

MEMORANDUM

To: Councilmember Tim Burgess, Chair
Councilmember Lisa Herbold, Vice Chair
Councilmember Rob Johnson, Member
Affordable Housing, Neighborhoods, and Finance Committee

From: Erik Sund, Council Central Staff

Date: July 19, 2017

Subject: Second Quarter 2017 Supplemental Budget Package Summary

The Executive has proposed a second quarter supplemental budget package for 2017 in the form of Council Bills (CB) 119022 and 119023. Briefly, these bills would revise the 2017 Adopted Budget as follows:

CB 119023, the second grant acceptance ordinance of 2017, authorizes City departments to accept approximately \$4.7 million of funding from external sources to support a range of purposes, including:

- \$2,200,000 from the King County Flood Control District to support the Longfellow Creek natural Drainage Systems Stormwater Conveyance Project in West Seattle.
- \$550,000 from King County for the Office of Immigrant and Refugee Affairs (OIRA) for use in the provision of civil legal assistance for King County residents who are facing legal issues related to their immigration status or who are eligible for naturalization.
- \$490,000 from Sound Transit for the Seattle Fire Department (SFD) for planning, inspections, and related work by the Fire Marshall's Office related to the East Link light rail project.
- \$415,000 from the Rockefeller Foundation for the Office of Sustainability and Environment (OSE) to pay for salary costs for OSE's Chief Resilience Officer position and a Deputy Chief Resilience Officer, both in support of the development of a climate change resilience strategy for the City. This grant is provided as part of the Foundation's 100 Resilient Cities project.
- \$397,486 from Washington State for the Human Services Department (HSD) to fund comprehensive care management and related services to help clients manage the progress of chronic diseases. This grant is part of the Health Home program.

CB 119022, the second quarter supplemental budget ordinance of 2017, provides expenditure authority to use the grants in the grant acceptance ordinance above (CB 118951) and for other budget revisions requested by various City departments.

- The net appropriations increase in the second quarter supplemental, including grant-backed appropriations and double appropriations required to transfer monies between accounts prior to use, is approximately \$33.8 million, of which \$3.3 million is General Subfund (GSF). Of these amounts, about \$3.3 million (\$2.0 million GSF) is backed by grants that would be approved in CB 119023. Among the expenditures authorized in CB 119022 are:
 - \$10,000,000 of City Light Fund appropriations for Seattle City Light to cover costs associated with increased customer requests for pole attachments (\$6 million) and wireless node construction (\$4 million), both of which will be paid for by customers.
 - \$3,200,000 of Finance and Administrative Services (FAS) Fund in the Department of FAS to pay for a number of improvements to City facilities that have been requested by tenant Departments, including improvements to office and technology spaces in the Seattle Municipal Tower and mechanical systems upgrades to Building A at Haller Lake.
 - \$1,870,000 of Transportation Operating Fund (TOF) appropriations for the Seattle Department of Transportation (SDOT), backed by Real Estate Excise Tax (REET) II funds, to pay for pothole repairs (\$500,000) and perform repairs and road stabilization work at landslide sites (\$1,370,000).
 - \$1,400,000 of REET I appropriations for the Department of Finance and Administrative Services (FAS) for the Asset Preservation Program, which provides for maintenance of City facilities.
 - \$1,200,000 of 2012 Library Levy Funds for major maintenance projects in the Library system. The projects to be funded are currently planned for 2019 and the scope of projects planned would be accelerated rather than increased.
 - \$1,180,251 of GSF for the Seattle Police Department (SPD) to fund wage increases for members of the Seattle Police Dispatchers' Guild (\$893,405) and the Seattle Parking Enforcement Officers' Guild (\$286,846), pursuant to the terms of the relevant collective bargaining agreements.
 - \$1,082,000 of FAS Fund for the Department of FAS to cover costs, including modifications to City software systems and a Management Systems Analyst position, that are necessary to prepare for the implementation of the new Sweetened Beverage Tax (SBT) in 2018. This appropriation will be backed by cash from an interfund loan to be repaid from SBT revenues in 2018.
 - \$820,500 of TOF appropriations for SDOT to hire temporary employees to assist with higher than expected volumes of utility, Master Use, and construction

permits. The cost of the positions, which include civil engineers and a planner, will be backed by street use fee revenues.

- \$440,000 of expenditure authority in the Cumulative Reserve Subfund – Unrestricted Account to support forest restoration work in the Duwamish Head Greenbelt to repair damage done by illegal tree cutting in 2016. This appropriation is backed by revenue from a legal settlement tied to the tree cutting.
- \$260,000 of GSF for the Office of Housing to hire a consultant to prepare an Environmental Impact Statement (EIS) of alternatives for use of the Fort Lawton Army Reserve Center in Magnolia.
- \$179,000 of FAS Fund for the Department of FAS to begin work on selecting a new banking services provider or group of providers for the City.
- \$150,400 of TOF appropriations for SDOT to fund the crossing guard program for four months for Seattle Public Schools. This appropriation is backed by fund balance transferred from the School Safety Traffic and Pedestrian Improvement Fund.
- Sections 8 and 9 of the bill provide for transfers of existing expenditure authority between Budget Control Levels (BCLs) and, in section 9, funds. These transfers generally reflect changes in timing or priority between projects or reorganizations within departments but do not increase total spending authority.
- Additionally, 6.0 new full-time employment positions are authorized in the bill. The newly created positions are shown in the table below:

Item	Department	New FTEs	Title(s)
6.1	Education and Early Learning (DEEL)	1.0	Planning & Development Specialist I
6.2	Finance and Administrative Services (FAS)	1.0	Management Systems Analyst
7.1		1.0	Strategic Advisor 2
6.3	City Light (SCL)	1.0	Capital Project Coordinator
6.4	Human Resources (SHDR)	1.0	Personnel Analyst
7.2	Law (LAW)	1.0	Assistant City Prosecutor
	Total New Positions	6.0	

The Council Central Staff review of the 2nd quarter supplemental package will continue.

cc: Kirstan Arestad, Central Staff Executive Director
Dan Eder, Central Staff Deputy Director