

2014 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title:

AN ORDINANCE related to the school camera revenue financial policies; amending Section 5.81.010 of the Seattle Municipal Code to use forecasted revenues in the proposed budget year for planning purposes rather than prior year's revenues.

Summary of the Legislation:

This legislation amends the school cameras revenue financial policies in Section 5.81.010 of the Seattle Municipal Code (SMC) to enable the Executive Department to propose budget appropriations in line with forecasted revenues for the year they will be spent.

The legislation also makes a technical correction to SMC 5.81.010.D to eliminate an incorrect cross-reference to the ordinance (Ordinance 12430) and replaces it with language on eligible uses of the fund in the SMC itself in Section 5.81.010.D.

Background:

In July 2013, Council passed Ordinance 124230 which creates a new fund to place revenues associated with school cameras beginning January 1, 2014. Expenditures from this fund will be guided by financial policies defined in SMC Section 5.81.010.

Subsection B indicates that the Executive will propose budget appropriations based on the anticipated revenues to be received in the prior year. Analysis of the trends of camera revenue in other municipalities suggests that while revenue will increase initially after a camera is installed, revenues in subsequent years will decline as driver behavior changes. While using the prior year anticipated revenues may serve as a starting point for planning, using trends as seen in other camera utilizing municipalities will result in more accurate revenue forecasts. This will prevent the Executive Department, and then the City Council, from over appropriating funding in the Adopted Budget as revenues decline.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
None.
- b) **What is the financial cost of not implementing the legislation?**
The Executive Department may propose and the City Council may adopt a budget that over appropriates expected revenue from school cameras.
- c) **Does this legislation affect any departments besides the originating department?**
This legislation affects Seattle Police Department, Seattle Municipal Court and Seattle Department of Transportation as the three main recipients of the school camera revenue.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
None.
- e) **Is a public hearing required for this legislation?**
No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- g) **Does this legislation affect a piece of property?**
No.
- h) **Other Issues:**
None.

List attachments to the fiscal note below:

None.