

## Chapter 6

# Municipal budgeting and fiscal management

Many people choose to run for political office because they want to make positive change in their community. It quickly becomes apparent that nearly all changes to city policy require changes in the city budget. So to be effective, an elected official has to master the budget process. There are plenty of resources to help do this.

---

### Overall fiscal management resources

- Municipal Research and Services Center (MRSC)
- Washington Finance Officers Association (WFOA)
- Washington Municipal Treasurer's Association (WMTA) (see also: Washington Public Treasurer's)
- Government Finance Officers Association (GFOA) publication series for elected officials
- Local Government Performance Center (SAO)

---

### The city budget

The city's operating budget is a city's road map throughout the year. The budget is:

- A reflection of the city's priorities and policies;
- Legal authority for city officials to incur and pay expenses;
- A system for allocation of funds to different areas; and
- A document that establishes control over how much money may be spent.

In many cities, the budget has evolved from a document composed of a bunch of numbers to one that reflects the city's overall direction. Budgets can include mission statements, goals, and objectives that convey the city's vision to citizens. In the budget, elected officials can explain their reasons for allocating resources in the manner they did. It can also be an evaluation tool, comparing commitments made in the previous year's budget with actual accomplishments.

State law dictates some of the major steps in the budget preparation process and in the timing of budget decisions. Be sure you pay attention to these important steps.

## Budget Calendar

### *Budget Suggestions, MRSC*

Major steps in budget preparation	State law time limitations
1. Request by clerk to all department heads and those in charge of municipal offices to prepare detailed estimates of revenues and expenditures for next fiscal year (calendar year).	By second Monday in September.
2. Estimates are to be filed with the clerk.	By fourth Monday in September.
3. Estimates are presented to the chief administrative officer (CAO) for modifications, revisions or additions. Clerk must submit to CAO proposed preliminary budget setting forth the complete financial program, showing expenditures requested by each department and sources of revenue by which each such program is proposed to be financed.	On or before the first business day in the third month prior to beginning of the fiscal year.
4. CAO provides the legislative body with current information on estimates of revenues from all sources as adopted in the budget for the current year. CAO also provides the legislative body with the clerk's proposed preliminary budget setting forth the complete financial program, showing expenditures requested by each department and sources of revenue by which each such program is proposed to be financed.	No later than the first Monday in October.
5. The legislative body must hold a public hearing on revenue sources for the coming year's budget, including consideration of possible increases in property tax revenues. (Chapter 251, Laws of 1995. codified as RCW 84.55.120.)	Before legislative body votes on property tax levy. Deadlines for levy setting are in item 8 below.
6. CAO prepares preliminary budget and budget message and files with the city legislative body and city clerk.	At least 60 days before the ensuing fiscal year.
7. Clerk publishes notice that preliminary budget has been filed and publishes notice of public hearing on final budget once a week for two consecutive weeks.	No later than the first two weeks in November.
8. Setting property tax levies.	November 30 for <i>all</i> cities and towns.
9. The legislative body, or a committee thereof, must schedule hearings on the budget or parts of the budget and may require the presence of department heads.	Prior to the final hearing.
10. Copies of proposed (preliminary) budget made available to the public.	No later than six weeks before January 1.
11. Final hearing on proposed budget.	On or before first Monday of December, and may be continued from day-to-day but no later than the 25th day prior to next fiscal year.
12. Adoption of budget for the following year.	Following the public hearing and prior to beginning of the ensuing fiscal year.
13. Copies of final budget to be transmitted to the State Auditor's Office and to MRSC.	

## **Staying up to date**

Most cities do their budget on an annual basis (or every other year for cities using a biennial budget). Budgets can be affected by new state or federal legislation, voter-approved initiatives, and/or court rulings. MRSC's Budget Suggestions is released annually to help cities understand legal changes that could affect the budget. AWC's Legislative Bulletin provides ongoing updates about proposed legislation that can also affect the budget.

---

## **Excerpt from "Budgeting," *Finance Advisor*, MRSC**

### **Budgeting Basics**

The budget process is typically thought of as a financial activity done to satisfy state law, however it is also the process of planning for the future. A city cannot implement any project, program or plan without a formally adopted budget ordinance that authorizes the appropriation. The budget planning process determines the types and levels of services that can and will be provided by the city given the resources available. Consideration should be given to all of the departments, programs and services provided by your city to determine whether or not there are sufficient resources to continue, maintain, expand or reduce those services.

### **Essential Elements of the Budget Process**

There are five elements of the budget process that are considered essential:

1. Establishing priorities (goal/vision statement) - to provide a sense of direction.
2. Determining capital needs to provide short and long-term budgeting strategies.
3. Realistic revenue forecasting - based upon both qualitative and quantitative forecasting methods that use common sense tests, local resources and documentation as a basis for forecasting.
4. Budget proposals with level of service objectives - budget proposals that clearly reflect the priorities, goals and visions of the city.
5. Timely presentation of plans and financial data - adherence to the budget calendar and transmittal of financial data to the public, council and staff.

The budget process should allow decision makers to see how resources are being used to meet the goals and objectives of the community and that those objectives are balanced with the resources available to provide the required level of service.

---

## **Budgeting guidelines for elected officials**

1. The adoption of the annual budget is generally the single most important issue to be addressed. It is required that each city adopts an annual (or biennial) budget, and without doing so, the city cannot expend resources.
2. The budget should be a reflection of the community's priorities, and elected officials should recognize that those priorities change over time.
3. Virtually all small cities engage in "incremental" budgeting. The base tends to be fixed, and annual budgets generally only add or subtract programs and levels of expenditures at the margin.
4. City officials should recognize that there is interdependence between capital and operations and maintenance expenditures. New capital expenditures can reduce ongoing expenditures, and failure to properly invest in capital assets can increase ongoing expenditures. Failure of a city to repave thoroughfares can result in increased expenditures for patching and other related costs. It can be very dangerous to continually defer necessary capital expenditures.
5. The budget process can be contentious and combative, and in an environment of shrinking revenues few city officials are satisfied with the outcome.
6. Elected officials should avoid using the budget to drive public policy determinations. Such determinations should be established outside of the budgetary process, subject to an open public process, and then implemented in the budget.
7. There will never be sufficient city resources to address all of the demands and expectations of the citizenry. Budgeting is about making choices and establishing priorities in an environment of limited fiscal resources.
8. Finally, city officials need to openly communicate with their citizens the fiscal limitations of their city, and why they're unable to satisfy everyone's expectations.

---

## Financial management

Cities are fiscally accountable to their local taxpayers. Accounting and financial reporting standards offer consistency among government entities in providing information to citizens.

The State Auditor enforces accounting requirements and prescribed reporting. Cities can choose whether to prepare and report financial statements and notes using generally accepted accounting principles (GAAP) or with another comprehensive basis of accounting (OCBOA) also known as “cash basis,” which is further outlined in the Budgeting, Accounting, and Reporting System (BARS) manual. Local governments can choose what method best meets their needs.

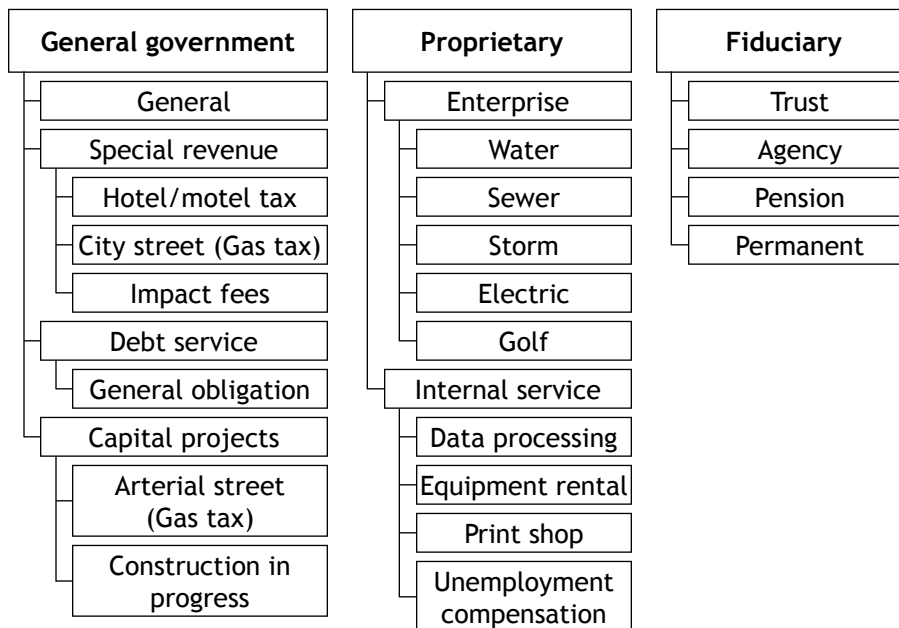
The General Accounting Office (GAO) is the federal body that oversees and prescribes the generally accepted accounting practices (GAAP) used by all governmental entities.

Fund accounting, which is unique to government, earmarks revenues and assets, requiring separate recordkeeping for different pots of money. The emphasis is to show a segregation of resources by specific activities.

“Funds” are independent accounts that represent a portion of a city’s activities that cannot be commingled with other accounts. For example, user fees charged to water customers are segregated into a utility fund to clearly illustrate that resources developed by these user fees have not inappropriately subsidized another city function.

### Fund types

There are three basic categories of funds. Within each of these categories there are different fund types and revenues.



---

## Reporting requirements

The receipt of timely and accurate financial information is a key component in the financial management system. There are several statutes within the RCW (Revised Code of Washington) that address the reporting of financial information for local governments. These statutes assure the accountability of public monies and assure that financial reports are published to provide all the details of the financial administration of public affairs.

At the end of every fiscal year, the city clerk (or assignee) must make a full and detailed statement of receipts and expenditures of the preceding year, and a full statement of the city's financial condition. The clerk must also submit a report showing the expenditures against each separate budget appropriation, no less than quarterly, to the council and chief administrative officer (which may be the mayor or the city manager). The report must also show the receipts from all sources.

The Annual Financial Report provides a summary of all of the revenues and expenditures of the city for the fiscal year (January 1 through December 31). The report also includes pertinent financial data regarding the city's outstanding debt, grant expenditures, budget appropriations and other relevant financial information.

Appropriate oversight and management of these reports is a key component of good financial management. Auditing standards reinforce the responsibility of management for oversight and review of the financial reporting process and must be considered during the audit process.



Carbonado Town Hall

---

## State audit process

In Washington, governmental audits are done by the State Auditor. The audit process assures citizens that cities are following accounting rules, standards and laws. It also provides an opportunity for city officials to evaluate internal controls and make changes in systems as needed.

By law, the State Auditor prescribes a uniform system of accounting and reporting for all cities. Every city is required to submit financial reports covering each fiscal year. The reports must contain:

1. Accurate statements of collections or receipts, all accounts due to the public treasury, and all expenditures;
2. An income and costs statement of public service enterprises owned and operated by a local government;
3. A schedule of the city's debt;
4. A detailed statement of all revenues and expenditures; and
5. A schedule of all expenditures for labor relations consultants.

### **Audits generally consist of several phases:**

**Entrance conference:** This is the first in a series of opportunities to communicate with the audit liaison.

**Audit progress meetings and pre-exit conference:** These meetings are scheduled as determined by both the city and the auditor. The idea is for the city to be fully aware of all significant matters before the audit report is drafted.

**Exit conference:** This conference is often attended by the auditor, mayor, city administrator/manager and elected officials. The conference is held before the final report is issued. Some items that are not significant enough to report will be provided in a management letter or as an exit item (e.g. a recommendation for stronger internal controls). Items such as the audit objectives, areas of improvement, findings, conclusions and recommendations are all addressed during this meeting.

**Final notification of audit report:** Once the final audit report is issued, a city is expected to provide a formal response to any findings, conclusions or recommendations in seven to 30 business days. Elected officials should be aware of all findings and any conclusions or recommendations made.

**Plan ahead!** Audits can be expensive. They can also involve a lot of staff time in preparing for and working with the auditors. City officials should be aware of their audit schedule and remember to budget for this.

---

## Performance audits

In 2005, Washington voters approved Initiative 900. This initiative mandated that “the State Auditor shall conduct independent, comprehensive performance audits of state government and each of its agencies, accounts, and programs...” These audits include local governments. This mandate was accompanied in the initiative by a redirection of a small portion of the state sales tax to defray the added costs of state and local performance audits.

The initiative requires each performance audit to include, but not be limited to:

1. Identification of cost savings;
2. Identification of services that can be reduced or eliminated;
3. Identification of programs or services that can be transferred to the private sector;
4. Analysis of gaps or overlaps in programs or services and recommendations to correct them;
5. Feasibility of pooling the entity’s information and technology systems;
6. Analysis of the roles and functions of the entity and recommendations to change or eliminate roles or functions;
7. Recommendations for statutory or regulatory changes that may be necessary for the entity to properly carry out its functions;
8. Analysis of the entity’s performance data, performance measures and self-assessment systems; and
9. Identification of best practices.



Lyman City Hall



---

## Long-range financial planning

Although city budgets are required to be completed annually (or every two years if your city has adopted by ordinance a biannual budget process) there is considerable value in longer-range financial planning. It is important to plan for multi-year projects and forecast revenues for a greater period of time than the coming year.

A strategic plan can help a city council and staff identify future needs. It allows the city to begin preparing for a project before funds are needed. Capital improvement plans are often completed over a five-year period or longer. Since projects such as streets, new utility systems and city halls often require a great deal of capital spending, it can be helpful to plan for these projects on a long-range basis. Read more about strategic plans in Chapter 4.

Similarly, a strategic plan can help estimate revenues over future years and help to understand the city's tax base. An understanding of revenue trends can help policymakers avoid future disruptions, such as hiring staff in one fiscal year, then laying them off two years later due to declining revenues. It can also help city officials understand and plan for shifting revenue trends, such as an increasing sales tax base or a declining property tax base. Having a realistic outlook of these tax bases, and incorporating that understanding into the budget early can help avoid crisis in years to come.

Items that can be helpful in making these long-term financial estimates are:

- City revenue trends over the past ten years
- Construction activity (residential and commercial)
- Property valuation
- Inflation rates
- Utility rates
- School enrollment
- Tourism activity

### Planning for major projects

The state's Growth Management Act (GMA) requires communities to plan ahead for infrastructure needs. Planning for capital facilities is a key part of the comprehensive planning process. This required six-year plan allows cities to define acceptable service level standards for residents and businesses, as well as how they plan to pay for these services. Exploring these options together often helps cities in their long-range financial planning efforts. Read more about the GMA in Chapter 10.

---

## **General taxing authority**

The authority for cities to levy various taxes comes from state law. These laws determine the taxing limits, restrictions, exemptions, and collections. Some of the primary revenue sources for cities include the following:

### **Regular property tax levy**

The maximum levy for most cities is \$3.375 per thousand dollars of assessed value (AV). Cities with a pre-LEOFF fire pension system can levy an additional \$0.225 per thousand dollars AV, resulting in a maximum levy of \$3.60 per thousand dollars AV. Cities annexed to fire or library districts have a maximum rate up to \$3.60 minus the library and/or fire district/regional fire authorities' rate. If a city has a firemen's pension fund and is annexed to a fire and/or library district, the maximum is \$3.825 minus the fire and/or library district rate. Library districts can levy up to \$0.50 per thousand dollars AV, and fire districts/regional fire authorities can levy up to \$1.50 per thousand dollars AV.

### **Retail sales and use tax**

Cities are authorized to levy a basic 0.5% sales and use tax plus an optional tax at rates ranging from 0.1% to 0.5%. For each portion of the sales and use tax (the basic or optional), the county receives 0.015%. Therefore, the maximum effective rate a city can levy is 0.850%. Other local sales taxes apply with different distribution formulas (e.g. criminal justice). Cities that don't levy the optional 0.5% sales tax (that are located within counties that also do not levy the optional 0.5% sales tax) are authorized to levy an additional 0.5% real estate excise tax for general purposes.

### **Business and occupation (B&O) taxes and business licenses**

These taxes come in three forms:

- Excise taxes levied on different classes of business to raise revenue (general business and occupation taxes) limited to 0.002% of gross receipts unless grandfathered or voter-approved.
- Business license fees with a flat fee.
- Business license fees based on the number of employees, type of business, square footage, or some combination thereof.

### **Utility taxes**

Taxes can be levied on the gross operating revenues earned by private and public utilities from operations within the boundaries of a city, and by a city's own municipal utilities. Telephone, including cellular and pager services, electric and natural gas are limited to 6%. Cities may ask voters to approve a rate higher than 6%. There are no restrictions on the tax rates for cable and garbage, water, sewer and stormwater utilities. Cities cannot, however, tax water and/or sewer services provided by another city, water or sewer district. Cable franchise fees are limited by federal law to 5%.

Other taxes cities have the authority to impose include emergency medical services, real estate excise taxes, hotel-motel taxes, and a gambling tax.

---

## Managing city debt

When city officials decide to build capital projects, they face a number of financing options, including different ways to borrow. Going into debt to finance a large project can make sense, and spread the project's financial burden out over many years so future users help pay for the project. Borrowing can also prevent depletion of a city's reserves. Projects can be built as they are needed and the benefits can be received sooner without waiting for funds to accumulate.

### Long-term borrowing

**General Obligation Bonds** are backed by full faith and credit of the city.

There are two types:

- Councilmanic bonds are issued by a vote of the city council, backed by general fund revenues when voters have not been asked to pay increased property taxes. These may be used for any city purpose; they do not have to be for capital projects.
- Unlimited General Obligation Bonds must be approved by 60% majority of voters. This option raises property tax to pay for projects, and is only used for capital purposes.

**Revenue Bonds** finance projects for any city enterprise that is self-supporting (water/wastewater/golf courses). Payment comes from user fees; so the debt is not backed by the full faith and credit of the city. Investors consider these somewhat less secure than general obligation bonds.

### Debt capacity

The amount a city can borrow using general obligation debt and the purposes for which a city can borrow are governed by state laws and the State Constitution. A city's debt limitations or debt capacity are subject to two sets of restrictions. First, debt limits set the maximum amount of general obligation debt that a city can have outstanding at any one time. Second, debt limits restrict how much of this capacity can be used for various purposes. There are no debt limits for revenue bonds.

City debt can be used for three purposes:

- General government (both voted and councilmanic capacity)
- Municipally-owned water, sewer, or electric facilities (voted debt capacity)
- Providing open space and parks (voted debt capacity)

In certain circumstances the state will allow cities to access debt through state programs such as the Treasurer's Local Option Capital Asset Lending (LOCAL) program or the Public Works Trust Fund.

Cities can borrow up to 2.5% of assessed property valuation, minus the amount of debt already issued, plus certain net assets available for debt service funds. But just because your city is allowed to borrow a certain amount doesn't always mean those limits should be used to their maximum extent.

---

## Questions Every City Should Consider

### *From A Debt Primer for Washington's Cities and Towns, MRSC*

- What are the acceptable uses of short-term debt?
- How much does your city want to rely on "pay as you go" versus "pay as you use" financing?
- What is the appropriate term of bond or loan?
- What should non-voted debt be used for and when?
- What consideration should be given to operating costs?
- What should the overall debt structure be?
- How should self-supporting projects, like utility projects, be financed?
- How much coverage should utility bonds have?
- What policies should be set for selling bonds with a negotiated, versus a competitive sale?
- How much general obligation debt can a city safely issue?

---

## Grants and loan opportunities

Many cities seek funding from grants and low-interest loans to augment infrastructure, capital improvement, and economic development activities. Many state agencies offer grant opportunities on a regular basis to cities. However, funding is limited and competition is great. Foundation and federal grants and loans are also another source of potential project revenue for cities.

However, there is no such thing as "free" money. Grant awards require the commitment of human, technical, and often financial resources for successful project management and grant administration. It is important to consider the capacity to effectively manage the activities and requirements of a grant or award before applying, and budget for audit costs and staff time to administer the grant. There are also long-term costs associated with grant-funded projects. Is there existing or new revenue adequate to maintain a program or service once grant funds expire?

Capacity may be enhanced by partnering with other organizations or by contracting out grant management. It can be helpful for a community to have an interlocal agreement that promotes a multi-jurisdictional grant-funded project and fund development for work that crosses municipal boundaries (e.g. telecommunications, floodplain management, open space). Such collaboration may increase the competitiveness of a proposal, increase the efficiency of program management, and increase the success of project outcomes.

---

## Resources

### ***Budget Suggestions for 2016***, MRSC

[google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwiDu9f6pPMAhVH02MKHfTqB8IQFggcMAA&url=http%3A%2F%2Fmrrsc.org%2Fgetdoc%2F0f7b5913-f692-44a7-9ff0-edb48ca4edfe%2FBudget-Suggestions-for-2015%2C-August-2014.aspx&usg=AFQjCNGD\\_MCzZlpLYiU-ptHqjzkiRQmDMQ&sig2=DtNPjSbneWm1k5UTfneSCQ&bvm=bv.119745492,d.cGc](http://google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwiDu9f6pPMAhVH02MKHfTqB8IQFggcMAA&url=http%3A%2F%2Fmrrsc.org%2Fgetdoc%2F0f7b5913-f692-44a7-9ff0-edb48ca4edfe%2FBudget-Suggestions-for-2015%2C-August-2014.aspx&usg=AFQjCNGD_MCzZlpLYiU-ptHqjzkiRQmDMQ&sig2=DtNPjSbneWm1k5UTfneSCQ&bvm=bv.119745492,d.cGc)

### **Communicating your Budget to the Public** topic page,

[mrrsc.org/Home/Explore-Topics/Governance/Citizen-Participation-and-Engagement/Effective-Communication-and-Public-Participation/Communicating-About-Government-Spending-\(What-We-G.aspx](http://mrrsc.org/Home/Explore-Topics/Governance/Citizen-Participation-and-Engagement/Effective-Communication-and-Public-Participation/Communicating-About-Government-Spending-(What-We-G.aspx)

### **Local Government Financial Reporting System**, State Auditor's Office (SAO)

[sao.wa.gov/local/Pages/LGFRS.aspx#.VxKMbWzmrid](http://sao.wa.gov/local/Pages/LGFRS.aspx#.VxKMbWzmrid)

### **Municipal Budgeting and Fiscal Management Workshop**, AWC

[awcnet.org/TrainingEducation/Calendar/MunicipalBudgetingFiscalManagement.aspx](http://awcnet.org/TrainingEducation/Calendar/MunicipalBudgetingFiscalManagement.aspx)

### **Recommended Budgeting Practices**, Government Finance Officers Association (GFOA)

[google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwjTo8-S6pPMAhUI2WMKHU95BQoQFggcMAA&url=http%3A%2F%2Fwww.gfoa.org%2Fsites%2Fdefault%2Ffiles%2FRecommendedBudgetPractices.pdf&usg=AFQjCNH0rtGa3QU-CqtFBHGXdqaCW4zlSA&sig2=OXiK5D7UDJNeRevi2IMwca](http://google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwjTo8-S6pPMAhUI2WMKHU95BQoQFggcMAA&url=http%3A%2F%2Fwww.gfoa.org%2Fsites%2Fdefault%2Ffiles%2FRecommendedBudgetPractices.pdf&usg=AFQjCNH0rtGa3QU-CqtFBHGXdqaCW4zlSA&sig2=OXiK5D7UDJNeRevi2IMwca)

### **Revenue Guide**, MRSC

[mrrsc.org/getmedia/d3f7f211-fc63-4b7a-b362-cb17993d5fe5/revenueguide\\_city.pdf.aspx?ext=.pdf](http://mrrsc.org/getmedia/d3f7f211-fc63-4b7a-b362-cb17993d5fe5/revenueguide_city.pdf.aspx?ext=.pdf)

### **Salary and Benefits Survey**, AWC

[awcnet.org/DataResources/resourcesbytopic/SalaryBenefitSurvey.aspx](http://awcnet.org/DataResources/resourcesbytopic/SalaryBenefitSurvey.aspx)

### **Utility Rates Survey**, AWC

[awcnet.org/DataResources/resourcesbytopic/TaxandUserFeeSurvey.aspx](http://awcnet.org/DataResources/resourcesbytopic/TaxandUserFeeSurvey.aspx)

## **State audit process**

### **Audit Connection Newsletter**, State Auditor's Office (SAO)

[sao.wa.gov/resources/Pages/AuditConnections.aspx#.VxKi6Gzmric](http://sao.wa.gov/resources/Pages/AuditConnections.aspx#.VxKi6Gzmric)

### **Budgeting, Accounting and Reporting System (BARS) Manual**, State Auditor's Office (SAO)

[sao.wa.gov/local/Pages/BarsManual.aspx#.VxKfNmzmric](http://sao.wa.gov/local/Pages/BarsManual.aspx#.VxKfNmzmric)

### **Financial Intelligence Tool (FIT)**, State Auditor's Office (SAO)

[sao.wa.gov/local/Documents/FIT\\_Handbook.pdf#search=Financial%20intelligence%20tool](http://sao.wa.gov/local/Documents/FIT_Handbook.pdf#search=Financial%20intelligence%20tool)

### **Local Government Performance Center**, State Auditor's Office (SAO)

[sao.wa.gov/local/Pages/AboutCenter.aspx#.VxKgZWzmric](http://sao.wa.gov/local/Pages/AboutCenter.aspx#.VxKgZWzmric)

---

## Know the law

- RCW 35.33 - Budgets in second and third class cities, towns and first class cities under 300,000
- RCW 35.34 - Biennial budgets
- RCW 35A.33 - Budgets in code cities
- RCW 35A.34 - Biennial budgets for code cities
- RCW 35.27.220 - annual statement of receipts and expenditures
- RCW 35.33.141 - quarterly financial statements to council
- RCW 43.09.230 - local government accounting - annual reports
- RCW 84.52.043 - Property tax
- RCW 82.14.030(1) - Basic local sales and use tax
- RCW 82.14.030(2) - Optional sales and use tax
- RCW 35A.82.020, RCW 35A.82.050, RCW 35.21.710 - B&O taxes
- RCW 35.21.870 - Utility taxes
- RCW 39.36.020 - Limitation of indebtedness prescribed
- Article 8, Section 6, WA State Constitution - Limitation upon municipal indebtedness

## Performance audits

**About Performance Audits**, State Auditor's Office (SAO)  
[sao.wa.gov/state/Pages/Aboutperformanceaudits.aspx#.VxUM\\_k32aUk](http://sao.wa.gov/state/Pages/Aboutperformanceaudits.aspx#.VxUM_k32aUk)

## Long-range financial planning

**Budgeting for Cities and Towns in Washington State**, AWC  
[awcnet.org/Portals/0/Documents/Publications/budgetworkbook10web.pdf](http://awcnet.org/Portals/0/Documents/Publications/budgetworkbook10web.pdf)

**Capital Facilities Planning Guidebook**, Department of Commerce  
[commerce.wa.gov/Services/localgovernment/GrowthManagement/CapitalFacilities/Pages/CapitalFacilitiesPlanningGuidebook.aspx](http://commerce.wa.gov/Services/localgovernment/GrowthManagement/CapitalFacilities/Pages/CapitalFacilitiesPlanningGuidebook.aspx)

**Taking Budgeting One Step at a Time**, Mike Bailey for AWC  
[awcnet.org/TrainingEducation/eLearning/BudgetingbasicseLearn.aspx](http://awcnet.org/TrainingEducation/eLearning/BudgetingbasicseLearn.aspx)

## General taxing authority

**Tax Reference Manual**, Department of Revenue (DOR)  
[dor.wa.gov/docs/reports/2010/Tax\\_Reference\\_2010/TRM%202010%20-%20Entire%20Document.pdf](http://dor.wa.gov/docs/reports/2010/Tax_Reference_2010/TRM%202010%20-%20Entire%20Document.pdf)

## Managing city debt

**ABCs of Debt: A look at Debt Capacity and Long-term Borrowing**, AWC  
[myplacetolearn.webex.com/tc3000/trainingcenter/record/recordAction.do?siteurl=myplacetolearn&recordingID=54235952&actionType=Info&tcRecordingLink=Yes](http://myplacetolearn.webex.com/tc3000/trainingcenter/record/recordAction.do?siteurl=myplacetolearn&recordingID=54235952&actionType=Info&tcRecordingLink=Yes)

**Infrastructure and Community Development**, Department of Commerce  
[commerce.wa.gov/Programs/Infrastructure/Pages/default.aspx](http://commerce.wa.gov/Programs/Infrastructure/Pages/default.aspx)

**Local Option Capital Asset Lending (LOCAL)**, Washington State Treasurer  
[tre.wa.gov/LOCAL/index.shtml](http://tre.wa.gov/LOCAL/index.shtml)

## Grants and loan opportunities

**Grant Resources for Washington Local Government topic page**, MRSC  
[mrsc.org/Home/Explore-Topics/Finance/Revenues/Grant-Resources-for-Washington-Local-Governments.aspx](http://mrsc.org/Home/Explore-Topics/Finance/Revenues/Grant-Resources-for-Washington-Local-Governments.aspx)