



MEMORANDUM

Phone: 452-5377
Date: September 14, 2010
To: Parks & Community Services Board
From: Doug Sanner, Fiscal Manager, Parks & Community Services
Subject: Budget Update: 2011-2017 Parks Capital Investment Program (CIP) and 2011-2012 Operating Budget *(No Board action requested)*

At your September 14 meeting staff will provide an overview of the information presented to City Council at their August 4 budget workshop. As we discussed with the Board on May 11, Council has requested that the Board play an advisory role in reviewing the proposed list of capital projects for recommendation to Council. While the Preliminary Budget (including the “proposed list of capital projects”) will not be available until later this fall, staff will review the capital budget recommendations developed by a group of Department Directors responsible for the major capital programs. This presentation is informational, and we welcome your questions and feedback. Ultimately, the Parks & Community Services Board will have the opportunity to comment on the City’s budget before it is adopted in December 2010.

Background

The budget is one of the City’s key policy documents. The process for developing the 2011-2012 Operating Budget and 2011-2017 CIP, known as “Budget One”, aligns the City’s operating and capital budgets with outcomes valued by the community and endorsed by Council. On February 8, Council identified seven community outcomes, which form the basis for developing the City budget:

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

On April 26, the City Finance Department updated the City’s financial forecast. A revised forecast, including both operating and capital funds, will be presented to Council on September 27. Executive summary information from the initial forecast is provided below:

- The economic recession has eroded Bellevue’s tax base. Regional economists anticipate that recovery will be slow and Bellevue will take years to fully recover.
- The 2011-2012 General Fund budget gap is estimated at \$20.1 million for the next two years.

On August 4, Council held a budget workshop in which Council received an update from the Results Teams and the Leadership Team on the status of preliminary work that will be considered for the development of the Preliminary Budget later this fall. While the Council workshop information is available on the City internet (<http://www.bellevuewa.gov/Agendas/CityCouncilBudgetRetreat8-4-10.pdf>), this document is generally organized by the seven outcome areas. On September 14, our presentation will summarize this document for you, providing an overview of the department’s overall budget approach, the potential impacts to parks capital and operating budgets, and a review of the next steps in the overall budget process.

