

In 1998 the City of Seattle embarked on an effort to align the budgetary decision-making process with a more complete understanding of the outcomes that each City program achieves. This approach, established under the City's Managing for Results (MFR) initiative, forms the basis for this budget document. The City's budget process no longer focuses merely on how much we spend, but rather on what is achieved through that spending.

In keeping with the principles of MFR, this budget document is less concerned with organizational units themselves than with the functions that those units serve and how they ultimately perform. This reader's guide describes the resulting structure of the 2001 Adopted and 2002 Endorsed Budget and outlines its contents. It is designed to help citizens and City officials more easily understand and participate in budget deliberations.

A companion document, the 2001-2006 Capital Improvement Program (CIP), identifies proposed expenditures and fund sources associated with the development and rehabilitation of major City facilities such as streets, parks, utilities, and buildings over the coming six years. The CIP also shows the City's financial contribution to projects owned and operated by other jurisdictions or institutions. The CIP fulfills the budgeting and financing requirements of the Capital Facilities Element of Seattle's Comprehensive Plan by providing detailed information on the capacity impact of new and improved capital facilities.

Both the 2001 Adopted and 2002 Endorsed Budget and the 2001-2006 Capital Improvement Program display budget figures in the thousands of dollars. Occasionally the rounding of the underlying numbers will result in tables where the sum of the items displayed is not exactly equal to the total shown.

## **The 2001 Adopted and 2002 Endorsed Budget**

This document is a detailed record of the spending plan proposed by the Mayor and adopted (2001) and endorsed (2002) by the City Council.

The remainder of the 2001 Adopted and 2002 Endorsed Budget contains the following elements:

- Selected Financial Policies – a description of the policies that govern the City's approach to revenue estimation, debt management, expenditure projections, maintenance of fund balances, and other financial responsibilities;
- Budget Process – a description of the process under which the 2001 Adopted and 2002 Endorsed Budget and 2001-2006 Capital Improvement Program were developed;
- Summary Tables – a set of tables that inventory and sum up expected revenues and proposed spending for the 2001-2002 biennium;
- Budget Overview – a narrative that spotlights the priorities reflected in the proposed budget and explains the most important elements of the detailed departmental budgets;
- City Revenue Overview – a narrative that explains where the City's revenues come from and the factors that affect the level of resources available to support City spending;
- Departmental Budgets – City departmental-level narratives that describe the services provided, the results desired, and the spending levels proposed to attain these results; and

# Reader's Guide

- Appendix – an array of supporting documents that provide detailed numerical data and other supporting information.

## Departmental Budgets: A Closer Look

The budget presentations for individual City departments (including offices, boards, and commissions) form the heart of this document. They are organized alphabetically within six functional clusters:

- Arts, Culture, & Recreation;
- Health & Human Services;
- Neighborhoods & Development;
- Public Safety;
- Utilities & Transportation; and
- Administration.

Each cluster comprises several departments that share a related functional focus, as shown on the organizational chart that follows this reader's guide. In accordance with the MFR initiative, departments are comprised of one or more lines of business, which in turn are comprised of several programs.

## Managing for Results

To implement the MFR initiative, all City departments prepared a results-oriented MFR business plan. Each departmental business plan includes a mix of strategic and operational elements. Strategically, business plans include department mission statements as well as department-level goals. Operationally, each plan organizes common groups of services that departments provide to their customers into programs, and those programs are then grouped into lines of business. Each department is made up of one or more lines of business. Purpose statements and performance measures are associated with each departmental program.

This budget document culls out some of the most important or well-established performance measures and describes them at the line of business level. Many of these measures are identical to the goal, action, result, and measure (GARM) statements that were included in the 1999 Adopted Budget document. Readers should be aware, however, that this performance-based information represents, by necessity, only a fraction of the information presented in the departments' business plans. Departments have completed or are working on business plans that include this more detailed information.

## Budget Presentations

Most department-level budget presentations lead off with a statement of the department's mission and its goals. A table that summarizes historical and adopted or endorsed expenditures and associated appropriations for the years 1999 through 2002 follows. The adopted department-wide budget totals are broken down by lines of

business, which serve as the ultimate level of budget control – that is, the level at which the City Council makes appropriations.

Information on the department's individual lines of business and associated programs follows the departmental summary sheet. Narrative related to a given line of business includes a purpose statement and a statement of key performance targets. These targets typically represent a selection of the quantitative outcomes identified at the program level. Readers should note, however, that in cases where a department is still gathering the data necessary to establish measurable targets, the narrative may indicate a more general statement of intent. The budget figures shown at the line of business level are in turn stratified by the individual programs that collectively support the line of business' ability to achieve the stated targets.

The final tier of detail appears at the program level. In addition to a program-level purpose statement, readers will find a description of program highlights. These highlights describe the most important services provided by the program, indicate any significant shifts in emphasis or activities, and explain the basis for any substantial change in the program's budget from the prior biennium. The budget figures shown at the program level are broken down by the source of funding: General Subfund or other funds.

Information on the number of staff positions to be funded under the adopted or endorsed budget appears at each of the three levels of detail: department, line of business, and program. These figures refer to regular, permanent staff positions (as opposed to temporary or intermittent positions) and are expressed in terms of full-time equivalent employees, or FTEs. Department-wide increases or decreases in regular permanent staffing are summarized on a separate sheet near the end of each departmental budget under the heading "Position Changes." These changes are shown at the program level and are subsequently added to or subtracted from the number of positions active in the prior year to indicate the total number of employees to serve the department in the years 2001 and 2002.

Some departmental sections close with one or two additional pieces of information: (1) a statement of actual or projected revenues for the years 1999 through 2002; and (2) a statement of appropriations to support capital projects appearing in the 2001-2006 CIP. Readers should note that an explicit discussion of the operating and maintenance costs associated with new capital expenditures appears in the CIP document itself.

## Appendix

The appendix to this document provides detailed supporting information. This information includes a detailed breakdown of tax receipts and other revenue deposited in the City's General Subfund; the status (including balances) of other City subfunds and special funds; debt service tables displaying principal and interest payments due on the City's general obligation and revenue bond issues; a tally of citywide staff positions and salary ranges; a glossary; and an overview of relevant demographic and economic statistics.

# Organizational Chart

