



City of Seattle
City Budget Office
Beth Goldberg, Director

A Resident's Guide to the City Budget and Budget Process (2013-2014)

City Government

The City of Seattle provides many services, including police protection, fire fighting, emergency medical services, parks, libraries, and some human service programs. The City also supplies and charges for electricity, water, sewer, recycling, and trash collection services. The City of Seattle does not operate schools, colleges, or the bus system. Seattle Public Schools is a separate government that operates the public schools. King County is responsible for the bus system, sewage treatment, and Superior and District courts. Washington State government provides money for universities, community colleges, and most health and human service programs. The City gets money from taxes, including taxes on property, retail sales, and businesses. The City also charges fees for some programs and activities, such as utilities, swimming pools, and building permits.

The City's Budget Process at a Glance

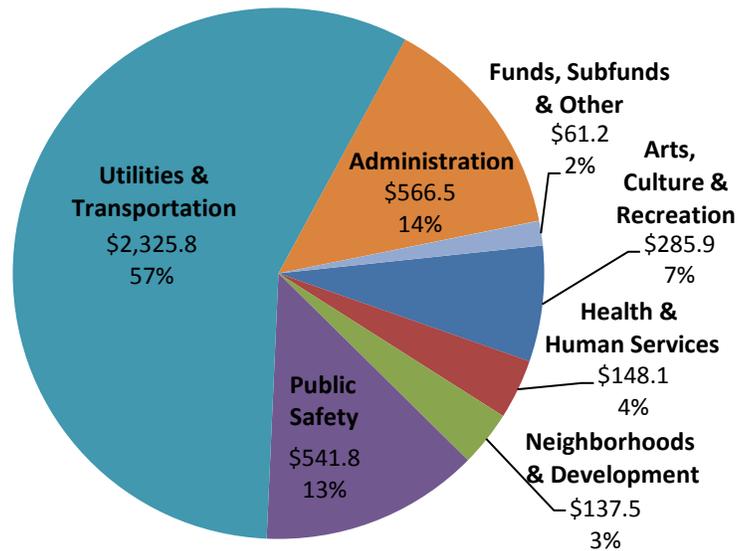
The Mayor of Seattle is responsible for managing City government. Every year the Mayor proposes a budget to the City Council. The nine members of the City Council establish policy for the City government. The City Council reviews the Mayor's proposed budget, makes changes, and approves the final budget. Before it votes, the City Council holds public meetings to hear directly from residents about how they think the City's money should be spent. Most people focus on the "General Fund" portion of the City budget because this provides traditional city government services, such as police, fire, parks and libraries. But, the City also has other funds through which resources for City services are allocated, including: the City Light fund, the transportation fund, and the water, solid waste and drainage & wastewater funds. Washington state law requires Seattle to adopt a budget by December 2 each year for the upcoming year. The budget must be balanced, with revenues at least equal to

City Budget Office Contact Information

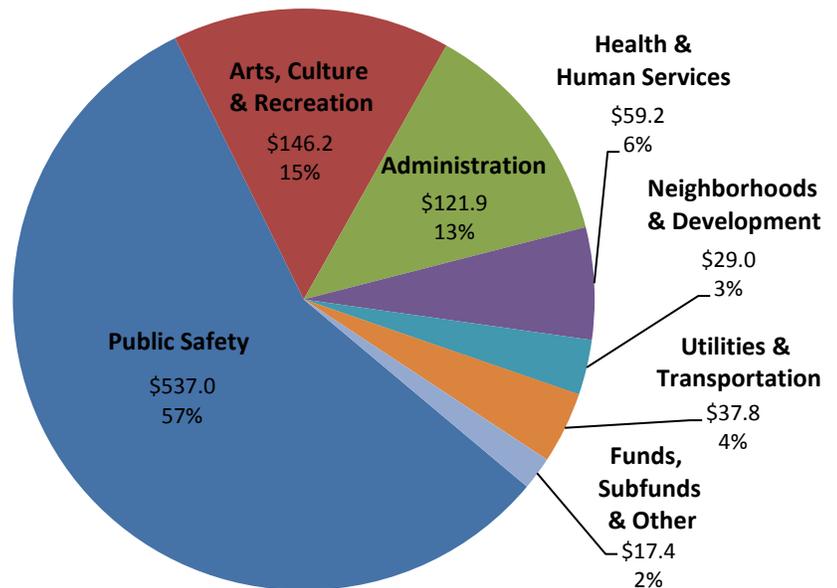
206-615-1962

<http://www.seattle.gov/financedepartment>

2013 Adopted Expenditures - All Funds \$4.0 Billion (in millions of dollars)



2013 Adopted General Fund Expenditures \$948.6 Million (in millions of dollars)



spending. Spending amounts, known as “appropriations,” are established when the budget is adopted by the City Council, and cannot be changed without further votes by the City Council.

Budget Preparation

Work on the Mayor’s proposed budget generally starts in February and finishes when it is given to the City Council, usually on the last Monday in September. Two documents are submitted: an “operating budget” and a “capital improvement program” (CIP). The budget covers all City operations and provides legal authority for spending once it is adopted by the City Council. The CIP is a companion to the budget and provides information about all the City’s capital projects. Capital projects are those that fix, improve or add to the City’s facilities. New libraries, street repairs, sidewalks, water pipes, park improvements, and fire stations are all examples of CIP projects. The CIP plans six years ahead and is updated each year. The CIP is a planning tool, supporting the actual appropriations made through the budget.

To prepare the budget, the City Budget Office (CBO) starts with a “baseline” budget, which is based on what it is expected to cost to continue “current services.” Current services include programs and services the City provided in the previous year, as well as commitments that will affect costs in the next year, such as voter-approved taxes for transportation improvements, as well as labor agreements and changes in health care and other costs.

The City prepares two revenue forecasts, one in April and one in August, which are used to decide whether the City will have enough money to cover the expected costs of the “current services” budget. The revenue estimates are based on the prior 12 months of experience. Once the Mayor knows how much money is expected to be available, he or she can decide if something needs to be cut from the budget, or can be added, or if a new revenue source, such as a fee increase, needs to be proposed to cover services the Mayor wants to offer.

In May, departments provide CBO with a preview of requested changes to their current budgets. CBO and the Mayor review these requests and provide guidance to departments in June. In early July, CBO receives budget and CIP proposals from all departments. CBO and the Mayor review and evaluate department budget proposals, and balance these with available revenue.

Once the Mayor has made decisions, CBO works with the departments to prepare the proposed budget and CIP. Seattle’s budget and CIP also describe how grant funds will be spent. The City receives grants and other money from the federal and state governments. Most grants go for specified human services programs or transportation projects. In late September, the Mayor submits the proposed budget and CIP to the City Council.

Budget Adoption

After the Mayor submits the proposed budget and CIP, the City Council conducts public hearings to hear directly from residents. City Councilmembers then recommend specific budget actions for consideration by their colleagues. After hearing from residents, and reviewing and evaluating the proposed budget, the Council decides what changes it wants to make to the proposed budget. The City Council usually adopts the budget in late November. The budget must be passed by majority vote – at least five of the nine Councilmembers. The Mayor can choose to approve the Council’s budget, veto it, or let it become law without his or her signature. Copies of budget documents are available for public inspection at the Seattle Public Library’s Central Library and on the Internet at <http://www.seattle.gov/financedepartment>.

Making Your Voice Heard

Seattle residents have several opportunities during Seattle’s budget process each year to tell the Mayor and City Council how they want their dollars spent. In addition to the special public meetings the Council holds each fall, residents can call and/or write the Mayor and City Council throughout the year. To have an impact on the Mayor’s proposal, residents are urged to contact the Mayor as early in the year as possible.

The City Neighborhood Council (CNC) also offers another way for residents to provide input on the City’s budget. The CNC is a resident-led advisory group and its members are elected from each of the City’s 13 neighborhood districts. The CNC holds its annual budget meeting in February. The CNC then sends a letter to the Mayor and City Council outlining its budget priorities for the year. In March and April, the neighborhood councils meet. The councils, as well as individuals, can make recommendations directly to departments and/or the Mayor on their budget priorities.

City Budget Office Contact Information

206-615-1962

<http://www.seattle.gov/financedepartment>