Compliance

The City will comply with all covenants stated in the bond ordinance, contract, etc.

## Ongoing Disclosure

The Debt Manager shall be responsible for providing annual disclosure information to established national information repositories and for maintaining compliance with disclosure statements as required by state and national regulatory bodies. Securities & Exchange Commission disclosure shall occur by the date designated in the bond ordinance, which is currently July 31 of each year. Disclosure shall take the form of the Comprehensive Annual Financial Report (CAFR) unless information is required by a particular bond issue that is not reasonably contained within the CAFR.

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Figure 8-7

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5704

AN ORDINANCE establishing revised charges for water service, water consumption, and water service for fire protection; repealing Ordinance No. 5573; and establishing an effective date.

WHEREAS, the Environmental Services Commission has reviewed the Water Utility budget and rate proposal, held a public hearing thereon and recommended approval of the proposal; and

WHEREAS, it is in the public interest to provide for the following schedule of revised charges for water service, water consumption and water service for fire protection for the Water Utility of the City of Bellevue; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Charges Established. There are hereby established and shall be collected from each user of water service provided by the Water Utility of the City of Bellevue, charges for: water service, water consumption, and water service for fire protection as hereinafter provided.

Section 2. The meter service charges per bimonthly billing period for each user of water service shall be as follows:

A. Domestic Meters

| Meter Size | Bimonthly Service Charge Per Meter in Operation | |
|---|---|---|
| | 2007 | 2008 |
| 5/8" or ¾" | $22.90 | $24.37 |
| 1" | $40.53 | $43.13 |
| 1½" | $68.55 | $72.94 |
| 2" | $105.38 | $112.13 |
| 3" | $230.27 | $245.03 |
| 4" | $339.16 | $360.90 |
| 6" | $634.84 | $675.53 |
| 8" | $987.61 | $1,050.91 |
| 10" | $1,387.11 | $1,476.02 |

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B. Residential Combo Meters - Oversized domestic meters required in designated residential structures to provide fire sprinkler capability.

| Combo Meter Size | Bimonthly Service Charge Per Meter in Operation | |
|---|---|---|
| | 2007 | 2008 |
| 1½" | $27.03 | $28.76 |
| 2" | $37.85 | $40.28 |

C. Irrigation meters - City-owned meters that are used for measuring water used strictly for outside irrigation.

| Irrigation Meter Size | Bimonthly Service Charge Per Meter in Operation | |
|---|---|---|
| | 2007 | 2008 |
| 5/8" or ¾" | $19.95 | $21.23 |
| 1" | $33.17 | $35.30 |
| 1½" | $53.83 | $57.28 |
| 2" | $81.81 | $87.05 |
| 3" | $183.09 | $194.82 |
| 4" | $265.47 | $282.48 |
| 6" | $487.50 | $518.75 |
| 8" | $751.85 | $800.04 |
| 10" | $1,048.19 | $1,115.37 |

Section 3. The water consumption charges per bimonthly billing period for each user of water service shall be as follows:

A. Single Family Residential

| Cubic Feet Consumed | Charge Per Hundred Cubic Feet of Water | |
|---|---|---|
| | 2007 | 2008 |
| 0 to 2,000 | $2.28 | $2.43 |
| 2,001 to 3,000 | $3.15 | $3.35 |
| 3,001 to 10,000 | $4.05 | $4.31 |
| Over 10,000 | $6.02 | $6.41 |

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B. Multifamily Residential Structure or Facility

| Cubic Feet Consumed | Charge Per Hundred Cubic Feet of Water | |
|---|---|---|
| | 2007 | 2008 |
| 0 to 1,100 | $2.74 | $2.92 |
| 1,101 to 1,500 | $3.07 | $3.27 |
| Over 1,500 | $3.62 | $3.85 |

1. For purposes of these charges, a "multifamily residential structure or facility" shall mean any residential structure or facility containing two or more dwelling units, including, but not limited to, duplexes, triplexes, apartment buildings, condominiums, and parcels containing two or more separate dwelling units served through a single meter, but shall not include hotels, motels or trailer parks.

C. Non-Residential

1. Where both irrigation and non-irrigation consumption is measured through the same meter, the water consumption charges shall be as follows:

| Charged Per Hundred Cubic Feet Consumed | Charge Per Hundred Cubic Feet of Water | |
|---|---|---|
| | 2007 | 2008 |
| All non-summer consumption | $2.33 | $2.48 |
| All summer consumption Where summer consumption is defined in Subsection 3 below. | $3.27 | $3.48 |

1. Where all irrigation consumption is measured through an irrigation meter, the water consumption charges for domestic water shall be as follows:

| Charged Per Hundred Cubic Feet Consumed | Charge Per Hundred Cubic Feet of Water | |
|---|---|---|
| | 2007 | 2008 |
| All non-summer consumption | $2.33 | $2.48 |
| All summer consumption (Summer consumption is defined in Subsection 3 below.) | $2.94 | $3.13 |

1. For purposes of these charges, summer consumption shall mean that volume recorded on two normal bimonthly meter readings during the months of July through October or readings during this period for other billing purposes, such as, but not limited to, customer changes.

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D. Irrigation water consumption, for volumes measured by irrigation meters or other meter arrangements that can be used for measuring water used strictly for outside irrigation.

| Cubic Feet Consumed | Charge Per Hundred Cubic Feet of Water | |
|---|---|---|
| | 2007 | 2008 |
| All irrigation consumption | $4.71 | $5.01 |

Section 4. The fire service charges per bimonthly billing period shall be as follows:

A. Fire Standby Meters

| Line Size | Bimonthly Service Charge | |
|---|---|---|
| | 2007 | 2008 |
| 5/8" or ¾" | $12.53 | $13.33 |
| 1" | $14.57 | $15.50 |
| 1½" | $16.64 | $17.71 |
| 2" | $22.33 | $23.76 |
| 3" | $64.12 | $68.23 |
| 4" | $79.61 | $84.71 |
| 6" | $115.75 | $123.17 |
| 8" | $157.03 | $167.09 |
| 10" | $193.17 | $205.55 |

B. Discontinued or Unconnected Fire Service. This fire protection charge shall be applied for structures or facilities that benefit from the City of Bellevue water system for fire protection service that are not otherwise being charged for water service pursuant to Section 2, Section 3 or Section 4A above. The equivalent meter size will be determined based on actual meter sizes for similar types and sizes of structures.

| Meter Size Equivalent | Bimonthly Service Charge | |
|---|---|---|
| | 2007 | 2008 |
| 5/8" or ¾" | $10.30 | $10.96 |
| 1" | $14.71 | $15.65 |
| 1½" | $22.09 | $23.51 |
| 2" | $30.93 | $32.91 |
| 3" | $54.53 | $58.03 |
| 4" | $81.08 | $86.28 |
| 6" | $154.79 | $164.71 |
| 8" | $243.23 | $258.82 |

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| Meter Size Equivalent | Bimonthly Service Charge | |
|---|---|---|
| 10" | $346.44 | $368.64 |

Section 5. User Charges – Outside. The charges for each water service user outside the city or town limits of Bellevue, Clyde Hill, Hunts Point, Medina and Yarrow Point shall be the sum of the domestic meter service charge in Section 2 plus the appropriate water consumption charge or charges in Section 3 plus the fire service charges in Section 4.

Section 6. User Charges – Inside. The charges for each user inside the city or town limits of Bellevue, Clyde Hill, Hunts Point, Medina and Yarrow Point shall be the sum of the meter service charge in Section 2 plus the appropriate water service charge or charges in Section 3 plus the fire service charges in Section 4, all multiplied by the percentage indicated below for that city or town:

| City or Town | Percentage |
|---|---|
| Bellevue | 105.5573% |
| Clyde Hill | 111.7687% |
| Hunts Point | 107.3470% |
| Medina | 100.0000% |
| Yarrow Point | 105.5573% |

provided that the percentages set forth above may be administratively adjusted by the Utility Department Director to reflect any increase or decrease in any franchise fee required to be paid to such city or town by the Utility.

Section 7. Severability. If any section of this ordinance or any portion of any section of this ordinance, or its application to any person or circumstances is held invalid, the remainder of the ordinance or the application of the provision to other persons and circumstances shall not be affected.

Section 8. Repeal. Ordinance No. 5421 is repealed effective January 1, 2007 provided, however, that any charges made for water service under Ordinance No. 5421 are not invalidated by the repeal of that ordinance.

Section 9. Effective Date. Sections 1-8 of this ordinance shall take effect on January 1, 2007, shall apply to service provided on and after that date and shall supersede all existing schedules of charges as of that date. The specific water service charges for 2007 shall take effect on January 1, 2007 and shall remain in effect through and including December 31, 2007. The specific water charges for 2008, as hereinbefore indicated, shall take effect on January 1, 2008 and shall remain in effect until amended by the City Council.

Section 10. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

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Passed by the City Council this 11th day of December, 2006 and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)

Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 2006

0899-ORD
11/29/06

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5705

AN ORDINANCE establishing revised sewerage service charges; repealing Ordinance No. 5574; and establishing an effective date.

WHEREAS, the Environmental Services Commission has reviewed the Sewer Utility budget and rate proposal, held a public hearing thereon and recommended approval of the proposal; and

WHEREAS, it is in the public interest to establish the following amended schedule of rates and charges for the sewerage service area for the Sewer Utility of the City of Bellevue; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Charges Established. There are hereby established and shall be collected from each user in the sewerage service area for the Sewer Utility of the City of Bellevue sewerage service charges as hereinafter provided.

Section 2. Single Family Residential Structures.

A. The service charge for single-family residential units shall be $55.90 per bimonthly billing period in 2007 and $55.90 per bimonthly billing period in 2008, plus a volume charge based on the bimonthly winter-average water consumption for the structure, as follows:

| Winter-Average Cubic Feet Consumed | Charge Per Hundred Cubic Feet of Water | |
|---|---|---|
| | 2007 | 2008 |
| 0 to 5,000 | $2.04 | $2.18 |
| Over 5,000 | $2.87 | $2.94 |

B. For purposes of these charges, winter-average consumption is the average bimonthly water volume recorded on three normal meter readings during the period of December 15 through June 15 of the preceding year. Winter-average consumption for each residence will be recomputed before the start of each year and that volume will be used to compute the bimonthly sewer volume charge for the residence for the entire calendar year.

C. For those residences that are not Bellevue water customers, actual meter reading data necessary to compute the residence's winter-average water consumption will be obtained from the customer's water district, whenever possible.

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Where that data is unavailable and for new structures where water consumption data necessary to compute actual winter-average consumption has not been recorded, bimonthly sewer volume charges for the residence will be based on Bellevue's system-wide winter-average residential consumption of 1,500 cubic feet for a two-month period.

D. The Utilities Department Director shall have authority under this ordinance to adopt procedures necessary for the efficient and equitable administration of the residential volume-based sewer rate structure.

Section 3. Multifamily Residential Structures or Facilities.

The service charge for each multifamily residential structure or facility shall be $55.10 for 2007, and $56.48 for 2008 per bimonthly billing period for each dwelling unit, plus $5.00 for 2007 and $5.13 for 2008 per 100 cubic feet of water consumed by such structure or facility in excess of 1,100 cubic feet per dwelling unit during each bimonthly billing period.

For the purposes of this Section 3, "multifamily residential structure or facility" shall mean any residential structure or facility containing two or more dwelling units, including but not limited to duplexes, triplexes, apartment buildings, condominiums, and parcels containing two or more separate dwelling units, but shall not include hotels, motels or trailer parks.

Section 4. Non-residential Structures or Facilities.

A. The service charge for non-residential structures or facilities shall be based on water consumption by each structure or facility and shall be computed as follows:

$5.56 for 2007, and $5.70 for 2008 per 100 cubic feet of water consumption per bimonthly billing period.

Provided, there shall be a minimum charge of $86.42 for 2007 and $88.58 for 2008 per bimonthly billing period.

For purposes of this Section 4, "non-residential structure or facilities" shall mean any structure or facility not governed by Section 2 or Section 3 of this ordinance and shall include, but not be limited to, any commercial, industrial, business, trade, school or municipal structure or facility.

Section 5. King County/METRO Charges. In addition to these rates and charges for sewerage service established in this ordinance, or otherwise established by the City, the following King County/METRO charges are imposed to ensure compliance with Section 204 of Public Law 92-500 (22 U.S.C. 1251) CFR Part 35, Subpart E:

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A. A "surcharge" in an amount to be determined as provided in King County/METRO Resolution Nos. 2315 and 2557 (now incorporated into Title 28 of the King County Code, Chapter 28.84.060), as now constituted or hereafter amended, said charge to be added to the customer's regular bill.

B. An "Industrial Cost Recovery (ICR)" charge in an amount to be determined as provided in King County/METRO Resolution Nos. 2556 and 3374 (now incorporated into Title 28 of the King County Code, Chapter 28.84.060), as now constituted or hereafter amended, said charge to be billed separately to qualifying industrial customers on an annual basis.

C. An administrative charge of $15.50 shall be added to each customer bill that contains a King County/METRO "surcharge" or "ICR charge."

D. The City of Bellevue, in cooperation with King County/METRO, shall maintain such records as are necessary to document that its sewerage charges comply with the above-cited federal laws and regulations and King County/METRO regulations.

Section 6. User Charges - Outside. The charges for each user outside the city or town limits of Bellevue, Clyde Hill, Hunts Point, Medina and Yarrow Point shall be the sum of any applicable charges under Sections 2, 3, 4 and 5 of this ordinance.

Section 7. User Charges - Inside. The charges for each user inside the city or town limits of Bellevue, Clyde Hill, Hunts Point, Medina and Yarrow Point shall be the sum of any applicable charges under Sections 2, 3, 4 and 5 multiplied by the percentage indicated below for that city or town:

| | |
|---|---|
| Bellevue | 105.4856% |
| Clyde Hill | 111.6079% |
| Hunts Point | 107.2506% |
| Medina | 100.0000% |
| Yarrow Point | 105.4856% |

Provided that the percentages set forth above may be administratively adjusted by the Utility Department Director to reflect any increase or decrease in any franchise fee required to be paid to such city or town by the Utility.

Section 8. Severability. If any section of this ordinance, or any portion of any section of this ordinance, or its application to any person or circumstance, is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 9. Repeal. Ordinance No. 5574 is repealed as of January 1, 2007; provided, however, that any charges made for sewerage service under Ordinance No. 5574 are not invalidated by the repeal of that ordinance.

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Section 10. Effective Date. Sections 1-9 of this ordinance shall take effect on January 1, 2007, shall apply to service provided on and after that date and shall supersede all existing schedules of charges as of that date. The specific sewerage service charges for 2007, as hereinbefore indicated, shall take effect on January 1, 2007 and shall remain in effect through and including December 31, 2007. The specific sewage service charges for 2008, as hereinbefore indicated, shall take effect on January 1, 2008, and shall remain in effect until amended by the City Council.

Section 11. This ordinance shall take effect and be in force five (5) days after its passage and legal publication.

Passed by the City Council this 11th day of December, 2006 and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)

Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 2006

0900-ORD
11/29/06

ORIGINAL

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5706

AN ORDINANCE establishing revised storm and surface water drainage rates and charges for the Storm & Surface Water Utility of the City of Bellevue; repealing Ordinance No. 5575; and establishing an effective date.

WHEREAS, the Environmental Services Commission has reviewed the Storm & Surface Utility budget and rate proposal, held a public hearing thereon and recommended approval of the proposal, and

WHEREAS, it is in the public interest to establish the following amended schedule of rates and charges for the Storm and Surface Water Utility of the City of Bellevue; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Charges Established. There is hereby levied upon all real property within the City of Bellevue which contributes drainage water to or which benefits from the function of the Storm and Surface Water Utility of the City of Bellevue, and there shall be collected from the owners thereof, bimonthly service charges based on the square footage of the properties and on the appropriate intensity of development classification (s) of such properties, such that for each 2,000 square feet of area or increments thereof, the property shall be charged a bimonthly amount for 2007, and 2008 as follows:

| Year | Wetland | Undeveloped | Light Development | Moderate Development | Heavy Development | Very Heavy Development |
|---|---|---|---|---|---|---|
| 2007 | $0.00 | $0.52 | $3.77 | $4.71 | $7.06 | $9.40 |
| 2008 | $0.00 | $0.55 | $3.96 | $4.95 | $7.41 | $9.87 |

and each account shall be charged an additional bimonthly customer charge in the amount of $3.13 per billing in 2007 and $3.29 per billing in 2008.

Section 2. User Charges. The charges for each user inside the city limits of Bellevue shall be the sum of the charges in Section 1, all multiplied by 105.3476%.

Section 3. Severability. If any section of this ordinance, or any portion of any section of this ordinance, or its application to any person or circumstance, is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances shall not be affected.

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Section 4. Repeal. Ordinance No. 5575 is repealed as of January 1, 2007; provided, however, that any changes made under Ordinance No. 5575 are not invalidated by the repeal of that ordinance.

Section 5. Effective Date. The revised bimonthly service charges and bimonthly customer charges established in Section 1 of this ordinance and the user charges established in Section 2 of this ordinance shall take effect on January 1, 2007, shall apply to service provided on and after that date, and shall supersede all existing schedules of charges as of that date. The specific charges for 2007, as hereinbefore indicated, shall take effect on January 1, 2007 and shall remain in effect through and including December 31, 2007. The specific charges for 2008, as hereinbefore indicated, shall take effect on January 1, 2008 and remain in effect until amended by the City Council.

Section 6. This ordinance shall take effect and be in force five (5) days after its passage and legal publication.

Passed by the City Council this 11th day of December, 2006 and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)

Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 2006

8-84

0895-ORD
11/20/06

ORIGINAL

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5707

AN ORDINANCE adopting the Human Services Commission's 2007-2008 Human Services funding recommendations and authorizing the City Manager to enter into contracts with local human services agencies in accordance with the recommendations.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The City Council adopts the 2007-2008 Human Services funding recommendations as developed by the City of Bellevue Human Services Commission to act as guidelines for the allocation of 2007 and 2008 General Fund money as such funding becomes available.

Section 2. The City Manager or his designee is hereby authorized to enter into contracts with local human services agencies to carry out the services described in the recommendations in the amount of funding specified for each agency.

Section 3. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

Passed by the City Council this 11th day of December, 2006 and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)

Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Darcie E. Chinn, Assistant City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 2006

0905-ORD
12/07/06

ORIGINAL

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5710

AN ORDINANCE establishing the amount of property taxes to be levied for the year 2007, the first year of the City of Bellevue's 2007-2008 fiscal biennium.

WHEREAS, RCW 35A.34.230 requires the City Council to consider the City's total anticipated financial requirements for the ensuing fiscal year and to determine and establish by ordinance the amount to be raised by ad valorem property taxes for 2007, and to certify the same to the Clerk of the King County Council; and

WHEREAS, the City Council held a final public hearing on December 11, 2006, to consider revenue sources for the 2007-2008 Biennial Budget; and

WHEREAS, the estimated assessed valuation of all taxable property within the City as determined by the King County Assessor is $26,611,627,294; and

WHEREAS, the City Council finds that in order to provide funding for ongoing maintenance and operating costs of facilities and to maintain levels of service for residents the property tax levy should be increased by $525,273 or 2%.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. There is hereby levied, and established to be raised by regular ad valorem property taxes for 2007 the amount of $27,638,181. This property tax levy represents a $1,374,509 or 5.2% increase over the 2006 property tax levy, including the increase resulting from the addition of new construction and improvements to property, any increase in the value of state-assessed property, allowed adjustments for annexations and refunds, and an increase in property tax as shown below:

| | | % Increase (Decrease) |
|---|---|---|
| 2006 Regular Property Tax Levy | $26,263,672 | |
| Less Prior Year Refund | (107,447) | |
| Plus New Construction Levy | 552,622 | 2.1% |
| Plus Annexation Levy | 782 | 0.0% |
| Plus Refund Levy | 403,279 | 1.5% |
| Plus Property Tax Increase | 525,273 | 2.0% |
| **2007 Regular Levy** | **$27,638,181** | 5.2% |

Section 2. The 2007 regular property tax levy set forth in Section 1 reflects an estimate of state-assessed property and shall be adjusted to reflect the final state-assessed value certified by the King County Assessor's Office.

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Section 3. There is hereby levied for 2007 upon all property, both real and personal, within the City of Bellevue, Washington, and within the area subject to tax levies for the principal and interest of all general obligation bond issues, a total voted property tax of $1,393,782.

Section 4. The City Clerk is directed to transmit a certified copy of this ordinance to the Office of the Auditor of the State of Washington, Division of Municipal Corporations. The Clerk is further directed to transmit a certified copy of this ordinance to the Council Administrator – Clerk of the King County Council and to the King County Assessor on or before December 12, 2006.

Section 5. This ordinance shall take effect and be in force five (5) days after its passage and legal publication.

Passed by the City Council this 11th day of December, 2006 and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)

Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 2006

0904-ORD
12/06/06

ORIGINAL

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 5711

AN ORDINANCE adopting the City of Bellevue's 2007-2008 Budget and 2007-2013 Capital Investment Program Plan; setting forth the estimated revenues and appropriations; authorizing the Finance Director to execute interfund loans to accommodate cash flow needs within the General CIP Fund; establishing job classifications and pay ranges; and establishing an effective date.

WHEREAS, a preliminary biennium budget for 2007-2008 was prepared and filed with the City Clerk as required by law; and

WHEREAS, public hearings were held by the City Council on the preliminary biennium budget and the preliminary 2007-2013 Capital Investment Program Plan, at which time comments for or against any part of the preliminary biennium budget and the preliminary 2007-2013 Capital Investment Program Plan were heard; and

WHEREAS, on November 13, 2006 and December 11, 2006, the City Council held a public hearing upon notice as prescribed by law, and met for the purpose of fixing the final budget of the City for the 2007-2008 fiscal biennium and the 2007-2013 Capital Investment Program Plan; and

WHEREAS, the City Council has made adjustments and changes as it deemed necessary or proper and desires to adopt the 2007-2008 Budget and the 2007-2013 Capital Investment Program Plan; to appropriate monies to each of the City's funds in order to fund expenditures authorized in the 2007-2008 Budget and the 2007-2013 Capital Investment Program Plan; and to authorize the Finance Director to execute interfund loans to accommodate cash flow needs within the General CIP Fund, now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The 2007-2008 Budget and 2007-2013 Capital Investment Program Plan of the City of Bellevue, Washington, a copy of which has been given Clerk's Receiving No. 40644, is hereby adopted by this reference along with the financial polices contained therein.

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Section 2. The 2007-2008 Estimated Revenues and Appropriation for each Operating Fund is as follows:

| Operating Funds | 2007-2008 Budget |
|---|---|
| General Fund | $286,126,531 |
| Development Services Fund | 49,675,345 |
| Equipment Rental Fund | 38,427,112 |
| Facilities Services Fund | 13,234,420 |
| Franchise Fund | 2,988,036 |
| General Self-Insurance Fund | 10,531,000 |
| Health Benefits Fund | 36,568,176 |
| Hotel/Motel Tax Fund | 17,002,738 |
| Human Services Fund | 6,904,671 |
| Information Technology Fund | 28,775,989 |
| Land Purchase Revolving Fund | 4,456,039 |
| LEOFF I Medical Reserve Fund | 18,684,222 |
| Marina Fund | 1,624,663 |
| Park M&O Reserve Fund | 2,870,583 |
| Parks Enterprise Fund | 10,669,000 |
| Rainy Day Reserve Fund | 4,371,669 |
| Sewer Utility Fund | 75,325,577 |
| Solid Waste Fund | 3,340,666 |
| Storm & Water Utility Fund | 31,620,276 |
| Unemployment Compensation Fund | 644,000 |
| Water Utility Fund | 80,003,687 |
| Worker's Compensation Fund | 3,974,000 |
| Total Operating Budget | $727,818,400 |

The 2007-2008 Estimated Revenues and Appropriation for each Special Purpose Fund is as follows:

| Special Purpose Funds | 2007-2008 Budget |
|---|---|
| Firemen's Pension | $7,317,361 |
| Housing Fund | 5,635,047 |
| Interest & Debt Redemption – Regular Fund | 22,635,798 |
| Interest & Debt Redemption – Special Fund | 2,873,400 |
| LID Control Fund | 2,347,405 |
| LID Guaranty Fund | 1,983,150 |
| Operating Grants & Donations Fund | 4,168,626 |
| Utility Revenue Bond Redemption Fund | 3,718,450 |
| Total Special Purpose Budget | $50,679,237 |

ORIGINAL

The 2007-2008 Estimated Revenues and Appropriation for each Capital Projects Fund is as follows:

| Capital Projects Funds | 2007-2008 Budget |
|---|---|
| General Capital Investment Program Fund | $112,972,546 |
| Utility Capital Investment Program Fund | 74,255,828 |
| Total Capital Projects Funds | $187,228,374 |

The appropriations authorized above shall be for the purpose of funding those projects set forth in the Capital Investment Program Plan adopted pursuant to Section 1 of this ordinance. The Finance Director is authorized to execute interfund loans to accommodate cash flow needs within the General Capital Investment Program (CIP) Fund during the CIP Plan period, notwithstanding the limitations of BCC 3.37.070.

Section 3. The job classifications and pay ranges for employees of the City, as set forth in the 2007 City of Bellevue Pay Plans, hereby adopted as part of the biennium budget for 2007-2008, and given Clerk's Receiving No. _____, shall constitute the job classifications and pay ranges for such employees.

Section 4. All employees who are members of a bargaining unit shall receive such pay and benefits as are provided for in the appropriate collective bargaining agreement.

Section 5. The provisions of Sections 1-4 of this ordinance shall take effect on January 1, 2007.

Section 6. The City Clerk is directed to transmit a certified copy of this ordinance to the Office of the Auditor of the State of Washington, Division of Municipal Corporations and to the Association of Washington Cities.

Section 7. This ordinance shall take effect and be in force five (5) days after its passage and legal publication.

0904-ORD
12/06/06

ORIGINAL

Passed by the City Council this 11th day of December, 2006 and signed in authentication of its passage this 11th day of December, 2006.

(SEAL)

Grant S. Degginger, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Attest:

Myrna L. Basich, City Clerk

Published December 15, 2006

# Figure 8-8: Fund Descriptions and Reserve Policies

This section highlights each fund in the City of Bellevue, including a short description of how each fund handles reserves. A fund is simply an independent entity that is used to account for all the financial transactions related to it.

When new purposes or dedicated revenues for City operations arise, the City may create a new fund to account for those activities if such segregation is warranted. Every year Bellevue reviews existing funds and projects that need to be closed because the purpose for which they were created has been completed.

The pages in this section are organized alphabetically by fund name. The City's funds are divided into seven fund types, including the General Fund. They are defined as follows:

**The General Fund** is used to account for all transactions associated with customary City operations that are not required to be accounted for in another fund. The fund number starts with a "0".

**Special Revenue Funds** are used to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes (other than major capital projects). The fund number begins with a "1".

**Debt Service Funds** are used to account for the accumulation of resources needed to pay general obligation and special assessment bond principal, interest and related costs. The fund number begins with a "2".

**Capital Project Funds** are used to account for the acquisition or construction of major capital facilities with the exception of those facilities financed by proprietary or enterprise funds. The fund number begins with a "3".

**Enterprise Funds** are used to account for City operations, which are financed and operated in a manner similar to private business. The fund number begins with a "4".

**Internal Service Funds** are used to account for the financing of goods or services provided to City departments or other governments on a cost-reimbursement basis. The fund number begins with a "5".

**Trust Funds** are used to account for assets held by the government in a trustee capacity.

**Agency Funds** are used to account for assets held by the government as an agency for individuals, private organizations, other governments or other funds. The fund number for these funds begins with a "6". Agency funds are not budgeted during the City's biennial budget process.

Each fund page includes the name, number, type and description of the fund, the major sources and uses of funds, reserve policies, and other noteworthy information.

## A REGIONAL COALITION FOR HOUSING (ARCH) FUND - 6950

| | |
|---|---|
| Fund Type: | Trust and Agency |
| Fund Description: | The Regional Coalition for Housing (ARCH) Fund accounts for contributions from members of an interlocal agreement formed to address housing needs in East King County. The Fund is used to pay administrative costs incurred by ARCH. |
| Year Created: | 1992 |
| Major Revenue Sources: | Contributions from member jurisdictions of ARCH. Member jurisdictions typically use general operating funds. |
| Major Expenditures: | Administrative costs of ARCH, including staff costs; lease payments; and office expenditures. |
| Fund Custodian: | Planning & Community Development |
| Reserve Policy: | Budgets are approved annually by the ARCH Executive Board and Councils of member jurisdictions. Ending fund balances are carried forward and kept as a reserve. The Executive Board has a policy to maintain a minimum cash reserve of 15% of the annual budget. |
| Other Notes: | To the extent there is a cash reserve in excess of 15% of the annual budget, the Executive Board will consider making pre-development loans for special projects sponsored by member jurisdictions. The intent is to recover these loans in the event the project proceeds. |

# 2004 CITY HALL BOND FUND – 3670

| | |
|---|---|
| Fund Type: | Capital Projects |
| Fund Description: | The 2004 City Hall Bond Fund accounts for the proceeds of $101.55 million Council-approved bonds sold in July, 2004 to provide funding for the purchase and redevelopment of the new City Hall. Actual capital expenditures are accounted for in the General CIP Fund – 3680. |
| Year Created: | 2004 NCB Bond Proceeds Fund re-named to be consistent with capital project title. |
| Major Revenue Sources: | Bond proceeds and interest earnings. |
| Major Expenditures: | Operating transfers to the General CIP Fund to finance the capital costs for the new City Hall. |
| Fund Custodian: | Finance |
| Reserve Policy: | NA |
| Other Notes: | None |

# DEVELOPMENT SERVICES FUND - 1420

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Development Services Fund is responsible for administering the Planning and Community Development building review and inspection process, land use and comprehensive planning, and code enforcement. |
| Year Created: | 1991 |
| Major Revenue Sources: | Land use review fees; building plan review fees; inspection fees; developer contributions; civil violations fines; investment interest; and the General Fund contributions that support General Fund activities of the department. |
| Major Expenditures: | All salaries; benefits; maintenance and operations; and capital needs to support the operations for the Building, Land Use, Housing, Comprehensive Planning, Neighborhood Outreach, and Code Compliance programs. |
| Fund Custodian: | Planning & Community Development |
| Reserve Policy: | The Fund contains reserves for various purposes: prepaid building plan review and inspection services, prepaid land use review, core staffing needs to balance the normal cycles of development, customer service enhancements, and funds to support the ongoing maintenance of the Permit Center.<br><br>The prepaid workload liability can extend for three years or more throughout the review and construction phases of a project. The core staffing component allows balancing staff levels with cyclical needs, thus mitigating effects of downturns. |
| Other Notes: | The contributions from the General Fund are equal to the salaries/benefits, m&o and capital costs for programs that have been designated as general-funded activities. Included are the costs for the Planning Program, Outreach Program, Code Compliance, Housing, and a portion of the Land Use Program. |

# EASTSIDE NARCOTICS TASK FORCE (ENTF) FUND - 6780

| | |
|---|---|
| Fund Type: | Agency |
| Fund Description: | The Eastside Narcotics Task Force (ENTF) is comprised of personnel from the law enforcement agencies of Bellevue, Kirkland, Mercer Island, Redmond, and the King County Sheriff's Office, as well as the King County Prosecutor's Office. The ENTF Fund accounts for funds collected from the forfeiture of property seized during investigations of drug manufacture and trafficking. |
| Year Created: | 1998 |
| Major Revenue Sources: | Forfeiture of cash and property seized by the Task Force during an arrest. |
| Major Expenditures: | Salaries and benefits, equipment purchases, agency reimbursements, travel and training costs, supplies, and storage rental fees. |
| Fund Custodian: | Police |
| Reserve Policy: | Use of the reserves is at the discretion of the ENTF Board of Directors. The Board of Directors may identify surplus reserve funds and distribute them to the member jurisdictions based upon Task Force participation. |
| Other Notes: | None. |

# ECITYGOV ALLIANCE FUND - 6370

| | |
|---|---|
| Fund Type: | Trust and Agency |
| Fund Description: | The eCityGov Alliance Fund accounts for the eCityGov Alliance operations, which is an interlocal agency created under the Interlocal Cooperation Act, Chapter 39.34 RCW. The Alliance was created and is governed by nine partner cities, Kenmore, Bothell, Woodinville, Kirkland, Bellevue, Mercer Island, Issaquah, Sammamish, and Snoqualmie. The Alliance provides on-line service portals to the partner cities, as well as to cities and government agencies that wish to subscribe to specific Alliance service portals. |
| Year Created: | 2002 |
| Major Revenue Sources: | The primary revenue source is annual partner and subscriber fees. Secondary revenue sources may include donations and grants. |
| Major Expenditures: | Per the annual budget adopted by the Alliance Executive Board, expenditures consist of operating and capital costs to sustain Alliance services. The City of Bellevue is the fiscal and information technology agent for the Alliance and is reimbursed for information technology, infrastructure and administrative support services. |
| Fund Custodian: | Information Technology |
| Reserve Policy: | The Executive Board adopted reserve policy is 10% of the operating budget or $40,000 whichever amount is greater. |
| Other Notes: | The current interlocal agreement can be terminated if Principals holding at least 60% of the weighted vote of all of the Principals are in concurrence. Upon termination, all property acquired shall be disposed of as follows: (1) property contributed without charge by any member shall revert to the contributor; (2) all property purchased after the effective date of the interlocal agreement shall be distributed to the Principals based upon each Principal's proportional ownership interest at the time of the sale of the property. |

# EQUIPMENT RENTAL FUND – 5210

| | |
|---|---|
| Fund Type: | Internal Service |
| Fund Description: | The Equipment Rental Fund (ERF) provides repair and maintenance services through the Fleet Maintenance Shop and the Electronic Communication Services Shop. In addition the fund provides services for city-wide fueling and for asset management as part of replacement reserve funding of designated equipment. |
| Year Created: | In 1964, the Mechanical Equipment Rental Fund (5210) was created. In 1973, the Electronic Equipment Rental Fund (1390) was created. Beginning in 1997, the funds were reported under the title "Equipment Rental Fund" in the City's biennial budget document as part of the City's Internal Service Funds |
| Major Revenue Sources: | The Fund is self-supporting through rates charged to user departments. Rates are based on the full cost of operations and maintenance, including the recovery of related depreciation expense. Service charges are for repair and maintenance of equipment; sales of gasoline and diesel fuel; motor pool fees; and replacement reserve charges for equipment. |
| Major Expenditures: | Shop labor, parts, purchase of new assets, fuel, and contracted maintenance from outside vendors. |
| Fund Custodian: | Civic Services |
| Reserve Policy: | Initial fund policies were developed and implemented in 1982 and revised in 2002. Replacement reserves methodology utilizes individual assets to accumulate reserves up to the original purchase price, but reserves as a whole are managed on a fund basis rather than asset by asset. Rates are set to recover the original cost of the asset over its useful life. If available funds exceed the cost of the new asset, they are credited to a single account per fund along with receipts from the sale of replaced assets and interest earned on the total reserve balance. The addition of the salvage values and interest earnings to the reserve fund is designed to provide for ordinary inflationary increases.<br><br>Replacement reserves are recalculated every two years during the biennial budget process. Deficits are funded through replacement rates over the following two years. Reserve balances are analyzed over a 20-year cycle to ensure adequate reserve funding for future replacement and emergencies, with excesses refunded at the direction of the City Manager.<br><br>Operations reserves are reviewed biennially to determine whether or not the reserve levels are appropriate. Reserves in excess of 5% of the annual operating expenditures are to be refunded for the benefit of the contributing fund/department. Deficit operating reserves will be replaced by increasing the maintenance rates. |
| Other Notes: | In the early 1970s, the State of Washington enacted laws that mandated cities and counties establish replacement funds for construction equipment. The City of Bellevue expanded on this mandate to provide replacement funding for electronic and related technical equipment critical to effective City operations. Equipment included in this Fund are radios, traffic signals, medical equipment, land survey instruments, and radar equipment**.** |

# FACILITIES SERVICES FUND - 1280

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Facilities Services Fund provides coordinated planning, development, maintenance, and management services required to support City operations in general City facilities. This Fund includes maintenance and operations, capital and reserves for operating general city buildings. Rates charged to user departments are based on the full cost of maintaining and operating these facilities, excluding future replacement. The Fund combines planning, maintenance, and Capital Investment Program (CIP) projects along with operating budgets to provide for full operational cost. |
| Year Created: | 1999 |
| Major Revenue Sources: | Charges to departments and private tenant rents. |
| Major Expenditures: | Utilities (electric, gas, water); major maintenance (parking lots, exterior painting and elevator repairs); replacements (roofs, heating and ventilation systems); building and code improvements (seismic mitigation and ADA improvements); routine maintenance (electrical and heating systems, security, and emergency generators); custodial services (carpet, routine, and restroom cleaning); public use/event support; operating supplies; and contracted services. These costs include projects that maintain the existing infrastructure to preserve the City's capital facility investment, improve asset utilization, and support the delivery of City services and programs and are now included in the Facilities Services Fund rather than the Capital Investment Program. |
| Fund Custodian: | Civic Services |
| Rates & Reserve Policy: | Rates shall be based on a 10-year major maintenance plan, long-term system replacement plan, and operating expenses for utilities, custodial, contracted services, routine maintenance and repairs. The rates shall be set to provide sufficient funds to meet all operating and capital costs on a pay-as-you-go basis, as well as to provide reserves for potential unanticipated plant failures/emergencies. This reserve amount shall be set at the estimated costs of a single major component (e.g., HVAC).<br><br>During each biennial budget process, a 10-year cash flow model shall be used to determine appropriate reserve amounts and any necessary rate adjustments. Reserves in excess of the amount needed for the upcoming biennium shall be returned to the contributing funds, unless specific uses within the Facilities Services Fund are identified and approved as a part of the subsequent budget.<br><br>Reserves are not being collected to provide for new or replacement facilities nor for major catastrophic events. Such major replacement/emergency costs will be financed through long-term debt. |
| Other Notes: | None |

# FIREMEN'S PENSION FUND - 6920

| | |
|---|---|
| Fund Type: | Trust and Agency |
| Fund Description: | The Firemen's Pension Fund accounts for a single-employer defined benefit pension system established under State law to provide retirement and disability benefits to eligible firefighters and their surviving spouses. Although the State Law Enforcement Officers and Firefighters Pension System has subsequently replaced this pension system, firefighters hired prior to March 1, 1970 continue to be eligible for benefits under its provisions (RCW 41.18 Firemen's Relief and Pensions). |
| Year Created: | Pre-1970 |
| Major Revenue Sources: | Revenues received by the Fund include proceeds of a State-imposed tax on fire insurance premiums and interest earnings. |
| Major Expenditures: | Expenditures consist of direct pension payments to retirees and their surviving spouses. |
| Fund Custodian: | Human Resources |
| Reserve Policy: | This Fund's reserve policy is to fully fund all actuarially determined loss liabilities. |
| Other Notes: | The Firemen's Pension Fund Board, established pursuant to State law, is responsible for various operational aspects of this Fund. The Board is composed of the Mayor (or his/her designee), Finance Director, City Clerk, and two firefighters elected by the firefighters. The Board meets on a semi-annual basis or more frequently as needed. |

# FRANCHISE FUND - 1260

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Franchise Fund accounts for the revenue and expenses associated with the cable television and franchise related activities performed at the City. |
| Year created: | 1995 |
| Major Revenue Sources: | Cable franchise fees, investment interest. |
| Major Expenditures: | Professional services, salaries and benefits, and BTV communications equipment. |
| Fund Custodian: | Transportation (Franchise Management) |
| Reserve Policy: | This Fund transfers all revenues in excess of expenditures to the General Fund. |
| Other Notes: | None |

# GENERAL CAPITAL INVESTMENT PROGRAM FUND - 3680

| | |
|---|---|
| Fund Type: | Capital Projects |
| Fund Description: | The General Capital Investment Program (CIP) Fund provides for financial administration of various City non-utility capital investment projects. |
| Year Created: | 1983 |
| Major Revenue Sources: | A portion of the City's sales and business and occupation taxes, bonds, grants, contributions, and other revenue sources authorized by the City Council. |
| Major Expenditures: | Monies are used to support the construction costs of major capital improvements and to pay the debt on any construction bonds issued. |
| Fund Custodian: | Finance |
| Reserve Policy: | NA |
| Other Notes: | None |

# GENERAL FUND - 0100

| | |
|---|---|
| Fund Type: | General |
| Fund Description: | Accounts for all receipt and disbursement transactions of day-to-day City operations that are not required to be accounted for in another fund. |
| Year Created: | 1953 |
| Major Revenue Sources: | Property, sales, business and occupation, and utility taxes; licenses and permits; fines and forfeitures; charges for service, and intergovernmental revenues. |
| Major Expenditures: | General government, public safety, transportation, and parks and community services. |
| Fund Custodian: | Finance overall; various departments for departmental budgets. |
| Contingency Policy: | Six-tenths of 1% of the General Fund biennial budget is set aside as a contingency. This amount is not expected to be expended and is carried forward to subsequent years as Beginning Fund Balance. |
| Other Notes: | None |

## GENERAL SELF-INSURANCE FUND - 5240

| | |
|---|---|
| Fund Type: | Internal Service |
| Fund Description: | The General Self-Insurance Fund was established by Ordinance No. 2682 to account for the City's self-insurance program for general liability, property, and casualty losses, and general loss control activities. The purpose of the Fund is to pay liability claims, purchase commercial insurance coverage, and to maintain reserves for the payment of future claims. |
| Year Created: | 1979 |
| Major Revenue Sources: | The primary revenues consist of premiums collected from City departments and investment earnings. |
| Major Expenditures: | The major expenditures are for liability claims made against the City, purchase of commercial insurance coverage, and administrative costs. |
| Fund Custodian: | City Attorney's Office |
| Reserve Policy: | Fund reserves at recommended actuarial rate plus a 70% confidence level for risk margin. Excess reserves are either maintained in the fund or refunded to contributing funds. |
| Other Notes: | None |

# HAZARDOUS MATERIALS FUND - 6800

| | |
|---|---|
| Fund Type: | Trust and Agency |
| Fund Description: | The Hazardous Materials Fund receipts contributions from a consortium of local agencies established to meet the hazardous material needs within the member service area. Per interlocal agreement, one official from each local agency serves on the Hazardous Materials Joint Board. The Hazardous Materials Joint Board is responsible for approving the biennial budget, work plan, policies and procedures for the Eastside Hazardous Materials Response Unit and Team. Currently, the City of Bellevue is the lead agency for the consortium and the Bellevue Fire Chief serves as chairman of the Board. |
| Year Created: | 1992; in 1996, the Fund number was changed to 6800. |
| Major Revenue Sources: | Revenues consist of quarterly contributions from the member jurisdictions and investment interest earned on fund balances. |
| Major Expenditures: | Expenditures consist of operating costs per the budget adopted by the Hazardous Materials Joint Board and Bellevue's administrative costs associated with performing lead duties as the lead agency for the Hazardous Materials Response Unit and Team. |
| Fund Custodian: | Fire |
| Reserve Policy: | The Hazardous Materials Joint Board has established an equipment reserve to pay for the future replacement of vehicles and equipment. |
| Other Notes: | If the Hazardous Material Joint Board votes to terminate the current interlocal agreement, 100% of the funds residing in this Fund would be proportionately distributed to the member jurisdictions. |

# HEALTH BENEFITS FUND - 5250

| | |
|---|---|
| Fund Type: | Internal Service |
| Fund Description: | The Health Benefits Fund accounts for the City's employee medical, dental, group term life, and vision insurance programs. |
| Year created: | 1985 |
| Major Revenue Sources: | City paid premiums, employee paid premiums, COBRA premiums, and interest earnings. |
| Major Expenditures: | Direct medical claim costs for employees enrolled in Bellevue Health Plan and premiums for other medical and dental coverages, employees enrolled in federally mandated COBRA programs, claims administration, insurance brokerage services, medical stop-loss insurance and program administration. |
| Fund Custodian: | Human Resources |
| Reserve Policy: | Reserves have been established to assure the continued viability of the Fund and to pay for open claims as they mature. Generally, reserve levels will be budgeted as follows: 1) an Incurred But Not Reported (IBNR) direct medial claims reserve of 17% of estimated annual claims; 2) IBNR prescription drug claims reserve of 6% of estimated annual claims; and 3) a risk margin claims reserve equal to 10% of the estimated combined annual direct medical and prescription claims expenses. |
| Other Notes: | None |

# HOTEL/MOTEL TAXES FUND - 1350

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Hotel/Motel Taxes Fund was created to account for 1) Hotel/Motel tax collections and disbursement; 2) bond proceeds from the issuance of 1995 and 2002 Limited General Obligation Bonds; 3) "Old Convention Center Site" sale proceeds and 4) transactions associated with the purchase of the Meydenbauer Center site. |
| Year Created: | 1990 |
| Major Revenue Sources: | Hotel/Motel tax collections; bond proceeds; Old Convention Center Site sale proceeds; interest earnings. |
| Major Expenditures: | Transfer of Hotel/Motel tax collections to the Bellevue Convention Center Authority (BCCA) pursuant to the Operating Agreement between the City and the BCCA. Expenditure of bond proceeds for improvements to or expansion of the Meydenbauer Center. |
| Fund Custodian: | Finance |
| Reserve Policy: | Reserve policies are determined by the individual projects within the Hotel/Motel Taxes Fund:<br>• The 1995 bond proceeds will be spent on improvements to the Meydenbauer Center during the fourth quarter of 2006 and first quarter of 2007.<br>• The proceeds from the sale of the Old Convention Center Site are held in the City's Backup Financing Plan for the BCCA.<br>• The 2002 Bond proceeds were used to pay off the 2000 BAN and the remaining funds were used to purchase the Convention Center option parcel. |
| Other Notes: | None |

# HOUSING FUND - 1900

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Housing Fund accounts for revenue from a variety of sources including, but not limited to, the City's General Fund and the General Capital Investment Program Fund. The expenditures include those necessary for the creation and preservation of affordable housing for low- and moderate-income households. |
| Year Created: | 1991 |
| Major Revenue Sources: | General Fund contributions; sales tax; Community Development Block Grants; developer contributions; principal payments on outstanding loans and contract note interest, and investment interest. Other revenue includes transfers from A Regional Coalition for Housing (ARCH) Fund, equal to the cost of the ARCH staff and receipts from loan repayments. |
| Major Expenditures: | Payments or loans to developers to support affordable housing projects and the salary and benefits for the ARCH staff. |
| Fund Custodian: | Planning & Community Development |
| Reserve Policy: | Use of reserves is determined by the City Council. |
| Other Notes: | The Housing Program channels major city efforts through the regional coalition ARCH, which uses local prioritization criteria to review proposals for use of the Housing Fund reserves. |

# HUMAN SERVICES FUND - 0101

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | This Human Services Fund accounts for human services activities, including Human Services agency contracts, Youth Link programs, gambling tax, and Skateboard Park. |
| Year Created: | 1987 |
| Major Revenue Sources: | Property tax, gambling tax, interest, grants and contributions, and user fees. |
| Major Expenditures: | Human services programs and a transfer to the Capital Investment Program to support the Parks & Community Services Land Acquisition capital project P-AD-15. |
| Fund Custodian: | Parks & Community Services |
| Reserve Policy: | Reserve policies are determined by the individual projects within the Human Services Fund:<br>• Human Services Project - Reserve balance target set at $50,000 plus contract payment carry-forwards from the previous year.<br>• All Other Projects - Budgeted to maintain constant reserve balances from the previous year. |
| Other Notes: | None |

# INFORMATION TECHNOLOGY FUND - 5270

Fund Type: Internal Service

Fund Description: The Information Technology Fund was created by ordinance to account for technology services charges to City departments and contains operating costs, capital costs, and replacement reserves. The Fund monitors and tracks the adequacy of replacement reserves for the Computer Reserve (CRF), Workstation Reserve (WRF), and Applications Reserve Funds (ARF).

Year Created: 1999

Major Revenue Sources: The main revenue source to the Fund is through charges for technology services and equipment to other City departments. Rates are developed through the budget process and approved utilizing Internal Service Agreements with City departments. The rates are then authorized by the City Council when the budget is adopted.

Major Expenditures: Major expenditures include the Information Technology Department operating costs and capital replacement costs for the City's Information Technology Systems including hardware, software and services.

Fund Custodian: Information Technology

Reserve Policy: The Fund contains capital replacement and operating reserves. No formal reserve policies are in place at this time but are currently under development by Information Technology.

The replacement reserves are established to anticipate and plan for replacement of the City's technology investment in hardware and software over a period of time to contribute to rate stabilization, better planning, and implementation.

The operating reserves are established to provide the enterprise with cashflow and rate stabilization. The target range for the operating reserve is 2.5%-7.5% of the Information Technology budget. If the reserve falls below 2.5%, then the rates would be adjusted to replenish the reserve. If the reserves exceed the maximum of 7.5%, the excess will then be analyzed and an appropriate course of action recommended.

Other Notes: Information Technology was a Special Revenue Fund from 1999 to 2002. Prior to 1999, Information Technology was a General Fund department.

## INTEREST & DEBT REDEMPTION - REGULAR LEVY FUND - 2120

| | |
|---|---|
| Fund Type: | Debt Service |
| Fund Description: | The Interest and Debt Redemption - Regular Levy Fund accounts for debt service on City Council-approved general obligation bonds. |
| Year Created: | 1973 |
| Major Revenue Sources: | General property tax and transfer of sales tax revenues from the General Capital Investment Program (CIP) Fund. |
| Major Expenditures: | Principal and interest payments on Limited Tax General Obligation (LTGO) bonds. |
| Fund Custodian: | Finance |
| Reserve Policy: | NA |
| Other Notes: | None |

# INTEREST & DEBT REDEMPTION - SPECIAL LEVY FUND - 2130

| | |
|---|---|
| Fund Type: | Debt Service |
| Fund Description: | The Interest and Debt Redemption - Special Levy Fund accounts for debt service on the City's voter-approved general obligation bond issues. |
| Year Created: | 1953 |
| Major Revenue Sources: | Property taxes specifically levied to support related debt payment. |
| Major Expenditures: | Principal and interest payments on Unlimited Tax General Obligation (UTGO) bonds. |
| Fund Custodian: | Finance |
| Reserve Policy: | NA |
| Other Notes: | None |

# JAIL ADMINSTRATIVE GROUP (JAG) FUND - 6970

| | |
|---|---|
| Fund Type: | Trust and Agency |
| Fund Description: | The Jail Administrative Group (JAG) Fund accounts for proceeds from the sale of property (hereinafter referred to as "Jail Property") held by the City of Bellevue, on behalf of the member agencies of an interlocal agreement formed to address current jail services and in planning for future facilities and programs for municipal inmates. The Fund will be used to pay for expenses as outlined in the interlocal agreement and/or as determined by the JAG. |
| Year Created: | 2008 |
| Major Revenue Sources: | Land sale proceeds and potential contributions from member jurisdictions of JAG. |
| Major Expenditures: | a) Costs as outlined in the interlocal agreement and/or as determined by the JAG, for example: City of Bellevue costs necessary to dispose of the Jail property and costs incurred to perform due diligence studies necessary to take possession of the property from King County including, but not limited to, inspections, survey, appraisal and maintenance activities during the time the City of Bellevue has possession of the property; b) Distribution of land sale proceeds, after the deduction of necessary expenses, to the member agencies as determined by the JAG. |
| Fund Custodian: | City Manager's Office |
| Reserve Policy: | NA |
| Other Notes: | None |

# LAND PURCHASE REVOLVING FUND - 1250

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Land Purchase Revolving Fund accounts for purchases of land and rights-of-way needed for future public purposes. Some of the properties purchased by this Fund are rented on an interim basis, pending their future use for City purposes. |
| Year Created: | 1971 |
| Major Revenue Sources: | Property rental fees and the sale of rights-of-way. |
| Major Expenditures: | Maintenance and operations costs of the rental properties. |
| Fund Custodian: | Parks & Community Services and Transportation |
| Reserve Policy: | None |
| Other Notes: | None |

# LEOFF I MEDICAL RESERVE - 1210

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Law Enforcement Officers and Fire Fighters Plan I (LEOFF I) Medical Reserve Fund was created to account for reserves set aside to fund the City's liability for lifetime medical benefits for all LEOFF I retirees. The Fund shall operate in accordance with the Fire Protection Services contract. |
| Year Created: | 1996 |
| Major Revenue Sources: | General Fund contributions and payments from cities/towns receiving fire protection services from Bellevue pursuant to the Fire Protection Services contract. |
| Major Expenditures: | The expenditures covered by this Fund are expended from the Medical/Dental Self-Insurance Fund and are then reimbursed from this reserve Fund. The expenditures are for lifetime, post-retirement medical benefits for retired LEOFF I members. |
| Fund Custodian: | Finance and Human Resources |
| Reserve Policy: | Reserves will be maintained at an amount decided by City Council based on the most current actuarial study. Contributions from the contract cities will continue until their obligations are met. The Fund has reserves set aside to account for each contracting city's contribution separately. Any expenditures made from the Health Benefits Fund for post-retirement medical benefits is reimbursed from each reserve in direct proportion to the relative population of each contracting city. All reserves are carried forward to the next year. Once the final LEOFF I payment has been made (in approximately 53 years), the remaining reserves (if any) will be returned to the contributing city pursuant to the Fire Protection Services contract.<br><br>City of Bellevue reserve contributions in the Fund in excess of the required annual contributions may also be used to address major contingencies, if directed by the Council. Any draws from the Fund shall be replenished as directed by the Council. |
| Other Notes: | None |

# LOCAL IMPROVEMENT DISTRICT CONTROL FUND - 2490

| | |
|---|---|
| Fund Type: | Debt Service |
| Fund Description: | The Local Improvement District (LID) Control Fund accounts for payment of principal and interest for local improvement district bond issues and for collection of special assessments levied against benefited properties which support those debt service obligations. |
| Year Created: | 1988 |
| Major Revenue Sources: | LID assessments from benefited properties. |
| Major Expenditures: | Principal and interest payments on local improvement district special assessment bond issues. |
| Fund Custodian: | Finance |
| Reserve Policy: | NA |
| Other Notes: | A benefited property is one in which the owner of the land benefits from the improvements made within the local improvement district. The LID Guaranty Fund provides funds for debt service payments in the event of a default by LID property owners, which would result in a deficiency of funds in this Fund. |

# LOCAL IMPROVEMENT DISTRICT GUARANTY FUND - 2750

| | |
|---|---|
| Fund Type: | Debt Service |
| Fund Description: | The Local Improvement District (LID) Guaranty Fund accounts for monies set aside in accordance with State law to provide for payment of principal and interest due on special assessment bond issues in the event of default by LID property owners and a resulting insufficiency of funds in the LID Control Fund to make related payments. |
| Year Created: | 1974 |
| Major Revenue Sources: | LID Bond Fund transfers and investment earnings. |
| Major Expenditures: | Principal and interest payments on special assessment bond issues in the event of default by LID property owners. |
| Fund Custodian: | Finance |
| Reserve Policy: | State Code requires that the net cash of the Local Improvement Guaranty Fund should have a fund balance not less than 10% of the net outstanding obligations guaranteed by such fund. |
| Other Notes: | None |

# MARINA FUND - 4250

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Marina Fund accounts for the operation of the City-owned Bellevue Yacht Basin and Meydenbauer Bay marinas. |
| Year Created: | In 2005, Marina operations were moved from the Land Purchase Revolving Fund to the Marina Fund. |
| Major Revenue Sources: | Moorage and property rental fees. |
| Major Expenditures: | Maintenance and operations costs of the marinas, plus debt repayment costs for the 1998 Limited GO Bonds which expire in 2018. |
| Fund Custodian: | Parks & Community Services |
| Reserve Policy: | While not required by the 1998 GO bonds, the marina maintains a Debt & Contingency reserve and a Capital Repair & Replacement reserve to assure payments to bond holders, provide additional protection for the General Fund, and provide for improvements to the marina. The annual contribution to the Debt & Contingency reserve will be 10% of annual net revenues with a maximum reserve level of $400,000. The annual contribution to the Capital Repair & Replacement reserve will be 4.5% of gross revenues of the Bellevue Yacht Basin and 2.5% of gross revenues of the Meydenbauer Bay Marina with a maximum reserve level of $400,000. |
| Other Notes: | None |

## OPERATING GRANTS, DONATIONS, AND SPECIAL RESERVES FUND - 1640

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Operating Grants, Donations, and Special Reserves Fund accounts for: 1) the receipt and disbursement of revenue from federal, state, local, and other grants accepted by the City, 2) monetary donations to the City of Bellevue which are provided to accomplish specific purposes identified by the donors, and 3) resources greater than budget maintained in this fund until they are allocated by Council for a specific use. Separate subsidiary records are maintained to administer the individual grants accounted for in the Fund. |
| Year Created: | 1977 |
| Major Revenue Sources: | Federal, state and local grants; monetary donations; confiscated monies and proceeds from sale of forfeited properties from illegal drug activities. |
| Major Expenditures: | Operating and capital costs for the purpose or purposes specified by the term of the grant or donor. Proceeds from forfeitures are restricted in use to the expansion of narcotics enforcement or other law enforcement activities. |
| Fund Custodian: | Various Departments |
| Reserve Policy: | NA |
| Other Notes: | None |

# PARK MAINTENANCE & OPERATIONS RESERVE FUND - 1220

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Park Maintenance & Operations Reserve Fund accounts for a portion of the proceeds of a property tax lid lift approved by voters in 1988 to support park maintenance and operation expenditures associated with a companion voted bond issue. Tax monies received from the lid lift are receipted to the General Fund where they support park maintenance and operation expenditures. Prior to 1996, lid lift proceeds were greater than maintenance and operation needs, and the surplus proceeds were subsequently transferred to this special revenue Fund. The current reserve balance in this Fund is $2.7 million, and annual interest earnings are transferred to support Aquatics Center operations in the Parks Enterprise Fund. |
| Year Created: | 1988 |
| Major Revenue Sources: | Interest earnings. |
| Major Expenditures: | The only expenditure budgeted in this Fund is a transfer of interest earnings on principal balances to the Parks Enterprise Fund for maintenance and operation of the Bellevue Aquatics Center. |
| Fund Custodian: | Parks & Community Services |
| Reserve Policy: | Reserve balances, which consist of proceeds from the 1988 property tax lid lift, are restricted for payment of maintenance and operating costs of specified City park facilities, and may only be expended with Council authorization. |
| Other Notes: | The Fund was created following voter approval of the $16.5 million 1989 Park Bond Issue and the associated maintenance and operations property tax levy lid lift. |

# PARKS ENTERPRISE FUND - 1430

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Parks Enterprise Fund accounts for the services that are provided by the Enterprise Services Program including golf, tennis, aquatics, adult sports, and facility rentals. These programs are primarily supported through user fees. |
| Year Created: | 1995 |
| Major Revenue Sources: | Fees and charges for Enterprise Services Program activities. |
| Major Expenditures: | Operating and capital costs of the Enterprise Services Program. |
| Fund Custodian: | Parks & Community Services |
| Reserve Policy: | The reserve balance target is two months of operating expenses. Reserves above target will be dedicated to future operating and/or capital projects in the Enterprise Services Program. |
| Other Notes: | None |

# RAINY DAY RESERVE FUND - 1240

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Rainy Day Reserve Fund accounts for General Fund revenues and other designated revenues placed in reserve to provide resources to be used during an economic downturn or other unforeseen expenditure needs. |
| Year Created: | 1984 |
| Major Revenue Sources: | General Fund contributions and such other sources as designated by the City Council. |
| Major Expenditures: | This Fund typically will have no expenditures and will accumulate monies until there is a demonstrated need to draw upon these funds. |
| Fund Custodian: | Finance |
| Reserve Policy: | This reserve Fund will accumulate monies based on a target of 5% of the City's unrestricted General Fund resources budget. |
| Other Notes: | No draws have ever been made on the Rainy Day Reserve. |

## SEWER UTILITY FUND - 4450

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Sewer Utility Fund was established to account for the operations of the City's Sewer Utility. |
| Year Created: | 1975 |
| Major Revenue Sources: | Service charges; permit and developer fees; rental revenues; interest earnings; and interfund labor charges billed to Utility capital projects. |
| Major Expenditures: | Wholesale sewer treatment costs paid to King County-METRO; personnel; supplies; outside services; utility tax/franchise fees; and capital outlay and interfund charges necessary to support ongoing Utility operations. Operating transfers are also made to the Utility Capital Investment Fund to finance approved construction projects and contribute to the Utility's CIP Renewal & Replacement (R&R) reserve. |
| Fund Custodian: | Utilities |
| Reserve Policy: | Target minimum and maximum reserve levels for the Fund are defined by Adopted Utility Consolidated Reserve policies. Reserves authorized in this policy cover Utility working capital needs, operating contingencies and a plant emergency contingency amount. The policy outlines actions to be taken to manage Utility reserve balances within authorized ranges. Under these guidelines, amounts in excess of target reserve levels should be transferred to the Utility's CIP Renewal and Replacement (R&R) reserve in a manner consistent with the Fund's long-range financial plan. |
| Other Notes: | This Fund is part of the City's Waterworks Utility operation. |

# SOLID WASTE FUND - 1230

| | |
|---|---|
| Fund Type: | Special Revenue |
| Fund Description: | The Solid Waste Fund was established to account for administration of Solid Waste and Recycling operations. |
| Year Created: | 1989 |
| Major Revenue Sources: | Solid Waste administrative fees and multi-family recycling revenues received under the City's contracts for garbage and multi-family recycling collection; grant reimbursements; and investment interest earned on fund balances. |
| Major Expenditures: | Annual operating costs for Solid Waste administration and contract oversight activities; payments for multi-family recycling collection; and Solid Waste grant expenses. |
| Fund Custodian: | Utilities |
| Reserve Policy: | No formal policy is in place for this Fund. The practice is that a portion of the reserves will be used to cover the cash flow shortages created by delay in grant reimbursements and any excess reserves will be dedicated to projects in the Solid Waste Fund. |
| Other Notes: | Garbage, recycling and yard waste collection and related billing services are provided to Bellevue residents through a contract with Rabanco. Rabanco also holds a separate contract with the City to provide collection and billing services for the multi-family recycling program. |

## STORM & SURFACE WATER UTILITY FUND - 4200

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Surface Water Utility Fund accounts for the operations of the City's Storm & Surface Water Utility. |
| Year Created: | 1980 |
| Major Revenue Sources: | Service charges; development review fees; interest earnings; interfund labor charges billed to Utility capital projects; and Lakemont surcharges. |
| Major Expenditures: | Personnel; supplies; outside services; utility taxes; debt service payments; and capital outlay and interfund charges necessary to support ongoing Utility operations. Operating transfers are also made to the Utility Capital Investment Fund and the Debt Redemption Fund to finance approved construction projects, to contribute to the Utility's CIP Renewal & Replacement (R&R) reserve and to finance scheduled debt service expenditures. |
| Fund Custodian: | Utilities |
| Reserve Policy: | Target minimum and maximum reserve levels for the Fund are defined by Adopted Utility Consolidated Reserve policies. Reserves authorized in this policy cover Utility working capital needs, operating contingencies and a plant emergency contingency amount. The policy outlines actions to be taken to manage Utility reserve balances within authorized ranges. Under these guidelines, amounts in excess of target reserve levels should be transferred to the Utility's CIP Renewal and Replacement (R&R) reserve in a manner consistent with the Fund's long-range financial plan. |
| Other Notes: | This Fund is part of the City's Waterworks Utility operation. |

# UNEMPLOYMENT COMPENSATION FUND - 5230

| | |
|---|---|
| Fund Type: | Internal Service |
| Fund Description: | The Unemployment Compensation Fund was established by City Ordinance No. 2472 to account for the City's unemployment compensation self-insurance program. The purpose of the Fund is to reimburse the State's Employment Security Department for unemployment benefits paid to eligible individuals, and to maintain reserves for the payment of future claims. |
| Year Created: | 1977 |
| Major Revenue Sources: | The primary revenues for this Fund consist of premiums collected from City departments and investment earnings. |
| Major Expenditures: | The sole expenditure item in the Fund is reimbursement to the State for unemployment benefits paid to former City of Bellevue employees. |
| Fund Custodian: | City Attorney's Office |
| Reserve Policy: | Reserves are funded equal to the amount budgeted for benefit payments. Excess reserves will be refunded to contributing funds. |
| Other Notes: | This Fund tends to fluctuate with regional unemployment levels. |

# UTILITY CAPITAL INVESTMENT PROGRAM FUND - 4690

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Utility Capital Investment Program Fund was established to account for Water, Sewer, and Storm & Surface Water Utility capital improvement projects and to accumulate funds (in the Renewal & Replacement (R&R) Accounts) for future replacement of infrastructure. |
| Year Created: | 1983; the R&R Accounts were created in 1995. |
| Major Revenue Sources: | Operating transfers from the three Utility operating funds; investment interest; trust fund loan or bond proceeds for debt issued to construct specific capital projects. The R&R Accounts are supported with operating transfers, capital recovery charges, direct facility charges, one-time revenues (e.g., sale of assets) and interest earnings. |
| Major Expenditures: | Right-of-way or land acquisition costs; engineering contracts; construction contracts; and interfund charges for project management/technical support provided to the project by Utility operating fund personnel. R&R funding is only for renewal and replacement projects. |
| Fund Custodian: | Utilities |
| Reserve Policy: | Target minimum and maximum reserve levels for the Fund are defined by Adopted Utility Consolidated Reserve policies. Reserves authorized in this policy cover Utility working capital needs, operating contingencies and a plant emergency contingency amount. The policy outlines actions to be taken to manage Utility reserve balances within authorized ranges. Under these guidelines, amounts in excess of target reserve levels should be transferred to the Utility's CIP Renewal and Replacement (R&R) reserve in a manner consistent with the Fund's long-range financial plan. |
| Other Notes: | None |

# UTILITY REVENUE BOND REDEMPTION FUND - 4700

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Utility Revenue Bond Redemption Fund was established to account for annual debt service transactions and reserves for outstanding Utility revenue bond issues. |
| Year Created: | 1975; in 1997, the Fund number was changed to 4700. |
| Major Revenue Sources: | Operating transfers from Utility Funds and investment interest. |
| Major Expenditures: | Principal and interest payments for outstanding Utility revenue bond issues. |
| Fund Custodian: | Utilities |
| Reserve Policy: | None |
| Other Notes: | None |

# WATER UTILITY FUND - 4440

| | |
|---|---|
| Fund Type: | Enterprise |
| Fund Description: | The Water Utility Fund was established to account for the operations of the City's Water Utility. |
| Year Created: | 1975 |
| Major Revenue Sources: | Service charges; interest earnings; development review fees; water meter connection charges; and interfund labor charges billed to Utility capital projects. |
| Major Expenditures: | Water purchases from the Cascade Water Alliance to supply the Bellevue service area; personnel; supplies; outside services; utility tax/franchise fees; debt service payments; and capital outlay and interfund charges necessary to support ongoing Utility operations. Operating transfers are also made to the Utility Capital Investment Fund and the Debt Redemption Fund to finance approved construction projects, to contribute to the Utility's CIP Renewal & Replacement (R&R) reserve, and to finance scheduled debt service expenditures. |
| Fund Custodian: | Utilities |
| Reserve Policy: | Target minimum and maximum reserve levels for the Fund are defined by Adopted Utility Consolidated Reserve policies. Reserves authorized in this policy cover Utility working capital needs, operating contingencies and a plant emergency contingency amount. The policy outlines actions to be taken to manage Utility reserve balances within authorized ranges. Under these guidelines, amounts in excess of target reserve levels should be transferred to the Utility's CIP Renewal and Replacement (R&R) reserve in a manner consistent with the Fund's long-range financial plan. |
| Other Notes: | This Fund is part of the City's Waterworks Utility operation. |

## WORKERS' COMPENSATION FUND - 5220

| | |
|---|---|
| Fund Type: | Internal Service |
| Fund Description: | The Workers' Compensation Fund was established by City of Bellevue Ordinance No. 2437 to account for the City's workers' compensation self-insurance program. The purpose of the Fund is to pay benefits to injured workers and to maintain reserves for the payment of future claims, as well as to fund loss prevention activities and safety programs. |
| Year Created: | 1977 |
| Major Revenue Sources: | The primary revenues consist of premiums collected from City departments and investment earnings. |
| Major Expenditures: | The major expenditures are for worker claims, safety programs, and to fund administration costs. |
| Fund Custodian: | City Attorney's Office |
| Reserve Policy: | Fund reserves at recommended actuarial rate plus a 70% confidence level for risk margin. Excess reserves are either maintained in the Fund or refunded to contributing funds. |
| Other Notes: | None |

CITY OF BELLEVUE WASHINGTON

# Stakeholder Outreach Summary

## A. INTRODUCTION

Obtaining stakeholder feedback is one of several tools the City of Bellevue uses to plan its biennial budget. As part of the 2009-2010 Budget process, the City of Bellevue conducted a telephone survey to obtain resident feedback on budget priorities and three public hearings will be held.

## B. BELLEVUE BUDGET SURVEY

Each budget cycle, the City of Bellevue conducts a statistically valid survey of residents' perceptions of community needs and services. The Budget Survey is designed to enhance the City's knowledge of Bellevue residents' perceptions about the City and to help City leaders better understand community priorities and expectations regarding City services. The survey has been conducted on a biennial basis since 1998 to help support decision making for each upcoming budget. The City Council and management staff used the 2008 Budget Survey along with other information to help understand the broader community context for making decisions regarding the 2009-2010 Budget and the 2009-2015 Capital Investment Plan.

The 2008 survey was based on past surveys to facilitate trend analysis but contained some changes and enhancements. City staff developed the questionnaire and overall research design; the Finance Department oversees the fielding of the survey and reports the results; and Opinion Research Northwest (ORC-NW, formally Northwest Research Group) conducted the 2008 survey, analyzed the results and authored the survey report with input from City staff. A total of 410 residents were interviewed by phone between March 6 and March 18. For a survey sample of this size, the margin of sampling error is about plus or minus 5% at the 95% level of confidence.

The survey addresses the following areas:

- General feelings about the direction in which the City is headed;
- Attitudes toward quality of life at citywide and neighborhood levels;
- Biggest problems at citywide and neighborhood levels;
- Satisfaction with the Bellevue Police Department on different measures;
- Importance and satisfaction ratings for specific City facilities and services;
- Priorities for the City Budget;
- Preferences on strategies for addressing traffic congestion; and
- Value received for tax dollars and opinion of tax and service levels.

The 2008 survey instrument is very similar to the Operating Budget/CIP Surveys that were conducted in 1998, 2000, 2002, 2004, and 2006. However, the 2008 survey includes new questions which ask respondents to rate the Bellevue Police Department on a variety of measures. The new questions are related to six service characteristics: professionalism, courtesy, honesty, fair and equal treatment, responsiveness, and communication skills. Respondents were also asked to report awareness and satisfaction with the Bellevue Police

Department. Some of the 2008 Operating Budget Survey results can also be compared to results from the 1996 Bellevue Services Survey and the 1997 Capital Facilities Survey, given these surveys were the foundation for the biennial Budget Survey. A copy of the most recent Operating Budget Survey questionnaire can be found in Appendix A.

## SURVEY HIGHLIGHTS

- The majority of respondents indicate the quality of life in the city and in their own neighborhood as "good" or "excellent." The majority of respondents (95%) in the Budget Survey say the quality of life in the City is either "good" or "excellent." A similarly high percentage (96%) of respondents rate the quality of life in their own neighborhood as "good" or "excellent."

- As in 2006, traffic and roads are the highest concern among respondents who did not give an "excellent" rating regarding quality of life in their City or neighborhood was.

- When respondents were asked what they consider to be the biggest budget priority among six service areas in allocating funds to programs and services, transportation is ranked highest, followed by public safety among six service areas. It is notable that in prior Budget Surveys public safety has been ranked as the highest budget priority. The percentage of respondents who indicate transportation is the top budget priority has significantly increased. Environmental protection is listed as the third top priority, followed by economic development, neighborhood preservation, and parks, respectively.

- City services and facilities are generally perceived as important. All City services receive mean importance scores of at least a 4.8 (greater than the mid-point on the 1 to 7 importance scale). Similar to 2006 results, police, fire and emergency services tend to rank as most important to respondents. In addition to the emergency services provided, maintaining streetlights & traffic signals, protecting water quality in Bellevue's lakes & streams, ensuring clean & well-maintained parks, preparing for disasters such as earthquakes and major storms, preserving open spaces/ natural areas, maintaining existing streets & sidewalks, as well as managing the city's physical development are also in the top tier of importance.

- City services and facilities also receive generally high satisfaction scores –all areas have at least a mean satisfaction score of a 4.5 (greater than the mid-point on the 1 to 7 satisfaction scale). Many of the areas that are rated with the greatest importance also receive the greatest average satisfaction ratings.

- Four service/ facility items have a gap (when comparing the mean importance score to the average satisfaction score) of greater than 1.0, indicating that residents' satisfaction is lower than their perception of how important they perceive a service to be: investigating & solving crimes, prosecuting misdemeanor & gross misdemeanor crimes, preparing for disasters such as earthquakes and major storms, and building or widening city roads.

- Respondents most often agree that the City should "work with regional agencies to improve local transit service within Bellevue", "encourage and make it more attractive for people to choose transportation alternatives" and "work with regional agencies to develop a reliable regional mass transit system" when assessing their agreement with strategies designed to deal with increased traffic.

- Eighty-one percent (81%) of respondents indicate they are getting their money's worth for their tax dollar.

- The majority of respondents also report that taxes and services should remain at their current levels (77% each, respectively). Fewer respondents say that tax levels and services should increase (13%); and an even smaller percentage of respondents say that tax and service levels should be decreased (8%, respectively).

- Newly added to the 2008 Budget Survey were a series of questions about the Bellevue Police Department. Respondents were asked a series of six questions regarding their satisfaction with the BPD. Of these questions, the Bellevue Police Department receives the greatest proportion of good and excellent ratings for responsiveness and professionalism.

## SURVEY METHODOLOGY

This telephone survey is designed to collect statistically valid data that can be projected to the general population of residents in Bellevue households. The survey sample was randomly selected from households in Bellevue. Both listed and unlisted telephone numbers were included.

A total of 410 Bellevue City residents were interviewed. All respondents were asked to verify that they live within Bellevue City limits. Quotas were used to ensure that the proportion of single-family and multi-family households in the sample were representative of the proportions in the larger Bellevue population (55% single-family; 45% multi-family).

The interview averaged 23.64 minutes in length. Interviews were conducted Wednesday, March 5th through Wednesday, March 19th, 2008. Interviews were conducted weekday evenings, and on Saturday and Sunday. To help yield survey findings representative of the Bellevue population a variation of dates and times were used throughout data collection to capture responses from a variety of demographic subgroups.

The results of the Budget Survey provide City leaders with valuable insights into residents' concerns and priorities. These survey results need to be viewed in context and as a complement to the many other tools and sources of information available for making budget allocation decisions.

### Survey Instrument – Changes over Time

The following changes were made to the 2008 Budget Survey instrument.

- The following questions were new in the 2008 survey: Q5b, Q5c, Q7a-Q7f, Q8

- The following questions were deleted from the 2006 Budget Survey: Q16a/b & Q61a/b

- The Priorities for City Services section was administered to at least 50% of the sample population

### Interpretation of Data: Note to Reader

There are practical limitations to the representativeness of any survey. Typically, some residents tend to be under-represented in telephone surveys, including younger residents and (in the case of English-language surveys) residents whose main language is not English. All survey research results are also subject to sampling error. For the total citywide sample of 400,

the sampling error is about plus or minus 4.9% at the 95% level of confidence. Due to the survey length, the Priorities for City Services section was administered to at least 50% of the sample population, or approximately 200. The sampling error for these questions at the 95% level of confidence is +/- 6.93%.

This report also includes references to data for subgroups of respondents, such as respondents living in multi-family and single-family dwellings, men, women, etc. *Given that the margin of error (sampling error) is related to the size of the sample, these subgroups have wider margins of sampling error.*

The following table provides further detail of the sampling error at different sample sizes. The 50% / 50% proportion assumes the worst-case scenario, or the greatest margin of error at the various sample sizes. The proportion refers to the percentage of respondents who answer a question in a particular way. For example, if half of all respondents answer "yes" and half answer "no" to a question, the 50% / 50% scenario should be used to determine the margin of error for that question – while if a large majority (90%) of all respondents say "yes" and only 10% say "no," the associated margin of error is assumed to be smaller.

**ERROR ASSOCIATED WITH DIFFERENT PROPORTIONS AT DIFFERENT SAMPLE SIZES**

| Sample Size | 10% / 90% | 20% / 80% | 30% / 70% | 40% / 60% | 50% / 50% |
|---|---|---|---|---|---|
| **30** | 10.74% | 14.31% | 16.40% | 17.53% | 17.89% |
| **50** | 8.32% | 11.09% | 12.70% | 13.58% | 13.86% |
| **100** | 5.88% | 7.84% | 8.98% | 9.60% | 9.80% |
| **200** | 4.16% | 5.54% | 6.35% | 6.79% | 6.93% |
| **300** | 3.39% | 4.53% | 5.19% | 5.54% | 5.66% |
| **400** | 2.94% | 3.92% | 4.49% | 4.80% | **4.90%** |

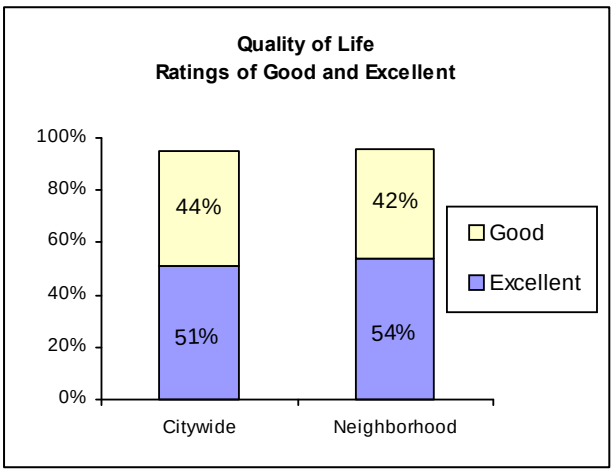
There are several open-ended questions in this survey. Open-ended questions are very valuable in that they explain reasons why people feel the way they do about certain issues. In-depth opinions are very time sensitive. They are a snap shot of current opinion at a particular point in time, and can be influenced by many factors, including the media. Results from open-ended questions should not be used to gauge how people would vote or their level of support for specific issues.

## Weighting

Virtually all samples today require some degree of weighting to ensure the results can be projected to the general population of interest. As appropriate, weights can be developed and applied to the survey to accurately represent the number of households or individuals that a respondent represents within the region. Weighting is a process that attempts to make the estimates from the survey representative of the total population that was sampled by accounting for the chances of selecting units into the sample and making adjustments for imperfections in the sample. To account for minor over- or under- sampling of population segments or geographies which may occur during the study (either intentionally or not), ORC-NW develops and applies appropriate cross-sectional sample weights. All weighting done on a post-stratification basis uses known and reliable population parameters (e.g. updated Census figures). This is the final step in ensuring a representative sample and will allow valid inferences to be made of the entire population. ORC-NW develops and completely documents the final weighting procedures, ensuring that the data will withstand all scrutiny and that the process can be replicated.

## QUALITY OF LIFE

The majority of respondents view the quality of life in the city and in their own neighborhood as "good" or "excellent." The majority of respondents (95%) in the Budget Survey say the quality of life in the City is either "good" or "excellent." A similar percentage (96%) rate the quality of life in their own neighborhood as "good" or "excellent." As in the 2006 Budget Survey, respondents are significantly more likely to give an "excellent" rating to both the quality of life in Bellevue and their neighborhood in the 2008 survey than in past years (39% in 2004 and 35% in 2002 respectively citywide; and 46% in both 2004 and 2002 respectively for their neighborhood).




The table below summarizes the reasons respondents most commonly gave for rating quality of life in the city and in their own neighborhood as "good" or "excellent."

**REASONS FOR GOOD/EXCELLENT QUALITY OF LIFE**
**MOST FREQUENT RESPONSES***
(BASE: RESPONDENTS GIVING RATING OF "GOOD" OR "EXCELLENT")

| CITYWIDE (n = 390) | | NEIGHBORHOOD (n = 393) | |
|---|---|---|---|
| **Location/Convenience** | **36%** | **Nice People/Sense of Community** | **34%** |
| **Public Safety/Low Crime Rates** | **32%** | **Location/Convenience** | **29%** |
| **Parks/Recreation/Open Space/The Environment** | **29%** | **Quiet/Peaceful** | **24%** |
| **Clean City/Attractive/Well-Planned** | **21%** | **Safe/ Police/ Fire Services** | **19%** |
| **Quality Schools** | **19%** | **Nice/Well-Maintained Homes** | **17%** |
| **Good Transportation/Streets/Public Transportation** | **15%** | **Parks/Recreation/Open Space** | **16%** |
| **Good Neighborhood(s)/Sense of Community** | **15%** | **Good Transportation/Streets** | **7%** |
| **General Availability of Amenities & Services** | **10%** | **Quality Schools** | **6%** |
| **Like It Here / Good Place To Live** | **7%** | | |
| **City Gov't Doing a Good Job** | **5%** | | |
| **Arts and Culture Opportunities** | **5%** | | |
| **Other** | **4%** | **Other** | **7%** |

* Respondents could give more than one response (in more than one net category or within a net category); therefore percentages may add to more than 100%. Top responses of 5% or more are shown.

**Demographic Differences in Quality of Life Ratings**

Respondents who indicate they are getting their money's worth for their tax dollar are significantly more likely than those who feel they are not to rate their neighborhood as "excellent" or "good." Those who rate "Parks" and "Economic Development" as a primary budget priority are significantly more likely to indicate the quality of life in Bellevue is "good" or "excellent".

Significantly more residents living in the 98004, 98006, and 98008 zip codes rate the quality of life in their neighborhood as "excellent" than respondents in zip codes 98005 and 98007.

For both the citywide and the neighborhood quality of life questions, respondents giving a rating below "excellent" were asked to indicate what would need to change or improve to make the quality of life "excellent." As reported for the 2006 Budget Survey, both respondents in 2008 who rate their own neighborhood as less than excellent and those rating the City as less than excellent most often cite transportation related issues as the things that would need to improve to make their neighborhood or the City "excellent." As previously seen in the 2006 Budget Survey, traffic is most often cited as the problem that would need to improve to make the quality of life "excellent",

The table on the following page shows the percentages of survey participants giving responses within each of the categories into which responses were coded. Responses within some categories (for example, the "improve transportation" category) were also organized into sub-categories, which are also shown in the table. Note that respondents were allowed to name more than one issue or problem that would need to change or improve, therefore percentages may add to more than one hundred percent and respondents' comments may be coded into more than one code within each net response code.

Responses to the two questions about what would need to improve at the neighborhood and citywide differ in their relative importance compared to responses given in 2006.

At the citywide level:

- Significantly more respondents in 2008 mention transportation system improvements (62% in 2008, compared to 49% in 2006 and 51% in 2004).

At the neighborhood level:

- One third of respondents (34%) cite a transportation related issue that affects their quality of life in their neighborhood in 2008 – although not a significant increase, fewer (25%) reported a similar concern in 2006.
- It should be noted that significantly fewer respondents "don't know" what would change their opinion of the quality of life in their neighborhood (10% in 2008 compared to 18% in 2006).

**WHAT WOULD IMPROVE QUALITY OF LIFE TO BE GOOD OR EXCELLENT**
**MOST FREQUENT RESPONSES***
(BASE: RESPONDENTS GIVING RATINGS OF "GOOD" AND BELOW)

| CITYWIDE (n = 203) | | | NEIGHBORHOOD (n = 189) | | |
|---|---|---|---|---|---|
| **IMPROVE TRANSPORTATION** | | **62%** | **IMPROVE TRANSPORTATION** | | **34%** |
| **Control / Reduce Traffic** | **37%** | | **Reduce Traffic** | **13%** | |
| **Misc. Comments on Roads** | **14%** | | **Ped-Bike Improvements (sub-net)** | **10%** | |
| Misc. Comments About Roads (5%) | | | Improve/Add Sidewalks, Crosswalks, etc. (10%) | | |
| Improve Roads – General (4%) | | | Improvements for Bicyclists (1%) | | |
| Comments About Traffic Lights (2%) | | | **Misc. Comments on Roads** | **7%** | |
| Better Maintain Roads/Repair Roads (1%) | | | Improve Road Access And Routes (2%) | | |
| Complete I-405 / Access Downtown (1%) | | | Better Snow Removal (1%) | | |
| Better Snow Removal (1%) | | | Synchronize Traffic Lights (1%) | | |
| **Improve Bus/Transit Service** | **11%** | | Other Comments About Roads (1%) | | |
| **Ped-Bike Improvements (sub-net)** | **6%** | | Reduce Noise/ Disruptions From Construction (1%) | | |
| Improve/Add Sidewalks, Crosswalks, etc. (4%) | | | Improve Roads (General) (1%) | | |
| Improvements for Bicyclists (2%) | | | **Improve Bus/Transit Service** | **5%** | |
| **Bus/ Transit Accessibility** | **5%** | | **More Available Parking** | **2%** | |
| **More Available Parking** | **2%** | | **Enforce Speeding/ Traffic Laws** | **1%** | |
| **Enforce Speeding/ Traffic Laws** | **1%** | | | | |
| **Improve Access To Seattle** | **1%** | | | | |
| **CONTROL TAXES** | | **8%** | **IMPROVE NEIGHBORHOOD AESTHETICS** | | **7%** |
| | | | Improve Physical Appearance/Landscaping (6%) | | |
| | | | Better/ New Housing (1%) | | |
| | | | Get Rid Of Junk Cars in Front of Homes (<1%) | | |
| **LIMIT MANAGE GROWTH** | | **5%** | **LIMIT MANAGE GROWTH** | | **7%** |
| **IMPROVE PHYSICAL APPEARANCE** | | **5%** | **MORE POLICE/ LESS CRIME/ ENHANCE SAFETY** | | **7%** |
| **MORE AMENITITES** | | **5%** | | | |
| **IMPROVE AFFORDABILITY** | | **5%** | **IMPROVE SENSE OF FAMILY/ COMMUNITY** | | **7%** |
| Provide Affordable Housing (4%) | | | | | |
| More Affordable (Gen'l) (2%) | | | | | |
| **MORE POLICE/ LESS CRIME/ ENHANCE SAFETY** | | **4%** | **UTILITIES** | | **7%** |
| | | | Improve Utilities5%; Put Utilities / Telephone Lines Underground (2%) | | |
| **MORE PARKS/OPEN SPACE/ RECREATION** | | **3%** | **KEEP NOISE LEVELS DOWN** | | **4%** |
| More Parks/ Green or Open Space (2%) | | | | | |
| Enhance Rec. Opportunities/ Facilities (1%) | | | | | |
| **OTHER** | | **10%** | **ZONING** | | **4%** |
| **DON'T KNOW** | | **6%** | **AFFORDABILILTY** | | **3%** |
| | | | **NOTHING** | | **9%** |
| | | | **DON'T KNOW** | | **10%** |

* Respondents could give more than one response (in more than one net category or within a net category); therefore percentages may add to more than 100%. Top responses of 3% or more (of nets) are shown.

## BIGGEST PROBLEMS RESIDENTS WANT CITY TO ADDRESS

All respondents were asked to consider the "city as a whole" and identify the biggest problem that they feel the City should do something about over the next two years. More than three in five respondents (62%) indicate that traffic and/or transportation issues are the biggest problems the City should address over the next two years. Specifically, respondents most frequently cite issues about traffic needing to be reduced (42%), a need for improved transit service and public transportation (11%), and comments about roads (15%). As in 2006 (6%), significantly more respondents feel the City needs to manage and limit growth (7% in 2008 compared to 1% in 2004).

Notably, the percentage mentioning overall traffic and transportation issues is significantly higher than in 2006 and only slightly lower than 2004, however the difference compared to 2004 is not significant.

- 62% mentioned overall transportation/ traffic issues in 2008; 52% mentioned these issues in 2006 and 63% in 2004.
- Further, significantly fewer respondents in 2008 say there is not a problem the City needs to address over the next two years (4% in 2008 compared to 12% in 2006).

When asked if there was any problem in the respondent's own neighborhood that the City should do something about over the next two years, nearly four in ten (39%) respondents said that there was a problem in their own neighborhood that the City should do something about. This percentage is similar to what was reported in 2006 (39%), 2004 (34%) and 2002 (35%).

**Demographic Differences in Quality of Life Ratings**

Female respondents are more likely than male respondents to report there is an issue in their neighborhood that needs to be addressed over the next two years.

As annual household income increases on the spectrum from low to high, so does the likelihood to report there is a problem in the neighborhood that the City should do something about.

Respondents in zip code 98005 and 98008 are more likely than respondents residing in other zip codes to report there is a problem in their neighborhood.

Single-family residents are more likely to report there is a problem in their neighborhood compared to multi-family residents.

Those who have lived in Bellevue for more than 25 years are most likely – compared to other groups - to report there is a problem in their neighborhood that needs to be addressed.

Sixty-two percent (62%) of those respondents who said there was a problem say that transportation and traffic related issues are the problem in their neighborhood*. This is significantly higher compared to those who mentioned transportation issues in 2004 (46%), and slightly higher than reported in 2006 (52%).

While traffic is the most often cited, transportation problems *at the citywide level*, improving and adding more sidewalks or improvements for bicyclists are the most often cited transportation problems *at the neighborhood level* –18% in 2008 which is significantly higher than in 2006 (8%)

and 2004 (6%). Of note, the percentage of respondents who report the amount of crime needs to be reduced has significantly decreased (10% in 2008 report crime as issue to be address compared to 22% in 2006).

Selected traffic and transportation-related responses to the questions asking about the problem the City should address at the City or neighborhood level are shown in the appendix of this report.

The table below illustrates, in more detail, the top responses given as the biggest citywide and neighborhood problems.

**BIGGEST PROBLEM RESIDENTS WANT CITY TO ADDRESS OVER THE NEXT TWO YEARS MOST FREQUENT RESPONSES***

| CITYWIDE (BASE: ALL RESPONDENTS: n = 410) | | | NEIGHBORHOOD (BASE: RESPONDENTS W/PROBLEM IN NEIGHBORHOOD: n = 158) | | |
|---|---|---|---|---|---|
| **IMPROVE TRANSPORTATION** | | **62%** | **IMPROVE TRANSPORTATION** | | **60%** |
| **Reduce Traffic** | | **42%** | **Ped-Bike Improvements** | **18%** | |
| | | | Improve Sidewalks (17%) | | |
| | | | Bicycle Improvement (1%) | | |
| **Misc. Comments on Roads (sub-net)** | **15%** | | **Misc. Comments on Roads (sub-net)** | **16%** | |
| Complete I-405/ Access Downtown (8%) | | | Comments About Street Lights (4%) | | |
| Misc. Road Comments (2%) | | | Better Snow Removal on Roads (3%) | | |
| Better Maintain/ Repair Roads (2%) | | | Speed Bumps/ Stop Signs (3%) | | |
| Synchronize Traffic Lights (1%) | | | Misc. Road Comments (2%) | | |
| Improve Roads – General (1%) | | | Improve Roads – General (2%) | | |
| Improve Street Lighting (<1%) | | | Better Maintenance / Repair (2%) | | |
| Reduce Noise/ Disruption from Road Construction (<1%) | | | Expand Roads/ Addt'l Roads (1%) | | |
| Expand Roads/ Addt'l Roads (<1%) | | | **Control / Reduce Traffic** | **21%** | |
| Improve Road Routes/Access (<1%) | | | **Reduce Speeding** | **9%** | |
| **Improve Bus/Transit Service** | **11%** | | **Improve Bus/Transit Service** | **6%** | |
| **Manage / Limit Growth** | **7%** | | **Address Parking Problems** | **1%** | |
| **Improve Transport. System (Gen'l)** | **5%** | | **ENHANCE NEIGHBORHOOD LIVABILITY (MISC)** | | **20%** |
| **Housing** | **4%** | | **Parks & Recreation** | **6%** | |
| Increase Supply of Affordable Housing (3%) | | | **Property Clean Up** | **5%** | |
| Housing (Gen'l) (1%) | | | **Manage/Limit Growth** | **4%** | |
| **REDUCE CRIME/ ENHANCE PUBLIC SAFETY** | | **6%** | **Enforce Leash Law** | **3%** | |
| **Reduce Crime (Gen'l)** | **3%** | | **Trees Blocking View/ Too Tall** | **2%** | |
| **Improve/ Increase Police** | **2%** | | **Zoning Comments** | **1%** | |
| **Reduce Youth Violence** | **1%** | | **Reduce Disruption from Constn** | **1%** | |
| **Reduce Car Theft** | **1%** | | | | |

**BIGGEST PROBLEM RESIDENTS WANT CITY TO ADDRESS OVER THE NEXT TWO YEARS**
**MOST FREQUENT RESPONSES***
**CONTINUED**

| | | | | | |
|---|---|---|---|---|---|
| **PARKS/OPEN SPACE/ RECREATION** | | **4%** | **REDUCE CRIME/ENHANCE PUBLIC SAFETY** | | **10%** |
| **Enhance Rec. Opportunities/ Facilities** | **2%** | | **Improve/ Increase Police** | **6%** | |
| **More Parks/ Open Spaces** | **1%** | | **Reduce Crime (Gen'l)** | **5%** | |
| **GOVERNMENT EFFICIENCY** | | **3%** | **Reduce Youth Violence** | **1%** | |
| **Control Taxes** | **3%** | | **UTILITIES** | | |
| **Control Gov't Spending** | **1%** | | | | |
| **Ped-Bike Improvements (sub-net)** | **2%** | | **UNDERGROUND UTILITIES** | | **3%** |
| Improve/Add Sidewalks, Crosswalks, etc. (2%) | | | **UTILITIES- GARBAGE** | | **3%** |
| Improvements for Bicyclists (<1%) | | | | | |
| **More Parking** | **1%** | | **IMPROVE DRAINAGE** | | **1%** |
| **Enforce Speeding/ Traffic Laws** | **<1%** | | | | |
| **ENTERTAINMENT/ CULTURE/ MUSEUMS** | | **2%** | **UTILITIES- WATER** | | **1%** |
| **UTILITIES** | | **2%** | **HOUSING** | | **8%** |
| **MAINTAIN QUALITY OF LIFE** | | **1%** | **AFFORDABLE HOUSING (1%)** | | **1%** |
| **BUILD A SENSE OF COMMUNITY** | | **1%** | **GOVERNMENT EFFICIENCY** | | **1%** |
| **NOTHING** | | **4%** | **SUPPORT/ IMPROVE SCHOOLS & EDUCATION** | | **1%** |
| **DON'T KNOW** | | **9%** | | | |

* Respondents could give more than one response (in more than one net category or within a net category); therefore percentages may add to more than 100%. Top responses are shown.

**DEMOGRAPHIC DIFFERENCES: BIGGEST PROBLEM FOR CITY TO ADDRESS**

**Neighborhood Problem:**

Respondents who reside in zip code 98005 are more likely than residents in other zip codes to say that transportation and traffic issues is the biggest neighborhood problem that the City should do something about.

Single-family residents are more likely than multi-family residents to comment about transportation and traffic issues as the problem in their neighborhood that the City should do something about.

Respondents who have resided in Bellevue for 25 years or longer are more likely than residents of less than 25 years to comment that transportation and traffic issues is the biggest problem the City needs to address in the next two years.

**Citywide Problem:**

Respondents in zip codes 98004 and 98008 are significantly more likely to say that transportation and traffic issues is the biggest problem the City should do something about over the next two years compared to residents in other Bellevue zip codes.

Respondents over the age of 65 are more likely than their younger counterparts to report that transportation and traffic issues is the biggest problem the City should do something about over the next two years.

## IMPORTANCE OF RESOURCES

Beginning with the 2006 Budget Survey a series of questions was asked about natural resources and their effect on the quality of life in Bellevue. The questions were further expanded during the 2008 Budget Survey to also ask how happy respondents were with "how much the City is doing at facilitating and encouraging environmentally sustainable practices in the community" and "how much the City is doing in making its own operations and policies more environmentally sustainable."

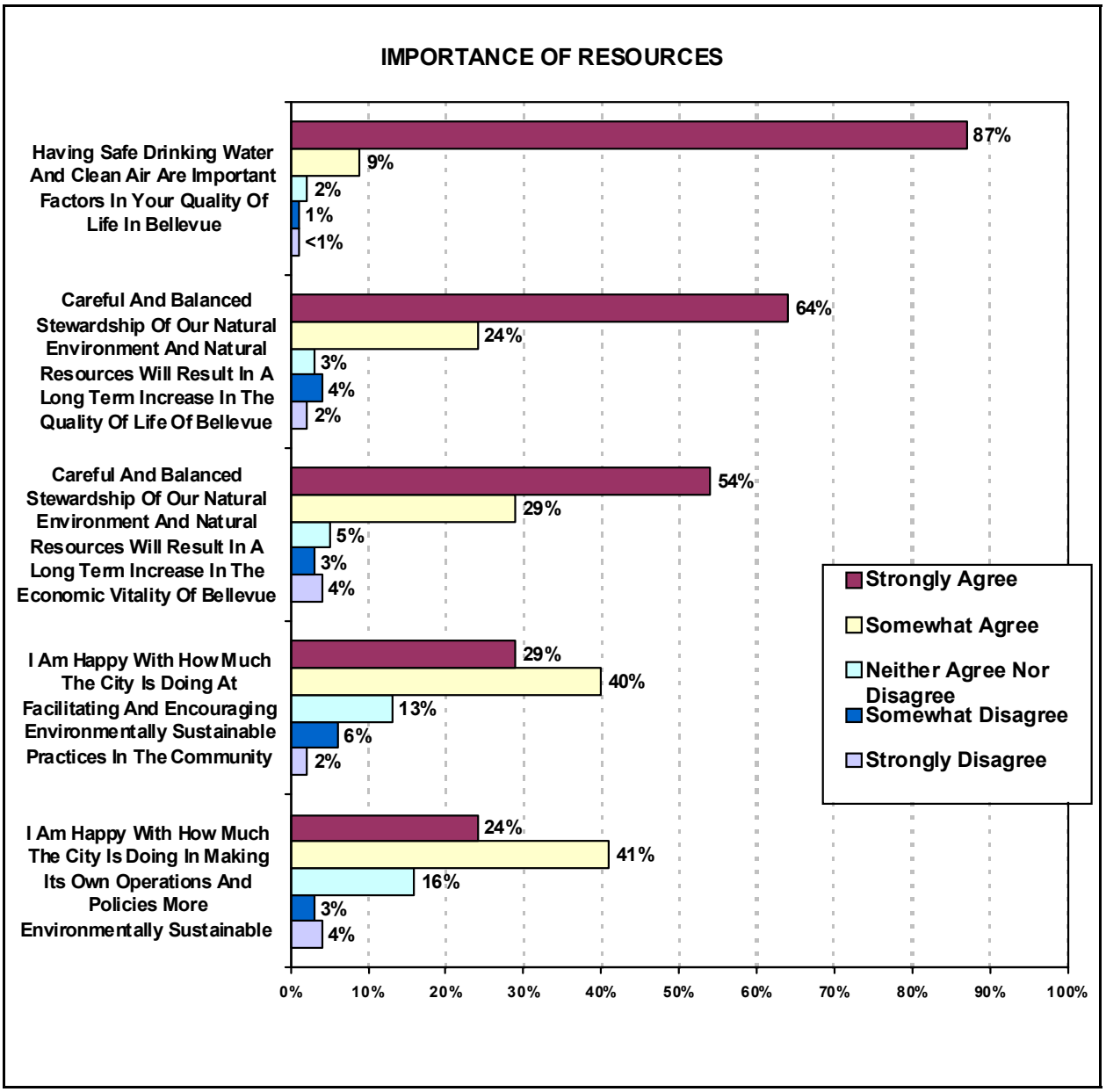
Almost all respondents (96%) either somewhat or strongly agree, that having safe drinking water and clean air are important factors in the quality of life in Bellevue. These findings are similar to the 2006 Budget Survey results (97%). Nearly nine in ten respondents (87%) strongly agree (the highest rating) with this statement. There are no significant differences to report between demographic subgroups.

Nine in ten respondents (88%) agree (somewhat or strongly) that careful and balanced stewardship of our natural environment and natural resources will result in a long-term increase in the quality of life of Bellevue, however this has significantly declined from 2006 where ninety-three percent (93%) of respondents agree with this statement. Two in three (64%) respondents strongly agree (the highest rating) with this statement. Respondents with children in their household, compared to those without, are significantly more likely to agree with this statement, as are female respondents compared to their male counterparts. Furthermore, residents who have lived in Bellevue between 3 and 9 years and respondents who are under the age of 35 are most likely to agree that this will increase the quality of life in Bellevue.

Fewer respondents in the 2008 Budget Survey agree (somewhat or strongly) that careful and balanced stewardship of our natural environment and natural resources will result in a long-term increase in the economic vitality for Bellevue compared to the 2006 Budget Survey (83% vs. 87%, respectively, however this decrease is not significant). More than half of those respondents (54%) strongly agree with the statement. A significantly greater percentage of respondents between the age of 35 and 54 agree, compared to other age groups, that natural resources have an effect on the economic vitality of Bellevue.

Newly added to the 2008 Budget Survey, seven in ten (69%) respondents agree, either somewhat or strongly, that they are happy with the job the City is doing at facilitating and encouraging environmentally sustainable practices in the community (40% somewhat agree and 29% strongly agree). Multi-family residents, residents of zip codes 98004 and 98006, and respondents under the age of 55 are significantly more likely to *strongly agree* with this statement compared to their respective counterparts. Female respondents are more likely to agree, either somewhat of strongly, that the City is facilitating and encouraging sustainable practices compared to male respondents.

Sixty-five percent (65%) of respondents either somewhat or strongly agree (41% and 24%, respectively) with the statement that they are happy with how much the City is doing in making its own operations and policies more environmentally sustainable. Residents living in zip code 98007 are significantly more likely than any other zip code to agree with this statement as are multi-family residents.




## SATISFACTION WITH BELLEVUE POLICE DEPARTMENT

A new series of questions were added to the 2008 Budget Survey about the Bellevue Police Department. Respondents were asked a series of six questions regarding their satisfaction with the Bellevue Police Department on: professionalism, courtesy, honesty, fair and equal treatment, responsiveness and communications skills. Respondents evaluated the six questions using a scale that ranged from “excellent, “good,” “neither good nor poor,” “poor,” to “very poor.”

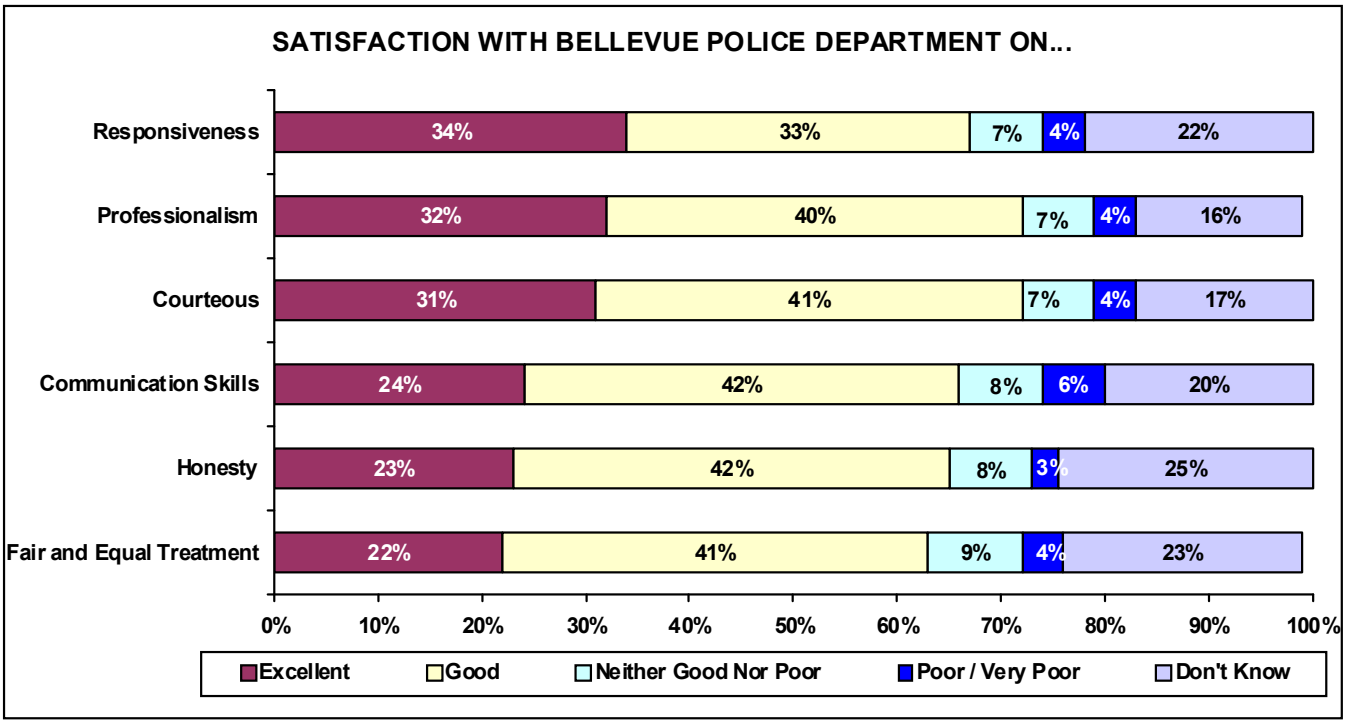
Respondents’ average ratings of Bellevue Police Department services range from 4.02 to 4.23 on a “1” to “5” scale where “1” means the Bellevue Police Department does a “very poor” job and “5” means the Bellevue Police Department does an “excellent” job. The percentage of 4 and 5 ratings (considered very good or excellent) ranges from 64% up to 73%.

With mean ratings of 4.23 and 4.19, respectively, the Bellevue Police Department receives the greatest proportion of 4 and 5 ratings for responsiveness (67%) and for professionalism (73%).

More than seven in ten respondents rate the Bellevue Police Department as very good or excellent for being courteous (72%) while slightly less feel the Police Department is honest (64%). The two measures also receive somewhat high mean ratings – 4.16 and 4.11, respectively.

The Bellevue Police Department rates lowest for communication skills (mean score of 4.02 and very good/excellent ratings among 66% of respondents) and for providing fair and equal treatment (mean score of 4.02 and very good/excellent ratings among 63% of respondents).

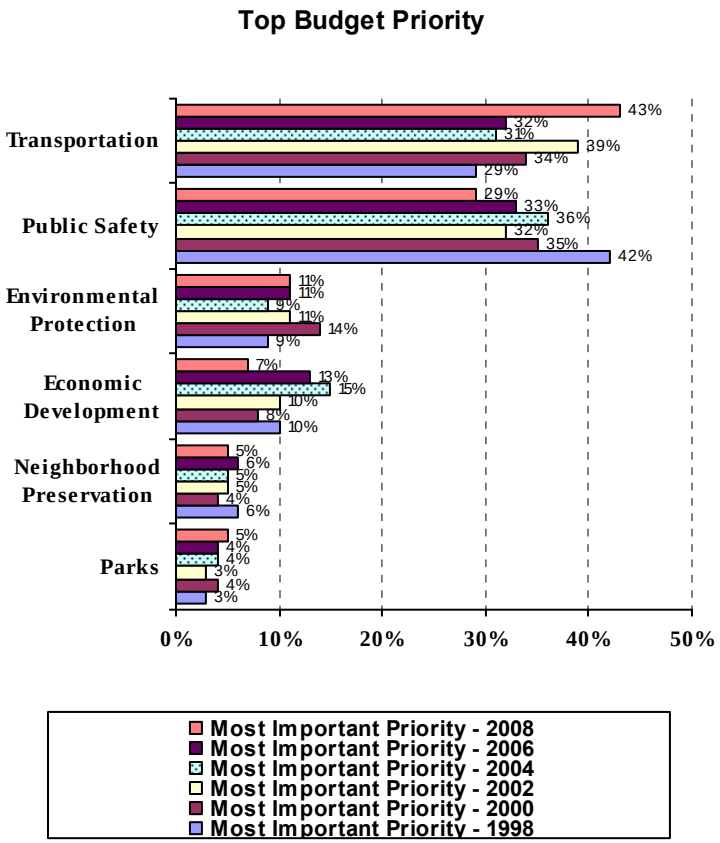
Notably, for every service measure more than one in seven respondents (16% or more) state they are unsure of how to rate their satisfaction with the Bellevue Police Department on each of these six measures. A quarter of respondents are unsure of how honest (25%) the Police Department is or don't know if they provide fair and equal treatment (23%). It may be that people have not had contact with Police and are therefore unsure or do not feel able to rate the Police Department on these measures.




Respondents most frequently mention that their primary source of information about the Bellevue Police Department is through direct contact with the police (40%), followed by the newspaper (18%), word of mouth (9%), the radio or television (6%), or online (4%).

On a "1" to "7" scale where "1" means "not at all satisfied" and "7" means "very satisfied", sixty percent (60%) of respondents report they are satisfied, a 6 or 7 rating, with the quality of services provided by the Bellevue Police Department. A third of respondents (33%) give a neutral rating (3, 4, or 5), while very few respondents indicate they are not satisfied (2%), a rating less than 3, with the BPD.

## BUDGET PRIORITIES

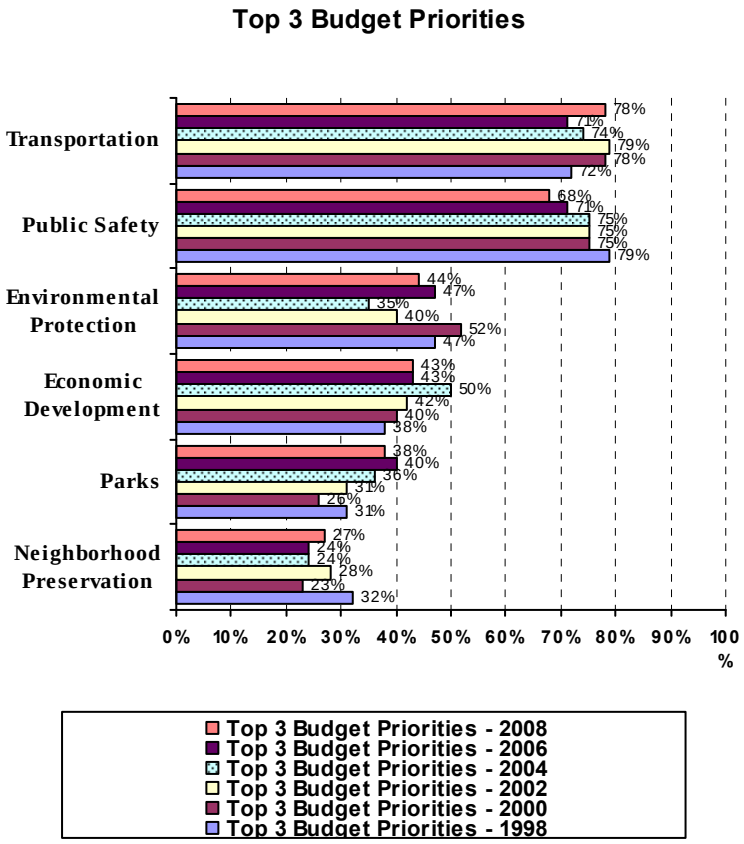



TOP BUDGET PRIORITY*:* Similar to past surveys, respondents were asked to select their top budget priority from among six general service areas. Transportation is ranked as the top budget priority by 43% of 2008 respondents. Public safety is considered a top budget priority by nearly a third of respondents (29%). Public Safety has formerly been ranked as the highest priority by respondents in previous Budget Surveys, however the percentage of respondents who indicate Transportation is the top budget priority has significantly increased (43% in 2008 compared to 32% in 2006 and 31% in 2004), ranking it above Public Safety.

The percentage of respondents who indicate Environmental Protection as the top budget priority remains relatively stable, 11% in both 2008 and 2006. Significantly fewer respondents in 2008 (7%) say that Economic Development is a top priority issue compared to 2006 (13%) and 2004 (14%), although it remains only slightly lower than in 2002 (10%). Five percent of respondents report that Parks (5%) or Neighborhood Preservation (5%) is a top budget priority, similar to recent years.

## Top 3 Budget Priorities

In addition, respondents were also asked to name their second and third budget priorities. Results were combined for each service area to ascertain which service areas were most often considered as one of the top three budget priorities.




- Seventy-eight percent (78%) of respondents name Transportation as either a first, second or third budget priority. This is higher than in 2006 (71%) and 2004 (74%) and similar to 2002 (79%).
- Slightly lower than previous years, two-thirds (68%) of respondents say Public Safety should be the first, second or third budget priority – this is a slight decline when compared to the combined percentage in 2006 (71%), 2004 (75%) and in 2002 (75%).
- Down from 2006, less than half (44%) of respondents in 2008 consider Environmental Protection to be one of the top three budget priorities, compared to 47% in 2006.
- Forty-three percent (43%) say that Economic Development is a first, second or third budget priority. This is the same as the combined percentage in 2006 (43%), and is significantly lower than in 2004 (50%).
- Parks is considered the first, second or third priority by thirty-eight percent (38%) of respondents. This remains fairly stable from previous surveys (40% in 2006, 36% in 2004 and 31% in 2002).
- Neighborhood Preservation is considered a first, second or third budget priority by the fewest respondents in 2008 (27%). One quarter of respondents reported this as a budget priority in previous surveys (24% in 2006, 24% in 2004, 28% in 2002 and 23% in 2000).

**Demographic Differences in the Top Budget Priority Named by Respondents**

Listed below are groups more likely than others to name the following as their top budget priority:

Transportation: Male respondents

Public Safety: Respondents with at least 25 years of residency, residents older than 54, and female respondents

Environmental Protection: Respondents who have children living in their household

Economic Development: No statistically significant differences by demographic groups

Parks: No statistically significant differences by demographic groups

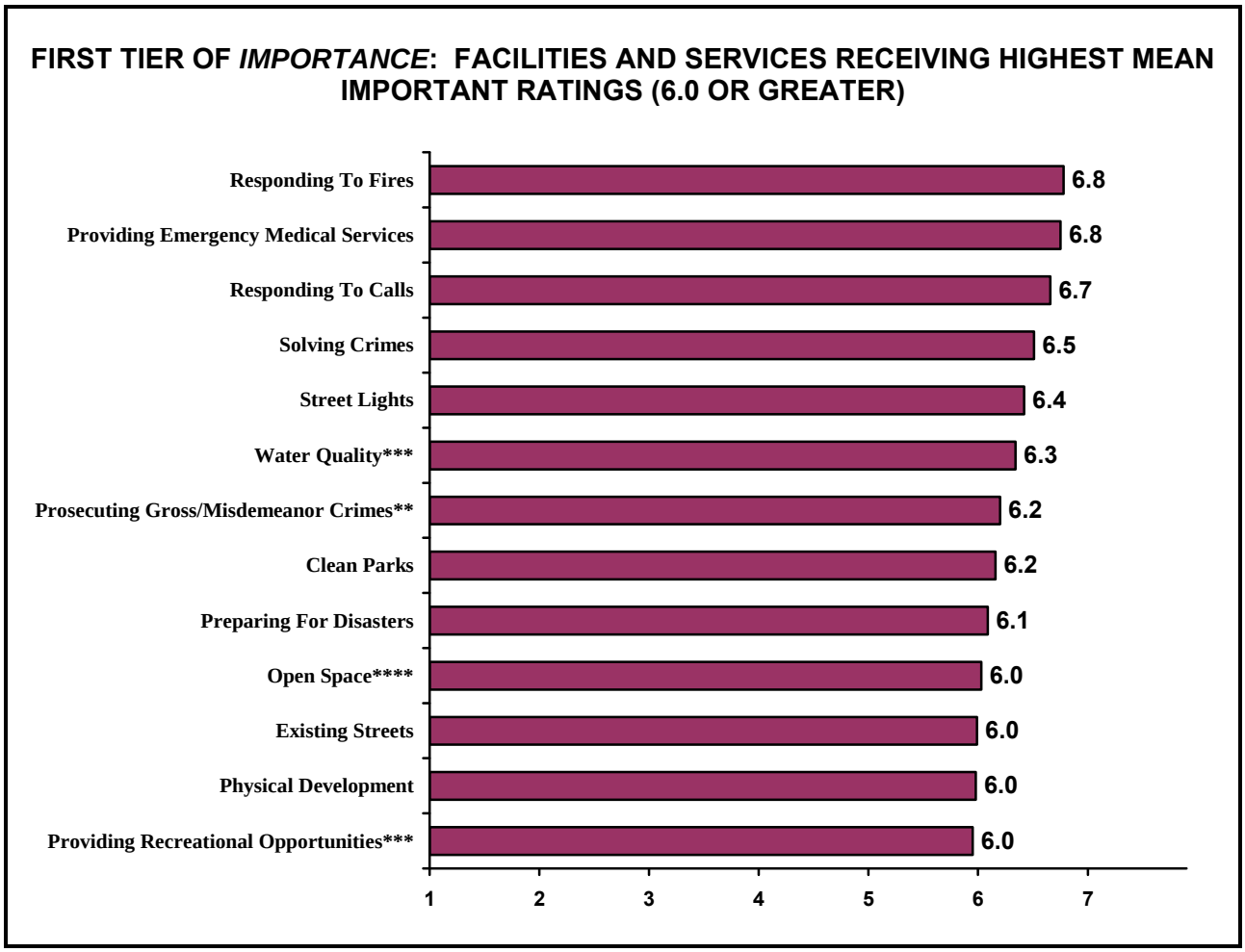
Neighborhood Preservation: Respondents 65 years of age and older as well as respondents with children in their household

## IMPORTANCE AND SATISFACTION RATINGS FOR FACILITIES AND SERVICES

The heart of the Budget Survey is a series of questions asking respondents to rate 36 specific types of services and facilities on 1) how important they believe it is for the City to provide the service or facility and 2) how satisfied they are with the City's job in providing the service or facility. Respondents were asked to provide ratings on a 1 to 7 scale with 7 being the highest rating for both importance and satisfaction.

Similar to the mean importance ratings reported in 2006, in the 2008 survey every service item receives a mean rating of at least 4.8 ranging upward to a high mean rating of 6.8.

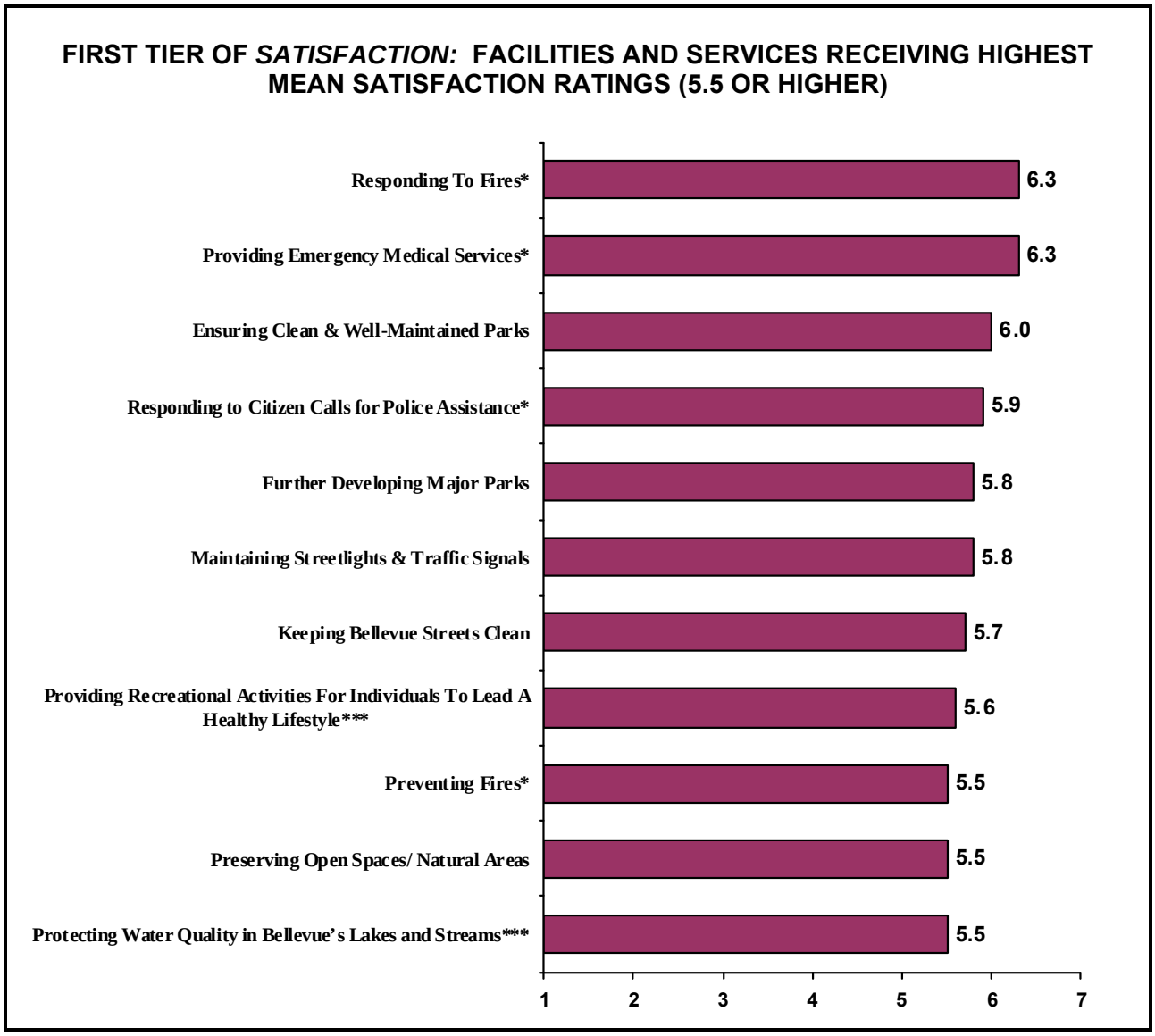
The First Tier of Importance continues to generally be comprised of those services and facilities relating to public safety. This year, respondents rated one service area above 6.0 in importance that had been rated lower than 6.0 in 2006. These are denoted with a ******.**




**The service item "prosecuting misdemeanor and gross misdemeanor crimes committed in Bellevue" was new to the 2004 Budget Survey.
***The service items "water quality" and "providing recreational opportunities" was new to the 2006 Budget Survey.
**** The service items marked with an asterisk (****) were reported in the Second Tier of Importance in the 2006 Budget Survey.

As in 2006, in 2008 all service and facility items were given average satisfaction ratings of at least a 4.5. Those services garnering the greatest satisfaction among respondents received mean satisfaction ratings of almost 6.3.

Among the eleven services receiving a mean satisfaction rating of 5.5 or greater – the First Tier of Satisfaction – seven of those services are also most important to respondents (in the First Tier of Importance). Services that were rated as the most important but that are not in the first tier of satisfaction are investigating & solving crimes, preparing for disasters such as earthquakes and major storms, maintaining existing streets & sidewalks, and managing the city's physical development. The differences between those services that are most important to respondents and the satisfaction level with services are discussed in more detail on the following pages.




*High Percentage of respondents (20% or more) report "don't know" for service area satisfaction.
***The service items "water quality" and "providing recreational opportunities" were new to the 2006 Budget Survey.

The two-page table beginning on the next page shows importance and satisfaction ratings for all services included in the 2008 survey. The order in which services and facilities are listed is based on mean importance ratings, with areas receiving the highest ratings shown first. On this table, mean importance ratings and satisfaction ratings are shown for each service and facility about which the survey asked. This table then shows both the percentages giving the highest possible rating (a "7") and the combined percentages giving a rating of "6" or "7." The last column shows the percentage giving a response of "don't know" concerning satisfaction with each service or facility.

In evaluating satisfaction ratings, it is important to note that "don't know" responses are quite common for several areas. Seven (7) out of 36 areas receive responses of "don't know" from 20 percent or more of respondents, and four (4) areas receive "don't know" responses from 17 to 19 percent of respondents. As in the past, there may be opportunities for the City to build

awareness among residents about the City's work in these areas. It should be noted that in the areas which receive high percentages of "don't know" responses in relation to the satisfaction questions, such as "prosecuting misdemeanor & gross misdemeanor crimes", only a small amount of respondents have direct experience. Furthermore, the percentage of "don't know" responses is much less common when respondents rate importance of services rather than satisfaction of services.

## IMPORTANCE AND SATISFACTION RATINGS

Service areas with a high proportion of don't know responses have their 'don't know' results in bold and underlined.

| | Importance | | | | Satisfaction | | | |
|---|---|---|---|---|---|---|---|---|
| | Mean | % Rating 7 | % Rating 6 or 7 | Don't Know^ | Mean | % Rating 7 | % Rating 6 or 7 | Don't Know^ |
| ***1st Tier of Importance (Mean Rating of 6.0 or More)*** | | | | | | | | |
| Responding To Fires | 6.78 | 85% | 92% | 2% | 6.32 | 46% | 66% | **21%** |
| Providing Emergency Medical Services | 6.75 | 82% | 93% | 4% | 6.32 | 52% | 68% | **18%** |
| Responding to Citizen Calls for Police Assistance | 6.66 | 70% | 86% | 8% | 5.92 | 29% | 56% | **23%** |
| Investigating & Solving Crimes | 6.51 | 64% | 84% | 7% | 5.42 | 16% | 40% | **27%** |
| Maintaining Streetlights & Traffic Signals | 6.42 | 62% | 85% | 0.20% | 5.82 | 38% | 68% | 1% |
| Protecting Water Quality in Bellevue's Lakes and Streams | 6.34 | 52% | 88% | 1% | 5.50 | 17% | 55% | 7% |
| Prosecuting Misdemeanor & Gross Misdemeanor Crimes | 6.20 | 49% | 76% | 6% | 5.19 | 13% | 32% | **28%** |
| Ensuring Clean & Well-Maintained Parks | 6.16 | 52% | 76% | 0.15% | 5.99 | 42% | 71% | 4% |
| Preparing for Disasters | 6.09 | 50% | 70% | 4% | 4.78 | 14% | 23% | **20%** |
| Preserving Open Spaces/ Natural Areas | 6.03 | 43% | 73% | 0.12% | 5.51 | 24% | 51% | 1% |
| Maintaining Existing Streets & Sidewalks | 5.99 | 37% | 70% | 1% | 5.36 | 18% | 51% | 1% |
| Managing the City's Physical Development | 5.98 | 43% | 70% | 3% | 5.01 | 12% | 36% | 7% |
| Providing Recreational Activities For Individuals To Lead A Healthy Lifestyle | 5.95 | 43% | 73% | 1% | 5.61 | 25% | 58% | 4% |
| ***2nd Tier of Importance (Mean Rating of 5.5 to 5.9)*** | | | | | | | | |
| Building or Widening City Roads | 5.89 | 42% | 72% | 0.20% | 4.73 | 6% | 27% | 2% |
| Preventing Fires | 5.85 | 38% | 61% | 3% | 5.51 | 21% | 46% | **17%** |
| Building Neighborhood Improvements | 5.84 | 39% | 64% | 0.17% | 5.43 | 24% | 48% | 3% |
| Further Developing Major Parks | 5.81 | 44% | 63% | 0.32% | 5.82 | 33% | 67% | 3% |
| Keeping Bellevue Streets Clean | 5.80 | 36% | 63% | 0.08% | 5.74 | 25% | 63% | 1% |
| Providing Services for Residents in Needs | 5.80 | 35% | 64% | 4% | 5.38 | 15% | 31% | **25%** |
| Promoting Jobs And Economic Development | 5.78 | 36% | 59% | 5% | 5.30 | 11% | 42% | 12% |
| Reducing Traffic Accidents by Enforcing Traffic Laws | 5.78 | 39% | 64% | 0.45% | 5.31 | 17% | 49% | 4% |
| Providing Recreation Programs For Youth, Seniors and Special Needs Population | 5.77 | 45% | 61% | 2% | 5.29 | 18% | 42% | 9% |
| Community Policing | 5.63 | 28% | 58% | 4% | 5.12 | 14% | 36% | **17%** |
| Providing Traffic Patrols in Residential Neighborhoods | 5.61 | 38% | 57% | 1% | 5.14 | 20% | 43% | 5% |
| Reducing Traffic in Residential Neighborhoods | 5.53 | 33% | 56% | 2% | 4.73 | 7% | 26% | 5% |
| Making it Easier to Get Information About City Services & Programs | 5.53 | 27% | 54% | 2% | 5.34 | 18% | 45% | 8% |

## IMPORTANCE AND SATISFACTION RATINGS, Cont.

Service areas with a high proportion of don't know responses have their 'don't know' results in bold and underlined.

| | Importance | | | | Satisfaction | | | |
|---|---|---|---|---|---|---|---|---|
| | Mean | % Rating 7 | % Rating 6 or 7 | Don't Know^ | Mean | % Rating 7 | % Rating 6 or 7 | Don't Know^ |
| ***3rd Tier of Importance (Mean Rating of Less than 5.5)*** | | | | | | | | |
| Building Sidewalks Along Major Roads | 5.47 | 30% | 53% | 3% | 5.01 | 13% | 36% | 6% |
| Expanding Trails | 5.39 | 27% | 48% | 1% | 5.44 | 15% | 45% | 5% |
| Building Neighborhood Sidewalks | 5.30 | 27% | 47% | 2% | 4.66 | 9% | 27% | 7% |
| Outreach and Programs For Better Access to City Services | 5.29 | 22% | 47% | 6% | 5.16 | 11% | 36% | 14% |
| Affordable Housing for Residents | 5.29 | 28% | 48% | 3% | 4.45 | 6% | 19% | **18%** |
| Improvements for Bicycle Riders | 5.06 | 18% | 43% | 3% | 4.63 | 9% | 22% | 10% |
| Responding to Citizen Complaints About Code Violations | 5.04 | 19% | 37% | 8% | 5.08 | 11% | 30% | **26%** |
| Sponsoring Community Events | 4.98 | 18% | 38% | 3% | 5.04 | 20% | 40% | 9% |
| Supporting the Arts | 4.78 | 16% | 32% | 1% | 5.04 | 14% | 33% | 11% |

### Demographic Differences in Importance and Satisfaction Ratings

There are some demographic groups of respondents who are more likely to give services and facilities greater importance ratings. These groups include older respondents (age 65 or older), females, respondents with lesser household incomes, and residents who have lived in the City of Bellevue for 25 years or more.

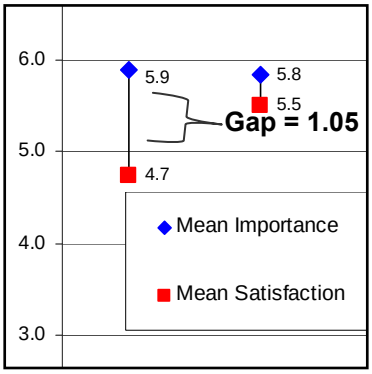
Females, older respondents and respondents with lower annual household incomes also tend to be more highly satisfied with the City's services and facilities.

These results probably indicate real differences among groups of residents in the importance they ascribe to City services and their satisfaction with the City's job in providing these services. However, some of these findings may also be revealing differences in response styles, with some groups of respondents being more likely than others to answer in what they perceive would be viewed as a positive way by the City.

## Gaps Between Importance and Satisfaction

As noted, services that residents feel are most important tend also to be those with which they are most satisfied. Useful insights are, however, provided by analyzing the size of gaps between the mean importance and satisfaction ratings given by respondents. An example is provided below of how gaps between mean importance and satisfaction ratings are calculated.

**Building or Widening City Roads**




Generally, on the Budget Survey, services are given somewhat higher importance than satisfaction ratings. Relatively large gaps—in which the mean rating of importance is at least 1.0 rating points higher than the mean rating of satisfaction—merit a particularly close look by the City. A gap of 1.0 or more may signal a need for more public education and outreach regarding a particular facility or service. Or, such a gap may signal that resources are not adequate, or are not deployed as well as they could be. Large gaps may also reflect broad frustration with challenges that have aspects that are regional in scope and that local government has limited ability to impact.

Results of the 2008 Budget Survey reveal that four services have gap scores of 1.0 or greater; compared to two services in 2006 (and 6 in 2004).

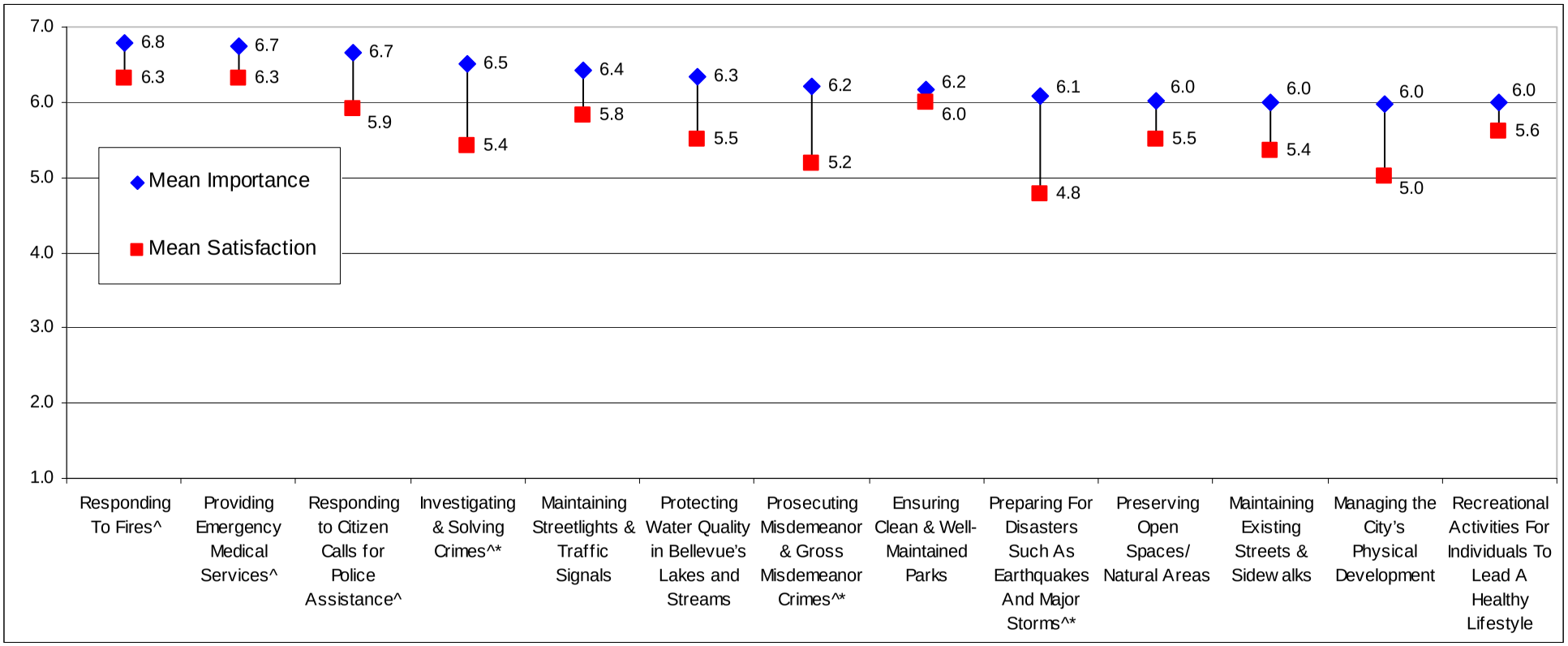
The charts on the next page show the gap scores for those services with large gaps in 2006 and 2008.

| SERVICES AND FACILITIES WITH LARGEST GAPS IN 2008 SURVEY | | |
|---|---|---|
| | **2006 Budget Survey Gap (Importance > Satisfaction)** | **2008 Budget Survey Gap (Importance > Satisfaction)** |
| **1st Tier of Importance (6.0 or higher):** | | |
| Investigating & Solving Crimes | 0.89 | 1.09 |
| Protecting Water Quality in Bellevue's Lakes and Streams | 0.84 | 0.85 |
| Prosecuting Misdemeanor & Gross Misdemeanor Crimes | 0.74 | 1.01 |
| Preparing For Disasters Such As Earthquakes And Major Storms | 0.94 | 1.31 |
| **2nd Tier of Importance (5.5 – 6.0):** | | |
| Managing the City's Physical Development | 0.76 | 0.97 |
| Building or Widening City Roads | 1.05 | 1.16 |
| Reducing Traffic in Residential Neighborhoods | 0.58 | 0.80 |
| Affordable Housing for Residents | 1.01 | 0.84 |

* In figuring gaps between importance and satisfaction, importance and satisfaction ratings were carried out to two decimal places before the gaps were calculated. Only then were the gaps rounded to one decimal place.

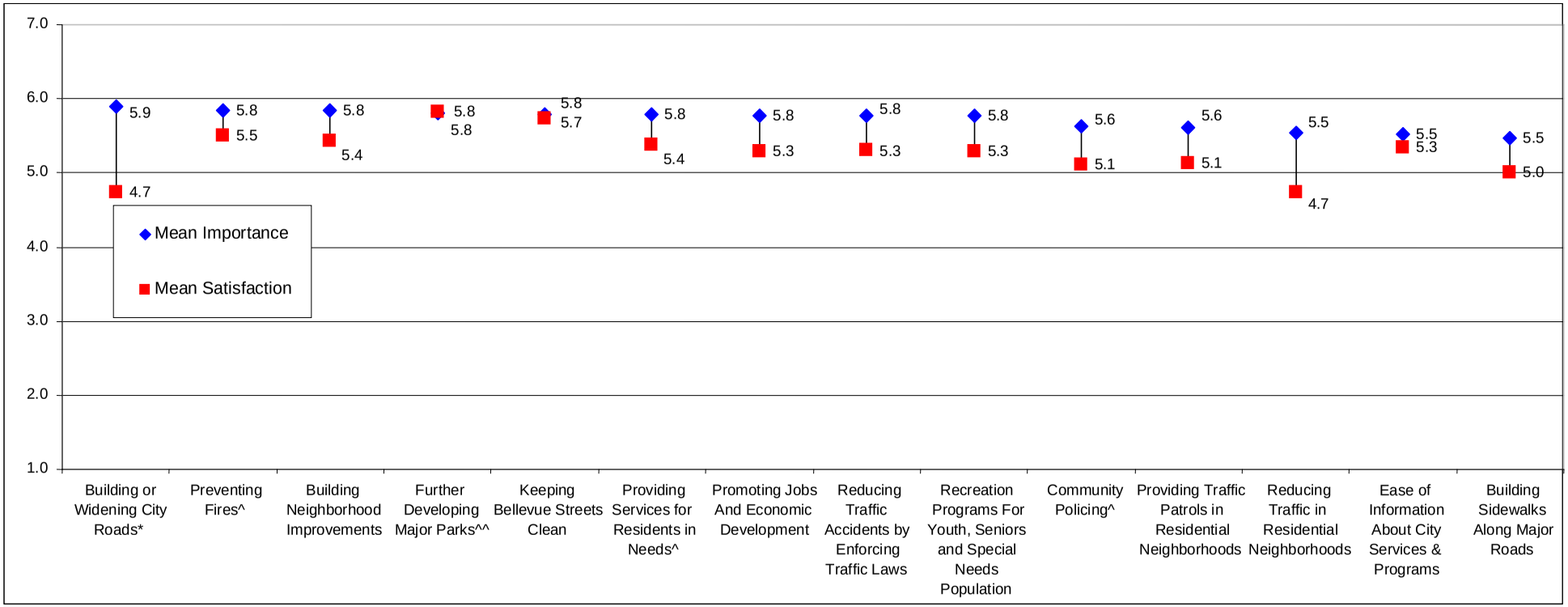
A series of three charts is provided next to show the size of gaps between average importance and satisfaction ratings for all service areas about which the 2008 survey asked. The services are arranged by tier of importance.

## GAP ANALYSIS 2008
## FIRST TIER OF IMPORTANCE (MEAN 6.0 OR GREATER)



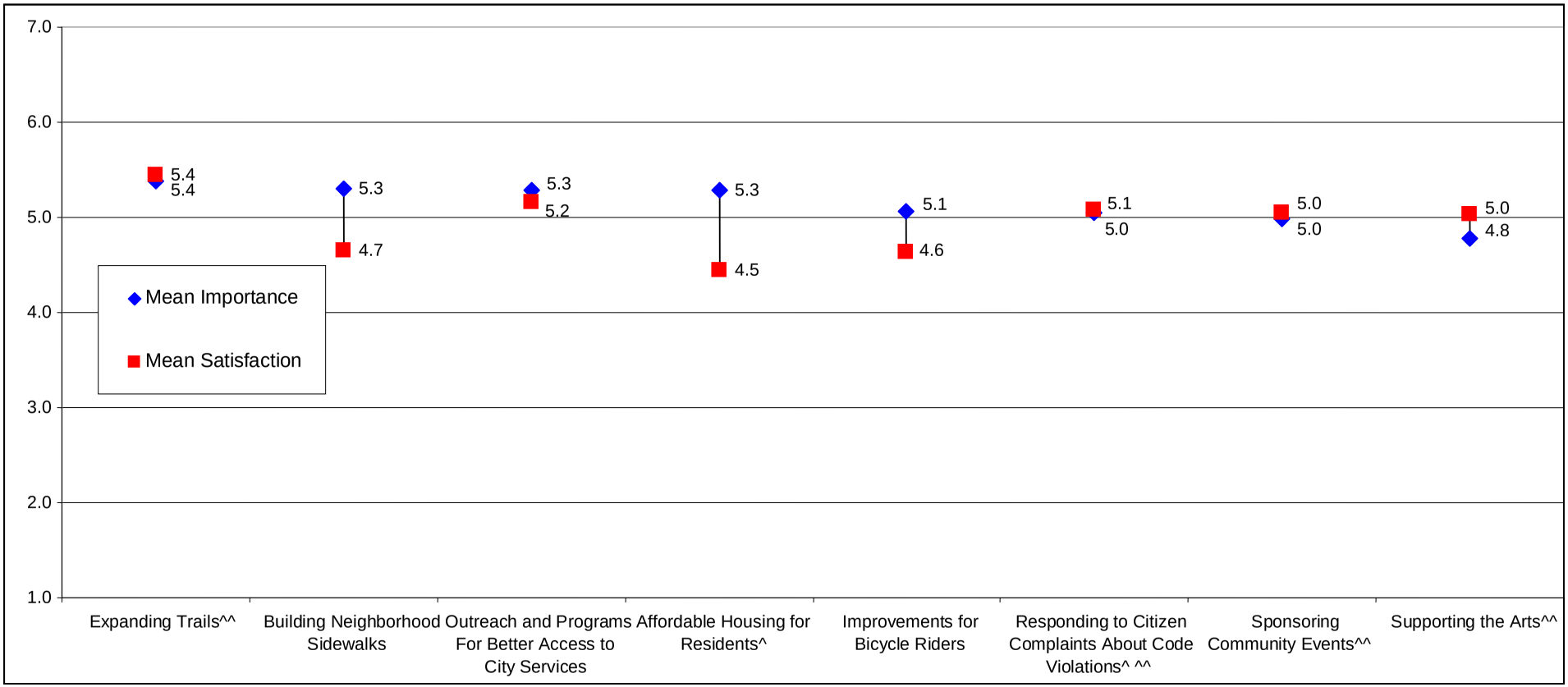

**^**High percentage of respondents don't know how satisfied they are with the service
* Services or facilities with a gap score of 1.0 or greater have an asterisk
^^Note, the mean satisfaction rating is greater than the mean importance rating

## GAP ANALYSIS 2008
## SECOND TIER OF IMPORTANCE (MEAN OF AT LEAST 5.5 AND LESS THAN 6.0)




^High percentage of respondents don't know how satisfied they are with the service
* Services or facilities with a gap score of 1.0 or greater have an asterisk
^^Note, the mean satisfaction rating is greater than the mean importance rating

## GAP ANALYSIS 2008
## THIRD TIER OF IMPORTANCE (MEAN LESS THAN 5.5)




^High percentage of respondents don't know how satisfied they are with the service
* Services or facilities with a gap score of 1.0 or greater have an asterisk
^^Note, the mean satisfaction rating is greater than the mean importance rating

## Trends in Importance and Satisfaction Ratings

When making a direct comparison between mean scores in 2008 and mean scores in 1998, the majority of service areas increased in their *importance* ratings rather than decreased. At the same time, the majority of service areas increased in their *satisfaction* ratings.

There are 8 service areas of *importance* where the 2008 mean score has decreased in comparison to the 1998 score, included below, however the means scores, while lower, are not significantly different:

- Building or widening City roads to help ease traffic congestion
- Keeping Bellevue streets clean
- Reducing traffic accidents through enforcing traffic laws
- Community policing such as bike patrols and neighborhood Police officers
- Reducing traffic problems in residential neighborhoods
- Promoting affordable housing for City residents
- Responding To Citizen Complaints About Code Violations
- Supporting the arts

With the exception of responding to fires, every service area *satisfaction* rating has improved when comparing 1998 and 2008 mean scores.

There are trends of increasing *satisfaction* for several service areas. In addition, these areas with increasing satisfaction have also shown decreasing gaps in the disparity between the importances of the service compared to the satisfaction with the service area:

- Responding To Citizen Calls For Police Assistance
- Preserving Open Spaces And Natural Areas
- Maintaining Existing Sidewalks And Streets
- Managing City's Physical Development
- Building Or Widening City Roads To Help Ease Traffic Congestion
- Further Developing Major Parks
- Providing Services For Residents In Need
- Keeping Bellevue Streets Clean
- Reducing Traffic Accidents Through Enforcing Traffic Laws
- Community Policing Such As Bike Patrols And Neighborhood Police Officers

- Making It Easier To Get Information About City Services And Programs
- Reducing Traffic Problems In Residential Neighborhoods
- Building Additional Sidewalks Along Major Roads
- Expanding Trails
- Promoting Affordable Housing For City Residents
- Responding To Citizen Complaints About Code Violations
- Supporting The Arts

The table on the next page shows trends for service areas that have had substantial gaps between importance and satisfaction ratings in 1998, 2000, 2002, 2004, 2006 and/or 2008. Gap scores that are statistically greater than that reported in another year are shown in bold.

An indication is also made regarding whether the gap score (importance minus satisfaction) has widened, narrowed or remained stable between 1998 and 2008.

| IMPORTANCE AND SATISFACTION TRENDS<br>Services with substantial gaps in 1998, 2000, 2002, 2004, 2006 and/or 2008 | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Gap | | | | | | Trends 1998 to 2008 |
| | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | - |
| **1st Tier of Importance** | | | | | | | |
| Investigating And Solving Crimes | **1.06** | **1.09** | **0.98** | **0.90** | 0.89 | **1.09** | Narrowing until 2006, and stabilizing from previous years |
| Building Or Widening City Roads To Help Ease Traffic Congestion | **1.72** | **1.37** | **1.66** | **1.35** | 1.05 | **1.16** | Appears to be narrowing (Note that gap will be influenced by transit and construction projects on Bellevue roads and freeways) |
| Maintaining Existing Streets & Sidewalks | **0.96** | **0.96** | **1.08** | **0.81** | **0.68** | 0.63 | Narrowing overall with slight increase in gap score in 2002 |
| Providing Services For Residents In Need | 0.83 | **1.08** | **0.71** | **0.95** | **0.69** | 0.42 | Narrowing overall with increase in gap score in 2000 |
| Preparing For Disasters Such As Earthquakes And Major Storms | **1.14** | **0.74** | **0.79** | 0.56 | **0.94** | **1.31** | Narrowing since 2004, but now widening |
| Managing City's Physical Development | **1.25** | **1.16** | **1.22** | **0.83** | 0.76 | **0.97** | Narrowing overall |
| Preserving Open Spaces And Natural Areas | **1.01** | **1.11** | **0.80** | **0.53** | 0.40 | **0.52** | Narrowing overall |
| **2nd Tier of Importance** | | | | | | | |
| Promoting Jobs and Economic Development | 0.42 | 0.36 | **0.90** | **1.12** | **0.60** | 0.48 | Narrowing through 2000; widened gap in 2002-2004, but currently declining |
| Reducing Traffic Problems In Residential Neighborhoods | **1.41** | **1.02** | **1.29** | **0.99** | 0.58 | **0.80** | Narrowing until 2006 however increasing in 2008 |
| **3rd Tier of Importance** | | | | | | | |
| Promoting Affordable Housing For City Residents | **1.43** | **1.21** | 0.88 | **1.03** | **1.01** | 0.84 | Narrowing overall with slight increase in gap score in 2004 and 2006 |

## TRENDS IN IMPORTANCE AND SATISFACTION RATINGS AND GAPS FOR ALL CITY SERVICES AND FACILITIES

The tables on the next few pages summarize trends in ratings and gaps for *all service areas between 1998 and 2008.* Importance and satisfaction mean scores that have increased significantly over any of the previous survey years are in **bold**. Within the table, City services are listed in descending order by the average importance score in 2008 (by tier of importance).

### First Tier of Importance

| | Importance | | | | | | Satisfaction | | | | | | Gap | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 |
| Responding To Fires | Stable | | | | | | Stable; Slightly Decreasing In 2008 | | | | | | Stable Over Time; Significant Decrease In 2006 | | | | | |
| | 6.77 | 6.80 | 6.78 | 6.81 | 6.77 | 6.78 | 6.36 | 6.37 | 6.44 | 6.41 | 6.47 | 6.32 | **0.41** | **0.43** | **0.34** | **0.40** | 0.30 | **0.46** |
| Providing Emergency Medical Services Such As Medic One | Stable Over Time | | | | | | Stable | | | | | | Stable Over Time; Significant Decrease In 2006 | | | | | |
| | 6.66 | 6.81 | 6.78 | 6.75 | 6.70 | 6.75 | 6.26 | 6.35 | 6.41 | 6.41 | 6.40 | 6.32 | **0.40** | **0.46** | **0.37** | **0.34** | 0.31 | **0.43** |
| Responding To Citizen Calls For Police Assistance | Stable | | | | | | Significant Increase In 2004 & 2006 | | | | | | Narrowing Since 2002; Significant Decrease In 2006 | | | | | |
| | 6.57 | 6.57 | 6.52 | 6.62 | 6.58 | 6.66 | 5.75 | 5.75 | 5.74 | **5.93** | **5.96** | 5.92 | 0.82 | 0.82 | **0.78** | **0.69** | 0.62 | **0.74** |
| Investigating And Solving Crimes | Stable | | | | | | Generally Increasing | | | | | | Narrowing Until 2006; Significant Increase In 2008 | | | | | |
| | 6.44 | 6.40 | 6.45 | 6.46 | 6.47 | 6.51 | 5.38 | 5.31 | 5.47 | 5.56 | 5.58 | 5.42 | 1.06 | 1.09 | **0.98** | **0.90** | 0.89 | **1.09** |
| Maintaining Street Lights & Traffic Signals | Significant Decrease In 2006 | | | | | | Stable | | | | | | Significantly Narrowing In 2006 | | | | | |
| | 6.27 | 6.37 | 6.42 | **6.46** | 6.32 | 6.42 | 5.73 | 5.69 | 5.72 | 5.77 | 5.78 | 5.82 | 0.54 | 0.68 | **0.70** | **0.69** | 0.54 | **0.61** |
| Protecting Water Quality In Bellevue's Lakes And Streams *(New In 2006)* | Stable | | | | | | Stable | | | | | | Stable | | | | | |
| | * | * | * | * | 6.36 | 6.34 | * | * | * | * | 5.52 | 5.50 | * | * | * | * | 0.84 | **0.85** |
| Prosecuting Misdemeanor And Gross Misdemeanor Crimes *(Added In 2004)* | Slightly Decreasing | | | | | | Slightly Decreasing | | | | | | Significantly Narrowing In 2006 | | | | | |
| | * | * | * | 6.26 | 6.13 | 6.20 | * | * | * | 5.31 | 5.38 | 5.19 | * | * | * | **0.95** | 0.74 | **1.01** |
| Ensuring Clean And Well-Maintained Parks & Park Facilities | Increasing | | | | | | Slight Decreases In 2000 And 2002; Significant Increase In Since 2004 | | | | | | Significantly Narrowing In 2006 And Generally Declining | | | | | |
| | 5.88 | 5.90 | 6.00 | **6.14** | 6.16 | 6.16 | 5.70 | 5.61 | 5.62 | **5.82** | **5.99** | **5.99** | **0.18** | **0.29** | **0.38** | **0.32** | 0.16 | **0.17** |
| Preparing For Disasters Such As Earthquakes And Major Storms | Increasing Over Time | | | | | | Peaked In 2004; Significant Decrease In 2008 | | | | | | Significant Decrease In 2004 | | | | | |
| | 5.77 | 5.84 | 6.06 | 5.97 | 6.13 | 6.09 | 4.63 | **5.10** | **5.27** | **5.41** | **5.19** | 4.78 | **1.14** | **0.74** | **0.79** | 0.56 | **0.94** | **1.31** |
| Preserving Open Spaces And Natural Areas | Increasing | | | | | | Generally Increasing With A Significant Increase Since 2004 | | | | | | Narrowing With A Significant Decrease In 2006 | | | | | |
| | 5.98 | 5.81 | 5.81 | 5.82 | 5.98 | 6.03 | 4.97 | 4.70 | 5.01 | **5.29** | **5.58** | **5.51** | **1.01** | **1.11** | **0.80** | **0.53** | 0.40 | **0.52** |

## First Tier of Importance *continued*

| | Importance | | | | | | Satisfaction | | | | | | Gap | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **1998** | **2000** | **2002** | **2004** | **2006** | **2008** | **1998** | **2000** | **2002** | **2004** | **2006** | **2008** | **1998** | **2000** | **2002** | **2004** | **2006** | **2008** |
| Maintaining Existing Streets And Sidewalks | Stable Over Time | | | | | | Significant Increase Since 2004 | | | | | | Narrowing Overall With Significant Decrease In 2008 | | | | | |
| | 5.98 | 6.00 | 6.06 | 6.09 | 6.01 | 5.99 | 5.02 | 5.04 | 4.98 | **5.28** | **5.33** | **5.36** | **0.96** | **0.96** | **1.08** | **0.81** | **0.68** | 0.63 |
| Managing City's Physical Development | Stable | | | | | | Significant Increase Since 2004 | | | | | | Narrowing With A Significant Decrease In 2006 | | | | | |
| | 5.94 | 5.80 | 5.92 | 5.89 | 5.94 | 5.98 | 4.69 | 4.64 | 4.70 | **5.06** | **5.18** | **5.01** | **1.25** | **1.16** | **1.22** | **0.83** | 0.76 | **0.97** |
| Providing Opportunities For Individuals To Lead Healthy And Active Lifestyles *(New In 2006)* | Slight Decrease In 2008 | | | | | | Stable | | | | | | Significant Decrease In 2008 | | | | | |
| | * | * | * | * | 6.04 | 5.95 | * | * | * | * | 5.61 | 5.61 | * | * | * | * | **0.43** | 0.34 |

## Second Tier Of Importance

| | Importance | | | | | | Satisfaction | | | | | | Gap | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 |
| Building Or Widening City Roads To Help Ease Traffic Congestion | Generally Stable With A Significant Increase In 2004 | | | | | | Significant Increase Since 2004 | | | | | | Appears To Be Narrowing; Significant Decrease In 2006 (Note That Gap Will Be Influenced By Transit And Construction Projects On Bellevue Roads And Freeways) | | | | | |
| | 5.90 | 5.80 | 6.00 | **6.11** | 5.85 | 5.89 | 4.18 | 4.43 | 4.34 | **4.76** | **4.80** | **4.73** | **1.72** | **1.37** | **1.66** | **1.35** | 1.05 | **1.16** |
| Preventing Fires | Stable | | | | | | Increasing Until 2006; Slight Decrease In 2008 | | | | | | No Trend Varying Gap | | | | | |
| | 5.65 | 5.76 | 5.88 | 5.86 | 5.77 | 5.85 | 5.31 | 5.47 | 5.51 | 5.54 | **5.70** | 5.51 | 0.34 | 0.29 | **0.37** | **0.32** | 0.07 | **0.34** |
| Building Neighborhood Improvements Such As Sidewalks, Crosswalks & Neighborhood Parks | Generally Increasing With Significant Increases In 2006 | | | | | | Increasing | | | | | | Significant Decreased In 2004 | | | | | |
| | 5.48 | 5.46 | 5.73 | 5.68 | **5.90** | 5.84 | 5.03 | 5.04 | 5.11 | **5.34** | **5.43** | **5.43** | 0.45 | 0.42 | **0.62** | 0.34 | **0.46** | **0.41** |
| Further Developing Major Parks | Increasing | | | | | | Increasing | | | | | | No Trend Varying Gap | | | | | |
| | 5.47 | 5.50 | 5.66 | **5.80** | **5.80** | **5.81** | 5.40 | 5.52 | 5.58 | 5.72 | **5.91** | 5.82 | **0.07** | **-0.02** | **0.08** | **0.08** | -0.10 | **-0.01** |
| Providing Services For Residents In Need | Significant Increase In 2004 | | | | | | Increasing Since 1998 | | | | | | No Trend - Varying Gap | | | | | |
| | 5.77 | 5.92 | 5.91 | **6.07** | 5.84 | 5.80 | 4.94 | 4.84 | 5.20 | 5.12 | 5.14 | 5.38 | 0.83 | 1.08 | **0.71** | **0.95** | **0.69** | 0.42 |
| Keeping Bellevue Streets Clean | Relatively Stable | | | | | | Significant Increase Since 2004 | | | | | | Stable Over Time; Significantly Narrowing In 2008 | | | | | |
| | 5.84 | 5.81 | 5.84 | 5.93 | 5.89 | 5.80 | 5.72 | 5.60 | 5.60 | **5.81** | **5.81** | 5.74 | **0.12** | **0.21** | **0.24** | **0.12** | **0.09** | 0.05 |
| Reducing Traffic Accidents Through Enforcing Traffic Laws | Relatively Stable | | | | | | Relatively Stable; Significant Increase In 2006 | | | | | | Relatively Stable; Significant Decrease In 2008 | | | | | |
| | 5.81 | 5.71 | 5.87 | 5.96 | 5.88 | 5.78 | 5.17 | 5.14 | 5.13 | 5.30 | **5.34** | 5.31 | 0.64 | 0.57 | **0.74** | **0.66** | **0.54** | 0.46 |
| Promoting Jobs And Economic Development | Relatively Stable Since 2002 | | | | | | Generally Increasing With A Significant Increase In 2006 & 2008 | | | | | | Significant Increase In 2002 - 2006. Significant Decrease In 2008 | | | | | |
| | 5.43 | 5.50 | 5.70 | 5.80 | 5.77 | 5.78 | 5.01 | 5.14 | 4.80 | 4.68 | **5.17** | **5.30** | 0.42 | 0.36 | **0.90** | **1.12** | **0.60** | 0.48 |
| Providing Recreation Programs For Youth, Seniors, And Special Needs Populations *(New In 2006)* | Slight Decrease In 2008 | | | | | | Slight Decrease In 2008 | | | | | | Significant Increase In 2008 | | | | | |
| | * | * | * | * | 5.83 | 5.77 | * | * | * | * | 5.40 | 5.29 | * | * | * | * | 0.43 | **0.48** |
| Community Policing Such As Bike Patrols And Neighborhood Police Officers | Stable | | | | | | Generally Narrowing; Significant Increase In 2006 | | | | | | Generally Narrowing; Significant Decrease In 2006 | | | | | |
| | 5.83 | 5.69 | 5.72 | 5.83 | 5.78 | 5.63 | 5.08 | 5.09 | 5.26 | 5.25 | **5.44** | 5.12 | **0.75** | **0.60** | **0.46** | **0.58** | 0.35 | **0.51** |
| Providing Traffic Patrols In Residential Neighborhoods | Stable Over Time | | | | | | Slightly Increasing | | | | | | Relatively Stable Over Time; Significantly Narrowing In 2006 | | | | | |
| | **5.59** | 5.26 | **5.59** | **5.63** | **5.70** | **5.61** | 5.11 | 5.14 | 5.24 | 5.20 | 5.38 | 5.14 | 0.48 | 0.12 | **0.35** | **0.43** | 0.32 | **0.48** |

## Second Tier Of Importance *continued*

| | Importance | | | | | | Satisfaction | | | | | | Gap | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **1998** | **2000** | **2002** | **2004** | **2006** | **2008** | **1998** | **2000** | **2002** | **2004** | **2006** | **2008** | **1998** | **2000** | **2002** | **2004** | **2006** | **2008** |
| Making It Easier To Get Information About City Services And Programs | Relatively Stable | | | | | | Significant Increase In 2004 | | | | | | Narrowing | | | | | |
| | 5.32 | 5.23 | 5.43 | 5.42 | 5.57 | 5.53 | 4.96 | 4.96 | 5.20 | 5.22 | 5.39 | 5.34 | **0.36** | **0.27** | **0.23** | **0.20** | 0.18 | **0.19** |
| Reducing Traffic Problems In Residential Neighborhoods | Stable Over Time With Significant Increase In 2002 | | | | | | Generally Increasing With Significant Increase Since 2004 | | | | | | Generally Narrowing; Significant Decrease In 2006 | | | | | |
| | 5.76 | 5.52 | **5.79** | 5.73 | 5.56 | 5.53 | 4.35 | 4.50 | 4.50 | **4.74** | **4.99** | **4.73** | **1.41** | **1.02** | **1.29** | **0.99** | 0.58 | **0.80** |
| Building Additional Sidewalks Along Major Roads | Generally Stable | | | | | | Significant Increase In 2004; Becoming Stable | | | | | | Narrowing | | | | | |
| | 5.32 | 5.23 | 5.40 | 5.50 | 5.55 | 5.47 | 4.76 | 4.60 | 4.77 | **4.99** | 4.93 | 5.01 | **0.56** | **0.63** | **0.63** | **0.51** | **0.63** | 0.46 |

## Third Tier Of Importance

| | Importance | | | | | | Satisfaction | | | | | | Gap | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 |
| Expanding The System Of Recreational Trails Within Parks And Between Major Destinations | Stable Over Time | | | | | | Increasing With Significant Increase Since 2004 | | | | | | Generally Narrowing | | | | | |
| | 5.12 | 5.20 | 5.30 | 5.37 | 5.50 | 5.39 | 4.97 | 5.02 | 5.09 | **5.33** | **5.43** | **5.44** | 0.15 | 0.18 | **0.21** | 0.04 | **0.07** | -0.06 |
| Building Additional Neighborhood Sidewalks | Significantly Increasing Since 2002 | | | | | | Generally Increasing With Significant Increase Since 2004 | | | | | | Slightly Increasing | | | | | |
| | 4.94 | 4.94 | **5.18** | **5.29** | **5.32** | **5.30** | 4.66 | 4.59 | 4.71 | **4.95** | **4.96** | 4.66 | 0.28 | 0.35 | **0.47** | 0.34 | **0.36** | **0.64** |
| Providing Outreach And Programs To Give Neighborhoods Better Access To City Services. | Increasing | | | | | | Increasing | | | | | | Significantly Narrowing In 2008 | | | | | |
| | 5.05 | 5.15 | **5.30** | **5.33** | **5.30** | **5.29** | 4.93 | 4.93 | 5.06 | 5.12 | 5.16 | 5.16 | 0.12 | **0.22** | **0.24** | **0.21** | **0.14** | 0.13 |
| Promoting Affordable Housing For City Residents | Stable Over Time | | | | | | Increasing | | | | | | Narrowing Through 2002; Widened Gap In 2004-2006 And Narrowing In 2008 | | | | | |
| | 5.35 | 5.23 | 5.23 | 5.34 | 5.44 | 5.29 | 3.92 | 4.02 | **4.35** | **4.31** | **4.43** | **4.45** | **1.43** | **1.21** | **0.87** | **1.03** | **1.01** | 0.84 |
| Responding To Citizen Complaints About Code Violations Like Illegal Housing Additions Or Junk Vehicles. | Significant Increase In 2002 And Declining Since | | | | | | Increasing | | | | | | Significantly Narrowing In 2008 | | | | | |
| | 5.13 | 5.11 | **5.35** | 5.28 | 5.25 | 5.04 | 4.74 | 4.98 | 4.97 | 5.09 | **5.19** | 5.08 | **0.39** | **0.13** | **0.38** | **0.19** | **0.06** | -0.03 |
| Making Improvements For Bicycle Riders | Significant Increase In 2006 | | | | | | Increasing Since 2000 With Significant Increase In 2004 | | | | | | Significantly Widening In 2006 | | | | | |
| | 4.89 | 4.82 | 4.90 | 5.02 | **5.23** | 5.06 | 4.42 | 4.36 | 4.57 | **4.81** | 4.78 | 4.63 | 0.47 | 0.46 | 0.33 | 0.21 | **0.46** | **0.44** |
| Sponsoring Community Festivals And Events *(New In 2006)* | Stable | | | | | | Slight Decrease | | | | | | Significantly Widening In 2008 | | | | | |
| | * | * | * | * | 5.01 | 4.98 | * | * | * | * | 5.24 | 5.04 | * | * | * | * | -0.02 | **-0.06** |
| Supporting The Arts | Stable Over Time | | | | | | Relatively Stable | | | | | | No Trend, Varying Gap | | | | | |
| | 4.83 | 4.69 | 4.85 | 4.97 | 4.98 | 4.78 | 4.90 | 4.85 | 5.00 | 4.84 | 5.01 | 5.04 | -0.07 | -0.16 | **-0.15** | **0.13** | **-0.03** | -0.26 |

## STRATEGIES FOR ADDRESSING TRAFFIC CONGESTION

The 2008 Budget Survey asks respondents to state how strongly they agree or disagree with six different strategies (listed below) the City could employ to deal with increased traffic congestion.

- Widen major City roads.
- Encourage the state to widen state highways.
- Work with regional agencies to improve local transit service within Bellevue.
- Work with regional agencies to develop a reliable regional mass transit system.
- Divert traffic away from local neighborhoods even if it may increase travel time.
- Encourage and make it more attractive for people to choose transportation alternatives such as riding the bus, carpooling, and vanpooling. This could include building more carpool lanes and working to get more reliable and frequent bus service.

Nearly all respondents (92%) agree that in order to deal with increased traffic congestion, the City should work with regional agencies to improve local transit service within Bellevue (68% strongly agree and 24% somewhat agree with this strategy).*

As in 2006, respondents report the second greatest percentage of agreement ratings, eighty-six percent (86%) of respondents somewhat or strongly agree that the City should work with regional agencies to develop a reliable regional mass transit system. Furthermore, eighty-six percent (86%) of respondents also agree (somewhat or strongly) that the City should encourage and make it more attractive for people to choose transportation alternatives. Similar to 2006, respondents in 2008 agree (somewhat or strongly) that the City should encourage the state to widen state highways (73% in 2006 and 74% in 2008), or widen major City roads (67% in 2006 and 68% in 2008). The smallest proportion of people agree with the statement that the City should divert traffic away from local neighborhoods – significantly fewer respondents agree with this statement in 2008 (52%) compared to 2006 (65%) and 2002 (64%).

The table on the next page breaks out the percentage of agreement and disagreement ratings given for each of the five strategies.

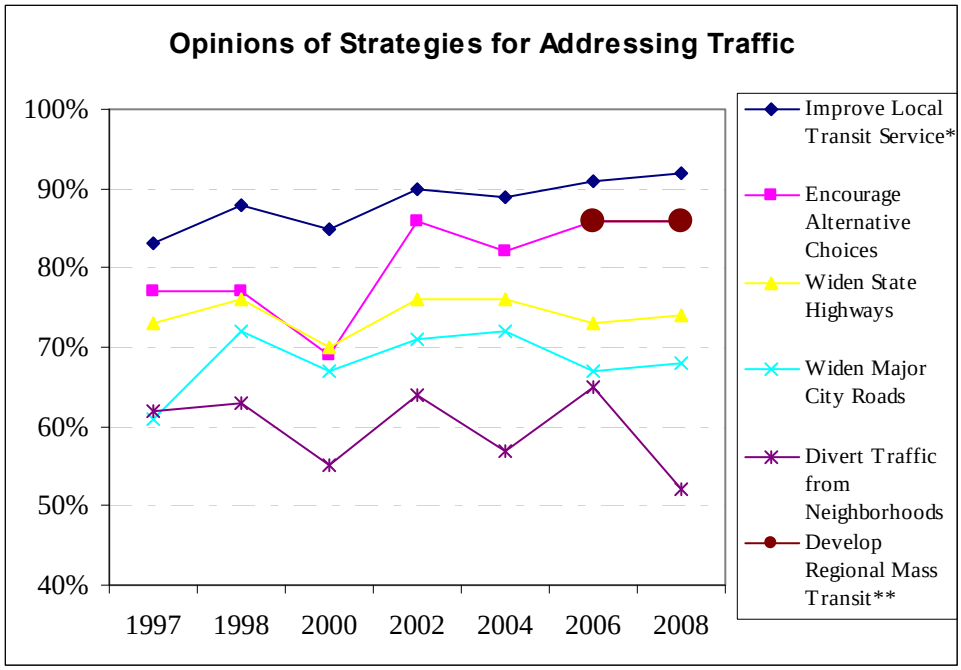
* Note that the wording on this question was slightly altered in 2006. In the 2004 survey the phrase was: "Work with regional agencies to improve transit service <u>for</u> Bellevue." In 2006 it was changed to: "Work with regional agencies to improve local transit service <u>within</u> Bellevue."

**OPINIONS REGARDING TRANSPORTATION STRATEGIES**
**2008 Survey**

| | Strongly Agree | Somewhat Agree | Neither Agree Nor Disagree | Somewhat Disagree | Strongly Disagree | Don't Know |
|---|---|---|---|---|---|---|
| Work with Regional Agencies to Improve Local Transit Service within Bellevue *(wording changed slightly in 2006 survey)* | 68% | 24% | 2% | 3% | 2% | 1% |
| | 92% | | | 5% | | |
| Work with Regional Agencies to Develop A Reliable Regional Mass Transit System | 68% | 18% | 2% | 5% | 6% | 1% |
| | 86% | | | 11% | | |
| Encourage and Make it More Attractive for People to Choose Transportation Alternatives | 67% | 19% | 3% | 4% | 6% | <1% |
| | 86% | | | 10% | | |
| Encourage The State To Widen State Highways* | 45% | 29% | 5% | 13% | 7% | 1% |
| | 74% | | | 19%* | | |
| Widen Major City Roads | 34% | 34% | 8% | 15% | 8% | 1% |
| | 68% | | | 23% | | |
| Divert Traffic Away From Local Neighborhoods Even If It May Increase Travel Time | 19% | 33% | 7% | 20% | 19% | 2% |
| | 52% | | | 39% | | |

**Individual percentages do not add exactly to combined sum due to rounding.*

The chart on the right shows trends in the transportation strategy series since it was first asked in 1997. In each survey year, every strategy has garnered a majority of support. Prior years have also yielded similar patterns in responses in which transit service-related strategies and strategies to help people choose alternatives to driving alone are most popular.




**Opinions of Strategies for Addressing Traffic – "Improve Local Transit Service" wording changed from "within Bellevue" to "local" in 2006.*
***"Developing Mass Transit" was added in 2006 – it has yielded the same scores as "Encourage Alternative Choices".*

Over the years respondent's level of agreement with strategies for addressing traffic has remained fairly stable. However, the percentage of respondents that agree with the statement "in order to deal with increased traffic congestion, the city should divert traffic away from local neighborhoods even if it may increase travel time" significantly decreased from 65% in 2006 to 52% in 2008.

**Survey Changes**

As has been noted since the 2004 Budget Survey, the percent agreeing has trended significantly upward between 1997 and 2002 for several of these strategies: improving transit, encouraging alternative choices, and widening major city roads. The steep increase between 2000 and 2002 in the percent agreeing with encouraging alternative transportation choices is likely partly related to the change in wording on this item. In 2000 and prior years, it was worded: "Develop ways that encourage individuals to change the ways in which they travel." In 2002, it was changed to provide respondents more detail on how the City can encourage use of alternatives, as follows: "Encourage and make it more attractive for people to choose transportation alternatives such as riding the bus, carpooling, and vanpooling. This could include building more carpool lanes and working to get more reliable and frequent bus service."

"Work[ing] with Regional Agencies to Improve Local Transit Service within Bellevue" has been the most popular strategy for dealing with congestion each year this series has been on a budget survey. In 2000 and prior years this question was worded slightly differently to read "Work with Metro to provide Bellevue with better bus service, and from 2002 to 2004 the question read "Work[ing] with Regional Agencies to Improve Transit Service for Bellevue." The question was again changed in 2006 to read: "Work with Regional Agencies to Improve Local Transit Service within Bellevue").

**Demographic Differences Agreement with Traffic Strategies**
**Respondents Most Likely To Either Somewhat or Strongly Agree With Each Strategy**

Widen major City roads: Respondents under the age of 35 as well as respondents without children in the household.

Encourage the state to widen state highways: Single-family residents, males, and respondents living in the 98007 zip code.

Work with regional agencies to improve local transit service within Bellevue: Male respondents, under the age of 35, and those respondents who have lived in Bellevue between 3 and 9 years.

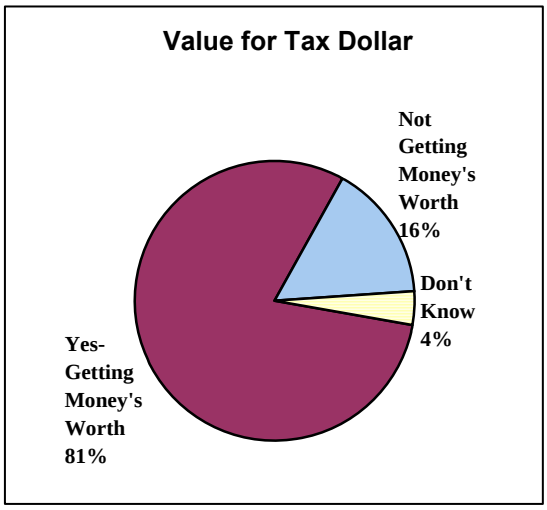
Work with regional agencies to develop a reliable mass transit system: Multi-family residents, respondents who have children, respondents with an annual household income between $35,000 and $100,000, respondents under the age of 35, as well of those whose residency tenure is between 3 and 9 years.

Divert traffic away from local neighborhoods: Female respondents, without children in their household, residents of zip code 98004, and respondents aged 35 or older.

Encourage and make it more attractive for people to choose transportation alternatives: Multi-family residents and respondents who have lived in Bellevue between 3 and 9 years.

## OPINIONS REGARDING TAXES AND SERVICE LEVELS

The Budget Survey asks residents whether they feel they are getting their money's worth for the taxes they pay for city services. The majority of respondents (81%) feel they are getting their money's worth for their tax dollar, this remains stable compared to 2006 (82%). Sixteen percent (16%) of respondents do not feel they are getting their money's worth for their tax dollar.

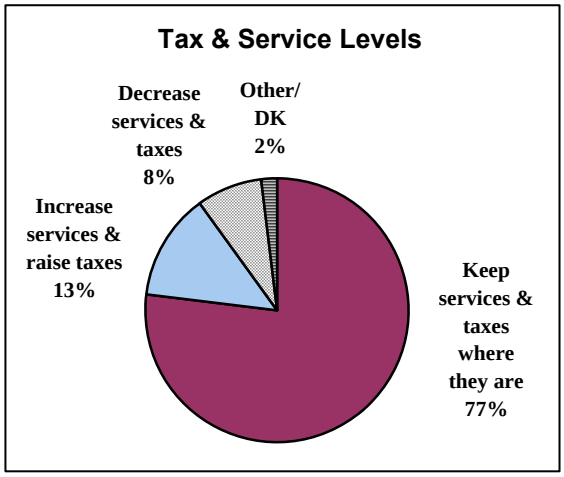



Although slightly down in 2008 from 2006, the overall the percentage of respondents who report getting their money's worth for their tax dollar has been trending upwards since 1996. The table below shows the percentage reporting they are getting their money's worth and the percentage who report they are not getting their money's worth during each survey year.

In general, there are few statistically significant differences between demographic groups; however, single-family residents are significantly more likely than multi-family residents to report they do not feel they are getting their money's worth for their tax dollar.

**VALUE FOR TAX DOLLAR: TRENDS IN RESPONSES (BASE: ALL RESPONDENTS)**

| | 1996 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 |
|---|---|---|---|---|---|---|---|
| Getting Money's Worth | 72% | 73% | 78% | 79% | 81% | 82% | 81% |
| Not Getting Money's Worth | 20% | 22% | 16% | 16% | 16% | 14% | 16% |
| Don't Know / Refused | 8% | 5% | 6% | 5% | 3% | 4% | 4% |



A second question asks respondents to weigh the corresponding relationship between services received for their tax dollar to identify the preferred level of taxes and services.

Simliar to the previous survey wave, three-quarters (77%) of all respondents say that the City should keep taxes and services about where they are. Thirteen percent (13%) indicate they would prefer to see an increase in service levels and taxes, while eight percent (8%) of respondents say they want a decrease in taxes and service levels.

**TAX AND SERVICE LEVELS: TRENDS IN RESPONSES (BASE: ALL RESPONDENTS)**

| | 1996 | 1998 | 2000 | 2002 | 2004 | 2006 | 2008 |
|---|---|---|---|---|---|---|---|
| Keep Where They Are | 77% | 74% | 74% | 76% | 75% | 75% | 77% |
| Increase | 10% | 10% | 9% | 15% | 15% | 17% | 13% |
| Decrease | 9% | 8% | 9% | 6% | 8% | 7% | 8% |
| Don't Know / Refused / It Depends | 4% | 8% | 8% | 3% | 2% | 2% | 3% |

**Demographic Differences in Tax and Service Level Preferences**

Multi-family residents are significantly more likely to support increased levels of services and taxes than are single-family residents.

## SUGGESTED SERVICES/ FACILITIES TO INCREASE OR DECREASE

Respondents who said the City should either increase or decrease services and taxes were asked to suggest which services or facilities should be increased or decreased.

Among the fifty-two (52) respondents who say the City should increase services and taxes, almost three-quarters (72%) of respondents say that transportation services (such as road improvement & maintenance, transit and traffic improvements) should be increased. One in five respondents cite Police (22%) or recreation (20%) services as needing more funding. Development/zoning/planning yields eight percent (8%) of comments by respondents, followed by schools and education (7%), providing outreach programs (3%) and government efficiency / lowering taxes (2%) as services to be increased. Four percent (4%) of respondents do not know which services should be increased. Please see the Field Services Report under separate cover for “other” verbatim responses.

Among the thirty-one (31) respondents who say the City should decrease services and taxes, twenty-three percent (23%) suggest cutting parks and recreation services, as well as providing outreach programs (17%). One in ten (11%) suggest cutting police services, or schools and education (10%). Less than one in ten respondents also indicate the following services should be decreased: streets / traffic (6%), government / efficiency / lower taxes (3%), and development / zoning / planning (2%). More than one-quarter (26%) of respondents do not know which services should be decreased. Please see the Field Services Report for “other” verbatim responses.

## OTHER COMMENTS

Interviewers asked respondents whether they had any additional comments for the City regarding needs and priorities for the next two-year budget. Two-thirds (64%) of respondents did not offer any final comments. Of the respondents who did have a concern regarding budget priorities, transportation/ traffic/ roads is perceived as the most important.

## DEMOGRAPHICS - SURVEY RESPONDENT PROFILE

### Household Size

A majority (65%) of respondents surveyed in the 2008 Budget Survey report they have two adults (including themselves) living in their household. One-fifth (22%) of respondents report they are the only adult in their household while one in ten respondents (10%) report they have three or more adults living in their household.

### Children in Household

Sixty-five percent (65%) of respondents do not have children currently living in their household, while 13% have one child and 15% have two children living in their household. Six percent (6%) of respondents report they have three or more children in their household. As reported in previous Budget Surveys, respondents who live in a multi-family dwelling are more likely than single-family dwelling residents to *not* have any children (92% of multi-family residents have no children compared to 64% of single-family residents).

### Dwelling Type

Fifty-six percent (56%) of survey respondents interviewed live in single-family dwellings; 44% live in multiple family dwellings. The survey proportion is representative of households in Bellevue and was ensured with a screening quota.

### Years Lived in Bellevue

In conjunction with previous survey results, on average, respondents have lived in the City of Bellevue for fifteen (15.2) years. Thirteen percent (13%) of respondents have lived in Bellevue for 2 years or less. More than a third of respondents (36%) report living in Bellevue for three to nine years, while less have lived in Bellevue for 10 to 24 years (29%) or 25 or more years (22%).

### Gender

Half of survey respondents interviewed are male (51%); half are female (49%). Quotas were employed during respondent screening to ensure equal proportions of males and females.

### Age

Equal to the 2006 survey four out of ten (40%) respondents are between the ages of 35 to 54. One quarter of respondents (29%) of respondents are under the age of 35. One in seven respondents report being 55 to 64 years old or 65 years or older (15% and 16%, respectively). Multi-family residents are more likely than single-family residents to be under the age of 35 (11% compared to 5%, respectively). Furthermore, single-family residents are more likely than multi-family residents to be between the ages of 35 and 54 (43% compared to 25%).

### Ethnicity/Race

The majority of respondents are white (71%). Fifteen percent (15%) are of Asian descent, while three percent (3%) of respondents say they are African American; 3% are Native American; 2% say they are Eastern European; 1% are Hispanic / Latino; and 4% refused to disclose their ethnic background.

### Annual Household Income

One in ten (10%) respondents has an annual household income of less than $35,000, slightly lower than in 2006 (15%) and significantly lower than 2004 and 2002 (both 18%). One in three respondents (33%) report annual household incomes of $35,000 to $75,000, and fifty-seven percent (57%) of respondents have annual household incomes of $75,000 or more. More than one in five respondents (23%) of respondents refused to disclose their income.

## C. PUBLIC HEARINGS

Although only a single public hearing is required by State of Washington code, the City of Bellevue held three public hearings on the 2009-2010 Budget to provide stakeholders multiple opportunities to officially comment on the budget. Two public hearings -- one in May and the other in July -- were held prior to the submission of the Preliminary Budget to the Council. These two public hearings offered residents and other stakeholders the opportunity to let the Council know what issues were important to them before City management leaders formulated their budget request. The third public hearing will be held in November, after the Council receives the Preliminary Budget. The third public hearing will give interested parties the chance to address new budget proposals, comment on significant budget issues, and ask the Council to include funding for initiatives not recommended by City managers.

During the first two public hearings, approximately 15 stakeholders addressed the Council. The majority of comments focused either on transportation infrastructure improvements in the medical district and downtown, or on increasing funding for affordable housing. Requests were also made for arts programs and various human services.

Following are the highlights from the first two public hearings.

**1st Public Hearing – May 19th 8:00 PM**

Hal Ferris – Planning Commission / Urban Land Institute Workforce Housing Committee / Common Ground / St. Andrews / Lord & Associates

*Issue:* Requesting substantial increase in funding for ARCH

Rachel Krefetz – Housing Development Consortium

*Issues:*

- Requesting that City reevaluate housing assistance goals.
- Requesting another dedicated funding source for ARCH, in addition to the General Fund and CDBG grants

Leslie Lloyd – Bellevue Downtown Association

*Issues:*

- Requesting continued capital improvements for the Downtown
- Requesting a budget for cultural tourism

Shannon Boldizsar – Bellevue Chamber of Commerce

*Issue:* Requesting no new taxes, and that Council engage the business community in the budget process

**2nd Public Hearing – July 21st 8:00 PM**

Betina Finley – Arts Commission Chair

*Issues:*

- Arts funding hasn't changed since 2001
- A weak economy and more residents in the downtown
- Will return to Council in September to talk in more detail

*$$$$:*

- Increase annual funding by $75,000 to help fund for local arts organizations, Bel-Red's arts district, and diversity celebration programming
- $300,000 CIP and $55,000 ongoing to help build and support "black box" theater in downtown
- Convert LTE (expiring in 2009) to FTE

Caitlin Hillary – Vice President of Strategic Planning and Marketing at Overlake Hospital

*Issues:*

- Access to and traffic in and around the medical district
- City of Bellevue, GroupHealth, Overlake and WSDOT have formed a committee to coordinate activities and address transportation-related issues in and around the medical district. Meet regularly on a monthly basis.

*$$$$:*

- Presented the following prioritized CIP projects that would help maintain access to the hospital and medical district (projects are in order of priority):
    - Extend NE 4th Street between 116th Ave NE and 120th Ave NE
    - Widen NE 12th Street east of 112th to east of 116th Ave NE and improve the intersections at 116th Ave NE/NE 12th Street and 112th Ave NE/NE 12th Street
    - Widen and realign 120th Ave NE between Northup and NE 4th Street
    - Widen 124th Ave NE between Northup and Bel-Red Road
    - Widen 116th Ave NE north of NE 12th Street

Bill Biggs – Executive director for administrative services for GroupHealth.
*Note: Brought a letter from Jill Oster, who is GroupHealth's representative on the Eastside.*

*Issues:*

- Access to and traffic in and around the medical district
- City of Bellevue, GroupHealth, Overlake and WSDOT have formed a committee to coordinate activities and address transportation-related issues in and around the medical district. Meet regularly on a monthly basis.

*$$$$:*

- Presented same prioritized CIP project list as Caitlin Hillary (see above)

Marty Jacobs – Family Services Director at Child Care Resources

*Issues:*

- Child care is hard to find on the Eastside, expensive, and can present a hardship for those with limited incomes or homeless

*$$$$:*

- Requesting additional funding for Child Care Resources

Jennifer Fisher – BDA / Bellevue Jazz Festival Advisory Committee

*$$$$:*

- BDA is requesting City's support for the 2009 & 2010 Bellevue Jazz Festival

Scott Ketron – Artistic Director - Music Works Northwest

*Issue:* Supports 2009 Bellevue Jazz Festival

Shannon Boldizsar -- Bellevue Chamber of Commerce Government Affairs Director

*Issues:*

- Agrees with citizen survey – Transportation and Mobility are primary concern, and projects "above & beyond" the CIP should focus on improving this infrastructure
- Avoid overtaxing business community
- Long term bonding should be considered to help fund capital projects
- M&O transfer—maintenance and operating expenses should be transferred from the CIP to the operating budget

Kirk Ishizaki – Eastside Domestic Violence program

*Issue:* Thanked Council for their support of the Eastside Domestic Violence Program

Megan Altimore – Hopelink – Director for Asset Building

*$$$$:* Requesting an increase in support of the ARCH housing trust fund

Leslie Lloyd – BDA

*Issues:*

- Estimates that the downtown brings in 22% of City's tax revenue on 2% of the land
- Estimates that the impact of the current building boom in the downtown will generate an additional $249 million over the next 20 years, net of cost of providing additional city services. Would like Council to reinvest this into the downtown.
- Concerned about increasing traffic as new downtown development comes on line
- Continue to support regional transportation projects (especially NE 10$^{th}$)
- Concerned that the downtown park completion project will reduce available parking. Would like to see an increase of available parking for that park.
- Meeting weekly with the Chamber of Commerce to work on budget priorities

Dorothy Lengyel – DASH

*Issue:* Funding for affordable housing has not kept up with rising costs of real estate

*$$$$:*

- Use zoning to promote affordable housing
- ARCH should have a permanent, dedicated funding source
- ARCH policies and goals should be re-evaluated

CITY OF BELLEVUE WASHINGTON

# City Attorney

## Program Outcome Statement

The mission of the City Attorney's Office is to protect lives and property and to preserve and enhance the quality of life of the public by delivering effective and high quality advice, litigation, prosecution, and risk management services that further the City's policies and programs.

## Services and Accomplishments

The City Attorney's Office consists of the following divisions: Legal Advice, Litigation, Prosecution, Public Defense and Risk Management. The goals of this department are to: 1) Provide high-quality, cost-effective legal advice and services to the City Council, boards and commissions and City departments; 2) Protect the interests of the City and its residents by defending the City against damage claims and legal proceedings challenging City actions, and by initiating legal proceedings on behalf of the City when necessary to protect the City's interests; 3) Seek justice and enhance public safety through effective enforcement of laws; and 4- Safeguard City property, assets, and employees from loss or damage.

The following are the major 2007-2008 accomplishments of the City Attorney's Office:

- Successfully recovered damages from City's former insurance broker for failing to obtain requested insurance coverage on major project.
- Spearheading multi-jurisdiction effort to clarify and challenge provisions of the NPDES permit for Phase II jurisdictions with some preliminary success in administrative appeals.
- Obtained favorable outcomes for various city departments in employment related claims, including discrimination cases and claims of wrongful termination.
- Closed on the purchase of Bayvue Apartments in the Meydenbauer Bay neighborhood, expanding the City's park opportunities in that area and assisting with the overall planning effort to refine the land use vision for this key waterfront neighborhood.
- Closed on the purchase of Lincoln Center, a key property across I-405 from Downtown.
- Negotiated an agreement for the sale of property on behalf of several King County jurisdictions, the proceeds of which will support the efforts of those jurisdictions to cooperatively respond to the need to provide jail services.
- Disposed of property on NE 2nd Downtown while retaining rights to develop the surface as a park, maximizing City assets and achieving a long-stated goal of additional green space in this area of Downtown.
- Assisted in the creation of NORCOM, an intergovernmental entity responsible for fire and police dispatch for a number of eastside emergency responders.
- Spearheaded the efforts of a group of King County jurisdictions in resolving concerns about jail services provided by Yakima County.
- Provided significant support for successful national accreditation efforts of the Utilities and Transportation Departments. Risk also continues to be indirectly accredited by other nationally recognized accrediting bodies defining best practices standards for Police; Emergency Communications; Fire; and Parks.
- Completed a number of improvements to our on-line safety training activities:
  - implementation of an on-line First Aid/CPR/AED training course, followed by hands-on testing by a certified trainer that meets American Heart Association standards;
  - implementation of an on-line defensive driving course, allowing employees to renew certification at work site.
- Completed extensive review of the City's loss control and Risk Management activity in our effort to improve our program and to measure our effectiveness, including:
  - Analysis of extensive reports for each City department identifying loss history, employee injury and subrogation activity to identify trends and recommendations for improvement;
  - Altman Weil reviewed the City's Liability and Subrogation functions from both a cost effective and efficiency basis and concluded that the City had one of the best public risk management programs in the nation;
  - FM Global, the City's Property insurer, completed on-site and analytical reviews of the City's major facilities and noted the improvements made to address property loss issues. Their reviews resulted in an overall decrease in

# City Attorney

insurance premium for 2008, even with the City recovering over $1 million for property losses experienced largely as a result of the 2006 windstorm;
- The City's Excess Workers' Compensation insurer completed an analysis of five years of loss history and concluded that the City had 12% fewer claims, 24% less average cost and over $2 million less in total losses than the composite benchmark of our peers, resulting in a decrease in the 2008 premium.

- Worked with Departments on a number of risk management and safety issues including:
  - Mobile Data Computer placements in Police vehicles;
  - Fire training opportunities at private residences;
  - Insect Repellant/West Nile Virus prevention for Utilities workers;
  - MRSA issues and concerns for City employees;
  - Segway use for sidewalk monitoring (staff safety issues and clarifying the contract with the FHWA);
  - Automatic External Defibrillator Unit upgrades in City Hall and in Parks Department facilities, assuring training was assumed by appropriate staff.

- Successfully defended two criminal convictions in the Court of Appeals (one upheld a City Ordinance and the other addressed vacation of guilty plea).

- Continued to successfully prosecute DUI cases, despite not being able to use breath test results, largely through the use of search warrants for blood to strengthen our DUI prosecutions.

- Continued to provide support services to the court to more efficiently calendar prosecution matters and to assist in providing required discovery to defendants.

- Started, and are continuing, a program with DWLS (Driving While License Suspended 3rd Degree) cases. The cases are set together for Arraignment and a prosecutor appears in an effort to resolve as many as possible. We've successfully reduced the number of such cases proceeding to pretrial hearings and/or trial, as well as reducing appointments of the Public Defender.

- Enhanced employee leadership skills through use of outside training resources, including sending staff to a Mgmt/Supervisor Academy and the other to the Rocky Mountain National Leadership conference.

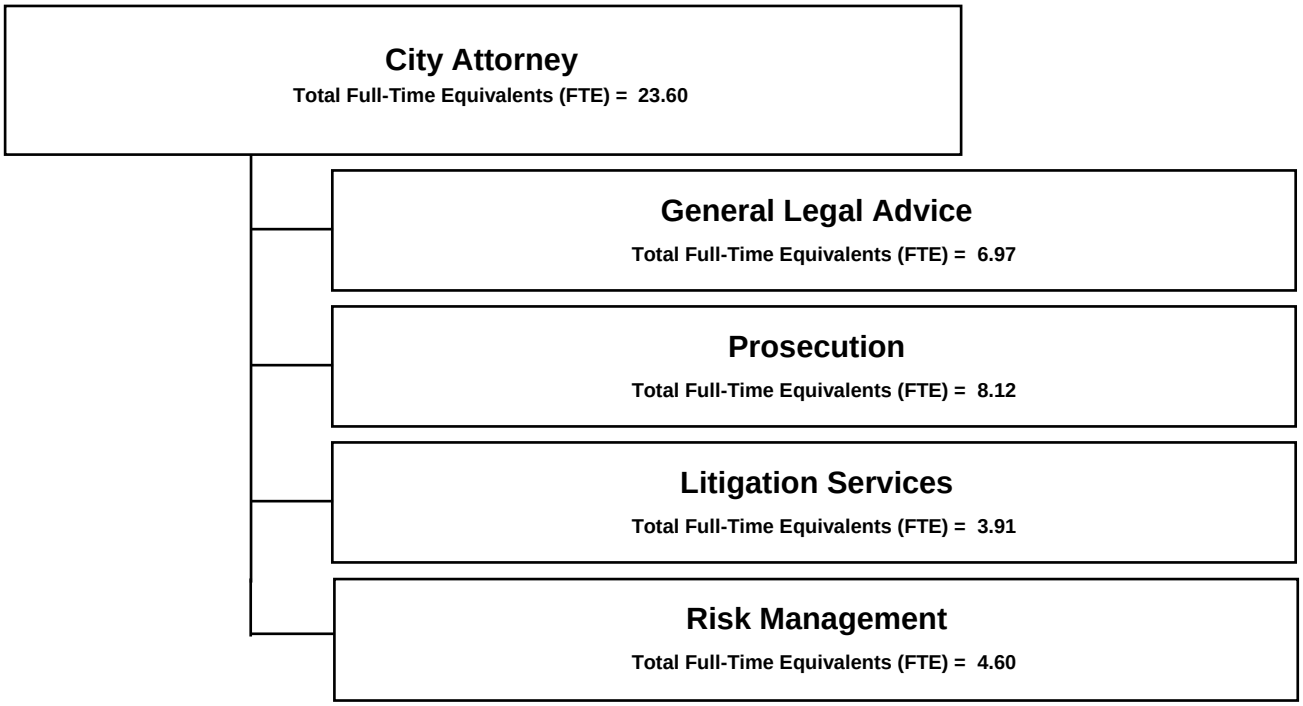
- Entered into an agreement with the Public Defender's office which avoided the high cost of defending against threatened appeals of all of their DWLS cases while legal issues are pending in front of the state Supreme Court.

- Provided legal training locally, state-wide and nationally, including presentations to state prosecutor and municipal attorney organizations, judging law school competitions and courtroom training for new officers.

- City Attorney and a Senior Attorney from the office both successfully attained Fellowship status with the International Municipal Lawyers' Association, recognizing excellence in the field of municipal law.

# City Attorney

## Organizational Chart



# City Attorney

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Legal Advice | 908,185 | 975,288 | 1,059,077 | 1,102,119 |
| Prosecution | 1,111,637 | 1,183,779 | 1,242,667 | 1,293,155 |
| Litigation Services | 515,753 | 553,559 | 594,117 | 618,262 |
| Public Defender | 359,765 | 382,119 | 392,054 | 401,855 |
| Risk Management | 4,450,373 | 4,406,031 | 4,377,164 | 4,547,086 |
| **Base Budget** | **7,345,713** | **7,500,776** | **7,665,079** | **7,962,477** |
| **Reserves** | **6,221,628** | **5,940,596** | **7,720,836** | **7,548,747** |
| **Total Budget** | **13,567,341** | **13,441,372** | **15,385,915** | **15,511,224** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,502,227 | 2,634,814 | 2,823,308 | 2,945,350 |
| Interfund | 778,133 | 636,621 | 704,923 | 726,353 |
| M & O | 4,065,353 | 4,229,341 | 4,136,848 | 4,290,774 |
| **Total Expenditures** | **7,345,713** | **7,500,776** | **7,665,079** | **7,962,477** |
| **Total Reserves** | **6,221,628** | **5,940,596** | **7,720,836** | **7,548,747** |
| **Total Budget** | **13,567,341** | **13,441,372** | **15,385,915** | **15,511,224** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 2,895,340 | 3,094,745 | 3,287,915 | 3,415,391 |
| Workers' Compensation Fund | 2,581,000 | 2,828,000 | 3,071,000 | 3,264,000 |
| Unemployment Compensation Fund | 489,000 | 313,000 | 377,000 | 351,000 |
| General Self-Insurance Fund | 7,602,001 | 7,205,627 | 8,650,000 | 8,480,833 |
| **Total Resources** | **13,567,341** | **13,441,372** | **15,385,915** | **15,511,224** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Legal Advice | 6.97 | 6.97 | 6.97 | 6.97 |
| Prosecution | 8.12 | 8.12 | 8.12 | 8.12 |
| Litigation Services | 3.91 | 3.91 | 3.91 | 3.91 |
| Risk Management | 4.60 | 4.60 | 4.60 | 4.60 |
| **Total FTE** | **23.60** | **23.60** | **23.60** | **23.60** |

# City Attorney

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **General Legal Advice** | | | | | | |
| Cost per hour as a % of outside counsel cost per hour | % | Efficiency | 47.30 | 55.00 | 55.00 | 55.00 |
| Customer satisfaction response of good or better | % | Effectiveness | 96 | 95 | 95 | 95 |
| **Litigation Services** | | | | | | |
| Cost per hour as a % of outside counsel cost per hour | % | Efficiency | 53.80 | 60.00 | 60.00 | 60.00 |
| **Prosecution** | | | | | | |
| Avg time to decide to file/decline a criminal case in days | # | Efficiency | 6.80 | 9.00 | 9.00 | 9.00 |
| % of Convictions Upheld On Appeal | % | Effectiveness | 75 | 90 | 75 | 75 |
| Cases Per Prosecutor (criminal cases only) | # | Workload | 562 | 500 | 580 | 580 |
| **Public Defender** | | | | | | |
| Recoupment as a % of total program costs | % | Effectiveness | 19 | 18 | 15 | 15 |
| **Risk Management** | | | | | | |
| % of liability claims adjusted within timeliness standard | % | Effectiveness | 98 | 94 | 95 | 95 |
| % of Risk losses recovered | % | Effectiveness | 64 | 68 | 68 | 68 |

# City Attorney

## 2009-2010 Work Initiatives

- Coordinate noise regulation enforcement across City departments.
- Review and update Sign Code for consistency with constitutional constraints on sign regulation.
- Assist Finance Department in enforcement of new provisions of model Business and Occupation tax ordinance.
- Partner with Human Resources Department to offer supervisory and other trainings for managers in order to decrease exposure for personnel issues.
- Continue work on electronic records management, including possible implementation of a prosecution case management module allowing better coordination with Police and courts.
- Multiple divisions of the CAO are involved in discussions on moving the courthouse.
- Work with outside technicians to improve the reliability and credibility of certain blood testing evidence used in DUI cases.
- Continue with periodic review of prosecution forms used in cases involving competency evaluations, competency restoration and/or dismiss & detain orders to ensure compliance with all legal requirements.
- Work with the IT Department and other affected departments in the City in the selection, testing and implementation of a new Employee Training System application.
- Continue to enhance the information and reporting capacity of the Risk Management Information System, working with the IT Department to determine if a new application is warranted and needed.
- Explore obtaining a Cyber Risk insurance policy for the City that addresses liability for security breaches and identity theft.
- Provide risk management assistance to the various City Departments regarding development issues and transitions.
- Provide significant legal support for Bel-Red planning and infrastructure development efforts, supporting significant public investment in this area of the City and anticipate to respond to impacts of continued growth city-wide.
- Support Utilities Department in the implementation of the final terms of the Phase II NPDES permit.
- Support the transition of 911 call center services from the City to NORCOM.
- Participate in efforts to better coordinate real property acquisition, disposition and management activities through a centralized property management team.
- Assist in implementing proposed red-light traffic infraction program.
- Work with Police on the launch of e-tickets/SECTOR and how to make sure we can successfully prosecute these citations.

## Major Challenges for the Biennium

Aligning the City Attorney's Office, as well as the City in general, to better respond to the challenges of managing and producing public documents with the increasing shift of focus to electronic formats will be a major challenge in coming years. Risk Management will be involved in helping to identify best practices for managing cyber risk, and negotiating with insurers for this new kind of insured risk.

As other jurisdictions in the region struggle with budget concerns, we anticipate direct impacts to public safety programs, particularly the prosecution and public defender programs. King County's treatment of criminal matters may change in ways that increase misdemeanor prosecutions, impacting this office and the courts.

The city continues to grow, and is experiencing significant increased residential and job growth, particularly downtown. As operating departments respond to this growth with increased programs and services, and increased FTEs necessary to support those services, the City Attorney's Office is challenged to provide existing levels of service without additional resources. Major future policy decisions include a potential increased reliance on outside counsel for certain legal issues, and program options for responding to ever increasing criminal citations.

# City Attorney
# General Legal Advice

## Program Statement

Provide accurate, ethical, and timely legal advice to the City Council and city departments to support the provision of services to Bellevue citizens while at the same time reducing risk to the City and promoting fiscal responsibility.

## Summary of Services Provided

To provide legal advice to the City Council, City Boards and Commissions, City Manager, City departments, and Community Council on a full range of municipal legal matters as well as the drafting and reviewing of ordinances, resolutions, contracts, and other documents relating to City business.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General / Admin | 908,185 | 975,288 | 1,059,077 | 1,102,119 |
| **Base Budget** | **908,185** | **975,288** | **1,059,077** | **1,102,119** |
| **Total Budget** | **908,185** | **975,288** | **1,059,077** | **1,102,119** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 745,562 | 793,551 | 850,641 | 887,080 |
| Interfund | 125,520 | 133,740 | 148,035 | 152,536 |
| M & O | 37,103 | 47,997 | 60,401 | 62,503 |
| **Total Expenditures** | **908,185** | **975,288** | **1,059,077** | **1,102,119** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 908,185 | 975,288 | 1,059,077 | 1,102,119 |
| **Total Resources** | **908,185** | **975,288** | **1,059,077** | **1,102,119** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General / Admin | 6.97 | 6.97 | 6.97 | 6.97 |
| **Total FTE** | **6.97** | **6.97** | **6.97** | **6.97** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Control costs of outside legal services** | | | | | | |
| Cost per hour as a % of outside counsel cost per hour | % | Efficiency | 47.30 | 55.00 | 55.00 | 55.00 |
| Cost per hour | $ | Efficiency | 121 | 125 | 125 | 125 |
| **Legislative Support** | | | | | | |
| All Ordinances prepared | # | Workload | 80 | 75 | 75 | 75 |
| All Resolutions prepared | # | Workload | 183 | 180 | 180 | 180 |
| **Overall Customer Satisfaction** | | | | | | |
| Customer satisfaction response of good or better | % | Effectiveness | 96 | 95 | 95 | 95 |

# City Attorney
# General Legal Advice

## Issues related to Department Performance

The office's general legal advice function met or exceeded its performance targets in 2007 in all the key departmental metrics. Achieving these standards has been a significant focus for the last several years. We anticipate a challenge in repeating this performance in 2008, where the legal advice function of the office experienced vacancies and turnover in several key positions, including 2 attorney staff, a paralegal and a senior office assistant.

Cost per hour as a percentage of outside counsel cost per hour in 2007 was virtually identical to 2006. The measure continues to show the significant efficiency that is gained by handling both advice and litigation matters in-house. The City Attorney's Office converted one LTE to an FTE in 2007, which will allow the City to continue to provide litigation and advice services through the use of in-house attorneys, keeping outside counsel costs lower.

This performance measure overall is significantly influenced by hourly billing rates for outside counsel. As the market drives those rates higher, we expect to see that legal services performed by City staff attorneys remain considerably more cost effective than using outside counsel.

## Program Notes

# City Attorney
# Litigation Services

## Program Statement

The mission of this section is to provide, manage, and coordinate quality legal counsel and representation for the City of Bellevue in litigation matters and administrative/regulatory hearings in an efficient, expeditious, and professional manner.

## Summary of Services Provided

Represent the City, its elected and appointed officials, and employees in civil litigation, including representation before administrative agencies, trial courts, and appellate courts. Work with the Risk Management division to minimize risk associated with City services and related claims costs, reduce litigation exposure and ensure legal compliance..

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General / Admin | 509,470 | 547,113 | 594,117 | 618,262 |
| Litigation Services | 6,283 | 6,446 | - | - |
| **Base Budget** | **515,753** | **553,559** | **594,117** | **618,262** |
| **Total Budget** | **515,753** | **553,559** | **594,117** | **618,262** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 418,242 | 445,163 | 477,189 | 497,630 |
| Interfund | 70,414 | 75,025 | 83,044 | 85,569 |
| M & O | 27,097 | 33,371 | 33,883 | 35,063 |
| **Total Expenditures** | **515,753** | **553,559** | **594,117** | **618,262** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 515,753 | 553,559 | 594,117 | 618,262 |
| **Total Resources** | **515,753** | **553,559** | **594,117** | **618,262** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General / Admin | 3.91 | 3.91 | 3.91 | 3.91 |
| **Total FTE** | **3.91** | **3.91** | **3.91** | **3.91** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Workload And Efficiency Standards** | | | | | | |
| Cases per Attorney | # | Workload | 24 | 15 | 21 | 21 |
| Cost per hour | $ | Efficiency | 121 | 120 | 120 | 120 |
| Cost per hour as a % of outside counsel cost per hour | % | Efficiency | 53.80 | 60.00 | 60.00 | 60.00 |
| Active cases against City | # | Workload | 38 | 35 | 35 | 35 |
| Active cases by City | # | Workload | 11 | 7 | 7 | 7 |

## Issues related to Department Performance

Litigation cost per hour at $121 (compared to a target of $120) and cost per hour as percentage of outside counsel costs of 53.8% (compared to a target of 60%) continue to reflect the efficiency and cost effectiveness of in-house representation. Particularly where workload was higher than projected (with 49 active cases by/against the City versus a target of 42), litigation staff successfully worked on cases and managed outside counsel to remain within targets identified for outside counsel costs.

# City Attorney
# Litigation Services

## Program Notes

The department is changing the way it calculates cases per attorney for the 2009 and 2010 targets, to reflect the general staffing of 2.0 FTEs dedicated to litigation. There is no change to the expected number of active cases by/against the City.

# City Attorney
# Prosecution

## Program Statement

To provide prosecution services for the City of Bellevue in a manner that reflects a commitment to excellence; to seek justice for crime victims; and to enhance public safety for the City of Bellevue by aggressively, fairly, ethically and efficiently prosecuting those who violate the law.

## Summary of Services Provided

Enforce the criminal and traffic laws of the City by prosecuting violations of those laws in district court and, on appeal, in superior and appellate courts.

Provide assistance and support to victims of crime.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General / Admin | 797,431 | 856,350 | 929,922 | 967,714 |
| Prosecution | 314,206 | 327,429 | 312,746 | 325,440 |
| **Base Budget** | **1,111,637** | **1,183,779** | **1,242,667** | **1,293,155** |
| **Total Budget** | **1,111,637** | **1,183,779** | **1,242,667** | **1,293,155** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 866,794 | 919,400 | 982,155 | 1,024,907 |
| Interfund | 110,213 | 117,431 | 129,982 | 133,934 |
| M & O | 134,630 | 146,948 | 130,531 | 134,314 |
| **Total Expenditures** | **1,111,637** | **1,183,779** | **1,242,667** | **1,293,155** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,111,637 | 1,183,779 | 1,242,667 | 1,293,155 |
| **Total Resources** | **1,111,637** | **1,183,779** | **1,242,667** | **1,293,155** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General / Admin | 6.12 | 6.12 | 6.12 | 6.12 |
| Prosecution | 2.00 | 2.00 | 2.00 | 2.00 |
| **Total FTE** | **8.12** | **8.12** | **8.12** | **8.12** |

# City Attorney
# Prosecution

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Ensure safety of citizens** | | | | | | |
| Criminal cases reviewed | # | Workload | 2,788 | 2,600 | 2,800 | 2,800 |
| Infraction cases w/prosecutor present* | # | Workload | 444 | 500 | 525 | 525 |
| Cost per criminal case | $ | Efficiency | 465 | 400 | 460 | 460 |
| Criminal cases prosecuted | # | Effectiveness | 2,530 | 2,250 | 2,600 | 2,600 |
| Cost per capita (City residents) | $ | Efficiency | 9.97 | 8.00 | 10.00 | 10.00 |
| **Maintain A High Affirmance Rate Percentage On Appeals** | | | | | | |
| % of Convictions Upheld On Appeal | % | Effectiveness | 75 | 90 | 75 | 75 |
| Appeals | # | Workload | 26 | 25 | 28 | 28 |
| **Maintain Low Percentage Of Jury Trials** | | | | | | |
| % of cases set for jury trial resolved without jury trial | % | Effectiveness | 99 | 99 | 99 | 99 |
| Jury Trials Held | # | Workload | 38 | 40 | 40 | 40 |
| **Reduce Average Review Time Of Criminal Case Requests** | | | | | | |
| Avg time to decide to file/decline a criminal case in days | # | Efficiency | 6.80 | 9.00 | 9.00 | 9.00 |
| **Workload Standards** | | | | | | |
| Bench Trials Held** | # | Workload | 281 | 280 | 280 | 280 |
| Cases Per Prosecutor (criminal cases only) | # | Workload | 562 | 500 | 580 | 580 |
| Readiness hearings | # | Workload | 5,591 | 4,300 | 5,600 | 5,600 |
| Motions | # | Workload | 1,169 | 1,200 | 1,250 | 1,250 |

## Issues related to Department Performance

The City's success rate on appeal fell below target in 2007 (75% versus a target of 99%). It is important to note that some outside factors will affect the City's success rate on appeal, including quality of evidence gathered during the investigation stage, police procedures, and the constitutionality of the state statutes being prosecuted. The 75% success rate in 2007 is based on just 4 appeals being decided in that year; another 21 appeals were still pending by the end of 2007. Of the 4 appeals decided, the City's conviction was upheld in 3 of those cases. The target for this measure will be modified for 2008 and future years. Given the relatively low number of appeals filed on an annual basis (between 20 and 40 per year), a 99% success rate target is unrealistic.

The average time to decide whether or not to file on a criminal case was well below the target of 9 days (actual time is 6.8 days for 2007). This is based on the time it took the office to review 2,788 cases for possible prosecution. While average review time per case dropped in 2007 by 2 days compared to 2006, both the total number of cases reviewed and the number of cases per prosecutor rose over that same period. Total number of cases reviewed in 2006 was 2,680 compared to 2,788 in 2007. In addition, total cases per prosecutor rose from 496 in 2006 to 562 in 2007. Therefore, its clear that the average review time per case did not decrease because of a lighter workload.

This continued ability to timely decide on cases while work load levels and number of cases reviewed are rising is explained in part by the extraordinary efforts of prosecutors to stay on top of this work item. Prosecutors routinely take this kind of review work home in the evenings in order to meet this benchmark. In addition, in 2007 the office handled a substantially higher number of cases involving "driving while license suspended 3rd degree" (DWLS) charges. These cases are relatively straightforward to review, and take less time than other types of cases. Because the proportion of DWLS cases was high in 2007 (1,120 cases out of 2,788), this further helps explain the drop in review time despite rising workload levels.

# City Attorney
# Prosecution

## Program Notes

*Infraction cases prosecuted was added as a workload measure this year. Generally, the office categorizes its workload as criminal (misdemeanor prosecutions) or infractions. Prosecutors appear in infraction cases generally where the infraction involves a contested accident, or where the defense has subpoenaed the Radar Technician. Past workload indicators did not fully capture the workload generated by infraction cases, so these reported measures tended to understate work handled by the prosecutors. Considering infraction cases and criminal cases prosecuted includes the full number of matters pursued by prosecutors in the office.

**Bench Trials Held in previous years have included some of our infraction cases. Because we are adding infraction cases as a separate measure, we have taken them out of this measure, resulting in a dramatic change in numbers for this measure. Please note the workload for these infractions is being counted under the new measure, so we see no decrease in workload for our prosecutors.

The King County Prosecutors Office and many other portions of the County's criminal justice system are exploring options to deal with the County's estimated $90 million budget shortfall for 2009 and beyond. The decisions of the King County Prosecutor may well impact Bellevue prosecutors workload, particularly if the County declines to file on criminal matters over which the City also has jurisdiction.

In mid-2007, the City Council approved 6 new police officers, 5 of whom are slated to be patrol officers. These new officers are estimated to generate 435 new citations each year. This additional volume of cases is anticipated to impact key departmental metrics in significant ways, including longer average review times. While we have adjusted are targets for future years in some respects in anticipation of this increased work, additional adjustments to the targets may needed in coming years to better reflect workload expectations.

# City Attorney
# Public Defender

## Program Statement

To provide quality defense services for indigents charged with violating criminal laws within the City of Bellevue, as required by state law.

## Summary of Services Provided

The Public Defense Program provides indigent defendants with qualified attorneys, who are on contract with the City, to represent them through their criminal proceedings.

Recoupment for these costs is sought from those who are deemed eligible to pay back the City over time.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Public Defender | 359,765 | 382,119 | 392,054 | 401,855 |
| **Base Budget** | **359,765** | **382,119** | **392,054** | **401,855** |
| **Total Budget** | **359,765** | **382,119** | **392,054** | **401,855** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| M & O | 359,765 | 382,119 | 392,054 | 401,855 |
| **Total Expenditures** | **359,765** | **382,119** | **392,054** | **401,855** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 359,765 | 382,119 | 392,054 | 401,855 |
| **Total Resources** | **359,765** | **382,119** | **392,054** | **401,855** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No Staff | | | | |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Continue To Increase Recoupment** | | | | | | |
| Recoupment per case assigned | $ | Efficiency | 36 | 45 | 36 | 37 |
| Recoupment as a % of total program costs | % | Effectiveness | 19 | 18 | 15 | 15 |
| **Reduce Cases Assigned To A Public Defender** | | | | | | |
| Total cases assigned | # | Workload | 1,597 | 1,250 | 1,600 | 1,600 |

## Issues related to Department Performance

Provision of public defender services in the criminal context is a constitutional requirement. While the city funds this program, it has little control over the appointment of defenders to indigent defendants, the appointments are either made by the court, or after a defendant has been screened for income eligibility. As a result, the key department metrics are more a way to monitor trends and try to adjust budget expectations than a way to measure the City Attorney's Office performance. While 2007 was an above average and above target year for recoupment, we anticipate that these levels will decline with the declining economy.

# City Attorney
# Public Defender

## Program Notes

Targets for the amount of recoupment per case are being modified for 2009 and 2010 to reflect the amount that we expect to recoup per case based on the 2009 and 2010 budgets, the recoupment target of 15%, and the anticipated number of cases assigned. The recoupment per case is calculated by dividing 15% of the total program budget by the number of cases targeted to be assigned to the defender.

# City Attorney
# Risk Management

## Program Statement

Safeguard the City's property, financial assets and human resources from the adverse impact of loss.

## Summary of Services Provided

Manage and administer the City's General Self-Insurance, Workers' Compensation, Safety and Unemployment Programs, including fund management and addressing all tort, worker compensation and unemployment claims filed against the City; reimbursing City departments for property damage claims incurred, and proceeding via subrogation to recover costs from responsible third parties who have damaged City property.

Advise all City departments regarding the risks of proposed or on-going activities, providing loss control assistance to help reduce risk exposures and potential liabilities.

Provide general employee safety training classes, develop safety programs and ensure City safety compliance with State and Federal regulations.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Self-Insurance | 2,973,373 | 3,073,031 | 2,889,164 | 3,016,086 |
| Unemployment Compensation | 331,000 | 160,000 | 200,000 | 184,000 |
| Workers' Compensation | 1,146,000 | 1,173,000 | 1,288,000 | 1,347,000 |
| **Base Budget** | **4,450,373** | **4,406,031** | **4,377,164** | **4,547,086** |
| **Reserves** | **6,221,628** | **5,940,596** | **7,720,836** | **7,548,747** |
| **Total Budget** | **10,672,001** | **10,346,627** | **12,098,000** | **12,095,833** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 471,629 | 476,700 | 513,323 | 535,733 |
| Interfund | 471,986 | 310,425 | 343,862 | 354,314 |
| M & O | 3,506,758 | 3,618,906 | 3,519,979 | 3,657,039 |
| **Total Expenditures** | **4,450,373** | **4,406,031** | **4,377,164** | **4,547,086** |
| **Total Reserves** | **6,221,628** | **5,940,596** | **7,720,836** | **7,548,747** |
| **Total Budget** | **10,672,001** | **10,346,627** | **12,098,000** | **12,095,833** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Workers' Compensation Fund | 2,581,000 | 2,828,000 | 3,071,000 | 3,264,000 |
| Unemployment Compensation Fund | 489,000 | 313,000 | 377,000 | 351,000 |
| General Self-Insurance Fund | 7,602,001 | 7,205,627 | 8,650,000 | 8,480,833 |
| **Total Resources** | **10,672,001** | **10,346,627** | **12,098,000** | **12,095,833** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Self-Insurance | 4.60 | 4.60 | 4.60 | 4.60 |
| **Total FTE** | **4.60** | **4.60** | **4.60** | **4.60** |

# City Attorney
# Risk Management

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Maximize loss recovery for damages incurred** | | | | | | |
| % of Risk losses recovered | % | Effectiveness | 64 | 68 | 68 | 68 |
| Customer Service ratings are good to excellent | % | Effectiveness | 100 | 95 | 97 | 97 |
| **Minimization of Risk loss exposures** | | | | | | |
| % of liability claims adjusted within timeliness standard | % | Effectiveness | 98 | 94 | 95 | 95 |
| % of liability claims filed that proceeded to litigation | % | Effectiveness | 5 | 7 | 7 | 7 |

## Issues related to Department Performance

In 2007 the percent of Risk losses recovered were slightly below target (64% compared to 68%). This was largely the result of staff turnover in this area. With the position fully staffed in 2008, we project it will meet or exceed target in 2008.

Risk received customer service ratings of good to excellent from 100% of their clients in 2007, which exceeded target by 5%. Accordingly we have increased our targets for 2009 and 2010 and will continue to strive to provide excellent customer service.

In efforts to minimize the City's losses, Risk successfully adjusted liability claims in a timely manner (98% of claims filed were adjusted within the timeliness standard). The number of claims which proceeded to litigation in 2007 were lower than projected by 2% and will be at or below target for 2008. These results are due to diligent and timely adjustment of claims and excellent communication within the City Attorney's Office.

## Program Notes

# City Attorney

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Legal Advice | 1,883,473 | 2,161,196 | 15 % |
| Prosecution | 2,295,416 | 2,535,822 | 10 % |
| Litigation Services | 1,069,312 | 1,212,378 | 13 % |
| Public Defender | 741,884 | 793,910 | 7 % |
| Risk Management | 8,856,404 | 8,924,250 | 1 % |
| **Base Budget** | **14,846,489** | **15,627,556** | **5 %** |
| **Reserves** | **5,940,596** | **7,548,747** | **27 %** |
| **Total Budget** | **20,787,085** | **23,176,303** | **11 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 5,137,041 | 5,768,658 | 12 % |
| Interfund | 1,414,754 | 1,431,276 | 1 % |
| M & O | 8,294,694 | 8,427,622 | 2 % |
| **Total Expenditures** | **14,846,489** | **15,627,556** | **5 %** |
| **Total Reserves** | **5,940,596** | **7,548,747** | **27 %** |
| **Total Budget** | **20,787,085** | **23,176,303** | **11 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 5,990,085 | 6,703,306 | 12 % |
| Workers' Compensation Fund | 3,974,000 | 4,552,000 | 15 % |
| Unemployment Compensation Fund | 644,000 | 551,000 | (14)% |
| General Self-Insurance Fund | 10,179,000 | 11,369,997 | 12 % |
| **Total Resources** | **20,787,085** | **23,176,303** | **11 %** |

# City Clerk

## Program Outcome Statement

The mission of the City Clerk's Office is to support the City Council and City Manager in public policy setting and the legislative process; facilitate communication, information sharing and organization-wide information/records management; and to facilitate participation by citizens in their municipal government.

## Services and Accomplishments

The Bellevue City Clerk's Office consists of the following divisions: City Clerk's Official Functions; Public Records Center; ECM Business Systems; Hearing Examiner's Office; and Word Processing. The Clerk's Office provides legislative and administrative support for Councilmembers and City Council proceedings as well as supporting the work of the City Manager's Office and City administration. The Clerk's Office maintains the official public records of the City, administers the centralized records management program, manages the public hearing process for land use and administrative decisions, provides centralized word processing services, and aids open communication, information sharing and participation by citizens in their municipal government.

Over the course of the last few years, the City Clerk's Office has implemented new tools to improve public access to information on issues coming before the City Council, their meetings and their decision making. The posting of full Council agendas and meeting packets on the City's website along with live video-streaming of Council meetings that provide the ability to play back whole meetings or portions of meetings on demand further serves the City's open public government philosophy and provides a valuable research tool for both public and staff.

The Records Management Division is committed to providing high-quality, timely, and responsive service for all customers. Facilitating open government transparency while meeting the demands for government information in multiple formats have created new challenges for managing public records. The records program addresses these challenges by centrally managing public disclosure requests for records, seeking innovative ways for providing information to staff and the public through technology, and having a visible presence as part of the Service First concept. A key accomplishment in supporting internal staff was a rollout of a training program to all City employees on identifying and managing public records, with a major emphasis on compliant management of e-mail messages.

During the 2007 – 2008 biennium, the City of Bellevue was selected as one of 30 government entities to participate in the State Auditor's Office Performance Audit of Open Public Records Practices. The performance audit included their submission of 10 anonymous requests for records to the City, and a review of the policies and procedures in place regarding the public disclosure process. The City of Bellevue was ranked among the top performers in handling of citizen's requests when compared to our peers, and was recognized for implementing a number of best practices. The Records Management program is committed to continuing this high level of performance, maintaining ongoing staff training and promoting awareness for all new employees, In 2008 the Records division participated in a pilot of the City's Customer Relationship Management (CRM) system to provide electronic submittal and tracking functionality for public disclosure requests made by citizens.

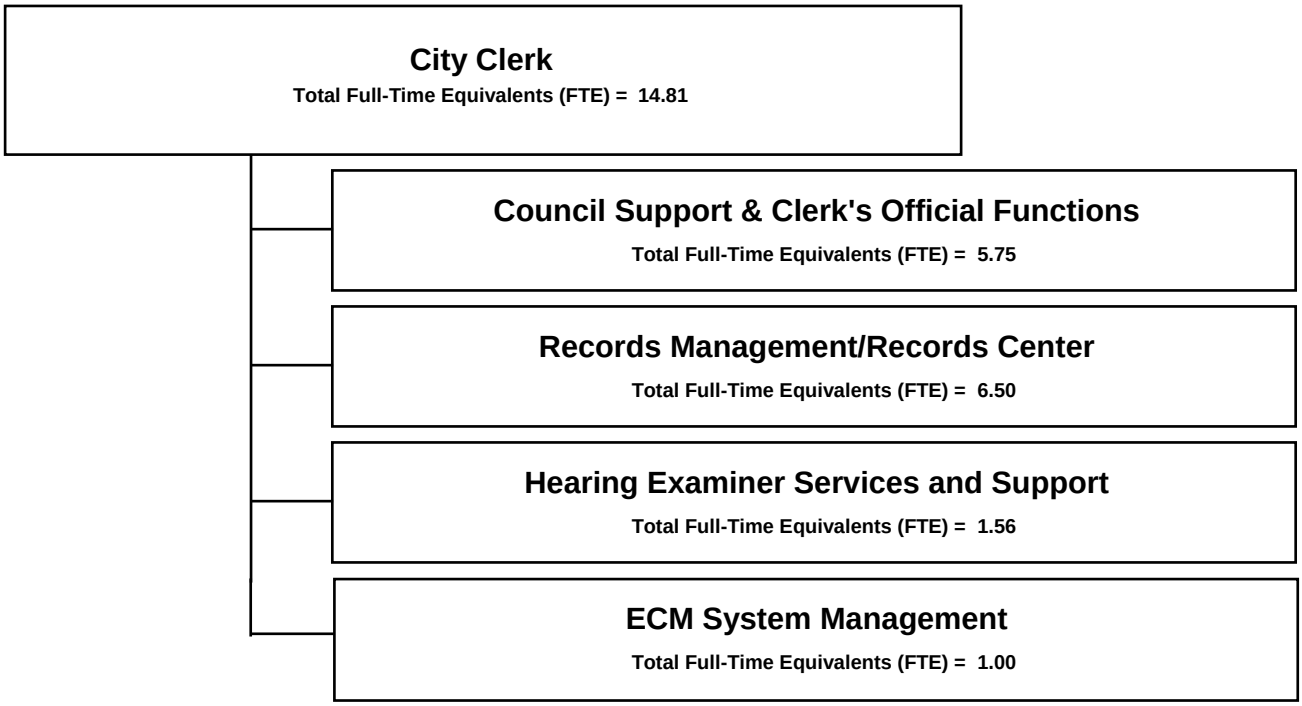
The ECM Business Systems Division continued to advance the effort of managing the City's growing volumes and complexity of electronic records utilizing the Enterprise Content Management (ECM) system. Staff worked to bring the vendor-hosted pilot system in-house, successfully migrating over 1 million pages of City records. This work program also included the implementation of electronic repositories for active and inactive records and the initial phase of the key integration of the ECM with the City's Finance/HR system, JD Edwards. In completing this initial baseline phase of the project, system usage can now be expanded to a wide variety of records and to an unlimited number of staff. Future phases planned for 2009-2010 include completing the integration with JD Edwards, initiating the integration with the Amanda permitting and inspection system, the development of a variety of customized work flows to enhance management of several critical business processes, and making system content available to the public by way of a web portal.

The Hearing Examiner's Office processed 268 sign code violations in 2007 (up from 225 cases in 2006). The reinstatement of a warning system together with education of the business community was anticipated to lead to a reduction in the number of sign code matters processed. Actual results indicate that the sign code caseload remains relatively steady, with some cases heard by Hearing Examiners and many others handled administratively due to achievement of compliance. Sign code violations processed, together with other case assignments, resulted in an average of 60 matters handled by each of the Examiners in 2007. Other civil violations and appeals processed in 2007 numbered 22 cases.

The Hearing Examiners collectively achieved 99% timeliness for 2007 for issuance of decisions/recommendations, a goal that the office continues to strive for. Hearing Examiner decisions and recommendations issued resulted in only one appeal to City Council and only two tax appeals filed with Superior Court during 2007.

# City Clerk

## Organizational Chart



# City Clerk

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Council Support & Clerk's Official Functions | 652,514 | 676,651 | 699,562 | 727,073 |
| Records Management/Records Center | 789,845 | 893,776 | 788,422 | 791,763 |
| Hearing Examiner Services and Support | 234,168 | 245,128 | 239,161 | 248,208 |
| ECM System Management | 93,500 | - | 621,014 | 433,992 |
| **Base Budget** | **1,770,027** | **1,815,555** | **2,348,159** | **2,201,036** |
| CIP M&O | - | - | 43,000 | 44,000 |
| Development Services Records Support | - | - | 21,774 | 22,285 |
| Public Disclosure Analyst | - | - | 37,830 | 72,797 |
| **Program Enhancements** | **-** | **-** | **102,604** | **139,082** |
| **Total Budget** | **1,770,027** | **1,815,555** | **2,450,763** | **2,340,118** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,166,239 | 1,325,812 | 1,529,657 | 1,602,494 |
| Interfund | 241,219 | 212,089 | 368,511 | 380,654 |
| M & O | 269,069 | 277,654 | 342,932 | 356,195 |
| Capital | 93,500 | - | 209,663 | 775 |
| **Total Expenditures** | **1,770,027** | **1,815,555** | **2,450,763** | **2,340,118** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,676,527 | 1,815,555 | 2,108,763 | 2,200,118 |
| General CIP Fund | 93,500 | - | 342,000 | 140,000 |
| **Total Resources** | **1,770,027** | **1,815,555** | **2,450,763** | **2,340,118** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Council Support & Clerk's Official Functions | 5.75 | 5.75 | 5.75 | 5.75 |
| Records Management/Records Center | 6.75 | 6.75 | 6.50 | 6.50 |
| Hearing Examiner Services and Support | 1.56 | 1.56 | 1.56 | 1.56 |
| ECM System Management | - | - | 1.00 | 1.00 |
| **Total FTE** | **14.06** | **14.06** | **14.81** | **14.81** |

# City Clerk

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Council Support & Clerk's Official Functions** | | | | | | |
| % citizen issues responded to within 10 days | % | Effectiveness | 88 | 80 | 80 | 80 |
| % rating customer service good/excellent | % | Effectiveness | - | 95 | 95 | 95 |
| # of contracts and documents processed | # | Workload | 1,680 | 1,750 | 1,750 | 1,750 |
| # of Council agenda items analyzed and scheduled in packet | # | Workload | 590 | 500 | 500 | 500 |
| % of targeted Council records available on ECM/Internet | % | Effectiveness | 66 | 75 | 100 | 100 |
| **Hearing Examiner Services and Support** | | | | | | |
| Average # of matters processed per Hearing Examiner | # | Workload | 59 | 80 | 80 | 80 |
| # of land use matters heard | # | Workload | 8 | 12 | 12 | 12 |
| % of Hearing Examiner decisions delivered within 10 days | % | Efficiency | 99 | 100 | 100 | 100 |
| # of other civil violations processed | # | Workload | 18 | 20 | 20 | 20 |
| # of sign code violations processed | # | Workload | 268 | 280 | 280 | 280 |
| # of administrative appeals to Superior Court | # | Workload | 2 | 1 | 1 | 1 |
| **Records Management/Records Center** | | | | | | |
| # of records retrieval requests | # | Workload | 2,759 | 2,500 | 2,500 | 2,500 |
| # of public disclosure requests processed | # | Workload | 246 | 250 | 275 | 275 |

# City Clerk

## 2009-2010 Work Initiatives

- Continue to expand the amount of public information routinely made available to public and staff.
- Investigate new tools to further government accessibility for public involvement.
- Implement new Customer Relationship Management system for tracking responses to citizen questions/concerns presented to Council.
- Implementation of Phase 2 of the Enterprise Content Management System (CIP Plan No. G-57), including integrations with other key enterprise systems ( AMANDA permit processing and Finance / HR Systems).
- Implement automated workflow for processing of Accounts Payable transactions, compiling City Council Agenda packets, and routing contracts, three of the City's most resource intensive enterprise-wide business processes.
- Initiate ability to electronically submit permits, applications, public disclosure requests, and other documents to the City.
- Implement the Digital Asset Management module of the ECM, used to manage audio, video and photographic records in multiple formats.
- Work with the Information Technology Department to develop and implement strategies for integration between the ECM system, SharePoint, and E-mail systems.
- Work with departments to develop a strategy for emergency response and disaster recovery for incidents involving access to and preservation of records (in all formats).
- Continue to manage centralized public records/public disclosure requests in alignment with State regulations and City policy.
- Enhance public records training program delivered to all staff on policies, procedures, and new ECM and related tools to facilitate records management.
- Provide professional consultation to staff on records-related issues. Work with departments to provide the necessary capabilities to manage all types of information through its lifecycle (creation to disposition).
- Ensure backup and protection of vital records, allowing for the continuity of operations in the event of a disaster.
- Provide analysis and recommendations on meeting records management needs for potential Municipal Court.
- Continue efforts to provide clear information about and enhance citizen participation in the Hearing Examiner processes.
- Finalize scanning and indexing of historical Hearing Examiner cases as a part of the City's records management program. This will result in enhanced public and staff access to historical Hearing Examiner decisions, case files and history of affected sites within Bellevue.

## Major Challenges for the Biennium

Key drivers of the City Clerk's Office work program continue to include enhancing accessibility to public information, customer service, improving the efficiency/effectiveness of our processes, and compliance with best management practices. As the public becomes more sophisticated in the ways of electronic communications, so too does our need to embrace new technologies to address their expectations.

The Records Management and ECM Business Systems programs are focused on ensuring the City's compliance with all State and Federal regulations for information management, while managing the substantial increase in volumes of electronic records and pursuing technological improvements to address current deficiencies. As the State continues to develop new requirements and standards for managing records in an electronic format, the City's programs stand on the cutting-edge of technical innovation. With the proliferation of records in high-volume storage formats, such as digital utility line inspection and traffic camera photos and video, the development of new tools and procedures for effective and efficient management of electronic files will be a significant focus for staff.

The frequency and scope of public records requests is projected to increase on an annual basis, but staff is committed to maintaining the program's documented high standards. The Records and ECM programs will be addressing the most frequently requested records by creating electronic access to the City's development and permit files. Staff will continue to seek training and to identify best practices to lead this significant improvement of service to internal and external customers.

As Bellevue continues to build out, the issues before the Hearing Examiners have become more complex, many requiring multiple hearings to address legal issues and to accommodate the numbers of persons testifying. Sign Code violation hearings are on the decline as Bellevue's business community is becoming more knowledgeable. However, the numbers of violations issued requiring administrative handling have not decreased, still averaging about 300 per year. There is no significant downward trend in case management.

# City Clerk
# Council Support & Clerk's Official Functions

## Program Statement

The Council Support & Clerk's Official Function Division provides legislative and administrative support for Council members, Council proceedings and facilitates the public process by providing timely and relevant public information.

## Summary of Services Provided

This program manages preparation of Council meeting packets and logistics for Council's weekly meetings, administers the legislative process, public notification and legal publication of documents. This Division manages all official records of City Council actions as required by state law, coordinates the appointment process and operating procedures for Boards and Commissions, and is the intake point for the City's Claims for Damages and land use and administrative appeals.

In addition, the Council Office provides comprehensive administrative support to the City Council and the Wordprocessing function, which joined our division in 2006, provides transcription, design text layout and general wordprocessing services for city departments.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| City Clerk | 652,514 | 676,651 | 699,562 | 727,073 |
| **Base Budget** | **652,514** | **676,651** | **699,562** | **727,073** |
| **Total Budget** | **652,514** | **676,651** | **699,562** | **727,073** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 554,380 | 573,649 | 590,359 | 616,496 |
| Interfund | 48,405 | 51,962 | 55,965 | 56,092 |
| M & O | 49,729 | 51,040 | 53,238 | 54,485 |
| **Total Expenditures** | **652,514** | **676,651** | **699,562** | **727,073** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 652,514 | 676,651 | 699,562 | 727,073 |
| **Total Resources** | **652,514** | **676,651** | **699,562** | **727,073** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| City Clerk | 5.75 | 5.75 | 5.75 | 5.75 |
| **Total FTE** | **5.75** | **5.75** | **5.75** | **5.75** |

# City Clerk
# Council Support & Clerk's Official Functions

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Aid in fully-informed decision making process for Council** | | | | | | |
| % minutes presented for Council approval within 2 weeks | % | Efficiency | 67 | 90 | 90 | 90 |
| % packets delivered to Council 4 days before meeting | % | Efficiency | 84 | 90 | 90 | 90 |
| # of Council agenda items analyzed and scheduled in packet | # | Workload | 590 | 500 | 500 | 500 |
| # of Council meetings per year | # | Workload | 48 | 48 | 48 | 48 |
| # of pages of Council minutes prepared | # | Workload | 524 | 500 | 500 | 500 |
| # of Appeals filed in Clerk's Office | # | Workload | 10 | 6 | 5 | 5 |
| # of Claims filed against the City | # | Workload | 97 | 75 | 70 | 65 |
| **Expand access to information for Council, staff & public** | | | | | | |
| # of contracts and documents processed | # | Workload | 1,680 | 1,750 | 1,750 | 1,750 |
| % of targeted Council records available on ECM/Internet | % | Effectiveness | 66 | 75 | 100 | 100 |
| **Facilitate communication among Council, citizens, and staff** | | | | | | |
| % citizen issues responded to within 10 days | % | Effectiveness | 88 | 80 | 80 | 80 |
| % rating customer service good/excellent | % | Effectiveness | - | 95 | 95 | 95 |
| % issues tracked to resolution | % | Effectiveness | 93 | 95 | 95 | 95 |

## Issues related to Department Performance

Although the City Clerk's Office regularly polls its customers regarding satisfaction with services provided and solicits suggestions for improved service, no formal survey was conducted for the years 2006/2007. A comprehensive electronic customer service survey for 2008 is planned for January 2009.

Since the City Council meets on an almost weekly basis throughout the year, managing preparation of the weekly Council "packet" of information for their decision making is a major focus of this division. Agenda materials included in the weekly Council packets help Council define issues, understand complex problems, recognize the policy implications of proposed actions, consider alternative solutions, and determine a recommended course of action. Staff makes every effort to have packets delivered to Council four days in advance of Council meetings to allow sufficient time for their review and to allow staff to research and respond to any questions. In 2006/2007 approximately 1,200 issues/agenda items were presented to Council. Although this volume appears to be relatively consistent with past experience, the complexity of agenda items seems to grow each year. Council packet materials were delivered within the goal timeframe 98% of the time in 2006 and 84% of the time in 2007. Council packet production is dependent on timely submittals of content from City departments and on late-emerging issues. Minutes presentation to Council lagged with only 67% meeting the 2 week timeframe during 2007. So far this year, 2008 is on target with 91% meeting the goal timeframe. Keeping in mind that the target turnaround is tight and will be reexamined, we anticipate that the new Microsoft Word integration with our current video stream technology will help us consistently achieve timely minutes transmittal to City Council.

By year-end 2007, the Council Support & Clerk's Office Division had made 66% of targeted City Council records available on the City's internet, just surpassing the 65% goal for the year. Future plans involve allowing citizens to access these records directly from the ECM system through use of a web portal to reduce duplication of effort and to allow more comprehensive management of the growing volume of electronic documents and other records. Currently, the ECM system contains over one million images. Of the public records managed by the Clerk's Office, by year end 2007 all Council-adopted ordinances, resolutions and meeting minutes, as well as many other frequently requested public documents, have been imported and indexed into this electronic system.

# City Clerk
# Council Support & Clerk's Official Functions

The City Council Office tracks and monitors department responses to citizen concerns that have been presented to the City Council and forwarded to them for reply. Actual response times are dependent on complexity of issue and number of departments involved. Responses bettering the targeted timeframe (80%) were achieved in 2006 (84%) and 2007 (88%). An example of the citizen concerns brought to Council in 2006/2007 include light rail alignments, mega house regulation, tree preservation, homelessness, redevelopment of the Bel-Red corridor, preservation of neighborhood character, and regional transportation systems noise mitigation.

## Program Notes

This program represents 35.5% of the City Clerk's budget and 37% of its staffing.

# City Clerk
# ECM System Management

## Program Statement

The ECM Business Systems Division works closely with Records Management to apply information management technologies to content across the enterprise. The ECM Division works with staff in all departments to provide access to new document types by creating and applying metadata (indexing) standards; develop and facilitate end user training for all functionality related to the system; define information security models; refine existing business processes and create automated workflows; and create integrations with other enterprise systems.

## Summary of Services Provided

The ECM Business Systems Division is leading the implementation of the enterprise-wide Electronic Content Management System (CIP Plan No. G-57). Over the course of 2007 – 08, ECM staff completed the purchase and implementation of the system. This step followed the success of the City's ECM pilot project, which was limited to 200 users and 50 document types in a hosted environment. This migration allowed for the expansion of system use to an unlimited number of users and document types, integrations with the City's financial system (including invoices and contracts) and the platform for managing electronically "born" records through their entire life-cycle.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| ECM System Management | - | - | 279,014 | 293,992 |
| General CIP Projects | 93,500 | - | 342,000 | 140,000 |
| **Base Budget** | **93,500** | **-** | **621,014** | **433,992** |
| CIP M&O | - | - | 43,000 | 44,000 |
| **Program Enhancements** | **-** | **-** | **43,000** | **44,000** |
| **Total Budget** | **93,500** | **-** | **664,014** | **477,992** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | - | - | 217,790 | 231,225 |
| Interfund | - | - | 132,337 | 139,225 |
| M & O | - | - | 104,224 | 106,767 |
| Capital | 93,500 | - | 209,663 | 775 |
| **Total Expenditures** | **93,500** | **-** | **664,014** | **477,992** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | - | - | 322,014 | 337,992 |
| General CIP Fund | 93,500 | - | 342,000 | 140,000 |
| **Total Resources** | **93,500** | **-** | **664,014** | **477,992** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| ECM System Management | - | - | 1.00 | 1.00 |
| **Total FTE** | **-** | **-** | **1.00** | **1.00** |

## Issues related to Department Performance

The ECM Business Systems Division was created in 2008 in order to meet the needs of the City in managing, routing and using information in electronic formats. While previously handled within the Records Management Division, full implementation and support of the ECM requires full attention of staff to ensure the system meets the needs of users and secure access to mission-critical information at all times.

The Washington State Archives has moved forward with new Washington Administrative Code (WAC) guidelines for

# City Clerk
# ECM System Management

managing permanent and archival records in electronic formats. These guidelines focus on the management of records "cradle to grave" in an electronic format, with heavy emphasis on e-mail and websites. Staff will continue to work closely with Records Management, end-users, and the Information Technology Department to develop strategies and solutions for managing records created in an electronic format, which includes everything from Word Documents to e-mail messages, and database entries.

## Program Notes

This program represents 14% of the City Clerk's budget and 12% of its staff.

# City Clerk
# Hearing Examiner Services and Support

## Program Statement

The purpose of the Hearing Examiner's function is to conduct quasi-judicial fair and impartial public hearings for the City Council and to provide a process for participants to have an opportunity to be heard in an open environment and comfortable public process. Independent Hearing Examiners conduct hearings to apply general policies and regulations adopted by the City Council ruling on land use applications, appeals of city determinations, and civil violations, along with miscellaneous assigned issues. Depending on the type of hearing process utilized, the Hearing Examiners' determinations are then appealable to City Council or Superior Court.

## Summary of Services Provided

The independent contract Hearing Examiners have increased timeliness on their issuance of recommendations/decisions and orders, to 99% for 2007. The result is an improvement from 2006's 98%.

The volumes of cases before the Hearing Examiners are dependent upon the filing of land use applications, administrative appeals of various City department determinations, civil violations, and miscellaneous hearings requested by City Council. For 2007, the Hearing Examiner hearings afforded an open process for 268 sign code violations (up from 225 cases in 2006); 8 land use applications (down from 12 in 2006). The total number of administrative appeals/other civil violations (including 4 Fire Code Violations) totals 22 matters, an increase of three cases over the 19 filed in 2006.

Due to the expertise of the Hearing Examiners, only two B & O Tax appeals (Artsource and Fresh Express), were appealed to Superior Court; and one Land Use issue (Enclave at Fox Glen) was appealed to City Council. On this matter the Examiner was upheld by Council without any amendments. Sign Code violation fines totaled $33,610.00 for 2007.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Hearing Examiner | 234,168 | 245,128 | 239,161 | 248,208 |
| **Base Budget** | **234,168** | **245,128** | **239,161** | **248,208** |
| **Total Budget** | **234,168** | **245,128** | **239,161** | **248,208** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 129,638 | 136,821 | 144,984 | 151,560 |
| Interfund | 27,594 | 29,365 | 27,828 | 28,641 |
| M & O | 76,936 | 78,942 | 66,349 | 68,007 |
| **Total Expenditures** | **234,168** | **245,128** | **239,161** | **248,208** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 234,168 | 245,128 | 239,161 | 248,208 |
| **Total Resources** | **234,168** | **245,128** | **239,161** | **248,208** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Hearing Examiner | 1.56 | 1.56 | 1.56 | 1.56 |
| **Total FTE** | **1.56** | **1.56** | **1.56** | **1.56** |

# City Clerk
# Hearing Examiner Services and Support

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Improve understanding of the Hearing Examiner process** | | | | | | |
| # of contract Hearing Examiners | # | Workload | 5 | 5 | 5 | 5 |
| # of pages verbatim testimony transcribed | # | Workload | 1,427 | 1,300 | 1,300 | 1,300 |
| Average # of matters processed per Hearing Examiner | # | Workload | 59 | 80 | 80 | 80 |
| % of Hearing Examiner decisions delivered within 10 days | % | Efficiency | 99 | 100 | 100 | 100 |
| # of continued or reopened hearings | # | Efficiency | 4 | 2 | 2 | 2 |
| Estimated # of parties of record notified | # | Workload | 1,782 | 2,000 | 2,000 | 2,000 |
| **Provide forum for quasi-judicial matters per City Code** | | | | | | |
| # of Appeals of administrative matters | # | Workload | 7 | 12 | 12 | 10 |
| # of land use matters heard | # | Workload | 8 | 12 | 12 | 12 |
| # of land use decisions appealed to City Council | # | Effectiveness | 2 | 2 | 2 | 2 |
| # of land use decisions amended or overturned | # | Effectiveness | - | - | - | - |
| # of other civil violations processed | # | Workload | 18 | 20 | 20 | 20 |
| # of sign code violations processed | # | Workload | 268 | 280 | 280 | 280 |
| # of administrative appeals to Superior Court | # | Workload | 2 | 1 | 1 | 1 |
| Estimated # of parties of record notified | # | Workload | 1,782 | 2,000 | 2,000 | 2,000 |

## Issues related to Department Performance

The Hearing Examiners' timeliness in rendering decisions remains steady at 99%. This level of service can be attributed to the conscientious efforts of the contract examiners.

Anticipated case loads are not easily predictable due to dependency on application filings in other departments, administrative appeals of various City department determinations, and miscellaneous hearings requested by City Council. These are frequently dependent on the sensitivity of the particular matters.

Maintaining a system of several contract examiners affords the opportunity to assign cases based on expertise, thus permitting better budget control for the function.

## Program Notes

This program represents 12% of the City Clerk's Office budget and 9% of its staffing.

Utilizing the contract Hearing Examiner system has been cost effective for the Clerk's Office and permits the flexibility of case assignments on an expertise basis. The multiple number of contract examiners has provided the opportunity to effectively manage peaks and valleys in caseload as well as planned vacations. The minimum number of appeals to Superior Court and to City Council demonstrates the effectiveness of the Examiner's decisions.

# City Clerk
# Records Management/Records Center

## Program Statement

As the professional manager of the City's records and information, the Records Center is charged with managing the integrity and preservation of the City's records in compliance with state law, Bellevue City Code, and the City's policies and procedures; assuring continuity of business and managing institutional knowledge in accordance with record keeping standards and best business practices; and providing responsive and helpful services to our customers.

## Summary of Services Provided

The Records Management Division (Records Center) establishes organization-wide records management policies and procedures and oversees management of the City's active, inactive and historical records and information. This program's charge includes managing public disclosure requests for records and information; assuring regulatory compliance with State and Federal recordkeeping rules; centralized recordkeeping for the Development Services group and other primary records of the City; and providing professional records management training, advice and services to departments, including recommending use of appropriate recordkeeping technologies and business process improvements.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Records Management | 789,845 | 893,776 | 788,422 | 791,763 |
| **Base Budget** | **789,845** | **893,776** | **788,422** | **791,763** |
| Development Services Records Support | - | - | 21,774 | 22,285 |
| Public Disclosure Analyst | - | - | 37,830 | 72,797 |
| **Program Enhancements** | **-** | **-** | **59,604** | **95,082** |
| **Total Budget** | **789,845** | **893,776** | **848,026** | **886,845** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 482,221 | 615,342 | 576,524 | 603,213 |
| Interfund | 165,220 | 130,762 | 152,381 | 156,696 |
| M & O | 142,404 | 147,672 | 119,121 | 126,936 |
| **Total Expenditures** | **789,845** | **893,776** | **848,026** | **886,845** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 789,845 | 893,776 | 848,026 | 886,845 |
| **Total Resources** | **789,845** | **893,776** | **848,026** | **886,845** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Records Management | 6.75 | 6.75 | 6.50 | 6.50 |
| **Total FTE** | **6.75** | **6.75** | **6.50** | **6.50** |

# City Clerk
# Records Management/Records Center

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Apply new Technology for efficient records management** | | | | | | |
| % of records staff trained on Records Management Software | % | Effectiveness | 100 | 100 | 100 | 100 |
| # of records housed in ECM | # | Workload | 1,137,800 | 1,500,000 | 2,000,000 | 2,500,000 |
| # of document types set up for ECM implementation | # | Workload | 39 | 100 | 150 | 200 |
| **Manage Citywide essential record & disaster recovery program** | | | | | | |
| Update essential Records Program | % | Effectiveness | 100 | 100 | 100 | 100 |
| # hours providing training/workshop opportunities | # | Effectiveness | 129 | 100 | 100 | 100 |
| **Manage Citywide records system for inactive records** | | | | | | |
| # of records retrieval requests | # | Workload | 2,759 | 2,500 | 2,500 | 2,500 |
| # of boxes permanently withdrawn from offsite storage | # | Effectiveness | 1,817 | 1,050 | 1,100 | 1,150 |
| **Manage Records Program per State law & City policies** | | | | | | |
| % public disclosure responses within 5 days | % | Efficiency | 100 | 100 | 100 | 100 |
| # of public disclosure requests processed | # | Workload | 246 | 250 | 275 | 275 |
| # of boxes managed in off-site storage | # | Workload | 11,365 | 10,000 | 9,500 | 9,000 |

## Issues related to Department Performance

Changes in State law and development of new recordkeeping requirements have focused attention on management of City records in electronic formats. In June 2007, the Attorney General's Office released their Model Rules for fulfilling public requests for electronic records. The Secretary of State's Office has also been developing new Washington Administrative Code guidelines (WACs) for management of potentially archival electronic records, particularly e-mail and websites. The Records Management program has participated in both State processes and responded by updating policy, procedures and training efforts to meet the new standards.

Records staff also led a mandatory all-staff training program on the management of e-mail, including the identification of messages with record content and supporting consistent and compliant process for storing records. Combined with training at new employee orientation, the City has made a considerable investment to support and monitor the management of public records.

## Program Notes

This program represents 38.5% of the City Clerk's budget and 42% of its staff.

The Records Management program will continue to focus efforts on systematic, enterprise-wide efficiencies, best business practices and appropriate technologies to fulfill customer needs and meet regulatory requirements.

# City Clerk

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Council Support & Clerk's Official Functions | 1,329,165 | 1,426,635 | 7 % |
| Records Management/Records Center | 1,683,621 | 1,580,185 | (6)% |
| Hearing Examiner Services and Support | 479,296 | 487,369 | 2 % |
| ECM System Management | 93,500 | 1,055,006 | 1,028 % |
| **Base Budget** | **3,585,582** | **4,549,195** | **27 %** |
| CIP M&O | - | 87,000 | - |
| Development Services Records Support | - | 44,059 | - |
| Public Disclosure Analyst | - | 110,627 | - |
| **Program Enhancements** | **-** | **241,686** | **-** |
| **Total Budget** | **3,585,582** | **4,790,881** | **34 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 2,492,051 | 3,132,151 | 26 % |
| Interfund | 453,308 | 749,165 | 65 % |
| M & O | 546,723 | 699,127 | 28 % |
| Capital | 93,500 | 210,438 | 125 % |
| **Total Expenditures** | **3,585,582** | **4,790,881** | **34 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 3,492,082 | 4,308,881 | 23 % |
| General CIP Fund | 93,500 | 482,000 | 416 % |
| **Total Resources** | **3,585,582** | **4,790,881** | **34 %** |

# City Clerk

## Development Services Records Support

**Enhancement: CCOCBA02**

**Enhancement Description**

Increased demand for Development Services records support as a result of increased Development Services staffing and development activities in recent years. The 1040 position is funded through Development Services revenue.

**State/Federal/Industry Mandates**

**Goals and Objectives**

Quality customer service.

**Consequences of Not Funding**

Record retrieval delays that could impact ability to provide quality customer service.

**Equipment Requirements**

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **21,774** | **22,285** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# City Clerk

## Public Disclosure Analyst

**Enhancement: CCOCBA01**

**Enhancement Description**

Convert existing .75 LTE to 1.0 FTE to manage growing public disclosure complexity/volumes and increasingly litigious environment within strict guidelines promulgated by the Attorney General and measured by State Auditor. The City has responded over past four years with part-time staff support for public disclosure. Due to order of magnitude of requests, more diverse electronic records, the need to provide ongoing training to staff across the organization being asked to supply records, "regularize" this position, seeking to increase to full-time in acknowledgement of the ongoing nature of this work.

Failure to fund this position going forward will mean that much of this work will divert back to departments.

**State/Federal/Industry Mandates**

Public Records Act (RCW 42.56.010)

WAC, Chapter 44-14

Bellevue City Code Chapter 2.26

City of Bellevue Public Records Act Rules

State Auditor's performance audits of public disclosure to measure government accountability and transparency

**Goals and Objectives**

To honor the public trust, promote open government, provide quality customer service, and address state mandated procedures and timelines.

**Consequences of Not Funding**

Risk falling outside mandated state required response timelines and suffer audit findings and legal penalties.

**Equipment Requirements**

No equipment or space are required as are already existing.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **37,830** | **72,797** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **0.75** | **0.75** |

CITY OF BELLEVUE WASHINGTON

# City Council

## Program Outcome Statement

The City Council has established the following goals and underlying principles that guide their work:

- Protect the livability and vitality of all the City's neighborhoods
- Maintain a vital downtown
- Work together with citizens and community groups to solve problems
- Provide quality and responsive City services and infrastructure
- Ensure public safety
- Respond to the needs of youth and families
- Improve transportation systems
- Maintain an attractive and clean City
- Protect and enhance our natural environment
- Manage the City's finances prudently
- Provide regional leadership and cooperation.

## Services and Accomplishments

The City Council continues to devote significant energy to improving the quality of life for Bellevue residents and businesses. Transportation and traffic issues top citizen concerns and remain a Council priority. The Council has invested a significant portion of their work efforts on local, regional, state, and federal transportation issues to attack congestion on a variety of fronts. Of the 52 regional committees and organizations in which Councilmembers participated in 2007 and 2008, several specifically focused on development of the regional transportation system. These included leadership on the Sound Transit Board, Puget Sound Regional Council Transportation Policy Board, Eastside Transportation Partnership, and the WSDOT SR 520 Executive Committee.

Similarly, the Council has continued to focus on neighborhood preservation and standards, including approving projects to enhance neighborhood character and livability, evaluating opportunities to improve neighborhood vitality, and promoting opportunities for citizen and neighborhood involvement. During 2007 and 2008 the Council directed the Planning Commission to study and make recommendations on a variety of neighborhood protection issues including megahomes, residential building heights, unscreened construction debris, and tree preservation. Their hard work is born out in citizen satisfaction with Bellevue's livability, which increased from 93% in 2006 to 95% in 2007.

The City Council has also focused considerable energy on enhancing Bellevue's economic vitality and to position Bellevue as a regional business center. This investment, aiming Bellevue's resources on long-term economic and regional strategies, has proven effective in stimulating economic growth by strengthening and diversifying the local economy. Results from 2007 demonstrate:

- 3+ million square feet of office space and 4,000 residential units were under construction or in permit review;
- Over 900 Bellevue businesses were identified as being involved in international trade;
- Business retention and relocation activities secured over 2.5 million square feet of office and retail uses with over 5,000 jobs; and
- The City issued over 13,700 permits with a total valuation of $831.1 million, surpassing 2006 figures for a new record high.

City Council maintained an active role on regional issues as indicated by their participation on 52 regional committees and organizations addressing regional decision making in 2007. Areas of influence include natural resources, regional transportation improvement projects, transit strategies, water supply, human services, and other significant issues. Under Council direction, in 2007 City staff tracked 741 state legislative issues and secured grant dollars in excess of $9 million for parks and open space acquisitions, the Mercer Slough Environmental Education Center, Kelsey Creek/Richards Valley Greenway, improved emergency preparedness and response capabilities, life safety equipment, and shoreline master planning.

Key regional activities included:

- Continued work on the Sound Transit Eastlink Draft Environmental Impact Statement
- Launching the Light Rail Best Practices Committee to analyze and recommend best practices for implementation of light rail in Bellevue
- Ongoing coordination with WSDOT concerning I-405 and I-90 projects
- Completion of Commute Trip Reduction and Growth and Transportation Efficiency Center Plans
- Submittal of Downtown Circulator Plan for King County Partnership Program consideration
- Continued progress on implementation of Cascade Water Alliance regional water source
- Participation in SR 520 mediation and tolling efforts
- WRIA 8 Implementation Report.

# City Council

Other significant accomplishments directed by the City Council included:

Capital Project Milestones
- Robinswood Synthetic Field Surfaces
- Stevenson Elementary School Pedestrian Safety Enhancements
- Acquired additional properties and initiated master planning process for waterfront access at Meydenbauer Bay
- 150th Avenue SE safety and traffic operations improvement in partnership with WSDOT and King County
- NE 24th Street roadway improvements, including pedestrian safety improvements, decorative walls and extensive landscaping
- 140th Avenue Pathway utilizing low impact development design for storm water management
- Crossroads Water Play Park
- Highland Skate Park

Neighborhoods and Community Program Successes
- Redevelopment of small neighborhood centers
- Lake Hills Center
- Newport Hills Center
- Kelsey Creek Center
- Traffic calming projects in 12 neighborhoods
- Developed neighborhood sidewalk evaluation criteria and identified project priorities
- Neighborhood Livability Action Agenda
- Greenscape requirements via Phase I Code Amendments addressing minimum tree retention, building height measurement, temporary shelters in front yards, regulation of construction debris and construction notification signs
- Completed the Lake Hills Neighborhood Identity project including major site improvements at the Lake Hills produce market, SE 16th and 156th Avenue, and the 3 additional neighborhood entries reflecting Lake Hills history and character
- Launched the Newport Hills and Lake Heights Neighborhood Identity project
- Neighborhood Enhancement Program for Newport, Factoria, Somerset, Eastgate/Cougar Mountain and Sammamish/East Lake Hills
- Awarded 27 matching grants for small neighborhoods
- Published monthly Neighborhood News
- Published new edition of Bellevue by the Numbers, a community calling guide in English and Spanish
- Amended City codes related to permitting and enforcement of noise-generating activities and developed a process for review of sound amplification permits

Other Major Program Successes
- Public Safety
  - Violent crime and fatality collisions are below national averages for cities of comparable size
  - Medic 1 Levy achieved 83% approval from voters
  - Eastside Narcotic Task Force headed by Bellevue Police seized a record $15.5 million in drugs, property and cash
  - Completed 100% of annual fire and life safety inspections
- Foreign Language Services
  - Added three foreign language sections to City's website
  - 30,000 customers served at Mini City Hall, many of whom have special language assistance needs including Spanish, Russian, Chinese, Korean, Tagalog, Hindi, Bengali and Urdu
- Construction-related Traffic Control Program
  - PSE gas main installation from 108th/NE 4th Street to Bellevue Way/Main Street
  - King County sewer force main repairs and installations at Swelocken
  - PSE Main Street gas line installation
  - NE 8th Street Pedestrian Bridge installation
  - NE 8th Street Lincoln Square/Bellevue Place Tunnel
- Development services activities
  - Adopted sign code regulations relating to Hospitals and Ambulatory Health Care Centers located in Medical Institution District
  - Completed review, inspection, and occupancy of Lincoln Square Office Tower, Wasatch Washington Square, Overlake Hospital South Tower, Lexus of Bellevue, 1020 Residential Tower, Ashwood Commons II, Bellevue Towers City Center Plaza, Metro 112 Apartments, Summit III Building, Residence Inn by Marriot, Group Health Cooperative Medical Center

# City Council

- Media/Communications
  - Issued more than 110 City news releases external for distribution to media, strategic partners and the general public
  - Enhanced reporter briefings to variety of media and Editorial Board outreach to The Seattle Times
  - Served as central source for economic and demographic data for internal and external clients
- Human Resources
  - Negotiated 5 union contracts
  - Developed and implemented a domestic partner benefits program
  - Launched a succession planning initiative and accompanying competency educational program
  - Health insurance premiums held to previous year's rates for non-union employees in core medical plan for the second year
- Major Innovations
  - WiFi implemented in City Hall, several community centers and along Pedestrian Corridor
  - Developed new 20-year long-range operating and capital planning forecast including a detailed analysis of budget service drivers that the City will likely encounter over the next two decades
  - Replaced 28 traffic data counters with new solar-powered type that allow more detailed traffic counts and require fewer counters for data collection activities
  - Utilized revolutionary Segway Human Transporter equipped with devices to measure sidewalk compliance with ADA standards to update the sidewalk system inventory
- Efficiency/Effectiveness Improvements
  - Launched "One City" Performance Excellence initiative
  - Expanded public use of City Hall meeting facilities
  - Initiated Fleet Warranty Program resulting in over $100,000 in cost avoidance and savings during 2007
  - Changed all Police motorcycles to improve reliability and reduce maintenance costs
  - Replaced Mobile Data Terminals in Police vehicles
  - Improved computer/system security and awareness training
  - Converted budget basis from cash to modified accrual
  - Implemented Quote/Bid Management process
  - Incorporated Domestic Partner Policy into Payroll process
  - Outperformed targets and benchmarks for investment returns, despite volatile market
  - Updated the new City Hall Financing Plan
  - Responded to the rapid growth in development activity with appropriate adjustments to staffing levels, use of consultants and improvements to increase efficiency
  - Implemented ability to import property owner information directly from King County into Amanda permitting/inspection system
  - Consolidated all inspection records into the Amanda permitting/inspection system
  - Improved economic and demographic data resources and their use in marketing the City and providing information to the real estate and business sectors
  - Worked to improve City's procurement program to reach out to minority businesses, to foster an eGov Alliance program for regional procurement, and related small business training for procurement with the Seattle School District
  - Developed right of way permit changes to assist customers and staff in streamlining permit processing and billing
  - Implemented online inspection scheduling using MyBuildingPermit.com
  - Initiated E-Mail Alerts, which allows constituents to automatically be notified, via e-mail, when new information on subjects of their choosing is posted on the City's website
  - Production of 115 videos by Multimedia Services
  - Supported DSI-related process and efficiency improvements including streamlined noticing
  - Expanded 500 foot noticing requirement to plats
- Accreditations
  - APWA reaccreditation of Utilities Department
  - APWA new accreditation of Transportation Department
  - CALEA reaccreditation of Police Department
  - CALEA reaccreditation of Communications Center
  - Second CFAI reaccreditation of Fire Department

# City Council

Other Awards/Recognitions

Finance
- Maintained Aaa bond rating from Moody's and AAA rating from Standard and Poor
- Awarded City's 25th consecutive "Certificate of Excellence" from the Government Finance Officers Association of the United States and Canada (GFOA) for the 2006 Comprehensive Annual Finance report
- Received the GFOA "Distinguished Budget Presentation Award" for 2007-2008 Biennial Budget
- Granted the 2007 International City/County Manager's Association (ICMA) Certificate of Distinction for Bellevue's performance measurement efforts
- Awarded the Association of Government Accountants (AGA) Certificate of Excellence in Service Efforts & Accomplishments Reporting for the 2006 Annual Performance Report

Fire
- Fire Department ranked best in performance for fires confined to room of origin in 2006
- Maintained the best cardiac survival rates in the United States

Police
- Volunteer program recognized by the International Association of Chiefs of Police

Parks
- Acknowledged as one of 100 Best Communities for Youth for 2nd consecutive year
- Bellevue Golf Course achieved designation as a Certified Audubon Cooperative Sanctuary through Audubon International. First municipal course and eleventh course in Washington State to achieve certification
- Tennis Center recognized for Program Excellence in 2007 by the United States Tennis Association
- Received NRPA "Take me Fishing" grant for water safety events

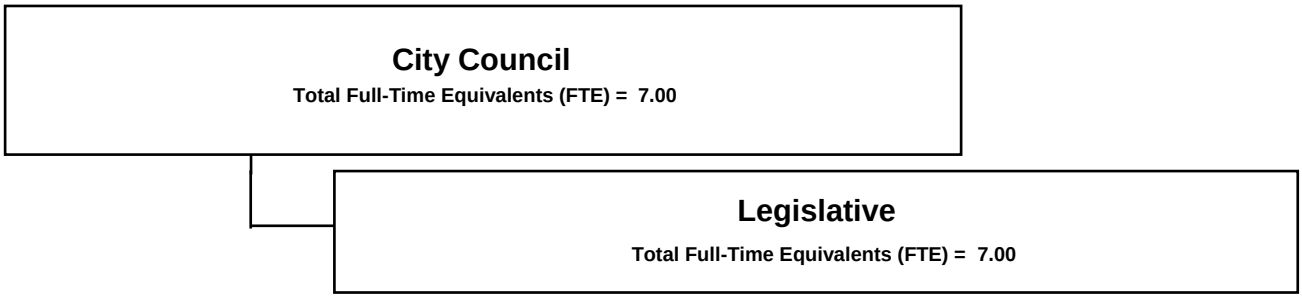
Communications
- Received several communications awards from NATOA, a national organization for government programming

Transportation
- Coal Creek Pavement Award
- Best Westside City Paving award from the Washington Asphalt Paving Association and the Washington Chapter of American Public Works Association in conjunction with Lakeside Industries for the resurfacing of Coal Creek Parkway
- SE 16th Award
- American Public Works Association 2007 Public Works Project of the Year for projects $2 million to $10 million
- American Society of Civil Engineers 2006 Outstanding Project Award

Planning & Community Development
- Received the CSDC 2007 Innovation Award for the Amanda/Fire RMS migration project. This project allowed the City to leverage existing technology by tracking the Fire Department's annual safety inspections through the existing permit tracking system.
- Governor's Smart Communities Award for the Neighborhood Investment Strategy

# City Council

## Organizational Chart



# City Council

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Legislative | 411,871 | 419,545 | 404,971 | 418,454 |
| **Base Budget** | **411,871** | **419,545** | **404,971** | **418,454** |
| **Total Budget** | **411,871** | **419,545** | **404,971** | **418,454** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 261,247 | 259,775 | 262,858 | 272,133 |
| Interfund | 98,390 | 106,181 | 87,127 | 89,964 |
| M & O | 52,234 | 53,589 | 54,986 | 56,357 |
| **Total Expenditures** | **411,871** | **419,545** | **404,971** | **418,454** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 411,871 | 419,545 | 404,971 | 418,454 |
| **Total Resources** | **411,871** | **419,545** | **404,971** | **418,454** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Legislative | 7.00 | 7.00 | 7.00 | 7.00 |
| **Total FTE** | **7.00** | **7.00** | **7.00** | **7.00** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Legislative** | | | | | | |
| % of citizens rating City as good to excellent place to live | % | Effectiveness | 95 | 95 | 95 | 95 |
| % of Citizens saying City heading in right direction | % | Effectiveness | 81 | 80 | 80 | 80 |
| Number of State Legislative issues tracked | # | Effectiveness | 741 | 720 | 720 | 720 |
| # regional committees/organizations Council participates on | # | Workload | 52 | 45 | 45 | 45 |
| % of items approved by Council on Consent Calendar | % | Efficiency | 75 | 75 | 75 | 75 |
| Number of applicants for Board/Commission positions | # | Effectiveness | 30 | 25 | 30 | 30 |
| Number of Board/Commission positions filled | # | Effectiveness | 21 | 15 | 20 | 20 |

# City Council

## 2009-2010 Work Initiatives

- Neighborhood livability
- Community outreach
- Human infrastructure
- Public safety
- Parks and open space
- Environmental stewardship
- Transportation
- Economic vitality
- Technology
- Cultural infrastructure
- Regional leadership and collaborations
- Cascade Water Alliance
- Promote City's legislative agenda at the federal, state, and local levels.

## Major Challenges for the Biennium

The Council anticipates the following challenges for the biennium:

- Responding to additional service needs generated by community growth and diversification
- City fiscal health and flexibility
- Scope and range of facilities necessary to retain a high quality of life
- Land use and environmental stewardship
- Economic vitality
- Continuing collaboration with other Eastside cities and regional agencies on high-profile regional issues
- Continuing need to support legislative actions that are supportive of cities and oppose legislative actions that are detrimental to cities.

# City Council
# Legislative

## Program Statement

The City Council is charged with protecting, enhancing, and promoting the health, welfare, and safety of the people living in, working in, and visiting Bellevue. Their mission is to provide high quality services and facilities that meet the needs of the community.

## Summary of Services Provided

The City Council provides accessible and proactive leadership and governance for the City. The Council meets four times per month, with the exception of August and December when fewer meetings are scheduled, where they establish laws and policies through study and adoption of legislation. Among the primary duties of the Council are review and adoption of the operating budget to fund City services and programs, and review and adoption of the Capital Investment Program (CIP) Plan to fund City infrastructure. City Councilmembers meet with residents, citizen groups, and business leaders to hear concerns and resolve problems, and oversee a wide-ranging agenda for the community. They also represent Bellevue citizens' interests by serving on local and regional bodies such as regional committees established by the Metropolitan King County Council, and on state and national committees addressing pipeline safety and transportation project funding.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| City Council | 411,871 | 419,545 | 404,971 | 418,454 |
| **Base Budget** | **411,871** | **419,545** | **404,971** | **418,454** |
| **Total Budget** | **411,871** | **419,545** | **404,971** | **418,454** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 261,247 | 259,775 | 262,858 | 272,133 |
| Interfund | 98,390 | 106,181 | 87,127 | 89,964 |
| M & O | 52,234 | 53,589 | 54,986 | 56,357 |
| **Total Expenditures** | **411,871** | **419,545** | **404,971** | **418,454** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 411,871 | 419,545 | 404,971 | 418,454 |
| **Total Resources** | **411,871** | **419,545** | **404,971** | **418,454** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| City Council | 7.00 | 7.00 | 7.00 | 7.00 |
| **Total FTE** | **7.00** | **7.00** | **7.00** | **7.00** |

# City Council
# Legislative

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Citizen involvement in City government** | | | | | | |
| Number of applicants for Board/Commission positions | # | Effectiveness | 30 | 25 | 30 | 30 |
| Number of Board/Commission positions filled | # | Effectiveness | 21 | 15 | 20 | 20 |
| Number of citizens serving on boards, committees, task force | # | Efficiency | 345 | 400 | 400 | 400 |
| **Citizen satisfaction that City moving in right direction** | | | | | | |
| % of Citizens saying City heading in right direction | % | Effectiveness | 81 | 80 | 80 | 80 |
| **Citizen satisfaction with Bellevue's livability** | | | | | | |
| % of citizens rating City as good to excellent place to live | % | Effectiveness | 95 | 95 | 95 | 95 |
| **Promote City interests & influence impactive legislation** | | | | | | |
| Number of State Legislative issues tracked | # | Effectiveness | 741 | 720 | 720 | 720 |
| # regional committees/organizations Council participates on | # | Workload | 52 | 45 | 45 | 45 |
| **Provide timely and effective decision making** | | | | | | |
| % of items approved by Council on Consent Calendar | % | Efficiency | 75 | 75 | 75 | 75 |
| Number of ordinances adopted by City Council | # | Effectiveness | 82 | 50 | 50 | 50 |
| Number of resolutions adopted by City Council | # | Effectiveness | 182 | 150 | 150 | 150 |

## Issues related to Department Performance

Of the citizens surveyed in 2007, 95% responded that the City was a “good” or “excellent” place to live, meeting the targeted goal and demonstrating residents’ overall satisfaction. Almost nine out of ten residents (87%) feel they are getting their money’s worth for the tax dollars they pay.

Citizen agreement with the direction in which the City is heading increased to 81% in 2007, up from the 77% in 2006. This level of residents’ concurrence points to the Council’s efforts to better communicate about current issues as well as their determination to make themselves available to listen and respond to the needs of the citizenry.

## Program Notes

Legislative and administrative support for the City Council and their proceedings is provided by the City Clerk’s Office.

Current City Council compensation was established by Ordinance No. 5163 and, under state law, no increase or decrease in compensation can apply to an incumbent during the term being served. Monthly salary levels held by the Mayor, Deputy Mayor and Councilmembers were established at the recommendation of the 1999 citizen-based Council Compensation Task Force.

# City Council

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Legislative | 831,416 | 823,425 | (1)% |
| **Base Budget** | **831,416** | **823,425** | **(1)%** |
| **Total Budget** | **831,416** | **823,425** | **(1)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 521,022 | 534,991 | 3 % |
| Interfund | 204,571 | 177,091 | (13)% |
| M & O | 105,823 | 111,343 | 5 % |
| **Total Expenditures** | **831,416** | **823,425** | **(1)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 831,416 | 823,425 | (1)% |
| **Total Resources** | **831,416** | **823,425** | **(1)%** |

# City Manager's Office

## Program Outcome Statement

The mission of the City Manager's Office is to provide for organizational leadership in the implementation of Council vision, goals, policies, and direction.

## Services and Accomplishments

*Services*

The City Manager's Office consists of the following program areas:

- Overall City Management and Planning;
- Intergovernmental Relations and Coordination;
- Communications Office.

The goals of the City Manager's Office are to:

- Provide leadership to the organization based on the City's Core Values: Exceptional Public Service, Stewardship, and Commitment to Employees, Integrity, and Innovation;
- Provide leadership on the City's Environmental Stewardship Initiative;
- Ensure that the goals and objectives of City departments fulfill City Council directives, and that the City's work is carried out through effective management of human, financial, and material resources;
- Provide leadership and coordinate the City's role in local, regional, state, and federal intergovernmental issues, while promoting effective partnerships with Bellevue's businesses and residential communities;
- Provide leadership and coordinate communications with citizens and the news media on citywide issues, and maximize the effectiveness of city-owned media (such as Bellevue Television - BTV, the City web site, It's Your City - the City's newsletter, etc.) for enhancing understanding of City issues and programs by residents, businesses, and City staff;
- Coordinate internal communications within the organization;
- Provide opportunities for citizens, staff, and Council to actively participate in the Sister Cities Program.

*Accomplishments*

The City Manager's Office accomplished the following items during the 2007-2008 biennium:

Overall City Management and Planning

- Achieved high satisfaction ratings in 2007:
  - The majority (95%) of residents surveyed in 2007 describe Bellevue as a good or excellent place to live.
  - Ninety-four percent (94%) of 2007 respondents consider their neighborhood to be an excellent or good place to live.
  - Eight in ten respondents (81%) feel that the City, as a whole, is generally headed in the right direction - slightly higher than in all previous surveys (77% in 2006, 78% in 2004, 2002, and 2001, and 79% in 2003) with the exception of 2005 (86%).
  - Seven in ten (70%) respondents indicate they are satisfied with the job the City is doing in planning for the future
  - When thinking about Bellevue services and facilities, eighty-seven percent (87%) indicate they feel they get their money's worth for their tax dollar

- Bellevue's departments continue to operate at the highest level of professionalism:
  - The City Attorney's Office continues to work toward each of its staff attaining Fellowship status with the International Municipal Lawyers' Association. The City Attorney and a Senior Attorney both achieved this status in 2008.
  - The City Clerk's Office was ranked among the top performers in handling of citizen's requests when compared to its peers, and was recognized for implementing a number of best practices.

- All operating departments have received accreditation from their respective accrediting organizations. The Transportation department received accreditation, and the Fire, Police, and Utilities Departments each earned re-accreditation during the 2007-2008 biennium.

- Bellevue hosted the Transforming Local Government conference in 2007, showcasing the City's innovations in service delivery to 800 attendees. Nearly $200,000 was raised through corporate sponsorships to successfully host this conference.

- The City continued its participation in the eCityGov Alliance, dedicating staff resources to improve customer-centric cross-boundary online portals.

# City Manager's Office

- Key property acquisitions were completed in the 2007-2008 biennium, including final Meydenbauer Bay acquisitions, additions to the Richards Valley Open Space, acquisition of the Carrigan Property on Lake Sammamish, and purchase of the Lincoln Center property.

- Long-term land use planning efforts were initiated in several areas throughout Bellevue:
  - Bel-Red Corridor: evaluated land-use and transportation alternatives, and initiated EIS activities;
  - Crossroads: completed community process to identify long-term vision and near-term implementation steps;
  - Meydenbauer Bay: completed first phase of land use and park study;
  - Light Rail Best Practices: created a “committee of commissioners” to evaluate "Light Rail Best Practices". Completed study and adopt an initial set of light rail Comprehensive Plan Amendments;
  - Began planning for long-term high-capacity transit needs throughout Bellevue

- Initiated cross-departmental work teams to focus on complex issues facing the city:
  - One-City Initiative: focuses on strategic development, leadership vision, social responsibility, customer service and cultural risk-taking and innovation.
  - Bellevue Mobility Initiative: focuses on congestion and other mobility challenges by addressing the various elements of the transportation system – roads, transit, pedestrians, bikes, cars – as a whole.
  - Environmental Stewardship Initiative: ensures that the City is an organization whose decisions and actions explicitly integrate and balance economic, ecological and social impacts;
  - Long-Range Financial Planning Initiative: identifies major trends and factors influencing service and capital needs; identifies operating and capital priorities; and facilitates expenditure and revenue policy discussions.

- Created centralized volunteer coordination program to support and enhance existing city volunteer programs, develop new programs, and create strategic partnerships with other organizations.

Communications

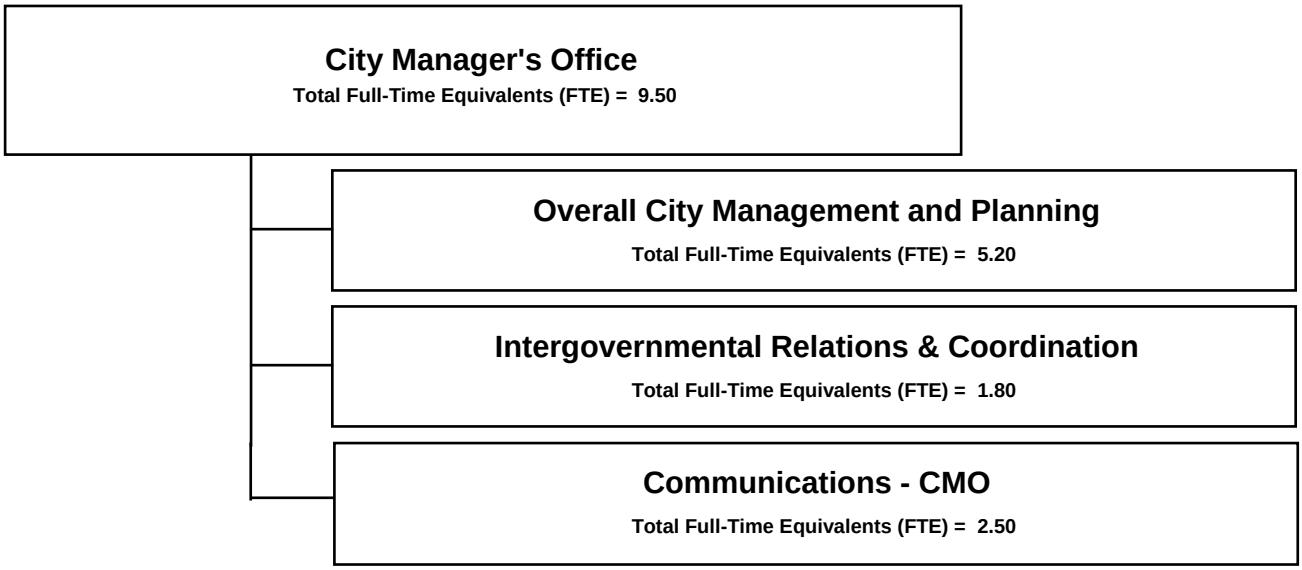
- Continued to make improvements to the city’s website in coordination with the Information Technology Department. Improvements included the addition of foreign-language sites to serve the city’s growing ethnic populations.
- Initiated citywide improvements for internal communications, including an enhanced Intranet site.
- Enhanced media relations activities. Enhancements included weekly roundup of key Council decisions and additional editorial board outreach initiatives.
- Continued production of award-winning monthly television show highlighting city accomplishments, and continued to improve editorial integrity of It’s Your City community newsletter.
- Provided planning and editorial support for special events, including city’s Innovations conference and All COB meeting.
- Bellevue Television (BTV) received eight awards from the National Association of Telecommunication Officers and Administrators in 2008. For the second year, “It’s Your City” won first place awards.

Intergovernmental Relations and Coordination

- Working with Eastside partners, provided leadership to form a consolidated Northeast King County Regional Communications Center (NORCOM). This three-year effort resulted in 14 agencies adopting an Interlocal Agreement in November 2007 to form NORCOM. Consolidating communications centers is projected to reduce overall costs for the City in the near and long term.
- Continued to represent the City’s interests in regional forums dealing with issues including, transportation, water, stormwater, flood control, sewer, jail, court and others.
- Secured significant state and federal grant funding for NORCOM, City emergency shelter generators and city parks.
- Secured major funding for I-405 projects and successful outcome on the configuration of the 520 bridge project.

# City Manager's Office

## Organizational Chart



# City Manager's Office

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Overall City Management and Planning | 1,045,130 | 943,390 | 1,116,940 | 1,116,177 |
| Intergovernmental Relations & Coordination | 366,595 | 515,363 | 566,051 | 555,236 |
| Communications - CMO | 312,086 | 313,444 | 336,814 | 350,539 |
| **Base Budget** | **1,723,811** | **1,772,197** | **2,019,805** | **2,021,952** |
| **Total Budget** | **1,723,811** | **1,772,197** | **2,019,805** | **2,021,952** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,203,196 | 1,337,486 | 1,483,525 | 1,508,629 |
| Interfund | 160,830 | 156,563 | 284,273 | 298,071 |
| M & O | 324,785 | 278,148 | 230,007 | 215,252 |
| Capital | 35,000 | - | 22,000 | - |
| **Total Expenditures** | **1,723,811** | **1,772,197** | **2,019,805** | **2,021,952** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,566,811 | 1,772,197 | 1,977,805 | 2,021,952 |
| General CIP Fund | 157,000 | - | 42,000 | - |
| **Total Resources** | **1,723,811** | **1,772,197** | **2,019,805** | **2,021,952** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Overall City Management and Planning | 4.60 | 4.60 | 5.20 | 5.20 |
| Intergovernmental Relations & Coordination | 2.30 | 2.30 | 1.80 | 1.80 |
| Communications - CMO | 2.50 | 2.50 | 2.50 | 2.50 |
| **Total FTE** | **9.40** | **9.40** | **9.50** | **9.50** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Communications - CMO** | | | | | | |
| % of residents surveyed very satisfied with IYC newsletter | % | Effectiveness | 55 | 50 | 50 | 50 |
| **Overall City Management and Planning** | | | | | | |
| % indicating Bellevue is headed in the right direction | % | Effectiveness | 80 | 80 | 80 | 80 |
| % of citizens rating City as a good or excellent place | % | Effectiveness | 95 | 95 | 95 | 95 |

# City Manager's Office

## 2009-2010 Work Initiatives

Overall City Management and Planning

- Continue efforts to improve interdepartmental coordination, collaboration, and staffing to shift from a more decentralized vertical organizational structure to a more centralized, coordinated, and consolidated approach.
- Continue to implement the City's enhanced economic development efforts through the Office of Economic Development.
- Facilitate implementation of environmentally sustainable practices organization- and community-wide through coordination of the Environmental Stewardship Initiative.
- Continue evaluating short- and long-term factors that affect the organization and pursue strategies/tactics that respond to current and future challenges and opportunities. Support cross-departmental coordination and accountability to identify and resolve issues.
- Continue development of programs to offer meaningful opportunities for civic engagement to the residents of Bellevue and to ensure a positive volunteer experience. Connect organizations across the community and the region, establishing the premiere regional volunteer network in the country.

Intergovernmental Relations and Coordination

- Provide leadership among Eastside and Puget Sound Region cities to promote collaborations in mutual best interest to create efficiency of delivery and cost and to improve service levels
- Effectively promote the City's legislative agenda at the federal, state, and local levels to the appropriate stakeholders that will influence positive outcomes as identified by the Council.
- Continue to aggressively pursue grants through state and federal sources and innovative partnerships to help fund City priorities.
- Provide strong emphasis on achieving additional regional and state funding for key Bellevue transportation needs on regional corridors such as SR 520, I-405, I-90 and Sound Transit.

Communications

- Implement citywide internal communications initiative.
- Continue enhancements to City's inter- and intranet sites and pursue use of new technologies to enhance internal and external Communications.
- Continue editorial enhancements to BTV and city publication products.
- Continue to work with other departments to enhance communications outreach to minority populations.

## Major Challenges for the Biennium

The City Manager's Office anticipates challenges in a variety of citywide areas including:

- Responding to additional service needs generated by community growth and diversification;
- City fiscal health and flexibility;
- Scope and range of facilities necessary to retain a high quality of life;
- Land use and environmental stewardship;
- Economic vitality;
- Aging infrastructure;
- Responding to potential devolution of services or cost increase for services from other regional agencies;
- Continuing collaboration with other Eastside cities and regional agencies on high-profile regional issues;
- Continuing need to support legislative actions that are supportive of cities and oppose legislative actions that are detrimental to cities.
- Continued evaluation of provisions of the NPDES permit for Phase II jurisdictions, and its impact on Bellevue's services.

# City Manager's Office
# Communications - CMO

## Program Statement

The City Manager's Office communicates with a variety of audiences to encourage understanding of City issues, programs, and services.

## Summary of Services Provided

The Communications Office provides the following services:

- Coordinates internal/external communications;
- Manages media relations;
- Provides editorial services to the City Manager, City Council, and other departments as needed;
- Manages content of the City's website;
- Manages BTV content, the City's public television station;
- Produces "It's Your City," the City's newsletter.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Communications | 312,086 | 313,444 | 336,814 | 350,539 |
| **Base Budget** | **312,086** | **313,444** | **336,814** | **350,539** |
| **Total Budget** | **312,086** | **313,444** | **336,814** | **350,539** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 251,164 | 257,934 | 283,962 | 296,318 |
| Interfund | 19,824 | 12,138 | 11,023 | 11,346 |
| M & O | 41,098 | 43,372 | 41,829 | 42,875 |
| **Total Expenditures** | **312,086** | **313,444** | **336,814** | **350,539** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 312,086 | 313,444 | 336,814 | 350,539 |
| **Total Resources** | **312,086** | **313,444** | **336,814** | **350,539** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Communications | 2.50 | 2.50 | 2.50 | 2.50 |
| **Total FTE** | **2.50** | **2.50** | **2.50** | **2.50** |

# City Manager's Office
# Communications - CMO

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Communicate in a Cost Effective Manner** | | | | | | |
| Total CMO costs for printing/mailing of "It's Your City" | $ | Efficiency | 0.28 | 0.34 | 0.34 | 0.34 |
| **Coordinate Communications on Major Issues** | | | | | | |
| Program cost as % of City Net Budget | % | Efficiency | 0.07 | 0.07 | 0.08 | 0.07 |
| Program FTEs as % of City FTEs | % | Efficiency | 0.19 | 0.19 | 0.18 | 0.19 |
| **Improve Effectiveness of Citywide Communication** | | | | | | |
| % of residents surveyed very satisfied with IYC newsletter | % | Effectiveness | 55 | 50 | 50 | 50 |
| % of residents acknowledging receipt of IYC who read it | % | Effectiveness | 92 | 90 | 75 | 75 |
| # of issues of "It's Your City" | # | Workload | 4 | 6 | 4 | 4 |

## Issues related to Department Performance

None

## Program Notes

None

# City Manager's Office
# Intergovernmental Relations & Coordination

## Program Statement

The Intergovernmental Relations Program is responsible for working with other governments to achieve outcomes that are consistent with the City Council's policies and direction.

## Summary of Services Provided

The Intergovernmental Relations Program:

- Works with other jurisdictions at the local, state, and national level to promote the City's interests;
- Advocates and secures the passage of legislation that enhances the City's capacity to govern and provide essential services;
- Opposes legislation that lessons the City's legal authority to provide essential services, reduces revenue required to maintain services or that imposes unfunded mandates on the City.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Intergovernmental Relations/Coordination | 366,595 | 515,363 | 566,051 | 555,236 |
| **Base Budget** | **366,595** | **515,363** | **566,051** | **555,236** |
| **Total Budget** | **366,595** | **515,363** | **566,051** | **555,236** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 263,033 | 290,061 | 325,350 | 302,584 |
| Interfund | 42,877 | 46,249 | 130,126 | 139,313 |
| M & O | 60,685 | 179,053 | 110,575 | 113,339 |
| **Total Expenditures** | **366,595** | **515,363** | **566,051** | **555,236** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 366,595 | 515,363 | 566,051 | 555,236 |
| **Total Resources** | **366,595** | **515,363** | **566,051** | **555,236** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Intergovernmental Relations/Coordination | 2.30 | 2.30 | 1.80 | 1.80 |
| **Total FTE** | **2.30** | **2.30** | **1.80** | **1.80** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Enhance City's Ability to Govern thru Effective Legislation** | | | | | | |
| # of state legislative issues tracked | # | Workload | - | 720 | - | - |
| **Establish policies that guide the City's Intergov. Rel.** | | | | | | |
| Program cost as % of City Net Budget | % | Efficiency | 0.09 | 0.08 | 0.13 | 0.11 |
| Program FTEs as % of City FTEs | % | Efficiency | 0.14 | 0.17 | 0.13 | 0.14 |
| **Timely Response to Council on Regional Issues** | | | | | | |
| # of st., fed., regional committees on which Council serves | # | Workload | 52 | 45 | 45 | 45 |

## Issues related to Department Performance

None

# City Manager's Office
# Intergovernmental Relations & Coordination

## Program Notes

None

# City Manager's Office
# Overall City Management and Planning

## Program Statement

The City Manager's Office is responsible for providing organizational leadership in the implementation of the Council's vision, goals, policies, and direction.

## Summary of Services Provided

The City Manager's Office serves the City Council and customers internal and external to the City in support of its Program Statement.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General CIP Projects | 157,000 | - | 42,000 | - |
| Overall City Management and Planning | 888,130 | 943,390 | 1,074,940 | 1,116,177 |
| **Base Budget** | **1,045,130** | **943,390** | **1,116,940** | **1,116,177** |
| **Total Budget** | **1,045,130** | **943,390** | **1,116,940** | **1,116,177** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 688,999 | 789,491 | 874,213 | 909,727 |
| Interfund | 98,129 | 98,176 | 143,124 | 147,412 |
| M & O | 223,002 | 55,723 | 77,603 | 59,038 |
| Capital | 35,000 | - | 22,000 | - |
| **Total Expenditures** | **1,045,130** | **943,390** | **1,116,940** | **1,116,177** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 888,130 | 943,390 | 1,074,940 | 1,116,177 |
| General CIP Fund | 157,000 | - | 42,000 | - |
| **Total Resources** | **1,045,130** | **943,390** | **1,116,940** | **1,116,177** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Overall City Management and Planning | 4.60 | 4.60 | 5.20 | 5.20 |
| **Total FTE** | **4.60** | **4.60** | **5.20** | **5.20** |

# City Manager's Office
# Overall City Management and Planning

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Assure High Quality Services Development/Maintenance** | | | | | | |
| % of people who say they are getting their tax dollars worth | % | Effectiveness | 87 | 89 | 89 | 89 |
| **Assure Organization is Efficient and Meets Its Needs** | | | | | | |
| Program cost as % of City Net Budget | % | Efficiency | 0.19 | 0.21 | 0.25 | 0.23 |
| Program FTEs as % of City FTEs | % | Efficiency | 0.36 | 0.35 | 0.38 | 0.40 |
| Total net budget managed (in millions) | $ | Workload | 453 | 476 | 447 | 488 |
| **Contribute to Community's Goodwill and Support of City Govt** | | | | | | |
| % indicating Bellevue is headed in the right direction | % | Effectiveness | 80 | 80 | 80 | 80 |
| % of citizens rating City as a good or excellent place | % | Effectiveness | 95 | 95 | 95 | 95 |
| **Promote Atmosphere Supportive of Staff** | | | | | | |
| Number of FTEs managed | # | Workload | 1,284.50 | 1,329.57 | 1,366.57 | 1,309.06 |
| **Promote Greater Citizen Involvement** | | | | | | |
| # of citizens volunteering in City Government | # | Effectiveness | 6,755 | 9,500 | 8,000 | 8,500 |

## Issues related to Department Performance

None

## Program Notes

None

# City Manager's Office

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Overall City Management and Planning | 1,988,520 | 2,233,117 | 12 % |
| Intergovernmental Relations & Coordination | 881,958 | 1,121,288 | 27 % |
| Communications - CMO | 625,530 | 687,353 | 10 % |
| **Base Budget** | **3,496,008** | **4,041,757** | **16 %** |
| **Total Budget** | **3,496,008** | **4,041,757** | **16 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 2,540,682 | 2,992,154 | 18 % |
| Interfund | 317,393 | 582,344 | 83 % |
| M & O | 602,933 | 445,259 | (26)% |
| Capital | 35,000 | 22,000 | (37)% |
| **Total Expenditures** | **3,496,008** | **4,041,757** | **16 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 3,339,008 | 3,999,757 | 20 % |
| General CIP Fund | 157,000 | 42,000 | (73)% |
| **Total Resources** | **3,496,008** | **4,041,757** | **16 %** |

# Civic Services

## Program Outcome Statement

The mission of the Civic Services Department is to create a safe and inviting environment for civic engagement and government operations and to manage the City's facilities, property, and equipment assets in an integrated, cost-effective and environmentally responsible manner.

## Services and Accomplishments

The following are the Civic Services Department goals and the 2007-2008 accomplishments which support these goals:

1. Operate City Hall as a community gathering place that supports the City's economic vitality.
   - Expanded community usage of City Hall meeting and event space.
   - Developed guidelines for meetings and events at City Hall.

2. Streamline access to public services and encourage consistent service across the organization.
   - Implemented the Service First enhanced service delivery model with long term staffing.
   - Completed Fleet and Communication Services reorganization and integration into Civic Services.

3. Flexibly and efficiently support public and departmental needs.
   - Provided support for future court site study, the NORCOM Regional 911 Center project, and the expansion of City Hall ITD server rooms.
   - Completed a city inventory for fixed generators and determined management roles for each department.
   - Received a $296,000 State Community, Trade and Economic Development grant for purchase of portable generators to be used at various sites during an emergency event.
   - Conducted City Hall parking study to evaluate demand, capacity, and future needs.
   - Initiated marketing plan to highlight alternate commute modes for employees.
   - Expanded City Hall tour program as a component of new employee orientations.

4. Provide clean, safe, attractive and functional municipal facilities while protecting the City's capital investments through ongoing maintenance and systematic renovation.
   - Normalized City Hall building operations, monitored warranty issues and completed staff training on building systems.
   - Evaluated effectiveness of operations in new City Hall by completing one year post project evaluation and adjusting maintenance contract service levels.
   - Completed evaluation of City Hall emergency power system and the N+1 backup generator options.
   - Completed ADA assessment of City Hall as model for other City facilities.
   - Completed numerous security improvements at City Hall in public spaces due to workplace issues.
   - Successfully managed Bellevue Service Center remodel project and relocation of Electronic Communications shop to co-locate Fleet and Communication operations.
   - Supported citywide emergency preparedness program by equipping command center locations, refreshing emergency response procedures, participating in sound shake & annual fire drills, revising earthquake damage assessment protocols and updating the Building Safety manual.
   - Completed the pond & root sculpture art installation projects at City Hall.

5. Safeguard the City's investment in equipment through timely and cost-effective asset management, maintenance and repair services.
   - Implemented a fleet warranty program and enhanced equipment surplus program, both resulting in significantly increased cost avoidance and revenue.
   - Installed mobile data terminals (MDT) in Fire and Police fleet.
   - In cooperation with Fire Department, established new apparatus standards and received two engines from new manufacturer.

6. Manage the City's property assets and land survey systems to ensure legal and policy compliance.
   - Updated the City Survey Control Networks to conform with newly established survey datums adopted and published by the National Geodetic Survey.
   - Completed zoning descriptions for Bel-Red Rezone.
   - Completed property valuations for Transportation's proposed Bel-Red projects.
   - Purchased Lincoln Center for future NE 6th project and for potential relocation of courts from Surrey Downs.
   - Completed sale of King County Jail site to Children's Hospital.
   - Explored lease options for City Hall Pavilion.
   - Completed citywide Property Strategic Planning process.

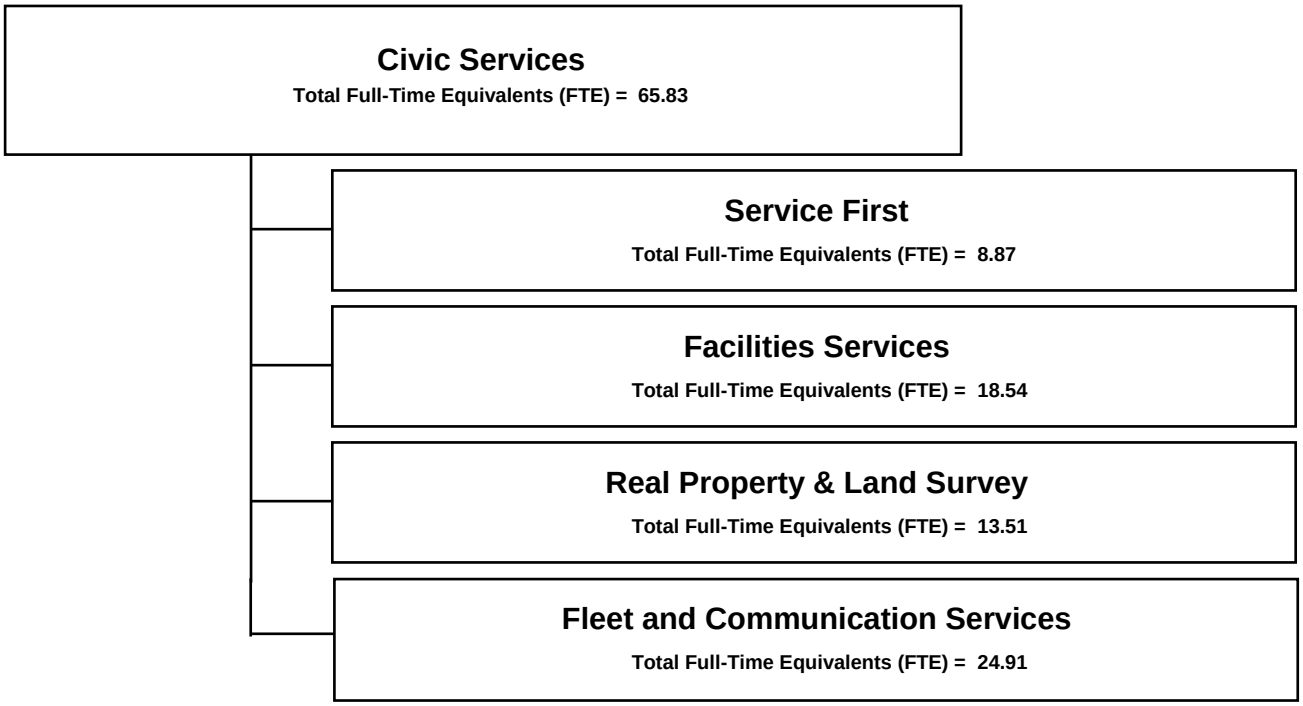
# Civic Services

7. Utilize technology to facilitate service delivery and efficient operations.
   - Enhanced internet and intranet sites to improve customer access to information and services.
   - Co-lead the selection and phased implementation of an enterprise Customer Relationship Management application to enhance customer request tracking and provision of information to customers.
   - Actively participated in the Resource Management Information System (Maximo) upgrade process.

8. Operate and manage the City's assets in an environmentally responsible manner.
   - Actively supported the Environmental Stewardship program in City facilities by participating in the greenhouse gas emission planning process.
   - Received the Energy Star Rating for proactive management and conservation at City Hall.
   - Acquired twenty-two (22) hybrid and one (1) all electric vehicles.
   - Utilized grant funding to retrofit 32 heavy duty trucks with Diesel Particulate Filter to reduce emissions from the City's fleet.
   - Participated in interjurisdictional team to develop EverGreen Fleet Standard.

# Civic Services

## Organizational Chart



# Civic Services

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Service First | 666,235 | 746,333 | 998,620 | 1,040,398 |
| Facilities Services | 9,284,400 | 24,013,096 | 7,654,494 | 7,230,436 |
| Real Property & Land Survey | 1,769,735 | 1,876,080 | 1,901,089 | 1,978,465 |
| Fleet and Communication Services | 10,776,149 | 7,257,904 | 8,976,485 | 10,725,237 |
| **Base Budget** | **22,496,518** | **33,893,413** | **19,530,688** | **20,974,537** |
| **Reserves** | **18,659,355** | **20,980,956** | **23,668,395** | **21,746,644** |
| 1.0 FTE Conversion - Asst Mechanical Svcs Tech | - | - | - | - |
| 1.0 FTE Conversion - Fleet Warranty Program | - | - | - | - |
| Storm Water Pollution Prevention Plan | - | - | 10,000 | - |
| **Program Enhancements** | **-** | **-** | **10,000** | **-** |
| **Total Budget** | **41,155,874** | **54,874,369** | **43,209,083** | **42,721,181** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 5,592,954 | 5,859,370 | 6,357,509 | 6,559,472 |
| Interfund | 4,639,885 | 2,761,863 | 2,757,169 | 2,699,933 |
| M & O | 6,388,112 | 6,109,090 | 6,616,134 | 6,449,883 |
| Capital | 5,875,567 | 19,163,090 | 3,809,876 | 5,265,249 |
| **Total Expenditures** | **22,496,518** | **33,893,413** | **19,540,688** | **20,974,537** |
| **Total Reserves** | **18,659,355** | **20,980,956** | **23,668,395** | **21,746,644** |
| **Total Budget** | **41,155,874** | **54,874,369** | **43,209,083** | **42,721,181** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 3,144,621 | 3,260,839 | 3,562,857 | 3,645,681 |
| Land Purchase Revolving Fund | 10,000 | 10,000 | - | - |
| Facilities Services Fund | 7,294,676 | 5,842,557 | 6,339,190 | 6,380,694 |
| Operating Grants/Donations/Sp Reserves Fund | - | - | 267,250 | - |
| General CIP Fund | 1,480,000 | 18,000,000 | 700,000 | 750,000 |
| MERF- Operations | 5,140,527 | 5,189,193 | 5,962,183 | 5,871,293 |
| MERF- Replacement | 14,567,070 | 12,846,592 | 16,433,652 | 15,518,522 |
| EERF- Operations | 1,299,696 | 1,302,264 | 973,035 | 1,057,147 |
| EERF- Replacement | 8,219,284 | 8,422,923 | 8,970,916 | 9,497,843 |
| **Total Resources** | **41,155,874** | **54,874,369** | **43,209,083** | **42,721,181** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Service First | 5.04 | 9.04 | 8.87 | 8.87 |
| Facilities Services | 19.02 | 18.97 | 18.54 | 18.54 |
| Real Property & Land Survey | 14.21 | 13.82 | 13.51 | 13.51 |
| Fleet and Communication Services | 23.00 | 22.00 | 24.91 | 24.91 |
| **Total FTE** | **61.27** | **63.83** | **65.83** | **65.83** |

# Civic Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Facilities Services** | | | | | | |
| % of facilities projects completed within budget estimates | % | Effectiveness | 92 | 100 | 100 | 100 |
| % rating facility cleanliness, safety satisfactory or better | % | Effectiveness | 91 | 85 | 85 | 85 |
| **Fleet and Communication Services** | | | | | | |
| # of vehicles and mechanical equipment in service | # | Workload | 958 | 877 | 959 | 959 |
| Average % of vehicles and equipment in service | % | Effectiveness | 95 | 95 | 95 | 95 |
| % good or better responses to Communications customer survey | % | Effectiveness | 100 | 95 | 95 | 95 |
| **Real Property & Land Survey** | | | | | | |
| % of properties acquired at City offer amount | % | Effectiveness | 100 | 70 | 100 | 100 |
| **Service First** | | | | | | |
| % rating streamline access to services as good to excellent | % | Efficiency | 100 | 85 | 85 | 85 |
| % of customers stating staff provided service/info needed | % | Effectiveness | 95 | 85 | 85 | 85 |
| % of customers rating service quality as good or excellent | % | Effectiveness | 100 | 85 | 85 | 85 |
| % of customers stating staff had a pos. impact on experience | % | Effectiveness | 100 | 85 | 85 | 85 |

# Civic Services

## 2009-2010 Work Initiatives

Department
- Implement an internal customer survey to gather feedback on Civic Services Department service delivery.
- Continue to enhance internet and intranet sites to improve customer access to information and services.
- Continue revisions to emergency preparedness processes for Civic Services and complete department command center infrastructure requirements at city locations.
- Initiate APWA Accreditation process for Civic Services Department.
- Complete the upgrade to the Maximo Resource Management Information System.
- Continue support of the Environmental Stewardship Initiative via proactive energy conservation planning and fleet management to reduce greenhouse gas emissions.

Service First
- Implement Customer Relationship Management Phase 2: rollout of customer portal and addition of interfaces between CRM and the City's other backend systems.
- Obtain buy-in from the City's leadership team and implement strategies to effectively manage City Hall employee parking demand and capacity.
- Enhance services to the public by using City Hall as a Regional Voting Center.
- Develop guidelines for displays and exhibits at City Hall.
- Redeploy parking stalls at Bellevue Service Center (BSC) to improve capacity and efficiency in conjunction with the BSC remodel.

Facilities Services
- Complete the lease negotiations and tenant improvements for the development and start up of NORCOM.
- Complete planning and oversee relocation of EPSCA staff from the 7th floor of City Hall.
- Complete the court study and provide low cost space improvements for court operations at Lincoln Center.
- Manage Lincoln Center in a cost effective manner using a property management firm.
- Develop citywide utility tracking system or process & initiate coordination with PSE on a Resource Conservation Manager position.
- Participate in citywide ADA committee and support Phase II of site improvements at other city locations.
- Complete improvements to the City's uninterruptible emergency power supply system to improve reliability to provide emergency services to the public.
- Complete City Hall Plaza drainage, water sealing and entry walkway heating improvements.
- Complete security projects at City Hall to address gaps and improve overall safety for employees and the public.
- Manage BSC Remodel Phase II Parks Resource Management relocation project and the required site improvements in 2009-2010.
- Finalize the plan for improving security at BSC and complete tenant training.
- Utilize grant funding to purchase two portable generators to be used to support public facilities in an emergency event.

Real Property & Land Survey
- Surplus Old Fire Station 3 site.
- Update property policies and procedures manual.
- Support Transportation Department's Capital Investment Program.

Fleet and Communication Services
- Complete negotiations to provide communications maintenance services to NORCOM and begin implementation.
- Complete implementation of fire pager alerting system.
- Implement a fleet and fuel management software system to enable the City to reduce greenhouse gas emissions via vehicle replacements, idle reduction education, and other fleet efficiency measures.
- Acquire heavy duty hybrid vehicles as they become available from manufacturers.
- Expand use of bio-diesel fuel by the city fleet.
- Begin EverGreen Fleet certification process.
- Implement a cash-flow methodology to manage fleet and communication capital reserves.

# Civic Services

## Major Challenges for the Biennium

Department

- As the City's employee population grows, demand for parking (personal & City vehicles), office space and vehicles increases. Meeting this demand is challenging given that parking, office space, maintenance and asset management staffing is limited.
- NORCOM will begin operating a consolidated regional public safety communications center in Bellevue City Hall in July 2009. Facility Services staff are supporting the ongoing discussion of lease provisions. Fleet & Communications staff also are negotiating a service agreement with NORCOM. Careful planning and implementation will be needed to ensure that operations such as building services, communication center maintenance and other activities are transitioned seamlessly.

Facilities Services

- Management of the Lincoln Center property without new staffing will require contracting with a property management firm. This may present challenges due to tenant expectations of the City as their landlord.
- In 2009, the City will be developing alternatives at Lincoln Center for the Bellevue District Court currently operated by King County at the Surrey Downs site. Developing a remodeled facility as a court would require additional staff or significant reprioritization of current Facilities Planning & Development priorities. Property management of Lincoln Center will need to be reevaluated if the court ultimately is moved there.
- Purchase and planning for the King County/Metro site adjacent to City Hall is subject to intergovernmental negotiations. If it is successfully acquired and facility planning and design needs to be initiated, such as for Fire Station 10, this will challenge staff capacity to accomplish this work along with other priorities.
- The Bellevue Service Center Remodel Phase II Parks Resource Management relocation project is proving to be difficult due to land use requirements, changing state regulations, a shortage of parking, diverse operational needs and funding constraints.
- Security concerns have heightened recently due to several local and national incidents. This has prompted many requests for improvements at general city facilities and requests for training on workplace violence prevention.

Real Property and Survey

- Property acquisition and management workload will increase dramatically due to the Bel-Red redevelopment and attendant transportation projects. This will require revision of policies, procedures & staffing levels to support this major initiative. As the CIP funding has declined during the past several years, staff in Real Property has been reduced and reassigned to other activities. If Transportation's CIP funding significantly increases, more Real Property services will be needed through additional staff or contracted services.

Fleet and Communication Services

- Expanding climate protection efforts regionally and nationally are creating both opportunities and challenges. Demand for hybrid and alternative fuel vehicles has expanded the number of models available; however, manufacturers are struggling to meet this demand and may choose not to provide discounted "green" vehicles for government purchase. There is also much uncertainty about which alternative fuel(s) will prevail in the market place and/or be directed by government regulations.

# Civic Services
# Service First

## Program Statement

Service First provides one-stop shopping for a wide variety of public services and information and serves as the gateway to other services at City Hall and beyond. This allows customers to conduct their business in a single location, and typically, with a single person. Central to our approach is providing easy, streamlined access to services and information and to provide a central point of contact for customers in obtaining those services.

## Summary of Services Provided

Public services include:
Business licenses, pet licenses, boat launch permits, neighborhood parking zone permits, payment processing, sales of maps/codes/documents, Parks program registrations, City project bid information, visitor reception & parking validation, language interpretation, City employment information, car wash & storm drain kits, vendor warrants, City Hall tours & event coordination, temporary security badging, delivery receipt & routing, lost & found, self-help computer assistance, bid openings & releases.

Staff services include:
Motor pool requests, payroll distribution, first floor room reservations, City Hall event coordination, petty cash processing, temporary security badging, delivery receipt & routing, electronic display programming, temporary signage, employee directory, employee daily parking.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 46,610 | 47,090 | 51,954 | 54,002 |
| Service First | 619,625 | 699,243 | 946,666 | 986,396 |
| **Base Budget** | **666,235** | **746,333** | **998,620** | **1,040,398** |
| **Total Budget** | **666,235** | **746,333** | **998,620** | **1,040,398** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 612,220 | 690,659 | 755,416 | 790,226 |
| Interfund | 4,644 | 4,934 | 190,877 | 196,542 |
| M & O | 49,371 | 50,741 | 52,327 | 53,631 |
| **Total Expenditures** | **666,235** | **746,333** | **998,620** | **1,040,398** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 666,235 | 746,333 | 998,620 | 1,040,398 |
| **Total Resources** | **666,235** | **746,333** | **998,620** | **1,040,398** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 0.48 | 0.48 | 0.31 | 0.31 |
| Service First | 4.56 | 8.56 | 8.56 | 8.56 |
| **Total FTE** | **5.04** | **9.04** | **8.87** | **8.87** |

# Civic Services
# Service First

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Contribute to ongoing improvements to service delivery** | | | | | | |
| % of customers rating service quality as good or excellent | % | Effectiveness | 100 | 85 | 85 | 85 |
| % of customers stating staff had a pos. impact on experience | % | Effectiveness | 100 | 85 | 85 | 85 |
| **Minimize the number of times customers need to go elsewhere** | | | | | | |
| % of customers stating staff provided service/info needed | % | Effectiveness | 95 | 85 | 85 | 85 |
| **Provide easy access to wide range of public services & info** | | | | | | |
| % rating streamline access to services as good to excellent | % | Efficiency | 100 | 85 | 85 | 85 |
| # of electronic inquiries for service or info across depts | # | Workload | 2,807 | 2,400 | 2,400 | 2,400 |
| # of walk-in customers assisted | # | Workload | 84,507 | 30,000 | 57,000 | 57,000 |
| # of phone calls received | # | Workload | 60,157 | 50,000 | 50,000 | 50,000 |

## Issues related to Department Performance

No issues to report.

## Program Notes

The design of the Service First desk presents challenges to our service delivery. Staff on the backside of the desk are not readily visible to customers which results in most customer activity taking place on the concourse side of the desk and delivery of services focused on a subset of individuals. We have addressed this by segregating work and adding signage but these measures only partially address this design issue.

# Civic Services
# Facilities Services

## Program Statement

The Facilities Services Program provides coordinated and cost-effective planning, development, maintenance and management services to preserve the City's investment in its general city facilities. This Fund includes maintenance and operations, capital and reserves for operating city facilities.

## Summary of Services Provided

This program plans and implements major maintenance, capital projects, preventive maintenance and event support for the Facilities Services Fund with the goal to provide facilities that meet or exceed customer expectations for cleanliness & safety and enable City staff to effectively and efficiently deliver services to the public.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 100,390 | 101,425 | 111,901 | 116,313 |
| Facilities Services | 2,312,205 | 2,396,009 | 2,624,182 | 2,676,688 |
| General CIP Projects | 1,480,000 | 18,000,000 | 700,000 | 750,000 |
| Land Purchase Revolving Fund | 10,000 | 10,000 | - | - |
| Maintenance & Operations | 2,424,788 | 2,448,310 | 2,558,779 | 2,626,483 |
| Major Maintenance | 905,000 | 446,000 | 751,000 | 508,001 |
| Operating Grants | - | - | 267,250 | - |
| Reserves | 1,500,000 | - | - | - |
| Rideshare Program | 472,017 | 399,352 | 399,382 | 352,652 |
| Tenant Improvements | 80,000 | 212,000 | 242,000 | 200,300 |
| **Base Budget** | **9,284,400** | **24,013,096** | **7,654,494** | **7,230,436** |
| **Reserves** | **72,683** | **340,238** | **153,229** | **369,223** |
| Storm Water Pollution Prevention Plan | - | - | 10,000 | - |
| **Program Enhancements** | **-** | **-** | **10,000** | **-** |
| **Total Budget** | **9,357,083** | **24,353,335** | **7,817,723** | **7,599,659** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,714,512 | 1,759,796 | 1,914,008 | 1,951,356 |
| Interfund | 2,278,441 | 778,725 | 885,368 | 850,313 |
| M & O | 3,811,447 | 3,474,575 | 3,897,867 | 3,678,768 |
| Capital | 1,480,000 | 18,000,000 | 967,250 | 750,000 |
| **Total Expenditures** | **9,284,400** | **24,013,096** | **7,664,494** | **7,230,436** |
| **Total Reserves** | **72,683** | **340,238** | **153,229** | **369,223** |
| **Total Budget** | **9,357,083** | **24,353,335** | **7,817,723** | **7,599,659** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 572,407 | 500,777 | 511,283 | 468,965 |
| Land Purchase Revolving Fund | 10,000 | 10,000 | - | - |
| Facilities Services Fund | 7,294,676 | 5,842,557 | 6,339,190 | 6,380,694 |
| Operating Grants/Donations/Sp Reserves Fund | - | - | 267,250 | - |
| General CIP Fund | 1,480,000 | 18,000,000 | 700,000 | 750,000 |
| **Total Resources** | **9,357,083** | **24,353,335** | **7,817,723** | **7,599,659** |

# Civic Services
# Facilities Services

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 1.10 | 1.10 | 0.67 | 0.67 |
| Facilities Services | 17.32 | 17.27 | 17.27 | 17.27 |
| Rideshare Program | 0.60 | 0.60 | 0.60 | 0.60 |
| **Total FTE** | **19.02** | **18.97** | **18.54** | **18.54** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Preserve the City's facility investment** | | | | | | |
| Initiate 85% or more of Programmed Major Maintenance Projs | % | Effectiveness | 67 | 88 | 85 | 85 |
| Major Maintenance cost per sq ft | $ | Efficiency | 1.08 | 1.00 | 1.20 | 1.20 |
| % of facilities projects completed within budget estimates | % | Effectiveness | 92 | 100 | 100 | 100 |
| Sq. ft. of municipal building area managed & maintained | # | Workload | 535,000 | 535,000 | 605,000 | 605,000 |
| CH maintenance cost per rentable sq. ft. excluding utilities | $ | Efficiency | 5.02 | 5.30 | 5.30 | 5.30 |
| **Provide clean, safe, attractive, and functional facilities** | | | | | | |
| % rating facility cleanliness, safety satisfactory or better | % | Effectiveness | 91 | 85 | 85 | 85 |

## Issues related to Department Performance

The percentage of projects initiated in 2007 were lower than expected because of the delay in the CIP project to move the Electronic Communications Shop to the Bellevue Service Center. There are some major maintenance projects planned for the BSC which will be done in conjunction with the CIP project.

## Program Notes

The major maintenance cost per square foot can vary significantly from year to year based on the timing, complexity and costs of the major maintenance projects.

# Civic Services
# Real Property & Land Survey

## Program Statement

Ensure the integrity of real property transactions and the City's land survey control network.

## Summary of Services Provided

The program provides technical services to City Departments for surveying and real estate transactions that enable departments to plan and implement City projects and programs. Accurate survey data supports the community, property owners and City departments. Activities include efficient and cost effective property acquisition services, establishing and maintaining the survey control network, and providing project support services to City departments.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 75,293 | 76,069 | 83,925 | 87,235 |
| Real Property | 399,080 | 384,497 | 410,199 | 426,908 |
| Survey | 1,295,362 | 1,415,514 | 1,406,964 | 1,464,323 |
| **Base Budget** | **1,769,735** | **1,876,080** | **1,901,089** | **1,978,465** |
| **Total Budget** | **1,769,735** | **1,876,080** | **1,901,089** | **1,978,465** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,300,110 | 1,308,799 | 1,466,197 | 1,530,875 |
| Interfund | 311,920 | 333,889 | 270,459 | 279,053 |
| M & O | 157,705 | 233,392 | 164,433 | 168,537 |
| **Total Expenditures** | **1,769,735** | **1,876,080** | **1,901,089** | **1,978,465** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,769,735 | 1,876,080 | 1,901,089 | 1,978,465 |
| **Total Resources** | **1,769,735** | **1,876,080** | **1,901,089** | **1,978,465** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 0.82 | 0.82 | 0.51 | 0.51 |
| Real Property | 3.39 | 3.00 | 3.00 | 3.00 |
| Survey | 10.00 | 10.00 | 10.00 | 10.00 |
| **Total FTE** | **14.21** | **13.82** | **13.51** | **13.51** |

# Civic Services
# Real Property & Land Survey

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Land Survey Control Network** | | | | | | |
| % of City within 1/4 mile of horizontal survey control mark | % | Effectiveness | 82 | 84 | 85 | 86 |
| % of City within 1/4 mile of a vertical survey control mark | % | Effectiveness | 62 | 64 | 65 | 66 |
| % of survey control markers = "First Order" accuracy | % | Effectiveness | 99 | 99 | 100 | 100 |
| Avg hours to establish survey reference marker | # | Efficiency | 9.70 | 9.00 | 9.00 | 9.00 |
| **Provide Real Property & Survey Services** | | | | | | |
| # of property acquisitions completed | # | Workload | 49 | 20 | 25 | 25 |
| % of properties acquired at City offer amount | % | Effectiveness | 100 | 70 | 100 | 100 |
| % of property rights acquired within 6-months of offer | % | Effectiveness | 100 | 75 | 100 | 100 |

## Issues related to Department Performance

No issues to report.

## Program Notes

- The Survey Control Network contains land survey reference markers which provide control points for surveys performed by both City and private surveyors. This system of accurate and documented control points significantly reduces the cost of survey services to City Departments and private citizens.
- Property acquisitions include total properties, partial property rights for Transportation and Utilities projects, and rights to enter on private property for survey, engineering and construction purposes. Property acquisitions may be outsourced to consultants during periods of unusually high workload levels.
- A temporary reduction in 2005-2008 capital transportation funding will result in redirection of staffing efforts to other real property related work items, such as real property inventory, property appraisals, project scoping and project design issues. Real Property staffing was reduced by .85 FTE to address the reduction in funding.

# Civic Services
# Fleet and Communication Services

## Program Statement

The focus of the Fleet and Communication Services program is to safeguard the City's investment in equipment and to support service delivery to Bellevue's citizens by providing timely, cost-effective maintenance and asset management services to City departments.

## Summary of Services Provided

Provide timely, cost-effective maintenance and asset management services to City departments for vehicles, specialized mechanical equipment, radios, and electronic equipment needed to support City functions. Safeguard the City's investment in equipment through asset management, maintenance, and repair services. Manage the City's fuel system in a cost effective manner to meet customer needs and comply with applicable regulations. Provide motor pool services for customer's temporary transportation or construction needs.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 136,244 | 137,649 | 151,865 | 157,853 |
| EERF Capital Purchase | 456,983 | 219,577 | 350,000 | 2,000,000 |
| EERF Equipment Maintenance | 769,347 | 796,337 | 789,029 | 814,157 |
| EERF Replacement Reserves | 620,839 | - | - | - |
| MERF Capital Purchase | 3,938,584 | 943,513 | 2,590,626 | 2,540,249 |
| MERF Equipment Maintenance | 3,869,264 | 4,025,080 | 4,468,838 | 4,576,520 |
| MERF/EERF Administration | 984,888 | 1,135,748 | 626,127 | 636,459 |
| **Base Budget** | **10,776,149** | **7,257,904** | **8,976,485** | **10,725,237** |
| **Reserves** | **18,586,672** | **20,640,717** | **23,515,166** | **21,377,421** |
| 1.0 FTE Conversion - Asst Mechanical Svcs Tech | - | - | - | - |
| 1.0 FTE Conversion - Fleet Warranty Program | - | - | - | - |
| **Program Enhancements** | **-** | **-** | **-** | **-** |
| **Total Budget** | **29,362,821** | **27,898,621** | **32,491,651** | **32,102,658** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,966,112 | 2,100,117 | 2,221,887 | 2,287,015 |
| Interfund | 2,044,880 | 1,644,315 | 1,410,465 | 1,374,025 |
| M & O | 2,369,590 | 2,350,382 | 2,501,507 | 2,548,948 |
| Capital | 4,395,567 | 1,163,090 | 2,842,626 | 4,515,249 |
| **Total Expenditures** | **10,776,149** | **7,257,904** | **8,976,485** | **10,725,237** |
| **Total Reserves** | **18,586,672** | **20,640,717** | **23,515,166** | **21,377,421** |
| **Total Budget** | **29,362,821** | **27,898,621** | **32,491,651** | **32,102,658** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 136,244 | 137,649 | 151,865 | 157,853 |
| MERF- Operations | 5,140,527 | 5,189,193 | 5,962,183 | 5,871,293 |
| MERF- Replacement | 14,567,070 | 12,846,592 | 16,433,652 | 15,518,522 |
| EERF- Operations | 1,299,696 | 1,302,264 | 973,035 | 1,057,147 |
| EERF- Replacement | 8,219,284 | 8,422,923 | 8,970,916 | 9,497,843 |
| **Total Resources** | **29,362,821** | **27,898,621** | **32,491,651** | **32,102,658** |

# Civic Services
# Fleet and Communication Services

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Civic Services Administration | 0.00 | 0.00 | 0.91 | 0.91 |
| EERF Equipment Maintenance | 4.00 | 4.00 | 4.00 | 4.00 |
| MERF Equipment Maintenance | 16.00 | 16.00 | 17.00 | 17.00 |
| MERF/EERF Administration | 3.00 | 2.00 | 3.00 | 3.00 |
| **Total FTE** | **23.00** | **22.00** | **24.91** | **24.91** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Ensure that internal warranty service work is 1% or less.** | | | | | | |
| Internal warranty work % of communication equipment repairs | % | Effectiveness | 0.20 | 0.50 | 0.50 | 0.50 |
| Internal warranty work as a % of vehicle & maint repairs | % | Effectiveness | 0.20 | 0.50 | 0.50 | 0.50 |
| **Maintain % vehicles in service 95% & radios at 99%** | | | | | | |
| # of light duty vehicles in service | # | Workload | 379 | 362 | 379 | 379 |
| # of light duty vehicles per Fleet Maintenance Technician | # | Efficiency | 34.40 | 33.00 | 34.00 | 34.00 |
| # of radios & related equipment per Communication Technician | # | Efficiency | 336 | 336 | 336 | 336 |
| # of radios and related electronic equipment in service | # | Workload | 1,345 | 1,345 | 1,345 | 1,345 |
| # of total pieces of equipment/Fleet Maintenance Technician | # | Efficiency | 87 | 87 | 87 | 87 |
| # of vehicles and mechanical equipment in service | # | Workload | 958 | 877 | 959 | 959 |
| Average % of radios in service | % | Effectiveness | 99 | 99 | 99 | 99 |
| Average % of vehicles and equipment in service | % | Effectiveness | 95 | 95 | 95 | 95 |
| **Provide services that rate "good" on 95% of survey responses** | | | | | | |
| % good or better responses to Communications customer survey | % | Effectiveness | 100 | 95 | 95 | 95 |
| % good or better responses to Fleet customer survey | % | Effectiveness | 77 | 95 | 95 | 95 |
| **Sustain maintenance cost/mile increases at no more than CPI** | | | | | | |
| % increase in maintenance cost/mile for light duty vehicles | % | Effectiveness | - | 2.40 | 2.60 | 2.50 |
| Average maintenance cost per mile for light duty vehicles | $ | Effectiveness | 0.14 | 0.24 | 0.24 | 0.24 |

## Issues related to Department Performance

Bellevue continues to do a good job of maintaining its vehicles and mechanical equipment. In 2007-2008, we had significant work for Public Safety vehicles with the Mobile Data Terminal (MDT) computer swaps, utilizing a lead mechanic to review all installations.

Customer satisfaction was lower due to the turn around time. Resources are being evaluated to decrease downtime and increase customer satisfaction. As fleet continues to grow, it will be challenging to maintain service levels without additional resources or service level cuts. Asset management has been challenged to purchase and dispose of 200 assets yearly which is about three times what we were doing in previous years.

# Civic Services
# Fleet and Communication Services

## Program Notes

Radios are being built with a high degree of reliability, which has reduced the overall amount of repairs and services. Both quality of the radios and the technician's work has achieved a very high level of customer satisfaction.

City of Bellevue
2009-2010 Biennial Budget

# Civic Services

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Service First | 1,412,568 | 2,039,019 | 44 % |
| Facilities Services | 33,297,496 | 14,884,930 | (55)% |
| Real Property & Land Survey | 3,645,815 | 3,879,554 | 6 % |
| Fleet and Communication Services | 18,034,053 | 19,701,722 | 9 % |
| **Base Budget** | **56,389,932** | **40,505,225** | **(28)%** |
| **Reserves** | **20,980,956** | **21,746,644** | **4 %** |
| 1.0 FTE Conversion - Asst Mechanical Svcs Tech | - | - | - |
| 1.0 FTE Conversion - Fleet Warranty Program | - | - | - |
| Storm Water Pollution Prevention Plan | - | 10,000 | - |
| **Program Enhancements** | **-** | **10,000** | **-** |
| **Total Budget** | **77,370,887** | **62,261,869** | **(20)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 11,452,324 | 12,916,981 | 13 % |
| Interfund | 7,401,748 | 5,457,102 | (26)% |
| M & O | 12,497,202 | 13,066,017 | 5 % |
| Capital | 25,038,657 | 9,075,125 | (64)% |
| **Total Expenditures** | **56,389,932** | **40,515,225** | **(28)%** |
| **Total Reserves** | **20,980,956** | **21,746,644** | **4 %** |
| **Total Budget** | **77,370,887** | **62,261,869** | **(20)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 6,405,460 | 7,208,538 | 13 % |
| Land Purchase Revolving Fund | 20,000 | - | - % |
| Facilities Services Fund | 13,064,550 | 12,566,656 | (4)% |
| Operating Grants/Donations/Sp Reserves Fund | - | 267,250 | - % |
| General CIP Fund | 19,480,000 | 1,450,000 | (93)% |
| MERF- Operations | 10,043,300 | 10,966,258 | 9 % |
| MERF- Replacement | 16,785,176 | 18,109,148 | 8 % |
| EERF- Operations | 2,071,656 | 1,846,176 | (11)% |
| EERF- Replacement | 9,500,745 | 9,847,843 | 4 % |
| **Total Resources** | **77,370,887** | **62,261,869** | **(20) %** |

# Civic Services

## 1.0 FTE Conversion - Asst Mechanical Svcs Tech

**Enhancement: CIVCBA03**

**Enhancement Description**

Investment Proposal: Convert 1.0 LTE to FTE to perform on-going duties formerly done by two (2) 1040 positions.

Background: Fleet has been utilizing two (2) 1040 positions on an on-going basis in Parts Inventory for the last six years. One 1040 position provided services in support of the Motor Pool. This included checking vehicles in and out and bringing them in for service. The second 1040 position provided direct support to the Parts Section. This included picking up parts and inventory from vendors, full parts counter support for mechanics, and balance of inventory including counts and billing through Maximo. Duties also included fuel site maintenance and filter changes. Due to high turnover/training using 1040 positions, in 2007 1.0 LTE was approved through 12/31/08 to replace the two 1040 positions. Combining the workload of each has resulted in the LTE being better utilized and created efficiencies for Fleet. (See hard copy - Attachment A, B - Detail Task List, Daily Work Log)

In addition, converting the LTE to an FTE will allow Fleet to position itself better for the increased workload in fuel site maintenance as the City moves to bio-fuel.

**State/Federal/Industry Mandates**

With the State mandate to use Bio Diesel, we will be doing more fuel cleaning and filter changes as the Bio Diesel requires clean fuel and is compromised by any water entering the system. This will require a higher level of service at the fuel sites and the PM's of all fuel sites will be increased. By 2015 we are mandated by the State of Washington to be on 100% bio-fuel which will require additional resources to maintain and in some cases increase our pumps and types of fuels. There will also be needs to change out pumps and plumbing in several of our existing sites.

**Goals and Objectives**

By converting (2) 1040 positions to an FTE makes sense as it alleviates the high turn over rate that we have experienced in the past 6 years. Fleet has gone through (8) 1040 employees, having a major impact on our ability to be efficient. The amount of training and the learning curve is high in these jobs. The Teamsters Union is also wanting the use of temporary help that goes on for years to be replaced by a permanent position. By turning these two 1040 positions to an FTE satisfies that intent to bargain in good faith. (See hard copy - Attachment C for the history of personnel/turn over rate.)

**Consequences of Not Funding**

If not funded, we would need to go back to using the two 1040 positions with separate duties, risk Union issues, and lose efficiencies. Fleet needs to position itself for the increased workload in fuel site maintenance as the City moves to bio-fuel. The alternative would be to reduce services by shifting resources. This cannot be consider due to an inefficient use of personnel and the impact to our customers (increased downtime). We cannot afford to pull mechanics off the floor to run parts, maintain the fuel system infrastructure and transports cars to dealerships and vendors.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | - | - |
| **New Revenues Generated** | - | - |
| **Additional Staff (FTE)** | 1.00 | 1.00 |

# Civic Services

## 1.0 FTE Conversion - Fleet Warranty Program

**Enhancement: CIVCBA02**

**Enhancement Description**

Investment Proposal: Convert 1.0 LTE (approved in 2007 to develop/manage a Fleet Warranty Program) to 1.0 FTE to continue managing the Fleet Warranty Program and be responsible for managing surplus gross sales.

Background: The Fleet & Communications division manages the acquisition, maintenance, replacement, and disposal of more than 3,000 diverse pieces of equipment, over 750 of which are some type of vehicle. Warranty management programs can help save money on vehicle maintenance and parts since they are designed to take advantage of many different types of warranties offered by automotive and parts manufacturers. (In essence however, these warranties are not free, as they are built into the purchase price.) If set up properly, such a program can yield revenues and/or reduced costs far above the cost of the program.

The 2007-2008 budget approved an LTE for one and a half years through 12/31/08 to assist Fleet with developing a Fleet Warranty Management program. This included the development of policies, procedures, systems, vendor agreements, data structures, and specification modifications. After this, the LTE would manage the warranty program and evaluate its success. Additionally, the City would assess long-term resource needs for maintaining the program.

Warranty savings/cost avoidance, starting June, 2007 totaled $194,697 in 2007.
$11,137 In-House Warranty**
$98,966 Outside Svc Warranty – Cost Avoidance
$21,283 After Warranty Assistance (Negotiated with manufacture – Cost Avoidance)
$ 5,342 Parts Warranty Transportation Savings (In-House Warranty)
$55,459 Risk

Warranty savings in 2008, through May total $109,910.

**Fleet has been certified by Ford and General Motors, to operate manufacturer in-house warranty program for maintenance and repair of vehicles. The ability to do our own maintenance work instead of contracting out to dealers reduces the turnaround time for returning a vehicle to service.

In addition, this position is responsible for managing the surplus gross sales. In 2007, surplus gross sales totaled $136,000, compared to $883 in 2006, and $0 in 2005.

**State/Federal/Industry Mandates**

We are mandated to sell vehicles and equipment through a open auction.

**Goals and Objectives**

Our goal is to be able to service our customer vehicles in a timely efficient manner by reducing downtime and costs. By having this service will eliminate time wasted waiting for warranty claims and also being able to take advantages of warrant reimbursements that we either did not know about or have time to file a claim for. This position allows us to take advantages of warranty claims by cost avoidance or by direct labor back from the manufacturer.

**Consequences of Not Funding**

Limited resources will prevent the City from missed opportunities for cash reimbursements/savings, no charge repairs, or free replacement parts.
Shifting existing resources to continue managing the program will require a reduction in the current level of service to customers. The duties of Surplus and Risk Management would also need to be spread out to others that already have a enormous workload. This would not allow us to manage assets properly and create a poor relationship with our internal customers. Parking would be severely impacted as equipment would sit longer and not be processed in a timely manner.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | - | - |
| **New Revenues Generated** | - | - |
| **Additional Staff (FTE)** | 1.00 | 1.00 |

# Civic Services

## Storm Water Pollution Prevention Plan

**Enhancement: CIVCBA01**

**Enhancement Description**

This investment is for outside consultant services to implement the legal requirements of the Citywide Municipal Storm Water Permit Program. The consultant will aid in the creation and implementation of a Storm Water Pollution Prevention Program for the Bellevue Service Center, develop SOPs. Lists of the seven municipally-owned facilities that trigger development of Stormwater Pollution Prevention Plans (SWPPPs) and Permit-required SOPs are attached.

Note: Additional capital costs and costs for training curricula, meeting with staff to define training requirements and establish a train-the-trainer program to help with on-going education, compliance and tracking for internal field staff may be necessary in a mid-biennium budget add and/or the 2011-2012 budget if structural improvements are recommended in the SWPPP (for example, constructing cover for materials storage).

**State/Federal/Industry Mandates**

Compliance with the Clean Water Act permit is required of the City of Bellevue.

**Goals and Objectives**

**Consequences of Not Funding**

**Equipment Requirements**

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **10,000** | **-** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Community Council

## Program Outcome Statement

The East Bellevue Community Council, under RCW 35.14, is granted local approval/ disapproval authority over designated land use issues within their jurisdictional boundaries. In addition to the powers and duties related to the above land use authority, they may also make recommendations concerning any proposal which directly or indirectly affects the use of land inside their service area.

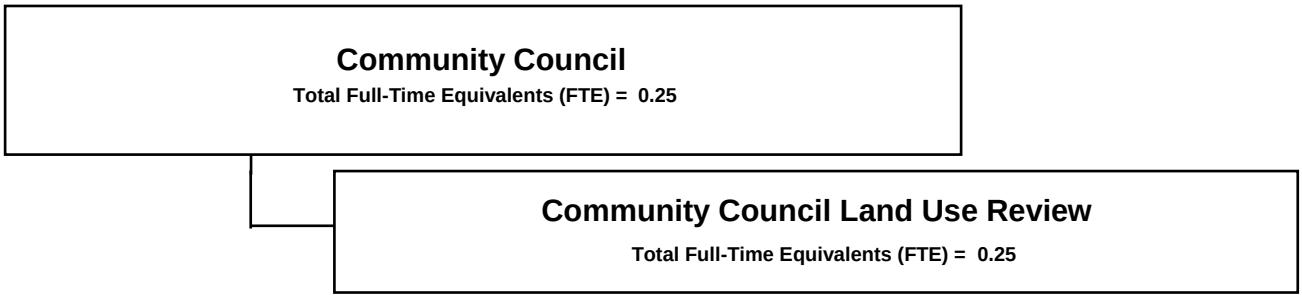
## Services and Accomplishments

The East Bellevue Community Council continues to take an interest in various planning and advisory groups to seek a higher level of understanding and involvement in neighborhood and development issues.

The Community Council continues to represent their constituents by providing input to the City Council and various boards and commissions charged with land use and regulatory matters, as well as working with the City in seeking solutions to neighborhood concerns within their jurisdictional boundaries.

# Community Council

## Organizational Chart



City of Bellevue
2009-2010 Biennial Budget

# Community Council

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Community Council Land Use Review | 30,317 | 31,176 | 31,332 | 32,617 |
| **Base Budget** | **30,317** | **31,176** | **31,332** | **32,617** |
| **Total Budget** | **30,317** | **31,176** | **31,332** | **32,617** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 23,916 | 24,647 | 26,135 | 27,290 |
| Interfund | 1,464 | 1,464 | - | - |
| M & O | 4,937 | 5,065 | 5,197 | 5,327 |
| **Total Expenditures** | **30,317** | **31,176** | **31,332** | **32,617** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 30,317 | 31,176 | 31,332 | 32,617 |
| **Total Resources** | **30,317** | **31,176** | **31,332** | **32,617** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Community Council Land Use Review | 0.25 | 0.25 | 0.25 | 0.25 |
| **Total FTE** | **0.25** | **0.25** | **0.25** | **0.25** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Community Council Land Use Review** | | | | | | |
| % approval of City Council land use decisions | % | Effectiveness | 100 | 100 | 100 | 100 |
| Number of courtesy hearings | # | Workload | 9 | 8 | 8 | 8 |
| Council's average meeting attendance record | % | Workload | 89 | 90 | 90 | 90 |
| Number of public hearings | # | Workload | 5 | 8 | 8 | 8 |
| Number of meetings held | # | Workload | 15 | 12 | 12 | 12 |
| Number of opinions issued of citywide interest | # | Effectiveness | 6 | 3 | 3 | 3 |
| Number of agenda items analyzed and scheduled on calendar | # | Workload | 72 | 50 | 50 | 50 |

# Community Council

## 2009-2010 Work Initiatives

In 2009, the East Bellevue Community Council will again go to the voters to propose their continuance for another four year period per RCW 35.14. Their work initiatives include continued review of land-use-related issues within their jurisdictional boundaries and early involvement in proposed land use matters.

## Major Challenges for the Biennium

As the Community Council area continues to build-out, redevelopment of established areas present new challenges.

# Community Council
# Community Council Land Use Review

## Program Statement

The East Bellevue Community Council, under RCW 35.14, is granted local approval/ disapproval authority over designated land use issues within their jurisdictional boundaries. In addition to the powers and duties related to the above land use authority, they may also make recommendations concerning any proposal which directly or indirectly affects the use of land inside their service area.

## Summary of Services Provided

The East Bellevue Community Council represents the residential perspective on land use matters within the Community Council boundaries and provides a forum for citizen involvement on issues such as conservation, improvements, and development occurring within the East Bellevue Community Municipal Corporation boundaries. They advise and cooperate with the City Council on formulation of policies that directly or indirectly affect neighborhoods within their jurisdiction.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Community Council | 30,317 | 31,176 | 31,332 | 32,617 |
| **Base Budget** | **30,317** | **31,176** | **31,332** | **32,617** |
| **Total Budget** | **30,317** | **31,176** | **31,332** | **32,617** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 23,916 | 24,647 | 26,135 | 27,290 |
| Interfund | 1,464 | 1,464 | - | - |
| M & O | 4,937 | 5,065 | 5,197 | 5,327 |
| **Total Expenditures** | **30,317** | **31,176** | **31,332** | **32,617** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 30,317 | 31,176 | 31,332 | 32,617 |
| **Total Resources** | **30,317** | **31,176** | **31,332** | **32,617** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Community Council | 0.25 | 0.25 | 0.25 | 0.25 |
| **Total FTE** | **0.25** | **0.25** | **0.25** | **0.25** |

# Community Council
# Community Council Land Use Review

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Advise and cooperate with City on related land use policy** | | | | | | |
| Number of opinions issued of citywide interest | # | Effectiveness | 6 | 3 | 3 | 3 |
| **Demonstrate good stewardship of City resources** | | | | | | |
| Program cost as a % of City's operating budget | % | Efficiency | - | - | - | - |
| Program FTEs as a % of City Clerk's Office staff | % | Efficiency | - | 0.02 | 0.02 | 0.02 |
| Number of agenda items analyzed and scheduled on calendar | # | Workload | 72 | 50 | 50 | 50 |
| **Provide a forum for citizen involvement** | | | | | | |
| Number of courtesy hearings | # | Workload | 9 | 8 | 8 | 8 |
| Number of public hearings | # | Workload | 5 | 8 | 8 | 8 |
| **Provide timely and effective decision making** | | | | | | |
| Council's average meeting attendance record | % | Workload | 89 | 90 | 90 | 90 |
| Number of meetings held | # | Workload | 15 | 12 | 12 | 12 |
| Number of resolutions adopted | # | Effectiveness | 6 | 10 | 10 | 10 |
| **Represent residential perspective on land use matters** | | | | | | |
| % disapproval of City Council land use decisions | % | Effectiveness | - | - | - | - |
| % approval of City Council land use decisions | % | Effectiveness | 100 | 100 | 100 | 100 |
| # of failed/no action resolutions | # | Effectiveness | - | - | - | - |

## Issues related to Department Performance

The Community Council's land use review is dependent on City Council and privately-initiated land use issues that arise within Community Council jurisdictional boundaries. Within their capacity to advise on policy matters directly or indirectly impacting neighborhoods, in 2006/2007, the Community Council provided opinions on ten issues of citywide interest.

The Community Council held 12 meetings in 2006 and 15 meetings in 2007, reviewing a total of 131 agenda items within that timeframe. The number of agenda items scheduled is directly linked to the number of land use issues initiated within their boundaries and legislative authority. As the Council area becomes built out and activities mainly surround redevelopment, the number of new land use issues continues to decline.

The Community Council's early involvement and review of local land use matters resulted in the approval of all matters brought before them in 2006/2007.

## Program Notes

The Deputy City Clerk provides administrative/legislative support to the Community Council. Legal, land use and other support by City departments is not reflected in the Community Council's budget.

# Community Council

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Community Council Land Use Review | 61,493 | 63,949 | 4 % |
| **Base Budget** | **61,493** | **63,949** | **4 %** |
| **Total Budget** | **61,493** | **63,949** | **4 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 48,563 | 53,425 | 10 % |
| Interfund | 2,928 | - | - % |
| M & O | 10,002 | 10,524 | 5 % |
| **Total Expenditures** | **61,493** | **63,949** | **4 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 61,493 | 63,949 | 4 % |
| **Total Resources** | **61,493** | **63,949** | **4 %** |

CITY OF BELLEVUE WASHINGTON

# Development Services

## Program Outcome Statement

The Development Services mission is to facilitate appropriate and timely development; deliver a process that is predictable, efficient, and understandable to the people who use it; act as a single organization – "One-City" – in the delivery of development services; and to protect the quality of the public and private infrastructure, the safety and integrity of the built environment, and the livability of the city.

## Services and Accomplishments

The Development Services Department consists of the following divisions: Building, Land Use, and Business Services/Code Compliance. Together with review and inspection staff from the Transportation, Fire, and Utilities departments, the Development Services line of business is managed by the Director of the Development Services Department. Bellevue Development Services acts as a single organization in providing permit review, inspection, and code compliance services that help create and sustain a quality natural and built environment that is consistent with the Comprehensive Plan.

Accomplishments:

- Adopted package of Phase I Code Amendments to support the Neighborhood Livability Action Agenda addressing minimum greenscape requirements, tree retention, measurement of building height from average existing grade, prohibitions on use of temporary shelters in front yard setbacks, regulation of construction debris and construction notification signs.
- Adopted new regulations and design guidelines to facilitate mall redevelopment in the Factoria F1 Land Use District and to provide a Master Development Permit process.
- Adopted sign code regulations pertaining to Hospitals and Ambulatory Health Care Centers located in the Medical Institutional District.
- Amended City codes related to permitting and enforcement of noise generating activities to consolidate the City's Sound Amplification Code (BCC9.14) into the Noise Control Code (BCC 9.18), and developed a process for review of sound amplification permits.
- Adopted and implemented other code amendments to:
- Support DSI related process and efficiency improvements including stream-lined noticing.
- Expanded 500 foot noticing requirement to plats.
- Initiated the state-mandated Shoreline Master Program Update and secured a $175,000 grant from the Department of Ecology to help fund the work.
- Completed discretionary review and issued permits and/or SEPA determinations meeting the negotiated timeline commitments for major projects including:
  - Bellevue Place Hyatt Expansion Design Review
  - Marketplace @ Factoria Master Development Plan and Design Review
  - The Bravern Phase II Design Review
  - Metro 112 Design Review
  - Newport Heights Elementary School Conditional Use Approval
  - Sherwood Forest Elementary School Conditional Use Approval
  - Bel-Red Corridor EIS
- Implemented on-line inspection scheduling using MyBuildingPermit.com.
- Updated the construction codes with the adoption of the 2006 International Building Code. This effort was part of a regional effort where cities coordinated code adoptions to create consistent codes.
- Completed review, inspection, and occupancy of the following major projects:
  - Lincoln Square Office Tower
  - Group Health Medical Center
  - Wasatch Washington Square
  - Overlake Hospital South Tower
  - Lexus of Bellevue
- Completed review and issued permits meeting the negotiated timeline commitments for several major projects including:
  - 1020 Residential Tower
  - Ashwood Commons II
  - Bellevue Towers
  - City Center Plaza
  - Metro 112 Apartments
  - Summit III Building
  - Vue Hanover

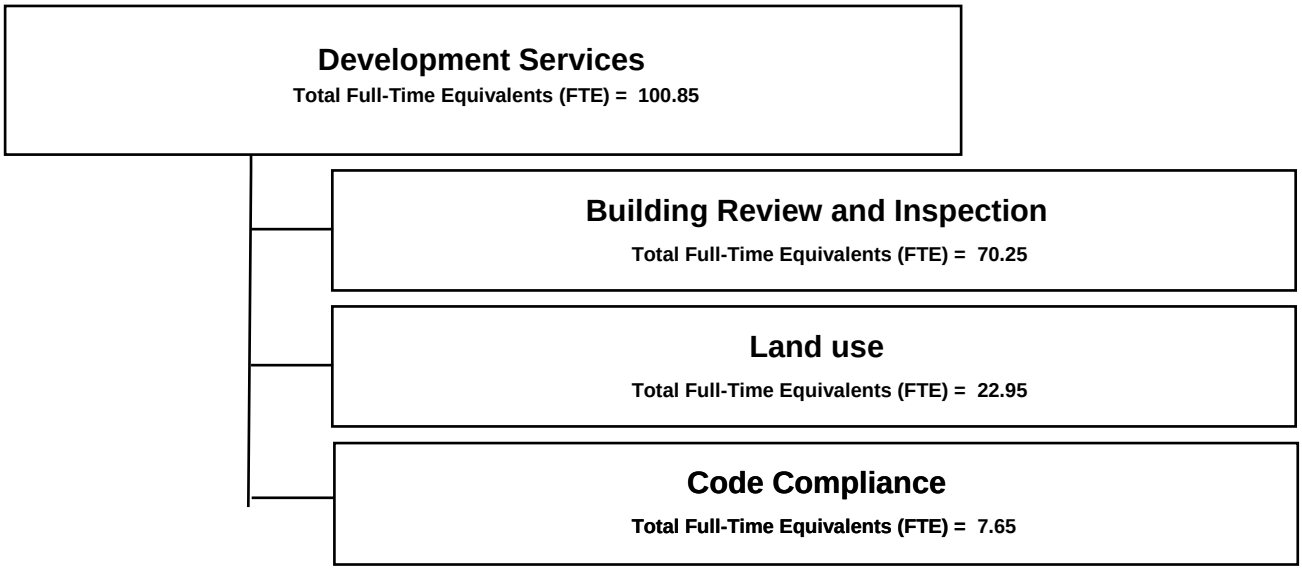
# Development Services

- Residence Inn by Marriot
- Group Health Cooperative Medical Center

- Responded to keep pace with the rapid growth in development activity with appropriate adjustments to staffing levels, use of consultants, and improvements to increase efficiency.
- Issued 13,700 permits with a total valuation of $831.1 million (surpassing 2006 for a new record in valuation issued) in 2007.
- Conducted 74,000 inspections (all Development Services) in 2007.
- Received the CSDC 2007 Innovation Award for the AMANDA/Fire RMS migration project. This project allowed the City to leverage existing technology by tracking the Fire Department's annual safety inspections through the existing permit tracking system.
- Issued 120 permits totaling over $86,000 in permit fees for repairs related to the 2006 windstorm.
- Completed the Interactive Voice Recognition (IVR) System Expansion project enabling clients to pay their development fees by phone as well as implementing outbound calling functionality.

# Development Services

## Organizational Chart



# Development Services

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Land Use | 8,102,311 | 8,187,857 | 6,297,358 | 5,961,324 |
| Building Review And Inspection | 12,038,123 | 13535054 | 14,574,416 | 14,749,455 |
| Code Compliance | 2,902,839 | 3019102 | 2,097,736 | 2,175,125 |
| **Base Budget** | **23,043,273** | **24,742,013** | **22,969,510** | **22,885,904** |
| **Reserves** | **11,564,422** | **13,697,425** | **11,393,785** | **11,369,024** |
| **Total Budget** | **34,607,695** | **38,439,438** | **34,363,295** | **34,254,928** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 8,755,343 | 9,696,414 | 10,608,747 | 10,982,441 |
| Interfund | 12,080,818 | 12,932,369 | 10,294,571 | 10.373,582 |
| M&O | 1,439,311 | 1,686,230 | 1,471,192 | 1,529,881 |
| Capital | 767,800 | 427,000 | 595,000 | - |
| **Total Expenditures** | **23.043.272** | **24,742,013** | **22,969,510** | **22,885,904** |
| **Total Reserves** | **11,564,422** | **13,697,425** | **11,393,785** | **11,369,024** |
| **Total Budget** | **34,607,694** | **38,439,438** | **34,363,295** | **34,254,928** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 6,307,171 | 6,545,566 | 3,423,438 | 3,558,341 |
| Development Services Fund | 27,532,724 | 31,466,883 | 30,344,857 | 30,696,587 |
| General CIP | 767,800 | 427,000 | 595,000 | - |
| **Total Resources** | **34,607,695** | **38,439,439** | **34,363,295** | **34,254,928** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Land Use | 20.90 | 20.90 | 22.95 | 22.95 |
| Building Review And Inspection | 61.79 | 61.79 | 70.25 | 70.25 |
| Code Compliance | 7.30 | 7.30 | 7.65 | 7.65 |
| **Total FTE** | **89.99** | **89.99** | **100.85** | **100.85** |

# Development Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Building Review And Inspection** | | | | | | |
| Total number of construction inspections performed | # | Workload | 63,007 | 30,000 | 30,000 | 30,000 |
| Total construction permit applications completed per year | # | Workload | 10,001 | 6,000 | 6,000 | 6,000 |
| Average number of days for processing building permits | # | Efficiency | 15.60 | 20.00 | 20.00 | 20.00 |
| Obtain final inspections on all construction req. permits | % | Effectiveness | 74 | 80 | 80 | 80 |
| **Code Compliance** | | | | | | |
| % of cases closed with initial response within target | % | Efficiency | 100 | 100 | 100 | 100 |
| Number of complaints received | # | Workload | 1,673 | 1,500 | 1,500 | 1,500 |
| **Development Services** | | | | | | |
| % of customers rating inspections/review good | % | Effectiveness | 83 | 80 | 80 | 80 |
| Number of applications received | # | Workload | 14,359 | 13,000 | 13,000 | 13,000 |
| Number of permits issued | # | Workload | 13,706 | 12,000 | 12,000 | 12,000 |
| Total percent of issued permits meeting target timelines | % | Efficiency | 52 | 80 | 80 | 80 |
| Residential Projects meeting timeline for issuance | % | Efficiency | 38 | 80 | 80 | 80 |
| Commercial projects meeting timeline for issuance | % | Efficiency | 51 | 80 | 80 | 80 |
| **Land Use** | | | | | | |
| # of Land Use hours per total # of applications reviewed | ratio | Efficiency | 4.42 | 5.00 | 5.00 | 5.00 |
| Land Use billable hours | % | Workload | 54.60 | 36.00 | 36.00 | 36.00 |

# Development Services

## 2009-2010 Work Initiatives

- Implement a sustainable interdepartmental training program focused on developing technical, interpersonal, and systems skills.

- Integrate the AMANDA permit system with the electronic document management system to create the technology foundation allowing submittal, access, and review of electronic documents related to property development activities.

- Implement code amendments to support changes in the City's Comprehensive Plan, changes in development practices, and promote sustainable development.

- Revisit the improvements made during the Development Services Initiative (DSI) to refresh and revise where needed, and provide refresher training to staff to ensure we continue to meet the DSI objectives.

## Major Challenges for the Biennium

Development/Economic Outlook – The City experienced unprecedented growth as measured by applications, square footage built, and valuation issued from 2006 through 2008. Corresponding resource adjustments were made throughout this period. The uncertainty of the national housing and financial markets and their impact on the local economy could create notable change in the property development environment. Development activity will be closely monitored to ensure that funding, resources, and system performance remain in balance.

Codes and Standards -- Implementing changes and updates to development codes and standards for the Bel-Red Corridor planning effort, to encourage sustainable development and building practices, and respond to the changing character of development in the city.

Training/Organization Development – The addition of a new Training Coordinator position in 2008 creates the opportunity to develop and implement a robust training and staff development plan over the next biennium. This plan will help position the City to respond quickly and effectively to the next upturn in the development cycle by maintaining compliance with all mandatory training requirements, training for new employees to accelerate their learning, and creating a professional development program to build a more efficient, effective and highly motivated team.

Electronic Information Management – Development Services will continue to use technology efficiently and effectively to allow our customers easy access to information and services. Staff will be challenged over the next biennium to integrate our service delivery model with the next generation of technology (e.g. Electronic Content Management, wireless communications). This will require leveraging technology currently utilized by the City and our regional partners as well as exploring new and innovative systems.

# Development Services
# Building Review And Inspection

## Program Statement

The Building Division is responsible for the customer service orientated application of the construction and clearing & grading codes to sustain a quality natural environment and create a safe built environment.

## Summary of Services Provided

The Building Division reviewers and inspectors provide public information to a broad range of customers, while performing services directly related to implementation of construction codes.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General CIP Projects | 151,810 | 142,500 | 52,250 | - |
| Inspection | 3,978,476 | 4,450,050 | 5,164,792 | 5,348,049 |
| Permit Station Imprvmts | 20,300 | 20,300 | 20,568 | 20,832 |
| Plans Examiners | 2,397,283 | 2,655,394 | 3,030,176 | 3,130,137 |
| Support Svcs/Development Svcs OTO | 5,490,254 | 6,266,810 | 6,306,630 | 6,250,436 |
| **Base Budget** | **12,038,123** | **13,535,054** | **14,574,416** | **14,749,455** |
| **Reserves** | **9,598,470** | **11,368,863** | **9,456,842** | **9,436,290** |
| **Total Budget** | **21,636,593** | **24,903,917** | **24,031,258** | **24,185,744** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 5,975,882 | 6,680,994 | 7,409,549 | 7,648,483 |
| Interfund | 4,951,896 | 5,521,566 | 5,988,135 | 5,926,096 |
| M & O | 958,535 | 1,189,994 | 1,124,481 | 1,174,875 |
| Capital | 151,810 | 142,500 | 52,250 | - |
| **Total Expenditures** | **12,038,123** | **13,535,054** | **14,574,416** | **14,749,455** |
| **Total Reserves** | **9,598,470** | **11,368,863** | **9,456,842** | **9,436,290** |
| **Total Budget** | **21,636,593** | **24,903,917** | **24,031,258** | **24,185,744** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Development Services Fund | 21,484,783 | 24,761,417 | 23,979,008 | 24,185,744 |
| General CIP Fund | 151,810 | 142,500 | 52,250 | - |
| **Total Resources** | **21,636,593** | **24,903,917** | **24,031,258** | **24,185,744** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Inspection | 31.80 | 31.80 | 35.65 | 35.65 |
| Plans Examiners | 17.05 | 17.05 | 18.20 | 18.20 |
| Support Svcs/Development Svcs OTO | 12.94 | 12.94 | 16.40 | 16.40 |
| **Total FTE** | **61.79** | **61.79** | **70.25** | **70.25** |

# Development Services
# Building Review And Inspection

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Assure that new construction meets minimum code standards** | | | | | | |
| Total number of construction inspections performed | # | Workload | 63,007 | 30,000 | 30,000 | 30,000 |
| Total construction permit applications completed per year | # | Workload | 10,001 | 6,000 | 6,000 | 6,000 |
| Obtain final inspections on all construction req. permits | % | Effectiveness | 74 | 80 | 80 | 80 |
| Percent of combination inspections to total inspections | % | Effectiveness | 2.10 | 15.00 | 15.00 | 15.00 |
| **Assure that there is a consistency in code application** | | | | | | |
| Maintain a 3 or better BCE Classification | number rating | Effectiveness | 2 | 2 | 2 | 2 |
| Average number of days for processing building permits | # | Efficiency | 15.60 | 20.00 | 20.00 | 20.00 |
| % of technical staff certified or licensed | % | Effectiveness | 100 | 100 | 100 | 100 |
| Total technical training hours per FTE | ratio | Workload | 22.61 | 120.00 | 120.00 | 120.00 |
| Cost of plan review per $1,000 of construction valuation | ratio | Efficiency | 0.99 | 4.00 | 4.00 | 4.00 |

## Issues related to Department Performance

Timelines for single-family projects were extended during the 2007 workload peak of major projects in plan review, while negotiated timeline commitments on major projects were achieved for multiple and simultaneous applications.

## Program Notes

- The target is to complete 80 percent of building permit application reviews within the DSI calendar timeline.
- The increased level of major project development has resulted in a corresponding increased demand for upfront services such as pre-application meetings.

# Development Services
# Land Use

## Program Statement

The Land Use Division is responsible for executing the City Vision articulated in the Comprehensive Plan to sustain a quality natural and built environment that preserves community character and to foster development that is compatible with its surroundings, respectful of neighborhoods and economically viable.

## Summary of Services Provided

The Land Use Planners assist Planning Commission and City Council in establishing and adaptively managing implementation strategies that are embodied in the land use code (as regulations and incentives) to foster development consistent with the Comprehensive Plan. The staff manage the private and public discretionary review process to optimize competing community goals and objectives. The staff provide meaningful ways for the public to be involved in land use decisions while administering the review process in a predictable manner and provide land use/zoning and other property information to citizens and businesses.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Critical Areas | - | - | - | - |
| General CIP Projects | 615,990 | 284,500 | 542,750 | - |
| Land Use Planners | 2,417,236 | 2,579,037 | 2,645,606 | 2,749,360 |
| Subsidy in General Fund | 4,415,020 | 4,581,889 | 2,396,407 | 2,490,839 |
| Support Svcs/Development Svcs OTO | 654,065 | 742,431 | 712,595 | 721,126 |
| **Base Budget** | **8,102,311** | **8,187,857** | **6,297,358** | **5,961,324** |
| **Reserves** | **1,965,952** | **2,328,562** | **1,936,943** | **1,932,734** |
| **Total Budget** | **10,068,263** | **10,516,419** | **8,234,302** | **7,894,058** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,065,539 | 2,271,269 | 2,418,091 | 2,520,454 |
| Interfund | 5,019,344 | 5,218,329 | 3,062,331 | 3,160,202 |
| M & O | 401,438 | 413,759 | 274,186 | 280,667 |
| Capital | 615,990 | 284,500 | 542,750 | - |
| **Total Expenditures** | **8,102,311** | **8,187,857** | **6,297,358** | **5,961,324** |
| **Total Reserves** | **1,965,952** | **2,328,562** | **1,936,943** | **1,932,734** |
| **Total Budget** | **10,068,263** | **10,516,419** | **8,234,302** | **7,894,058** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 4,415,020 | 4,581,889 | 2,396,407 | 2,490,839 |
| Development Services Fund | 5,037,253 | 5,650,030 | 5,295,145 | 5,403,220 |
| General CIP Fund | 615,990 | 284,500 | 542,750 | - |
| **Total Resources** | **10,068,263** | **10,516,419** | **8,234,302** | **7,894,058** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Land Use Planners | 17.50 | 17.50 | 18.50 | 18.50 |
| Support Svcs/Development Svcs OTO | 3.40 | 3.40 | 4.45 | 4.45 |
| **Total FTE** | **20.90** | **20.90** | **22.95** | **22.95** |

# Development Services
# Land Use

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Excellent customer service** | | | | | | |
| % of Cost Recovery target achieved | % | Effectiveness | 81 | 90 | 90 | 90 |
| # of Land Use hours per total # of applications reviewed | ratio | Efficiency | 4.42 | 5.00 | 5.00 | 5.00 |
| Land Use billable hours | % | Workload | 54.60 | 36.00 | 36.00 | 36.00 |
| **Meaningful opportunities for public involvement** | | | | | | |
| Avg weekly walk-in customers served by LU in the Permit Ctr | # | Workload | 100 | 100 | 100 | 100 |

## Issues related to Department Performance

Performance measures indicate that Land Use Program efficiency continues to improve and that public information demands continue to increase. Although the overall number of new design review applications has declined, review and approval of large and complex projects such as Bellevue Plaza and continued work on previously approved projects such as City Center II, Ashwood Commons II, and The Bravern continue to demand considerable staff time. With the anticipated reduction in project related review, non-project hours committed to implementation of the Bel Red Land Use Code Amendment, 2008/2009 Development Services Initiated Land Use Code Amendments, Neighborhood Livability Phase II, and Shoreline Master Plan update will increase. Additional staff hours will be committed to renewed work related to Development Services fundamentals

## Program Notes

The measure of weekly customer demand met at the Land Use Zoning and Information desk was added to ensure that the public information component of the land use mission is not compromised as a result of permit review obligations.

# Development Services
# Code Compliance

## Program Statement

The Code Compliance section of the Land Use Division is responsible for enforcing the regulations that sustain a quality and safe natural and built environment and that preserve community character.

## Summary of Services Provided

The Code Compliance Officers investigate and resolve neighborhood complaints and violations of City and State codes citywide. Staff aid in problem solving, facilitate substantial compliance and work to achieve positive results for all parties to a complaint or enforcement incident.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Code Compliance | 771,853 | 784,664 | 806,664 | 840,168 |
| Subsidy in General Fund | 1,892,151 | 1,963,667 | 1,027,031 | 1,067,502 |
| Support Svcs/Development Svcs OTO | 238,835 | 270,772 | 264,040 | 267,455 |
| **Base Budget** | **2,902,839** | **3,019,102** | **2,097,736** | **2,175,125** |
| **Total Budget** | **2,902,839** | **3,019,102** | **2,097,736** | **2,175,125** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 713,922 | 744,152 | 781,107 | 813,504 |
| Interfund | 2,109,578 | 2,192,474 | 1,244,105 | 1,287,283 |
| M & O | 79,338 | 82,477 | 72,524 | 74,338 |
| **Total Expenditures** | **2,902,839** | **3,019,102** | **2,097,736** | **2,175,125** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,892,151 | 1,963,667 | 1,027,031 | 1,067,502 |
| Development Services Fund | 1,010,688 | 1,055,436 | 1,070,704 | 1,107,623 |
| **Total Resources** | **2,902,839** | **3,019,102** | **2,097,736** | **2,175,125** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Code Compliance | 6.00 | 6.00 | 6.00 | 6.00 |
| Support Svcs/Development Svcs OTO | 1.30 | 1.30 | 1.65 | 1.65 |
| **Total FTE** | **7.30** | **7.30** | **7.65** | **7.65** |

# Development Services
# Code Compliance

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Increase neighborhood education and understanding** | | | | | | |
| # hours attending neighborhood meetings | hours | Effectiveness | 40 | 30 | 30 | 30 |
| **Provide excellent customer service** | | | | | | |
| Number of complaints received | # | Workload | 1,673 | 1,500 | 1,500 | 1,500 |
| **Resolve disputes to gain compliance w/ City and State codes** | | | | | | |
| % of cases successfully upheld by the Hearing Examiner | % | Effectiveness | 98 | 95 | 95 | 95 |
| Violations resolved through voluntary compliance methods | % | Effectiveness | 96 | 95 | 95 | 95 |
| Cases per officer | # | Efficiency | 279 | 425 | 425 | 425 |
| Cost per case resolved | $ | Efficiency | 431 | 300 | 300 | 300 |
| % of cases closed with initial response within target | % | Efficiency | 100 | 100 | 100 | 100 |
| Fair Housing complaints received | # | Workload | 1 | 5 | 5 | 5 |
| **Use the civil violation process when needed** | | | | | | |
| Total Civil Violation hearings held | # | Workload | 268 | 350 | 350 | 350 |

## Issues related to Department Performance

Code Compliance received over 1,600 complaints in 2007 representing a 20% increase over the previous year. Coupled with the increase in neighborhood meetings and other support for Neighborhood Livability Action Plan, performance of this program was not compromised. Nearly 100% of cases sent to the Hearing Examiner were successfully upheld

## Program Notes

This program is structured to reflect a philosophy that tailors the enforcement approach to the severity of the problem. Public health and safety issues, sign code enforcement, and environmental issues are responded to proactively. Voluntary compliance is sought for the majority of non-emergency neighborhood complaints and code violations.

# Development Services

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Land Use | 16,290,168 | 12,258,682 | (25) % |
| Building Review and Inspection | 25,573,177 | 29,323,871 | 15 % |
| Code Compliance | 5,921,941 | 4,272,861 | (28) % |
| **Base Budget** | **47,785,286** | **45,855,414** | **(4)%** |
| **Reserves** | **25,261,847** | **11,369,024** | **(55)%** |
| **Total Budget** | **73,047,133** | **57,224,438** | **(22)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 18,451,758 | 21,591,188 | 17% |
| Interfund | 25,013,187 | 20,668,153 | (17)% |
| M & O | 3,125,541 | 3,001,073 | (4)% |
| Capital | 1,194,800 | 595,000 | (50)% |
| **Total Expenditures** | **47,785,286** | **45,855,414** | **(4)%** |
| **Total Reserves** | **25,261,847** | **11,369,024** | **(55)%** |
| **Total Budget** | **73,047,133** | **57,224,438** | **(22)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 12,852,727 | 6,981,779 | (46)% |
| Development Services Fund | 58,999,607 | 49,647,659 | (50)% |
| General CIP Fund | 1,194,800 | 595,000 | (16)% |
| **Total Resources** | **73,047,134** | **57,224,438** | **(22)%** |

CITY OF BELLEVUE WASHINGTON

# Finance

## Program Outcome Statement

Maintain the public trust through sound financial management and the efficient and effective use of Bellevue's financial resources.

Goals:
- Ensure the long-term financial stability and health of Bellevue
- Protect the City's financial integrity and credibility
- Strengthen the department for continued excellence

## Services and Accomplishments

The City of Bellevue's Finance Department consists of the following teams: Purchasing, Payroll, Accounts Payable, Contracting Services, Tax, Treasury, Accounting, Business Systems and Budget. The Finance Department provides financial services for all City operations. It assists departments in purchasing supplies, paying vendors, managing the contract process, and developing budgets. It provides payroll services for all City employees, is responsible for cash management, collects business and other taxes, and performs city accounting functions. The Finance Department also produces official reports for City Council and the general public, including operating and capital budgets, and the Comprehensive Annual Financial Report.

The following are the major 2007-2008 accomplishments:

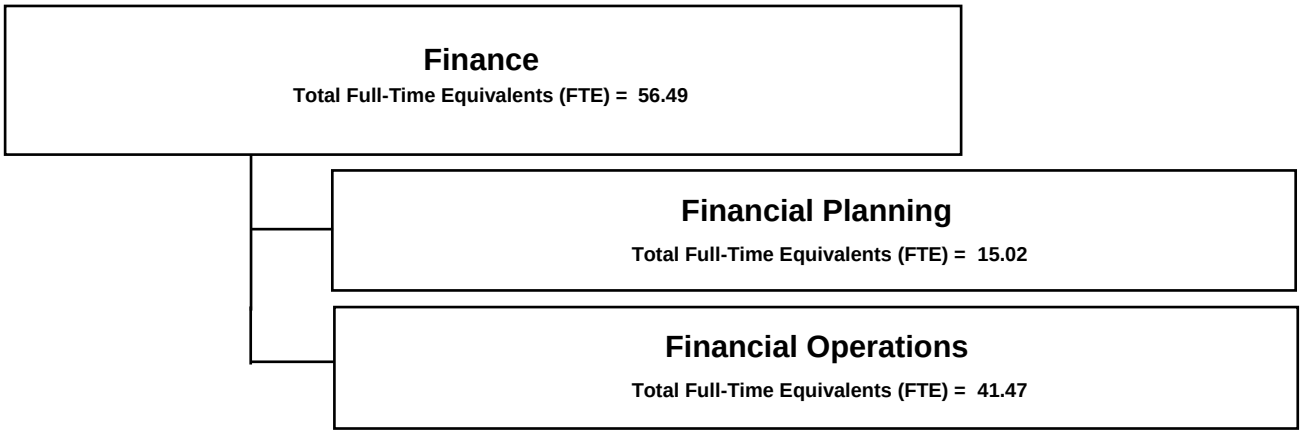
Goal: Ensure the long-term financial stability and health of Bellevue
- Attained total business tax audit, delinquency and detection recoveries in 2007 of $6.3 million
- Increased usage of the ERP system by 315% and users by 240%. (Attributable to the implementation of Payroll and HR Self-Service for employees which includes online pay stubs)
- Received the Government Financial Officers Award for Distinguished Budgetary Presentation
- Saved almost $300K through the activities of our centralized purchasing office
- In 2007, exceeded the average yield of 90-day Treasury Bills by 0.16%, equivalent to an additional $344,000 of investment revenue
- Converted City's financial accounting to a modified accrual basis

Goal: Protect the City's financial integrity and credibility
- Received an unqualified audit opinion from the State Auditor's Office for 2007
- Maintained Aaa credit rating
- Developed and completed the first cycle of the City's long range planning process
- Completed four internal audit reviews
- Developed a new Cash Policy and Procedures document
- Conducted reviews of cash handling practices at a couple of City facilities
- Migrated to a new banking platform which resulted in enhanced efficiencies due to automation of manual processes
- Discontinued the use of city warrants by introducing issuance of checks to all city vendors

Goal: Strengthen the department for continued excellence
- Automated and streamlined business processes including online pay advices, timekeeping and refund processing
- Completed initial integration of ECM to JDE for invoice lookup
- Department-wide participation in process to identify tools to enhance departmental communication
- Revised business expensing and contracting policies

# Finance

## Organizational Chart



# Finance

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Financial Planning | 8,180,884 | 9,786,880 | 9,468,589 | 10,841,481 |
| Financial Operations | 5,004,215 | 5,089,100 | 5,764,317 | 5,985,241 |
| **Base Budget** | **13,185,098** | **14,875,979** | **15,232,905** | **16,826,722** |
| **Reserves** | **3,041,000** | **5,554,647** | **799,632** | **840,058** |
| Tax Analyst | - | - | 68,778 | 74,231 |
| **Program Enhancements** | **-** | **-** | **68,778** | **74,231** |
| **Total Budget** | **16,226,098** | **20,430,626** | **16,101,315** | **17,741,011** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 5,004,859 | 5,122,351 | 5,617,830 | 5,833,647 |
| Interfund | 235,942 | 998,576 | 741,437 | 767,915 |
| M & O | 7,726,297 | 8,532,052 | 8,942,416 | 10,299,391 |
| Capital | 218,000 | 223,000 | - | - |
| **Total Expenditures** | **13,185,098** | **14,875,979** | **15,301,683** | **16,900,953** |
| **Total Reserves** | **3,041,000** | **5,554,647** | **799,632** | **840,058** |
| **Total Budget** | **16,226,098** | **20,430,626** | **16,101,315** | **17,741,011** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 6,976,016 | 7,124,068 | 8,043,216 | 8,387,537 |
| Land Purchase Revolving Fund | 730,000 | 730,000 | - | - |
| Operating Grants/Donations/Sp Reserves Fund | 238,000 | 208,409 | 213,828 | 219,175 |
| Interest & Debt Redemption-Regular Fund | 5,754,082 | 12,145,149 | 7,589,272 | 8,869,298 |
| LID Control Fund | 110,000 | - | - | - |
| 2004 City Hall Bond Fund | - | - | - | - |
| General CIP Fund | 2,418,000 | 223,000 | 255,000 | 265,000 |
| **Total Resources** | **16,226,098** | **20,430,626** | **16,101,315** | **17,741,011** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Financial Planning | 14.57 | 14.57 | 15.02 | 15.02 |
| Financial Operations | 39.92 | 39.92 | 41.47 | 41.47 |
| **Total FTE** | **54.49** | **54.49** | **56.49** | **56.49** |

# Finance

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Financial Operations** | | | | | | |
| Identify 250 unregistered businesses | # | Effectiveness | - | 250 | 250 | 250 |
| Tax revenues from delinquencies, audits, & detection ($mil) | $ | Effectiveness | 6.30 | 1.80 | 5.80 | 5.80 |
| Decrease total number of contracts through consolidation | % | Efficiency | - | - | 5 | 5 |
| Decrease number of Accounts Payable checks processed by 2% | % | Efficiency | - | - | 2 | 2 |
| Receive unqualified audit opinion | Yes=1,No=2 | Effectiveness | 1 | 1 | 1 | 1 |
| Review adherence to Cash Policy/Procedures at 10 locations | # | Workload | - | - | 10 | 10 |
| Amount saved through central purchasing savings | $ | Efficiency | 273,000 | 150,000 | 150,000 | 150,000 |
| **Financial Planning** | | | | | | |
| % Year-end expense variance from 2nd quarter report. | % | Effectiveness | 0.50 | 1.00 | 1.00 | 1.00 |
| % Year-end revenue variance from 2nd quarter report | % | Effectiveness | 0.80 | 2.00 | 2.00 | 2.00 |
| % Return on City investments exceed standards | % | Effectiveness | 0.16 | 0.20 | 0.15 | 0.15 |
| Earn biennial GFOA Distinguished Budget Award | Yes=1,No=2 | Effectiveness | 1 | 1 | 1 | 1 |
| City Bond Rating (Moody's) | 1=Aaa | Effectiveness | 1 | 1 | 1 | 1 |

# Finance

## 2009-2010 Work Initiatives

Goal: Ensure the long-term financial stability and health of Bellevue
- Update long range capital & operating budget plan.
- Update Bellevue Convention Center Authority Operating Agreement.
- Continue Audit, Delinquency and Detection programs.
- Complete implementation of new tax system.
- Bel-Red finance plan.
- B&O tax allocation & apportionment.
- Municipal court and jail alternatives.

Goal: Protect the City's financial integrity and credibility
- Enhance internal audit and review program.
- Reinforce cash handling training, review cash processes and conduct surprise cash counts.
- GFOA best practice reviews.
- Grants management review.

Goal: Strengthen the department for continued excellence
- Continue to identify and implement business and system improvements that increase efficiency and/or improve customer service (e.g. timekeeping, vendor payments).
- Respond to vendor changes by developing the integration between our financial processes systems and the vendor's (e.g. MEBT, FSA, Procard).
- Leverage the integration between JDE and other internal and external automated systems.
- Develop succession and employee development plans.
- Update performance evaluations.
- Implement customer satisfaction standards/surveys.
- Improve internal communications.

## Major Challenges for the Biennium

- Optimizing the integration of the financial systems with other key internal and external automated systems for efficiency and effectiveness.
- Recruiting and retaining high quality employees.
- Clarifying our roles, both internally and externally, within a changing organizational structure.
- Providing leadership and guidance to departments while promoting innovation.
- Building division/department coordination while getting our core work done.
- Staying on top of the increased demand for services and expectations in the midst of system changes and resource instability fluctuations.

# Finance
# Financial Operations

## Program Statement

Maintain the public trust through the efficient and effective use of Bellevue's financial resources including uniform tax collection, accurate payments and financial reports, sound investment strategies, and strong internal controls.

## Summary of Services Provided

Manage the City's assets through effective financial operations and the implementation of strong internal controls.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Accounting | 676,788 | 663,090 | 581,696 | 605,294 |
| Accounts Payable | 404,512 | 416,293 | 444,392 | 463,221 |
| Business Systems | 82,874 | 85,780 | 90,380 | 94,141 |
| Central Services | 66,037 | 72,899 | 374,586 | 383,964 |
| Contracting Services | 548,085 | 567,648 | 678,925 | 708,013 |
| Director's Office | 470,216 | 483,401 | 522,922 | 542,802 |
| General Services-Purchasing | 644,498 | 616,041 | 690,978 | 753,868 |
| Payroll | 698,190 | 704,144 | 651,743 | 641,919 |
| Tax | 1,006,207 | 1,020,659 | 1,113,051 | 1,150,851 |
| Treasury | 406,808 | 459,145 | 615,645 | 641,166 |
| **Base Budget** | **5,004,215** | **5,089,100** | **5,764,317** | **5,985,241** |
| Tax Analyst | - | - | 68,778 | 74,231 |
| **Program Enhancements** | **-** | **-** | **68,778** | **74,231** |
| **Total Budget** | **5,004,215** | **5,089,100** | **5,833,095** | **6,059,472** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 3,514,234 | 3,592,587 | 3,935,153 | 4,078,081 |
| Interfund | (24,749) | 3,081 | 187,981 | 195,897 |
| M & O | 1,514,730 | 1,493,433 | 1,709,961 | 1,785,494 |
| **Total Expenditures** | **5,004,215** | **5,089,100** | **5,833,095** | **6,059,472** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 5,004,215 | 5,089,100 | 5,833,095 | 6,059,472 |
| **Total Resources** | **5,004,215** | **5,089,100** | **5,833,095** | **6,059,472** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Accounting | 6.00 | 6.00 | 4.50 | 4.50 |
| Accounts Payable | 4.10 | 4.10 | 4.20 | 4.20 |
| Business Systems | 0.50 | 0.50 | 1.00 | 1.00 |
| Contracting Services | 5.50 | 5.50 | 6.50 | 6.50 |
| Director's Office | 3.07 | 3.07 | 3.02 | 3.02 |
| General Services-Purchasing | 6.00 | 6.00 | 6.00 | 6.00 |
| Payroll | 6.00 | 6.00 | 5.00 | 5.00 |
| Tax | 5.00 | 5.00 | 6.00 | 6.00 |
| Treasury | 3.75 | 3.75 | 5.25 | 5.25 |
| **Total FTE** | **39.92** | **39.92** | **41.47** | **41.47** |

# Finance
# Financial Operations

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Ensure the City's long-term financial stability and health** | | | | | | |
| Identify 250 unregistered businesses | # | Effectiveness | - | 250 | 250 | 250 |
| Tax revenues from delinquencies, audits, & detection ($mil) | $ | Effectiveness | 6.30 | 1.80 | 5.80 | 5.80 |
| Decrease total number of contracts through consolidation | % | Efficiency | - | - | 5 | 5 |
| Decrease number of Accounts Payable checks processed by 2% | % | Efficiency | - | - | 2 | 2 |
| Amount saved through central purchasing savings | $ | Efficiency | 273,000 | 150,000 | 150,000 | 150,000 |
| **Protect the City's financial integrity and credibility** | | | | | | |
| Receive unqualified audit opinion | Yes=1,No=2 | Effectiveness | 1 | 1 | 1 | 1 |
| Review adherence to Cash Policy/Procedures at 10 locations | # | Workload | - | - | 10 | 10 |

## Issues related to Department Performance

- The City received an unqualified audit opinion for its Comprehensive Annual Financial Report (CAFR).
- The Tax Office recovered $6.3 million in local tax revenues for audit, delinquency and detections work – 275% of the total target.
- 2008 saw a 315% increase in enterprise resource planning (ERP) system usage over 2007 levels.
- Payroll and HR-related efficiencies were made possible by leveraging our ERP system investment.
- Savings from central purchasing in 2007 were $273,000. The bulk of these savings came through the disposal of surplus property ($174,000).

## Program Notes

The purpose of this program is the ongoing financial operations for City resources.

# Finance
# Financial Planning

## Program Statement

Maintain the public trust through sound financial management by providing timely and accurate financial information to enhance decision making.

## Summary of Services Provided

Provide the City Council, public, and department staff with timely, accurate, and high quality financial information in an efficient, cost-effective manner to enhance decision making and maximize stewardship of the City's financial resources.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Budget | 1,265,934 | 1,306,191 | 1,428,467 | 1,516,191 |
| Business Systems | 82,874 | 85,780 | 90,380 | 94,141 |
| Director's Office | 470,216 | 483,401 | 522,922 | 542,802 |
| General CIP Projects | 218,000 | 223,000 | 255,000 | 265,000 |
| Investments/Debt | 152,778 | 159,597 | 168,352 | 174,931 |
| LTGO Bond - Supplemental CIP | - | 847,745 | 1,033,624 | 1,037,574 |
| New City Hall Debt Service | 5,753,082 | 6,472,757 | 5,756,016 | 6,991,666 |
| Operating Grants | 238,000 | 208,409 | 213,828 | 219,175 |
| **Base Budget** | **8,180,884** | **9,786,880** | **9,468,589** | **10,841,481** |
| **Reserves** | **3,041,000** | **5,554,647** | **799,632** | **840,058** |
| **Total Budget** | **11,221,884** | **15,341,527** | **10,268,221** | **11,681,539** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,490,626 | 1,529,765 | 1,682,678 | 1,755,566 |
| Interfund | 260,691 | 995,496 | 553,456 | 572,019 |
| M & O | 6,211,567 | 7,038,620 | 7,232,455 | 8,513,897 |
| Capital | 218,000 | 223,000 | - | - |
| **Total Expenditures** | **8,180,884** | **9,786,880** | **9,468,589** | **10,841,481** |
| **Total Reserves** | **3,041,000** | **5,554,647** | **799,632** | **840,058** |
| **Total Budget** | **11,221,884** | **15,341,527** | **10,268,221** | **11,681,539** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,971,802 | 2,034,969 | 2,210,121 | 2,328,066 |
| Land Purchase Revolving Fund | 730,000 | 730,000 | - | - |
| Operating Grants/Donations/Sp Reserves Fund | 238,000 | 208,409 | 213,828 | 219,175 |
| Interest & Debt Redemption-Regular Fund | 5,754,082 | 12,145,149 | 7,589,272 | 8,869,298 |
| LID Control Fund | 110,000 | - | - | - |
| 2004 City Hall Bond Fund | - | - | - | - |
| General CIP Fund | 2,418,000 | 223,000 | 255,000 | 265,000 |
| **Total Resources** | **11,221,884** | **15,341,527** | **10,268,221** | **11,681,539** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Budget | 10.00 | 10.00 | 10.00 | 10.00 |
| Business Systems | 0.50 | 0.50 | 1.00 | 1.00 |
| Director's Office | 3.07 | 3.07 | 3.02 | 3.02 |
| Investments/Debt | 1.00 | 1.00 | 1.00 | 1.00 |
| **Total FTE** | **14.57** | **14.57** | **15.02** | **15.02** |

# Finance
# Financial Planning

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Ensure the City's long-term financial stability & health** | | | | | | |
| % Year-end expense variance from 2nd quarter report. | % | Effectiveness | 0.50 | 1.00 | 1.00 | 1.00 |
| % Year-end revenue variance from 2nd quarter report | % | Effectiveness | 0.80 | 2.00 | 2.00 | 2.00 |
| % Return on City investments exceed standards | % | Effectiveness | 0.16 | 0.20 | 0.15 | 0.15 |
| **Protect the City's financial integrity and credibility** | | | | | | |
| Earn biennial GFOA Distinguished Budget Award | Yes=1,No=2 | Effectiveness | 1 | 1 | 1 | 1 |
| City Bond Rating (Moody's) | 1=Aaa | Effectiveness | 1 | 1 | 1 | 1 |

## Issues related to Department Performance

- The Budget Office works closely with departments in projecting revenues. With careful attention to the economy and a good understanding of economic indicators, revenue collections were within 0.8% of the projections made in the 2nd Quarter Budget Monitoring Report. This was well within our goal of 2%.
- The Budget Office also works closely with departments to project year end expenditures. Expenditure projections stated in the 2nd Quarter Budget Monitoring Report varied 0.5% from actual year end expenditures. This was well within our target goal of 1%.
- The City again was awarded the GFOA Distinguished Budget Award. This entails a comprehensive review of the City's budget documents and provides a good indicator that the City's budgeting process is providing outstanding guidance to City leadership in managing Bellevue's business.
- For 2007, Bellevue's investments exceeded the average yield of 90-day Treasury Bills by 0.16%, equivalent to an additional $344,000 of revenue. Actively managing our investments allows us to obtain a fair rate of return while protecting the City's capital and assuring adequate liquidity.

## Program Notes

Budget staff continue to enhance the quality of the City's budget process. Some examples include improved links to outcome and performance budgeting, more in-depth analyses, and heightened scrutiny of City budgets.

# Finance

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Financial Planning | 17,967,763 | 20,310,070 | 13 % |
| Financial Operations | 10,093,314 | 11,749,557 | 16 % |
| **Base Budget** | **28,061,077** | **32,059,627** | **14 %** |
| **Reserves** | **5,554,647** | **840,058** | **(85)%** |
| Tax Analyst | - | 143,009 | - |
| **Program Enhancements** | **-** | **143,009** | **-** |
| **Total Budget** | **33,615,724** | **33,042,694** | **(2)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 10,127,210 | 11,451,477 | 13 % |
| Interfund | 1,234,518 | 1,509,352 | 22 % |
| M & O | 16,258,349 | 19,241,807 | 18 % |
| Capital | 441,000 | - | - % |
| **Total Expenditures** | **28,061,077** | **32,202,636** | **15 %** |
| **Total Reserves** | **5,554,647** | **840,058** | **(85)%** |
| **Total Budget** | **33,615,724** | **33,042,694** | **(2)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 14,100,084 | 16,430,753 | 17 % |
| Land Purchase Revolving Fund | 730,000 | - | - % |
| Operating Grants/Donations/Sp Reserves Fund | 446,409 | 433,003 | (3)% |
| Interest & Debt Redemption-Regular Fund | 17,898,231 | 15,658,938 | (13)% |
| LID Control Fund | - | - | - % |
| 2004 City Hall Bond Fund | - | - | - % |
| General CIP Fund | 441,000 | 520,000 | 18 % |
| **Total Resources** | **33,615,724** | **33,042,694** | **(2)%** |

# Finance

## JDE Ongoing Staffing

**Enhancement: FINCBA04**

**Enhancement Description**

Request Summary: Convert 2 existing LTE's to FTE's effective 1/1/2009 (1.0 in Finance and 1.0 in IT).

Background:
In November 2002, as part of the Finance and HR System (system) replacement project, on-going support for the new system was estimated to be 10 FTE's (ref: Blue Book). When Council approved the system selection and contract with AMX in June 2003, they approved a revised staffing plan that allocated 8 FTE's to support the system, with funding for LTE's and external consultants to supplement implementation staffing.

As planned, we have been filling the demand for additional support through the use of LTE's and AMX consultants (see charts below). As illustrated in the system overview chart below, in 2005, at the height of implementation, the project required 7 LTE's and many consultant dollars in addition to the 8 dedicated FTE's. We currently have 3.4 LTE's and use external consulting support to augment our 8.0 FTEs and meet the need for implementation and support.

Beginning in 2006 and continuing in 2007 and 2008 we have been actively involved in both implementation activities as well as providing on-going support and enhancements to the system. With this experience we are able to more accurately project staffing requirements for on-going maintenance, enhancements and upgrades. Through this experience it is clear that additional on-going staffing is necessary and that the original estimate of 10 FTE's to provide ongoing support for the system was accurate.

One primary benefit of an ERP system is the ability to improve processes and implement changes in the system. In order to take advantage of that benefit, we must be committed to on-going system enhancements and upgrades. Without the ongoing support of at least two additional FTE staff, use of LTE's for ongoing work, or more costly consultant assistance, this will not be possible. Additional LTE support will likely still be utilized in the future to support specific time constrained projects and consultant support will continue to be necessary at a much lower level with the dedication of the additional FTE's. The Finance plan anticipated and provided for additional ongoing funding for upgrades and enhancements. That funding will be used to pay software and consulting costs associated with the upgrades and enhancements.

The alternatives to converting two existing LTE positions to FTE's are to:

- Continue to use of LTE's for ongoing support and enhancement work
- Stop upgrades and enhancements and move into a maintenance only mode
- Use costly consultants to backfill support or enhancements.

None of these alternatives fits with the direction or policy of the City at this time and thus we are recommending the conversion of two existing LTE positions to FTE positions. Funding would continue from the CIP through 2012.

A separate, formatted table is available.

Staffing Allocation (Reflecting use of existing FTE & LTE Staff)

| Position<br>FTE Staffing | Current Staffing<br>FTE % allocated | Staff Assigned |
|---|---|---|
| Management | .75 | Dave, Sara, Rick, Chelo |
| Finance Business Systems Mgr | 1.00 | Bonnie |
| Systems Analyst | 3.50 | Toni, Lee, Jeff, Mijung Julie |
| Application Developer | 2.00 | Florence, Greg |
| Project Manager | .30 | Denise |
| Help Desk | .25 | All |
| DBA | .10 | |
| Network Services | .10 | |
| Subtotal | 8.00 | |

# Finance

## JDE Ongoing Staffing

**Enhancement: FINCBA04**

| Current LTE Staffing | | | Proposed LTE Staffing |
|---|---|---|---|
| Project Manager | .80 | Arnaz | Sunset position 2/2009 |
| Business Analyst | 1.00 | Sheri | Convert 1.0 to FTE |
| Business Process Analyst | 1.60 | Todd, Della | Convert 1.0 to FTE<br>Retain .60 for Maximo Project in (2009) |
| Subtotal | 3.40 | | |
| Total | 11.40 | | |

Financial & HR System Replacement Overview (Reflecting staff required to accomplish noted milestones)

| Year | Major Accomplishments | # FTE's | Resources Used<br># LTE's | Consultant $ |
|---|---|---|---|---|
| 2004 | Core Financials | 8.0 | 5 | $2.3m |
| 2005 | HR/Payroll | 8.0 | 7 | $1.4m |
| 2006 | Web Client Upgrade<br>Budget System<br>On-line Help | 8.0 | 5 | $1.5m |
| 2007 | Simplified Req Entry<br>Modified Accrual<br>Pilot Employee/Manager Self Service | 8.0 | 4.6 | $400K |
| | Planned Initiatives | | Planned Resources<br>(Assuming Request is Approved) | |
| 2008 | Tax System Implementation<br>Complete rollout of Employee/Manager Self Service<br>Timekeeping Pilot<br>Integration to Maintenance Management<br>Integration to Electronic Content Management<br>Refund interfaces | 8.0 | 3.40 | $250K |
| 2009 | ForwardTax System Refinement<br>Timekeeping<br>Integration to Maintenance<br>Automated workflow for Accounts Payable and contracting<br>Enhanced functionality for Employee/Manager Self Service<br>Contract module enhancements<br>Budget System Upgrade 2009<br>JDE System Upgrade 2010 | 10.0 | .60 2009<br>Future needs.<br>Justified for specific initiatives only. | $250K |

**State/Federal/Industry Mandates**

n/a

**Goals and Objectives**

This addresses the City Manager initiative to improve overall operational efficiency by utilizing enterprise systems to manage financial and HR resources, drive enterprise performance management, and eliminate redundant systems and manual processes.

# Finance

## JDE Ongoing Staffing

**Enhancement: FINCBA04**

**Consequences of Not Funding**

If this request is not funded, our ability to enhance the ERP system and financial and HR business processes would be very limited. Examples of enhancements that provide operational efficiencies and cost savings made to the ERP system in 2007/2008 are:

- Paperless pay advices for employees
- Self-entry of time records
- Electronic payment to vendors
- Refund automation

Enhancements planned for 2009/2010 include:

- Tax System Refinement including self service for taxpayers
- Integration to Maintenance Management
- Automated workflow for accounts payable and contracts
- Enhanced functionality for Employee/Manager Self Service
- Contract module enhancements
- Budget System Upgrade 2009
- JDE System Upgrade 2010

To accomplish this work without the FTE's we would be dependent on higher cost external consultants. Additional consultants would be required for mandatory, vendor-required upgrades at a higher cost.

**Equipment Requirements**

Current LTE's have PCs which are included in replacement reserves. All LTE's have desks, chairs, and equipment.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **98,252** | **105,610** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Finance

## Tax Analyst

**Enhancement: FINCBA02**

**Enhancement Description**

Problem Definition and Scope

The number of businesses registered in Bellevue has grown by 39% in the last 7 years. The number of tax filers has grown by 30%. The number of tax office staff dedicated to administering the City's tax and processing tax returns has not changed during that time. With the continued growth in Bellevue's CBD and the planned Bel-Red redevelopment, continued growth is anticipated. In order to accommodate the increase in volume staff have streamlined and automated processes yet have been forced to reduce enforcement activities such as delinquent follow-up and desk audit. The reduction in enforcement activities results in both revenue loss and inequity between taxpayers.

Background

The Finance Department's tax office is staffed by five full time equivalent employees, a Manager, an audit lead, a senior analyst, a tax analyst and a senior accounting associate. Three staff members are fully committed to the processing and administration associated with the collection of taxes. Tax administrative staff are responsible for processing business registration applications, sending tax return forms, processing tax receipts, answering taxpayer questions, issuing formal determinations and collection efforts. All entities conducting business in Bellevue are required to register and businesses generating over 135K gross receipts per year are required to file and pay business and occupation taxes. Staff also administer the Utility, Gambling, and Admission taxes and additional regulatory licenses. The growth in business registrations and tax filers directly impacts the workload of the staff.

In 2002 the City expanded the audit program to improve tax enforcement and provide greater taxpayer equity. At that time the resources that had been used for manual delinquent collection efforts (in addition to automated notices) and routine "desk audits" was transitioned to overseeing the new audit program and tax processing staff absorbed the duties for delinquent collections and desk audits.

While the audit program has been very successful, with a growing tax base, tax processing staff have not been able to pursue the more time consuming efforts associated with delinquent collections and desk audits. As a result unresolved delinquencies have grown and the number of desk audits performed has declined. While business growth, detections, and our audit program have produced record tax collections, we recognize that without these additional enforcement activities we are under collecting taxes due the city and are not achieving the desired goal of improved enforcement and taxpayer equity.

Statistics:

| Year | New Registrations | Active Registrations | Registrations Per Tax Processing FTE | Delinquent Periods Outstanding | Desk Audits Performed |
|---|---|---|---|---|---|
| 2001 | 2275 | 22,445 | 7,482 | 897 | 20 |
| 2002 | 2,782 | 23,403 | 7,801 | 981 | 67 |
| 2003 | 2,470 | 23,929 | 7,976 | 1109 | 8 |
| 2004 | 2,660 | 24,898 | 8,299 | 1177 | 8 |
| 2005 | 2,700 | 25,830 | 8,610 | 1384 | 0 |
| 2006 | 3,914 | 28,359 | 9,453 | 1665 | 0 |
| 2007 | 4,646 | 31,221 | 10,407 | 2562 | 0 |

**State/Federal/Industry Mandates**

n/a

**Goals and Objectives**

No

**Consequences of Not Funding**

Revenue growth will be slower and the tax burden will not be shared equitably among taxpayers.

**Equipment Requirements**

n/a

# Finance

## Tax Analyst

**Enhancement:** **FINCBA02**

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| Total Budget | 68,778 | 74,231 |
| New Revenues Generated | 68,778 | 74,231 |
| Additional Staff (FTE) | 1.00 | 1.00 |

CITY OF BELLEVUE WASHINGTON

# Fire

## Program Outcome Statement

The Bellevue Fire Department exists to assist the public in the protection of life and property by minimizing the impact of fire, medical emergencies, and potential disasters or uncontrolled events that affect the community and environment.

## Services and Accomplishments

The City of Bellevue Fire Department consists of the following major programs: Fire Suppression and Rescue, Emergency Medical Services, Fire Prevention, and Emergency Preparedness. The Fire Department responds within the City of Bellevue and contract communities to all types of emergencies including, fires, emergency medical, technical rescue, hazardous materials, and other. The department's Fire Prevention, Public Education, and Emergency Preparedness efforts help to maximize the value, efficiency and effectiveness of all fire department and community resources. In 2007 & 2008, the department accomplished the following work initiatives:

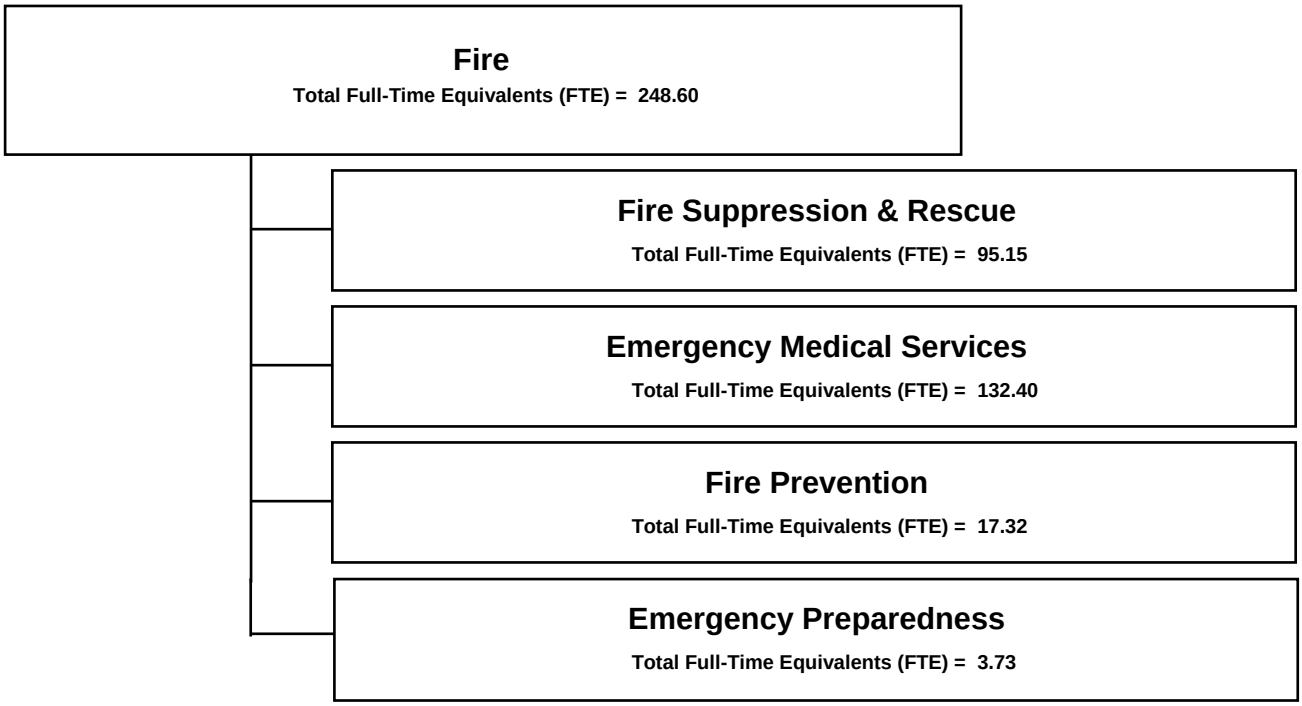
- Participated as a member and provided leadership to the regional task force and King County Emergency Medical Services (EMS) to bring before King County voters in 2007 a levy that provides continued funding for Emergency Medical Services through 2013.
- Ongoing evaluation of community safety and compliance with recognized standards of fire protection coverage.
- Performed timely project plans review and oversight inspections to ensure that newly constructed buildings are in compliance with the International Fire Code (IFC) and related standards. Adopted the new IFC in July 2007.
- Provided on-going basic training to "entry-level" and "in-service" training to firefighters that meet national standards, State law, and departmental priorities.
- Continued to participate in, support, and review programs associated with maintaining a Class II Fire Protection Rating for the community.
- Conducted regular audits and review of departmental operations and policies for continuous improvement.
- Provided on-going training for operating safely during tactical events and/or environments, including weapons of mass destruction or terrorism.
- Continued our partnership with the City of Bellevue Transportation Department in analyzing the impact of traffic calming/diversion devices on emergency response outcomes.
- Managed and directed the Department's capital improvement renovation plan to ensure timely maintenance with the goal of increasing the longevity of fire facilities and grounds through a scheduled repair and maintenance program.
- Performed an annual program of fire inspections which reflect our continued efforts to reduce the incidence of fires through continued efforts to conduct fire and life safety inspections. Completed 100% of all inspections in 2007 & 2008.
- Performed on-going analysis of traffic congestion and community fire risk based on structural and/or industry hazard classification to ensure that appropriate standards of response are in place.
- Continued to provide Fire and EMS services to the communities of Medina, Hunts Point, Yarrow Point, Clyde Hill, Beaux Arts, City of Newcastle, and King County Fire Protection District #14.
- Complied with new National Incident Management System and National Response Plan standards, including providing mandated training to Fire Department and other City personnel.
- Facilitated City's homeland security activities including regional strategic planning, training, exercising, and equipping of personnel.
- Participated in numerous community-wide events providing educational opportunities in fire safety, EMS, and Emergency Preparedness.
- Participated in the Regional Firefighter Testing Consortium and working with regional partners to enhance opportunities for diversity recruitment.
- Hosted and participated in regional training exercises to strengthen inter-agency operations at large-scale emergency events.
- Completed a revision of the City's Emergency Operations Plan to make it compatible with the National Response Framework (NRF), the State of Washington Comprehensive Emergency Management Plan, and the King County Emergency Management Plan.
- Skills-based trainings were provided to schools, childcare facilities, businesses and neighborhoods. Coordinated with key representatives, utilized department fire personnel as trainers and delivered training in light search and rescue, disaster medical and parent/student reunion.
- Participated at the King County regional level in the development, modification and coordination of the Region 6 Homeland Security Strategic Plan.
- Represented the City on several regional committees including the King County Emergency Management Advisory Committee (EMAC) which is responsible for addressing region-wide emergency management and homeland security endeavors.
- Updated Fire Department Development Standards to reflect current codes, ordinance and department policy.
- Completed the installations of fire sprinkler systems at Fire Stations 1, 3, 6 and 7.
- Completed the installation of new King County Zone 1 Fire Station Alerting and Personnel Paging System.

# Fire

- Secured approximately $2 million in grant funding from the Department of Homeland Security Assistance to Firefighters, Urban Area Security Initiative (UASI), Federal Emergency Management Agency (FEMA) Emergency Management Preparedness, and other federal grant programs. This funding allowed the department to enhance emergency response capabilities, improve firefighter safety, and preparation of natural disasters and other emergency events.
- Prepared for and achieved re-accreditation from the Commission of Fire Accreditation International (CFAI). There are currently only 128 departments world-wide that have been awarded accredited status by CFAI.
- Completed the space needs analysis for the renovation of Fire Station 5 and for a new downtown Fire Station.
- Improved emergency response coverage by staffing an additional aid unit in South Bellevue.
- Improved response to Downtown incidents by increasing daily staffing by two positions and separating an existing Lightforce into dedicated ladder and engine companies.
- Developed a city-specific annex to the Regional Hazard Mitigation Plan (need for compliance with the Federal Mitigation Act of 2000, 44 CFR 201). Plan has been approved by King County, Washington State, and FEMA, and has been adopted by City Council.
- Completed upgrade to state-of-the art medical protective equipment for all personnel. The upgrade provides greater protection for pandemic, norovirus, MRSA, and other airborne viruses.
- Completed the remodel of the Medic 1 Quarters at Overlake Medical Center.
- Completed a multi-language emergency preparedness video project in seven languages in response to citizen training needs identified during the December 2006 windstorm.
- Signed contract with Tri-Med ambulance that reduces the cost of private ambulance transports for patients and increases our ability to respond to secondary emergency calls without lowering the number of patient transports performed by the fire department.
- Prepared and conducted a multi-agency Active Shooter Drill at Tyee Middle School working closely with Bellevue Police and the Bellevue School District. The drill focused on interoperability, incident command, and rapid patient care in a potentially hostile environment.
- Continuing with Resuscitation Outcomes Consortium (ROC) Study. The goal of ROC is to identify strategies to improve patient survival beginning with establishing a cardiac arrest data base. We are in the third year of a five year program.
- Completed three DUI drills at Bellevue high schools that increase the awareness of the dangers of impaired driving. Coordinated with Bellevue Police to create a very realistic drill that was presented to junior and senior students at Eastside Catholic, Sammamish and Robinswood Alternative high schools.

# Fire

## Organizational Chart



# Fire

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Fire Suppression & Rescue | 15,232,074 | 15,954,904 | 17,419,984 | 15,740,765 |
| Emergency Medical Services | 16,540,990 | 17,543,714 | 18,600,742 | 19,274,604 |
| Fire Prevention | 1,955,201 | 2,188,198 | 2,352,339 | 2,393,231 |
| Emergency Preparedness | 541,776 | 941,226 | 949,292 | 646,446 |
| **Base Budget** | **34,270,041** | **36,628,041** | **39,322,357** | **38,055,046** |
| **Reserves** | **14,716,130** | **14,475,372** | **15,579,649** | **16,061,367** |
| Fire Prevention Senior Office Assistant | - | - | 23,454 | 75,593 |
| MSP - Clean Water Act Compliance - Fire Department | - | - | 30,000 | - |
| **Program Enhancements** | **-** | **-** | **53,454** | **75,593** |
| **Total Budget** | **48,986,171** | **51,103,413** | **54,955,460** | **54,192,006** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 22,541,684 | 24,683,705 | 27,861,981 | 28,817,442 |
| Interfund | 4,814,245 | 5,282,255 | 4,421,838 | 4,572,356 |
| M & O | 4,937,312 | 4,821,081 | 4,265,992 | 4,096,841 |
| Capital | 1,976,800 | 1,841,000 | 2,826,000 | 644,000 |
| **Total Expenditures** | **34,270,041** | **36,628,041** | **39,375,811** | **39,099,738** |
| **Total Reserves** | **14,716,130** | **14,475,372** | **15,579,649** | **16,061,367** |
| **Total Budget** | **48,986,171** | **51,103,413** | **54,955,460** | **54,192,006** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 30,708,681 | 32,826,335 | 35,263,309 | 36,478,898 |
| LEOFF I Medical Reserve Fund | 8,911,768 | 8,667,644 | 8,903,500 | 9,320,059 |
| Operating Grants/Donations/Sp Reserves Fund | 587,076 | 710,748 | 779,000 | 382,000 |
| General CIP Fund | 1,945,000 | 1,841,000 | 2,826,000 | 644,000 |
| Firemen's Pension Fund | 6,833,646 | 7,057,686 | 7,183,651 | 7,367,049 |
| **Total Resources** | **48,986,171** | **51,103,413** | **54,955,460** | **54,192,006** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Fire Suppression & Rescue | 89.33 | 93.33 | 95.15 | 95.15 |
| Emergency Medical Services | 124.36 | 128.36 | 132.40 | 132.40 |
| Fire Prevention | 15.22 | 15.22 | 17.32 | 17.32 |
| Emergency Preparedness | 3.69 | 3.69 | 3.73 | 3.73 |
| **Total FTE** | **232.60** | **240.60** | **248.60** | **248.60** |

# Fire

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Emergency Medical Services** | | | | | | |
| % of EMS Incidents where Response time <= 6 minutes | % | Effectiveness | 63 | 90 | 90 | 90 |
| Total EMS unit responses generated | # | Workload | 19,976 | 22,600 | 23,000 | 23,300 |
| Cardiac arrest survival rate | % | Effectiveness | 56 | 45 | 45 | 45 |
| % of EMS Incidents where Travel time <= 4 minutes | % | Effectiveness | 72 | 90 | 90 | 90 |
| % of EMS Incidents where Call Processing time <= 1 minute | % | Effectiveness | 71 | 90 | 90 | 90 |
| % of EMS Incidents where Turnout time <= 1 minute | % | Effectiveness | 32 | 90 | 90 | 90 |
| Total emergency medical calls | # | Workload | 13,525 | 13,600 | 13,850 | 14,100 |
| **Emergency Preparedness** | | | | | | |
| Preparedness audiences reached | # | Workload | 2,911 | 600 | 600 | 600 |
| Response training programs | # | Effectiveness | 8 | 8 | 8 | 8 |
| **Fire Prevention** | | | | | | |
| Fire loss in Inspected Buildings ($000) | $ | Effectiveness | 1,801 | 500 | 500 | 500 |
| % of Routine/Self Inspections Completed | % | Efficiency | 100 | 100 | 100 | 100 |
| **Fire Suppression & Rescue** | | | | | | |
| % of fires confined to room of origin | % | Effectiveness | 82 | 85 | 85 | 85 |
| # of fire & rescue service requests | # | Workload | 3,305 | 3,100 | 3,200 | 3,300 |
| # of Annual Company Fire Inspections | # | Workload | 4,917 | 4,000 | 4,900 | 4,900 |
| # of Fire unit responses generated | # | Workload | 8,356 | 8,340 | 8,400 | 8,500 |
| # of annual individual training hours | # | Workload | 40,059 | 32,000 | 35,000 | 36,000 |
| % of Fire Incidents where Response time <= 6 minutes | % | Effectiveness | 49 | 90 | 90 | 90 |
| % of Fire Incidents where Travel time <= 4 minutes | % | Effectiveness | 71 | 90 | 90 | 90 |
| % of Fire Incidents where Turnout time <= 1 minute | % | Effectiveness | 17 | 90 | 90 | 90 |
| % of Fire Incidents where Call Processing time <= 1 minute | % | Effectiveness | 57 | 90 | 90 | 90 |

# Fire

## 2009-2010 Work Initiatives

- Continue to provide fire medical and other emergency services to meet public expectations and maintain the department's "number one" approval rating.
- Continue to evaluate overall community safety and comply with recognized standards of fire protection coverage and emergency services, with a specific focus on the Central Business District.
- Continue to provide timely project plans review and oversight inspections to ensure that newly constructed buildings are in compliance with Fire Code and related standards.
- Continue to participate, as a regional provider, in King County EMS Strategic Plan initiatives and Emergency Medical Services Advisory Committee.
- Continue to provide basic training to "entry-level" and "in-service" training to firefighters that meet national standards, State law, and departmental priorities.
- Continue to provide on-going training for operating safely during tactical events and/or environments, which may include weapons of mass destruction or terrorism.
- Continue to work with the City of Bellevue Transportation Department in analyzing the impact of traffic calming/diversion devices on emergency response outcomes.
- Continue to monitor the department's renovation plan to ensure timely maintenance to increase longevity of fire facilities and grounds through a scheduled repair and maintenance program.
- Continue efforts to reduce the incidence of fires through the annual fire and life safety inspection program.
- Continue to analyze traffic congestion and community fire risk based on structural and/or industry hazard classification to ensure that appropriate standards of response are in place.
- Participate in the City's video conferencing pilot project to provide more effective and efficient communication and training for on-duty personnel.
- Formalize, develop and implement a succession plan for key management staff.
- Continue to comply with new National Incident Management System and National Response Framework standards.
- Increase Officer Development Training and training at the National Fire Academy.
- Complete annual compliance report required to retain Accredited status from the CFAI.
- Work collaboratively with King County EMS on the implementation of the financial policies and strategic initiatives outlined in the 2008-2013 EMS Strategic and Financial Plans.
- Facilitate City's homeland security activities including regional strategic planning, training, exercising, and equipping of personnel. Act as project lead, in the development of a Regional Structural Collapse Rescue Plan under a Regional Catastrophic Planning Grant.
- Prepare for the transition to new dispatch agency (NORCOM) by participating on the executive, operations and technical committees.
- Develop and seek Council adoption of new elements of the Regional Disaster Plan for Public and Private Organizations in King County.
- Continue to provide EMS support for community events and visiting dignitaries.
- Target educational opportunities to reach disadvantaged citizens, e.g. provide multi-language educational programs and materials.
- Continue to participate in the Regional Firefighter Testing Consortium and work with regional partners to enhance opportunities for diversity recruitment.
- Develop comprehensive emergency response and evacuation plan for Overlake Hospital with a specific focus on the evacuation of patients located in ICU and CCU.
- Participate in regional homeland security and emergency management initiatives and grant programs with such projects involving training. Planning in evacuation, debris management, mass sheltering, vulnerable populations and mass medical support; and interoperable communications. Zone 1 emergency management coordination.
- Complete a continuity of operations plan (COOP) internally for City departments as well as advocating such planning for local businesses. Work with Department Command Centers and their transition to ICS.
- As required under the Emergency Management Program Grant, conduct a functional exercise of the Emergency Operations Center (EOC).
- Deliver skills-based trainings to schools, businesses and neighborhoods.
- Continue to coordinate our Amateur Radio volunteer group (EARS); conducting monthly meetings/training, participating in quarterly WA State radio drills, and conducting routine drills with local jurisdictional agencies.
- Participate in Regional Disaster Plan development and meetings; provide the City Council with necessary updates and information sharing on plan progress.
- Represent the City of Bellevue on the King County Emergency Management Advisory Committee (EMAC) responsible for addressing region-wide emergency management and homeland security endeavors.
- Continue to utilize volunteer trainers and EPD staff to deliver SPAN (Strengthening Preparedness Among Neighbors) program training to citizens.

# Fire

- Continue to participate in the Urban Areas Security Initiative (UASI) by representing the City on the UASI Working Group and the UASI Core Group.
- Develop an Evacuation Plan for the City and provide associated training to the Emergency Management Committee and Emergency Operations Board.

## Major Challenges for the Biennium

- As major construction projects are completed (7,000,000 s.f. in 2008 alone) and begin to be occupied, fire alarm call volumes are expected to spike the first several years as kinks are worked out of these new systems. Long term these new facilities represent increases to annual inspection workload and medical call volumes due to the increase of population.
- Grants are anticipated to decline over the next several years due to reductions in Federal Department of Homeland Security and State Department of Emergency Management grant programs. In addition, the programs that remain may soon require a local match.
- Due to attrition and expansion, the Bellevue Fire Department has hired over 70 firefighters in the last five years. This represents 30% of the department's workforce. Currently 60% of the chief officers and 32% of the first line supervisors (Fire Lieutenants and Fire Captains) are eligible for retirement. This represents a significant opportunity for newer members of the department to assume leadership roles. Providing the appropriate training will be key to preparing personnel for these new roles.
- Recent national events clearly demonstrate the need for community and business preparedness, as well as having in place comprehensive planning, training, exercise, response and recovery programs. Over the next several years emergency management agencies must continue to meet ever increasing state and federal directives in order to access federal funding. There is also the likelihood that nation-wide certification of all emergency management programs will be required in the near future.

# Fire
# Emergency Medical Services

## Program Statement

The Emergency Medical Division seeks to provide the highest quality of medical care possible under emergency conditions to mitigate loss of life, pain and suffering, and enhance the possibilities for rapid and complete patient recovery.

## Summary of Services Provided

The Emergency Medical Services (EMS) program provides for a prompt and appropriate response to medical and traumatic emergencies. The program includes dispatcher assistance and a rapid tiered response by the closest Fire Department apparatus. Bellevue Firefighters and Paramedics provide patient assessment, treatment, and transportation to the appropriate medical facility, with the care of the patient being the primary focus. Emphasis is placed on rapid initial response, appropriate utilization of equipment and personnel and ongoing involvement of the citizenry through community wide CPR training.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 464,931 | 572,873 | 608,746 | 609,277 |
| Advanced Life Support | 5,867,044 | 5,994,633 | 6,399,957 | 6,635,844 |
| ALS Supplies/Equipment | 93,925 | 96,352 | 94,282 | 96,639 |
| Basic Life Support | 9,171,063 | 9,858,686 | 10,793,833 | 11,198,807 |
| BLS Supplies/Equipment | 31,610 | 32,432 | 33,275 | 34,107 |
| Central Stores | 19,472 | 19,979 | 20,498 | 21,010 |
| CPR Program | 15,000 | 13,000 | 17,000 | 17,000 |
| Fire LEOFF I Medical Reserve | 454,933 | 514,074 | 134,092 | 148,841 |
| Homeland Security/UASI Grants | 47,000 | 50,000 | 65,000 | 65,000 |
| Operating Grants | - | - | 21,000 | 21,000 |
| S/M - Facilities | 169,764 | 176,391 | 184,947 | 190,674 |
| Training | 206,248 | 215,295 | 228,112 | 236,403 |
| **Base Budget** | **16,540,990** | **17,543,714** | **18,600,742** | **19,274,604** |
| **Reserves** | **4,053,951** | **3,834,748** | **4,394,659** | **4,527,189** |
| **Total Budget** | **20,594,941** | **21,378,462** | **22,995,401** | **23,801,792** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 12,231,803 | 13,332,162 | 14,885,630 | 15,437,221 |
| Interfund | 1,881,524 | 2,090,425 | 1,693,049 | 1,759,624 |
| M & O | 2,395,862 | 2,121,127 | 2,022,063 | 2,077,758 |
| Capital | 31,800 | - | - | - |
| **Total Expenditures** | **16,540,990** | **17,543,714** | **18,600,742** | **19,274,604** |
| **Total Reserves** | **4,053,951** | **3,834,748** | **4,394,659** | **4,527,189** |
| **Total Budget** | **20,594,941** | **21,378,462** | **22,995,401** | **23,801,792** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 16,024,057 | 16,966,640 | 18,363,651 | 19,022,763 |
| LEOFF I Medical Reserve Fund | 4,455,884 | 4,333,822 | 4,451,750 | 4,660,030 |
| Operating Grants/Donations/Sp Reserves Fund | 115,000 | 78,000 | 180,000 | 119,000 |
| **Total Resources** | **20,594,941** | **21,378,462** | **22,995,401** | **23,801,792** |

# Fire
# Emergency Medical Services

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 2.29 | 3.33 | 3.33 | 3.33 |
| Advanced Life Support | 40.52 | 41.42 | 42.32 | 42.32 |
| Basic Life Support | 80.10 | 82.16 | 85.30 | 85.30 |
| Training | 1.45 | 1.45 | 1.45 | 1.45 |
| **Total FTE** | **124.36** | **128.36** | **132.40** | **132.40** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Increase the number of citizens trained in CPR** | | | | | | |
| # of persons trained in CPR | # | Workload | 535 | 450 | 450 | 450 |
| **Maximize the cardiac arrest survival rate** | | | | | | |
| Cardiac arrest survival rate | % | Effectiveness | 56 | 45 | 45 | 45 |
| # of citizens performing CPR in the field | # | Effectiveness | 69 | 70 | 70 | 70 |
| **Provide rapid patient care** | | | | | | |
| % of EMS Incidents where Response time <= 6 minutes | % | Effectiveness | 63 | 90 | 90 | 90 |
| Average Commit time/unit EMS calls (minutes) | # | Effectiveness | 33.70 | 30.00 | 30.00 | 30.00 |
| Number of patients treated | # | Workload | 10,912 | 11,200 | 11,500 | 11,700 |
| # of incidents requiring IV/airway therapy | # | Workload | 2,070 | 2,200 | 2,300 | 2,400 |
| Total EMS unit responses generated | # | Workload | 19,976 | 22,600 | 23,000 | 23,300 |
| Number of patients transported | # | Workload | 5,858 | 6,000 | 6,250 | 6,500 |
| % of EMS Incidents where Travel time <= 4 minutes | % | Effectiveness | 72 | 90 | 90 | 90 |
| % of EMS Incidents where Call Processing time <= 1 minute | % | Effectiveness | 71 | 90 | 90 | 90 |
| % of EMS Incidents where Turnout time <= 1 minute | % | Effectiveness | 32 | 90 | 90 | 90 |
| Total emergency medical calls | # | Workload | 13,525 | 13,600 | 13,850 | 14,100 |

## Issues related to Department Performance

Cardiac arrest survival rate: Bellevue Fire Department utilizes the Utstein formula to determine its cardiac survival rate. This is a standard performance criteria that King County EMS uses to measure cardiac survival rate. This formula defines survival as witnessed cardiac patients who were resuscitated and discharged from the hospital. In 2007, Bellevue Fire Department's survival rate was 56% which exceeds the King County average of 45.5%. Bellevue Firefighters and Paramedics continue to work as part of the international Resuscitation Outcomes Consortium (ROC), which is designed to study ways to maximize cardiac survival rates. For our participation in this program, Bellevue received state-of-the-art defibrillators that provide instant feedback about CPR quality.

Emergency Response Times: Upgraded mobile data terminals, a new station alerting system and a focus on turnout times has shown a continuous improvement in EMS response time. A monthly “exception” report is now published to identify the incidents that have a longer than average response time. The report categorizes the causes between dispatcher processing, turnout and actual travel time. Supervisors use the report to determine trends that result in increasing response times

A new staffed aid unit was added in 2007: This unit was strategically placed to decrease response times in South Bellevue and to provide enhanced patient transport to the citizens of the area. This aid unit is not required to be cross-staffed by Firefighters from a fire engine, thus acts as an additional resource for the area.

# Fire
# Emergency Medical Services

Number of EMS service requests/unit responses generated: 2007 requests for emergency medical assistance increased slightly over 2005 statistics, but remained below the unusually high 2006 statistics. Incidents are expected to increase over the next several years as a result of the increase in daytime and resident populations in the City.

## Program Notes

Bellevue Fire is supported by state-of-the-art technology, an effective dispatch system and cooperative relationships with local medical facilities and other regional EMS providers. These resources have allowed for the department to continue to provide our citizens with the best emergency medical care possible. New EMS initiatives scheduled to be implemented in the near future include: an increased focus on hypertension and diabetes screening and reporting; the introduction of hypothermic therapy for cardiac arrest victims; and preparedness training for mass casualty and active shooter incidents.

Continuous monitoring of cardiac arrest outcomes, response times and on-scene commit times will continue in a effort to identify shortfalls and best practices.

# Fire
# Emergency Preparedness

## Program Statement

The Emergency Preparedness program directs and coordinates City and community activities designed to minimize the impact of disaster and uncontrolled events that affect the community and environment. These activities include preparedness, mitigation, response readiness and recovery planning.

## Summary of Services Provided

The Emergency Preparedness Division of the Bellevue Fire Department leads an interdepartmental effort to develop and maintain an emergency operations program for the City of Bellevue that maximizes the use of all City resources and prepares all segments of the community for disaster. The program also integrates plans, resources, and training with all necessary public agencies to most effectively manage the City's preparation for, response to, and recovery from the effects of any disaster.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 17,882 | 22,034 | 23,413 | 23,434 |
| Emergency Preparedness | 366,231 | 404,408 | 439,246 | 456,001 |
| Emergency Preparedness - EOC | 79,044 | 88,293 | 62,633 | 64,012 |
| Operating Grants | 78,619 | 426,491 | 424,000 | 103,000 |
| **Base Budget** | **541,776** | **941,226** | **949,292** | **646,446** |
| **Total Budget** | **541,776** | **941,226** | **949,292** | **646,446** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 306,571 | 370,605 | 490,492 | 416,461 |
| Interfund | 168,075 | 175,846 | 163,048 | 167,507 |
| M & O | 67,130 | 394,775 | 295,752 | 62,478 |
| Capital | - | - | - | - |
| **Total Expenditures** | **541,776** | **941,226** | **949,292** | **646,446** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 463,157 | 514,735 | 525,292 | 543,446 |
| Operating Grants/Donations/Sp Reserves Fund | 78,619 | 426,491 | 424,000 | 103,000 |
| **Total Resources** | **541,776** | **941,226** | **949,292** | **646,446** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 0.09 | 0.09 | 0.13 | 0.13 |
| Emergency Preparedness | 2.56 | 2.56 | 2.56 | 2.56 |
| Operating Grants | 1.04 | 1.04 | 1.04 | 1.04 |
| **Total FTE** | **3.69** | **3.69** | **3.73** | **3.73** |

# Fire
# Emergency Preparedness

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Maintain the City's disaster response readiness** | | | | | | |
| EOB/EMC training programs | # | Effectiveness | 13 | 10 | 10 | 10 |
| Number of exercises | # | Workload | 2 | 1 | 1 | 1 |
| **Reduce demand for responders during disaster** | | | | | | |
| Major outreach campaigns | # | Workload | 3 | 2 | - | - |
| Preparedness audiences reached | # | Workload | 2,911 | 600 | 600 | 600 |
| Preparedness programs taught | # | Workload | 23 | 20 | 20 | 20 |
| Response training programs | # | Effectiveness | 8 | 8 | 8 | 8 |
| Roles & Resp. Class | # | Effectiveness | 6 | 4 | 4 | 4 |
| Volunteers utilized | # | Effectiveness | - | 100 | - | - |

## Issues related to Department Performance

Emergency Preparedness Response Hands On Skilled Training Programs: The community continues to be interested in receiving emergency response training. The Emergency Preparedness Education Coordinator and firefighters provide instruction in light search and rescue, disaster medical operations, fire suppression, and disaster communications. A total of eight to nine sessions are now scheduled each year to provide these valuable skills to interested schools, businesses, and organized SPAN neighborhoods. The previous target of providing 25 of these training sessions each year proved to be unrealistic given the current workload and responsibilities of the one educator assigned to the Division. Hiring an additional public educator has been identified as a critical Division need in the Fire Department Strategic Plan.

Emergency Preparedness audiences reached: Following a major emergency or disaster, there is generally a significant increase in public interest in emergency preparedness education programs. The Emergency Preparedness Division takes advantage of these often brief “teachable moments” to actively engage the community in the benefits of personal preparedness and planning. Our SPAN (Strengthening Preparedness Among Neighbors) program was restructured in 2007 to better utilize the limited staffing in the Emergency Preparedness Division. Instead of providing small classes “on-demand”, the classes are now scheduled on a regular basis and held in a public facility. This format enables larger groups, as well as individuals, to receive basic preparedness training whether they are part of an organized neighborhood group or not. The target numbers for this measure previously included the number of individuals contacted at major outreach campaigns. 2008 target numbers in this category have been reduced to account for the fact that we are now only including individuals who actually participate in a training session provided by the Division.

In an effort to reach out to the widest audience in our community, a multi-language video was developed in 2007 and 2008 utilizing approximately $35,000 in federal grant funding. Emergency preparedness messages were videotaped in seven languages and are available for viewing on the City website. In addition to providing the videos on the website, a total of 26,000 DVDs were purchased and are being distributed free of charge at Bellevue City Hall, Crossroads Mini City Hall, Bellevue Community Centers, and all Bellevue Fire Stations.

## Program Notes

# Fire
# Emergency Preparedness

In 2007 and 2008, considerable time was devoted to completing a major update of the City's Emergency Operations Plan (EOP) to be consistent with County, State, and Federal plans and to comply with new requirements. The EOP is required to be updated at least once every four years.

The Emergency Preparedness Division lead a inter-departmental team that developed the City's first Hazard Mitigation Plan Annex to the King County Regional Hazard Mitigation Plan. This significant accomplishment now makes the City eligible for Federal grant funding to address pre-disaster hazard mitigation.

The Division also participated in a number of regional emergency management initiatives that will benefit the City with better preparedness and stronger relationships. Recent regional initiatives include planning for vulnerable populations, developing an evacuation plan template, and developing sheltering and logistical support guidelines. These planning efforts will continue into 2009 and 2010.

The federal government continues to require that local jurisdictions comply with a number of new requirements each year to remain eligible for federal grant funds. To meet 2008 requirements, the department spent time coordinating training sessions and reporting on ICS 300 and ICS 400 training completed by staff. Such National Incident Management System (NIMS) compliance issues will likely continue into the coming years in order for the City to be eligible for federal grant funding.

Citizens and private sector awareness has increased due to national and international significant events (i.e. 9/11, Hurricane Katrina and the Tsunami in Indonesia). Local emergency management programs are increasingly inundated by the Department of Homeland Security and Presidential directives. This is reflected in an increase in emergency preparedness demands on educational programs and resources. To remain eligible for any federal grant funding, Bellevue must continue to comply with the requirements of the National Incident management System. Efforts will be made to continue seeking grant funds and other resources to meet ever- increasing demands for planning, education and recovery.

# Fire
# Fire Prevention

## Program Statement

The Fire Prevention program, through the process of fire protection engineering, fire code enforcement, and fire investigation ensures a safe environment for the people who live, visit or conduct business in the City of Bellevue.

## Summary of Services Provided

The Fire Prevention program is designed to support the Fire Department's mission through quality delivery of a multifaceted fire and life safety improvement strategy. This program consists of six functional areas: Plans Review, Code Enforcement, Investigation, Hazardous Materials, Special Projects and Administration. These sections inform and educate the public, conduct new construction plan reviews, perform fire code and life safety inspections, and investigate fires. Particular emphasis is directed toward those citizens who face a disproportionately high risk of death due to fire. These groups include the very young, the elderly, immigrant populations, and disabled persons.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 44,705 | 55,084 | 58,533 | 58,584 |
| Fire Prevent/Educate | 16,000 | 16,000 | 25,000 | 25,000 |
| Fire Prevention | 1,878,481 | 2,100,473 | 2,251,358 | 2,291,659 |
| S/M - Facilities | 16,015 | 16,641 | 17,448 | 17,988 |
| **Base Budget** | **1,955,201** | **2,188,198** | **2,352,339** | **2,393,231** |
| **Reserves** | **22,000** | **16,000** | **20,000** | **5,000** |
| Fire Prevention Senior Office Assistant | - | - | 23,454 | 75,593 |
| **Program Enhancements** | **-** | **-** | **23,454** | **75,593** |
| **Total Budget** | **1,977,201** | **2,204,198** | **2,395,793** | **2,473,824** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,494,736 | 1,682,488 | 1,816,195 | 1,893,942 |
| Interfund | 233,032 | 260,523 | 297,359 | 306,678 |
| M & O | 227,434 | 245,186 | 262,238 | 268,204 |
| Capital | - | - | - | - |
| **Total Expenditures** | **1,955,201** | **2,188,198** | **2,375,793** | **2,468,824** |
| **Total Reserves** | **22,000** | **16,000** | **20,000** | **5,000** |
| **Total Budget** | **1,977,201** | **2,204,198** | **2,395,793** | **2,473,824** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,939,201 | 2,172,198 | 2,350,793 | 2,443,824 |
| Operating Grants/Donations/Sp Reserves Fund | 38,000 | 32,000 | 45,000 | 30,000 |
| **Total Resources** | **1,977,201** | **2,204,198** | **2,395,793** | **2,473,824** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 0.22 | 0.22 | 0.32 | 0.32 |
| Fire Prevention | 15.00 | 15.00 | 17.00 | 17.00 |
| **Total FTE** | **15.22** | **15.22** | **17.32** | **17.32** |

# Fire
# Fire Prevention

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **100% fire code compliance for new construction** | | | | | | |
| Fire loss in Inspected Buildings ($000) | $ | Effectiveness | 1,801 | 500 | 500 | 500 |
| Number of Inspectable Occupancies | # | Workload | 8,304 | 8,400 | 8,400 | 8,500 |
| Percentage of plans approved within 14 days | % | Efficiency | 59 | 80 | 80 | 80 |
| Number of new construction inspections completed | # | Workload | 2,900 | 3,600 | 3,000 | 3,000 |
| **Conduct fire safety inspections all inspectable occupancies** | | | | | | |
| Fires per capita (per 1000) | # | Effectiveness | 2.94 | 3.60 | 3.60 | 3.60 |
| Total inspectable fire loss per capita (per 1000) | $ | Effectiveness | 13.75 | 25.00 | 25.00 | 25.00 |
| Number of Fires Reported | # | Effectiveness | 385 | 450 | 450 | 450 |
| % of Routine/Self Inspections Completed | % | Efficiency | 100 | 100 | 100 | 100 |
| **Minimize loss caused by disasters and other emergencies** | | | | | | |
| High Rise drills conducted | # | Workload | 34 | 35 | 40 | 45 |
| **Reduce demand for responders during disaster** | | | | | | |
| # of Fire/Injury programs taught | # | Workload | 83 | 140 | 120 | 120 |
| **Reduce the reoccurrence of fire by cause/origin detection** | | | | | | |
| Number of fire investigations | # | Workload | 32 | 50 | 50 | 50 |

## Issues related to Department Performance

- Fire Loss in Inspected Buildings: Efforts to minimize or eliminate fire loss in commercial, industrial, educational, and multi-family residential (MFR) buildings are a key component to the community's risk management strategy. National studies suggest that an annual fire inspection program reduces fire loss. In order to ensure that all occupancies are inspected on a regular basis, the Fire Department assigns specific geographical inspection areas and/or occupancy types to individual Fire Prevention Officers or fire crews. While total Fire loss in inspected buildings has remained fairly constant over the last four years, any significant Commercial or MFR structure fire may result in the department significantly exceeding the target goal for this performance measure. It should be noted that MFR buildings are only evaluated by Fire personnel in the common areas, the majority of fires in this type of occupancy start in the non-inspectable residential areas. Therefore, public education and prevention efforts are the most effective in preventing fire in MFR buildings.

- Fire Safety Programs: In an effort to make a positive impact on fire loss for single family residential buildings and the "private" areas of multi-family residential areas where the department cannot perform inspections, the Department's Public Education Coordinator has produced a number of public service announcements and videos in multiple languages available via the City's cable TV channel, the Internet and in some cases distributed as CD's that seek to raise awareness and thereby reduce fire loss, examples include cooking safety, "we can't help you if we can't find you", smoke detectors, and fire department access.

- Number of annual fire inspections: In total, there are approximately 8,336 occupancies in the City of Bellevue and contract communities requiring annual fire and life safety inspections. The "fire company inspection" program utilizes on-duty firefighters to inspect less complex structures and occupancies. In 2008, Fire companies will conduct 4,872 occupancy inspections. The department's Fire Prevention Officers are assigned to inspect more complex occupancies that represent significant life and safety hazards. In 2008, the Fire Prevention Division will complete 3,467 inspections. 2008 represents the third year in a row that the department completed all assigned annual inspections, a goal that was first achieved in 2006. The department continues to explore and implement efficiencies to complete all annual fire and life safety inspections.

# Fire
# Fire Prevention

- Percentage of Plans Approved: As the focus on development within Bellevue has shifted to complex high-rise structures, the amount of time and expertise to address issues related to construction has greatly decreased the percentage of permits meeting the target measure. Although the number of permits has remained fairly constant the greater complexity and level of ambiguity within the code has required each reviewer to spend a proportionally greater amount of time reviewing each structure. An additional reviewer was hired in 2007 and every effort is made to take advantage of specific skill sets within the Fire Prevention Division to ensure that life safety is not compromised during the plan review and construction process.

- High Rise drills conducted: All high-rise structures in Bellevue are required to perform an Annual Fire Drill. These drills are coordinated by the Fire Prevention Public Educator with assistance from both Fire Prevention and Suppression personnel. By the end of 2010, 20 new high-rise structures will be added to the existing 32, an increase of 60% of the current workload, greatly straining the capability of the department to deliver other Public Education classes.

## Program Notes

The key performance indicators are expected to remain relatively constant over the biennium. Workload related to new construction projects is expected to remain constant in 2009 and decrease somewhat in 2010. However, the Fire Department is unique among City departments in that construction project completion does not obviate the workload associated with that project. The building transitions from a construction code enforcement focus to a Fire and Life Safety code enforcement perspective as each new commercial, industrial, and MFR building require continued annual inspections. The resource needs to maintain service levels relative to fire and life safety inspections have not kept up with growth. In 2008, over 7,000,000 square feet of new inspectable buildings have been occupied, with an additional 5,000,000+ square feet remaining in the development pipeline. This represents a 78% increase in the inspectable square footage in the City, with a majority of the construction occurring in high rise structures located in the Central Business District (CBD). These complex inspections require the expertise of dedicated Fire Prevention staff, and cannot be performed by Suppression personnel, thereby ensuring that the Fire Department must be vigilant in finding efficiencies in order to continue to meet its goal in inspecting every eligible structure annually.

The following measures have been implemented to stretch capacity, but inspection frequency is expected to fall below industry standards without additional resources:

- Reorganized Fire Prevention inspectors into teams to enhance inspection efficiency.
- Recruited one (1) additional inspector to fill a new FTE position and conducted recruitment to fill vacant position.
- After a successful pilot program, directed staff, upon conclusion of inspecting a building, to deal exclusively with the building owner or manager rather than individual tenants.
- Implemented an Interactive Voice Response (IVR) system to record the results of annual inspections from the field, effectively streamlining the process, significantly reducing paperwork, increasing staff accountability and providing instant internet access to the information.
- Modified the business practice of construction permit activity in the Contract Cities (Beaux Arts, Clyde Hill, Hunts Point, Medina, Newcastle and Yarrow Point) to mirror the processes utilized within the City of Bellevue. The result is greater efficiency, lower error rate, increased accountability and increased access to information for our customers.

# Fire
# Fire Suppression & Rescue

## Program Statement

Fire Suppression and Rescue exists to control risk to life, property and community vitality, which may be threatened by fire or other emergency events, through the strategic deployment of resources and rapid response of personnel and equipment.

## Summary of Services Provided

The Fire Suppression and Rescue program is designed to minimize loss of life and property. The program is delivered utilizing strategically placed staff and physical resources that extinguish fires and engage in physical rescue activities. Other activities include mandatory and specialized training, continuing education for all members to maintain compliance with State and Federal safety standards, conducting annual fire/code enforcement and life safety inspections, educating the public, and providing basic medical life support.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 366,580 | 451,688 | 479,973 | 480,392 |
| Central Stores | 15,300 | 15,697 | 16,106 | 16,508 |
| Fire LEOFF I Medical Reserve | 454,933 | 514,074 | 134,092 | 148,841 |
| General CIP Projects | 1,945,000 | 1,841,000 | 2,826,000 | 644,000 |
| Homeland Security/UASI Grants | - | - | - | - |
| Operating Grants | 290,200 | 150,000 | 130,000 | 130,000 |
| Pension-Suppression | 259,675 | 277,067 | 336,319 | 349,059 |
| S/M - Facilities | 134,530 | 139,781 | 146,562 | 151,100 |
| SCBA Equipment/Repair | 10,537 | 10,811 | 14,326 | 14,687 |
| Suppression | 11,549,072 | 12,339,490 | 13,108,495 | 13,569,774 |
| Training | 206,248 | 215,295 | 228,112 | 236,403 |
| **Base Budget** | **15,232,074** | **15,954,904** | **17,419,984** | **15,740,765** |
| **Reserves** | **10,640,179** | **10,624,624** | **11,164,991** | **11,529,179** |
| MSP - Clean Water Act Compliance - Fire Department | - | - | 30,000 | - |
| **Program Enhancements** | **-** | **-** | **30,000** | **-** |
| **Total Budget** | **25,872,253** | **26,579,528** | **28,614,975** | **27,269,943** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 8,508,575 | 9,298,450 | 10,669,664 | 11,069,817 |
| Interfund | 2,531,613 | 2,755,461 | 2,268,381 | 2,338,548 |
| M & O | 2,246,886 | 2,059,993 | 1,685,939 | 1,688,400 |
| Capital | 1,945,000 | 1,841,000 | 2,826,000 | 644,000 |
| **Total Expenditures** | **15,232,074** | **15,954,904** | **17,449,984** | **15,740,765** |
| **Total Reserves** | **10,640,179** | **10,624,624** | **11,164,991** | **11,529,179** |
| **Total Budget** | **25,872,253** | **26,579,528** | **28,614,975** | **27,269,943** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 12,282,266 | 13,172,763 | 14,023,573 | 14,468,865 |
| LEOFF I Medical Reserve Fund | 4,455,884 | 4,333,822 | 4,451,750 | 4,660,030 |
| Operating Grants/Donations/Sp Reserves Fund | 355,457 | 174,257 | 130,000 | 130,000 |
| General CIP Fund | 1,945,000 | 1,841,000 | 2,826,000 | 644,000 |
| Firemen's Pension Fund | 6,833,646 | 7,057,686 | 7,183,651 | 7,367,049 |
| **Total Resources** | **25,872,253** | **26,579,528** | **28,614,975** | **27,269,943** |

# Fire
# Fire Suppression & Rescue

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 1.80 | 1.80 | 2.62 | 2.62 |
| Suppression | 86.08 | 90.08 | 91.08 | 91.08 |
| Training | 1.45 | 1.45 | 1.45 | 1.45 |
| **Total FTE** | **89.33** | **93.33** | **95.15** | **95.15** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Confinement of fires to room of origin** | | | | | | |
| % of fires confined to room of origin | % | Effectiveness | 82 | 85 | 85 | 85 |
| # of fire & rescue service requests | # | Workload | 3,305 | 3,100 | 3,200 | 3,300 |
| % of fires confined to structure of origin | % | Effectiveness | 100 | 99 | 99 | 99 |
| **Minimize loss of life and property** | | | | | | |
| Overall fire loss ($000) | $ | Effectiveness | 5,652 | 3,000 | 3,500 | 3,600 |
| # of lives lost per 100,000 population | # | Effectiveness | - | - | - | - |
| # of Fire unit responses generated | # | Workload | 8,356 | 8,340 | 8,400 | 8,500 |
| % of Fire Incidents where Response time <= 6 minutes | % | Effectiveness | 49 | 90 | 90 | 90 |
| % of Fire Incidents where Travel time <= 4 minutes | % | Effectiveness | 71 | 90 | 90 | 90 |
| % of Fire Incidents where Turnout time <= 1 minute | % | Effectiveness | 17 | 90 | 90 | 90 |
| % of Fire Incidents where Call Processing time <= 1 minute | % | Effectiveness | 57 | 90 | 90 | 90 |
| **Provide quality management and training** | | | | | | |
| # of Annual Company Fire Inspections | # | Workload | 4,917 | 4,000 | 4,900 | 4,900 |
| # of annual individual training hours | # | Workload | 40,059 | 32,000 | 35,000 | 36,000 |

## Issues related to Department Performance

Emergency Response Times: The department has maintained a concerted effort to reduce turnout times and overall response times. In the last couple of years, in addition to management actions, the use of technology such Mobile Data Terminals (MDT), Automatic Vehicle Locating (AVL) devices, and, most recently, a new station alerting system, have resulted in a positive impact in overall response times. Locution alone has saved an average of 15 to 20 seconds per dispatch. For example, in 2005 the department was responding to all emergencies six minutes or less 51% or the time, by 2007 the response time had improved to 61% and by the second quarter of 2008, 73%. Additionally, the City Council approved a part-time medical aid unit in July 2007; this unit became fully active on a 24 hours basis on January 1, 2008. This additional resource has had a positive impact on overall response times and major incidents that have occurred since its inception. In November 2008, additional staffing will be used to staff a ladder company in the Central Business District (CBD).

Percent of fires confined to room of origin: This standard provides a common measure by which a fire department's performance can be evaluated. This measure is influenced by a number of factors, which include: fire protection systems, age of the structure, on-duty staffing levels, response times, and other factors. In 2007, there were 111 structure fires in the City of Bellevue and the contract communities. 82% of these fires were confined to the room of origin, 3% below our target of 85%.

Number of Fire service requests/unit responses generated: In 2007 there were 385 fires reported, 111 were structural fires occurring within the Bellevue Fire Department Suppression/BLS service area. This trend is consistent with historic levels. In the first two quarters of 2008 the trend has continued just above historic levels. The department continues to use fire prevention as the

number one strategy to mitigate fire responses. In 2007 fire loss exceeded $5,600,000. It is important to note that in 2007 the department did not experience any serious weather events such as in 2006 when the region was battered with wind and snow storms. The department continues its efforts to mitigate emergency events through four major programs: Public education, In-Service Company Inspection, Injury and illness prevention, and Referral to other types of assistance when medically appropriate.

Number of annual individual training hours: Training is a key component of departmental operational readiness and is predominately conducted at the company level. This allows the department to keep units inservice and available for emergency response. In 2007, training hours exceeded targets, in contrast to 2006 when a recruit academy was not held. Also, in 2007 the department received two federal grants: an Urban Area Security Initiative (UASI) and an Assistance to Firefighter Grant (AFG). Each of these grants provides funds for training and equipment. These grants, in combination with a fourteen person recruit academy will dramatically increase training hours for 2008.

## Program Notes

The Department expects significant turnover of personnel due to retirements in the next five years. The officer ranks will be hit especially hard, all but two of the department's Chief Officers and approximately 1/3 of the department's company officers are currently eligible for retirement. In 2009 and 2010, the department expects to conduct one to two fire academies per year due to turnover. In addition, the Department has also submitted an Assistance to Firefighter Grant (AFG) application for Officer Development to address the attrition in officers expected over the next few years.

The Department continues to fall short of the target for percent of structure fire incidents with a total response time of 6 minutes or less. However, this shortfall has not yet affected the department's ability to manage outcomes in confining fires to room and/or structure of origin.

# Fire

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Fire Suppression & Rescue | 31,186,978 | 33,160,749 | 6 % |
| Emergency Medical Services | 34,084,704 | 37,875,346 | 11 % |
| Fire Prevention | 4,143,399 | 4,745,570 | 15 % |
| Emergency Preparedness | 1,483,002 | 1,595,738 | 8 % |
| **Base Budget** | **70,898,082** | **77,377,403** | **9 %** |
| **Reserves** | **14,475,372** | **16,061,367** | **11 %** |
| Fire Prevention Senior Office Assistant | - | 99,047 | - |
| MSP - Clean Water Act Compliance - Fire Department | - | 30,000 | - |
| **Program Enhancements** | **-** | **129,047** | **-** |
| **Total Budget** | **85,373,454** | **93,567,817** | **10 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 47,225,389 | 56,679,423 | 20 % |
| Interfund | 10,096,500 | 8,994,194 | (11)% |
| M & O | 9,758,393 | 8,362,833 | (14)% |
| Capital | 3,817,800 | 3,470,000 | (9)% |
| **Total Expenditures** | **70,898,082** | **77,506,450** | **9 %** |
| **Total Reserves** | **14,475,372** | **16,061,367** | **11 %** |
| **Total Budget** | **85,373,454** | **93,567,817** | **10 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 63,535,016 | 71,742,207 | 13 % |
| LEOFF I Medical Reserve Fund | 9,577,510 | 9,588,242 | - % |
| Operating Grants/Donations/Sp Reserves Fund | 1,157,567 | 1,064,000 | (8)% |
| General CIP Fund | 3,786,000 | 3,470,000 | (8)% |
| Firemen's Pension Fund | 7,317,361 | 7,703,368 | 5 % |
| **Total Resources** | **85,373,454** | **93,567,817** | **10 %** |

# Fire

## Fire Prevention Senior Office Assistant

**Enhancement: FIRCBA01**

**Enhancement Description**

The Fire Prevention division currently has one LTE assigned to provide administrative support to the entire division. This request is to convert the existing LTE position to an FTE.

The duties of the position include: answering the Fire Prevention and the Department's main phone lines; timekeeping and Amanda system billing entries for new construction; fire protection system Confidence Test Report screening and follow-up; fire protection system impairment notification screening and follow-up; preventable response billing; code violation billing; assisting with operational permit billing; Knox Box program support and record keeping; and other administrative duties typically assigned to this level of position.

As mentioned above, one of the primary duties of this position is to answer both the Fire Prevention Division and Department's main phone lines. This position has more contact with the public than any other position in the Department. The Department employs a part-time employee and student interns to assist with providing this customer service. These positions routinely change over and an experienced staff member is needed to provide training assistance to the new employees. This position has provided this training and assistance, thereby ensuring the quality of services provided to the public.

**State/Federal/Industry Mandates**

None.

**Goals and Objectives**

The Fire Prevention Division has a responsibility to enforce all fire codes. This means that all inspections are completed and enforcement actions taken, including the assessment of fines for code violations where appropriate.

**Consequences of Not Funding**

Prior to hiring the LTE, many of the duties assigned to this position were performed by a long-time employee. After she passed away, the position was eliminated. The Department tried, but failed, to accomplish all the necessary tasks with existing staff. Since then, new development has significantly increased the amount of square footage that must be inspected in the City resulting with a corresponding increase of the ongoing workload for the Fire Prevention Division and this position. The Fire Department has a responsibility to ensure that buildings are safe. Ensuring that buildings are safe means ensuring that our current Fire Prevention Programs are maintained.

If this request is not approved, the work currently performed by this employee will have to be re-distributed to Fire Prevention technical staff within the division. This will result in fewer inspections and plan reviews being performed and a degradation of existing Fire Prevention program. In addition, since this position is responsible for answering the Fire Prevention and the Department's main phone lines, the Department would be forced to utilizing automated voicemail for customer inquires. This would have a negative impact on Departmental customer service, and we would not be adhering to the City's Core Value of providing "Exceptional Public Service."

**Equipment Requirements**

None.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **23,454** | **75,593** |
| **New Revenues Generated** | **107,000** | **7,000** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Fire

## MSP - Clean Water Act Compliance - Fire Department

**Enhancement: MSPFR01**

**Enhancement Description**

The following are the necessary resources needed by the Fire Department to comply with the Clean Water Act:

• Consultant(s) to review Fire Department activities at the Training Center and each of the 9 Fire Stations in order to determine what mitigation measures can be implemented to reduce and/or eliminate illicit discharges; assist with developing staff training program to raise awareness and understanding of permit compliance requirements; assist with developing outreach for contractors installing, maintaining or repairing fire sprinkler systems, standpipes, fire pumps and private supply for fire hydrants and sprinkler systems.

• Consultant(s) to assist the Fire Department in preparing Standard Operating Procedures to reduce and, whenever possible, eliminate illicit discharges.

• Educational efforts for our staff and customers that will explain the requirements of Clean Water Act compliance and corresponding modifications to our Standard Operating Procedures. Educational efforts will likely include: Presentations at All Officers meetings, production of streaming video, and creation of informational bulletins.

• Purchase and deployment of equipment and supplies such as de-chlorination tablets and catch basin filters as needed to neutralize potable water discharged to the outside.

**State/Federal/Industry Mandates**

The NPDES permit program is a requirement of the federal Clean Water Act, which is intended to protect and restore waters for "fishable, swimmable" users. The federal Environmental Protection Agency (EPA) has delegated permit authority to state environmental agencies. In Washington, the NPDES-delegated permit authority is the Washington State Department of Ecology. Implementation of various Permit conditions is phased throughout the a five year permit term ending February 15, 2012.

**Goals and Objectives**

The City Council is committed to complying with the Clean Water Act. Council has adopted policy on the issue to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan)

**Consequences of Not Funding**

The Department will not be able to comply with the requirements of the Clean Water Act.

**Equipment Requirements**

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **30,000** | **-** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Hotel/Motel Taxes

## Program Outcome Statement

Meydenbauer Center provides an economic engine to the community by creating jobs, tax revenues, and commercial activity in the City. The Center strives to operate in a manner that maintains its competitive position in the marketplace, maximizes local hotel room use to support the hotel industry and provides a facility for community events and performing arts while maintaining a self-supporting status.

## Services and Accomplishments

The City supports economic and cultural development efforts by remitting transient occupancy tax collections to the Bellevue Convention Center Authority (BCCA) in support of Meydenbauer Center operations and by providing oversight of Meydenbauer Center activities.

# Hotel/Motel Taxes

## Organizational Chart

Staff support for administration of this budget is provided by the Finance Department.

# Hotel/Motel Taxes

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Economic & Cultural Development | 7,048,790 | 7,863,633 | 8,117,054 | 9,008,491 |
| **Base Budget** | **7,048,790** | **7,863,633** | **8,117,054** | **9,008,491** |
| **Reserves** | **3,683,608** | **3,867,738** | **4,561,795** | **4,789,643** |
| **Total Budget** | **10,732,398** | **11,731,371** | **12,678,849** | **13,798,134** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Interfund | 1,462,811 | 1,791,439 | 1,451,000 | 1,457,000 |
| M & O | 5,585,979 | 6,072,194 | 6,666,054 | 7,551,491 |
| **Total Expenditures** | **7,048,790** | **7,863,633** | **8,117,054** | **9,008,491** |
| **Total Reserves** | **3,683,608** | **3,867,738** | **4,561,795** | **4,789,643** |
| **Total Budget** | **10,732,398** | **11,731,371** | **12,678,849** | **13,798,134** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Hotel/Motel Tax Fund | 10,011,608 | 11,013,738 | 11,959,500 | 13,078,500 |
| Interest & Debt Redemption-Regular Fund | 720,790 | 717,633 | 719,349 | 719,634 |
| **Total Resources** | **10,732,398** | **11,731,371** | **12,678,849** | **13,798,134** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No Staff | | | | |

# Hotel/Motel Taxes

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Economic & Cultural Development** | | | | | | |
| $ of economic impact generated ($ millions) | $ | Effectiveness | 17.90 | 22.40 | 21.70 | 21.90 |
| # of hotel nights generated (thousands) | # | Effectiveness | 15.90 | 18.00 | 18.50 | 19.10 |
| Customer service rating: quality of facility/equipment | % | Effectiveness | 99 | 95 | 95 | 95 |
| Customer service rating: food & beverage service/quality | % | Effectiveness | 95 | 95 | 95 | 95 |
| # of Meydenbauer Center events | # | Effectiveness | 382 | 406 | 418 | 430 |
| % of time hotel room-night goals met for Meydenbauer Center | % | Effectiveness | 116 | 100 | 100 | 100 |
| % of events target achieved - Meydenbauer Center | % | Effectiveness | 107 | 100 | 100 | 100 |
| % of theater target achieved - Days Booked | % | Effectiveness | 106 | 100 | 100 | 100 |
| Coverage ratio (operating revenues/operating expense) | % | Effectiveness | 92 | 93 | 93 | 93 |
| Theatre days booked | # | Effectiveness | 313 | 324 | 324 | 324 |
| % of theater target achieved - Performances | % | Effectiveness | 105 | 100 | 100 | 100 |
| # of Arts Performances | # | Effectiveness | 174 | 169 | 174 | 179 |

# Hotel/Motel Taxes

## 2009-2010 Work Initiatives

- Transfer hotel/motel tax to the BCCA pursuant to the Operating Agreement between the City and the BCCA.
- Annually update the hotel/motel tax forecast with area experts, City and BCCA staff, and the Bellevue hotel/motel community.
- Act as liaison between the BCCA and the City.
- Annually update/review with BCCA staff the BCCA Finance and Insurance Plans.
- Monitor and report on BCCA financial activity and operations.

## Major Challenges for the Biennium

- Providing support to the Meydenbauer Center during the 2009-2010 biennium to remain competitive in the current market.

# Hotel/Motel Taxes
# Economic & Cultural Development

## Program Statement

This program supports the City's economic and cultural development efforts by remitting hotel/motel tax collections to the Bellevue Convention Center Authority (BCCA) in support of Meydenbauer Center operations, by providing oversight of Meydenbauer Center, by acting as liaison between the City and the BCCA and by supporting Meydenbauer Center activities.

## Summary of Services Provided

Economic Engine

- One of the primary benefits Meydenbauer Convention Center provides to the community is economic impact. Events at Meydenbauer Convention Center bring people into the city which generates sales tax dollars for the region, stimulates employment, and increases business activity. Information obtained from the International Association of Convention and Visitors Bureaus (IACVB) is used to calculate the economic impact of Meydenbauer Convention Center activity. Based on the 2007 data, the estimated economic impact attributable to Meydenbauer Convention Center activity was $17.9 million.

Competitive Position in the Market Place

- Meydenbauer Convention Center's coverage ratio (ratio of operating revenues to operating expenses) for 2007 was 92%, exceeding its target of 88%. This rate compares favorably to the industry norm.

- Meydenbauer Convention Center continues to achieve an exceptional customer service rating. Customers are pleased with staff, food and beverage services, as well as the quality of the facility. The 2007 rating met or exceeded the targets set for all aspects of customer service.

- The number of events held at the Meydenbauer Convention Center totaled 382 for 2007, exceeding the target by 16%. Several event categories met or bettered their targets, with the main Events category generating the largest increase over budget.

Community Events

- Attendance at the Meydenbauer Convention Center Theatre totaled 42,084 in 2007, which was 5% greater than budgeted. Performances, totaling 174, exceeded budget by 5%. The coverage ratio for 2007 activity was at 53% compared to 51% budgeted.

Maximizing Hotel Use

- Meydenbauer Convention Center generated 32,455 hotel room nights attributable to events held at the Center, representing a 16% increase over projected activity. This measure is based on actual room nights booked for specific conventions within a reserved block of rooms. This methodology does not capture room nights booked outside the block – such as bookings made through the internet, which are becoming more prevalent with the discount prices available.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Hotel/motel Taxes | 6,329,000 | 7,147,000 | 7,399,000 | 8,290,000 |
| Limited Go - 2002 | 719,790 | 716,633 | 718,054 | 718,491 |
| **Base Budget** | **7,048,790** | **7,863,633** | **8,117,054** | **9,008,491** |
| **Reserves** | **3,683,608** | **3,867,738** | **4,561,795** | **4,789,643** |
| **Total Budget** | **10,732,398** | **11,731,371** | **12,678,849** | **13,798,134** |

# Hotel/Motel Taxes
# Economic & Cultural Development

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Interfund | 1,462,811 | 1,791,439 | 1,451,000 | 1,457,000 |
| M & O | 5,585,979 | 6,072,194 | 6,666,054 | 7,551,491 |
| **Total Expenditures** | **7,048,790** | **7,863,633** | **8,117,054** | **9,008,491** |
| **Total Reserves** | **3,683,608** | **3,867,738** | **4,561,795** | **4,789,643** |
| **Total Budget** | **10,732,398** | **11,731,371** | **12,678,849** | **13,798,134** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Hotel/Motel Tax Fund | 10,011,608 | 11,013,738 | 11,959,500 | 13,078,500 |
| Interest & Debt Redemption-Regular Fund | 720,790 | 717,633 | 719,349 | 719,634 |
| **Total Resources** | **10,732,398** | **11,731,371** | **12,678,849** | **13,798,134** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No Staff | | | | |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Assure Meydenbauer Center is available for community events** | | | | | | |
| % of theater target achieved - Days Booked | % | Effectiveness | 106 | 100 | 100 | 100 |
| % of theater target achieved - Performances | % | Effectiveness | 105 | 100 | 100 | 100 |
| **Assure Meydenbauer Center maintains its competitive position** | | | | | | |
| Customer service rating: quality of facility/equipment | % | Effectiveness | 99 | 95 | 95 | 95 |
| Customer service rating: food & beverage service/quality | % | Effectiveness | 95 | 95 | 95 | 95 |
| Coverage ratio (operating revenues/operating expense) | % | Effectiveness | 92 | 93 | 93 | 93 |
| Theatre days booked | # | Effectiveness | 313 | 324 | 324 | 324 |
| # of Arts Performances | # | Effectiveness | 174 | 169 | 174 | 179 |
| **Assure Meydenbauer Center provides economic stimulation** | | | | | | |
| $ of economic impact generated ($ millions) | $ | Effectiveness | 17.90 | 22.40 | 21.70 | 21.90 |
| # of Meydenbauer Center events | # | Effectiveness | 382 | 406 | 418 | 430 |
| % of events target achieved - Meydenbauer Center | % | Effectiveness | 107 | 100 | 100 | 100 |
| **Assure Meydenbauer Center supports hotel community** | | | | | | |
| # of hotel nights generated (thousands) | # | Effectiveness | 15.90 | 18.00 | 18.50 | 19.10 |
| % of time hotel room-night goals met for Meydenbauer Center | % | Effectiveness | 116 | 100 | 100 | 100 |

# Hotel/Motel Taxes
# Economic & Cultural Development

## Issues related to Department Performance

Lodging Tax revenue collections have begun to level off. Consistent with the slowing economy, 2008 revenues are projected to exceed 2007 collections but fall short of budget by 4%. The 2008 increase is primarily attributed to an increase in the average daily room rate over the past year. The 2009 forecast projects revenues to exceed 2008 collections by 9% and increase an additional 12% in 2010, primarily due to new hotels planned for 2009 and 2010 and a moderate increase in the average daily room rate.

## Program Notes

In June 2002, the City of Bellevue issued $10.5 million in 30-year Long Term General Obligation (LTGO) bonds in order to redeem the original Bond Anticipation Note (BAN). The residual proceeds were held to finance the acquisition of a site for future expansion and/or to finance capital improvements. In June 2006, the City closed on the purchase; the property is adjacent to the Center and preserves the opportunity for future expansion of the Convention Center.

City of Bellevue
2009-2010 Biennial Budget

# Hotel/Motel Taxes

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Economic & Cultural Development | 14,912,423 | 17,125,545 | 15 % |
| **Base Budget** | **14,912,423** | **17,125,545** | **15 %** |
| **Reserves** | **3,867,738** | **4,789,643** | **24 %** |
| **Total Budget** | **18,780,161** | **21,915,188** | **17 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Interfund | 3,254,250 | 2,908,000 | (11)% |
| M & O | 11,658,173 | 14,217,545 | 22 % |
| **Total Expenditures** | **14,912,423** | **17,125,545** | **15 %** |
| **Total Reserves** | **3,867,738** | **4,789,643** | **24 %** |
| **Total Budget** | **18,780,161** | **21,915,188** | **17 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Hotel/Motel Tax Fund | 17,342,738 | 20,477,500 | 18 % |
| Interest & Debt Redemption-Regular Fund | 1,437,423 | 1,437,688 | - % |
| **Total Resources** | **18,780,161** | **21,915,188** | **17 %** |

CITY OF BELLEVUE WASHINGTON

# Human Resources

## Program Outcome Statement

Human Resources is committed to employees by providing outstanding customer service and stewardship of resources by attracting, selecting, and retaining a high performance, diverse workforce.

## Services and Accomplishments

Human Resources (HR) provides services in Compensation, Health Benefits and Retirement, Employee Relations, Labor Relations, Staffing, Training and Organizational Development, HRIS/Technology, and HR Administration. HR roles include specialists and generalists, consultants, trainers, policy drafters and interpreters, service providers, administrators, facilitators and mediators, investigators, and historians in all service areas.

Compensation – The compensation system has been maintained and is current. The base salary compensation structure for all unrepresented classifications was adjusted by cost of living to maintain a competitive market position. Additionally, unrepresented classifications have been maintained so they accurately describe the current-day work activity performed in each classification.

Training – In 2007-2008 training continued to focus on meeting organizational business needs consistent with City wide core values. Training was enhanced through participant feedback.

In 2007, 61 training classes were facilitated and/or coordinated providing employees training in the following disciplines: Employee Leadership Development, Manager/Supervisor Skills enhancement, Recognizing Workplace Harassment in a Diverse Workforce, Business Writing, Building Working Relationships, Using Competencies in Performance Management, New Employee Orientation, and Career Development for a total of 944 registered participants. The training programs conducted in 2007 attracted an audience and will continue to be a part of the training plan for 2008. In addition, in a class on Customer Service training will be added to the training program.

The number of training programs offered in 2008 will likely be the same number offered in 2007, as these programs have been refined over the years.

Technology Enhancements
- In 2007, the first phase of JDE Self Service was implemented and preparations were made for the 2008 launch of MySelf Service.
- In 2007, worked on designing and building an updated online application system with the intent to implement in 2008 through eGov Alliance's HR portal concept of making the online application system available to a regional market.
- At the end of 2007, migrated the HR Intranet website to SharePoint and identified ways to make it more user-friendly following focus groups with customers.

Retirement:
- In 2008, performed a comprehensive review of service delivery, benefits and plan design for all seven MEBT cities. Developed short and long-term recommendations to reduce costs and improve services for participants. This process is done every other year.
- Awarded a "clean" audit opinion for MEBT financial statements.
- Continued to increase the use of Retirement Planning Services through expanded services and outreach efforts.
- The Retirement Education Program was very well received and as such, additional training sessions and enhanced+ website information were presented in 2007 and 2008.
- Completed the PSERS implementation process and implemented a revised procedures manual.
- In 2008, assisted with complex actuarial studies to project future LEOFFI medical and Fire Pension obligations. These studies are conducted every other year.

Labor Negotiations – Approximately half of the City's employees are represented by one of eight unions. A ninth union was certified in 2008. Three labor agreements expired December 31, 2007 and were settled before the expiration date of the contract. Settlement that early is rare and the parties worked hard to reach a timely successor agreement.

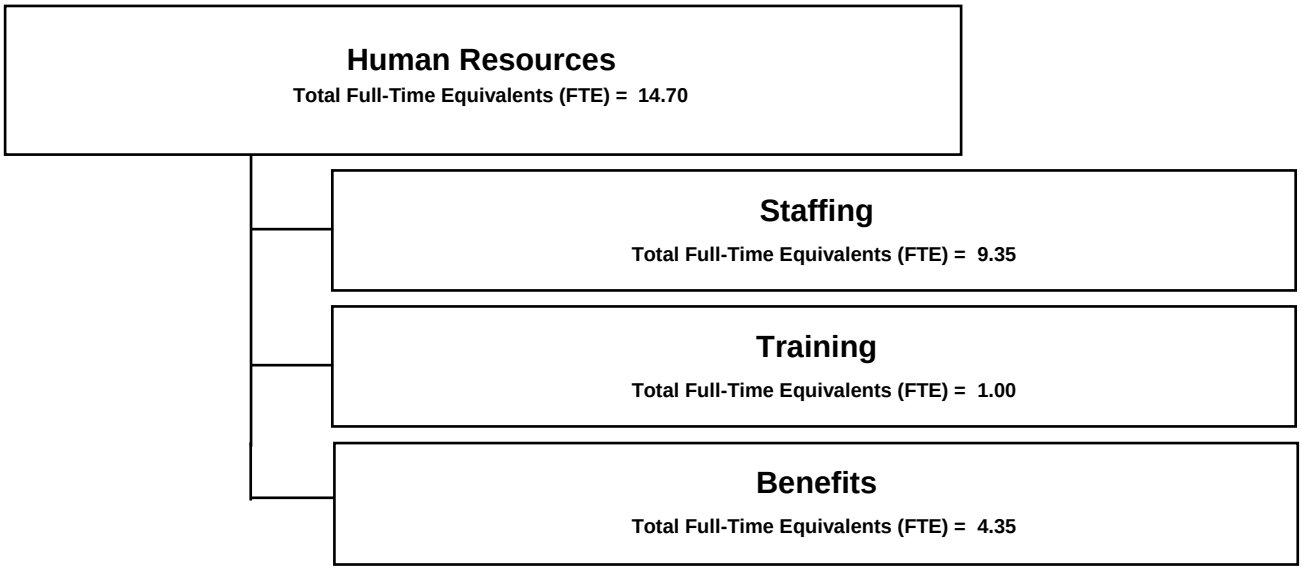
Employee Health Benefits – The City's cost containment measures for the self insured plan have continued to control expenses and the plans did not need a rate increase in 2007 and 2008. In 2007, the City successfully transitioned pharmacy benefit vendors from RxAmerica to Medco and experienced a drop in prescription drug claims of 6.75% per employee per month. The City changed its benefits policy to provide domestic partner benefits which were implemented through a special enrollment period in August 2007. HR staff continues to review industry trends and programmatic developments to identify opportunities for improvement to Bellevue's employee benefits programs. In 2008, changed to a new COBRA service provider.

# Human Resources

Recruitment – 2007 proved to be a difficult period to hire for hard-to-fill technical positions (engineers, planners, inspectors, etc.). The hiring market was soft in the region and creative and extensive search processes were conducted. Through a series of events, it was determined the City should pilot a program to hire a dedicated recruiter to market the City and directly oversee the recruitment process. In early 2008, an LTE was hired and efforts have been underway to create and implement a recruitment strategy. Branding has been a significant focus as well as moving toward a slightly more centralized recruitment approach to help managers identify qualified candidates and keep the process moving so top candidates are not withdrawing due to how long it takes to get to an offer.

# Human Resources

## Organizational Chart



# Human Resources

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Staffing | 1,440,652 | 1,578,244 | 1,732,319 | 1,800,965 |
| Training | 203,359 | 208,406 | 217,965 | 225,635 |
| Benefits | 16,182,648 | 15,308,583 | 18,191,080 | 19,976,713 |
| **Base Budget** | **17,826,659** | **17,095,233** | **20,141,364** | **22,003,313** |
| **Reserves** | **4,655,306** | **4,858,830** | **5,679,421** | **4,544,782** |
| **Total Budget** | **22,481,965** | **21,954,063** | **25,820,785** | **26,548,095** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,512,048 | 1,641,699 | 1,795,985 | 1,873,931 |
| Interfund | 386,292 | 409,135 | 419,785 | 434,789 |
| M & O | 15,928,319 | 15,044,399 | 17,925,594 | 19,694,593 |
| **Total Expenditures** | **17,826,659** | **17,095,233** | **20,141,364** | **22,003,313** |
| **Total Reserves** | **4,655,306** | **4,858,830** | **5,679,421** | **4,544,782** |
| **Total Budget** | **22,481,965** | **21,954,063** | **25,820,785** | **26,548,095** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 2,024,442 | 2,178,810 | 2,366,126 | 2,459,828 |
| Health Benefits Fund | 20,457,523 | 19,775,253 | 23,454,659 | 24,088,267 |
| **Total Resources** | **22,481,965** | **21,954,063** | **25,820,785** | **26,548,095** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Staffing | 9.35 | 9.35 | 9.35 | 9.35 |
| Training | 1.00 | 1.00 | 1.00 | 1.00 |
| Benefits | 4.35 | 4.35 | 4.35 | 4.35 |
| **Total FTE** | **14.70** | **14.70** | **14.70** | **14.70** |

# Human Resources

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Staffing** | | | | | | |
| # of labor contracts successfully negotiated and implemented | # | Workload | 7 | 2 | 4 | 3 |
| % of staff successfully redeployed internally | % | Effectiveness | - | 75 | 75 | 75 |
| % of minority candidates hired | % | Effectiveness | 9 | 18 | 18 | 18 |
| Average % of minority applications per recruitment | # | Effectiveness | 18 | 32 | 25 | 30 |
| Avg weeks to fill a position (job posting to offer) | # | Efficiency | 12 | 6 | 12 | 12 |
| # of career fairs attended/outreach activities | # | Workload | 2 | 3 | 6 | 6 |
| Total number of applicants | # | Workload | 4,857 | 5,000 | 5,000 | 5,500 |
| # of recruitments coordinated | # | Workload | 171 | 90 | 150 | 165 |
| Average number of applicants per external recruitment | # | Workload | 38 | 55 | 40 | 40 |
| **Training** | | | | | | |
| # of training classes facilitated or coordinated | # | Workload | 61 | 75 | 75 | 75 |
| Number of trainees attending on-site workshops | # | Effectiveness | 958 | 975 | 975 | 975 |

# Human Resources

## 2009-2010 Work Initiatives

Recruitment & Selection
- Ensure the E-Gov Alliance Online Application System includes reporting and applicant tracking features.
- Staff continue to participate in diversity outreach efforts with a focus on sourcing qualified diverse candidates.
- Continue to identify and address issues and barriers to attracting, acquiring and retaining talent for the City.

Compensation
Continue to maintain a current system and perform market studies as directed.

Benefits
Continue to study ways to slow down the rising cost of health benefits. In 2009, will implement the transition of a new Flexible Spending Account service provider. Throughout 2009 and 2010, will ensure compliance with anticipated new state and federal legislation regarding health benefits.

Labor
Enter into negotiations on four labor agreements expiring December 31, 2009 and two expiring December 31, 2010. There may be three expiring in 2010, depending upon the expiration date of the ninth new union contract.

Training
Due to limited resources for external consultant help, plan to retool the existing programs to refresh the curriculum and make it interesting to employees who have already gone through past training programs. Continue to work on the succession planning process.

Retirement
- Initiate the Request for Proposal process and implement the transition of a new 457 service provider.
- Complete the transition of the new MEBT record keeper in 2009.
- Expand retirement education beyond the financials.

## Major Challenges for the Biennium

- Recruitment and Selection - As the economic climate of the nation continues to play out, will need to monitor staffing needs within the organization and determine what impacts will be felt in the local recruitment market. Also will need to continue diversity outreach efforts to encourage minorities and females to apply for positions with the City.
- Labor - In 2008, lost a key member of the HR labor negotiating team. In 2009, four large union contracts will expire, so HR will need to identify how to ensure seamless and effective negotiations with a new team member.
- Health Care - Rising health care costs are always a concern and something HR closely monitors. Will be monitoring the economic climate and individual usage to determine what additional adjustments can be made in our coverage to try to curb rising costs.
- Due to the loss of a key HR manager, will need to identify and implement ways to ensure continuity of technically competent and outstanding customer service in all HR functional areas.

# Human Resources
# Benefits

## Program Statement

The City of Bellevue's health and welfare and retirement benefit programs are strongly committed to excellence. Benefit programs are designed as part of an employment package intended to attract and retain employees with benefits that are reasonably competitive among comparable employers.

## Summary of Services Provided

The health and welfare and retirement benefits programs provide to eligible employees of the City health insurance for medical, dental, vision, and life insurance, and a retirement savings plan. This program also includes all activities relating to health benefits administration, retirement services administration, and oversight of the employee assistance and wellness programs.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Dental | 1,655,375 | 1,711,395 | 1,783,635 | 1,872,817 |
| Medical & Admin | 13,963,707 | 13,014,835 | 15,800,660 | 17,479,025 |
| Retirement | 380,431 | 392,160 | 415,842 | 433,228 |
| Vision | 119,756 | 126,715 | 128,132 | 128,132 |
| Wellness | 63,379 | 63,478 | 62,811 | 63,511 |
| **Base Budget** | **16,182,648** | **15,308,583** | **18,191,080** | **19,976,713** |
| **Reserves** | **4,655,306** | **4,858,830** | **5,679,421** | **4,544,782** |
| **Total Budget** | **20,837,954** | **20,167,413** | **23,870,501** | **24,521,495** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 341,100 | 352,790 | 375,447 | 391,825 |
| Interfund | 130,000 | 135,000 | 145,000 | 151,000 |
| M & O | 15,711,548 | 14,820,793 | 17,670,633 | 19,433,888 |
| **Total Expenditures** | **16,182,648** | **15,308,583** | **18,191,080** | **19,976,713** |
| **Total Reserves** | **4,655,306** | **4,858,830** | **5,679,421** | **4,544,782** |
| **Total Budget** | **20,837,954** | **20,167,413** | **23,870,501** | **24,521,495** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 380,431 | 392,160 | 415,842 | 433,228 |
| Health Benefits Fund | 20,457,523 | 19,775,253 | 23,454,659 | 24,088,267 |
| **Total Resources** | **20,837,954** | **20,167,413** | **23,870,501** | **24,521,495** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Retirement | 4.35 | 4.35 | 4.35 | 4.35 |
| **Total FTE** | **4.35** | **4.35** | **4.35** | **4.35** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Manage retirement services to provide stewardship of trusts** | | | | | | |
| Avg # hours per week responding to retirement questions | # | Efficiency | 40 | 40 | 40 | 40 |
| # of retirement/resignation reviews | # | Workload | 229 | 115 | 235 | 235 |

# Human Resources
# Benefits

## Issues related to Department Performance

Employee Health Benefits – The City's cost containment measures for the self insured plan have continued to control expenses and the plans did not need a rate increase in 2007 and 2008. In 2007, the City successfully transitioned pharmacy benefit vendors from RxAmerica to Medco and experienced a drop in prescription drug claims of 6.75% per employee per month. The City changed its benefits policy to provide domestic partner benefits which were implemented through a special enrollment period in August 2007. HR staff continues to review industry trends and programmatic developments to identify opportunities for improvement to Bellevue's employee benefits programs. In 2008, implemented a new COBRA service provider.

Benefit Program Compliance – In 2007, an outside firm conducted a health care claims audit of the self-insured employee benefits medical program to comply with the Washington State Office of Financial Management's requirement to do so for self-funded plans every three years. Self-insured local governments must conduct independent reviews of their third party claim administration to assure claims are being paid accurately. The findings were that the City's third party administrator (Premera Blue Cross) has been processing claims at an exceptional level of accuracy.

Communications – Reviewed the contents of health and welfare benefit information packets for new hire orientation, called Bellevue Beginnings, which is held twice a month. Also, redesigned the layout and information contained on the health benefits Intranet site when migrating to the City's new SharePoint platform.

Wellness Program – The City's Wellness program aimed at promoting healthy lifestyles and emphasizing the City's core value of "Commitment to Employees" continued in 2007 and will continue in 2008. Programs included Weight Watchers at Work, flu shots, and health screenings during the Benefits Fair held in conjunction with the City's annual Employees Picnic.

Retirement – Participation in the Retirement Benefits MEBT program increased 15% in the last four years. Participation in MEBT increases faster than the rate of increase in FTE's because employees who separate from service tend to prefer the MEBT model and continue to leave their accounts in MEBT. As the current workforce and employees who have separated from service are aging, the activity in MEBT shifts to serving a wide variety of distribution options from merely providing a means to invest.

## Program Notes

None

# Human Resources
# Staffing

## Program Statement

The City strives to achieve a balanced workforce reflective of the gender, ethnic, and cultural mix of the local labor market. Activities are also undertaken to assure compliance with all applicable federal, state, and local laws, city policies and procedures, and union contracts.

## Summary of Services Provided

This program includes recruitment and selection, equal employment opportunity & affirmative action, civil service, drug testing, employee leaves, policies and procedures interpretation, workforce planning, counseling/coaching managers and employees on employee relation issues, investigations, performance management, compensation administration, job description and classification reviews, internal and external salary surveys, data entry and verification, technology projects, all activities relating to labor relations (mediation, contract negotiations, interpretation, arbitration, and grievance administration), HR technology, and HR administrative support.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Staffing | 1,440,652 | 1,578,244 | 1,732,319 | 1,800,965 |
| **Base Budget** | **1,440,652** | **1,578,244** | **1,732,319** | **1,800,965** |
| **Total Budget** | **1,440,652** | **1,578,244** | **1,732,319** | **1,800,965** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,056,728 | 1,171,030 | 1,295,453 | 1,351,674 |
| Interfund | 256,292 | 274,135 | 274,785 | 283,789 |
| M & O | 127,632 | 133,079 | 162,081 | 165,502 |
| **Total Expenditures** | **1,440,652** | **1,578,244** | **1,732,319** | **1,800,965** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,440,652 | 1,578,244 | 1,732,319 | 1,800,965 |
| **Total Resources** | **1,440,652** | **1,578,244** | **1,732,319** | **1,800,965** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Staffing | 9.35 | 9.35 | 9.35 | 9.35 |
| **Total FTE** | **9.35** | **9.35** | **9.35** | **9.35** |

# Human Resources
## Staffing

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Effectively implement & monitor citywide retention policy** | | | | | | |
| # of employees identified for redeployment | # | Workload | 1 | 5 | 2 | 2 |
| % of staff successfully redeployed internally | % | Effectiveness | - | 75 | 75 | 75 |
| **Effectively monitor & assist employees on leave** | | | | | | |
| # of employees who took FMLA | # | Workload | 181 | 150 | 200 | 200 |
| # of employees being assisted with ADA accommodations | # | Workload | 3 | 2 | 2 | 3 |
| **Manage compensation program reflective of city philosophy** | | | | | | |
| # of hours to enter/verify personnel data actions/ pay cycle | # | Efficiency | 40 | 10 | 40 | 40 |
| # of salary surveys conducted | # | Workload | 5 | 6 | 4 | 4 |
| Avg length of time to complete a classification review. | # | Effectiveness | 35 | 20 | 20 | 20 |
| # of classification reviews completed | # | Effectiveness | 74 | 40 | 30 | 30 |
| **Manage employee issues timely and effectively** | | | | | | |
| # of employee relations issues handled by HR | # | Workload | 35 | 50 | 40 | 40 |
| % of new hires who complete trial service period | % | Effectiveness | 89.60 | 95.00 | 95.00 | 95.00 |
| Avg length of service for employees who resign | # | Effectiveness | 9.72 | 10.00 | 12.00 | 15.00 |
| # of employee issues resulting in termination | # | Effectiveness | 23 | 12 | 10 | 15 |
| # of employees provided outplacement | # | Workload | 2 | 5 | 5 | 10 |
| **Manage recruitment and selection process** | | | | | | |
| Workforce diversity (race/gender) as % of total workforce | % | Effectiveness | 27.87 | 15.00 | 28.00 | 30.00 |
| % of minority candidates hired | % | Effectiveness | 9 | 18 | 18 | 18 |
| Average % of minority applications per recruitment | # | Effectiveness | 18 | 32 | 25 | 30 |
| Avg weeks to fill a position (job posting to offer) | # | Efficiency | 12 | 6 | 12 | 12 |
| # of career fairs attended/outreach activities | # | Workload | 2 | 3 | 6 | 6 |
| Total number of applicants | # | Workload | 4,857 | 5,000 | 5,000 | 5,500 |
| # of recruitments coordinated | # | Workload | 171 | 90 | 150 | 165 |
| Average number of applicants per external recruitment | # | Workload | 38 | 55 | 40 | 40 |
| **Negotiate labor contracts w/o impasse or arbitration** | | | | | | |
| # of labor contracts successfully negotiated and implemented | # | Workload | 7 | 2 | 4 | 3 |
| **Reduce # of employee grievances advancing to upper mgmt** | | | | | | |
| % of grievances resulting in agreement or resolution | % | Effectiveness | 7 | 7 | 5 | 5 |

# Human Resources
# Staffing

## Issues related to Department Performance

Recruitment – In comparison to 2006, staffing patterns for 2007 reflected a 33% increase in the number of positions filled. The increase was in direct correlation to the 20% increase in separations the City experienced and the increase in LTE positions used to augment the workforce for 2007. Filling these vacancies involved the coordination of over 180 recruitments for the year. Of these vacancies, approximately 53% were new hires, 29% were promotions, and the remaining 18% were appointments or administrative-type transfers.

Due to the competitive environment of the current external labor market, efforts in advertising, recruiting, and retention have required a significant infusion of creativity and resources. In 2007, the year-to-date expenditure for the 2007-2008 Mid-Bi Adopted Budget reflected a 46% increase in advertising costs for jobs (reference object code 544100 – Job Announcements). In addition, the City approved a Limited Term Senior Recruiter to partner with departments on the "war for talent" in 2008 and beyond. Retaining qualified workers in today's market will also require creative solutions as the City will find this to be the most cost-effective means of maintaining productivity, efficiencies, and program effectiveness. Results from the 2007 exit interviews indicated that 46% of respondents stated that salary and lack of career opportunities were primary reasons for their separation from City service.

One measure that the City has used to evaluate the efficiency of the recruitment process is by the average number of weeks it takes to fill a position. The average process for 2007 was eight weeks in length from job posting to offer which is consistent with the two prior years. In today's competitive environment, recruitment time periods are yielding an average of 8 to 12 weeks in most public sector arenas – longer recruitments are sometimes necessitated when there are highly specialized jobs in the fields of science, engineering, medicine and mathematics. City departments manage the time frame for their respective recruitment processes which involve the Senior Recruiter's efforts to advertise and post their positions. A more effective means of evaluating recruitment efforts would be to look at the volume of terminations that occurred prior to the completion of the first year of employment. For 2007, 23% of the separations incurred by the City occurred prior to the employee's first year of employment.

Diversity outreach efforts in 2007 were consistent with those in prior years, efforts included attending job fairs, networking with community diversity programs, and marketing through minority publications and websites. The job market began to become more difficult in 2007 which is reflected in less minority candidates. Recruitment efforts in diversity outreach and sourcing has been more aggressive and focused in 2008 and will continue throughout 2009 and 2010.

In 2007, one employee was laid off. Efforts were made to redeploy the employee, but due to the specialized experience and knowledge of the employee, no suitable positions were identified.

Labor Negotiations – Approximately half of the City's employees are represented by one of eight unions. A ninth union was certified in 2008. Three labor agreements expired December 31, 2007 and were settled before the expiration date of the contract. Settlement that early is rare and the parties worked hard to reach a timely successor agreement.

Compensation – The compensation system has been maintained and is current. The base salary compensation structure for all unrepresented classifications was adjusted by cost of living to maintain a competitive market position. Additionally, unrepresented classifications have been maintained so they accurately describe the current-day work activity performed in each classification.

## Program Notes

The Human Resources Department will continue to work closely with both management and staff to foster a positive, accepting work environment which is effectively aligned with the City's strategic direction.

# Human Resources
# Training

## Program Statement

It is the mission of Organizational Development and Training to provide the highest quality training and development opportunities to all City employees. These development opportunities enhance the core competencies critical to the continued success of the City of Bellevue and to the personal and professional development of each individual. We focus on providing tools, resources and services that help employees in their your pursuit of continuous learning. We design, develop and deliver a broad array of programs that support leadership development and strategic culture change, as well as courses that improve technical and management skills.

## Summary of Services Provided

This program includes all activities relating to providing centralized internal and external training, organizational development, and regular communications to employees.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Organizational Dev & Training | 203,359 | 208,406 | 217,965 | 225,635 |
| **Base Budget** | **203,359** | **208,406** | **217,965** | **225,635** |
| **Total Budget** | **203,359** | **208,406** | **217,965** | **225,635** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 114,220 | 117,879 | 125,085 | 130,432 |
| M & O | 89,139 | 90,527 | 92,880 | 95,203 |
| **Total Expenditures** | **203,359** | **208,406** | **217,965** | **225,635** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 203,359 | 208,406 | 217,965 | 225,635 |
| **Total Resources** | **203,359** | **208,406** | **217,965** | **225,635** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Organizational Dev & Training | 1.00 | 1.00 | 1.00 | 1.00 |
| **Total FTE** | **1.00** | **1.00** | **1.00** | **1.00** |

# Human Resources
# Training

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Manage city-wide training efforts for employees** | | | | | | |
| Achieve 100% utilization of the tuition reimbursement funds | % | Effectiveness | 110 | 100 | 100 | 100 |
| # of hours of internal organizational development consulting | # | Workload | 100 | 250 | 125 | 125 |
| % of staff who rate training classes highly | % | Effectiveness | 97 | 95 | 95 | 95 |
| Total centralized HR training investment per FTE | $ | Efficiency | 38 | 40 | 50 | 50 |
| Vendor-delivered training cost per program participant | $ | Efficiency | 50 | 60 | 60 | 60 |
| # of training classes facilitated or coordinated | # | Workload | 61 | 75 | 75 | 75 |
| # of admin hrs for training prep | # | Workload | 840 | 850 | 825 | 825 |
| # of hours spent delivering training sessions | # | Workload | 440 | 375 | 450 | 450 |
| Number of trainees attending on-site workshops | # | Effectiveness | 958 | 975 | 975 | 975 |

## Issues related to Department Performance

In 2007, 60 training classes were facilitated and/or coordinated providing employees training in the following disciplines: Employee Leadership Development, Manager/Supervisor Skills enhancement, Recognizing Workplace Harassment in a Diverse Workforce, Business Writing, Building Working Relationships, Using Competencies in Performance Management, New Employee Orientation, and Career Development for a total of 944 registered participants. The training programs conducted in 2007 attract an audience and will continue to be a part of the training plan for 2008. In addition, a class on Customer Service training will become a part of the training offered.

The number of training programs offered in 2008 will likely be the same number offered in 2007, as these programs have been refined over the years.

## Program Notes

Human Resources staff will continue to design, publicize, schedule, and deliver high quality, cost effective programs based on employee/management training needs. It is the mission of the organizational development and training process to provide the highest quality training and development opportunities to all city employees. Programs enhance the core competencies critical to the continued success of the City and to the personal and professional development of each individual.

# Human Resources

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Staffing | 3,018,896 | 3,533,285 | 17 % |
| Training | 411,765 | 443,600 | 8 % |
| Benefits | 31,491,231 | 38,167,793 | 21 % |
| **Base Budget** | **34,921,892** | **42,144,677** | **21 %** |
| **Reserves** | **4,858,830** | **4,544,782** | **(6)%** |
| **Total Budget** | **39,780,722** | **46,689,459** | **17 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 3,153,747 | 3,669,916 | 16 % |
| Interfund | 795,427 | 854,574 | 7 % |
| M & O | 30,972,718 | 37,620,187 | 21 % |
| **Total Expenditures** | **34,921,892** | **42,144,677** | **21 %** |
| **Total Reserves** | **4,858,830** | **4,544,782** | **(6)%** |
| **Total Budget** | **39,780,722** | **46,689,459** | **17 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 4,203,252 | 4,825,954 | 15 % |
| Health Benefits Fund | 35,577,470 | 41,863,505 | 18 % |
| **Total Resources** | **39,780,722** | **46,689,459** | **17 %** |

# Information Technology

## Program Outcome Statement

The mission of the Information Technology Department (ITD), in support of using technology to enhance community participation and provide exceptional public service, is to Inspire, Innovate, and Deliver. Through the proactive use of technology, ITD Inspires to stimulate action, Innovates to introduce new ideas, and Delivers to achieve the goals of the Department and the City.

## Services and Accomplishments

The service goals of ITD are to bring City services to customers' doorsteps, make information easily and broadly available, promote active community involvement and participation, facilitate affordable high-speed connectivity solutions throughout the community, play a leadership role in utilizing technology to enable regional service delivery, strengthen operational efficiencies, and leverage investments to improve the quality of service.

To accomplish these service goals, ITD provides services as follows:

- Network and Infrastructure: The City operates a technology infrastructure that includes network equipment, central servers, desktops, and all cabling and connectivity essential to all systems, applications and sites. This includes voice and data communications systems and services necessary for communications. The group maintains and operates this network, secures City systems, and protects electronic data.
- Desktop Computing, Help Desk, and Training: Provides direct support and service for all automated desktop equipment. Service delivery is structured around single point of contact and includes development and maintenance of hardware/software standards, centralized procurement, troubleshooting and repair, installation, training, security patching, upgrades and technology asset management.
- Geographic Information: Geographic Information System (GIS) Services involve the management, analysis, and visualization of geographic information. Services include generation of digital or paper maps, analysis of geographic data and relationships, and building and maintaining data layers, including mapping customer datasets and working with vendors to acquire third party data (e.g., aerial photography).
- Multi-media and Graphics: The in-house production service for highly effective and innovative video, audio, print, and graphic programs and presentation materials that effectively convey both internal and external messages for all departments.
- Application Development: Develops, implements and maintains custom software applications, interfaces and modules that complement the enterprise and line of business systems. Services include requirements definition, design, development, testing, training, release, and on-going maintenance.
- Business Applications: Ongoing technical support for software applications that have been purchased to meet specific lines of business needs (e.g., permit processing, finance and budgeting, parks registration). Services include installation, upgrades, performance monitoring, troubleshooting, report development, and training.
- Project Management: Provide project management services for the implementation of technology related projects, including system purchases and in-house application development. This involves all aspects of project management, from initial project consulting to successful project execution.

The following is a list of Information Technology accomplishments:

Awards:

- Bellevue Television received eight awards from the National Association of Telecommunications Officers and Administrators in 2008. For the second year "It's Your City", a magazine format series, won first place awards. Other individual segments or programs concerning City initiatives that received awards were Mediation Services, Pandemic Flu, Utility Rate Reduction, Affordable Housing, Moving Forward, and Service First.
- Washington Recreation and Parks Association Award presented to Graphics Services for contribution and support provided to the Parks and Recreation profession.

Accomplishments:

Direct Public Service
- Multimedia and Graphic Support of the TLG conference.
- Citizen Relationship Management Application: installation of first phase of a system designed to improve customer service by providing a web-based citizen request reporting and tracking portal.
- Pedestrian Bike plan update.

# Information Technology

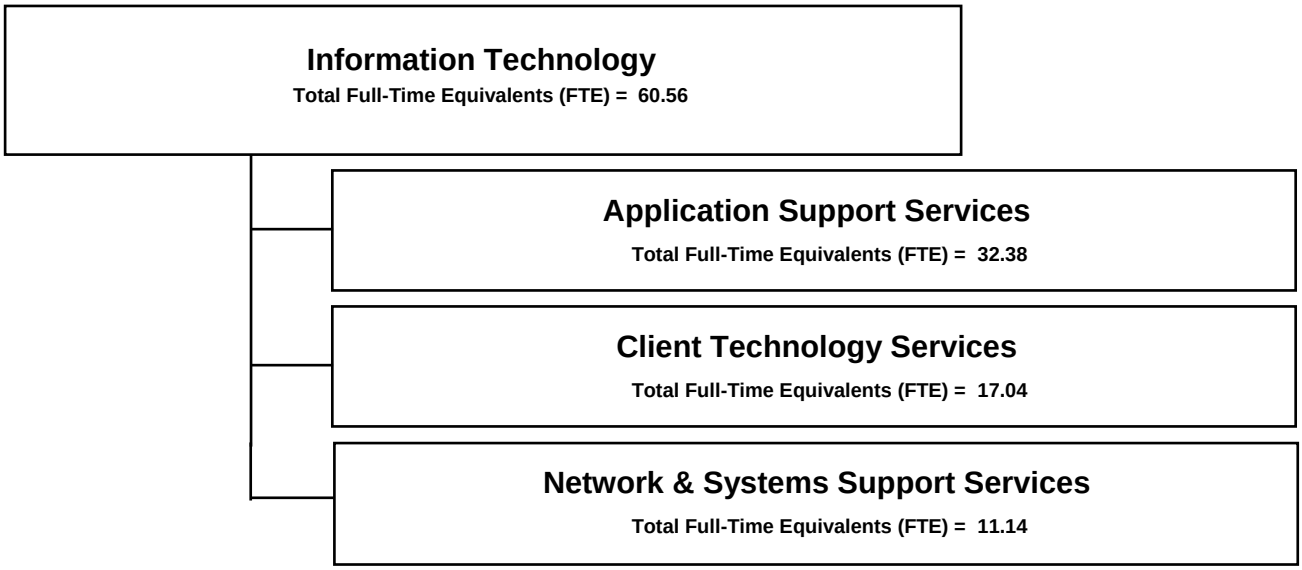
Improved City Operations
- HR/Payroll Self Service – Eliminates redundant data entry and improves access to information for staff and managers.
- Electronic Document Management – Installation of the first phase of the system for retrieval of electronic documents.
- Implementation of Telestaff – Scheduling and time reporting for Police staff.
- Geographic Information– Acquired detailed data to support the Environmental Services Iniative, including impervious surface and vegetation.
- Completed the Business Process Redesign for the Land Information System.

Network & Infrastructure
- Increased security in Data Centers with video surveillance.
- Completed in-building BellevueConnect_Staff wireless network at City Hall.
- BellevueConnect wireless was deployed in the downtown core, all Community Centers and Fire Station #3. Planned wireless deployment to Lewis Creek, Bellevue Botanical Gardens, Bellevue Youth Theater and Robinswood House in 2008.
- Upgraded voicemail system with the consolidation of Exchange 2007 and Unified Messaging to continue efforts to streamline communication systems.
- Increased Internet bandwidth to keep up with demands from public's information and transactions through City web sites and staff's communications and access to knowledge necessary for their functions.

Regional Partnerships
- Attracted first revenue-generating data center tenants (City of Seattle and City of Kirkland).
- Launched eCityGov Applications, including the Purchasing Portal, On-line Job Application Portal, and the Human Services Portal.
- Expanded Regional Fiber Consortium to include Bellevue Community College, City of Renton, Renton School District, and City of Seattle / Seattle Public Utilities.

# Information Technology

## Organizational Chart



# Information Technology

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Application Support Services | 8,769,970 | 8,786,863 | 6,921,637 | 6,193,861 |
| Client Technology Services | 3,411,879 | 3,844,234 | 5,528,226 | 6,258,140 |
| Network & Systems Support Services | 6,092,091 | 5,434,423 | 6,370,180 | 6,016,938 |
| **Base Budget** | **18,273,941** | **18,065,520** | **18,820,043** | **18,468,938** |
| **Reserves** | **4,052,561** | **3,277,426** | **3,978,644** | **2,476,734** |
| CIP M&O | - | - | 465,781 | 410,526 |
| JDE Ongoing Staffing | - | - | 129,746 | 211,220 |
| NORCOM | - | - | -415,105 | -701,475 |
| PC Cost of Ownership--WRF | - | - | - | - |
| **Program Enhancements** | **-** | **-** | **180,422** | **-79,729** |
| **Total Budget** | **22,326,502** | **21,342,946** | **22,979,109** | **20,865,943** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 5,977,673 | 6,298,198 | 7,213,087 | 7,204,950 |
| Interfund | 2,319,129 | 2,899,739 | 3,756,404 | 2,639,544 |
| M & O | 4,591,820 | 5,306,524 | 5,415,262 | 6,174,898 |
| Capital | 5,385,319 | 3,561,059 | 2,663,712 | 2,337,817 |
| **Total Expenditures** | **18,273,941** | **18,065,520** | **19,048,465** | **18,357,209** |
| **Total Reserves** | **4,052,561** | **3,277,426** | **3,930,644** | **2,508,734** |
| **Total Budget** | **22,326,502** | **21,342,946** | **22,979,109** | **20,865,943** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Land Purchase Revolving Fund | 187,000 | 129,003 | 123,677 | 91,973 |
| Franchise Fund | 1,817,088 | 1,486,274 | 2,103,617 | 1,850,928 |
| General CIP Fund | 4,334,319 | 2,570,000 | 2,374,136 | 1,164,658 |
| Information Technology Fund | 15,988,095 | 17,157,669 | 18,377,679 | 17,758,384 |
| **Total Resources** | **22,326,502** | **21,342,946** | **22,979,109** | **20,865,943** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Application Support Services | 26.29 | 26.29 | 32.38 | 28.38 |
| Client Technology Services | 16.38 | 16.38 | 17.04 | 17.04 |
| Network & Systems Support Services | 12.33 | 12.33 | 11.14 | 11.14 |
| **Total FTE** | **55.00** | **55.00** | **60.56** | **56.56** |

# Information Technology

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Application Support Services** | | | | | | |
| % of customers rating app maint & support good to excellent* | % | Effectiveness | 80 | 92 | 90 | 92 |
| % of customers rating consulting svcs good to excellent* | % | Effectiveness | 69 | 82 | 83 | 85 |
| **Client Technology Services** | | | | | | |
| % of customers rating desktop svcs good to excellent | % | Effectiveness | 89 | 95 | 95 | 96 |
| % of Help Desk repair calls resolved at time of call | % | Effectiveness | 70 | 85 | 71 | 72 |
| % of Help Desk repair calls resolved within 4 hours | % | Effectiveness | 16 | 12 | 13 | 14 |
| % of Help Desk repair calls resolved the next business day | % | Effectiveness | 6 | 3 | 13 | 13 |
| # of PCs supported | # | Workload | 1,450 | 1,500 | 1,450 | 1,500 |
| # of technicians supporting PCs | # | Workload | 4.00 | 4.50 | 4.50 | 4.50 |
| **Network & Systems Support Services** | | | | | | |
| % of time servers are fully functional during business hrs | % | Effectiveness | 99.90 | 99.90 | 99.90 | 99.90 |
| % of time phone sys is fully functional during business hrs | % | Effectiveness | 99.90 | 99.90 | 99.90 | 99.90 |
| # of city phone lines | # | Workload | 1,773 | 1,700 | 1,800 | 1,800 |
| Cost of city phone line per month | $ | Efficiency | 17 | 15 | 17 | 17 |
| # of servers supported | # | Workload | 135 | 135 | 175 | 200 |
| # of technicians supporting the city's phone lines | # | Workload | 0.95 | 0.95 | 0.75 | 0.75 |
| Cost of phone company business line per month | $ | Efficiency | 37 | 37 | 37 | 37 |

# Information Technology

## 2009-2010 Work Initiatives

Complete Enterprise Investments:
- Continued development of JDE as the financial and human resource system
- Customer Relationship Management (CRM)
- Enterprise Asset Management
- Electronic Content Management (ECM)

Regional Partnerships:
- eCityGov Alliance's expansion, both geographically and in service offerings
- The Fiber Consortium's effort to "ring Lake Washington" with fiber expansion opportunities
- NORCOM formation

Operational Effectiveness and Efficiencies:
- Ensure sufficient systems capacity and connectivity. This includes data center space for City needs and regional partners with sufficient power and cooling, increased storage, bandwidth, and connectivity (wireless, fiber to premise). Update disaster recovery methods and investment wherever possible.
- Increase resiliency of infrastructure and systems through diversity and redundancy of facilities, equipment and services. Includes increased structure and frequency in disaster recovery planning and testing.
- Optimize services and costs. Employ industry best practices, service level agreements with internal and external customer, industry-based performance measures, and Green IT standards wherever possible.
- Continue to foster an IT culture that promotes more agility, risk tolerance and innovation.
- Expand revenue generation through application hosting, data center space leasing, public/private partnerships, and consulting.

## Major Challenges for the Biennium

- Pressure from recruitment, retention and demographic changes. In a competitive economy, we have seen skill shortages from loss of experienced staff due to retirement and resignations.
- Ongoing growth in the quantity and complexity of digital information continues to pressure organization policies, security, infrastructure and service delivery. Complexity and cost of compliance with legal requirements (retention, discovery, public disclosure, credit card standards) continues to escalate.
- Intellectual property issues, mergers and acquisitions and the general volatility within and among technology companies present an ongoing challenge to accomplishing long term strategies in tactically efficient ways.
- The rapid pace of change within the technology industry and continued pace of innovation within the organization continue to require that IT remain agile and strategic in how we approach requests for service.
- Threats to IT systems that continue to shift and evolve. Spam has not been eradicated, rather we have developed degrees of tolerance for it. Identity and credit card theft is a growing risk with increasing fiscal repercussions for not achieving requlatory compliance with industry requirements. Identity management will be challenging as it evolves. Global political dynamics also cultivate cyber-terrorism against US government organizations.
- The desire to be "always connected" and to have access to business systems and needed information anywhere and anytime continues to push the boundaries of the City's network and ITD responsibilities.

Strategies

- Actively seek public-private partnerships to expand our capacity and capability and let us focus on core competencies.
- Grow cross-boundary applications and pursue more regional partnerships because our citizens are more concerned with service than political boundaries.
- Provide access to information on any device anywhere anytime balanced with security of information and infrastructure.
- Produce roadmaps for applications that incorporate commercially-available information, spatial capability, business focus, and integration with other data.
- Build multi-media arm to enrich organizational communication within City and with community.
- Address legal and policy implications of interactive and disruptive technologies.
- Develop a knowledge management strategy to control and structure the vast amount of information created and support succession planning.
- Become more closely tied with customers and lines of business in order to execute our role with innovation. Align technology strategic plan with City business strategies.

# Information Technology
# Application Support Services

## Program Statement

This program is responsible for the procurement, development and ongoing maintenance of computer applications to ensure that consistent and cost-effective technologies are applied to the delivery of municipal services.

Currently we support 64 discreet applications covering all lines of business. Examples include parks registration and ball field scheduling, permit tracking, police case files and records management, and maintenance of utility assets.

## Summary of Services Provided

- Facilitate process improvements by consulting with departments to analyze their business processes and information requirements, and identify opportunities for efficiency gain and service improvements.
- Work with departments to develop, prioritize, and establish information technology projects that support the City's business and service delivery strategies.
- Partner with outside agencies including businesses and other governments to develop and implement solutions to achieve savings and improve service delivery. This includes application procurement and development as well as regional data coordination and sharing.
- Leverage technology to increase data accuracy, improve staff efficiency, and eliminate data redundancy.
- Establish standards and policies for project management, application procurement, implementation, development, and maintenance. Identify and address training and knowledge needs. Select tools for implementing new applications and develop repository of best practices for project management, system implementation, development, and maintenance.

This is accomplished through 3 organizational groups.

- Application Development – develops, implements and maintains custom software applications, interfaces and modules. Services include requirements definition, design, development, testing, training, release and on-going maintenance.
- Business Applications – provides ongoing technical support for major applications purchased through third party vendors. Services include installation, upgrades, performance monitoring, troubleshooting, report development, and training.
- Project Management – provides initial project consulting; development of budgets and funding; procurement assistance (RFP and contract development); development of schedules; forming and leading project teams; monitoring scope schedule and budget; and successful project completion

Major Outcomes 2009-2010:

- Improve customer satisfaction related to quality of ongoing application support services and quality of consulting services related to departmental automation needs.
- Complete Phase 2 of the CRM (Citizen Relationship Management) application. This will improve customer service and create internal efficiencies. Develop and implement a model for sale and hosting of this application for other cities and agencies.
- Complete the upgrade of our Maintenance Management system.
- Continue development of our ECM (Electronic Content Management) system application. Provide for electronic submission of some permit-related documentation, improve efficiencies related to development of the Council packet, and provide integration to other enterprise applications. This effort is critical to managing the explosion of digital information within the organization.
- Implementation of new application development methods to improve speed of application lifecycle and quality of results.

# Information Technology
# Application Support Services

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Application Support Services | 3,831,667 | 4,045,832 | 4,432,252 | 4,642,919 |
| Business Administration | 834,134 | 953,975 | 957,897 | 1,001,285 |
| E-Gov All-Operations | - | - | 254,234 | 267,877 |
| General CIP Projects | 4,078,319 | 2,570,000 | 1,277,254 | 281,780 |
| Replacement Reserves | 25,850 | 1,217,056 | - | - |
| **Base Budget** | **8,769,970** | **8,786,863** | **6,921,637** | **6,193,861** |
| **Reserves** | **2,330,887** | **1,337,091** | **-** | **-** |
| CIP M&O | - | - | - | 25,000 |
| JDE Ongoing Staffing | - | - | 129,746 | 211,220 |
| NORCOM | - | - | -415,105 | -701,475 |
| **Program Enhancements** | **-** | **-** | **-285,359** | **-465,255** |
| **Total Budget** | **11,100,857** | **10,123,954** | **6,636,278** | **5,728,606** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,971,759 | 3,057,098 | 3,844,609 | 3,677,774 |
| Interfund | 399,338 | 1,355,163 | 499,182 | 520,984 |
| M & O | 1,294,704 | 1,537,025 | 1,439,485 | 1,508,068 |
| Capital | 4,104,169 | 2,837,576 | 853,002 | 21,780 |
| **Total Expenditures** | **8,769,970** | **8,786,863** | **6,636,278** | **5,728,606** |
| **Total Reserves** | **2,330,887** | **1,337,091** | **-** | **-** |
| **Total Budget** | **11,100,857** | **10,123,954** | **6,636,278** | **5,728,606** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General CIP Fund | 4,078,319 | 2,570,000 | 1,407,000 | 493,000 |
| Information Technology Fund | 7,022,538 | 7,553,954 | 5,229,278 | 5,235,606 |
| **Total Resources** | **11,100,857** | **10,123,954** | **6,636,278** | **5,728,606** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Application Support Services | 23.00 | 23.00 | 28.56 | 24.56 |
| Business Administration | 3.29 | 3.29 | 2.82 | 2.82 |
| E-Gov All-Operations | - | - | | |
| General CIP Projects | - | - | 1.00 | 1.00 |
| **Total FTE** | **26.29** | **26.29** | **32.38** | **28.38** |

# Information Technology
# Application Support Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Applications are managed from an enterprise perspective.** | | | | | | |
| # of staff members accessing GIS Web browser | # | Workload | 752 | 700 | 800 | 825 |
| **Appropriate technology is applied.** | | | | | | |
| % of customers rating consulting svcs good to excellent* | % | Effectiveness | 69 | 82 | 83 | 85 |
| **Information is treated as a strategic asset.** | | | | | | |
| % of customers rating app maint & support good to excellent* | % | Effectiveness | 80 | 92 | 90 | 92 |
| **Innovative, but proven, technologies are implemented.** | | | | | | |
| % of customers rating app dev support as good to excellent* | % | Effectiveness | 72 | 92 | 76 | 78 |

## Issues related to Department Performance

- New application initiatives and upgrades continue to be analyzed for potential use in a regional system.
- The emergence of new technologies that enable access to information and business processes from any device at any location and at any time are adding complexity to the current environment. Web-based and wireless modules are increasingly common additions to traditional client-server applications. In addition, integration tools are needed to support business processes that span many applications. These systems require high levels of IT skill to implement and maintain. This reinforces the need to emphasize managing our technology portfolio from an enterprise perspective.
- Attention to application security is requiring a much higher level of focus and energy. The increasing desire of customers to make payments on-line, the level and sophistication of attacks increasing, along with requirements from the payment industry, is requiring more effort in order to protect sensitive data and maintain a high level of customer confidence.

# Information Technology
# Client Technology Services

## Program Statement

This program is responsible for the development and maintenance of desktop-related standards and procedures that meet user needs, minimize costs, are consistent with industry best practices, provide desktop security that protects technology assets, and establishes a technology asset management function that will track technology inventory and maintain a desktop financial portfolio, as well as house consolidated contract and licensing information.

This program is also responsible to provide Geographical Information Services (GIS) for data analysis, and mapping in response to customer requests.

## Summary of Services Provided

- Provides single point of contact for all technology issues and questions striving for excellence in service delivery.
- Provides direct support and service for all automated desktop equipment.
- Optimizes use while minimizing cost, maintaining and replacing equipment in the most cost-effective manner possible.
- Provides a secure desktop environment within which the City can safely conduct business.
- Development and maintenance of hardware/software standards, centralized procurement, trouble shooting/repair, installation, training, desktop management, security patching, upgrades and technology asset management.
- Provides a range of Geographic Information System (GIS) Services which involve the management, analysis, and visualization of geographic information.
- Creation of digital or paper maps.
- Provides spatial and quantitative analysis of geographic data and relationships.
- Builds and maintains geographic data layers, including georeferencing customer datasets.
- Works with vendors to acquire third party datasets.

Major Outcomes 2009-2010:

- Increase customer service ratings by 5%
- Increase IT Best practices across the department
- Improve Incident and Problem Management
- Explore virtualizing the desktop to improve service and potentially reduce the costs of replacing PCs
- Establish a GIS workstation in the Emergency Operations Center to provide mapping and analytical support during a major event for both the EOC and Department Command Centers

These Services are delivered by 3 groups:
IT Service Desk
Desktop Management Team
Geographic Information Services

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Application Support Services | - | - | 868,925 | 804,677 |
| Business Administration | 603,416 | 690,109 | 692,947 | 724,334 |
| Client Technology Services | 1,882,236 | 1,850,006 | 1,259,637 | 1,310,398 |
| General CIP Projects | - | - | -45 | -268 |
| Replacement Reserves | 926,227 | 1,304,119 | 2,702,442 | 3,414,679 |
| **Base Budget** | **3,411,879** | **3,844,234** | **5,523,906** | **6,253,820** |
| **Reserves** | **(149,755)** | **(615,448)** | **3,851,671** | **2,334,761** |
| CIP M&O | - | - | 334,045 | 235,268 |
| PC Cost of Ownership--WRF | - | - | - | - |
| **Program Enhancements** | **-** | **-** | **334,045** | **235,268** |
| **Total Budget** | **3,262,125** | **3,228,787** | **9,709,622** | **8,823,849** |

# Information Technology
# Client Technology Services

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,653,702 | 1,670,492 | 1,896,430 | 1,985,505 |
| Interfund | 327,483 | 357,573 | 1,498,358 | 649,992 |
| M & O | 987,994 | 1,255,469 | 1,262,452 | 1,881,553 |
| Capital | 442,700 | 560,700 | 1,248,710 | 1,940,037 |
| **Total Expenditures** | **3,411,879** | **3,844,234** | **5,905,951** | **6,457,088** |
| **Total Reserves** | **(149,755)** | **(615,448)** | **3,803,671** | **2,366,761** |
| **Total Budget** | **3,262,125** | **3,228,787** | **9,713,942** | **8,828,169** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General CIP Fund | - | - | 334,000 | 203,000 |
| Information Technology Fund | 3,464,294 | 3,228,787 | 9,375,622 | 8,620,849 |
| **Total Resources** | **3,464,294** | **3,228,787** | **9,709,622** | **8,823,849** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Application Support Services | - | - | - | - |
| Business Administration | 2.38 | 2.38 | 2.04 | 2.04 |
| Client Technology Services | 14.00 | 14.00 | 14.00 | 14.00 |
| General CIP Projects | - | - | 1.00 | 1.00 |
| **Total FTE** | **16.38** | **16.38** | **17.04** | **17.04** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Partnerships are in place with departments.** | | | | | | |
| # of desktop devices supported (PCs, PDAs, printers, etc) | # | Workload | 3,694 | 3,728 | 3,678 | 3,872 |
| # of PCs supported | # | Workload | 1,450 | 1,500 | 1,450 | 1,500 |
| # of technicians supporting PCs | # | Workload | 4.00 | 4.50 | 4.50 | 4.50 |
| **Users able to easily obtain and use technology resources.** | | | | | | |
| # Calls to Help Desk svcs (incl repair & service requests) | # | Workload | 18,488 | 16,538 | 20,304 | 21,543 |
| Cost of a help-desk problem (cost/call) | $ | Efficiency | 59.74 | 66.43 | 69.75 | 73.24 |
| % of customers rating desktop svcs good to excellent | % | Effectiveness | 89 | 95 | 95 | 96 |
| % of Help Desk repair calls resolved at time of call | % | Effectiveness | 70 | 85 | 71 | 72 |
| % of Help Desk repair calls resolved within 4 hours | % | Effectiveness | 16 | 12 | 13 | 14 |
| % of Help Desk repair calls resolved the next business day | % | Effectiveness | 6 | 3 | 13 | 13 |

## Issues related to Department Performance

- Increases in the types of equipment and remote worker environments are adding complexities to the support environment.

# Information Technology
# Client Technology Services

- Increasing security requirements for data protection impact the costs associated with support and purchase of software and hardware.
- Increasing workload relating to the use of technology services for data analysis and web-enabled technology are putting pressure on existing support staff to meet departmental needs and critical deadlines.
- Increasing volume of calls are resulting in longer hold times for clients and increases in abandoned calls.

## Program Notes

Performance metrics for these teams are being built into the Service Level Agreement and will include mean-time to repair, abandoned calls, timeliness in service delivery and customer service satisfaction.

# Information Technology
# Network & Systems Support Services

## Program Statement

This program is responsible for the operation of the City's critical technology infrastructure, including wired and wireless network, servers, phones, data center, databases and services, that are used by all staff, applications and systems. This program includes the security program to protect our systems and data. It also includes multi-media services for video and graphic production and cable franchise management.

## Summary of Services Provided

Network and System Support:
- Operate and maintain network infrastructure, including connectivity to remote sites and municipal wireless network.
- Operate secure, reliable and redundant data center facilities to house core network, server and connectivity equipment.
- Operate and maintain all servers, including monitoring, patching, troubleshooting, and upgrades.
- Perform backups of the Enterprise applications and databases.
- Develop and enforce security policies and procedures to ensure compliance with privacy, identify theft, HIPAA and payment card industry regulations.
- Provide communications infrastructure, including phone, internet and email.

Multi-Media Services:
- Provide video production services, including streaming video for the web.
- Provide graphic services for print, web, large-format, and display purposes.
- Manage cable franchises, including oversight, negotiations, and customer surveys.
- Improve customer service ratings to meet targets.
- Increase the resiliency of an 'always on' network relied on by critical infrastructure, operations and services. Improve disaster recovery capabilities, plans, and procedures. Improve data and system backup capability for faster recovery in the event of a major event.
- Replace network file storage system and continue to keep up with the ever-growing volume of email and electronic files.
- Implement performance measures for uptime of network, data center, servers, and communication systems to manage appropriate service levels.
- Continue to work toward Payment Card Industry (PCI) compliance to limit the City's liability in the event of a security breach that compromises credit card and critical personal information.
- Continue to provide disaster recovery space for regional partners through the data center colocation service.
- Balance the desire for high-quality multi-media services with available resources.
- Continue participation in regional efforts to expand the Eastside fiber network to ring Lake Washington.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Business Administration | 337,203 | 385,649 | 387,235 | 404,775 |
| Cable TV | 1,647,307 | 1,270,472 | 1,871,994 | 1,579,560 |
| CCR - Audio Visual | - | - | - | - |
| Franchise | 169,781 | 215,802 | 196,623 | 196,368 |
| General CIP Projects | 256,000 | - | 547,000 | 376,000 |
| Land Purchase Revolving Fund | 57,997 | 24,532 | 31,704 | 25,000 |
| Network & Systems Support Services | 3,057,353 | 3,375,185 | 3,335,624 | 3,435,234 |
| Replacement Reserves | 566,450 | 162,783 | - | - |
| **Base Budget** | **6,092,091** | **5,434,423** | **6,370,180** | **6,016,938** |
| **Reserves** | **1,871,428** | **2,555,782** | **126,973** | **141,973** |
| CIP M&O | - | - | 131,736 | 150,258 |
| **Program Enhancements** | **-** | **-** | **131,736** | **150,258** |
| **Total Budget** | **7,963,520** | **7,990,206** | **6,628,889** | **6,309,169** |

# Information Technology
# Network & Systems Support Services

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,352,212 | 1,570,608 | 1,472,047 | 1,541,671 |
| Interfund | 1,592,308 | 1,187,003 | 1,758,865 | 1,468,568 |
| M & O | 2,309,122 | 2,514,030 | 2,709,004 | 2,780,957 |
| Capital | 838,450 | 162,783 | 562,000 | 376,000 |
| **Total Expenditures** | **6,092,091** | **5,434,423** | **6,501,916** | **6,167,196** |
| **Total Reserves** | **1,871,428** | **2,555,782** | **126,973** | **141,973** |
| **Total Budget** | **7,963,520** | **7,990,206** | **6,628,889** | **6,309,169** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Land Purchase Revolving Fund | 187,000 | 129,003 | 123,677 | 91,973 |
| Franchise Fund | 1,817,088 | 1,486,274 | 2,103,617 | 1,850,928 |
| General CIP Fund | 256,000 | - | 633,136 | 468,658 |
| Information Technology Fund | 5,703,432 | 6,374,929 | 3,768,459 | 3,897,609 |
| **Total Resources** | **7,977,670** | **7,990,206** | **6,628,889** | **6,309,169** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Business Administration | 1.33 | 1.33 | 1.14 | 1.14 |
| Cable TV | 1.00 | 1.00 | 1.00 | 1.00 |
| Franchise | 1.00 | 1.00 | 1.00 | 1.00 |
| General CIP Projects | - | - | 1.00 | 1.00 |
| Network & Systems Support Services | 9.00 | 9.00 | 7.00 | 7.00 |
| **Total FTE** | **12.33** | **12.33** | **11.14** | **11.14** |

# Information Technology
# Network & Systems Support Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **City achieves cost savings in infrastructure management.** | | | | | | |
| # of city phone lines | # | Workload | 1,773 | 1,700 | 1,800 | 1,800 |
| Cost of city phone line per month | $ | Efficiency | 17 | 15 | 17 | 17 |
| # of technicians supporting the city's phone lines | # | Workload | 0.95 | 0.95 | 0.75 | 0.75 |
| Cost of phone company business line per month | $ | Efficiency | 37 | 37 | 37 | 37 |
| **City staff are able to depend on the systems & network.** | | | | | | |
| % of time servers are fully functional during business hrs | % | Effectiveness | 99.90 | 99.90 | 99.90 | 99.90 |
| % of time phone sys is fully functional during business hrs | % | Effectiveness | 99.90 | 99.90 | 99.90 | 99.90 |
| % customer rating phone svc satisfaction good to excellent | % | Effectiveness | 80 | 93 | 85 | 87 |
| % of customers rating quality of netwk sys good to excellent | % | Effectiveness | 84 | 93 | 85 | 87 |
| % customers rating netwrk sys satisfaction good to excellent | % | Effectiveness | 84 | 94 | 88 | 90 |
| % of customers rating phone svcs quality good to excellent | % | Effectiveness | 80 | 93 | 85 | 87 |
| # of internet pages accessed on City website (in millions) | # | Workload | 80 | 85 | 76 | 80 |
| # of servers supported | # | Workload | 135 | 135 | 175 | 200 |
| **System performance is appropriate for demand.** | | | | | | |
| % of customers rating phone svc timeliness good to excellent | % | Effectiveness | 83 | 93 | 85 | 87 |
| % of customers rating timeliness of netwrk sys good to exc | % | Effectiveness | 83 | 94 | 85 | 87 |

## Issues related to Department Performance

- Increasing security requirements for data protection impact the costs associated with support and monitoring of critical systems.
- Increased server quantities may impact the ability to routinely back up all data and to efficiently manage server security patch management.
- Higher demands for system availability 24x7 and redundancy of critical systems impacts overall support costs.
- Growing volume of emails and electronic files strains existing capacity.
- Interoperability between various systems has added complexity to the overall design and makes problem management more time consuming.

Multimedia services has been established as the city-wide multimedia production and delivery resource for department content managers and message owners by providing state-of-the-art multimedia, facilities, equipment, and expert assistance from a single point of delivery in ITD. Multimedia communications is expected to become an increasingly important mode of communications for the City.

# Information Technology

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Application Support Services | 17,556,833 | 13,124,138 | (25)% |
| Client Technology Services | 7,256,114 | 11,777,725 | 62 % |
| Network & Systems Support Services | 11,526,515 | 12,387,117 | 7 % |
| **Base Budget** | **36,339,461** | **37,288,981** | **3 %** |
| **Reserves** | **3,277,426** | **2,476,734** | **(24)%** |
| CIP M&O | - | 876,307 | - |
| JDE Ongoing Staffing | - | 340,966 | - |
| NORCOM | - | -1,116,580 | - |
| PC Cost of Ownership--WRF | - | 48,000 | - |
| **Program Enhancements** | **-** | **148,693** | **-** |
| **Total Budget** | **39,616,887** | **39,914,408** | **1 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 12,275,871 | 14,418,037 | 17 % |
| Interfund | 5,218,868 | 6,395,948 | 23 % |
| M & O | 9,898,344 | 11,590,160 | 17 % |
| Capital | 8,946,378 | 5,001,529 | (44)% |
| **Total Expenditures** | **36,339,461** | **37,405,674** | **3 %** |
| **Total Reserves** | **3,277,426** | **2,508,734** | **(23)%** |
| **Total Budget** | **39,616,887** | **39,914,408** | **1 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Land Purchase Revolving Fund | 187,000 | 123,677 | (34)% |
| Franchise Fund | 3,303,362 | 3,919,546 | 19 % |
| General CIP Fund | 6,904,319 | 3,538,794 | (49)% |
| Information Technology Fund | 29,222,206 | 32,332,391 | 11 % |
| **Total Resources** | **39,616,887** | **39,914,408** | **1 %** |

# Information Technology

## JDE Ongoing Staffing

**Enhancement: FINCBA03**

**Enhancement Description**

Request Summary: Convert 2 existing LTE's to FTE's effective 1/1/2009 (1.0 in Finance and 1.0 in IT).

Background:
In November 2002, as part of the Finance and HR System (system) replacement project, on-going support for the new system was estimated to be 10 FTE's (ref: Blue Book). When Council approved the system selection and contract with AMX in June 2003, they approved a revised staffing plan that allocated 8 FTE's to support the system, with funding for LTE's and external consultants to supplement implementation staffing.

As planned, we have been filling the demand for additional support through the use of LTE's and AMX consultants (see charts below). As illustrated in the system overview chart below, in 2005, at the height of implementation, the project required 7 LTE's and many consultant dollars in addition to the 8 dedicated FTE's. We currently have 3.4 LTE's and use external consulting support to augment our 8.0 FTEs and meet the need for implementation and support.

Beginning in 2006 and continuing in 2007 and 2008 we have been actively involved in both implementation activities as well as providing on-going support and enhancements to the system. With this experience we are able to more accurately project staffing requirements for on-going maintenance, enhancements and upgrades. Through this experience it is clear that additional on-going staffing is necessary and that the original estimate of 10 FTE's to provide ongoing support for the system was accurate.

One primary benefit of an ERP system is the ability to improve processes and implement changes in the system. In order to take advantage of that benefit, we must be committed to on-going system enhancements and upgrades. Without the ongoing support of at least two additional FTE staff, use of LTE's for ongoing work, or more costly consultant assistance, this will not be possible. Additional LTE support will likely still be utilized in the future to support specific time constrained projects and consultant support will continue to be necessary at a much lower level with the dedication of the additional FTE's. The Finance plan anticipated and provided for additional ongoing funding for upgrades and enhancements. That funding will be used to pay software and consulting costs associated with the upgrades and enhancements.

The alternatives to converting two existing LTE positions to FTE's are to:

- Continue to use of LTE's for ongoing support and enhancement work
- Stop upgrades and enhancements and move into a maintenance only mode
- Use costly consultants to backfill support or enhancements.

None of these alternatives fits with the direction or policy of the City at this time and thus we are recommending the conversion of two existing LTE positions to FTE positions. Funding would continue from the CIP through 2012.

A separate, formatted table is available.

Staffing Allocation (Reflecting use of existing FTE & LTE Staff)

| Position<br>FTE Staffing | Current Staffing<br>FTE % allocated | Staff Assigned |
|---|---|---|
| Management | .75 | Dave, Sara, Rick, Chelo |
| Finance Business Systems Mgr | 1.00 | Bonnie |
| Systems Analyst | 3.50 | Toni, Lee, Jeff, Mijung Julie |
| Application Developer | 2.00 | Florence, Greg |
| Project Manager | .30 | Denise |
| Help Desk | .25 | All |
| DBA | .10 | |
| Network Services | .10 | |
| Subtotal | 8.00 | |

# Information Technology

## JDE Ongoing Staffing

**Enhancement: FINCBA03**

| Current LTE Staffing | | | Proposed LTE Staffing |
|---|---|---|---|
| Project Manager | .80 | Arnaz | Sunset position 2/2009 |
| Business Analyst | 1.00 | Sheri | Convert 1.0 to FTE |
| Business Process Analyst | 1.60 | Todd, Della | Convert 1.0 to FTE<br>Retain .60 for Maximo Project in (2009) |
| Subtotal | 3.40 | | |
| Total | 11.40 | | |

Financial & HR System Replacement Overview (Reflecting staff required to accomplish noted milestones)

| Year | Major Accomplishments | Resources Used # FTE's | # LTE's | Consultant $ |
|---|---|---|---|---|
| 2004 | Core Financials | 8.0 | 5 | $2.3m |
| 2005 | HR/Payroll | 8.0 | 7 | $1.4m |
| 2006 | Web Client Upgrade<br>Budget System<br>On-line Help | 8.0 | 5 | $1.5m |
| 2007 | Simplified Req Entry<br>Modified Accrual<br>Pilot Employee/Manager Self Service | 8.0 | 4.6 | $400K |
| | Planned Initiatives | Planned Resources (Assuming Request is Approved) | | |
| 2008 | Tax System Implementation<br>Complete rollout of Employee/Manager Self Service<br>Timekeeping Pilot<br>Integration to Maintenance Management<br>Integration to Electronic Content Management<br>Refund interfaces | 8.0 | 3.40 | $250K |
| 2009 | ForwardTax System Refinement<br>Timekeeping<br>Integration to Maintenance<br>Automated workflow for Accounts Payable and contracting<br>Enhanced functionality for Employee/Manager Self Service<br>Contract module enhancements<br>Budget System Upgrade 2009<br>JDE System Upgrade 2010 | 10.0 | .60<br>Future needs.<br>Justified for specific initiatives only. | 2009 $250K |

**State/Federal/Industry Mandates**

n/a

**Goals and Objectives**

This addresses the City Manager initiative to improve overall operational efficiency by utilizing enterprise systems to manage financial and HR resources, drive enterprise performance management, and eliminate redundant systems and manual processes.

# Information Technology

## JDE Ongoing Staffing

**Enhancement: FINCBA03**

**Consequences of Not Funding**

If this request is not funded, our ability to enhance the ERP system and financial and HR business processes would be very limited. Examples of enhancements that provide operational efficiencies and cost savings made to the ERP system in 2007/2008 are:

- Paperless pay advices for employees
- Self-entry of time records
- Electronic payment to vendors
- Refund automation

Enhancements planned for 2009/2010 include:

- Tax System Refinement including self service for taxpayers
- Integration to Maintenance Management
- Automated workflow for accounts payable and contracts
- Enhanced functionality for Employee/Manager Self Service
- Contract module enhancements
- Budget System Upgrade 2009
- JDE System Upgrade 2010

To accomplish this work without the FTE's we would be dependent on higher cost external consultants. Additional consultants would be required for mandatory, vendor-required upgrades at a higher cost.

**Equipment Requirements**

Current LTE's have PCs which are included in replacement reserves. All LTE's have desks, chairs, and equipment.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **31,494** | **105,610** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Information Technology

## NORCOM

**Enhancement: NORCOM**

**Enhancement Description**

In 2007 Bellevue's City Manager signed an Interlocal Agreement forming NORCOM, the NORTH EAST KING COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS CENTER. The planned implementation date is July 1, 2009. NORCOM assumes consolidation of the Bellevue and Kirkland Communications Centers with the following initial participants:

- Bellevue Police and Fire
- Kirkland Police and Fire
- Mercer Island Police and Fire
- Clyde Hill Police
- Medina Police
- Bothell Fire
- Eastside Fire & Rescue
- Northshore Fire
- Fall City Fire
- Shoreline Fire
- Duvall Fire
- Skykomish Fire
- Snoqualmie Pass Fire
- Redmond Fire
- City of Snoqualmie Fire
- Woodinville Fire & Life Safety

Bothell, Issaquah and Redmond Police are potential future NORCOM participants, but for the purposes of comparing costs have not been included in the initial estimates.

The preliminary recommendations primarily compare operating costs of the current dispatch centers with a regionalized center, assuming consolidation of two or more of the existing centers. The study shows that some efficiencies of scale are possible even with just two centers consolidating (Kirkland and Bellevue), but greater efficiencies are possible if a true regionalized agency is achieved.

In addition to enhanced efficiencies and improved service levels, the regionalization of dispatch operations should seek to provide:

- 9-1-1 call answering;
- Police, fire and aid (Emergency Medical Service/Medic 1) dispatch;
- 800 MHz radio maintenance and management (EPSCA function);
- Radio console maintenance and maintenance supporting computer platforms; and
- Strong operational linkage to a common wireless mobile data terminal (MDT) system.

Participants further agreed that these systems should be supported by an integrated CAD /RMS system, with additional study to determine the extent to which RMS services should be provided by the new agency.

There is a desire among the steering committee participants to move to a partnership structure for delivery of public safety communications services, where agencies are owners of the service and make decisions jointly rather than the current contract model.

Governance of a new regionalized public safety communications agency should occur through creation of a separate legal entity governed by a board on which all principals/owners are represented with a proportional voting structure. Operating boards representing the police and fire/EMS disciplines would advise the board.

NORCOM will be located at Bellevue City Hall through a lease arrangement with Bellevue. In later years, depending on NORCOM growth, the current space allocated for Dispatch at Bellevue may need to be re-evaluated.

FISCAL IMPACT: Operating - The proposed Interlocal Agreement forming NORCOM is a regional cost sharing model which currently allocates costs to 14 fire and 5 police agencies based on the proportionate share of each agency's

# Information Technology

## NORCOM

**Enhancement: NORCOM**
calls for service. NORCOM's costs are made up of the anticipated operating, reserves, and capital expenditures. At this time, Bellevue makes up 40% of the total calls for service, which in year one is estimated at $1.5 million (July 2009 through December 2009). Compared to the current dispatch contract, Bellevue would realize a savings of nearly $0.7 million in year 2009.

**State/Federal/Industry Mandates**
None.

**Goals and Objectives**
NORCOM will provide:

Greater decision making and control for all participants: The proposed governance model provides a voice and a vote for all principals at the governing board level and provides for elected official oversight through an Assembly. This governance proposal creates a structure that will encourage greater cooperation and coordination by all agencies because they are "owners and customers" of the system rather than simply a contracting agency. Partner agencies will participate in making investment and service decisions, giving them ownership of the decision and the outcome and a shared responsibility for the cost. Based on projected membership in Year 1 and current call volume, Bellevue will represent approximately 40% of the total weighted vote (police and fire).

Higher levels of service: The operating model developed for costing purposes initially assumes an equivalent or higher level of service across functions. Additionally, with the implementation of the technology investments, improved data sharing, coordination and communication across partner agencies is expected. Consolidation of call centers will also improve service to the participating agencies and the public by eliminating the delay associated with transferring calls between centers. In the future, the potential for increased levels of service improves as more police agencies are added to the regional center. One regional CAD, RMS, MDC and field reporting system will allow for real-time access to regional information and coordination.

Increased efficiency: From a cost perspective, NORCOM is projected to result in an overall savings to what is currently spent on the existing dispatch centers (Kirkland and Bellevue initially). For Bellevue, the long term operating cost savings are significant because the NORCOM model relies on full cost sharing to all participants. With this approach, Bellevue's share of the total costs drops when compared to the current contract model. The regional model will also result in additional cost efficiencies by eliminating duplicated staff, facilities, equipment and technology systems in the future. From an operating perspective, a single regional center will increase the efficiency of both call taking and dispatching, particularly for fire agencies that are located in areas currently served by a separate police dispatch center.

Better interagency collaboration and interoperability: NORCOM presents an opportunity for agencies across the service area to develop a partnership structure for delivery of public safety communications services and coordinated response procedures, all of which will lead to better interagency collaboration on the Eastside. The opportunity for improved coordination is most significant for police agencies that are currently dispatched by separate call centers. A single regional dispatch agency will also create better opportunities and a structure for continuing to improve interoperability between police and fire agencies. Additionally, having one center on the Eastside creates a better opportunity in the future to improve communication and coordination between other regional centers in King County and the neighboring counties.

**Consequences of Not Funding**
Current model would continue with higher costs due to duplication of staff, facilities, equipment and technology systems. There will be less efficiency of both call taking and dispatching, particularly for fire agencies that are located in areas currently served by a separate police dispatch center. Interagency collaboration and interoperability would be negatively impacted as well.

**Equipment Requirements**
Grant funding will offset the majority of one time costs, potentially decreasing Bellevue's share to approximately $80,000. Sufficient funding is available to pay for these costs.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **-415,105** | **-701,475** |
| **New Revenues Generated** | **174,371** | **131,263** |
| **Additional Staff (FTE)** | **-4.00** | **-4.00** |

CITY OF BELLEVUE WASHINGTON

# Miscellaneous Non-Departmental

## Program Outcome Statement

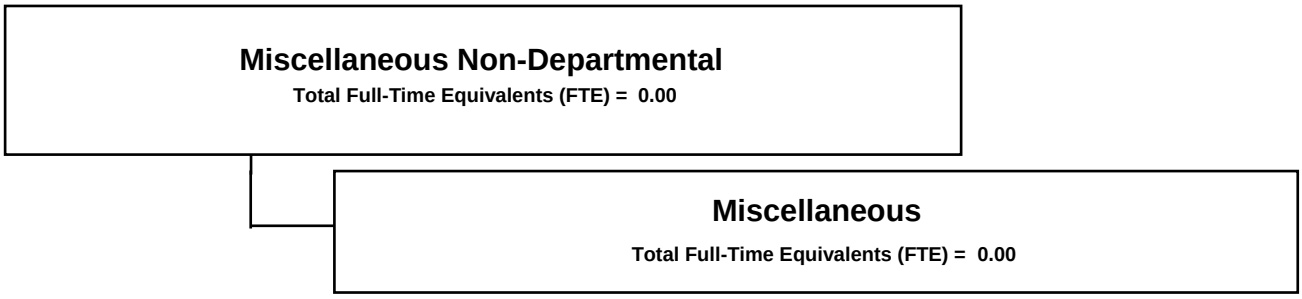
Funding for items that generally benefit the City as a whole, but do not reside in any direct service or support services program.

## Services and Accomplishments

The Miscellaneous Non-Departmental budget provides funding for memberships in governmental organizations, audit fees, other items that benefit the city as a whole, and contingency reserves.

# Miscellaneous Non-Departmental

## Organizational Chart



# Miscellaneous Non-Departmental

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Memberships In Professional Organizations | 206,255 | 215,916 | 232,537 | 238,351 |
| Audit Fees | 151,568 | 155,509 | 159,552 | 163,541 |
| Miscellaneous | 33,320,991 | 30,620,145 | 30,417,988 | 2,316,319 |
| Contingency | 2,450,793 | 1,164,938 | 6,756,464 | 1,750,668 |
| **Base Budget** | **36,129,607** | **32,156,508** | **37,566,541** | **4,468,878** |
| **Reserves** | **21,680,300** | **10,820,287** | **22,105,000** | **21,728,000** |
| NORCOM | - | - | 4,076,058 | 5,009,324 |
| **Program Enhancements** | **-** | **-** | **4,076,058** | **5,009,324** |
| **Total Budget** | **57,809,907** | **42,976,795** | **63,747,599** | **31,206,202** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 22,162 | 83,916 | 69,314 | 50,454 |
| Interfund | 2,112,302 | 18,096,390 | 7,200,000 | 2,159,000 |
| M & O | 29,494,143 | 8,973,956 | 5,673,285 | 7,168,748 |
| Capital | 4,501,000 | 5,002,246 | 28,700,000 | 100,000 |
| **Total Expenditures** | **36,129,607** | **32,156,508** | **41,642,599** | **9,478,202** |
| **Total Reserves** | **21,680,300** | **10,820,287** | **22,105,000** | **21,728,000** |
| **Total Budget** | **57,809,907** | **42,976,795** | **63,747,599** | **31,206,202** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 21,347,459 | 18,027,880 | 27,049,599 | 27,868,202 |
| Rainy Day Reserve Fund | 4,371,669 | 5,319,669 | 5,320,000 | - |
| Operating Grants/Donations/Sp Reserves Fund | 457,052 | - | - | - |
| Interest & Debt Redemption-Regular Fund | 26,608,000 | 5,398,000 | 800,000 | 1,080,000 |
| General CIP Fund | 4,501,000 | 12,397,246 | 29,500,000 | 1,180,000 |
| Supplemental CIP | 524,727 | 1,834,000 | 1,078,000 | 1,078,000 |
| **Total Resources** | **57,809,907** | **42,976,795** | **63,747,599** | **31,206,202** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No staff | | | | |

# Miscellaneous Non-Departmental

## 2009-2010 Work Initiatives

Not applicable.

## Major Challenges for the Biennium

Not applicable.

# Miscellaneous Non-Departmental
# Audit Fees

## Program Statement

Pay all required audit fees.

## Summary of Services Provided

Pay mandatory fees to State Auditor's Office for annual financial and legal compliance audit and pay fee for semi-monthly audit of City expenditures.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Audit Fees | 151,568 | 155,509 | 159,552 | 163,541 |
| **Base Budget** | **151,568** | **155,509** | **159,552** | **163,541** |
| **Total Budget** | **151,568** | **155,509** | **159,552** | **163,541** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| M & O | 151,568 | 155,509 | 159,552 | 163,541 |
| **Total Expenditures** | **151,568** | **155,509** | **159,552** | **163,541** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 151,568 | 155,509 | 159,552 | 163,541 |
| **Total Resources** | **151,568** | **155,509** | **159,552** | **163,541** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No Staff | | | | |

## Issues related to Department Performance

Not applicable.

## Program Notes

This program consists of payments made to the State Auditor and/or contractor. These costs are based upon the scope of the audit as designed by the auditor. Recent audits have emphasized General Fund operations.

# Miscellaneous Non-Departmental
# Contingency

## Program Statement

Maintain the General Fund budget contingency to cover potential budget shortfalls resulting from economic downturn or unforeseen expenditure needs.

## Summary of Services Provided

Maintain the General Fund budget contingency to cover potential budget shortfalls resulting from economic downturn or unforeseen expenditure needs.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Contingency | 1,993,741 | 1,164,938 | 1,436,464 | 1,750,668 |
| Council Reserves | 457,052 | - | - | - |
| Rainy Day Reserve | - | - | 5,320,000 | - |
| **Base Budget** | **2,450,793** | **1,164,938** | **6,756,464** | **1,750,668** |
| **Reserves** | **4,371,669** | **5,319,669** | **-** | **-** |
| **Total Budget** | **6,822,462** | **6,484,607** | **6,756,464** | **1,750,668** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Interfund | 457,052 | - | 5,320,000 | - |
| M & O | 1,993,741 | 1,164,938 | 1,436,464 | 1,750,668 |
| **Total Expenditures** | **2,450,793** | **1,164,938** | **6,756,464** | **1,750,668** |
| **Total Reserves** | **4,371,669** | **5,319,669** | **-** | **-** |
| **Total Budget** | **6,822,462** | **6,484,607** | **6,756,464** | **1,750,668** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,993,741 | 1,164,938 | 1,436,464 | 1,750,668 |
| Rainy Day Reserve Fund | 4,371,669 | 5,319,669 | 5,320,000 | - |
| Operating Grants/Donations/Sp Reserves Fund | 457,052 | - | - | - |
| **Total Resources** | **6,822,462** | **6,484,607** | **6,756,464** | **1,750,668** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No Staff | | | | |

## Issues related to Department Performance

Not applicable.

## Program Notes

Not applicable.

# Miscellaneous Non-Departmental
# Memberships In Professional Organizations

## Program Statement

Pay dues to maintain membership in intergovernmental organizations that benefit the City.

## Summary of Services Provided

Pay dues to maintain membership in the following intergovernmental organizations on behalf of the City:

- Puget Sound Clean Air Agency
- Puget Sound Regional Council
- Association of Washington Cities
- National League of Cities
- Public Technology Incorporated
- Eastside Leadership
- Mountains to Sound Greenway Trust
- Innovations Group

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Membership in Prof Org | 206,255 | 215,916 | 232,537 | 238,351 |
| **Base Budget** | **206,255** | **215,916** | **232,537** | **238,351** |
| **Total Budget** | **206,255** | **215,916** | **232,537** | **238,351** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| M & O | 206,255 | 215,916 | 232,537 | 238,351 |
| **Total Expenditures** | **206,255** | **215,916** | **232,537** | **238,351** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 206,255 | 215,916 | 232,537 | 238,351 |
| **Total Resources** | **206,255** | **215,916** | **232,537** | **238,351** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No Staff | | | | |

## Issues related to Department Performance

Not applicable.

## Program Notes

Generally, the increase in costs of membership to these organizations has been in line with changes in the Consumer Price Index (a measure of inflation).

# Miscellaneous Non-Departmental
# Miscellaneous

## Program Statement

Pay for items that benefit the City as a whole.

## Summary of Services Provided

Pay for election and voter registration costs, bank fees, watershed response, outside legal costs, excess retirement benefits, and other contingencies.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Communications | - | 926,612 | - | - |
| General CIP Projects | 4,501,000 | 12,397,246 | 29,500,000 | 1,180,000 |
| Limited Go - 2003 Ban | 26,605,000 | 5,395,000 | - | - |
| Limited GO - 2008 BAN | - | - | 800,000 | 1,080,000 |
| MND Miscellaneous | 2,214,991 | 10,067,287 | -960,012 | -1,021,681 |
| Supplemental CIP Projects | - | 1,834,000 | 1,078,000 | 1,078,000 |
| **Base Budget** | **33,320,991** | **30,620,145** | **30,417,988** | **2,316,319** |
| **Reserves** | **17,308,631** | **5,500,618** | **22,105,000** | **21,728,000** |
| NORCOM | - | - | 4,076,058 | 5,009,324 |
| **Program Enhancements** | **-** | **-** | **4,076,058** | **5,009,324** |
| **Total Budget** | **50,629,622** | **36,120,763** | **56,599,046** | **29,053,643** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 22,162 | 83,916 | 69,314 | 50,454 |
| Interfund | 1,655,250 | 18,096,390 | 1,880,000 | 2,159,000 |
| M & O | 27,142,579 | 7,437,593 | 3,844,732 | 5,016,189 |
| Capital | 4,501,000 | 5,002,246 | 28,700,000 | 100,000 |
| **Total Expenditures** | **33,320,991** | **30,620,145** | **34,494,046** | **7,325,643** |
| **Total Reserves** | **17,308,631** | **5,500,618** | **22,105,000** | **21,728,000** |
| **Total Budget** | **50,629,622** | **36,120,763** | **56,599,046** | **29,053,643** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 18,995,895 | 16,491,517 | 25,221,046 | 25,715,643 |
| Interest & Debt Redemption-Regular Fund | 26,608,000 | 5,398,000 | 800,000 | 1,080,000 |
| General CIP Fund | 4,501,000 | 12,397,246 | 29,500,000 | 1,180,000 |
| Supplemental CIP | 524,727 | 1,834,000 | 1,078,000 | 1,078,000 |
| **Total Resources** | **50,629,622** | **36,120,763** | **56,599,046** | **29,053,643** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| No staff | | | | |

# Miscellaneous Non-Departmental
# Miscellaneous

## Issues related to Department Performance

Not applicable.

## Program Notes

Not applicable.

# Miscellaneous Non-Departmental

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Memberships In Professional Organizations | 422,171 | 470,888 | 12 % |
| Audit Fees | 307,077 | 323,093 | 5 % |
| Miscellaneous | 63,941,136 | 32,734,306 | (49)% |
| Contingency | 3,615,731 | 8,507,132 | 135 % |
| **Base Budget** | **68,286,115** | **42,035,419** | **(38)%** |
| **Reserves** | **10,820,287** | **21,728,000** | **101 %** |
| NORCOM | - | 9,085,382 | - |
| **Program Enhancements** | **-** | **9,085,382** | **-** |
| **Total Budget** | **79,106,402** | **72,848,801** | **(8)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 106,078 | 119,768 | 13 % |
| Interfund | 20,208,692 | 9,359,000 | (54)% |
| M & O | 38,468,099 | 12,842,033 | (67)% |
| Capital | 9,503,246 | 28,800,000 | 203 % |
| **Total Expenditures** | **68,286,115** | **51,120,801** | **(25)%** |
| **Total Reserves** | **10,820,287** | **21,728,000** | **101 %** |
| **Total Budget** | **79,106,402** | **72,848,801** | **(8)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 22,594,435 | 32,812,801 | 45 % |
| Rainy Day Reserve Fund | 5,319,669 | 5,320,000 | - % |
| Operating Grants/Donations/Sp Reserves Fund | 457,052 | - | - % |
| Interest & Debt Redemption-Regular Fund | 32,003,000 | 1,880,000 | (94)% |
| General CIP Fund | 16,898,246 | 30,680,000 | 82 % |
| Supplemental CIP | 1,834,000 | 2,156,000 | 18 % |
| **Total Resources** | **79,106,402** | **72,848,801** | **(8)%** |

# Miscellaneous Non-Departmental

## NORCOM

**Enhancement: NORCOM**

**Enhancement Description**

In 2007 Bellevue's City Manager signed an Interlocal Agreement forming NORCOM, the NORTH EAST KING COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS CENTER. The planned implementation date is July 1, 2009. NORCOM assumes consolidation of the Bellevue and Kirkland Communications Centers with the following initial participants:

- Bellevue Police and Fire
- Kirkland Police and Fire
- Mercer Island Police and Fire
- Clyde Hill Police
- Medina Police
- Bothell Fire
- Eastside Fire & Rescue
- Northshore Fire
- Fall City Fire
- Shoreline Fire
- Duvall Fire
- Skykomish Fire
- Snoqualmie Pass Fire
- Redmond Fire
- City of Snoqualmie Fire
- Woodinville Fire & Life Safety

Bothell, Issaquah and Redmond Police are potential future NORCOM participants, but for the purposes of comparing costs have not been included in the initial estimates.

The preliminary recommendations primarily compare operating costs of the current dispatch centers with a regionalized center, assuming consolidation of two or more of the existing centers. The study shows that some efficiencies of scale are possible even with just two centers consolidating (Kirkland and Bellevue), but greater efficiencies are possible if a true regionalized agency is achieved.

In addition to enhanced efficiencies and improved service levels, the regionalization of dispatch operations should seek to provide:

- 9-1-1 call answering;
- Police, fire and aid (Emergency Medical Service/Medic 1) dispatch;
- 800 MHz radio maintenance and management (EPSCA function);
- Radio console maintenance and maintenance supporting computer platforms; and
- Strong operational linkage to a common wireless mobile data terminal (MDT) system.

Participants further agreed that these systems should be supported by an integrated CAD /RMS system, with additional study to determine the extent to which RMS services should be provided by the new agency.

There is a desire among the steering committee participants to move to a partnership structure for delivery of public safety communications services, where agencies are owners of the service and make decisions jointly rather than the current contract model.

Governance of a new regionalized public safety communications agency should occur through creation of a separate legal entity governed by a board on which all principals/owners are represented with a proportional voting structure. Operating boards representing the police and fire/EMS disciplines would advise the board.

NORCOM will be located at Bellevue City Hall through a lease arrangement with Bellevue. In later years, depending on NORCOM growth, the current space allocated for Dispatch at Bellevue may need to be re-evaluated.

FISCAL IMPACT: Operating - The proposed Interlocal Agreement forming NORCOM is a regional cost sharing model which currently allocates costs to 14 fire and 5 police agencies based on the proportionate share of each agency's

# Miscellaneous Non-Departmental

## NORCOM

**Enhancement: NORCOM**

calls for service. NORCOM's costs are made up of the anticipated operating, reserves, and capital expenditures. At this time, Bellevue makes up 40% of the total calls for service, which in year one is estimated at $1.5 million (July 2009 through December 2009). Compared to the current dispatch contract, Bellevue would realize a savings of nearly $0.7 million in year 2009.

**State/Federal/Industry Mandates**

None.

**Goals and Objectives**

NORCOM will provide:

Greater decision making and control for all participants: The proposed governance model provides a voice and a vote for all principals at the governing board level and provides for elected official oversight through an Assembly. This governance proposal creates a structure that will encourage greater cooperation and coordination by all agencies because they are "owners and customers" of the system rather than simply a contracting agency. Partner agencies will participate in making investment and service decisions, giving them ownership of the decision and the outcome and a shared responsibility for the cost. Based on projected membership in Year 1 and current call volume, Bellevue will represent approximately 40% of the total weighted vote (police and fire).

Higher levels of service: The operating model developed for costing purposes initially assumes an equivalent or higher level of service across functions. Additionally, with the implementation of the technology investments, improved data sharing, coordination and communication across partner agencies is expected. Consolidation of call centers will also improve service to the participating agencies and the public by eliminating the delay associated with transferring calls between centers. In the future, the potential for increased levels of service improves as more police agencies are added to the regional center. One regional CAD, RMS, MDC and field reporting system will allow for real-time access to regional information and coordination.

Increased efficiency: From a cost perspective, NORCOM is projected to result in an overall savings to what is currently spent on the existing dispatch centers (Kirkland and Bellevue initially). For Bellevue, the long term operating cost savings are significant because the NORCOM model relies on full cost sharing to all participants. With this approach, Bellevue's share of the total costs drops when compared to the current contract model. The regional model will also result in additional cost efficiencies by eliminating duplicated staff, facilities, equipment and technology systems in the future. From an operating perspective, a single regional center will increase the efficiency of both call taking and dispatching, particularly for fire agencies that are located in areas currently served by a separate police dispatch center.

Better interagency collaboration and interoperability: NORCOM presents an opportunity for agencies across the service area to develop a partnership structure for delivery of public safety communications services and coordinated response procedures, all of which will lead to better interagency collaboration on the Eastside. The opportunity for improved coordination is most significant for police agencies that are currently dispatched by separate call centers. A single regional dispatch agency will also create better opportunities and a structure for continuing to improve interoperability between police and fire agencies. Additionally, having one center on the Eastside creates a better opportunity in the future to improve communication and coordination between other regional centers in King County and the neighboring counties.

**Consequences of Not Funding**

Current model would continue with higher costs due to duplication of staff, facilities, equipment and technology systems. There will be less efficiency of both call taking and dispatching, particularly for fire agencies that are located in areas currently served by a separate police dispatch center. Interagency collaboration and interaperability would be negatively impacted as well.

**Equipment Requirements**

Grant funding will offset the majority of one time costs, potentially decreasing Bellevue's share to approximately $80,000. Sufficient funding is available to pay for these costs.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **4,076,058** | **5,009,324** |
| **New Revenues Generated** | **132,907** | **-2,755,883** |
| **Additional Staff (FTE)** | **-** | **-** |

# Office of Economic Development

## Program Outcome Statement

The Office of Economic Development seeks to enhance and further develop a strong, stable and sustaining Bellevue economy through targeted economic development strategies. The primary outcome is to improve the quality of life in Bellevue and make it a great place to live, work, play and do business.

The Office of Economic Development also manages the Sister Cities program as of mid 2008. The Sister Cities program promotes international communication and understanding between Bellevue and its four sister cities, as well as other international visitors, and facilitates international trade and economic development as opportunities arise. Bellevue's four Sister Cities are: Yao, Japan (1969), Hualien, Taiwan (1984), Leipaja, Latvia (1992), Kladno, Czech Republic (1993).

## Services and Accomplishments

During 2007-2008, the Office of Economic Development (selective list):

- Handled over 300 business inquiries per year;
- Improved the liaison with Bellevue business organizations;
- Improved the liaison with regional economic organizations;
- Increased city sponsorships;
- Addressed the redevelopment of small neighborhood centers;
- Increased involvement in international trade programs; and
- Recruited and retained Bellevue businesses.

The International Relations Program (Sister Cities) provides the following services:

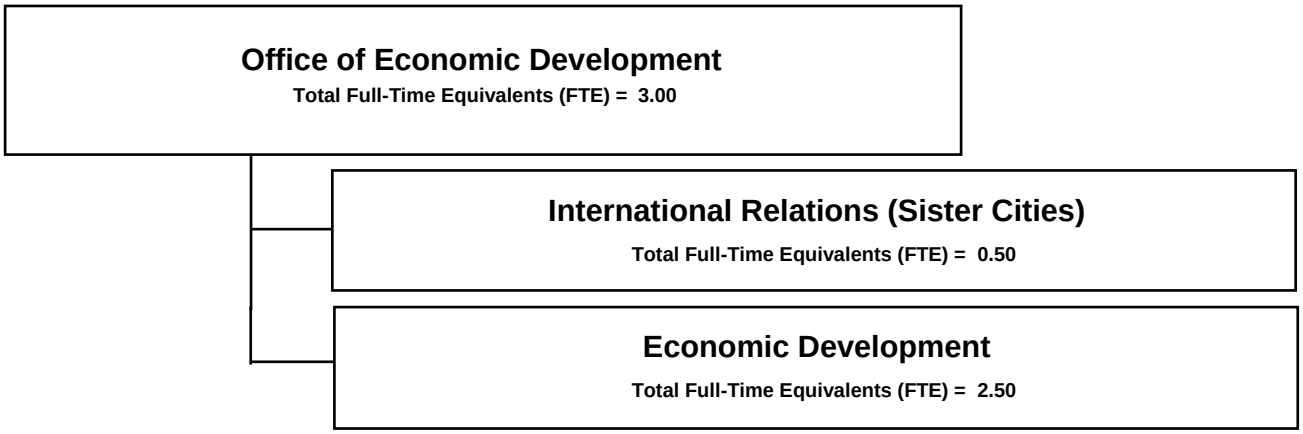
- Coordinates logistics for incoming and outgoing Sister Cities delegations;
- Facilitates City's participation with Sister Cities International and relationship with the Bellevue Sister Cities Association (BSCA); and
- Evaluates potential new Sister Cities, as requested.

During 2007-2008, the Sister Cities program:

- Led delegations to and hosted delegations from the four cities;
- Continued participation in the of Sister Cities International state charter membership goals and activities;
- Continued support of the student exchange program and Bellevue Sister Cities Association (BSCA); and
- Continued the staff exchange program in support of City's cultural diversity, innovative initiatives and commitment to employees.

# Office of Economic Development

## Organizational Chart



# Office of Economic Development

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| International Relations (Sister Cities) | 110,763 | 127,657 | 102,429 | 106,088 |
| Economic Development | 454,873 | 485,892 | 571,889 | 569,984 |
| **Base Budget** | **565,636** | **613,549** | **674,318** | **676,072** |
| **Total Budget** | **565,636** | **613,549** | **674,318** | **676,072** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 315,957 | 346,939 | 389,056 | 383,689 |
| Interfund | 58,467 | 73,027 | 87,962 | 90,151 |
| M & O | 191,212 | 193,583 | 197,300 | 202,232 |
| **Total Expenditures** | **565,636** | **613,549** | **674,318** | **676,072** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 565,636 | 613,549 | 674,318 | 676,072 |
| **Total Resources** | **565,636** | **613,549** | **674,318** | **676,072** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| International Relations (Sister Cities) | 0.60 | 0.60 | 0.50 | 0.50 |
| Economic Development | 2.50 | 2.50 | 2.50 | 2.50 |
| **Total FTE** | **3.10** | **3.10** | **3.00** | **3.00** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Economic Development** | | | | | | |
| Total inquiries | # | Workload | 332 | 300 | 300 | 350 |
| Retention & recruitment contacts | # | Effectiveness | 87 | 90 | 90 | 100 |

# Office of Economic Development

## 2009-2010 Work Initiatives

The Office of Economic Development will seek to expand its capabilities by developing and expanding (selective list):

- Tourism action plan;
- Integrated marketing action plan;
- Small business outreach program;
- International trade data and program services;
- Demographic and economic data program;
- Internal marketing program;
- Developing proposal for new incentives; and
- Improved economic development website.

In addition the Office will:

- Sustain good relationships with business economic development organizations and public economic development organizations;
- Continue business ombudsman services;
- Complete work on Lake Hills Center redevelopment, King County Solid Waste Factoria site, King County CBD Metro site, KG development, 1020 theater, Newport Hills Center redevelopment, Meydenbauer Bay waterfront project, and other site specific projects; and
- Meet and exceed performance measures.

The Office of Economic Development Sister Cities program will seek to continue the success of the Sister Cities relationships. The Sister Cities work program includes a review of the program and its elements and improves them as needed. The website will be overhauled as will the Sister Cities promotional materials. Also seeking out new participants to further enhance the Sister Cities Program.

## Major Challenges for the Biennium

The Office of Economic Development does not anticipate any major unanticipated challenges for the biennium except that the degradation of several of the neighborhood retail centers may become a growing problem.

The SC program was transferred from the City Manager's Office to the OED in the third quarter of 2008. OED expects a short learning curve for managing the SC program to determine what the program entails and costs. As directed by the Council last year, OED will also expand the SC program to include an economic development component not currently present. OED may request additional funding for the SC program once the actual costs and needs are understood. One challenge is the need to bolster the Bellevue Sister City Association and community support.

# Office of Economic Development
# Economic Development

## Program Statement

The Office of Economic Development seeks to enhance and further develop a strong, stable and sustaining Bellevue economy through targeted economic development strategies. The goal is to increase private wealth and public revenues with a focus on filling space with successful businesses and organizations all to improve the quality of life in Bellevue.

## Summary of Services Provided

The Office of Economic Development uses a variety of targeted strategies including:

- Business recruitment;
- Business retention;
- Small business development;
- Tourism promotion;
- City economic marketing;
- Redeveloping neighborhood retail centers; and
- International trade programs.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Office of Economic Development | 454,873 | 485,892 | 571,889 | 569,984 |
| **Base Budget** | **454,873** | **485,892** | **571,889** | **569,984** |
| **Total Budget** | **454,873** | **485,892** | **571,889** | **569,984** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 257,101 | 284,873 | 345,220 | 337,837 |
| Interfund | 21,866 | 23,141 | 44,841 | 45,774 |
| M & O | 175,906 | 177,878 | 181,828 | 186,373 |
| **Total Expenditures** | **454,873** | **485,892** | **571,889** | **569,984** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 454,873 | 485,892 | 571,889 | 569,984 |
| **Total Resources** | **454,873** | **485,892** | **571,889** | **569,984** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Office of Economic Development | 2.50 | 2.50 | 2.50 | 2.50 |
| **Total FTE** | **2.50** | **2.50** | **2.50** | **2.50** |

# Office of Economic Development
# Economic Development

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **A Stable, Strong and Sustaining Economy** | | | | | | |
| Number of Covered Jobs | # | Effectiveness | - | 120,000 | 120,000 | 120,000 |
| Total jobs in Bellevue | # | Effectiveness | - | 138,000 | 138,000 | 138,000 |
| FIRES -- covered jobs | # | Effectiveness | - | 13,900 | 13,900 | 13,900 |
| FIRES share of covered jobs | % | Effectiveness | - | 11.70 | 11.70 | 11.70 |
| Services -- covered jobs | # | Effectiveness | - | 62,800 | 62,800 | 62,800 |
| Services share of covered jobs | % | Effectiveness | - | 52.90 | 52.90 | 52.90 |
| High tech -- covered jobs | # | Effectiveness | - | 18,300 | 18,300 | 18,300 |
| High tech share of covered jobs | % | Effectiveness | - | 16.60 | 16.60 | 16.60 |
| Active taxpayer businesses | # | Effectiveness | 28,993 | 30,000 | 30,000 | 30,000 |
| New business registrations per year | # | Effectiveness | 4,646 | 5,000 | 5,500 | 5,500 |
| B&O tax revenues | $ | Effectiveness | 30,406,238 | 30,000,000 | 31,000,000 | 33,000,000 |
| B&O tax revenues -- annual rate of change | % | Effectiveness | 12.36 | (1.30) | 3.30 | 6.40 |
| Sales tax revenues | $ | Effectiveness | 52,869,188 | 52,800,000 | 54,000,000 | 56,000,000 |
| Sales tax revenues -- annual rate of change | % | Effectiveness | 16.55 | - | 2.30 | 3.70 |
| Lodging tax revenues | $ | Effectiveness | 6,647,367 | 7,100,000 | 7,400,000 | 8,300,000 |
| Commercial assessed value | $ | Effectiveness | 8,045,834,24 | 8,000,000,00 | 8,000,000,00 | 8,000,000,00 |
| Downtown office vacancy rate | % | Effectiveness | 6 | 6 | 6 | 6 |
| Economic impact of city budget -- total city budget | $ | Effectiveness | 303,644,903 | 310,000,000 | 330,000,000 | 350,000,000 |
| Economic impact of city budget -- economic impact | $ | Effectiveness | 910,934,709 | 930,000,000 | 990,000,000 | 1,050,000,00 |
| Lodging tax revenues -- annual rate of change | % | Effectiveness | 13.84 | 6.80 | 4.20 | 12.10 |
| Total inquiries | # | Workload | 332 | 300 | 300 | 350 |
| Retention & recruitment contacts | # | Effectiveness | 87 | 90 | 90 | 100 |

## Issues related to Department Performance

None except that additional resources would aid in the programs listed above and aid in the redevelopment of specific properties to enhance neighborhoods and focus the direction of land development.

## Program Notes

None

# Office of Economic Development
# International Relations (Sister Cities)

## Program Statement

The Office of Economic Development seeks to enhance and further develop a strong, stable and sustaining Bellevue economy through targeted economic development strategies. One way to do this is through the SC program and its ties to our diverse community, through foreign business development and through economic ties to the SC cities and countries.

## Summary of Services Provided

The Office of Economic Development uses a variety of targeted strategies including:

- Business recruitment;
- Business retention;
- Small business development;
- Tourism promotion;
- City economic marketing;
- Redeveloping neighborhood retail centers;
- International trade programs.

The SC program helps support both the international trade program and small business development.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| International Relations | 110,763 | 127,657 | 102,429 | 106,088 |
| **Base Budget** | **110,763** | **127,657** | **102,429** | **106,088** |
| **Total Budget** | **110,763** | **127,657** | **102,429** | **106,088** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 58,856 | 62,066 | 43,836 | 45,852 |
| Interfund | 36,601 | 49,886 | 43,121 | 44,377 |
| M & O | 15,306 | 15,705 | 15,472 | 15,859 |
| **Total Expenditures** | **110,763** | **127,657** | **102,429** | **106,088** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 110,763 | 127,657 | 102,429 | 106,088 |
| **Total Resources** | **110,763** | **127,657** | **102,429** | **106,088** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| International Relations | 0.60 | 0.60 | 0.50 | 0.50 |
| **Total FTE** | **0.60** | **0.60** | **0.50** | **0.50** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Enhance International Communication and Understanding** | | | | | | |
| Number of Sister Cities activities | # | Workload | - | 10 | 10 | 10 |
| Number of Sister Cities economic contacts | # | Effectiveness | - | 2 | 4 | 4 |

## Issues related to Department Performance

None except that minor additional resources would aid in the SC program.

# Office of Economic Development
# International Relations (Sister Cities)

## Program Notes

There is a Bellevue Sister Cities Association (BSCA) that OED supports along with other city agencies. Nurturing the BSCA is important to the success of the Sister Cities program.

# Office of Economic Development

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| International Relations (Sister Cities) | 238,420 | 208,517 | (13)% |
| Economic Development | 940,765 | 1,141,873 | 21 % |
| **Base Budget** | **1,179,185** | **1,350,390** | **15 %** |
| **Total Budget** | **1,179,185** | **1,350,390** | **15 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 662,896 | 772,745 | 17 % |
| Interfund | 131,494 | 178,113 | 35 % |
| M & O | 384,795 | 399,532 | 4 % |
| **Total Expenditures** | **1,179,185** | **1,350,390** | **15 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 1,179,185 | 1,350,390 | 15 % |
| **Total Resources** | **1,179,185** | **1,350,390** | **15 %** |

CITY OF BELLEVUE WASHINGTON

# Parks & Community Services

## Program Outcome Statement

Mission:
A healthy community through an integrated system of exceptional parks, open space, recreation, cultural and human services.

Goals:
- Plan, acquire, design, and develop a coordinated park system which satisfies the community's open space and recreation needs, and anticipates future park demands as the community grows and matures;
- Provide clean, safe, attractive and functional parks, open space, and recreation facilities while protecting the City's capital investments through ongoing maintenance and systematic renovation;
- Help reduce crime and antisocial behavior by providing/supporting prevention and intervention services such as domestic violence and sexual assault counseling, child abuse prevention, probation services, and youth programs such as day camps, after-school, and youth leadership programs;
- Work with the City's diverse population and community organizations to assist people in need of critical emergency services related to food, clothing, and shelter; transitional services related to housing, employment, and counseling; long-term assistance with care for low-income children; and services for the elderly and people with disabilities;
- Through partnerships and collaborations, provide Bellevue citizens with opportunities for recreation, socialization, skill development and education in order to enhance physical and mental health.

## Services and Accomplishments

2007-2008 Accomplishments

- Capital Investment Program Plan Implementation – Capital Investment Program Plan projects completed during 2007-2008 include the construction of Phase One of the Mercer Slough Environmental Education Center, conversion of two grass soccer fields at Robinswood Park to synthetic turf, development of the Crossroads Park water play area, and construction of the Highland skate park.
- Key Property Acquisitions – In 2007-2008, the Department acquired key properties for potential park development, including the purchase of the Bayvue apartments and the Cich property at Meydenbauer Bay, the Farin property in the Richards Valley, and the Carrigan property on Lake Sammamish.
- Voter Initiative - During 2007-2008, the Department was engaged in a public process with City Council, Parks & Community Services Board, and the community to identify opportunities to preserve natural areas and open space, enhance existing parks, and invest in trails, neighborhood parks, sportsfields, and community parks. The capital and related maintenance funding levy was placed on the November 4, 2008 ballot.
- Human Services Needs Update and Regional Collaborations – In 2007-2008, the Department participated in the Eastside Human Services Forum in cooperation with other cities, the county, non-profit agencies, school districts, and healthcare organizations. Through the Forum, Bellevue monitored the work of the King County Task Force on Regional Human Services and provided regular input to the Task Force. In addition, the Human Services Division conducted another systematic and comprehensive update on the human services needs of Bellevue residents and served as lead in a pooled funding project with nine other North and East King County jurisdictions.
- Business and Technology Initiatives – During 2007-2008, the Department continued to work with other E-gov Alliance cities in an ongoing effort to improve access to parks and recreation services through web-based technology tools for citizens throughout the region.
- Maintaining High Citizen Satisfaction - The Department balanced the need for providing high quality programs and maintaining the safety and function of park assets, while continuing to deliver high levels of citizen satisfaction with the overall quality (89%), appearance (97%), and usage (81%) of the parks system.

# Parks & Community Services

## Organizational Chart

**Parks & Community Services**
Total Full-Time Equivalents (FTE) = 165.51

- **Probation Services**
  Total Full-Time Equivalents (FTE) = 15.38
- **Recreation Services**
  Total Full-Time Equivalents (FTE) = 42.87
- **Resource Planning & Management**
  Total Full-Time Equivalents (FTE) = 72.93
- **Planning, Design & Project Management**
  Total Full-Time Equivalents (FTE) = 4.77
- **Human Services & Cultural Diversity**
  Total Full-Time Equivalents (FTE) = 8.33
- **Parks Enterprise Services**
  Total Full-Time Equivalents (FTE) = 21.23

City of Bellevue
2009-2010 Biennial Budget

# Parks & Community Services

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Probation Services | 1,647,368 | 1,699,285 | 1,811,566 | 1,887,384 |
| Recreation Services | 6,593,233 | 6,621,663 | 6,729,488 | 6,981,643 |
| Resource Planning & Management | 20,678,345 | 18,615,550 | 21,183,439 | 21,495,969 |
| Planning, Design & Project Management | 22,894,806 | 13,853,893 | 9,478,522 | 8,345,434 |
| Human Services & Cultural Diversity | 5,168,641 | 5,423,972 | 5,544,205 | 5,695,312 |
| Parks Enterprise Services | 5,430,139 | 5,609,169 | 6,275,266 | 6,479,302 |
| **Base Budget** | **62,412,533** | **51,823,533** | **51,022,484** | **50,885,043** |
| **Reserves** | **5,612,153** | **4,221,889** | **5,850,269** | **6,396,358** |
| CIP M&O | - | - | 324,835 | 217,569 |
| CIP M&O Mercer Slough Environment Education Center (MSEEC) | - | - | 179,300 | 157,037 |
| Home Repair Loan Specialist - Increase to 1.0 FTE | - | - | 23,597 | 25,371 |
| MSP-Storm Water Pollution Prevention Plan | - | - | 30,000 | - |
| Wrap-Around Services | - | - | - | - |
| **Program Enhancements** | **-** | **-** | **557,732** | **399,977** |
| **Total Budget** | **68,024,686** | **56,045,422** | **57,430,485** | **57,681,378** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 13,916,594 | 14,187,536 | 15,564,055 | 16,116,868 |
| Interfund | 5,357,717 | 5,810,658 | 6,269,920 | 6,343,737 |
| M & O | 17,223,855 | 18,104,191 | 17,812,729 | 18,347,649 |
| Capital | 25,914,367 | 13,721,148 | 11,933,512 | 10,476,766 |
| **Total Expenditures** | **62,412,533** | **51,823,533** | **51,580,216** | **51,285,020** |
| **Total Reserves** | **5,612,153** | **4,221,889** | **5,850,269** | **6,396,358** |
| **Total Budget** | **68,024,686** | **56,045,422** | **57,430,485** | **57,681,378** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 24,935,156 | 25,821,029 | 27,427,811 | 28,490,111 |
| Human Services Fund | 3,451,321 | 3,579,154 | 4,156,432 | 4,388,741 |
| Park M&O Reserve Fund | 2,756,583 | 2,766,583 | 2,770,583 | 2,774,583 |
| Land Purchase Revolving Fund | 363,000 | 379,406 | 1,352,000 | 1,724,560 |
| Parks Enterprise Fund | 5,487,000 | 5,729,754 | 6,363,552 | 6,618,549 |
| Operating Grants/Donations/Sp Reserves Fund | 1,083,900 | 1,232,000 | 1,264,032 | 1,295,632 |
| Interest & Debt Redemption-Regular Fund | 275,025 | 421,025 | 410,875 | 400,500 |
| Interest & Debt Redemption-Special Fund | 2,873,400 | 1,443,300 | 80,000 | - |
| General CIP Fund | 25,856,311 | 13,679,000 | 12,283,493 | 10,725,881 |
| Marina Fund | 942,990 | 994,171 | 1,321,706 | 1,262,821 |
| **Total Resources** | **68,024,686** | **56,045,422** | **57,430,485** | **57,681,378** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Probation Services | 15.29 | 15.29 | 15.38 | 15.38 |
| Recreation Services | 44.63 | 44.63 | 42.87 | 42.87 |
| Resource Planning & Management | 70.20 | 70.20 | 72.93 | 72.93 |
| Planning, Design & Project Management | 4.72 | 4.72 | 4.77 | 4.77 |
| Human Services & Cultural Diversity | 8.02 | 8.02 | 8.33 | 8.33 |
| Parks Enterprise Services | 20.40 | 20.40 | 21.23 | 21.23 |
| **Total FTE** | **163.26** | **163.26** | **165.51** | **165.51** |

# Parks & Community Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Human Services & Cultural Diversity** | | | | | | |
| Percent of contract goals met by contracted agencies | % | Effectiveness | 86 | 85 | 85 | 85 |
| **Parks Enterprise Services** | | | | | | |
| Percent of cost recovery | % | Efficiency | 100 | 100 | 100 | 100 |
| Rounds Played at Bellevue and Crossroads Courses | # | Workload | 75,913 | 71,000 | 71,000 | 71,000 |
| **Planning, Design & Project Management** | | | | | | |
| Households that have visited a park or facility in last year | % | Effectiveness | 81 | 85 | 85 | 85 |
| Citizens rating satisfaction with parks good or better | % | Effectiveness | 89 | 85 | 85 | 85 |
| **Probation Services** | | | | | | |
| Jail cost savings from Electronic Home Detention program | $ | Efficiency | 274,000 | 270,000 | 270,000 | 270,000 |
| Number of jail days served on Electronic Home Detention | # | Workload | 5,776 | 5,000 | 5,000 | 5,000 |
| **Recreation Services** | | | | | | |
| Youth and parents rating programs very good or above | % | Effectiveness | 89 | 90 | 90 | 90 |
| Special Community Serv. programs rated good or above | % | Effectiveness | 89 | 93 | 93 | 93 |
| Number of visits to Recreation Service Programs | # | Workload | 760,303 | 650,000 | 700,000 | 700,000 |
| Percent cost recovery for merit programs | % | Efficiency | 93 | 95 | 95 | 95 |
| Cost per Youth Service visit | $ | Efficiency | 8.20 | 8.00 | 8.50 | 8.50 |
| **Resource Planning & Management** | | | | | | |
| Acres of City property managed | # | Workload | 2,657 | 2,686 | 2,748 | 2,800 |
| Citizens rating parks and facilities as good or excellent. | % | Effectiveness | 97 | 85 | 85 | 85 |

# Parks & Community Services

## 2009-2010 Work Initiatives

- Capital Investment Program Plan Implementation – Challenge Grant planning and development projects begun in 2007-2008 will continue into 2009-2010, including the Ivanhoe Youth Theatre, the Bellevue Botanical Garden master plan, and feasibility analyses for an indoor aquatic center in Bellevue. Within the Parks & Community Services CIP program, the Challenge Grant is a targeted opportunity fund created to challenge donors to invest in the community and leverage City capital funding.
- Planning for the Future – Major planning initiatives in the next biennium include completion of master plans for the Meydenbauer Bay waterfront, Boeing/I-90 property, Bellevue Botanical Garden, Surrey Downs, and Ashwood Park. This planning effort represents a significant work effort, but is an important step to define the community's preferred outcome for each site, identify external funding partners, and prepare for future funding availability.
- Wraparound Services – Wraparound Services is a term which means the health, human service, and recreation programs for children and families that utilize schools as a service delivery point and where services are strategically integrated into the educational system through a model of collaboration between the School District, the City, and other community organizations. This program plays an important role in the City's neighborhood vitality strategy. In 2009-2010, the Department will work with the Bellevue School District and other community organizations to continue the program at Lake Hills Elementary and Odle Middle School, and to prepare alternatives for sustaining and expanding this program on an ongoing basis.
- Regional Coordination – The changing regional landscape for parks, recreation, and human services presents both significant challenges and partnership opportunities over the next two years. In 2009-2010, the Parks & Community Services Department will work with our regional partners (state, county, other cities, school districts, and non-profit organizations) to discuss the implication of these trends, ensure that our resources are being utilized as effectively as possible, and explore opportunities for joint use agreements for the development and operation of facilities which could benefit all parties.
- Update Recreation Program Plan – In 2009-2010, the Department will update the Recreation Program Plan, including a review of the City's pricing structure and scholarship policy. The plan will incorporate four major user group plans, including plans for Seniors, Individuals with Disabilities, Youth and Teens, and the Bellevue Youth Theater. In addition, a Cultural Diversity Plan will be developed and then adopted by Council.
- Human Services Needs Update – Every two years, the Human Services Division conducts a comprehensive update on the human services needs of Bellevue residents. This update will be done in the context of the changing funding environment for human services and will form the basis for developing human services funding recommendations in upcoming budgets.
- Parks and Open Space Plan Update - During 2009-2010, the Parks and Open Space Plan will be updated and adopted by Council. This plan will determine the future direction for the parks and open space system in Bellevue.
- Economic Development - Based on the recommendations of our departmental strategic plan, we will work to integrate the department's mission of "creating a healthy community" with the City's overall economic development strategy.

## Major Challenges for the Biennium

- Advancing the Parks and Open Space System Plan. Given limited funding for new park development, virtually no major capital projects are feasible within the 2009-2015 CIP without passage of the proposed voter initiative. In addition, available property acquisition funding will focus on the highest priority sites, including Downtown Bellevue and the most critical park connections. In order to make progress on the community needs identified in the Parks and Open Space System Plan, we need to continue to develop new financial tools and strategies, actively pursue regional partnerships or special parks taxing districts, and create new property acquisition mechanisms.
- Human Services Funding. Instability in regional human services funding continues, with agencies such as King County threatening to cut funding levels. Requests made to the Human Services Commission for 2009-2010 funding are increasingly focused on demands for emergency services to prevent homelessness, such as emergency food provision. Requests for emerging needs such as homelessness issues and programs for immigrants and refugees are consistent with the findings from the most recent Census data and the Human Service Needs Update. These issues and funding challenges are not unique to Bellevue, and we will continue to work with the Human Services Commission and our regional partners to identify long-term funding mechanisms to meet the human services needs of the community.
- Responding to Needs of Changing Community. As recommended in the departmental strategic plan, we will continue to evaluate whether our current programs and services are still relevant to the needs of a changing community and are achieving the desired outcomes. As a result of this ongoing review, we will modify our program mix and shift resources as needed to ensure that our services remain relevant and effective.
- Maintaining High Performance Standards. The department will continue to evaluate the effectiveness and efficiency of our various service delivery models, including the mix of FTEs, temporary help, contract labor, and volunteers. The department needs the ongoing flexibility to address new or growing workloads to ensure that the City is getting the best combination of efficiency, effectiveness, customer service, and performance.

# Parks & Community Services
# Human Services & Cultural Diversity

## Program Statement

The Human Services & Cultural Diversity program responds to the human service needs of the community by ensuring the development and maintenance of a responsive community-based social services system. This is done by constantly assessing needs, anticipating trends, collaborating with non-profit service providers, and funding appropriate services. The goal of this program is to assist residents to become or remain economically self-sufficient and productive, and/or to overcome times of acute personal or family crisis. In addition to presenting diversity education programs, the cultural diversity program assists business and non-profit agencies with increasing outreach to ethnic communities. This program budget includes both the administration and allocation of City Human Service funding and federal Community Development Block Grant funding.

## Summary of Services Provided

- Provide the Council and Human Services Commission with information on the status of human service "safety net" and the human service needs of Bellevue residents.
- Facilitate the community's response to human services needs via collaboration and funding.
- Provide cultural diversity education assistance and referral, and plan related events and programs.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Cultural Diversity | 202,922 | 212,698 | 226,290 | 235,593 |
| Dept Administration | 218,170 | 229,806 | 247,285 | 256,315 |
| Human Services | 3,812,549 | 3,899,468 | 3,960,497 | 4,065,519 |
| Operating Grants | 935,000 | 1,082,000 | 1,110,132 | 1,137,885 |
| **Base Budget** | **5,168,641** | **5,423,972** | **5,544,205** | **5,695,312** |
| **Reserves** | **366,944** | **431,876** | **963,727** | **1,119,943** |
| Home Repair Loan Specialist - Increase to 1.0 FTE | - | - | 23,597 | 25,371 |
| **Program Enhancements** | **-** | **-** | **23,597** | **25,371** |
| **Total Budget** | **5,535,585** | **5,855,848** | **6,531,529** | **6,840,626** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 701,860 | 729,421 | 789,139 | 825,346 |
| Interfund | 485,884 | 501,058 | 494,188 | 503,751 |
| M & O | 3,980,897 | 4,193,493 | 4,284,475 | 4,391,586 |
| **Total Expenditures** | **5,168,641** | **5,423,972** | **5,567,802** | **5,720,683** |
| **Total Reserves** | **366,944** | **431,876** | **963,727** | **1,119,943** |
| **Total Budget** | **5,535,585** | **5,855,848** | **6,531,529** | **6,840,626** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,149,264 | 1,194,694 | 1,264,964 | 1,314,000 |
| Human Services Fund | 3,451,321 | 3,579,154 | 4,156,432 | 4,388,741 |
| Operating Grants/Donations/Sp Reserves Fund | 935,000 | 1,082,000 | 1,110,132 | 1,137,885 |
| **Total Resources** | **5,535,585** | **5,855,848** | **6,531,529** | **6,840,626** |

# Parks & Community Services
# Human Services & Cultural Diversity

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Cultural Diversity | 2.00 | 2.00 | 2.00 | 2.00 |
| Dept Administration | 0.86 | 0.86 | 0.92 | 0.92 |
| Human Services | 5.16 | 5.16 | 5.41 | 5.41 |
| **Total FTE** | **8.02** | **8.02** | **8.33** | **8.33** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Meet needs of culturally diverse community** | | | | | | |
| Increased community involvement due to cultural diversity | % | Effectiveness | 95 | 95 | 95 | 95 |
| **Provide resources for residents to become self-sufficient** | | | | | | |
| Number of home repair clients served | # | Workload | 51 | 40 | 45 | 45 |
| Housing assistance clients progressing to unsubsidized homes | % | Effectiveness | 88 | 70 | 75 | 75 |
| Percent of clients obtaining jobs or completing job training | % | Effectiveness | 84 | 70 | 75 | 75 |
| **Provide support for times of personal or financial crisis** | | | | | | |
| Percent of contract goals met by contracted agencies | % | Effectiveness | 86 | 85 | 85 | 85 |
| Number of contracts managed | # | Workload | 71 | 70 | 70 | 70 |

## Issues related to Department Performance

## Program Notes

The Human Services and Cultural Diversity Program is able to leverage community resources to help meet the needs of low- and moderate-income residents. Funds are efficiently allocated, and contracted services are regularly monitored to assure contract compliance.

# Parks & Community Services
# Parks Enterprise Services

## Program Statement

The Enterprise Services program offers high quality programs and services including golf, tennis, aquatics, adult sports, and facility rentals. These programs are fee-based and primarily self supporting, but attempt to accommodate all residents regardless of the ability to pay through the use of scholarships, sponsorships, and fee waivers. Additionally, a portion of each program is directed to individuals with special needs.

## Summary of Services Provided

- Provide activities at Robinswood Tennis Center, Bellevue Aquatic Center, Bellevue Golf Course, Crossroads Golf Course, and through the Adult Sports League programs.
- Provide ballfield rentals, picnic rentals, facility rentals (Robinswood House, Winters House, Lake Hills Clubhouse), and boat launch.
- Provide programs that accommodate the needs of special populations, youth and seniors, including developmentally disabled tennis instruction, therapy programs at the Bellevue Aquatic Center, and special programming that benefits youth and senior populations.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Adult Programs | 109,481 | 108,652 | 132,728 | 136,687 |
| Aquatics | 1,117,777 | 1,130,261 | 1,230,194 | 1,276,391 |
| Dept Administration | 290,893 | 306,408 | 329,713 | 341,753 |
| Donations | - | - | - | - |
| General CIP Projects | 200,000 | 200,000 | 309,000 | 318,000 |
| Golf-Crossroads | 37,132 | 38,098 | 39,076 | 40,053 |
| Golf-Municipal | 2,396,200 | 2,491,558 | 2,571,551 | 2,648,788 |
| Parks Facilities | 523,172 | 550,855 | 849,473 | 875,455 |
| Robinswood House | 156,625 | 160,712 | 160,454 | 164,628 |
| Tennis Center | 598,859 | 622,625 | 653,077 | 677,546 |
| **Base Budget** | **5,430,139** | **5,609,169** | **6,275,266** | **6,479,302** |
| **Reserves** | **547,754** | **626,993** | **727,000** | **799,000** |
| **Total Budget** | **5,977,893** | **6,236,162** | **7,002,266** | **7,278,302** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,657,571 | 1,711,555 | 1,890,763 | 1,975,864 |
| Interfund | 1,321,001 | 1,420,173 | 1,639,879 | 1,686,916 |
| M & O | 2,251,568 | 2,277,441 | 2,435,624 | 2,498,522 |
| Capital | 200,000 | 200,000 | 309,000 | 318,000 |
| **Total Expenditures** | **5,430,139** | **5,609,169** | **6,275,266** | **6,479,302** |
| **Total Reserves** | **547,754** | **626,993** | **727,000** | **799,000** |
| **Total Budget** | **5,977,893** | **6,236,162** | **7,002,266** | **7,278,302** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 290,893 | 306,408 | 329,713 | 341,753 |
| Parks Enterprise Fund | 5,487,000 | 5,729,754 | 6,363,552 | 6,618,549 |
| Operating Grants/Donations/Sp Reserves Fund | - | - | - | - |
| General CIP Fund | 200,000 | 200,000 | 309,000 | 318,000 |
| **Total Resources** | **5,977,893** | **6,236,162** | **7,002,266** | **7,278,302** |

# Parks & Community Services
# Parks Enterprise Services

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Adult Programs | 0.21 | 0.15 | 0.30 | 0.30 |
| Aquatics | 7.00 | 7.00 | 7.09 | 7.09 |
| Dept Administration | 1.15 | 1.15 | 1.23 | 1.23 |
| Golf-Municipal | 6.25 | 6.25 | 6.25 | 6.25 |
| Parks Facilities | 1.79 | 1.85 | 2.17 | 2.17 |
| Robinswood House | - | - | 0.09 | 0.09 |
| Tennis Center | 4.00 | 4.00 | 4.09 | 4.09 |
| **Total FTE** | **20.40** | **20.40** | **21.23** | **21.23** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Maximize the community's use of parks and facilities** | | | | | | |
| Number benefiting from scholarships, sponsors, fee waivers | # | Effectiveness | 4,300 | 4,400 | 4,400 | 4,400 |
| Rounds Played at Bellevue and Crossroads Courses | # | Workload | 75,913 | 71,000 | 71,000 | 71,000 |
| **Meet cost recovery goals and minimize general fund subsidy** | | | | | | |
| Percent of cost recovery | % | Efficiency | 100 | 100 | 100 | 100 |
| **Residents have opportunity for socialization & recreation** | | | | | | |
| Golf Customer Service Ratings | % | Effectiveness | 90 | 90 | 90 | 90 |
| Customers Rating Programs/Facilities as Good/Excellent | % | Effectiveness | 89 | 90 | 90 | 90 |

## Issues related to Department Performance

## Program Notes

# Parks & Community Services
# Planning, Design & Project Management

## Program Statement

The Planning, Design & Project Management program helps create and maintain a coordinated park system consistent with the community's open space and recreation facility needs identified in the Parks and Open Space System Plan. Fundamental responsibilities include the planning, design and management of park and facility capital improvement projects; permit review of development projects; and augmenting available capital improvement funding with external grants and funding sources. The total program budget includes both the operating and capital funding to implement the Parks Capital Investment Program (CIP) Plan.

## Summary of Services Provided

- Plan, design, and provide project management for park development and redevelopment projects.
- Review permit applications for development projects.
- Apply for and monitor grants for park acquisition and development.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| 2003 Unlmtd GO Bond Rfndg | 1,430,100 | 1,443,300 | 80,000 | - |
| Dept Administration | 181,808 | 191,505 | 206,071 | 213,596 |
| General CIP Projects | 20,549,213 | 11,309,000 | 8,263,493 | 7,191,881 |
| Limited GO - 1998 | 275,025 | 421,025 | 410,775 | 400,400 |
| Planning Design & Project Mgt | 458,660 | 489,063 | 518,183 | 539,558 |
| **Base Budget** | **22,894,806** | **13,853,893** | **9,478,522** | **8,345,434** |
| **Reserves** | **1,443,300** | **-** | **100** | **100** |
| CIP M&O | - | - | 150,000 | - |
| **Program Enhancements** | **-** | **-** | **150,000** | **-** |
| **Total Budget** | **24,338,106** | **13,853,893** | **9,628,622** | **8,345,534** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 480,685 | 511,361 | 716,111 | 600,189 |
| Interfund | 138,477 | 147,497 | 356,977 | 287,189 |
| M & O | 1,726,431 | 1,886,036 | 433,624 | 423,819 |
| Capital | 20,549,213 | 11,309,000 | 8,121,810 | 7,034,238 |
| **Total Expenditures** | **22,894,806** | **13,853,893** | **9,628,522** | **8,345,434** |
| **Total Reserves** | **1,443,300** | **-** | **100** | **100** |
| **Total Budget** | **24,338,106** | **13,853,893** | **9,628,622** | **8,345,534** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 640,468 | 680,568 | 724,254 | 753,153 |
| Interest & Debt Redemption-Regular Fund | 275,025 | 421,025 | 410,875 | 400,500 |
| Interest & Debt Redemption-Special Fund | 2,873,400 | 1,443,300 | 80,000 | - |
| General CIP Fund | 20,549,213 | 11,309,000 | 8,413,493 | 7,191,881 |
| **Total Resources** | **24,338,106** | **13,853,893** | **9,628,622** | **8,345,534** |

# Parks & Community Services
# Planning, Design & Project Management

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Dept Administration | 0.72 | 0.72 | 0.77 | 0.77 |
| Planning Design & Project Mgt | 4.00 | 4.00 | 4.00 | 4.00 |
| **Total FTE** | **4.72** | **4.72** | **4.77** | **4.77** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Develop funding opportunities to meet LOS standards** | | | | | | |
| Households that have visited a park or facility in last year | % | Effectiveness | 81 | 85 | 85 | 85 |
| Citizens rating satisfaction with parks good or better | % | Effectiveness | 89 | 85 | 85 | 85 |
| **Implement Parks & Open Space Plan through the CIP process** | | | | | | |
| CIP project funds spent in year allocated (not ongoing) | % | Efficiency | 70 | 75 | 75 | 75 |
| Average total change order percentage for completed projects | % | Efficiency | - | 3 | 3 | 3 |

## Issues related to Department Performance

## Program Notes

Through the activities of the Planning, Design & Project Management Program, the City is planning for and developing the physical elements of the park system in a manner which is consistent with the open space and recreation needs of a growing and changing population.

# Parks & Community Services
# Probation Services

## Program Statement

The Probation Services program provides misdemeanant probation and electronic home detention (EHD) services to adult offenders arrested within the City of Bellevue and referred by the judges at the King County District Court-Bellevue Division. Probation is an essential component of the criminal justice process, and the City works with community agencies and other law enforcement departments in creating programs to better serve the community. Primary services include: probation supervision, deferred prosecution evaluation and monitoring, electronic home detention, pre-sentence investigation reports, alcohol/drug assessments, pre-trial diversion, referral to community resources, collection of probation fees, domestic violence evaluations, monitoring payment of court ordered financial obligations, and recruitment and training of probation volunteers. Jail cost savings occurring because of this program are estimated at $270,000 per year.

## Summary of Services Provided

- Provide misdemeanant probation supervision and services to adult offenders.
- Monitor payment of restitution and court costs, and collect probation fees.
- Manage EHD program.
- Provide services through volunteers.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Dept Administration | 327,255 | 344,709 | 370,927 | 384,472 |
| Electronic Home Detention | 263,802 | 271,874 | 285,007 | 296,677 |
| Probation | 1,056,311 | 1,082,702 | 1,155,631 | 1,206,234 |
| **Base Budget** | **1,647,368** | **1,699,285** | **1,811,566** | **1,887,384** |
| **Total Budget** | **1,647,368** | **1,699,285** | **1,811,566** | **1,887,384** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 1,293,622 | 1,326,577 | 1,432,625 | 1,497,296 |
| Interfund | 193,973 | 208,930 | 209,560 | 216,167 |
| M & O | 159,773 | 163,778 | 169,381 | 173,921 |
| **Total Expenditures** | **1,647,368** | **1,699,285** | **1,811,566** | **1,887,384** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 1,647,368 | 1,699,285 | 1,811,566 | 1,887,384 |
| **Total Resources** | **1,647,368** | **1,699,285** | **1,811,566** | **1,887,384** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Dept Administration | 1.29 | 1.29 | 1.38 | 1.38 |
| Electronic Home Detention | 2.44 | 2.44 | 2.44 | 2.44 |
| Probation | 11.56 | 11.56 | 11.56 | 11.56 |
| **Total FTE** | **15.29** | **15.29** | **15.38** | **15.38** |

# Parks & Community Services
# Probation Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Optimize the EHD program to reduce jail costs** | | | | | | |
| Percent of EHD cases closed in compliance | % | Effectiveness | 96 | 97 | 97 | 97 |
| Jail cost savings from Electronic Home Detention program | $ | Efficiency | 274,000 | 270,000 | 270,000 | 270,000 |
| Number of jail days served on Electronic Home Detention | # | Workload | 5,776 | 5,000 | 5,000 | 5,000 |
| **Reduce tax burden by charging probation & EHD fees** | | | | | | |
| Percent of budget recovered by revenue (Probation/EHD) | % | Effectiveness | 44 | 45 | 45 | 45 |
| Number of probation offenders supervised | # | Workload | 1,090 | 1,350 | 1,200 | 1,200 |
| **Reduce tax burden by increasing offender compliance** | | | | | | |
| DUI offenders completing deferred program. | % | Effectiveness | 68 | 65 | 65 | 65 |
| Offenders completing domestic violence continuance program | % | Effectiveness | 72 | 68 | 68 | 68 |
| Percent of defendant cases closed in compliance | % | Effectiveness | 44 | 65 | 65 | 65 |

## Issues related to Department Performance

## Program Notes

The Probation Division supervises offenders and holds them accountable to Court orders, which results in increased public safety, involvement of citizen volunteers, and revenue collections.

# Parks & Community Services
# Recreation Services

## Program Statement

The Recreation Services Program focuses on providing recreation, community services, and lifelong learning opportunities for youth, seniors, families, and people with disabilities of all ages. Youth Services are focused to meet the needs of the diverse youth in our community by providing opportunities for socialization, community involvement, leadership development, and education. Programs include Youth Link and Teen Services activities such as Ground Zero Teen Center and middle school latchkey care; general youth programs including youth team sports, skill-building, and skateboarding; school break day camps/child care; visual and performing arts; It's About Time for Kids Initiative; Wraparound Services; and Crossroads Community Center programs. Special Community Service programs include senior services, special events such as the 4th of July, and programs for individuals with either physical or developmental disabilities.

## Summary of Services Provided

- Provide opportunities for socialization, community involvement, and education for youth 18 years and younger.
- Provide recreation, community services, and lifelong learning opportunities for seniors, families, and people with disabilities of all ages.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Community Recreation | 5,638,253 | 5,702,439 | 5,740,348 | 5,956,383 |
| Dept Administration | 872,680 | 919,224 | 989,140 | 1,025,260 |
| Donations | 25,300 | - | - | - |
| General CIP Projects | 57,000 | - | - | - |
| **Base Budget** | **6,593,233** | **6,621,663** | **6,729,488** | **6,981,643** |
| Wrap-Around Services | - | - | - | - |
| **Program Enhancements** | **-** | **-** | **-** | **-** |
| **Total Budget** | **6,593,233** | **6,621,663** | **6,729,488** | **6,981,643** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 3,921,304 | 3,939,319 | 4,094,517 | 4,281,077 |
| Interfund | 677,036 | 720,753 | 698,865 | 719,861 |
| M & O | 1,937,893 | 1,961,591 | 1,936,105 | 1,980,705 |
| Capital | 57,000 | - | - | - |
| **Total Expenditures** | **6,593,233** | **6,621,663** | **6,729,488** | **6,981,643** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 6,510,933 | 6,621,663 | 6,729,488 | 6,981,643 |
| Operating Grants/Donations/Sp Reserves Fund | 25,300 | - | - | - |
| General CIP Fund | 57,000 | - | - | - |
| **Total Resources** | **6,593,233** | **6,621,663** | **6,729,488** | **6,981,643** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Community Recreation | 41.19 | 41.19 | 39.19 | 39.19 |
| Dept Administration | 3.44 | 3.44 | 3.68 | 3.68 |
| **Total FTE** | **44.63** | **44.63** | **42.87** | **42.87** |

# Parks & Community Services
# Recreation Services

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Enhance physical and mental well-being through participation** | | | | | | |
| Households participating in recreation program in past year | % | Effectiveness | 25 | 25 | 25 | 25 |
| **Increase self-esteem and positive self-image for youth/teens** | | | | | | |
| Registered activities by Bellevue residents | % | Effectiveness | 72 | 75 | 75 | 75 |
| Number of individuals served for registered programs | # | Workload | - | 11,000 | 11,000 | 11,000 |
| Number of visits to Recreation Service Programs | # | Workload | 760,303 | 650,000 | 700,000 | 700,000 |
| Percent cost recovery for merit programs | % | Efficiency | 93 | 95 | 95 | 95 |
| **Provide recreation, socialization & leadership to youth** | | | | | | |
| Youth reporting activity as productive use of time | % | Effectiveness | 93 | 95 | 95 | 95 |
| Cost per Youth Service visit | $ | Efficiency | 8.20 | 8.00 | 8.50 | 8.50 |
| **Reduce alienation and loneliness of citizens** | | | | | | |
| Youth and parents rating programs very good or above | % | Effectiveness | 89 | 90 | 90 | 90 |
| Special Community Serv. programs rated good or above | % | Effectiveness | 89 | 93 | 93 | 93 |

## Issues related to Department Performance

## Program Notes

Youth programs contribute to the well-being of the community's youth and teens by providing a wide range of activities supervised by positive role models. Activities are structured to help build self-esteem and reduce the risk of antisocial behavior. Special Community Service programs make a positive contribution to the quality of life of seniors, people with disabilities, adults, and families living in our community. Opportunities for socialization are readily available through these activities, and are critical in maintaining the well-being of seniors and people with disabilities.

# Parks & Community Services
# Resource Planning & Management

## Program Statement

The Resource Planning and Management program provides for the management and stewardship of City-owned parks and park facilities, and open spaces, trails, and arterial landscapes. This program includes the Resource Management, and Natural Resource divisions. Services are provided in an environmentally conscious manner, and the department utilizes a combination of City staff and alternative service delivery models including contracts, inter-local agreements, partnerships and volunteers. This program provides functional and attractive parks and recreational facilities, and supports essential municipal facilities. In addition, this program provides environmental education and public outreach, manages sensitive open spaces, and protects capital investments while focusing on energy conservation and reducing liability exposure.

## Summary of Services Provided

- Management, maintenance and program support for City-owned parks, open spaces, and events.
- Stewardship to ensure the protection of the City's capital investments.
- Deliver direct services that compare favorably to private sector market and industry standards.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Dept Administration | 1,745,360 | 1,838,449 | 1,978,280 | 2,050,519 |
| Donations | 123,600 | 150,000 | 153,900 | 157,748 |
| General CIP Projects | 5,050,098 | 2,170,000 | 3,561,000 | 3,216,000 |
| Interest - Restricted City | 29,000 | 32,000 | 33,000 | 34,000 |
| Interest - Restricted State | 75,000 | 82,000 | 85,000 | 88,000 |
| Land Purchase Revolving Fund | 216,594 | 222,521 | 530,440 | 530,935 |
| Management & Maintenance-Grnds | 907,668 | 1,323,269 | 1,424,362 | 1,468,787 |
| Natural Resources | 3,510,618 | 3,647,422 | 3,826,345 | 4,006,597 |
| Resource Management | 9,020,408 | 9,149,889 | 9,591,112 | 9,943,383 |
| **Base Budget** | **20,678,345** | **18,615,550** | **21,183,439** | **21,495,969** |
| **Reserves** | **3,254,155** | **3,163,020** | **4,159,442** | **4,477,315** |
| CIP M&O | - | - | 174,835 | 217,569 |
| CIP M&O Mercer Slough Environment Education Center (MSEEC) | - | - | 179,300 | 157,037 |
| MSP-Storm Water Pollution Prevention Plan | - | - | 30,000 | - |
| **Program Enhancements** | **-** | **-** | **384,135** | **374,606** |
| **Total Budget** | **23,932,500** | **21,778,570** | **25,727,016** | **26,347,890** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 5,861,552 | 5,969,303 | 6,640,902 | 6,937,096 |
| Interfund | 2,541,347 | 2,812,247 | 2,870,451 | 2,929,853 |
| M & O | 7,167,293 | 7,621,852 | 8,553,520 | 8,879,098 |
| Capital | 5,108,154 | 2,212,148 | 3,502,702 | 3,124,528 |
| **Total Expenditures** | **20,678,345** | **18,615,550** | **21,567,574** | **21,870,575** |
| **Total Reserves** | **3,254,155** | **3,163,020** | **4,159,442** | **4,477,315** |
| **Total Budget** | **23,932,500** | **21,778,570** | **25,727,016** | **26,347,890** |

# Parks & Community Services
# Resource Planning & Management

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 14,696,229 | 15,318,410 | 16,567,827 | 17,212,179 |
| Park M&O Reserve Fund | 2,756,583 | 2,766,583 | 2,770,583 | 2,774,583 |
| Land Purchase Revolving Fund | 363,000 | 379,406 | 1,352,000 | 1,724,560 |
| Operating Grants/Donations/Sp Reserves Fund | 123,600 | 150,000 | 153,900 | 157,748 |
| General CIP Fund | 5,050,098 | 2,170,000 | 3,561,000 | 3,216,000 |
| Marina Fund | 942,990 | 994,171 | 1,321,706 | 1,262,821 |
| **Total Resources** | **23,932,500** | **21,778,570** | **25,727,016** | **26,347,890** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Dept Administration | 6.89 | 6.89 | 7.37 | 7.37 |
| Management & Maintenance-Grnds | 1.20 | 4.48 | 4.48 | 4.48 |
| Natural Resources | 13.31 | 13.31 | 15.56 | 15.56 |
| Resource Management | 48.80 | 45.52 | 45.52 | 45.52 |
| **Total FTE** | **70.20** | **70.20** | **72.93** | **72.93** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Protect City's capital investment** | | | | | | |
| Number of park sites maintained | # | Workload | 312 | 312 | 312 | 312 |
| Acres of City property managed | # | Workload | 2,657 | 2,686 | 2,748 | 2,800 |
| Square feet of active recreation facilities | # | Workload | 209,887 | 217,887 | 220,387 | 222,887 |
| Linear miles of trails | # | Workload | 75 | 78 | 81 | 84 |
| Square feet of arterial landscape (000) | # | Workload | 6,900 | 7,400 | 7,600 | 7,800 |
| **Provide clean, safe, attractive, and functional facilities** | | | | | | |
| Parks and facilities safety rated as good or excellent. | % | Effectiveness | 82 | 75 | 75 | 75 |
| Citizens rating parks and facilities as good or excellent. | % | Effectiveness | 97 | 85 | 85 | 85 |
| Cost per square foot of streetscape | $ | Efficiency | 0.15 | 0.15 | 0.18 | 0.19 |
| Cost per square foot of active recreation facilities | $ | Efficiency | 9.28 | 9.53 | 9.82 | 10.12 |
| Cost per square foot of developed park | $ | Efficiency | 0.15 | 0.16 | 0.17 | 0.18 |

## Issues related to Department Performance

## Program Notes

The Resource Planning & Management Program provides a high level of maintenance services in a cost-effective manner. According to the 2008 Budget Survey, 97% of Bellevue citizens rated park appearance as good or better.

# Parks & Community Services

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Probation Services | 3,346,653 | 3,698,949 | 11 % |
| Recreation Services | 13,214,897 | 13,711,130 | 4 % |
| Resource Planning & Management | 39,293,895 | 42,679,408 | 9 % |
| Planning, Design & Project Management | 36,748,700 | 17,823,956 | (51)% |
| Human Services & Cultural Diversity | 10,592,613 | 11,239,516 | 6 % |
| Parks Enterprise Services | 11,039,309 | 12,754,568 | 16 % |
| **Base Budget** | **114,236,066** | **101,907,528** | **(11)%** |
| **Reserves** | **4,221,889** | **6,396,358** | **52 %** |
| CIP M&O | - | 542,404 | - |
| CIP M&O Mercer Slough Environment Education Center | - | 336,337 | - |
| Home Repair Loan Specialist - Increase to 1.0 FTE | - | 48,968 | - |
| MSP-Storm Water Pollution Prevention Plan | - | 30,000 | - |
| Wrap-Around Services | - | - | - |
| **Program Enhancements** | **-** | **957,709** | **-** |
| **Total Budget** | **118,457,955** | **109,261,595** | **(8)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 28,104,130 | 31,680,923 | 13 % |
| Interfund | 11,168,375 | 12,613,657 | 13 % |
| M & O | 35,328,046 | 36,160,379 | 2 % |
| Capital | 39,635,515 | 22,410,278 | (43)% |
| **Total Expenditures** | **114,236,066** | **102,865,237** | **(10)%** |
| **Total Reserves** | **4,221,889** | **6,396,358** | **52 %** |
| **Total Budget** | **118,457,955** | **109,261,595** | **(8)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 50,756,185 | 55,917,922 | 10 % |
| Human Services Fund | 6,663,531 | 7,581,446 | 14 % |
| Park M&O Reserve Fund | 2,870,583 | 2,892,583 | 1 % |
| Land Purchase Revolving Fund | 596,000 | 2,255,000 | 278 % |
| Parks Enterprise Fund | 10,669,000 | 12,255,101 | 15 % |
| Operating Grants/Donations/Sp Reserves Fund | 2,315,900 | 2,559,665 | 11 % |
| Interest & Debt Redemption-Regular Fund | 696,050 | 811,275 | 17 % |
| Interest & Debt Redemption-Special Fund | 2,873,400 | 80,000 | (97)% |
| General CIP Fund | 39,535,311 | 23,009,374 | (42)% |
| Marina Fund | 1,481,995 | 1,899,228 | 28 % |
| **Total Resources** | **118,457,955** | **109,261,595** | **(8)%** |

# Parks & Community Services

## CIP M&O Mercer Slough Environment Education Center (MSEEC)

**Enhancement: PKS0005**

**Enhancement Description**

Background:

- The MSEEC was included in the master plan for the Mercer Slough Nature Park, which was adopted at the June 6, 1990 City Council Meeting (Resolution 5279).
- In 1993, the Parks Department moved the Sullivan House to the Mercer Slough and began programming the interim MSEEC.
- In June 2004, City Council reviewed the proposed expansion of the Mercer Slough Environmental Education Center, and authorized staff to proceed with expansion plans under the revised MOU with Pacific Science Center (Resolution 7012).

The MSEEC is scheduled for completion in September 2008. The approximate 9,000 sq. ft. campus includes a community building, visitor center, administration building, classroom building, wetlab, and restroom building. Other site improvements include an entry drive, parking, trails, an educational tree house, and interpretive viewing decks. Construction of the MSEEC uses green building techniques including pin pile foundations, recycled materials, native landscaping, bio-retention swales, vegetative roofs and permeable pavements, and other LID technologies. The site is pursuing LEED certification and will serve as a community example for green infrastructure. The facility will be a regional environmental education center with the primary focus of freshwater wetland ecosystem education and interpretation.

Per the MOU and subsequent Joint Use Agreement (JUA) with the Pacific Science Center (PSC) for operation of the MSEEC, PSC will operate the classroom and wetlab buildings. PSC's programming efforts are focused on environmental education classes targeted at children and school age youth. The City of Bellevue (COB) will operate the visitor center and community building with programming efforts focused on interpretation of urban natural systems targeted at adult and family audiences. The visitor center and community building will be available for community drop-in visitation as well as programmed lectures, meetings and events. PSC and COB operations are designed to augment each other to provide a seamless service delivery model for public environmental education and interpretation. The visitor center and community building will be available for all City departments, as well as other state and federal agencies, to deliver interpretive messages about environmental stewardship and resource conservation.

Coordination of logistics at the MSEEC and operation of the community building and visitor center will require COB staffing resources of one FTE. Supplemental funding for temporary help to assist with facility staffing during public peak use hours and funding for on-going interpretive development, classes, supplies, and materials will also be needed.

**State/Federal/Industry Mandates**

The City of Bellevue is required by the Federal Government, through the Clean Water Act and the Endangered Species Act, to manage its wetlands and natural areas in a responsible manner as it relates to water quality and the protection of priority habitats. However considering approximately 90% of the City's land base is in private ownership, a healthy urban ecosystem hinges on broad citizen understanding of the functions and values of urban natural systems.

How does this proposal meet these requirements?
This investment proposal compliments the Evergreen Agenda legislation passed by the Washington State legislature in their 2008 session.

The Environmental Protection Agency, Army Corps of Engineers, the Washington State Department of Natural Resources, and the Washington State Department of Fish and Wildlife all promote environmental education and interpretation to educate citizens and assist with wetland ecosystem preservation, enhancement and conservation. The interpretive programming of the visitor center and community building will seek to encourage and attract state and federal partnerships to assist with programming efforts of the MSEEC to provide more cost effective service delivery.

City of Bellevue

# Parks & Community Services

## CIP M&O Mercer Slough Environment Education Center (MSEEC)

**Enhancement: PKS0005**

**Goals and Objectives**

This proposal is consistent with the CMO and City Council Environmental Stewardship Initiative as well as the One City Initiative. The MSEEC site offers a unique setting and community gathering place that will allow all departments to outreach to the community with individual environmental stewardship messages.

This proposal is supported by the Parks, Open Space and Recreation Element of the Comprehensive Plan, as well as the Environmental Element, the Utilities Element and the Transportation Element (see policies above).

**Consequences of Not Funding**

If this proposal is not funded, opportunities relating to public outreach, environmental education, and to work across interdepartmental and inter-jurisdictional lines on mutual environmental stewardship issues will be lost. In addition, the open hours of the facility for non-programmed public use will be drastically reduced.

Residents are looking for support in order to engage and improve their communities. The lack of this support results in lost opportunities relating not only to increased environmental stewardship and the benefits associated therein, but also lost opportunities to forge stronger bonds with residents and to support their drive to become better civic participants.

**Equipment Requirements**

Identify capital outlay requirements for proposal.
Vehicle, mobile radio and maintenance

What is needed if approved?
¼ ton 4x4 pickup, $25,250 built into program coordinator position below

Estimate of maintenance and replacement costs for equipment over the next six years?
$1596/yr. maintenance, $2,200/ yr. fuel cost, and $2,525/yr. for truck replacement, $410/yr for radio replacement

Replacement cycle, i.e., every 3 years, 8 years?
10 years

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **179,300** | **157,037** |
| **New Revenues Generated** | **179,300** | **157,037** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Parks & Community Services

## Home Repair Loan Specialist - Increase to 1.0 FTE

**Enhancement: PKS0019**

**Enhancement Description**

This request is to increase the Home Repair Loan Specialist position from .75 FTE to 1.0 FTE, a difference of 10 hours per week, due to the increased demand for the Bellevue Home Repair Program (HRP). The cost will be fully funded by federal Community Development Block Grant funds. The HRP is a zero-interest loan program, with emergency grants for urgent repairs available on a limited basis. To be eligible, an applicant must meet income requirements as determined by the U.S. Department of Housing and Urban Development (HUD), live in the Bellevue city limits, and have owned and occupied the house for at least one year. Homeowners who earn 50% or less of the King County median income may borrow up to $20,000 in one year, with a cap of $35,000 per homeowner. Loans of up to half of the repairs are also available for homeowners earning 80% of the King County median income. The program has been funded using federal Community Development Block Grant funds since 1978.

The HRP addresses the need for affordable housing which has been identified since 1995 as the top community problem by Bellevue residents in phone surveys, most recently in March 2007. The 2000 US Census data revealed that 3.8% or 1,120 families, in Bellevue lived at or below the poverty level. Another critical demographic that contributes to the need for increased staff for this program is the increase in the population of older adults in Bellevue, forecast to grow to 16% of the city's population by 2010. Many older adults are "aging in place" , remaining in their own homes as long as they are able. Many are living on fixed incomes, and cannot afford the large costs of major health and safety related repairs, such as roofs or plumbing. Over 50% of the participants in the HRP are adults aged 60 years or over.

The program has grown dramatically over the years, serving about ten clients annually when it began in 1978, to now serving an average of 50 new households annually, with over 200 loans in the portfolio. The Loan Specialist performs tasks to complete every step in the process for new loans, from intake to underwriting the loans, to ensuring that the work is completed to the homeowner's satisfaction; he also services the loan portfolio, answering consumer inquiries, processing subordinations and closing the loans when they are paid back. With the growing complexity of these loan processes and working with an aging population that often requires additional referrals to human service organizations, a .75 FTE staff person is insufficient to complete all the tasks required by HUD and deliver exceptional public service, one of the City's core values.

**State/Federal/Industry Mandates**

Federal Community Development Block Grant funding to Bellevue is mandated.

**Goals and Objectives**

The proposal addresses one of the 2008 priorities for the Neighborhood Livability Action Agenda, specifically, Neighborhood Fitness, focusing on the maintenance of private property in Bellevue's older neighborhoods. Further, the proposal directly affects the policies in the Housing Element in the City's Comprehensive Plan, specifically, Policy HO-7: Provide financial assistance to low-income residents for maintaining or repairing the health and safely features of their homes through the Housing Repair Program, or similar program.
The City's Human Services Commission supports the request to increase the Loan Specialist to 1.0 FTE.

**Consequences of Not Funding**

If the proposal is not funded, the HRP Loan Specialist will not be able to keep up with the customer demand for the program, resulting in longer waits for loan processing, and ultimately, completion of the home repair. For some customers, this delay can have major consequences since the repairs are health and safety related. For example, a customer may have to wait longer for a furnace or hot water heather to be replaced, which for some frail elderly would be a danger to their physical health.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **23,597** | **25,371** |
| **New Revenues Generated** | **23,597** | **25,371** |
| **Additional Staff (FTE)** | **0.25** | **0.25** |

# Parks & Community Services

## MSP-Storm Water Pollution Prevention Plan

**Enhancement: MSPPKS19**

**Enhancement Description**

This investment requests that money be deposited in the Parks & Community Services Department Operating budget for outside consultant services, temporary help, and new permit fees in support of the Citywide Municipal Stormwater Permit Program. The consultants will aid in the creation and implementation of Storm Water Pollution Prevention Plans (SWPPPs) for three Parks facilities (see attached list of municipal facilities that trigger SWPPP requirement; for Parks, it's the Bellevue Golf Course, Resource Management Division at Crossroads, and the Bellefields Yard near the Mercer Slough) and develop plans for any necessary capital improvements, review and revise the Department's Municipal Ops SOPs (Environmental Best Management Practices), and develop curricula, define staff training requirements, and establish a train-the-trainer program to help with on-going education and compliance for internal field staff. This would encompass ongoing administration and tracking.

Maximo Upgrade for NPDES compliance reporting: The $8,474 is Park's portion of an IT interfund charge for Maximo upgrade. The upgrade will allow development of five (5) NPDES compliance reports (total cost for the Maximo reports is $38,000).

This investment request also provides for Temporary Help funding to offset field productivity impacts from required training, and annual funding to support expected required NPDES construction permits from Dept. of Ecology for typical projects disturbing ground area greater than 1 acre.

Note: Additional capital costs may be necessary in a mid-biennium budget add and/or the 2011-2012 budget if additional structural improvements are necessary (for example, constructing a vehicle wash area discharging to sanitary sewer or cover for materials storage).

**State/Federal/Industry Mandates**

Compliance with the Clean Water Act permit is required of the City of Bellevue.
Compliance with this Permit program will re-enforce the Environmental Best Management Practices and the best business practices currently in place by increasing awareness with in-house and contracted staff

**Goals and Objectives**

This investment responds to:

Councils commitment to comply with the Clean Water Act;

Councils policy to maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan); and

Citizens priority to protect and restore Bellevue's streams, lakes and wetlands (identified by 91% of citizens as moderate to very important in a 1999 survey).

**Consequences of Not Funding**

Current workload exceeds existing resources

The department lacks the expertise specific to this program.

Potential 3rd party lawsuits.

Non-compliance

Public scrutiny

**Equipment Requirements**

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **30,000** | **-** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Parks & Community Services

## Wrap-Around Services

**Enhancement: PKS0022**

**Enhancement Description**

The Wrap-Around Services' Leadership Team has approved a recommendation to elevate the Wrap-Around Services Pilot Project to permanent program status and to expand the program to two additional schools. The $150,000 per year request will support the expansion plan. In order to meet the program needs two FTE positions are requested. The first position transitions the LTE assigned to the pilot project to an FTE position. The position will use existing funding from the general fund. The second position provides for a FTE at the expansion elementary school site. Program support dollars are also included as part of the request.

Wrap-Around Services was launched as a pilot project in 2005. In September 2005, Parks & Community Services received authorization for a Community Services Program Coordinator LTE. This position's responsibilities focus on the Wrap-Around services program. The LTE will end November 2008. Since then, it has expanded to encompass a full range of programs, classes, and opportunities for students, families, and community members. Programs include before- and after-school academic and enrichment programs for students, English-as-a-Second-Language and computer classes for parents and community members, pre-kindergarten early learning assistance for younger siblings, monthly family nights, and access to a range of human services including monthly dental van visits, a family support center, and human services referrals.

Wrap-Around Services has successfully completed a three-year pilot project at Lake Hills Elementary School As a next step, the sponsors of the Wrap-Around Services Program will continue the program at Lake Hills School while expanding the program to an additional elementary school and a middle school within Bellevue. The city has been experiencing rapid growth of diverse groups over the last several years, and project sponsors want to expand the success of Wrap-Around Services at its current site and to additional schools and neighborhoods. City funding will allow the program to be expanded in a thoughtful and systematic way, preserving what has been most successful about the program while taking advantage of new opportunities.

**State/Federal/Industry Mandates**

N/A

**Goals and Objectives**

This investment is supported through several elements of the Human Services section of the City Comprehensive Plan including;

- Policy HS-1 Anticipate human services needs and provide leadership in the development of community responses.
- Policy HS -7 Facilitate and encourage broad community participation and planning, providing and promoting human services.
- Policy HS -9 Encourage the development of partnerships among the city, schools, human service providers and others to address the needs of children and families within the school setting
- Policy HS -10 Encourage cooperation with the school district in the development of schools as a focal point for the identification of needs and delivery of services to children and families
- Policy HS -14 Encourage services to efficiently use public and private resources and develop a broad base of community support.

Additionally this investment is supported through the Comprehensive Plan within the Parks, Open Space and Recreation Element.

- Policy PA-34. Provide a variety of Services throughout the city serving the general population and placing special emphasis on programs and services for youth, seniors, people with disabilities and the disadvantaged.
- Policy PA-35 Promote partnerships with public and private service providers to meet cultural,recreational and social needs of the community.
- Policy PA-36. Provide an opportunities for individuals to develop a sense of community through services and programs.

Policy PA-37 Actively solicit community input into the planning and delivery of services and programs to ensure they are convenient and beneficial.

**Consequences of Not Funding**

Without the funding of the FTE positions, the coordination services of Wrap-Around Services will not exist. The Wrap-Around Services Coordinator (the FTE positions) provides the key element of obtaining, coordinating, distributing and connecting community organizations, faith groups, businesses and public services to children, family and residents. Wrap-Around Services reduces community and neighborhood isolation, increases children's abilities for academic success and enhances community vitality, encouraging business and neighborhood stability.

# Parks & Community Services

## Wrap-Around Services

**Enhancement: PKS0022**

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | - | - |
| **New Revenues Generated** | - | - |
| **Additional Staff (FTE)** | 1.00 | 1.00 |

# Planning & Community Development

## Program Outcome Statement

The mission of the Planning and Community Development Department (PCD) is to help create and sustain a quality natural and built environment and to guide growth and change in a manner which preserves and enhances the character of the community. PCD staff work with residents, businesses, elected leaders, and other departments to achieve Bellevue's potential as an outstanding city in which to live and work.

PCD accomplishes this mission through four program areas: Comprehensive Planning, Community Development, Neighborhood and Community Outreach, and Housing. Mission-critical functions of the department are increasing satisfaction with neighborhood quality and planning for the City's future, providing timely and cost effective customer service, accomplishing an array of policy objectives established by Council and producing a safe built environment.

Goals of the department are:

- To assist the City Council and Planning Commission in establishing and implementing the Comprehensive Plan and to foster development that is consistent with the Plan;
- To support the development of strong and stable neighborhoods, and to strengthen the City's bond with neighborhoods through coordinated outreach programs and community partnerships;
- To enhance community problem-solving through mediation services and training;
- To encourage the development of affordable housing;
- To represent the community's needs and views in regional planning and decision making;
- To provide citizens and city decision makers with accurate and useful information through analysis and forecasting of demographic and socio-economic trends
- To assist the City Council and City Manager in developing new programs and policies which respond to emerging community needs and issues.

## Services and Accomplishments

Accomplishments:

- Completed planning for the Bel-Red Corridor, supporting the project steering committee, developing land use and transportation alternatives, taking these through the Draft EIS, and through the implementation stage with six city boards and commissions.
- Worked in collaboration with the Transportation Department and a "committee of commissioners" to complete the Light Rail Best Practices study and to adopt an initial set of light rail Comprehensive Plan Amendments in 2008. Also began planning for a Light Rail route from I-90 through South Bellevue, Downtown, and the Bel-Red Corridor.
- Conducted a community process to identify a long-term vision and near-term implementation steps that will help cement the long-term vitality of the Crossroads Center, with results adopted into the Comprehensive Plan in 2007.
- Completed the Wilburton study, which was expanded to explore new potential east-west connectivity between Wilburton, Bel-Red, and Downtown. Results were adopted into the Comprehensive Plan in 2008.
- Initiated work with the Parks and Community Services Department on the Meydenbauer Bay land use and park study, and completed the first phase of planning for the upland area associated with the waterfront park.
- Continued work to track and disseminate information about changing Bellevue demographics, through the new federal American Communities Survey, and to track economic trends through updates to the Bellevue Economic Profile.
- Monitored and participated in key regional land use planning efforts, through support to the King County Growth Management Planning Council, and the 4-county Growth Management Policy Board adoption of Vision 2040.
- Completed the Neighborhood Livability Agenda's two-year emphasis on Neighborhood Fitness "target areas" -- six neighborhoods with identified "clusters" of property maintenance concerns. Developed a comprehensive approach which resulted in verifiable improvement in property conditions and overall neighborhood appearance.
- Initiated work on issues regarding infill and "teardown" development in existing single family neighborhoods (sometimes called the "megahouse" issue), worked extensively with stakeholders to craft solutions to negative impacts on neighborhood character while not discouraging redevelopment, and completed Phase One with the adoption of code changes in December of 2007. Completed research and outreach for a second, more complex set of code changes, slated for Council action in early 2009.
- Completed the public process for design of the Newport Hills Neighborhood Identity treatments, which are now moving forward for construction in 2008-09.
- Managed the Neighborhood Liaison Team, which responded to a record 5,861 citizen contacts in 2007.
- Completed Neighborhood Enhancement Program processes for Newport, Factoria, Somerset, Eastgate/Cougar Mountain, and Sammamish/East Lake Hills. Five hundred project requests were reviewed by staff, and 56 were presented to residents for their prioritization. Fifteen neighborhood improvement projects were selected for funding, for a total investment of $1,256,000.

# Planning & Community Development

- Awarded 27 Neighborhood Match grants for collaborative neighborhood improvement projects in 2007.
- Served an average of 2,000 customers per month at Crossroads Mini City Hall, which continues to be the front-line City contact for many East Bellevue residents, including those with special needs and limited English skills. Service to special populations was enhanced by a team of multilingual volunteers who contributed 1,753 hours to the Mini City Hall in 2007.
- Received 2007 Governnor's Smart Communities Award for the Neighborhood Investment Strategy, a comprehensive outreach project which resulted in extensive community building and physical improvement of the Lake Hills community.
- Created four new sections of the city web site -- in Russian, Chinese, Vietnamese and Korean -- bringing the total number of Outreach-managed foreign language web sections to five (including Spanish, established previously).
- Planned and launched the Great Community Workshops -- a series of six programs offering skills for creating, maintaining, and improving effective community organizations.
- Mediation 07-08. Conducted annual trainings in basic mediation, conciliation, parent-teen mediation, as well as advanced trainings in group facilitation, working with attorneys at the table, and other advanced mediation skills. Admitted approximately 30 new volunteers to the mediation program and admitted 10 volunteers into the mediation practicum.
- Handled approximately 500 calls to the program per year, resulting in conciliations, mediations, and group facilitations, and maintaining a high mediation settlement rate of 70%.

# Planning & Community Development

## Organizational Chart

**Planning & Community Development**
Total Full-Time Equivalents (FTE) = 26.23

- **Comprehensive Planning**
  Total Full-Time Equivalents (FTE) = 8.99
- **Neighborhood & Community Outreach**
  Total Full-Time Equivalents (FTE) = 9.02
- **Community Development**
  Total Full-Time Equivalents (FTE) = 3.26
- **Housing**
  Total Full-Time Equivalents (FTE) = 4.96

# Planning & Community Development

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Neighborhood & Community Outreach | 300,000 | 250,000 | 1,566,372 | 1,532,538 |
| Community Development | 5,677,863 | 7,087,238 | 8,003,723 | 3,278,060 |
| Comprehensive Planning | 157,000 | 36,000 | 1,626,483 | 1,513,883 |
| Housing | 1,076,754 | 1,081,120 | 1,648,585 | 1,671,686 |
| **Base Budget** | **7,211,617** | **8,454,358** | **12,845,163** | **7,996,167** |
| **Reserves** | **3,624,119** | **3,531,374** | **4,260,969** | **4,165,063** |
| CIP M&O | - | - | 181,528 | 160,925 |
| **Program Enhancements** | **-** | **-** | **181,528** | **160,925** |
| **Total Budget** | **10,835,736** | **11,985,732** | **17,287,660** | **12,322,155** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 269,754 | 274,120 | 2,839,748 | 2,982,572 |
| Interfund | 70,000 | 4,000 | 1,256,506 | 1,280,369 |
| M & O | 2,091,863 | 2,116,238 | 2,726,053 | 2,730,182 |
| Capital | 4,780,000 | 6,060,000 | 6,204,384 | 1,163,969 |
| **Total Expenditures** | **7,211,617** | **8,454,358** | **13,026,691** | **8,157,092** |
| **Total Reserves** | **3,624,119** | **3,531,374** | **4,260,969** | **4,165,063** |
| **Total Budget** | **10,835,736** | **11,985,732** | **17,287,660** | **12,322,155** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | - | - | 3,736,153 | 3,849,013 |
| Operating Grants/Donations/Sp Reserves Fund | 78,000 | 36,000 | 15,000 | - |
| Housing Fund | 4,640,754 | 4,558,293 | 5,315,303 | 5,241,141 |
| Interest & Debt Redemption-Regular Fund | 1,336,982 | 1,331,439 | 1,324,204 | 1,319,001 |
| General CIP Fund | 4,780,000 | 3,910,000 | 4,897,000 | 1,913,000 |
| Supplemental CIP | - | 2,150,000 | 2,000,000 | - |
| **Total Resources** | **10,835,736** | **11,985,732** | **17,287,660** | **12,322,155** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Neighborhood & Community Outreach | 8.62 | 8.62 | 9.02 | 9.02 |
| Community Development | 2.71 | 2.71 | 3.26 | 3.26 |
| Comprehensive Planning | 10.21 | 10.21 | 8.99 | 8.99 |
| Housing | 5.55 | 5.55 | 4.96 | 4.96 |
| **Total FTE** | **27.09** | **27.09** | **26.23** | **26.23** |

# Planning & Community Development

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Comprehensive Planning** | | | | | | |
| Citizen satisfaction with City's planning for future | % | Effectiveness | 70 | 65 | 65 | 65 |
| **Housing** | | | | | | |
| Produce 110 new low income housing units per year | # | Effectiveness | 6.40 | 110.00 | 110.00 | 110.00 |
| **Neighborhood & Community Outreach** | | | | | | |
| Residents rating their neighborhood good or excellent | % | Effectiveness | 94 | 92 | 94 | 94 |
| % agreements reached in mediation | % | Effectiveness | 68 | 80 | 80 | 80 |

# Planning & Community Development

## 2009-2010 Work Initiatives

The City of Bellevue's Planning and Community Development Department consists of the following Programs:
- Comprehensive Planning
- Housing
- Neighborhood and Community Outreach
- Community Development

The Comprehensive Planning program engages residents and other stakeholders, City Commissions, and the City Council in maintaining the City's Comprehensive Plan and guides the Plan's implementation.

The Housing Program operates at a sub-regional level, providing staffing for the 15-jurisdiction consortium ARCH, which serves and is directly funded by communities across the Eastside. The City's Housing program increases the supply of affordable housing to meet the City's needs for a diverse housing mix, and for consistency with the housing targets established in the Countywide Planning Policies.

The Neighborhood and Community Outreach program helps build the strength and sense of community of Bellevue neighborhoods, and improves information flow and connection between the City, its residents, and businesses. Staff coordinates construction of neighborhood improvement projects and provides guidance and partnerships with community organizations.

The Community Development program identifies and develops partnerships with citizen groups and business organizations encouraging their involvement in the planning and design concept phases of capital projects for civic places. It also provides support for the Arts Commission.

COMPREHENSIVE PLANNING

Bel-Red: Complete the Bel-Red Corridor project, adopting a new land use and transportation vision for the study area, complete with implementing mechanisms, phasing and financial strategies.

Overlake/Bel-Red reconciliation: Complete work with City of Redmond to reconcile land use plans and forecasts for the two cities' respective planning areas, to ensure that land use, transportation, and public investments remain in sync. This work is expected to result in a new Interlocal Agreement in early 2009.

Downtown Amenity Incentive System and Downtown Neighborhoods: Review and update the Downtown incentive zoning system, recalibrating it to today's economics and introducing new amenities from the Downtown Implementation Plan. This update of the zoning incentive system will be done in parallel with work on improving the identity and livability of Downtown's seven neighborhoods.

Eastgate/I-90 Corridor Plan: update plans, policies and codes regarding the I-90 commercial corridor, to promote improved land use/transportation linkages, economic vitality, and urban design and identity. Conduct a parallel planning effort for the Eastgate Annexation Area if Council confirms this direction.

Meydenbauer Bay Land Use and Park Plan: in conjunction with the Parks Department, complete work on the plan for the new Meydenbauer Bay Park, including updating policies and codes regarding the upland area between Downtown and the waterfront.

Light Rail Planning: Work with Sound Transit and the Transportation Department to refine light rail routing alternatives and mitigation, including selection of a Locally Preferred Alternative following release of Sound Transit's East Link DEIS. Also follow-through from the November 2008 Sound Transit Phase 2 vote.

Continue to monitor and forecast socio-economic and land use data, including work on preparation for the upcoming federal decennial Census.

Support and compliment the marketing, recruitment, and retention efforts of the Office of Economic Development.

Advance the Downtown Implementation Plan livability initiative, including work on way-finding, mid-block connections, park acquisition, green/themed streets, and other livability features.

NE 6th Street Corridor: Clarify the vision and program for the NE 6th Street Corridor, testing the potential for additional

design improvements, a people mover, light rail interface, remote parking garage, and other elements.

Environmental Stewardship: Support the City Manager initiative to clarify the City's environmental ethic, identify gaps in current performance, and develop strategic direction for the future

HOUSING

ARCH Consortium: Implement the ARCH Work Program which is developed through the ARCH Executive Board and endorsed by all of ARCH's 15 member jurisdictions.

Bellevue Affordable Housing Strategy: refine the City's strategy for promoting affordable housing, including items previously identified for follow-through: application of the state-authorized multifamily property tax abatement, a demonstration small-lot single family housing development, and detached accessory dwelling units.

NEIGHBORHOOD AND COMMUNITY OUTREACH

The City is strongly committed to protecting and enhancing the quality of residential neighborhoods. Recent work has focused on responding to emerging issues requiring City attention. For the next biennium, the plan is to:

- Expand on work completed as part of the two-year Neighborhood Livability Action Agenda; focus on sustaining improvements and extending successful efforts to other parts of the city;
- Continue to refine and improve the pillars of the Neighborhood Outreach effort (Neighborhood Enhancement, Mini City Hall, Neighborhood Match, Neighborhood Liaisons) and ensure that these programs are meeting the needs of today's residents;
- Continue to monitor the issues and concerns of the residential community, and respond quickly and efficiently to changing needs.

The above work includes the following component tasks:

Neighborhood Livability Action Agenda / Fitness Element -- With Council approval, update and extend the Fitness effort to address property maintenance problems outside the original target areas; make the successful community-building / neighborhood clean-up model available to neighborhoods willing to partner with the city. Continue to support these efforts through collaboration with human service agencies, volunteer groups, and community organizations; cooperative efforts with Code Compliance and other city departments and work groups; and application of education, community organizing, and regulatory tools as necessary.

Neighborhood Livability / Neighborhood Character Element -- Bring Phase Two to a conclusion, with Council adoption of proposed regulations. In addition:

- Evaluate and report on the effectiveness of Phase One and Phase Two efforts, and propose modifications if necessary.
- Share relevant information and insights from Neighborhood Character research and outreach with related city initiatives, including the Environmental Stewardship Initiative and the Innovative Housing Initiative.

Downtown Neighborhood Outreach -- Build upon research in progress and formulate a strategy for establishing an ongoing relationship with downtown residents. Work to promote communication, citizen involvement and sense of community. Coordinate with related city efforts, including downtown character and incentives, downtown transportation outreach, etc.

Outreach to Diverse Populations -- Identify strategies for enhancing the multicultural and multilingual outreach of the Mini City Hall and related programs, the foreign language web sections, and other projects aimed at Bellevue's diverse communities. Improve Mini City Hall to provide more opportunities for collaboration with agencies serving the same clients.

Neighborhood Investment -- Continue to catalogue public investments necessary to respond to livability issues; this includes sidewalk improvements and boulevard design.

Neighborhood Shopping Centers -- In collaboration with Economic Development and others, continue working toward redevelopment or improvement of outdated retail centers.

Neighborhood Associations -- Identify new approaches to ensure that all Bellevue neighborhoods have a voice with regard to public issues and all have access to city programs and services.

# Planning & Community Development

## Major Challenges for the Biennium

• Strategic Planning
In recent years the City has been seeing an increasing need for strategic planning across organizational functions and department lines. With its recent re-organization and spin-off of the Development Services Department, PCD is well positioned to assist the organization in strategic planning, bringing together resources to respond to cross-departmental needs identified by the City Council, City Manager, and Leadership Team of department directors.

• High Capacity Transit
The High Capacity Transit (HCT) system will link the I-90 corridor with south Bellevue, Downtown, and the Bel-Red corridor. The Light Rail Best Practices project underscored how transformational this system could be, as well as the need to carefully plan and follow through to achieve the best community outcomes and minimize any negative impacts. Several critical HCT developments will occur in the 2009-10 biennium: 1) decision on a preferred alternative for routing HCT through Bellevue, following release of the East Link environmental documents; 2) follow through on a November 2008 vote, with potential implementation of light rail through Bellevue; and 3) potential development of an interim Bus Rapid Transit system, which could be developed through the Bel-Red corridor in advance of light rail.

• Environmental Stewardship
Bellevue has a long history of environmental stewardship, reflecting the strong values and preferences of the community. This area is becoming increasingly complex as the City and its environs build out and become more dense, and as the inter-jurisdictional and even global scope of many environmental issues, like climate change, becomes apparent. The City has identified Environmental Stewardship as a key strategic initiative.

• Neighborhood Strategy
Bellevue has a basic array of successful neighborhood programs that form a foundation for quality neighborhoods and strong City-resident interactions. Neighborhood Liaisons, the Neighborhood Enhancement Program, Crossroads Mini City Hall, Neighborhood Mediation, and ongoing work with neighborhood associations are some of these key ongoing program areas. In recent years, the City has enhanced this foundation with new work in the area of neighborhood livability. One focus has been on older neighborhoods facing special challenges, through the Neighborhood Investment Strategy. A second focus involves preserving neighborhood character in the face of change, which can affect neighborhoods of any age. These efforts will continue to see major attention, as the City works to ensure the continued quality of Bellevue's neighborhoods.

• Urban Design and the "Great Place Strategy"
Bellevue has a great start in the area of urban design and place-making, but is now asking what it will take to move to the level of "world class" for a city of its size. A number of livability/memorability improvements were identified in the Downtown Implementation Plan, the Bel-Red Subarea Plan, the Cultural Compass, and other planning efforts. Moving these ideas forward will take the City to the next level.

# Planning & Community Development
# Comprehensive Planning

## Program Statement

The mission of this program is to help the community establish and maintain a compelling vision of Bellevue's desired future, refining the vision and its implementation in the face of change.

## Summary of Services Provided

This program engages Bellevue residents and visitors, other stakeholders, City Commissions, and the City Council in maintaining the City's Comprehensive Plan and guiding the Plan's implementation. The program collects and analyzes data and information to understand change, and develops adaptive strategies that help maintain the community vision. Key foci include: demographic and economic data analysis and forecasting; land use, growth management and economic development planning; neighborhood planning; annexation; and special studies.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Comp Planning | - | - | 1,294,964 | 1,325,754 |
| General CIP Projects | 145,000 | - | 135,000 | - |
| Operating Grants | 12,000 | 36,000 | 15,000 | - |
| Support Services | - | - | 181,519 | 188,129 |
| **Base Budget** | **157,000** | **36,000** | **1,626,483** | **1,513,883** |
| CIP M&O | - | - | 150,000 | - |
| **Program Enhancements** | **-** | **-** | **150,000** | **-** |
| **Total Budget** | **157,000** | **36,000** | **1,776,483** | **1,513,883** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | - | - | 1,082,855 | 1,109,265 |
| Interfund | - | - | 180,385 | 186,025 |
| M & O | 12,000 | 36,000 | 228,244 | 218,594 |
| Capital | 145,000 | - | 285,000 | - |
| **Total Expenditures** | **157,000** | **36,000** | **1,776,483** | **1,513,883** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | - | - | 1,476,483 | 1,513,883 |
| Operating Grants/Donations/Sp Reserves Fund | 12,000 | 36,000 | 15,000 | - |
| General CIP Fund | 145,000 | - | 285,000 | - |
| **Total Resources** | **157,000** | **36,000** | **1,776,483** | **1,513,883** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Comp Planning | 8.50 | 8.50 | 8.25 | 8.25 |
| Support Services | 1.71 | 1.71 | 0.74 | 0.74 |
| **Total FTE** | **10.21** | **10.21** | **8.99** | **8.99** |

# Planning & Community Development
# Comprehensive Planning

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Continued citizen involvement in community planning** | | | | | | |
| Citizen satisfaction with City's planning for future | % | Effectiveness | 70 | 65 | 65 | 65 |
| % of annexation requests successfully completed | % | Effectiveness | - | 100 | 100 | 100 |
| **Continued compliance with the Growth Management Act** | | | | | | |
| Average time between CPA apprvl and rezone apprvl | months | Efficiency | - | 5 | 5 | 5 |
| # of CPAs, rezones processed | # | Workload | 10 | 5 | 5 | 5 |
| Avg time once owner appl is received and rezone approved | months | Effectiveness | 4 | 4 | 4 | 4 |
| **Improve citywide demographic information** | | | | | | |
| Annual percent of PAA annexed | % | Effectiveness | 97 | 97 | 97 | 99 |
| **Increase citizen understanding of the nature of growth** | | | | | | |
| Average age of demographic materials | years | Effectiveness | 0.50 | 0.50 | 0.50 | 0.50 |
| Planning Commission Meetings Conducted | # | Workload | 24 | 22 | 22 | 22 |

## Issues related to Department Performance

The latest performance measure survey shows that the key measure “satisfaction with the job the City is doing in planning for the future” was exceeded. Nonetheless, the current period of heightened development activity, along with a number of ambitious planning initiatives, presents a number of challenges to maintaining these high satisfaction levels.

## Program Notes

A number of significant planning initiatives are now underway that will significantly affect the City’s future for years to come. These are spread throughout many areas of the City.

# Planning & Community Development
# Neighborhood & Community Outreach

## Program Statement

The mission of this program is to improve City/neighborhood engagement, protect and enhance neighborhood quality, and build neighborhoods' sense of community and problem-solving capacity.

## Summary of Services Provided

To improve City/neighborhood relationships and build neighborhood capacity, this program:

- Improves information flow and connection between the City, its residents and businesses so plans and programs are more responsive to needs and desires;
- Coordinates the construction of neighborhood improvement projects; supports the development of strong and stable residential neighborhoods by providing information, coordination, and partnerships with community organizations;
- Fosters problem solving skills to strengthen relationships and decrease reliance upon City government intervention;
- Develops strategies as needed to address issues affecting neighborhood quality and stability.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General CIP Projects | 300,000 | 250,000 | 357,000 | 275,439 |
| Mediation | - | - | 219,953 | 228,883 |
| Mini City Hall | - | - | 158,544 | 164,572 |
| Neighborhood Outreach | - | - | 554,138 | 576,673 |
| NEP | - | - | 129,560 | 134,434 |
| Support Services | - | - | 147,177 | 152,537 |
| **Base Budget** | **300,000** | **250,000** | **1,566,372** | **1,532,538** |
| CIP M&O | - | - | - | 87,561 |
| **Program Enhancements** | **-** | **-** | **-** | **87,561** |
| **Total Budget** | **300,000** | **250,000** | **1,566,372** | **1,620,099** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | - | - | 917,352 | 994,087 |
| Interfund | - | - | 143,069 | 147,490 |
| M & O | - | - | 202,334 | 207,823 |
| Capital | 300,000 | 250,000 | 303,618 | 270,699 |
| **Total Expenditures** | **300,000** | **250,000** | **1,566,372** | **1,620,099** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | - | - | 1,209,372 | 1,257,099 |
| General CIP Fund | 300,000 | 250,000 | 357,000 | 363,000 |
| **Total Resources** | **300,000** | **250,000** | **1,566,372** | **1,620,099** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General CIP Projects | - | - | 1.00 | 1.00 |
| Mediation | 1.56 | 1.56 | 1.56 | 1.56 |
| Mini City Hall | 1.00 | 1.00 | 1.00 | 1.00 |
| Neighborhood Outreach | 3.81 | 3.81 | 4.06 | 4.06 |
| NEP | 0.80 | 0.80 | 0.80 | 0.80 |
| Support Services | 1.45 | 1.45 | 0.60 | 0.60 |
| **Total FTE** | **8.62** | **8.62** | **9.02** | **9.02** |

# Planning & Community Development
# Neighborhood & Community Outreach

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Enhance Problem Solving Skills in the Community** | | | | | | |
| % agreements reached in mediation | % | Effectiveness | 68 | 80 | 80 | 80 |
| **Helping Residents Improve their Neighborhoods** | | | | | | |
| # of neighborhood liaison contacts | # | Effectiveness | 5,861 | 2,750 | 5,000 | 5,100 |
| % aware of/satisfied with NEP | % | Effectiveness | 36.92 | 43.95 | 38.92 | 40.94 |
| % feeling very strong sense of community | % | Effectiveness | 28 | 32 | 30 | 32 |
| **Improve Connections Between Citizens and the City** | | | | | | |
| Value of volunteer hours at Crossroads mini city hall | # | Efficiency | 32,903 | 19,500 | 31,500 | 33,000 |
| # using Crossroads Mini City Hall | # | Effectiveness | 23,697 | 20,150 | 23,500 | 25,000 |
| % aware of/satisfied with Crossroads Mini City Hall | % | Effectiveness | 63.97 | 75.95 | 65.95 | 67.95 |
| # of single family households participating in NEP | # | Effectiveness | 3,580 | 1,400 | 1,700 | 3,600 |
| **Increase Satisfaction w/ Neighborhood Quality and Livability** | | | | | | |
| Residents rating their neighborhood good or excellent | % | Effectiveness | 94 | 92 | 94 | 94 |

## Issues related to Department Performance

Per the most recent Performance Measures survey, the percentage of residents rating their neighborhoods good or excellent remained at a very high 90%.

## Program Notes

This program will continue its emphasis on fostering City/neighborhood partnerships to maintain the outstanding quality of Bellevue neighborhoods. A newer focus is the Action Agenda that targets additional efforts on special issues affecting certain areas of the City. Special issues include property maintenance in some older neighborhoods, and infill/redevelopment pressures affecting other neighborhoods.

# Planning & Community Development
# Community Development

## Program Statement

The Community Development program builds capital projects to accomplish the City's vision, and supports the arts through commissioning capital art projects, assisting local art organizations, and funding arts programs. Capital projects in this program often require integrated efforts of multiple departments, involving public and private partnerships.

## Summary of Services Provided

The Community Development Program identifies and develops partnerships with citizen groups and business organizations encouraging their involvement in the planning and design concept phases of capital projects for civic places. Staff organize workshops to establish broad community involvement and coordinate the development and construction of civic capital projects.

The Community Development Program also provides support for the Arts Commission by planning for and commissioning temporary and permanent art works placed in public spaces as components of civic construction. Small grants and technical assistance are provided to local arts groups. Staff develop and recommend cultural policies and conduct long-term cultural planning for the City as well as coordinate with regional partners to strengthen and increase resources for local arts.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Arts | - | - | 263,185 | 271,838 |
| Community Development | - | - | 178,054 | 185,548 |
| General CIP Projects | 4,335,000 | 3,660,000 | 4,223,472 | 1,476,636 |
| I&D Redm Reg Levy | 1,276,863 | 1,277,238 | 1,275,235 | 1,277,938 |
| Operating Grants | 66,000 | - | - | - |
| Supplemental CIP Projects | - | 2,150,000 | 2,000,000 | - |
| Support Services | - | - | 63,777 | 66,100 |
| **Base Budget** | **5,677,863** | **7,087,238** | **8,003,723** | **3,278,060** |
| **Reserves** | **60,119** | **54,201** | **48,969** | **41,063** |
| CIP M&O | - | - | 31,528 | 73,364 |
| **Program Enhancements** | **-** | **-** | **31,528** | **73,364** |
| **Total Budget** | **5,737,982** | **7,141,439** | **8,084,220** | **3,392,487** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | - | - | 348,324 | 366,127 |
| Interfund | 66,000 | - | 610,150 | 623,627 |
| M & O | 1,276,863 | 1,277,238 | 1,461,010 | 1,468,399 |
| Capital | 4,335,000 | 5,810,000 | 5,615,766 | 893,270 |
| **Total Expenditures** | **5,677,863** | **7,087,238** | **8,035,251** | **3,351,424** |
| **Total Reserves** | **60,119** | **54,201** | **48,969** | **41,063** |
| **Total Budget** | **5,737,982** | **7,141,439** | **8,084,220** | **3,392,487** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | - | - | 505,016 | 523,486 |
| Operating Grants/Donations/Sp Reserves Fund | 66,000 | - | - | - |
| Interest & Debt Redemption-Regular Fund | 1,336,982 | 1,331,439 | 1,324,204 | 1,319,001 |
| General CIP Fund | 4,335,000 | 3,660,000 | 4,255,000 | 1,550,000 |
| Supplemental CIP | - | 2,150,000 | 2,000,000 | - |
| **Total Resources** | **5,737,982** | **7,141,439** | **8,084,220** | **3,392,487** |

# Planning & Community Development
# Community Development

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Arts | 1.00 | 1.00 | 1.00 | 1.00 |
| Community Development | 1.00 | 1.00 | 1.00 | 1.00 |
| General CIP Projects | - | - | 1.00 | 1.00 |
| Support Services | 0.71 | 0.71 | 0.26 | 0.26 |
| **Total FTE** | **2.71** | **2.71** | **3.26** | **3.26** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Completion of projects which create public spaces** | | | | | | |
| Increase in # and distribution of permanent public art works | # | Effectiveness | 3 | 3 | 3 | 4 |
| % of CIP projects completed on schedule vs total planned | % | Effectiveness | 90 | 90 | 90 | 90 |
| % of CIP projects completed within CIP budget estimate | % | Effectiveness | 90 | 90 | 90 | 90 |
| Number of art contracts per FTE | ratio | Efficiency | 15 | 20 | 25 | 15 |
| Number of contracts managed | # | Workload | 31 | 50 | 50 | 30 |
| **Strengthen art organizations, awareness and programs** | | | | | | |
| Number of art organizations assisted | # | Effectiveness | 30 | 30 | 25 | 25 |
| Number of Arts Commission meetings staffed | # | Workload | 28 | 30 | 30 | 30 |
| Public information events and products accomplished | # | Workload | 45 | 200 | 50 | 250 |
| Number of people involved in public processes for projects | # | Effectiveness | 400 | 600 | 400 | 600 |
| **Success in partnership and interdepartmental coordination** | | | | | | |
| Total contract dollars managed (in millions) | $ | Workload | 542 | 750 | 250 | 400 |
| Total contract dollars managed of products accomplished | $ | Workload | - | - | - | - |
| Number of projects involving partnerships or joint funding | # | Effectiveness | - | 15 | 15 | 15 |

## Issues related to Department Performance

Much of the Community Development Program's resources over the 2005-2006 Biennium were focused on the design and construction of the New City Hall as well as the development and implementation of the Cultural Compass.

## Program Notes

The Public Art Program has historically been funded through an annual allocation of $400,000 per year. Actual expenditure levels may exceed this annual allocation, as it did in 2005, when reserves are spent on larger projects or several small projects. Conversely, annual capital expenditures may be less than the annual allocation.

# Planning & Community Development
# Housing

## Program Statement

The mission of this program is to increase the supply of affordable housing in Bellevue, so that the community maintains a full range of housing opportunities.

## Summary of Services Provided

This program increases the supply of affordable housing to meet the City's needs for a diverse housing mix, and for consistency with the housing targets established in the Countywide Planning Policies. Results are achieved through the City's policy and Code framework, incentives, and direct subsidies. To achieve effective results, the City channels housing subsidies through the Eastside consortium ARCH, which evaluates funding proposals consistent with priorities set by the City Council.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Arch Project | 273,754 | 278,120 | 303,303 | 317,141 |
| Bank Project | 803,000 | 803,000 | 800,000 | 800,000 |
| Housekey Plus Arch Program | - | - | - | - |
| Housing/Comm Svce-Operating | - | - | 447,164 | 452,853 |
| Support Services | - | - | 98,118 | 101,692 |
| **Base Budget** | **1,076,754** | **1,081,120** | **1,648,585** | **1,671,686** |
| **Reserves** | **3,564,000** | **3,477,173** | **4,212,000** | **4,124,000** |
| **Total Budget** | **4,640,754** | **4,558,293** | **5,860,585** | **5,795,686** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 269,754 | 274,120 | 491,217 | 513,093 |
| Interfund | 4,000 | 4,000 | 322,903 | 323,227 |
| M & O | 803,000 | 803,000 | 834,465 | 835,366 |
| **Total Expenditures** | **1,076,754** | **1,081,120** | **1,648,585** | **1,671,686** |
| **Total Reserves** | **3,564,000** | **3,477,173** | **4,212,000** | **4,124,000** |
| **Total Budget** | **4,640,754** | **4,558,293** | **5,860,585** | **5,795,686** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | - | - | 545,282 | 554,545 |
| Housing Fund | 4,640,754 | 4,558,293 | 5,315,303 | 5,241,141 |
| **Total Resources** | **4,640,754** | **4,558,293** | **5,860,585** | **5,795,686** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Arch Project | 3.56 | 3.56 | 3.56 | 3.56 |
| Housing/Comm Svce-Operating | 1.00 | 1.00 | 1.00 | 1.00 |
| Support Services | -0.99 | 0.99 | 0.40 | 0.40 |
| **Total FTE** | **5.55** | **5.55** | **4.96** | **4.96** |

# Planning & Community Development
# Housing

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Achieve County-wide housing targets** | | | | | | |
| Total affordable units created or preserved | # | Workload | 7.40 | 176.00 | 176.00 | 176.00 |
| Produce 110 new low income housing units per year | # | Effectiveness | 6.40 | 110.00 | 110.00 | 110.00 |
| Leverage use of Housing Fund dollars by at least 1:5 | ratio | Efficiency | 1.25 | 1.05 | 1.05 | 1.05 |
| Average City cost per affordable housing unit | $ | Efficiency | 7,500 | 17,500 | 17,500 | 17,500 |
| Total projects funded | # | Workload | 2 | 4 | 4 | 4 |
| **Increase # of units that meet needs of population at risk** | | | | | | |
| Meet target for new moderate income units | # | Effectiveness | 1 | 78 | 78 | 78 |

## Issues related to Department Performance

In 2007, the Housing Program did not meet the target for low-income housing production. While only a few new projects were funded in 2007, there is a huge demand for affordable housing. Several potential projects are in the works and may come forward to request funding in the coming biennium.

## Program Notes

The coming biennium would appear to be an appropriate time to review the existing Housing Trust Fund priorities, which were adopted in 1998 and have not been visited in the intervening years. This review may refine the criteria to ensure that worthy projects are competitive.

# Planning & Community Development

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Neighborhood & Community Outreach | 550,000 | 3,098,911 | 463 % |
| Community Development | 12,765,101 | 11,281,782 | (12)% |
| Comprehensive Planning | 193,000 | 3,140,366 | 1,527 % |
| Housing | 2,157,874 | 3,320,271 | 54 % |
| **Base Budget** | **15,665,975** | **20,841,330** | **33 %** |
| **Reserves** | **3,531,374** | **4,165,063** | **18 %** |
| CIP M&O | - | 342,453 | - |
| **Program Enhancements** | **-** | **342,453** | **-** |
| **Total Budget** | **19,197,349** | **25,348,846** | **32 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 543,874 | 5,822,320 | 971 % |
| Interfund | 74,000 | 2,536,875 | 3,328 % |
| M & O | 4,208,101 | 5,456,235 | 30 % |
| Capital | 10,840,000 | 7,368,353 | (32)% |
| **Total Expenditures** | **15,665,975** | **21,183,783** | **35 %** |
| **Total Reserves** | **3,531,374** | **4,165,063** | **18 %** |
| **Total Budget** | **19,197,349** | **25,348,846** | **32 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | - | 7,585,166 | - % |
| Operating Grants/Donations/Sp Reserves Fund | 114,000 | 15,000 | (87)% |
| Housing Fund | 5,635,047 | 6,344,444 | 13 % |
| Interest & Debt Redemption-Regular Fund | 2,608,302 | 2,594,236 | (1)% |
| General CIP Fund | 8,690,000 | 6,810,000 | (22)% |
| Supplemental CIP | 2,150,000 | 2,000,000 | (7)% |
| **Total Resources** | **19,197,349** | **25,348,846** | **32 %** |

CITY OF BELLEVUE WASHINGTON

# Police

## Program Outcome Statement

The Bellevue Police Department's Mission Statement is "Providing a safe environment through community involvement and innovation." It strives to achieve this mission by adherence to its Guiding Principles:

- Respect: We begin by treating others as we would like to be treated. We are fair and considerate in what we do.
- Integrity: We are honest, ethical, steadfast and always strive to do the right thing. We lead by example.
- Accountability: On all levels we take responsibility for our actions and decisions.
- Service: We are active and committed to providing exceptional service to our communities through teamwork, innovation, and education.

## Services and Accomplishments

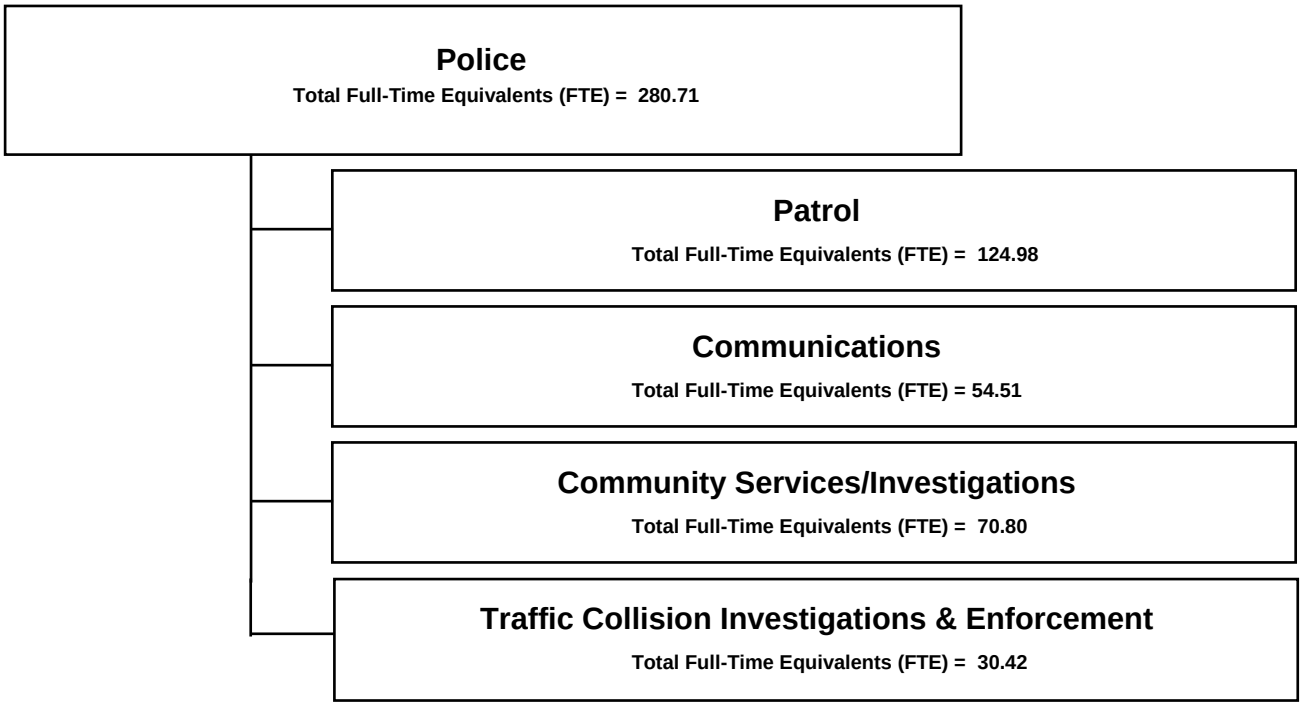
The Bellevue Police Department consists of four major divisions that serve the community: Police Patrol, Community Services and Investigations, Communications (Dispatch functions), and Traffic Collision Investigation and Enforcement. Each in different ways helps to assure a safe environment in not only the City of Bellevue but in surrounding communities as well.

The following are the major 2007-2008 accomplishments for the Department:

- Crime Prevention detectives are continuing to work with Bellevue Planning and Community Development staff to implement CPTED (Crime Prevention Through Environmental Design).
- The Department held the 32nd and 33rd sessions of its Citizens Academy for Bellevue residents. This popular service to the community receives so many applications for each of the two sessions per year that applicants are frequently asked to reapply in subsequent years. This is the fifteenth year of offering this community service.
- The Department is continuing work on a comprehensive downtown policing policy, especially with regard to "vertical policing", i.e. high-rise residential units that are being built in the downtown core.
- The Department began its deployment of defibrillators for staff in the Communications, Records, and other functions. Evaluation of sworn officer deployment is continuing.
- Grants totaling over $2.5 million were awarded to the Department, mainly for regionalization of the Communications enter and for an Emergency Rescue Vehicle for the SWAT team.
- For the first time, the Eastside Narcotics Task Force was able to distribute excess forfeited revenue to its participating agencies. Over $500,000 was distributed to local police agencies for drug interdiction purposes.

# Police

## Organizational Chart



# Police

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Patrol | 18,144,218 | 18,602,224 | 18,961,570 | 19,658,235 |
| Communications | 5,912,923 | 6,204,913 | 5,604,135 | 5,266,384 |
| Community Services/Investigations | 9,956,564 | 10,898,272 | 10,989,054 | 11,409,835 |
| Traffic Collision Investigations & Enforcement | 4,691,176 | 4,909,073 | 5,016,270 | 5,195,128 |
| **Base Budget** | **38,704,881** | **40,614,481** | **40,571,029** | **41,529,582** |
| **Reserves** | **7,773,445** | **6,922,145** | **7,245,964** | **6,566,624** |
| NORCOM | - | - | -2,677,441 | -5,384,384 |
| **Program Enhancements** | **-** | **-** | **-2,677,441** | **-5,384,384** |
| **Total Budget** | **46,478,326** | **47,536,626** | **45,139,552** | **42,711,822** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 23,922,622 | 24,791,750 | 25,258,136 | 23,969,995 |
| Interfund | 8,304,747 | 8,789,516 | 7,510,404 | 7,341,129 |
| M & O | 5,184,512 | 6,668,878 | 5,125,048 | 4,834,074 |
| Capital | 1,293,000 | 364,337 | - | - |
| **Total Expenditures** | **38,704,881** | **40,614,481** | **37,893,588** | **36,145,198** |
| **Total Reserves** | **7,773,445** | **6,922,145** | **7,245,964** | **6,566,624** |
| **Total Budget** | **46,478,326** | **47,536,626** | **45,139,552** | **42,711,822** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 36,129,055 | 38,432,294 | 36,683,600 | 34,818,521 |
| LEOFF I Medical Reserve Fund | 8,856,265 | 8,145,731 | 8,232,978 | 7,662,213 |
| Operating Grants/Donations/Sp Reserves Fund | 200,006 | 958,601 | 222,974 | 231,088 |
| General CIP Fund | 1,293,000 | - | - | - |
| **Total Resources** | **46,478,326** | **47,536,626** | **45,139,552** | **42,711,822** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Patrol | 118.40 | 124.40 | 124.98 | 124.54 |
| Communications | 51.51 | 55.51 | 54.51 | - |
| Community Services/Investigations | 68.20 | 70.20 | 70.80 | 71.11 |
| Traffic Collision Investigations & Enforcement | 30.60 | 30.60 | 30.42 | 30.55 |
| **Total FTE** | **268.71** | **280.71** | **280.71** | **226.20** |

# Police

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Communications** | | | | | | |
| Calls answered by call receivers within 10 seconds | % | Effectiveness | 99 | 99 | - | - |
| **Patrol** | | | | | | |
| Patrol response time to critical emergencies | # | Effectiveness | 3.90 | 4.20 | 4.20 | 4.20 |
| Number of crime reports taken by Patrol | # | Workload | 11,080 | 11,500 | 12,000 | 12,500 |
| P1 crimes committed per 1,000 population (WASPC standards) | # | Effectiveness | 37 | 40 | 40 | 42 |
| Number of felony arrests by Patrol | # | Workload | 637 | 600 | 650 | 675 |
| Number of warrant arrests by Patrol | # | Workload | 816 | 800 | 850 | 900 |
| Percentage citizens feeling safe/moderately safe (Survey) | % | Effectiveness | 95 | 90 | 90 | 90 |
| Customer satisfaction indicating good or excellent service | % | Effectiveness | 83 | 86 | 86 | 88 |
| Number of misdemeanor arrests by Patrol | # | Workload | 2,225 | 2,300 | 2,300 | 2,500 |
| **Traffic Collision Investigations & Enforcement** | | | | | | |
| Number of citations issued | # | Workload | 19,340 | 20,000 | 21,000 | 22,000 |
| Number of collisions investigated | # | Workload | 1,884 | 1,900 | 1,900 | 2,000 |
| Injury collisions as a percentage of total collisions | % | Effectiveness | 22 | 22 | 22 | 22 |

# Police

## 2009-2010 Work Initiatives

Major Work Initiatives for 2009/2010:

- Refine our principles/core values. Weave the guiding principles into all of our processes. Recruiting, hiring, ethics, leadership and communication training to improve professionalism and service to the community.
- Continue work on transition of Bellevue Dispatch to NORCOM, a regional, independent communications center.
- Implement effective technology, maintain training and ongoing evaluation of technology. Technology that is user friendly, useful in crime identification and reduction.
- Implementation of SECTOR (Statewide Electronic Collision & Ticket Online Records) for motor officers will begin.
- Continued evaluation of red-light photo enforcement cameras for deployment in the City of Bellevue.
- Evaluate growth and change within the community and shift personnel according to need. This may include the need to create additional investigations positions.
- Effectively evaluate and manage growth and change. Ensure BPD is on the leading edge of best police practices (CALEA) and responds effectively to the change in the community ensuring BPD continues its high level of service by regularly evaluating the work we do and move/increase resources as needed.
- Develop a proactive approach to property crimes investigations that includes use of technology to deploy detectives.

## Major Challenges for the Biennium

The Department continues to actively research the potential long-term impacts of the planned growth in Bellevue's Central Business District and other Eastside business corridors, which could result in unprecedented growth in "vertical" neighborhoods (urban condominiums and apartments). How to adequately police these new neighborhoods will be a challenge for the Department in the coming years. Corollary issues, such as efficiently and effectively managing the increase in traffic flow and interaction with pedestrians will also challenge the Department. Keeping pace with the rapid increase in fraud, white collar, and child protective cases will continue to impact the Investigations unit..

# Police
# Communications

## Program Statement

Continue to plan for and employ up-to-date technology. Strive to meet all state, county, and municipal standards for answering calls for service and time to dispatch. Prepare agencies and staff for the transition of services to NORCOM on or before July 1, 2009.

## Summary of Services Provided

The Bellevue Eastside Regional Communications Center serves two police stations and fourteen fire departments. It serves a citizen population of approximately 640,000 in a 1,200 square mile area. It is the mission of the Center to receive calls for service, dispatch the appropriate emergency response, and manage those resources accordingly.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Fire Dispatch | 2,627,585 | 2,796,427 | 2,472,340 | 2,424,502 |
| General CIP Projects | 118,000 | - | - | - |
| Operating Grants | - | - | - | - |
| Police Dispatch | 3,167,338 | 3,408,486 | 3,131,795 | 2,841,881 |
| **Base Budget** | **5,912,923** | **6,204,913** | **5,604,135** | **5,266,384** |
| NORCOM | - | - | -2,562,441 | -5,266,384 |
| **Program Enhancements** | **-** | **-** | **-2,562,441** | **-5,266,384** |
| **Total Budget** | **5,912,923** | **6,204,913** | **3,041,694** | **-** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 3,932,095 | 4,063,496 | 2,283,336 | -7,961 |
| Interfund | 1,211,293 | 1,080,826 | 386,469 | - |
| M & O | 651,535 | 1,060,591 | 371,889 | 7,961 |
| Capital | 118,000 | - | - | - |
| **Total Expenditures** | **5,912,923** | **6,204,913** | **3,041,694** | **-** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 5,794,923 | 6,204,913 | 3,041,694 | - |
| Operating Grants/Donations/Sp Reserves Fund | - | - | - | - |
| General CIP Fund | 118,000 | - | - | - |
| **Total Resources** | **5,912,923** | **6,204,913** | **3,041,694** | **-** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Fire Dispatch | 24.10 | 24.25 | 24.25 | - |
| Police Dispatch | 27.41 | 31.26 | 30.26 | - |
| **Total FTE** | **51.51** | **55.51** | **54.51** | **-** |

# Police
# Communications

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Maintain 90% rating "good/excellent" by contract customers** | | | | | | |
| Number of customer contacts | # | Workload | 346,818 | 350,286 | - | - |
| Number of inquiries from contract agencies | # | Effectiveness | 25 | 25 | - | - |
| Satisfaction rating with services to contract agencies | % | Effectiveness | 100 | 100 | - | - |
| Time to review inquiries from contract agencies and citizens | # | Workload | 125 | 80 | - | - |
| Total number of calls answered | # | Workload | 226,378 | 228,641 | - | - |
| **Maintain acceptable elapsed time standards** | | | | | | |
| Call elapsed time: Fire Calls Priority 1 (minutes/seconds) | # | Effectiveness | 0.40 | 0.35 | - | - |
| Call elapsed time: Fire Calls Priority 2 (minutes/seconds) | # | Effectiveness | 1.00 | 0.58 | - | - |
| Call elapsed time: Police Calls Priority 1 (minutes/seconds) | # | Effectiveness | 1.19 | 1.07 | - | - |
| Call elapsed time: Police Calls Priority 2 (minutes/seconds) | # | Effectiveness | 1.40 | 1.40 | - | - |
| Calls answered by call receivers within 10 seconds | % | Effectiveness | 99 | 99 | - | - |
| Dispatched events | # | Workload | 120,430 | 121,634 | - | - |
| Number of calls answered per staffed telephone position | # | Efficiency | 2,000 | 2,000 | - | - |
| Number of citizen inquiries regarding call handling | # | Effectiveness | 1 | 1 | - | - |
| **Reduce 911 hang-up calls by 5% (annual comparative)** | | | | | | |
| Cost per dispatch | # | Efficiency | 29.27 | 29.25 | - | - |
| Number of 911 hang up calls | # | Effectiveness | 1,063 | 1,052 | - | - |

## Issues related to Department Performance

The King County E-9-1-1 agency requires that 90% of 9-1-1 calls be answered within ten seconds. In 2007, 96% of all calls received by the Bellevue Eastside Regional Communications Center were answered within ten seconds. Because the Center still met the overall standard, full revenue distribution was received by the City of Bellevue. The number of calls received in the Center showed an 11% decrease from 199,926 in 2006 to 177,750, in 2007. The spike in calls for 2006 was an anomaly, the result of multiple and significant weather events.

The Communications Center is working on the development of performance measures with King County-EMS as part of the county-wide strategic EMS plan. The levy identified $246,444 to be dispersed among Enumclaw Police, Eastside Regional CommCenter, Port of Seattle, and ValleyComm in 2009 based on successfully meeting standards. The basis of funds dispersal is still in the developmental stages. Standards are expected to be set by the end of October, 2008.

# Police
# Communications

## Program Notes

The Bellevue Eastside Regional Communications Center has been working hard to overcome the challenges of becoming and staying fully staffed. Although 33% of our staff is in training, the Center was fully staffed in 2008. Intermittent improvements in the use of overtime are seen as dispatchers progress through their training and are released to work the dispatch floor. It will likely continue in this manner through the transition and implementation of NORCOM (North and East King County Regional Communications Center).

NORCOM is scheduled for implementation on July 1, 2009. An interim director was hired in early 2008 to implement the desired changes and bring the Bellevue and Kirkland Communications Centers under the new NORCOM organization. Both Kirkland's and Bellevue's communications centers are working with NORCOM to ensure an invisible and successful combination of services and staff occurs. For more information on Norcom, refer to the last four pages of the Police section.

# Police
# Community Services/Investigations

## Program Statement

- Increase investigations leading to arrest and charging of suspect(s) committing violent crimes, including domestic violence.
- Enhance ability to identify suspects committing crimes through collection of evidence and addition of fingerprints to AFIS database.
- Reduction of crime through police/community partnerships, education, and problem solving.
- Seek honest and effective feedback from the community.
- Maximize resources with respect to criminal investigations in order to maintain a Part One Violent/Property Crime clearance rate that exceeds both the State and National averages.

## Summary of Services Provided

The Community Services division manages, evaluates, and delivers community-oriented police services through a police/community partnership. This partnership jointly identifies community safety issues and applies innovative problem-solving strategies in an effort to maintain safe and vital neighborhoods. A primary focus is to better serve Bellevue's youth, families and neighborhoods. The division includes downtown bicycle officers, community station officers, crime prevention officers, and school resource officers.

The Police Investigations division provides investigation and timely resolution of reported incidents that require long-term and/or community-sensitive attention. This program is implemented through the specialized units of Person Crimes, Property Crimes, Fraud/White Collar Crimes, Special Investigations (Eastside Narcotics Task Force) and Crime Analysis and Prevention.

Through a combination of quality criminal investigations, forensic analysis of evidence, and interaction with our customer base, the CSS/Investigations program improves the Police Department's ability to manage, evaluate, and deliver law enforcement and community-oriented police services.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 601,004 | 615,482 | 656,825 | 709,675 |
| Community Services | 2,464,895 | 2,568,475 | 2,651,751 | 2,753,899 |
| Courts & Custody | 489,713 | 498,897 | 459,640 | 473,371 |
| Investigations | 3,239,960 | 3,467,057 | 3,859,020 | 4,009,770 |
| Misc Police Donations | 1,100 | - | - | - |
| Narcotics | 837,325 | 865,318 | 863,311 | 894,456 |
| Office Of Professional Stndrds | 285,010 | 295,428 | 322,352 | 333,670 |
| Operating Grants | 198,906 | 612,264 | 222,974 | 231,088 |
| Personnel Services | 400,575 | 454,221 | 495,966 | 502,109 |
| Police LEOFF I Medical Reserve | 329,177 | 371,970 | 300,052 | 333,059 |
| Property & Evidence | 68,614 | 97,518 | 111,758 | 110,635 |
| Records | 1,040,284 | 1,051,641 | 1,045,405 | 1,058,103 |
| **Base Budget** | **9,956,564** | **10,898,272** | **10,989,054** | **11,409,835** |
| **Reserves** | **2,363,127** | **2,104,332** | **2,202,773** | **1,996,254** |
| NORCOM | - | - | -34,960 | -35,872 |
| **Program Enhancements** | **-** | **-** | **-34,960** | **-35,872** |
| **Total Budget** | **12,319,691** | **13,002,604** | **13,156,867** | **13,370,217** |

# Police
## Community Services/Investigations

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 6,487,651 | 6,718,389 | 7,397,606 | 7,727,313 |
| Interfund | 1,913,211 | 2,031,251 | 1,986,030 | 2,047,720 |
| M & O | 1,555,702 | 2,148,632 | 1,570,458 | 1,598,930 |
| Capital | - | - | - | - |
| **Total Expenditures** | **9,956,564** | **10,898,272** | **10,954,094** | **13,370,217** |
| **Total Reserves** | **2,363,127** | **2,104,332** | **2,202,773** | **1,996,254** |
| **Total Budget** | **12,319,691** | **13,002,604** | **13,156,867** | **13,370,217** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 9,427,381 | 9,914,037 | 10,431,067 | 10,809,816 |
| LEOFF I Medical Reserve Fund | 2,692,305 | 2,476,302 | 2,502,825 | 2,329,313 |
| Operating Grants/Donations/Sp Reserves Fund | 200,006 | 612,264 | 222,974 | 231,088 |
| **Total Resources** | **12,319,691** | **13,002,604** | **13,156,867** | **13,370,217** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 2.26 | 2.26 | 2.61 | 2.92 |
| Community Services | 19.00 | 19.00 | 19.00 | 19.00 |
| Courts & Custody | 1.37 | 1.37 | 1.37 | 1.37 |
| Investigations | 26.00 | 28.00 | 28.00 | 28.00 |
| Narcotics | 5.00 | 5.00 | 5.00 | 5.00 |
| Office Of Professional Stndrds | 2.00 | 2.00 | 2.00 | 2.00 |
| Operating Grants | 2.00 | 2.00 | 2.00 | 2.00 |
| Personnel Services | 2.08 | 2.08 | 2.43 | 2.43 |
| Property & Evidence | 0.59 | 0.59 | 0.61 | 0.61 |
| Records | 7.90 | 7.90 | 7.78 | 7.78 |
| **Total FTE** | **68.20** | **70.20** | **70.80** | **71.11** |

# Police
# Community Services/Investigations

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **To foster a safer community** | | | | | | |
| Violent crimes cases assigned | # | Workload | 516 | 510 | 516 | 500 |
| Property crime cases assigned | # | Workload | 310 | 300 | 275 | 280 |
| Number of CSS calls for service | # | Workload | 6,206 | 6,000 | 6,200 | 6,200 |
| Number of lab processing requests | # | Workload | 384 | 380 | 390 | 400 |
| % of violent crimes assigned that are closed | % | Effectiveness | 76 | 75 | 80 | 90 |
| % of lab requests processed | % | Effectiveness | 93 | 90 | 90 | 95 |
| % of property crimes assigned closed by arrest/prosecution | % | Efficiency | 32 | 30 | 30 | 32 |
| % of property crimes that are closed | % | Effectiveness | 34 | 34 | 34 | 35 |
| % of CSS calls for service resulting in police activity | % | Effectiveness | 66 | 60 | 62 | 67 |
| % of population who feel safe in their community | % | Effectiveness | 89 | 90 | 90 | 90 |
| % of violent crimes assigned closed by arrest/prosecution | % | Efficiency | 32 | 32 | 32 | 35 |
| % of AFIS hits from AFIS submissions | % | Efficiency | 18 | 20 | 20 | 22 |
| Number of CSS calls resulting in problem resolution | # | Efficiency | 416 | 250 | 250 | 400 |
| % of increase/decrease in customer survey satisfaction | % | Efficiency | 2 | 2 | 1 | 2 |
| Hours spent resolving community problems | # | Workload | 1,233 | 1,100 | 1,100 | 1,200 |

## Issues related to Department Performance

Part One violent crime clearance increased three percent in 2007, from 68% in 2006 to 71% in 2007. Violent crime remained very low in 2007, with 1.17 violent crimes reported per 1,000 population. Also, a total of 4,201 Part One property crimes were reported in 2007, down from 4,278 in 2006, a decrease of 2%.

Due to specific efforts by detectives directed at motor vehicle thefts and crimes, the number of car thefts in 2007 decreased from 476 in 2006 to 446 in 2007. Bellevue was the only regional jurisdiction that showed a decrease in the number of vehicles reported stolen.

Customer satisfaction surveys continue to indicate a high satisfaction rate among the community for the quality of police services they receive. A large percentage of Bellevue citizens continue to feel safe or moderately safe while walking alone in their neighborhoods or in the downtown business district, both in daytime and after dark.

The Police Department has begun to implement a downtown policing plan that has analyzed the police responses downtown, along with call load, response times, and citizen panel input. This will allow the department to more efficiently respond to citizen concerns and to develop strategic plans.

# Police
# Community Services/Investigations

## Program Notes

In 2006, the Community Services and Investigations units were combined for the purposes of performance measure tracking, allowing for more meaningful and measureable outcomes. Most of the measurements are new, so there are no prior performance measures to portray alongside the current ones.

Also in 2006, the Investigations unit completed a years-long project to upgrade its criminal forensics facility, purchasing several state-of-the-art forensics tools using Federal grant funding and City of Bellevue capital funds. Case clearance rates are expected to increase as the lab becomes fully functional in 2007.

The Community Services unit's main focus will continue to be the partnership with neighborhoods and businesses in preventing crime and in education. Community substations in Factoria, Crossroads, and Downtown provide visible neighborhood presence, and the Department's School Resource Officers (SRO's) are on-site at the Bellevue School District's four high schools, one transitional school, and the district's middle schools.

# Police
# Patrol

## Program Statement

The Police Patrol section will continue its community-oriented patrol tactics that enhance the quality and quantity of police contacts with citizens as well as identify and solve community problems that contribute to the erosion of community security and safety. The department also will maintain its practice of continuing to recruit, hire, and develop top quality personnel at all levels who demonstrate potential in the community-oriented police philosophy.

## Summary of Services Provided

The Patrol section is designed to maximize public safety by providing timely response to calls for assistance, and active, visible patrol of the City. Patrol uses tactics that are designed to enhance the quantity and quality of community contacts which contribute to community safety and security. Patrol oversees the Special Operations units consisting of SWAT, Bomb Squad, and Crowd Control.

Major Accomplishments:

- Part I property crimes declined from 4,278 in 2006 to 4,201 in 2007
- Part I crimes committed per 1000 population decreased from 38 in 2006 to 37 in 2007
- In 2008 SWAT purchased a BearCat armored vehicle with a UASI grant
- In 2007-2008 the Bomb Squad received grant funding to update equipment

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 1,115,020 | 1,141,881 | 1,218,583 | 1,316,635 |
| Bomb Squad | 15,700 | 23,700 | 29,566 | 30,174 |
| Courts & Custody | 1,447,662 | 1,474,809 | 1,358,761 | 1,399,352 |
| Crowd Control | 7,000 | 14,000 | 86,120 | 86,867 |
| General CIP Projects | 1,175,000 | - | - | - |
| Operating Grants | - | 346,337 | - | - |
| Patrol | 10,840,745 | 11,798,340 | 12,537,186 | 12,997,211 |
| Personnel Services | 743,173 | 842,700 | 920,148 | 931,544 |
| Police Honor Guard | 5,092 | 5,245 | 4,782 | 4,902 |
| Police LEOFF I Medical Reserve | 610,710 | 690,103 | 556,676 | 617,912 |
| Property & Evidence | 127,297 | 180,922 | 207,340 | 205,257 |
| Records | 1,930,001 | 1,951,071 | 1,939,501 | 1,963,060 |
| SWAT/HNT | 126,818 | 133,116 | 102,907 | 105,321 |
| **Base Budget** | **18,144,218** | **18,602,224** | **18,961,570** | **19,658,235** |
| **Reserves** | **4,384,223** | **3,904,090** | **4,086,724** | **3,703,576** |
| NORCOM | - | - | -64,860 | -66,552 |
| **Program Enhancements** | **-** | **-** | **-64,860** | **-66,552** |
| **Total Budget** | **22,528,441** | **22,506,313** | **22,983,434** | **23,295,259** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 10,721,322 | 11,124,006 | 12,430,981 | 12,962,322 |
| Interfund | 3,935,502 | 4,345,217 | 4,011,280 | 4,133,942 |
| M & O | 2,312,394 | 2,768,663 | 2,454,449 | 2,495,419 |
| Capital | 1,175,000 | 364,337 | - | - |
| **Total Expenditures** | **18,144,218** | **18,602,224** | **18,896,710** | **19,591,683** |
| **Total Reserves** | **4,384,223** | **3,904,090** | **4,086,724** | **3,703,576** |
| **Total Budget** | **22,528,441** | **22,506,313** | **22,983,434** | **23,295,259** |

# Police
# Patrol

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 16,358,508 | 17,565,784 | 18,340,034 | 18,973,771 |
| LEOFF I Medical Reserve Fund | 4,994,933 | 4,594,192 | 4,643,400 | 4,321,488 |
| Operating Grants/Donations/Sp Reserves Fund | - | 346,337 | - | - |
| General CIP Fund | 1,175,000 | - | - | - |
| **Total Resources** | **22,528,441** | **22,506,313** | **22,983,434** | **23,295,259** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 4.29 | 4.29 | 4.86 | 5.42 |
| Courts & Custody | 4.05 | 4.05 | 4.04 | 4.04 |
| Patrol | 90.00 | 96.00 | 96.00 | 95.00 |
| Personnel Services | 3.95 | 3.95 | 4.51 | 4.51 |
| Property & Evidence | 1.13 | 1.13 | 1.13 | 1.13 |
| Records | 14.98 | 14.98 | 14.44 | 14.44 |
| **Total FTE** | **118.40** | **124.40** | **124.98** | **124.54** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **86% Satisfaction Rate for Police Calls for Service** | | | | | | |
| Total number of citizen complaints (Department total) | # | Effectiveness | 65 | 60 | 77 | 85 |
| Patrol response time to critical emergencies | # | Effectiveness | 3.90 | 4.20 | 4.20 | 4.20 |
| Number of crime reports per Patrol officer | # | Efficiency | 198 | 200 | 200 | 220 |
| Number of crime reports taken by Patrol | # | Workload | 11,080 | 11,500 | 12,000 | 12,500 |
| Customer satisfaction indicating good or excellent service | % | Effectiveness | 83 | 86 | 86 | 88 |
| **Hold P1 Crime Rate per 1,000 pop. at 5% less than average** | | | | | | |
| Total number of calls dispatched. (Department Total) | # | Workload | 83,704 | 84,000 | 85,000 | 90,000 |
| P1 crimes committed per 1,000 population (WASPC standards) | # | Effectiveness | 37 | 40 | 40 | 42 |
| Number of Field Interview Reports by Patrol | # | Workload | 2,852 | 2,900 | 2,950 | 3,010 |
| Number of felony arrests by Patrol | # | Workload | 637 | 600 | 650 | 675 |
| Number of warrant arrests by Patrol | # | Workload | 816 | 800 | 850 | 900 |
| Number of misdemeanor arrests by Patrol | # | Workload | 2,225 | 2,300 | 2,300 | 2,500 |
| Number of Part I property crimes | # | Workload | 4,201 | 4,200 | 4,300 | 4,350 |
| **Reduce # of injuries resulting from crime by 2% annually** | | | | | | |
| Percentage citizens feeling safe/moderately safe (Survey) | % | Effectiveness | 95 | 90 | 90 | 90 |
| Number of assault cases (felony and misdemeanor) | # | Effectiveness | 531 | 625 | 580 | 590 |

# Police
# Patrol

## Issues related to Department Performance

While the Police Patrol department's published goal is to respond to 100% of critical emergency calls within 6 minutes (from the time of dispatch to arrival on-scene), it also maintains an internal target of 3.5 minutes when possible. In 2007, average response time was 3.9 minutes.

The percentage of Bellevue citizens who feel safe or moderately safe while walking in their neighborhood has consistently been in the 90% range, reflecting the quality of overall police services in the community. In addition, in 2007 83% of respondents in a police survey reported that the services they received during a police interaction was good or excellent. While this fell short of the target of 88%, it still shows an overwhelming majority of citizens who are satisfied with the job the department is doing.

## Program Notes

Bellevue continues to be a safe city with overall crime decreasing gradually. In 2007, total Part One crimes (Homicide, Rape, Robbery, Aggravated Assault, Burglary, Larceny, MV Theft, and Arson) decreased 2% over 2006. Through aggressive targeting of problem areas and known criminals, vehicle crimes (such as thefts, prowls, and car strips) have slowly been decreasing. Bellevue experienced no homicides in 2007, and overall violent crimes decreased in all categories. With the establishment of the Office of Professional Standards in 2005, citizen complaints and internal investigations from any source or for any reason are tracked, investigated, and resolved. Finally, the challenges posed by the growth in the downtown business district, where new retail, commercial, and residential units are being built at a record rate. Patrol Section has been involved in the planning process to implement new programs to address an anticipated increase in calls for service. These programs include; on-line reporting, officers dedicated to the downtown core, and a review of district/beat assignments.

# Police
# Traffic Collision Investigations & Enforcement

## Program Statement

The Mission of the Bellevue Police Department Traffic Unit is to reduce accidents and injuries, and to facilitate the safe and expeditious flow of vehicular/pedestrian traffic by encouraging the public's voluntary compliance with traffic regulations. This is accomplished through a combination of education, engineering, and enforcement programs. The Traffic Unit consists of two major workgroups: Motorcycle Enforcement and Accident Investigation.

The Motor Unit provides quality, professional, traffic enforcement services, tailored to the needs of the community to improve public safety.

Using state-of-the-art computer hardware and software, the Accident Investigation Unit can rapidly and accurately determine the causes of major traffic collisions that involve injury.

The Traffic Unit is also continuing its partnership with Bellevue's Transportation department to provide coordinated flagging services on local construction projects.

## Summary of Services Provided

The Traffic unit is responsible for providing traffic services to the community, with the primary purpose of reducing the number of motor vehicle collisions as well as protecting the livability of our neighborhoods. The Traffic Unit provides these services through a variety of programs which include:

Corridor Accident Reduction and Enforcement (C.A.R.E.): Officers are assigned to areas identified as high accident locations and/or high traffic volume areas.

Traffic Services and Complaint Enforcement (T.S.C.E.): Officers are assigned handle service request and complaints concerning enforcement related problems, they also are the primary responders for enforcement around the middle school areas.

Neighborhood Action Team (N.A.T.): Officers are assigned to work designated residential neighborhoods enforcing the twenty-five mile per hour speed limit, they are also the primary responders for enforcement in the elementary school zones.

Collision Investigation: High-quality collision investigators utilize state-of-the-art equipment and technology to investigate collisions and gather data that will help improve safety. This group also interacts with the Courts, traffic engineers, and other organizations involved in the pursuit of traffic safety.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 260,962 | 267,249 | 285,200 | 308,149 |
| Courts & Custody | 210,491 | 214,438 | 197,565 | 203,467 |
| Personnel Services | 173,934 | 197,228 | 215,354 | 218,021 |
| Police LEOFF I Medical Reserve | 142,932 | 161,513 | 130,286 | 144,618 |
| Property & Evidence | 29,793 | 42,343 | 48,526 | 48,039 |
| Records | 451,702 | 456,634 | 453,926 | 459,440 |
| Traffic | 3,105,514 | 3,272,813 | 3,398,502 | 3,528,466 |
| Traffic Control | 315,847 | 296,855 | 286,911 | 284,930 |
| **Base Budget** | **4,691,176** | **4,909,073** | **5,016,270** | **5,195,128** |
| **Reserves** | **1,026,095** | **913,723** | **956,467** | **866,794** |
| NORCOM | - | - | -15,180 | -15,576 |
| **Program Enhancements** | **-** | **-** | **-15,180** | **-15,576** |
| **Total Budget** | **5,717,270** | **5,822,796** | **5,957,557** | **6,046,346** |

# Police
## Traffic Collision Investigations & Enforcement

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,781,554 | 2,885,859 | 3,146,213 | 3,288,321 |
| Interfund | 1,244,741 | 1,332,222 | 1,126,625 | 1,159,467 |
| M & O | 664,881 | 690,992 | 728,252 | 731,764 |
| Capital | - | - | - | - |
| **Total Expenditures** | **4,691,176** | **4,909,073** | **5,001,090** | **5,179,552** |
| **Total Reserves** | **1,026,095** | **913,723** | **956,467** | **866,794** |
| **Total Budget** | **5,717,270** | **5,822,796** | **5,957,557** | **6,046,346** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 4,548,243 | 4,747,560 | 4,870,804 | 5,034,934 |
| LEOFF I Medical Reserve Fund | 1,169,027 | 1,075,236 | 1,086,753 | 1,011,412 |
| **Total Resources** | **5,717,270** | **5,822,796** | **5,957,557** | **6,046,346** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administration | 1.06 | 1.06 | 1.14 | 1.27 |
| Courts & Custody | 0.59 | 0.59 | 0.59 | 0.59 |
| Personnel Services | 0.98 | 0.98 | 1.05 | 1.06 |
| Property & Evidence | 0.27 | 0.27 | 0.26 | 0.26 |
| Records | 3.70 | 3.70 | 3.38 | 3.38 |
| Traffic | 23.60 | 23.60 | 23.60 | 23.60 |
| Traffic Control | 0.40 | 0.40 | 0.40 | 0.40 |
| **Total FTE** | **30.60** | **30.60** | **30.42** | **30.55** |

# Police
## Traffic Collision Investigations & Enforcement

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Maintain annual m/v collisions per 1,000 pop @ 10% St. avg.** | | | | | | |
| Total investigated collisions per 1,000 population | # | Effectiveness | 16.00 | 16.00 | 16.50 | 16.80 |
| Ratio of citations issued per hour of Patrol time (Traffic) | # | Efficiency | 1.75 | 1.80 | 1.80 | 1.80 |
| Number of collisions investigated per Traffic officer | # | Efficiency | 246 | 250 | 250 | 260 |
| Number of citations issued | # | Workload | 19,340 | 20,000 | 21,000 | 22,000 |
| Number of collisions investigated | # | Workload | 1,884 | 1,900 | 1,900 | 2,000 |
| Traffic Service Requests investigated (hours of work) | # | Workload | 1,163 | 1,150 | 1,150 | 1,200 |
| Number of collisions investigated by Patrol officers | # | Efficiency | 623 | 625 | 625 | 650 |
| **Maintain annual persons injured m/v acc. St. avg.** | | | | | | |
| Number of fatal collisions | # | Effectiveness | 1 | 2 | 2 | 2 |
| Injury collisions as a percentage of total collisions | % | Effectiveness | 22 | 22 | 22 | 22 |
| **Maintain seatbelt usage in City at 95%** | | | | | | |
| Percent of traffic collisions in which seatbelts were undone | % | Effectiveness | 2.54 | 2.50 | 3.00 | 3.00 |
| Percentage of seatbelt use by Bellevue motorists | % | Effectiveness | 92 | 95 | 95 | 95 |
| **Minimize DUI fatality accidents** | | | | | | |
| Occurrence of DUI related fatality collisions | # | Effectiveness | 1 | 1 | 1 | 1 |
| DUI arrests versus DUI related collisions | # | Effectiveness | 1.94 | 2.00 | 1.80 | 1.79 |
| Total DUI arrests | # | Workload | 337 | 325 | 350 | 356 |

## Issues related to Department Performance

Staffing has been the biggest challenge for the Traffic Unit. Vacancies in the Motor Unit have led to lower overall enforcement statistics and revenue. The total number of citations issued each year has declined steadily from 2004 to 2007. Vacancies in the Accident Investigation Unit have led to fewer overall collision investigations (by our unit) and fewer DUI arrests.

By the end of 2008, the Traffic Unit should be fully staffed for the first time in several years. It is expected that by early 2009, enforcement statistics should be back up at or near previous levels.

## Program Notes

The Traffic Program provides a vital and necessary service to all who use Bellevue's streets. The primary goal is to provide this service in the most efficient and effective manner possible. It will continue to evaluate its service delivery methods and strategy to ensure that the maximum results can be achieved at the lowest possible cost.

# Police

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Patrol | 36,746,442 | 38,619,805 | 5 % |
| Communications | 12,117,836 | 10,870,519 | (10)% |
| Community Services/Investigations | 20,854,836 | 22,398,889 | 7 % |
| Traffic Collision Investigations & Enforcement | 9,600,249 | 10,211,398 | 6 % |
| **Base Budget** | **79,319,362** | **82,100,611** | **4 %** |
| **Reserves** | **6,922,145** | **6,566,624** | **(5)%** |
| NORCOM | - | -8,061,825 | - |
| **Program Enhancements** | **-** | **-8,061,825** | **-** |
| **Total Budget** | **86,241,507** | **80,605,410** | **(7)%** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 48,714,372 | 49,228,131 | 1 % |
| Interfund | 17,094,263 | 14,851,533 | (13) % |
| M & O | 11,853,390 | 9,959,122 | (16) % |
| Capital | 1,657,337 | - | - % |
| **Total Expenditures** | **79,319,362** | **74,038,786** | **(6)%** |
| **Total Reserves** | **6,922,145** | **6,566,624** | **(20)%** |
| **Total Budget** | **86,241,507** | **80,605,410** | **(7)%** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 74,561,349 | 71,502,121 | (4)% |
| LEOFF I Medical Reserve Fund | 9,228,551 | 8,649,227 | (6)% |
| Operating Grants/Donations/Sp Reserves Fund | 1,158,607 | 454,062 | (61)% |
| General CIP Fund | 1,293,000 | - | - % |
| **Total Resources** | **86,241,507** | **80,605,410** | **(7)%** |

# Police

## NORCOM

**Enhancement: NORCOM**

**Enhancement Description**

In 2007 Bellevue's City Manager signed an Interlocal Agreement forming NORCOM, the NORTH EAST KING COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS CENTER. The planned implementation date is July 1, 2009. NORCOM assumes consolidation of the Bellevue and Kirkland Communications Centers with the following initial participants:

- Bellevue Police and Fire
- Kirkland Police and Fire
- Mercer Island Police and Fire
- Clyde Hill Police
- Medina Police
- Bothell Fire
- Eastside Fire & Rescue
- Northshore Fire
- Fall City Fire
- Shoreline Fire
- Duvall Fire
- Skykomish Fire
- Snoqualmie Pass Fire
- Redmond Fire
- City of Snoqualmie Fire
- Woodinville Fire & Life Safety

Bothell, Issaquah and Redmond Police are potential future NORCOM participants, but for the purposes of comparing costs have not been included in the initial estimates.

The preliminary recommendations primarily compare operating costs of the current dispatch centers with a regionalized center, assuming consolidation of two or more of the existing centers. The study shows that some efficiencies of scale are possible even with just two centers consolidating (Kirkland and Bellevue), but greater efficiencies are possible if a true regionalized agency is achieved.

In addition to enhanced efficiencies and improved service levels, the regionalization of dispatch operations should seek to provide:

- 9-1-1 call answering;
- Police, fire and aid (Emergency Medical Service/Medic 1) dispatch;
- 800 MHz radio maintenance and management (EPSCA function);
- Radio console maintenance and maintenance supporting computer platforms; and
- Strong operational linkage to a common wireless mobile data terminal (MDT) system.

Participants further agreed that these systems should be supported by an integrated CAD /RMS system, with additional study to determine the extent to which RMS services should be provided by the new agency.

There is a desire among the steering committee participants to move to a partnership structure for delivery of public safety communications services, where agencies are owners of the service and make decisions jointly rather than the current contract model.

Governance of a new regionalized public safety communications agency should occur through creation of a separate legal entity governed by a board on which all principals/owners are represented with a proportional voting structure. Operating boards representing the police and fire/EMS disciplines would advise the board.

NORCOM will be located at Bellevue City Hall through a lease arrangement with Bellevue. In later years, depending on NORCOM growth, the current space allocated for Dispatch at Bellevue may need to be re-evaluated.

FISCAL IMPACT: Operating - The proposed Interlocal Agreement forming NORCOM is a regional cost sharing model which currently allocates costs to 14 fire and 5 police agencies based on the proportionate share of each agency's

# Police

## NORCOM

**Enhancement: NORCOM**
calls for service. NORCOM's costs are made up of the anticipated operating, reserves, and capital expenditures. At this time, Bellevue makes up 40% of the total calls for service, which in year one is estimated at $1.5 million (July 2009 through December 2009). Compared to the current dispatch contract, Bellevue would realize a savings of nearly $0.7 million in year 2009.

**State/Federal/Industry Mandates**
None.

**Goals and Objectives**
NORCOM will provide:

Greater decision making and control for all participants: The proposed governance model provides a voice and a vote for all principals at the governing board level and provides for elected official oversight through an Assembly. This governance proposal creates a structure that will encourage greater cooperation and coordination by all agencies because they are "owners and customers" of the system rather than simply a contracting agency. Partner agencies will participate in making investment and service decisions, giving them ownership of the decision and the outcome and a shared responsibility for the cost. Based on projected membership in Year 1 and current call volume, Bellevue will represent approximately 40% of the total weighted vote (police and fire).

Higher levels of service: The operating model developed for costing purposes initially assumes an equivalent or higher level of service across functions. Additionally, with the implementation of the technology investments, improved data sharing, coordination and communication across partner agencies is expected. Consolidation of call centers will also improve service to the participating agencies and the public by eliminating the delay associated with transferring calls between centers. In the future, the potential for increased levels of service improves as more police agencies are added to the regional center. One regional CAD, RMS, MDC and field reporting system will allow for real-time access to regional information and coordination.

Increased efficiency: From a cost perspective, NORCOM is projected to result in an overall savings to what is currently spent on the existing dispatch centers (Kirkland and Bellevue initially). For Bellevue, the long term operating cost savings are significant because the NORCOM model relies on full cost sharing to all participants. With this approach, Bellevue's share of the total costs drops when compared to the current contract model. The regional model will also result in additional cost efficiencies by eliminating duplicated staff, facilities, equipment and technology systems in the future. From an operating perspective, a single regional center will increase the efficiency of both call taking and dispatching, particularly for fire agencies that are located in areas currently served by a separate police dispatch center.

Better interagency collaboration and interoperability: NORCOM presents an opportunity for agencies across the service area to develop a partnership structure for delivery of public safety communications services and coordinated response procedures, all of which will lead to better interagency collaboration on the Eastside. The opportunity for improved coordination is most significant for police agencies that are currently dispatched by separate call centers. A single regional dispatch agency will also create better opportunities and a structure for continuing to improve interoperability between police and fire agencies. Additionally, having one center on the Eastside creates a better opportunity in the future to improve communication and coordination between other regional centers in King County and the neighboring counties.

**Consequences of Not Funding**
Current model would continue with higher costs due to duplication of staff, facilities, equipment and technology systems. There will be less efficiency of both call taking and dispatching, particularly for fire agencies that are located in areas currently served by a separate police dispatch center. Interagency collaboration and interaperability would be negatively impacted as well.

**Equipment Requirements**
Grant funding will offset the majority of one time costs, potentially decreasing Bellevue's share to approximately $80,000. Sufficient funding is available to pay for these costs.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **-2,677,441** | **-5,384,384** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-53.51** | **-53.51** |

CITY OF BELLEVUE WASHINGTON

# Transportation

## Program Outcome Statement

The mission of the Transportation Department is to provide a safe and efficient transportation system that supports livable neighborhoods and a vital economy in partnership with the community.

## Services and Accomplishments

The Transportation Department consists of four major functional areas: Planning, Capital Projects, Traffic Management and Streets Maintenance. The Planning area forecasts future transportation conditions, identifies facility & service needs and coordinates with regional transportation providers to ensure that Bellevue's interests are served. The Capital Projects area designs and constructs transportation system projects and provides developer and franchise utility inspection services. The Traffic Management division operates and maintains the City's traffic signals & street lighting system and provides neighborhood education and project implementation services, development review and right of way use permitting support, and general engineering and downtown parking monitoring services. The Streets Maintenance division maintains roadways, walkways, bikeways, trails, traffic devices, pavement markings, signs, and roadside vegetation.

Accomplishments:

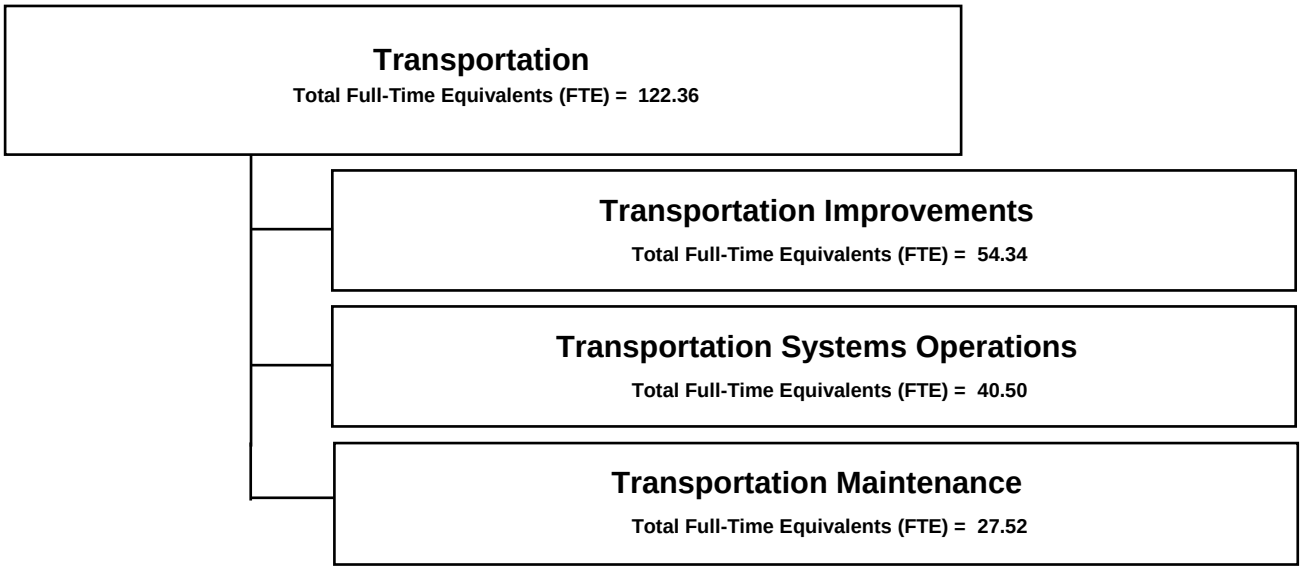
- Worked with Bel-Red Corridor Steering Committee to complete a recommended vision for the future of the Bel-Red corridor which was presented to City Council in September 2007. Since then, work has focused on preparing and working with several commissions, including the Transportation Commission on a draft subarea update for the corridor, Comprehensive Plan amendments, and code modifications. Transportation staff has also done work (including 5 percent design analysis) on several of the transportation improvements that are identified in the vision; these are included in the draft subarea plan, and are also being discussed as part of the update to the Transportation Facilities Plan (TFP) and Capital Investment Program (CIP).
- Submitted 13 grant and other funding applications requesting nearly $23 million to supplement the Transportation Capital Investment Program budget. One application resulted in $200,000 for neighborhood sidewalks. Decisions on ten applications submitted in 2008 (total of requests = $19.8 million) are expected in late 2008 and early 2009.
- Completed Stage 1 construction for the NE 10th Street Extension project in coordination with Overlake Hospital, Group Health Cooperative, and the WSDOT.
- Achieved the City's 2006-2007 traffic improvement goals to protect neighborhoods and improve mobility by designing approximately 60 and constructing approximately 45 capital projects in that timeframe;
- Successfully managed Downtown traffic during the continuing construction boom, enabling residents and visitors to enjoy Bellevue services while maintaining construction schedules.
- Successfully managed traffic city-wide during the August 2008 demolition of the I-405 Wilburton tunnel for the WSDOT widening project.
- Implemented early actions from the City's Intelligent Transportation Plan by installing a modernized signal control system "proof of concept" project at six signalized intersections to assist in the replacement of the traffic signal system. A field communication infrastructure plan was also developed for the replacement signal system in the Downtown and along the RapidRide corridor.
- Worked with fifteen neighborhoods, developing and/or constructing traffic calming projects to address citizen concerns with vehicle speeds, non-local traffic and pedestrian safety. In addition, reviewed 50 individual requests for specific locations and received over 800 calls, letters and e-mails from citizens regarding neighborhood traffic concerns.
- Developed "Pedbee's Safe Trips to School" packet, which teaches children safe pedestrian and bicycle practices, and provided 20,000 copies to the Washington Traffic Safety Commission (WTSC) for distribution state-wide.
- Improved traffic flow and reduced delay by implementing traffic signal timing changes at 7 high volume intersections.
- Streamlined permitting processes by implementing a new City as Applicant review procedure to facilitate timely permit delivery to internal city clients for CIP projects.
- Completed an 18 month self assessment process through the American Public Works Association culminating in the Transportation Department being fully accredited.
- Completed extensive public outreach on the update of the Pedestrian and Bicycle Transportation Plan, and worked with the Transportation Commission on an updated policy framework, prioritization framework, and prioritized project list.
- Two plans developed in 2007 guided Transportation Demand Management (TDM) work efforts: an updated Commute Trip Reduction plan and new Downtown Growth and Transportation Efficiency Center plan called "Connect Downtown".
- A downtown employer campaign has resulted in new FlexPass contracts providing more than 800 transit passes, and a new "Commuter Connection" trip planning and bike storage facility opened in September 2008 at the Bellevue Transit Center.
- The department revamped the City's TDM brand and website to 'Choose Your Way Bellevue' to better resonate with today's commuters and residents.
- Made substantial progress on updating the Bel-Red Overlake Transportation Study (BROTS) in coordination with the City of Redmond.
- Developed a successful "speed and reliability" partnership with King County Metro Transit and the City of Redmond that will improve RapidRide travel times and schedule reliability, and will provide the cities additional transit resources for use on the RapidRide corridor or other priority corridors.

# Transportation

- Downtown Bellevue Circulator: Completed analysis of implementation options (routes and frequency) for the Circulator and developed a successful financial partnership agreement with King County Metro Transit for the service.
- Light Rail Best Practices: The City Council adopted Comprehensive Plan Amendments in August 2008 and accepted other recommendations in September. Lessons learned from the effort will influence implementation of LRT in Bellevue and forthcoming work planning.
- East Link: Staff worked in partnership with Sound Transit and other involved agencies to evaluate light rail alignment, station alternatives, and preliminary environmental impact findings.
- The Department enhanced compliance with federal non-discrimination mandates by implementing an approved Title VI Plan and completing a comprehensive inventory of accessibility barriers within the city's public rights of way that will be incorporated into an update of Transportation's Americans with Disabilities Act Transition Plan in 2009. The inventory was a pilot project using innovative technology, an ultra-light inertial profiler (ULIP) mounted on a Segway, developed by the Federal Highway Administration. Participation in the pilot saved the city at least $500,000 in physical survey/inventory costs.

# Transportation

## Organizational Chart



# Transportation

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Transportation Improvements | 36,977,307 | 30,660,495 | 47,609,785 | 25,717,811 |
| Transportation Systems Operations | 6,942,398 | 6,985,116 | 7,758,699 | 8,079,944 |
| Transportation Maintenance | 14,461,591 | 12,859,539 | 13,378,531 | 14,538,642 |
| **Base Budget** | **58,381,295** | **50,505,150** | **68,747,014** | **48,336,397** |
| **Reserves** | **2,407,777** | **1,926,025** | **1,391,986** | **1,430,025** |
| CIP M&O | - | - | 1,389,455 | 1,318,750 |
| MSP-Transp SWPPs & Capital Investment | - | - | 10,000 | - |
| Streetlight Maintenance | - | - | 49,750 | 70,465 |
| **Program Enhancements** | **-** | **-** | **1,449,205** | **1,389,215** |
| **Total Budget** | **60,789,072** | **52,431,175** | **71,588,205** | **51,155,637** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 10,698,170 | 11,488,660 | 13,004,669 | 13,648,489 |
| Interfund | 6,556,172 | 4,846,048 | 8,605,004 | 7,904,537 |
| M & O | 6,468,014 | 6,616,442 | 6,995,576 | 6,984,314 |
| Capital | 34,658,939 | 27,554,000 | 41,590,970 | 21,188,272 |
| **Total Expenditures** | **58,381,295** | **50,505,150** | **70,196,219** | **49,725,612** |
| **Total Reserves** | **2,407,777** | **1,926,025** | **1,391,986** | **1,430,025** |
| **Total Budget** | **60,789,072** | **52,431,175** | **71,588,205** | **51,155,637** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 19,952,319 | 20,953,911 | 22,392,303 | 23,283,844 |
| Land Purchase Revolving Fund | 2,728,897 | 1,743,962 | 594,753 | 634,723 |
| Franchise Fund | 56,797 | 58,910 | 64,453 | 66,372 |
| Operating Grants/Donations/Sp Reserves Fund | 72,000 | - | - | - |
| LID Control Fund | 1,318,012 | 1,686,492 | 1,538,500 | 1,126,582 |
| LID Guaranty Fund | 1,966,108 | 327,900 | 804,825 | 265,655 |
| General CIP Fund | 33,438,939 | 21,289,000 | 38,498,371 | 25,778,461 |
| Supplemental CIP | 1,256,000 | 6,371,000 | 7,695,000 | - |
| **Total Resources** | **60,789,072** | **52,431,175** | **71,588,205** | **51,155,637** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Transportation Improvements | 49.71 | 49.71 | 54.34 | 55.34 |
| Transportation Systems Operations | 34.40 | 35.40 | 40.50 | 40.50 |
| Transportation Maintenance | 27.25 | 27.25 | 27.52 | 27.52 |
| **Total FTE** | **111.36** | **112.36** | **122.36** | **123.36** |

# Transportation

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Transportation Improvements** | | | | | | |
| # projects completed | # | Effectiveness | 8 | 10 | 16 | 16 |
| # of CIP projects under design | # | Workload | 29 | 16 | 23 | 16 |
| % of areas achieving concurrency | % | Effectiveness | 100 | 100 | 100 | 100 |
| # of CIP projects under construction | # | Workload | 24 | 13 | 17 | 16 |
| Design cost at bid award as a % of contract cost | % | Efficiency | 7 | 23 | 23 | 23 |
| % variance of construction from original contract | % | Effectiveness | 4 | 7 | 7 | 7 |
| **Transportation Maintenance** | | | | | | |
| Avg pavement ratings for residential streets | # | Effectiveness | 85 | 77 | 76 | 76 |
| Customer satisfaction rating for clean streets | % | Effectiveness | 97 | 95 | 95 | 95 |
| **Transportation Systems Operations** | | | | | | |
| # of Neighborhood Traffic Calming Requests received | # | Workload | 369 | 200 | 250 | 250 |
| % of neighborhood locations 70%+ satisfied | % | Effectiveness | 100 | 90 | 90 | 90 |

# Transportation

## 2009-2010 Work Initiatives

- Identify a project delivery model and begin design and right of way acquisition for major capital projects associated with the Bel-Red and Wilburton Subarea plans.
- Begin design of transportation projects that are part of the adopted update of Bel-Red and Wilburton Subarea Plans and may potentially be incorporated in the City's CIP.
- Initiate an implementation strategy for the Downtown Plan and coordinate transportation efforts and initiatives in downtown, such as Great Streets, NE 2nd design, the 106th/108th couplet, and future planning of the NE 6th pedestrian corridor.
- Support major economic development initiatives, such as Maydenbauer Center expansion, redevelopment in the Eastgate area (and support update of the Eastgate Subarea Plan), and other special projects.
- Continue to support WSDOT in implementing Stage 2 of the NE 10th Street project, the I-405 South Bellevue Widening project, and the I-405 to SR 520 Braided Ramp project.
- Continue to provide leadership and work collaboratively with Sound Transit, King County, Seattle and Eastside communities to aggressively plan the East Link corridor to further implement the City's Regional Mobility Interest Statement and future HCT Interest Statement.
- Advance Bellevue's regional transportation objectives for the I-90, I-405, and SR 520 corridors and identify potential city supporting actions, including:
  - Advocate for additional I-405 access ramps in downtown Bellevue consistent with I-405 Corridor EIS work, the Downtown Implementation Plan, NE 10th/Overlake project and surrounding area circulation plans.
  - Continue to support the planned construction of SR 520 Bridge Replacement and HOV Project consistent with City Council and Eastside cities' preferred alternative and the SR 520 Bridge Replacement and Corridor interest statement.
  - Support Sound Transit and WSDOT in Phase 1 construction of the critical cross-lake I-90 Two-Way Transit/HOV project (R8A).
  - Provide leadership and advocacy for new transportation funding via regional and statewide funding efforts.
  - Ensure the County’s Transit Now Program responds to Council’s clear interest in achieving urban services levels for the City and Eastside. Pursue a downtown circulator and other community enhancement projects consistent with the Transit Now ordinance.
  - Ensure the County’s Six-Year Plan Update reflects City priorities and capital investments as articulated in the City’s 2003 Transit Plan.
- Closely monitor projected workforce levels and take proactive measures to respond to increases in workload resulting from an increase in CIP funding for the 2009-2015 timeframe, city support on regional projects, and/or additional revenue dedicated to transportation needs.
- Continue planning for the replacement of the central traffic computer, including the communication network requirements.
- Actively manage downtown development and construction activity by balancing the demand for the City's right of way with the impacts on the citizens who live, work and shop in downtown.
- Implement the fiber communication infrastructure upgrade in the downtown and on the RapidRide route to accommodate the new traffic signal system and the RapidRide service.

# Transportation

## Major Challenges for the Biennium

In response to major planning efforts being completed in the Bel-Red and Wilburton Sub-areas, Council is moving forward a significant package of capital improvements for the 2009-2015 CIP. The majority of these improvements are major transportation projects. It is anticipated that a different project delivery model will need to be identified and implemented in early 2009 to ensure the timely design, right of way acquisition, and construction of these projects.

The City is changing, transitioning to an urban center with significant increases in downtown employment, housing and street level retail. This coupled with the anticipated increase in development in and around the Bel-Red corridor has major impacts to the City's transportation system. It is important to review the City's needs as well as opportunities in these areas. In addition to right of way management and traffic system operation, increased threats to the character and livability of adjacent neighborhoods from undesirable traffic impacts, such as cut-through traffic and spillover parking need to be addressed. A comprehensive evaluation of these issues must occur to ensure that the City's policies and programs support the long term growth of the City and that funding and staffing resources are available to meet these needs. As downtown buildings start to be completed and occupied, and more projects are permitted, downtown stakeholders have also expressed concerns about potential violations of concurrency. Based on staff analysis, no concurrency problems are anticipated in the short-term, however there are potential issues in the longer-term. The City is embarking on an analysis, in partnership with the Puget Sound Regional Council (PSRC), on looking at multi-modal concurrency (meaning measuring trips across all modes) for downtown. This is a pilot project in response to changes in state law. This work could lead to changes in how concurrency is measured in the downtown, but also could lead to re-thinking how concurrency is calculated citywide. This would be a major work initiative that could occur during the next biennium.

Workload to operate the transportation system has increased significantly over the last few years due to system growth in overall size as well as implementation of Intelligent Transportation System (ITS) technologies. Staff are constantly challenged to maintain current service levels while simultaneously implementing effective traffic solutions. An increase in staffing levels will be necessary in the next biennium in order to effectively manage transportation traffic operational goals.

Regional planning efforts will continue to advance Bellevue's regional transportation objectives for the I-90, I-405 and SR 520 corridors. Staff will continue to work with Sound Transit, Seattle and Eastside communities to aggressively plan for Phase II Sound Transit improvements. The City will continue to support WSDOT's construction of I-405 widening projects through Bellevue, assist Sound Transit in completing the East Link EIS and selection of a preferred alternative, and coordinate with WSDOT to advance the I-405, SR 520 Braid project. Additionally, staff will work with King County Metro to advance the downtown Bellevue Circulator in preparation for 2010 service, and to advance the RapidRide BRT project to ensure 2011 implementation. These activities will require extensive inter-departmental coordination, technical support, and significant community outreach efforts. Staffing resources will be devoted to support these efforts to ensure Bellevue's interests are reflected and protected. Pending the outcome of the ST2 vote this November, staff anticipate shifting resources to focus on implementation of the East Link project. 2009-2010 efforts will include support to Council and the community as a preferred alternative is selected, followed by assisting Sound Transit's completion of environmental review. Staff also anticipates initiating efforts with the community to influence the design of East Link.

# Transportation
# Transportation Improvements

## Program Statement

Maintain mobility for residents, shoppers, and commuters through a balanced system of transportation alternatives supporting the City's land use vision, reducing auto dependency, and protecting neighborhoods from transportation impacts.

## Summary of Services Provided

This program area provides for planning, design, development and construction of City owned transportation facilities; coordination with other jurisdictions to provide transit and regional facilities; and major repairs to existing facilities

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administrative Support | 197,156 | 185,948 | 235,507 | 246,183 |
| Capital Projects Management | 166,153 | 218,087 | 232,562 | 241,283 |
| CIP Project Inspection | 929,051 | 894,247 | 987,310 | 1,002,342 |
| Community Relations | 223,754 | 188,270 | 229,692 | 239,365 |
| CPD/ROW Inspection | 782,358 | 826,393 | 946,745 | 986,118 |
| Department Overhead | 2,898 | 618,764 | 145,907 | 150,614 |
| Design | 1,160,710 | 1,228,138 | 1,396,678 | 1,456,341 |
| Development Review | 645,616 | 611,677 | 679,193 | 708,314 |
| Directors Office | 203,628 | 205,745 | 227,326 | 236,552 |
| Financial Services | 281,468 | 247,676 | 282,773 | 294,937 |
| General CIP Projects | 25,040,267 | 14,980,911 | 30,537,614 | 16,991,689 |
| Implementation Planning | 602,075 | 627,590 | 726,216 | 755,947 |
| Land Purchase Revolving Fund | 1,179,077 | 1,085,891 | 22,172 | 22,800 |
| Local Improvement District Control Fund | 770,913 | 746,438 | 973,920 | 574,135 |
| Local Improvement District Guaranty Fund | 1,655,250 | - | 550,000 | - |
| Long Range Planning | 527,902 | 541,836 | 547,163 | 567,785 |
| Modeling & Analysis | 574,224 | 558,844 | 597,915 | 622,259 |
| Operating Grants | 72,000 | - | - | - |
| Operating Open Accounts | - | - | - | - |
| Organizational Development | 62,299 | 66,632 | 78,198 | 81,526 |
| Planning Management | 328,550 | 170,841 | 189,328 | 196,774 |
| Regional Projects | 291,742 | 261,988 | 303,031 | 316,277 |
| Supplemental CIP Projects | 1,256,000 | 6,371,000 | 7,695,000 | - |
| Traffic Management | 24,217 | 23,577 | 25,534 | 26,569 |
| **Base Budget** | **36,977,307** | **30,660,495** | **47,609,785** | **25,717,811** |
| **Reserves** | **2,407,777** | **1,926,025** | **1,391,986** | **1,430,025** |
| CIP M&O | - | - | 590,000 | 690,000 |
| **Program Enhancements** | **-** | **-** | **590,000** | **690,000** |
| **Total Budget** | **39,385,084** | **32,586,520** | **49,591,771** | **27,837,836** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 5,299,677 | 5,718,733 | 6,315,664 | 6,681,629 |
| Interfund | 3,846,146 | 2,102,983 | 5,697,345 | 4,911,485 |
| M & O | 1,599,217 | 1,592,868 | 1,592,951 | 1,358,205 |
| Capital | 26,232,267 | 21,245,911 | 34,593,824 | 13,456,492 |
| **Total Expenditures** | **36,977,307** | **30,660,495** | **48,199,785** | **26,407,811** |
| **Total Reserves** | **2,407,777** | **1,926,025** | **1,391,986** | **1,430,025** |
| **Total Budget** | **39,385,084** | **32,586,520** | **49,591,771** | **27,837,836** |

# Transportation
# Transportation Improvements

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 7,003,800 | 7,476,254 | 7,831,078 | 8,129,187 |
| Land Purchase Revolving Fund | 2,728,897 | 1,743,962 | 594,753 | 634,723 |
| Operating Grants/Donations/Sp Reserves Fund | 72,000 | - | - | - |
| LID Control Fund | 1,318,012 | 1,686,492 | 1,538,500 | 1,126,582 |
| LID Guaranty Fund | 1,966,108 | 327,900 | 804,825 | 265,655 |
| General CIP Fund | 25,040,267 | 14,980,911 | 31,127,614 | 17,681,689 |
| Supplemental CIP | 1,256,000 | 6,371,000 | 7,695,000 | - |
| **Total Resources** | **39,385,084** | **32,586,520** | **49,591,771** | **27,837,836** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administrative Support | 2.14 | 2.14 | 2.27 | 2.27 |
| Capital Projects Management | 1.00 | 1.00 | 1.00 | 1.00 |
| CIP Project Inspection | 7.00 | 7.00 | 6.90 | 6.90 |
| Community Relations | 1.80 | 1.80 | 1.80 | 1.80 |
| CPD/ROW Inspection | 5.85 | 5.85 | 6.70 | 6.70 |
| Design | 8.00 | 8.00 | 9.75 | 9.75 |
| Development Review | 5.00 | 5.00 | 5.00 | 5.00 |
| Directors Office | 1.08 | 1.08 | 1.08 | 1.08 |
| Financial Services | 2.16 | 2.16 | 2.16 | 2.16 |
| General CIP Projects | - | - | 2.00 | 2.00 |
| Implementation Planning | 5.00 | 5.00 | 5.00 | 5.00 |
| Long Range Planning | 3.00 | 3.00 | 3.00 | 3.00 |
| Modeling & Analysis | 4.00 | 4.00 | 4.00 | 4.00 |
| Organizational Development | 0.54 | 0.54 | 0.54 | 0.54 |
| Planning Management | 1.00 | 1.00 | 1.00 | 1.00 |
| Regional Projects | 2.00 | 2.00 | 2.00 | 2.00 |
| Traffic Management | 0.14 | 0.14 | 0.14 | 0.14 |
| **Total FTE** | **49.71** | **49.71** | **54.34** | **55.34** |

# Transportation
# Transportation Improvements

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Alternative travel modes** | | | | | | |
| # of miles of bikeways under design per FTE | # | Efficiency | 0.20 | 0.20 | 0.20 | 0.20 |
| # of miles of walkways under design per FTE | # | Efficiency | 0.30 | 0.30 | 0.30 | 0.30 |
| % of planned walkway system completed | % | Effectiveness | 61 | 64 | 65 | 66 |
| % of planned bikeway system completed | % | Effectiveness | 33 | 42 | 43 | 44 |
| **Transportation System Implementation** | | | | | | |
| % of development reviews completed | % | Effectiveness | 100 | 100 | 100 | 100 |
| # projects completed | # | Effectiveness | 8 | 10 | 16 | 16 |
| # of development projects reviewed per FTE | # | Efficiency | 56 | 45 | 40 | 40 |
| # of developer projects reviewed | # | Workload | 250 | 180 | 160 | 160 |
| # of CIP projects under design | # | Workload | 29 | 16 | 23 | 16 |
| % of areas achieving concurrency | % | Effectiveness | 100 | 100 | 100 | 100 |
| # of CIP projects under construction | # | Workload | 24 | 13 | 17 | 16 |
| Design cost at bid award as a % of contract cost | % | Efficiency | 7 | 23 | 23 | 23 |
| Construction engineering labor as % | % | Efficiency | 6 | 10 | 10 | 10 |
| Design cost for roadway projects as a % | % | Efficiency | - | 23 | 23 | 23 |
| Design cost for intersection projects % | % | Efficiency | - | 23 | 23 | 23 |
| Design cost for walkway/bikeway projects as a % | % | Efficiency | - | 23 | 23 | 23 |
| % variance of construction from original contract | % | Effectiveness | 4 | 7 | 7 | 7 |

## Issues related to Department Performance

The Department's efforts over the past several years continue to pay dividends. Improvements to the initial project scoping and needs analysis phase resulted in efficiencies in project design. Moreover, the focus on the Project Delivery Roadmap clearly defines roles and responsibilities of the project team, develops formal team charters, and improves coordination of the project team members and stakeholders. These initiatives continue to lead to a significant improvement in the ability of the department to deliver its program. In addition, improvements have also been implemented focusing on constructability reviews during the design phase to improve the quality of our construction contracts.

The economy in the region has quickly rebounded from the downturn of the past few years, creating a regional demand for contractors. Regional inflation rates are also higher than other parts of the country. These two factors resulted in a dramatic increase in construction costs during 2005 that continued into 2007. The average annual growth rate in Washington State's Construction Cost Index (CCI) over the past five years is 12.8% per year compared to 2.4% in 1990 through 2002. Several factors influencing the increase include increasing worldwide demand for construction materials, rising crude oil prices and other energy supply issues, and recent increases in national and international construction activity.

It is impossible to foresee all the issues associated with a particular construction project prior to implementation, particularly issues associated with underground work. However, focus on constructability reviews throughout the design process minimizes cost increases between bid award and construction contract completion. The total percent of variance between the actual construction costs from the original construction contract was 4% in 2007 yet had averaged 5% from 2002-2006. The focus on the Project Delivery Roadmap and constructability reviews are key factors in this success.

# Transportation
# Transportation Improvements

Based on the projects for which the design phase was completed in 2007, final design costs were 7% of their respective construction contract amounts. This reflects a 16% favorable variance from the performance measure target of 23%, driven by the following factors: the completion of the overlay program involved a small design effort relative to construction costs; use of in-house design work was higher than planned; and the majority of bids were for maintenance and minor capital projects, which generally have smaller design costs than roadway projects. Design costs include any consultant costs, city staff time, and other miscellaneous costs such as printing and advertising. In addition, the number of projects in both design and construction were higher than anticipated (20 actual versus 13 planned to be under design; 16 actual versus 10 planned to be under construction). This is a reflection of the higher number of smaller scale neighborhood projects resulting from transportation related projects in the Neighborhood Enhancement Program (NEP) and Neighborhood Traffic Calming Program (NTCP).

The Transportation Department prepares a transportation concurrency “snapshot” annually and reports to the City Council on how transportation capacity is keeping up with permitted land development. The November 13, 2007 report to Council indicated that CIP projects contribute significantly to congestion reduction, reducing overall failed intersections from seven without the CIP to five and reducing congestion in twelve of thirteen Mobility Management Areas (MMAs). All of the 13 MMAs in the City meet their LOS standards as set in the adopted Comprehensive Plan, assuming completion of the CIP. The range of reserve capacity available (to accept further traffic growth) in the 13 MMAs is from 4% to 32%. The percentage of areas achieving concurrency is 100%.

## Program Notes

- Transportation Improvements is the largest program in the Transportation Department. The majority of the funds budgeted in this program are for Capital Investment Program projects.
- In 2007, the design cost for intersection, roadway and walkway/bikeway projects as a % of contract costs was zero, due to the Department only designing maintenance jobs.
- The Transportation Element of the Comprehensive Plan outlines system completion targets for the City's planned sidewalk (pedestrian) and bicycle facilities. These targets are based on completion percentages for the planned sidewalk and bicycle networks identified in the City's Pedestrian and Bicycle Transportation Plan (which is also a component of the City's Comprehensive Plan). The completion targets outlined in the Transportation Element during the last comprehensive update of the Plan only extend to the Year 2005. In addition, the overall pedestrian and bicycle networks (which provide the basis for the targets) are being updated as part of a broad update of the Pedestrian and Bicycle Transportation Plan. The sidewalk and pedestrian targets will be updated in the next budget, following adoption of the Pedestrian and Bicycle Plan (and the network maps therein) which is expected in January, 2009; and following potential updates to the completion targets in the Transportation Element of the Comprehensive Plan.
- 2.0 FTEs were added in mid 2007 to address increased project workload due to Council adoption of the Supplemental CIP.

# Transportation
# Transportation Maintenance

## Program Statement

Provide clean, attractive streets, walkways, and bikeways while minimizing the City's liability and preserving the transportation infrastructure.

## Summary of Services Provided

Maintenance program services include roadway system condition inventory; targeted pavement repairs and overlays; fast and effective response to system hazards; routine roadway, walkway, bikeway, bridge and rockery maintenance and repair; installation and maintenance of traffic signs and devices, tree management in right of way, route based street cleaning; snow and ice removal; emergency traffic control and roadside vegetation control.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administrative Support | 36,510 | 34,435 | 43,612 | 45,589 |
| Department Overhead | 537 | 114,586 | 27,020 | 27,892 |
| Directors Office | 37,709 | 38,101 | 42,097 | 43,806 |
| Financial Services | 52,124 | 45,866 | 52,365 | 54,618 |
| General CIP Projects | 7,904,674 | 6,239,280 | 6,141,393 | 6,999,000 |
| Maintenance Admin | 2,584,689 | 2,657,553 | 2,885,448 | 3,027,465 |
| Operating Open Accounts | - | - | - | - |
| Organizational Development | 11,537 | 12,339 | 14,481 | 15,097 |
| Roadside Vegetation Maint | 380,171 | 371,643 | 425,588 | 441,140 |
| Roadway Maint | 993,349 | 969,223 | 871,454 | 902,523 |
| Roadway Surfacing | 257,137 | 254,563 | 300,935 | 314,107 |
| Sidewalk Maint | 749,411 | 709,020 | 890,166 | 923,296 |
| Snow & Ice Control | 217,013 | 204,023 | 256,478 | 266,186 |
| Street Cleaning | 264,355 | 265,549 | 304,271 | 312,814 |
| Traffic Control Devices Maint | 972,375 | 943,358 | 1,123,222 | 1,165,110 |
| **Base Budget** | **14,461,591** | **12,859,539** | **13,378,531** | **14,538,642** |
| CIP M&O | - | - | 53,354 | 100,471 |
| MSP-Transp SWPPs & Capital Investment | - | - | 10,000 | - |
| **Program Enhancements** | **-** | **-** | **63,354** | **100,471** |
| **Total Budget** | **14,461,591** | **12,859,539** | **13,441,885** | **14,639,113** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,032,960 | 2,106,778 | 2,287,500 | 2,389,198 |
| Interfund | 1,331,427 | 1,229,793 | 1,485,247 | 1,537,212 |
| M & O | 3,182,530 | 3,283,689 | 3,535,013 | 3,721,286 |
| Capital | 7,914,674 | 6,239,280 | 6,134,125 | 6,991,417 |
| **Total Expenditures** | **14,461,591** | **12,859,539** | **13,441,885** | **14,639,113** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 6,556,917 | 6,620,259 | 7,300,492 | 7,640,113 |
| General CIP Fund | 7,904,674 | 6,239,280 | 6,141,393 | 6,999,000 |
| **Total Resources** | **14,461,591** | **12,859,539** | **13,441,885** | **14,639,113** |

# Transportation
# Transportation Maintenance

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administrative Support | 0.40 | 0.40 | 0.42 | 0.42 |
| Directors Office | 0.20 | 0.20 | 0.20 | 0.20 |
| Financial Services | 0.40 | 0.40 | 0.40 | 0.40 |
| Maintenance Admin | 1.00 | 1.00 | 1.00 | 1.00 |
| Organizational Development | 0.10 | 0.10 | 0.10 | 0.10 |
| Roadside Vegetation Maint | 3.00 | 3.00 | 3.00 | 3.00 |
| Roadway Maint | 5.00 | 5.00 | 5.00 | 5.00 |
| Roadway Surfacing | 2.15 | 2.15 | 2.40 | 2.40 |
| Sidewalk Maint | 6.00 | 6.00 | 6.00 | 6.00 |
| Snow & Ice Control | 1.00 | 1.00 | 1.00 | 1.00 |
| Street Cleaning | 1.00 | 1.00 | 1.00 | 1.00 |
| Traffic Control Devices Maint | 7.00 | 7.00 | 7.00 | 7.00 |
| **Total FTE** | **27.25** | **27.25** | **27.52** | **27.52** |

# Transportation
# Transportation Maintenance

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Clean, attractive streets** | | | | | | |
| Avg cost per sq ft to repair roadway | $ | Efficiency | 6.21 | 6.50 | 7.25 | 7.25 |
| Area of roadway repaired | # | Workload | 16,323 | 25,000 | 25,000 | 25,000 |
| # of routine sweeping requests per 1,000 customers | # | Effectiveness | 2.60 | 0.50 | 0.50 | 0.50 |
| # of potholes repair requests per lane mile | # | Effectiveness | 0.09 | 0.50 | 0.50 | 0.50 |
| Avg cost per mile of streets swept | $ | Efficiency | 23.73 | 35.00 | 35.00 | 35.00 |
| # of street miles swept | # | Workload | 5,134 | 6,640 | 6,640 | 6,640 |
| Customer satisfaction rating for clean streets | % | Effectiveness | 97 | 95 | 95 | 95 |
| Maintenance cost per sign | $ | Efficiency | 44.19 | 40.00 | 40.00 | 40.00 |
| # of signs maintained | # | Workload | 3,131 | 4,500 | 4,500 | 4,500 |
| **Hazardous condition response** | | | | | | |
| % of traffic sign emergency calls responded to within 1 hour | % | Effectiveness | 88 | 95 | 95 | 95 |
| % of pothole requests responded to within 24 hours | % | Effectiveness | 100 | 100 | 100 | 100 |
| # of paid claims > $3,000 related to Street Maintenance | # | Effectiveness | - | - | - | - |
| **Maintain & preserve the roadway** | | | | | | |
| % of residential lane miles with rating of 30 or more/total | % | Effectiveness | 99 | 90 | 99 | 99 |
| % of art. lane miles with rating of 50 or more / total | % | Effectiveness | 94 | 85 | 86 | 86 |
| Avg pavement ratings for residential streets | # | Effectiveness | 85 | 77 | 76 | 76 |
| Avg pavement ratings for arterials/collectors | # | Effectiveness | 83 | 78 | 78 | 78 |
| Cost per lane mile resurfaced | $ | Efficiency | 270,408 | 140,450 | 200,000 | 220,000 |
| # lane miles in system | # | Workload | 942 | 942 | 943 | 943 |
| **Useful, attractive sidewalks** | | | | | | |
| % of concrete sidewalks repaired as planned (Note 3) | % | Effectiveness | 7 | 100 | 100 | 100 |
| Avg repair cost per sq ft of concrete sidewalk | $ | Efficiency | 18.33 | 14.25 | 18.60 | 18.60 |
| Customer satisfaction rating for sidewalk maint & repair | % | Effectiveness | 95 | 90 | 90 | 90 |
| Area of concrete sidewalk repaired | # | Workload | 684 | 10,000 | 10,000 | 10,000 |

## Issues related to Department Performance

Demographic changes, system size, and funding availability all can impact the maintenance schedules of the transportation system. Staff uses citizen satisfaction as one of the ways to determine if maintenance needs are being met. According to the 2007 Customer Satisfaction survey, the City's street cleaning efforts continued to result in a high degree of satisfaction by Bellevue citizens. Satisfaction ratings, over the last 5 years, have been 95% or higher. Street sweeping routes and frequency are established based on the frequency of use and the type of transportation mode. For example, streets with bike lanes are swept more frequently than streets without. The result is a high customer satisfaction rating.

# Transportation
# Transportation Maintenance

Condition ratings of city streets are also performed every two years as a way to determine upcoming maintenance and overlay projects in the City. Residential pavement ratings were higher than anticipated for 2007. Pavement ratings normally fluctuate over a two year period. Pavement is surveyed every two years establishing a baseline condition rating. This baseline information is combined with results of pavement improvements made to streets over the course of two calendar years. No adjustment is made for the deterioration of pavement in the second year of the pavement assessment cycle. This results in a measure that fluctuates within a 5% variance over a two year period.

## Program Notes

Roadways are rated on a scale from 0-100, with 100 being a new surface. Roadways are typically a candidate for maintenance when a score reaches 50 for arterial streets and 30 for residential streets. Additional information about the City's pavement rating system is included in the annual State of Mobility Report, available through the Transportation Department.

The buying power of the Overlay program budget continues to erode due to the rapid rise in the price of asphalt as well as the requirement to incorporate ADA enhancements in the annual overlay contract.

The survey measures satisfaction with arterial sidewalks. Residential sidewalks are repaired by the City but not cleaned.

Residential sidewalk maintenance is a shared responsibility of the homeowner, City contractors, and multiple City departments.

Current funding levels allow for cleaning of arterial sidewalks only once each year. The timing of the survey may influence the level of satisfaction. Sidewalks adjacent to formal streetscapes may receive additional service by the Parks department while they are maintaining the gardens.

The amount of concrete & asphalt sidewalk repairs may vary each year depending on the condition assessment results. The more items require temporary mitigation, the less resource is left for permanent repairs.

Cost per lane mile resurfaced varies according to the type of street resurfaced. Arterials need thicker overlays and tend to require more expensive repairs than residential streets.

# Transportation
# Transportation Systems Operations

## Program Statement

Effectively and safely operate and maintain the City's transportation system.

## Summary of Services Provided

The System Operations program is responsible for the efficient and safe operation of the roadway system, cost effective maintenance of the traffic signal and street lighting systems, and improved system safety. This is achieved through the design and implementation of engineering solutions to traffic problems, educating citizens about traffic impacts in neighborhoods, and improving traffic flows through traffic system adjustments and enhancements.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administrative Support | 131,437 | 123,966 | 157,005 | 164,122 |
| Department Overhead | 1,932 | 412,510 | 97,272 | 100,409 |
| Directors Office | 135,752 | 137,163 | 151,551 | 157,701 |
| Financial Services | 187,645 | 165,118 | 188,515 | 196,624 |
| Franchise Fund | 56,797 | 58,910 | 64,453 | 66,372 |
| General CIP Projects | 493,999 | 68,809 | 610,720 | 730,569 |
| Neighborhood Services | 610,361 | 610,742 | 817,777 | 838,563 |
| Operating Open Accounts | - | - | - | - |
| Organizational Development | 41,533 | 44,421 | 52,132 | 54,351 |
| Right Of Way Review | 601,830 | 634,795 | 752,734 | 785,864 |
| Signals | 2,323,984 | 2,344,418 | 2,367,017 | 2,411,443 |
| Street Lighting | 1,294,403 | 1,319,240 | 1,398,682 | 1,438,786 |
| Traffic Engineering | 913,962 | 920,194 | 943,990 | 971,928 |
| Traffic Management | 148,764 | 144,831 | 156,851 | 163,211 |
| **Base Budget** | **6,942,398** | **6,985,116** | **7,758,699** | **8,079,944** |
| CIP M&O | - | - | 746,101 | 528,279 |
| Streetlight Maintenance | - | - | 49,750 | 70,465 |
| **Program Enhancements** | **-** | **-** | **795,851** | **598,744** |
| **Total Budget** | **6,942,398** | **6,985,116** | **8,554,550** | **8,678,688** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 3,365,533 | 3,663,149 | 4,401,505 | 4,577,662 |
| Interfund | 1,378,599 | 1,513,272 | 1,422,411 | 1,455,840 |
| M & O | 1,686,266 | 1,739,886 | 1,867,612 | 1,904,823 |
| Capital | 511,999 | 68,809 | 863,021 | 740,363 |
| **Total Expenditures** | **6,942,398** | **6,985,116** | **8,554,550** | **8,678,688** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| General Fund | 6,391,602 | 6,857,397 | 7,260,733 | 7,514,544 |
| Franchise Fund | 56,797 | 58,910 | 64,453 | 66,372 |
| General CIP Fund | 493,999 | 68,809 | 1,229,364 | 1,097,772 |
| **Total Resources** | **6,942,398** | **6,985,116** | **8,554,550** | **8,678,688** |

# Transportation
# Transportation Systems Operations

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Administrative Support | 1.43 | 1.43 | 1.52 | 1.52 |
| Directors Office | 0.72 | 0.72 | 0.72 | 0.72 |
| Financial Services | 1.44 | 1.44 | 1.44 | 1.44 |
| General CIP Projects | - | - | 3.00 | 3.00 |
| Neighborhood Services | 4.80 | 4.80 | 5.80 | 5.80 |
| Organizational Development | 0.36 | 0.36 | 0.36 | 0.36 |
| Right Of Way Review | 5.00 | 5.00 | 6.00 | 6.00 |
| Signals | 11.00 | 12.00 | 13.00 | 13.00 |
| Street Lighting | 2.00 | 2.00 | 2.00 | 2.00 |
| Traffic Engineering | 6.80 | 6.80 | 5.80 | 5.80 |
| Traffic Management | 0.85 | 0.85 | 0.86 | 0.86 |
| **Total FTE** | **34.40** | **35.40** | **40.50** | **40.50** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Intersection Optimization** | | | | | | |
| # of timing pattern adjustments performed per FTE | # | Efficiency | 155 | 130 | 130 | 130 |
| # of signals operated | # | Workload | 180 | 181 | 182 | 182 |
| **Minimize Neighborhood Congestion** | | | | | | |
| # of Neighborhood Traffic Calming Requests per FTE | # | Efficiency | - | 100 | - | - |
| # of Neighborhood Traffic Calming Requests received | # | Workload | 369 | 200 | 250 | 250 |
| % of neighborhood locations 70%+ satisfied | % | Effectiveness | 100 | 90 | 90 | 90 |
| **Reduce Traffic Accidents** | | | | | | |
| # of mid-block corridors with collision rate > 8 | # | Effectiveness | 11 | 13 | 15 | 15 |
| # of intersections with collision rate > 1 | # | Effectiveness | 8 | 12 | 13 | 13 |
| Annual accident cost savings | # | Effectiveness | 2,130 | 1,800 | 2,200 | 2,250 |
| # of accident locations reviewed per FTE | # | Efficiency | 45 | - | 45 | 45 |
| # of high accident locations reviewed/scoped/designed | # | Workload | 45 | - | 45 | 45 |

## Issues related to Department Performance

The Neighborhood Traffic Calming Program continues to see increases in citizen requests (369 in 2007 compared to 217 in 2006) to address excessive vehicle speeds and cut-through traffic. With an extensive public process, it is appropriate to expect at least two to three major traffic calming projects being constructed within a calendar year. In 2007, six projects were constructed and four more were in development or design compared to four and six in 2006, respectively.

# Transportation
# Transportation Systems Operations

## Program Notes

The number of traffic accidents at intersections and mid-block locations are affected by annexations and increased traffic volume within the City. Without design and implementation of engineering solutions targeted to high accident locations, the number and cost of traffic accidents would be significantly higher.

Accident rates at locations where accident reduction projects have been implemented are analyzed before and after project implementation. This data is used in conjunction with average accident cost data obtained from the National Safety Council to calculate annual accident cost savings.

Neighborhood Traffic Control requests (excluding requests for Residential Permit Parking Zones) may be satisfied through project design and implementation or through targeted outreach and education.

The number of signals operated by the City increases due to annexations, as new signals are installed for CIP projects or when the City assumes operating responsibility for WSDOT signals.

An increase in downtown development and City construction projects resulted in an increase in the number of traffic signal timing patterns performed in 2005.

# Transportation

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Transportation Improvements | 67,637,802 | 73,327,596 | 8 % |
| Transportation Systems Operations | 13,927,514 | 15,838,643 | 14 % |
| Transportation Maintenance | 27,321,130 | 27,917,173 | 2 % |
| **Base Budget** | **108,886,445** | **117,083,411** | **8 %** |
| **Reserves** | **1,926,025** | **1,430,025** | **(26)%** |
| CIP M&O | - | 2,708,205 | - |
| MSP-Transp SWPPs & Capital Investment | - | 10,000 | - |
| Streetlight Maintenance | - | 120,215 | - |
| **Program Enhancements** | **-** | **2,838,420** | **-** |
| **Total Budget** | **110,812,470** | **121,351,856** | **10 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 22,186,830 | 26,653,158 | 20 % |
| Interfund | 11,402,220 | 16,509,541 | 45 % |
| M & O | 13,084,456 | 13,979,890 | 7 % |
| Capital | 62,212,939 | 62,779,242 | 1 % |
| **Total Expenditures** | **108,886,445** | **119,921,831** | **10 %** |
| **Total Reserves** | **1,926,025** | **1,430,025** | **(26)%** |
| **Total Budget** | **110,812,470** | **121,351,856** | **10 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| General Fund | 40,906,230 | 45,676,147 | 12 % |
| Land Purchase Revolving Fund | 2,923,039 | 656,896 | (78)% |
| Franchise Fund | 115,707 | 130,825 | 13 % |
| Operating Grants/Donations/Sp Reserves Fund | 72,000 | - | - % |
| LID Control Fund | 2,457,405 | 2,100,502 | (15)% |
| LID Guaranty Fund | 1,983,150 | 815,655 | (59)% |
| General CIP Fund | 54,727,939 | 64,276,832 | 17 % |
| Supplemental CIP | 7,627,000 | 7,695,000 | 1 % |
| **Total Resources** | **110,812,470** | **121,351,856** | **10 %** |

# Transportation

## MSP-Transp SWPPs & Capital Investment

**Enhancement: MSPTR102**

**Enhancement Description**

This CBA increases Transportation's consulting services and capital budgets to support development of site-specific Stormwater Pollution Prevention Plans (SWPPs) for municipally-owned facilities that serve as heavy equipment maintenance or storage yards and/or material storage facilities. These plans can identify "housekeeping" and/or structural changes necessary for site-specific pollutant source control and $20,000 for capital purchases as identified in 2010 to provide covers over areas of sand storage. Additional capital costs may be necessary in a mid-bi budget add and/or the 2011-2012 budget if additional structural improvements are necessary (for example, constructing a vehicle wash area discharging to sanitary sewer or cover for materials storage).

A consultant develops site-specific Stormwater Pollution Prevention Plans (SWPPPs) for municipally-owned facilities that serve as heavy equipment maintenance or storage yards and/or material storage facilities. Attached is a list of the seven municipally-owned facilities that provide these services that includes the Transportation sand storage sites. Plans can identify "housekeeping" and/or structural changes necessary for site-specific pollutant source control and $20,000 for capital purchases as identified in 2010 to provide covers over areas of sand storage. Additional capital costs may be necessary in a mid-biennium budget add and/or the 2011-2012 budget if additional structural improvements are necessary (for example, constructing a vehicle wash area discharging to sanitary sewer or cover for materials storage).

This CBA investment will impact the program's desired outcomes and performance measures by:
- Achieving 100% Permit compliance and avoiding citation under the Clean Water Act;
- Improving water quality discharged from these sites and minimizing illicit discharges into and out of the City's storm drainage system; and
- Documenting City's compliance with Permit's legal requirements in annual reports to the Washington State Department of Ecology (the Permit Authority) and minimizing potential 3rd party lawsuits.

This CBA investment responds to Council priorities and/or public feedback:
- Council's commitment to comply with the Clean Water Act;
- Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan); and
- Citizen's priority to protect and restore Bellevue's streams, lakes and wetlands (identified by 91% of citizens as moderate to very important in a 1999 survey).

**State/Federal/Industry Mandates**

See description.

**Goals and Objectives**

See description.

**Consequences of Not Funding**

Alternatives Considered but Rejected:

Considered developing these plans with existing staff resources but rejected because a consultant can better provide both the expertise and cost-effective, consistent Plans than those that would be developed piecemeal by individual department staff.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **10,000** | **-** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Transportation

## Streetlight Maintenance

**Enhancement: TRCBA114**

**Enhancement Description**

The number of streetlights in Bellevue has grown significantly since the early 1990's due to annexations, Transportation capital projects and development projects without a commensurate increase in staff to maintain these assets. The current staffing in the signal and streetlight shop has remained unchanged since 1991. However, during that time the number of street lights has increased from 4751 to 8200. Staff that had been dedicated to streetlight repair were diverted to traffic signal repair in 2002, with the tradeoff that malfunctioning traffic signals were a greater problem than dark streetlights. Also, the preventative maintenance of streetlights, which included the scheduled group relamping of streetlights, was discontinued. Streetlight maintenance was done by signal electrical crews when they could fit it in.

In 2007, the Transportation Department had a backlog of over 300 malfunctioning or dark streetlights. Citizen complaints were increasing, and the time to respond to a citizen call concerning a dark streetlight was unacceptable to many of the citizens requesting service. To address this need, a Signal Assistant LTE was hired to form a two-person streetlight crew with an existing Signal Repair Specialist FTE. A two-person crew is required for streetlight repair, as a bucket truck is used to access the streetlight, which requires two crew members to operate (one crew member aerial in the bucket, one crew member on the ground).

This new crew has made good progress in reducing the backlog of streetlights needing repair. However, the LTE expires at the first quarter of 2009, which will start the cycle of streetlight repair requests again that can not be responded to in a timely manner.

The discontinuation of group relamping is also a concern, especially for energy costs and consumption. Group relamping is considered a best practice, as lamps that are near the end of their life give off significantly lower light levels, but consume the same amount of energy as a newer bulb. Group relamping and preventative maintenance also prevents "dayburners", streetlights that stay lit during the day, wasting electricity to power lights that are not needed in the daytime.

This budget proposal is to convert the Signal Assistant LTE to an FTE and form a permanent streetlight crew that responds to trouble calls and is able to perform preventative maintenance activities.

**State/Federal/Industry Mandates**

N/A

**Goals and Objectives**

The energy savings and best practices for streetlight maintenance have a direct tie to the Environmental Stewardship Initiative to reduce the city's carbon footprint.

**Consequences of Not Funding**

If this proposal is not funded, the backlog of streetlight repair requests will again increase, with citizen complaints increasing. Also, preventative maintenance will not occur. Streetlight maintenance will occur on an infrequent and inconsistent basis, and only when a second crew member can be arranged to form a crew.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **49,750** | **70,465** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

CITY OF BELLEVUE WASHINGTON

# Utilities

## Program Outcome Statement

Bellevue Utilities provides exceptional service to the public by providing:
- a reliable supply of safe, high-quality drinking water that meets all the community's water needs;
- a reliable wastewater disposal system that ensures public health and safety and protects the environment;
- a surface water system designed to achieve fishable and swimmable waters and control damage from storms;
- a convenient and unobtrusive solid waste collection system that contributes to a healthy and pleasing cityscape in an environmentally sensitive way;
- timely, cost-effective equipment maintenance and asset management services to City departments.

## Services and Accomplishments

Bellevue Utilities consists of the following divisions: Engineering, Resource Management and Customer Service, and Operations and Maintenance (O&M). Engineering plans and builds the City's water, sewer and storm drainage systems and provides project review and construction quality control for development projects. Resource Management and Customer Service provides billing services for customers, develops rates and budgets, provides contract management service for the collection of solid waste, and provides resource conservation services and education to customers. O&M performs inspections, repairs, and preventive maintenance to insure reliable operation of water, sewer, and surface water systems. O&M maintains the City's street and walkway systems, under the budget direction of the Transportation Department.

2007-2008 WORK ACCOMPLISHMENTS

1. Received American Public Works Association 4-year re-accreditation in 2007. Bellevue Utilities was the 13th entity nationwide to be accredited and the 1st in Washington state.

2. Invested $26.3 M in utility infrastructure improvements, via the Utility Capital Investment Program (Water, Sewer & Storm Drainage), including:
   a. System Renewal and Replacement Projects, including aging or under-capacity water, sewer & storm drainage pipelines, culverts, valves, hydrants, pump stations, meters, and service lines.
   b. Capacity improvement projects to meet population growth, including initiating design on a major downtown sewer line, and increasing the water supply capability from the regional drinking water system to downtown
   c. Construction of new sewer lines to previously unserved areas.
   d. Design of a culvert replacement project to control flooding, on Sunset Creek at SE 30th Street.
   e. Ongoing seismic retrofits and water quality improvements at water storage reservoirs.
   f. Continued design, construction and monitoring of projects in the Coal Creek Basin. as stipulated in the settlement agreement.
   g. Stream stabilization, erosion control and fish passage/habitat improvement projects on Lower Newport, Meydenbauer and Kelsey Creeks.

3. Continued implementation of actions to achieve Bellevue's long-term water supply vision and needs through Cascade Water Alliance, including:
   a. Completed purchase of Lake Tapps and made significant progress with Department of Ecology toward finalizing municipal water right.
   b. Completed tribal settlements with the Puyallup and Muckleshoot Tribes regarding the municipal water right, including tribal support for inclusion of stream flows in water right.
   c. Achieved improvements in Cascade's management and organizational structure.
   d. Adopted Bellevue-Cascade Water Audit.
   e. Established new short term water supply strategy, including new contract with Seattle for additional water.
   f. Increased public affairs efforts, including significant work on eminent domain legislation.
   g. Continued work on pipeline implementation issues, including routing, franchises and WSDOT contract.

4. Worked with King County Flood Control Zone District Board and Advisory Committee to get 1-cent of the 10-cent levy allocated back to jurisdictions for local flood control projects. Bellevue will receive approximately $605,000 in 2009 (2008 and 2009 allocation) to fund local stormwater CIP projects.

5. Participated in the Department of Ecology's National Pollution Discharge Elimination System (NPDES) Phase II permit requirements, developing and managing stormwater programs to meet permit conditions.

6. Adoption of the final draft of the Water Comprehensive Plan Update by City Council in 2007.

# Utilities

7. Supported analysis of proposed changes to land use in the BelRed Corridor, including opportunities for stream restoration, and evaluation of impacts to the constructed public utility systems.

8. Public utility systems continue to expand via private development. In 2007 private development contributed one mile of new sewer main, 1.2 miles of water main, 1 mile of storm main and 10 stormwater detention/water quality facilities. The total value of the donated assets is over $3 million. Similar expansions of the public system via development are anticipated in 2008.

9. Emergency Management accomplishments:
   a. Efforts centered on continued training and updating emergency response plans for drinking water security, snow and ice and flooding events;
   b. Developed a Windstorm Debris Management Plan, setting forth the policies and procedures to be followed in case of a severe windstorm event. Negotiated a prepositioned contract with Pacific Topsoils, in order to ensure recycling facility availability for windstorm debris after a severe windstorm event;
   c. Obtained grant funding for a temporary water piping system.

10. The asset management program was further strengthened by:
    a. Improving condition assessment programs and renewal and replacement criteria;
    b. Completing failure and claims reduction analyses for the three utilities;
    c. Refining the asbestos cement water main replacement program;
    d. Initiating the sewer lake line cleaning and condition assessment programs:
       • Used land- and water-based operations to clean the Lake Washington lake lines;
       • Assessed a portion of the Meydenbauer Bay lake line and selected a portion of the Meydenbauer lake line for replacement;
    e. Formalization of utility asset life cycle cost analysis to include triple bottom line (economic, environmental and social) principles.

11. Continued participation in regional waste export system planning and update to the King County Solid Waste Management Plan as part of the Metropolitan Solid Waste Management Advisory Committee, and monitoring King County Regional Policy Committee.

12. Supported evaluation and implementation of mitigation projects for stormwater runoff from WSDOT projects. This included coordination of and technical assistance for construction of the Kelsey Creek Wetland Mitigation project adjacent to the Lake Hills Connector, the Newcastle Beach Park mitigation, and evaluation of opportunities for other mitigation along I-405 and SR-520.

13. Maintained Bellevue's Federal Community Rating System score as a Class 5 community. Bellevue remains in the top 3% of communities participating in this federal floodplain management program nationwide, and our citizens are eligible for a total 25% reduction in federal flood insurance premiums.

14. Utilities Systems and Technology:
    a. Completed installation of the on-line MyUtilityBill customer service enhancement to the billing system.
    b. Initiated Utilities' portion of the Maintenance Management Information System (Maximo) Upgrade
    c. Initiated Customer Information System (CIS) version 3 upgrade

15. Conservation and Outreach:
    a. Published the annual Drinking Water Quality Report.
    b. Adopted a new water conservation goal under the requirements of Washington State's 2007 Water Use Efficiency Rule.
    c. Reached approximately 6,000 students with a variety of conservation messages.
    d. Recycling program improvements:
       i. Conducted successful in-house recycling campaign for employees and rolled-out Zero Waste program for City-sponsored events.
       ii. Provided waste prevention and recycling technical assistance to over 250 businesses.
       iii. Increased recycling awareness for multifamily residents.
       iv. Held four special recycling collection events, attended by over 4,500 residents and diverting over 380 tons of materials.
    e. Won American Waterworks Association communications award for Bellevue's utilities rates brochure.

# Utilities

## Organizational Chart

**Utilities**
Total Full-Time Equivalents (FTE) = 166.55

- **Utilities Improvements**
  Total Full-Time Equivalents (FTE) = 40.00
- **Water Maintenance & Operations**
  Total Full-Time Equivalents (FTE) = 54.55
- **Sewer Maintenance & Operations**
  Total Full-Time Equivalents (FTE) = 37.00
- **Storm & Surface Water Maintenance & Operations**
  Total Full-Time Equivalents (FTE) = 33.00
- **Solid Waste Management**
  Total Full-Time Equivalents (FTE) = 2.00

# Utilities

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Utilities Improvements | 28,147,069 | 29,498,430 | 44,138,516 | 40,630,721 |
| Water Maintenance & Operations | 24,028,705 | 26,547,153 | 28,354,069 | 30,221,745 |
| Sewer Maintenance & Operations | 29,078,464 | 29,373,007 | 33,410,191 | 33,908,207 |
| Storm & Surface Water Maintenance & Operations | 6,817,249 | 7,756,839 | 7,625,610 | 8,435,425 |
| Solid Waste Management | 1,969,664 | 1,684,536 | 1,801,223 | 1,890,033 |
| **Base Budget** | **90,041,151** | **94,859,965** | **115,329,609** | **115,086,131** |
| **Reserves** | **68,005,023** | **83,527,102** | **93,245,976** | **100,185,279** |
| CIP Design, Inspection & Admin Support | - | - | 292,284 | 314,190 |
| CIP M&O | - | - | 1,424,640 | 2,456,190 |
| Drinking Water Quality Program | - | - | 136,128 | 110,616 |
| MSP - Controlling Runoff SOPs | - | - | 15,000 | - |
| MSP - Development Review and Inspection | - | - | 232,530 | 204,250 |
| MSP - Expanded Outreach and Education | - | - | 28,000 | 28,000 |
| MSP - Illicit Discharge Detection & Elimination | - | - | 135,035 | 105,638 |
| MSP - Natural Drainage Practices Development Review | - | - | 25,000 | 25,000 |
| MSP – Revise Storm Code & Engineering Stds | - | - | 65,000 | - |
| MSP - Stormwater Pollution Prevention Plans | - | - | 15,000 | 10,000 |
| MSP - Surface Water Maintenance & Operations | - | - | 234,602 | 186,173 |
| Restoration of Critical Water Maintenance Services | - | - | 319,539 | 193,732 |
| Sewer O&M Preventive, Corrective and Reactive Maint | - | - | 514,010 | 478,238 |
| Support for SCADA and Security System | - | - | 152,868 | 113,756 |
| **Program Enhancements** | **-** | **-** | **3,589,636** | **4,225,783** |
| **Total Budget** | **158,046,174** | **178,387,067** | **212,165,221** | **219,497,193** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 12,665,519 | 13,270,237 | 15,797,102 | 16,337,560 |
| Interfund | 19,586,594 | 21,917,228 | 30,195,551 | 27,815,618 |
| M & O | 48,612,474 | 50,703,634 | 56,308,130 | 57,737,092 |
| Capital | 9,176,564 | 8,968,866 | 16,618,462 | 17,421,644 |
| **Total Expenditures** | **90,041,151** | **94,859,965** | **118,919,245** | **119,311,914** |
| **Total Reserves** | **68,005,023** | **83,527,102** | **93,245,976** | **100,185,279** |
| **Total Budget** | **158,046,174** | **178,387,067** | **212,165,221** | **219,497,193** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Solid Waste Fund | 2,025,757 | 1,855,548 | 2,143,704 | 2,128,374 |
| Operating Grants/Donations/Sp Reserves Fund | 779,546 | 1,393,611 | 438,311 | 264,311 |
| LID Control Fund | - | - | - | - |
| Storm & Surface Water Utility Fund | 16,934,475 | 18,258,591 | 20,739,065 | 21,401,016 |
| Water Utility Fund | 44,375,773 | 48,417,836 | 54,504,696 | 52,634,041 |
| Sewer Utility Fund | 39,679,365 | 41,874,978 | 45,678,450 | 47,038,972 |
| Utility CIP - Drainage | 11,256,108 | 14,587,148 | 23,337,813 | 25,050,351 |
| Utility CIP - Water | 17,321,315 | 20,939,068 | 30,538,262 | 33,500,906 |
| Utility CIP - Sewer | 23,114,001 | 28,612,612 | 32,601,986 | 36,360,071 |
| Util Revenue Bond Redm SSWU | 2,056,649 | 1,866,725 | 1,568,056 | 803,916 |
| Util Revenue Bond Redm Water | 503,185 | 580,950 | 614,878 | 315,235 |
| **Total Resources** | **158,046,174** | **178,387,067** | **212,165,221** | **219,497,193** |

# Utilities

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Utilities Improvements | 32.00 | 32.00 | 40.00 | 40.00 |
| Water Maintenance & Operations | 49.75 | 49.75 | 54.55 | 54.55 |
| Sewer Maintenance & Operations | 32.80 | 32.80 | 37.00 | 37.00 |
| Storm & Surface Water Maintenance & Operations | 32.00 | 32.00 | 33.00 | 33.00 |
| Solid Waste Management | 2.00 | 2.00 | 2.00 | 2.00 |
| **Total FTE** | **148.55** | **148.55** | **166.55** | **166.55** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Sewer Maintenance & Operations** | | | | | | |
| Public wastewater system backups/1,000 service connections | # | Effectiveness | 0.63 | 0.40 | 0.35 | 0.30 |
| Average cost per foot of sewer pipe jet cleaned | $ | Efficiency | 0.55 | 0.32 | 0.50 | 0.50 |
| Feet of sewer pipe jet cleaned | # | Workload | 703,660 | 750,000 | 750,000 | 750,000 |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 85 | 85 |
| **Solid Waste Management** | | | | | | |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 90 | 90 |
| Single-family residential recycling rate (% waste recycled) | % | Effectiveness | 68 | 66 | 69 | 69 |
| Multifamily recycling rate | % | Effectiveness | 17 | 15 | 18 | 19 |
| **Storm & Surface Water Maintenance & Operations** | | | | | | |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 85 | 85 |
| # of cited violations under the Clean Water Act | # | Effectiveness | - | - | - | - |
| Average cost per foot of drainage pipe cleaned | $ | Efficiency | 1.05 | 1.61 | 1.65 | 1.65 |
| **Utilities Improvements** | | | | | | |
| % of annual capital investment completed as planned | % | Effectiveness | 86 | 100 | 100 | 100 |
| $ in millions of annual capital investment | $ | Workload | 12.20 | 9.50 | 12.40 | 10.70 |
| **Water Maintenance & Operations** | | | | | | |
| Service interruptions per 1,000 service connections | # | Effectiveness | 1.60 | 3.00 | 3.00 | 3.00 |
| # of state and federal drinking water standards violations | # | Effectiveness | - | - | - | - |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 85 | 85 |

# Utilities

## 2009-2010 Work Initiatives

1. Implement the Updated Utility Capital Investment Program (Water, Sewer & Storm Drainage). For 2009-2010, this includes over $30.6 million in utility infrastructure improvements. Major projects include:
   a. Continue renewal and replacement of aging or under-capacity water, sewer & storm drainage pipelines and associated structures, including accelerated replacement of small diameter asbestos cement (AC) watermains;
   b. Construct flood control projects to reduce flooding of structures throughout the City, particularly culvert and stream improvements at SE 30th Street and Sunset Creek;
   c. Coordinate with WSDOT for relocation of Bellevue water and sewer pipelines to accommodate improvements to SR 520 and I405 (multi-year program); support the environmental permitting efforts for these projects.
   d. Construct a major new sewer trunkline to add capacity to accommodate flows from the eastern portion of downtown Bellevue;
   e. Initiate design of a project to replace a portion of the sewer line under Meydenbauer Bay, and coordinating the design with Parks master planning.
   f. Construct flood control projects consistent with King County Flood Control Zone District's $605,000 allocation to Bellevue from its Subregional Opportunity Fund.

2. Continue work on long-term strategy to respond to increased operations and maintenance requirements mandated by regional, state and federal environmental mandates. (e.g., Safe Drinking Water Act, Endangered Species Act, National Pollution Discharge Elimination System, and Puget Sound Partnership).

3. Continue asset management program development by further developing the asset renewal and replacement criteria and the condition assessment program. Continue condition assessment and development of a replacement plan and funding strategy for the sewer lake lines. Formalize life cycle cost analysis procedures and incorporate triple bottom line (economic, environmental and social) principles into the analyses.

4. National Pollution Discharge Elimination System (NPDES).
   a. Coordinate citywide implementation of stormwater programs to meet NPDES Phase II permit conditions;
   b. Represent Phase I and II jurisdictions in Ecology's Stakeholder NPDES Monitoring Committee to improve permit requirements. Caucus with other Phase I and II jurisdictions.
   c. Adopt revised stormwater codes consistent with new runoff control requirements mandated in Bellevue's permit.

5. Comprehensive Plans
   a. Update the 1994 Storm Drainage Comprehensive Plan.

6. Continue implementation of the Cascade Water Alliance action plan including:
   a. Finalize municipal water right and establish working relationship with Lake Tapps community organizations and homeowners.
   b. Implement Lake Tapps operations as new owners.
   c. Update Transmission and Supply Plan, including transmission options and long-term supply strategy.
   d. Continue work on pipeline routing and franchise issues.
   e. Continue public affairs efforts, including Lake Tapps, south King County issues, eminent domain legislation and federal issues.
   f. Develop local water conservation program in compliance with finalized Water Efficiency Rule (new state requirements) in conjunction with Cascade Water Alliance.

7. Continue participation in development and implementation activities for the Puget Sound Partnership Action Agenda, Salmon Recovery Plan, and Water Resource Inventory Area 8 (WRIA 8) as directed by Council policy and interests.

8. Continue participation in regional waste export system planning and King County Solid Waste Comprehensive Plan update as part of regional solid waste management activities, including the Metropolitan Solid Waste Management Advisory Committee and the King County Regional Policy Committee.

9. Utilities Systems and Technology:
   a. Complete the final phase of the Utilities Customer Service Information System version 3 implementation.
   b. Add utility information and billing capability to the City's interactive voice response system. This will facilitate utility bill payments by telephone.
   c. Complete Utilities portion of Maximo upgrade.

10. Develop a "Low Impact Development Manual" that identifies emerging storm water management techniques which will work in Bellevue, and include them in the Utility Engineering Standards.

11. Develop Utilities portion of an all hazards debris management plan.

# Utilities

## Major Challenges for the Biennium

The provision of high-quality service to our customers is a central objective of all Utility programs. Customer surveys help us measure and track customer satisfaction. The Department's satisfaction rating of customers who said that they were fairly to very satisfied with the Bellevue Utilities Department was 92% in 2007. However, the Department's performance is being seriously impacted by a number of drivers, including the demands of aging infrastructure, increased water and wastewater wholesale costs that compete with the ability to fund local programs, growth in the downtown area, new regulatory requirements, and increasing construction costs.

Aging Infrastructure

- Half of Bellevue's infrastructure is past mid-life. Significant investment is needed to maintain aging systems and replace components that are reaching the end of their useful life.
- Pipe defects and the resulting breaks are increasing as are the number of claims and their associated cost.
- Aging systems require more preventive maintenance to remain operational while at the same time cause more reactive work to deal with system failures. Increased effort is required to maintain current service levels.

Regional Issues

- Sewage treatment charges from METRO will increase in 2009 and beyond and are being driven by higher debt service resulting from increased capital costs (including the Brightwater treatment plant).
- Regional water resource decisions may be made over the next biennium that could have significant programmatic and cost implications for Bellevue Utilities. These efforts include county-wide water supply planning, King County's efforts to expand production and use of reclaimed water, regional salmon recovery planning, and the state Puget Sound Partnership's Action Agenda to protect and clean up the Sound. Utilities will monitor regional water resource activities and participate in regional issues, as directed by Council interests and policies.

Growth and Mandates

- The increase in mixed-use development impacts operations.
- Capital projects to provide necessary wastewater capacity and increased water storage are on the horizon.
- Bellevue must relocate its utilities for the WSDOT I-405 and SR-520 expansion projects.
- NPDES requirements in 2009/2010 mandate that Utilities provide increased maintenance and monitoring activities and development services.

Inflation and Increased Capital Costs

Since adoption of the last budget, actual and forecast construction inflation have escalated significantly. New mandated projects (WSDOT) and projects to increase utility system capacity are necessary to provide utility service. Additional investment in replacement of aging infrastructure are necessary to maintain service delivery, cost effectively. Utilities staff have updated cost estimates and critically reviewed the adopted Capital Investment Program (CIP) to determine appropriate revisions to programs and projects. The 2009-2015 Capital Investment Program Plan presents these detailed changes.

# Utilities
# Sewer Maintenance & Operations

## Program Statement

Protect, maintain, operate and administer the City's sewage disposal system in a manner which ensures public health and safety and protects the environment.

## Summary of Services Provided

Utilities Sewer Maintenance and Operations efforts aim at protecting, maintaining and operating the City's wastewater infrastructure in a manner that ensures the health and safety of the public and protects the environment. Programs and services include the maintenance and operations of wastewater collection and pumping systems to assure continuous and reliable service.

2009-2010 Initiatives are:

- Continue to enhance Wastewater preventive maintenance activities through innovative methods; utilize video inspection in verifying sewer pipe cleaning needs and appropriate frequencies.
- Continue development of asset management program elements including: asset inventory, condition assessment, residual life, life cycle costs, levels of service, risk, maintenance planning, repair and replacement, and funding strategy;
- Complete the final phases of the Utilities Customer Service Information System implementation;
- Continue participation in policy amendments to, and tracking implementation of, the Regional Wastewater Services Plan.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| O&M Division | 24,478,617 | 24,463,172 | 27,849,013 | 28,272,326 |
| Resource Mgmt/Customer Service Division | 4,599,847 | 4,909,835 | 5,561,178 | 5,635,881 |
| Sewer Open Accounts | - | - | - | - |
| **Base Budget** | **29,078,464** | **29,373,007** | **33,410,191** | **33,908,207** |
| **Reserves** | **5,759,521** | **6,670,201** | **4,199,087** | **4,318,010** |
| MSP - Stormwater Pollution Prevention Plans | - | - | 15,000 | 10,000 |
| Sewer O&M Preventive, Corrective and Reactive Maint | - | - | 514,010 | 478,238 |
| **Program Enhancements** | **-** | **-** | **529,010** | **488,238** |
| **Total Budget** | **34,837,985** | **36,043,208** | **38,138,288** | **38,714,455** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,589,256 | 2,740,166 | 3,181,400 | 3,305,032 |
| Interfund | 1,497,986 | 1,667,443 | 1,900,692 | 1,815,407 |
| M & O | 24,938,309 | 24,965,398 | 28,545,861 | 28,717,035 |
| Capital | 52,913 | - | 311,248 | 558,971 |
| **Total Expenditures** | **29,078,464** | **29,373,007** | **33,939,201** | **34,396,445** |
| **Total Reserves** | **5,759,521** | **6,670,201** | **4,199,087** | **4,318,010** |
| **Total Budget** | **34,837,985** | **36,043,208** | **38,138,288** | **38,714,455** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Sewer Utility Fund | 34,837,985 | 36,043,208 | 38,138,288 | 38,714,455 |
| **Total Resources** | **34,837,985** | **36,043,208** | **38,138,288** | **38,714,455** |

# Utilities
## Sewer Maintenance & Operations

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| O&M Division | 25.00 | 25.00 | 29.00 | 29.00 |
| Resource Mgmt/Customer Service Division | 7.80 | 7.80 | 8.00 | 8.00 |
| **Total FTE** | **32.80** | **32.80** | **37.00** | **37.00** |

# Utilities
## Sewer Maintenance & Operations

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Ensure that wastewater does not pollute local surface waters** | | | | | | |
| Non-weather pump station overflows/1,000 service connections | # | Effectiveness | 0.11 | 0.11 | 0.11 | 0.11 |
| % completion planned pump station inspection & maintenance | % | Effectiveness | 83 | 100 | 100 | 100 |
| % of industrial waste pretreatment systems certified | % | Effectiveness | 35 | 100 | 100 | 100 |
| Cost of pump station maintenance/1,000 service connections | $ | Efficiency | 5,400 | 4,500 | 5,500 | 5,500 |
| Hours of pump station maintenance/1,000 service connections | # | Workload | 108 | 85 | 100 | 100 |
| Industrial Waste program costs per customer per year | $ | Efficiency | 1.03 | 1.85 | 2.00 | 2.10 |
| # of industrial waste pretreatment systems certified | # | Workload | 720 | 885 | 750 | 800 |
| **Improve service of the wastewater system** | | | | | | |
| % of time sewer service restored within 5 hours of stoppage | % | Effectiveness | 69 | 80 | 85 | 95 |
| Public wastewater system backups/1,000 service connections | # | Effectiveness | 0.63 | 0.40 | 0.35 | 0.30 |
| % completion of planned sewer pipe jet cleaning program | % | Effectiveness | 96 | 100 | 100 | 100 |
| % completion of planned sewer line inspection program | % | Effectiveness | 64 | 100 | 100 | 100 |
| % completion of planned manhole inspection program | % | Effectiveness | 100 | 100 | 100 | 100 |
| Average cost per foot of sewer pipe jet cleaned | $ | Efficiency | 0.55 | 0.32 | 0.50 | 0.50 |
| Average cost per manhole inspected | $ | Efficiency | 6.76 | 16.00 | 16.00 | 16.00 |
| # of manholes inspected | # | Workload | 5,010 | 5,000 | 4,000 | 4,000 |
| Feet of sewer pipe inspected | # | Workload | 218,739 | 338,000 | 300,000 | 300,000 |
| Feet of sewer pipe jet cleaned | # | Workload | 703,660 | 750,000 | 750,000 | 750,000 |
| Total system miles | # | Workload | 649 | 660 | 660 | 660 |
| Average cost per foot of sewer pipe inspected | $ | Efficiency | 0.92 | 0.60 | 0.95 | 0.95 |
| **Maintain a customer satisfaction rating of 85% or better.** | | | | | | |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 85 | 85 |
| # of customers billed for sewer services | # | Workload | 36,238 | 36,315 | 36,392 | 36,469 |
| **Minimize City liability concerns** | | | | | | |
| # of claims paid | # | Effectiveness | 7 | 10 | 10 | 10 |
| # of claims greater than $20,000 | # | Effectiveness | 1 | 1 | 1 | 1 |

# Utilities
# Sewer Maintenance & Operations

## Issues related to Department Performance

The provision of high-quality service to our customers is a central objective of all Utility programs. Customer surveys help us measure and track customer satisfaction. The Department's satisfaction rating of customers who said that they were fairly to very satisfied with the Bellevue Utilities Department was 92% in 2007.

A method used to measure service reliability is the number of public wastewater system backups per 1,000 connections. The 2007 actual was 0.63 backups per 1,000 connections which exceeded the target of .40. Although there is variability from year to year in actual occurrences, a long-term analysis shows an upward trend due to the aging wastewater infrastructure. Trends indicate increasing failures of the wastewater system as it reaches its life expectancy and beyond. The Utility continues to concentrate preventive maintenance efforts on known problem areas, however, these efforts prevent the Utility from critical systematic preventative maintenance activities., Focus also continues on renewal and replacement of system components approaching the end of their useful life.

The actual cost per foot of sewer pipe cleaned in 2007 is higher than the 2007 target due to the labor intensive nature of the Lake Washington submerged lakeline cleaning.

Sewer condition assessment decreased in 2007 and footage goals were at 65% of target as labor and equipment resources were diverted to the lake line cleaning project and this program was not excluded. The targets for average cost per foot of sewer pipe inspection and cleaning have been increased as a result of recent trends.

Manhole survey was 100% of target in 2007. The survey focused on apartments and right-of-way structures which made for quicker access with multiple manholes in close proximity to one another.

Industrial Waste, Fats, Oils and Grease Program was scaled back in 2005/2006 to minimum support levels and voluntary compliance due to resource issues. This reduction in service continued in 2007/2008 due to workload issues. The Program will continue to be scaled back for the foreseeable future.

## Program Notes

Efforts within this program are aimed at the protection, maintenance and operation of the City's wastewater infrastructure in a manner that ensures the health and safety of the public and protects the environment. Bellevue strives to maintain and operate wastewater collection and pumping systems to assure continuous and reliable service.

# Utilities
# Solid Waste Management

## Program Statement

Utilities Solid Waste Management focuses on providing contract management services for waste collection and disposal, and recycling collection and processing. It also focuses on providing educational services to customers for the purpose of promoting the conservation of resources.

## Summary of Services Provided

Utilities Conservation & Outreach Group provides management services to customers for the purpose of disposing of solid waste, recycling of specific materials, and composting of yard debris and food waste, as well as, minimizing costs and environmental degradation, and conserving resources. Under contractual arrangements, Allied Waste Services of Bellevue collects residential, multifamily and commercial garbage/recyclables/yard debris plus food waste, as well as provides city-wide litter control, service to City facilities and special drop-off collection event services. City-managed technical assistance projects include: commercial, multifamily and residential recycling and waste prevention programs, household hazardous waste prevention and recycling projects, special recycling collection events, public education/outreach and participation in the Northwest Natural Yard Days program.

2009-2010 Initiatives are:

- Continue to manage contract services;
- Participate in regional waste export system planning and King County Solid Waste Comprehensive Plan update as part of regional solid waste management activities, including the Metropolitan Solid Waste Management Advisory Committee;
- Implement enhanced waste prevention and recycling outreach and education programs consistent with the Department's integrated resource conservation approach.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Commercial Pollution Prevent | - | - | - | - |
| Commercial Recyclilng Incentive Program | 471,697 | 480,937 | 530,000 | 550,000 |
| Operating Grants | 504,546 | 247,571 | 264,311 | 264,311 |
| Solid Waste Administration | 669,257 | 708,384 | 707,535 | 776,344 |
| Solid Waste Grants | 324,164 | 247,644 | 299,377 | 299,378 |
| **Base Budget** | **1,969,664** | **1,684,536** | **1,801,223** | **1,890,033** |
| **Reserves** | **560,639** | **418,583** | **606,792** | **502,652** |
| **Total Budget** | **2,530,303** | **2,103,119** | **2,408,015** | **2,392,685** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 187,884 | 181,710 | 198,673 | 207,519 |
| Interfund | 547,705 | 495,303 | 484,567 | 500,595 |
| M & O | 1,234,075 | 1,007,523 | 1,117,983 | 1,181,919 |
| **Total Expenditures** | **1,969,664** | **1,684,536** | **1,801,223** | **1,890,033** |
| **Total Reserves** | **560,639** | **418,583** | **606,792** | **502,652** |
| **Total Budget** | **2,530,303** | **2,103,119** | **2,408,015** | **2,392,685** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Solid Waste Fund | 2,025,757 | 1,855,548 | 2,143,704 | 2,128,374 |
| Operating Grants/Donations/Sp Reserves Fund | 504,546 | 247,571 | 264,311 | 264,311 |
| **Total Resources** | **2,530,303** | **2,103,119** | **2,408,015** | **2,392,685** |

# Utilities
# Solid Waste Management

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Solid Waste Administration | 2.00 | 2.00 | 2.00 | 2.00 |
| **Total FTE** | **2.00** | **2.00** | **2.00** | **2.00** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Conserve resources and reduce environmental degradation** | | | | | | |
| Average monthly single-family waste generation (lbs/house) | # | Effectiveness | 320 | 304 | 310 | 310 |
| Tons of yard debris collected single-family | # | Workload | 20,311 | 15,000 | 19,000 | 19,500 |
| Tons of garbage collected single-family | # | Workload | 16,763 | 17,800 | 16,400 | 16,200 |
| Tons of garbage collected multifamily and businesses | # | Workload | 59,192 | 65,000 | 58,000 | 57,400 |
| **Maintain customer satisfaction rating of 85% or better.** | | | | | | |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 90 | 90 |
| Average percentage of successful pickups | % | Workload | 99.90 | 99.90 | 99.90 | 99.90 |
| **Meet state goal of recycling 50% of generated solid waste.** | | | | | | |
| Single-family residential recycling rate (% waste recycled) | % | Effectiveness | 68 | 66 | 69 | 69 |
| Multifamily recycling rate | % | Effectiveness | 17 | 15 | 18 | 19 |
| Tons of recyclables collected single-family | # | Workload | 14,238 | 14,300 | 14,500 | 14,650 |
| Tons of recyclables collected multifamily | # | Workload | 3,060 | 2,500 | 3,300 | 3,400 |

## Issues related to Department Performance

The provision of high-quality service to our customers is a central objective of all Utility programs. Customer surveys help us measure and track customer satisfaction. In the 2007 performance measures survey, 92% of customers said they were fairly to very satisfied with the Bellevue Utilities Department.

Single-family residential customers recycled 67.5% of their waste in 2007. This is one of the highest single-family recycling rates in the nation. This measure exceeded the City's target of 65%. The multifamily recycling rate increased to 17.4% in 2007, up from 15% in 2003, 2004 and 2005.

Yard debris collected increased 5.6% to 20,311 tons in 2007. The increase is due to increased customer participation, high yard debris generation, the inclusion of food waste with the yard debris, and weekly collection frequency.

The tons of business and multifamily garbage collected decreased slightly in 2007, with the difference attributable to increased commercial recycling.

The performance measures for efficiency have been deleted. Staff determined that the attributes being measured were not under the City's control and did not measure any kind of City performance. The performance measure for the multi-family/business recycling rate has been deleted because the data used for the measure was inaccurate and is no longer collected by Allied Waste. Currently, there is no accurate way to gather data on commercial recycling. Businesses frequently use vendors other than Allied Waste to collect their material and the City has no access to that data.

## Program Notes

# Utilities
# Storm & Surface Water Maintenance & Operations

## Program Statement

Protect, maintain, operate, and administer the City's natural and developed storm and surface water system for the purpose of providing fishable and swimmable water, and a system which minimizes damage from storms.

## Summary of Services Provided

Utilities Storm & Surface Water Maintenance and Operations efforts are aimed at protecting, maintaining, and operating the City's natural and developed storm and surface water systems to provide fish a safe habitat, to provide waters suitable for swimming, and to provide a system that minimizes storm damage while ensuring water quality protection, flood control, and compliance with state and federal requirements. Programs and services are designed to protect water quality, enhance habitat, control flooding, and comply with state and federal requirements.

2009-2010 Initiatives are:

- Continue to implement long-term strategy to respond to increased operations and maintenance requirements resulting from regional, state and federal environmental mandates;
- Continue development of asset management program elements including: asset inventory, condition assessment, residual life, life cycle costs, levels of service, risk, maintenance planning, repair and replacement, and funding strategy;
- Manage storm water programs to meet National Pollution Discharge Elimination System (NPDES) Phase II permit conditions;
- Complete the final phases of the Utilities Customer Service Information System implementation;
- Participate in WRIA 8 Salmon Conservation Plan implementation as part of regional watershed planning;
- Evaluate new State storm water technical requirements as mandated.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| 99 K Cty Conserv Dist | - | - | - | - |
| Environment Division | - | - | - | - |
| Grant | - | - | - | - |
| O&M Division | 3,064,459 | 3,295,773 | 3,402,766 | 4,373,239 |
| Operating Grants | 275,000 | 725,000 | 174,000 | - |
| Psc (preventn Education) Prgrm | - | - | - | - |
| Resource Mgmt/Customer Service Division | 3,477,790 | 3,736,066 | 4,048,844 | 4,062,186 |
| **Base Budget** | **6,817,249** | **7,756,839** | **7,625,610** | **8,435,425** |
| **Reserves** | **3,882,392** | **4,363,711** | **4,448,102** | **4,007,273** |
| MSP - Development Review and Inspection | - | - | 5,000 | - |
| MSP - Expanded Outreach and Education | - | - | 28,000 | 28,000 |
| MSP - Illicit Discharge Detection & Elimination | - | - | 135,035 | 105,638 |
| MSP - Surface Water Maintenance & Operations | - | - | 234,602 | 186,173 |
| **Program Enhancements** | **-** | **-** | **402,637** | **319,811** |
| **Total Budget** | **10,699,641** | **12,120,550** | **12,476,349** | **12,762,509** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 2,690,635 | 2,769,717 | 2,995,564 | 3,134,053 |
| Interfund | 1,524,975 | 1,705,539 | 1,723,354 | 1,695,951 |
| M & O | 2,566,143 | 3,144,583 | 3,067,383 | 2,931,633 |
| Capital | 35,496 | 137,000 | 241,946 | 993,599 |
| **Total Expenditures** | **6,817,249** | **7,756,839** | **8,028,247** | **8,755,236** |
| **Total Reserves** | **3,882,392** | **4,363,711** | **4,448,102** | **4,007,273** |
| **Total Budget** | **10,699,641** | **12,120,550** | **12,476,349** | **12,762,509** |

# Utilities
## Storm & Surface Water Maintenance & Operations

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Operating Grants/Donations/Sp Reserves Fund | 275,000 | 725,000 | 174,000 | - |
| Storm & Surface Water Utility Fund | 10,424,641 | 11,395,550 | 12,302,349 | 12,762,509 |
| **Total Resources** | **10,699,641** | **12,120,550** | **12,476,349** | **12,762,509** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| O&M Division | 22.00 | 22.00 | 23.00 | 23.00 |
| Resource Mgmt/Customer Service Division | 10.00 | 10.00 | 10.00 | 10.00 |
| **Total FTE** | **32.00** | **32.00** | **33.00** | **33.00** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Maintain a customer satisfaction rating of 85% or better.** | | | | | | |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 85 | 85 |
| # of customers billed for storm water services | # | Workload | 30,549 | 30,613 | 30,706 | 30,790 |
| Average cost per foot of drainage pipe cleaned | $ | Efficiency | 1.05 | 1.61 | 1.65 | 1.65 |
| **Maintain a quality comprehensive storm water mgmt program** | | | | | | |
| % completion of planned catch basin repair program | % | Effectiveness | 95 | 100 | 100 | 100 |
| % completion of planned catch basin cleaning program | % | Effectiveness | 43 | 100 | 100 | 100 |
| % of private structures requiring cleaning when inspected | % | Effectiveness | 15 | 15 | 15 | 15 |
| % completion of planned storm drainage pipe cleaning program | % | Effectiveness | 53 | 100 | 100 | 100 |
| Average cost per private structure inspected | $ | Efficiency | 14.88 | 14.50 | 16.08 | 16.72 |
| # of catch basins cleaned | # | Workload | 1,595 | 3,700 | 1,500 | 1,500 |
| Total system pipe & ditch miles | # | Workload | 467 | 487 | 488 | 489 |
| Feet of pipe cleaned | # | Workload | 15,971 | 30,000 | 15,000 | 15,000 |
| # of cited violations under the Clean Water Act | # | Effectiveness | - | - | - | - |
| Average cost per catch basin repaired | $ | Efficiency | 568 | 750 | 650 | 650 |
| # of private structures inspected | # | Workload | 8,273 | 8,400 | 8,309 | 8,327 |
| # of catch basins repaired | # | Workload | 119 | 150 | 150 | 150 |
| Average cost per catch basin cleaned | $ | Efficiency | 27.41 | 21.00 | 22.00 | 22.00 |
| **Minimize the City's liability concerns** | | | | | | |
| # of claims paid | # | Effectiveness | - | 2 | 2 | 2 |
| # of claims greater than $20,000 | # | Effectiveness | - | - | - | - |
| % of time that flow is restored within 2 hours of a stoppage | % | Effectiveness | 70 | 90 | 90 | 90 |

# Utilities
# Storm & Surface Water Maintenance & Operations

## Issues related to Department Performance

The provision of high-quality service to our customers is a central objective of all Utility programs. Customer surveys help us measure and track customer satisfaction. The Department's satisfaction rating of customers who said that they were fairly to very satisfied with the Bellevue Utilities Department was 92% in 2007.

The 2007 catch basin cleaning and pipeline cleaning totals both came in below target. These two programs were reworked to meet NPDES requirements. The 2009-2010 targets for catch basin and pipeline cleaning have been updated to reflect the new requirement.

In 2007/2008, Bellevue once again incurred no violations under the Clean Water Act. Utility programs were in compliance with federal and state Clean Water Act requirements.

Catch basin and pipeline cleaning are performed as part of the routine system-wide cleaning of the storm drainage system. Video inspection of pipelines is proving to be a cost effective asset as part of the condition assessment program. Pipeline cleaning costs were lower in 2007 than the previous year, and were well below the 2007 target. This was primarily the result of no longer encountering a significant number of locations where roots were obstructing drainage pipes. Cost in 2008 are expected to be consistent with the historic trends.

## Program Notes

Bellevue's approach to stormwater management has evolved over a period of almost 30 years. From its inception, the City adopted an open stream corridor philosophy. Thus, where appropriate, the City's Stormwater Utility, through its regulatory framework, has attempted to preserve open stream systems with their associated riparian corridors.

Efforts within this program are aimed at protecting, maintaining, and operating the City's natural and developed storm and surface water systems to provide fish a safe habitat, to provide waters suitable for swimming, and to provide a system that minimizes storm damage while ensuring water quality protection, flood control, and compliance with state and federal requirements.

# Utilities
# Utilities Improvements

## Program Statement

The focus of the Utilities Improvements program is to plan and implement in capital facilities the continued availability of reliable Utility systems.

## Summary of Services Provided

Investment in utility capital infrastructure as necessary to meet regulatory mandates, accommodate population growth, to renew and replace the existing systems, and to optimize system performance for cost effective service delivery. Major Program Elements include system planning and analysis; development, design and construction of the Utilities Capital Investment Program (CIP); and project review and construction quality control of development projects.

2009 - 2010 Initiatives are:

- Complete updates of the Storm Drainage and Wastewater Comprehensive Plans;
- Document the Asset Management Program for utility infrastructure, and define specific objectives to be implemented over time;
- Develop and/or refine computer models of major stream systems, and of constructed water, wastewater and stormwater systems.
- Continue mandatory audits of the federal Community Rating System program for floodplain management;
- Invest $30.6 million in utility capital infrastructure in 2009 and 2010;
  - Continue renewal and replacement of aging or under-capacity water, sewer & storm drainage pipelines and associated structures, including accelerated replacement of small diameter asbestos cement (AC) watermains;
  - Continue seismic retrofit of water storage reservoirs;
  - Continue a 10+ year program for retrofit of water pump stations and continue ongoing efforts to retrofit sewer pump stations throughout Bellevue;
  - Continue to make water quality upgrades at drinking water storage reservoirs;
  - Complete a project to improve water quality treatment capacity at an existing stormwater detention pond;
  - Construct flood control projects to reduce flooding of structures throughout the City, particularly culvert and stream improvements at SE 30th Street and Sunset Creek;
  - Continue a program to replace aging large-volume commercial water meters;
  - Complete design and construction of most capital projects in the Coal Creek Basin, as stipulated in the settlement agreement;
  - Coordinate with WSDOT for relocation of Bellevue water and sewer pipelines to accommodate improvements to SR 520 and I405 (multi-year program);
  - Construct a major new sewer trunkline to add capacity to accommodate flows from the eastern portion of downtown Bellevue;
  - Upgrade the wastewater telemetry system;
  - Initiate design of a project to replace a portion of the sewer line under Meydenbauer Bay, and coordinating the design with Parks master planning.
  - Make interim improvements to the Coal Creek Culvert at Coal Creek Parkway, prior to planned culvert replacement later in the CIP window.

# Utilities
## Utilities Improvements

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Capital Investment | 8,916,200 | 8,364,100 | 14,280,200 | 12,981,298 |
| Debt Service | 2,745,194 | 2,322,931 | 2,273,626 | 1,242,953 |
| Debt Service - Sewer | - | - | 63,734 | 63,734 |
| Dev Svcs Allocation | - | - | - | - |
| Engineering Allocation | - | - | - | - |
| Engineering Division/CIP Contribution | 16,485,675 | 18,811,399 | 27,520,956 | 26,342,736 |
| Local Improvement District Control Fund | - | - | - | - |
| Stream Channel Mod Program | - | - | - | - |
| **Base Budget** | **28,147,069** | **29,498,430** | **44,138,516** | **40,630,721** |
| **Reserves** | **44,064,283** | **57,135,528** | **71,856,129** | **79,473,840** |
| CIP Design, Inspection & Admin Support | - | - | 292,284 | 314,190 |
| CIP M&O | - | - | 1,424,640 | 2,456,190 |
| MSP - Controlling Runoff SOPs | - | - | 15,000 | - |
| MSP - Development Review and Inspection | - | - | 227,530 | 204,250 |
| MSP - Natural Drainage Practices Development Review | - | - | 25,000 | 25,000 |
| MSP – Revise Storm Code & Engineering Stds | - | - | 65,000 | - |
| **Program Enhancements** | **-** | **-** | **2,049,454** | **2,999,630** |
| **Total Budget** | **72,211,352** | **86,633,958** | **118,044,099** | **123,104,191** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 3,291,861 | 3,511,015 | 4,602,073 | 4,728,401 |
| Interfund | 14,023,164 | 15,802,084 | 23,747,031 | 21,536,485 |
| M & O | 1,915,844 | 1,821,231 | 2,160,487 | 1,877,027 |
| Capital | 8,916,200 | 8,364,100 | 15,678,379 | 15,488,438 |
| **Total Expenditures** | **28,147,069** | **29,498,430** | **46,187,970** | **43,630,351** |
| **Total Reserves** | **44,064,283** | **57,135,528** | **71,856,129** | **79,473,840** |
| **Total Budget** | **72,211,352** | **86,633,958** | **118,044,099** | **123,104,191** |

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| LID Control Fund | - | - | - | - |
| Storm & Surface Water Utility Fund | 6,509,834 | 6,863,041 | 8,436,716 | 8,638,507 |
| Water Utility Fund | 6,608,880 | 7,352,644 | 13,406,226 | 10,110,688 |
| Sewer Utility Fund | 4,841,380 | 5,831,770 | 7,540,162 | 8,324,517 |
| Utility CIP - Drainage | 11,256,108 | 14,587,148 | 23,337,813 | 25,050,351 |
| Utility CIP - Water | 17,321,315 | 20,939,068 | 30,538,262 | 33,500,906 |
| Utility CIP - Sewer | 23,114,001 | 28,612,612 | 32,601,986 | 36,360,071 |
| Util Revenue Bond Redm SSWU | 2,056,649 | 1,866,725 | 1,568,056 | 803,916 |
| Util Revenue Bond Redm Water | 503,185 | 580,950 | 614,878 | 315,235 |
| **Total Resources** | **72,211,352** | **86,633,958** | **118,044,099** | **123,104,191** |

# Utilities
# Utilities Improvements

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Capital Investment | - | - | - | - |
| Engineering Division/CIP Contribution | 32.00 | 32.00 | 40.00 | 40.00 |
| **Total FTE** | **32.00** | **32.00** | **40.00** | **40.00** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Develop and update a comprehensive plan for each utility** | | | | | | |
| Cost of system planning per $ million of asset value | $ | Efficiency | 480 | 480 | 476 | 456 |
| $ millions of asset value managed for reinvestment | $ | Workload | 2,251 | 2,318 | 2,404 | 2,476 |
| FEMA Community Rating System ranking | # | Effectiveness | 5 | 5 | 5 | 5 |
| **Ensure the continued integrity of utility infrastructure** | | | | | | |
| % of projects completed within CIP budget | % | Effectiveness | 100 | 100 | 100 | 100 |
| % of annual capital investment completed as planned | % | Effectiveness | 86 | 100 | 100 | 100 |
| % of projects completed on schedule | % | Effectiveness | 90 | 100 | 100 | 100 |
| # of CIP projects per FTE | # | Efficiency | 12 | 12 | 12 | 12 |
| $ in millions of annual capital investment | $ | Workload | 12.20 | 9.50 | 12.40 | 10.70 |
| # of CIP projects under construction | # | Workload | 57 | 50 | 54 | 54 |
| # of CIP projects under design | # | Workload | 77 | 65 | 72 | 72 |
| # of projects planned for completion | # | Workload | 30 | 21 | 20 | 21 |
| **Increase the ability to provide 1,000 gpm fireflow by 2020** | | | | | | |
| % of customers with at least 1,000 gpm fire flow protection | % | Effectiveness | 95.30 | 95.90 | 96.20 | 96.60 |
| **Support economic growth with timely development reviews** | | | | | | |
| % of development reviews completed within 120 days | % | Effectiveness | 100 | 100 | 100 | 100 |
| # of development site reviews completed per FTE/LTE | # | Efficiency | 9.20 | 7.00 | 7.00 | 7.00 |
| # of developer sites reviewed | # | Workload | 55 | 42 | 50 | 50 |

## Issues related to Department Performance

The FEMA Community Rating System ranking affects the cost of flood insurance premiums for the citizens of Bellevue. Communities are ranked on a 10-point scale, with 1 being the best. Results of the 2008 FEMA audit are pending. We will at least maintain our rating as a Class 5 community, which means a 25% flood insurance premium reduction for Bellevue citizens, and recognizes Bellevue's floodplain management program as one of the top 3% in the nation..

Development activity increased in 2007; similar levels are expected in 2008.

# Utilities
# Utilities Improvements

## Program Notes

The focus of the Utility Improvements Program is to plan and implement investment in capital facilities to assure the continued availability of reliable Utility systems. Progress towards meeting this goal is measured in part by evaluating the percent completion of planned Utility capital investments for the year, and total dollars spent for Utility capital projects over the period. While the Utilities' target completion rate for planned capital investment is always 100%, many factors can prevent achievement of that goal. In 2007, 86% of planned capital spending was completed, reflecting an investment of $12.2 million. The 2007 CIP investment represents the largest single year capital investment in utility infrastructure in utility history. Major 2007 CIP accomplishments are highlighted below.

The water capital program was 74% expended, reflecting a total expenditure of $6.4 million. Projects which were delayed from 2006 were re-packaged and re-bid in an attempt to reduce unit bid prices. However, bid prices continue to reflect higher-than-anticipated cost escalation. The program replaced 16,000 linear feet of water main, 7 commercial water meters, and 19 non-standard fire hydrants. Water projects in construction will defer $2.2 million of expenditures into 2008.

The sewer capital program budget was 114% expended, or $3.1 million. The overexpenditure reflects the need for more renewal & replacement work than planned, based on the results of our ongoing video condition assessment programs. The 2007 program included rehabilitation of two wastewater pump stations, replacement of 320 linear feet of sanitary sewer main, and 54 sanitary sewer point repair projects.

The storm drainage capital program expended 69% of available budget, or $2.6 million. Several major projects were in the design phase, which deferred approximately $1.2 million of budgeted construction costs into 2008. The 2007 program rehabilitated 1000 linear feet of storm drain pipe (including re-lining 900 feet of 48" pipe in NE 10th St.), replaced 240 linear feet of storm pipe, and completed 4 storm pipe point repair projects. Progress on projects included in the Coal Creek Settlement Agreement included preparation of major design contracts for the Coal Creek Upper Reach Bank & Slope Stabilization project, Coal Creek Stream Bed Grade Controls, and the Lower Coal Creek Sedimentation Pond.

# Utilities
# Water Maintenance & Operations

## Program Statement

Protect, maintain, operate, and administer the City's water system for the purpose of providing a reliable supply of safe drinking water.

## Summary of Services Provided

Utilities Water Maintenance and Operations efforts aim at protecting, maintaining, and operating the City's water system to provide a reliable supply of safe drinking water. Programs and services include the maintenance of adequate water pressure, fire, and consumption flows and quality throughout the system; efficient and effective emergency repairs and services; monitoring the system and supply for, and ensures compliance with, all state and federal drinking water standards for public water systems; and administering programs which ensure the wise and efficient use of water.

2009-2010 Initiatives are:

- Continue support for Cascade Water Alliance (Cascade) efforts to meet current and future demands for clean, safe water, through effective management of current supplies and development of new water supply;
- Continue implementation of a comprehensive system-wide drinking water quality plan;
- Continue water quality and conservation programs and meet requirements of the federal water efficiency rule;
- Continue production of the federally mandated Consumer Confidence Report, also known as the Water Quality Report;
- Complete the final phases of the Utilities Customer Service Information System implementation;
- Continue development of asset management program elements including: asset inventory, condition assessment, residual life, life cycle costs, levels of service, risk, failures and claims analysis, maintenance planning, repair and replacement, and funding strategy.
- Continue development of City of Bellevue owner drinking water wells for use as emergency water supply.

| Budgeted Cost Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Admin Allocation | - | - | - | - |
| O&M Division | 16,206,978 | 17,867,878 | 19,420,028 | 20,791,571 |
| Operating Grants | - | 421,040 | - | - |
| Resource Mgmt/Customer Service Division | 7,821,727 | 8,258,235 | 8,934,041 | 9,430,174 |
| **Base Budget** | **24,028,705** | **26,547,153** | **28,354,069** | **30,221,745** |
| **Reserves** | **13,738,188** | **14,939,079** | **12,135,866** | **11,883,504** |
| Drinking Water Quality Program | - | - | 136,128 | 110,616 |
| Restoration of Critical Water Maintenance Services | - | - | 319,539 | 193,732 |
| Support for SCADA and Security System | - | - | 152,868 | 113,756 |
| **Program Enhancements** | **-** | **-** | **608,535** | **418,104** |
| **Total Budget** | **37,766,893** | **41,486,232** | **41,098,470** | **42,523,353** |

| Expenditure Category Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Personnel | 3,905,883 | 4,067,629 | 4,819,392 | 4,962,555 |
| Interfund | 1,992,764 | 2,246,859 | 2,339,907 | 2,267,180 |
| M & O | 17,958,102 | 19,764,899 | 21,416,416 | 23,029,478 |
| Capital | 171,955 | 467,766 | 386,889 | 380,636 |
| **Total Expenditures** | **24,028,705** | **26,547,153** | **28,962,604** | **30,639,849** |
| **Total Reserves** | **13,738,188** | **14,939,079** | **12,135,866** | **11,883,504** |
| **Total Budget** | **37,766,893** | **41,486,232** | **41,098,470** | **42,523,353** |

# Utilities
# Water Maintenance & Operations

| Funding Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| Operating Grants/Donations/Sp Reserves Fund | - | 421,040 | - | - |
| Water Utility Fund | 37,766,893 | 41,065,192 | 41,098,470 | 42,523,353 |
| **Total Resources** | **37,766,893** | **41,486,232** | **41,098,470** | **42,523,353** |

| FTE Summary | FY 2007 Budget | FY 2008 Budget | FY 2009 Budget | FY 2010 Budget |
|---|---|---|---|---|
| O&M Division | 37.00 | 37.00 | 42.00 | 42.00 |
| Resource Mgmt/Customer Service Division | 12.75 | 12.75 | 12.55 | 12.55 |
| **Total FTE** | **49.75** | **49.75** | **54.55** | **54.55** |

| Key Departmental Metrics | Unit of Measure | Type of Indicator | FY 2007 Actual | FY 2008 Target | FY 2009 Target | FY 2010 Target |
|---|---|---|---|---|---|---|
| **Ensure a safe supply of drinking water** | | | | | | |
| # of state and federal drinking water standards violations | # | Effectiveness | - | - | - | - |
| Average cost per linear foot of main flushed | $ | Efficiency | 0.10 | 0.12 | 0.13 | 0.13 |
| # of backflow prevention assemblies (BPA) certified | # | Workload | 10,831 | 11,500 | 12,130 | 14,556 |
| # of water system samples tested | # | Workload | 2,443 | 3,000 | 2,883 | 2,883 |
| % on time completion of backflow testing & system monitoring | % | Effectiveness | 95 | 100 | 100 | 100 |
| Cost/customer to meet required drinking water standards | $ | Efficiency | 4.51 | 7.56 | 8.00 | 8.10 |
| # of linear feet of main flushed | # | Workload | 130,759 | 550,000 | 440,000 | 440,000 |
| **Improve delivery of water to customers** | | | | | | |
| Service interruptions per 1,000 service connections | # | Effectiveness | 1.60 | 3.00 | 3.00 | 3.00 |
| % of valves exercised as planned | % | Effectiveness | 55 | 100 | 100 | 100 |
| Average cost for valves exercised | $ | Efficiency | 5.86 | 5.00 | 4.73 | 4.73 |
| # of valves exercised | # | Workload | 2,299 | 4,180 | 1,800 | 1,800 |
| # of water main repairs | # | Workload | 27 | 38 | 30 | 30 |
| Total system miles | # | Workload | 616 | 617 | 620 | 621 |
| **Maintain a customer satisfaction rating of 85% or better** | | | | | | |
| # of customers billed for water services | # | Workload | 37,191 | 37,453 | 37,516 | 37,573 |
| Customer satisfaction rating | % | Effectiveness | 92 | 85 | 85 | 85 |
| **Minimize City liability concerns** | | | | | | |
| # of claims paid | # | Effectiveness | 6 | 5 | 5 | 5 |
| # of claims greater than $20,000 | # | Effectiveness | 3 | - | - | - |

## Issues related to Department Performance

The provision of high-quality service to our customers is a central objective of all Utility programs. Customer surveys help us measure and track customer satisfaction. The Department's satisfaction rating of customers who said that they were fairly to very satisfied with the Bellevue Utilities Department was 92% in 2007.

Historically the valve survey program targets 50% of all valves (4,180 valves each year). 2007 performance fell short of this target primarily due to staff turnover.

# Utilities
# Water Maintenance & Operations

Continued progressive operations, maintenance and monitoring of the water system and supply provides customers with water that meets or exceeds all state and federal drinking water standards.

There were no violations of state or federal drinking water quality standards or water quality monitoring and reporting requirements in 2007 and 2008.

Water system sampling projections for 2009-2010 reflect anticipated additional sampling requirements for disinfection by-products per federal Safe Drinking Water Act requirements. Implementation of permanent Stage II Disinfection By-Products sampling will begin in 2009-2010.

The Cross connection Program is projected to continue growing 12% per year, nearly 1000 new assemblies per year. This increase in blackflow devices has resulted in not meeting the 100% backflow testing requirements.

Aging infrastructure continues to impact costs and both the number and cost of claims paid are trending upwards. Maintenance costs and claims can be expected to increase as systems begin reaching the end of their reliable service life.

Customer information requests for water conservation programs fluctuate depending on summer water supply status and forecast, as well as on special regional conservation programs being offered.

Performance measures were originally based on conservation goals and programs from Seattle Public Utilities. In 2008, the City Council adopted a new conservation goal based on participation in Cascade Water Alliance conservation programs, and in accordance with the Department of Health Water Use Efficiency Rule. The old performance measures are no longer relevant and have been deleted. This new performance measure will begin tracking progress toward the new conservation goal starting in 2008.

One method the Utility uses to measure reliability of its services is the number of unplanned water service interruptions per 1,000 service connections. Interruptions in 2007 were 1.6 per 1,000 which is well below the 2007 target of 3.0. This low rate is due, in part, to vacancies within the section creating the need to defer and schedule leak repairs using more planned service interruptions as opposed to performing the work on demand.

## Program Notes

Efforts within this program are aimed at the protection, maintenance, and operation of the City's water system to provide a reliable supply of safe drinking water.

Preliminary data indicates that overall, customers continue to be extremely efficient with water use.

# Utilities

| Biennial Budgeted Cost Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Utilities Improvements | 57,645,499 | 84,769,237 | 47 % |
| Water Maintenance & Operations | 50,575,858 | 58,575,814 | 16 % |
| Sewer Maintenance & Operations | 58,451,471 | 67,318,398 | 15 % |
| Storm & Surface Water Maintenance & Operations | 14,574,088 | 16,061,035 | 10 % |
| Solid Waste Management | 3,654,200 | 3,691,256 | 1 % |
| **Base Budget** | **184,901,116** | **230,415,740** | **25 %** |
| **Reserves** | **83,527,102** | **100,185,279** | **20 %** |
| CIP Design, Inspection & Admin Support | - | 606,474 | - |
| CIP M&O | - | 3,880,830 | - |
| Drinking Water Quality Program | - | 246,744 | - |
| MSP - Controlling Runoff SOPs | - | 15,000 | - |
| MSP - Development Review and Inspection | - | 436,780 | - |
| MSP - Expanded Outreach and Education | - | 56,000 | - |
| MSP - Illicit Discharge Detection & Elimination | - | 240,673 | - |
| MSP - Natural Drainage Practices Development Review | - | 50,000 | - |
| MSP – Revise Storm Code & Engineering Stds | - | 65,000 | - |
| MSP - Stormwater Pollution Prevention Plans | - | 25,000 | - |
| MSP - Surface Water Maintenance & Operations | - | 420,775 | - |
| Restoration of Critical Water Maintenance Services | - | 513,271 | - |
| Sewer O&M Preventive, Corrective and Reactive Maint | - | 992,248 | - |
| Support for SCADA and Security System | - | 266,624 | - |
| **Program Enhancements** | **-** | **7,815,419** | **-** |
| **Total Budget** | **268,428,218** | **338,416,438** | **26 %** |

| Biennial Expenditure Category Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Personnel | 25,935,756 | 32,134,662 | 24 % |
| Interfund | 41,503,822 | 58,011,169 | 40 % |
| M & O | 99,316,108 | 114,045,222 | 15 % |
| Capital | 18,145,430 | 34,040,106 | 88 % |
| **Total Expenditures** | **184,901,116** | **238,231,159** | **29 %** |
| **Total Reserves** | **83,527,102** | **100,185,279** | **20 %** |
| **Total Budget** | **268,428,218** | **338,416,438** | **26 %** |

| Biennial Funding Summary | 2007-2008 Budget | 2009-2010 Budget | % Change |
|---|---|---|---|
| Solid Waste Fund | 3,320,666 | 3,665,286 | 10 % |
| Operating Grants/Donations/Sp Reserves Fund | 2,173,157 | 702,622 | (68)% |
| LID Control Fund | - | - | - % |
| Storm & Surface Water Utility Fund | 31,310,674 | 37,691,979 | 20 % |
| Water Utility Fund | 79,055,421 | 95,002,871 | 20 % |
| Sewer Utility Fund | 75,794,822 | 88,518,335 | 17 % |
| Utility CIP - Drainage | 16,738,748 | 29,356,351 | 75 % |
| Utility CIP - Water | 25,680,668 | 40,362,906 | 57 % |
| Utility CIP - Sewer | 30,635,612 | 40,896,911 | 33 % |
| Util Revenue Bond Redm SSWU | 2,779,557 | 1,594,094 | (43)% |
| Util Revenue Bond Redm Water | 938,893 | 625,083 | (33)% |
| **Total Resources** | **268,428,218** | **338,416,438** | **26 %** |

# Utilities

## CIP Design, Inspection & Admin Support

**Enhancement: UTCBA17**

**Enhancement Description**

This investment will fund three positions to provide support for specific new Water and Sewer CIP projects as well as assisting with contract and construction management of the Utilities CIP program.

1. Design Engineer - This position would be responsible for design/coordination/budget/scheduling of the new Water and Sewer CIP projects related to mandated water and sewer relocations in conjunction with expansion of SR 520 and I 405 as well as the new wastewater CIP Project to upgrade the wastewater telemetry system. This position would begin in 2009

2. Construction Project Inspector - This position would be responsible for construction management and inspection of the new Water and Sewer CIP projects related to mandated water and sewer relocations in conjunction with expansion of SR 520 and I 405 as well as the new wastewater CIP Project to upgrade the wastewater telemetry system. This position would begin in 2010 to coincide with construction of those projects.

3. Engineering position to assist with contract and construction management of the Utilities CIP program. This position would assist design engineers, project inspectors and the construction manager with contract selection, processing, managing and monitoring related to all aspects of the CIP programs ranging from budgeting, scheduling and complying with state and federal contracting regulations. In 2008 the Utility had over 120 professional services/construction contracts for the Utilities CIP Program. The proposed CIP Program has a number of new projects as well as expansion of ongoing projects, this will increase the overall number of contracts requiring additional resources.

**State/Federal/Industry Mandates**

Two of these positions will directly support the WSDOT I405-SR520 Braids Project and the SR520 Bridge Expansion. Bellevue is legally obligated to relocate or adjust its utilities to accommodate these State projects.

The third position will support all of Utilities' CIP projects, including mandated projects, and will assist Utilities engineers, project inspectors, and the construction manager with compliance with state and federal contracting regulations.

**Goals and Objectives**

This investment addresses the support to Water and Sewer CIP projects as regulatory mandates, aging infrastructure and growth impact the City's Uilities CIP Program.

**Consequences of Not Funding**

The additional design engineering, inspection and administrative support required by CIP program cannot be absorbed by existing resources.

**Equipment Requirements**

Not Applicable.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **292,284** | **314,190** |
| **New Revenues Generated** | **292,284** | **314,190** |
| **Additional Staff (FTE)** | **3.00** | **3.00** |

# Utilities

## Drinking Water Quality Program

**Enhancement: UTCBA08**

**Enhancement Description**

This investment will fund a Senior Engineering Technician, vehicle, workstation, and computer for the Utilities Operations and Maintenance Division, Drinking Water Quality Program. This investment provides additional resources needed to implement and administer ongoing and future Drinking Water Quality programs mandated by the Federal Safe Drinking Water Act and Washington State Department of Health Drinking Water regulations (WAC 246-290). This investment will also provide resources to support the Utilities Industrial Waste/Fats Oils and Grease (FOG) Program designed to help reduce incidents of wastewater back-ups, overflows, and claims

**State/Federal/Industry Mandates**

This investment directly addresses performance level declines in Utilities ability to maintain regulatory compliance with regards to state and federal drinking water regulations and Industrial Waste Program administration, helping to provide staff with resources to maintain program compliance and provide maximum protection of the public water and wastewater systems. Water quality staff are currently unable to maintain appropriate service levels in many program areas, including QA/QC in the privatized program areas to ensure effectiveness and compliance. Program areas suffering include:

• Sampling station cleaning has been decreased from 23 per year to 1 or 2 per year, increasing the potential for bio-film accumulation and positive coliform samples. This deferred maintenance increases the potential for a violation of a primary drinking water standard resulting in a “boil water order” or other forms of public notification.
• Mandatory premises isolation high hazard facility inspections for compliance to cross connection requirements has declined from two per month in 2004 to one or two per year (Utilities is currently under compliance orders from Department of Health for premise isolation requirements at high hazard medical centers).
• Backflow testing compliance rates have dropped by 5% each of the last two years, falling below 95% compliance since 2003.
• Follow up on the 200-400 backflow assemblies per year that need repair has been deferred.
• Site inspections for conformance to water quality and industrial waste requirements has been suspended in the points communities and unincorporated areas.
• FOG program compliance reporting has dropped to 35% and incidents of failures and claims due to grease related blockages and backups have trended upward at a significant rate since 2000.
• Inspection and cataloging of new grease pretreatment systems installed is not being actively pursued.
• Industrial Waste/FOG site inspections have been suspended since 2006.

Accelerated development and redevelopment have contributed to a growth of 12% per year in the Cross Connection Control program. In addition to increasing state and federal monitoring requirements, the introduction of Tacoma Public Utilities water through the Cascade Water Alliance will increase mandated sampling requirements by 30% by 2011. As well, aging infrastructure and increased failures in both the water and wastewater systems have increased workload via customer calls and grease related backups and failures, further hampering program effectiveness. WQ staff average over 1500 incoming calls per year.

**Goals and Objectives**

The Environmental Stewardship Initiative was created to expand on Bellevue’s long tradition of environmental protection and balance those efforts with the city’s growth and development.

**Consequences of Not Funding**

Doing nothing:

Doing nothing increases the potential for a cross connection incident, a public health event, or violation of primary drinking water standard with public notification ramifications. The potential for wastewater failures and claims due to fats, oils, and grease will increase.
Contracting new water quality sampling requirements to private sector: Rejected for security reasons. Contractor would have to be escorted to critical water facilities and are not typically familiar with water system complexities or available to respond 24-7.

Employing Limited Term Employee: Rejected because program growth is not expected to wane. It takes several years to become familiar enough with Bellevue’s water system to diagnose and respond to water quality problems.

**Equipment Requirements**

Equipment related expenditures are identified in the Budget Issues Operating Budget Totals of this section.

# Utilities

## Drinking Water Quality Program

**Enhancement:** UTCBA08

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| Total Budget | 136,128 | 110,616 |
| New Revenues Generated | - | - |
| Additional Staff (FTE) | 1.00 | 1.00 |

# Utilities

## MSP - Controlling Runoff SOPs

**Enhancement: UTMSP21**

**Enhancement Description**

Consultant services (for Development Services and Inspection sections in Utilities Engineering) to revise existing Standard Operating Procedures (SOPs) and develop new SOPs required by the Municipal Stormwater Permit, including those:

- Required by the Controlling Runoff (Stormwater Manual, CIP Projects' Clear and Grade Permits and/or NPDES Construction Permits) and;
- Maintained by Utilities Engineering (and/or primarily authored by Utilities Engineering).

Below is a list of SOPs required by the Permit. Some of the SOPs will require code changes to implement in accordance with Permit requirements. SOPs format will be based on the standard Municipal Stormwater Permit SOP template (developed by consultant for Utilities O&M SOPs). Some of the SOPs may apply cross-departmentally.

One-time (cross-departmental) training on the SOPS by the consultant is also included in the total $15,000 budget.

| SOPs by Program Component | Implement by: | 2009 Est. Costs |
|---|---|---|
| Controlling Runoff SOPs | August 2009 | |
| ▪ CESCL (DSD) | | |
| ▪ Beyond CESCL (DSD) | | |
| ▪ Permanent Storm Facilities (Utilities) | | $10K |
| ▪ For each of the above, include: | | $ 5K |
| o Plan review procedure/process | | |
| o Inspection/enforcement | | |
| o Documentation/reporting | | |

- Other Alternatives Considered and Why Rejected:

Considered developing the SOPs with staff resources but rejected because a consultant can better provide both the expertise and cost-effective, consistent SOPs than those that would be developed piecemeal by individual department and/or division staff. Staff will still need to be involved significantly to ensure that roles and responsibilities are clearly articulated.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:

- Council's commitment to comply with the Clean Water Act;
- Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.

- Lost opportunity to further citizen's priority to protect Bellevue's streams, lakes and wetlands and increased risk of reallocating limited resources to respond to potential Permit violations.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **15,000** | **-** |
| **New Revenues Generated** | **15,000** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Development Review and Inspection

**Enhancement: UTMSP19**

**Enhancement Description**

Two full time employees (FTEs) in Development Services, a Utilities development reviewer and a Utilities and/or Development Services Department inspector, to implement the new water quality treatment and flow control development and redevelopment standards and Natural Drainage Practices (aka Low Impact Development) which are required to be adopted as part of the Municipal Stormwater Permit. Specifically, current development standards exempt single family lots from providing stormwater flow control and treatment and this exemption will no longer be available under the new standards. In addition, natural drainage practices (which require more review and inspection time) will be incorporated into the new standards. Depending on the outcome of the Permit appeal, additional resources may be necessary (through a mid-biennium add or future budget) to address new Permit development and redevelopment requirements.

The positions would be for plan review and inspection. The review function would likely be performed by Utilities staff. It is uncertain who in Development Services would perform the inspections.

- The Utilities Review Professional FTE will be in Utilities, Development Services. This will provide adequate staffing to review development and redevelopment projects that must include storm water control and treatment under the new regulations, which are more stringent and complex than current regulations, resulting in more numerous and time-consuming design reviews. The current regulations exempt single family lots from providing storm water control and treatment. This exemption will no longer exist in the new regulations. 246 single family construction permits were issued by the City of Bellevue in 2007; all would potentially have needed storm water design review under the new regulations. Only 127 of these received storm water review (for connection to storm system only) under the current regulations. In addition, some commercial developments and subdivisions that did not reach thresholds that trigger flow control & treatment under current regulations, would reach the lower thresholds in the new regulations.

- The Utilities Inspection portion of the FTE could be in the Development Services Department or Utilities, Development Services. This would provide adequate staffing to inspect the additional projects described in the bullet above, especially the single family lots.

The additional review and inspection workload was estimated by analyzing how many of the 2007 construction permits would have exceeded the thresholds for Minimum Requirement #5 ¨C On-Site Stormwater Management, which includes Natural Drainage Practices in the list of stormwater runoff controls; and Minimum Requirements #6 and #7 ¨C Runoff Control and Treatment. A development decline of about 10% was factored in.

Commercial projects will trigger water quality requirements more often, but detention less often, under the new regulations. The number of commercial projects will likely remain the same, but will be more complex due to the addition of Natural Drainage Practices to reduce detention/WQ system sizes.

- Other alternatives considered and why rejected:

1) Outsourcing the controlling runoff review and inspection function was not considered feasible because private firms typically charge more than the City's hourly review and inspection rate, lack familiarity with the new storm requirements, would require significant management oversight, and are typically unavailable when development activity is high.
2) Utilizing existing section resources was considered but eliminated as an option because current workload already fully utilizes existing resources.
3) Continuing to implement the current Storm water control and treatment requirements, rather than adopting more stringent requirements, was rejected because it would result in a violation of the Permit, subjecting the City of Bellevue to potential fines, imprisonment and/or third-party lawsuits.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

# Utilities

## MSP - Development Review and Inspection

**Enhancement: UTMSP19**

**Consequences of Not Funding**

Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.

Citizens would be impacted by significant delays (and costs associated with delays) in permit issuance and inspections because current development services workload fully utilizes existing resources.

**Equipment Requirements**

Equipment-related expenditures, if any, are identified in the Budget Issues Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **232,530** | **204,250** |
| **New Revenues Generated** | **192,911** | **173,354** |
| **Additional Staff (FTE)** | **2.00** | **2.00** |

# Utilities

## MSP - Expanded Outreach and Education

**Enhancement: UTMSP22**

**Enhancement Description**

Consultant services to assist in outreach to targeted audience group as required by the Municipal Stormwater Permit and to assist in the required measurement of the understanding and adoption of targeted behaviors among targeted audiences.

- Other Alternatives Considered and Why Rejected

Option 1: Do nothing - run the risk of not being in compliance with permit requirements.
Option 2: Expand outreach and education and measurement and evaluation even more – want to incrementally increase outreach and education and measurement and evaluation to see what works best and see if can comply with permit with a more limited approach. Then will reevaluate for 2011-2012 budget.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
Lost opportunity to educate citizens to make lifestyle changes that can improve the water quality of Bellevue's streams, lakes and wetlands.

**Equipment Requirements**

Not Applicable

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **28,000** | **28,000** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Illicit Discharge Detection & Elimination

**Enhancement: UTMSP24**

**Enhancement Description**

A Senior Engineering Technician FTE in the Projects and Programs section of the Utilities' Operations and Maintenance Division to implement the expanded and new Illicit Discharge Detection and Elimination (IDDE) legal requirements in the Phase II NPDES Municipal Stormwater Permit. Illicit discharges, as defined in the Permit, means "any discharge to a municipal separate storm sewer that is not composed entirely of storm water." This includes pollutants such as oil, grease, soap, paint, sediment, potable water, wastewater, construction-related pollutant releases, etc.

Specifically this FTE will:
1) Help modify existing illicit discharge-related City codes and activities to comply with the Permit's IDDE Program requirements by August 2009, including response, mitigation, enforcement and documentation;
2) Augment existing illicit discharge response by managing on-going response to those illicit discharges that have discharged or have the potential to discharge into streams, lakes and wetlands;
3) Provide new cross-departmental technical water quality IDDE Program support (4) Develop and implement a new, on-going city-wide IDDE training program by August 2009
4) Develop and implement a new, on-going IDDE stormwater outfall screening program by February 2010.

From Bellevue's Municipal Stormwater Permit Work Plan

| IDDE Task # | Legal Requirement | | Est. FTE |
|---|---|---|---|
| 1 | Help modify existing illicit discharge-related City codes, activities and develop new SOPs | sub-total | 0.2 |
| 2&3 | Augment existing illicit discharge response by managing IDDE response to streams, lakes and wetlands. Provide new cross-departmental IDDE support. | sub-total | 0.4 |
| 4a | Develop curricula and define staff training requirements. | | 0.1 |
| 4b | Conduct cross-departmental training for City field staff responsible for implementing IDDE program. | | 0.1 |
| 4c | Conduct city-wide training for all City field staff on recognizing and reporting illicit discharges | | 0.1 |
| | IDDE 4 Create and implement IDDE training program. | sub-total | 0.3 |
| 5a | Prioritize receiving waters for screening storm water outfalls for illicit discharges. | | 0.05 |
| 5b | Coordinate program with existing resources (e.g., condition assessment initiative) and activities. | | 0.05 |
| 5c | Create processes and procedures for: Conducting field assessments, characterizing and containing observed illicit discharges, tracing the source of illicit discharges, removing the source, reporting spills or illicit discharges, and documenting spill/illicit discharge information. | | 0.1 |
| 5d | Implement outfall screening program; complete three watersheds initially; one annually thereafter. | | 0.3 |
| | IDDE 5 Storm water outfall illicit discharge screening program | sub-total | 0.5 |
| | | sub-total | 1.4 |
| | | Less one time efforts | -0.4 |
| | | Total IDDE resource need | 1.0 |

- Other Alternatives Considered and Why Rejected:

1) Outsourcing the IDDE Program was not considered feasible because the City's enforcement authority can not be delegated to private firms. Further, managing a decentralized illicit discharge response program requires knowledge of and immediate access to multiple department resources and utility systems.
2) Reallocating section resources was not considered feasible because staff with knowledge/training/expertise in this area are cost-effectively performing other tasks required by and/or in response to the:

- Permit (i.e., the Private Drainage Inspection Program, illicit discharge response activities); and
- Federal Clean Water Act and Endangered Species Act (water quality sampling, technical water quality support, investigations, studies, ESA Road Maintenance Agreement implementation oversight); and
- Local and City water quality goals, concerns, and initiatives (Lake Bellevue, Meydenbauer Basin studies, source control, Bel Red, etc.).

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

# Utilities

## MSP - Illicit Discharge Detection & Elimination

**Enhancement: UTMSP24**

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Lost opportunity to further citizen's priority to protect and restore Bellevue's streams, lakes and wetlands and increased risk of reallocating limited resources to respond to potential Permit violations

**Equipment Requirements**

Equipment-related expenditures, if any, are identified in the Budget Issues Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **135,035** | **105,638** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Utilities

## MSP - Natural Drainage Practices Development Review

**Enhancement: UTMSP18**

**Enhancement Description**

This proposal is for Utilities Engineering to hire consultant services to assist in the review of Natural Drainage Practices development and redevelopment proposals. The Municipal Stormwater Permit requires municipalities to allow development and redevelopment projects to employ Natural Drainage Practices (NDP); also known as Low Impact Development (LID). The Permit defines NDP as "a stormwater management and land development strategy applied at the parcel and subdivision scale that emphasizes conservation and use of on-site natural features integrated with engineered, small-scale hydrologic controls to more closely mimic pre-development hydrologic functions.

The implementation of natural drainage practices (NDP) requires new skills that current development review staff do not possess and new procedures which are still under development. In the interim Rick Watson has been assisting staff in 2008 as part of a pilot NDP program. Presently staff have identified four city projects and at least 15 private development projects requiring review. Mr. Watson will unlikely be able to keep up with the work load without outside assistance provided by these consultant services.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
Citizens would be impacted by significant delays (and costs associated with delays) in development and redevelopment permit issuance.

**Equipment Requirements**

Not applicable.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **25,000** | **25,000** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP – Revise Storm Code & Engineering Stds

**Enhancement: UTMSP17**

**Enhancement Description**

Consultant services in Utilities Engineering to modify engineering standards and the Storm and Surface Water Utility code (Bellevue City Code 24.06) to comply with the controlling runoff requirements of the Municipal Stormwater Permit by August 2009. This is a one time request for funding.

The Municipal Stormwater Permit requires Bellevue to adopt the 2005 Washington State Department of Ecology Stormwater Manual (or an equivalent Manual) for development and redevelopment, on or before August 2009. This budget request provides $65,000 for consultant services to evaluate equivalency options for adoption, and then to develop new codes and standards for adoption once City selects preferred option, with any exceptions requested.

This request is consistent with Bellevue's 2008 Stormwater Management Program (SWMP) that identified actions necessary to implement the Permit conditions, including tasks:

- SWMP 5 (SWMP = Stormwater Management Program) - requires development of a strategy for code updates required by individual Permit Program components, and;
- CTRL 2 (CTRL = Controlling Runoff) - requires selection of equivalent Stormwater Manual and adoption by August 2009.

- Other Alternatives Considered and Why Rejected

Utilities Engineering staff could complete this work item. It is a significant amount of work which would require delay of some other major stormwater utility project, such as the Stormwater Comprehensive Plan. Given the short timeline and specific nature of this Permit requirement, and that staff have only limited familiarity with options for adoption, it seems most efficient and effective to hire a consultant who specializes in state stormwater requirements and available alternatives.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Citizens who are developing or redeveloping property could be impacted by significant delays (and costs associated with delays) if the City is not in compliance with this Permit requirement by August 2009.

**Equipment Requirements**

Not applicable.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **65,000** | **-** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Stormwater Pollution Prevention Plans

**Enhancement: UTMSP27**

**Enhancement Description**

Consultant services to develop site-specific Stormwater Pollution Prevention Plans (SWPPPs) for municipally-owned facilities that serve as heavy equipment maintenance or storage yards and/or material storage facilities by February 2010. Two of the seven municipally-owned facilities (i.e., lower BSC parking lot and Eastgate Yard) that provide these services are owned by the Utilities Department, specifically the Wastewater Utility. Plans can identify "housekeeping" and/or structural changes necessary for site-specific pollutant source control. A request for $10,000 in 2010 for capital projects is included, however, it may be necessary to do a mid-biennium budget add and/or the 2011-2012 budget to address total capital costs associated with implementing SWPPPs (for example, constructing a vehicle wash area discharging to sanitary sewer or a cover for materials storage).

- Other Alternatives Considered and Why Rejected

Considered developing these plans with staff resources but rejected because a consultant can better provide both the expertise and cost-effective, consistent Plans than those that would be developed piecemeal by individual department staff.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Lost opportunity to further citizen's priority to protect Bellevue's streams, lakes, and wetlands and increased risk of reallocating limited resources to respond to potential permit violations.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **15,000** | **10,000** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Surface Water Maintenance & Operations

**Enhancement: UTMSP25**

**Enhancement Description**

One full time employee (Skilled Worker) and $100,000 annually in maintenance contracts (in the Surface Water section of the Utilities' Operations and Maintenance Division) to implement the new Municipal Stormwater Permit operation and maintenance requirements for the municipal stormwater flow control and water quality treatment facilities. The new operation and maintenance requirements for the 350 municipal flow control and water quality treatment facilities include more stringent maintenance standards (expected to require more frequent facility maintenance), prescriptive (versus flexible) timelines for completing the maintenance, and increased tracking and compliance documentation.

The Surface Water O&M FTE would annually inspect or oversee inspections of these facilities, perform maintenance within the Permit-specified timelines, including developing and managing maintenance contracts, and document Permit compliance for the municipal stormwater treatment and flow control facilities. The proposed $100,000 annual investment is to fund the maintenance contracts necessary to comply with this Permit requirement.

A mid-biennium budget add and/or additional resources in the 2011-2012 budget may be necessary if proposed resources along with existing Surface Water O&M resources are insufficient to comply with the new Permit requirements and provide an acceptable level of maintenance, emergency, and customer service for the entire municipal storm drainage system.

| PPOM Task No. | Legal Requirement | Est. Resources |
|---|---|---|
| PPOM – 2a | Annually inspect or oversee inspection of all municipal stormwater treatment and flow control facilities (other than catch basins) | subtotal 0.2 FTE |
| PPOM – 2b | Perform maintenance within Permit-specified timelines, includes:<br>▪ Tracking and scheduling maintenance (by Surface Water O&M staff or contractors);<br>▪ Developing contracts (scope of work, etc.) to perform maintenance;<br>Managing maintenance contracts. | subtotal $100,000 annual maintenance contracts & 0.5 FTE |
| PPOM – 2c | Document Permit compliance in the Maximo database and summarize results, prepare additional reports as needed for the Annual Compliance Report. Support, as time permits, compliance reporting activities for municipal catch basins. | subtotal 0.3 FTE |
| PPOM - 2 | Update and implement inspection, O&M processes and procedures for municipal stormwater treatment and flow control facilities | |
| | | Total 1.0 FTE and $100,000 annual maintenance contracts |

▪ Other Alternatives Considered and Why Rejected:

Existing staff resources are already fully deployed to implement existing maintenance programs (many of which are also permit requirements) that are necessary to maintain a functional system (i.e., repairs, preventative maintenance to meet asset management goals), reduce pollution, provide customer service (including locates), respond to emergency events, etc. This proposal was the minimum combination of staff and outsourcing estimated to comply with the Permit conditions.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

# Utilities

## MSP - Surface Water Maintenance & Operations

**Enhancement: UTMSP25**

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Lost opportunity to further citizen's priority to protect and restore Bellevue's streams, lakes and wetlands and increased risk of reallocating limited resources to respond to potential Permit violations.

**Equipment Requirements**

Equipment-related expenditures, if any, are identified in the Budget Issues Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **234,602** | **186,173** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Utilities

## Restoration of Critical Water Maintenance Services

**Enhancement: UTCBA11**

**Enhancement Description**

This investment will fund 2 FTE positions and associated equipment to provide critical maintenance services including watermain flushing, locates, hydrant and water service maintenance and repair. Established levels of service are not being met due to aging infrastructure, increased reactive maintenance, and increased operational activities to support CIP and development.

This investment adds resources to position Water Maintenance to meet required and recommended minimum levels of service for preventative and corrective maintenance. These services are non-discretionary and are falling below minimum levels of service.

Water system maintenance work programs supported by this investment include:

• Flushing (cleaning of the water system) to improve and maintain drinking water quality.
• Locates to protect the water assets and meet state laws related to locates.
• Condition assessment to ensure that new and remodeled homes have needed pressure and flow.
• Hydrant maintenance and repairs to minimize out of service times.
• Air-vac and blow off assembly inspection and maintenance per accepted industry practice.
• Water service repairs and installations.
• Commercial and domestic meter calibration and replacements to minimize water and associated revenue loss.
• Customer service requests and meter box maintenance.

**State/Federal/Industry Mandates**

Perform water utility locates to protect the water assets and meet state laws related to locates.

**Goals and Objectives**

Customer Service:
• Development and CIP projects reply on L&M for system operational support, locates, and system condition assessment.

**Consequences of Not Funding**

Outsourcing:

- Hydrant inspections and maintenance costs are over 300% higher than in-house cost.
- Commercial meter calibration costs are on an average 237% higher than in-house cost.
- Residential meter replacement costs are 187% higher than in-house cost.

Other work programs are not suited to contracting out because they require extensive local system operating knowledge and can have immediate and extreme impacts to customers. By performing the work internally we have guaranteed quality assurance and the ability to oversee work flow by priority.

**Equipment Requirements**

Equipment - related expenditures are identified in the Budget Issues Operating Budget Totals Section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **319,539** | **193,732** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **2.00** | **2.00** |

# Utilities

## Sewer O&M Preventive, Corrective and Reactive Maint

**Enhancement: UTCBA13**

**Enhancement Description**

This investment will fund a mix of 4 FTE's, additional temp employees and associated equipment for the O&M Wastewater section to work in the preventive and corrective maintenance programs.

Trends have shown that reactive maintenance has been increasing at the expense of our ability to perform preventive maintenance. This budget proposal attempts to balance the mix of preventive and reactive maintenance while building an in-house capacity to perform urgent repairs.

Preventive Maintenance (PM): The additional resources will position the section to perform systematic preventive maintenance on a greater portion of the local sewage collection system annually. Current resource levels allow for preventive high velocity jet cleaning of 5% of the sewer pipes each year with the majority of the cleaning targeting the same known problem areas. Preventive maintenance routes include sewer mains with a history of being impacted by debris, roots and grease as well as pipes with known structural deficiencies. Current staff levels do not allow for systematic cleaning of the remainder of the local collection system. Aging infrastructure and growth are drivers that have added more pipes to the preventive maintenance routes further exhausting our capacity to perform system-wide preventive maintenance. The ability to perform condition assessment and identify deficiencies in the piped system also contribute to the route based PM workload.

Corrective/Reactive Maintenance (CM/RM): The requested additional resources will position the section to perform corrective maintenance repairs on sewer mains and the side sewer stubs in the right-of way. Current trends show failure rates increasing which requires increased corrective maintenance to maintain service levels. Reactive maintenance activities include clearing blockages and customer response/support to identify the owner of the problem and offering guidance to help customers address private side sewer issues. The excavation equipment (backhoe, dump truck and trailer) will be addressed through higher equipment utilization rates of existing digging equipment in the Water Section.

**State/Federal/Industry Mandates**

Perform annual preventative maintenance with industry standards.

**Goals and Objectives**

Preventative and Corrective/Reactive Maintenance:
This investment will provide resources for annual preventative and corrective maintenance repairs on the local sewage collection system. This proposal attempts to balance the mix of preventative and reactive maintenance while building an in-house capacity to perform urgent repairs.

# Utilities

## Sewer O&M Preventive, Corrective and Reactive Maint

**Enhancement: UTCBA13**

**Consequences of Not Funding**

• We currently supplement targeted preventive maintenance functions through contract services – root sawing is an example of this. Outside services can not provide these maintenance activities due to sections of the wastewater infrastructure which are considered sensitive and have a high potential for impacting customers. Examples include maintenance routes with "low connections" which require special attention to minimize backups due to the jetting operation.

Corrective Maintenance:

• We have considered and at times used outside contractors to respond to emergency repairs. By definition – a customer must be out of service to initiate an emergency contract through the Engineering department. This practice does not allow for the urgent response needed to repair an imminent failure. However, it does require additional preventive maintenance by Wastewater staff at each location until the deficiency is severe enough to warrant corrective maintenance via contract. This effort decreases the effectiveness of Wastewater's overall preventive maintenance programs.

• In-house staff perform the deficiency reporting process but at a cost to preventive maintenance. In 2005 wastewater crews completed 59 repairs at different locations throughout the service territory, 19 of these repairs were considered emergencies. All of these repairs were completed with the use of rental excavation equipment and the loan of dump trucks or excavation equipment from other utility sections. The cost to perform these urgent and emergency repairs with city staff was less costly than contracting the work. Despite the rental cost of equipment, in-house repairs averaged $4,900.00 per repair. In 2007, 16 Emergency repairs were completed by contract, at an average cost of $14,835 per repair. These contract expenditures deplete the CIP funds and future large scale projects suffer.

**Equipment Requirements**

Equipment - related expenditures are identified in the Budget Issue Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **514,010** | **478,238** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **4.00** | **4.00** |

# Utilities

## Support for SCADA and Security System

**Enhancement: UTCBA12**

**Enhancement Description**

This investment will fund an additional Telemetry Technician, vehicle, PC, and workstation, for the Utilities Operations and Maintenance Division to address increased workload and resulting critical maintenance and repair backlogs for the utilities telemetry, SCADA and security systems.

**State/Federal/Industry Mandates**

The 9/11 event increased awareness to public safety, specifically the City's water system being a vulnerable target. This proposal will help staff meet workload demands in this area.

**Goals and Objectives**

A reliable supply of safe and secure drinking water, a reliable wastewater system that protects public health and the environment and a surface water system designed to achieve swimmable waters and eliminate damage from storms.

This work group is responsible for the maintenance, repair, and calibration of water, wastewater, and surface water operations, monitoring and security equipment.

**Consequences of Not Funding**

Private Contractors are currently utilized as much as possible, where system security is not compromised, for telemetry technical services with outside vendors providing several common electrical services and design integrations. To avoid compromising system security, outsourcing of other system operations and maintenance activities is not recommended. Use of other-assigned Operations and Maintenance personnel has been considered and rejected due to the complexity of the systems, regular workload demands, and the fact that other Operations and Maintenance groups have stretched their resources to the limit.

**Equipment Requirements**

Equipment - related expenditures are identified in the Budget Issues Operating Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **152,868** | **113,756** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Utilities

## CIP Design, Inspection & Admin Support

**Enhancement: UTCBA17**

**Enhancement Description**

This investment will fund three positions to provide support for specific new Water and Sewer CIP projects as well as assisting with contract and construction management of the Utilities CIP program.

1. Design Engineer - This position would be responsible for design/coordination/budget/scheduling of the new Water and Sewer CIP projects related to mandated water and sewer relocations in conjunction with expansion of SR 520 and I 405 as well as the new wastewater CIP Project to upgrade the wastewater telemetry system. This position would begin in 2009

2. Construction Project Inspector - This position would be responsible for construction management and inspection of the new Water and Sewer CIP projects related to mandated water and sewer relocations in conjunction with expansion of SR 520 and I 405 as well as the new wastewater CIP Project to upgrade the wastewater telemetry system. This position would begin in 2010 to coincide with construction of those projects.

3. Engineering position to assist with contract and construction management of the Utilities CIP program. This position would assist design engineers, project inspectors and the construction manager with contract selection, processing, managing and monitoring related to all aspects of the CIP programs ranging from budgeting, scheduling and complying with state and federal contracting regulations. In 2008 the Utility had over 120 professional services/construction contracts for the Utilities CIP Program. The proposed CIP Program has a number of new projects as well as expansion of ongoing projects, this will increase the overall number of contracts requiring additional resources.

**State/Federal/Industry Mandates**

Two of these positions will directly support the WSDOT I405-SR520 Braids Project and the SR520 Bridge Expansion. Bellevue is legally obligated to relocate or adjust its utilities to accommodate these State projects.

The third position will support all of Utilities' CIP projects, including mandated projects, and will assist Utilities engineers, project inspectors, and the construction manager with compliance with state and federal contracting regulations.

**Goals and Objectives**

This investment addresses the support to Water and Sewer CIP projects as regulatory mandates, aging infrastructure and growth impact the City's Uilities CIP Program.

**Consequences of Not Funding**

The additional design engineering, inspection and administrative support required by CIP program cannot be absorbed by existing resources.

**Equipment Requirements**

Not Applicable.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **292,284** | **314,190** |
| **New Revenues Generated** | **292,284** | **314,190** |
| **Additional Staff (FTE)** | **3.00** | **3.00** |

# Utilities

## Drinking Water Quality Program

**Enhancement: UTCBA08**

**Enhancement Description**

This investment will fund a Senior Engineering Technician, vehicle, workstation, and computer for the Utilities Operations and Maintenance Division, Drinking Water Quality Program. This investment provides additional resources needed to implement and administer ongoing and future Drinking Water Quality programs mandated by the Federal Safe Drinking Water Act and Washington State Department of Health Drinking Water regulations (WAC 246-290). This investment will also provide resources to support the Utilities Industrial Waste/Fats Oils and Grease (FOG) Program designed to help reduce incidents of wastewater back-ups, overflows, and claims

**State/Federal/Industry Mandates**

This investment directly addresses performance level declines in Utilities ability to maintain regulatory compliance with regards to state and federal drinking water regulations and Industrial Waste Program administration, helping to provide staff with resources to maintain program compliance and provide maximum protection of the public water and wastewater systems. Water quality staff are currently unable to maintain appropriate service levels in many program areas, including QA/QC in the privatized program areas to ensure effectiveness and compliance. Program areas suffering include:

• Sampling station cleaning has been decreased from 23 per year to 1 or 2 per year, increasing the potential for bio-film accumulation and positive coliform samples. This deferred maintenance increases the potential for a violation of a primary drinking water standard resulting in a “boil water order” or other forms of public notification.
• Mandatory premises isolation high hazard facility inspections for compliance to cross connection requirements has declined from two per month in 2004 to one or two per year (Utilities is currently under compliance orders from Department of Health for premise isolation requirements at high hazard medical centers).
• Backflow testing compliance rates have dropped by 5% each of the last two years, falling below 95% compliance since 2003.
• Follow up on the 200-400 backflow assemblies per year that need repair has been deferred.
• Site inspections for conformance to water quality and industrial waste requirements has been suspended in the points communities and unincorporated areas.
• FOG program compliance reporting has dropped to 35% and incidents of failures and claims due to grease related blockages and backups have trended upward at a significant rate since 2000.
• Inspection and cataloging of new grease pretreatment systems installed is not being actively pursued.
• Industrial Waste/FOG site inspections have been suspended since 2006.

Accelerated development and redevelopment have contributed to a growth of 12% per year in the Cross Connection Control program. In addition to increasing state and federal monitoring requirements, the introduction of Tacoma Public Utilities water through the Cascade Water Alliance will increase mandated sampling requirements by 30% by 2011. As well, aging infrastructure and increased failures in both the water and wastewater systems have increased workload via customer calls and grease related backups and failures, further hampering program effectiveness. WQ staff average over 1500 incoming calls per year.

**Goals and Objectives**

The Environmental Stewardship Initiative was created to expand on Bellevue’s long tradition of environmental protection and balance those efforts with the city’s growth and development.

**Consequences of Not Funding**

Doing nothing:

Doing nothing increases the potential for a cross connection incident, a public health event, or violation of primary drinking water standard with public notification ramifications. The potential for wastewater failures and claims due to fats, oils, and grease will increase.
Contracting new water quality sampling requirements to private sector: Rejected for security reasons. Contractor would have to be escorted to critical water facilities and are not typically familiar with water system complexities or available to respond 24-7.

Employing Limited Term Employee: Rejected because program growth is not expected to wane. It takes several years to become familiar enough with Bellevue’s water system to diagnose and respond to water quality problems.

**Equipment Requirements**

Equipment related expenditures are identified in the Budget Issues Operating Budget Totals of this section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **136,128** | **110,616** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Utilities

## MSP - Controlling Runoff SOPs

**Enhancement: UTMSP21**

**Enhancement Description**

Consultant services (for Development Services and Inspection sections in Utilities Engineering) to revise existing Standard Operating Procedures (SOPs) and develop new SOPs required by the Municipal Stormwater Permit, including those:

- Required by the Controlling Runoff (Stormwater Manual, CIP Projects' Clear and Grade Permits and/or NPDES Construction Permits) and;
- Maintained by Utilities Engineering (and/or primarily authored by Utilities Engineering).

Below is a list of SOPs required by the Permit. Some of the SOPs will require code changes to implement in accordance with Permit requirements. SOPs format will be based on the standard Municipal Stormwater Permit SOP template (developed by consultant for Utilities O&M SOPs). Some of the SOPs may apply cross-departmentally.

One-time (cross-departmental) training on the SOPS by the consultant is also included in the total $15,000 budget.

| SOPs by Program Component | Implement by: | 2009 Est. Costs |
|---|---|---|
| Controlling Runoff SOPs | August 2009 | |
| ▪ CESCL (DSD) | | |
| ▪ Beyond CESCL (DSD) | | |
| ▪ Permanent Storm Facilities (Utilities) | | $10K |
| ▪ For each of the above, include: | | $ 5K |
| o Plan review procedure/process | | |
| o Inspection/enforcement | | |
| o Documentation/reporting | | |

- Other Alternatives Considered and Why Rejected:

Considered developing the SOPs with staff resources but rejected because a consultant can better provide both the expertise and cost-effective, consistent SOPs than those that would be developed piecemeal by individual department and/or division staff. Staff will still need to be involved significantly to ensure that roles and responsibilities are clearly articulated.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:

- Council's commitment to comply with the Clean Water Act;
- Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.

- Lost opportunity to further citizen's priority to protect Bellevue's streams, lakes and wetlands and increased risk of reallocating limited resources to respond to potential Permit violations.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **15,000** | **-** |
| **New Revenues Generated** | **15,000** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Development Review and Inspection

**Enhancement: UTMSP19**

**Enhancement Description**

Two full time employees (FTEs) in Development Services, a Utilities development reviewer and a Utilities and/or Development Services Department inspector, to implement the new water quality treatment and flow control development and redevelopment standards and Natural Drainage Practices (aka Low Impact Development) which are required to be adopted as part of the Municipal Stormwater Permit. Specifically, current development standards exempt single family lots from providing stormwater flow control and treatment and this exemption will no longer be available under the new standards. In addition, natural drainage practices (which require more review and inspection time) will be incorporated into the new standards. Depending on the outcome of the Permit appeal, additional resources may be necessary (through a mid-biennium add or future budget) to address new Permit development and redevelopment requirements.

The positions would be for plan review and inspection. The review function would likely be performed by Utilities staff. It is uncertain who in Development Services would perform the inspections.

- The Utilities Review Professional FTE will be in Utilities, Development Services. This will provide adequate staffing to review development and redevelopment projects that must include storm water control and treatment under the new regulations, which are more stringent and complex than current regulations, resulting in more numerous and time-consuming design reviews. The current regulations exempt single family lots from providing storm water control and treatment. This exemption will no longer exist in the new regulations. 246 single family construction permits were issued by the City of Bellevue in 2007; all would potentially have needed storm water design review under the new regulations. Only 127 of these received storm water review (for connection to storm system only) under the current regulations. In addition, some commercial developments and subdivisions that did not reach thresholds that trigger flow control & treatment under current regulations, would reach the lower thresholds in the new regulations.

- The Utilities Inspection portion of the FTE could be in the Development Services Department or Utilities, Development Services. This would provide adequate staffing to inspect the additional projects described in the bullet above, especially the single family lots.

The additional review and inspection workload was estimated by analyzing how many of the 2007 construction permits would have exceeded the thresholds for Minimum Requirement #5 ¨C On-Site Stormwater Management, which includes Natural Drainage Practices in the list of stormwater runoff controls; and Minimum Requirements #6 and #7 ¨C Runoff Control and Treatment. A development decline of about 10% was factored in.

Commercial projects will trigger water quality requirements more often, but detention less often, under the new regulations. The number of commercial projects will likely remain the same, but will be more complex due to the addition of Natural Drainage Practices to reduce detention/WQ system sizes.

- Other alternatives considered and why rejected:

1) Outsourcing the controlling runoff review and inspection function was not considered feasible because private firms typically charge more than the City's hourly review and inspection rate, lack familiarity with the new storm requirements, would require significant management oversight, and are typically unavailable when development activity is high.
2) Utilizing existing section resources was considered but eliminated as an option because current workload already fully utilizes existing resources.
3) Continuing to implement the current Storm water control and treatment requirements, rather than adopting more stringent requirements, was rejected because it would result in a violation of the Permit, subjecting the City of Bellevue to potential fines, imprisonment and/or third-party lawsuits.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

# Utilities

## MSP - Development Review and Inspection

**Enhancement: UTMSP19**

**Consequences of Not Funding**

Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.

Citizens would be impacted by significant delays (and costs associated with delays) in permit issuance and inspections because current development services workload fully utilizes existing resources.

**Equipment Requirements**

Equipment-related expenditures, if any, are identified in the Budget Issues Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **232,530** | **204,250** |
| **New Revenues Generated** | **192,911** | **173,354** |
| **Additional Staff (FTE)** | **2.00** | **2.00** |

# Utilities

## MSP - Expanded Outreach and Education

**Enhancement: UTMSP22**

**Enhancement Description**

Consultant services to assist in outreach to targeted audience group as required by the Municipal Stormwater Permit and to assist in the required measurement of the understanding and adoption of targeted behaviors among targeted audiences.

- Other Alternatives Considered and Why Rejected

Option 1: Do nothing - run the risk of not being in compliance with permit requirements.
Option 2: Expand outreach and education and measurement and evaluation even more – want to incrementally increase outreach and education and measurement and evaluation to see what works best and see if can comply with permit with a more limited approach. Then will reevaluate for 2011-2012 budget.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
Lost opportunity to educate citizens to make lifestyle changes that can improve the water quality of Bellevue's streams, lakes and wetlands.

**Equipment Requirements**

Not Applicable

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **28,000** | **28,000** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Illicit Discharge Detection & Elimination

**Enhancement: UTMSP24**

**Enhancement Description**

A Senior Engineering Technician FTE in the Projects and Programs section of the Utilities' Operations and Maintenance Division to implement the expanded and new Illicit Discharge Detection and Elimination (IDDE) legal requirements in the Phase II NPDES Municipal Stormwater Permit. Illicit discharges, as defined in the Permit, means "any discharge to a municipal separate storm sewer that is not composed entirely of storm water." This includes pollutants such as oil, grease, soap, paint, sediment, potable water, wastewater, construction-related pollutant releases, etc.

Specifically this FTE will:
1) Help modify existing illicit discharge-related City codes and activities to comply with the Permit's IDDE Program requirements by August 2009, including response, mitigation, enforcement and documentation;
2) Augment existing illicit discharge response by managing on-going response to those illicit discharges that have discharged or have the potential to discharge into streams, lakes and wetlands;
3) Provide new cross-departmental technical water quality IDDE Program support (4) Develop and implement a new, on-going city-wide IDDE training program by August 2009
4) Develop and implement a new, on-going IDDE stormwater outfall screening program by February 2010.

From Bellevue's Municipal Stormwater Permit Work Plan

| IDDE Task # | Legal Requirement | | Est. FTE |
|---|---|---|---|
| 1 | Help modify existing illicit discharge-related City codes, activities and develop new SOPs | sub-total | 0.2 |
| 2&3 | Augment existing illicit discharge response by managing IDDE response to streams, lakes and wetlands. Provide new cross-departmental IDDE support. | sub-total | 0.4 |
| 4a | Develop curricula and define staff training requirements. | | 0.1 |
| 4b | Conduct cross-departmental training for City field staff responsible for implementing IDDE program. | | 0.1 |
| 4c | Conduct city-wide training for all City field staff on recognizing and reporting illicit discharges | | 0.1 |
| | IDDE 4 Create and implement IDDE training program. | sub-total | 0.3 |
| 5a | Prioritize receiving waters for screening storm water outfalls for illicit discharges. | | 0.05 |
| 5b | Coordinate program with existing resources (e.g., condition assessment initiative) and activities. | | 0.05 |
| 5c | Create processes and procedures for: Conducting field assessments, characterizing and containing observed illicit discharges, tracing the source of illicit discharges, removing the source, reporting spills or illicit discharges, and documenting spill/illicit discharge information. | | 0.1 |
| 5d | Implement outfall screening program; complete three watersheds initially; one annually thereafter. | | 0.3 |
| | IDDE 5 Storm water outfall illicit discharge screening program | sub-total | 0.5 |
| | | sub-total | 1.4 |
| | | Less one time efforts | -0.4 |
| | | Total IDDE resource need | 1.0 |

- Other Alternatives Considered and Why Rejected:

1) Outsourcing the IDDE Program was not considered feasible because the City's enforcement authority can not be delegated to private firms. Further, managing a decentralized illicit discharge response program requires knowledge of and immediate access to multiple department resources and utility systems.
2) Reallocating section resources was not considered feasible because staff with knowledge/training/expertise in this area are cost-effectively performing other tasks required by and/or in response to the:

- Permit (i.e., the Private Drainage Inspection Program, illicit discharge response activities); and
- Federal Clean Water Act and Endangered Species Act (water quality sampling, technical water quality support, investigations, studies, ESA Road Maintenance Agreement implementation oversight); and
- Local and City water quality goals, concerns, and initiatives (Lake Bellevue, Meydenbauer Basin studies, source control, Bel Red, etc.).

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

# Utilities

## MSP - Illicit Discharge Detection & Elimination

**Enhancement: UTMSP24**

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Lost opportunity to further citizen's priority to protect and restore Bellevue's streams, lakes and wetlands and increased risk of reallocating limited resources to respond to potential Permit violations

**Equipment Requirements**

Equipment-related expenditures, if any, are identified in the Budget Issues Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **135,035** | **105,638** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Utilities

## MSP - Natural Drainage Practices Development Review

**Enhancement: UTMSP18**

**Enhancement Description**

This proposal is for Utilities Engineering to hire consultant services to assist in the review of Natural Drainage Practices development and redevelopment proposals. The Municipal Stormwater Permit requires municipalities to allow development and redevelopment projects to employ Natural Drainage Practices (NDP); also known as Low Impact Development (LID). The Permit defines NDP as "a stormwater management and land development strategy applied at the parcel and subdivision scale that emphasizes conservation and use of on-site natural features integrated with engineered, small-scale hydrologic controls to more closely mimic pre-development hydrologic functions.

The implementation of natural drainage practices (NDP) requires new skills that current development review staff do not possess and new procedures which are still under development. In the interim Rick Watson has been assisting staff in 2008 as part of a pilot NDP program. Presently staff have identified four city projects and at least 15 private development projects requiring review. Mr. Watson will unlikely be able to keep up with the work load without outside assistance provided by these consultant services.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
Citizens would be impacted by significant delays (and costs associated with delays) in development and redevelopment permit issuance.

**Equipment Requirements**

Not applicable.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **25,000** | **25,000** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP – Revise Storm Code & Engineering Stds

**Enhancement: UTMSP17**

**Enhancement Description**

Consultant services in Utilities Engineering to modify engineering standards and the Storm and Surface Water Utility code (Bellevue City Code 24.06) to comply with the controlling runoff requirements of the Municipal Stormwater Permit by August 2009. This is a one time request for funding.

The Municipal Stormwater Permit requires Bellevue to adopt the 2005 Washington State Department of Ecology Stormwater Manual (or an equivalent Manual) for development and redevelopment, on or before August 2009. This budget request provides $65,000 for consultant services to evaluate equivalency options for adoption, and then to develop new codes and standards for adoption once City selects preferred option, with any exceptions requested.

This request is consistent with Bellevue's 2008 Stormwater Management Program (SWMP) that identified actions necessary to implement the Permit conditions, including tasks:

- SWMP 5 (SWMP = Stormwater Management Program) - requires development of a strategy for code updates required by individual Permit Program components, and;
- CTRL 2 (CTRL = Controlling Runoff) - requires selection of equivalent Stormwater Manual and adoption by August 2009.

- Other Alternatives Considered and Why Rejected

Utilities Engineering staff could complete this work item. It is a significant amount of work which would require delay of some other major stormwater utility project, such as the Stormwater Comprehensive Plan. Given the short timeline and specific nature of this Permit requirement, and that staff have only limited familiarity with options for adoption, it seems most efficient and effective to hire a consultant who specializes in state stormwater requirements and available alternatives.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Citizens who are developing or redeveloping property could be impacted by significant delays (and costs associated with delays) if the City is not in compliance with this Permit requirement by August 2009.

**Equipment Requirements**

Not applicable.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **65,000** | **-** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Stormwater Pollution Prevention Plans

**Enhancement: UTMSP27**

**Enhancement Description**

Consultant services to develop site-specific Stormwater Pollution Prevention Plans (SWPPPs) for municipally-owned facilities that serve as heavy equipment maintenance or storage yards and/or material storage facilities by February 2010. Two of the seven municipally-owned facilities (i.e., lower BSC parking lot and Eastgate Yard) that provide these services are owned by the Utilities Department, specifically the Wastewater Utility. Plans can identify "housekeeping" and/or structural changes necessary for site-specific pollutant source control. A request for $10,000 in 2010 for capital projects is included, however, it may be necessary to do a mid-biennium budget add and/or the 2011-2012 budget to address total capital costs associated with implementing SWPPPs (for example, constructing a vehicle wash area discharging to sanitary sewer or a cover for materials storage).

- Other Alternatives Considered and Why Rejected

Considered developing these plans with staff resources but rejected because a consultant can better provide both the expertise and cost-effective, consistent Plans than those that would be developed piecemeal by individual department staff.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Lost opportunity to further citizen's priority to protect Bellevue's streams, lakes, and wetlands and increased risk of reallocating limited resources to respond to potential permit violations.

**Equipment Requirements**

N/A

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **15,000** | **10,000** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **-** | **-** |

# Utilities

## MSP - Surface Water Maintenance & Operations

**Enhancement: UTMSP25**

**Enhancement Description**

One full time employee (Skilled Worker) and $100,000 annually in maintenance contracts (in the Surface Water section of the Utilities' Operations and Maintenance Division) to implement the new Municipal Stormwater Permit operation and maintenance requirements for the municipal stormwater flow control and water quality treatment facilities. The new operation and maintenance requirements for the 350 municipal flow control and water quality treatment facilities include more stringent maintenance standards (expected to require more frequent facility maintenance), prescriptive (versus flexible) timelines for completing the maintenance, and increased tracking and compliance documentation.

The Surface Water O&M FTE would annually inspect or oversee inspections of these facilities, perform maintenance within the Permit-specified timelines, including developing and managing maintenance contracts, and document Permit compliance for the municipal stormwater treatment and flow control facilities. The proposed $100,000 annual investment is to fund the maintenance contracts necessary to comply with this Permit requirement.

A mid-biennium budget add and/or additional resources in the 2011-2012 budget may be necessary if proposed resources along with existing Surface Water O&M resources are insufficient to comply with the new Permit requirements and provide an acceptable level of maintenance, emergency, and customer service for the entire municipal storm drainage system.

| PPOM Task No. | Legal Requirement | Est. Resources |
|---|---|---|
| PPOM – 2a | Annually inspect or oversee inspection of all municipal stormwater treatment and flow control facilities (other than catch basins) | subtotal 0.2 FTE |
| PPOM – 2b | Perform maintenance within Permit-specified timelines, includes:<br>▪ Tracking and scheduling maintenance (by Surface Water O&M staff or contractors);<br>▪ Developing contracts (scope of work, etc.) to perform maintenance;<br>Managing maintenance contracts. | subtotal $100,000 annual maintenance contracts & 0.5 FTE |
| PPOM – 2c | Document Permit compliance in the Maximo database and summarize results, prepare additional reports as needed for the Annual Compliance Report. Support, as time permits, compliance reporting activities for municipal catch basins. | subtotal 0.3 FTE |
| PPOM - 2 | Update and implement inspection, O&M processes and procedures for municipal stormwater treatment and flow control facilities | |
| | | Total 1.0 FTE and $100,000 annual maintenance contracts |

▪ Other Alternatives Considered and Why Rejected:

Existing staff resources are already fully deployed to implement existing maintenance programs (many of which are also permit requirements) that are necessary to maintain a functional system (i.e., repairs, preventative maintenance to meet asset management goals), reduce pollution, provide customer service (including locates), respond to emergency events, etc. This proposal was the minimum combination of staff and outsourcing estimated to comply with the Permit conditions.

**State/Federal/Industry Mandates**

Yes, federal Clean Water Act; meets requirements for controlling runoff in the NPDES Phase II Municipal Stormwater Permit. (NPDES = National Pollutant Discharge Elimination System)

**Goals and Objectives**

This investment addresses:
Council's commitment to comply with the Clean Water Act;
Council's policy to "maintain surface water quality, defined as meeting federal and state standards and restoring surface water that has become degraded, to the maximum extent practicable" (Environmental Element Policy EN-33 of the Bellevue Comprehensive Plan).

# Utilities

## MSP - Surface Water Maintenance & Operations

**Enhancement: UTMSP25**

**Consequences of Not Funding**

- Potentially result in violation of the Phase II Municipal Stormwater Permit conditions and subject the City of Bellevue to fines, imprisonment and/or third-party lawsuits.
- Lost opportunity to further citizen's priority to protect and restore Bellevue's streams, lakes and wetlands and increased risk of reallocating limited resources to respond to potential Permit violations.

**Equipment Requirements**

Equipment-related expenditures, if any, are identified in the Budget Issues Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **234,602** | **186,173** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

# Utilities

## Restoration of Critical Water Maintenance Services

**Enhancement: UTCBA11**

**Enhancement Description**

This investment will fund 2 FTE positions and associated equipment to provide critical maintenance services including watermain flushing, locates, hydrant and water service maintenance and repair. Established levels of service are not being met due to aging infrastructure, increased reactive maintenance, and increased operational activities to support CIP and development.

This investment adds resources to position Water Maintenance to meet required and recommended minimum levels of service for preventative and corrective maintenance. These services are non-discretionary and are falling below minimum levels of service.

Water system maintenance work programs supported by this investment include:

• Flushing (cleaning of the water system) to improve and maintain drinking water quality.
• Locates to protect the water assets and meet state laws related to locates.
• Condition assessment to ensure that new and remodeled homes have needed pressure and flow.
• Hydrant maintenance and repairs to minimize out of service times.
• Air-vac and blow off assembly inspection and maintenance per accepted industry practice.
• Water service repairs and installations.
• Commercial and domestic meter calibration and replacements to minimize water and associated revenue loss.
• Customer service requests and meter box maintenance.

**State/Federal/Industry Mandates**

Perform water utility locates to protect the water assets and meet state laws related to locates.

**Goals and Objectives**

Customer Service:
• Development and CIP projects reply on L&M for system operational support, locates, and system condition assessment.

**Consequences of Not Funding**

Outsourcing:

- Hydrant inspections and maintenance costs are over 300% higher than in-house cost.
- Commercial meter calibration costs are on an average 237% higher than in-house cost.
- Residential meter replacement costs are 187% higher than in-house cost.

Other work programs are not suited to contracting out because they require extensive local system operating knowledge and can have immediate and extreme impacts to customers. By performing the work internally we have guaranteed quality assurance and the ability to oversee work flow by priority.

**Equipment Requirements**

Equipment - related expenditures are identified in the Budget Issues Operating Budget Totals Section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **319,539** | **193,732** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **2.00** | **2.00** |

# Utilities

## Sewer O&M Preventive, Corrective and Reactive Maint

**Enhancement: UTCBA13**

**Enhancement Description**

This investment will fund a mix of 4 FTE's, additional temp employees and associated equipment for the O&M Wastewater section to work in the preventive and corrective maintenance programs.

Trends have shown that reactive maintenance has been increasing at the expense of our ability to perform preventive maintenance. This budget proposal attempts to balance the mix of preventive and reactive maintenance while building an in-house capacity to perform urgent repairs.

Preventive Maintenance (PM): The additional resources will position the section to perform systematic preventive maintenance on a greater portion of the local sewage collection system annually. Current resource levels allow for preventive high velocity jet cleaning of 5% of the sewer pipes each year with the majority of the cleaning targeting the same known problem areas. Preventive maintenance routes include sewer mains with a history of being impacted by debris, roots and grease as well as pipes with known structural deficiencies. Current staff levels do not allow for systematic cleaning of the remainder of the local collection system. Aging infrastructure and growth are drivers that have added more pipes to the preventive maintenance routes further exhausting our capacity to perform system-wide preventive maintenance. The ability to perform condition assessment and identify deficiencies in the piped system also contribute to the route based PM workload.

Corrective/Reactive Maintenance (CM/RM): The requested additional resources will position the section to perform corrective maintenance repairs on sewer mains and the side sewer stubs in the right-of way. Current trends show failure rates increasing which requires increased corrective maintenance to maintain service levels. Reactive maintenance activities include clearing blockages and customer response/support to identify the owner of the problem and offering guidance to help customers address private side sewer issues. The excavation equipment (backhoe, dump truck and trailer) will be addressed through higher equipment utilization rates of existing digging equipment in the Water Section.

**State/Federal/Industry Mandates**

Perform annual preventative maintenance with industry standards.

**Goals and Objectives**

Preventative and Corrective/Reactive Maintenance:
This investment will provide resources for annual preventative and corrective maintenance repairs on the local sewage collection system. This proposal attempts to balance the mix of preventative and reactive maintenance while building an in-house capacity to perform urgent repairs.

# Utilities

## Sewer O&M Preventive, Corrective and Reactive Maint

**Enhancement: UTCBA13**

**Consequences of Not Funding**

• We currently supplement targeted preventive maintenance functions through contract services – root sawing is an example of this. Outside services can not provide these maintenance activities due to sections of the wastewater infrastructure which are considered sensitive and have a high potential for impacting customers. Examples include maintenance routes with "low connections" which require special attention to minimize backups due to the jetting operation.

Corrective Maintenance:

• We have considered and at times used outside contractors to respond to emergency repairs. By definition – a customer must be out of service to initiate an emergency contract through the Engineering department. This practice does not allow for the urgent response needed to repair an imminent failure. However, it does require additional preventive maintenance by Wastewater staff at each location until the deficiency is severe enough to warrant corrective maintenance via contract. This effort decreases the effectiveness of Wastewater's overall preventive maintenance programs.

• In-house staff perform the deficiency reporting process but at a cost to preventive maintenance. In 2005 wastewater crews completed 59 repairs at different locations throughout the service territory, 19 of these repairs were considered emergencies. All of these repairs were completed with the use of rental excavation equipment and the loan of dump trucks or excavation equipment from other utility sections. The cost to perform these urgent and emergency repairs with city staff was less costly than contracting the work. Despite the rental cost of equipment, in-house repairs averaged $4,900.00 per repair. In 2007, 16 Emergency repairs were completed by contract, at an average cost of $14,835 per repair. These contract expenditures deplete the CIP funds and future large scale projects suffer.

**Equipment Requirements**

Equipment - related expenditures are identified in the Budget Issue Operating Budget Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **514,010** | **478,238** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **4.00** | **4.00** |

# Utilities

## Support for SCADA and Security System

**Enhancement: UTCBA12**

**Enhancement Description**

This investment will fund an additional Telemetry Technician, vehicle, PC, and workstation, for the Utilities Operations and Maintenance Division to address increased workload and resulting critical maintenance and repair backlogs for the utilities telemetry, SCADA and security systems.

**State/Federal/Industry Mandates**

The 9/11 event increased awareness to public safety, specifically the City's water system being a vulnerable target. This proposal will help staff meet workload demands in this area.

**Goals and Objectives**

A reliable supply of safe and secure drinking water, a reliable wastewater system that protects public health and the environment and a surface water system designed to achieve swimmable waters and eliminate damage from storms.

This work group is responsible for the maintenance, repair, and calibration of water, wastewater, and surface water operations, monitoring and security equipment.

**Consequences of Not Funding**

Private Contractors are currently utilized as much as possible, where system security is not compromised, for telemetry technical services with outside vendors providing several common electrical services and design integrations. To avoid compromising system security, outsourcing of other system operations and maintenance activities is not recommended. Use of other-assigned Operations and Maintenance personnel has been considered and rejected due to the complexity of the systems, regular workload demands, and the fact that other Operations and Maintenance groups have stretched their resources to the limit.

**Equipment Requirements**

Equipment - related expenditures are identified in the Budget Issues Operating Totals section.

| | FY 2009 Budget | FY 2010 Budget |
|---|---|---|
| **Total Budget** | **152,868** | **113,756** |
| **New Revenues Generated** | **-** | **-** |
| **Additional Staff (FTE)** | **1.00** | **1.00** |

CITY OF BELLEVUE WASHINGTON