



## **Budget One Process Overview and Calendar**

### **Council Discussion**

Staff will provide Council with the process and timelines for the 2019-2020 Budget, and seeks feedback.

### **Background**

Building on prior budgets, the City will use "Budget One" (a budgeting for outcomes approach) to develop the 2019-2020 Biennial Budget. Budget One is a process that:

- 1) Identifies the community's priorities (called Outcomes) (See narrative below for the six Outcomes);
- 2) Prioritizes services to meet those Outcomes; and
- 3) Funds those services with available monies.

Budget One puts the emphasis on community outcomes, not departments. It involves a series of steps that create a government based on available funding, which is then connected to these Outcomes and their associated service delivery results. All current programs, services and activities must be submitted as "proposals" in order to retain ongoing funding, to expand existing funding or to receive new funding, and all proposals must align with one of the Outcomes.

Historically, Result Teams (interdepartmental teams consisting of five members each) have been created for each Outcome to rank proposals in the context of how well it relates to the Outcome and perform a metric analysis that will show how funding the proposals will achieve the results the community wants. The Council vision, along with the Comprehensive Plan, citizen and business surveys, and other adopted plans inform the basis of their work and Result Teams review and incorporate them into their Outcomes and products. The Leadership Team then reviews the ranking and outcome information as well as the fiscal information to make a budget recommendation to the City Manager. The City Manager takes all information, including the feedback from Council, and prepares his 2019-2020 Preliminary Budget. The City Manager's Preliminary Budget is presented to the City Council for its consideration.

### **Changes for the Budget One 2019-2020 Process**

In Budget One, the focus is on achieving desired results for each Citywide Outcome. Since the 2011-2012 Budget, Results Teams have been created and have ranked the budget proposals based on how well each proposal would accomplish each budget outcome. Due to the excellent work of the Results Teams during the 2017-2018 process and to streamline the organizational work for 2019-2020 process, the 2017-2018 proposal rankings will be used for the current budget cycle.



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### **Budget One Outcome Areas**

The 2019-2020 Budget One cycle frames the budget with six outcomes. These six outcomes were developed through an extensive process in 2010 and were updated during the 2017-2018 budget process. Staff recommends continuing the use of the existing outcomes and their proposal ranking from the 2017-2018 process. A detailed description of each outcome is found as a reference material in Appendices on tonight's agenda. A brief description of each outcome is listed below:

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



## Budget One Process Overview and Calendar

### 2019-2020 Budget One Process Milestones

The 2019-2020 Budget One Process for both operating and capital consists of:

Milestone/Process Point	2018 Month	Status
Budget and Performance Surveys of citizens	Surveys conducted in January to March.	In progress
City website is updated to include a Budget One site for use in Public Engagement.	February	Complete
Provide Council with the process and practices of the 2019-2020 Budget. Update the Council in the current fiscal condition of the General Fund and CIP. Begin a discussion on the longer-term strategies for the General Fund. Provide an update on the Utilities Financial policies and early rates. Solicit feedback from Council as the CMO begins to prepare his preliminary budget.	March	Tonight
Departments submit proposals to the Budget Office	April	
Analytical Analysis and Proposal Review	May to June	
First Public Hearing	June	
The City's Leadership Team will provide a recommendation to the CMO.	July to August	
Second Public Hearing	July	
City Manager presents his proposed budget to the City Council.	October	
Council reviews and deliberates the preliminary budget	October to December	
Third Public Hearing	November	
Council adopts a final 2019-2020 budget and 2019-2025 CIP plan	December	



## Budget One Public Engagement

### **Budget One 2019-2020 Public Engagement**

People interested in providing input into the development of the 2019-2020 budget will have many opportunities to participate in the process between now and when the City Council approves the budget, including:

**Budget One 2019-2020 Website** is available at: <https://bellevuewa.gov/city-government/departments/finance/budget-and-performance/budgets/public-involvement/>

- The website provides links and contact information for anyone interested in further information.

**Statistically Valid Budget and Performance Surveys** (will be posted on the Budget One 2019-2020 website above as they are completed).

- **Budget Survey**  
In preparation for the new budget, the City conducts a budget survey each biennium. The survey is designed to provide a statistically valid tool to enhance the City's knowledge of residents' perceptions about the City and to better understand community priorities and expectations regarding City services. This survey has been conducted biennially since 1998.
- **Business Survey**  
The Business Survey is conducted biennially, with the first one done in 2015. The survey addresses attitudes about operating and owning a business in Bellevue, starting a business in Bellevue, questions relating to taxation, and general questions about municipal services affecting businesses. The current 2017 survey can be found at: <https://bellevuewa.gov/city-government/departments/finance/budget-and-performance/performance-reports/business-survey/>
- **Performance Survey**  
The Performance Survey is designed to gauge how the City meets the needs of its residents. The survey asks questions about: overall quality of life, overall quality of City services, comparability to other communities, direction the City is headed, and the value of services for tax dollars paid. The methodology for the Performance Survey is the same as in the Budget Survey. Respondents were screened to ensure they were adult heads of household living in Bellevue.

**Public Hearings** in June, July, and November

- The City Council will hold three public hearings on the 2019-2020 budget to provide stakeholders the opportunity to officially comment on the operating and capital budgets. The public hearings in June and July are held prior to the submission of the Preliminary Budget to the Council. This provides residents and other stakeholders a venue to notify the Council of important issues before the budget is crafted. The final hearing in November provides interested parties a venue to address new budget proposals and comment on significant budget issues before Council adopts a final budget. Please check the Budget One website for final dates.

**Public Comment** at any Council meeting

- The public is encouraged to speak during the public comment session at any Council meetings. Council agendas are posted on the Council website in advance of the meeting.



## Budget One Boards and Commissions

**Boards and Commissions** Five City Boards and Commissions provide input into the budget process, more information is located at <https://bellevuewa.gov/city-government/departments/city-clerks-office/boards-and-commissions/>.

**E-mail/Contact Councilmembers** [Council@bellevuewa.gov](mailto:Council@bellevuewa.gov)

Comments to the full Council may be made by email to the address above or by leaving a voicemail with the Council Office at 425-452-7810.

**E-mail/Contact Finance** [FinanceDepartment@bellevuewa.gov](mailto:FinanceDepartment@bellevuewa.gov)

- **Presentations to Neighborhood Groups, Business Associations and Others**  
The Finance Department will give presentations about the budget upon request to any group. Please contact us at 425-452-5281 or at the email above.
- **Information Provided Upon Request**  
The Finance Department responds to any communication received regarding the budget process. Please contact us at 425-452-5281 or at the email above.

### **Overview of the Boards and Commission processes for the 2019-2020 Budget**

**Parks & Community Services Board** - *The Parks & Community Services Board provides funding recommendations for the Capital Investment Program (CIP) budget.*

The Parks & Community Service Board will review parks capital needs and develop a recommended list of proposals for the 2019-2025 CIP at their meetings in March and April. The Board has been discussing long-term capital needs and funding sources for the past several months, and plans to transmit a memo to Council with comments on the CIP budget and Parks long-term capital funding.

**Transportation Commission** - *The Transportation Commission recommends project prioritization and funding in the Transportation Facilities Plan (TFP) for Council consideration in the CIP budget.*

While the Transportation Commission does not directly provide project recommendations for the CIP, it prepares the financially unconstrained Transportation Improvement Program (TIP) project list, and the financially constrained and prioritized Transportation Facilities Plan (TFP). Both project lists contain planning-level project descriptions and estimated costs or ranges of costs, and inform the preparation of the CIP. A TIP recommendation to the City Council is expected by April and a TFP recommendation is expected by June.

**Environmental Services Commission (ESC)** - *The ESC advises the City Council on water, wastewater, storm and surface water and garbage programs in the following areas: planning, budget and rates, CIP financing, contracts and policies.*

The ESC 2019-2020 budget work is already underway. The Utilities Department briefed the Commission on proposed changes to the Utilities CIP during the first quarter of 2018. The ESC plans to review preliminary Utilities Department budget proposals in May and make their preliminary recommendations in early June. Final ESC budget/rate recommendations will occur in late fall.



## Budget One Boards and Commissions

**Human Services Commission** – *The Human Services Commission provides funding recommendations for allocations to human services agencies (City/CDBG).*

The Human Services Commission will be reviewing applications from non-profit organizations for 2019-2020 funding between April and July, and likely will present them to Council in October per the usual practice. While the requests from agencies typically exceed the human services funding formula (inflation plus population), the Commission will base their funding recommendations on community needs and gaps as identified in the Human Services Needs Update.

**Arts Commission** – *The Arts Commission provides funding recommendations for arts acquisitions as well as allocations to arts groups.*

The Arts Commission advises the Planning and Community Development department on how to spend the currently appropriated funds in the Arts Grants program and the Capital Investment Programs Public Art Program (CIP Plan CD-11). This advisement will go to Council in the form of budget level recommendations in December. The Commission also evaluates the levels of need relative to available funding and makes a recommendation during the Budget One process.