

CITY OF  
**Seattle, Washington**  
**2017-2018 Proposed Budget**



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# CITY OF SEATTLE

## 2017-2018 Proposed Budget

Mayor Edward B. Murray

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**City of Seattle**  
**2017-2018 Proposed Budget**

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## Introduction

The City of Seattle and its over 10,000 employees build and maintain infrastructure, provide utility service, support the needs of the city's residents, and create recreational, cultural, and other enriching opportunities. In providing excellent service, these employees use and maintain dozens of city-owned properties, a fleet of vehicles ranging from fire trucks to golf carts, and equipment and facilities necessary to complete the City's mission.

Budgeting for a large organization with many functions is a crucial and complex process. A proposed budget requires solid forecasts on commodities (such as the price of fuel), economic strength (as it impacts tax revenues, among other budgetary components), and demand for services (from parking meters to libraries to police officers to disc golf courses).

This book is designed to provide clear and accurate information on the budgetary process, estimated revenue streams, and a basic description of departmental needs and spending. The State of Washington allows cities to adopt biennial budgets. The City Council and Mayor will adopt a budget for 2017 and endorse a budget for 2018 in late 2016.

## City of Seattle Budget Process

In its simplest terms, the City budget is proposed by the Mayor (Executive), checked for compliance with the law (City Attorney), and amended and passed by the City Council (Legislative) before returning to the Mayor for his or her approval and signature. The budget itself is composed of two main documents: an operating budget and a capital improvement program (CIP) budget. The CIP budget consists of large expenditures on infrastructure and other capital projects. The operating budget is primarily composed of expenditures required by the City to deliver the day-to-day array of City services.

Charts summarizing the City's budget process and organization can be found at the end of this section.

### Budget Preparation

The budgeting process begins early each year as departments assess needs and budget forecasters work to estimate revenues and costs. Operating budget preparation is based on the establishment of a current services or "baseline" budget. Current services is what it sounds like – continuing programs and services the City provided in the previous year, in addition to previous commitments that will affect costs in the next year, such as a voter-approved levy for new park facilities, as well as labor agreements and changes in health care, insurance, and cost-of-living- adjustments for City employees.

During the budget preparation period, the Department of Finance and Administrative Services (FAS), working in conjunction with the City Budget Office (CBO), makes two General Fund revenue forecasts, one in April and one in August. Both are used to determine whether the City's projected revenues are sufficient to meet the projected costs of the current services budget. If revenues are not sufficient to cover the cost of current services, the City must identify changes to close the gap – either through reductions or increased revenues or a combination of both. If the revenue forecast shows that additional resources are available, then the budget process identifies new or expanded programs to meet the evolving demands for City services. Regardless, the City is required by state law to prepare a balanced budget.

## Introduction & Budget Process

In May, departments prepare and submit Budget Memos to CBO for analysis and mayoral consideration. The Mayor's Office reviews and provides direction to departments on the Budget Memos, giving direction on items they should include in their formal budget submittal. In early June, CBO receives departmental operating budget and CIP submittals, including all position (employee) changes. Mayoral review and evaluation of department submittals takes place through the end of August. CBO, in conjunction with individual departments, then finalizes the operating and CIP budgets.

In late September, the Mayor submits the proposed budget and CIP to the City Council. In addition to the budget documents, CBO prepares supporting legislation and other related documents.

After the Mayor submits the proposed budget and CIP, the City Council conducts public hearings. The City Council also holds committee meetings in open session to discuss budget requests with department representatives and CBO staff. Councilmembers then recommend specific budget actions for consideration by their colleagues.

During the budget review process, the City Council may choose to explain its budget actions further by developing statements of legislative intent and budget guidance statements for future budget action. Intent statements describe the Council's expectations in making budget decisions and generally require affected departments to report back to the City Council on results.

After completing the public hearing and deliberative processes the City Council votes to adopt the budget, incorporating its desired budget changes, in late November. The Mayor can choose to approve the Council's budget, veto it, or let it become law without mayoral signature. The Mayor must veto the entire budget or none of it, as there is no line-item veto in Seattle. Copies of budget documents are available for public inspection at the CBO offices, at the Seattle Public Library, and on the Internet at <http://www.seattle.gov/budgetoffice>.

During the year, the City may have a need to change the adopted budget to respond to evolving needs. The City makes such changes through supplemental budget appropriation ordinances. A majority of the City Council may, by ordinance, eliminate, decrease, or re-appropriate any unspent appropriations during the year. The City Council, generally with a three-fourths vote, may also increase appropriations from available money to meet necessary expenditures that were not foreseeable earlier. Additional unforeseeable appropriations related to settlement of claims, emergency conditions, or laws enacted since passage of the annual operating budget ordinance require approval by a two-thirds vote of the City Council. Absent such changes, departments are legally required to stay within is annual budget appropriation.



## Reader's Guide

This reader's guide describes the structure of the 2017-2018 Proposed Budget book and outlines its content. The budget book is designed to present budget information in an accessible and transparent manner – the way decision-makers consider the various proposals. It is designed to help residents, media, and City officials more easily understand and participate in the budget deliberations.

A companion document, the 2017-2022 Proposed Capital Improvement Program (CIP), identifies expenditures and fund sources associated with the development and rehabilitation of major City facilities, such as streets, parks, utilities, and buildings over the next 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 financial 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.

The 2017-2018 Proposed Budget and 2017-2022 Proposed CIP can also be found online at the City Budget Office's webpage. In addition to PDF files containing the Proposed Budget and Proposed CIP, the site contains department-customized expenditures, and revenues.

### The 2016 Proposed Budget

This document is a description of the proposed spending plan for 2017-2018. It contains the following elements:

- **Proposed Budget Executive Summary** – A narrative describing the current economy, highlighting key factors relevant in developing the budget document, and how the document addresses the Mayor's priorities;
- **Summary Tables** – a set of tables that inventory and summarize expected revenues and spending for 2017;
- **General Subfund Revenue Overview** – a narrative describing the City's General Subfund revenues, or those revenues available to support general government purposes, and the factors affecting the level of resources available to support City spending;
- **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;
- **Departmental Budgets** – City department-level descriptions of significant policy and program changes from the 2016 Adopted Budget, the services provided, and the spending levels proposed to attain these results;
- **Appendix** – an array of supporting documents including Cost Allocation, a summary of cost allocation factors for internal City services; a summary of position changes by department contained in the 2017-2018 Proposed Budget; and a glossary.

## Reader's Guide

### Departmental Budget Pages: A Closer Look

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

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

Each cluster, with the exception of the last, comprises several departments sharing a related functional focus, as shown on the organizational chart following this reader's guide. Departments are composed of one or more budget control levels, which in turn may be composed of one or more programs. Budget control levels are the level at which the City Council makes appropriations.

The cluster "Funds, Subfunds, and Other" is comprised of sections that do not appear in the context of department chapters, including the General Subfund Fund Table, General Subfund Revenue Table, Cumulative Reserve Subfund, Emergency Subfund, Revenue Stabilization Account, Judgment and Claims Subfund, and other administrative funds. A summary of the City's general obligation debt is also included in this section.

As indicated, the proposed budget appropriations are presented in this document by department, budget control level, and program. At the department level, the reader will also see references to the underlying fund sources (General Subfund and Other) for the department's budgeted resources. The City accounts for all of its revenues and expenditures according to a system of funds and subfunds. In general, funds or subfunds are established to account for specific revenues and permitted expenditures associated with those revenues. For example, the City's share of Motor Vehicle Fuel taxes must be spent on road-related transportation activities and projects, and are accounted for in a subfund in the Transportation Fund. Other revenues without statutory restrictions, such as sales and property taxes (except voter-approved property taxes), are available for general purposes and are accounted for in the City's General Subfund. For many departments, such as the Seattle Department of Transportation, several funds and subfunds, including the General Subfund, provide the resources and account for the expenditures of the department. For several other departments, the General Subfund is the sole source of available resources.

# Reader's Guide

## Budget Presentations

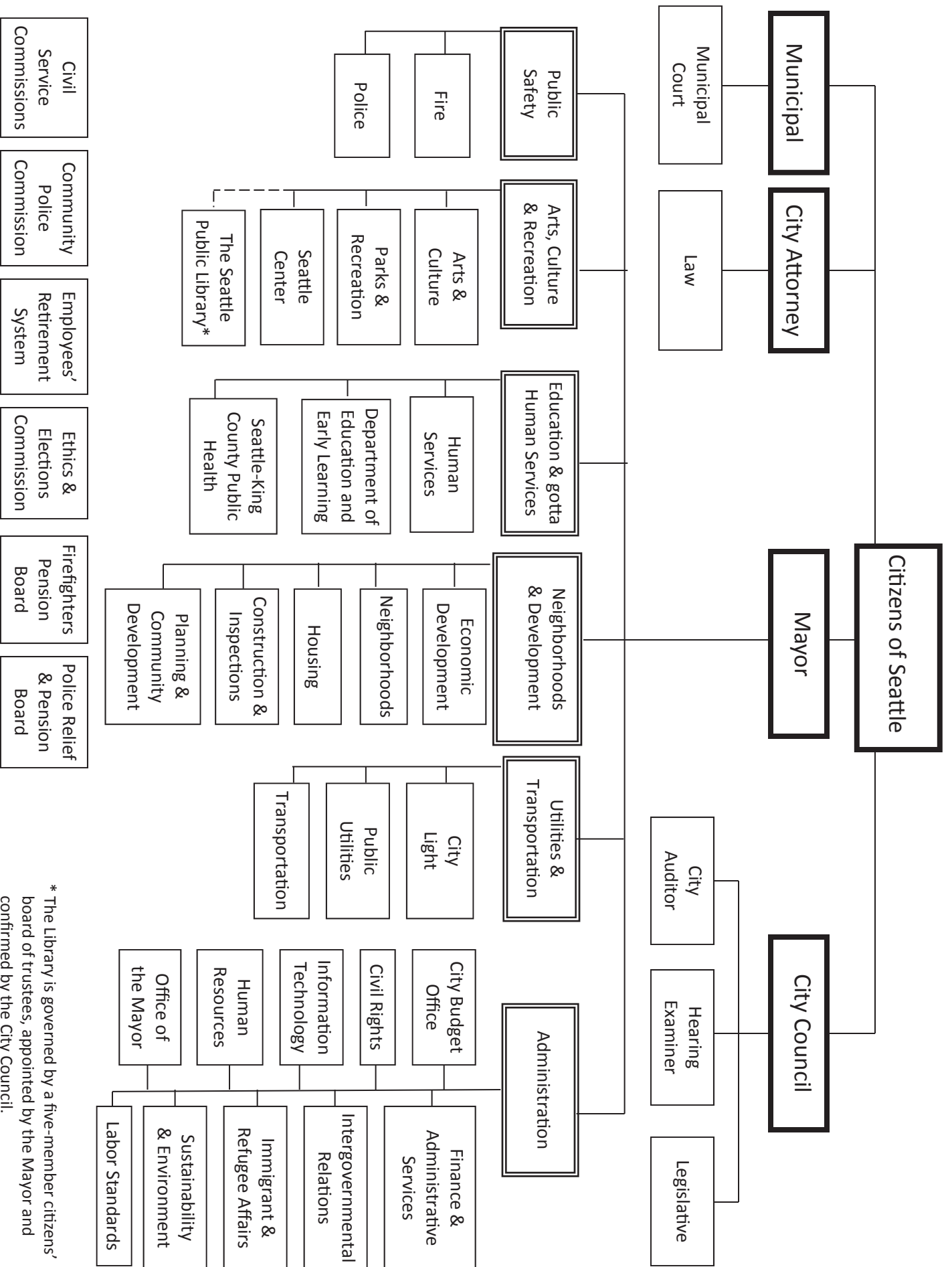
Most department-level budget presentations begin with information on how to contact the department. The department-level budget presentation then goes on to provide a general overview of the department's responsibilities and functions within City government, as well as a summary of the department's overall budget. A narrative description of the issues impacting the department's 2017-2018 Proposed Budget then follows. The next section of the department-level budget presentation provides a numerical and descriptive summary of all of the incremental budget changes included in the 2017-2018 Proposed Budget, along with a discussion of the anticipated operational and service-level changes that will result. The department-level budget presentation concludes with summary level tables that describe the department's overall expenditures and revenues by type as well as by budget control level and program. All department, budget control, and program level budget presentations include a table summarizing historical and adopted expenditures, as well as proposed appropriations for 2017 and 2018. The actual historical expenditures are displayed for informational purposes only.

A list of all position changes proposed in the budget has been compiled in the appendix. Position modifications include eliminations, additions, reclassifications, and status changes (such as a change from part-time to full-time status), as well as adjustments to departmental head counts that result from transfers of positions between departments.

For information purposes only, an estimate of the number of staff positions to be funded under the 2017-2018 Proposed Budget appears in the departmental sections of the document at each of the three levels of detail: department, budget control, 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 (FTEs). In addition to changes that occur as part of the budget document, changes may be authorized by the City Council or the Human Resources Director throughout the year, and these changes may not be reflected in the estimate of staff positions presented for 2016. These changes are summarized in the appendix.

Where relevant, departmental sections include additional pieces of information: a statement of actual or projected revenues for the years 2015 through 2017; a statement of fund balance; and/or a statement of appropriations to support capital projects appearing in the 2017-2022 Proposed Capital Improvement Program. Explicit discussions of the operating and maintenance costs associated with new capital expenditures appear in the 2017-2022 Proposed Capital Improvement Program document.

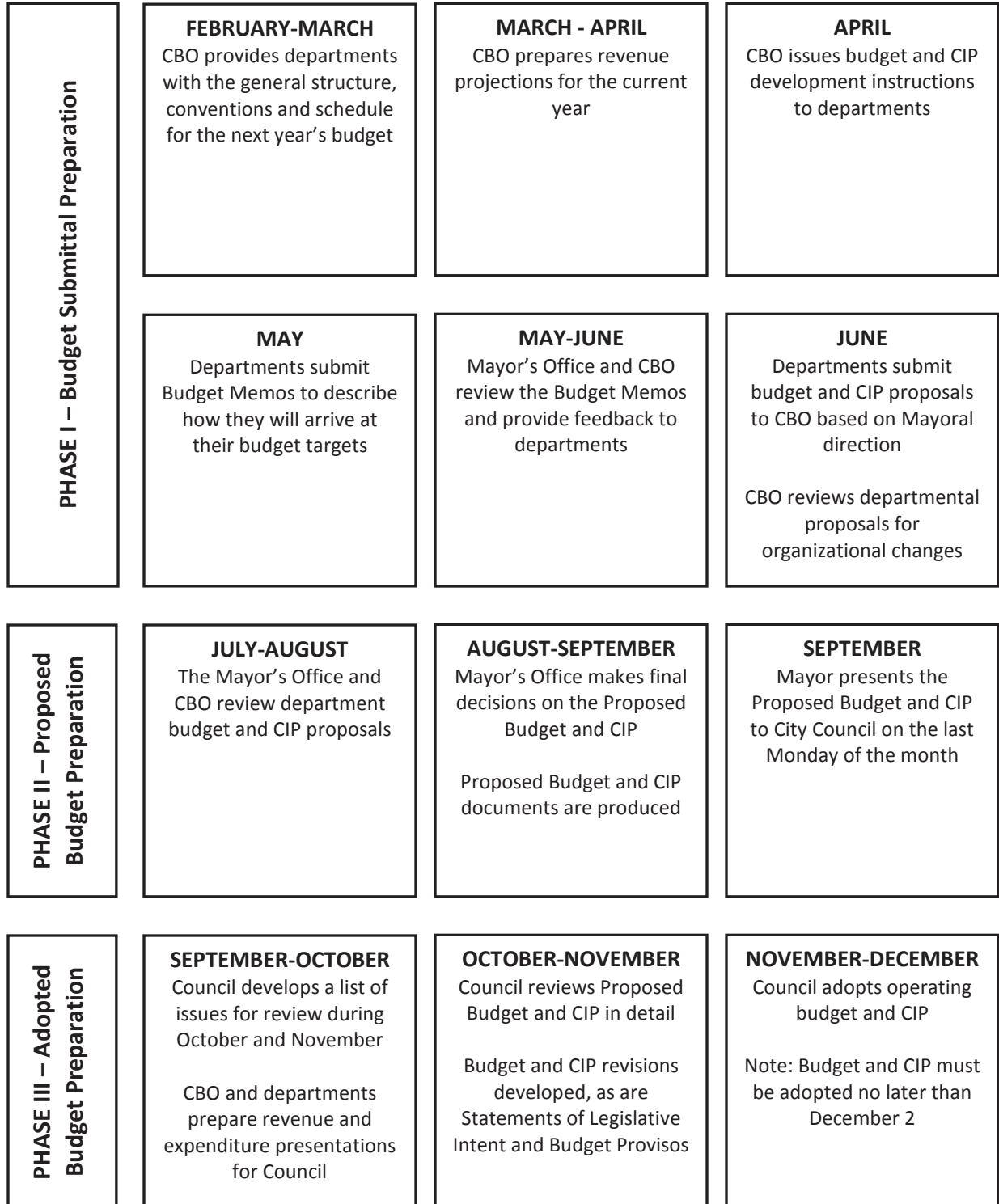




\* The Library is governed by a five-member citizens' board of trustees, appointed by the Mayor and confirmed by the City Council.



# Budget Process Diagram







## 2017-2018 Proposed Budget Executive Summary

The City of Seattle's 2017-2018 Proposed Budget totals approximately \$5.6 billion per year, including more than \$1.2 billion of General Fund spending per year. General Fund revenues are projected to increase at an average annual rate of 3.5% over the biennium. This increase reflects both the impacts of the healthy local economy, and modest tax and fee increases approved by the City Council in 2016. These additional resources will allow the City to meet the increased costs associated with providing the existing level of municipal services, while at the same time expanding services in a number of areas to help meet the demands of our rapidly growing city.

Mayor Murray's proposed budget increases staffing for basic public safety activities, including both police and fire, while at the same time investing in core functions such as the recreational services offered by the Department of Parks and Recreation (DPR), the transportation infrastructure managed by the Seattle Department of Transportation (SDOT) and permitting processes overseen by the Seattle Department of Construction and Inspections. In addition, the Mayor has proposed increasing investments in areas to help ensure more of Seattle's residents share in the economic vitality of this region. Equity and shared prosperity has been a hallmark of Mayor Murray's administration and the proposed budget reflects a continued commitment to this principle. In particular, the proposed budget increases support for the newly independent Office of Labor Standards, provides funding for the City's Equitable Development Initiative, increases access to the City's community centers and expands support for youth employment.

In developing the proposed budget, the Mayor has also maintained and enhanced his commitment to good governance and ensuring that Seattle government is both more efficient and more effective in delivering basic municipal services. Consistent with this commitment, the proposed budget continues with the work of consolidating the City's information technology functions, standardizing human resource policies, enhancing the measurement and monitoring of department performance, increasing accountability and oversight of the City's human services contracts, better coordinating the City's infrastructure investments to support development and growth, and implementing a new accounting system to ensure consistent and transparent financial practices.

Details of these and other proposals are provided below, following a brief overview of the local economy and City revenues.

### General Fund Budget Outlook

While the General Fund revenue projections for 2016 anticipated continued growth in the Seattle area economy, the pace of that growth has outpaced that forecast. As recently as April 2016, the General Fund revenues for 2016 were projected to grow by 3.2% relative to 2015. The revised forecast, which underlies the proposed budget, projects a growth rate of 7.0% for 2016. Looking forward to 2017 and 2018, revenue growth is expected to moderate some, but still maintain an annual average increase of 3.5% over the next two years. As noted above, this growth reflects both the continued strength of the local economy and the impacts of recently approved tax increases for Business & Occupation and Solid Waste as well as increased business license fees coming into effect during 2016, 2017, and 2018. If the

## Proposed Executive Summary

increase associated with the new revenue sources is removed, the underlying growth attributable to forecast economic conditions is about 2.8% per year.

Construction activity remains a key driver of this growth. Revenues from the sales tax on construction labor and materials and the business and occupation taxes paid by businesses in the construction sector continue to grow. Construction now represents a historically large percentage of General Fund revenues. While this represents good news in the short term, it also creates risk in the long term. Reviewing the history of our local economy, it is clear Seattle cannot sustain this level of construction activity forever. When the sector cools, revenues will fall. The current revenue forecast assumes that 2016 will be the peak year for construction activity and anticipates a gradual slowing over 2017 and 2018. If a sharper decline occurs, revenues could fall substantially and spending reductions relative to the proposed budget would become necessary. In this context, the proposed budget makes some investments in ongoing programs, but seeks to invest some of the new General Fund resources in one-time expenditures to address current needs, but not create future obligations.

The national economy is now in its eighth year of recovery, and there are no immediate indications that a downturn is in the offing. National forecasters anticipate continued growth through 2018, but have identified the slowing Chinese economy and continued economic turmoil in Europe as potential risks. Barring a significant impact from such factors, the strength of the national economy will help support continued growth locally. While the pace of local economic growth is expected to slow, this simply reflects the fact that the current expansion has been so rapid that it is unlikely to continue at the current pace. In addition to the projected cooling off in the construction sector, job creation in the technology sector is expected to slow and Boeing is planning to reduce employment in the aerospace sector.

The relatively strong performance of General Fund revenue is also reflected in real estate excise taxes (REET), which are collected as a 0.5% tax on the sale of real property. These revenues are deposited into the Cumulative Reserve Fund, not the General Fund. REET revenues support many of the same functions that General Fund revenues support, including transportation, parks and libraries. The difference being General Fund revenues are used for operational budgets and REET revenue must be used for capital purposes. By policy a significant share of the funds are dedicated to asset preservation, which generally involves major maintenance investment in existing facilities. The strength of the local real estate market, as reflected both in the escalating prices and the volume of transactions, has contributed to a large increase in REET revenues. The forecast for 2016 is now \$65 million, up from \$56 million projected in April 2016. For 2017 and 2018, the forecast projects revenues of \$66 million and \$68 million, respectively. The proposed budget allocates these resources to a number of pressing capital needs, including construction of the Lander Street overpass, restoration of the Seattle Asian Art Museum and expansion of athletic field capacity.

### Maintaining Appropriate Financial Reserves

While the proposed budget does include spending increases, it continues to take a prudent approach toward planning for unforeseen circumstances by also contributing to the City's financial reserves. The

## Proposed Executive Summary

City maintains two separate reserves to help address potential financial stresses on the General Fund: the Revenue Stabilization Account, and the Emergency Subfund.

The Revenue Stabilization Account, better known as the Rainy Day Fund, buffers the General Fund from unanticipated shortfalls in revenue. A healthy Rainy Day Fund is an essential tool in creating financial stability for the City. It allows the City to preserve services in times of an unexpected revenue contraction, and helps protect the City's high bond rating, which in turn keeps the City's borrowing costs low. By adopted policy, 0.5% of General Fund tax revenues are directed into the fund each year, until it reaches a maximum amount. This maximum is set at 5% of these same revenues. In 2016, a relatively small contribution was needed to maintain the balance of the Revenue Stabilization Account at 5% of General Fund tax revenues. With continued growth in General Fund tax revenues, additional contributions of \$4.6 million are planned over the next years to maintain the balance at 5% of these revenues. This will generate a balance of \$52.1 million by 2018.

The City's other large reserve, the Emergency Subfund (ESF), protects the General Fund from the risks of significant and unanticipated expenditures, such as recovery from a major natural disaster. The City's current financial policies call for the ESF to be maintained at the maximum level allowed by state law. This statutory limit is linked to the assessed value of all property in the City. In particular, the City can maintain the equivalent of up to 37.5 cents per \$1,000 of assessed property values in the ESF. This translated into a balance of nearly \$60 million for 2016. Given the rapid escalation in local property values, the balance in the ESF has grown by more than 35% over the past five years.

Looking forward, contributions of \$13.7 million would have been needed over the biennium to maintain the ESF at the maximum allowed by state law, as property values are projected to increase by an additional 19.4% over the next two years. While perhaps good news from an economic standpoint, increasing property values do not translate into a proportional increase in City property tax revenues. To the contrary, state law limits the growth of property tax revenues to 1% plus the value of new construction. In this context and recognizing that the State of Emergency declared in response to the homelessness crisis has created the need for additional resources to be directed toward related social services, the Mayor's proposed budget includes a proposal to modify the existing financial policies for the ESF. The proposal would require that the City maintain a minimum balance of \$60 million, essentially the current level, and further require that purchasing power of this balance be maintained by increasing this minimum required balance at the rate of inflation. This implies that the ESF would continue to grow, but at somewhat lower rate than under existing policies. This proposal strikes a balance between ensuring resources will be available to address unanticipated expenditures and making resources available to address current needs. Consistent with this new proposal, the proposed budget will increase the ESF balance by approximately 5% (\$3 million) over the biennium, the cumulative rate of inflation forecast for next two years. This will result in a balance of \$63.2 million by 2018. Between the two funds, the City will have General Fund reserves of more than \$115.3 million by the end of the 2017-2018 biennium.

## Proposed Executive Summary

### Investing in Public Safety

Public safety, as provided most directly by the Seattle Fire Department (SFD) and the Seattle Police Department (SPD), is perhaps the most fundamental service the City offers. While staffing levels for these two departments have remained relatively stable in recent years, the rapid growth of Seattle's population has had a large impact on the demand for both police and fire services. The Mayor's proposed budget responds to these pressures by increasing investment in both SFD and SPD.

With regard to SFD, significant funding (\$2.4 million) is allocated to expand the department's recruitment efforts in 2017. This will not result in an increase in the number of firefighters on duty at any given time, but with a larger force available to meet the department's staffing needs, less overtime will be demanded of each individual firefighter. Current work levels are not sustainable and some relief is needed. In addition, the proposed budget provides the funding needed to put a new aid car into service in 2018. The volume of aid calls continues to increase, particularly in the downtown core, and this additional resource will help improve responsiveness. This proposal is innovative in that the aid car will be deployed on a 12-hour basis, rather than as a 24-hour resource. This provides a cost-effective way to match the increased demand for services that is seen during daytime and early evening. Investments in SFD are not limited to emergency response, but also extend to fire prevention, which is the responsibility of the Fire Marshall's Office (FMO). The proposed budget calls for increasing the staff of fire prevention inspectors and replacing a long-outdated permit and inspection tracking system to ensure more effective and efficient fire prevention efforts. Much of the cost associated with these service enhancements will be offset by increases in the fees charged for reviewing building plans and conducting fire inspections.

The proposed additions to SPD include a comparable mix of staffing increases and information technology (IT) investments. Consistent with the Mayor's commitment to increasing the police force by 200 officers, relative to 2013 levels, the proposed budget has sufficient funding to add an additional 72 officers over the biennium. Hiring will continue in 2019 and 2020 to achieve the final goal of 200 new officers. Funding is also provided to increase staffing at the 911 call center. The additional staff will improve responsiveness and reduce the current reliance on overtime. These staffing additions will complement physical and IT upgrades that are now underway at the call center. Earlier this year, the Mayor proposed and the Council approved, two revenue increases to help offset the cost of the additional officers and the new call center staff. Over the next two years, the City's business and occupation tax rates will be increased by just over 3%, and the fees charged for a City business license will also be increased. When fully implemented, these changes will generate roughly \$14 million in additional General Fund revenue per year.

Information technology upgrades to support SPD officers are also a major component of the proposed budget. Resources are provided to complete the development and deployment of the Data Analysis Platform (DAP), which will allow the department to better track officer performance, as required under the Department of Justice Settlement Agreement. Additional IT investments are proposed to support deployment of body-worn cameras to all patrol officers. Funding for the required hardware was provided in 2016, but additional funding will be needed to address ongoing support and required data

## Proposed Executive Summary

storage. In addition, new staff will be needed in the future to address the increased volume of video that will be available for judicial proceedings. Resources are also allocated to technology upgrades to help improve the efficiency and effectiveness of the existing force. The Records Management System (RMS) that officers now use to complete required reports is not user friendly, inefficient with officers' time and produces data that is not conducive to analysis and review. Funding is provided to fully replace the existing technology and train officers how to operate the new system. Resources are also made available for implementation of a scheduling and timekeeping system to allow for better management of staff resources and overtime. Finally, SPD will use grant resources to deploy another innovative technology – an acoustic gun locator system (AGLS) – on a pilot basis to determine its potential effectiveness in improving enforcement and reducing crime.

### Homelessness – Transition to a New Approach

Providing food and shelter to those most in need is a responsibility that the City of Seattle has stepped up to as state and national government agencies have fallen short of their basic duties. Last year, in response to the homelessness crisis that is manifest throughout Seattle, the Mayor declared a civil State of Emergency (SOE) and more than \$7 million was allocated as a one-time response to the crisis. In recognition that the crisis has not abated and demand for services remains, the proposed budget increases the overall funding for homelessness services.

However, beginning in 2017 and continuing in 2018 and beyond, the Mayor has proposed a transition toward a different approach to providing services to the homeless. Over the past year, the administration has worked with national experts to review the region's existing approach to providing these services, and received strong and compelling recommendations that only a shift in focus can provide a path to a long-run solution to the crisis of homelessness. Accordingly, the proposed budget reflects a commitment to a new plan, entitled Pathways Home.

The goal and proposed outcomes of the Pathways Home plan are focused on:

- creating a person-centered systemic response to homelessness that is based on the principles of housing first and progressive engagement and that prioritizes households experiencing literal homelessness;
- investing in models demonstrating success in exits to permanent housing, using competitive funding processes, performance-based contracting and data driven decision making;
- addressing racial disparities using results-based accountability and analysis of outcomes by race;
- improving investment alignment within the City of Seattle and also with external partners;
- improving HSD procedures to result in routine, competitive funding processes that are focused on outcomes-driven and performance-based contracts; and
- investing in data and evaluation capacity that is necessary to support systemic transformation.

## Proposed Executive Summary

In response to the recommendations, the 2017-2018 Proposed Budget for homelessness investments is focused around four areas:

1. commitment to families living unsheltered;
2. continuing SOE best practices, and investing in new best practices such as the Navigation Center;
3. investing in capacity to support system transformation; and
4. maintaining stability in shelter and encampments through system transition.

The 2017-2018 Proposed Budget includes almost \$1 million in investments that will help to create capacity to house the families living unsheltered on the waitlist for homelessness services. These investments include diversion and rapid rehousing funding, as well as funding for motel vouchers for families. The proposed budget also includes a \$200,000 investment in Domestic Violence and Sexual Assault (DVSA) housing-first programs.

The 2017-2018 Proposed Budget also includes \$5 million to continue best practices, initially funded as part of the State of Emergency, as well as investments in new best practices. The continuing SOE investments include funding for rapid rehousing and diversion for single adults, outreach to unsheltered individuals and families, youth case management, and mobile medical van services. The new investments include funding to convert an existing shelter to a 24-hour model and funding for a new Navigation Center.

In addition to these specific investments, an additional reserve has been set aside to address emerging needs in regard to homeless services. The Mayor and City Council are currently engaged in efforts to modify encampment cleanup protocols and examine options to provide safe alternatives to camping in public spaces, additional services and supports for people living unsheltered. A task force has been convened to develop potential recommendations and the 2017-2018 Proposed Budget includes \$2.8 million to improve coordination and outreach; increase safe sleeping locations, shelter and housing options; address public health and safety issues and the storage of belongings. . Additional resources will also be made available for both Seattle Public Utilities and the Department of Finance and Administrative Services to expand clean-up services in areas affected by unsanctioned encampments. The cost of these services will be partially offset by an increase in the tax on solid waste utility services, which was approved by the Council in 2016.

Furthermore, in order to support system transformation with regard to the City's approach toward homelessness services, the proposed budget includes \$1 million in investments for staffing and data capacity, enhancing the Coordinated Entry System and standing up the Housing Resource Center. Implementation will require HSD to make significant changes to their current business practices around homelessness investments.

These investments in a new approach toward homelessness will be complemented by the increased investments in affordable housing, made possible by renewal of the Seattle Housing Levy. On August 2, 2016, Seattle voters approved this new seven-year, \$290 million housing levy to produce affordable housing for seniors, people with disabilities, low-wage workers and people experiencing homelessness.



## Proposed Executive Summary

During the 2017-2018 biennium, the Office of Housing will begin to deploy these new resources to develop more low-income housing opportunities.

### Opportunity for All

The vibrant local economy has provided opportunity to many, but the growth has also been uneven. While many individuals have prospered and many communities have benefited from growth, others have not found opportunity and some neighborhoods are struggling to deal with the displacement and gentrification associated with the City's rapid growth. The Mayor's proposed budget takes on these challenges in a number of ways.

Looking forward, the Mayor recognizes that providing better opportunities for Seattle's youth is essential to broadening the base of those who are able to participate in Seattle's prosperity. With this in mind, the Mayor convened a Youth Opportunity Summit in 2015. The summit focused most specifically on improving outcomes for young men of color. As an outcome of the summit, the City has committed to three related national initiatives including: President Obama's My Brother's Keeper, Cities United, and the National Forum on Youth Violence Prevention. The Mayor's Youth Opportunity Initiative builds on this work, and is focused on five pillars, including education, employment, free of criminal justice, health, and positive connections to community. To support this work, the 2017-2018 Proposed Budget includes \$400,000 to expand the Career Bridge program, which provides a pathway to success through job training and life skills for individuals, including young adults, who are reentering our community after a period of incarceration. In addition, the proposed budget completes the City's commitment of \$150,000 of existing resources to expand a successful mentoring program, which in partnership with the Seattle School District provides support to middle-school students. Youth employment is another element of the Mayor's Youth Employment Initiative and nearly \$600,000 is provided to the Office of Economic Development to replace one-time grant funds and continue a program that increased the number of employment opportunities for youth in 2016, and to add a new staff position to ensure better coordination with the private sector. The skills learned during this first exposure to the workplace should improve access to future employment.

Building upon the Youth Opportunity Summit, in 2016, the Mayor held two major events--Community Conversations and the Education Summit--to bring Seattle together to address the disparities in the school district that often leave ethnic minority and low-income students behind in academic achievement. The proposed budget provides \$1 million to begin implementing several preliminary recommendations including increasing the number of high-quality Summer Learning slots for students and piloting a high school investment modelled on the Families and Education Levy middle school innovation program that has significantly improved students' academic achievement.

The proposed budget also adds funding to provide for an expansion of the Parent-Child Home Program to improve literacy education for young children. The Parent-Child Home Program is an evidence-based, two-year home-visitation literacy program for two- and three-year-old children. A recent study of the Seattle PCHP program shows that participation leads to better preparation for kindergarten and higher

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reading and math scores in the third grade for participating children compared to their non-participating peers

While access to jobs and improved education outcomes are essential elements of providing a path to opportunity, they are not sufficient. The rights of those who work in all different sectors must be established and protected. To this end, the Mayor's proposed budget moves the existing Office of Labor Standards (OLS) from within the Office for Civil Rights and establishes it as an independent office. At the same time, the budget expands OLS staffing from nine to 22. These staff will have responsibility for enforcing four City-enacted labor standards laws: minimum wage, wage theft, paid sick and safe time, secure scheduling, and the fair chance employment ordinance. OLS will also be responsible for other labor standards the City may enact in the future.

Internal to the City, the focus on improved access to opportunity has manifested as a strong commitment to workplace equity, with the goal of addressing both gender- and race-based workplace inequities. The Seattle Department of Human Resources (SDHR) has developed a Workplace Equity Action Plan that calls for increased training, a more standardized approach to employee performance evaluations and expanded leave benefits for employees to care for children and other family members. The Mayor's proposed budget provides the resources needed to begin implementation of this plan and calls for expanding SDHR's staff in support of this work.

Seattle's economic prosperity has also had uneven impacts on neighborhoods throughout the City. Many have been transformed for the positive by increased density and the vitality that it has brought. Others have struggled to attract the investment they seek, and some are dealing with the impacts of displacement as rising property values and rapid redevelopment have squeezed out long-time residents and businesses. In 2016, the City established the Office of Planning and Community Development (OPCD) to help the City better navigate this landscape and work with communities to plan and adapt to growth. The Mayor's proposed budget builds on this commitment with a specific focus on supporting the City's Equitable Development Initiative, which is designed to help existing residents and businesses enjoy the benefits of development, rather than being displaced by it.

In support of the Initiative, the 2017-2018 Proposed Budget increases OPCD's capacity building capability through the creation of a real estate advisor position. This position will provide implementation expertise for specific community-driven projects that may involve financial and legal negotiations with multiple local and regional stakeholders. To help leverage outside investments, the proposed budget also includes \$200,000 in both 2017 and 2018 to support additional equitable development related projects and initiatives. In 2017, the City's first equitable development project will be the redevelopment of the former Fire Station 39 site in Lake City. The proposed budget also includes \$430,000 of Community Development Block Grant (CDBG) funding in 2018 to replicate this successful public-private partnership model. OPCD will work with communities to determine how to best allocate this funding to leverage other funding sources and increase community capacity to advance projects and initiatives.

At the same time, the Office of Economic Development (OED) will expand its work with neighborhood business groups to increase their capacity and ability to form supportive networks that can assist existing businesses and attract new ones. In particular, the proposed budget adds a new position



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dedicated to the Business Improvement Areas (BIAs) that have been formed and are forming across the city. This position will enable OED to accelerate the development of new BIAs, and improve the functionality of the City's existing BIAs.

The work of OPCD, OED and many other departments relies on successful engagement with Seattle's residents and business owners. Effective outreach is essential for the City to gather public input, and due to cultural barriers, limited time and other pressing priorities, many residents and business owners have not had their voices heard. Through Executive Order 2016-06, the Mayor tasked the Department of Neighborhoods (DON) with leading an effort to implement equitable outreach and engagement plans across all City offices and departments. The proposed budget supports this new body of work with the funding needed to make permanent two previously temporary staff positions that will lead the re-envisioning of DON's Outreach and Engagement Division, and work with other departments to better coordinate their individual outreach. At the same, the proposed budget also includes funding to continue intensive outreach for the City's Housing Affordability and Livability Agenda (HALA). Resources are also provided to review the City's historic preservation process, and to develop more effective online tools for the submission and processing of preservation applications.

### **Investing in Infrastructure for the Future**

With growth has come the need to invest in the basic physical infrastructure that supports our community. Transportation infrastructure is needed to move people and goods, and utility infrastructure is needed to provide the water, electricity and other services that support residents and businesses alike. In November 2015, Seattle voters approved a nine-year levy that will provide roughly \$95 million a year in funding to support new transportation investments. This past year saw the initial ramp-up toward implementation, and the 2017-2018 biennium will see implementation of a range of levy-supported projects. For example, the proposed budget moves forward the Lander Street grade-separation project that will ease east-west traffic flow in the City's southern industrial area. A federal grant has been secured to leverage the funding available from the Move Seattle Levy. A funding gap remains, but the Mayor is confident that the total City investment of \$33 million can leverage additional funding from state and local partners. Move Seattle Levy funding will also fund projects that support both walking and biking. For example, resources from the Move Seattle Levy will be combined with school zone camera revenues to build sidewalks that provide safer access to schools.

Additional resources for SDOT will come from the General Fund, as well as the Move Seattle Levy. In response to recommendations that the City be positioned to better respond to traffic incidents that can quickly impact the daily commute of thousands, the proposed budget provides the resources for the Seattle Department of Transportation (SDOT) to establish a dedicated incident response function. At an annual ongoing cost to the General Fund of \$1.25 million, the response team will have the resources needed to clear accidents quickly, minimize the associated disruptions and avoid the very real costs imposed by long traffic delays.

However, the Mayor's proposed budget recognizes that transportation is evolving, and that our investments must recognize that the means and methods of transportation are changing. Most

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fundamentally, transit must play an ever-increasing role in moving people to and from work. To this end, the Mayor's proposed budget includes the funding needed to implement the Center City Connector, which will build a streetcar line to link the First Hill and South Lake Union streetcars, creating a single unified network. These types of transit investments will improve mobility while at the same time avoiding any increase in greenhouse gas emissions, another critical goal for this forward-looking City.

Also supporting greenhouse gas reductions, the Mayor's proposed budget includes funding to expand the recharging network needed to support expanded use of electric vehicles. Seattle City Light will build 20 public fast charging stations and provide financing to help customers defray the cost of installing 200 private stations.

City Light's proposed budget includes additional capital investments totaling more than \$300 million, and much of that will be spent to maintain the existing generation, transmission and distribution system. Also included is funding for the Denny Substation and City Light's Advanced Metering Infrastructure program, both examples of investments being made to support future growth and to improve the efficiency of City Light's services.

Seattle Public Utilities will maintain a comparable balance of spending to maintain its existing systems, while also developing infrastructure to serve further growth and to protect the environment as this growth occurs. Investments to reduce sewer overflows are being made to protect regional water quality. Drainage infrastructure is also being developed to both minimize flooding and enhance the opportunities for the natural treatment of run-off before it reaches Lake Washington and Puget Sound.

### **Enhancing Parks Services and Expanding Support for the Arts**

Proposed infrastructure investments are not limited to transportation and utilities. The Mayor's proposed budget also includes a number of investments in both recreational and cultural facilities, as well as expanded operational spending for both the Department of Parks and Recreation (DPR) and the Office of Arts and Culture (Arts). At DPR, the availability of REET revenues will allow the City to address a number of major maintenance needs, while at the same time leveraging other resources to expand athletic field capacity. For example, REET dollars will be used to help stabilize the now closed pedestrian bridge at Lake Union Park, and to also address water intrusion issues at Pike Place Market's Victor Steinbrueck Park. In addition, when combined with increased field fee revenues, REET resources will be used to upgrade two or three athletic fields. Funding made available through the voter's support for the Seattle Parks District will be used to both upgrade facilities and enhance services at DPR's network of community centers. Staffing will be increased to improve programming and hours will be extended to improve access. Perhaps most importantly, drop-in fees will be eliminated at the community centers to ensure more equitable access for all.

Increased access is a theme that extends to the proposed budget additions for the Office of Arts and Culture. The share of admission tax revenues dedicated to the office will increase from 80% to 90% in 2017, and then further increase to 100% in 2019. With these additional resources, Arts will expand the Creative Advantage program that provides arts educational programming to Seattle School District students. In addition, funding will be provided for cultural organizations in communities vulnerable to

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displacement due to development and gentrification. Capital funding will also be made available to a number of specific cultural agencies in 2017, including the Burke Museum, the Nordic Heritage Museum, Town Hall, the Seattle Opera, Benaroya Hall, the Seattle Symphony and the Seattle Asian Art Museum. Beginning in 2018, funding of more than \$1 million per year will be available through a competitive process for these types of projects.

### More Effective and Efficient Government Operations

The Mayor's proposed budget continues efforts to improve the effectiveness and efficiency of the City's various internal support functions, including both information technology (IT) and human resources. As of April 6, 2016, the IT functions of the City have been formally consolidated in the new Seattle Information Technology Department (Seattle IT). This move placed all the City's IT staff under the direction of single department for the first time in the City's history. The 2017-2018 Proposed Budget represents the initial opportunity for Seattle IT to plan IT spending from a central perspective, and the benefits of this approach are already becoming apparent. The proposed budget calls for significant investments in a number of IT systems across the City, but the level of coordination in these investments is something the City has not seen before. Requests for upgrades to permit systems in SDOT, the Seattle Department of Construction and Inspections, FAS and SFD are being advanced as a coordinated proposal that will develop these systems on a single platform. A similar approach is being taken to multiple requests for project management software and customer relationship management systems. In addition, Seattle IT will provide better and more consistent oversight of IT investments that will serve individual departments, including SPD, DPR and the Municipal Court.

Work also continues toward standardizing the City's human resource (HR) practices. The Seattle Department of Human Resources has pulled together the City's HR managers into the Human Resource Leadership Team, and this group meets regularly to discuss HR practice and policies. The department has developed a plan to move to a more fully consolidated HR function, and the Mayor's proposed budget includes the resources needed to advance this effort, including a new staff position to coordinate the transition.

At the same time that the Mayor has provided the leadership needed to achieve IT and HR consolidation, he has also continued to support Citywide efforts to develop and implement a major upgrade to the central accounting system. This system will provide an opportunity to standardize department approaches to both day-to-day financial transactions and long-term financial planning. The new system will be an essential component of efforts to hold departments accountable for the financial resources they are provided and the outcomes they promise in return. System implementation will require more than just the installation of new software, but also a wholesale review of current business practices and financial operations.

In an ongoing effort to be a more efficient, effective, and accountable City government, Seattle is also expanding and deepening its work to track city government's performance. In addition to the Performance Seattle dashboard launched in 2015 that describes 93 goals spanning 24 departments, the 2017-2018 Proposed Budget is on its second year of the performance budgeting pilot. For the proposed

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budget, 19 new measures were developed for a total of 34 measures across nine departments. Budget book measures add another dimension by connecting performance information to actual spending and changing budgets over time. These new measures add a wide array of essential services to the conversation, including topics such as affordable housing, homelessness, transit, condition of arterials, universal Pre-K, permitting, and library collections, among others.

Building on the Performance Seattle website and this proposed budget's focused pilot work, the City will spend the next 18 months developing a data-focused performance management framework for each City department that draws on lessons learned and enhanced by the financial information available from the new accounting system referenced above. This process will seek to bring together data, performance measures, outcomes and departmental lines of business into a coherent and comprehensive way of thinking about the connection between the way we allocate our resources as a City government and the value we create for the residents of the City of Seattle.

# Race and Social Justice in the Budget

## Introduction

This chapter provides an overview of the seven major Citywide equity initiatives and the [Race and Social Justice Initiative \(RSJI\)](#) in which they are grounded. In addition, this chapter provides background and context for RSJI-related budget additions throughout the 2017-2018 Proposed Budget.

RSJI is a Citywide effort to end institutionalized racism and race-based gaps in City government. A key component is the examination of City policies, projects, initiatives and budget decisions to determine how each item impacts different demographic groups in Seattle. Launched in 2004, Seattle was the first U.S. city to undertake an effort that focused explicitly on institutional racism. Since then, our own King County and other cities – including Minneapolis, Madison, and Portland – have all established their own equity initiatives. RSJI’s long-term goal is to change the underlying system that creates race-based disparities and to achieve racial equity, as well as ending racial disparities within City government so there is fairness in hiring and promotions, greater opportunities in contracting, and equitable services to all residents. This goal will be achieved through strengthening outreach and public engagement, changing existing services using Race and Social Justice best practices, improving immigrant and refugee access to City services, and leading a collaborative, community-wide effort to eliminate racial inequity in education, criminal justice, environmental justice, health and economic success. RSJI works to eliminate racial and social disparities across key indicators of success in Seattle, including: arts and culture, criminal justice, education, environment, equitable development, health, housing, jobs, and service equity.

The Seattle Office for Civil Rights leads this Initiative and provides support for departments and staff. For more than a decade the initiative has worked to ensure racial equity is a core value of the City.

In 2014 Mayor Murray signed an Executive Order affirming the City’s commitment to RSJI and expanding the program’s work to include measurable outcomes, greater accountability, and community-wide efforts to achieve racial equity throughout Seattle. Under the Mayor’s direction each department is required to apply the Racial Equity Toolkit to a minimum of three projects each year, using the tool to guide decision-making.

Each City department has a “Change Team” – a group of employees that supports RSJI activities and strengthens a department’s capacity to get more employees involved. The team facilitates and participates in discussions on race and racism. The Mayor’s Office (including the City Budget Office (CBO) and the Office of Policy and Innovation (OPI)) created a combined Change Team in 2015. This offers staff an opportunity to engage all levels of the Mayor’s Office in how to more consistently and effectively use an equity lens in policy and budget decision-making. These discussions increase individual and group understanding of how racism and other marginalizing factors affect equity and service provision.

The Race and Social Justice Initiative has changed how the City engages in decision making and planning efforts both large and small. This work has led to the following equity efforts across City government:

- Equitable Community Outreach & Engagement
- Equitable Development
- Equity & Environment
- Equity in Education
- Digital Equity
- Labor Equity
- Workforce Equity

## Race and Social Justice Initiative



Lead Department:

**DON**

Collaborating  
Departments:

**Seattle IT, OCR,  
OIRA, CBO**

# Equitable Community Outreach & Engagement

Equitable community outreach & engagement is about creating authentic outreach and engagement efforts, building capacity, and developing partnerships.

The Department of Neighborhoods (DON) is leading a Citywide effort to establish and implement equitable outreach and engagement practices. This effort shows a commitment to inclusive participation and the belief that equity is essential to any community involvement processes.

DON strives to strengthen Seattle by engaging all communities. They foster community partnerships, cultivate emerging leadership, and facilitate community inclusiveness. DON serves all people in Seattle through a new public involvement framework, which broadens access points and creates more opportunities for underrepresented communities to participate. DON worked closely with Seattle IT to ensure they have the tools needed for digital engagement efforts, including contact management and targeted outreach abilities. The Public Outreach and Engagement Liaison (POEL) program continues the community clinic program, which brings multiple City departments and resources to historically underserved communities and exemplifies best practices of going where people are.

DON will continue to work towards achieving greater equity in meaningful involvement with communities throughout Seattle, with an emphasis on under-served and under-represented communities, while being mindful and intentional in addressing existing disparities.



Lead Department:

**OPCD**

Collaborating  
Departments:

**DON, OSE, CBO,  
SDOT, SPU, City  
Light, Parks, OCR**

# Equitable Development

Seattle will be a diverse city where all people are able to achieve their full potential regardless of race or means. Our neighborhoods will be diverse and include the community anchors, supports, goods, services, and amenities that people need to lead healthy lives and flourish.

The Office of Planning and Community Development (OPCD) was created to better integrate City priorities among all City departments and help coordinate how the City grows and invests. OPCD and CBO will manage the capital cabinet and facilitate long-range planning efforts with a lens of race, social justice, and economic equity. Working through the capital cabinet, OPCD will help align City capital resources to better meet the needs of the most vulnerable populations.

As a companion to the City's Comprehensive Plan, OPCD released an equity analysis, which looks at how future growth will affect diverse populations, including low-income people, people of color, and English-language learners. The equity analysis will help inform potential strategies to reduce growth impacts and maximize opportunity so that everyone can succeed and thrive as

## Race and Social Justice Initiative

Seattle grows. In partnership with the Seattle Planning Commission and other departments, OPCD will identify citywide community indicators of equitable growth that will be monitored and reported on annually.

In 2016 OPCD created an equitable development framework and continued worked closely with community groups leading place based equitable development projects, intended to meet community objectives for housing and employment and create cultural anchors. In 2017, OPCD will continue to provide staff support to assist these community groups in their efforts and will add an additional position to help with planning related to development and real estate transactions. In addition, OPCD will assist in advancing equitable development projects through targeted funding to leverage other investments.

Finally, zoning changes citywide would implement Mandatory Housing Affordability (MHA) in multifamily and commercial zones and in single-family areas within urban villages. MHA, a Housing Affordability and Livability Agenda (HALA) program, will increase the amount of affordable housing throughout Seattle and will address displacement through various policies and programs.



Lead Department:

**OSE**

Collaborating  
Departments:

**OPCD, City Light,  
FAS**

## Equity & Environment

All people should have access to a clean and healthy environment and environmental progress. Environmental equity seeks to ensure low-income people and people of color benefit and lead in our environmental movement and progress.

Across the United States, race is the most significant predictor of a person living near contaminated air, water or soil. Seattle's Equity & Environment Initiative (EEI) is a partnership of the City, community, and private foundations to deepen Seattle's commitment to racial justice in environmental work. Leaders from communities of color worked in partnership with the City to engage more than 800 community members to develop Seattle's Equity & Environment Agenda, released by Mayor Murray on Earth Day, April 22, 2016. The Agenda outlines four environmental justice goal areas with recommended strategies in each: 1) healthy environments for all; 2) jobs, local economies and & youth pathways; 3) equity in City environmental programs; and 4) environmental narrative & community leadership.

In 2017, OSE will partner with community groups to integrate the goals of the EEI into existing environmental work. Two overarching elements that integrate the EEI across programs include: establishing an Environmental Justice Steering Committee to deepen the influence of communities of color in City environmental programs; and ensuring that the stories and experiences of people of color shape our environmental work. OSE will prioritize integrating the EEI goals in the following ways: create opportunities for communities of color to help shape the Drive Clean Seattle Initiative so that clean transportation investments deliver economic, health and racial justice benefits to communities most-affected by environmental hazards; co-chair the Duwamish Valley IDT to advance environmental justice in the Duwamish Valley by reducing disparities in Georgetown and South Park; and offer affordable fruit and vegetable bags to low-income children participating in the Seattle Preschool Program.





Lead Department:

**DEEL**

Collaborating

Departments:

**OED, HSD, Parks,**

**OCR**

### Equity in Education

Educational equity is about ensuring all children in Seattle have access to a quality education system and can grow and thrive in our schools. The City invests in programs and strategies to support early childhood education, close the education opportunity gap, and ensure each Seattle student graduates from high school ready for post-secondary success.

The new Seattle Preschool Program continues to grow, focusing on neighborhoods and schools with high populations of students of color, preparing them for kindergarten and school. The Families and Education Levy will continue investing in many of Seattle’s schools with the goal of supporting students who are falling behind academically. The Families and Education Levy will also continue to fund successful strategies that help students of color succeed in school and be prepared and ready for post-secondary success including health centers, family support services, summer learning programs, extended learning opportunities and social emotional and academic supports.

DEEL will support the expansion of the Parent-Child Home program to improve literacy education for young children, particularly children of color. The Parent-Child Home Program is an evidence-based, two-year home-visitation literacy program for two- and three-year old children. A recent study of the Seattle PCHP program shows that participation leads to better preparation for kindergarten and higher reading and math scores in the third grade for participating children compared to their non-participating peers.

DEEL will also expand summer programming to include cultural and gender specific programs for Seattle students, and to assist graduated seniors stay on track for college entrance. Finally, DEEL will invest in one Seattle Public Schools high school to begin implementing strategies recommended by the Mayor’s Education Advisory Group to reduce discipline, improve attendance, adopt a more rigorous curriculum, create and/or adopt more culturally relevant curricula, and improve college and career planning and experiential learning for students at all grade levels.



Lead Department:

**IT**

Collaborating

Departments:

### Digital Equity

Digital equity seeks to ensure all residents and neighborhoods have the information technology capacity needed for civic and cultural participation, employment, lifelong learning, and access to essential services. Working toward digital equity involves intentional strategies and investments to reduce and eliminate historical barriers to access and use technology.



# Race and Social Justice Initiative

## OCR

The Seattle Information Technology (Seattle IT) department is continuing to work towards digital equity to reduce and eliminate historical barriers to access and use of technology. Seattle IT's Digital Equity initiative is working to ensure all residents and neighborhoods have the information technology capacity needed for civic and cultural participation, employment, lifelong learning, and access to essential services. In 2016 the City began a project to expand Wi-Fi in parks and community centers, expanded the library Wi-Fi lending program, and supported digital literacy programs across the city. Seattle IT's work in 2017 will help increase connectivity, digital skills training, and access to laptops or other devices for residents without adequate internet access or the skills required to effectively use technology.

In 2017, the City will be funding community-driven projects through a Technology Matching Fund, providing refurbished laptops or other devices to new trainees, continuing to provide wireless internet devices for check out through the library system, and supporting public access at our community centers and in partnership with many community organizations. The City will be increasing support for coding instruction for students in after-school programs and will help foster digital literacy for parents so they can better help their kids get ahead. Seattle IT and the Office for Civil Rights (OCR) are continuing to work closely with Seattle Housing Authority to get low-income families connected to low-cost internet service, skills training, and devices. Finally, in 2017, the City will also be developing recommendations on how to ensure new buildings are best designed to allow competitive broadband services thereby helping residents of apartment buildings to have more choices in how they can get connected.



Lead Department:

**OLS**

Collaborating  
Departments:

**OCR, OIRA**

## Labor Equity

The City of Seattle addresses labor equity through innovative policy decisions that create a fair and healthy economy for workers, businesses and residents. In recognition of the City's leadership in advancing workforce standards and the magnitude of work to reach these goals, the City created the Office of Labor Standards in 2015.

Seattle has lead the country by developing and passing labor laws that protect workers and promote equity. We continue to implement our labor standards policies as well as develop and pass new legislation to promote a vibrant economy where all can thrive.

The City's Paid Sick and Safe Time ordinance (2012) enables employees working in Seattle to use paid leave to care for their own physical or mental health condition; to care for a family member with a physical or mental condition; for reasons related to domestic violence, sexual assault or stalking; or if their workplace is closed by order of public official or health reasons. Because many employees who previously did not have access to paid sick and safe time were disproportionately women and people of color, the impact of this ordinance is especially important for improving economic security and removing barriers to race and social justice for Seattle's most vulnerable workers.

The City's Fair Chance Employment ordinance (2013) sets limits on how employers can use conviction and arrest records for jobs performed in Seattle. The City's Wage Theft ordinance (2014) seeks to deter employers from failing to properly compensate workers and offers a civil process for addressing violations. Seattle's Ready to Work program (2014) is designed for residents who face barriers learning English and gaining employment. Ready to Work advances

# Race and Social Justice Initiative

labor equity goals by connecting immigrants and refugees who need the most assistance with an education and a stable job.

The Priority Hire Program (2015) promotes access to family wage jobs in construction, ensuring workers living in economically distressed areas have access to jobs on major City construction projects. City construction projects of \$5 million or more are required to have a percentage of project hours performed by workers living in economically distressed areas. In addition, City projects also include goals for women and people of color as apprentices. The City's Minimum Wage ordinance (2015) establishes a gradual path to a minimum wage of \$15/hour for employees working in Seattle. The minimum wage requirements are phased in for employers based on the size of their workforce.

Finally, businesses that employ hourly workers rarely need the same number of workers on a consistent basis. This leads to irregular scheduling practices that burdens workers with erratic schedules, unreliable incomes, involuntary part-time status, not enough time to rest between opening and closing shifts, and coercion from employers to take shifts. The City adopted its most recent nation-leading ordinance, passed in September 2016, to advance labor equity through scheduling requirements that balance the need for predictability and flexibility for both workers and businesses.

To provide both education and enforcement for these innovative policies, in 2017, an additional 13 employees will be added to the Office of Labor Standards, which will become a stand-alone office.



Lead Departments:

**SDHR; OED**

Collaborating  
Departments:

**SPD, SFD, OCR**

## Workforce Equity

Eliminate institutional and structural barriers that impact employee attraction, selection, participation, and retention. Enable opportunity for City employees to succeed and grow in their careers.

The City's Workforce Equity Strategic Plan includes supporting City employment practices and policies that have the greatest impact on reducing barriers to inclusion in the workplace, while also putting forward strategies that reduce the tension between career and family responsibilities for employees. This includes expanding paid parental leave for City employees and establishing a paid family care leave benefit as a safety net for employees who care for seriously ill family members. In 2017, the City will move toward a more standardized, equitable approach to human resources, as well as will establish training for hiring managers on implicit bias and advance a more equitable approach to performance management.

The Office of Economic Development (OED) promotes access to economic opportunities for all of Seattle's diverse communities. OED seeks to foster a diverse array of industry sectors and develop local talent, focusing on women and people of color, to fill high-demand jobs. OED's small business support team helps connect individual businesses owned by people of color and immigrants with resources to grow their business. OED supports Seattle's distinctive and diverse neighborhoods to organize a collective vision for their business districts and harness resources to achieve it. OED brings together a network of partners to ensure Seattle residents get the education and training they need to be ready for -- and get -- high-quality jobs. The office also helps advance the Mayor's Youth Employment Initiative to engage more opportunity youth in short-term employment opportunities to both gain life skills and connect employers with possible future workers.

# Race and Social Justice Initiative

## Race and Social Justice Impacts in the 2017-2018 Proposed Budget

Consistent with established practice since the launch of RSJI, all 2017-2018 budget adjustments were screened for RSJ impacts. Departments used the City's Racial Equity Toolkit (RET) or other tools to assess direct and indirect results of their proposals, and this analysis was then utilized in the decision-making process within CBO and the Mayor's Office. This section highlights specific examples of RSJI considerations in the 2017-2018 Proposed Budget and budget decision-making processes.

### Enforce New Anti-Discrimination Laws

The proposed budget adds funding to support staffing within the Office for Civil Rights to help ensure that each of the newly created labor equity laws can meet their respective goals to protect the rights of LGBT youth and the right to access housing for low income people, people of color, immigrant and refugee communities, and people with disabilities.

### Workforce Equity Strategic Plan

The Seattle Department of Human Resources (SDHR) presented the Workforce Equity Strategic Plan in 2016 in collaboration with the City Council and the Mayor. SDHR will establish service delivery agreements with City departments to develop a consolidated human resources organizational structure. The Strategic Plan includes an unbiased employment training for managers to address institutional barriers and increase equity in the employee hiring and promotion processes. Additionally, SDHR will continue its implementation of a standardized performance evaluation tool Citywide to reduce unfair and potentially biased evaluation practices.

### Pay By Phone

The City will absorb the per-transaction payment by phone for on-street parking, which will eliminate a barrier that may previously have prevented some parkers from using this service. The City will also analyze demographic data to help it develop services that respond to the needs and preferences of the users of this application. This could include the ability to use cell-phone interfaces in languages other than English.

### Community Centers

The proposed budget implements several changes to provide more opportunities at community centers for underserved residents. Some of these changes include increased staffing and operating hours in centers where the neighborhoods have fewer resources to pay for programming and where residents have fewer recreational options; free recreational programming at five centers; eliminating drop-in fees for programs like basketball and the toddler playrooms; and simplifying the scholarship application process.

### Outreach to Low-Income Transit Riders

The Department of Neighborhoods (DON) will add two positions to help the Seattle Department of Transportation (SDOT) improve its outreach to low-income transit riders. Already in 2016, DON staff provided much-needed outreach help to increase use of the ORCA Lift program. DON will also provide two positions to improve outreach and engagement to neighborhoods and communities affected by large-scale infrastructure improvement projects. This effort is focused on addressing issues that disproportionately affect vulnerable communities already dealing with gentrification, displacement, and other adverse impacts of development.

### Education Summit

The City will implement the recommendations of the Education Summit Advisory Group to eliminate racial disparities in our public schools, especially for African-American and ethnic minority students. The City will contribute \$1 million towards implementation in 2017, including funding for two positions and supporting the expansion of two projects to improve educational outcomes. One project will expand the number of summer school slots by 200 for middle and high school students. The second project will expand an existing high school innovation program. The goal of both programs is to keep students on track to graduate on time.

# Race and Social Justice Initiative

## **Parent-Child Home Program**

In partnership with King County's Best Starts for Kids, the Department of Education and Early Learning will support an expansion of the Parent-Child Home program to improve literacy education for young children. The Parent-Child Home Program is an evidence-based, two-year home-visitation literacy program for two- and three-year old children. A recent study of the Seattle PCHP program shows that participation leads to better preparation for kindergarten and higher reading and math scores in the third grade compared to their non-participating peers.

## **East African Community Action**

The Office of Immigrant and Refugee Affairs (OIRA) will hire a consultant to work with City departments to develop and improve action plans geared towards improving outreach and engagement with the East African community. This consultant will also help City departments carry out recommendations listed in the City's 2016 report on Voices of Seattle's East African Communities.

## **Arts in Equitable Development**

In 2017, the Office of Arts (Arts) will create a new Cultural Preservation Fund in support of the Equitable Development Initiative. Arts will administer grants to the Wing Luke Museum and the Historic Central Area Arts and Cultural District to support cultural preservation in each of their respective communities. In return, each organization will help Arts develop strategies that can advance the goals of the Equitable Development Initiative, including strategies focused on cultural preservation and how to best invest additional funding in 2018.

## **Ready to Work Capacity**

OIRA will provide local community-based organizations participating in the City's Ready to Work program with more bilingual classroom assistants. Additional classroom assistants will help immigrant and refugee students of various backgrounds improve their English and prepare for employment.

## **Assistance to Minority Owned Businesses and Vulnerable Workers**

The Office of Labor Standards (OLS) Business Outreach and Education Fund provides technical assistance to small businesses in order to increase compliance with Seattle's labor standards. OLS will expand education, outreach, and technical assistance to businesses owned and operated by low-income and historically disenfranchised communities. The proposed budget also adds funding to the OLS Community Outreach and Education Fund to develop awareness and understanding of worker rights provided by Seattle's labor laws.

## **Equity Lab Initiative**

The RSJI Equity Lab is a new initiative within the Office for Civil Rights (OCR) that will support the City's network of RSJI practitioners in departmental and citywide policy initiatives, resulting in more effective implementation of racial equity principles across city government.

## **Retention of Arts Spaces in Our Neighborhoods**

The Office of Arts & Culture (Arts) has developed programs to combat the displacement of arts and ethnic cultural spaces, to create cultural affordability, and to support the retention of art spaces in our neighborhoods. The proposed budget provides additional funding to support these efforts, including increasing granting initiatives and retaining crucial cultural anchors. In 2018, the proposed budget will increase funding to Arts' core grant funding programs. This will allow Arts to potentially increase funding to historically underfunded programs.

## **Creative Advantage**

The proposed budget increases funding for Arts' support of Creative Advantage, an arts education initiative led by a public-private partnership that includes Arts, Seattle Public Schools, and The Seattle Foundation. The Creative Advantage initiative addresses inequity in arts education, transforms how Seattle youth learn, and enhances career readiness opportunities for Seattle students. The additional funding in 2017 will support a new Skill Center focused on Media Arts located on the Seattle Center campus.

# Race and Social Justice Initiative

## Digital Equity

The proposed budget includes funding to increase digital skills training for low-income families, increase STEM and coding instruction for students in out-of-school programs, increase access to technology skills training for women and minority business owners, and evaluate building codes to ensure adequate access and infrastructure for high-speed internet service.

## Homelessness Services

The proposed budget increases funding for homelessness shelters and services, including funding for a navigation center, which is a 24 hour, low-barrier shelter model. The proposed budget also adds funding for case management, rapid rehousing, and diversion for homeless individuals and families. People of color are disproportionately represented in the homeless population.

## Youth Opportunity

The proposed budget increases funding for the Career Bridge program and repurposes existing resources to support a youth mentoring program. The Career Bridge program helps men and women of color who face multiple barriers to employment by providing them with mentors, training and support to attain employment. The youth mentoring program is focused on black males in middle schools.

## Restrooms at the Library

The Seattle Public Library will install single-stall restrooms on the 3rd floor, 5th avenue entrance of the Central Library. The Central Library is one of the most heavily-used public facilities, but currently has no single-stall restroom options for patrons. The Library's proposed project will improve security and safe access for transgender individuals and people who do not consider themselves exclusively male or female.

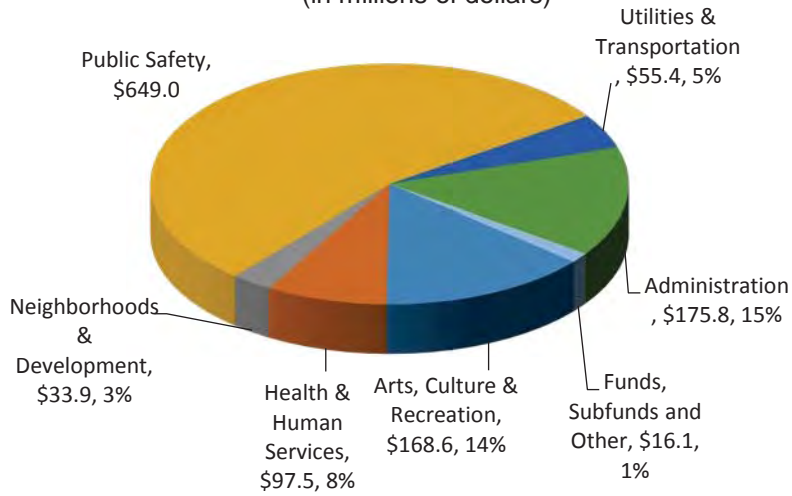
## OED Youth Employment Investment

The proposed budget expands the investment in the Mayor's Youth Employment Initiative to provide support to disadvantaged, primarily ethnic minority youth aged 14-24 to gain internships that prepare them for successful careers. The City will replace one-time grant funding from JPMorgan Chase to maintain the current level of internships. The City will also fund a new position to support the work needed to build a coordinated system that connects employers with youth in need.

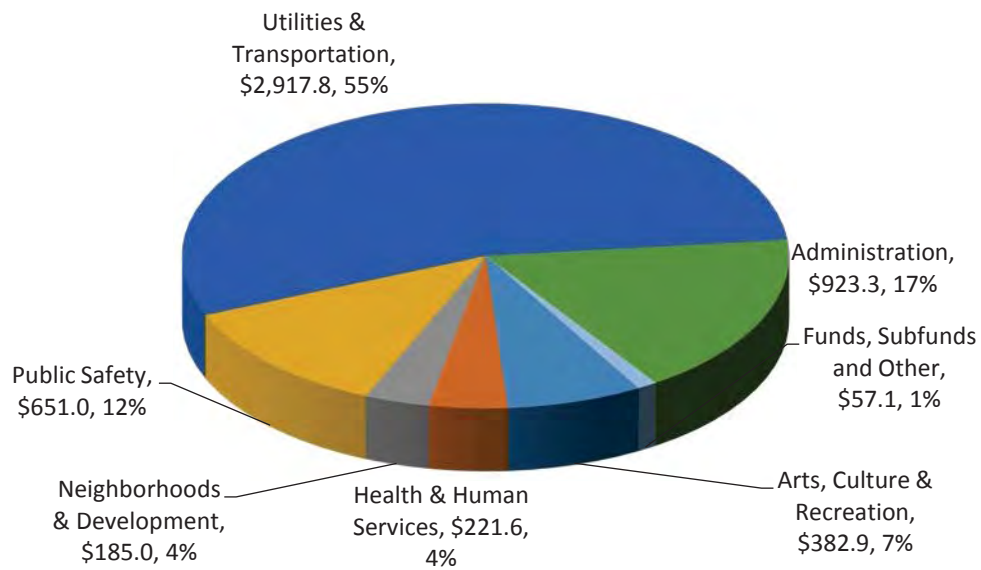


# Summary Charts and Tables

**2017 Proposed General Fund Appropriations - \$1.2 Billion**  
(in millions of dollars)



**2017 Proposed Appropriations - All Funds, \$5.4 Billion\***  
(in millions of dollars)



# Summary Charts and Tables

## EXPENDITURE SUMMARY (in thousands of dollars)

Department	2016 Adopted		2017 Proposed		2018 Proposed	
	General Subfund	Total Funds	General Subfund	Total Funds	General Subfund	Total Funds
<b>Arts, Culture &amp; Recreation</b>						
Office of Arts and Cultural Affairs <sup>(1)</sup>	0	11,297	0	12,687	0	12,476
The Seattle Public Library	50,206	71,750	52,322	75,250	53,516	75,458
Department of Parks and Recreation	96,539	209,807	103,218	239,059	106,758	252,125
Seattle Center	12,949	45,261	13,044	55,948	13,226	51,296
<b>SubTotal</b>	<b>159,693</b>	<b>338,116</b>	<b>168,583</b>	<b>382,943</b>	<b>173,501</b>	<b>391,355</b>
<b>Health &amp; Human Services</b>						
Human Services Department	77,493	142,172	88,876	156,754	86,298	152,393
Department of Education and Early Learning	6,985	55,012	8,629	64,867	7,308	72,717
<b>SubTotal</b>	<b>84,478</b>	<b>197,183</b>	<b>97,505</b>	<b>221,621</b>	<b>93,606</b>	<b>225,110</b>
<b>Neighborhoods &amp; Development</b>						
Office of Economic Development	10,066	11,486	9,021	10,459	9,151	10,592
Office of Housing	402	52,489	139	68,103	143	68,215
Department of Neighborhoods	7,041	7,041	7,466	7,466	7,450	7,450
Neighborhood Matching Subfund	3,164	4,778	3,044	4,193	3,070	4,087
Department of Planning and Development	6,231	72,945	6,538	87,090	6,513	83,059
Office of Planning and Community Development	8,027	8,027	7,643	7,643	7,715	8,145
<b>SubTotal</b>	<b>34,930</b>	<b>156,766</b>	<b>33,851</b>	<b>184,953</b>	<b>34,042</b>	<b>181,550</b>
<b>Public Safety</b>						
Criminal Justice Contracted Services	24,421	24,421	28,338	28,338	28,432	28,432
Firemen's Pension	17,164	18,457	18,787	20,087	19,481	20,800
Law Department	24,348	24,348	26,836	26,836	27,731	27,731
Police Relief and Pension	21,313	21,830	21,313	22,073	21,770	22,545
Seattle Fire Department	183,523	183,523	200,982	200,982	203,664	203,664
Seattle Municipal Court	30,334	30,334	31,855	31,855	32,366	32,366
Seattle Police Department	299,838	299,838	320,858	320,858	329,248	329,248
<b>SubTotal</b>	<b>600,940</b>	<b>602,751</b>	<b>648,970</b>	<b>651,030</b>	<b>662,693</b>	<b>664,786</b>
<b>Utilities &amp; Transportation</b>						
Seattle City Light	0	1,369,595	0	1,366,870	0	1,399,795
Seattle Public Utilities	7,836	1,023,537	9,374	1,094,211	9,490	1,168,981
Seattle Transportation	44,308	491,035	46,058	440,644	44,445	561,129
Seattle Streetcar	0	5,870	0	6,220	0	5,660
Central Waterfront Improvement	0	417	0	1,701	0	1,879
School Zone Camera Fund	0	8,837	0	8,182	0	6,365
<b>SubTotal</b>	<b>52,144</b>	<b>2,899,291</b>	<b>55,432</b>	<b>2,917,827</b>	<b>53,935</b>	<b>3,143,808</b>



## Summary Charts and Tables

Department	2016 Adopted		2017 Proposed		2018 Proposed	
	General	Total	General	Total	General	Total
	Subfund	Funds	Subfund	Funds	Subfund	Funds
<b>Administration</b>						
Civil Service Commissions	507	507	489	489	502	502
City Budget Office	5,895	5,895	6,207	6,207	6,365	6,365
Office of the Community Police Commission	850	850	879	879	894	894
Department of Information Technology	3,876	38,784	0	0	0	0
Seattle Information Technology Department	1,718	83,423	21,170	245,491	21,003	237,432
Fiber Leasing Fund	0	155	0	155	0	155
Employees' Retirement System	0	20,490	0	20,446	0	19,474
Ethics and Elections Commission	654	654	724	5,005	746	1,454
Finance General	66,179	66,179	56,113	66,343	56,425	63,845
Finance and Administrative Services <sup>(2)</sup>	29,364	277,639	27,945	269,937	29,121	244,081
Legislative Department	14,316	14,316	15,688	15,688	16,076	16,076
Office of City Auditor	1,792	1,792	1,948	1,948	1,795	1,795
Office of Hearing Examiner	667	667	705	705	726	726
Office of Immigrant and Refugee Affairs	2,261	2,661	2,282	2,682	2,292	2,692
Office of Intergovernmental Relations	2,795	2,795	2,914	2,914	2,963	2,963
Office of Sustainability and Environment	3,375	3,375	4,224	4,224	4,176	4,176
Office of the Mayor	5,833	5,833	6,572	6,572	6,763	6,763
Personnel Compensation Trust Subfunds	0	235,452	0	245,709	0	259,528
Department of Human Resources	16,572	16,572	18,645	18,645	18,961	18,961
Seattle Office for Civil Rights	6,162	6,162	3,988	3,988	4,093	4,093
Office of Labor Standards	0	0	5,272	5,272	5,562	5,562
<b>SubTotal</b>	<b>162,816</b>	<b>784,202</b>	<b>175,763</b>	<b>923,298</b>	<b>178,459</b>	<b>897,533</b>
<b>Funds, Subfunds and Other</b>						
Bonds Debt Service <sup>(3)</sup>	10,469	37,456	15,718	38,037	16,811	34,917
Cumulative Reserve Subfund <sup>(4)</sup>	0	7,352	0	2,720	0	2,252
Fiscal Reserve Subfunds	0	0	0	0	0	0
Judgment/Claims Subfund	621	17,749	417	16,350	362	15,220
Parking Garage Fund	0	9,716	0	0	0	0
<b>SubTotal</b>	<b>11,090</b>	<b>72,273</b>	<b>16,135</b>	<b>57,106</b>	<b>17,173</b>	<b>52,389</b>
<b>Grand Total*</b>	<b>1,106,092</b>	<b>5,050,582</b>	<b>1,196,239</b>	<b>5,338,779</b>	<b>1,213,409</b>	<b>5,556,531</b>

\*Totals may not add due to rounding

Notes:

- (1) Includes a dedicated amount based on receipts from Admission Tax.
- (2) The amounts in the "Total Funds" column include appropriations from the Asset Preservation Subfund.
- (3) The amounts in the "Total Funds" column reflect the combination of the General Subfund Limited Tax General Obligation (LTGO) bond debt obligation and the Unlimited Tax General Obligation (UTGO) bond debt obligation. Resources to pay LTGO debt payments from non-General Subfund sources are appropriated directly in operating funds.
- (4) This amount does not include the Cumulative Reserve Subfund (CRS)-supported appropriations for departments receiving CRS support because they are included in the respective department appropriations, and does not include appropriations from the Asset Preservation Subfund because they are included in the Finance and Administrative Services appropriations. The General Subfund contribution to CRS is included in the Finance General appropriations.



## General Subfund Revenue Overview

### City Revenue Sources and Fund Accounting System

The City of Seattle budget authorizes annual expenditures for services and programs for Seattle residents. State law authorizes the City to raise revenues to support these expenditures. There are four main sources of revenues. First, taxes, license fees, and fines support activities typically associated with City government, such as police and fire services, parks, and libraries. Second, certain City activities are partially or completely supported by fees for services, regulatory fees, or dedicated property tax levies. Examples of City activities funded in-whole or in-part with fees include certain facilities at the Seattle Center, recreational facilities, and building inspections. Third, City utility services (electricity, water, drainage and wastewater, and solid waste) are supported by charges to customers for services provided. Finally, grant revenues from private, state, or federal agencies support a variety of City services, including social services, street and bridge repair, and targeted police services.

The City accounts for all revenues and expenditures within a system of accounting entities called “funds” or “subfunds.” The City maintains dozens of funds and subfunds. The use of multiple funds is necessary to ensure compliance with state budget and accounting rules, and is desirable to promote accountability for specific projects or activities. For example, the City of Seattle has a legal obligation to ensure revenues from utility use charges are spent on costs specifically associated with providing utility services. As a result, each of the City-operated utilities has its own fund. For similar reasons, expenditures of revenues from the City’s Families and Education Property Tax Levy are accounted for in the Educational and Development Services Fund. As a matter of policy, several City departments have separate funds or subfunds. For example, the operating revenues and expenditures for the City’s parks are accounted for in the Park and Recreation Fund. The City also maintains separate funds for debt service and capital projects, as well as pension trust funds, including the Employees’ Retirement Fund, the Firefighters Pension Fund, and the Police Relief and Pension Fund. The City holds these funds in a trustee capacity, or as an agent, for current and former City employees.

The City’s primary fund is the General Fund. The majority of resources for services typically associated with the City, such as police and fire or libraries and parks are received into and spent from one of two subfunds of the City’s General Fund: the General Subfund for operating resources (comparable to the “General Fund” in budgets prior to 1996) and the Cumulative Reserve Subfund for capital resources.

All City revenue sources are directly or indirectly affected by the performance of the local, regional, national, and even international economies. For example, revenue collections from sales, business and occupation, and utility taxes, which together account for 59.1% of General Subfund revenue, fluctuate significantly as economic conditions affecting personal income, construction, wholesale and retail sales, and other factors in the Puget Sound region change. The following sections describe the current outlook for the local and national economies, and present greater detail on forecasts for revenues supporting the General Subfund, Cumulative Reserve Subfund, and the Transportation Fund.

### The National and Local Economies, September 2016

#### National Economic Conditions and Outlook

***We are now in the eighth year of the recovery from the Great Recession.*** The period leading up to the Great Recession was characterized by excessive borrowing and risk taking and a huge buildup in U.S. household debt. A lot of the borrowed money was used to purchase assets, which pushed up the price of the assets and eventually led to the buildup of asset bubbles, the largest of which was the housing bubble of 1998-2006. Eventually housing prices rose to a level that could not be sustained, even with exotic mortgages, and prices began to fall. The collapse of the housing bubble triggered the financial crisis which, in turn, precipitated a worldwide recession in 2008-09.

# Revenue Overview

The recession ended in June 2009, 18 months after it started, making it the longest recession in the post war period. By most measures the recession was the worst since the Great Depression. Real Gross Domestic Product (GDP) declined by 4.2% over a period of six quarters, 8.7 million jobs, 6.3% of total jobs, were lost, and the unemployment rate peaked at 10.0% in October 2009.

Thus far the recovery from the Great Recession has been sluggish, which is typical of recoveries from recessions caused by financial crises. Reasons for the sluggishness include the need for households to reduce their debt burdens, which constrains their ability to spend, and the large stock of nonperforming loans in the financial industry. In addition, housing, which is typically one of the sectors that leads a recovery, has recovered slowly from the bursting of the housing bubble.

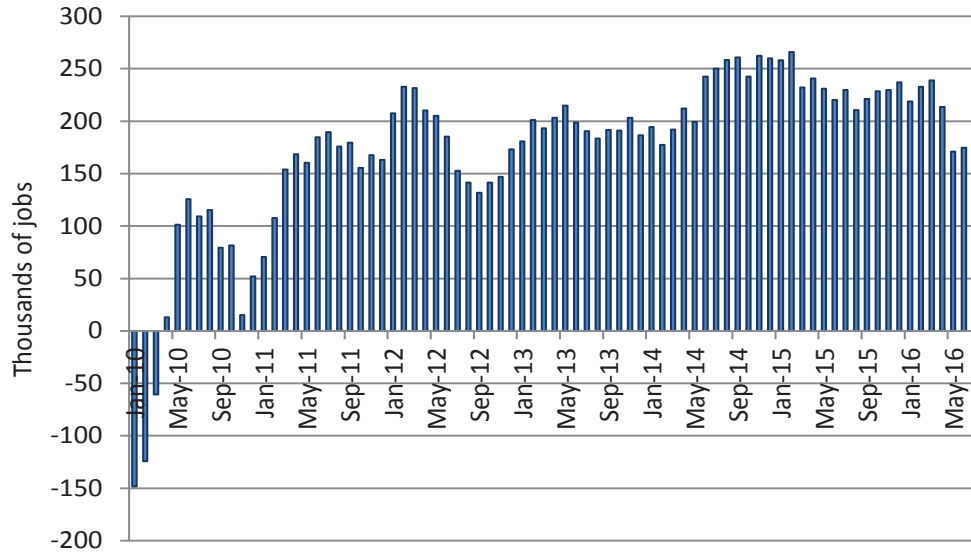
***After a slow start to 2016 economic conditions have improved.*** The economy started 2016 slowly. Real GDP, which ended 2015 with a disappointing fourth quarter growth rate of 0.9%, grew by an even weaker 0.8% in the first quarter of 2016. The main area of weakness was non-residential investment, which saw a big drop in energy related investment. Consumer spending posted a modest 1.6% gain, its weakest increase in nearly three years. One bright spot was residential investment, which grew by 7.8%. Despite the disappointing GDP figures, employment growth continued to post healthy gains in the first quarter, with an average increase of 196,000 jobs per month.

In April and May employment growth weakened. May's employment gain of 24,000 was the lowest monthly increase since late 2010. Then second quarter GDP surprised on the downside, with a growth rate of only 1.2%. However, much of the weakness was caused by a large inventory draw down that reduced GDP growth by 1.2 percentage points. Final sales, which excludes changes in inventories, grew at a healthy 2.4% rate, led by a 4.2% increase in consumption. Non-residential investment declined for the third consecutive quarter, again led by the energy sector.

The slowdown in employment growth reversed course in June and July, which saw gains of 292,000 and 255,000, respectively. The July employment report was particularly positive, with a robust gain in employment joined by solid gains in hours worked and wages, and a rise in the labor force participation rate. Average hourly wages increased at a 2.6% annual rate in both June and July, well above the rate of inflation. Also contributing to the upturn in the economy were solid consumer spending, supported by wage gains and rising home and stock prices, and the continuing recovery of the housing market. Impacts of the June U.K. vote to exit the European Union have been minimal thus far.

# Revenue Overview

**Figure 1. Monthly Change in U.S. Employment**  
Six month Moving Average

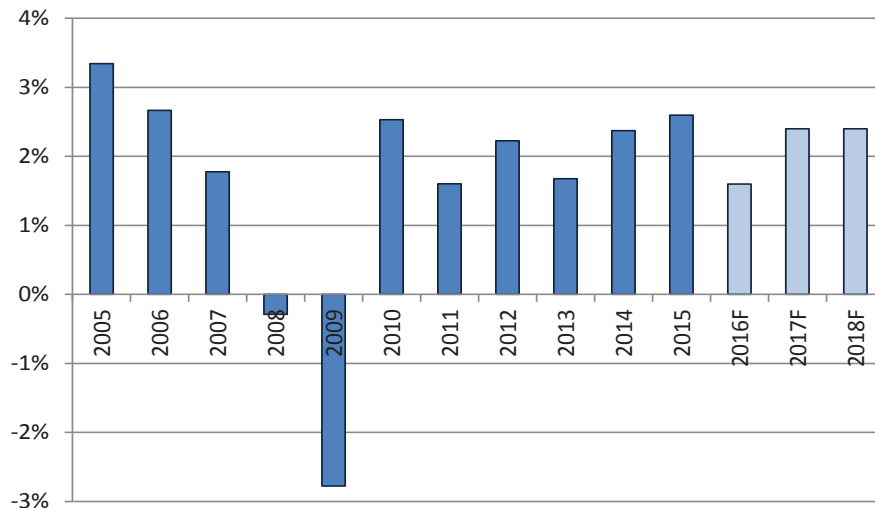


Source: U.S. Bureau of Labor Statistics.

**The risk of recession remains subdued.** Thus far during the recovery, real gross domestic product (GDP) growth has averaged just over 2% per year, which is the slowest pace of any recovery in the post-World War II era. Going forward GDP growth is expected to pick up in the second half of 2016, then settle into the 2% - 2.5% range (see Figure 2). Employment growth is expected to slow now that the economy is approaching full employment levels.

Ongoing economic growth will be supported by continued employment growth, low household debt levels, an expected pickup in wage growth as the job market tightens, and continued improvement in the housing market. The optimistic housing market outlook is supported by improving credit conditions, low mortgage rates, pent-up demand, and rising prices. The worst is over for the energy sector, which will reduce its drag on GDP. In addition, the public sector, which has been a drag on growth through much of the recovery, is now a source of modest growth.

**Figure 2. Annual Growth of U.S. Real Gross Domestic Product (GDP)**



Source: U.S. Bureau of Economic Analysis, Global Insight.

# Revenue Overview

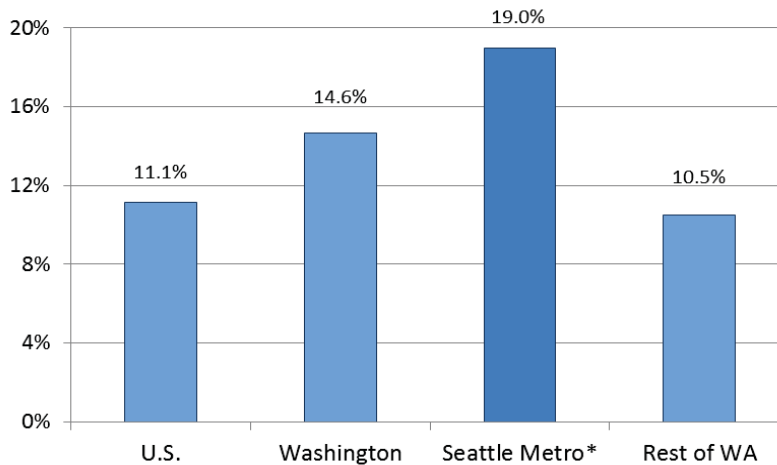
Although the current expansion is already the fourth longest of the 11 post-World War II expansions, it is not yet exhibiting signs its end is near. Most expansions end when the economy overheats, which causes a rise in inflation, which in turn spurs the Federal Reserve to raise interest rates to slow the economy. There are few signs that the economy is overheating, in large part due to the depth of the recession and the weakness of the recovery. One risk factor for the economy is the normalization of monetary policy. In December 2015, the Federal Reserve made its first federal funds rate increase since mid-2006, raising the target rate by 0.25%, from the 0.0% - 0.25% range to the 0.25% - 0.50% range. Another quarter point increase is expected by the end of 2016. The Fed's challenge is to make the transition to higher rates without disrupting the financial markets.

There is probably more risk to the U.S. recovery from forces outside of the U.S. than from domestic sources. China is a source of concern because of its slowing economy and high debt levels. Europe, which has been struggling with the Euro crisis for several years, is now faced with a migration crisis and the exit of the U.K. from the European Union. The ongoing turmoil in the Middle East has the potential to disrupt energy markets or imperil the world economy in other ways.

## Puget Sound Region Economic Conditions and Outlook

**Unlike much of the nation, the Puget Sound region is experiencing a healthy recovery.** Since the Great Recession ended in June 2009, the region's economy has outperformed the national economy by a considerable margin. This is reflected in the region's healthy job growth and low unemployment rate. Seattle metro area (King and Snohomish Counties) employment increased by 19.0% from its post-recession low in February 2010 through June 2016 (see Figure 3). This compares to an 11.1% gain for the U.S. and 14.6% gain for Washington state over the same period. The June 2016 unemployment rate for the Seattle metro area was 4.6%, compared to 5.8% for the state and 4.9% for the U.S. The region has also outpaced the U.S. in both income and wage growth during the recovery.

**Figure 3. Employment Growth: Post-Recession Trough to June 2016**



\*King & Snohomish Counties. Source: WA ESD, U.S. BLS.

An analysis by the Puget Sound Economic Forecaster (PSEF) indicates Boeing and Amazon led the region's recovery between 2010 and 2014, when these two firms were responsible for 43% of the jobs created in the region. PSEF concluded that "without the lift from Boeing and Amazon, regional employment and employee compensation would have risen at close to the national rate." A key reason that these two firms had such a large impact is that the average annual wage for both exceeds \$100,000.

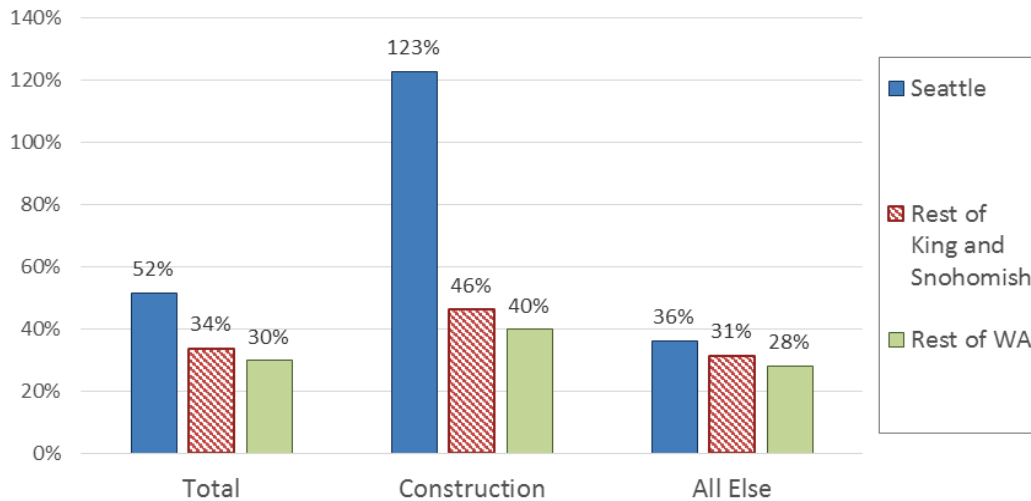
Boeing provided a major boost to the region's economy early in the recovery, adding 15,200 jobs between May 2010 and October 2012. However, since then Boeing has reduced its Washington employment by 11,300, with 3,600 of the reductions occurring in the first seven months of 2016. The non-store retailing industry (NAICS 454),

# Revenue Overview

which is dominated by Amazon, has posted steady employment growth throughout the recovery. In King County non-store retailing added 20,500 jobs in the six year period ending in September 2015.

**Seattle has captured an outsized share of the region's growth during the recovery.** Seattle has been the focal point of the region's growth during the current recovery. This is reflected in taxable retail sales data (the tax base for the retail sales tax), one of the few relatively current measures of economic activity available at both the county and city levels. Over the five year period 2010 - 2015, taxable retail sales increased by 52% in Seattle, compared to gains of 34% in the remainder of the King and Snohomish Counties, and 30% in the rest of the state, i.e., outside of the two counties (see Figure 4). Most of Seattle's relative strength is due to a 123% increase in construction. The rest of Seattle's tax base has also grown faster than that of the other areas, but by a much smaller margin.

**Figure 4. Taxable Retail Sales Growth, 2010 – 2015**

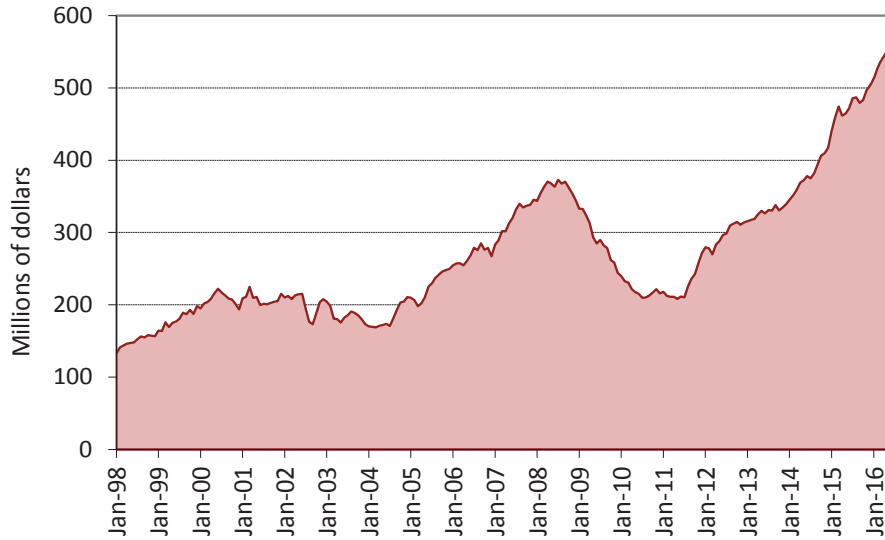


Source: WA Department of Revenue.

Seattle's strong rebound from the recession has been supported by the growth of Amazon, other technology businesses, and business and professional service firms. Employment growth at these businesses, along with the current popularity of in-city living, has boosted the demand for office space and housing in the city, spurring a construction boom. Initially construction was focused in new apartments and public construction, but over time activity has broadened to include more office projects and condominiums. Construction activity is now well above levels seen at the peak of the housing bubble in early 2008 (see Figure 5).

# Revenue Overview

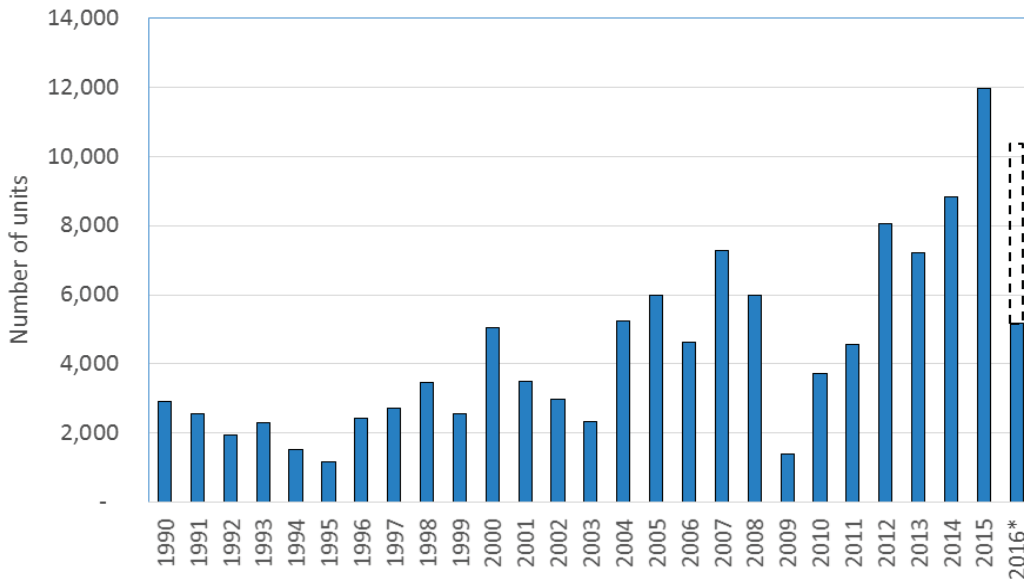
**Figure 5. Monthly Taxable Retail Sales for Construction, Seattle**



\*Data are 3 month moving average of seasonally adjusted monthly series.  
Source: WA Dept. of Revenue.

The recent upswing in Seattle housing construction is illustrated in Figure 6, which shows the number of new residential units for which a permit has been issued by the year of issuance. More permits were issued in 2012, 2014, and 2015 than in any other year since 1990. 2016 is set to surpass all years except 2015 unless the rate of permit issuance falls off sharply in the second half of the year. As of July 1, 2016, over 20,000 of the units permitted had not yet been completed.

**Figure 6. Residential Building Permits by Year Permit Was Issued, Seattle**



\*2016 data are for first 6 months. Dashed lines shows extrapolation to full year.

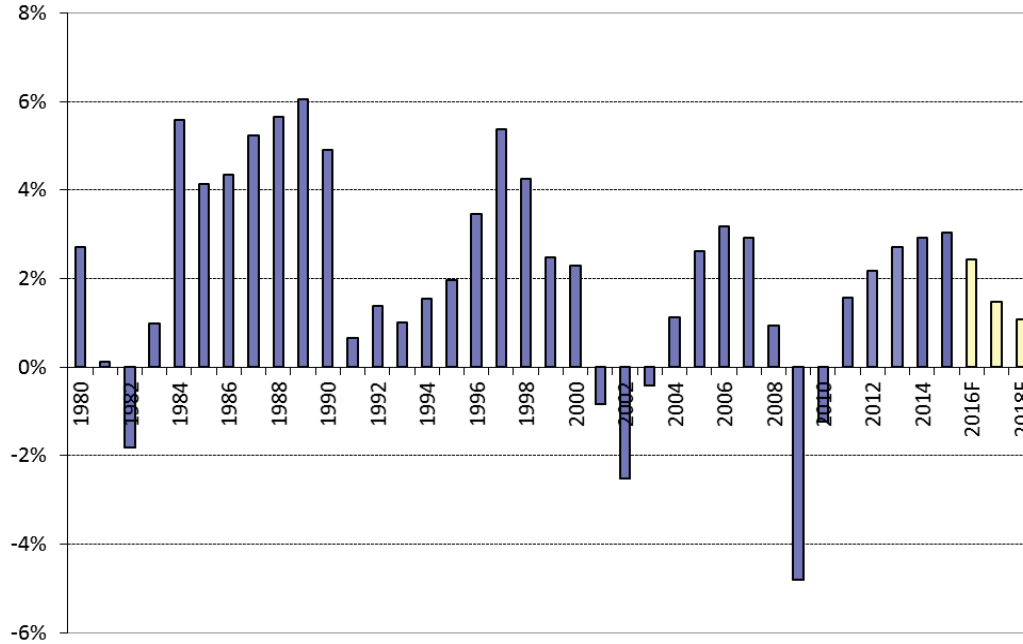
**The region’s economy is expected to slow.** According to the Puget Sound Economic Forecaster (PSEF), “now that the recovery is getting longer in the tooth, questions are arising about its future course.” Uncertainty is higher than normal, as reflected in the mixed messages being sent by some of the local economic data. For example, early this year it appeared that regional employment growth had slowed significantly in the second half of 2015. However, subsequent revisions to the employment data have raised the growth rate for the second half of 2015, and thus far in 2016 employment has grown strongly.



# Revenue Overview

The Puget Sound Economic Forecaster predicts that 2015 will be the peak year for employment growth during the current cycle, and that growth will gradually slow beginning in 2016 (see Figure 7). The forecast assumes the region will continue to grow faster than the nation, but that the gap between regional and national growth will narrow as the recovery moves forward. Income growth is expected to slow as well, but at a slower pace than employment growth. Contributing to the slowdown in 2016 is Boeing, which reduced its Washington employment by 3,600 jobs during the first seven months of the year. Forecasts of total Boeing reductions for the year range from 4,000 to 8,000. The forecast also assumes that employment growth in the non-store retailing industry will begin slowing in 2017, and that construction employment growth will slow beginning in 2016.

**Figure 7. Annual Growth of Puget Sound Region\* Employment**



\*Puget Sound Region is King, Kitsap, Pierce, and Snohomish Counties.

Source: Historical data from WA ESD; forecasts from the Puget Sound Economic Forecaster.

Sources of risk for the regional economic forecast come from both the national economic forecast, which serves as a basis for the regional forecast, as well as from local economic factors. If the national economy deviates significantly from the national forecast the regional economy will deviate from its forecast as well.

Sources of uncertainty in the local economy include the trajectory of the current construction cycle as well as the fortunes of the region’s major employers, including Boeing, Amazon, and Microsoft. Boeing is seeing softness in wide-body orders, and may cut back its 777 production rate or cancel a planned increase in 787 production. Microsoft recently announced a plan to lay off 2,850 workers during the current fiscal year. The location of the positions subject to layoff was not announced, but the cuts will occur in smartphone hardware and sales, which suggest a non-Puget Sound region focus. For Amazon the risk is probably mostly on the upside, namely that the regional forecast is underestimating Amazon’s future growth.

For Seattle, the trajectory of construction activity is a major source of risk and uncertainty. Construction is a highly cyclical industry, with periods of strong growth often, but not always, followed by steep downturns. The city is currently well into a boom period, with taxable sales for construction having more than doubled over the past five years. The timing and severity of the inevitable construction slowdown will be a key determinant of the course of the city’s economy over the next several years.

## Consumer Price Inflation

# Revenue Overview

***Inflation has made a modest come back after disappearing during the Great Recession.*** The Great Recession, the worst economic downturn in 80 years, pushed inflation rates down to levels not seen since the 1950s. In 2009 the annual growth rate of the U.S. CPI-U fell to -0.4%, the first time in 54 years that consumer prices had declined on an annual basis. During the recovery inflation has averaged 1.6% per year, reaching a high of 3.2% in 2011 due to a rise in energy prices, and falling to a low of 0.1% in 2015 when energy prices dropped steeply. Putting downward pressure on prices in 2015 and 2016 has been a strong dollar, which has made imports less expensive. Core inflation, which excludes volatile food and energy prices, has been very stable, ranging between 1.0% and 2.1% during the past six years.

Local inflation tends to track national inflation because commodity prices and national economic conditions are key drivers of local prices. Local deviations from national inflation are typically due to differences in housing inflation. Seattle inflation has generally tracked national inflation during the recovery, though Seattle inflation has been running a bit higher recently due to Seattle's relatively high housing cost inflation. For the first half of 2016, the Seattle CPI-U has grown at a 2.2% rate, compared to 1.1% for the U.S. CPI-U. Housing inflation for this period was 4.7% for Seattle and 2.2% for the U.S.

***Seattle inflation is expected to remain subdued.*** In the short- to medium-term, inflationary pressures are expected to remain subdued, as the weakness of the global economy restrains price pressures for commodities, goods, and services. Nationally Inflation is expected to increase gradually through the end of 2016, and then settle into the 2% - 2.5% range, though there will likely be some movement outside of this range if energy or food prices rise or fall steeply. Local inflation will continue to track higher than national inflation in the near term due to relatively high local housing price inflation. Figure 8 presents historical data and forecasts of inflation for the Seattle metropolitan area as measured by the Seattle CPI-U.

**Figure 8. Seattle Metropolitan Area Consumer Price Index Forecast**

2014 (actual)	1.8%
2015 (actual)	1.4%
2016	1.5%
2017	2.4%
2018	2.3%

Source: U.S. Bureau of Labor Statistics, Puget Sound Economic Forecaster.

## City Revenues

The following sections describe forecasts for revenue supporting the City's primary operating fund, the General Subfund, its primary capital subfund and the Cumulative Reserve Subfund.

### General Subfund Revenue Forecast

Expenses paid from the General Subfund are supported primarily by taxes. As Figure 9 illustrates, the most significant revenue source is the property tax, which accounts for approximately 25%, followed by the Business and Occupation (B&O) tax, sales tax, and utility taxes.

# Revenue Overview

Figure 9. 2017 Proposed General Subfund Revenue Forecast by Source - \$1,184.8 Million

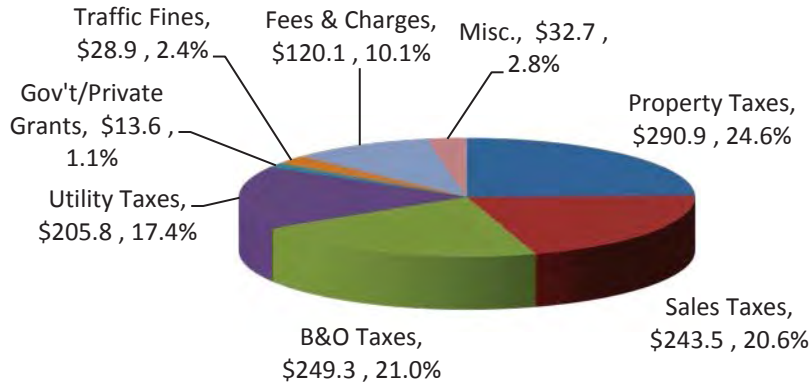


Figure 10 shows General Subfund actual revenues for 2015, adopted and revised revenues for 2016, as well as the proposed revenues for 2017 and 2018. Revenues, led by B&O and sales taxes, continue to grow outpacing inflation. Construction and employment levels have been on the rise in Seattle. Apartment building construction in dense neighborhoods and new office space in South Lake Union playing a key role in tax revenue growth.

Utility tax receipts from both private and public utilities have held up fairly well through the recession and the following period of expansion. Public utilities have seen a number of general rate increases as well as the creation of revenue stabilization accounts. These rate increases have led to higher tax revenues to the City which have served to stabilize general fund revenues against volatile growth rates in sales and B&O tax receipts. Some technological changes are having an effect on telecommunications and cable tax revenue streams as consumers change their behaviors. More cellular phone services are being used for internet access and other data services which are not part of the local tax structure. Similarly the competition between cable and satellite service providers along with an increased presence of television online has limited growth in cable tax revenues.

**Charter Revenues.** The City Charter requires that the general government support to the Park and Recreation Fund (PRF) be no less than 10% of certain City taxes and fees. Until fiscal year 2009, City treasury and accounting staff would directly deposit into the PRF 10% of these revenues as they were paid by taxpayers. The remaining 90% were deposited into the General Subfund or other operating funds as specified by ordinance. In addition to these resources, City budgets would provide additional General Subfund support to the PRF in amounts which greatly exceeded the 10% amount deposited in the PRF from these taxes and fees.

Beginning in 2009, City staff began depositing 100% of the revenue from these taxes and fees directly into the General Subfund or other funds as appropriate. This has greatly simplified City accounting. The General Subfund support to the PRF is increased by an amount equal to PRF revenue from these taxes. For 2017 and 2018, General Subfund support to the Parks and Recreation department will be \$102.7 million and \$107.1 million. These contributions are well above the \$53.3 and \$55.4 million that the Charter requires and that would accrue respectively to Parks under the previous 10% accounting approach.

## Revenue Overview

**Figure 10. General Subfund Revenue, 2015 – 2018\***  
(in thousands of dollars)

Revenue Source	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
General Property Tax <sup>(1)</sup>	229,567	236,821	236,540	244,284	255,019
Property Tax - Medic One Levy	43,477	44,871	45,510	46,648	47,814
Retail Sales Tax	203,116	211,972	218,567	224,435	229,085
Retail Sales Tax - Criminal Justice Levy	16,732	17,600	18,215	19,091	19,768
B&O Tax (100%)	221,300	229,498	235,531	249,331	261,894
Utilities Business Tax - Telephone (100%)	19,407	23,847	22,448	22,254	22,412
Utilities Business Tax - City Light (100%)	45,779	51,655	49,351	54,241	56,427
Utilities Business Tax - SWU & priv.garb. (100%)	15,343	15,718	15,849	19,880	21,222
Utilities Business Tax - City Water (100%)	32,133	31,053	30,694	31,572	32,920
Utilities Business Tax - DWU (100%)	42,876	43,090	43,648	46,036	47,269
Utilities Business Tax - Natural Gas (100%)	12,137	12,006	10,846	11,828	12,682
Utilities Business Tax - Other Private (100%)	18,995	19,562	19,354	19,946	20,607
Admission Tax	8,793	8,594	9,004	9,207	9,415
Other Tax <sup>(2)</sup>	7,171	10,762	11,854	12,077	11,745
<b>Total Taxes</b>	<b>916,827</b>	<b>957,049</b>	<b>967,412</b>	<b>1,010,832</b>	<b>1,048,279</b>
Licenses and Permits	18,842	16,945	21,877	26,858	28,608
Parking Meters/Meter Hoods	41,461	43,480	42,359	45,922	48,409
Court Fines (100%)	28,387	29,153	28,625	28,875	29,625
Interest Income	2,604	2,916	2,762	3,040	4,323
Revenue from Other Public Entities <sup>(3)</sup>	22,564	12,981	13,046	13,594	14,012
Service Charges & Reimbursements	49,362	43,505	42,772	47,350	48,270
<b>Total: Revenue and Other Financing Sources</b>	<b>1,080,048</b>	<b>1,106,028</b>	<b>1,118,853</b>	<b>1,176,471</b>	<b>1,221,525</b>
All Else	5,936	3,415	5,045	2,843	2,703
Interfund Transfers	566	2,872	22,057	5,502	4,616
<b>Total, General Subfund</b>	<b>1,086,549</b>	<b>1,112,314</b>	<b>1,145,955</b>	<b>1,184,816</b>	<b>1,228,844</b>

**NOTES:**

- (1) Includes property tax levied for the Firemen's Pension Fund per RCW 41.16.060.
- (2) Other Tax includes tonnage taxes that previously went to Seattle Public Utilities to pay for Clean City programs. These taxes now go to the general fund while continuing to support Clean City.
- (3) Included in 2014 Actual figures are the pass-through revenues that are not appropriated in adopted budgets.

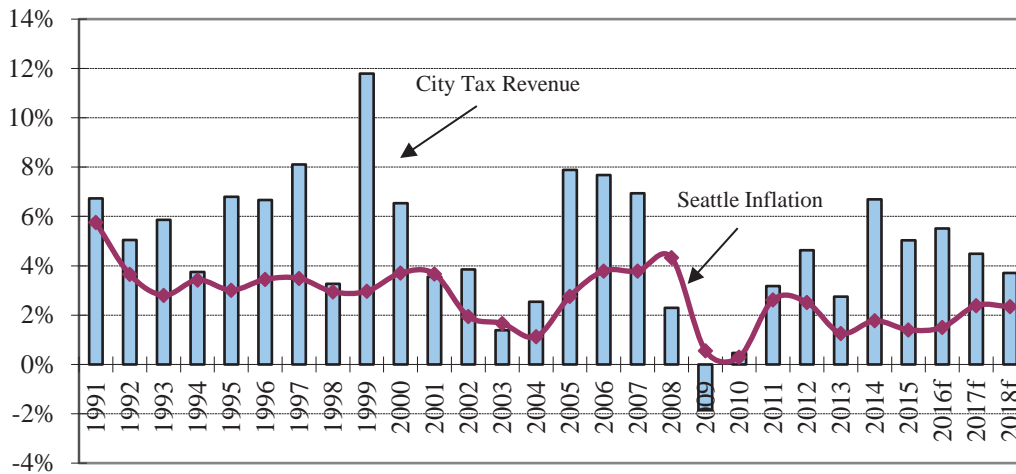
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\* In the past, 10% of certain tax and fee revenues were shown as revenue to the Parks and Recreation Fund and 90% as General Subfund. As of 2009, 100% of these revenues (depicted as "100%" in the table) are deposited into the General Subfund. General Subfund support to the Parks and Recreation Fund is well above the value of 10% of these revenues. This table shows all figures for all years using the new approach.

# Revenue Overview

Figure 11 illustrates tax revenue growth outpacing inflation for most of the 1990s and 2000, before the 2001-2003 local recession took hold. Slow growth posted in 2001 is also attributable to Initiative 747, which reduced the statutory annual growth limit for property tax revenues from 6.0% to 1.0%, beginning in 2002. Economic growth starting in 2004 led to very strong revenue growth in 2005 through 2007, staying well above inflation. The tax revenue growth was outmatched by inflation in 2008 and 2009. The Seattle rate of inflation fell to near zero in 2009 and 2010, but tax revenue growth was negative by almost 2% in 2009. Inflation is forecast to be stable and low over the coming biennium. Tax revenue growth is forecast to be positive and above inflation, with an average annual growth rate of over 4.6% 2016 through 2018. Inflation for the same period will average 2.1%.

**Figure 11. City of Seattle Tax Revenue Growth, 1991-2018**



## Property Tax

Property tax is levied primarily on real property owned by individuals and businesses. Real property consists of land and permanent structures, such as houses, offices, and other buildings. In addition, property tax is levied on various types of personal property, primarily business machinery and equipment. Under Washington State law, property taxes are levied by governmental jurisdictions in accordance with annual growth and total rate limitations. Figure 12 shows the different jurisdictions whose rates make up the total property tax rate imposed on Seattle property owners, as well as the components of the City’s 2016 property tax: the non-voted General Purpose levy (52.9%); the six voter-approved levies for specific purposes (40.7%), known as lid lifts because the voters authorize taxation above the statutory lid or limit; the levy to pay debt service on voter-approved bonds (6.4%). The total amount of property taxes imposed by a taxing jurisdiction is approved by ordinance. The County Assessor then divides this approved levy amount by the assessed value (AV) of all property in the jurisdiction to determine the tax rate (expressed per \$1,000 of assessed value), which, per the Washington State Constitution, is a uniform rate that is then applied to all taxable properties in the respective jurisdiction. The County Assessor determines the value of properties, which is intended to generally reflect 100% of the property’s market value as of January 1 of the year preceding the year of tax collection.

**Statutory growth limits, assessed value and new construction.** The annual growth in property tax revenue is restricted by state statute in two ways. First, state law limits growth in the amount of tax revenue a jurisdiction can levy to the lesser of 1% or the national measure of the Implicit Price Deflator. Previously, beginning in 1973, state law limited the annual growth of the City’s regular levy (i.e., General Purpose plus voted lid lifts) to 6%. In November 2001, voters statewide approved Initiative 747, which changed the 6% limit to the lesser of 1% or the Implicit Price Deflator, effective for the 2002 collection year. On November 8, 2007, Initiative 747 was found unconstitutional by the state Supreme Court. However, the Governor and state legislature, in a special session on November 29, 2007, reenacted Initiative 747, thus preserving the 1% growth limit. The second growth restriction

# Revenue Overview

is that state law caps the maximum tax rate a jurisdiction can impose. For the City of Seattle, this cap is \$3.60 per \$1,000 of assessed value and covers the City's general purpose levy, including Fire Pension, and lid lifts.

The City of Seattle's 2016 tax rate at \$2.77 per \$1,000 AV was roughly 29 percent of the total \$9.48 rate paid by Seattle property owners for all taxing jurisdictions. The 2016 total and City of Seattle tax obligations for a home of median assessed value in Seattle was \$4,553 and \$1,246 respectively. The obligation amounts in 2015 were approximately \$3,960 and \$1,120. The increase is largely due to the City's creation of the Seattle Metropolitan Park District and approval of the Move Seattle transportation levy. The County also added the Radio Communications and "Best Start for Kids" levies.

*Assessed Value (AV)* -- For the first time in 14 years, total assessed value in the City of Seattle fell in 2010 by approximately 10.3 percent. AV fell again in 2011 and 2012 by 2.9 percent and 2.2 percent respectively. The last significant decrease previously was in 1984 when AV dropped by 3.6 percent. Changes in AV affect tax rates as do changes in the amounts levied: as AV falls (rises), tax rates rise (fall). Consequently, from 2009 – 2013 with falling AV, the total property tax rate from all jurisdictions paid by Seattle property owners increased 31.8% from \$7.97 to \$10.50 per thousand dollars of AV. The rate for the City of Seattle increased 27.1% over the same period from \$2.58 to \$3.28, even though the levy amount increased only 12.5%. Rate growth has reversed over the last couple of years as Seattle AV increased 9.57% for 2014, 12.72% for 2015, 13.0% for 2016 and is forecast to increase approximately 10.8% in 2017 and 8.6% in 2018.

*New Construction* -- In addition to the allowed maximum 1% levy growth, state law permits the City to increase its regular levy in the current year by an amount equivalent to the previous year's tax rate times the value of property constructed or remodeled within the last year, as determined by the assessor. Between 1999 and 2010 annual new construction tax revenues exceeded \$2 million, with rapid increases between 2005 (\$2.9 million) and 2008 (\$6.64 million). New construction tax revenue for the 2009 tax collection year remained high at \$6.38 million, before succumbing to economic realities and falling 35 percent in 2010 to \$4.11 million, then 52% to \$1.95 million in 2011 before stabilizing at \$2.02 million in 2012. The overall value of new construction activity also fell during this period, but increased 6.9% in the valuation period preceding 2013 tax collections to \$780.2 million from \$729.7 million in 2012, increased a robust 90% further in 2014 to \$1.48 billion, another 53.5% in 2015 to \$2.27 billion, and 28.6% to \$2.92 billion in 2016. This increased revenues by \$2.39 million in 2013, \$4.6 million in 2014, \$6.1 million in 2015, and \$6.6 million in 2016. The 2017 Proposed Budget projects continued growth in new construction value for 2017 (25.9% to \$3.68 billion) before declining 4.2% in 2018 to \$3.53 billion. These new construction volumes are projected to generate \$9.1 million additional tax revenues in 2017, and \$8.8 million in 2018.

***The 2017 Proposed Budget assumes 1% growth plus new construction.*** The forecast for the 2017 Proposed Budget's General Subfund (General Purpose) portion of the City's property tax is \$236.5 million in 2016, \$244.3 million in 2017 and \$255.0 million in 2018. Additionally, in 2017 the City will levy approximately \$206.3 million for voter-approved lid lifts accounted for in other funds than the City's General Fund and \$30.7 million to pay debt service on voter-approved bond measures. The City's current seven-year Low Income Housing lid lift expires in 2016, decreasing the City's levy by approximately \$20.7 million. Voters, however, approved the proposed \$290 million, seven-year Low Income Housing levy renewal at election on August 2, 2016. The first year levy amount is \$41.4 million.

***Seattle Parks District.*** In August, 2014, voters approved creation of a Metropolitan Parks District (MPD). Pursuant to RCW 35.61, the MPD is a legally separate taxing jurisdiction from the City of Seattle, whose property tax levy authority of \$0.75 per \$1,000 assessed value is outside of the City's statutory rate limit of \$3.60 per \$1,000 assessed value and whose revenues will not be accounted for in the City's General Fund. The MPD named the Seattle Parks District will levy approximately \$49.8 million for collection in the 2017 tax collection year.

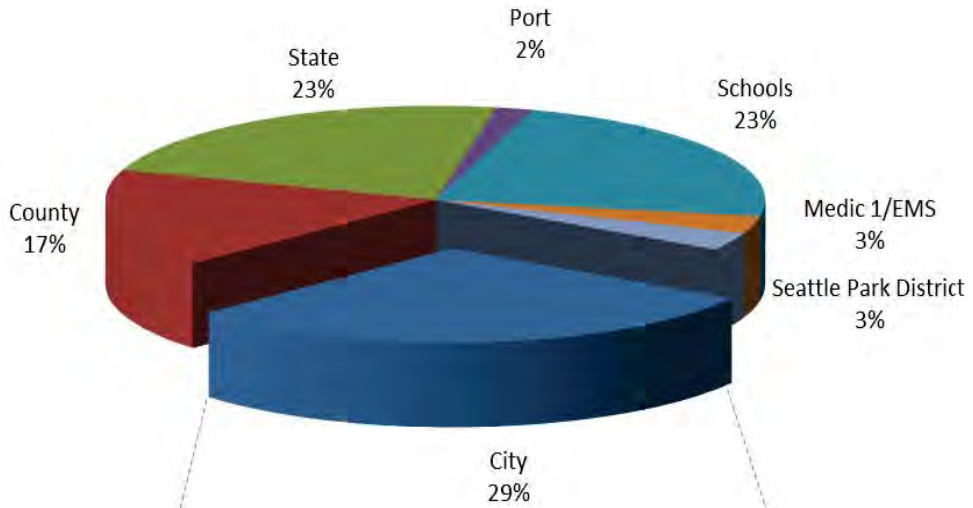
***Medic 1/Emergency Medical Services.*** Voters in November 2013 approved a renewal of the Medic 1/EMS levy at \$0.335 per \$1,000 of AV. At this rate King County projected revenues over the 6-year life of the levy of \$678 million, approximately \$256 million of which will come to the City of Seattle. The 2017 Proposed Budget projects revenues of \$45.5 million in 2016, \$46.6 million in 2017 and \$47.8 million in 2018.



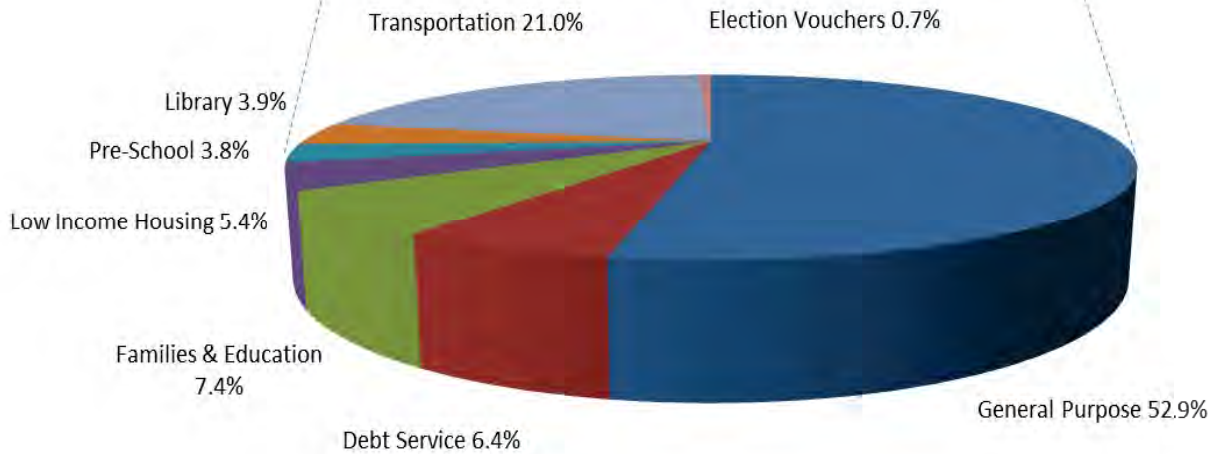
# Revenue Overview

Figure 12.

**Components of Total Property Tax Levy for 2016**  
(tax rate = \$9.19 per \$1,000 assessed value)



**Components of City's Property Tax Levy for 2016**  
(tax rate = \$2.77 per \$1,000 assessed value)



# Revenue Overview

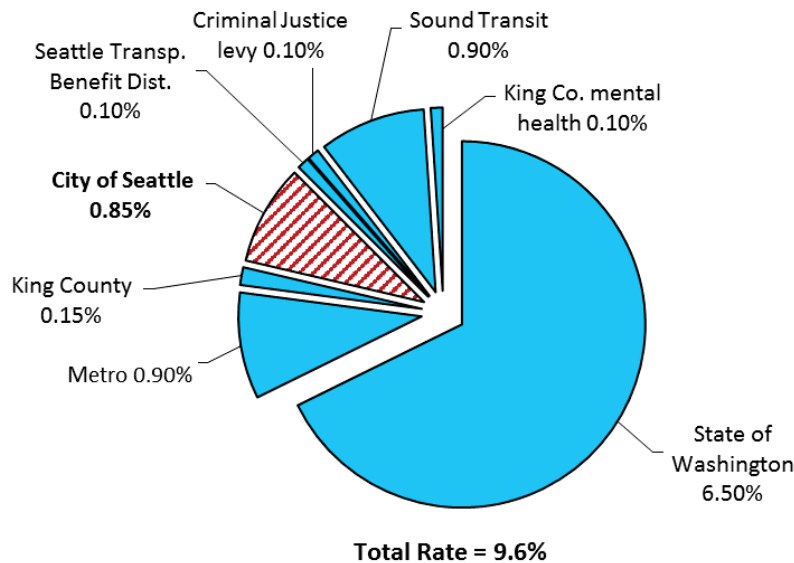
## Retail Sales and Use Tax

The retail sales and use tax (sales tax) is imposed on the sale of most goods and certain services in Seattle. The tax is collected from consumers by businesses that, in turn, remit the tax revenue to the state. The state sends the City its share of this revenue on a monthly basis.

The sales tax rate in Seattle is 9.6% for all taxable transactions. The rate was increased from 9.5% to 9.6% on April 1, 2015 by the addition of a 0.1% sales tax levy for the Seattle Transportation Benefit District. Seattle voters approved the increase in November 2014.

The basic sales tax rate of 9.6% is a composite of separate rates for several jurisdictions as shown in Figure 13. The City of Seattle's portion of the overall rate is 0.85%. In addition, Seattle receives a share of the revenue collected by the King County Criminal Justice Levy. Revenue collected by the Seattle Transportation Benefit District, whose governing board is comprised of all nine Seattle City Councilmembers, is used to make transportation improvements within the city.

Figure 13. Sales and Use Tax Rates in Seattle, 2016



On July 1, 2008, in order to bring its sales tax procedures into conformance with the Streamlined Sales and Use Tax Agreement (SSUTA), Washington State implemented destination based sourcing for the sales tax. Under destination based sourcing, when a retail sale involves a delivery to a customer the sales tax is paid to the jurisdiction in which the delivery is made. Previously Washington had employed origin based sourcing, i.e., allocating the sales tax to the jurisdiction from which the delivery was made. This change yielded a modest increase in the City's sales tax revenue.

**Sales tax revenue has grown and contracted with the region's economy.** Of the City's four major taxes, the sales tax is the most volatile because it is the most sensitive to changes in economic conditions. Over half of sales tax revenue comes from retail trade and construction activity, both of which are very sensitive to economic conditions.

Seattle's sales tax base grew rapidly in the late 1990s, driven by a strong national economy, expansion at Boeing in 1996 - 1997, and the stock market and technology booms. The recession that followed the bursting of the stock market bubble and the September 11, 2001 terrorist attacks ushered in three successive years of decline (2001 - 2003) in the sales tax base. The economy began to recover in 2004, and then grew strongly for three years, 2005 - 2007, during which the sales tax base grew at an average annual rate of 9.8%, led by construction's 21.0% rate.



# Revenue Overview

The robust growth of 2005 -2007 was followed by the Great Recession, which caused the largest contraction in the sales tax base in over 40 years. In a period of five quarters beginning with the third quarter 2008, the retail sales tax base shrunk by 18.2%. The decline was led by a steep drop in construction along with falling sales in manufacturing, finance and insurance, management, education and health services, and building materials and garden supplies.

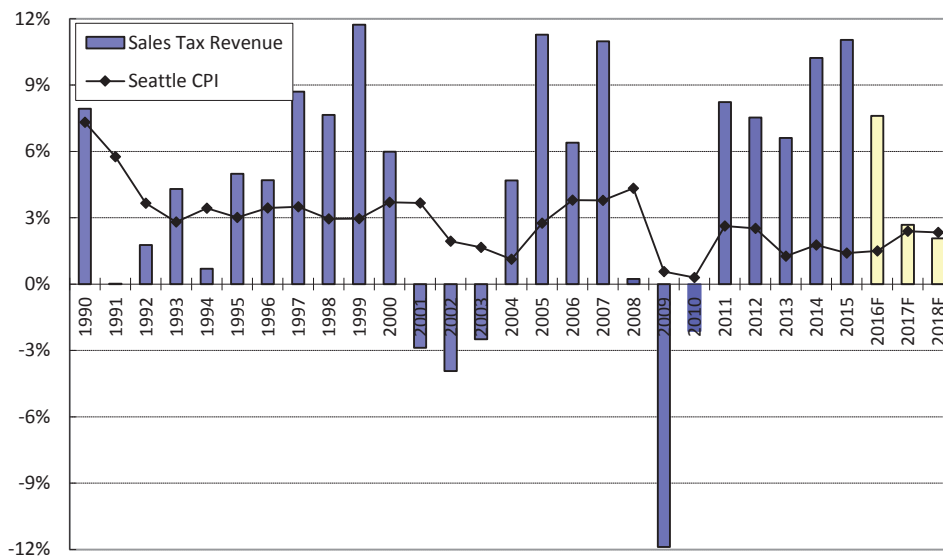
After hitting bottom in 2010, Seattle’s sales tax base has rebounded strongly, with construction leading the way. Other fast growing industries have included motor vehicle and parts retailing, e-commerce retailing, professional, scientific and technical services, accommodation, and food services.

**2016 will be another strong year for sales tax revenue but growth will slow thereafter.** In the four months since the April 2016 sales tax forecast was prepared, sales tax receipts have been stronger than anticipated. This is due mostly to stronger than expected growth in construction, although the rest of the tax base exceeded expectations as well. As a result of the strong revenue growth of recent months, the upward revision to the 2016 regional economic forecast, and a stronger construction forecast for 2016, the forecast for sales tax revenue growth in 2016 was increased to 7.6%.

The forecast for the construction portion of the tax base was developed in two parts. First, a forecast for the first four quarters of the forecast period was developed from lagged Seattle construction permit data. Then a forecast for the remaining period was created using a time series model estimated over 41 years with quarterly data. The resulting forecast predicts taxable sales for construction will peak in 2016 and then decline by 9.2% over the following three years.

With expectations of a modest decline in construction and a slowdown in regional employment growth, sales tax revenue growth is expect to slow to 2.7% in 2017 and 2.1% in 2018. The forecast incorporates an expected small revenue gain from SB 6138, a revenue bill passed by the Washington State Legislature in 2015, and an estimate of future sales tax revenue from marijuana sales legalized by Initiative 502.

**Figure 14. Annual Growth of Retail Sales Tax Revenue**



Note: All revenue figures reflect current accrual methods. 2016-18 are forecasts.

## Business and Occupation Tax

Seattle’s principal business tax is the business and occupation (B&O) tax, which is levied on the gross receipts of most business activity that takes place in the city. The B&O tax has a small business threshold of \$100,000, which means businesses with taxable gross receipts below \$100,000 are exempt from the tax.

## Revenue Overview

Between January 1, 2008 and January 1, 2016 the City’s B&O tax also included a square footage tax that was complementary to the gross receipts tax. The square footage tax, which was levied on the floor area of some businesses located in Seattle, was implemented to offset the expected loss of \$22.3 million from state mandated procedures for allocation and apportionment of B&O income that took effect in 2008. The square footage tax was structured so that no business would pay more under the new combined gross receipts and square footage business taxes than it did under the pre-2008 gross receipts tax. The City eliminated the square footage tax effective January 1, 2016.

The City levies the gross receipts tax at different rates on different types of business activity, as indicated in Figure 22 at the end of this section. Most types of business activity, including manufacturing, retailing, wholesaling, and printing and publishing, are subject to a tax of 0.215% on taxable gross receipts. Services and transporting freight for hire are taxed at a rate of 0.415%, and international investment management service are taxed at a 0.150% rate.

Beginning in 2017 the City will increase B&O tax rates to the maximum allowed under state law. The increase will take place in two steps, a two percent increase on January 1, 2017 and an increase of approximately one percent on January 1, 2018 (see Figure 15).

**Figure 15. Seattle Business and Occupation Tax Rates, 2016 – 2018**

	2016	2017	2018
Retailing, wholesaling	0.215%	0.219%	0.222%
Manufacturing, extracting	0.215%	0.219%	0.222%
Printing, publishing	0.215%	0.219%	0.222%
Service, other	0.415%	0.423%	0.427%
International investment management	0.150%	0.153%	0.155%

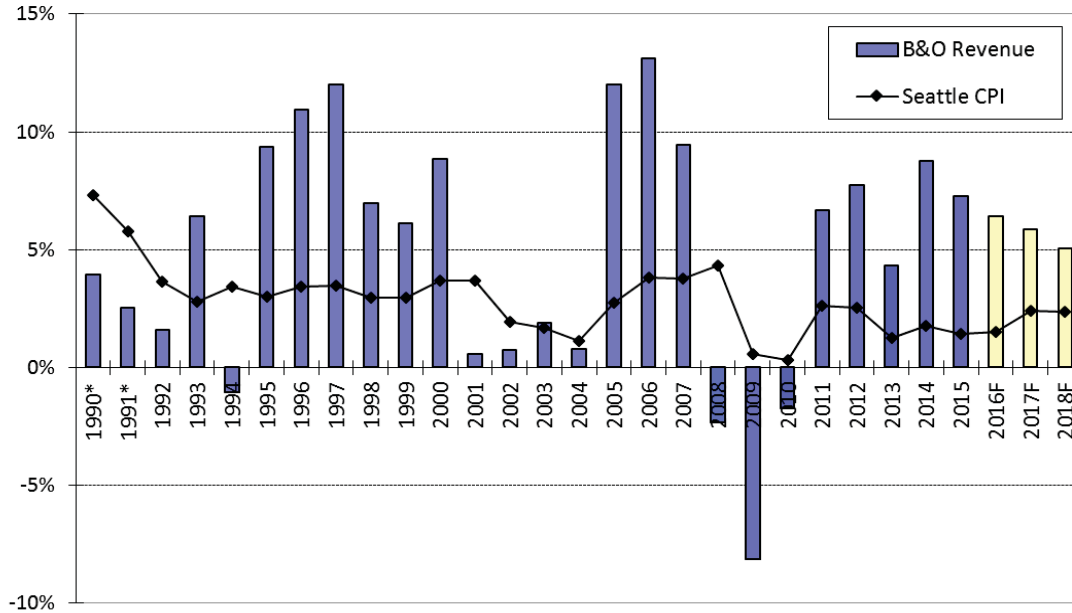
Other things being equal, the B&O tax base is more stable than the retail sales tax base. The B&O base is broader than the sales tax base, which does not cover most services. In addition, the B&O tax is less reliant than the sales tax on the relatively volatile construction and retail trade sectors, and it is more dependent upon the relatively stable service sector. Included in B&O tax revenue are tax refunds, audit payments, and penalty and interest payments for past-due tax obligations.

***B&O revenue growth has mirrored the growth of the city’s economy.*** In 1995, the City initiated an effort to administer the B&O tax more efficiently, educate taxpayers, and enforce tax regulations. This resulted in unlicensed businesses being added to the tax rolls, businesses reporting their taxable income more accurately, and a significant increase in audit and delinquency collections – all of which helped to increase B&O receipts beginning in 1996. In 2000, B&O revenue was boosted by changes the state of Washington made in the way that financial institutions are taxed.

Since the mid-1990s, B&O receipts have fluctuated with the economy’s ups-and-downs, rising rapidly during the late-1990s stock market and dot-com boom and the housing bubble of the mid-2000s, but falling sharply during the two major recessions of the last decade (see Figure 16). Following four successive years of very weak growth from 2001 through 2004, B&O revenue turned up sharply in 2005 and averaged 11.5% over the three year period 2005 - 2007. The upswing was led by strong growth in construction, professional, scientific and technical services, health services, and finance and insurance. The upturn ended in 2008 with the onset of the Great Recession. 2009 saw the full force of the recession with revenue dropping 8.2% from 2008. The decline was broad based with no industry untouched, but construction, manufacturing, wholesale trade, and finance and insurance were particularly hard hit. The decline continued until the second quarter of 2010, by which time the tax base had lost 16.8% of its value.

# Revenue Overview

Figure 16. Annual Growth of B&O Tax Revenue



\*1990 and 1991 figures have been adjusted to remove the effects of tax rate increases.

Note: Revenue figures reflect current accrual methods; 2016-18 are forecasts.

Figures include both gross receipts and square footage tax revenue.

The recovery from the Great Recession has seen a healthy rebound in B&O tax revenue. Over the five year period 2010 - 2015, the B&O tax base has grown at a 7.4% annual rate. Industries growing rapidly during the recovery have been construction, information, real estate, management of companies and enterprises, and food services and accommodation. Health services, historically a fast growing industry, has posted a modest 4.7% annual growth rate during the current recovery. Slow growth in 2013 was caused not by a slowing of growth in the tax base, which expanded by 7.2%, but by a drop in revenue from audit activity and an increase in refund payments from 2012 levels.

**Growth rates for B&O tax revenue will slow gradually over the forecast period.** The B&O revenue forecast has been shaped by three factors:

1. The economic forecast for the region, which is predicting a slowdown.
2. An updated forecast for construction, which predicts that revenue from construction will decline by 9.1% over a three year period beginning in 2017.
3. B&O tax rate increases of approximately two percent in 2017 and one percent in 2018. These increases add \$4.7 million to the forecast in 2017 and \$7.6 million in 2018, which mitigates much of the impact of a slowing economy and the expected downturn in construction.

In addition, the forecast for 2016 was increased by \$4.1 million from the April forecast primarily because of higher than expected revenue from audit payments during the past four months. The forecast incorporates an expected revenue loss of \$2.5 million in 2016 due to the elimination of the square footage tax. It also includes an expected revenue gain of \$600,000 in 2016 and later years from planned improvements to the City's audit selection process. The City's current manual selection process is being replaced by an analytically-based automated process that will make use of information from internal and external data sources to identify areas of likely tax non-compliance and to optimize audit workflow. The new process is expected to increase tax compliance, which will provide a modest boost to B&O revenue. Also included in the forecast is a projection of revenue from the implementation of Initiative 502, the state marijuana initiative.

Taking account of the above factors yields a B&O revenue forecast with growth rates of 6.4% in 2016, 5.9% in 2017, and 5.0% in 2018.

# Revenue Overview

## Utility Business Tax - Private Utilities

The City levies a tax on the gross income derived from sales of utility services by privately owned utilities within Seattle. These services include telephone, steam, cable communications, natural gas, and refuse collection for businesses.

**Natural gas prices remain historically low.** The City levies a 6% utility business tax on gross sales of natural gas and on sales of steam which has natural gas as an energy source. The bulk of revenue from the natural gas tax is received from Puget Sound Energy (PSE). PSE's natural gas rates are approved by the Washington Utilities and Transportation Commission (WUTC). Another tax is levied on consumers of gas delivered by private brokers. It is also assessed at 6% on gross sales.

Spot prices, those paid for delivery in the following month, averaged \$2.10 per million British Thermal Units (BTU) for 2015 and are expected to average around \$2.60/mBTU through 2016. Temperatures play a key role in gas related revenues and are inversely related to natural gas usage and subsequent tax receipts.

**Refunds and Audit payments affect the Telecommunications Tax.** The utility business tax is levied on the gross income of telecommunication firms at a rate of 6%. All sectors of the industry have been affected to varying degrees by the recession as well as changes in consumer habits. Wireless revenues have been a source of growth as more and more consumers shift to cellular phones as their primary voice option. This growth has come at the expense of traditional telecom providers, from whom the City has seen steady declines in tax receipts. The recent proliferation of smartphones has been a double-edged sword for the City's tax base. While new smartphone users have added to the wireless tax revenue base, the increased use of data and internet services which are not taxable have caused declines in the revenue streams.

As more and more wireless phone users are using the devices for data transmission instead of voice or text applications, and telecom companies change their rate plans to respond to this consumer behavior, the City may continue to see tax revenue declines. Revenue growth has been negative for the past six years largely as a result of some wireless companies changing their revenue accounting practices to reflect the increased use of non-taxable data services. Non-current revenues, those that are for prior periods stemming from re-filing or audit/refund payments, have been volatile adding revenues in some years and taking away revenues in others. In 2015 the City realized significantly negative non-current activity as some large refund payments were paid to various taxpayers. Year over year revenue growth was -23.5% in 2015. Growth in 2016 is forecast to be 15.7% following such a negative year but revenue growth is expected to be flat for the 2017-2018 biennium.

**Cable tax revenues show slightly positive growth.** The City has franchise agreements with cable television companies operating in Seattle. Under the current agreements, the City levies a 10% utility tax on the gross subscriber revenues of cable TV operators, which accounts for about 90% of the operators' total revenue. The City also collects B&O taxes on miscellaneous revenues not subject to the utility tax. The imposition of a 4.4% franchise fee makes funds available for cable-related public access purposes. This franchise fee is deposited into the City's Cable TV Franchise Fee Subfund.

Cable revenues have been growing, but with increased competition from satellite and internet television providers, the growth has been somewhat muted and continues to be a source of risk to the forecast. Average annual growth for the 2016 – 2018 period is expected to be 2.7%, slightly outpacing inflation.

## Utility Business Tax - Public Utilities

The City levies a tax on most revenue from retail sales collected by City-owned utilities (Seattle City Light and Seattle Public Utilities). Tax rates range from a State-capped 6% on City Light up to a current 15.54% on the City Water Utility.

# Revenue Overview

**Revenue Stabilization Account Surcharge is in effect for the biennium.** City Light sells excess power on the wholesale energy market. City Light energy production, almost exclusively hydro power, competes with natural gas in the wholesale market. For the 2010 fiscal year, the City Council authorized the creation of a rate stabilization account (RSA) for the utility funded with an as needed surcharge based on funding levels of the RSA. The rate stabilization surcharge has been triggered in 2016 because the RSA funding level has dropped below \$90 million, the account's minimum required balance set by Council. This forecast expects the surcharge to remain in effect into 2018. For the upcoming biennium energy sales are expected to be relatively flat with retail rates up 6.0% and 5.6% in 2017 and 2018 respectively. Tax revenues that accrue to the General Subfund will have average annual increases of 7.2% 2016 through 2018.

**Small water retail rate increase for 2017.** Rate increases have already been adopted by Council for the water utility in SPU through 2016. Due to the excessive heat and dryness of the summer in 2015, water usage was significantly up resulting in higher tax revenues. Tax revenue growth is expected to be -4.5% in 2016 and then average 3.6% for the biennium.

**Drainage and Wastewater rate increases mean higher tax revenue growth.** Rates adopted by City Council through 2016 will yield tax receipts from these two utilities that will grow by an average 3.3% a year in 2016 through 2018. This assumes a King County pass-through rate increase of 5.2% in 2017.

**Increased Solid Waste Tax Rate for 2017.** The utility tax rate on both City of Seattle and commercial solid waste service is currently 11.5%, but has been increased by the City Council to 14.2% effective April 1, 2017. This will yield an additional \$7 million for the biennium with revenue growth rates of 25.5% in 2017 and 7.1% in 2018.

**Tonnage taxes have moved to the General Subfund in 2016.** The City imposes a \$13.27 per ton tax on solid waste hauled within the city limits. Historically these tax revenues, which apply to both public and private haulers, has been collected by Seattle Public Utilities and been used to pay for Clean City programs. These programs support public garbage collection, graffiti removal, illegal dumping, and other activities. In 2016, these taxes, around \$6 million a year, began accruing to the general fund and continue to support Clean City programs.

## Admission Tax

The City imposes a 5% tax on admission charges to most Seattle entertainment events, the maximum allowed by state statute. This revenue source is highly sensitive to swings in attendance at athletic events. It is also dependent on economic conditions, as people's ability and desire to spend money on entertainment is influenced by the general prosperity in the region. Recently, entertainment venues have opened around the City increasing the size of the tax base. Revenues are forecast to grow by an average annual rate of 3.1% for 2017 and 2018.

20% of admission tax revenues, excluding men's professional basketball, were dedicated to programs supported by the Office of Arts and Cultural Affairs (OACA). For 2010, the Mayor and Council agreed to increase this contribution to 75% based on the actual admission tax receipts from two years prior, this has been increased to 80% for 2016. In 2017 that will be increased to 90% and then 100% of actual receipts in 2018. As a result, OACA is fully funded by the admission tax, except for money received from the 1% for Arts program. The forecasts in Figure 10 for admission taxes reflect the full amount of tax revenue. The Office of Arts and Cultural Affairs section of this document provides further detail on the Office's use of Arts Account revenue from the admission tax and the implementation of this change.

## Licenses and Permits

The City requires individuals and companies conducting business in Seattle to obtain a City business license. In addition, some business activities, such as taxi cabs and security systems, require additional licenses referred to as professional and occupational licenses. The City also assesses fees for public-safety purposes (e.g., pet ownership and fire hazard inspection) and charges a variety of fees for the use of public facilities and rights-of-way.

In 2005 the City instituted a two-tier business license fee structure. The cost of a license, which had been \$80 per year for all businesses, was raised to \$90 for businesses with worldwide revenues of more than \$20,000 per year

## Revenue Overview

and lowered to \$45 for businesses with worldwide revenues less than \$20,000 per year. The City increased these fees in the 2015 Adopted Budget to \$110 and \$55, respectively, which increased revenue by approximately \$1.1 million.

In order to provide funding for additional police officers, the City is implementing a new business license fee structure that will take effect for 2017 licenses. Fees will be increased for businesses that have a taxable income (reported for B&O tax purposes) greater than \$500,000. Fees for all other businesses will remain at 2016 levels (See Figure 17). Fee increases will be phased in over a three year period, and will increase with inflation annually thereafter. The fee increases are projected to generate \$3.5 million in 2016, \$6.9 million in 2017, and \$8.5 million in 2018.

**Figure 17. Business License Fee Schedule, 2016 – 2019**

Taxable income	2016*	2017	2018	2019
Less than \$20,000	\$55	\$55	\$55	\$55
\$20,000 - \$500,000	\$110	\$110	\$110	\$110
\$500,000 - \$2 mil.	\$110	\$480	\$480	\$500
\$2 mil. - \$5 mil.	\$110	\$1,000	\$1,000	\$1,200
More than \$5 mil.	\$110	\$1,000	\$2,000	\$2,400

\*2016 fee is based on worldwide gross income, not taxable income.

### Parking Meters/Traffic Permits

In spring 2004, the City of Seattle began replacing traditional individual space parking meters with pay stations in various areas throughout the City. In addition to offering the public more convenient payment options, including credit cards and debit cards, for hourly on-street parking, pay station technology has allowed the City to more actively manage the street right-of-way by adopting different pricing, time limit and other management parameters on different blocks throughout the city and at different times of day. The City currently has around 2,000 pay stations controlling approximately 12,300 parking spaces. The overall objective of the parking management program is to provide a more data-driven, outcome based management and price setting approach in pursuit of the adopted policy goals of 1 to 2 open spaces per block-face, reduced congestion, support of business districts and, as a by-product, reduced vehicle emissions and improved air quality.

One element of the performance based parking management program is greater use of the price signal to achieve management objectives. In 2007, SDOT extended pay station control over 2,160 previously non-paid spaces in the South Lake Union area. Under an experimental approach, different rates were charged for these spaces according to their location and were to be adjusted periodically to consistently achieve a desired occupancy rate in the area. This approach was extended citywide in 2009 with a three-tiered rate program, with rates varying according to parking demand by area of the city. Accompanying this change in policy, the maximum allowable hourly rate was increased from \$1.50 per hour to \$2.50 per hour to allow for rate setting flexibility.

The 2011 Adopted Budget included a further increase in the maximum allowable hourly rate from \$2.50 to \$4.00 per hour and an extension of paid evening parking hours from 6 p.m. to 8 p.m. in 7 neighborhoods with high evening occupancy rates. As implemented in 2011, based on measured occupancy throughout the day, SDOT moved from the 3 tiered rate approach to more finely adapted rates by individual neighborhood. The 2012 Adopted Budget went further, redefining the boundaries of parking areas as needed to set rates by neighborhood and where appropriate by sub-neighborhood areas according to occupancy data. It also adopted changes to time limits (from 2 to 4 hours) in 8 neighborhoods and sub-areas. The 2013 Adopted Budget made no further rate, boundary or time limit changes, but assumed full implementation of a pay-by-phone (PBP) payment program. PBP allows individuals to pay for parking by credit card using a smart phone or other smart device, via an account with the City's contracted PBP vendor.



# Revenue Overview

The 2015 Adopted Budget, based on collected occupancy data, assumed rate adjustments in several neighborhoods across the City and, for the first time, tested time-of-day pricing in the Chinatown-International District neighborhood, charging a different rate to park in the evening than at other times of day. The 2016 Adopted Budget assumes installation of new pay stations in several parking areas, which will allow parking managers to employ time-of-day pricing differences more extensively across the city. The 2017 Proposed Budget, in addition to several rate adjustments up and down across the City and at different times of day, proposes for the first time an extension of evening paid parking from 8:00 pm to 11:00 pm in the Pike-Pine, Capitol Hill North and Capitol Hill South areas. The City is also converting several blocks of non-paid parking to paid parking in the Pike-Pine (150 spaces) and South Lake Union (136 spaces) areas in response to measured occupancy rates. The combination of these factors and underlying growth in demand for parking leads to a forecast of 9.0% revenue growth in on-street parking revenue between 2016 and 2017, from \$38.8 million to \$42.3 million. 2018 revenue is projected at \$44.8 million.

**Street Use and Traffic Permits.** Traffic-related permit fees, such as meter hood service, commercial vehicle load zone, truck overload, gross weight and other permits, reversed a downward recessionary trend in 2011, ending 23.3% higher at \$2.33 million than 2010 actual revenues of \$1.83 million. 2012 revenues increased 55% to \$3.65 million, 2013 revenues remained flat at \$3.64 million and 2014 revenues increased 19.4% to \$4.3 million. This increase was due to growing construction and service trade activity coming out of the recession, but also to the advent of the City's car sharing program with Car2Go. 2015 revenues increased nearly 58% over 2014 revenues to \$6.78 million. City Council approved legislation with the 2015 Adopted Budget that would allow additional car sharing permits and firms to enter the Seattle market. The 2017 Proposed Budget assumes revenues of approximately \$6.0 million in 2016 through 2018.

## Court Fines

Although shifting with the introduction of photo enforcement cameras, between 50% and 60% of fine revenues collected by the Seattle Municipal Court are from parking citations written by Seattle Police Department parking enforcement and traffic officers. Fines from photo enforcement in selected intersections and school zones now comprise approximately 35-45% of revenues and 5-10% comes from traffic and other tickets. Demand for parking enforcement has grown with changes in neighborhood development, parking design changes and enforcement programs throughout the City. The City has established several new Restricted Parking Zones (RPZs), especially around the light-rail train stations through the Rainier Valley. In response, an additional 8 new PEOs were authorized in 2009, 7 in 2010, and 4 in 2011. Two of the four PEOs in 2011 were dedicated to enforcement activities related to the City's scofflaw boot program, which began July 5, 2011. The boot program utilizes mobile license plate recognition cameras and an immobilizing boot device that is attached to scofflaw vehicles, or those with 4 or more outstanding parking citations in collections.

An additional 8 PEOs were adopted for 2013 to compensate for the additional time anticipated to enforce compliance under the Seattle Department of Transportation's new pay-by-phone (PBP) program (see also descriptions in the Seattle Police Department and Transportation Department sections). The PBP program, allows the public to pay for parking with their smart phones or other mobile device. The City began PBP service in July 2013 in the downtown core with PEOs using smartphones to verify compliance rather than their existing handheld ticketing devices (HHTs). Full city-wide roll out continued through October 2013.

In 2009, the City received \$27.2 million in court fines, including \$4.7 million from the expanded red light camera enforcement program, which grew from 6 camera locations to 18 in the last quarter of 2008 and to nearly 30 total locations in early 2009. The 2012 Adopted Budget assumed addition of 6 more camera locations and 4 school zone speed camera locations. Due to engineering and permitting complications, installation of the cameras was delayed with the school zone speed cameras becoming operational in December 2012. Total court fines and forfeitures revenues for 2012 were \$32.0 million including \$3.76 million in camera enforcement revenues. In 2013 total revenues grew to \$38.7 million with \$9.9 million of red light and school zone camera enforcement revenues generated by the full year of operations.

The 2014 Adopted Budget assumed an increase in the number of school zone speed camera locations from the original 4 locations to a total of 15 locations by the end of 2014. Because of construction delays, the 2015 Adopted

# Revenue Overview

Budget assumed that only 5 of the 15 new locations would come on line in the 4<sup>th</sup> quarter of 2014 and the remaining 6 locations were delayed until 2015. Also, per Council action beginning in 2014 the school zone camera revenues will be deposited into a separate fund and will no longer appear in the General Subfund table. Total Fines revenues for 2014 (excluding school zone speed camera revenue) were \$29.5 million including \$4.5 million of red light camera infraction revenues. School zone camera revenues totaled \$5.1 million in 2014. Non camera fines decreased in 2014 to \$25.0 million from \$28.7 million in 2013 due to management changes, which resulted in greater than anticipated decreases in parking citations. The 2016 Adopted and the 2017 Proposed Budgets assume this trend in non-camera citation revenue would continue and reach a low point in 2015 before recovering in 2016. Total Fines revenues (excluding school zone speed camera revenue) decreased to \$28.4 million in 2015, with non-camera revenues declining to \$24.0 million. Red light camera and school zone camera revenues in 2015 were \$4.4 million and \$5.8 million respectively.

With the installation delays, the increase in school zone speed camera revenue is expected to accelerate now in 2016 to \$13.0 million before declining to \$8.2 million in 2017 and \$5.9 million in 2018, as the public learns and adjusts to the 2015 installation locations. Red light camera revenues in 2016-2018 are projected to remain relatively flat between \$4.0 and \$4.5 million in each year. Non-camera fine revenues are projected to grow slowly to \$24.1 million in 2016, \$24.6 million in 2017 and \$25.6 million in 2018. Total Fines revenues (excluding school zone speed camera revenue) are projected to remain flat at \$28.6 million in 2016, \$28.8 million in 2017 and \$29.6 million in 2018.

## Interest Income

Through investment of the City's cash pool in accordance with state law and the City's own financial policies, the General Subfund receives interest and investment earnings on cash balances attributable to several of the City's funds or subfunds that are affiliated with general government activities. Many other City funds are independent, retaining their own interest and investment earnings. Interest and investment income to the General Subfund varies widely, subject to significant fluctuations in cash balances and changes in earnings rates dictated by economic and financial market conditions.

As a result of the financial crisis in 2008 and the Federal Reserve's unprecedented purchasing of assets through quantitative easing, borrowing rates fell to historic lows. These rates have remained relatively low through 2016 even as the Fed exits their purchasing programs. The annual earnings yield for the cash pool is expected to be 1.18% in 2016, 1.3% in 2017, and 1.87% in 2018. Should the economy suffer any setbacks, these rates would be expected to fall.

## Revenue from Other Public Entities

***Washington State shares revenues with Seattle.*** The State of Washington distributes a portion of tax and fee revenue directly to cities. Specifically, portions of revenues from the State General Fund, liquor receipts (both profits and excise taxes), and motor vehicle fuel excise taxes, are allocated directly to cities. Revenues from motor vehicle fuel excise taxes are dedicated to street maintenance expenditures and are deposited into the City's Transportation Fund. Revenues from the other taxes are deposited into the City's General Subfund.

***Criminal Justice revenues should be stable in the coming biennium.*** The City receives funding from the State for criminal justice programs. The State provides these distributions out of its General Fund. These revenues are allocated on the basis of population and crime rates relative to statewide averages. These revenues have been affected by State budget changes in the recent past and while not expected, could be affected in future budgets out of Olympia.

***Marijuana related revenues are being shared with local jurisdictions.*** As part of the State's 2016 budget, marijuana related tax revenues are being shared with local jurisdictions for public safety purposes. The state has adopted a complicated allocation of these revenues, but in general only those cities in counties that have legalized marijuana sales will receive excise tax distributions based on both their jurisdictions proportion of marijuana related sales as well as a per capita basis. Because this is a new revenue stream with limited information on the



# Revenue Overview

size of the tax base, the forecast is imprecise. 2015 revenues were \$192,000. 2016 is expected to bring in \$700,000 followed by \$942,000 in 2017, and \$1.28 million in 2018.

**State budget restores liquor related revenues to cities.** Cities in the state of Washington typically receive two liquor related revenues from the state. One is related to the liquor excise tax on sales of spirits and the other is a share in the State Liquor Board's profits accrued from the operation from their monopoly on spirits sales. The state no longer holds the monopoly in liquor sales in the state due to the passing of Initiative 1183 in November of 2011. The initiative guaranteed the cities would continue to receive distributions in an amount equal to or greater than what they received from liquor board profits prior to the implementation of the initiative as well as an additional \$10 million to be shared annually. There was no guarantee concerning liquor excise taxes. In recent budgets the state has eliminated, on a temporary basis, the sharing of liquor excise taxes. Distributions resumed in the 3<sup>rd</sup> quarter of 2013, but were lower than pre-I-1183 years. In adopting their 2016 FY budget, the state restored the excise tax funding to cities. Liquor related revenues are expected to bring in \$8.2 million in 2016 and \$8.4 million in both 2017 and 2018.

## Service Charges and Reimbursements

**Internal service charges reflect current administrative structure.** In 1993, the City Council adopted a resolution directing the City to allocate a portion of central service expenses of the General Subfund to City utilities and certain other departments not supported by the General Subfund. The intent is to allocate a fair share of the costs of centralized general government services to the budgets of departments supported by revenues that are largely self-determined. These allocations are executed in the form of payments to the General Subfund from these independently supported departments. More details about these cost allocations and methods are detailed in the Cost Allocation section of this budget.

## Interfund Transfers

**Interfund transfers.** Occasionally, transfers from departments to the General Subfund take place to pay for specific programs that would ordinarily be executed by a general government department or to capture existing unreserved fund balances. A detailed list of these transfers is included in the General Subfund revenue table found in the Funds, Subfunds, and Other section.

In adopting the 2017 Budget, it is the intent of the City Council and the Mayor to authorize the transfer of unencumbered, unreserved fund balances from the funds listed in the General Subfund revenue table to the General Subfund.

## Cumulative Reserve Subfund – Real Estate Excise Tax

The Cumulative Reserve Subfund resources are used primarily for the maintenance and development of City general government capital facilities. These purposes are supported mainly by revenues from the Real Estate

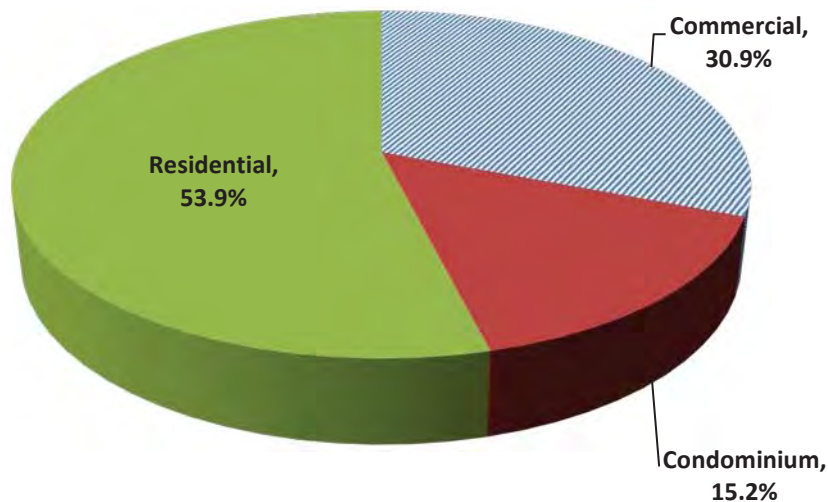
## Revenue Overview

Excise Tax (REET), but also, to a lesser degree, by the proceeds from certain property sales and rents, street vacation revenues, General Subfund transfers, and interest earnings on subfund balances.

The REET is levied by the City at a rate of 0.5% on sales of real estate measured by the full selling price. Because the tax is levied on transactions, the amount of revenue that the City receives from REET is determined by both the volume and value of transactions.

Over time, 53.9% of the City's REET tax base has come from the sale of residential properties, which include single-family homes, duplexes, and triplexes. Commercial sales, which include apartments with four units or more, account for 30.9% of the tax base, and condominiums constitute the remaining 15.2% (see Figure 18).

**Figure 18. Value of Seattle Real Estate Transactions by Property Type, 1982 - 2015**

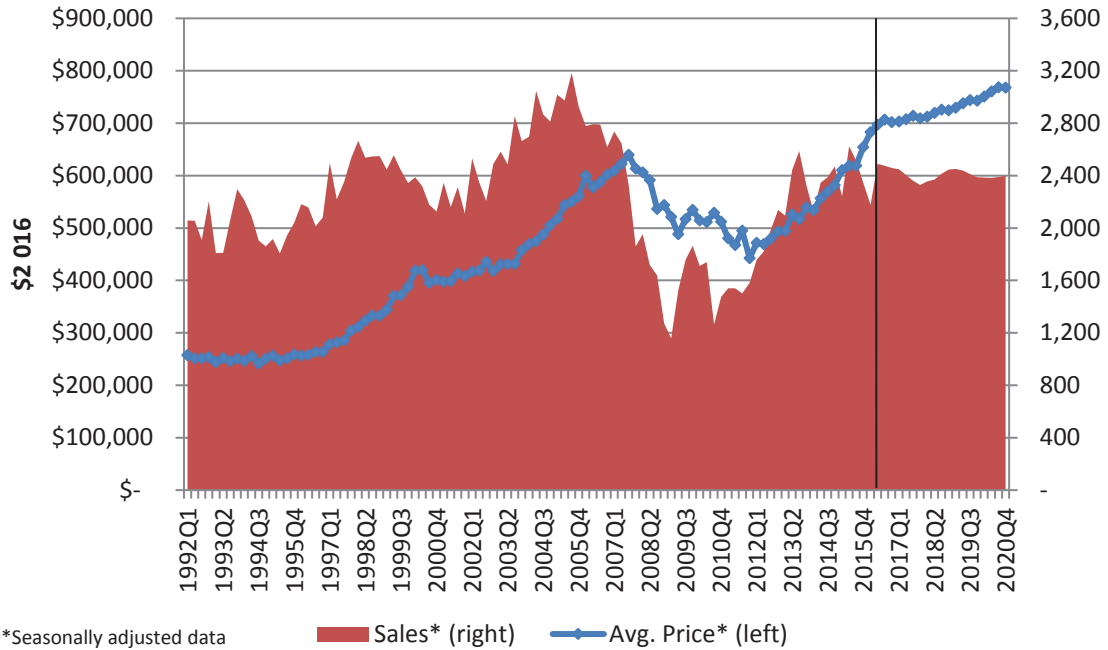


**The residential market continues to grow.** The value of Seattle real estate transactions (the REET tax base) increased at an average annual rate of 13.1% between 1982 and 2007, a period when Seattle area inflation averaged only 3.4% per year. Growth was particularly strong during the recent boom years, fueled by low interest rates and a growing economy. 2008 saw the national property bust that started in late 2005 come to Seattle. The REET tax base declined 50.7% from 2007 to 2008, and continued to decline by 23.4% into 2009. The decline was felt across all three real estate categories. The first quarter of 2009 was the bottom of Seattle's residential market for both sales and prices on a seasonally adjusted basis. With low financing rates and a growing economy, residential and condominium sales have been on an upswing in Seattle increasing real estate excise tax (REET) revenues. Single-family home prices, both nominal and adjusted for inflation, have surpassed their previous peak set in 2007 (see Figure 19). Average prices are expected to continue to increase over the next few years while sales volume will remain flat.

# Revenue Overview

Figure 19. Seattle Single-family Market

## Seattle Single-family Market



The volatility of REET is reflected by the fact that despite a 9.1% average annual growth rate, the REET tax base declined in ten years during the period 1982 – 2015. This volatility is largely the result of changes in sales volumes, which are sensitive to shifts in economic conditions and movements in interest rates; average prices tend to be more stable over time. That price stability was severely compromised in the downturn as Seattle area prices for residential properties fell 31.0% from their peak, according to the Case/Shiller Home Price Index. Commercial activity tends to be more volatile than the residential market, in part because the sale of a handful of expensive properties can result in significant swings in the value of commercial sales from one year to the next, as was seen in 2007, 2012, and 2015 (see Figure 20). Those years saw significant commercial activity with a number of large buildings in the downtown core changing hands. In recent years many apartment buildings have been built and then subsequently sold also leading to increases in REET. Total commercial square footage sold has been on the rise, increasing 49.7% in 2014 and 21.9% in 2015 to over 20 million square feet. In 2016 through 2018, yearly sales volumes are expected to be smaller, but elevated levels of commercial activity are forecast to remain in place for some time. This is why the REET forecast has been significantly revised upward and the risk to the forecast remains largely to the upside.

# Revenue Overview

Figure 20. Seattle Commercial Sales

## Seattle Commercial Sales

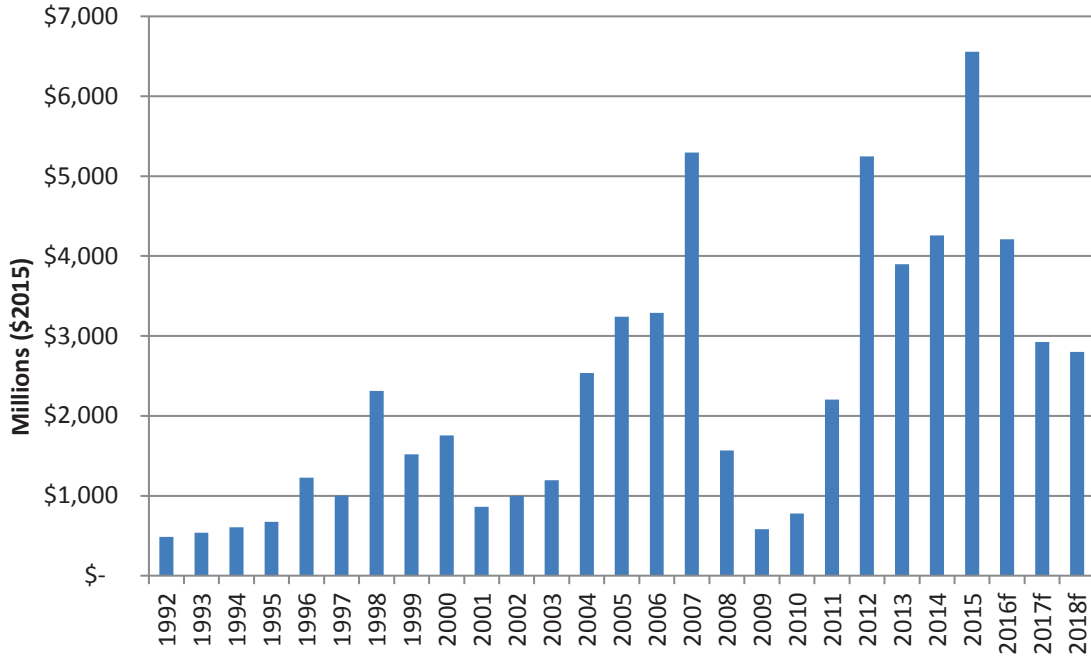
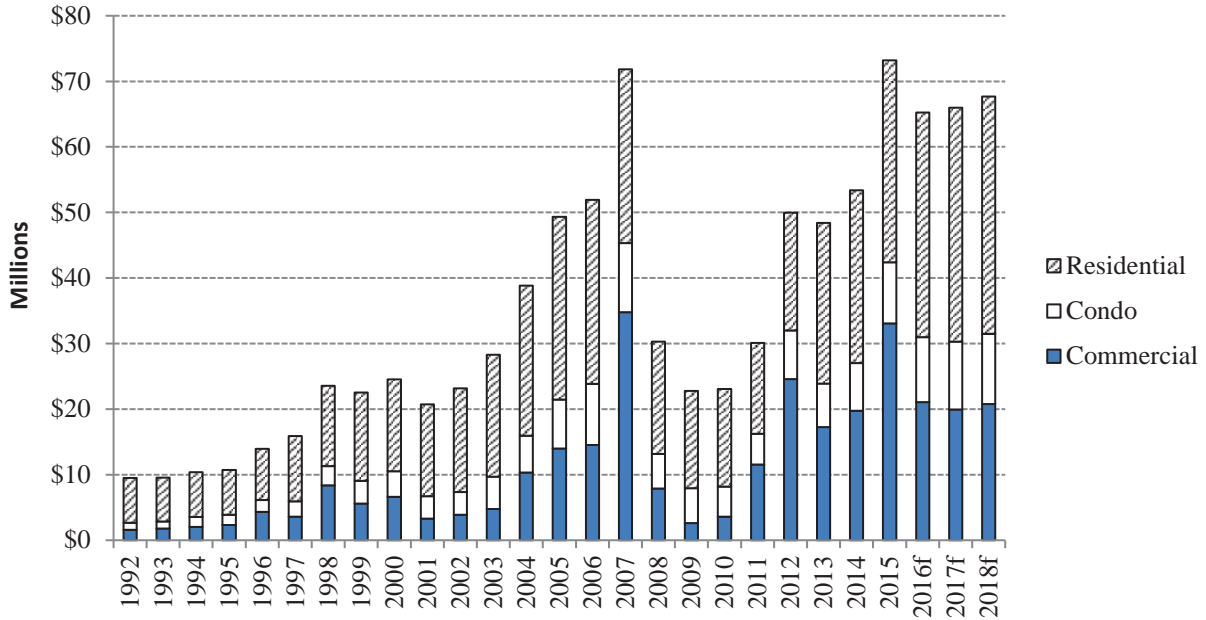


Figure 21. REET Revenues

## Real Estate Excise Tax Receipts



# Revenue Overview

Figure 22. Seattle City Tax Rates

	2012	2013	2014	2015	2016
<b>Property Taxes (Dollars per \$1,000 of Assessed Value)</b>					
General Property Tax	\$1.97	\$1.90	\$1.80	\$1.63	\$1.47
Families & Education	0.27	0.27	0.25	0.23	0.20
Parks and Open Space	0.21	0.20	0.19		
Low Income Housing	0.18	0.17	0.16	0.14	0.12
Fire Facilities	0.06				
Transportation	0.33	0.35	0.31	0.27	0.58
Pike Place Market	0.11	0.10	0.06		
Library		0.14	0.13	0.12	0.11
Pre-School For All				0.10	0.09
Election Vouchers					0.02
Emergency Medical Services	0.30	0.30	0.33	0.30	0.28
City Excess GO Bond	0.15	0.14	0.14	0.13	0.18
<b>Retail Sales and Use Tax</b>					
	0.85%	0.85%	0.85%	0.85%	0.85%
<b>Business and Occupation Tax</b>					
Retail/Wholesale	0.215%	0.215%	0.215%	0.215%	0.215%
Manufacturing/Extracting	0.215%	0.215%	0.215%	0.215%	0.215%
Printing/Publishing	0.215%	0.215%	0.215%	0.215%	0.215%
Service, other	0.415%	0.415%	0.415%	0.415%	0.415%
International Finance	0.150%	0.150%	0.150%	0.150%	0.150%
<b>City of Seattle Public Utility Business Taxes</b>					
City Light	6.00%	6.00%	6.00%	6.00%	6.00%
City Water	15.54%	15.54%	15.54%	15.54%	15.54%
City Drainage	11.50%	11.50%	11.50%	11.50%	11.50%
City Wastewater	12.00%	12.00%	12.00%	12.00%	12.00%
City Solid Waste	11.50%	11.50%	11.50%	11.50%	11.50%
<b>City of Seattle Private Utility B&amp;O Tax Rates</b>					
Cable Communications (not franchise fee)	10.00%	10.00%	10.00%	10.00%	10.00%
Telephone	6.00%	6.00%	6.00%	6.00%	6.00%
Natural Gas	6.00%	6.00%	6.00%	6.00%	6.00%
Steam	6.00%	6.00%	6.00%	6.00%	6.00%
Commercial Solid Waste	11.50%	11.50%	11.50%	11.50%	11.50%
<b>Franchise Fees</b>					
Cable Franchise Fee	4.40%	4.40%	4.40%	4.40%	4.40%
<b>Admission and Gambling Taxes</b>					
Admissions tax	5.00%	5.00%	5.00%	5.00%	5.00%
Amusement Games (less prizes)	2.00%	2.00%	2.00%	2.00%	2.00%
Bingo (less prizes)	10.00%	10.00%	10.00%	10.00%	10.00%
Punchcards/Pulltabs	5.00%	5.00%	5.00%	5.00%	5.00%



## Selected Financial Policies

Through a series of Resolutions and Ordinances, the City has adopted a number of financial policies that are designed to protect the City's financial interests and provide a framework and guidelines for the City's financial practices. For additional information about these policies, please refer to the City of Seattle website: [http://www.seattle.gov/financedepartment/financial\\_policies.htm](http://www.seattle.gov/financedepartment/financial_policies.htm).

### Budgetary Basis

- The City budgets on a modified accrual basis. Property taxes, sales taxes, business and occupation taxes, and other taxpayer-assessed revenues due for the current year are considered measurable and available and, therefore, as revenues, even though a portion of the taxes may be collected in the subsequent year. Licenses, fines, penalties, and miscellaneous revenues are recorded as revenues when they are received in cash since this is when they can be accurately measured. Investment earnings are accrued as earned.
- Expenditures are considered a liability when they are incurred. Interest on long-term debt, judgments and claims, workers' compensation, and compensated absences are considered a liability when they are paid.

### Appropriations and Execution

- The adopted budget generally makes appropriations for operating expenses at the budget control level within departments, unless the expenditure is from one of the General Fund reserve accounts, or is for a specific project or activity budgeted in the General Subfund category called Finance General. These projects and activities are budgeted individually.
- Capital projects programmed in the CIP are appropriated in the budget at the program or project level. Grant-funded activities are controlled as prescribed by law and federal or state regulations.
- Within the legally adopted budget authorizations, more detailed allocations, as approved by CBO, are recorded in the City's accounting system, called SUMMIT, at the lowest levels of each department's organizational structure and in detailed expenditure accounts. Throughout the budget year, CBO monitors revenue and spending performance against the budget to protect the financial stability of the City.
- In accordance with Washington state law, any unexpended appropriations for operating or ordinary maintenance expenditures automatically lapse at the close of the fiscal year, except for any appropriation continued by ordinance. Unexpended appropriations for capital outlays remaining at the close of the fiscal year are carried forward to the following year, except for any appropriation abandoned by ordinance.

## Selected Financial Policies

### Budget Transfers

The Budget Director may approve, without ordinance, appropriation transfers within a department or agency of up to 10%, and with no more than \$500,000 of the appropriation authority for the particular budget control level or, where appropriate, line item, being increased. In addition, no transfers can reduce the appropriation authority of a budget control level by more than 25%.

### Debt Policies

- The City of Seattle seeks to maintain the highest possible credit ratings for all categories of short- and long-term General Obligation debt that can be achieved without compromising delivery of basic City services and achievement of adopted City policy objectives.
- The City will reserve \$100 million of legal limited tax (councilmanic) general obligation debt capacity, or 12% of the total legal limit, whichever is larger, for emergencies. The 12% reserve is now significantly greater than \$100 million.
- Except in emergencies, net debt service paid from the General Subfund will not exceed 9% of the total General Fund budget. In the long run, the City will seek to keep net debt service at 7% or less of the General Fund budget.

### General Fund Fund Balance and Reserve Policies

- At the beginning of each year, sufficient funds shall be appropriated to the Emergency Subfund so that its balance equals 37.5 cents per thousand dollars of assessed value, which is the maximum amount allowed by state law.
- Annual contributions of 0.50% of forecasted tax revenues are automatically made to the Revenue Stabilization Account of the Cumulative Reserve Subfund (commonly referred to as the “Rainy Day Fund”).<sup>1</sup> In addition, 50% of any unanticipated excess General Subfund fund balance at year’s end is automatically contributed to the Rainy Day Fund. These automatic contributions are temporarily suspended when the forecasted nominal tax growth rate is negative or when the total value of the Rainy Day Fund exceeds 5% of total tax revenues. In addition to the automatic contributions, the City may also make contributions to the Rainy Day Fund via ordinance. Expenditures from the Rainy Day Fund require the approval of a majority of the members of the Seattle City Council and must be informed by the evaluation of out-year financial projections.

### Other Citywide Policies

- As part of the Mayor’s budget proposal, the Executive develops a revenue estimate that is based on the best available economic data and forecasts.

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<sup>1</sup> The 0.50% contribution is lowered to 0.25% of forecasted tax revenues for any year immediately following the suspension of contributions as a result of negative nominal tax revenue growth.



## Selected Financial Policies

- The City intends to adopt rates, fees, and cost allocation charges no more often than biennially. The rate, fee, or allocation charge structures may include changes to take effect at specified dates during or beyond the biennium. Other changes may still be needed in the case of emergencies or other unanticipated events.
- In general, the City will strive to pay for general government current operating expenditures with current revenues, but may use fund balance or other resources to meet these expenditures. Revenues and expenditures will be monitored throughout the year.
- In compliance with State law, no City fund whose purpose is restricted by state or local law shall be used for purposes outside of these restrictions.
- Working capital for the General Fund and operating funds should be maintained at sufficient levels so that timing lags between revenues and expenditures are normally covered without any fund incurring negative cash balances for greater than 90 days. Exceptions to this policy are permitted with prior approval by the City Council.



# 2008 Parks Levy

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## Department Overview

In November 2008, Seattle voters approved the 2008 Parks and Green Spaces Levy (2008 Parks Levy), a \$145.5 million, six-year Levy lid lift for park and recreation purposes. A 16-member Citizen Oversight Committee reviewed expenditures, advised on allocations, made recommendations on Opportunity Fund expenditures, and performed other duties. The 2008 Levy expired at the end of 2014. In 2017-18 and beyond, the Department of Parks and Recreation (DPR) will spend down the fund balance and any outstanding property tax revenues that may be collected.

The 2008 Parks Levy Fund chapter of the budget is an administrative tool to summarize the approved uses of the Levy. Proceeds from the 2008 Parks Levy are used mainly to support property acquisition, as well as capital expansion, development, and renovation of DPR facilities.

DPR manages the 2008 Parks Levy Fund and the majority of the levy funded projects. With these levy resources, the City acquired new neighborhood park and green spaces; developed new and existing parks, playgrounds, trails, boulevards, playfields, and cultural facilities; and performed environmental restoration at various properties. The 2008 Parks Levy also included a development opportunity fund for citizen-initiated projects called the Opportunity Fund.

The 2008 Parks Levy was structured to fund the following major functions:

**Park and Green Space Acquisition:** The 2008 Parks Levy provided \$36 million for neighborhood park and green space acquisitions. To date, \$35 million has been appropriated for property acquisitions. The department has implemented a policy to land bank all newly acquired green space until funding for park development is available. The Seattle Park District (approved by voters in 2014) includes funding to develop 14 land banked parks starting in 2016 and continuing through 2020.

**Park Development Projects:** The levy provided \$87 million for 62 named development projects, three of which are trail projects managed by the Seattle Department of Transportation. To date, \$81 million has been appropriated for development projects. Approximately \$3.4 million of savings were reallocated from this category to fund two more playfield renovations in 2011, and \$9.8 million of inflation contingency funds were reallocated to fund 17 major maintenance projects in 2012.

**Environmental Projects:** The 2008 Parks Levy provided \$8 million for environmental projects, including forest and stream restoration, community garden and P-Patch development, and expanded shoreline access. The \$8 million has been appropriated for environmental projects.

**Opportunity Fund:** The levy provided \$15 million for citizen-initiated park projects to be recommended by the Levy Oversight Committee. In 2011, the Oversight Committee recommended funding two acquisitions and 13 development projects. In 2013, the Oversight Committee recommended funding three acquisition projects, and 11 development projects. The \$15 million has been appropriated for the Opportunity Fund projects.

# 2008 Parks Levy

## 2017 Proposed Budget - Revenue by Category



### **Budget Overview**

The 2008 Parks Levy has expired. Current revenues are derived from delinquent property tax bills. There are no current appropriations for the 2008 Parks Levy, but DPR continues to spend down existing appropriations. The City will appropriate any remaining funds through additional legislation as projects are identified.

## 2008 Parks Levy

### Revenue Overview

#### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
433000	Grants and Other Revenue	5,637,793	0	0	0
	<b>Total Grants and Other Revenue</b>	<b>5,637,793</b>	<b>0</b>	<b>0</b>	<b>0</b>
411100	Taxes, Levies, & Bonds	682,501	130,000	40,000	21,000
	<b>Total Taxes, Levies, &amp; Bonds</b>	<b>682,501</b>	<b>130,000</b>	<b>40,000</b>	<b>21,000</b>
	<b>Total Revenues</b>	<b>6,320,294</b>	<b>130,000</b>	<b>40,000</b>	<b>21,000</b>
	<b>Total Resources</b>	<b>6,320,294</b>	<b>130,000</b>	<b>40,000</b>	<b>21,000</b>



# 2012 Library Levy

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## Department Overview

In August 2012, Seattle voters approved a seven-year, \$123 million levy to support, maintain and improve core Library services. The City Librarian and the Library Board of Trustees prepare annual progress reports that show how levy proceeds have been used each year.

The 2012 Library Levy allows the Library to increase hours, purchase more books and materials, upgrade public computers and online services, and improve building maintenance. Without the approved levy, the Library would have had to delay important maintenance and public technology investments and make reductions to collections and open hours. The levy supports four priority areas identified through a public process that engaged nearly 39,000 residents: open hours, the collection of books and materials, computers and online services, and building maintenance. As part of this planning process, the Library developed a strategic plan that supports reading, personal growth, education, access to information, empowerment of Seattle's neighborhoods, building partnerships and innovation and five action-oriented service priorities: youth and family learning; technology and access; community engagement; Seattle culture and history; and reimagined spaces.

The 2012 Library Levy supports the following categories of library services (dollar amounts reflect preliminary 2017-2018 allocations. Final 2017 allocations are approved by the Library Board of Trustees as part of the 2017 Library Operating Plan, and final 2018 allocations will be determined as part of the 2018 Library Operating Plan):

**Hours and Access:** The levy provides approximately \$4.3 million in 2017 and \$4.4 million in 2018 to increase operating hours (over 2012 levels) at branch libraries and bolster reference services to support patrons at branches and the Central Library. Funding also provides support for operational functions that support open hours, such as security services, technology support and maintenance. Since 2013, levy funds have been used to keep Columbia and Northgate branches open on Fridays. Starting in 2016, levy funds have been used to provide Friday hours at High Point, International District/Chinatown, South Park and University branches.

**Collections:** The levy provides approximately \$3.1 million in 2017 and \$3.3 million in 2018 to add to the variety and depth of the Library's collection to better meet patron demand for material in all formats. The collections component of the levy also funds a significant increase in purchasing of downloadable materials such as e-books, and more copies of popular materials in print, digital and other formats.

**Technology and Online Services:** The levy provides approximately \$1.6 million in 2017 and \$1.4 million in 2018 to replace and upgrade computers and technology infrastructure that was purchased during the Libraries for All (LFA) capital program, providing users access to up-to-date technology tools and resources. The levy also funds improvements to online services to ensure patrons can successfully find and use online material through the Library's online platform.

**Regular Maintenance:** The levy provides approximately \$1.4 million in 2017 and \$1.5 million in 2018 for regular maintenance to sustain the public's investment in the Central Library and 26 branches that were constructed or remodeled as a result of the 1998 LFA bond measure. Seattle's libraries are among the most heavily used public buildings in the city and require additional resources as they age in order to preserve environments that are safe, clean and welcoming.

**Major Maintenance:** The levy provides approximately \$3.7 million in 2017 and \$3.8 million in 2018 for sustained stewardship of library facilities. Prior to the levy, the Library's capital improvement program (CIP) was largely



# 2012 Library Levy

funded by allocations from the City's Real Estate Excise Tax (REET). Levy funds have largely replaced REET funding for Library major maintenance throughout the system. REET now provides funding for projects beyond the intended scope of the levy. Included in the levy scope for major maintenance is maintenance necessary for building components such as roofs, floors, finishes, HVAC and mechanical systems. It does not include any funding for new or expanded library space.

Additionally, the levy provides approximately \$4.7 million in 2017 and \$4.8 million in 2018 to maintain existing core functions and services at 2012 levels and about \$300,000 annually to support implementation and accountability measures for levy programs and annual reporting to the public on levy outcomes.

The 2012 Library Levy Fund chapter of the budget is used to show the approved uses of the levy. Levy funds to support the Library's operations are transferred to the Library's operating fund and the appropriations are shown in the Library's section of the 2017-2018 Proposed Budget. Capital Improvement Program (CIP) spending for major maintenance is made directly from the Levy Fund and all CIP appropriations are reflected in the Library's section of the Proposed CIP Budget.

## Budget Overview

The 2017-2018 biennium marks the fifth and sixth years of the seven-year, voter-approved \$123 million Library Levy. The levy supports four core service areas identified through an extensive public engagement process: open library hours, the collection of books and materials, computers and online services, and building maintenance. The 2017-2018 Proposed Budget includes continued levy support to expand Friday operations for four additional branches: International District/Chinatown, University, High Point and South Park. These branches began operating on Fridays in mid-2016. Levy support in the 2017-2018 Proposed Budget includes \$15.4 million in 2017 and \$15.7 million in 2018 for operating support (including use of \$938,000 in 2017 and \$805,370 in 2018 of prior year carryforward) and \$3.7 million in 2017 and \$3.8 million in 2018 for facilities capital support.

## Incremental Budget Changes

### 2012 Library Levy

	2017 Budget	2018 Budget
<b>Total 2016 Adopted Budget</b>	<b>\$ 13,665,837</b>	<b>\$ 13,665,837</b>
<b>Proposed Technical Changes</b>		
Transfer of Levy Funds to Support Library Operations	\$ 837,324	\$ 1,239,925
<b>Total Incremental Changes</b>	<b>\$ 837,324</b>	<b>\$ 1,239,925</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 14,503,161</b>	<b>\$ 14,905,762</b>

# 2012 Library Levy

## Descriptions of Incremental Budget Changes

### Proposed Technical Changes

#### Transfer of Levy Funds to Support Library Operations - \$837,324

This item appropriates additional funds out of the 2012 Library Levy Fund as part of the planned increase of support for Library operations. Changes include funding to sustain Friday operating hours at four additional branches and to supplement the collections budget.

### Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Library Levy Operating Transfer	18100-B9TRF	12,859,594	13,665,837	14,503,161	14,905,762
Library Levy Capital*	18100	2,972,384	2,242,000	3,673,000	3,772,000
<b>Department Total</b>		<b>15,831,978</b>	<b>15,907,837</b>	<b>18,176,161</b>	<b>18,677,762</b>

\* Capital Improvement Program (CIP) spending is made directly from the Levy and all CIP appropriations are reflected in the Library section of the Proposed CIP Budget.

### Revenue Overview

#### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
411100	Property Tax	17,283,986	17,340,000	17,513,077	17,688,208
461110	Interest Earnings	110,333	50,000	100,000	50,000
	<b>Total Levy Revenue</b>	<b>17,394,319</b>	<b>17,390,000</b>	<b>17,613,077</b>	<b>17,738,208</b>
	<b>Total Revenues</b>	<b>17,394,319</b>	<b>17,390,000</b>	<b>17,613,077</b>	<b>17,738,208</b>
379100	Use of (Contribution To) Fund Balance	-1,562,341	-1,482,163	563,084	939,554
	<b>Total Resources</b>	<b>15,831,978</b>	<b>15,907,837</b>	<b>18,176,161</b>	<b>18,677,762</b>

# 2012 Library Levy

## Appropriations By Program

### Library Levy Operating Transfer

The purpose of the Library Levy Operating Transfer program is to transfer funds to the Library Fund (10410) for library operations. This program is funded by Library Levy dollars (Fund 18100).

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Library Levy Operating Transfer	12,859,594	13,665,837	14,503,161	14,905,762
<b>Total</b>	<b>12,859,594</b>	<b>13,665,837</b>	<b>14,503,161</b>	<b>14,905,762</b>

## 2012 Library Levy Fund Table

### 2012 Library Levy Fund (18100)

	2015	2016	2016	2017	2018
	<b>Actuals</b>	<b>Adopted</b>	<b>Revised</b>	<b>Proposed</b>	<b>Proposed</b>
<b>Beginning Fund Balance</b>	<b>8,033,433</b>	<b>4,404,930</b>	<b>9,595,774</b>	<b>5,941,044</b>	<b>4,439,960</b>
Accounting and Technical Adjustments				(938,000)	(805,370)
Plus: Actual and Estimated Revenue	17,394,319	17,390,000	17,439,680	17,613,077	17,738,208
Less: Actual and Budgeted Expenditures	12,859,594	13,665,837	15,251,853	14,503,161	14,905,762
Less: Capital Improvements	2,972,384	2,242,000	5,842,557	3,673,000	3,772,000
<b>Ending Fund Balance</b>	<b>9,595,774</b>	<b>5,887,093</b>	<b>5,941,044</b>	<b>4,439,960</b>	<b>2,695,036</b>
Planning Reserve	-	440,142	-	-	-
Levy Reserve for Future Use	-	2,677,039	1,743,370	805,370	
<b>Total Reserves</b>	<b>-</b>	<b>3,117,181</b>	<b>1,743,370</b>	<b>805,370</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>9,595,774</b>	<b>2,769,912</b>	<b>4,197,674</b>	<b>3,634,590</b>	<b>2,695,036</b>

# Office of Arts and Culture

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Randy Engstrom, Director

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<http://www.seattle.gov/arts/>

## Department Overview

The Office of Arts & Culture (Arts) envisions a city driven by creativity that provides the opportunity for everyone to engage in diverse arts and cultural experiences. The office promotes Seattle as a cultural destination and invests in Seattle's arts and cultural sector to ensure the City provides a wide range of high-quality programs, exhibits and public art. Arts includes seven programs: Cultural Partnerships, Community Development and Outreach, the Langston Hughes Performing Arts Institute, Public Art, Artwork Conservation, Administrative Services, and, new in 2016, Capital Arts. These programs are supported by two funding sources: the Arts Account, which is primarily funded through an allocation of the City's admission tax revenues, and the Municipal Arts Fund, which is supported by the 1% for Arts contributions.

The **Cultural Partnerships** Program invests in cultural organizations, youth arts programs, individual artists and community groups to increase residents' access to arts and culture, and to promote a healthy cultural sector in the city. The Cultural Partnerships program offers technical assistance and provides grants to arts and cultural organizations throughout the city. The Cultural Partnerships Program also leads the City's work in creative placemaking, arts in education, and equity work.

The **Community Development and Outreach** Program works to ensure greater community access to arts and culture through annual forums and award programs by showcasing community arts exhibits and performances at City Hall, and by developing materials to promote Seattle as a creative capital.

The **Langston Hughes Performing Arts Institute (LHPAI)** provides for the operation of LHPAI, a cultural facility that provides rental spaces and technical assistance, and that works in partnership with Langston, a new non-profit organization located at LHPAI, to present classes, performing arts academies, programs and events, with the goal of providing quality cultural programs with educational components that meet the needs of the community.

The **Public Art** Program integrates artists and their ideas in the design of City facilities, manages the City's portable artworks collection and incorporates art in public spaces throughout Seattle. This program is primarily funded through the 1% for Art program, which by ordinance requires eligible City capital projects to contribute 1% of their budgets to the Municipal Arts Fund for the commission, purchase and installation of public artworks.

The **Artwork Conservation** Program supports the City of Seattle's Public Art investment in permanent art. This program provides professional assessment, conservation, repair, and routine and major maintenance of artwork for the City's approximately 400-piece permanently sited art collection.

The **Administrative Services** Program provides executive management and support services for the office; supports the Seattle Arts Commission, a 16-member advisory board that advises the office, Mayor and City Council on arts programs and policy; and promotes the role of the arts in economic development, arts education for young people and cultural tourism.

The **Capital Arts** Program provides resources to fund the development of new cultural spaces, the retention of crucial cultural anchors, and physical space improvements in existing cultural institutions.

# Office of Arts and Culture

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$8,286,762	\$11,297,199	\$12,687,413	\$12,475,848
<b>Total Operations</b>	<b>\$8,286,762</b>	<b>\$11,297,199</b>	<b>\$12,687,413</b>	<b>\$12,475,848</b>
<b>Total Appropriations</b>	<b>\$8,286,762</b>	<b>\$11,297,199</b>	<b>\$12,687,413</b>	<b>\$12,475,848</b>
Full-time Equivalent Total*	31.59	29.09	31.09	31.09

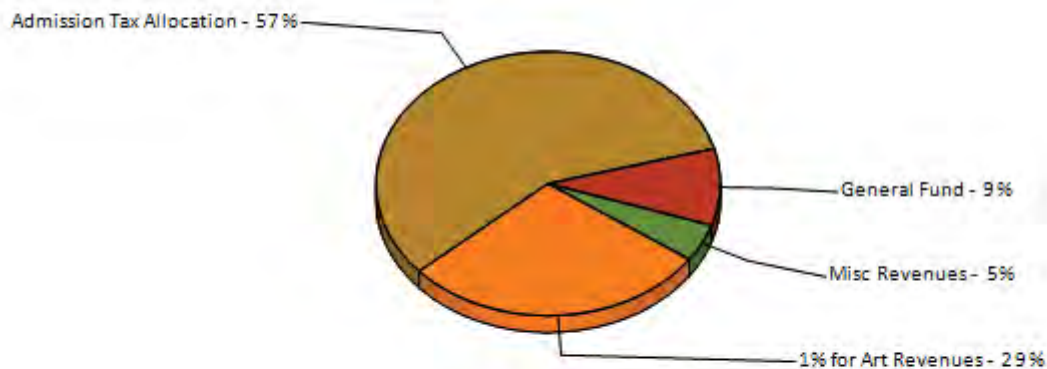
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Office of Arts and Culture

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

The programming choices Arts makes depend in large part on the revenue derived from admission taxes. This funding supports arts-related programs and one-time capital expenditures to keep artists living and working in Seattle, to build community through arts and cultural events, and to increase arts opportunities for youth. The 2017-2018 Proposed Budget increases the percent of admission tax revenues for Arts from 80% to 90% in 2017 and to 100% in 2018.

Using this funding, the proposed budget will focus on programming and funding opportunities that target artists, students and community members from under-represented groups and that advance the goals of the City Race and Social Justice Initiative (RSJI). Finally, the proposed budget funds Arts' relocation to a new office in King Street Station, activation of the space, and additional staff to manage the increasing number and complexity of Arts' projects.

The Office of Arts & Culture has developed programs to combat the displacement of arts and ethnic cultural spaces, to create cultural affordability, and to support the retention of art spaces in our neighborhoods. The 2017-2018 Proposed Budget:

- establishes funding to support the Equitable Development Initiative to engage and preserve historical cultural partners vulnerable to displacement pressure;
- increases funding by 300% for Cultural Facilities grants to support investment in capital projects for arts organizations citywide;
- provides funding to support the construction and renovation of the Nordic Heritage Museum, Burke Museum, Town Hall Seattle and Hugo House; and
- restores funding to core programs funded through the Arts Account. The programs - Civic Partners, Youth Arts, CityArtist, smART Ventures and Neighborhood and Community Arts - give one-time grant funding to

## Office of Arts and Culture

local artists, arts and cultural organizations and arts-education programs. Increased funding restores the programs to pre-recession levels and allows Arts to shift more funds to historically underfunded programs without having to significantly cut funding to existing programs.

In the proposed budget, Arts will increase funding for the Creative Advantage program. Creative Advantage is an arts-education initiative led by a public-private partnership that includes Arts, Seattle Public Schools, and The Seattle Foundation. The additional funding will support a Skill Center focused on Media Arts, located on the Seattle Center campus. The new Skill Center expands the Creative Advantage program to include career and technical education for high school students.

Arts will partner with the Office of Film and Music (OFM) to provide funding to the Seattle Music Commission and salary support for a Creative Industries Business Advocate position. This partnership will bridge efforts between Arts and OFM to provide support, resources, and infrastructure for Seattle's creative economy, which is comprised of creative industries including film, music, visual arts, virtual reality, gaming and additional media sectors. Beginning in 2017, Arts will also take responsibility for an agreement between The Vera Project and the City to provide youth arts and music programming at the Seattle Center campus. The agreement with the Vera Project was previously managed by Seattle Center.

In 2017, Arts will move its office to the third floor of King Street Station, preserving historic cultural and affordable space in the heart of the city. The 2017-2018 Proposed Budget provides funding for all costs related to the move as well as space activation to provide arts programming.

The work of Arts has grown and taken on more visibility and broader scope in the last few years, resulting in additional staffing needs. The 2017-2018 Proposed Budget will add one full time Arts and Equity Manager, one administrative position, and reclassify several positions to better align with increasing responsibilities and more complex work assignments.

The 2017-2018 Proposed Budget for the Municipal Arts Fund have been updated to reflect the estimated revenues that will be collected each year from department budgets of capital projects eligible for 1% For Art.

# Office of Arts and Culture

## Performance Measures Budget Book Pilot

The Office of Arts and Culture (Arts) is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and is not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, Arts worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the Mayor's 2016 Adopted Budget and now the 2017-18 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The following tables present information gathered during the initial pilot phase, subject to further refinement as this pilot is developed.

### Investing in the arts

Cultural Partnerships: Racial Equity Trainings

2017-2018 Proposed Budget: \$28,500 (2017); \$28,500 (2018)

**Program Summary:** The Seattle Office of Arts & Culture (Arts), in conjunction with the Office for Civil Rights (OCR), offers arts and cultural organizations the tools to begin to eliminate institutional racism and build racial equity through workshops and trainings. The numbers below represent individual artists and administrators who have participated in racial-equity trainings.

**Past Performance:** In 2015, Arts served more people than estimated and at a lower program cost because one of the trainings was offered through a multi-jurisdiction partnership that leveraged City resources for a greater community impact. In addition, 80 of those served participated in a 40+ hour commitment via racial equity learning cohorts. These cohorts are part of the Turning Commitment into Action program, bringing participants from 10-13 organizations together to assess where their organizations are on a continuum of racial equity work and building a plan to advance their commitment.

**2017-18 Goal Statement:** Maintain a similar level of programming for workshops and trainings. Continue leveraging resources to serve more people from arts and cultural organizations at a lower program cost.

**Expected Result:** Arts expects to see an ongoing focus on racial equity work within Arts programs, as well as continued programming for the arts and culture communities.

	2014 Actuals	2015 Estimated	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Number of Race and Social Justice Initiative Participants from Arts and Cultural Organizations	320	451	512	391	400	450
	2014 Actuals	2015 Adopted	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Program Cost	\$23,290	\$27,800	\$23,058	\$28,500	\$28,500	\$28,500
Average cost per Participant	\$73	\$62	\$45	\$73	\$71	\$63



# Office of Arts and Culture

## Investing in the arts

Cultural Partnerships: Creative Advantage program

2017-2018 Proposed Budget: \$492,500 (2017); \$442,500 (2018)

**Program Summary:** The Creative Advantage is the arts plan for Seattle schools, built as a partnership between the City, Seattle Public Schools (SPS) and the Seattle Foundation to address the arts access gap and foster equity and quality for K-12 SPS students by 2020. The program, conceived in 2008, began with several years of district research and planning supported by a national grant. School implementation to deliver high-quality, 21st century arts education to students in neighborhood pathways began in 2013. Arts provides three years of funding for professional development for teaching artists and partnerships between schools and arts organizations. After three years, Arts expects the pathway schools to have the capacity to fund the programs on their own. Arts staff oversee these contracts and manage the City's side of the Creative Advantage program, including the teaching artist roster.

**Past Performance:** As a result of these investments, 2015 saw all students in the 13 Central pathway schools receive access to music education for the first time in 30 years. Similar outcomes are expected in 2016 as the Southwest pathway, which has 10 schools, moves into implementation.

**2017-18 Goal Statement:** Expand access to arts education to K-12 students in Seattle.

**Expected Result:** Arts expects to see the addition of 20 more schools in the Southeast pathway, as well as the development of new skill center programming with increased funding in the budget. Skill centers are part of SPS's career and technical education, and will create a more explicit focus on workforce development and career readiness.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of Schools Implementing Creative Advantage	13	13	13	23	43	43
	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Dollars*	\$160,000	\$270,000	\$270,000	\$392,500	\$492,500	\$442,500
Total Positions (FTEs)	1.0	1.0	1.0	1.5	1.5	1.5

\*Reflects program costs only, exclusive of staffing

# Office of Arts and Culture

## Investing in the arts

Cultural Partnerships: Cultural Investments

2017-2018 Proposed Budget: \$2,750,000 (2017); \$3,000,000 (2018)

**Program Summary:** The Office of Arts and Culture's (Arts) cultural partnerships programs provide financial support for performances, events, facilities, exhibitions, and the creation and presentation of artworks. Projects range from neighborhood festivals, to main stage performances, to arts training for youth. Since the program was initiated in 1971, the office's total investment in artists and cultural organizations has been greater than \$50 million. Cultural investments promote a livable city, vibrant with a diversity of arts and cultural events, programs and services for everyone who lives, visits and works in Seattle.

**Past Performance:** In 2015, Arts supported more than 375 arts and cultural events, programs and participatory opportunities for families, adults, youth and students to experience throughout the City.

**2017-18 Goal Statement:** Maintain opportunities to attend grant funded art and cultural programs and services.

**Expected Result:** In 2017-2018, Arts expects to see a slight increase in attendance due to increased funding.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of People Attending Grant-funded Programs*	1.74 million	1.7 million	1.7 million	1.7 million	1.8 million	1.8 million
Number of Artists and Cultural Organizations Funded	367	350	375	375	375	375
	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Dollars**	\$2,711,710	\$2,751,300	\$2,802,927	\$2,728,100	\$2,750,000	\$3,000,000
Total Positions (FTEs)	3.75	3.75	3.75	4.75	4.75	4.75

\*This figure represents attendees at events where Arts contributed funds towards the event and participant counts were available.

\*\*Reflects program costs only, exclusive of staffing

# Office of Arts and Culture

## Incremental Budget Changes

### Office of Arts and Culture

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 11,297,199</b>	<b>29.09</b>	<b>\$ 11,297,199</b>	<b>29.09</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 143,639	-1.00	\$ 146,221	-1.00
Adjustment for One-Time Adds or Reductions	-\$ 1,642,500	0.00	-\$ 1,642,500	0.00
Citywide Adjustments for Standard Cost Changes	\$ 329,197	0.00	\$ 307,128	0.00
<b>Proposed Changes</b>				
Create the Equitable Development Initiative Cultural Preservation Fund	\$ 150,000	0.00	\$ 200,000	0.00
Increase Funding for the Cultural Facilities Fund	\$ 0	0.00	\$ 767,000	0.00
Increase Capital Funding to Partner Organizations	\$ 1,300,000	0.00	\$ 0	0.00
Restore Funding to Core Grant Funding Programs	\$ 0	0.00	\$ 200,000	0.00
Expand Creative Advantage Program	\$ 100,000	0.00	\$ 50,000	0.00
Support Creative Industries Position in the Office of Film and Music	\$ 127,000	0.00	\$ 130,810	0.00
Funding for the Music Commission	\$ 50,000	0.00	\$ 50,000	0.00
Move from Seattle Municipal Tower to King Street Station	\$ 567,500	0.00	\$ 662,000	0.00
Increase Arts Equity Staffing and Position Reclassifications	\$ 142,178	2.00	\$ 153,990	2.00
Move Vera Contract from Seattle Center to Arts	\$ 50,000	0.00	\$ 50,000	0.00
Citywide Summit Re-Implementation Project	\$ 73,200	0.00	\$ 19,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustment	\$ 0	0.00	\$ 85,000	0.00
Technical FTE Adjustment	\$ 0	1.00	\$ 0	1.00
<b>Total Incremental Changes</b>	<b>\$ 1,390,214</b>	<b>2.00</b>	<b>\$ 1,178,649</b>	<b>2.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 12,687,413</b>	<b>31.09</b>	<b>\$ 12,475,848</b>	<b>31.09</b>

# Office of Arts and Culture

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$143,639/(1.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Adjustment for One-Time Adds or Reductions - (\$1,642,500)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. Specifically, it removes one-time project support for the Burke Museum (\$500,000), Nordic Heritage Museum (\$500,000) and Town Hall Seattle (\$500,000); the AIDS memorial project (\$75,000); and the Lake Washington Ship Canal Historical Project (\$40,000). It also removes funding related to Summit Re-Implementation work in 2016 (\$27,500).

#### **Citywide Adjustments for Standard Cost Changes - \$329,197**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

### Proposed Changes

#### **Create the Equitable Development Initiative Cultural Preservation Fund - \$150,000**

As the City of Seattle moves to implement its Equitable Development Initiative, Arts will establish a Cultural Preservation Fund in partnership with the Office of Planning and Community Development (OPCD) to support organizations that are vulnerable to displacement while also engaging them in the development of equitable development strategies across the City. In 2018, the fund will increase from \$150,000 to \$200,000.

#### **Increase Funding for the Cultural Facilities Fund**

As the economy has improved, a growing number of arts organizations have asked for financial support for capital projects. This change will bring Cultural Facilities grant funding into alignment with demand for investment in arts spaces by adding \$767,000 for capital facilities grants in 2018, bringing the total amount of 2018 funding to more than \$1 million.

#### **Increase Capital Funding to Partner Organizations - \$1,300,000**

This item adds funding in 2017 to support the construction and renovation of cultural facilities at the Nordic Heritage Museum (\$350,000), Burke Museum (\$350,000), Town Hall Seattle (\$350,000) and Hugo House (\$250,000).

# Office of Arts and Culture

## **Restore Funding to Core Grant Funding Programs**

This change increases funding to core programs funded through the Arts Account in the Cultural Partnerships program. The grant programs - Civic Partners, Youth Arts, CityArtist, smART Ventures and Neighborhood and Community Arts - give one-time funding to local artists, arts and cultural organizations and arts-education programs. This change restores core programs to pre-recession levels. It will also allow Arts to potentially increase funding to historically underfunded programs without having to significantly cut funding to existing programs. This adds \$200,000 in 2018.

## **Expand Creative Advantage Program - \$100,000**

The Creative Advantage initiative addresses inequity in arts education while transforming how Seattle youth learn. This item expands Arts' education partnership with Seattle Public Schools (SPS) into Career and Technical Education. Arts will work with SPS to develop a Skill Center focused on Media Arts located on the Seattle Center Campus. Funding supports the initial resource and equipment needs of the program (\$50,000) and co-funds a position within SPS to oversee the program at the District level (\$50,000). The Skill Center will be available to juniors and seniors during the school year and open to all high school students in the summer. In 2018, the amount decreases to \$50,000 because student enrollment at the Skill Center will pay for ongoing costs of the program. Arts will continue to support the position within SPS.

## **Support Creative Industries Position in the Office of Film and Music - \$127,000**

The Office of Arts & Culture (Arts) will provide salary support for a Creative Industries Business Advocate position in the Office of Film + Music + Special Events (OFMSE) to support the development of Seattle's creative economy. The creative economy is comprised of creative industries including film, music, visual arts, virtual reality, gaming and additional media sectors. This position will serve as the project lead for creative industry strategy planning and implementation (building off of the report being funded by Arts in 2016 and 2017), and will create and implement a strategy aligned with the goals of Arts, OFMSE, and the Office of Economic Development (OED). The position will also continue to work with the Arts Commission and Music Commission's Youth and Community Committee, with increased focus on alignment with Creative Advantage, Music and Career Day, internships and workforce development. Finally, the position will continue supporting the work of the Music Commission and other OFM priorities.

## **Funding for the Music Commission - \$50,000**

This change supports a partnership between the Office of Arts and Culture and the Seattle Music Commission. The Seattle Music Commission is an existing program within the Office of Film and Music that works to advance the City Music Initiative. The City Music Initiative envisions Seattle as a place where musicians and music businesses flourish. This item will provide support for the development and implementation of City of Music Initiatives and includes items such as a music economy census, evaluating the feasibility of a music business accelerator, City of Music and Creative Industries Career Days, and Race and Social Justice training for music commissioners.

## **Move from Seattle Municipal Tower to King Street Station - \$567,500**

Through a partnership between the Office of Arts & Culture, Seattle Department of Transportation, and the Office of Economic Development, the Mayor envisions the preservation of the historic King Street Station as permanent affordable cultural space. This change creates a new office for Arts on the third floor of King Street Station which is currently unoccupied. Construction for tenant improvements will be debt financed over a period of ten years, and Arts will be responsible for loan payments. The proposed budget provides funding for all costs related to the move necessary to set up tenable office space as well as ongoing costs related to Arts' tenancy.

This change also adds funding to activate non-office space at King Street Station. The space will host artist performances, galleries, workshops and community gatherings. Arts will engage in extensive community outreach

# Office of Arts and Culture

to design an equitable model for space activation, ensuring that programming includes the needs and desires of vulnerable communities.

## **Increase Arts Equity Staffing and Position Reclassifications - \$142,178/2.00 FTE**

The work of Arts has grown in both visibility and scope in the last few years resulting in additional staffing needs. In 2015 and 2016, Arts funded a part-time position in the Office for Civil Rights (OCR) to support projects that had a nexus with arts equity initiatives. As a shared position, this role did not have the capacity to lead the significant demand for arts equity work. This change allows Arts to transfer funding for the part-time position in OCR back to Arts to create its own Arts and Equity Manager position, fulfilling its need for full-time internal and external equity work.

This change also funds one administrative position and the reclassification of several positions. The administrative position will assist in processing a higher volume of grants, contracts, and invoices. Reclassification of various positions within the department is necessary to better align staff with their respective workloads.

## **Move Vera Contract from Seattle Center to Arts - \$50,000**

The Vera Project is an all-ages volunteer-led music and arts venue located in the Seattle Center campus. The Vera Project, through a contract with the City, receives funding support to provide youth programming. For the past few years, the agreement with the Vera Project has been administered by Seattle Center. Beginning in 2017, the Office of Arts and Culture will be responsible for the contract.

## **Citywide Summit Re-Implementation Project - \$73,200**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Proposed Technical Changes**

### **Technical Adjustment**

This adjustment transfers all funding related to capital facilities investments to the Capital Arts Budget Control Level and corrects an error made in the 2018 baseline phase that excluded a charge for rent of space used for artwork conservation and to house the City's artwork collection.

### **Technical FTE Adjustment/1.00 FTE**

This technical adjustment adds an Administrative Staff Assistant position to the 2017-2018 Proposed Budget who will serve as the Public Art Registrar. This position was authorized by Seattle City Council in the 2nd Quarter Supplemental Budget Ordinance to the 2016 Adopted Budget. This item also transfers 1.0 FTE from the Arts Account Budget Control Level to the Capital Arts Budget Control Level to align the position with its work on cultural facilities grants and Capital Arts contracts.

# Office of Arts and Culture

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Arts Account Budget Control</b>					
Administrative Services		646,334	598,187	1,606,543	1,556,142
Community Development and Outreach		567,607	611,425	502,657	517,260
Cultural Partnerships		3,555,730	4,517,092	4,827,362	5,132,161
Langston Hughes Performing Arts Institute		872,323	428,046	473,066	487,169
<b>Total</b>	<b>VA140</b>	<b>5,641,994</b>	<b>6,154,750</b>	<b>7,409,628</b>	<b>7,692,732</b>
<b>Capital Arts Budget Control Level</b>	<b>VA140G</b>	<b>0</b>	<b>1,856,000</b>	<b>1,921,765</b>	<b>1,392,294</b>
<b>Municipal Arts Fund Budget Control</b>					
Artwork Conservation		0	187,000	192,527	195,486
Public Art		2,644,768	3,099,449	3,163,493	3,195,336
<b>Total</b>	<b>2VMAO</b>	<b>2,644,768</b>	<b>3,286,449</b>	<b>3,356,020</b>	<b>3,390,822</b>
<b>Department Total</b>		<b>8,286,762</b>	<b>11,297,199</b>	<b>12,687,413</b>	<b>12,475,848</b>
<b>Department Full-time Equivalent Total*</b>		<b>31.59</b>	<b>29.09</b>	<b>31.09</b>	<b>31.09</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
587001	Interfund Transfers	5,953,328	6,492,924	7,914,128	9,004,368
	<b>Total Admission Tax Allocation</b>	<b>5,953,328</b>	<b>6,492,924</b>	<b>7,914,128</b>	<b>9,004,368</b>
587001	Interfund Transfers	0	1,500,000	1,300,000	0
	<b>Total General Fund</b>	<b>0</b>	<b>1,500,000</b>	<b>1,300,000</b>	<b>0</b>
461110	Interest Earnings	25,862	20,000	20,000	20,000
461110	Interest Increase/Decrease	-2,243	0	0	0
469990	Misc Income	1,489	0	0	0
587001	Interfund Transfers	30,880	31,961	32,000	32,000
587001	Interfund Transfers	0	0	40,000	40,000
441990	Public Art Management Fees	227,746	234,622	264,187	270,154
461110	Interest Earnings	88,995	74,986	77,235	79,552
461110	Interest Increase/Decrease	-9,735	0	0	0
469990	Misc Revenues	23,301	196,641	202,540	208,616
	<b>Total Misc Revenues</b>	<b>386,295</b>	<b>558,210</b>	<b>635,962</b>	<b>650,322</b>
541190	Interfund Transfers (1% for Art)	4,099,590	3,119,647	3,972,089	3,000,000

# Office of Arts and Culture

<b>Total 1% for Art Revenues</b>		<b>4,099,590</b>	<b>3,119,647</b>	<b>3,972,089</b>	<b>3,000,000</b>
<b>Total Revenues</b>		<b>10,439,213</b>	<b>11,670,781</b>	<b>13,822,179</b>	<b>12,654,690</b>
379100	Use of/(Contribution to) Fund Balance	-367,322	-34,135	25,265	-11,342
379100	Use of/(Contribution to) Fund Balance	-1,785,129	-339,447	-1,160,031	-167,500
<b>Total Use of/(Contribution to) Fund Balance</b>		<b>-2,152,451</b>	<b>-373,582</b>	<b>-1,134,766</b>	<b>-178,842</b>
<b>Total Resources</b>		<b>8,286,762</b>	<b>11,297,199</b>	<b>12,687,413</b>	<b>12,475,848</b>

## Appropriations By Budget Control Level (BCL) and Program

<b>Arts Account Budget Control Level</b>				
The purpose of the Arts Account Budget Control Level (BCL) is to invest in Seattle's arts and cultural community.				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administrative Services	646,334	598,187	1,606,543	1,556,142
Community Development and Outreach	567,607	611,425	502,657	517,260
Cultural Partnerships	3,555,730	4,517,092	4,827,362	5,132,161
Langston Hughes Performing Arts Institute	872,323	428,046	473,066	487,169
<b>Total</b>	<b>5,641,994</b>	<b>6,154,750</b>	<b>7,409,628</b>	<b>7,692,732</b>
Full-time Equivalents Total*	20.84	18.34	18.34	18.34
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.				

**The following information summarizes the programs in Arts Account Budget Control Level:**

**Administrative Services Program**

The purpose of the Administrative Services Program is to provide executive management and support services to the Office and to support the Seattle Arts Commission, a 16-member advisory board that advises the Office, Mayor, and City Council on arts programs and policy.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administrative Services	646,334	598,187	1,606,543	1,556,142
Full-time Equivalents Total	5.00	5.00	5.00	5.00



# Office of Arts and Culture

## Community Development and Outreach Program

The purpose of the Community Development and Outreach Program is to promote arts and culture through arts award programs, cultural events, City Hall exhibits and performances, and communication materials that recognize Seattle as a "creative capital."

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Community Development and Outreach	567,607	611,425	502,657	517,260
Full-time Equivalents Total	3.00	3.00	2.00	2.00

## Cultural Partnerships Program

The purpose of the Cultural Partnerships Program is to invest in arts and culture. The program increases Seattle residents' access to arts and cultural opportunities, provides arts opportunities for youth, and enhances the economic vitality of Seattle's arts and cultural community by investing in arts organizations and emerging artists.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Cultural Partnerships	3,555,730	4,517,092	4,827,362	5,132,161
Full-time Equivalents Total	5.75	6.75	7.75	7.75

## Langston Hughes Performing Arts Institute Program

The Langston Hughes Performing Arts Institute (LHPAI) provides for the operation of LHPAI, a cultural performing arts institute that presents classes, performing arts academies, programs and events, and whose goals are to provide quality cultural programs with educational components that meet the needs of the community.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Langston Hughes Performing Arts Institute	872,323	428,046	473,066	487,169
Full-time Equivalents Total	7.09	3.59	3.59	3.59

## Capital Arts Budget Control Level

The purpose of the Capital Arts Budget Control Level (BCL) is to fund the development of new cultural spaces, the retention of crucial cultural anchors, and physical space improvements in existing cultural institutions.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Capital Arts	0	1,856,000	1,921,765	1,392,294
<b>Total</b>	<b>0</b>	<b>1,856,000</b>	<b>1,921,765</b>	<b>1,392,294</b>
Full-time Equivalents Total*	0.00	0.00	1.00	1.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Arts and Culture

## **Municipal Arts Fund Budget Control Level**

The purpose of the Municipal Arts Fund Budget Control Level (BCL) is to fund the Public Art Program, which develops art pieces and programs for City facilities, and the Artwork Conservation Program, which maintains the City's permanent art collection. The BCL appropriates revenues from the Municipal Arts Fund (MAF).

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Artwork Conservation	0	187,000	192,527	195,486
Public Art	2,644,768	3,099,449	3,163,493	3,195,336
<b>Total</b>	<b>2,644,768</b>	<b>3,286,449</b>	<b>3,356,020</b>	<b>3,390,822</b>
Full-time Equivalents Total*	10.75	10.75	11.75	11.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Municipal Arts Fund Budget Control Level:**

### **Artwork Conservation Program**

The purpose of the Artwork Conservation Program is to maintain the City of Seattle's Public Art investments in permanent art. This program provides professional assessment, conservation, repair, and routine and major maintenance of artwork for the City's approximately 400-piece permanently sited art collection.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Artwork Conservation	0	187,000	192,527	195,486
Full-time Equivalents Total	0.00	1.00	1.00	1.00

### **Public Art Program**

The purpose of the Public Art program is to integrate artists and their ideas in the design of City facilities, manage the City's portable artworks collection and incorporate art in public spaces throughout Seattle. This program is funded through the 1% for Art program, which by ordinance requires eligible City capital projects to contribute one percent of their budgets to the Municipal Arts Fund for the commission, purchase and installation of public artworks.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Public Art	2,644,768	3,099,449	3,163,493	3,195,336
Full-time Equivalents Total	10.75	9.75	10.75	10.75

# Office of Arts and Culture

## Arts and Culture Fund Table

### Arts Account (00140)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>1,149,337</b>	<b>530,099</b>	<b>1,516,659</b>	<b>444,617</b>	<b>419,352</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	6,009,316	8,044,885	8,130,885	9,306,128	9,096,368
Less: Actual and Budgeted Expenditures	5,641,994	8,010,750	9,202,927	9,331,393	9,085,026
<b>Ending Fund Balance</b>	<b>1,516,659</b>	<b>564,234</b>	<b>444,617</b>	<b>419,352</b>	<b>430,694</b>
Committed: Operating Reserve	400,000	409,020	409,200	419,021	429,077
Committed: Planning Reserve	41,862	139,000	0	0	0
<b>Total Reserves</b>	<b>441,862</b>	<b>548,020</b>	<b>409,200</b>	<b>419,021</b>	<b>429,077</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,074,797</b>	<b>16,214</b>	<b>35,417</b>	<b>331</b>	<b>1,617</b>

### Municipal Arts Fund (62600)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>6,734,179</b>	<b>6,909,737</b>	<b>8,519,308</b>	<b>8,605,233</b>	<b>9,765,264</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,429,897	3,625,896	4,428,629	4,516,051	3,558,322
Less: Actual and Budgeted Expenditures	2,644,768	3,286,449	4,342,704	3,356,020	3,390,822
<b>Ending Fund Balance</b>	<b>8,519,308</b>	<b>7,249,184</b>	<b>8,605,233</b>	<b>9,765,264</b>	<b>9,932,764</b>
Encumbrances	1,011,657				
Committed: Planning Reserve	17,628	56,102			
<b>Total Reserves</b>	<b>1,029,285</b>	<b>56,102</b>			
<b>Ending Unreserved Fund Balance</b>	<b>7,490,023</b>	<b>7,193,082</b>	<b>8,605,233</b>	<b>9,765,264</b>	<b>9,932,764</b>

# Department of Parks and Recreation

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Jesús Aguirre, Superintendent

(206) 684-4075

<http://www.seattle.gov/parks/>

## Department Overview

The Department of Parks and Recreation (DPR) works with all residents to be good stewards of the environment and to provide welcoming and safe opportunities to play, learn, contemplate and build community. DPR manages a 6,200 acre park system of more than 400 parks with hundreds of athletic fields, tennis courts, and play areas, extensive natural areas, 120 miles of trails, and more than 25 miles of boulevards. The system comprises about 11% of the City's land area and includes 27 community centers, eight indoor swimming pools, two outdoor (summer) swimming pools, three environmental education centers, two small craft centers, four golf courses, an outdoor stadium, specialty gardens, and much more. The Woodland Park Zoological Society operates the zoo with City financial support, and the Seattle Aquarium Society operates the City-owned Seattle Aquarium.

Department employees work hard to develop partnerships with park neighbors, volunteer groups, non-profit agencies, local businesses, and Seattle Public Schools to effectively respond to increasing requests for use of Seattle's park and recreation facilities. Perhaps the most significant partnership is with the Associated Recreation Council (ARC) which provides child care and supports recreation programs at DPR-owned facilities, including community centers and small craft centers. ARC, a non-profit organization, also supports and manages the recreation advisory councils. These advisory councils are made up of volunteer community members who advise DPR's staff on recreation programming at community centers and other facilities. This collaborative relationship with ARC enables the department to offer quality child care and a wide range of recreation programs to the public.

DPR's funding is a combination of tax dollars from the City's General Fund and revenue from a variety of other sources including user fees, rental charges and payments from capital funds for the time staff spend working on capital projects. Funding for new parks and facilities has historically come from voter-approved levies, grants and City real estate excise tax revenue. In 2014, Seattle voters approved the formation of a metropolitan park district. The Seattle Park District provides for a new taxing district and revenue source to fund increased parks and recreation services and capital projects.

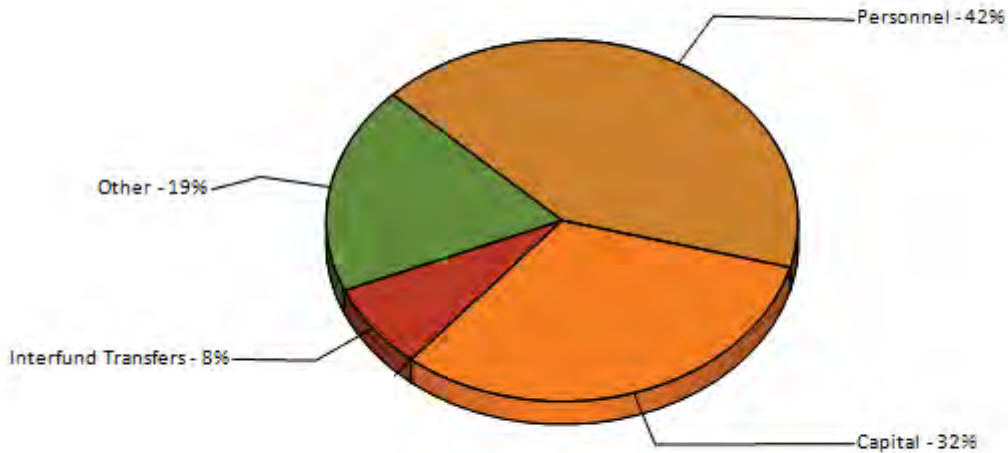
# Department of Parks and Recreation

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$91,757,322	\$96,478,559	\$103,217,524	\$106,758,464
Other Funding - Operating	\$52,831,021	\$58,762,752	\$60,263,165	\$61,524,186
<b>Total Operations</b>	<b>\$144,588,343</b>	<b>\$155,241,311</b>	<b>\$163,480,689</b>	<b>\$168,282,650</b>
Other funding - Capital	\$32,255,742	\$54,566,000	\$75,578,000	\$83,842,000
<b>Total Appropriations</b>	<b>\$176,844,085</b>	<b>\$209,807,311</b>	<b>\$239,058,689</b>	<b>\$252,124,650</b>
Full-time Equivalent Total*	908.35	916.68	912.76	912.76

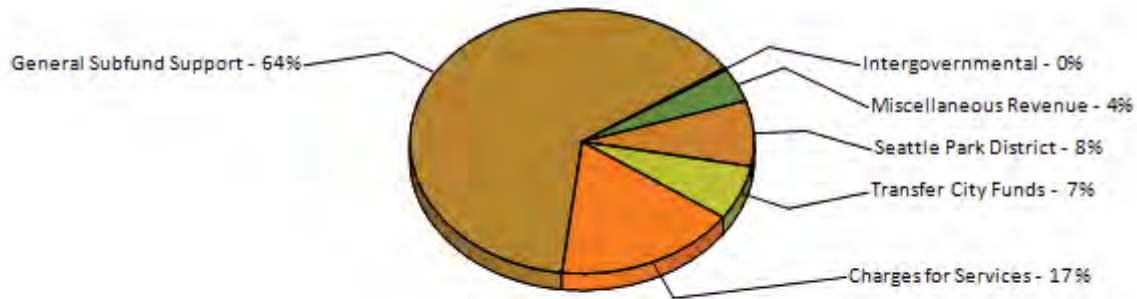
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### 2017 Proposed Budget - Expenditure by Category



# Department of Parks and Recreation

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

In 2016, the Department of Parks and Recreation focused on implementing the first year of full funding from the Seattle Park District, a voter-approved district authorized to levy and impose various taxes and fees to generate revenues to maintain, operate and improve parks, community centers, pools, and other recreation facilities and programs. The goal of the Park District is to provide long-term, stable funding to support recreation programming, parks projects and the critical needs for investment in major and ongoing maintenance. Some of the Park District-funded projects accomplished in 2016 thus far include: replacing the roof at Ravenna-Eckstein Community Center; the removal and restoration of 15 encroachments of DPR's property; the Bobby Morris Playfield turf replacement; numerous preventive maintenance projects by the recently-launched night maintenance crew; and increased cleaning at comfort stations.

The 2017-2018 Proposed Budget shifts \$1.3 million of Park District capital funds into community center operations in order to implement recommendations outlined in the Community Center Strategic Plan. Released in September 2016, the plan seeks to institute immediate changes to better meet residents' needs and promote social equity, test new ideas through innovations and pilots, address the City Council's statements of legislative intent regarding Lake City and Capitol Hill community centers, and provide a bridge to DPR's long-term capital planning. Specifically, the shift in funds will help meet community needs by increasing staffing and hours of operations in centers where the neighborhood has fewer resources to pay for programming and where residents have fewer recreational options or the center is not meeting community needs. Improvements made to centers will include improved participant-to-staff ratios, increased pursuit of community partnerships, and increased community access through extended operating hours. New innovative ideas and pilot projects launched with this

## Department of Parks and Recreation

plan also include free programming at five centers, the elimination of drop-in fees, a simplified scholarship application process, and the design of a performance system to create metrics, collect data, and evaluate strategies to determine what works and what does not.

Athletic fields are a popular amenity in the city's parks. Athletic field users, including youth and adult recreation sport leagues, pay a fee to secure access to these fields for activities, practices, and games. Demand for athletic fields continues to outpace supply, and the Seattle Public Schools change in bell times starting in the 2016-17 school year will have material impacts on the availability of athletic fields for non-public school community users. In response to the bell times change (most high schools will be starting and ending later in the day) and to meet growing demand, the 2017-2018 Proposed Budget expands athletic field capacity for the first time since 2012. Athletic field capacity can be increased by: creating new fields in new or existing locations, converting existing grass fields to synthetic turf (which minimizes cancellations due to poor weather), and adding lights to extend play into the evening hours. In the 2017-2022 Proposed Capital Improvement Program, DPR will upgrade from a grass field to synthetic turf at Brighton Playfield, upgrade from a grass field to synthetic turf and add lights at Soundview Playfield, and is working on a potential partnership to upgrade one additional grass field to synthetic turf and add lights. In addition to new real estate excise tax revenue and existing Park District funding, field users will contribute towards future field development with an increase in athletic field rental fees beginning in mid-2017.

The 2017-2018 Proposed Budget also contains several operational efficiencies that do not impact the level of service delivery, increases fees on services to the public which have not been increased in several years, and re-prioritizes existing vacant positions to focus on other operational staffing needs.

## Performance Measures Budget Book Pilot

The Department of Parks and Recreation (DPR) is one of nine departments participating in the 2017-2018 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and are not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, DPR worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the Mayor's 2016 Adopted Budget and now the 2017-2018 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The following tables present information gathered during the initial pilot phase, subject to further refinement as this pilot is developed.

### Support Community Engagement in Park and Recreation Services

Engage the community through meaningful volunteer opportunities  
 2017-2018 Proposed Budget: \$427,390 (2017), \$440,248 (2018)

**Program Summary:** Volunteers engaged in public service are the community leaders of today and tomorrow. By engaging in public service, volunteers build skills, get active, create community, meet neighbors, make new friends, invest in their neighborhoods, and bring new voices to decision-making processes. The Department of Parks and Recreation (DPR) employs Volunteer Programs Coordinators who recruit, register, supply, train and supervise volunteers. Additionally, staff at various work sites support volunteers through training, tools, materials, and provision of the administrative services volunteers need to succeed.

**Past Performance:** Between 2010 and 2013, there was an average of 360,866 volunteer hours donated by the community to support Parks and Recreation initiatives and programs per year. In 2014, hours declined to 257,152 and in 2015, there was an increase to 270,360 volunteer hours. Assuming a \$20 value of each hour, 257,152 equates to a \$5.4 million investment from our community volunteers.

**2017-18 Goal Statement:** Support and maintain a successful community engagement program through meaningful volunteer opportunities.

**Expected Result:** Increasingly, volunteers are demonstrating a preference for short-term, highly social, one-time opportunities, whereas previous volunteers committed to a particular program or project for years. Volunteers with regular duties, such as a steward at a forest restoration site, a basketball coach, or a math tutor, require much less staff support than volunteers for a single large event. Nevertheless, DPR is seeing these individual work parties grow in size, scope, and intensity as organizations look for ways their employees can give back to the community. Despite these changing conditions, DPR aims to maintain the current level of volunteer support.

	2014 Actuals	2015 Estimated	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Number of Volunteer Hours	257,152	260,000	270,360	260,000	260,000	260,000
Cost to Administer Per Volunteer Hour	\$1.56	\$1.55	\$1.27	\$1.54	\$1.64	\$1.69
	2014 Actuals	2015 Adopted	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Program Cost	\$399,957	\$388,495	\$344,224	\$402,022	\$427,390	\$440,248



**Provide welcoming and safe opportunities to play, learn and build community**

Teach our community to swim

2017-2018 Proposed Budget: \$7,723,165 (2017), \$7,923,918 (2018)

**Program Summary:** DPR recognizes the importance of knowing how to swim in a city surrounded by water. Drowning is the second leading cause of unintentional injury or death for children 1-17 years old in Washington. Our goal is to get kids and adults proficient at swimming so they can safely participate in programs at swimming beaches, eight indoor and two outdoor pools as well as safely participate in recreational activities such as boating and fishing.

DPR’s pool programs include swim and water safety lessons, fitness classes, lap swims, and recreation swims. There are also various special events, swim team rentals, summer swim team programs, high school rentals for their swim teams, and other rentals (e.g. scuba classes).

**Past Performance:** In 2015, DPR taught more than 345,000 lessons at swimming pools and swimming beaches.

**2017-18 Goal Statement:** Maintain a successful swim lesson program, evidenced by providing at least 340,000 swim lessons, as one key component of the diverse aquatic programming offered by DPR.

**Expected Result:** The number of lessons has grown by 23% over the past five years. DPR attributes that to: (1) the expansion of Rainier Beach Community Center and Pool facility, (2) increased funding for scholarships, (3) expanded free lessons at swimming beaches, and (4) DPR’s increased emphasis on the importance of swim lessons.

Because capacity at pool facilities is limited, there is steep competition for space, especially during the evening hours. Swim lessons must compete with popular uses such as lap swimming, aerobics, and competitive swim teams. Adding more lessons at any facility requires shuffling other popular activities.

Revenue from program fees covers a substantial amount of the staffing, utilities, and operating costs of the pools. The cost recovery of an individual pool varies based on the specifics of the facility, the programs and amenities offered, and the number of participants utilizing the City’s low-income swim fees. The cost recovery figure averages cost recovery across the 10 pools.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of Swim Lessons	336,709	260,000	345,793	340,000	340,000	340,000
	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Swimming Pool Revenues	\$5,020,413	\$5,231,496	\$5,212,516	\$5,018,100	\$5,314,100	\$5,314,100
Swimming Pool Cost Recovery	68.7%	68.7%	70.7%	68.7%	68.8%	67.1%
Total Swimming Pool Budget	\$7,305,597	\$7,521,569	\$7,373,020	\$7,636,618	\$7,723,165	\$7,923,918
Total Positions (FTEs)	46.25	48.25	48.25	49.25	49.25	49.25

**Provide welcoming and safe spaces to play, learn, contemplate and build community**

Maintain assets for continued public use and enjoyment

2017-2018 Proposed Budget: \$18,359,659 (2017), \$18,818,651 (2018)

**Program Summary:** The Parks and Recreation system includes developed parks, forests and green spaces, athletic fields, swimming pools and beaches, golf courses, community centers, and a conservatory. The City has a financial obligation to maintain all of these assets for continued public use and enjoyment. A major maintenance project is a capital investment intended to preserve a facility. Typically, these projects are sizeable and can take anywhere between 1-3 years to complete.

In 2014, Seattle voters passed the Seattle Parks District and earmarked a significant portion of the funding to address major maintenance needs.

**Past Performance:** In 2015, DPR completed two major maintenance projects through funding provided by the Seattle Park District – the Ravenna Eckstein Roof Replacement Project and the Project Management Software Implementation Project. In addition, the planning and design phases of four playground renovation projects were completed (Webster Park, Gilman Park, Lincoln Park north and Highland Park).

**2017-18 Goal Statement:** DPR established a six year goal of completing 118 projects—three during the 2015 ramp-up year and an average of 23 per year for 2016-2020.

**Expected Result:** Major maintenance funding is a primary component of the Seattle Parks District financial plan through 2020. The number of completed projects may vary year-over-year as individual major maintenance projects can vary significantly in size/scale. For example, one major maintenance project could be a small comfort station renovation, a ballfield upgrade from grass to synthetic turf, or a complete overhaul of a park’s pathway system.

	2014 Actuals	2015 Estimated	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Completed Projects	0	3	2	23	23	23

	2014 Actuals	2015 Adopted	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Budget	\$0	\$843,291	\$843,291	\$16,861,863	\$18,359,659	\$18,818,651

**Provide welcoming and safe opportunities to play, learn and build community**

Provide a high-quality, financially sustainable golf operation  
 2017-2018 Proposed Budget: \$12,112,500 (2017), \$12,350,000 (2018)

**Program Summary:** Golfers play more than 200,000 rounds at the City of Seattle’s four public courses. Revenue from greens fees, driving range fees, restaurants, and merchandise sales covers the courses’ operating costs and provides for ongoing major maintenance work and golf improvements. Premier Golf operates the courses while DPR runs the ground maintenance operations.

The golf program’s financial sustainability depends on the City continuing to provide competitive courses and amenities for golfers. Investments made in the Golf Master Plan, such as the recently renovated Jefferson Park Clubhouse and driving range and the driving range and perimeter trail around the Jackson Golf Course, support the long-term sustainability of the golf program. The annual revenues received by providing this recreation opportunity to the golf community is vital to sustaining this public amenity.

**Past Performance:** In 2015, the Golf Program recovered 101% of its expenses, short of the 105% goal.

**2017-18 Goal Statement:** Provide a high-quality golf experience within a sustainable operating model that covers operating and capital improvement expenses and returns 5% of gross revenues to support general park and recreation services.

**Expected Result:** Golf revenues can vary year-over-year as they are materially-impacted by weather. For example, as of mid-2016, unusually wet weather caused the number of golf rounds region-wide to be down by approximately 7%.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Golf Revenues	\$9,376,868	\$12,169,000	\$11,456,743	\$12,531,000	\$12,750,000	\$13,000,000
Golf Cost Recovery	98%	105%	101%	105%	105%	105%

	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Budget	\$9,584,006	\$11,560,550	\$11,332,883	\$11,904,449	\$12,112,500	\$12,350,000
Total Positions (FTEs)*	24	24	24	24	24	24

\*FTE total for Golf includes Parks positions only. Additional staff support golf programs as employees of Premier Golf.

**Provide welcoming and safe spaces to play, learn, contemplate and build community**

Maintain assets for continued public use and enjoyment

2017-2018 Proposed Budget: \$34,350,915 (2017), \$35,605,436 (2018)

**Program Summary:** The City of Seattle’s parks system includes approximately 4,500 acres of developed park space in 400 locations throughout Seattle. DPR has a financial obligation to maintain these assets for continued public use and enjoyment.

To meet this obligation, geographically-based crews keep grass and trees watered and trimmed, remove litter and garbage, maintain athletic fields and picnic shelters, clean off-leash dog areas, irrigate, establish new trees and plants, clean restrooms, keep play areas safe, support volunteer projects, and help prepare for special events.

To ensure these parks are maintained equitably and effectively across the system, DPR will implement an inspection program in 2017 based in part on recommendations made through a City Council-lead performance review of grounds maintenance activities.

**Past Performance:** This is a new initiative, initial results will occur in 2017.

**2017-18 Goal Statement:** Pilot a new park inspection program in 2017 and establish a longer-term approach based on lessons learned in pilot year.

**Expected Result:** These open spaces and recreational facilities are open to all members of the community, and as density increases, their use by the community is anticipated to increase which will affect future maintenance costs. While the resources required to maintain a specific park are influenced by the park’s size, amenities, natural features and usage, the cost per acre measure includes costs across the system as a whole.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of park sites inspected	0	0	0	0	100	100
	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Budget	\$30,549,162	\$31,790,051	\$31,627,943	\$32,665,284	\$34,350,915	\$35,605,436
Cost per Acre	\$6,789	\$7,064	\$7,028	\$7,259	\$7,634	\$7,912
Total Positions (FTEs)	234 FTE	243 FTE	243 FTE	243 FTE	243 FTE	243 FTE

# Department of Parks and Recreation

## Incremental Budget Changes

### Department of Parks and Recreation

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 155,241,311</b>	<b>916.68</b>	<b>\$ 155,241,311</b>	<b>916.68</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 954,617	-12.00	\$ 1,008,758	-12.00
Adjustment for One-Time Adds or Reductions	-\$ 1,392,000	0.00	-\$ 1,392,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 5,941,580	0.00	\$ 9,231,227	0.00
Add Funding to Operate New Parks	\$ 62,098	0.00	\$ 67,899	0.00
<b>Proposed Changes</b>				
Improve Community Center Offerings and Operations	\$ 1,278,054	10.50	\$ 1,312,125	10.50
Improve Athletic Fields	\$ 300,000	0.00	\$ 600,000	0.00
Increase Pool and Event Fees	\$ 0	0.00	\$ 0	0.00
Add Capacity for My Brother's Keeper Program	\$ 100,000	0.00	\$ 0	0.00
Reorganize Security Operations	-\$ 161,999	0.00	-\$ 162,001	0.00
Reorganize Staffing in Natural Resources and Maintenance Units	\$ 17,041	1.00	\$ 19,340	1.00
Eliminate Vacant Park Ranger Positions	-\$ 123,425	-1.50	-\$ 126,072	-1.50
Add Capacity for Trash Pick-up	\$ 0	0.00	\$ 0	0.00
Planning and Development Position Change	-\$ 73,305	-0.50	-\$ 74,948	-0.50
Recognize Operational Revenue Increases	\$ 0	0.00	\$ 0	0.00
Irrigation and Utility Expenses	\$ 363,000	0.00	\$ 630,000	0.00
Replace Budget System	\$ 596,794	0.00	\$ 1,894,715	0.00
One-Time Use of Fund Balance	\$ 0	0.00	\$ 0	0.00
IT Consolidation Re-Alignment	-\$ 103,938	-1.00	-\$ 106,423	-1.00
Citywide Summit Re-Implementation Project	\$ 2,416,458	0.00	\$ 1,046,030	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 1,935,597	-0.42	-\$ 907,311	-0.42
<b>Total Incremental Changes</b>	<b>\$ 8,239,378</b>	<b>-3.92</b>	<b>\$ 13,041,339</b>	<b>-3.92</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 163,480,689</b>	<b>912.76</b>	<b>\$ 168,282,650</b>	<b>912.76</b>

# Department of Parks and Recreation

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$954,617/(12.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Adjustment for One-Time Adds or Reductions - (\$1,392,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. These reductions include those related to capital land acquisition planning, payment card industry compliance, and Summit Re-Implementation.

#### **Citywide Adjustments for Standard Cost Changes - \$5,941,580**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the annual wage increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% recruitment and retention wage increase. For DPR, this also includes the costs associated with the \$15 per hour minimum wage.

#### **Add Funding to Operate New Parks - \$62,098**

This adjustment adds funding for operations and maintenance at Cove Park in West Seattle, an addition to the Seattle parks system transferred from King County.

### Proposed Changes

#### **Improve Community Center Offerings and Operations - \$1,278,054/10.50 FTE**

This item shifts approximately \$1.3 million of Park District capital funds into community center operations to implement recommendations outlined in the Community Center Strategic Plan. The shift in funds will help meet community needs by increasing staffing and hours of operations in centers where the neighborhood has fewer resources to pay for programming and where residents have fewer recreational options. These centers will see improved participant-to-staff ratios, increased pursuit of community partnerships, and increased community access through extended operating hours.

As outlined in the strategic plan, this item adds appropriation for several specific operating and staff changes, generally by increasing staffing capacity for existing positions. Staffing resources will be added at Alki, Belltown, Bitter Lake, Delridge, Green Lake, Jefferson, Laurelhurst, Rainier Beach, and Rainier. Operating hours will increase at six centers including International District, Magnuson, Miller, South Park, Van Asselt, and Yesler. Additionally, to better serve its customers and community, DPR will institute new staff training system-wide.

To meet community needs and promote social equity, this item also includes support for several pilots with specific goals and data collection plans in order to evaluate outcomes. The equity and access pilot will make 8-9 recreational programs per quarter free to everyone at five centers: Bitter Lake, Garfield, Rainier Beach, South

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Park, and Van Asselt. Parks also seeks to partner with the private sector, including private and non-profit organizations, to expand public operating hours and programming at select centers. This will start at centers with high demand, high community resources, and a high number of non-public hours, and will use non-City dollars to fund expanded hours. While the purpose of this recommendation is to leverage non-City funds, partnership development in Ballard will require some additional staffing, as a partner is not as immediately available.

Seattle's diverse community requires a differentiated approach with some services tailored for specific populations. Rather than providing one-size fits all programming across the system, or spreading tailored programming thinly across the entire system, DPR will explore the idea of creating "hubs" for particular communities at select community centers. These hubs could take many different forms, such as an adult enrichment model, an international community center, or a teen or senior-focused center. To accomplish this goal, DPR will add 2.0 Senior Recreation Coordinators.

Currently, visitors pay a drop-in fee to play basketball, use the toddler gym or fitness center, or participate in other drop-in activities. These fees limit access to recreation for many Seattle residents. Public outreach and survey results have shown that affordability is a barrier to access. Eliminating these fees across all community centers will improve social equity in an integrated way throughout the city.

## **Improve Athletic Fields - \$300,000**

This item, which corresponds to fee legislation submitted with the proposed budget, implements fee increases in order to make investments in expanding field capacity and offset increased costs of providing these services to the public. The 2017-2022 CIP budget includes field capacity expansion projects for three fields in 2017 and 2018, partly funded by fee increases. Despite annual increases in operating and staff costs, DPR has not increased athletic field rental fees since 2011. The fee increase would begin in mid-2017, generating an estimated \$500,000 in new revenue in 2017 and \$1 million in 2018. Approximately 60% of the fee increase will be used to support field improvements (\$300,000 in 2017 and \$600,000 in 2018 and beyond). The remaining funds will be used to support increased costs in providing these services to the public. This adjustment is also reflected in DPR's revenues and in the capital improvement project budget.

## **Increase Pool and Event Fees**

Despite annual increases in operating and staff costs, DPR has not increased amenity and event fees since 2011 or pool and swimming-related fees since 2013. This item, which corresponds to fee legislation submitted with the proposed budget, implements fee increases in order to offset increased costs of providing these services to the public. DPR estimates that pool revenues will increase by \$296,000 and that event revenues will increase by \$25,000 in 2017 and \$162,000 in 2018. This adjustment is reflected in DPR's revenues.

## **Add Capacity for My Brother's Keeper Program - \$100,000**

This item increases appropriation authority for DPR to hire temporary staff as mentors for the My Brother's Keeper (MBK) program. This one-time add for the 2016-17 school year is funded by the Human Services Department and operated through DPR's existing community learning centers. The 2016 3rd Quarter Supplemental Budget Ordinance includes \$50,000 of funding for the 2016 portion of the school year. President Obama launched the MBK initiative to address persistent opportunity gaps faced by boys and young men of color and ensure that all young people can reach their full potential. This item will allow for the expansion of the MBK program from one middle school serving 40 students, to five middle schools serving approximately 150 students.

## **Reorganize Security Operations - (\$161,999)**

This item includes changes to make several security features more efficient without negatively impacting operations. DPR will consolidate job responsibilities for its key card system, reduce expenses for locksmith services by converting safes from dial combination locks to digital combination locks, and have existing staff do

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the work currently done by a vendor to lock park gates, comfort stations and other facilities.

## **Reorganize Staffing in Natural Resources and Maintenance Units - \$17,041/1.00 FTE**

This item reduces the overtime and standby staffing budget in the Natural Resources and Facilities Maintenance divisions by shifting emergency work and standby hours to the crew that works the third shift. DPR anticipates service levels will remain consistent citywide. This item also adds appropriation authority for a Management Systems Analyst Assistant to the Natural Resources Division to collect data on existing trees and new plantings, populate and maintain a tree database, and support the urban forestry team to better manage existing trees and ensure compliance with the two-for-one tree replacement policy. The position is funded by three urban forestry capital projects.

## **Eliminate Vacant Park Ranger Positions - (\$123,425)/(1.50) FTE**

This item reduces 1.5 FTE in the Park Ranger program in favor of supporting other on-going efforts to accomplish similar goals; the positions are vacant. Since the Park Ranger program began in 2008, DPR, other City departments and other downtown partners have implemented and expanded programs to activate downtown parks, provide assistance to park users and ensure the safety of park patrons. For example, in 2016, DPR issued more than \$500,000 in grants to activate downtown parks like Westlake, Occidental, Freeway and Cascade as well as parks in Belltown and the International District. Through its Urban Parks Partnership, there are ambassadors (provided by the Metropolitan Improvement District) in Bell Street, Cascade, Freeway, Occidental, and Westlake. Parks also provides its own concierges in Hing Hay, Pioneer Square, and Victor Steinbrueck.

## **Add Capacity for Trash Pick-up**

This budget-neutral item creates a new part-time Truck Driver position by eliminating a vacant part-time Parks Maintenance Aide position. This driver will add capacity to meet garbage collection demands that have more than doubled in the last six years in City parks.

## **Planning and Development Position Change - (\$73,305)/(.50) FTE**

This item eliminates a vacant General Fund-backed 0.5 Senior Real Property Agent and reallocates the work and funding to an existing 1.0 Senior Real Property Agent, currently funded by the capital budget and the 2008 Parks Levy. Due to the expiration of the 2008 Parks Levy, different revenue is needed to support the position. The difference in cost between the half-time position and the full-time position is funded by increasing revocable use permit fees which have not been increased since 2011 and corresponds to fee legislation submitted with the proposed budget. DPR estimates this change will generate \$34,000 in increased revenue.

## **Recognize Operational Revenue Increases**

This item recognizes anticipated increases from existing revenue sources that will offset General Fund support. Late night teen programming at the Bitter Lake Community Center will shift from the main center building to the annex building, thereby creating space for revenue-generating rentals at the center estimated at \$15,000. The new Center for Wooden Boats, co-located in Lake Union Park, will be completed in 2016 and will create new paid parking capacity. This change will create approximately \$24,000 in additional revenue. This adjustment is reflected in DPR's revenues.

## **Irrigation and Utility Expenses - \$363,000**

This item includes funding to cover utility rate increases. Utility costs are one of the biggest cost drivers in the department's budget, costing an estimated \$11.5 million in 2016. Utilities include sewer, drainage, water, electricity, gas and recycling. In order to conserve water and lower its water bill, DPR will implement a water conservation and reduction program in the summer. This item includes those projected reductions in water use.



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## **Replace Budget System - \$596,794**

This item adds funds to replace DPR's budget system. DPR began using a PeopleSoft budget system in 2007. PeopleSoft will discontinue support for this budget system in 2017 thereby increasing the urgency to develop a replacement. DPR will work with Seattle IT to begin the replacement work in 2017. The plan is to wait for complete specifications from the Summit Re-Implementation Project in order to sync the new budget system with Summit.

## **One-Time Use of Fund Balance**

DPR has a history of efficiently managing costs and has been able to accumulate fund balance. In 2017 and 2018, respectively, DPR will use \$1,400,000 and \$800,000 of fund balance to reduce the amount of General Fund it needs. This adjustment is reflected in DPR's revenues.

## **IT Consolidation Re-Alignment - (\$103,938)/(1.00) FTE**

In 2016, the City consolidated its information technology functions and transferred related staff and budget to the newly-created Seattle IT. This item transfers an existing Information Technology Professional position from DPR to Seattle IT. DPR evaluated the position in late 2015 for a potential reclassification to a non-IT position but decided to maintain it as an IT classification. DPR and Seattle IT agree the position should be transferred to Seattle IT. See the Seattle IT budget for additional details.

## **Citywide Summit Re-Implementation Project - \$2,416,458**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. DPR's funding will go towards work in the following areas: project management, business process and reporting, data cleanup and conversion, change management, peak workload support and training. It also contains funding for Seattle IT's work on DPR's financial side systems, such as its CLASS system used by customers and DPR staff to register participants in recreation programs. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Proposed Technical Changes**

### **Technical Adjustments - (\$1,935,597)/(.42) FTE**

Technical adjustments include departmental adjustments that do not represent fundamental changes in DPR's service delivery. DPR adjusts revenue and expenses budgets between or within budget control levels to better reflect actual spending patterns. These technical adjustments make the following changes:

- Transfer \$1 million of Park District funds for the aquarium from the operating budget to the capital budget.
- Realign revenues and expenses for the Business Service Center based on actuals.
- Realign revenues and expenses for the Camp Long Challenge Course based on actuals.
- Remove Seattle Youth Violence Prevention Initiative (SYVPI) funding. HSD is reprioritizing funds for programs that were part of SYVPI, and as a result, DPR is no longer receiving funds through SYVPI.
- Adjust the golf budget based on the 2017-2018 revenue and expenditure forecast.
- Move revenue from event scheduling to the Amy Yee Tennis Center so it corresponds to the program where the revenue is generated.
- Convert temporary salaries for a new 0.75 Rec Attendant position to comply with temporary labor policies.
- Bring the downtown parks budget into balance by abrogating a vacant 1.0 FTE Utility Laborer position in

# Department of Parks and Recreation

the same program and using the funds to offset the negative amount.

- Revise DPR's budget to correspond to Park District-related changes approved by the Park District Board in June 2016 related to redevelopment of waterfront Piers 62 and 63.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Environmental Learning and Programs Budget Control Level	K430A	1,188,562	1,106,828	1,253,577	1,289,938
Facility and Structure Maintenance Budget Control Level	K320A	16,344,906	17,597,970	17,702,836	18,156,585
Finance and Administration Budget Control Level	K390A	8,697,652	14,294,669	16,728,051	17,812,510
Golf Budget Control Level	K400A	11,401,190	11,904,447	12,112,505	12,350,011
Judgment and Claims Budget Control Level	K380A	386,820	710,693	667,792	579,733
Natural Resources Management Budget Control Level	K430B	8,402,183	9,124,929	9,527,985	9,791,809
Park Cleaning, Landscaping, and Restoration Budget Control Level	K320B	31,627,943	32,702,663	34,351,013	35,605,545
Planning, Development, and Acquisition Budget Control Level	K370C	11,752,601	7,415,078	7,574,518	7,770,800
Policy Direction and Leadership Budget Control Level	K390B	4,203,719	4,460,102	4,796,567	4,928,627
Recreation Facilities and Programs Budget Control Level	K310D	26,231,143	28,000,660	30,550,520	31,236,353
Regional Parks and Strategic Outreach Budget Control Level	K440A	4,532,568	6,146,850	6,379,638	6,508,472
Seattle Aquarium Budget Control Level	K350A	300,000	1,079,998	0	0
Seattle Conservation Corps Budget Control Level	K320C	3,197,422	4,080,475	4,708,169	4,829,724
Swimming, Boating, and Aquatics Budget Control Level	K310C	9,478,851	9,537,806	10,039,609	10,329,530
Woodland Park Zoo Budget Control Level	K350B	6,842,782	7,078,143	7,087,909	7,093,013
<b>Department Total</b>		<b>144,588,343</b>	<b>155,241,311</b>	<b>163,480,689</b>	<b>168,282,650</b>

# Department of Parks and Recreation

<b>Department Full-time Equivalents Total*</b>	<b>908.35</b>	<b>916.68</b>	<b>912.76</b>	<b>912.76</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Revenue Overview

441710	Sales of Merchandise	217,242	27,284	27,284	27,284
441990	Miscellaneous Charges and Fees	322,038	26,500	26,500	26,500
443870	Resource Recover Revenues	3,476,901	3,264,282	3,257,041	3,157,190
447300	Recreational Activity Fees	11,418,159	12,612,941	12,831,941	13,081,941
447350	Recreation Shared Revenues - ARC	532,602	851,605	851,605	851,605
447450	Recreation admission fees	2,407,891	2,057,670	2,055,170	2,055,170
447500	Exhibit Admission Fees	39,280	378,972	378,972	378,972
447550	Athletic Facility Fees	2,960,496	2,752,568	3,252,568	3,818,568
447600	Program Fees	3,673,688	3,602,818	3,928,818	3,928,818
462300	Parking Fees	69,782	44,892	68,892	68,892
469990	Miscellaneous Revenue	140,123	125,899	777,245	888,297
543970	Charges to Other City Departments	1,700,762	338,986	338,986	338,986
569990	Miscellaneous Revenue	5,444,311	20,000	0	0
	<b>Total Charges for Services</b>	<b>32,403,275</b>	<b>26,104,417</b>	<b>27,795,022</b>	<b>28,622,223</b>
587001	General Subfund Support	91,757,322	96,478,558	103,217,982	106,757,994
	<b>Total General Subfund Support</b>	<b>91,757,322</b>	<b>96,478,558</b>	<b>103,217,982</b>	<b>106,757,994</b>
431010	Federal Grants - Direct	79,601	0	0	0
434010	State Grants	-25,894	0	0	0
439090	Private Contributions	116,264	452,400	452,400	452,400
	<b>Total Intergovernmental</b>	<b>169,971</b>	<b>452,400</b>	<b>452,400</b>	<b>452,400</b>
462400	ST Space Facilities Rentals	5,345,300	4,472,662	4,428,762	4,565,762
462500	LT Space/Facilities Leases	743,443	1,345,441	1,345,441	1,345,441
462800	Concession Proceeds	41,113	80,000	80,000	80,000
462900	Rents and Use Charges	1,587,014	547,629	547,629	547,629
469100	Salvage Sales	25,905	0	0	0
469400	Judgments & Settlements	29,716	0	0	0
469970	Telephone Commission Revenue	345	1,300	1,300	1,300
562500	Interfund Building/Other Space Rental	72,000	72,000	72,000	72,000
562900	Interfund Other Rent and Use	210,665	255,000	255,000	255,000
	<b>Total Miscellaneous Revenue</b>	<b>8,055,501</b>	<b>6,774,032</b>	<b>6,730,132</b>	<b>6,867,132</b>
587900	Seattle Parks District	6,462,626	13,613,159	13,004,145	13,882,885
	<b>Total Seattle Park District</b>	<b>6,462,626</b>	<b>13,613,159</b>	<b>13,004,145</b>	<b>13,882,885</b>
587900	Transfers from CRS & Parks	8,252,015	11,009,636	10,881,464	10,899,544

## Department of Parks and Recreation

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<b>Total Transfer City Funds</b>		<b>8,252,015</b>	<b>11,009,636</b>	<b>10,881,464</b>	<b>10,899,544</b>
<b>Total Revenues</b>		<b>147,100,710</b>	<b>154,432,202</b>	<b>162,081,145</b>	<b>167,482,178</b>
379100	Use of Fund Balance	-2,512,367	809,109	1,399,544	800,472
<b>Total Use of Fund Balance</b>		<b>-2,512,367</b>	<b>809,109</b>	<b>1,399,544</b>	<b>800,472</b>
<b>Total Resources</b>		<b>144,588,343</b>	<b>155,241,311</b>	<b>163,480,689</b>	<b>168,282,650</b>

# Department of Parks and Recreation

## Appropriations By Budget Control Level (BCL) and Program

### Environmental Learning and Programs Budget Control Level

The purpose of the Environmental Learning and Programs Budget Control Level is to deliver and manage environmental stewardship programs and the City's environmental education centers at Discovery Park, Carkeek Park, Seward Park, and Camp Long. The programs are designed to encourage Seattle residents to take actions that respect the rights of all living things and environments, and to contribute to healthy and livable communities.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Environmental Learning and Programs	1,188,562	1,106,828	1,253,577	1,289,938
<b>Total</b>	<b>1,188,562</b>	<b>1,106,828</b>	<b>1,253,577</b>	<b>1,289,938</b>
Full-time Equivalents Total*	11.10	11.10	11.85	11.85

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Facility and Structure Maintenance Budget Control Level

The purpose of the Facility and Structure Maintenance Budget Control Level is to repair and maintain park buildings and infrastructure so that park users can have safe, structurally sound, and attractive parks and recreational facilities.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Facility and Structure Maintenance	16,344,906	17,597,970	17,702,836	18,156,585
<b>Total</b>	<b>16,344,906</b>	<b>17,597,970</b>	<b>17,702,836</b>	<b>18,156,585</b>
Full-time Equivalents Total*	131.05	127.30	123.80	123.80

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Department of Parks and Recreation

## Finance and Administration Budget Control Level

The purpose of the Finance and Administration Budget Control Level is to provide the financial, technological, and business development support for the Department.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Finance and Administration	8,697,652	14,294,669	16,728,051	17,812,510
<b>Total</b>	<b>8,697,652</b>	<b>14,294,669</b>	<b>16,728,051</b>	<b>17,812,510</b>
Full-time Equivalents Total*	43.00	44.00	33.50	33.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Golf Budget Control Level

The purpose of the Golf Budget Control Level is to manage the City's four golf courses at Jackson, Jefferson, West Seattle, and Interbay to provide top-quality public golf courses that maximize earned revenues.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Golf	11,401,190	11,904,447	12,112,505	12,350,011
<b>Total</b>	<b>11,401,190</b>	<b>11,904,447</b>	<b>12,112,505</b>	<b>12,350,011</b>
Full-time Equivalents Total*	24.00	24.00	24.00	24.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Judgment and Claims Budget Control Level

The Judgment and Claims Budget Control Level pays for judgments, settlements, claims, and other eligible expenses associated with legal claims and suits against the City. Premiums are based on average percentage of Judgment/Claims expenses incurred by the Department over the previous five years.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Judgment and Claims	386,820	710,693	667,792	579,733
<b>Total</b>	<b>386,820</b>	<b>710,693</b>	<b>667,792</b>	<b>579,733</b>

# Department of Parks and Recreation

## **Natural Resources Management Budget Control Level**

The purpose of the Natural Resources Management Budget Control Level is to provide centralized management for the living assets of the Department of Parks and Recreation. Direct management responsibilities include greenhouses, nurseries, the Volunteer Park Conservatory, landscape and urban forest restoration programs, sport field turf management, water conservation programs, pesticide reduction and wildlife management, and heavy equipment support for departmental operations and capital projects.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Natural Resources Management	8,402,183	9,124,929	9,527,985	9,791,809
<b>Total</b>	<b>8,402,183</b>	<b>9,124,929</b>	<b>9,527,985</b>	<b>9,791,809</b>
Full-time Equivalents Total*	69.91	74.24	75.24	75.24

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## **Park Cleaning, Landscaping, and Restoration Budget Control Level**

The purpose of the Park Cleaning, Landscaping, and Restoration Budget Control Level is to provide custodial, landscape, and forest maintenance and restoration services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Park Cleaning, Landscaping, and Restoration	31,627,943	32,702,663	34,351,013	35,605,545
<b>Total</b>	<b>31,627,943</b>	<b>32,702,663</b>	<b>34,351,013</b>	<b>35,605,545</b>
Full-time Equivalents Total*	243.10	243.77	243.10	243.10

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## **Planning, Development, and Acquisition Budget Control Level**

The purpose of the Planning, Development, and Acquisition Budget Control Level (BCL) is to acquire, plan, design, and develop new park facilities, and make improvements to existing park facilities to benefit the public. This effort includes providing engineering and other technical services to solve maintenance and operational problems. This BCL also preserves open spaces through a combination of direct purchases, transfers, and consolidations of City-owned lands and resolution of property encroachment issues.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Planning, Development, and Acquisition	11,752,601	7,415,078	7,574,518	7,770,800
<b>Total</b>	<b>11,752,601</b>	<b>7,415,078</b>	<b>7,574,518</b>	<b>7,770,800</b>
Full-time Equivalents Total*	47.85	48.85	47.35	47.35

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Parks and Recreation

## **Policy Direction and Leadership Budget Control Level**

The purpose of the Policy Direction and Leadership Budget Control Level is to provide policy guidance within the Department and outreach to the community on policies that have the goal of enabling the Department to offer outstanding parks and recreation opportunities to Seattle residents and our guests. It also provides leadership in establishing new partnerships or strengthening existing ones in order expand recreation services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Policy Direction and Leadership	4,203,719	4,460,102	4,796,567	4,928,627
<b>Total</b>	<b>4,203,719</b>	<b>4,460,102</b>	<b>4,796,567</b>	<b>4,928,627</b>
Full-time Equivalents Total*	29.50	31.50	32.50	32.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## **Recreation Facilities and Programs Budget Control Level**

The purpose of the Recreation Facilities and Programs Budget Control Level is to manage and staff the City's neighborhood community centers and Citywide recreation facilities and programs, which allow Seattle residents to enjoy a variety of social, athletic, cultural, and recreational activities.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Recreation Facilities and Programs	26,231,143	28,000,660	30,550,520	31,236,353
<b>Total</b>	<b>26,231,143</b>	<b>28,000,660</b>	<b>30,550,520</b>	<b>31,236,353</b>
Full-time Equivalents Total*	210.32	208.82	218.32	218.32

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## **Regional Parks and Strategic Outreach Budget Control Level**

The purpose of the Regional Parks and Strategic Outreach Division Budget Control Level (BCL) is to provide centralized management for Seattle Parks and Recreation's regional parks such as Magnuson, Discovery, Gas Works, Lincoln, Seward, Green Lake, Alki, and Myrtle Edwards and major partners such as the golf program operator, Woodland Park Zoological Society, Seattle Aquarium Society, Seattle Public Schools, Friends of the Waterfront, and the Olympic Sculpture Park.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Regional Parks and Strategic Outreach	4,532,568	6,146,850	6,379,638	6,508,472
<b>Total</b>	<b>4,532,568</b>	<b>6,146,850</b>	<b>6,379,638</b>	<b>6,508,472</b>
Full-time Equivalents Total*	20.50	23.50	23.50	23.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*



# Department of Parks and Recreation

## Seattle Aquarium Budget Control Level

The purpose of the Seattle Aquarium Budget Control Level is to provide exhibits and environmental educational opportunities with the goal of expanding knowledge of, inspiring interest in, and encouraging stewardship of the aquatic wildlife and habitats of Puget Sound and the Pacific Northwest.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Seattle Aquarium	300,000	1,079,998	0	0
<b>Total</b>	<b>300,000</b>	<b>1,079,998</b>	<b>0</b>	<b>0</b>

## Seattle Conservation Corps Budget Control Level

The purpose of the Seattle Conservation Corps Budget Control Level is to provide training, counseling, and employment to homeless and unemployed people with the goal that they acquire skills and experience leading to long-term employment and stability.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Seattle Conservation Corps	3,197,422	4,080,475	4,708,169	4,829,724
<b>Total</b>	<b>3,197,422</b>	<b>4,080,475</b>	<b>4,708,169</b>	<b>4,829,724</b>
Full-time Equivalents Total*	18.55	19.05	19.05	19.05

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Swimming, Boating, and Aquatics Budget Control Level

The purpose of the Swimming, Boating, and Aquatics Budget Control Level is to provide a variety of structured and unstructured water-related programs and classes so participants can enjoy and develop skills in a range of aquatic activities.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Swimming, Boating, and Aquatics	9,478,851	9,537,806	10,039,609	10,329,530
<b>Total</b>	<b>9,478,851</b>	<b>9,537,806</b>	<b>10,039,609</b>	<b>10,329,530</b>
Full-time Equivalents Total*	59.47	60.55	60.55	60.55

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Parks and Recreation

## Woodland Park Zoo Budget Control Level

The purpose of the Woodland Park Zoo Budget Control Level is to provide funds to contract with the non-profit Woodland Park Zoological Society to operate and manage the Woodland Park Zoo. This BCL includes the City's support for Zoo operations. The purpose of the Zoo is to provide care for animals and offer exhibits, educational programs, and visitor amenities so Seattle residents and visitors have the opportunity to enjoy and learn about animals and wildlife conservation.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Woodland Park Zoo	6,842,782	7,078,143	7,087,909	7,093,013
<b>Total</b>	<b>6,842,782</b>	<b>7,078,143</b>	<b>7,087,909</b>	<b>7,093,013</b>

## Parks and Recreation Fund Table

### Park and Recreation Fund (10200)

	2015	2016	2016	2017	2018
	Actuals	Adopted	Revised	Proposed	Proposed
<b>Beginning Fund Balance</b>	<b>2,788,000</b>	<b>2,588,489</b>	<b>5,296,367</b>	<b>3,383,822</b>	<b>1,984,278</b>
Accounting and Technical Adjustments	(4,000)	0	(54,000)	0	0
Plus: Actual and Estimated Revenues	147,100,710	154,432,202	159,562,799	162,081,145	167,482,178
Less: Actual and Budgeted Expenditures	144,588,343	155,241,311	161,421,344	163,480,689	168,282,650
<b>Ending Fund Balance</b>	<b>5,296,367</b>	<b>1,779,380</b>	<b>3,383,822</b>	<b>1,984,278</b>	<b>1,183,806</b>
Ongoing Reserves	1,478,000	659,000	2,059,000	1,449,000	639,000
Planning Reserve	1,500,000	1,612,000	0	0	0
<b>Total Reserves</b>	<b>2,978,000</b>	<b>2,271,000</b>	<b>2,059,000</b>	<b>1,449,000</b>	<b>639,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,318,367</b>	<b>(491,620)</b>	<b>1,324,822</b>	<b>535,278</b>	<b>544,806</b>

# Department of Parks and Recreation

## Capital Improvement Program Highlights

The 2017-2022 Capital Improvement Program (CIP) reflects a wide range of projects. The primary funding source is the Seattle Park District which provides approximately \$36 million in 2017 and 2018. Additionally, the Cumulative Reserve Subfund (CRS) provides approximately \$34 million in 2017 and \$38 million in 2018 through a combination of REET I and REET II. Approximately \$2.5 million of the total CRS funding is budgeted for debt service.

The proposed CIP contains ongoing investments in major maintenance and asset preservation, a few major one-time upgrades or replacements to existing assets and investments in new assets.

### *Ongoing Investments*

These investments are primarily funded by ongoing Park District funds. Some of the larger ongoing investments include the Pier 59 piling replacement, ballfield improvements and ballfield lighting replacements, play area renovations, roof and building envelope replacements, utility conservation improvements, landscape restoration, trail restoration, and other park upgrades. Additionally, with guidance from Finance and Administrative Services and funding from CRS, DPR will continue to address Americans with Disabilities (ADA) compliance issues and focus on ADA compliance as it develops new assets.

### *New One-Time Upgrades and Replacements*

Planned for 2017, Lake Union Park will be redeveloped to address continuing soil settlement that is impacting park assets and walkways. This work will entail removing existing soil and installing lightweight geofoam under hardscapes along the western portion of the park to reduce load. The walkways around the boat pond, at the bridge abutment, and at the edge of the boardwalk will then be reinstalled. The pedestrian bridge will be reinforced with additional anchoring and piles under the abutment. While the Museum of History and Innovation (MOHAI) will remain open during construction, the project will be significant and will restrict access to much of the area west of MOHAI.

The western half of Victor Steinbrueck Park is constructed on top of a privately-owned parking garage. DPR has an obligation to maintain the waterproof membrane that lies between the park and the parking garage below. The existing membrane has deteriorated, no longer acting as a barrier to prevent water from seeping under it, and there is water leaking into the parking garage below. To reach the waterproof membrane, the park must be dug up and replaced. Therefore, DPR will plan and integrate this work with the previously-planned park renovation in order to minimize the amount of time the park is closed to the public. DPR anticipates the park will be closed for most of 2018.

The Seattle Public Schools change in school bell times (high schools are starting and ending later in the day) starting in the 2016-17 school year will have material impacts on the availability of athletic fields for non-public school community users. As a result, DPR seeks to expand athletic field capacity in order to mitigate some of the lost hours of field availability. Upgrading grass fields to synthetic turf or adding lights expands the capacity of DPR's athletic fields for public school and community use. DPR last increased field capacity in 2012; the 2008 Parks and Green Spaces Levy funded seven capacity-increasing field upgrades between 2009 and 2012. In the 2017-2022 CIP, DPR will carry out its planned upgrade to synthetic turf at Brighton Playfield, upgrade to synthetic turf and add lights at Soundview Playfield, and is working on a potential partnership to upgrade one additional field with synthetic turf and lights. In addition to CRS and Park District funding, field users will contribute towards future field development with an increase in athletic field rental fees beginning in mid-2017.

The CIP also includes the City's planned investment in the restoration and renovation of the Seattle Asian Art Museum (SAAM) in Volunteer Park. The Seattle Art Museum is planning to close the SAAM for construction in

# Department of Parks and Recreation

spring 2017, with an 18-month construction period. The City is currently reserving up to \$19 million total for the project in 2017 and 2018. The total project cost is estimated at \$45 million.

## *Investing in New Assets*

The 2017-2022 Proposed CIP includes several planned investments in new parks. The CIP includes \$5.3 million and \$4.8 million, in 2017 and 2018 respectively, to develop new parks on land-banked sites acquired under prior levies. In 2017 and 2018, the plan is to develop land-banked sites in Fremont, Greenwood/Phinney Ridge, Lake City, North Rainier, and an addition to Greenwood Park. Additionally, with funding from the Park District supported by an interfund loan, DPR will begin the planning to develop Smith Cove Park with completion of the new park in 2019.

DPR will continue to use federal Community Development Block Grant funds for the Seattle Conservation Corps in 2017 and 2018. The Seattle Conservation Corps (SCC) executes park improvement projects in low to moderate-income neighborhoods while at the same time providing training and employment for formerly homeless adults. In 2017, \$808,000 will be used to fund the SCC to improve approximately 20 parks through the Parks Upgrade Program.

## Capital Improvement Program Appropriation

Budget Control Level	2017 Proposed	2018 Proposed
<b>2008 Parks Levy- Cultural Facilities: K720021</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	10,200,000	3,250,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	3,800,000	1,750,000
<b>Subtotal</b>	<b>14,000,000</b>	<b>5,000,000</b>
<b>Ballfields/Athletic Courts/Play Areas: K72445</b>		
2013 King County Parks Levy	1,000,000	1,000,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,447,000	4,751,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	0	300,000
<b>Subtotal</b>	<b>2,447,000</b>	<b>6,051,000</b>
<b>Building Component Renovations: K72444</b>		
2013 King County Parks Levy	660,000	660,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	2,141,000	0
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,022,000	2,596,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	140,000	140,000
<b>Subtotal</b>	<b>3,963,000</b>	<b>3,396,000</b>
<b>Building For The Future - CIP: K720302</b>		
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,500,000	1,500,000
Parks Capital Fund	9,891,000	11,600,000
<b>Subtotal</b>	<b>11,391,000</b>	<b>13,100,000</b>

# Department of Parks and Recreation

**Citywide and Neighborhood Projects: K72449**

Cumulative Reserve Subfund - REET II Subaccount (00161)	1,089,000	1,030,000
<b>Subtotal</b>	<b>1,089,000</b>	<b>1,030,000</b>

**Debt Service and Contract Obligation: K72440**

Cumulative Reserve Subfund - REET I Subaccount (00163)	796,000	795,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,753,000	2,333,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	171,000	275,000
<b>Subtotal</b>	<b>2,720,000</b>	<b>3,403,000</b>

**Docks/Piers/Floats/Seawalls/Shorelines: K72447**

Alaskan Way Seawall Construction Fund	1,053,000	1,850,000
Beach Maintenance Trust Fund	25,000	25,000
Central Waterfront Improvement Fund	1,050,000	2,700,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	2,950,000	12,520,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	150,000	450,000
<b>Subtotal</b>	<b>5,228,000</b>	<b>17,545,000</b>

**Fix It First - CIP: K720300**

Parks Capital Fund	26,635,000	27,302,000
<b>Subtotal</b>	<b>26,635,000</b>	<b>27,302,000</b>

**Forest Restoration: K72442**

Cumulative Reserve Subfund - REET II Subaccount (00161)	1,995,000	1,995,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	88,000	90,000
<b>Subtotal</b>	<b>2,083,000</b>	<b>2,085,000</b>

**Maintaining Parks and Facilities - CIP: K720301**

Parks Capital Fund	314,000	322,000
<b>Subtotal</b>	<b>314,000</b>	<b>322,000</b>

**Parks Infrastructure: K72441**

Community Development Block Grant	808,000	808,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	4,900,000	3,800,000
<b>Subtotal</b>	<b>5,708,000</b>	<b>4,608,000</b>

<b>Total Capital Improvement Program Appropriation</b>	<b>75,578,000</b>	<b>83,842,000</b>
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# Seattle Center

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Robert Nellams, Director

(206) 684-7200

<http://www.seattlecenter.com/>

## Department Overview

Seattle Center is home to cultural and educational organizations, sports teams, festivals, community programs (including cultural and community celebrations), and entertainment facilities. Millions of people visit the 74-acre Seattle Center campus annually. Consistently rated as one of the City's top attractions, Seattle Center is a premier urban park whose purpose is to create exceptional events, experiences and environments that delight and inspire the human spirit and build a stronger community.

The history of Seattle Center dates back to a time well before it existed as a City department in its current form. Prior to the 1850s, the land on which Seattle Center sits was a part of a Native American trail which was later homesteaded by the David Denny family and eventually donated to the City of Seattle. In 1927, the new Civic Auditorium, now Marion Oliver McCaw Hall, and Arena were constructed with funding from a levy and a contribution from a local business owner. In 1939, a large military Armory was constructed. In 1948, the Memorial Stadium was built and the Memorial Wall was added in 1952. Finally, in 1962, the community pulled together these facilities and added new structures to host the Seattle World's Fair/Century 21 Exposition. At the conclusion of the fair, the City took ownership of most of the remaining facilities and campus grounds to create Seattle Center. Since its creation in 1963, Seattle Center has nurtured artistry and creativity by providing a home for and technical assistance to a wide variety of arts and cultural organizations. These tenants play a critical role in the arts and cultural landscape of the region.

Seattle Center is financed by a combination of tax dollars from the City's General Fund and revenue earned from commercial operations. Major sources of commercial revenues include facility rentals, parking fees, long-term leases to non-profit organizations, sponsorships, food sales and monorail fares.

Due to the size and importance of commercial revenues, Seattle Center confronts many of the same market factors that other businesses do. Changing consumer preferences, fluctuating demand and the many options customers have in terms of discretionary spending all influence the financial performance of Seattle Center. But Seattle Center's situation is also unique in that it must meet the simultaneous financial challenges of competition with other facilities that host events; the presence on campus of long-term, non-profit tenants; and the need to balance its public and private event offerings.

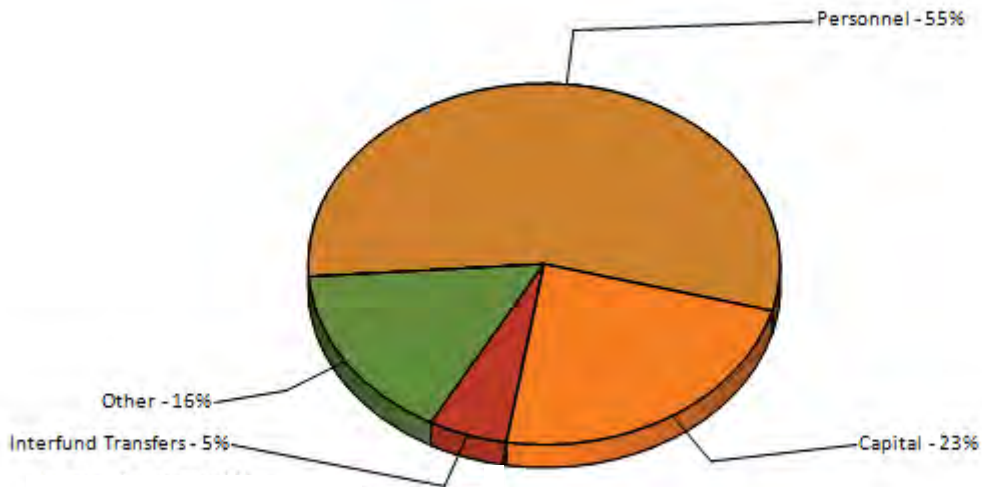
# Seattle Center

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$12,652,751	\$12,948,724	\$13,044,011	\$13,226,457
Other Funding - Operating	\$25,995,271	\$25,343,746	\$29,830,742	\$30,729,923
<b>Total Operations</b>	<b>\$38,648,022</b>	<b>\$38,292,470</b>	<b>\$42,874,753</b>	<b>\$43,956,380</b>
Other funding - Capital	\$6,936,338	\$6,969,000	\$13,073,000	\$7,340,000
<b>Total Appropriations</b>	<b>\$45,584,360</b>	<b>\$45,261,470</b>	<b>\$55,947,753</b>	<b>\$51,296,380</b>
Full-time Equivalent Total*	241.13	241.13	241.73	241.73

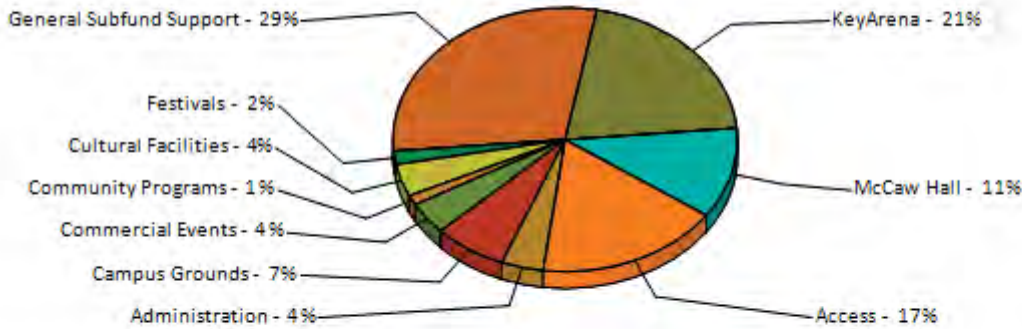
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Seattle Center

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

Seattle Center is emerging from a period of budgetary retrenchment that began in the Great Recession and was exacerbated by the loss of the Seattle SuperSonics in 2008 and delayed payments by non-profit lease holders. In recent years, its focus has been on efficiencies in an attempt to align its operational costs with revenues. As the local economy has improved, Center has seen revenue increases across the campus including KeyArena, McCall Hall, and the Armory. Parking revenues have also increased in recent years and should continue to improve due to the market for parking access in the area surrounding the Seattle Center campus as well as proposed rate increases in 2017 and 2018.

At its campus facilities, Seattle Center has managed a robust event schedule, negotiated new leases, and increased demand for its merchants and food vendors. These activities have contributed to a healthy increase in revenues above what was assumed in the 2016 Adopted Budget. With this revenue growth, Seattle Center has reduced its reliance on the General Fund for 2017 and 2018 from previously anticipated levels.

To maintain service levels across the campus and adjust to the growing number and complexity of events, the focus of Seattle Center's 2017-2018 Proposed Budget changes align staffing with current business levels. The proposed budget adds positions to manage capital and technological needs, improve event quality and safety, and support administrative duties related to human resources and accounting.

In addition, the proposed budget includes funding for outreach and planning to develop the northeast quadrant of the campus; to redesign the Seattle Center website; and to prune trees along the Monorail line.



# Seattle Center

## Incremental Budget Changes

### Seattle Center

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 38,292,470</b>	<b>241.13</b>	<b>\$ 38,292,470</b>	<b>241.13</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 16,628	-7.00	\$ 34,784	-7.00
Technical Corrections	\$ 0	0.00	\$ 0	0.00
Adjustment for One-Time Adds or Reductions	-\$ 454,175	0.00	-\$ 454,175	0.00
Citywide Adjustments for Standard Cost Changes	\$ 2,142,768	0.00	\$ 3,038,958	0.00
<b>Proposed Changes</b>				
Align Staffing and Service with Current Business Levels	\$ 815,238	1.65	\$ 1,396,189	1.65
Add Business Owner for Enterprise Asset Management System	\$ 108,000	1.00	\$ 112,000	1.00
Add Capital Project Coordinator	\$ 129,999	0.00	\$ 135,000	0.00
Redesign Seattle Center Website	\$ 156,000	0.00	\$ 12,000	0.00
Reduce Reliance on the General Fund	\$ 0	0.00	\$ 0	0.00
Funding for Northeast Quadrant Planning and Outreach	\$ 500,000	0.00	\$ 500,000	0.00
Guideway Tree Pruning	\$ 63,000	0.00	\$ 0	0.00
Move Vera Contract from Seattle Center to Arts	-\$ 50,000	0.00	-\$ 50,000	0.00
Citywide Summit Re-Implementation Project	\$ 487,825	1.00	\$ 256,154	1.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 667,000	2.00	\$ 683,000	2.00
Technical FTE Adjustments	\$ 0	1.95	\$ 0	1.95
<b>Total Incremental Changes</b>	<b>\$ 4,582,283</b>	<b>0.60</b>	<b>\$ 5,663,910</b>	<b>0.60</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 42,874,753</b>	<b>241.73</b>	<b>\$ 43,956,380</b>	<b>241.73</b>

# Seattle Center

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$16,628/(7.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Technical Corrections**

Net-zero adjustments were made to Seattle Center's baseline budget to align funding source appropriations by Budget Control Level. Adjustments were also made to align Debt and McCaw Hall revenue with appropriations and expected changes in costs in 2017 and 2018. All of these changes are technical in nature and do not affect services to the public.

#### **Adjustment for One-Time Adds or Reductions - (\$454,175)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget related to Summit Re-Implementation (SRI) costs which were incurred in 2016. Funding for 2017-18 SRI needs are included in Executive Phase changes below.

#### **Citywide Adjustments for Standard Cost Changes - \$2,142,768**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase. For Seattle Center, this also includes the costs associated with the \$15 per hour minimum wage.

### Proposed Changes

#### **Align Staffing and Service with Current Business Levels - \$815,238/1.65 FTE**

Since 2011, event bookings at Seattle Center have increased and continue to become more technologically complex and multi-faceted. Center expects this trend to continue in 2017 and 2018. This adjustment will bring Seattle Center staffing into alignment with its forecasted business activity and improve service delivery across the campus. Changes include:

- Increase one Commercial Events Campus Event Service Representative from half time to full time to match the servicing needs of revenue-generating events (\$46,000).
- Increase one Guest Services Accounting Technician from half time to full time bringing the position into alignment with its current workload (\$33,000).
- Increase one Administrative Specialist position in the Human Resources unit from half time to 80% time bringing the position into alignment with its current workload (\$18,500).

# Seattle Center

- Increase two Security Officer positions in the Emergency Services Unit from part time to full time and add funding for Intermittent Security Officer staffing (\$50,000).
- Add expenditure authority for holiday/overtime pay and increase intermittent staffing hours in the Customer Service unit (\$17,000).
- Increase funding for a Senior Warehouser position in the Campus Grounds unit to full time. In prior years, funding for this position was reduced to balance the department's budget. Increased responsibilities for hazardous materials and asset management require full time staffing in 2017 and 2018 (\$18,000).

Occasionally Seattle Center hosts large events that require staffing levels above what Center can provide. This adjustment increases funding to pay for intermittent staffing, contracted staff and private security at these larger events. It also adds funding to pay for local advertising on behalf of Center's clients. Each of these costs are either directly reimbursed by clients, covered by rental fees, or funded through ancillary revenues such as concession sales, ticketing charges, or premium seating revenues (\$632,738).

## **Add Business Owner for Enterprise Asset Management System - \$108,000/1.00 FTE**

The Enterprise Asset Management (EAM) system establishes business processes for maintenance work orders, materials inventory, and billing. The Business Owner for EAM will support the department's efforts to complete a comprehensive Facility Condition Assessment (FCA) and its ongoing ability to prioritize maintenance projects and resources. The first phase of the FCA confirmed the need for a dedicated staff resource to maintain data integrity and assure compliance with business processes. This item provides funding for the new full-time position.

## **Add Capital Project Coordinator - \$129,999**

Seattle Center's Capital Improvement Program will fully reimburse this existing position which will address a backlog of Americans with Disabilities Act (ADA) improvements in public facilities. The position was unfunded during the Great Recession when many capital projects were put on hold. The return to pre-recession levels has allowed ADA work to continue and necessitates additional project manager capacity.

## **Redesign Seattle Center Website - \$156,000**

With the growth in digital and mobile device usage, Seattle Center's website is in need of a redesign to optimize mobile and web viewing. The existing website forces mobile users to view content at a size and orientation that is incomplete and ineffective. This one-time change will provide funding for redesign and updates to back-end content management. Updating the back-end of Seattle Center's website will increase efficiency and support frequent information updates on a daily basis.

## **Reduce Reliance on the General Fund**

Seattle Center anticipates higher than expected revenue due to new lease agreements, current lease adjustments, and a large increase in commercial activities. This revenue reduces Seattle Center's reliance on General Fund resources by \$527,000. The revenue side of the budget reflects this adjustment.

## **Funding for Northeast Quadrant Planning and Outreach - \$500,000**

This item allocates funding from Seattle Center's fund balance to continue planning work regarding redevelopment opportunities in the northeast quadrant of the campus and to update the 2008 Seattle Center Century 21 Master Plan.

# Seattle Center

## **Guideway Tree Pruning - \$63,000**

This change adds one-time funding in 2017 to prune the trees along the Seattle Center Monorail route between Seattle Center and Westlake in agreement with the Memorandum of Understanding entered into with the Seattle Department of Transportation in 2013. Seattle Monorail Services will fully reimburse these costs.

## **Move Vera Contract from Seattle Center to Arts - (\$50,000)**

The Vera Project is an all-ages volunteer-led music and arts venue located in the Seattle Center campus. The Vera Project, through a contract with the City, receives funding support to provide youth programming. For the past few years, Seattle Center has administered the agreement with The Vera Project. Beginning in 2017, the Office of Arts and Culture will be responsible for the contract.

## **Citywide Summit Re-Implementation Project - \$487,825/1.00 FTE**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

### **Proposed Technical Changes**

#### **Technical Adjustments - \$667,000/2.00 FTE**

This technical change brings the department's budget for 2017 and 2018 into alignment with previous budgetary decisions. In the 1st Quarter Supplemental to the 2016 Adopted Budget, the City Council approved supplemental authority for costs related to the general increase in business at Seattle Center, including increased security costs due to an increase in the billing rate provided by the Seattle Police Department, additional funding to increase four positions from part time to full time, funding for intermittent staff, and marketing costs.

#### **Technical FTE Adjustments/1.95 FTE**

This item brings the FTE authority for six positions into alignment with the ongoing level of Seattle Center business operations. These are existing positions that Center has worked and funded at levels higher than the authorized FTE in order to meet increased business levels over the past few years. This item also reassigns two positions from the Administration BCL to the Campus Commercial Events BCL to better reflect their respective workloads.

# Seattle Center

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Access Budget Control Level	SC670	1,235,937	1,137,305	1,194,373	1,225,480
Administration-SC Budget Control Level	SC690	7,569,523	8,021,132	9,460,358	9,289,285
Campus Grounds Budget Control Level	SC600	12,287,970	12,304,752	13,493,337	13,772,607
Commercial Events Budget Control Level	SC640	1,286,080	1,015,956	1,667,633	1,710,426
Community Programs Budget Control Level	SC620	2,219,951	2,155,080	2,274,812	2,328,714
Cultural Facilities Budget Control Level	SC630	231,946	232,557	256,205	263,830
Debt Budget Control Level	SC680	118,250	124,450	125,250	125,750
Festivals Budget Control Level	SC610	1,342,292	1,299,978	1,486,307	1,530,827
Judgment and Claims Budget Control Level	SC710	0	0	223,449	193,984
KeyArena Budget Control Level	SC660	7,694,310	7,656,446	8,034,417	8,718,610
McCaw Hall Budget Control Level	SC650	4,661,764	4,344,814	4,658,612	4,796,867
<b>Department Total</b>		<b>38,648,022</b>	<b>38,292,470</b>	<b>42,874,753</b>	<b>43,956,380</b>
<b>Department Full-time Equivalents Total*</b>		<b>241.13</b>	<b>241.13</b>	<b>241.73</b>	<b>241.73</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
462300	Parking	5,936,233	5,168,301	6,275,720	6,275,791
462800	Monorail	1,032,219	961,000	1,074,200	1,012,424
	<b>Total Access</b>	<b>6,968,452</b>	<b>6,129,301</b>	<b>7,349,920</b>	<b>7,288,215</b>
441960	Seattle Center Fund	45,000	45,000	145,000	145,000
462900	Administration	57,365	8,500	30,700	30,700
541490	CIP	910,961	1,454,184	1,507,449	1,538,226
	<b>Total Administration</b>	<b>1,013,326</b>	<b>1,507,684</b>	<b>1,683,149</b>	<b>1,713,926</b>
462500	Leases - Campus Grounds	1,309,423	1,493,310	1,672,167	1,795,055
462800	Armory Concessions	1,002,257	1,029,695	1,229,609	1,265,080

## Seattle Center

	<b>Total Campus Grounds</b>	<b>2,311,680</b>	<b>2,523,005</b>	<b>2,901,776</b>	<b>3,060,135</b>
462400	Campus Commercial Events	1,826,554	1,210,471	1,685,635	1,678,412
	<b>Total Commercial Events</b>	<b>1,826,554</b>	<b>1,210,471</b>	<b>1,685,635</b>	<b>1,678,412</b>
439090	Campus Sponsorships	486,945	285,000	400,000	450,000
441960	Seattle Center Productions	158,804	85,000	115,000	115,000
	<b>Total Community Programs</b>	<b>645,749</b>	<b>370,000</b>	<b>515,000</b>	<b>565,000</b>
462500	Leases - Cultural Facilities	1,795,629	1,255,342	1,682,058	1,700,819
	<b>Total Cultural Facilities</b>	<b>1,795,629</b>	<b>1,255,342</b>	<b>1,682,058</b>	<b>1,700,819</b>
441960	Festivals	610,119	530,749	701,698	784,591
	<b>Total Festivals</b>	<b>610,119</b>	<b>530,749</b>	<b>701,698</b>	<b>784,591</b>
587001	General Fund - McCaw Hall Debt	59,125	62,250	62,625	62,875
587001	General Subfund Support	12,022,117	12,314,965	12,150,253	12,349,760
587001	Judgment and Claims Allocation	0	0	223,449	193,984
	<b>Total General Subfund Support</b>	<b>12,081,242</b>	<b>12,377,215</b>	<b>12,436,327</b>	<b>12,606,619</b>
441710	KeyArena Miscellaneous	691,038	616,296	719,563	720,675
441960	KeyArena Reimbursables	3,409,258	3,186,208	3,649,486	3,956,618
462400	KeyArena Premium Seating	836,100	925,009	825,000	825,000
462400	KeyArena Rent	628,650	1,225,695	890,232	858,803
462800	KeyArena Concessions	953,951	1,172,678	925,859	1,166,253
462800	KeyArena Ticketing	1,908,027	1,938,577	1,753,452	1,966,478
	<b>Total KeyArena</b>	<b>8,427,024</b>	<b>9,064,463</b>	<b>8,763,592</b>	<b>9,493,827</b>
441960	McCaw Hall Reimbursables	1,721,997	1,636,976	1,966,944	2,032,002
462400	McCaw Hall Rent	482,922	413,358	376,910	310,329
462500	McCaw Hall Tenant Use Fees	1,379,081	1,351,226	1,176,359	1,324,383
462500	McCaw Hall Tenant Use Fees - Debt	59,125	62,250	62,625	62,875
462800	McCaw Hall Catering & Concessions	331,849	285,023	280,579	280,166
462800	McCaw Hall Miscellaneous	274,330	211,896	250,087	285,098
587001	General Fund - McCaw Hall	571,509	571,509	607,684	619,838
	<b>Total McCaw Hall</b>	<b>4,820,813</b>	<b>4,532,238</b>	<b>4,721,188</b>	<b>4,914,691</b>
	<b>Total Revenues</b>	<b>40,500,588</b>	<b>39,500,468</b>	<b>42,440,343</b>	<b>43,806,235</b>
379100	Use of (Contribution to) Fund Balance	-1,852,565	-1,207,998	434,410	150,145
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-1,852,565</b>	<b>-1,207,998</b>	<b>434,410</b>	<b>150,145</b>
	<b>Total Resources</b>	<b>38,648,023</b>	<b>38,292,470</b>	<b>42,874,753</b>	<b>43,956,380</b>

# Seattle Center

## Appropriations By Budget Control Level (BCL) and Program

### Access Budget Control Level

The purpose of the Access Budget Control Level is to provide the services needed to assist visitors in coming to and traveling from the campus, while reducing congestion in adjoining neighborhoods. Program services include operating parking services, maintaining parking garages, managing the Seattle Center Monorail, and encouraging use of alternate modes of transportation.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Access	1,235,937	1,137,305	1,194,373	1,225,480
<b>Total</b>	<b>1,235,937</b>	<b>1,137,305</b>	<b>1,194,373</b>	<b>1,225,480</b>
Full-time Equivalents Total*	9.37	9.37	9.37	9.37

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Administration-SC Budget Control Level

The purpose of the Administration-SC Budget Control Level is to provide the financial, human resource, technology, and business support necessary to provide effective delivery of the Department's services.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration-SC	7,569,523	8,021,132	9,460,358	9,289,285
<b>Total</b>	<b>7,569,523</b>	<b>8,021,132</b>	<b>9,460,358</b>	<b>9,289,285</b>
Full-time Equivalents Total*	22.11	22.11	15.76	15.76

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Campus Grounds Budget Control Level

The purpose of the Campus Grounds Budget Control Level is to provide gathering spaces and open-air venues in the City's urban core. Program services include landscape maintenance, security patrols and lighting, litter and garbage removal, recycling operations, hard surface and site amenities maintenance, management of revenues associated with leasing spaces, and food service operations at the Armory.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Campus Grounds	12,287,970	12,304,752	13,493,337	13,772,607
<b>Total</b>	<b>12,287,970</b>	<b>12,304,752</b>	<b>13,493,337</b>	<b>13,772,607</b>
Full-time Equivalents Total*	75.84	75.84	79.29	79.29

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Center

## Commercial Events Budget Control Level

The purpose of the Commercial Events Budget Control Level is to provide the spaces and services needed to accommodate and produce a wide variety of commercial events, both for profit and not for profit, and sponsored and produced by private and community promoters.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Commercial Events	1,286,080	1,015,956	1,667,633	1,710,426
<b>Total</b>	<b>1,286,080</b>	<b>1,015,956</b>	<b>1,667,633</b>	<b>1,710,426</b>
Full-time Equivalents Total*	7.48	7.48	10.98	10.98

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Community Programs Budget Control Level

The purpose of the Community Programs Budget Control Level is to produce free and affordable programs that connect diverse cultures, create learning opportunities, honor community traditions, and nurture artistry, creativity, and engagement.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Community Programs	2,219,951	2,155,080	2,274,812	2,328,714
<b>Total</b>	<b>2,219,951</b>	<b>2,155,080</b>	<b>2,274,812</b>	<b>2,328,714</b>
Full-time Equivalents Total*	12.88	12.88	12.88	12.88

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Cultural Facilities Budget Control Level

The purpose of the Cultural Facilities Budget Control Level is to provide spaces for performing arts and cultural organizations to exhibit, perform, entertain, and create learning opportunities for diverse local, national, and international audience.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Cultural Facilities	231,946	232,557	256,205	263,830
<b>Total</b>	<b>231,946</b>	<b>232,557</b>	<b>256,205</b>	<b>263,830</b>
Full-time Equivalents Total*	3.26	3.26	3.26	3.26

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Seattle Center

## Debt Budget Control Level

The purpose of the Debt Budget Control Level is to provide payments and collect associated revenues related to the debt service for McCaw Hall.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt	118,250	124,450	125,250	125,750
<b>Total</b>	<b>118,250</b>	<b>124,450</b>	<b>125,250</b>	<b>125,750</b>

## Festivals Budget Control Level

The purpose of the Festivals Budget Control Level is to provide a place for the community to hold major festival celebrations.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Festivals	1,342,292	1,299,978	1,486,307	1,530,827
<b>Total</b>	<b>1,342,292</b>	<b>1,299,978</b>	<b>1,486,307</b>	<b>1,530,827</b>
Full-time Equivalents Total*	8.72	8.72	8.72	8.72

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Judgment and Claims Budget Control Level

The purpose of the Judgment/Claims Budget Control Level is to pay for judgments, settlements, claims, and other eligible expenses associated with legal claims and suits against the City.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Judgment and Claims	0	0	223,449	193,984
<b>Total</b>	<b>0</b>	<b>0</b>	<b>223,449</b>	<b>193,984</b>

## KeyArena Budget Control Level

The purpose of the KeyArena Budget Control Level is to manage and operate the KeyArena. Included in this category are all operations related to sports teams playing in the arena, along with concerts, family shows, and private meetings.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
KeyArena	7,694,310	7,656,446	8,034,417	8,718,610
<b>Total</b>	<b>7,694,310</b>	<b>7,656,446</b>	<b>8,034,417</b>	<b>8,718,610</b>
Full-time Equivalents Total*	66.49	66.49	66.49	66.49

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Center

## McCaw Hall Budget Control Level

The purpose of the McCaw Hall Budget Control Level is to operate and maintain McCaw Hall.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
McCaw Hall	4,661,764	4,344,814	4,658,612	4,796,867
<b>Total</b>	<b>4,661,764</b>	<b>4,344,814</b>	<b>4,658,612</b>	<b>4,796,867</b>
Full-time Equivalents Total*	34.98	34.98	34.98	34.98

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## **Seattle Center Fund Table**

### Seattle Center Fund (11410)

	2015	2016	2016	2017	2018
	<b>Actuals</b>	<b>Adopted</b>	<b>Revised</b>	<b>Proposed</b>	<b>Proposed</b>
<b>Beginning Fund Balance</b>	<b>2,946,570</b>	<b>3,699,000</b>	<b>4,537,298</b>	<b>4,174,856</b>	<b>3,740,446</b>
Accounting and Technical Adjustments	-261,838	0	0	0	0
Plus: Actual and Estimated Revenues	40,500,588	39,500,468	41,227,000	42,440,343	43,806,235
Less: Actual and Budgeted Expenditures	38,648,022	38,292,470	41,589,442	42,874,753	43,956,380
<b>Ending Fund Balance</b>	<b>4,537,298</b>	<b>4,906,998</b>	<b>4,174,856</b>	<b>3,740,446</b>	<b>3,590,301</b>
Long-Term Receivables	1,301,421		1,176,421	1,051,421	926,421
Restricted	1,821,534	2,514,000	1,741,534	1,741,534	1,741,534
<b>Total Reserves</b>	<b>3,122,955</b>	<b>2,514,000</b>	<b>2,917,955</b>	<b>2,792,955</b>	<b>2,667,955</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,414,343</b>	<b>2,392,998</b>	<b>1,256,901</b>	<b>947,491</b>	<b>922,346</b>

# Seattle Center

## Capital Improvement Program Highlights

Seattle Center's 2017-2022 Proposed Capital Improvement Program (CIP) is at the heart of Seattle Center's purpose to create exceptional events, experiences and environments that delight and inspire the human spirit to build stronger communities. Seattle Center's CIP repairs, renovates, and redevelops the facilities and grounds of Seattle Center's 74-acre campus to provide a safe and welcoming place for millions of visitors and thousands of events each year. In 2017-2018, Seattle Center's CIP prioritizes funding to address key findings from the first phase of a facility condition assessment of Seattle Center facilities, including improvements and repairs in the Armory, KeyArena, Central Plant, and campus roofs. The CIP also includes funding for asset preservation investments at Seattle Center's three parking garages, the International Fountain, McCaw Hall and the Monorail.

Looking to the future, the Seattle Center CIP allocates funding in 2017-2018 for phase two of the facility condition assessment, continued planning and outreach regarding redevelopment opportunities in the northeast quadrant of the campus, and updates to the 2008 Seattle Center Century 21 Master Plan. The CIP also provides funding for public benefits and amenities resulting from the redevelopment of the Mercer Arena site, the first major project in the northeast quadrant.

The costs of managing Seattle Center's CIP, including project management and administration, are presented in Seattle Center's operating budget. These costs are offset by revenues to the Seattle Center Fund from the funding sources of the CIP projects. Funding for Seattle Center's 2017-2022 Proposed CIP comes primarily from the Cumulative Reserve Subfund, LTGO Bonds, Seattle Center revenues, federal grant funds and private sources.

More information and background on Seattle Center's CIP can be found in the 2017-2022 Proposed CIP online here: [link to 2017-2022 Proposed CIP](#)

### Capital Improvement Program Appropriation

Budget Control Level	2017 Proposed	2018 Proposed
<b>Armory Rehabilitation: S9113</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,343,000	1,185,000
<b>Subtotal</b>	<b>1,343,000</b>	<b>1,185,000</b>
<b>Campuswide Improvements and Repairs: S03P01</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,053,000	1,125,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	30,000	30,000
Seattle Center Capital Reserve Subfund	500,000	500,000
<b>Subtotal</b>	<b>1,583,000</b>	<b>1,655,000</b>
<b>Facility Infrastructure Renovation and Repair: S03P02</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	0	712,000
<b>Subtotal</b>	<b>0</b>	<b>712,000</b>

# Seattle Center

## Key Arena: S03P04

Cumulative Reserve Subfund - REET I Subaccount (00163)	1,275,000	950,000
<b>Subtotal</b>	<b>1,275,000</b>	<b>950,000</b>

## McCaw Hall Capital Reserve Fund: S0303

McCaw Hall Capital Reserve	556,000	572,000
<b>Subtotal</b>	<b>556,000</b>	<b>572,000</b>

## Mercer Arena Redevelopment: S0302

2017 Multipurpose LTGO Bond Fund (36400)	4,800,000	0
<b>Subtotal</b>	<b>4,800,000</b>	<b>0</b>

## Monorail Improvements: S9403

Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,555,000	1,255,000
<b>Subtotal</b>	<b>1,555,000</b>	<b>1,255,000</b>

## Parking Repairs and Improvements: S0301

Cumulative Reserve Subfund - REET I Subaccount (00163)	591,000	286,000
<b>Subtotal</b>	<b>591,000</b>	<b>286,000</b>

## Public Gathering Space Improvements: S9902

Cumulative Reserve Subfund - REET I Subaccount (00163)	650,000	0
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	100,000	100,000
<b>Subtotal</b>	<b>750,000</b>	<b>100,000</b>

## Utility Infrastructure: S03P03

Cumulative Reserve Subfund - REET I Subaccount (00163)	620,000	625,000
<b>Subtotal</b>	<b>620,000</b>	<b>625,000</b>

<b>Total Capital Improvement Program Appropriation</b>	<b>13,073,000</b>	<b>7,340,000</b>
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# The Seattle Public Library

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Marcellus Turner, City Librarian

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<http://www.spl.org>

## Department Overview

The Seattle Public Library, founded in 1891, includes the Central Library, 26 neighborhood libraries, the Center for the Book, and a robust "virtual library" available on a 24/7 basis through the Library's website. The system-wide services program, located at the Central Library, develops and manages services available across the city including borrower services, outreach and public information, specialized services for children, teens, and adults as well as immigrant and refugee populations, and marketing, public education and programming. The Central Library and branch libraries provide Library services, materials, and programs close to where people live, go to school, and work, and serve as focal points for community engagement and lifelong learning.

The Library is governed by a five-member Board of Trustees, appointed by the Mayor and confirmed by the City Council. Board members serve five-year terms and meet every other month. The Revised Code of Washington (RCW 27.12.240) and the City Charter (Article XII, Section 5) grant the Board of Trustees "exclusive control of library expenditures for library purposes." The Library Board adopts an annual Operation Plan in December after the City Council approves the Library's budget appropriation.

The Seattle Public Library had more than 6 million visits in person in 2015, and over 6.8 million virtual visits through the Library's catalog and website. As the center of Seattle's information network, the Library provides a vast array of resources and services to the public (2015 usage noted), including:

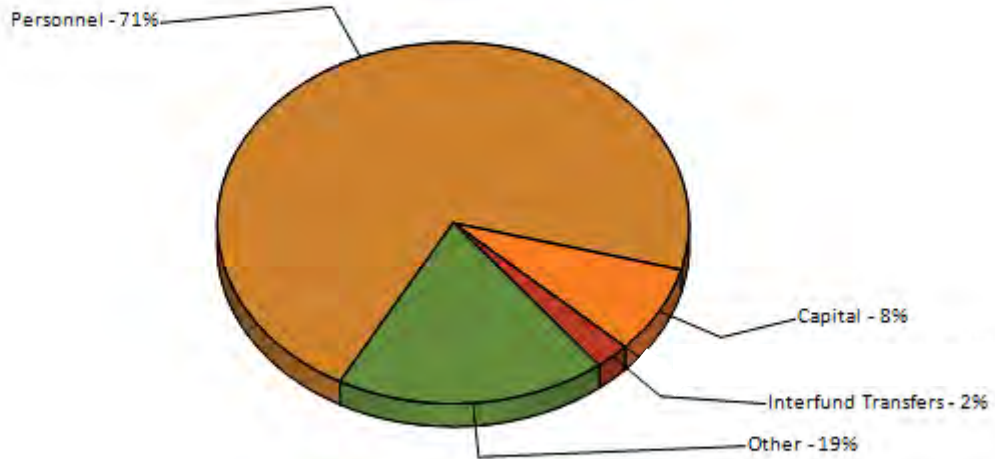
- print and electronic books, media, magazines, newspapers (11.5 million items checked out);
- assisted information services in-person, virtual, and telephone (786,000 responses);
- on-site Internet access and classes (one million patron Internet sessions);
- downloadable media, including e-books, audiobooks, music and video (2.2 million downloads);
- sheet music and small practice rooms;
- electronic databases (435,000 sessions);
- an extensive multilingual collection;
- English as a Second Language (ESL) and literacy services;
- outreach and accessible services and resources for people with disabilities or special needs;
- 10,000 literary and other programs and activities attended by 322,000 children, teens, and adults;
- Homework Help (more than 12,800 in-person students visits during the 2015-2016 academic year);
- 23 neighborhood meeting rooms (4,600 meetings by neighborhood groups and members of the public);
- a large Central Library auditorium and 12 meeting rooms (499 meetings by external groups with over 25,000 participants); and
- Quick Information Center telephone reference service (386-INFO).

# The Seattle Public Library

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$49,008,725	\$50,205,639	\$52,321,519	\$53,516,033
Other Funding - Operating	\$14,367,508	\$17,017,777	\$17,371,101	\$17,619,702
<b>Total Operations</b>	<b>\$63,376,234</b>	<b>\$67,223,416</b>	<b>\$69,692,620</b>	<b>\$71,135,735</b>
Other funding - Capital	\$4,127,937	\$4,527,000	\$5,557,000	\$4,322,000
<b>Total Appropriations</b>	<b>\$67,504,171</b>	<b>\$71,750,416</b>	<b>\$75,249,620</b>	<b>\$75,457,735</b>

## 2017 Proposed Budget - Expenditure by Category



# The Seattle Public Library

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

The 2017-2018 biennium marks the fifth and sixth years of the seven-year, voter-approved \$123 million Library Levy. The levy supports four core service areas identified through an extensive public engagement process: open library hours, the collection of books and materials, computers and online services, and building maintenance. Levy funds allow the Library to keep all branches open on Sundays and have been used to keep Columbia and Northgate branches open on Fridays since 2013. In 2016, four additional branches-International District/Chinatown, University, High Point and South Park-received levy funds to begin Friday operations. The 2017-2018 Proposed Budget includes continued levy support for Friday operations at these branches.

The Collections and Access Division constantly re-evaluates available funding, demand for popular titles, and the breadth of the collection, adjusting purchasing of materials accordingly. The Library also manages change in the form of media patrons are demanding. Circulation of e-books and e-audiobooks, for example, has increased 114% between 2012 and 2015, and demand continues to grow. The 2017-2018 Proposed Budget reflects this by reducing funding for less-used media forms like microfilm and sustaining increased levy support for e-books and e-audiobooks. However, there remain budgetary pressures created by this shift. Costs for e-books are increasing due to changes in licensing models. As demand shifts toward digital media, revenues from fines and fees decline since digital materials do not incur late fines. The Library has addressed some of these pressures in the past with one-time funding from fund balance and levy support.

The Library continues to explore ways to best use facility space and align function with location. In 2016, the Library began the process to sell the Queen Anne storage facility in order to consolidate shop and storage functions in a more central location. Proceeds from this sale will be applied to the acquisition of a permanent site in the future. In the meantime, the 2017-2018 Proposed Budget includes funding for a leased location where facilities and landscape maintenance equipment can be co-located with storage space.



# The Seattle Public Library

The Library is also making several budget-neutral changes in 2017-2018. The Library will use existing resources to fund an ESL and Literacy Program Coordinator position, which was previously funded with private funding, to ensure continuation of important adult literacy and citizenship programming. Another budget neutral change includes partial funding for a Homework Help Coordinator to run a volunteer-based homework help program at 11 Library branches.

The 2017-2018 Proposed Budget also includes a budget-neutral reorganization of various Library departments to better leverage the resources of the Library. Major changes include the creation of a new Institutional and Strategic Advancement Department, which includes Communications, Marketing and Online Services and Community Partnerships and Governmental Relationships divisions. Also, the Library Programs and Services Department and the Information Technology Department are being combined in recognition that technology is playing an increasingly large role in Library programs and collections.

In 2015, the Library received grant funding to begin an innovative new program to provide Wi-Fi hotspot devices to patrons for check-out, allowing them to access the internet at home. The program was immediately popular, resulting in long wait times for devices. To address the demand, the 2016 Adopted Budget expanded this program with additional Cable Franchise Fee support. In addition to general circulation, the Library also began targeted outreach programs to provide access to the devices to those most in need. The 2017-2018 Proposed Budget includes funding from the Youth Choice, Youth Voice program to further expand the Wi-Fi hotspot program to 825 devices and sufficient funding in 2018 to continue service levels of 625 devices.

The 2017-2018 Proposed Budget also funds capital work at the Central Library and branch libraries. Improvements are planned at the Central Library 3rd floor (5th avenue entrance), including replacement of the entrance for increased accessibility, replacement of the flooring, and an assessment of the glass and steel "curtain wall." In addition, Real Estate Excise Tax (REET) added in the 2017-2018 Proposed Budget will fund installation of public restrooms on the 3rd floor, which is heavily used by the public. Capital work at the branches includes major maintenance renovations at the Lake City branch and a reimagining of the space to improve the patron experience.

# The Seattle Public Library

## Performance Measures Budget Book Pilot

The Seattle Public Library is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the 2017-2018 Proposed Executive Summary of this book.

As part of this project, the Library worked with the City Budget Office to:

1. identify and present performance measures to be included in the Mayor's 2017-2018 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and FTEs associated with each measure, as appropriate.

The following tables present information gathered during the initial pilot phase, subject to further refinement as this pilot is developed.

### Investing in Student Success

#### Homework Help

2017-2018 Proposed Budget: \$80,375 (2016-17 SY), \$85,316 (2017-18 SY)

**Program Summary:** All young people need to be engaged in a variety of high-quality learning experiences. The Seattle Public Library provides these experiences as part of its commitment to serve youth and families. Homework Help is a free, drop-in service designed to be a welcoming space to complete homework, gain academic skills and connect with Library resources.

**Past Performance:** During the 2015-16 school year, there were a total of 1,245 Homework Help sessions with an average of 10 students each offered at 10 branches throughout the city. The most recent surveys show that 56 percent of students reported that Homework Help improved their grades. For more information on Homework Help, please see: <https://performance.seattle.gov/stat/goals/mfyh-i4i9/4q79-v3a2/ip8m-32ei>

**2017-18 Goal Statement:** Increase students' academic success by maintaining a total of 13,200 attendees at Homework Help sessions during the 2016-17 school year.

**Expected Result:** For the 2016-17 school year, the Library expects to maintain current levels of attendance at Homework Help sessions at all 10 participating branches, however, temporary closures for refurbishment at several branches could affect program attendance. For the 2017-18 school year, the Library anticipates adding a new homework help site at the Greenwood Branch. The Library is continuously improving the quality of the program by investing in training for the volunteers who work with students, in addition to collecting feedback from program participants through surveys that are available in multiple languages.

	<b>SY 2013-14</b>	<b>SY 2014-15</b>	<b>SY 2015-16</b>	<b>SY 2016-17</b>	<b>SY 2017-18</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>Estimated</b>	<b>Estimated</b>
Number of Volunteers	215	241	237	260	290
Number of Volunteer Hours	8,773	9,292	9,737	11,000	12,000
Number of Total Sessions	1,519	1,371	1,245	1,280	1,408
Average Students per Session	7.4	9.6	10.3	10.3	10.3
Total Attendees	11,232	13,206	12,817	13,200	14,520
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Total Program Cost (detail below):	\$67,669	\$81,745	\$79,655	\$80,375	\$85,316
General Fund/other Library revenues	\$28,756	\$29,250	\$29,755	\$66,475	\$71,416
Support from The Seattle Public Library Foundation	\$38,913	\$52,495	\$49,900	\$13,900	\$13,900
Avg. Cost per Student per Session	\$6.02	\$6.19	\$6.21	\$6.09	\$5.88

# The Seattle Public Library

## Investing in Digital Equity

Internet Access to Seattle residents

2017-18 Proposed Budget: \$708,099 (2017), \$548,022 (2018)

**Program Summary:** Computer access and technology literacy have become basic requirements in today's society. A 2014 City of Seattle Information Technology Access and Adoption report revealed that over 90,000 Seattle residents lacked internet access at home. The Seattle Public Library provides over 800 internet-enabled public computers system-wide, free Wi-Fi access at all of its branches and 775 mobile hotspots to allow patrons to borrow the internet. The Library's outreach hotspot program provides individualized digital instruction and extended hotspot lending periods to those most in need.

**Past Performance:** Beginning in May 2015, the Library began circulating 125 hotspots to patrons. By July, the Library increased that number to 325. In 2016, the program was expanded again to provide 575 hotspots in general circulation and 200 hotspots through outreach, which are designed to reach specific populations that have access barriers and provide longer term access and more specialized training and support. The most recent survey of users of the Library's hotspot program shows that 36% of patrons who checked out a hotspot had no internet access at home and 32% had incomes of under \$20,000 per year. For more detail about our digital access programs, please see: <https://performance.seattle.gov/stat/goals/mfyh-i4i9/4q79-v3a2/wspb-utwm>

**2017-18 Goal Statement:** Bridge digital divide by providing internet access to Seattle residents by lending 575 hotspots through general circulation and 250 hotspots through outreach in 2017.

**Expected Result:** In 2017, the Library will expand the hotspot program to 825 hotspots, including 50 new hotspots supported by the Youth Voice, Youth Choice funding through the Department of Neighborhoods. In 2018, available funding will support 625 hotspots. The Library is evaluating departmental policies to maximize the availability of devices for use by patrons and these changes are expected to result in less time required to fulfill holds.

	2014 Actuals	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Number of Hotspot Circulations – General	-	2,349	7,413	8,000	5,854
Number of Hotspot Circulations - Outreach	-	46	324	625	500
Average cost per circulation – General	-	-	\$48	\$47	\$50
Average cost per circulation – Outreach (includes digital literacy instruction)	-	-	\$531	\$532	\$507
	2014 Actuals	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Program Cost (detail below):	\$3,590	\$141,435	\$524,965	\$708,099	\$548,022
Cable Franchise Fees	\$ -	\$ -	\$340,000	\$450,000	\$452,000
Youth Voice, Youth Choice funds	\$ -	\$ -	\$ -	\$165,000	\$ -
Levy Proceeds	\$ -	\$ -	\$25,000	\$93,099	\$96,022
Support from The Seattle Public Library Foundation	\$3,590	\$141,435	\$159,965	\$ -	\$ -
Budgeted FTE	-	-	1.5	2.5	2.0

# The Seattle Public Library

## Investing in the Library's Collection

### Library Collections

2017-18 Proposed Budget: \$8,134,573 (2017); \$8,312,759 (2018)

**Program Summary:** The Seattle Public Library provides access to lifelong learning and economic, social and cultural benefits for all. By providing free access to a vast range of educational, cultural and technological resources, the Library maintains the well-established and essential role of contributing to an informed and engaged community. Seattle is among the most literate cities in America, and as the city's population increases and changes, The Seattle Public Library's collections of books and other items will also need to grow and change to continue to serve a broad and diverse range of interests, literacy and lifelong learning needs, while ensuring equitable access to formats that patrons prefer or require.

**Past Performance:** Through June 2016, circulation has increased by 1% compared to the same period in 2015. Checkouts of physical books, DVDs and CDs have declined, while checkouts of digital materials, particularly streamed music, have increased. For more detail about our collections, please see: <https://performance.seattle.gov/stat/goals/mfyh-i4i9/4q79-v3a2/qttv-cafw>

**2017-18 Goal Statement:** Maintain at least 16.6 checkouts of Library items per Seattle resident in 2017.

**Expected Result:** In 2017-2018 the Library expects to see continued growth in circulation of digital materials and declines in physical materials. The Library continues to expand its digital offerings. At the end of 2015, the Library began offering a popular streaming music service. In the second half of 2016, the Library added PlayBack, a juried selection of 100 albums each year of local music available for streaming and download.

	2014 Actuals	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Total Collection Size (all formats)	2,216,651	2,251,679	2,276,679	2,301,679	2,326,679
Checkout of Print Materials	5,949,323	5,680,255	5,429,753	5,261,417	5,036,360
Checkout of E-books/E-audiobooks	1,509,154	1,871,681	2,122,306	2,398,205	2,709,972
Checkout of CDs/DVDs/Audiobooks	3,660,427	3,262,493	2,903,104	2,662,797	2,426,037
Checkout of Downloadable/ Streamed Music and Videos	243,399	363,542	890,442	961,678	1,067,462
Checkout of Other Materials	382,572	366,076	349,928	335,931	322,494
Total Checkouts	11,744,875	11,544,047	11,695,533	11,620,028	11,562,325
Seattle Population	640,500	662,400	686,800	700,536	714,547
Checkouts per Capita	18.3	17.4	17.0	16.6	16.2
	2014 Actuals	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Program Cost (detail below):	\$7,805,000	\$7,812,666	\$8,505,462	\$8,134,573	\$8,312,759
General Fund and Other Library Revenues (including levy)	\$6,769,541	\$6,484,323	\$7,322,362	\$6,934,573	\$7,112,759
Support from The Seattle Public Library Foundation	\$1,035,459	\$1,328,343	\$1,183,100	\$1,200,000	\$1,200,000

# The Seattle Public Library

## Investing in our Immigrant Communities

### English Classes and Literacy Services

2017-18 Proposed Budget: \$218,094 (2017), \$227,075 (2018)

**Program Summary:** The Seattle Public Library plays a key role as a point of contact for many immigrants to Seattle who need help with English by providing basic English as a Second Language (ESL) and literacy services as well as classes that support the path to citizenship.

**Past Performance:** In 2015, the Library offered 526 ESL classes, 168 adult education tutoring sessions, 147 Talk Time sessions, and 117 citizenship classes, which reached over 8,600 attendees. These programs give adult learners opportunities to gain English language proficiency, achieve their citizenship goals and develop an understanding of the American culture and the United States governmental processes. In 2016 the Library served a diverse group of participants from over 60 different countries and from ages 14 to 88. In late 2016, the Library unexpectedly lost access to the volunteer literacy and ESL instructors when our partner organization discontinued this service. The Library is now contracting with a vendor that provides paid instructors and assessment tools.

**2017-18 Goal Statement:** Provide English language classes and literacy support for immigrants and native speakers to at least 10,000 program attendees in 2017.

**Expected Result:** In 2017-2018 the Library expects to see slightly higher numbers of attendees as it offers a different mix of programming and experiments with program times and locations for ESL programming. In 2017 the Library will begin implementing direct progress monitoring via CASAS (Comprehensive Adult Student Assessment Systems) testing for all participants in our ESL and literacy classes. The Library also plans to establish a baseline in order to measure the percentage of students that complete these programs and the rigorous requirements to become an American citizen.

	2014 Actuals	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Total Attendees	8,532	8,607	8,805	10,000	10,000
Number of Classes/Sessions	842	958	876	970	970
	2014 Actuals	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Program Cost (detail below):	\$140,863	\$158,770	\$154,552	\$218,094	\$227,075
General Fund and Other Library Revenues	\$ -	\$ -	\$ -	\$160,829	\$164,083
Support from The Seattle Public Library Foundation	\$140,863	\$158,770	\$154,552	\$57,265	\$62,992
Average Cost per Attendee per Session	\$16.51	\$18.45	\$17.55	\$21.81	\$22.71

# The Seattle Public Library

## Incremental Budget Changes

### The Seattle Public Library

	2017 Budget	2018 Budget
<b>Total 2016 Adopted Budget</b>	<b>\$ 67,223,416</b>	<b>\$ 67,223,416</b>
<b>Baseline Changes</b>		
Adjustment for One-Time Adds or Reductions	-\$ 957,913	-\$ 957,913
Supplemental Budget Changes	\$ 130,000	\$ 135,000
Citywide Adjustments for Standard Cost Changes	\$ 2,859,624	\$ 4,558,758
<b>Proposed Changes</b>		
Library Participation in the Next Generation Data Center	\$ 156,000	\$ 0
General Reductions	-\$ 87,500	-\$ 88,000
Citywide Summit Re-Implementation Project	\$ 165,000	\$ 0
<b>Proposed Technical Changes</b>		
Reorganization of Library Departments	\$ 0	\$ 0
Transfer of Position to Cable Franchise Fund	\$ 0	\$ 0
Increased Budget Authority for Levy Operating Support	\$ 203,993	\$ 264,474
<b>Total Incremental Changes</b>	<b>\$ 2,469,204</b>	<b>\$ 3,912,319</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 69,692,620</b>	<b>\$ 71,135,735</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$957,913)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget, including removal of the one-time resources added for the Summit Re-Implementation project and removal of appropriations for the Horizon Integrated Library System replacement that the Library Board decided not to pursue at this time.

#### **Supplemental Budget Changes - \$130,000**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year.

# The Seattle Public Library

to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The Library had only one supplemental change to increase budget authority for a lease of shop and storage space to replace an expiring lease.

## **Citywide Adjustments for Standard Cost Changes - \$2,859,624**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

## **Proposed Changes**

### **Library Participation in the Next Generation Data Center - \$156,000**

The Library is joining the Citywide Next Generation Data Center, which provides greater physical security, data recovery in case of a natural disaster, additional storage and back-up services. To ensure that Library patron data is kept secure and private into the future, the Library is using existing fund balance to enact additional security measures which keep Library data separate from other City data and accessible only to Library staff. The remainder of the one-time implementation costs are being funded by the Seattle IT department as part of the central project.

### **General Reductions - (\$87,500)**

As part of the overall budget reduction targets, the Library is restructuring the Collections and Access division. In addition to generating savings, this will provide additional managerial oversight by combining two positions into one manager position. The budget also includes reduced funding for ready reference materials, which are primarily annually updated materials like travel guides and test preparation books, to one copy per year per library branch and reduced funding for the least-used media forms including microfilm.

### **Citywide Summit Re-Implementation Project - \$165,000**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Proposed Technical Changes**

### **Reorganization of Library Departments**

The Library is combining the Communications, Marketing and Online Services and Community Partnerships units into a new department called Institutional and Strategic Advancement, as well as consolidating the Information Technology (IT) department into the Library Programs and Services Division. This is a budget neutral realignment of existing leadership positions and reporting relationships to focus internal support for strategic planning, public engagement and communications, and partnerships with other city and community agencies.

# The Seattle Public Library

## Transfer of Position to Cable Franchise Fund

This item transfers a Digital Equity Librarian position from General Fund support to Cable Franchise Fund support. The Digital Equity Librarian helps advance the Library's commitment to increasing patron access to technology and ensures continuity of the very popular Wi-Fi hotspot check-out in general circulation and special programming. The most recent survey of users of the Library's hotspot program shows that 36% of patrons who checked out a hotspot had no internet access at home and 32% had incomes of under \$20,000 per year.

## Increased Budget Authority for Levy Operating Support - \$203,993

This item is a technical adjustment to allow the Library to spend levy funds which support library operations. In 2017 and 2018, levy resources will continue to support core services, increase and diversify collections, improve computer and online resources and keep the Library open 52 weeks a year.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Administrative Services Division</b>					
Administrative Services Director		583,306	650,948	808,405	712,625
Event Services		425,918	471,071	541,614	557,571
Facilities and Security Services		0	7,857,774	8,708,720	8,917,995
Facilities Maintenance and Materials Distribution Services		6,386,140	0	0	0
Finance Services		1,440,587	2,437,417	822,437	831,036
Safety and Security Services		1,327,600	0	0	0
<b>Total</b>	<b>B1ADM</b>	<b>10,163,552</b>	<b>11,417,210</b>	<b>10,881,176</b>	<b>11,019,227</b>
<b>City Librarian's Office Division</b>					
City Librarian		503,363	463,175	494,004	507,363
<b>Total</b>	<b>B2CTL</b>	<b>503,363</b>	<b>463,175</b>	<b>494,004</b>	<b>507,363</b>
<b>Human Resources Division</b>	<b>B5HRS</b>	<b>1,192,610</b>	<b>1,116,413</b>	<b>1,384,907</b>	<b>1,421,738</b>
<b>Institutional and Strategic Advancement Division</b>					
Communications		297,371	291,382	339,244	349,029
Institutional & Strategic Advancement		0	0	199,120	204,753
Marketing and Online Services		856,198	880,096	918,840	941,333
<b>Total</b>	<b>B7STR</b>	<b>1,153,568</b>	<b>1,171,478</b>	<b>1,457,204</b>	<b>1,495,115</b>
<b>Library Programs and Services Division</b>					
Collection and Access Services		45,891,064	12,486,648	15,338,649	15,903,896
Information Technology		4,472,076	5,417,211	5,675,227	5,336,393
Library Programs and Services Director		0	810,471	1,474,846	1,496,346
Program and Services - Systemwide Services		0	4,717,141	2,757,465	2,840,998



# The Seattle Public Library

Programs and Services - Central and Branch Operations		0	29,623,669	30,229,142	31,114,659
<b>Total</b>	<b>B4PUB</b>	<b>50,363,140</b>	<b>53,055,140</b>	<b>55,475,329</b>	<b>56,692,292</b>
<b>Department Total</b>		<b>63,376,234</b>	<b>67,223,416</b>	<b>69,692,620</b>	<b>71,135,735</b>

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
542810	Cable Franchise Fees	190,000	530,000	640,000	642,000
	<b>Total External Support</b>	<b>190,000</b>	<b>530,000</b>	<b>640,000</b>	<b>642,000</b>
462400	Space Rentals	188,355	153,000	197,500	197,500
469112	Sale of Fixed Assets	52,096	43,000	55,000	55,000
	<b>Total Facility Revenues</b>	<b>240,451</b>	<b>196,000</b>	<b>252,500</b>	<b>252,500</b>
587001	General Subfund Support	49,007,392	50,205,639	52,321,519	53,516,033
	<b>Total General Subfund Support</b>	<b>49,007,392</b>	<b>50,205,639</b>	<b>52,321,519</b>	<b>53,516,033</b>
587104	Library Levy	12,859,594	13,665,837	15,441,161	15,711,132
	<b>Total Levy Support</b>	<b>12,859,594</b>	<b>13,665,837</b>	<b>15,441,161</b>	<b>15,711,132</b>
462300	Parking Revenue	365,636	353,000	380,000	380,000
	<b>Total Parking Garage</b>	<b>365,636</b>	<b>353,000</b>	<b>380,000</b>	<b>380,000</b>
441610	Copy Services	195,009	159,000	175,000	180,000
441610	Pay for Print	45,849	46,000	55,000	55,000
459700	Fines and Fees	1,440,921	1,512,000	1,336,000	1,288,000
462800	Coffee Cart	4,010	3,000	3,000	3,000
469990	Misc. Revenue	12,534	3,000	3,000	3,000
	<b>Total Services, Fines &amp; Fees</b>	<b>1,698,323</b>	<b>1,723,000</b>	<b>1,572,000</b>	<b>1,529,000</b>
	<b>Total Revenues</b>	<b>64,361,396</b>	<b>66,673,476</b>	<b>70,607,180</b>	<b>72,030,665</b>
379100	Use of (Contribution To) Fund Balance	-985,162	549,940	-914,560	-894,930
	<b>Total Use of (Contribution To) Fund Balance</b>	<b>-985,162</b>	<b>549,940</b>	<b>-914,560</b>	<b>-894,930</b>
	<b>Total Resources</b>	<b>63,376,234</b>	<b>67,223,416</b>	<b>69,692,620</b>	<b>71,135,735</b>

# The Seattle Public Library

## Appropriations By Division and Program

### Administrative Services Division

The purpose of the Administrative Services Program is to support the delivery of library services to the public.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administrative Services Director	583,306	650,948	808,405	712,625
Event Services	425,918	471,071	541,614	557,571
Facilities and Security Services	0	7,857,774	8,708,720	8,917,995
Facilities Maintenance and Materials Distribution Services	6,386,140	0	0	0
Finance Services	1,440,587	2,437,417	822,437	831,036
Safety and Security Services	1,327,600	0	0	0
<b>Total</b>	<b>10,163,552</b>	<b>11,417,210</b>	<b>10,881,176</b>	<b>11,019,227</b>

*The following information summarizes the programs in Administrative Services Division:*

#### **Administrative Services Director Program**

The purpose of the Administrative Services Director Program is to administer the financial, facilities, event services, and safety and security operations of the Library system so that Library services are provided effectively and efficiently.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administrative Services Director	583,306	650,948	808,405	712,625

#### **Event Services Program**

The purpose of the Events Services Program is to support Library-hosted as well as private events and programs in order to make Library facilities and meeting rooms more available to the public.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Event Services	425,918	471,071	541,614	557,571

#### **Facilities and Security Services Program**

In 2015, the Facilities Maintenance Services and Safety and Security Services Programs were combined. The purpose of the Facilities and Security Services Program is to maintain and secure the Library's buildings and grounds so that library services are delivered in safe, secure, clean, well-functioning and comfortable environments.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Facilities and Security Services	0	7,857,774	8,708,720	8,917,995

# The Seattle Public Library

## Facilities Maintenance and Materials Distribution Services Program

As part of the 2013 Library reorganization, services in this program are now provided by the Facilities and Maintenance Services program; the Materials Distribution unit was transferred to the Collection and Access Services program.

The purpose of the Facilities Maintenance and Materials Distribution Services Program is to manage the Library's materials distribution system and maintain buildings and grounds so that library services are delivered in clean and comfortable environments, and materials are readily available to patrons.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Facilities Maintenance and Materials Distribution Services	6,386,140	0	0	0

## Finance Services Program

The purpose of the Finance Services Program is to provide accurate financial, purchasing, and budget services to, and on behalf of, the Library so that it is accountable for maximizing its resources in carrying out its mission.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Finance Services	1,440,587	2,437,417	822,437	831,036

## Safety and Security Services Program

The purpose of the Safety and Security Services Program is to provide safety and security services so that library services are delivered in a safe and secure environment.

In 2015, the Facilities Maintenance Services and Safety and Security Services Programs were combined into the Facilities and Security Services Program.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Safety and Security Services	1,327,600	0	0	0

## City Librarian's Office Division

The purpose of the City Librarian's Office is to provide leadership for the Library in the implementation of policies and strategic directions set by the Library Board of Trustees.

<b>Program Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
City Librarian	503,363	463,175	494,004	507,363
<b>Total</b>	<b>503,363</b>	<b>463,175</b>	<b>494,004</b>	<b>507,363</b>

# The Seattle Public Library

*The following information summarizes the programs in City Librarian's Office Division:*

## City Librarian Program

The purpose of the City Librarian's Office is to provide leadership for the Library in implementing the policies and strategic direction set by the Library Board of Trustees, and in securing the necessary financial resources to operate the Library in an effective and efficient manner. The City Librarian's Office serves as the primary link between the community and the Library, and integrates community needs and expectations with Library resources and policies.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
City Librarian	503,363	463,175	494,004	507,363

## Human Resources Division

The purpose of Human Resources is to provide responsive and equitable services, including human resources policy development, recruitment, classification and compensation, payroll, labor and employee relations, volunteer services, and staff training services so that the Library maintains a productive and well-supported work force.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Human Resources	1,192,610	1,116,413	1,384,907	1,421,738
<b>Total</b>	<b>1,192,610</b>	<b>1,116,413</b>	<b>1,384,907</b>	<b>1,421,738</b>

## Institutional and Strategic Advancement Division

The purpose of the Institutional and Strategic Advancement division is to provide planning and support functions, including strategic analysis, government relations, community partnerships and external and internal communication, to help the City Librarian shape the strategic direction, work and culture of the Library in pursuit of its mission. The division ensures that the public is informed about services and programs offered by the Library.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Communications	297,371	291,382	339,244	349,029
Institutional & Strategic Advancement	0	0	199,120	204,753
Marketing and Online Services	856,198	880,096	918,840	941,333
<b>Total</b>	<b>1,153,568</b>	<b>1,171,478</b>	<b>1,457,204</b>	<b>1,495,115</b>

# The Seattle Public Library

*The following information summarizes the programs in Institutional and Strategic Advancement Division:*

## **Communications Program**

The purpose of the Communications Program is to ensure that the public and Library staff are fully informed about Library operations, which includes over 10,000 annual public programs. The office contributes to the Library's website, a 24/7 portal to Library services, and provides timely and accurate information through a variety of other methods.

As part of the 2017 reorganization, the Communications department was moved from the City Librarian's Office to the newly created Institutional & Strategic Advancement division.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Communications	297,371	291,382	339,244	349,029

## **Institutional & Strategic Advancement Program**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Institutional & Strategic Advancement	0	0	199,120	204,753

## **Marketing and Online Services Program**

The purpose of the Marketing and Online Services Program is to develop the Library's online services and employ innovative strategies for connecting patrons and community organizations to Library services and resources. The program develops marketing tools to enable the Library to reach new users and help current users discover all the new ways the Library can enrich their lives.

As part of the 2017 reorganization, the Marketing & Online Services program was moved to the newly created Institutional & Strategic Advancement division.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Marketing and Online Services	856,198	880,096	918,840	941,333

# The Seattle Public Library

## Library Programs and Services Division

The purpose of the Library Programs and Services Division is to provide services, materials, and programs that benefit and are valued by Library patrons. Library Programs and Services provides technical and collection services and materials delivery systems to make Library resources and materials accessible to all patrons.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Collection and Access Services	45,891,064	12,486,648	15,338,649	15,903,896
Information Technology	4,472,076	5,417,211	5,675,227	5,336,393
Library Programs and Services Director	0	810,471	1,474,846	1,496,346
Program and Services - Systemwide Services	0	4,717,141	2,757,465	2,840,998
Programs and Services - Central and Branch Operations	0	29,623,669	30,229,142	31,114,659
<b>Total</b>	<b>50,363,140</b>	<b>53,055,140</b>	<b>55,475,329</b>	<b>56,692,292</b>

*The following information summarizes the programs in Library Programs and Services Budget Control Level:*

### **Collection and Access Services Program**

The purpose of the Collection and Access Services Program is to make library books, materials, databases, downloadable materials, and the library catalog available to patrons and to provide a delivery system that makes Library materials locally available.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Collection and Access Services	45,891,064	12,486,648	15,338,649	15,903,896

### **Information Technology Program**

The purpose of the Information Technology Program is to provide public and staff technology, data processing infrastructure and services.

As part of the 2017 reorganization, the Information Technology division was moved to the Library Programs and Services division.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Information Technology	4,472,076	5,417,211	5,675,227	5,336,393

### **Library Programs and Services Director Program**

The purpose of the Library Programs and Services Director Program is to administer public services, programs, and collection development and access.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Library Programs and Services Director	0	810,471	1,474,846	1,496,346

# The Seattle Public Library

## Program and Services - Systemwide Services Program

The purpose of the Library Programs and Services - Systemwide Services Program is to provide systemwide services including borrower services, specialized services for children, teens and adults, community engagement, special collections, and public education and programming. This program also provides in-depth information and service coordination to patrons and staff at branches so they have access to more extensive resources than would otherwise be available at a single branch.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Program and Services - Systemwide Services	0	4,717,141	2,757,465	2,840,998

## Programs and Services - Central and Branch Operations Program

The purpose of the Central and Branch Libraries Program is to provide services, materials, and programs close to where people live and work to support lifelong learning, cultural enrichment, recreational reading and community engagement.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Programs and Services - Central and Branch Operations	0	29,623,669	30,229,142	31,114,659

# The Seattle Public Library

## Library Fund Table

### Library Fund (10410)

	2015	2016	2016	2017	2018
	Actuals	Adopted	Revised	Proposed	Proposed
<b>Beginning Fund Balance</b>	<b>1,747,900</b>	<b>1,892,119</b>	<b>2,733,062</b>	<b>2,329,227</b>	<b>3,243,787</b>
<b>Accounting and Technical Adjustments</b>					(938,000)
Plus: Actual and Estimated Revenue	64,361,396	66,673,476	69,664,332	70,607,180	72,030,665
Less: Actual and Budgeted Expenditures	63,376,234	67,223,416	70,068,167	69,692,620	71,135,735
<b>Ending Fund Balance</b>	<b>2,733,062</b>	<b>1,342,179</b>	<b>2,329,227</b>	<b>3,243,787</b>	<b>3,200,717</b>
Known Liability	127,135	-	-	-	-
Planning Reserve	-	440,142	-	-	-
Continuing Appropriations	-	-	-	938,000	805,370
<b>Total Reserves</b>	<b>127,135</b>	<b>440,142</b>	<b>-</b>	<b>938,000</b>	<b>805,370</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,605,927</b>	<b>902,037</b>	<b>2,329,227</b>	<b>2,305,787</b>	<b>2,395,347</b>



# The Seattle Public Library

## Capital Improvement Program Highlights

The Library CIP program supports asset preservation of structures, building systems, interior elements such as casework and flooring, security, lighting, signage and grounds for the Central Library and 26 branch libraries, encompassing over 600,000 square feet of heavily-used space. Work is prioritized based on its impact on safety, building integrity, and our ability to provide efficient service to the public in comfortable and welcoming places.

Several larger projects are either starting or continuing in 2017 at both the Central Library and the branches. Branch projects scheduled to begin during 2017 include major HVAC work (split system replacement to upgrade IT room cooling) at nineteen branches; window replacement at the Carnegie-era Columbia branch; and roof repair (along with other major maintenance improvements) at Lake City to coincide with the interior reimagining of that branch. Multi-year projects at branches that may carry over from 2016 into 2017 include exterior and roof restoration at three century-old Carnegie branches (Queen Anne, Green Lake and Fremont); extensive exterior and accessibility improvements, as well as phase two of window replacement, at another Carnegie-era branch (University); lighting upgrades at Capitol Hill; and exterior pavement repair at High Point.

The iconic Central Library requires a significant portion of CIP funds, which are often distributed over multi-year projects. Larger, complex and challenging projects such as the interior curtain wall assessment/maintenance and Level 3 flooring upgrades - funded in both 2016 and 2017 - are in the initial planning stages. Flooring work is necessary to strengthen the raised flooring pedestal supports to accommodate a high-access lift to assess both the fire suppression system and the interior curtain wall. Additionally, much of the planning for Central's critical building systems re-commissioning is being completed during 2016; the actual work - totaling roughly \$1.2 million to address various mechanical, plumbing, engineering, electrical and HVAC issues - will proceed in 2017. Other Central multi-year projects that may continue into 2017 include reconfiguration of the 5th Avenue entry; LED lighting replacement in the Books Spiral (Levels 6 through 9); and replacement of both the loading dock and parking garage roll-up doors.

Real Estate Excise Tax (REET) revenue plays a vital role in supporting projects that are beyond the scope of the Library's Levy-funded major maintenance program. REET will fund significant capital efforts in 2017:

- \$534,000 will support the Library's "Re-imagining Spaces" efforts, to modify Library spaces and better address patron and community uses of libraries. Planned sites include Lake City and one additional branch to be determined.
- \$750,000 will continue to support the Level 3 raised flooring upgrades. The existing raised, continuous wood flooring is highly worn and it prevents full access to the plenum space below. The current flooring cannot support equipment that will allow high-access to ceiling-level lighting and for inspecting the fire suppression system, as well as providing safe and easy access for the staging of major programs and exhibits.
- \$600,000 will fund new public restrooms to Level 3 at Central Library as part of a broader initiative to realize the full potential of Central's "Living Room" and transform it into a flexible space for Library programs, performances, community events and displays. This project includes an all gender single stall restroom that has been requested by Library users.

# The Seattle Public Library

## Capital Improvement Program Appropriation

<b>Budget Control Level</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Central Library Infrastructure Improvements: B301113</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	600,000	0
<b>Subtotal</b>	<b>600,000</b>	<b>0</b>
<b>Library Major Maintenance: B301111</b>		
2012 Library Levy Fund (18100)	3,673,000	3,772,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,284,000	550,000
<b>Subtotal</b>	<b>4,957,000</b>	<b>4,322,000</b>
<b>Total Capital Improvement Program Appropriation</b>	<b>5,557,000</b>	<b>4,322,000</b>



# Department of Education and Early Learning

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Dwane Chappelle, Director

(206) 233-5118

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## Department Overview

The mission of the Department of Education and Early Learning (DEEL) is to ensure all Seattle children have the greatest opportunity to succeed in school and life, and to graduate from school ready for college or a career. DEEL achieves this goal by investing in high-quality early learning services and programs that help children succeed in school, increasing capacity for such programs in underserved communities and strengthening school-community connections.

DEEL is responsible for weaving together early learning programs in the City to provide families with the opportunity to prepare their children to enter school ready to succeed. By braiding and blending resources from the Families and Education Levy, the Seattle Preschool Program Levy, the state Early Childhood Education and Assistance Program, and City General Fund, the department seeks to ensure low-income families in the City have access to high quality early learning.

DEEL administers the Education-Support Services Levy, otherwise known as the Families and Education Levy. DEEL is responsible for developing the City's education policy and investment strategy for levy funds to help children succeed in school by increasing access to high-quality programs supporting academic achievement. DEEL builds linkages between the City of Seattle, the Seattle Public School District, and other organizations to ensure successful levy implementation. Levy investments are made in programs that improve academic achievement. To that end, each program undergoes ongoing program evaluation to ensure it delivers on specific targeted outcomes intended to improve academic achievement. The department provides annual reports detailing program targets and results to policy makers and the community.

DEEL also administers the Seattle Preschool Program Levy which the voters approved in November 2014. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-olds so they enter school prepared to succeed and the academic opportunity gap for children is eliminated. The levy funds a demonstration phase of the Seattle Preschool Program which began in 2015 and aims to serve up to 1,615 children in up to 85 classrooms by 2018.

DEEL serves as the liaison between City and the higher education community on all education issues of joint concern. The department builds partnerships with, and facilitates collaboration between, local higher education representatives to increase academic, economic and social advancement. DEEL aligns City investments with institutions' priorities, initiatives, and goals to increase student success and higher levels of educational attainment.

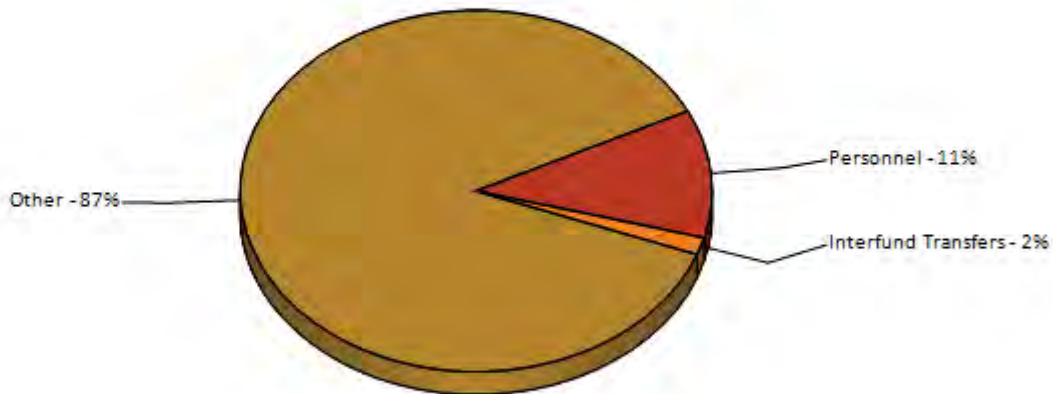
# Department of Education and Early Learning

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$12,629,932	\$6,985,124	\$8,628,893	\$7,308,132
Other Funding - Operating	\$30,562,143	\$48,026,487	\$56,237,944	\$65,408,754
<b>Total Operations</b>	<b>\$43,192,075</b>	<b>\$55,011,611</b>	<b>\$64,866,837</b>	<b>\$72,716,886</b>
<b>Total Appropriations</b>	<b>\$43,192,075</b>	<b>\$55,011,611</b>	<b>\$64,866,837</b>	<b>\$72,716,886</b>
Full-time Equivalent Total*	52.50	54.00	58.50	59.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Department of Education and Early Learning

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

This past Spring, Mayor Murray held two major events--Community Conversations and the Education Summit--to bring Seattle together to address the disparities in the school district that often leaves ethnic minority and low-income students behind in academic achievement. In March and April, the Mayor held 20 Community Conversations throughout Seattle to ask the public how best to improve educational opportunities for Seattle's children. Input from over 1,300 attendees laid the foundation for the Summit in April. Over 500 people, everyone from parents and students to local education leaders, attended the Education Summit, the first since 1990. The goal of the Summit was to deepen the partnerships between the City, Seattle Public Schools, community organizations, businesses, philanthropies, and education advocates to ensure all of our students share in opportunity. With that in mind, the Mayor convened an Education Summit Advisory Group comprised of those partners to develop recommendations and action items about how the City can help make education more equitable.

The 2017-2018 Proposed Budget provides funding to begin implementing several preliminary recommendations. Funding will increase the number of high-quality Summer Learning slots for students. It will also pilot a high school investment modelled on the Families and Education Levy middle school innovation program that has significantly improved students' academic achievement. The budget also adds two positions to help develop and implement additional recommendations from the Education Summit Advisory Group.

The proposed budget also adds funding to provide for an expansion of the Parent-Child Home program to improve literacy education for young children. The Parent-Child Home Program (PCHP) is an evidence-based, two-year home-visitation literacy program for two- and three-year old children. Administered by United Way, this program currently reaches approximately 500 Seattle children from families below the federal poverty line. A recent study of the Seattle PCHP program shows that participation leads to better preparation for kindergarten and higher reading and math scores in the third grade for participating children compared to their non-

## Department of Education and Early Learning

participating peers.

The success of DEEL's programs has led to an increase in the growth of their scope and, thus, increased support is needed to ensure effective implementation. The budget also continues two positions added in supplemental budget legislation. These positions allow DEEL to manage the increasing workload of the Family and Education and Seattle Preschool Program levy programs. Additionally, DEEL will use existing resources to fund three new positions to support the department and levy programs, including a position that will be funded partly by the General Fund. DEEL will also use existing resources to fund a data analyst position.

Finally, the proposed budget makes a technical change and moves the K-12 division out of the Director's Office and into a new budget control level for better transparency. This change allows the public to more easily see and understand what the K-12 programs are doing to improve the academic outcomes of Seattle's public schoolchildren.

## Performance Measures Budget Book Pilot

The Department of Education and Early Learning (DEEL) is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and is not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, DEEL worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the 2017-18 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as applicable.

The following tables present information gathered during the initial pilot phase, and are subject to further refinement as this pilot is developed.

### Investing in Academic Success

Work Toward Citywide pre-K

2017-2018 Proposed Budget: \$14,056,804 (2017), \$20,602,337 (2018)

**Program Summary:** In Seattle today, economic and racial disparities persist in third-grade reading levels, fourth-grade math levels, and high school graduation rates. Over the last decade, research has shown investments in high-quality early learning lead to better academic and life outcomes for children and families. The Seattle Preschool Program (SPP) expands access to high-quality preschool services for Seattle children.

**Past Performance:** In 2015-16, the initial year of SPP implementation, 280 children were served in 15 classrooms across the city. DEEL is making policy and process improvements to refine provider and child selection and improve participation as implementation progresses.

**2017-18 Goal Statement:** 1) Increase the number of children served in the Seattle Preschool Program to between 1,007 and 1,140 in the 2017-18 school year. DEEL's long-term goal is to serve 80% of four year-olds and 70% of three year-olds at full implementation. DEEL anticipates serving 11% of three- and four year-olds by the end of the 2018-19 school year or about 1,600 children. 2) Determine what elements and structures are necessary to implement a high-quality and accessible city-wide preschool.

**Expected Result:** The SPP implementation plans increase the scale of services provided each year at a lower cost per child. In the first year of SPP, 2015-16, the total program cost per child—including such costs as educator and administrative labor expenses, professional development, supplies, curriculum, coaching, tuition assistance for educators to return to school, building or renovating facilities, and all other associated administrative costs—was about \$39,000. During the 2016-17 preschool year the cost per child will be between \$19,800 and \$22,500.

### SPP Budget and Outcomes Data

Calendar Year	2015		2016		2017	
School Year	2014-15 Actuals	2015-16 Actuals	2015-16 Actuals	2016-17 Estimated	2016-17 Estimated	2017-18 Estimated
Total Program Cost	N/A	\$4,902,556	\$6,030,533	\$3,007,443	\$9,377,927	\$4,678,876
Number of Classrooms	N/A	15		29-33		53-60
Number of Children*	N/A	280		551-627		1,007-1,140

\*Assumes an average of 19 students per classroom.



### Investing in Academic Success

Promote 3<sup>rd</sup> Grade Reading Excellence

2017-2018 Proposed Budget: \$7,434,163 (2017), \$8,331,995 (2018)

**Program Summary:** The ability to read by the end of third grade is a strong predictor of the likelihood a student will achieve continued academic success and graduate from high school. As of 2014, more than one-in-five 3<sup>rd</sup> grade students in Seattle Public Schools did not meet the standard on Washington’s third grade reading exam. The City’s Families and Education Levy (Levy) investments in Innovation Elementary schools are designed to address this need by funding strategies and facilitating partnerships that enhance reading skills.

**Past Performance:** 45 percent of the 3<sup>rd</sup> grade students in Levy Innovation Elementary Schools met standard on the 2014-15 state English Language Arts exam. This performance maintained for the 2015-16 school year. Due to the transition to the new, rigorous Smarter Balanced state assessments, which changed the way student proficiency was measured, years prior to the 2014-15 school year should not be compared. . Over time, as Levy-funded schools implement and refine their intervention strategies, DEEL expects to see an increase in aggregate 3rd grade reading proficiency levels.

**2017-18 Goal Statement:** Increase the percent of Levy Elementary School 3<sup>rd</sup> Graders reading at or above grade level.

**Expected Result:** Three new elementary schools will become Innovation Schools in 2016-17, bringing the total to 19. Implementation plans allow for a maximum of four additional schools to receive new funding in the 2017-18 school year.

Calendar Year	2015		2016		2017	
	2014-15 Actuals	2015-16 Actuals	2015-16 Actuals	2016-17 Estimated	2016-17 Estimated	2017-18 Estimated
Total Program Cost*	\$3,975,719	\$1,795,037	\$3,667,443	\$2,306,393	\$4,713,865	\$2,720,298
Number of Schools	12	16		19		23
Cost/School	\$331,310	\$341,405		\$369,487		\$359,781
Percent of Levy Elementary School 3 <sup>rd</sup> Graders reading at or above grade level	45% met standard on the 2014-15 state English Language Arts exam	45% of 3 <sup>rd</sup> met standard on the 2015-16 state English Language Arts exam		Available Late Summer/Early Fall 2017		

Note: The \$359,781 amount includes the 2018 budget for the 2017-18 SY, not listed here.

\*Total Elementary Innovation investments provide reading, math, and English Language Learner supports to K-5 students. Previous years should not be compared to 2014-15 due to the transition to the Smarter Balanced state assessment.

## Investing in Academic Success

### Promote Summer Learning

2017-2018 Proposed Budget: \$3,231,304 (2017), \$3,699,987 (2018)

**Program Summary:** Research has shown that all young people experience learning losses when they do not engage in educational activities during the summer, but low-income children experience greater summer learning losses than their higher-income peers. The Families and Education Levy (Levy) funds summer learning opportunities provided by Seattle Public Schools and community-based organizations in order to mitigate summer learning loss.

**Past Performance:** 1,448 students attended Levy-funded Summer Learning programs in 2015. The upward trend in students served will continue as additional funding becomes available in each year, per the Levy implementation plan.

**2017-18 Goal Statement:** Increase the number of students served by summer learning programs funded by the Families and Education Levy.

**Expected Result:** DEEL expects the number of students served by summer learning programs funded by the Families and Education Levy to increase to 2,075 in 2017 and 2,430 in 2018. In the final funding period of summer 2019, the goal is to serve 3,000 students. Summer 2019 services are expected to reach approximately 26% of students not meeting grade-level standards on state assessments in Seattle Public Schools.

Calendar Year	2015		2016		2017	
	2014-15 Actuals	2015-16 Actuals	2015-16 Actuals	2016-17 Estimated	2016-17 Estimated	2017-18 Estimated
Total Program Cost	\$1,926,177	\$812,287	\$1,660,314	\$1,000,176	\$2,044,757	\$1,186,547
Number of Sites	14	25		TBD*		TBD*
Number of Students	1,248	1,488		TBD*		TBD*
Cost per Student	\$1,543	\$1,662		TBD*		TBD*

\* Amounts will be determined once DEEL completes the provider selection processes.

**Investing in Academic Success**

Promote Student Health

2017-2018 Proposed Budget: \$6,656,729 (2017), \$6,816,491 (2018)

**Program Summary:** The Families and Education Levy (Levy) funds School-Based Health Centers (SBHCs) in 26 schools to improve the academic performance and health of Seattle students. The Levy also funds school health support services (School nurses) that collaborate and coordinate with school based health centers for improved student health and academic success. Research has demonstrated that healthy kids learn better. Seattle students who use SBHCs have better attendance and grades than students who do not use these services.

**Past Performance:** Health services focus on three primary targets in its middle and high schools (Elementary schools have different targets): number of students served, attendance record of their students, and the pass rate of their students. In 2014-15 school based health center services supported 7,419 K-12 students. Of the students receiving school based health center services and health support services (school nurses), 5980 had fewer than 10 absences per year and in middle and high school, 8,651 or 74% of these students passed all their classes.

**2017-18 Goal Statement:** Health services will maintain their current service level for students. SBHCs will continue to provide full-time health providers, patient coordinators, and mental health providers at each of their sites.

**Expected Result:** Funding for SBHCs will remain stable for the remainder of the 2011 Families and Education Levy. As such, DEEL does not expect that the number of students served will increase substantially in 2017 and 2018. The 2013-14 school year was the first year for the Interagency Academy and dental services. There were also four additional K-5 SBHCs in 2013-14 SY. Once the program finds its footing in year one, the second year typically sees a ramp up in students served. Additionally, by the 2014-15 school year, Levy schools had previous year performance pay to spend. Some chose to add additional staff or hours for health services.

	<b>2014*</b> <b>Actuals</b>	<b>2015**</b> <b>Actuals</b>	<b>2016***</b> <b>Estimated</b>
Number of Sites	26 (2013-14)	26 (2014-15)	26 (2015-16)
Number of Students	6,484	7,419	Not Available
	<b>2014</b> <b>Actuals</b>	<b>2015</b> <b>Actuals</b>	<b>2016</b> <b>Proposed</b>
Total Program Cost	\$6,187,472	\$6,335,971	\$6,494,371

\*Includes \$4,124,981 for the 2013-14 SY and \$2,062,491 for the 2014-15 SY

\*\*Includes \$4,223,980 for the 2014-15 SY and \$2,111,991 for the 2015-16 SY

\*\*\*Includes \$4,329,579 for the 2015-16 SY and \$2,164,792 for the 2016-17 SY

# Department of Education and Early Learning

## Incremental Budget Changes

### Department of Education and Early Learning

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 55,011,612</b>	<b>54.00</b>	<b>\$ 55,011,612</b>	<b>54.00</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 16,477	0.00	\$ 17,213	0.00
Supplemental Budget Changes	\$ 0	2.00	\$ 0	2.00
Citywide Adjustments for Standard Cost Changes	\$ 105,716	0.00	\$ 181,084	0.00
<b>Proposed Changes</b>				
Education Summit Implementation	\$ 1,000,000	1.50	\$ 134,392	1.50
Parent-Child Home Program Expansion	\$ 500,000	0.00	\$ 0	0.00
Support Positions	\$ 44,568	1.00	\$ 45,973	2.00
Data System Support Analyst	\$ 0	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Add New K-12 BCL	\$ 0	0.00	\$ 0	0.00
Technical Adjustment	-\$ 11	0.00	-\$ 4	0.00
Incremental FEL Funding to Administration and Evaluation	\$ 33,661	0.00	\$ 66,784	0.00
Incremental FEL Funding to Early Learning	\$ 1,019,432	0.00	\$ 1,930,145	0.00
Incremental FEL Funding to Elementary	\$ 1,250,089	0.00	\$ 2,149,132	0.00
Incremental FEL Funding to Middle School	\$ 490,630	0.00	\$ 869,961	0.00
Incremental FEL Funding to High School	\$ 236,469	0.00	\$ 479,767	0.00
Incremental FEL Funding to Health	\$ 162,359	0.00	\$ 322,121	0.00
Incremental SPP Funding to Administration	\$ 212,806	0.00	\$ 460,964	0.00
Incremental SPP Funding to Capacity Building	\$ 209,334	0.00	\$ 315,476	0.00
Incremental SPP Funding to Contingency	\$ 121,194	0.00	\$ 282,318	0.00
Incremental SPP Funding to Program Support	\$ 649,483	0.00	\$ 1,417,776	0.00
Incremental SPP Funding to Research and Evaluation	\$ 72,702	0.00	\$ 132,596	0.00
Incremental SPP Funding to School Readiness	\$ 3,753,308	0.00	\$ 8,955,230	0.00
Correction of Baseline Adjustments	-\$ 22,992	0.00	-\$ 55,654	0.00
<b>Total Incremental Changes</b>	<b>\$ 9,855,225</b>	<b>4.50</b>	<b>\$ 17,705,274</b>	<b>5.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 64,866,837</b>	<b>58.50</b>	<b>\$ 72,716,886</b>	<b>59.50</b>

# Department of Education and Early Learning

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$16,477**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department.

#### **Supplemental Budget Changes/2.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. The Seattle City Council authorized the addition of a Manager 1 position in its Early Learning division in the 2015 4th Quarter Supplemental Budget Ordinance. The Seattle City Council also authorized the addition of a Training and Education Coordinator to support the professional development and training for new and existing teachers and early learning administrators in the 2016 1st Quarter Supplemental Budget Ordinance.

#### **Citywide Adjustments for Standard Cost Changes - \$105,716**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Education Summit Implementation - \$1,000,000/1.50 FTE**

This item provides one-time funding for the implementation of two of the Education Summit Advisory Group recommendations. The first recommendation is to expand high-quality summer learning slots to serve more students.

The second recommendation is to pilot an innovation model at one high school modelled on the Families and Education Levy middle school innovation program that has significantly improved academic achievement for students in these schools. Investments affect students in all grades and allow for a "whole student" approach that addresses academic skills, social emotional development, health, and family engagement. This proposal would invest in one high school to implement strategies to reduce disciplinary actions, improve attendance, adopt a more rigorous curriculum, create and/or adopt more culturally relevant curricula, and improve college and career planning and experiential learning for students at all grade levels. Current levy funding for 9th grade could provide a base investment for this initiative to build upon, or other non-city resources could be provided by the school to support the city's investment.

# Department of Education and Early Learning

Finally, this item adds funding for two positions with sunset dates at the end of 2018--a project manager and part-time administrative staff (1.5 FTE)--to help carry out the Education Summit Advisory Group recommendations in 2017-18.

## **Parent-Child Home Program Expansion - \$500,000**

This funding will allow for the expansion of the Parent-Child Home Program that provides literacy education to two- and three-year old children in the City of Seattle. The City partners with United Way of King County to deliver this program to roughly 500 Seattle children whose families live below the federal poverty line. This funding is designed to leverage additional resources from both the King County Best Starts for Kids Levy and potential additional investment from United Way to serve more eligible children.

## **Support Positions - \$44,568/1.00 FTE**

This item adds one administrative specialist position to the Early Learning Division in 2017, a contracts specialist position in 2018 (not included in the 2017 FTE count above), and provides funding to add an accounting position in 2017 in the Department of Neighborhoods that will support DEEL programs. The Administrative Specialist will support program intake representatives to improve the intake of families in the Child Care Assistance Program and Seattle Preschool Program. The Senior Grants and Contracts specialist will administer contracts for the expanding number of providers involved with the Families and Education Levy (FEL) and Seattle Preschool Program (SPP). FEL and SPP levy resources will pay for the Administrative Specialist and the Senior Grants and Contracts Specialist. Finally, this item includes General Fund support for half of the position cost for an Accounting Technician III that will be housed in the Department of Neighborhoods and will provide support for DEEL programs. FEL and SPP levy resources will fund the other half of the position.

## **Data System Support Analyst**

This item shifts funds to add a data system support analyst which will support DEEL but will be part of Seattle Information Technology. This analyst will manage the following databases: a new Early Learning data system, the contract management system, and the Child Care Assistance Program (CCAP) database. DEEL will use existing resources to fund this position.

## **Proposed Technical Changes**

### **Add New K-12 BCL**

This adds a new BCL, K-12, by removing all related positions and funding out of the current Director's Office BCL.

### **Technical Adjustment - (\$11)**

This adjustment shifts General Fund resources within DEEL to ensure a balanced department budget. This change is budget neutral.

### **Incremental FEL Funding to Administration and Evaluation - \$33,661**

This adjustment adds incremental funding from the Families and Education Levy (FEL) Administration and Evaluation Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 123567. To learn more about this transfer please refer to the FEL section of the budget.

# Department of Education and Early Learning

## **Incremental FEL Funding to Early Learning - \$1,019,432**

This adjustment adds incremental funding from the FEL Early Learning Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 123567. To learn more about this transfer please refer to the FEL section of the budget.

## **Incremental FEL Funding to Elementary - \$1,250,089**

This adjustment adds incremental funding from the FEL Elementary Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 123567. To learn more about this transfer please refer to the FEL section of the budget.

## **Incremental FEL Funding to Middle School - \$490,630**

This adjustment adds incremental funding from the FEL Middle School Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 123567. To learn more about this transfer please refer to the FEL section of the budget.

## **Incremental FEL Funding to High School - \$236,469**

This adjustment adds incremental funding from the FEL High School Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 123567. To learn more about this transfer please refer to the FEL section of the budget.

## **Incremental FEL Funding to Health - \$162,359**

This adjustment adds incremental funding from the FEL Health Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 123567. To learn more about this transfer please refer to the FEL section of the budget.

## **Incremental SPP Funding to Administration - \$212,806**

This adjustment adds incremental funding from the Seattle Preschool Program (SPP) Administration and Evaluation Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 124509. To learn more about this transfer please refer to the SPP levy section of the budget.

## **Incremental SPP Funding to Capacity Building - \$209,334**

This adjustment adds incremental funding from the SPP Capacity Building Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 124509. To learn more about this transfer please refer to the SPP levy section of the budget.

## **Incremental SPP Funding to Contingency - \$121,194**

This adjustment adds incremental funding from the SPP Contingency Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 124509. To learn more about this transfer please refer to the SPP levy section of the budget.

## **Incremental SPP Funding to Program Support - \$649,483**

This adjustment adds incremental funding from the SPP Program Support Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 124509. To learn more about this transfer please refer to the SPP levy section of the budget.

# Department of Education and Early Learning

## Incremental SPP Funding to Research and Evaluation - \$72,702

This adjustment adds incremental funding from the SPP Research and Evaluation Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 124509. To learn more about this transfer please refer to the SPP levy section of the budget.

## Incremental SPP Funding to School Readiness - \$3,753,308

This adjustment adds incremental funding from the SPP School Readiness Budget Control Level. This reflects the expenditure plan of the levy as adopted by Council in Ordinance 124509. To learn more about this transfer please refer to the SPP levy section of the budget.

## Correction of Baseline Adjustments - (\$22,992)

This removes baseline adjustments for health care, and recruitment and retention that were incorrectly added to FEL and SPP levy appropriations. This avoids over-appropriating DEEL funds.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Director's Office Budget Control Level	ED100	18,768,141	25,819,499	2,364,306	1,539,143
Early Learning Budget Control Level	ED300	17,789,177	27,025,383	33,110,489	39,962,644
Finance and Administration Budget Control Level	ED200	1,404,520	2,166,729	2,758,056	2,925,384
K-12 Budget Control Level	ED400	0	0	26,633,986	28,289,715
Youth Violence Prevention Initiative Budget Control Level	ED600	5,230,237	0	0	0
<b>Department Total</b>		<b>43,192,075</b>	<b>55,011,611</b>	<b>64,866,837</b>	<b>72,716,886</b>
<b>Department Full-time Equivalents Total*</b>		<b>52.50</b>	<b>54.00</b>	<b>58.50</b>	<b>59.50</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Department of Education and Early Learning

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
587001	Oper Tr IN-FR General Fund	12,892,932	6,985,124	8,628,893	7,308,132
	<b>Total General Fund</b>	<b>12,892,932</b>	<b>6,985,124</b>	<b>8,628,893</b>	<b>7,308,132</b>
411100	Taxes, Levies, & Bonds	25,951,422	35,069,140	38,261,769	40,887,046
	<b>Total Levy Programs - Ed Levy</b>	<b>25,951,422</b>	<b>35,069,140</b>	<b>38,261,769</b>	<b>40,887,046</b>
411100	Taxes, Levies, & Bonds	2,077,266	8,354,609	12,515,602	18,047,514
	<b>Total Levy Programs - SPP</b>	<b>2,077,266</b>	<b>8,354,609</b>	<b>12,515,602</b>	<b>18,047,514</b>
434010	State Grants	3,264,709	3,919,371	3,919,371	3,919,371
	<b>Total State Grants</b>	<b>3,264,709</b>	<b>3,919,371</b>	<b>3,919,371</b>	<b>3,919,371</b>
441930	Private Reimbursements	58,170	683,367	1,541,202	2,554,823
	<b>Total Tuition</b>	<b>58,170</b>	<b>683,367</b>	<b>1,541,202</b>	<b>2,554,823</b>
<b>Total Revenues</b>		<b>44,244,499</b>	<b>55,011,611</b>	<b>64,866,837</b>	<b>72,716,886</b>
379100	Use of (Contribution to) Fund Balance	-1,052,424	0	0	0
	<b>Total 2011 Families &amp; Education Levy</b>	<b>-1,052,424</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources</b>		<b>43,192,075</b>	<b>55,011,611</b>	<b>64,866,837</b>	<b>72,716,886</b>

## Appropriations By Budget Control Level (BCL) and Program

### Director's Office Budget Control Level

The purpose of the Director's Office Budget Control Level is to provide executive leadership to support the achievement of department outcomes and engage community members in the work of the department.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Director's Office	18,768,141	25,819,499	2,364,306	1,539,143
<b>Total</b>	<b>18,768,141</b>	<b>25,819,499</b>	<b>2,364,306</b>	<b>1,539,143</b>
Full-time Equivalents Total*	12.00	13.00	9.50	9.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Education and Early Learning

## Early Learning Budget Control Level

The purpose of the Early Learning Budget Control Level is to help children enter school ready to succeed, provide preschool teachers with resources and training, and assist Seattle families with gaining access to early learning resources.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Early Learning	17,789,177	27,025,383	33,110,489	39,962,644
<b>Total</b>	<b>17,789,177</b>	<b>27,025,383</b>	<b>33,110,489</b>	<b>39,962,644</b>
Full-time Equivalents Total*	29.00	31.00	34.00	34.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Finance and Administration Budget Control Level

The purpose of the Finance and Administration Budget Control Level is to provide financial, administrative, human resources, and information technology support to the department.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Finance and Administration	1,404,520	2,166,729	2,758,056	2,925,384
<b>Total</b>	<b>1,404,520</b>	<b>2,166,729</b>	<b>2,758,056</b>	<b>2,925,384</b>
Full-time Equivalents Total*	6.00	10.00	10.00	11.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## K-12 Budget Control Level

The purpose of the K-12 Division Budget Control Level is to manage K-12 investments.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
K-12	0	0	26,633,986	28,289,715
<b>Total</b>	<b>0</b>	<b>0</b>	<b>26,633,986</b>	<b>28,289,715</b>
Full-time Equivalents Total*	0.00	0.00	5.00	5.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Department of Education and Early Learning

## Youth Violence Prevention Initiative Budget Control Level

The purpose of the Youth Violence Prevention Initiative Budget Control Level is to help reduce youth violence.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Youth Violence Prevention Initiative	5,230,237	0	0	0
<b>Total</b>	<b>5,230,237</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	5.50	0.00	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Education Fund Table

### Department of Education Fund

	2015	2016	2016	2017	2018
	<b>Actuals</b>	<b>Adopted</b>	<b>Revised</b>	<b>Proposed</b>	<b>Proposed</b>
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>1,052,424</b>	<b>0</b>	<b>0</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	44,244,499	55,011,611	55,011,611	64,866,837	72,716,886
Less: Actual and Budgeted Expenditures	43,192,075	55,011,611	56,064,035	64,866,837	72,716,886
<b>Ending Fund Balance</b>	<b>1,052,424</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,052,424</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Both the Families and Education Levy and the Seattle Preschool Levy end collections in 2018 and fully fund the 2018-2019 school year. As a result, revenues from those sources are only for half a year in 2019 while expenses are for a full year. To maintain the same level of service alternative revenue sources will be required.

# Education-Support Services Levy

Dwane Chappelle, Department of Education and Early Learning

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[www.seattle.gov/education](http://www.seattle.gov/education)

## Department Overview

In November 2011, Seattle voters approved a \$231 million renewal of the Education-Support Services Levy, otherwise known as the Families and Education Levy, for the period of 2012-2018. The 2011 Families and Education Levy invests in early learning, elementary school, middle school, high school, and health programs to achieve three goals:

1. Improve children's readiness for school.
2. Enhance students' academic achievement and reduce the academic achievement gap.
3. Decrease students' dropout rate and increase graduation from high school and prepare students for college and/or careers after high school.

Levy investments are aligned with the goals of Seattle Public Schools to double the number of students who enroll in post-secondary programs after high school and/or achieve a career credential.

Department of Education and Early Learning (DEEL) staff administer the Families and Education Levy. The mission of DEEL is to ensure all Seattle children have the greatest opportunity to succeed in school and in life and to graduate from school ready for college or a career. DEEL is responsible for developing the City's education policy and investment strategy to help children succeed in school, strengthen school-community connections, and increase access to high-quality programs supporting academic achievement. DEEL, the Department of Parks and Recreation, and Public Health - Seattle & King County all use levy dollars to implement programs and support levy goals and objectives.

Levy investments are made in programs that improve academic achievement. To that end, each program undergoes ongoing program evaluation to ensure it delivers on specific targeted outcomes intended to improve academic achievement. DEEL publishes annual reports detailing program targets (adopted by the Levy Oversight Committee) and program results.

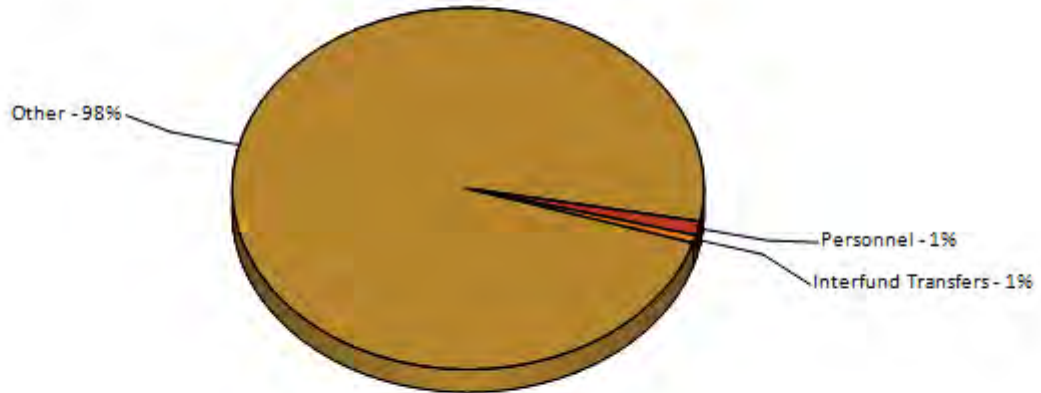
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$29,034,582	\$35,069,140	\$38,261,780	\$40,887,050
<b>Total Operations</b>	<b>\$29,034,582</b>	<b>\$35,069,140</b>	<b>\$38,261,780</b>	<b>\$40,887,050</b>
<b>Total Appropriations</b>	<b>\$29,034,582</b>	<b>\$35,069,140</b>	<b>\$38,261,780</b>	<b>\$40,887,050</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

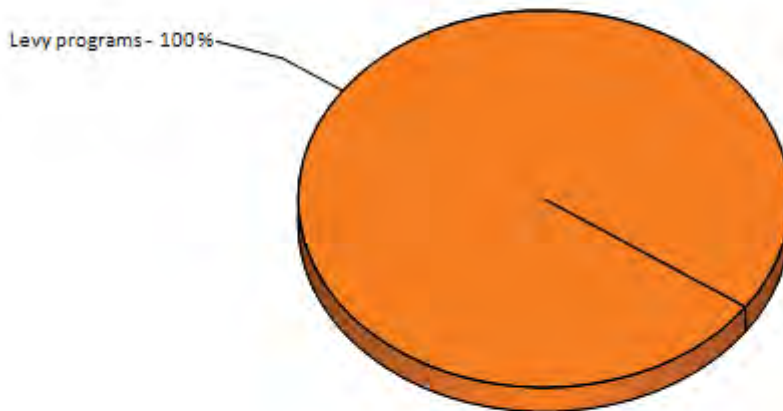
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Education-Support Services Levy

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Education-Support Services Levy

## Budget Overview

The 2011 Families and Education Levy substantially increases the overall funding available to support children and their families, both in- and out-of-school, in an effort to help all Seattle's children succeed academically. Outlined below is an overview of the six key program areas that were recommended by the 2011 Families and Education Levy Advisory Committee and funded in the levy:

1. **Administration and Evaluation**

The levy provides funding for staff in the Department of Education and Early Learning to provide the same level of oversight, administration, and strategic guidance for levy-funded programs throughout the life of the levy. These staff members are responsible for building strong partnerships with Seattle Public Schools, community funders, and community providers to ensure successful program development and implementation. As part of this program, the levy funds ongoing research and evaluation driven by the use of data to make continuous program improvements. This provides a strong accountability structure for levy programs, including a data-sharing agreement with Seattle Public Schools and performance based contracts tied to achieving specific indicator and outcome goals.
2. **Early Learning and School Readiness**
  - up to 736 Step Ahead pre-school slots annually for 4-year olds once the program is fully established (up to 635 slots in 2016-17 and 699 slots in 2017-18; starting in 2015, Step Ahead expansion funding is used to prepare providers for the quality standards of the Seattle Preschool Program);
  - professional development for Step Ahead, Early Childhood Education and Assistance Program, Head Start, Comprehensive Childcare Program, and Family Friend & Neighbor sites;
  - health screenings for Step Ahead;
  - home visitation for 2-3 year olds (160 families annually); and
  - support for families and children entering kindergarten each year.
3. **Elementary School Academic Achievement** includes funding for:
  - extended learning time and out-of-school time initially at 4 schools, increasing to 19 schools in 2016-17, and ramping up to 23 schools in 2017-18;
  - summer learning for up to 1,200 students once the program is fully established (Summer learning will jump from 470 students in 2016 to 800 in 2017 and 1,000 in 2018); and
  - family support for both high-risk elementary students and refugee/immigrant and Native American families and students.
4. **Middle School Academic Achievement and College/Career Preparation** includes funding for:
  - extended learning time and out-of-school time;
  - social, emotional, and behavioral support, college and career planning at 4 schools, case management for college and career planning for up to 600 students;
  - summer learning for up to 1,300 students at full implementation in 2018 (1,000 in 2017); and
  - out-of-school time transportation and sports.
5. **High School Academic Achievement and College/Career Preparation** includes funding for:
  - extended learning time & social, emotional, and behavioral support for ninth graders at five schools, college and career planning at five schools, case management for college and career planning for up to 400 students once the program is fully established (the program will serve 200 students in 2016-17 and 300 in 2017-18); and
  - summer learning for up to 500 students.
6. **Student Health** includes funding for:
  - school-based health centers (SBHCs) and nursing services at five middle schools and 10 high schools;
  - SBHC, nursing, and family engagement services at the Seattle World School;
  - SBHC services for students at the Interagency Academy;
  - health care, mental health interventions and community referrals for elementary school students at eight sites;
  - a quality control system for mental health providers; and

# Education-Support Services Levy

- oral health services for 10 schools.

The program areas described above represent the investment areas critical for children to achieve the educational milestones that will put them on a successful path from pre-school to post-secondary attainment. The Budget Control Levels mirror these program areas

The proposed budget reflects the level of expenditure described in the 2011 Families and Education Levy financial plan approved by the City Council in Ordinance 123567. The levy can legally collect property taxes in the amount of \$231.6 million over seven years, from 2012-2018. In the first year, 2012, the amount levied was \$32.1 million. This amount is then inflated by 1% annually through 2018. In addition, from 2012 to 2018, the Levy fund is expected to earn \$4.9 million from interest earnings on its fund balance, resulting in a combined total revenue estimate of \$236 million.

The levy implementation plan expands program service delivery levels during each successive year to include a growing number of schools and children. Due to the limitation of 1% annual growth in levy amounts imposed by law, and to fund the expanded program levels in the latter years of the levy, the funding strategy appropriated less than the revenues collected in the early years and held those funds in reserve within the City's Education - Support Services Fund (displayed at the end of this section). Those reserves are used to fund higher program and administration expenses in the final years of implementation. 2016 is the first year in which levy spending has exceeded revenues collected in that same year. All appropriated funds are also appropriated through the Department of Education and Early Learning (DEEL) operating fund. DEEL administers all levy appropriations.

## Incremental Budget Changes

### Education-Support Services Levy

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 35,069,140</b>	<b>0.00</b>	<b>\$ 35,069,140</b>	<b>0.00</b>
<b>Proposed Technical Changes</b>				
Increase Levy Funding to Administration and Evaluation	\$ 33,661	0.00	\$ 66,784	0.00
Increase Levy Funding to Early Learning	\$ 1,019,432	0.00	\$ 1,930,145	0.00
Increase Levy Funding to Elementary	\$ 1,250,089	0.00	\$ 2,149,132	0.00
Increase Levy Funding to Middle School	\$ 490,630	0.00	\$ 869,961	0.00
Increase Levy Funding to High School	\$ 236,469	0.00	\$ 479,767	0.00
Increase Levy Funding to Health	\$ 162,359	0.00	\$ 322,121	0.00
<b>Total Incremental Changes</b>	<b>\$ 3,192,640</b>	<b>0.00</b>	<b>\$ 5,817,910</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 38,261,780</b>	<b>0.00</b>	<b>\$ 40,887,050</b>	<b>0.00</b>

# Education-Support Services Levy

## Descriptions of Incremental Budget Changes

### Proposed Technical Changes

#### **Increase Levy Funding to Administration and Evaluation - \$33,661**

This adjustment transfers levy revenue to the Administration and Evaluation Budget Control Level (BCL) to reflect the expenditure plan of the levy as adopted by Council in Ordinance 123567. This funding is automatically transferred to DEEL to continue the same level of oversight, administrative, and strategic guidance for levy-funded programs throughout the life of the levy. There is no programmatic impact.

#### **Increase Levy Funding to Early Learning - \$1,019,432**

This adjustment adds funding to the Early Learning Budget Control Level to reflect the expenditure plan for the Families and Education Levy that was adopted by Ordinance 123567. The increase in funding will provide additional services in the following areas:

- **Seattle Preschool Program (SPP) Pathway (formerly known as Step Ahead) Slots**
  - 2016-17 School Year: 32 additional part-time and 49 full-time children
  - 2017-18 School Year: 64 additional children
  - 2018-19 School Year: 32 additional children (this lower number is due to the 2017-18 proposed budget not covering the 2019 portion of the school year)
- **Professional Development**

Increased staff and providers in Step Ahead and SPP Pathway requires additional resources to provide professional development activities including curriculum training and release time.
- **Assessment**

The increase in SPP Pathway students requires additional funding for assessment materials and training.
- **Child Care Subsidies**

Newly added and continuing Step Ahead and SPP Pathway children will have access to child care subsidies.

#### **Increase Levy Funding to Elementary - \$1,250,089**

This adjustment adds funding to the Elementary Budget Control Level to reflect the expenditure plan for the Families and Education Levy that was adopted by Ordinance 123567. The increase in funding will allow provide additional services in the following areas:

- **Elementary Innovation**
  - 2016-17 School Year: 3 additional schools (19 total) will receive Innovation grants, which are block grants to Seattle Public Schools that support academic and non-academic services for struggling students.
  - 2017-18 School Year: up to 4 additional schools (23 total) may receive Innovation grants.
- **Summer Learning**
  - 2016-17: 330 additional students raising the total from 470 in 2016 to 800 in 2017.
  - 2017-18: 200 additional students raising the total from 800 in 2017 to 1,000 in 2018.

#### **Increase Levy Funding to Middle School - \$490,630**

This adjustment adds funding to the Middle School Budget Control Level to reflect the expenditure plan for the Families and Education Levy that was adopted by Ordinance 123567. The increase in funding will provide additional services in Summer Learning, programs intended to help students who struggle the most, catch up with their peers



# Education-Support Services Levy

## Increase Levy Funding to High School - \$236,469

This adjustment adds funding to the High School Budget Control Level to reflect the expenditure plan for the Families and Education Levy that was adopted by Ordinance 123567. The increase in funding will provide additional services in High School Innovation:

- 2016-17 School Year: Case management for 200 additional students (20 10th graders at 5 innovation schools)
- 2017-18 School Year: Case management for 300 additional students (20 10th graders at 5 innovation schools)
- 2018-19 School Year: Case management for 400 additional students (20 10th graders at 5 innovation schools)

## Increase Levy Funding to Health - \$162,359

This adjustment adds funding to the Health Budget Control Level to reflect the expenditure plan for the Families and Education Levy that was adopted by Ordinance 123567. This provides the funding to help Seattle-King County Public Health continue providing their services through School-Based Health Centers at the same number of schools--26--as prior years.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>2011 Families and Education Levy</b>					
Administration and Evaluation Budget Control Level	IL702	1,497,259	1,546,452	1,580,113	1,613,236
Early Learning and School Readiness Budget Control Level	IL102	7,432,584	9,153,954	10,173,386	11,084,099
Elementary School Academic Achievement Budget Control Level	IL202	6,161,273	8,234,147	9,484,236	10,383,279
High School Academic Achievement and College/Career Preparation Budget Control Level	IL402	2,568,046	2,946,048	3,182,517	3,425,815
Middle School Academic Achievement and College/Career Preparation Budget Control Level	IL302	5,097,292	6,694,169	7,184,799	7,564,130
Student Health Budget Control Level	IL502	6,278,128	6,494,370	6,656,729	6,816,491
<b>Department Total</b>		<b>29,034,582</b>	<b>35,069,140</b>	<b>38,261,780</b>	<b>40,887,050</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Education-Support Services Levy

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
411100	Taxes, Levies, & Bonds	33,006,482	33,257,454	33,597,548	33,934,150
461110	Interest Earnings	611,280	894,941	811,131	663,642
461320	Unrealized Gains/Losses	-64,371	0	0	0
<b>Total Levy programs</b>		<b>33,553,391</b>	<b>34,152,395</b>	<b>34,408,679</b>	<b>34,597,792</b>
<b>Total Revenues</b>		<b>33,553,391</b>	<b>34,152,395</b>	<b>34,408,679</b>	<b>34,597,792</b>
379000	Use of (Contribution to) Fund Balance	-4,518,809	916,745	3,853,101	6,289,258
<b>Total Levy programs</b>		<b>-4,518,809</b>	<b>916,745</b>	<b>3,853,101</b>	<b>6,289,258</b>
<b>Total Resources</b>		<b>29,034,582</b>	<b>35,069,140</b>	<b>38,261,780</b>	<b>40,887,050</b>

## Appropriations By Budget Control Level (BCL) and Program

### Administration and Evaluation Budget Control Level

The purpose of the Administration Budget Control is to monitor that funds are used to achieve the Levy's goals of school readiness, academic achievement, reduced dropout rates and increased graduation rates, and student preparedness for college and/or careers after high school.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Administration and Evaluation	1,497,259	1,546,452	1,580,113	1,613,236
<b>Total</b>	<b>1,497,259</b>	<b>1,546,452</b>	<b>1,580,113</b>	<b>1,613,236</b>

### Early Learning and School Readiness Budget Control Level

The purpose of the Early Learning and School Readiness Budget Control Level is to ensure that children enter Seattle's schools ready to learn by increasing access for low-income families to higher quality and more extensive educational child care, and expanding the number of current early childhood education programs.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Early Learning and School Readiness	7,432,584	9,153,954	10,173,386	11,084,099
<b>Total</b>	<b>7,432,584</b>	<b>9,153,954</b>	<b>10,173,386</b>	<b>11,084,099</b>

## Education-Support Services Levy

### **Elementary School Academic Achievement Budget Control Level**

The purpose of the Elementary School Academic Achievement Budget Control Level is to improve Seattle's elementary school-aged children's ability to achieve academically by investing in quality academic support programs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Elementary School Academic Achievement	6,161,273	8,234,147	9,484,236	10,383,279
<b>Total</b>	<b>6,161,273</b>	<b>8,234,147</b>	<b>9,484,236</b>	<b>10,383,279</b>

### **High School Academic Achievement and College/Career Preparation Budget Control Level**

The purpose of the High School Academic Achievement and College/Career Preparation Budget Control Level is to improve Seattle's high school-aged children's ability to achieve academically, complete school, and be prepared for college and/or careers after high school by investing in quality academic support programs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
High School Academic Achievement and College/Career Preparation	2,568,046	2,946,048	3,182,517	3,425,815
<b>Total</b>	<b>2,568,046</b>	<b>2,946,048</b>	<b>3,182,517</b>	<b>3,425,815</b>

### **Middle School Academic Achievement and College/Career Preparation Budget Control Level**

The purpose of the Middle School Academic Achievement and College/Career Preparation Budget Control Level is to improve Seattle's middle school-aged children's ability to achieve academically, complete school, and be prepared for college and/or careers after high school by investing in quality academic support programs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Middle School Academic Achievement and College/Career Preparation	5,097,292	6,694,169	7,184,799	7,564,130
<b>Total</b>	<b>5,097,292</b>	<b>6,694,169</b>	<b>7,184,799</b>	<b>7,564,130</b>

### **Student Health Budget Control Level**

The purpose of the Student Health Budget Control Level is to reduce health-related barriers to learning so that students can achieve academically, complete school, and be prepared for college and/or careers after high school by investing in school-based health programs located at Seattle Public Schools.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Student Health	6,278,128	6,494,370	6,656,729	6,816,491
<b>Total</b>	<b>6,278,128</b>	<b>6,494,370</b>	<b>6,656,729</b>	<b>6,816,491</b>

## Education-Support Services Levy

### Education Levy Fund Table

#### 2011 Families and Education Levy (17857)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>45,706,181</b>	<b>47,350,010</b>	<b>50,224,990</b>	<b>49,308,245</b>	<b>45,455,144</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	33,553,391	34,152,395	34,152,395	34,408,679	34,597,792
Less: Actual and Budgeted Expenditures	29,034,582	35,069,140	35,069,140	38,261,780	40,887,050
<b>Ending Fund Balance</b>	<b>50,224,990</b>	<b>46,433,265</b>	<b>49,308,245</b>	<b>45,455,144</b>	<b>39,165,886</b>
Reserved Fund Balance	50,224,990	46,433,265	49,308,245	45,455,144	39,165,886
<b>Total Reserves</b>	<b>50,224,990</b>	<b>46,433,265</b>	<b>49,308,245</b>	<b>45,455,144</b>	<b>39,165,886</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Families and Education Levy ends collections in 2018 and fully funds the 2018-2019 school year. As a result, no revenues or expenditures are shown for 2020. To maintain the same level of service an alternative revenue source will be required.



# Human Services Department

Catherine Lester, Director

(206) 386-1001

<http://www.seattle.gov/humanservices/>

## Department Overview

The mission of the Human Services Department (HSD) is to connect people with resources and solutions during times of need, so all Seattle residents can live, learn, work, and take part in strong and healthy communities. HSD contracts with more than 170 community-based human service providers and administers programs to ensure Seattle residents have food and shelter, education and job opportunities, access to health care, opportunities to gain social and economic independence and success, and many more of life's basic necessities. HSD is committed to working with the community to provide appropriate and culturally-relevant services.

HSD's Strategic Plan, "Healthy Communities, Healthy Families" identifies a set of goals and actions to position HSD to better serve clients and strengthen the City's overall service delivery system. The strategic plan includes four key goals:

- Create a Proactive, Seamless Service System;
- Strengthen and Expand Partnerships;
- Engage and Partner with the Community; and
- Use Data-Driven Design and Evaluation.

HSD's work is funded by a variety of revenue sources, including federal, state and inter-local grants, and the City's General Fund. General Fund contributions leverage significant grant revenues to benefit Seattle residents. As a result, external grants represent approximately 44% of HSD's revenue, while General Fund represents 56%.

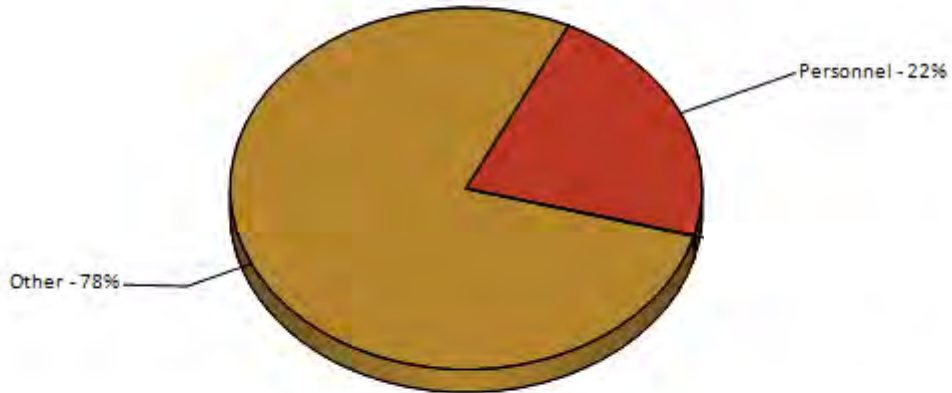
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$71,810,147	\$77,492,873	\$88,875,739	\$86,297,607
Other Funding - Operating	\$54,947,213	\$64,678,855	\$67,878,352	\$66,095,816
<b>Total Operations</b>	<b>\$126,757,360</b>	<b>\$142,171,728</b>	<b>\$156,754,091</b>	<b>\$152,393,423</b>
<b>Total Appropriations</b>	<b>\$126,757,360</b>	<b>\$142,171,728</b>	<b>\$156,754,091</b>	<b>\$152,393,423</b>
Full-time Equivalent Total*	326.60	331.60	325.00	325.00

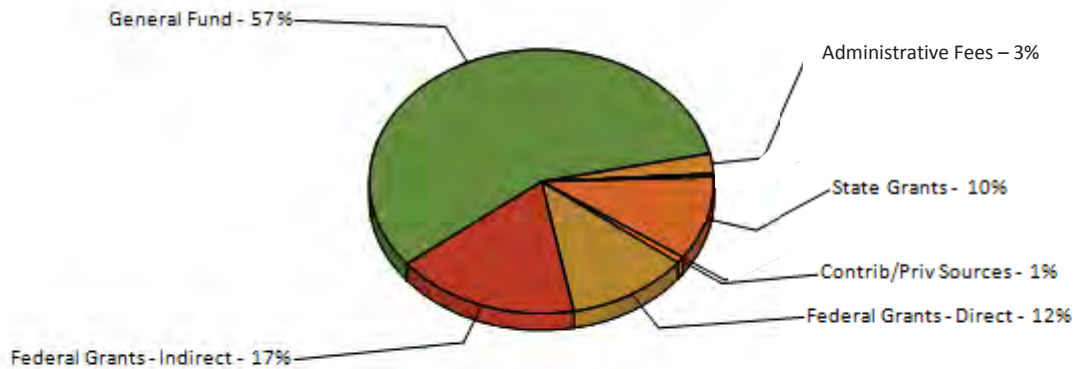
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Human Services Department

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Human Services Department

## Budget Overview

The 2017-2018 Proposed Budget for the Human Services Department (HSD) adds strategic new investments and increases support in key program areas such as:

- homelessness
- domestic violence
- minimum wage mitigation
- youth opportunity
- gun violence prevention and
- community facilities.

The 2017-2018 Proposed Budget continues support for the homelessness investments identified as best practices added as part of the State of Emergency (SOE) Executive Order. The proposed budget also continues funding for shelter beds and expanded operating hours increased under the SOE. The 2017-2018 Proposed Budget adds new strategic investments in homelessness, domestic violence, youth opportunity, and community facilities. The proposed budget continues funding for a gun violence prevention program and restores funding for minimum wage mitigation for human services providers.

### Homelessness Policy Framework and System Transformation

In late 2015, Mayor Murray declared a State of Emergency in response to the homeless crisis. The 2016 One Night Count (ONC) found that 4,505 individuals were living outside and unsheltered in King County, a significant increase from the 2015 count. The majority of these individuals were counted in the City of Seattle. As part of the State of Emergency Declaration, the Mayor and the Council added \$7.3 million in investments to address the immediate needs of unsheltered individuals in our community, including expanding outreach to connect those in need to shelter and services; increasing shelter and sanctioned encampment capacity; and investing in best practice interventions such as rapid rehousing and diversion.

Building on the recommendation in the 2015 Homelessness Investment Analysis, and the All Home Strategic Plan, HSD partnered with King County, All Home, United Way of King County to contract with Focus Strategies to conduct an assessment of the performance of the community's efforts to reduce homelessness using the System Wide Analysis and Protection (SWAP) tool. The Focus Strategies consultants help communities improve efforts to end homelessness by using local data to shape program and system redesign. Focus Strategies conducted an in-depth assessment of the programs in Seattle and King County's current system. Building on the analysis and recommendations from the Focus Strategies SWAP process, HSD contracted with a national expert, Barbara Poppe, to provide recommendations to transform the City's investments into a person-centered system to respond to homelessness that is in alignment with federal partners and best practices to reduce homelessness.

In response to the findings and recommendations from Focus Strategies and Barbara Poppe, HSD developed "Pathways Home, Seattle's Person-Centered Plan to Support People Experiencing Homelessness" [Pathways Home Plan](#). The Pathways Home plan outlines a path to achieve the following:

- create a person-centered systemic response to homelessness that is based on the principles of housing first and progressive engagement and that prioritizes households experiencing literal homelessness;
- invest in models demonstrating success in exits to permanent housing, using competitive funding processes, performance-based contracting and data driven decision making;
- address racial disparities using results-based accountability and analysis of outcomes by race;
- improving investment alignment within the City of Seattle and also with external partners;
- improving HSD procedures to result in routine, competitive funding processes that are focused on outcomes-driven and performance-based contracts; and
- investing in data and evaluation capacity that is necessary to support systemic transformation.



# Human Services Department

In response to the Pathways Home Plan, the 2017-2018 Proposed Budget for homelessness investments is focused around four areas:

1. commitment to families living unsheltered;
2. continuing SOE best practices, and investing in new best practices such as the Navigation Center;
3. investing in capacity to support system transformation; and
4. maintaining stability in shelter and encampments through system transition.

The 2017-2018 Proposed Budget includes almost \$1 million in investments that will help to create capacity to house the families living unsheltered on the waitlist for homelessness services. These investments include diversion and rapid rehousing funding, as well as funding for motel vouchers for families. The proposed budget also includes a \$200,000 investment in Domestic Violence and Sexual Assault (DVSA) housing first and case management programs.

The 2017-2018 Proposed Budget also includes \$5 million to continue best practices, initially funded as part of the State of Emergency, as well as investments in new best practices. The continuing SOE investments include funding for rapid rehousing and diversion for single adults, outreach to unsheltered individuals and families, youth case management, and mobile medical van services. The new investments include funding to convert an existing shelter to a 24-hr model and funding for a new Navigation Center. On August 2, 2016, Seattle voters approved a new seven-year, \$290 million housing levy to produce affordable housing for seniors, people with disabilities, low-wage workers and people experiencing homelessness. The 2017-2018 Proposed Budget reflects additional revenue from the housing levy to support an increase to the Homelessness Prevention Program.

In order to support system transformation, the proposed budget includes \$1.1 million in investments for staffing and data capacity, enhancing the Coordinated Entry system and standing up the Housing Resource Center. Implementation of the Pathways Home plan will require HSD to make significant changes to their current business practices around homelessness investments. Performance-based contracting requires new data expertise to collect and interpret both program-and system-level data and a deeper level of expertise to actively monitor fidelity to best practice program models. To facilitate these changes and allow for a more streamlined focus on homelessness, the department has created a new Division of Homeless Strategy and Investment. Over the next year this division will be implementing the following actions from the Pathways Home plan:

- standing up the Family Impact Team to convene and actively engage family service providers in working a "by name list" to shelter families on the waitlist;
- implementing the Housing Resource Center in partnership with King County;
- developing and implementing an outreach continuum focused on housing outcomes;
- standing up the new 24-hour Navigation Center shelter;
- convening "by name list" groups for long-term shelter stayers, youth and young adults and unsheltered outreach;
- establishing and actively monitoring performance standards in contracts and providing substantial training and technical assistance to agencies to improve their performance and ability to compete in the RFP process; and
- planning for the 2017 request for proposal (RFP) on all homelessness investments.

The proposed budget also includes funding to support the new Coordinated Entry system and stand up the Housing Resource Center. Both Coordinated Entry and the Housing Resource Center were key recommendations included in the Pathways Home framework.

The 2017-2018 Proposed Budget includes \$2 million to maintain stability in shelter and encampments as system transformation changes are made. These investments include continuing SOE funding to maintain the additional shelter beds and increased operating hours. The proposed budget also includes funding for a faith-based partnership to expand shelter capacity and operating support. These investments maintain stability in shelter

# Human Services Department

system capacity as HSD moves toward an RFP process for all homeless investments in 2018.

## **Mayor's Youth Opportunity Initiative**

In 2015, the Mayor convened a Youth Opportunity Summit, with a particular focus on improving outcomes for young men of color. In addition to the Summit, the City committed to three related national initiatives including: President Obama's My Brother's Keeper, Cities United, and the National Forum on Youth Violence Prevention. The Mayor's Youth Opportunity initiative builds on this work, and is focused on five pillars including the following: education, employment, free of criminal justice, health, and positive connections to community.

To support this work, the 2017-2018 Proposed Budget includes \$400,000 to expand the Career Bridge program, and the proposed budget also repurposes \$150,000 in existing resources to support a mentoring program for middle-school students.

## **Minimum Wage Mitigation**

The 2017-2018 Proposed Budget restores funding for minimum wage mitigation for human services providers. In the 2016 Adopted Budget, the Council reduced funding for minimum wage mitigation. The proposed budget includes funding to offset the increased costs for human services providers contracting with HSD. As more investments are competitively bid by HSD, the need for separate funding for minimum wage mitigation will be reduced.

# Human Services Department

## Performance Measures Budget Book Pilot- Human Services Dept

The Human Services Department (HSD) is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and are not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, HSD worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the Mayor’s 2016 Adopted Budget and now the 2017-18 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The following tables present information gathered during the initial pilot phase, subject to further refinement as this pilot is developed.

<b>Homeless Shelters</b>						
Provide Shelter and Access to Housing Options for Homeless Persons and Families						
2017-2018 Proposed Budget: \$12,512,368 (2017), \$12,722,541 (2018)						
<b>Program Summary:</b> Seattle is confronting a homelessness crisis with approximately 3,000 persons (adults and children) without a place to sleep as identified in the 2016 One Night Count. The Mayor has declared a State of Emergency, which added new resources to existing funding designed to shelter and move homeless persons and families into stable housing.						
<b>Past Performance:</b> 2014 actuals and estimates were updated due to a change in calculation methodology. In 2015 and moving forward ‘Returns to Homelessness’ will be calculated using the ‘Exit Destination’ field in the Homeless Management Information System (HMIS) database. People whose ‘Exit Destination’ is described as a ‘place not meant for human habitation’ or ‘exited to another shelter’ are counted as ‘Returns to Homelessness’. If the Exit Destination is ‘Don’t know/refused exits’, these entries are excluded from the calculation. All other exits are considered not to be Returns to Homelessness. The data in 2015 shows a small decrease in Returns to Homelessness, but Length of Stay increased by 10 days.						
<b>2017-18 Goal Statement:</b> Decrease length of stay in homeless shelters and decrease rate of shelter clients returning to homelessness.						
<b>Expected Result:</b> Beginning in 2017 all Homeless Shelter contracts will include the performance standards outlined in <i>Pathways Home</i> , a person-centered plan to reduce homeless in Seattle. Along with all the other system transformation efforts, implementing performance based contracts is expected to increase shelter throughput. One significant change to contracts will be the expectation that shelters are exiting people to permanent housing and that length of stays are less than 30 days.						
	<b>2014</b>	<b>2015</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Estimated</b>	<b>Actuals</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
Length of Stay (average bed nights)	57	20	67	20	20	20
Returns to Homelessness	56%	55%	52%	45%	35%	35%
	<b>2014</b>	<b>2015</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Adopted</b>	<b>Actuals</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Total Program Cost	\$9,009,662	\$9,183,060	\$9,005,219	\$9,828,808	\$12,512,368	\$12,722,541
Figures above do not include staffing costs for HSD. The 2017-18 Proposed Budget only includes emergency shelter services, it does not include transitional housing, day/hygiene centers, street outreach or meal programs.						

# Human Services Department

## **Food and Meals**

Provide Food and Meals to Persons and Families Without Sufficient Resources

*2017-2018 Proposed Budget: \$2,863,990 (2017), \$2,866,543 (2018)*

**Program Summary:** Each year, the Seattle Human Services Department helps people meet their basic nutritional needs by investing in meal and food bank programs for people who are homeless, homebound or have low incomes and food distribution systems for providers.

**Past Performance:** For food and meals the community exceeded the targeted meals by an additional 54,077 meals in 2015.

**2017-18 Goal Statement:** Provide sufficient quantity of food and meals to meet the needs of those without sufficient resources.

**Expected Result:** We project an increase in emergency meals served in 2017/2018, with an additional 16,000 meals beyond the 2015 number of actual meals provided. The expected increase in meals/participants is due to the King County Mobile Medical Van partnership at the meal programs and food bank.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of individuals received emergency food/meals	524,527	525,000	579,077	525,000	595,487	595,487
Cost per participant served	\$5.15	\$5.30	\$5.56	\$5.35	\$4.81	\$4.81
	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Program Cost	\$2,701,624	\$2,784,847	\$2,703,525	\$2,806,288	\$2,863,990	\$2,866,543

# Human Services Department

## Youth Employment

Provide youth and young adults with meaningful employment opportunities  
*2017-2018 Proposed Budget: \$4,061,930 (2017), \$4,298,391 (2018)*

**Program Summary:** The Seattle Youth Employment Program (SYEP) offers underserved youth and young adults meaningful employment opportunities that serve as a critical first step on the pathway to post-secondary attainment and adult employment. Internships and short-term, entry level jobs are offered by City departments, as well as private sector partners. HSD provides funding for 450 paid positions, while private sector employers provide funding for the remainder of the positions.

**Past Performance:** More than 425 youth have been placed YTD and SYEP will place the remainder by December 31, 2016.

**2017-18 Goal Statement:** Place 450 youth in HSD-funded internships by December 31, 2016.

**Expected Result:** The funding for the SYEP program will continue at level funding in 2017 and 2018, which will ensure support for 450 youth internships each year.

	<b>2014</b>	<b>2015</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Estimated</b>	<b>Actuals</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
Number of youth placed in internships*	446	450	470	450 *	450 *	450 *
Cost per youth served	\$7,935	\$9,266	\$8,802	\$9,260	\$9,027	\$9,552
	<b>2014</b>	<b>2015</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Adopted</b>	<b>Actuals</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Total Program Cost	\$3,538,911	\$4,169,654	\$4,136,710	\$4,167,129	\$4,061,930	\$4,298,391

# Human Services Department

## Senior Centers

Older Adults Improve their Health through Senior Center Participation

2017-2018 Proposed Budget: \$1,569,162 (2017), \$1,572,049 (2018)

**Program Summary:** Senior Centers are places where older adults can access a range of activities and services to improve their health, wellbeing, and independence. Senior Centers are also important community and neighborhood hubs that raise awareness of aging issues, promote aging readiness and generate support for healthy aging.

**Past Performance:** In 2015, HSD implemented a new outcome measurement tool to track the impact of Senior Center programs. Of the 2052 surveys completed in 11 centers, 96% of participants reported improved physical health and 97% reported increased ability to maintain independence. Senior Center participants of color increased from 39% in 2014 to 45% in 2015. The total number of participants also increased from 12,396 to 12,449.

**2017-18 Goal Statement:**

- 1) Measure the rate of older adults reporting improved health as a result of participating in Senior Center programs.
- 2) Increase the number of older adults participating in Senior Center programs, particularly older adults of color.

**Expected Result:** The variance between 2016 Adopted Budget and 2017 estimated budget is due to a reallocation of funds that occurred in 2016, which was not reflected in the 2016 budget adoption. In 2017-2018, HSD will continue to work with the centers to strengthen demographic data collection. HSD will also disaggregate outcome survey results so that disparity data can be evaluated.

	<b>2014 Actuals</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of Senior Center participants	12,396	12,499	12,449	12,600	12,650	12,700
Cost per participant	\$86.98	\$94.09	\$ 99.29	\$ 117.94	\$124.04	\$ 123.78
% participants of color	39%	45%	45%	50%	50%	50%
% reporting improved health	n/a	96%	96%	96%	96%	96%
	<b>2014 Actuals</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Dollars	\$1,078,266	\$1,171,303	\$1,236,093	\$1,486,093	\$1,569,162	\$1,572,049

# Human Services Department

## Domestic Violence and Sexual Assault Support

Addressing Gender-Based Violence

2017-2018 Proposed Budget: \$5,515,971 (2017), \$5,515,971 (2018)

**Program Summary:** Annually HSD invests more than \$5 million in services and programs to address domestic violence, sexual assault, commercial sexual exploitation, prevention, intervention, coordinated response, and offenders’ accountability programs. These investments include programs that deliver support to populations with limited or no English proficiency. In 2014 providers exceeded the target of providing services to 2,626 individuals.

**Past Performance:** HSD aims to increase access for survivors of gender-based violence and their family, specifically those from marginalized communities. An additional 80 clients will be served via investments in DV community advocacy, DV transitional housing, and/or DV civil legal services.

**2017-18 Goal Statement:** In 2017-2018, HSD will continue to invest in programming and partnerships with key stakeholders (non-profits, government, and communities) to address gender based violence including domestic violence, sexual assault and commercial sexual exploitation prevention, intervention, offender accountability and coordinated response services.

**Expected Result:** In 2017 – 2018, HSD anticipates an increase of 3% in number of clients served based on previous years. The department will continue to work towards increasing equity and decreasing disparities.

	<b>2014 Actual</b>	<b>2015 Estimated</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
Number of individuals receiving support services *	2,548	2,743	2,627	2,706	2,787	2,871
Cost per client served	\$1,763	\$1,914	\$1,731	\$1,955	\$1,979	\$1,922
	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Dollars	\$4,490,901	\$5,249,270	\$4,547,154	\$5,289,739	\$5,515,971	\$5,515,971

\*NOTE: The reported “Actual number of individuals receiving support services” only accounts for domestic violence (DV) investments in long term and/or on-going supportive services. To decrease duplicate services, this number is limited to investments in: DV Community Advocacy, DV Transitional Housing, and DV Civil Legal Assistance. The number does not include: DV Emergency Shelter, DV After Hours Cell Phone, Batterer Intervention Services, Gender-Based Violence Prevention, Sexual Assault Victim Services, and Commercial Sexual Exploitation Victim Services.

# Human Services Department

## Incremental Budget Changes

### Human Services Department

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 142,171,728</b>	<b>331.60</b>	<b>\$ 142,171,728</b>	<b>331.60</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 95,536	-10.10	\$ 113,502	-10.10
Adjustment for One-Time Adds or Reductions	-\$ 4,547,216	0.00	-\$ 4,547,216	0.00
Citywide Adjustments for Standard Cost Changes	\$ 1,061,685	0.00	\$ 2,086,904	0.00
<b>Proposed Changes</b>				
Enhance Homelessness Services for Families	\$ 991,000	0.00	\$ 991,000	0.00
Enhance Homelessness Services by Investing in Best Practices	\$ 5,020,017	0.00	\$ 3,735,017	0.00
Support Homelessness System Redesign and Data Capacity	\$ 1,082,379	4.00	\$ 948,839	4.00
Stability in Shelter/Encampments Through Transition	\$ 2,199,711	0.00	\$ 2,073,711	0.00
Unsanctioned Encampments Cleanup Protocols Task Force	\$ 2,800,000	0.00	\$ 0	0.00
Mayor's Youth Opportunity Initiative	\$ 400,000	0.00	\$ 400,000	0.00
Minimum Wage Mitigation	\$ 505,070	0.00	\$ 701,013	0.00
Gun Violence Prevention	\$ 275,000	0.00	\$ 0	0.00
Support Community Facilities	\$ 2,100,000	0.00	\$ 0	0.00
Citywide Summit Re-Implementation Project	\$ 863,645	0.00	\$ 447,098	0.00
Technical Changes	\$ 1,735,536	-0.50	\$ 3,271,827	-0.50
<b>Total Incremental Changes</b>	<b>\$ 14,582,363</b>	<b>-6.60</b>	<b>\$ 10,221,695</b>	<b>-6.60</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 156,754,091</b>	<b>325.00</b>	<b>\$ 152,393,423</b>	<b>325.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$95,536/(10.10) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from



# Human Services Department

departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

## **Adjustment for One-Time Adds or Reductions - (\$4,547,216)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. These adjustments remove the following one-time items:

- competitive funding for community health facilities
- child care bonus project budget authority;
- support for a capacity building position;
- support for the gun violence prevention pilot;
- Summit Reimplementation (SRI) support;
- alternative to detention program; and
- support for Kinship collaboration.

Funding for SRI, the gun violence prevention pilot, and support for the alternative to detention program are included in other parts of the budget.

## **Citywide Adjustments for Standard Cost Changes - \$1,061,685**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

## **Proposed Changes**

### **Enhance Homelessness Services for Families - \$991,000**

The Human Services Department invests more than \$7 million in services for families who are experiencing homelessness, in addition to substantial investments by King County. Despite this level of investment there continues to be strong demand for services. There are currently 500 families on the Coordinated Entry waitlist who are living unsheltered due to barriers to program entry and system inefficiencies. According to a 2014 Focus Strategies report, families in King County were waiting for an emergency shelter for an average of 186 days. In response to this demand, and actions outlined in the Pathways Home plan, the 2017-2018 Proposed Budget adds approximately \$1 million to support unsheltered families. These investments include \$600,000 in funding for diversion and rapid rehousing for families, and \$191,000 for a community-based program which provides motel vouchers and case management services to families experiencing homelessness.

The 2017-2018 Proposed Budget also includes \$200,000 to support domestic violence housing first and case management programs. This represents a 27% increase over the base budget for domestic violence shelter and housing programs.

In addition to the budget increases, the Pathways Home plan also includes changes to the homelessness system that will work to reduce the number of families on the waitlist. HSD will convene the Family Impact Team and actively engage family service providers in working a "By Name List" to shelter families on the Coordinated Entry waiting list, allowing HSD and providers to identify barriers and actively problem solve so families can more quickly access the resources needed to address homelessness.

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## **Enhance Homelessness Services by Investing in Best Practices - \$5,020,017**

The 2017-2018 Proposed Budget continues SOE funding for activities that were identified as best practices and invests in new best practices. The 2017-2018 Proposed Budget includes \$2.1 million for operating costs for the new Navigation Center, which is based on the San Francisco model. The Mayor took action in Executive Order 2016-05 to create the Navigation Center, a low-barrier 24-hour shelter program which has the primary goals of: assisting people who are unsheltered and moving them into housing as rapidly as possible; and to increase the capacity of providers to provide tailored services utilizing an intensive service model based on flexible, housing-first practices. The Navigation Center model is designed specifically to respond to challenges including, but not limited to: unsheltered people living as couples, with pets, with large amounts of possessions, and with active drug and alcohol use. Part of the funding for the new center will come from an increase to the solid waste utility tax. Details on the tax are included in the Seattle Public Utilities (SPU) section of the budget.

In addition to the Navigation Center, the proposed budget includes \$440,000 to convert an existing shelter to a 24-hour shelter. Focus Strategies and Barbara Poppe recommended the City invest in comprehensive emergency shelter. The shelters which are considered best practice models typically operate 24/7 year round, have low barriers to entry and work to connect their clients to permanent housing.

The 2017-2018 Proposed Budget includes \$300,000 for Rapid Rehousing for single adults and \$100,000 for diversion flexible funding for single adults. Both Focus Strategies and Barbara Poppe recommend progressive engagement and bringing investments in rapid rehousing and diversion to scale. They found that many people entering the shelter system are experiencing an emergency housing crisis that could have been resolved through a diversion program, avoiding ever entering shelter. The consultants also recommended additional funding for Rapid Rehousing. Rapid Rehousing is a more effective and cost-effective investment than long stays in shelter. Rapid rehousing and diversion are key Pathways Home actions which work toward increasing the throughput in the shelter system, allowing for more people to be served.

The proposed budget includes \$360,000 for youth case management programs. National experts and local leaders consulted by Barbara Poppe agreed that case management is a critical service for youth and young adults that supports diversion, family reunification, housing stability and cross-program coordination. With these investments, the community-based organizations are expected to provide case management services to more than 300 youth and young adults.

The 2017-2018 Proposed Budget also includes \$184,000 in new General Fund, and \$316,000 in repurposed base funding, for the Mobile Medical Van (MMV). The MMV provides patient-centered care and case management services to homeless individuals and families. The van will be operated by Seattle King County Public Health and the staffing on the van includes a Physician, Registered Nurse, Medical Assistant as well as a Social Worker/Behavioral Health Specialist.

In addition to these investments, the 2017-2018 Proposed Budget includes \$500,000 from the increase to the solid waste tax to continue outreach services to homeless encampments. The City's practices on cleaning unsanctioned encampments are outlined in the Multi-Departmental Administrative Rules (MDAR), which were established in 2008. The Mayor has convened a task force to review the MDAR and to make recommendations updating the policies.

The 2017-2018 Proposed Budget also includes \$56,000 to continue funding for an expansion of hours to a day worker program.

## **Support Homelessness System Redesign and Data Capacity - \$1,082,379/4.00 FTE**

The 2017-2018 Proposed Budget includes \$150,000 to support changes to the Coordinated Entry system and \$56,000 for the new Housing Resource Center (HRC). Both the Coordinated Entry system and the HRC are administered by King County, and these increases reflect an 118% increase over base funding. The Coordinated Entry system will manage access to a full range of homelessness assistance services. When fully operational, the

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system will serve all families and individuals who are literally homeless, as well as young adults who are at imminent risk of homeless. The funding for the Coordinated Entry system will support regional access points located in Seattle. The regional access points are housed at agencies selected to serve as the intake and assessments sites for individuals and families experiencing homelessness. The HRC is a redesign of the current Landlord Liaison program, started in 2009 to increase access to market rate housing for homelessness individuals and families with barriers to permanent housing. The HRC expands on this approach to create a systematic way that available affordable and market rate rental units can be made available to individuals and families exiting homelessness through the use of a rental subsidy or voucher program. The HRC will use housing locators who have a background in real estate, or property management to engage landlords and increase the stock of housing available to homeless individuals and families. Enhancing both the Coordinated Entry system and the HRC are key recommendations coming out of the consultants' analysis.

The 2017-2018 Proposed Budget also adds \$464,000 and 4.0 FTEs in the Human Services Department to support the Pathways Home implementation. Some of the key actions of the Pathways Home plan are to have a system that is outcomes driven and an investment strategy that is based on system and program performance. Specific recommendations include having HSD convene by-name list groups, and stand up a family impact team. HSD staff will convene groups of providers to actively find housing placements and other services for individuals and families who are on a wait list for services. HSD will work with providers on ensuring quality data to evaluate the program performance and HSD staff will also provide training and technical assistance to improve program performance.

The 2017-2018 Proposed Budget also includes \$250,000 to add 2.0 FTEs to support data capacity, and \$150,000 for consultant support to evaluate HSD's data systems. The Pathways Home plan identified a need to invest in data and evaluation capacity to support system transformation. Performance-based contracting requires new data expertise to collect and interpret both program and system-level data, and a deeper level of expertise to actively monitor fidelity to best practice program models.

## **Stability in Shelter/Encampments Through Transition - \$2,199,711**

The Human Services Department invests more than \$11 million in emergency shelters and safe havens. In 2015, HSD funded 1,724 shelter beds for single adults and families with children. In 2016, additional capacity was added to the shelter system with one-time SOE funding targeted to increasing the number of shelter beds available and expanding operating hours of some shelters.

The 2016 Focus Strategies report found that average utilization for emergency shelter was 89% for adult households and 69% for family households. The report also found that Seattle and King County has sufficient emergency shelter capacity to shelter all single adult and family households when the following initiatives are fully implemented: eliminating low and moderately performing transitional housing projects; reaching recommended system and program performance targets; and implementing a well-functioning coordinated entry and diversion system.

HSD will add performance standards into contracts in 2017 for monitoring and technical assistance purposes. HSD will offer technical assistance to improve outcomes for programs not meeting minimum standards. All homelessness investments will be a part of a competitive RFP process in 2017 for awards in 2018. In the interim, the 2017-2018 Proposed Budget includes \$687,000 to maintain shelter bed capacity for single adults and families that was increased with the State of Emergency (SOE) funding. The proposed budget also maintains \$440,000 in SOE funding specifically dedicated to youth and young adult shelter beds. This investments supports 30 beds, as well as increased hours at a youth shelter.

The 2017-2018 Proposed Budget also includes \$273,000 to support sanctioned encampments. This increase is in addition to \$240,000 in the base budget. The funding for sanctioned encampments is supported by the increase to the solid waste utility tax. The proposed budget also includes an increase of \$515,000 to support an extended-hour shelter for men in lower Queen Anne. This is an increase over the base budget of \$422,000.

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## **Support and Services for People Living Unsheltered and Implementation of Amended Encampment Cleanup Protocols - \$2,800,000**

The Mayor and City Council are engaged in efforts to modify encampment cleanup protocols and examine options to provide safe alternatives to camping in public spaces, additional services and supports for people living unsheltered. A task force has been convened to develop potential recommendations and the 2017-2018 Proposed Budget includes \$2.8 million to improve coordination and outreach; increase safe sleeping locations, shelter and housing options; address public health and safety issues and the storage of belongings.

## **Mayor's Youth Opportunity Initiative - \$400,000**

The Mayor's Youth Opportunity Initiative (MYOI) is focused on increasing access to opportunities and resources for all youth, with a particular emphasis on youth of color and young black males, so all youth are able to thrive and successfully transition to adulthood. The initiative crosses the five pillars of education, employment, free of criminal justice, health, and positive connections to community. To advance this initiative, the 2017-2018 Proposed Budget adds \$400,000 to expand the Career Bridge program. The proposed budget also includes \$100,000 in existing resources for a middle-school mentoring program.

The Career Bridge program helps men and women of color who face multiple barriers to employment through mentoring support, job readiness training and wrap-around social services. The program is focused on developing economic opportunities while also strengthening communities and families. A 2015 program evaluation done by MEF Associates found that the Career Bridge program has led to strong employment outcomes, and has the potential to benefit the individuals enrolled and their communities. The increase in the proposed budget will allow for an additional 60 people to be served.

The 2017-2018 Proposed Budget includes funding to expand a mentoring program focused on black male students. The program will be implemented through the existing Department of Parks and Recreation community learning centers (CLCs), and will serve 175 students at five middle schools.

There are significant opportunity gaps for black male students in the Seattle Public Schools. As a group, black male students score lower than their peers on reading and math tests, and experience higher rates of suspension and expulsion. The outcomes that will be measured from this program include increased attendance, decreased suspensions and expulsions, passing classes with a C grade or better, and meeting grade-level standards on math and reading assessments.

## **Minimum Wage Mitigation - \$505,070**

The 2015 Adopted and 2016 Endorsed Budget included funding to mitigate the impacts of minimum wage on human services providers. The 2016 Adopted Budget reduced most funding for minimum wage mitigation, but retained a base level of funding at \$343,000. The 2017-2018 Proposed Budget includes an increase of \$505,000 for minimum wage mitigation. This increase is based on staffing cost increases for human services providers contracting with the City.

## **Gun Violence Prevention - \$275,000**

The 2016 Adopted Budget included funding for a two-year gun violence prevention pilot project. This proposed budget continues \$275,000 in funding for the pilot on a one-time basis. The pilot is based on joint research done by Harborview Injury Prevention and the University of Washington. The research found there are a small number of individuals admitted annually to hospitals in King County for firearm-related injuries, and interventions with these individuals have the potential to reduce the risk of recidivism. Data for the first year of the pilot is expected to be available in December 2017. Ongoing funding for the program will be evaluated as part of the 2018 Proposed Budget process.

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## Support Community Facilities - \$2,100,000

The 2017-2018 Proposed Budget includes \$2 million in Child Care Bonus funds on the construction of a new child care facility at the Denise Louie Education Center at Building 9 in Magnuson Park. The project will include affordable housing and 90 child care slots. At least 50% of the children enrolled in the child care slots will be from low-income families. The 2017-2018 Proposed Budget also includes \$100,000 for increased accessibility at a community-based organization. The funding will help to support the installation of an elevator.

## Citywide Summit Re-Implementation Project - \$863,645

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## Technical Changes - \$1,735,536/ (.50) FTE

The technical changes include \$1.2 million for contract inflation on general fund contracts, which is a 2% inflationary increase. The technical changes also include the abrogation of a Strategic Advisor 2 position added with one-time resources in 2016, which was focused on capacity building.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>CDBG - Human Services Department Budget Control</b>					
Homeless Intervention		3,780,645	3,786,254	3,961,545	3,761,545
Leadership and Corporate Services		1,101,910	1,051,074	1,047,706	1,047,706
<b>Total</b>	<b>6HSD10</b>	<b>4,882,555</b>	<b>4,837,328</b>	<b>5,009,251</b>	<b>4,809,251</b>
<b>Aging and Disability Services</b>					
<b>Aging and Disability Services - Area Agency on Aging Budget Control</b>					
Healthy Aging		9,214,671	9,041,263	10,670,539	10,820,109
Home-Based Care		23,623,531	24,983,055	24,935,652	26,103,626
Mayor's Office on Senior Citizens		565,223	528,668	604,163	620,032
Planning and Coordination		2,670,824	2,887,289	3,593,147	3,626,191
<b>Total</b>	<b>H60AD</b>	<b>36,074,248</b>	<b>37,440,275</b>	<b>39,803,501</b>	<b>41,169,958</b>
<b>Leadership and Administration</b>					
<b>Leadership and Administration Budget Control</b>					
Compliance Unit		0	0	326,236	333,624
Data Integrity		1,670,649	1,851,929	1,919,686	1,781,089
Financial Management		2,659,095	3,735,400	3,351,940	3,320,753
Human Resources		1,032,827	900,399	985,677	1,007,218
Leadership		2,813,205	2,927,712	3,435,018	3,507,891

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Mayor's Office on Domestic Violence and Sexual Assault Prevention		0	6,116,142	6,413,740	6,516,522
<b>Total</b>	<b>H50LA</b>	<b>8,175,776</b>	<b>15,531,582</b>	<b>16,432,297</b>	<b>16,467,097</b>
<b>Public Health Services</b>					
<b>Public Health Services Budget Control</b>					
Alcohol and Other Drugs		1,505,900	1,559,231	1,590,416	1,621,870
Asthma		136,164	138,280	141,046	143,811
Gun Violence Prevention Program		50,000	325,000	51,000	52,000
Health Care Access		411,289	380,212	387,816	395,420
Health Care for the Homeless		1,630,951	1,644,868	1,677,765	1,710,663
HIV/AIDS		924,779	932,242	950,887	969,532
Oral Health		131,683	134,437	137,126	139,814
Primary Care: Medical and Dental		7,104,068	7,213,272	7,541,537	7,685,803
<b>Total</b>	<b>H70PH</b>	<b>11,894,834</b>	<b>12,327,542</b>	<b>12,477,593</b>	<b>12,718,913</b>
<b>Transitional Living and Support</b>					
<b>Division of Homeless Strategy and Investment Budget Control</b>					
Access to Benefits		1,632,246	0	0	0
CDBG Administration		1,199,520	4,423,761	2,118,569	70,158
Emergency and Transitional Services		37,878,827	39,780,492	0	0
Homeless Strategy and Investments		0	0	53,930,705	49,986,576
Mayor's Office of Domestic Violence and Sexual Assault Prevention		5,223,031	0	0	0
<b>Total</b>	<b>H30ET</b>	<b>45,933,624</b>	<b>44,204,253</b>	<b>56,049,274</b>	<b>50,056,734</b>
<b>Youth and Family Empowerment</b>					
<b>Youth and Family Empowerment Budget Control</b>					
Access to Benefits		159,845	2,890,711	1,919,868	1,948,713
Access to Food and Meals		2,576,825	2,477,123	6,808,596	6,785,564
Family Support		2,195	0	0	0
Youth Services		17,057,458	22,462,914	18,253,711	18,437,193
<b>Total</b>	<b>H20YF</b>	<b>19,796,323</b>	<b>27,830,748</b>	<b>26,982,175</b>	<b>27,171,470</b>
<b>Department Total</b>		<b>126,757,360</b>	<b>142,171,728</b>	<b>156,754,091</b>	<b>152,393,423</b>
<b>Department Full-time Equivalent Total*</b>		<b>326.60</b>	<b>331.60</b>	<b>325.00</b>	<b>325.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
433010	US Dept of Housing & Urban Development (HUD) / Community Development Block Grant (CDBG)	4,882,555	4,837,328	5,009,251	4,809,251
433010	King County / McKinney Grant	59,754	100,000	75,000	75,000
433010	Qualis Health - CDSMP	12,955	0	0	0
433010	University of Washington / Reduce Disability - Alz Disease	6,154	0	0	0
433010	US Dept of Housing & Urban Development (HUD) / Seattle Housing Authority (SHA) Client Case Management	359,744	359,744	368,378	368,378
433010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Nutritional Services Incentive Program (NSIP)	572,461	478,669	638,783	638,783
433010	WA Dept of Social & Health Services (DSHS) / ADRC Enhanced Options Cnslng	148,814	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Chronic Disease Self-Mgmt	26,168	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Federal-for Medicare beneficiary outreach and assistance	34,826	0	32,471	32,471
433010	WA Dept of Social & Health Services (DSHS) / Older Americans Act (OAA) - Elder Abuse Prevention	18,387	17,891	18,375	18,375
433010	WA Dept of Social & Health Services (DSHS) / Title III-B - Older Americans Act (OAA) Supportive Services	2,047,331	2,140,675	2,141,487	2,141,487
433010	WA Dept of Social & Health Services (DSHS) / Title III-C-1 - Older Americans Act (OAA) Congregate meals	2,053,277	1,738,863	2,133,000	2,133,000
433010	WA Dept of Social & Health Services (DSHS) / Title III-C-2 - Older Americans Act (OAA) Home delivered meals	1,056,504	841,567	1,130,634	1,130,634
433010	WA Dept of Social & Health Services (DSHS) / Title III-D - Older Americans Act (OAA) Health promotion	133,117	100,333	100,289	100,289
433010	WA Dept of Social & Health	740,136	720,312	760,042	760,042



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	Services (DSHS) / Title III-E - Older Americans Act (OAA) National Family Caregiver				
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Administrative Claiming	1,000,012	1,207,735	1,054,859	1,086,505
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Case Mgmt	7,691,945	8,997,225	9,769,842	10,364,825
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Orientation for IP	100,828	103,314	120,994	133,093
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Training Wages	1,064,735	1,177,453	1,277,682	1,405,450
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Nurse Delegation	8,823	11,916	10,588	10,694
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - New Freedom	300,229	363,965	407,077	431,868
433010	WA Dept of Social & Health Services (DSHS) / US Dept of Agriculture (USDA) / Senior Farmers Market Nutrition	5,757	270,372	5,701	5,701
433010	WA Office of Superintendent of Public Instruction (OSPI) / Child and Adult Care Food Program	1,157,980	1,184,450	1,201,650	1,201,650
433010	WA Office of Superintendent of Public Instruction (OSPI)/ Summer Food Service Program	631,659	516,388	517,000	517,000
433010	WA State Dept. of Social and Health Services (DSHS)/Dementia Capable Systems Grant	3,007	0	33,124	0
433010	Workforce Development Council (WDC) / Workforce Investment Act	506,054	0	0	0
	<b>Total Federal Grants - Indirect</b>	<b>24,623,212</b>	<b>25,168,200</b>	<b>26,806,227</b>	<b>27,364,496</b>
439090	City of Seattle / Citizen Kao Private Donation	0	0	600,000	0
439090	City of Seattle / Sisley Funds	500,000	0	0	0
439090	City of Seattle / SYVPI Performance Pay	2,144	0	0	0
439090	City of Seattle Ordinance #120443 / Transfer Development Rights - Child Care Bonus	3,784,548	500,000	500,000	500,000
439090	City of Seattle Ordinance #120907 / Sex Industry Victims Fund - Care and Treatment for Sex Industry Workers	148,630	92,662	92,662	92,662



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439090	Seattle Metropolitan Chamber of Commerce / Seattle Chamber of Commerce	208,611	0	0	0
439090	US Conference Mayors / US Conference of Mayors	24,157	0	0	0
	<b>Total Contrib/Priv Sources</b>	<b>4,668,090</b>	<b>592,662</b>	<b>1,192,662</b>	<b>592,662</b>
431010	US Department of Education (DOE) / Upward Bound	465,743	415,087	435,842	435,842
431010	US Department of Homeland Security (FEMA) / Urban Area Security Initiative	0	0	111,176	113,734
431010	US Dept of Housing & Urban Development (HUD) / Emergency Shelter Grants Program (ESGP)	956,924	866,012	819,850	819,850
431010	US Dept of Housing & Urban Development (HUD) / Housing Opportunities for People with AIDS (HOPWA) Grant	1,658,292	1,770,821	1,783,626	1,783,388
431010	US Dept of Housing & Urban Development (HUD) / McKinney Grant	11,070,819	12,774,344	14,261,841	14,261,913
431010	US Dept of Housing & Urban Development (HUD) / McKinney-Safe Harbor HMIS Care Program	433,225	403,714	0	0
431010	US Dept of Justice (DOJ) / Domestic Violence (DV) Transitional Housing	76,265	94,700	93,772	93,772
431010	US Dept of Justice (DOJ) / Grants to Encourage Arrest Policies (GEAP)	265,234	434,155	407,204	407,204
	<b>Total Federal Grants - Direct</b>	<b>14,926,502</b>	<b>16,758,833</b>	<b>17,913,311</b>	<b>17,915,703</b>
587001	General Subfund Support	71,810,147	77,492,873	88,875,739	86,297,607
	<b>Total General Fund</b>	<b>71,810,147</b>	<b>77,492,873</b>	<b>88,875,739</b>	<b>86,297,607</b>
541490	City of Seattle / Utility Rate Assistance	1,211,187	0	0	0
541490	City of Seattle Office of Housing (OH) / Housing Levy	935,163	940,341	1,796,000	1,796,000
541490	City of Seattle/ RCW 9A.88.14 / Sexual Abuse for Minors	14,900	32,500	32,500	32,500
541490	City of Seattle/Energy Assistance Program	0	40,000	43,527	44,576
541490	City of Seattle/Utility Discount Program	0	1,649,715	1,617,786	1,656,793
541490	Seattle Department of Transportation/ Vehicle Licensing Fee & ORCA LIFT	141,884	490,000	324,641	324,641
	<b>Total IF Administrative Fees &amp; Chrg</b>	<b>2,303,134</b>	<b>3,152,556</b>	<b>3,814,454</b>	<b>3,854,510</b>
437010	City of Seattle / Case Mgmt for Seniors & Adults	0	0	96,933	96,933
437010	Community Health Plan of	72,051	0	0	0

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	Washington / Community Health Plan of WA				
437010	Community Health Plan of Washington/Chronic Care /Transitional Care Services	0	150,000	0	0
437010	King County / Human Services Levy - Program to Encourage Active Rewarding Lives for Seniors (PEARLS)	170,453	178,000	178,001	178,000
437010	King County / Levy funds for Veteran Case Management	213,585	177,999	178,001	178,001
437010	King County / Safe Harbors - Safe Harbors Levy Replace Fee	118,784	175,000	0	0
437010	King County / Safe HarborsHomeless Blck Grnt	110,769	125,000	0	0
437010	King County / Vulnerable Population Init	36,513	0	0	0
437010	Paul Allen Foundation / Financial Empowerment Center	611,146	600,000	0	0
437010	Public Health Seattle & King County/ Partnerships to Improve Community Health (PICH)	52,242	60,000	0	0
437010	Seattle Housing Authority (SHA) / New Citizen Initiative	24,112	0	0	0
437010	Seattle Housing Authority (SHA) / SHA-Rapid Rehousing Pilot	283,565	0	0	0
437010	United Way / Safe Harbors Grant	73,237	75,000	0	0
437010	United Way / United Way	0	78,945	0	0
437010	University of Washington, School of Washington/NW Geriatrics Workforce Enhance	4,950	0	90,102	50,000
	<b>Total Interlocal Grants</b>	<b>1,771,407</b>	<b>1,619,944</b>	<b>543,037</b>	<b>502,934</b>
461110	WA Dept of Social & Health Services (DSHS) / Interest - State Cash Advance	61,986	100,000	90,000	90,000
	<b>Total Investment Earnings</b>	<b>61,986</b>	<b>100,000</b>	<b>90,000</b>	<b>90,000</b>
434010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Care Consultation Services for Veteran Directed home services	24,636	20,000	25,000	25,000
434010	WA Dept of Social & Health Services (DSHS) / Family Caregivers	3,260,588	3,168,117	3,125,854	3,160,420
434010	WA Dept of Social & Health Services (DSHS) / Kinship Care Navigator	83,516	84,785	84,785	84,785
434010	WA Dept of Social & Health Services (DSHS) / Kinship Care Support	166,377	216,316	191,317	191,316
434010	WA Dept of Social & Health Services (DSHS) / Kinship	20,033	0	0	0

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	Collaboration Coordination				
434010	WA Dept of Social & Health Services (DSHS) / Office of Refugee & Immigrant Administration (ORIA) - New Citizenship Initiative (NCI)	284,631	0	0	0
434010	WA Dept of Social & Health Services (DSHS) / Prescription Drugs Information & Assistance	5,435	17,560	17,560	17,560
434010	WA Dept of Social & Health Services (DSHS) / Respite Home Care Workers' Health Care Insurance & Training	92,602	27,250	28,382	31,321
434010	WA Dept of Social & Health Services (DSHS) / Respite-AWHI	79,222	130,716	177,849	195,634
434010	WA Dept of Social & Health Services (DSHS) / Senior Citizens Service Act	2,531,069	2,176,999	2,148,418	2,148,418
434010	WA Dept of Social & Health Services (DSHS) / State Portion Senior Farmers Market Nutrition	20,809	0	21,367	21,367
434010	WA Dept of Social & Health Services (DSHS) / State Portion- Title XIX New FD	300,229	363,965	407,077	431,868
434010	WA Dept of Social & Health Services (DSHS) / Title XIX Medicaid Case Mgmt - State Portion	8,719,726	8,997,224	9,769,842	10,364,825
	<b>Total State Grants</b>	<b>15,588,873</b>	<b>15,202,932</b>	<b>15,997,451</b>	<b>16,672,514</b>
541490	Seattle Public Utilities (SPU) / Water Energy Assistance Program	38,814	0	0	0
	<b>Total Utility Funds</b>	<b>38,814</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>135,792,165</b>	<b>140,088,000</b>	<b>155,232,881</b>	<b>153,290,426</b>
379100	Fund Balance	-9,034,805	2,083,728	1,521,210	-897,003
	<b>Total Fund Balance</b>	<b>-9,034,805</b>	<b>2,083,728</b>	<b>1,521,210</b>	<b>-897,003</b>
	<b>Total Resources</b>	<b>126,757,360</b>	<b>142,171,728</b>	<b>156,754,091</b>	<b>152,393,423</b>

# Human Services Department

## Appropriations By Budget Control Level (BCL) and Program

### CDBG - Human Services Department Budget Control Level

The purpose of the Community Development Block Grant (CDBG) - Human Services Department Budget Control Level is to find and fund solutions for human needs to assist low-income and vulnerable residents in greater Seattle to live and thrive.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Homeless Intervention	3,780,645	3,786,254	3,961,545	3,761,545
Leadership and Corporate Services	1,101,910	1,051,074	1,047,706	1,047,706
<b>Total</b>	<b>4,882,555</b>	<b>4,837,328</b>	<b>5,009,251</b>	<b>4,809,251</b>

*The following information summarizes the programs in CDBG - Human Services Department Budget Control Level:*

#### **Homeless Intervention Program**

The purpose of the Homeless Intervention Program is to provide homeless intervention and prevention services to low-income and homeless people so they can become self-sufficient. CDBG funds support the City's continuum-of-care model by providing a number of emergency and stabilization programs including, but not limited to, emergency shelter and transitional housing for homeless single men, women, and families; hygiene services; housing counseling; and rent assistance.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Homeless Intervention	3,780,645	3,786,254	3,961,545	3,761,545

#### **Leadership and Corporate Services Program**

The purpose of the Leadership and Corporate Services Program is to provide administration, planning, and technical assistance to City departments and community-based organizations to implement CDBG-funded programs efficiently and effectively. CDBG funds support the City's planning and grant administration functions to ensure compliance with all applicable federal regulations.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Leadership and Corporate Services	1,101,910	1,051,074	1,047,706	1,047,706

# Human Services Department

## **Aging and Disability Services - Area Agency on Aging Budget Control Level**

The purpose of the Aging and Disability Services - Area Agency on Aging Budget Control Level is to provide a network of community support that improves choice, promotes independence, and enhances the quality of life for older people and adults with disabilities. Additional Information: The Aging and Disability Services Division of the Seattle Human Services Department also functions as the Area Agency on Aging of the Seattle-King County region, an entity which is sponsored by the City of Seattle, King County and United Way of King County. For more information, visit: <http://www.seattle.gov/humanservices/seniorsdisabled/areaagency.htm>.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Healthy Aging	9,214,671	9,041,263	10,670,539	10,820,109
Home-Based Care	23,623,531	24,983,055	24,935,652	26,103,626
Mayor's Office on Senior Citizens	565,223	528,668	604,163	620,032
Planning and Coordination	2,670,824	2,887,289	3,593,147	3,626,191
<b>Total</b>	<b>36,074,248</b>	<b>37,440,275</b>	<b>39,803,501</b>	<b>41,169,958</b>
Full-time Equivalents Total*	173.75	174.75	174.75	174.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Aging and Disability Services - Area Agency on Aging Budget Control Level:**

### **Healthy Aging Program**

The purpose of the Healthy Aging Program is to provide a variety of community services that help senior adults in King County improve and maintain their health, independence, and quality of life.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Healthy Aging	9,214,671	9,041,263	10,670,539	10,820,109

### **Home-Based Care Program**

The purpose of the Home-Based Care Program is to provide an array of home-based services to elders and adults with disabilities in King County so that they can remain in their homes longer than they would without these services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Home-Based Care	23,623,531	24,983,055	24,935,652	26,103,626
Full-time Equivalents Total	145.75	145.75	145.75	145.75

# Human Services Department

## Mayor's Office on Senior Citizens Program

The purpose of the Mayor's Office for Senior Citizens Program is to provide employment opportunities for seniors and adults with disabilities to improve their ability to remain economically independent.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Mayor's Office on Senior Citizens	565,223	528,668	604,163	620,032
Full-time Equivalents Total	7.50	7.50	7.50	7.50

## Planning and Coordination Program

The purpose of the Planning and Coordination Program is to provide leadership, advocacy, fund and system development, planning and coordination, and contract services to the King County aging-support network so that systems and services for elderly and disabled individuals are as available, accountable, and as effective as possible.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Planning and Coordination	2,670,824	2,887,289	3,593,147	3,626,191
Full-time Equivalents Total	20.50	21.50	21.50	21.50

## Leadership and Administration Budget Control Level

The purpose of the Leadership and Administration Budget Control Level is to provide human services leadership and support to Seattle departments and residents. The Leadership and Administration Budget Control Level also includes the Mayor's Office of Domestic Violence and Sexual Assault.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Compliance Unit	0	0	326,236	333,624
Data Integrity	1,670,649	1,851,929	1,919,686	1,781,089
Financial Management	2,659,095	3,735,400	3,351,940	3,320,753
Human Resources	1,032,827	900,399	985,677	1,007,218
Leadership	2,813,205	2,927,712	3,435,018	3,507,891
Mayor's Office on Domestic Violence and Sexual Assault Prevention	0	6,116,142	6,413,740	6,516,522
<b>Total</b>	<b>8,175,776</b>	<b>15,531,582</b>	<b>16,432,297</b>	<b>16,467,097</b>
Full-time Equivalents Total*	66.35	70.85	59.75	59.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Human Services Department

*The following information summarizes the programs in Leadership and Administration Budget Control Level:*

## Compliance Unit Program

The purpose of the Compliance Unit program is to provide customer service and technical support related to contracts to program specialists, managers, and community partners. The Compliance Unit sets and implements HSD contracting policy, and advises HSD staff and community partners on Citywide contracting policy.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Compliance Unit	0	0	326,236	333,624

## Data Integrity Program

The purpose of the Data Integrity Program is to provide technical systems and solutions to Department management and employees so they can effectively conduct departmental business.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Data Integrity	1,670,649	1,851,929	1,919,686	1,781,089
Full-time Equivalents Total	20.10	20.10	10.00	10.00

## Financial Management Program

The purpose of the Fiscal and Contract Administration Program is to provide budget, accounting, and financial reporting systems and services so that the department can effectively conduct business.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Financial Management	2,659,095	3,735,400	3,351,940	3,320,753
Full-time Equivalents Total	21.25	22.25	22.25	22.25

## Human Resources Program

The purpose of the Human Resources Program is to provide personnel services, systems, and solutions to the Department so that it can effectively conduct business.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Human Resources	1,032,827	900,399	985,677	1,007,218
Full-time Equivalents Total	5.75	5.75	5.75	5.75

## Leadership Program

The purpose of the Leadership Program is to provide vision, direction, planning, and coordination to the Department, other City departments, and the community. Its mission is also to develop, strengthen, and expand collaborative relationships with HSD's community partners so that the City's human services are responsive to community needs, supportive of community initiatives, and are delivered through efficient and effective systems.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				

# Human Services Department

Leadership	2,813,205	2,927,712	3,435,018	3,507,891
Full-time Equivalents Total	19.25	18.25	17.25	17.25

## Mayor's Office on Domestic Violence and Sexual Assault Prevention Program

The purpose of the Domestic Violence and Sexual Assault Prevention Program is to provide leadership and coordination of City and community strategies, education, and training to improve response to, and prevention of, violence against women and children.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Mayor's Office on Domestic Violence and Sexual Assault Prevention	0	6,116,142	6,413,740	6,516,522
Full-time Equivalents Total	0.00	4.50	4.50	4.50

## Public Health Services Budget Control Level

The purpose of the Public Health Services Budget Control Level is to provide funds for the following public health services and programs: primary care medical, dental, and specialty services, and access to health insurance for at-risk and vulnerable populations; health care for teens in Seattle's public schools; health care for homeless individuals and families; HIV/AIDS prevention and care programs; programs to provide access to chemical and dependency services; programs to reduce the disparities in health among the Seattle population; programs that prevent gun violence; and public health nursing care home visits to give mothers and babies a healthy start in life using the Nurse Family Partnership (NFP) program model.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Alcohol and Other Drugs	1,505,900	1,559,231	1,590,416	1,621,870
Asthma	136,164	138,280	141,046	143,811
Gun Violence Prevention Program	50,000	325,000	51,000	52,000
Health Care Access	411,289	380,212	387,816	395,420
Health Care for the Homeless	1,630,951	1,644,868	1,677,765	1,710,663
HIV/AIDS	924,779	932,242	950,887	969,532
Oral Health	131,683	134,437	137,126	139,814
Primary Care: Medical and Dental	7,104,068	7,213,272	7,541,537	7,685,803
<b>Total</b>	<b>11,894,834</b>	<b>12,327,542</b>	<b>12,477,593</b>	<b>12,718,913</b>



# Human Services Department

*The following information summarizes the programs in Public Health Services Budget Control Level:*

## Alcohol and Other Drugs Program

The purpose of the Alcohol and Other Drugs Program is to provide funding, program development assistance, and educational resources and training to Seattle residents to promote primary alcohol/drug use prevention and outreach to help people enter treatment. Three programs operated by the King County Department of Community and Human Services - Chemical Dependency Interventions for High Utilizers, Emergency Services Patrol, and Youth Engagement Program - are supported by this funding. Also, methadone vouchers are provided through Public Health - Seattle and King County to opiate-dependent city residents.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Alcohol and Other Drugs	1,505,900	1,559,231	1,590,416	1,621,870

## Asthma Program

The purpose of the Asthma Program is to control asthma by providing in-home indoor air testing and education, case management services, and community-based assessment and intervention to promote well-being and reduce the health risks of asthma.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Asthma	136,164	138,280	141,046	143,811

## Gun Violence Prevention Program Program

The purpose of the Gun Violence Prevention Program is to provide funding for initiatives that prevent gun violence. The programs include reviewing gun death cases in an interdisciplinary way, as well as providing technical assistance and support on safe storage for guns. The program also includes gun violence intervention, which focuses on gunshot wound victims to prevent to reduce the high risk of recidivism.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Gun Violence Prevention Program	50,000	325,000	51,000	52,000

## Health Care Access Program

The purpose of the Health Care Access Program is to provide outreach, medical application assistance, linkage to community services and resources, coordination of care, and targeted interventions to uninsured, underserved, high-risk pregnant and parenting women and other high-risk individuals and families to minimize health disparities.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Health Care Access	411,289	380,212	387,816	395,420

# Human Services Department

## Health Care for the Homeless Program

The purpose of the Health Care for the Homeless Program is to improve access to quality health care through screening, prevention, Medicaid enrollment, case management for people with chronic substance-abuse problems or with complex health and social problems, training, technical assistance, and support to shelters and homeless service sites.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Health Care for the Homeless	1,630,951	1,644,868	1,677,765	1,710,663

## HIV/AIDS Program

The purpose of the HIV/AIDS Program is to work with community partners to assess, prevent, and manage HIV infection in Seattle to stop the spread of HIV and improve the health of people living with HIV. This program area includes support for HIV/AIDS case management services and needle exchange.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
HIV/AIDS	924,779	932,242	950,887	969,532

## Oral Health Program

The purpose of the Oral Health Program is to provide prevention and clinical dental services to high-risk children to prevent dental disease and improve oral health.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Oral Health	131,683	134,437	137,126	139,814

## Primary Care: Medical and Dental Program

The purpose of the Primary Care: Medical and Dental Program is to provide access to high-quality medical, dental, and access services delivered by community-based health care safety net partners to improve the health status of low-income, uninsured residents of Seattle.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Primary Care: Medical and Dental	7,104,068	7,213,272	7,541,537	7,685,803

# Human Services Department

## Division of Homeless Strategy and Investment Budget Control Level

The purpose of the Division of Homeless Strategy and Investment Budget Control Level is to provide resources and services to Seattle's low-income and homeless residents.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Access to Benefits	1,632,246	0	0	0
CDBG Administration	1,199,520	4,423,761	2,118,569	70,158
Emergency and Transitional Services	37,878,827	39,780,492	0	0
Homeless Strategy and Investments	0	0	53,930,705	49,986,576
Mayor's Office of Domestic Violence and Sexual Assault Prevention	5,223,031	0	0	0
<b>Total</b>	<b>45,933,624</b>	<b>44,204,253</b>	<b>56,049,274</b>	<b>50,056,734</b>
Full-time Equivalents Total*	41.50	22.50	27.00	27.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Division of Homeless Strategy and Investment Budget Control Level:**

### **Access to Benefits Program**

The purpose of the Access to Benefits Program is to support the Utility Discount Program, which provides utility payment assistance to Seattle residents with low incomes.

<b>Expenditures/FTE</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Access to Benefits	1,632,246	0	0	0
Full-time Equivalents Total	14.50	0.00	0.00	0.00

### **CDBG Administration Program**

The purpose of the Community Facilities Program is to provide technical assistance and capital funding to community-based human service organizations to help the organizations plan and develop facility projects to improve the quality, capacity, and efficiency of service delivery.

<b>Expenditures/FTE</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
CDBG Administration	1,199,520	4,423,761	2,118,569	70,158
Full-time Equivalents Total	8.00	8.00	6.00	6.00

# Human Services Department

## Emergency and Transitional Services Program

The purpose of the Emergency and Transitional Services Program is to provide emergency and transitional services and permanent housing to homeless and low-income people in Seattle, so they have access to nutritious food and a path to stable, permanent housing.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Emergency and Transitional Services	37,878,827	39,780,492	0	0
Full-time Equivalents Total	14.50	14.50	0.50	0.50

## Homeless Strategy and Investments Program

The purpose of the Homeless Strategy and Investment Division is to oversee a continuum of services with the goal of making homelessness in our city rare, brief and one-time. The Homeless Strategy and Investment Division manages investments in resources, programs, and services that include homelessness prevention, housing services, and homeless survival interventions such as shelter, outreach, hygiene, health care, and day centers.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Homeless Strategy and Investments	0	0	53,930,705	49,986,576
Full-time Equivalents Total	0.00	0.00	20.50	20.50

## Mayor's Office of Domestic Violence and Sexual Assault Prevention Program

The purpose of the Domestic Violence and Sexual Assault Prevention Program is to provide leadership and coordination of City and community strategies, education, and training to improve response to, and prevention of, violence against women and children.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Mayor's Office of Domestic Violence and Sexual Assault Prevention	5,223,031	0	0	0
Full-time Equivalents Total	4.50	0.00	0.00	0.00

# Human Services Department

## Youth and Family Empowerment Budget Control Level

The purpose of the Youth and Family Empowerment BCL is to support children, youth, and families with programs, skills, and knowledge.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Access to Benefits	159,845	2,890,711	1,919,868	1,948,713
Access to Food and Meals	2,576,825	2,477,123	6,808,596	6,785,564
Family Support	2,195	0	0	0
Youth Services	17,057,458	22,462,914	18,253,711	18,437,193
<b>Total</b>	<b>19,796,323</b>	<b>27,830,748</b>	<b>26,982,175</b>	<b>27,171,470</b>
Full-time Equivalents Total*	45.00	63.50	63.50	63.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Youth and Family Empowerment Budget Control Level:**

### **Access to Benefits Program**

The purpose of the Access to Benefits Program is to support the Utility Discount Program, which provides utility payment assistance to Seattle residents with low incomes. This program also includes transportation discount programs.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Access to Benefits	159,845	2,890,711	1,919,868	1,948,713
Full-time Equivalents Total	0.00	15.50	15.50	15.50

### **Access to Food and Meals Program**

The purpose of the Nutrition Assistance Program is to provide children and families access to affordable, culturally relevant, high-quality food and nutrition education, and other family support resources, that will allow for children and their families to be healthy, successful in school, and contributing members of the community. These programs include the Child Care Nutrition program as well as the Farm to Table program.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Access to Food and Meals	2,576,825	2,477,123	6,808,596	6,785,564
Full-time Equivalents Total	9.75	8.75	8.75	8.75

### **Family Support Program**

The purpose of the Family Support Program is to provide Seattle families with resources such as child care subsidies, meal programs, citizenship services, and family centers.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Family Support	2,195	0	0	0
Full-time Equivalents Total	4.50	0.00	0.00	0.00

# Human Services Department

## Youth Services Program

The purpose of the Youth Services Program is to provide youth and young adults direct services, designed to help them succeed academically, learn job and life skills, and develop alternatives to criminal activity, violence, and homelessness.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Youth Services	17,057,458	22,462,914	18,253,711	18,437,193
Full-time Equivalents Total	30.75	39.25	39.25	39.25

# Human Services Department

## Human Services Fund Table

### Human Services Operating Fund (16200)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>9,715,000</b>	<b>7,440,000</b>	<b>18,749,805</b>	<b>11,110,739</b>	<b>9,589,529</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	130,909,610	135,250,672	137,353,934	150,223,630	148,481,175
Less: Actual and Budgeted Expenditures	121,874,805	137,334,400	144,993,000	151,744,840	147,584,172
<b>Ending Fund Balance</b>	<b>18,749,805</b>	<b>5,356,272</b>	<b>11,110,739</b>	<b>9,589,529</b>	<b>10,486,532</b>
Mandatory Reserve for Child Care Bonus Funds	10,149,000	2,764,000	8,399,000	6,399,000	6,399,000
Other Mandatory Restrictions	7,349,000	1,487,000	2,411,500	2,391,000	2,391,000
Reserve for Cash Flow and Benefits/Paid Leave	300,000	300,000	300,000	300,000	300,000
<b>Total Reserves</b>	<b>17,798,000</b>	<b>4,551,000</b>	<b>11,110,500</b>	<b>9,090,000</b>	<b>9,090,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>951,805</b>	<b>805,272</b>	<b>239</b>	<b>499,529</b>	<b>1,396,532</b>

# Seattle Preschool Levy

Dwane Chappelle, Department of Education and Early Learning

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## Department Overview

In November 2014, voters approved a four-year, \$58 million Seattle Preschool Services Levy to fund the Seattle Preschool Program (SPP) Action Plan. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-olds so that they enter school prepared to succeed and the academic opportunity gap for children is eliminated. The levy funds a demonstration phase of the Seattle Preschool Program that began in 2015 and will grow to serve up to 1,615 children in up to 85 classrooms by the 2018-19 school year.

The SPP closely follows the recommendations of national experts and consultants who advised the City to develop an evidence-based program which builds on community partnerships and the existing network of preschool providers, is accessible to all families, and is realistic and practical.

Department of Education and Early Learning (DEEL) staff administer the Seattle Preschool Levy. The mission of DEEL is to ensure that all Seattle children have the greatest opportunity to succeed in school and in life and to graduate from school ready for college or a career. DEEL oversees implementation of the SPP by contracting for services with community providers, directly providing coaching for preschool directors and teachers, and investing in capacity building (e.g. tuition support for teaching staff to attain required educational credentials, facility construction and renovations, and other organizational supports).

Levy investments are intended to make sure that children are exhibiting appropriate developmental skills by the time they enter kindergarten. Children's growth is supported in all developmental domains including social/emotional health, physical development, cognitive skills, language, literacy, and math.

## Budget Snapshot

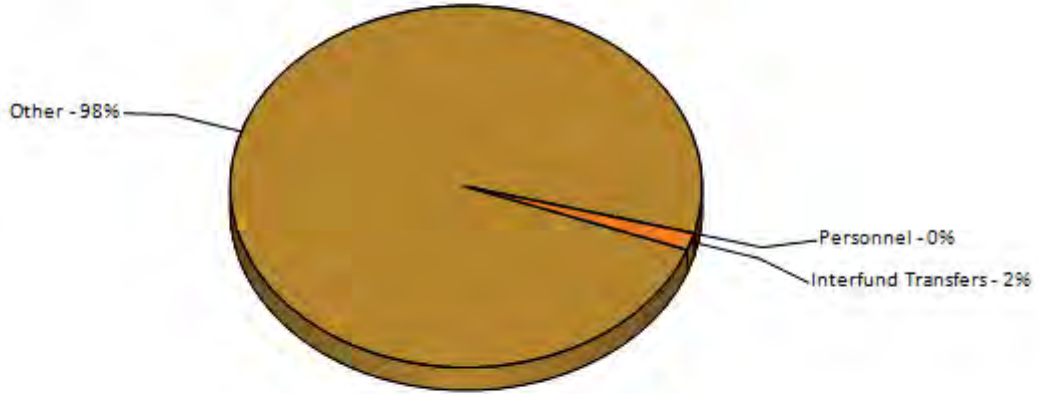
Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$2,077,266	\$9,037,977	\$14,056,804	\$20,602,337
<b>Total Operations</b>	<b>\$2,077,266</b>	<b>\$9,037,977</b>	<b>\$14,056,804</b>	<b>\$20,602,337</b>
<b>Total Appropriations</b>	<b>\$2,077,266</b>	<b>\$9,037,977</b>	<b>\$14,056,804</b>	<b>\$20,602,337</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

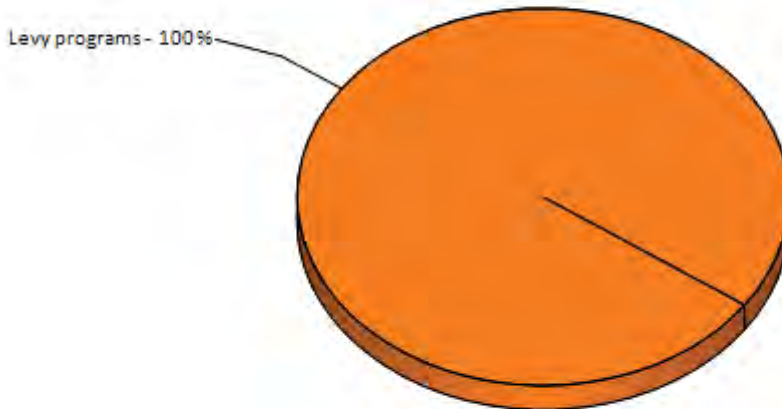


# Seattle Preschool Levy

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Seattle Preschool Levy

## Budget Overview

The Seattle Preschool Program builds on the foundation established by the City's investment of Families and Education Levy funds in the Step-Ahead program; the Child Care Assistance Program funded by the City's General Fund; the Early Childhood Education and Assistance Program funded by Washington state and managed by the City; and federal investments in Head Start. The key elements of SPP are based on the expertise of national consultants and researchers, Washington state experts involved with developing the state's early learning strategy, local providers and advocates, key stakeholders and policy makers. SPP reflects the best thinking about how to prepare children for school and eliminate the academic opportunity gap. Levy services include the following:

1. **Administration** funds DEEL staff to provide oversight, administration and leadership for the development of the investments identified above. The levy requires continuous quality improvement, strong community partnerships, and transparency in the program's development.
2. **Capacity Building** funds tuition support for teachers to gain required credentials and facility construction, renovation, and improvements to increase access to quality classrooms. Capacity building funds are supporting the redevelopment of the Parks and Recreation Miller Community Center Annex which will open in September 2017 with four classrooms that will serve up to 80 children.
3. **Contingency** funds provide flexibility for this new investment. SPP requires partnerships with existing programs and for those programs to contribute resources from their existing sources, as well as parent tuition based on a sliding fee scale. While estimates of these resources were based on working with existing providers and funders, the City included contingency funds in case actual recoveries or contributions fall short of expectations.
4. **Program Support** funds professional development and training for preschool directors, lead teachers, and assistants.
5. **Research and Evaluation** funds:
  - external evaluators to assess classroom environments and teacher/child interactions;
  - training for teachers on how to appropriately assess child development;
  - external evaluators to develop and begin a comprehensive evaluation strategy; and
  - data system development to support quality improvement and evaluation.
6. **School Readiness** will continue to fund the expansion of SPP classrooms from 15 classrooms in 2015-16 serving 280 students to 32 classrooms in the 2016-17 school year serving approximately 600 three- and four-year-olds; and between 53-60 classrooms in 2017-18 serving between 1,000-1,140 children. DEEL expects to serve up to 1,615 children in up to 85 classrooms by the end of the levy during the 2018-19 school year.

The 2017-2018 Proposed Budget reflects the level of expenditure described in the financial plan adopted by the City Council in Ordinance 124509. The levy is expected to generate revenues of approximately \$58 million over four years. For 2017, the budget assumes \$16 million in revenue from property taxes and parent tuition. Because programs are phased in, the proposed 2017 budget appropriates only \$14 million of the 2017 revenue. The City will hold excess funds in reserve for latter years when expenditures will exceed earned revenues.

# Seattle Preschool Levy

## Incremental Budget Changes

### Seattle Preschool Levy

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 9,037,977</b>	<b>0.00</b>	<b>\$ 9,037,977</b>	<b>0.00</b>
<b>Proposed Technical Changes</b>				
Increase Levy Funding to Administration	\$ 212,806	0.00	\$ 460,964	0.00
Increase Levy Funding to Capacity Building	\$ 209,334	0.00	\$ 315,476	0.00
Increase Levy Funding to Contingency	\$ 121,194	0.00	\$ 282,318	0.00
Increase Levy Funding to Program Support	\$ 649,483	0.00	\$ 1,417,776	0.00
Increase Levy Funding to Research and Evaluation	\$ 72,702	0.00	\$ 132,596	0.00
Increase Levy Funding to School Readiness	\$ 3,753,308	0.00	\$ 8,955,230	0.00
<b>Total Incremental Changes</b>	<b>\$ 5,018,827</b>	<b>0.00</b>	<b>\$ 11,564,360</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 14,056,804</b>	<b>0.00</b>	<b>\$ 20,602,337</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Technical Changes

#### **Increase Levy Funding to Administration - \$212,806**

This adjustment adds funding to the Administration Budget Control Level to reflect the expenditure plan for the Seattle Preschool Program Levy that was adopted by Ordinance 124509. As the number of SPP classrooms increase, administration services also needs to increase to meet the demands of additional enrollment. This enrollment increase will result in a higher volume of accounting transactions, contract activities, financial management duties, and administrative support activities.

#### **Increase Levy Funding to Capacity Building - \$209,334**

This adjustment adds funding to the Capacity Building Budget Control Level to reflect the expenditure plan for the Seattle Preschool Program Levy that was adopted by Ordinance 124509. This additional funding increases the services capacity building will provide to meet the demands of additional enrollment and providers. Such services include teacher tuition assistance, coach training, organizational capacity funds for providers, and classroom equipment for new sites. This funding will be used to award funding for approximately 2 new classrooms and tuition assistance for 1-2 teachers.

#### **Increase Levy Funding to Contingency - \$121,194**

This adjustment adds funding to the Contingency Budget Control Level to reflect the expenditure plan for the Seattle Preschool Program Levy that was adopted by Ordinance 124509. There is no programmatic impact.

# Seattle Preschool Levy

## Increase Levy Funding to Program Support - \$649,483

This adjustment adds funding to the Program Support Budget Control Level to reflect the expenditure plan for the Seattle Preschool Program Levy that was adopted by Ordinance 124509. DEEL provided support to 15 classrooms in the 2015-16 school year. DEEL will use this additional funding to provide more curriculum training courses and deliver professional health services for up to 300 new students in 32 classrooms in the 2016-17 school year and an estimated 53 - 60 classrooms in the 2017-18 school year.

## Increase Levy Funding to Research and Evaluation - \$72,702

This adjustment adds funding to the Research and Evaluation Budget Control Level to reflect the expenditure plan for the Seattle Preschool Program Levy that was adopted by Ordinance 124509. This additional funding provides the same level of research and evaluation services (e.g., program evaluation, provider evaluation, and student assessment) for an increased number of students and classrooms.

## Increase Levy Funding to School Readiness - \$3,753,308

This adjustment adds funding to the School Readiness Budget Control Level to reflect the expenditure plan for the Seattle Preschool Program Levy that was adopted by Ordinance 124509. The School Readiness BCL funds classroom slots at preschools, family engagement, and support for children with special needs. SPP will increase the number of classrooms it operates in both years of the biennium - from 15 in 2015-16 to 32 classrooms in 2016-17 and from 32 to 53-60 classrooms in 2017-18.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Administration Budget Control Level	IP500	1,638,419	2,116,001	2,328,807	2,576,965
Capacity Building Budget Control Level	IP300	31,432	2,597,576	2,806,910	2,913,052
Contingency Budget Control Level	IP600	0	243,338	364,532	525,656
Program Support: Professional Development and Training Budget Control Level	IP200	85,704	742,874	1,392,357	2,160,650
Research and Evaluation Budget Control Level	IP400	321,711	687,115	759,817	819,711
School Readiness Budget Control Level	IP100	0	2,651,073	6,404,381	11,606,303
<b>Department Total</b>		<b>2,077,266</b>	<b>9,037,977</b>	<b>14,056,804</b>	<b>20,602,337</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Preschool Levy

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
411100	Taxes, Levies, & Bonds	14,391,729	14,440,923	14,476,260	14,505,565
441930	Parent Tuition	0	683,367	1,541,202	2,554,823
461110	Investment Earnings	66,193	0	0	0
461320	Unrealized Gains (Losses)	-13,805	0	0	0
<b>Total Levy programs</b>		<b>14,444,117</b>	<b>15,124,290</b>	<b>16,017,462</b>	<b>17,060,388</b>
<b>Total Revenues</b>		<b>14,444,117</b>	<b>15,124,290</b>	<b>16,017,462</b>	<b>17,060,388</b>
379100	Use of (Contribution to) Fund Balance	-12,366,851	-6,086,313	-1,960,658	3,541,949
<b>Total Use of (Contribution to) Fund Balance</b>		<b>-12,366,851</b>	<b>-6,086,313</b>	<b>-1,960,658</b>	<b>3,541,949</b>
<b>Total Resources</b>		<b>2,077,266</b>	<b>9,037,977</b>	<b>14,056,804</b>	<b>20,602,337</b>

## Appropriations By Budget Control Level (BCL) and Program

### Administration Budget Control Level

The purpose of the Administration Budget Control Level is to administer Seattle Preschool Program funds.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Administration	1,638,419	2,116,001	2,328,807	2,576,965
<b>Total</b>	<b>1,638,419</b>	<b>2,116,001</b>	<b>2,328,807</b>	<b>2,576,965</b>

### Capacity Building Budget Control Level

The purpose of the Capacity Building Budget Control Level is to help preschool teachers, assistants, and directors meet the requirements of the Seattle Preschool Program and to provide support for facility development or remodeling.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Capacity Building	31,432	2,597,576	2,806,910	2,913,052
<b>Total</b>	<b>31,432</b>	<b>2,597,576</b>	<b>2,806,910</b>	<b>2,913,052</b>

# Seattle Preschool Levy

## Contingency Budget Control Level

The purpose of the Contingency Budget Control Level is to provide additional funding to Seattle Preschool Program programs if initial estimates of costs understated the need for resources, and to support quality improvement efforts that arise as the program is phased in.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Contingency	0	243,338	364,532	525,656
<b>Total</b>	<b>0</b>	<b>243,338</b>	<b>364,532</b>	<b>525,656</b>

## Program Support: Professional Development and Training Budget Control Level

The purpose of the Program Support: Professional Development and Training Budget Control Level is to develop the skills of preschool teachers and directors and to provide support so that children are better prepared for school.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Program Support: Professional Development and Training	85,704	742,874	1,392,357	2,160,650
<b>Total</b>	<b>85,704</b>	<b>742,874</b>	<b>1,392,357</b>	<b>2,160,650</b>

## Research and Evaluation Budget Control Level

The purpose of the Research and Evaluation Budget Control Level is to assist Seattle Preschool Program programs in achieving their intended results and to support continuous improvement.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Research and Evaluation	321,711	687,115	759,817	819,711
<b>Total</b>	<b>321,711</b>	<b>687,115</b>	<b>759,817</b>	<b>819,711</b>

## School Readiness Budget Control Level

The purpose of the School Readiness Budget Control Level is to prepare children for school by providing access to full day preschool for Seattle families regardless of income.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
School Readiness	0	2,651,073	6,404,381	11,606,303
<b>Total</b>	<b>0</b>	<b>2,651,073</b>	<b>6,404,381</b>	<b>11,606,303</b>

# Seattle Preschool Levy

## Preschool Levy Fund Table

### Preschool Services Fund

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	0	9,524,744	12,366,851	18,453,164	20,413,822
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	14,444,117	15,124,290	15,124,290	16,017,462	17,060,388
Less: Actual and Budgeted Expenditures	2,077,266	9,037,977	9,037,977	14,056,804	20,602,337
<b>Ending Fund Balance</b>	<b>12,366,851</b>	<b>15,611,057</b>	<b>18,453,164</b>	<b>20,413,822</b>	<b>16,871,873</b>
Reserve for Future Programming	12,366,851	15,611,057	18,453,164	20,413,822	16,871,873
<b>Total Reserves</b>	<b>12,366,851</b>	<b>15,611,057</b>	<b>18,453,164</b>	<b>20,413,822</b>	<b>16,871,873</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Seattle Preschool Levy ends collections in 2018 and fully funds the 2018-2019 school year. As a result, no revenues or expenditures are shown for 2020. To maintain the same level of service an alternative revenue source will be required.

# Seattle Department of Construction and Inspections

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Nathan Torgelson, Director

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## Department Overview

The Seattle Department of Construction and Inspections (SDCI) administers City ordinances regulating building construction, the use of land, and housing.

SDCI is responsible for developing policies and codes related to public safety, environmental protection, land use, construction and rental housing, including:

- Environmentally Critical Areas Ordinance (ECA);
- Housing and Building Maintenance Code;
- Just Cause Eviction Ordinance;
- Rental Registration and Inspection Ordinance;
- Seattle Building and Residential Codes;
- Seattle Condominium and Cooperative Conversion Ordinances;
- Seattle Electrical Code;
- Seattle Energy Code;
- Seattle Grading Code;
- Seattle Land Use Code;
- Seattle Mechanical Code;
- Seattle Noise Ordinance;
- Seattle Shoreline Master Program;
- Seattle Tenant Relocation Assistance Ordinance;
- Seattle Tree Protection Ordinance;
- State Environmental Policy Act (SEPA); and
- Stormwater Code.

SDCI reviews land use and construction-related permits, annually approving more than 48,000 permits and performing approximately 175,000 on-site inspections. The work includes public notice and involvement for Master Use Permits (MUPs); shoreline review; design review; approval of permits for construction, mechanical systems, site development, elevators, electrical installation, boilers, furnaces, refrigeration, signs and billboards; annual inspections of boilers and elevators; and home seismic retrofits.

SDCI also enforces compliance with community standards for required rental housing inspections, as well as general housing, zoning, shorelines, tenant relocation assistance, just cause eviction, vacant buildings, noise, and development-related violation complaints, responding to over 8,000 complaints and other inquiries annually.

SDCI operations are funded by a variety of fees and General Fund resources. SDCI must demonstrate that its fees are set to recover no more than the cost of related services. To provide this accountability, SDCI uses cost accounting to measure the full cost of its programs. Each program is allocated a share of departmental



# Seattle Department of Construction and Inspections

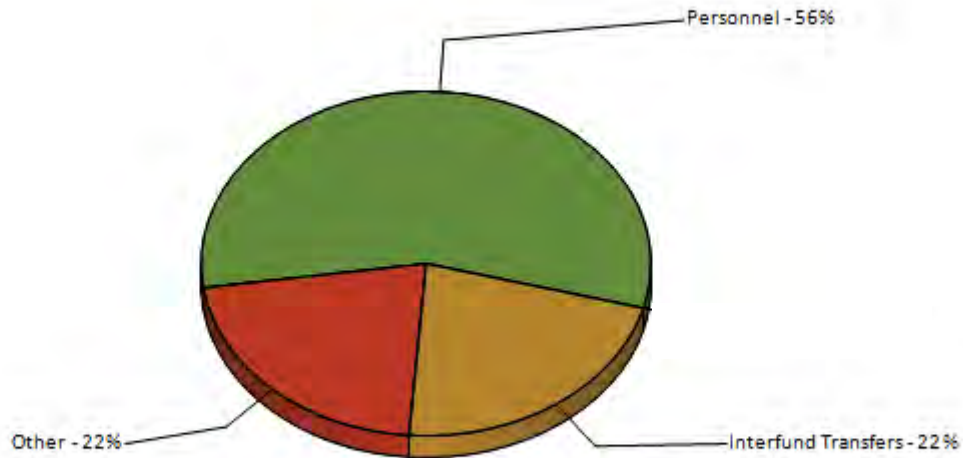
administration and other overhead costs to report the full cost and calculate the revenue requirements of the program.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$11,351,458	\$6,230,843	\$6,537,989	\$6,512,589
Other Funding - Operating	\$57,905,187	\$66,713,678	\$80,552,114	\$76,546,566
<b>Total Operations</b>	<b>\$69,256,645</b>	<b>\$72,944,521</b>	<b>\$87,090,103</b>	<b>\$83,059,155</b>
<b>Total Appropriations</b>	<b>\$69,256,645</b>	<b>\$72,944,521</b>	<b>\$87,090,103</b>	<b>\$83,059,155</b>
Full-time Equivalent Total*	417.50	404.30	404.30	401.50

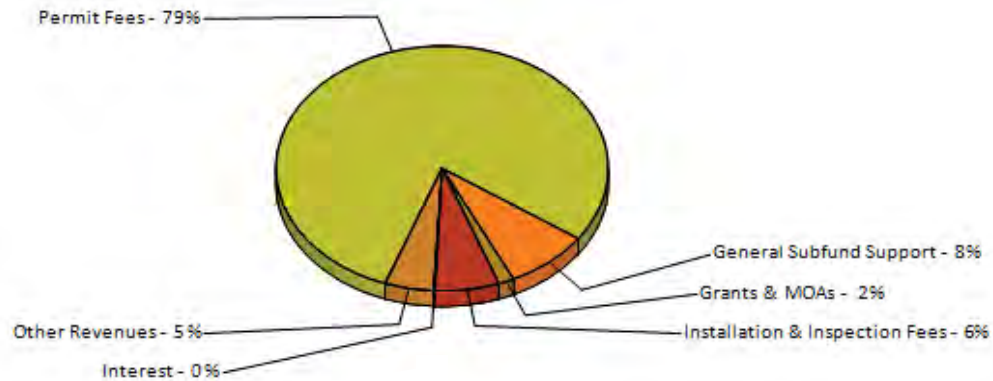
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Seattle Department of Construction and Inspections

## 2017 Proposed Budget - Revenue by Category



## Budget Overview

The Seattle City Council passed [Ordinance 124929](#) in December 2015, establishing the Seattle Department of Construction and Inspections (SDCI). The same ordinance also established a new Office of Planning and Community Development (OPCD), which now includes the functions in the Planning Budget Control Level as described below. The new department and office had previously been part of a single department known as the Department of Planning and Development (DPD). SDCI's first full year as a stand-alone department was 2016, with the department focusing on construction, land use, housing and code enforcement.

The City of Seattle continues to see very high levels of development activity. In 2016, SDCI is projected to process more construction permits, conduct more building and electrical inspections, and respond to more housing, zoning and construction complaints than in any previous year. SDCI and City Budget Office economists project the pace of development will start to decrease in 2017 and 2018. The continued growth of development activity over the last several years, however, has required the department to continue to hire new plan review and inspector staff to keep up with demand and meet performance goals. As of 2016, SDCI has filled all its vacant positions and needed to add new ones. In May 2016, the department accessed \$1.7 million of contingent budget authority (CBA) to add 19 new positions. The positions were requested as part of the 2016 2nd Quarter Supplemental Budget Ordinance. The positions have a December 31, 2018 sunset date and are included as baseline adjustments in the 2017-2018 Proposed Budget.

Except for the Code Compliance division, SDCI is primarily fee-supported and its fees and charges are necessary to support its permitting and inspections operations. All fees collected by SDCI for processing and inspecting permits are used for that purpose as regulated by state law, and the fee structure is reflective of the Seattle Municipal Code requirements to recoup the cost of providing permitting and inspection services. The 2017-2018 Proposed Budget includes budget legislation that implements fee changes to cover wage increases in order to reflect the cost of doing business. The details of the budget legislation are provided in legislation accompanying the proposed budget.

# Seattle Department of Construction and Inspections

The "[2015 Housing Affordability and Livability Agenda \(HALA\): Final Advisory Committee Recommendations Report](#)" identifies the importance of consistent and appropriate staffing throughout the ebb and flow of development cycles. As part of preparing the budget legislation, SDCI undertook work to review their financial model and specifically to analyze staffing requirements for permit review and inspection staff in changing market conditions. To assist with this work, the 2017-2018 Proposed Budget adds funding for a consultant to provide a comprehensive staffing requirement study and provide recommendations for a staffing structure responsive to variability in development volumes.

A major accomplishment for SDCI in 2017 will be completing phase two and embarking on phase three of the new permit, complaints, and land use tracking and permitting system upgrade. SDCI has been working on this technology project since 2014. The department completed phase one of the project, to manage online rental housing registration and renewal, in 2015. In February 2017 phase two will be complete, which upgrades all other permitting tools and functionality that existed in the previous system. The next phase of this work will add increased capability for new requirements that have surfaced within the department and will resolve any issues identified in the previous phases of work. In addition to the permitting capacity, in 2017 SDCI will add a module to their new permitting system to calculate and track development-based requirements for affordable housing, as presented in the [Mandatory Housing Affordability \(MHA\)](#) program. MHA provides the regulatory framework necessary to require development projects to contribute to affordable housing, either provided on-site or through a cash contribution used to create affordable housing throughout Seattle. The new module in SDCI's permitting database will accommodate functionality for both managing permitting activities at the time of development and reporting functions for tracking public benefits over time after initial permitting.

The 2017-2018 Proposed Budget adds budget authority in several other areas for SDCI as the department manages very high workloads and organizational change. SDCI also acts as a pass-through entity for funds supporting peer review of contracts by third party engineering firms. Peer review for complex high-rise structures, which are being built more than ever before, requires technical reviews beyond the capacity of SDCI employees. New budget authority is added in the proposed budget to support these pass-through consultant contracts.

The proposed budget also adds several new positions for SDCI. In the HALA advisory committee report, builders and designers reported design review substantially increase the timeline and cost of obtaining land use permits, which raises the cost of building housing. Design review is one of the primary drivers of the permitting timeline, as it must be completed before other building and utility permits. A new position in the design review program will help support production of design review board meeting reports, which is expected to improve overall permit issuance timeliness. A new economist position in SDCI's Finance and Accounting Services program will support and improve SDCI's ability to monitor and assess changing conditions and trends in the development community that have an impact on SDCI services and operational costs as well as the department's revenue base. Some additional funding will also support consultant and temporary staff support of the Citywide Summit Re-implementation (SRI) project to upgrade the central financial software system and to provide some backfill support for SDCI accounting staff participating in the SRI project. In 2018, a new position in the Land Use Services program will support and improve SDCI's ability to respond to increased volumes of reviews, inspections and ongoing monitoring for compliance associated with implementing the updated Incentive Zoning program and MHA program.

Finally, in response to the steady growth of the department as well as organizational changes, a significant one-time investment in 2017 and 2018 is the renovation and improvement of SDCI's workspace and customer service areas in the Seattle Municipal Tower (SMT). This project is driven by several objectives: create additional work space capacity in SDCI as staffing continues to grow; improve the workflow and create efficiencies and improved collaboration among staff groups; and reduce space costs for the department. With the consolidation of City information technology functions, and the creation of the new Office of Planning and Community Development (OPCD) as a stand-alone office in 2016 that will move from SMT to City Hall in 2017, SDCI expects to shrink its footprint from five to four floors in SMT.

# Seattle Department of Construction and Inspections

## Performance Measures Budget Book Pilot

The Seattle Department of Construction and Inspections (SDCI) is one of nine departments participating in the 2017-2018 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and are not included. A more in-depth description of this pilot and its objectives can be found in the 2017-2018 Proposed Budget executive summary.

As part of this project, SDCI worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the Mayor's 2016 Adopted Budget and now the 2017-2018 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The following tables present information gathered during the initial pilot phase, subject to further refinement as this pilot is developed.

<b>Efficient processing of construction permits</b>						
From intake to issue						
2017-18 Proposed Budget: \$27,452,000, \$28,001,000						
<b>Program Summary:</b> Construction permits are a key way in which the City of Seattle regulates the life safety aspects of buildings and code compliance. Construction permit applications fall into four distinct categories: Simple, Medium, Complex and Super Complex. See table footnote for distinction between categories.						
<b>Past Performance:</b> Construction permit volume increased 2.72% in 2015 as compared to 2014. Year to date 2016 is on pace to exceed 2015 by more than 350 permits. 2016 is trending to be lower performing on target turnaround dates given the additional volume of permit requests. Estimates for performance in 2016 are based on January to July actuals.						
<b>2017-18 Goal Statement:</b> The days described in the goals below represent the measure of time from intake to the point at which the permit is ready to issue. Goals vary depending on the complexity of the permit issued. More complex permits typically require additional time spent in review cycles, which includes the time it takes the applicant to make any necessary corrections or changes to the plan. In addition to calendar time, SDCI anticipates the ability to measure 'stop-clock' time when the new permitting system is implemented. Stop-clock time will help SDCI better understand the root cause of delays in the permit process by measuring actual SDCI in-process time.						
<b>Expected Result:</b> SDCI anticipates the number of construction permits will stay approximately the same through 2018 and also expects steady improvements in performance due to the hiring and training of new staff to manage the increased workload. SDCI anticipates improvements in performance in 2017 and 2018.						
	<b>Goal</b>	<b>2014 Actual</b>	<b>2015 Actual</b>	<b>2016 Estimated</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Simple Permit	100% in 30 days	98% (2647/2701)	99% (2661/2687)	99% (2907/2930)	99% (2762/2783)	99% (2624/2644)
Medium Permit	100% in 60 days	81% (2027/2488)	84% (2149/2562)	75% (1976/2643)	78% (1877/2511)	82% (1783/2385)
Complex Permit	100% in 90 days	27% (223/814)	32% (282/884)	30% (270/908)	31% (257/862)	33% (244/819)
Super Complex Permit	100% in 120 days	51% (163/321)	48% (175/368)	43% (164/381)	45% (155/362)	47% (148/344)
		<b>2014 Actuals</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Program Cost*		\$18,047,243	\$20,220,877	\$24,047,388	\$27,452,000	\$28,001,000
The parenthesis describe: (the number of permits that met the goal/the total number of permits)						
Simple include FIELD and FULL Plan Review Types (<1 hour); Medium includes FULL + Plan Review Types (1-4 hours); Complex includes FULL-C Plan Review Types (4-8 hours); Super Complex FULL-C Plan Review Types (>8 hours).						
*Total program costs reflect business units performing related construction permitting tasks, however, this may include other costs indirectly related to the processing of construction permits.						

# Seattle Department of Construction and Inspections

## Efficient processing of land use permits

From intake to published decision

2017-2018 Proposed Budget: \$8,535,000, \$8,706,000

**Program Summary:** Land use permits provide a method to track and monitor land use changes and its impact to the public or environment. Land Use permit applications fall into four distinct categories: Simple, Medium, Complex and Super Complex. See table footnote for distinction between categories. Medium, complex and super-complex projects are reviewed by a different planner group than the planners who review the simple permits. Breaking the performance into these categories will better highlight where SDCI has performance gaps, staffing shortages, or system issues.

**Past Performance:** Land use permit volume increased about 20% in 2015 as compared to 2014. Simple permits take approximately 10 hours of staff time whereas complex permits can take 60-150 hours to review. Therefore, a doubling of complex permits between 2014 and 2015 has had effects on performance in medium, complex, and super complex permit categories. Overall 2015 performance was below 2014 performance based on percent of land use permits issued within the time stated in the goal. In 2016 SDCI estimates there will be fewer decisions but similar overall performance as compared to 2015 volumes. Estimates for performance are based on seven months of data (January –July 2016).

**2017-18 Goal Statement:** The State of Washington established a goal of 120 days from intake to issue of a published decision for Land Use Permits. Goals vary depending on the complexity of permit issued. More complex permits typically require additional time spent in Early Design Guidance (EDG), board and/or public meetings, as well as additional review cycles.

**Expected Result:** To help improve the timeliness of permit processing, SDCI has been hiring and training new staff to manage the increased workload. SDCI anticipates the number of land use permits will stay approximately the same through 2018 with steady improvements in performance.

	Goal	2014 Actuals	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Simple Permit	90% in 120 days stop clock	97% (383/395)	94% (445/473)	90% (458/509)	90% (435/483)	92% (435/483)
Medium Permit	80% in 120 days stop clock	80% (156/196)	60% (124/206)	63% (81/129)	68% (125/184)	69% (120/175)
Complex Permit	50% in 120 days stop clock	34% (27/53)	25% (26/106)	10% (11/110)	19% (20/104)	21% (21/99)
Super Complex Permit	25% in 120 days stop clock	83% (5/6)	25% (2/8)	33% (2/6)	60% (3/5)	43% (3/7)
		<b>2014 Actuals</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Program Cost*		\$5,622,812	\$6,358,993	\$7,704,094	\$8,535,000	\$8,706,000

The parenthesis describe: (the number of permits that met the goal/the total number of permits)

Simple include Short Plats, Lot Boundary Adjustments (LBAs), ACU for minor telecoms, and State Environmental Policy Act (SEPA) reviews for Environmentally Critical Areas (ECA), and. Medium include variances, SEPA only; Public School Departures; Shoreline Substantial Development Permits (SSDP), Conditional Uses): Admin DR\*, and Temporary Uses. Complex include design review and full subdivisions. Super Complex include Major Institution Master Plans (MIMPs), Rezones, Council Conditional Uses, Environmental Impact Statements (EIS), PCDs, and public projects.

\* Total program cost reflects business unit performing related land use permitting tasks, however, this may include other costs indirectly related to the processing of land use permits.

# Seattle Department of Construction and Inspections

## Conduct timely inspections

From request to inspection

2017-2018 Proposed Budget: \$13,895,000, \$14,164,047

**Program Summary:** The Inspection Services Division promotes public safety and welfare by providing timely inspections to assure construction projects meet minimum safety and efficiency standards established by City ordinance. Inspections are required in the construction project timeline and are initiated at certain key points during construction to ensure compliance with the safety standards applicable to the project in development. The construction cannot proceed until an inspector gives approval to do so, and therefore timeliness on the part of the inspectors is essential to customer production schedules.

**Past Performance:** Inspection results are reported for electrical and construction permits. Both inspection types performed above the target goal in 2014 and 2015. The goal is to complete 95% of requested inspections within one business day of the customer requesting an inspection. Construction-related inspections performed at the target goal of a one day turnaround 100% of the time and electrical inspections met the goal 99% of the time in 2014 and 2015.

In 2016 SDCI anticipates an increase in the volume of inspections for both permit types and are in the process of adding staff to maintain the quality of service. Estimates for 2016 performance are based on seven months of data (January – July 2016).

**2017-18 Goal Statement:** The Inspection Services Division has an established goal to complete 95% of requested inspections within one business day of the customer requesting an inspection.

**Expected Results:** Overall performance has been achieved despite increasing volumes. In 2016 SDCI added additional staff to maintain timely and quality work. SDCI anticipates performance will remain consistent for 2016, 2017 and 2018.

	<b>2014 Actuals</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Construction inspections	100% (48,457/48,513)	100% (53,605/53,668)	100% (55,058/55,218)	100% (52,305/52,457)	100% (49,689/49,834)
Electrical inspections	99% (62,689/63,636)	99% (68,058/69,011)	99% (71,241/72,212)	99% (67,679/68,601)	99% (64,295/65,171)
	<b>2014 Actuals</b>	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Program Cost	\$10,226,245	\$11,333,454	\$11,794,514	\$13,895,000	\$14,164,000

The parenthesis describe: (the number of inspections that met the goal/the total number of inspections requested)

\* Total program costs reflect business units performing related construction and electrical inspections, however, this may include other costs indirectly related to construction or electrical inspections.



# Seattle Department of Construction and Inspections

## Code compliance response times

Response to code complaints

2017-2018 Proposed Budget: \$5,764,000, \$5,744,000

**Program Summary:** A quick response to complaints is key to identifying potentially unsafe or uninhabitable conditions as well as issues that can create blight in a neighborhood if left unaddressed. The sooner SDCI responds, the more quickly they can work with responsible parties to solve the problems.

**Past Performance:** Code Compliance had an 8% increase in volume between 2014 and 2015 for complaint categories including: housing (both emergency and non-emergency), zoning, and construction (including site/grading and tree complaints). Code Compliance focuses on emergency housing complaints as its top priority and was able to achieve the one day turnaround goal in all but one instance in 2014 and in all but two in 2015. Other results were stable or showed a slight decline, except for construction related complaints where performance rose from 79% in 2014 to 85% in 2015. In 2016 SDCI projects an increase in complaint volumes. Estimates for performance are based on six months of data (January – June 2016).

Although complaint volume in the reported categories rose 8% from 2014 to 2015, the total number of complaints to the division, including categories such as tenant assistance, vacant buildings, weeds, and noise rose more than 20%. Follow-through on cases, after the initial complaint investigation, is becoming more challenging due to the additional work load.

**2017-18 Goal Statement:** Different types of complaints have different response time goals, depending primarily on whether safety issues are present. Emergency housing complaints have a goal of a response within one working day, while the goal for zoning complaints is 80% within 10 working days.

**Expected Result:** If total complaints increase in 2017 and 2018 as projected, housing and zoning inspector staffing will be strained to achieve the goal.

	Goal	2014 Actuals	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Emergency Housing Complaints	1 working day	99% (79/80)	96% (58/61)	100% (61/61)	100% (61/61)	100% (61/61)
Housing Code (non-emergency)	80% within 7 working days	91% (360/394)	89% (358/404)	86% (391/455)	85% (394/464)	83% (393/473)
Zoning	80% within 10 working days	80% (1240/1546)	75% (1324/1758)	80% (1507/1884)	75% (1441/1922)	75% (1470/1960)
Construction, including tree and site issues	80% within 5 working days	79% (964/1219)	85% (1117/1315)	80% (1312/1640)	80% (1338/1673)	80% (1365/1706)
		2014 Actuals	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Program Cost		\$3,932,882	\$3,920,142	\$4,294,481	\$5,764,000	\$5,744,000

The parenthesis describe: (the number of complaint responses that met the goal/the total number of complaints)

\* Total program cost includes other program costs indirectly or unrelated to Emergency Housing Complaints, Zoning and Construction. For examples: Property Owners & Tenant Assistance, Weeds, Noise, Shorelines, Vacant Buildings, and Unfit Buildings.

# Seattle Department of Construction and Inspections

## Incremental Budget Changes

### Seattle Department of Construction and Inspections

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 72,944,521</b>	<b>404.30</b>	<b>\$ 72,944,521</b>	<b>404.30</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 1,460,746	-26.00	-\$ 1,385,928	-26.00
Adjustment for One-Time Adds or Reductions	-\$ 358,596	0.00	-\$ 358,596	0.00
Supplemental Budget Changes	\$ 3,302,133	26.00	\$ 3,397,175	26.00
Citywide Adjustments for Standard Cost Changes	\$ 3,436,524	0.00	\$ 5,036,815	0.00
<b>Proposed Changes</b>				
Complete New Permitting System Project	\$ 747,854	0.00	\$ 291,708	0.00
Track Affordable Housing Development	\$ 364,001	0.00	\$ 184,687	0.00
Add Principal Economist Position	\$ 85,352	0.00	\$ 151,179	0.00
Staffing Support for Incentive Programs	\$ 0	0.00	\$ 139,049	1.00
Improve Design Review Process	\$ 110,569	1.00	\$ 113,807	1.00
Peer Review of Complex High Rise Structures	\$ 1,500,000	0.00	\$ 1,500,000	0.00
Space Renovation Master Plan	\$ 4,550,000	0.00	\$ 91,000	0.00
General Fund Reductions	-\$ 59,255	0.00	-\$ 65,309	0.00
Citywide Summit Re-Implementation Project	\$ 705,537	0.00	\$ 343,096	0.00
Permitting and Inspection Staffing Study	\$ 250,000	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Remove Sunset Positions	-\$ 130,252	-1.00	-\$ 412,794	-4.80
Overhead Adjustment	\$ 1,102,461	0.00	\$ 1,088,745	0.00
<b>Total Incremental Changes</b>	<b>\$ 14,145,582</b>	<b>0.00</b>	<b>\$ 10,114,634</b>	<b>-2.80</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 87,090,103</b>	<b>404.30</b>	<b>\$ 83,059,155</b>	<b>401.50</b>



# Seattle Department of Construction and Inspections

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$1,460,746)/(26.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 proposed budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Adjustment for One-Time Adds or Reductions - (\$358,596)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. This includes one-time funding for Rental Registration and Inspection Ordinance (RRIO) program startup costs, database work for tracking new housing requirements, validation of Unreinforced Masonry (URM) buildings in Seattle, and backfill costs for the Summit Reimplementation (SRI) project in 2016.

#### **Supplemental Budget Changes - \$3,302,133/26.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities.

SDCI added six full time ongoing positions in the 1st Quarter Supplemental Budget Ordinance to meet the need for additional staffing throughout the department:

- 3.0 FTE Elevator Inspector
- 1.0 FTE Site Development Supervisor
- 1.0 FTE Personnel Specialist, Senior
- 1.0 FTE Land Use Planner IV

In the 2nd Quarter Supplemental Budget Ordinance, SDCI added a full-time ongoing code compliance position, required as a result of an increased workload from new tenant protections legislation:

- 1.0 FTE Housing Zoning Inspector

The 2nd Quarter Supplemental Budget Ordinance also included 19 permit-fee backed positions to support increased workload and cover a backlog of work due to increased volume and value of permit applications. These positions are intended to be short term and have a sunset date of December 31, 2018:

- 1.0 FTE Electrical Inspector Senior Expert
- 1.0 FTE Electrical Plans Examiner Expert
- 4.0 FTE Land Use Planner III
- 1.0 FTE Permit Tech
- 1.0 FTE Permit Spec II
- 1.0 Permit Spec Supervisor
- 5.0 FTE Building Plans Examiner

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- 1.0 FTE Building Plans Examiner Supervisor
- 1.0 FTE Mechanical Plans Engineer
- 1.0 FTE Building Inspector Senior Expert
- 2.0 FTE Noise Control Program Specialist

## **Citywide Adjustments for Standard Cost Changes - \$3,436,524**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

## **Proposed Changes**

### **Complete New Permitting System Project - \$747,854**

This adjustment adds additional appropriation authority to SDCI's permitting system enhancement project. The adjustment also includes an additional \$300,000 in 2018. This work is being paid for with permit fee revenues. The technology project began in 2014, however, since then new requirements have surfaced within the department, but were not added to the scope of the project. This additional phase of work is required to add the ability to track and process additional requirements, including the following items:

- transportation management plans
- Hearing Examiner/Council tracking for master use permits
- King County health and plumbing integration
- special event permits
- floodplain analysis
- King County water heater installation inspection coordination

### **Track Affordable Housing Development - \$364,001**

This adjustment provides funding for additional updates to SDCI's permitting database in order to track and report on affordable housing metrics. In August 2016, the City of Seattle passed Ordinance 125108, otherwise known as [Mandatory Housing Affordability \(MHA\)](#) legislation. The purpose of MHA is to help address the need for affordable housing as Seattle continues to grow. As a result of the MHA legislation, SDCI and the Office of Housing (OH) will need to be able to calculate and track developer contributions for affordable housing, as well as to track affordable housing built on site as a part of new development.

In addition to requirements to either build affordable housing units on site or contribute to affordable housing units to be built off site, the MHA framework sets administrative fees to cover administration and monitoring costs. OH will utilize 10% of developer contributions for off-site affordable housing and a \$150 annual fee per on site affordable rental unit for program administration. These administration funds will cover expenses in OH related to review of affordable housing proposals, preparation of related loan documents, and monitoring of affordable rental and ownership units. The administration funds will also cover the cost of the SDCI database modifications required in 2017 and 2018 to track contributions and newly developed affordable housing units.

This permitting system update will ensure consistent reporting of new affordable housing created in the City of Seattle, an important part of Mayor Murray's [Housing Affordability and Livability Agenda \(HALA\)](#) goals. Once completed, the module will also have the capacity to track development-based contributions for other incentive programs, including public benefits such as open space, child care, or transfer of development rights (TDR). The

# Seattle Department of Construction and Inspections

database work will be completed over two years. The adjustment includes \$178,000 of budget authority for 2018 and will be paid for with administrative revenue generated from implementing the MHA legislation.

## **Add Principal Economist Position - \$85,352**

This adjustment funds and fills an existing vacant Principal Economist position. The position will be filled mid-year in 2017 and will be funded at an ongoing cost of \$151,000 in 2018. The position, which was unfunded and left vacant in 2010, will be responsible for projecting and monitoring permit volume and revenues, analyzing potential future impacts on service demands and workforce needs, and advising department leadership. The position will coordinate with other City economists performing revenue forecasting work.

## **Staffing Support for Incentive Programs**

This adjustment adds a new Land Use Planner III position in 2018, the second half of the 2017-2018 biennial budget. The position is funded at \$137,349 in 2018. This additional position will be used to support the Land Use Services program and provide extra capacity to review the additional regulations and legal documents that are associated with the implementation of the Mandatory Housing Affordability (MHA) legislation. This will improve SDCI's ability to respond to increased volumes of reviews and ensure that housing permits will not be delayed.

## **Improve Design Review Process - \$110,569/1.00 FTE**

This action supports process and service-level improvements to SDCI's Design Review program by adding a new 1.0 FTE Planning & Development Specialist position to the Design Review program. This position will provide staff support for writing up the Design Review Board meeting reports and other ancillary activities that historically add numerous weeks of additional time to the permit review process. Improving the Design Review process will ensure a more timely permit issuance and a measurable and substantial reduction in overall holding costs for a project, which supports the Mayor's affordable housing goals. This position will be supported by permit fee revenues.

## **Peer Review of Complex High Rise Structures - \$1,500,000**

This action increases appropriation authority in the Construction Plans Administration program to facilitate the compensation of third party engineering firms that perform peer review of complex high-rise structures. SDCI acts as a pass-through entity for funds supporting peer review of contracts by third party engineering firms. For providing this service, SDCI requires sufficient appropriation authority. Currently, on an annual basis, SDCI has six active consultant contracts for peer review with the total compensation not to exceed \$250,000 per consultant per year.

## **Space Renovation Master Plan - \$4,550,000**

This action supports the renovation and improvement of workspace and customer service areas on floors 18 through 22 of the Seattle Municipal Tower (SMT). An initial project to reconfigure space on portions of floors 20-22 is underway in 2016. The proposed space renovation master plan completes SDCI's reconfiguration and use of space in SMT. With Seattle IT and Planning no longer a part of SDCI and Planning (OPCD) moving from SMT 19 to City Hall in 2017, the master space plan for SDCI will consolidate the department onto just four floors (19-22). The project will be supported by permit fee revenues and REET.

## **General Fund Reductions - (\$59,255)**

This adjustment represents ongoing General Fund reductions in several areas:

- \$9,994 from the Construction Plans Administration program. This funding is no longer needed to support current services and operating costs.
- \$39,274 from the Land Use Services program for State Environmental Policy Act (SEPA) review that SDCI's

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Land Use Services senior level staff currently perform for new codes being developed by the Office of Planning and Community Development (OPCD). This change will require staff from OPCD to perform environmental reviews for new codes they generate.

- \$9,987 from the Code Development program's professional services budget. This will reduce funding available for activities such as consulting services for research, analysis and outside meeting facilitation performed in support of code development projects. The program retains a professional services budget of \$27,000 in 2017.

## **Citywide Summit Re-Implementation Project - \$705,537**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Permitting and Inspection Staffing Study - \$250,000**

SDCI's work is customer-facing and must meet target performance goals regardless of market conditions. Housing construction is a cyclical industry that tends to surge and lag unpredictably. To meet performance targets, permit application review and inspection teams must be in sync with market trends. Adequate staffing to support the predictability and timeliness of reviews and inspections is a key HALA recommendation. This adjustment adds funding for a consultant to work with SDCI on reviewing staffing requirements for permit review and inspection staff in changing market conditions. In addition, the study will provide recommendations for a staffing structure responsive to variability in development volumes. This study is expected to result in additional fee legislation for the 2018 Proposed Budget.

## **Proposed Technical Changes**

### **Remove Sunset Positions - (\$130,252)/(1.00) FTE**

This action decreases baseline budget appropriation and position authority for positions in the Construction Plans Administration, Code Compliance, and Rental Housing programs. One position is due to sunset in 2017 and four positions will sunset in 2018. These positions were added for short-term bodies of work that included finalizing the unreinforced masonry (URM) building inventory; implementing the verification and registration requirements for floating on-water residences, house barges, and vessels with dwelling units as required by the adoption of the Shoreline Management Program; enforcing medical marijuana code requirements; and managing increased volumes of work as registrations and inspections were at high points in the Rental Registration and Inspection Ordinance (RRIO) program.

Several other positions with sunset dates are being administratively extended to manage continued bodies of work in the Rental Housing and Electrical Inspections programs. One position in the Code Development program, which has an increasingly complex and demanding workload, will have a sunset date administratively removed.

### **Overhead Adjustment - \$1,102,461**

This change redistributes and adjusts internal overhead costs that have changed based on the budget adjustments described above. Overall, overhead costs billed to the General Fund have increased by \$18,204, and overhead costs billed to permit fees have increased by \$1,084,257.

# Seattle Department of Construction and Inspections

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Annual Certification and Inspection Budget Control</b>					
Annual Certification and Inspection		3,926,853	4,096,261	5,360,946	5,465,933
<b>Total</b>	<b>U24A0</b>	<b>3,926,853</b>	<b>4,096,261</b>	<b>5,360,946</b>	<b>5,465,933</b>
<b>Code Compliance Budget Control</b>					
Code Compliance		8,194,754	5,389,568	5,764,199	5,743,763
Code Development		1,054	1,043,946	1,032,916	1,052,188
Rental Housing		1,820,222	2,437,256	2,255,855	2,156,996
<b>Total</b>	<b>U2400</b>	<b>10,016,029</b>	<b>8,870,770</b>	<b>9,052,970</b>	<b>8,952,947</b>
<b>Construction Inspections Budget Control</b>					
Building Inspections		5,691,485	5,697,741	6,932,369	7,069,113
Construction Inspections Unallocated CBA		0	2,318,752	2,318,752	2,318,752
Electrical Inspections		5,641,970	5,792,546	6,962,242	7,094,934
Signs and Billboards		372,847	349,985	400,553	407,616
Site Review and Inspection		3,313,043	4,302,502	5,111,229	5,206,884
<b>Total</b>	<b>U23A0</b>	<b>15,019,344</b>	<b>18,461,526</b>	<b>21,725,145</b>	<b>22,097,299</b>
<b>Construction Permit Services Budget Control</b>					
Construction Permit Services Overhead Allocations		0	-2,020,647	-6,907,552	-6,907,552
Construction Permit Services Unallocated CBA		0	4,073,484	4,073,484	4,073,484
Construction Plans Administration		16,004,457	17,053,370	22,107,109	22,484,017
Operations Division Management		0	2,020,647	6,907,552	2,238,413
<b>Total</b>	<b>U2300</b>	<b>16,004,457</b>	<b>21,126,854</b>	<b>26,180,593</b>	<b>21,888,362</b>
<b>Department Leadership Budget Control</b>					
Community Engagement		0	396,953	421,621	433,174
Department Leadership Overhead Allocations		0	-15,551,374	-14,922,949	-14,936,665
Director's Office		0	841,686	894,532	919,389
Finance and Accounting Services		0	6,880,689	12,773,312	12,737,874
Human Resources		0	313,306	833,484	846,228
Information Technology Services		97,423	7,118,740	0	0
<b>Total</b>	<b>U2500</b>	<b>97,423</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Land Use Services Budget Control</b>					
Land Use Services		11,740,415	13,114,084	16,653,044	17,110,471
Land Use Services Unallocated CBA		0	1,672,241	1,672,241	1,672,241
Public Resource Center		1,823,688	1,860,374	2,104,581	2,139,389

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<b>Total</b>	<b>U2200</b>	<b>13,564,103</b>	<b>16,646,699</b>	<b>20,429,866</b>	<b>20,922,101</b>
<b>Planning Budget Control</b>					
Design Commission		594,210	0	0	0
Planning Commission		522,413	0	0	0
Planning Services		6,338,671	0	0	0
<b>Total</b>	<b>U2900</b>	<b>7,455,294</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Process Improvements and Technology Budget Control Level</b>	<b>U2800</b>	<b>3,173,142</b>	<b>3,742,411</b>	<b>4,340,583</b>	<b>3,732,513</b>
<b>Department Total</b>		<b>69,256,645</b>	<b>72,944,521</b>	<b>87,090,103</b>	<b>83,059,155</b>
<b>Department Full-time Equivalents Total*</b>		<b>417.50</b>	<b>404.30</b>	<b>404.30</b>	<b>401.50</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Seattle Department of Construction and Inspections

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
587001	General Subfund Support	11,351,458	7,960,167	6,537,989	6,512,589
	<b>Total General Subfund Support</b>	<b>11,351,458</b>	<b>7,960,167</b>	<b>6,537,989</b>	<b>6,512,589</b>
437010	Grant Revenues	147,659	0	0	0
587900	SPU MOA for Side Sewer & Drainage	1,267,643	1,200,000	1,200,000	1,200,000
	<b>Total Grants &amp; MOAs</b>	<b>1,415,302</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
422150	Boiler	1,173,313	1,247,000	1,219,000	1,249,000
422160	Elevator	3,510,060	3,231,000	3,741,000	3,682,000
	<b>Total Installation &amp; Inspection Fees</b>	<b>4,683,373</b>	<b>4,478,000</b>	<b>4,960,000</b>	<b>4,931,000</b>
461110	Interest	519,376	100,000	100,000	100,000
	<b>Total Interest</b>	<b>519,376</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
442450	Rental Housing Registration	2,264,208	4,645,000	888,786	668,278
469990	Other Revenues	5,970,573	2,296,000	2,442,410	2,356,424
587116	Cumulative Reserve Fund-REET I - Design Commission	590,552	0	0	0
587116	Cumulative Reserve Fund-REET I - TRAO	317,909	350,000	371,000	382,000
587116	Cumulative Reserve Fund-Unrestricted - TRAO	77,000	79,000	81,000	83,000
	<b>Total Other Revenues</b>	<b>9,220,242</b>	<b>7,370,000</b>	<b>3,783,196</b>	<b>3,489,702</b>
422111	Building Development	34,005,987	30,668,000	36,091,753	33,813,925
422115	Land Use	8,081,568	6,678,000	8,212,885	7,896,186
422130	Electrical	7,615,402	7,210,000	7,822,136	7,399,514
443694	Site Review & Development	2,797,425	2,342,000	2,696,000	2,794,000
469990	Contingent Revenues - Unaccessed	0	8,064,477	8,064,477	8,064,477
	<b>Total Permit Fees</b>	<b>52,500,382</b>	<b>54,962,477</b>	<b>62,887,251</b>	<b>59,968,102</b>
	<b>Total Revenues</b>	<b>79,690,133</b>	<b>76,070,644</b>	<b>79,468,436</b>	<b>76,201,393</b>
379100	Use of (Contribution To) Fund Balance	-10,433,488	-3,126,123	7,621,667	6,857,762
	<b>Total Use of Fund Balance</b>	<b>-10,433,488</b>	<b>-3,126,123</b>	<b>7,621,667</b>	<b>6,857,762</b>
	<b>Total Resources</b>	<b>69,256,645</b>	<b>72,944,521</b>	<b>87,090,103</b>	<b>83,059,155</b>

# Seattle Department of Construction and Inspections

## Appropriations By Budget Control Level (BCL) and Program

### Annual Certification and Inspection Budget Control Level

The purpose of the Annual Certification and Inspection Budget Control Level is to provide inspections of mechanical equipment at installation and on an annual or biennial cycle. The purpose of this BCL includes costs of certification of installers and mechanics.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Annual Certification and Inspection	3,926,853	4,096,261	5,360,946	5,465,933
<b>Total</b>	<b>3,926,853</b>	<b>4,096,261</b>	<b>5,360,946</b>	<b>5,465,933</b>
Full-time Equivalents Total*	23.49	20.00	23.00	23.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in Annual Certification and Inspection Budget Control Level:**

### **Annual Certification and Inspection Program**

The purpose of the Annual Certification and Inspection Program is to provide inspections of mechanical equipment at installation and on an annual or biennial cycle in a fair, reasonable, efficient, and predictable manner. These services are provided so mechanical equipment is substantially maintained to applicable codes, legal requirements, and policies, and operated safely. The program also certifies that installers and mechanics are qualified, by validation of work experience and testing of code knowledge, to operate and maintain mechanical equipment.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Annual Certification and Inspection	3,926,853	4,096,261	5,360,946	5,465,933
Full-time Equivalents Total	23.49	20.00	23.00	23.00



# Seattle Department of Construction and Inspections

## Code Compliance Budget Control Level

The purpose of the Code Compliance Budget Control Level is to see that properties and buildings are used and maintained in conformance with code standards, deterioration of structures and properties is reduced, tenant protections are enforced, and land use and environmental codes and processes are updated.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Code Compliance	8,194,754	5,389,568	5,764,199	5,743,763
Code Development	1,054	1,043,946	1,032,916	1,052,188
Rental Housing	1,820,222	2,437,256	2,255,855	2,156,996
<b>Total</b>	<b>10,016,029</b>	<b>8,870,770</b>	<b>9,052,970</b>	<b>8,952,947</b>
Full-time Equivalents Total*	41.29	53.30	54.30	49.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Code Compliance Budget Control Level:**

### **Code Compliance Program**

The purpose of the Code Compliance Program is to investigate and respond to violations of code standards for the use, maintenance, management and development of real properties and buildings, facilitate compliance by property owners and other responsible parties, pursue enforcement actions against violators through the legal system, reduce the deterioration of structures and properties to reduce blight, and manage the adoption of administrative rules and response to claims.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Code Compliance	8,194,754	5,389,568	5,764,199	5,743,763
Full-time Equivalents Total	29.29	32.80	33.80	32.00

### **Code Development Program**

The Code Development Program develops and updates the Land Use Code and other related codes to help ensure that development conforms to the goals and policies of the Comprehensive Plan, new development trends, Executive and Council priorities, and new State and federal regulations. The Code Development program works closely with the Operations Division of the department and with the Office of Planning and Community Development.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Code Development	1,054	1,043,946	1,032,916	1,052,188
Full-time Equivalents Total	0.00	5.00	5.00	5.00

# Seattle Department of Construction and Inspections

## Rental Housing Program

The purpose of the Rental Housing Program is to improve the quality of the rental housing stock in Seattle and investigate and respond to violations of tenant relocation and eviction regulations. By registering and inspecting all rental housing properties the program helps ensure key life, health and safety standards are met. The program provides assistance to property owners and tenants regarding relocation assistance, just cause eviction, and other duties and responsibilities of owners and tenants.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Rental Housing	1,820,222	2,437,256	2,255,855	2,156,996
Full-time Equivalents Total	12.00	15.50	15.50	12.50

## Construction Inspections Budget Control Level

The purpose of the Construction Inspections Budget Control Level is to provide on-site inspections of property under development.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Building Inspections	5,691,485	5,697,741	6,932,369	7,069,113
Construction Inspections	0	2,318,752	2,318,752	2,318,752
Unallocated CBA				
Electrical Inspections	5,641,970	5,792,546	6,962,242	7,094,934
Signs and Billboards	372,847	349,985	400,553	407,616
Site Review and Inspection	3,313,043	4,302,502	5,111,229	5,206,884
<b>Total</b>	<b>15,019,344</b>	<b>18,461,526</b>	<b>21,725,145</b>	<b>22,097,299</b>
Full-time Equivalents Total*	75.84	79.00	85.00	85.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Construction Inspections Budget Control Level:**

### Building Inspections Program

The purpose of the Building Inspections Program is to provide timely on-site inspections of property under development at predetermined stages of construction; work closely with project architects, engineers, developers, contractors, and other City of Seattle departments to approve projects as substantially complying with applicable City codes, ordinances, and approved plans; and to issue final approvals for occupancy.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Building Inspections	5,691,485	5,697,741	6,932,369	7,069,113
Full-time Equivalents Total	30.32	30.00	33.00	33.00

# Seattle Department of Construction and Inspections

## Construction Inspections Unallocated CBA Program

The purpose of the Construction Inspections Unallocated CBA Program is to display the amount of Contingent Budget Authority (CBA) that has not been accessed within the Construction Inspections BCL for construction inspections and electrical inspections with plan review. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Construction Inspections Unallocated CBA	0	2,318,752	2,318,752	2,318,752

## Electrical Inspections Program

The purpose of the Electrical Inspections Program is to provide review of proposed electrical installations and on-site inspection of properties under development in a fair, reasonable, efficient, and predictable manner. These services are provided to ensure the electrical installations substantially comply with applicable codes, legal requirements, and approved plans.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Electrical Inspections	5,641,970	5,792,546	6,962,242	7,094,934
Full-time Equivalents Total	26.09	31.00	33.00	33.00

## Signs and Billboards Program

The purpose of the Signs and Billboards Program is to provide review of proposed sign installations and on-site inspection of properties under development in a fair, reasonable, efficient, and predictable manner. These services are provided so that sign installations comply with applicable codes, legal requirements, and approved plans.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Signs and Billboards	372,847	349,985	400,553	407,616
Full-time Equivalents Total	1.25	1.00	1.00	1.00

## Site Review and Inspection Program

The purpose of the Site Review and Inspection Program is to ensure construction projects comply with grading, drainage, side sewer, and environmentally critical area codes; City of Seattle engineering standard details; and best management practices for erosion control methods to ensure that ground-related impacts of development are mitigated on-site and that sewer and drainage installations on private property are properly installed.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Site Review and Inspection	3,313,043	4,302,502	5,111,229	5,206,884
Full-time Equivalents Total	18.18	17.00	18.00	18.00

# Seattle Department of Construction and Inspections

## Construction Permit Services Budget Control Level

The purpose of the Construction Permit Services Budget Control Level is to facilitate the review of development plans and processing of permits.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Construction Permit Services Overhead Allocations	0	-2,020,647	-6,907,552	-6,907,552
Construction Permit Services Unallocated CBA	0	4,073,484	4,073,484	4,073,484
Construction Plans Administration	16,004,457	17,053,370	22,107,109	22,484,017
Operations Division Management	0	2,020,647	6,907,552	2,238,413
<b>Total</b>	<b>16,004,457</b>	<b>21,126,854</b>	<b>26,180,593</b>	<b>21,888,362</b>
Full-time Equivalents Total*	102.66	120.00	126.00	127.00

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**The following information summarizes the programs in Construction Permit Services Budget Control Level:**

### **Construction Permit Services Overhead Allocations Program**

The purpose of the Construction Permit Services Overhead Allocations Program is to represent the proportionate share of departmental administration and other overhead costs to report the full cost of the related programs.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Construction Permit Services Overhead Allocations	0	-2,020,647	-6,907,552	-6,907,552

### **Construction Permit Services Unallocated CBA Program**

The purpose of the Construction Permit Services Unallocated CBA Program is to display the amount of Contingent Budget Authority (CBA) in the Construction Permit Services BCL that has not been accessed for construction plan review and peer review contracts. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Construction Permit Services Unallocated CBA	0	4,073,484	4,073,484	4,073,484

# Seattle Department of Construction and Inspections

## Construction Plans Administration Program

The purpose of the Construction Plans Administration Program is to review development plans and documents for permit applicants in a fair, reasonable, and predictable manner; ensure that the plans substantially comply with applicable codes and legal requirements; incorporate and expand Priority Green permitting within the plan review process; develop and revise technical code regulations at the local, state, and national levels; and provide appropriate support for preparation, mitigation, response, and recovery services for disasters.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Construction Plans Administration	16,004,457	17,053,370	22,107,109	22,484,017
Full-time Equivalents Total	75.07	93.00	99.00	100.00

## Operations Division Management Program

The purpose of the Operations Division Management Program is to oversee the functions of four budget control levels: Annual Certification/Inspection, Construction Permit Services, Construction Inspections, and Land Use Services.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Operations Division Management	0	2,020,647	6,907,552	2,238,413
Full-time Equivalents Total	27.59	27.00	27.00	27.00

## Department Leadership Budget Control Level

The purpose of the Department Leadership Control Level is to lead and direct department employees and to provide policy guidance and oversee relationships with the community.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Community Engagement	0	396,953	421,621	433,174
Department Leadership Overhead Allocations	0	-15,551,374	-14,922,949	-14,936,665
Director's Office	0	841,686	894,532	919,389
Finance and Accounting Services	0	6,880,689	12,773,312	12,737,874
Human Resources	0	313,306	833,484	846,228
Information Technology Services	97,423	7,118,740	0	0
<b>Total</b>	<b>97,423</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	53.79	56.00	31.00	31.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Department of Construction and Inspections

*The following information summarizes the programs in Department Leadership Budget Control Level:*

## Community Engagement Program

The purpose of the Community Engagement Program is to provide the general public, stakeholder groups, community leaders, City staff, and news media with complete and accurate information, including informative materials and presentations. Community Engagement Program staff explain SDCI's responsibilities, processes, and actions; ensure that SDCI's services are clearly understood by applicants and the general public; and respond to public questions and concerns related to the department's responsibilities.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Community Engagement	0	396,953	421,621	433,174
Full-time Equivalents Total	5.12	3.00	3.00	3.00

## Department Leadership Overhead Allocations Program

The purpose of the Department Leadership Overhead Allocations Program is to distribute the proportionate share of departmental administration and other overhead costs that apply to the department's other budget control levels, in order to report the full cost and calculate the revenue requirements of the related programs.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Department Leadership Overhead Allocations	0	-15,551,374	-14,922,949	-14,936,665

## Director's Office Program

The purpose of the Director's Office Program is to ensure department management develops and implements business strategies to continually improve the performance of the organization, and to ensure effective working relationships with other City personnel and agencies, the general public, and the development and planning communities.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Director's Office	0	841,686	894,532	919,389
Full-time Equivalents Total	5.34	6.00	6.00	6.00

## Finance and Accounting Services Program

The purpose of the Finance and Accounting Services Program is to provide financial and accounting services to department management, and develop and maintain financial systems based on program and funding study principles, so that people, tools, and resources are managed effectively with a changing workload and revenue stream.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Finance and Accounting Services	0	6,880,689	12,773,312	12,737,874
Full-time Equivalents Total	16.51	15.00	15.00	15.00

# Seattle Department of Construction and Inspections

## Human Resources Program

The purpose of the Human Resources Program is to ensure the work environment is safe, and that a competent, talented, and skilled workforce is recruited through a fair and open process, is compensated fairly for work performed, is well trained for jobs, is responsible and accountable for performance, and reflects and values the diversity of the community.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Human Resources	0	313,306	833,484	846,228
Full-time Equivalents Total	5.14	6.00	7.00	7.00

## Information Technology Services Program

The purpose of the Information Technology Services Program is to provide information technology solutions, services, and expertise to the department and other City staff, so that department management and staff have the technology tools and support necessary to meet business objectives.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Information Technology Services	97,423	7,118,740	0	0
Full-time Equivalents Total	21.68	26.00	0.00	0.00

## Land Use Services Budget Control Level

The purpose of the Land Use Services Budget Control Level is to provide land use permitting services.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Land Use Services	11,740,415	13,114,084	16,653,044	17,110,471
Land Use Services Unallocated CBA	0	1,672,241	1,672,241	1,672,241
Public Resource Center	1,823,688	1,860,374	2,104,581	2,139,389
<b>Total</b>	<b>13,564,103</b>	<b>16,646,699</b>	<b>20,429,866</b>	<b>20,922,101</b>
Full-time Equivalents Total*	83.38	76.00	85.00	86.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Land Use Services Budget Control Level:**

### Land Use Services Program

The purpose of the Land Use Services Program is to provide land use permitting services to project applicants, City of Seattle departments, public agencies, and residents. Land Use staff provide permit process information and regulatory expertise to inform pre-application construction project design. Land Use staff also review development concepts as part of a developer's permit application. The Land Use review process includes eliciting public input and facilitating public meetings and design review board meetings. It may also include coordination with various city and county agencies, defending project decisions during appeal to the Hearing Examiner or coordinating the department recommendation for a development application through the City Council approval process. These services are intended to ensure that development proposals are reviewed in a fair, reasonable, efficient, and predictable manner, and to ensure that the plans substantially comply with

# Seattle Department of Construction and Inspections

applicable codes, legal requirements, policies, and community design standards.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Land Use Services	11,740,415	13,114,084	16,653,044	17,110,471
Full-time Equivalents Total	67.10	61.00	70.00	71.00

## Land Use Services Unallocated CBA Program

The purpose of the Land Use Services Unallocated CBA Program is to display the amount of Contingent Budget Authority (CBA) in the Land Use Services BCL that has not been accessed. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Land Use Services Unallocated CBA	0	1,672,241	1,672,241	1,672,241

## Public Resource Center Program

The purpose of the Public Resource Center Program is to provide the general public and City staff convenient access to complete, accurate information about department regulations and current applications; to provide applicants with a first point of contact; manage the public disclosure of documents; and to preserve, maintain, and provide access to records for department staff and the public. The 2014 department reorganization moves the Public Resource Center Program from the Construction Permit Services BCL.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Public Resource Center	1,823,688	1,860,374	2,104,581	2,139,389
Full-time Equivalents Total	16.28	15.00	15.00	15.00

## Planning Budget Control Level

The purpose of the Planning Budget Control Level is to manage growth and development consistent with Seattle's Comprehensive Plan, and to inform and guide decisions related to the Plan.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Design Commission	594,210	0	0	0
Planning Commission	522,413	0	0	0
Planning Services	6,338,671	0	0	0
<b>Total</b>	<b>7,455,294</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	31.63	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Seattle Department of Construction and Inspections

*The following information summarizes the programs in Planning Budget Control Level:*

## **Design Commission Program**

The purpose of the Design Commission is to promote civic design excellence in City projects with City funding and projects related to public land, as well as to promote interdepartmental/interagency coordination. The Seattle Design Commission advises the Mayor, the City Council, and City departments on the design of capital improvements and other projects that shape Seattle's public realm.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Design Commission	594,210	0	0	0
Full-time Equivalents Total	3.37	0.00	0.00	0.00

## **Planning Commission Program**

The purpose of the Planning Commission is to provide informed citizen advice and assistance to the Mayor, the City Council, and City departments in developing planning policies and carrying out major planning efforts; to seek public comment and participation as a part of this process; and to steward the ongoing development and implementation of Seattle's Comprehensive Plan.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Planning Commission	522,413	0	0	0
Full-time Equivalents Total	2.62	0.00	0.00	0.00

## **Planning Services Program**

The purpose of the Planning Services Program is to develop policies, plans, and regulations that advance Seattle's Comprehensive Plan and growth management strategy. This is done through community-based planning, developing land use policy recommendations, and implementing legislation. These activities support Seattle's neighborhoods, expand job creation and housing choices, coordinate land use with transportation services, protect the environment and reduce environmental hazards and promote design excellence and sustainability in Seattle.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Planning Services	6,338,671	0	0	0
Full-time Equivalents Total	25.64	0.00	0.00	0.00

# Seattle Department of Construction and Inspections

## Process Improvements and Technology Budget Control Level

The purpose of the Process Improvements and Technology Budget Control Level is to allow the department to plan and implement continuous improvements to its business processes, including related staff training and equipment purchases; and to see that the Department's major technology investments are maintained, upgraded, or replaced when necessary.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Process Improvements and Technology	3,173,142	3,742,411	4,340,583	3,732,513
<b>Total</b>	<b>3,173,142</b>	<b>3,742,411</b>	<b>4,340,583</b>	<b>3,732,513</b>
Full-time Equivalents Total*	5.42	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Construction and Inspections Fund Table

### Planning and Development Fund (15700)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>22,612,109</b>	<b>20,687,266</b>	<b>33,045,597</b>	<b>39,435,153</b>	<b>31,813,486</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	79,690,133	76,070,644	86,482,893	79,468,436	76,201,393
Less: Actual and Budgeted Expenditures	69,256,645	72,944,521	80,093,337	87,090,103	83,059,155
<b>Ending Fund Balance</b>	<b>33,045,597</b>	<b>23,813,389</b>	<b>39,435,153</b>	<b>31,813,486</b>	<b>24,955,724</b>
Core Staffing		4,385,000		16,000,000	16,440,000
Planning Reserve		2,927,640	101,000	101,000	101,000
Process Improvements and Technology		2,116,000		1,300,000	2,600,000
Tenant Improvements					1,040,000
<b>Total Reserves</b>		<b>9,428,640</b>	<b>101,000</b>	<b>17,401,000</b>	<b>20,181,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>33,045,597</b>	<b>14,384,749</b>	<b>39,334,153</b>	<b>14,412,486</b>	<b>4,774,724</b>



# Office of Economic Development

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Brian Surratt, Director

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## Department Overview

The Office of Economic Development (OED) seeks to foster an economy of sustained growth and productivity of businesses and increased prosperity of workers and enhanced standards of living for all Seattle residents, to achieve a deeper prosperity—a growth that is robust, shared and enduring. OED supports a healthy business environment, empowers companies to innovate, grow and compete, while at the same time supporting low-income Seattle residents to develop their talent towards viable career paths via investment in five primary program areas: supporting entrepreneurs; building healthy and vibrant neighborhood business districts; developing the talent of youth and adults; attracting global investment; and investing in key industry sectors, exemplified by the work of the Office of Film and Music. The core services OED provides capitalize on Seattle's economic strengths, particularly in the industry areas of film and music, manufacturing and maritime, technology, startups, restaurants, health care, life sciences and global health, and clean technology. To accomplish this mission, the office delivers services designed to:

- support the retention and growth of existing businesses;
- attract and establish new business via domestic and international investments;
- increase the number of low-income youth and adults who obtain the skills necessary to meet industry's needs for qualified workers;
- support small businesses and neighborhood business districts through direct funding, technical support and Business Improvement Area (BIA) formation;
- permit film and special events in a way that minimizes business impacts while ensuring public safety; and
- streamline and advance policies and practices and develop partnerships that lead to sustainable economic growth with shared prosperity.

In addition to these services, OED manages a number of financing programs to increase access to capital for projects from micro-loans to major capital lending. Among these financing tools are two federal programs: New Markets Tax Credits (NMTC) and US Department of Housing and Urban Development (HUD) Section 108. NMTC leverages private investment in low-income communities through federal tax incentives. HUD Section 108 loans provide financing for economic development and housing projects in low and middle-income neighborhoods. Through these programs, the department manages \$79 million of allocated NMTCs, all of which has been awarded, and manages an available HUD Section 108 loan pool of \$44.9 million, of which \$16.7 million has been awarded.

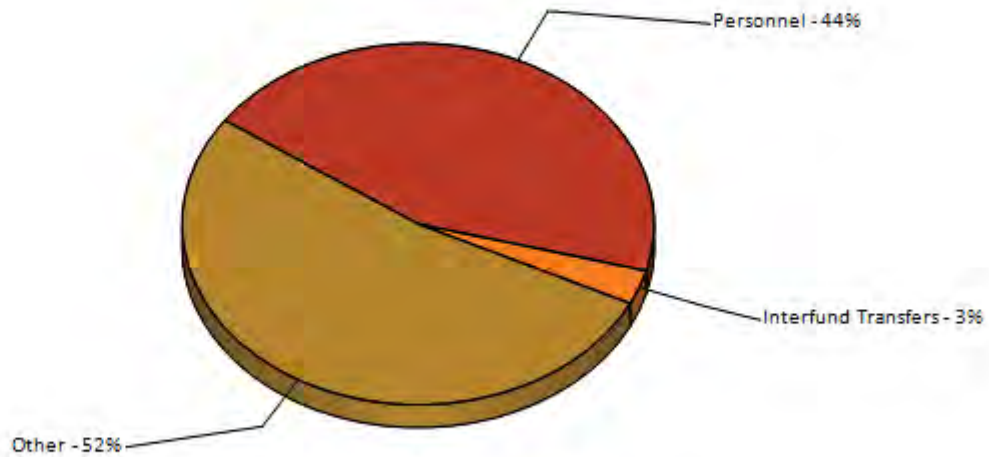
# Office of Economic Development

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$7,918,222	\$10,066,072	\$9,021,004	\$9,150,973
Other Funding - Operating	\$1,587,464	\$1,420,354	\$1,438,272	\$1,441,455
<b>Total Operations</b>	<b>\$9,505,686</b>	<b>\$11,486,426</b>	<b>\$10,459,276</b>	<b>\$10,592,428</b>
<b>Total Appropriations</b>	<b>\$9,505,686</b>	<b>\$11,486,426</b>	<b>\$10,459,276</b>	<b>\$10,592,428</b>
Full-time Equivalent Total*	27.50	31.00	35.50	35.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Office of Economic Development

## Budget Overview

The 2017-2018 Proposed Budget provides resources for OED to continue and expand its role in supporting a strong, diverse economy that works for all. The proposals included reflect an approach to economic growth that focuses on enhancing existing market assets and capabilities with more attention paid to supporting business formation, talent development, and continuous investments in neighborhood development, identity, and infrastructure. The proposals also highlight OED's increasing role in managing Seattle's economic growth by improving cross-departmental collaboration and adding staff capacity to support existing and new businesses during this unprecedented growth period. This approach underlines the Mayor's vision of an affordable city that promotes economic development while also protecting low-wage workers and small businesses.

Lastly, in 2017 and 2018, OED will continue providing financial support to both the Trade Development Alliance (\$25,000) and the Economic Development Council (\$100,000). In working with both these organizations, OED will seek to develop more specific and measurable outcomes in return for this continued financial support.

### **Mayor's Youth Employment Initiative**

Seattle continues to be a national leader in job and wage growth, but many youth will miss out on the opportunities the economy present because they are not prepared to meet the labor demands of the economy or are unable to leverage local networks to develop themselves as workers. In Seattle, youth face an unemployment rate more than three times higher than adults in the region. This is especially true for African-Americans who only have a high school degree. The Mayor's Youth Employment Initiative aims to provide much-needed support to youth aged 14-24 who are disengaged from school through employment that prepares them for future success.

In 2017, the City will maintain its level of internship placement by replacing one-time grant funding from JP Morgan Chase with City funding. This funding will allow the continued engagement of public and private sectors to develop and manage internship opportunities.

### **Only in Seattle (OIS) Infrastructure Funding Shift**

In 2016, OIS provided \$1.6 million in grants and services to neighborhood business districts including \$500,000 for infrastructure improvements. The proposed budget will reallocate approximately \$136,000 of these infrastructure funds to increase staffing for the Business Improvement Areas.

### **Increase Business Improvement Area Staffing**

Business Improvement Areas (BIAs) greatly benefit the city by helping commercial districts organize and tax themselves to improve their appearance, safety, image, activation and business recruitment. In 2016, nine BIAs existed in Seattle that funded neighborhood economic and business development through self-elected assessments of businesses and property owners. In 2015, BIAs generated more than \$17.7 million, funding major tourism campaigns, maintenance of the downtown core, sponsorships of festivals, small business support networks and beautification projects.

The Seattle City Council passed BIA policy reforms in 2016 that increase the responsibilities of OED, which is in charge of developing and maintaining BIAs. The proposed budget adds a position to improve the quality of new BIA proposals by supporting improved public engagement, improved support during the Council review process and increased support to existing BIAs.

### **Enhanced Pre-Construction Planning and Business Outreach**

The Seattle Department of Transportation, the Department of Neighborhoods, and OED will join together to improve outreach and engagement to neighborhoods and small businesses affected by major construction projects. The proposed budget adds a position to perform expanded outreach and assistance to small businesses prior to and during construction.

### **Repurposing CDBG Funding for Commercial Affordability**

As part of the Mayor's efforts to ensure small businesses are part of Seattle's economic development success, he formed a Commercial Affordability Advisory Committee in 2016. This committee will address the rising cost of

# Office of Economic Development

commercial space for small businesses, develop opportunities to activate public spaces for entrepreneurs, and identify strategies to expand economic development throughout Seattle. The Advisory Committee will make recommendations to Council in October 2016 and the proposed budget will allow OED to reprogram part of its existing federal Community Development Block Grant (CDBG) funding to invest in projects consistent with these recommendations.

## Nightlife Initiative

Seattle is home to some of the region's top nightlife spots and as this thriving industry grows, there are opportunities to better support business owners and manage the safety of those that enjoy it. The City will implement its Nightlife Initiative, an agenda that fosters a cooperative relationship between the City and the nightlife industry to promote mutual goals of safety, growing the local economy, and urban vibrancy. The proposed budget adds a position in the Office of Film and Music to oversee the implementation of the initiative and coordination amongst City departments.

## Increased Partnership Between Arts and OFM

The Office of Arts and Culture (Arts) will partner with the Office of Film and Music (OFM) to promote the expansion of Seattle's creative industries and to support its workers. The proposed budget includes admission tax funding in Arts to support the work of the Music Commission as well as fund OFM's Creative Industries Business Advocate position to carry out a broader scope of work.

The Creative Industries Business Advocate will continue to support the work of the Music Commission and Arts Commission and now also serve as the project lead for Creative Industries strategy planning and implementation. To further develop Seattle's creative economy, this position will align the work of workforce development for youth via Arts' Creative Advantage program and the Music and Career Day.

## Incremental Budget Changes

### Office of Economic Development

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 11,486,426</b>	<b>31.00</b>	<b>\$ 11,486,426</b>	<b>31.00</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 2,222,900	0.00	-\$ 2,222,900	0.00
Citywide Adjustments for Standard Cost Changes	\$ 230,071	0.00	\$ 355,860	0.00
<b>Proposed Changes</b>				
Youth Employment	\$ 597,049	1.00	\$ 598,370	1.00
Only in Seattle Infrastructure Funding Reduction	-\$ 136,306	0.00	-\$ 137,331	0.00
Business Improvement Area (BIA) Staff Add	\$ 136,306	1.00	\$ 137,331	1.00
Pre-Construction Planning and Business Outreach	\$ 144,100	1.00	\$ 148,400	1.00
Reprogramming CDBG for Commercial Affordability	\$ 0	0.00	\$ 0	0.00
Nightlife Initiative	\$ 136,306	1.00	\$ 137,331	1.00
Music Commission Funding	\$ 50,000	0.00	\$ 50,000	0.00
Creative Industries Advocate	\$ 0	0.00	\$ 0	0.00

# Office of Economic Development

Citywide Summit Re-Implementation Project	\$ 26,066	0.50	\$ 26,783	0.50
<b>Proposed Technical Changes</b>				
CDBG Budget Adjustment	\$ 12,158	0.00	\$ 12,158	0.00
<b>Total Incremental Changes</b>	<b>-\$ 1,027,150</b>	<b>4.50</b>	<b>-\$ 893,998</b>	<b>4.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 10,459,276</b>	<b>35.50</b>	<b>\$ 10,592,428</b>	<b>35.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$2,222,900)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget: Southeast Economic Opportunity Center Pre-Development Costs (\$1.9 million), General Fund support for Women- and Minority-Owned Businesses (WMBE) Business Assistance Contract (\$100,000), Small Local Manufacturing Program (\$50,000), Chinatown-International District and Little Saigon Business Vacancy Program (\$100,000), Citywide Summit Re-Implementation (SRI) project (\$26,000), special events (\$45,000), and International Business Development Program (\$5,000).

#### **Citywide Adjustments for Standard Cost Changes - \$230,071**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

### Proposed Changes

#### **Youth Employment - \$597,049/1.00 FTE**

This adjustment provides replacement of one-time grant funding by JPMorgan Chase to maintain support for the Mayor's Youth Employment Initiative. This allocation will provide for the continued engagement of public and private sectors via an outside intermediary organization to build and manage youth employment and internship opportunities for low-income and disadvantaged youth. This item also adds a Strategic Advisor 2 position to support the program's continued development and improve coordination both internal and external to the City.

#### **Only in Seattle Infrastructure Funding Reduction - (\$136,306)**

This item reallocates funding from the Only in Seattle's (OIS) infrastructure grant program to add support for the development and maintenance of Business Improvement Areas. In 2016, OIS delivered \$1.6 million in grants and services, including \$500,000 to fund infrastructure improvements in neighborhood business districts. OIS will continue to be a comprehensive investment strategy that uses proven strategies and best practices to create flourishing neighborhood business districts.



# Office of Economic Development

## **Business Improvement Area (BIA) Staff Add - \$136,306/1.00 FTE**

This adjustment adds a Strategic Advisor 1 to support the City's increasing BIA responsibilities. In addition to the City Council's adoption of new BIA policies in 2016 that tasked OED with a larger set of responsibilities, the number of BIAs has also grown over recent years, leading to an increase in OED's workload. This position will enable OED to manage the enhanced level of responsibility, help accelerate the development of new BIAs, and improve the functionality of existing BIAs which will better leverage private resources to invest and improve Seattle's economy.

## **Pre-Construction Planning and Business Outreach - \$144,100/1.00 FTE**

This item creates a Pre-Construction Planning and Business Outreach position that will expand outreach and assistance to small businesses prior to and during construction affecting the right of way. The position will be housed in OED and funded by the Seattle Department of Transportation (SDOT). This Strategic Advisor 2 will be integrated into SDOT's improved construction outreach program, which also includes the Department of Neighborhoods, to better support neighborhood businesses, organizations, and residents before and during construction.

## **Reprogramming CDBG for Commercial Affordability**

This adjustment reprograms \$85,000 of existing Community Development Block Grant (CDBG) funding in OED's budget to instead invest in commercial affordability projects that will be consistent with the recommendations from the Mayor's Commercial Affordability Advisory Committee. Currently, the CDBG funding provides small business loans. Reprogramming this funding for commercial affordability will still serve the same constituents as before, small businesses, while allowing for greater flexibility in providing them with support. This will be an ongoing request.

## **Nightlife Initiative - \$136,306/1.00 FTE**

This adjustment adds a Nightlife Business Services Advocate in the Office of Film and Music within OED. This position will act as project manager for the City's Nightlife Initiative which seeks to support a safe and successful nightlife sector by advocating for local businesses and supporting their efforts to comply with regulations. This Strategic Advisor 1 position will allow the City to promote good business practices and proactively troubleshoot problems before they worsen.

## **Music Commission Funding - \$50,000**

This item supports a partnership between the Office of Arts and Culture and the Seattle Music Commission. The Seattle Music Commission is an existing program within the Office of Film and Music that works to advance the City Music Initiative. The City Music Initiative envisions Seattle as a place where musicians and music businesses flourish. This item will provide support for the development and implementation of new City of Music Initiative and includes items like a music economy census, evaluating the feasibility of a music business accelerator, City of Music and Creative Industries Career Days, and Race and Social Justice Initiative training for music commissioners.

## **Creative Industries Advocate**

This adjustment reflects an increased partnership between the Office of Arts and Culture (Arts) and the Office of Film and Music (OFM) within OED. Arts admission tax funding will support a 1.0 FTE Creative Industries Business Advocate within OFM. This position will serve as the project lead for the Creative Industries strategy planning and implementation, which will be built off of a creative industries report funded by Arts in 2016 and 2017, and will create and implement a strategy aligned with the goals of ARTS, OFM and OED. The position will also continue to work with the Arts Commission and Music Commission's Youth and Community Committee, with increased focus

# Office of Economic Development

on alignment on creative industry internships and workforce development programming with Arts' Creative Advantage program and Arts and OFM's Music and Career Day. Finally, the position will continue to support the work of the Music Commission and other OFM priorities. Funding for this position is recognized as a contribution to the General Fund revenues.

## Citywide Summit Re-Implementation Project - \$26,066/.50 FTE

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

### Proposed Technical Changes

## CDBG Budget Adjustment - \$12,158

This item adjusts the Community Development Block Grant (CDBG) budget for OED to match the total funds available.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>CDBG - Office of Economic Development Budget Control Level</b>	<b>6XD10</b>	<b>1,587,464</b>	<b>1,420,354</b>	<b>1,438,272</b>	<b>1,441,455</b>
<b>Office of Economic Development Budget Control</b>					
Business Services		6,542,955	8,723,336	7,628,223	7,728,070
Economic Development Leadership		557,144	528,401	556,519	571,040
Finance and Operations		818,124	814,335	836,262	851,863
<b>Total</b>	<b>X1D00</b>	<b>7,918,222</b>	<b>10,066,072</b>	<b>9,021,004</b>	<b>9,150,973</b>
<b>Department Total</b>		<b>9,505,686</b>	<b>11,486,426</b>	<b>10,459,276</b>	<b>10,592,428</b>
<b>Department Full-time Equivalent Total*</b>		<b>27.50</b>	<b>31.00</b>	<b>35.50</b>	<b>35.50</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Economic Development

## Appropriations By Budget Control Level (BCL) and Program

### CDBG - Office of Economic Development Budget Control Level

The purpose of the Community Development Block Grant (CDBG) - Office of Economic Development Budget Control Level is to provide operating, grant, loan, and project management support to neighborhood business districts and community-based development organizations, as well as for special projects, for the goal of creating thriving neighborhoods and broadly-shared prosperity.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Economic Development	1,587,464	1,420,354	1,438,272	1,441,455
<b>Total</b>	<b>1,587,464</b>	<b>1,420,354</b>	<b>1,438,272</b>	<b>1,441,455</b>

### Office of Economic Development Budget Control Level

The purpose of the Office of Economic Development Budget Control Level is to provide vital services to individual businesses and economic development leadership to support a strong local economy, thriving neighborhood business districts, and broadly-shared prosperity.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Business Services	6,542,955	8,723,336	7,628,223	7,728,070
Economic Development Leadership	557,144	528,401	556,519	571,040
Finance and Operations	818,124	814,335	836,262	851,863
<b>Total</b>	<b>7,918,222</b>	<b>10,066,072</b>	<b>9,021,004</b>	<b>9,150,973</b>
Full-time Equivalents Total*	27.50	31.00	35.50	35.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Office of Economic Development Budget Control Level:**

#### **Business Services Program**

The purpose of the Business Services Program is to provide direct services to businesses and to support a healthy business environment that empowers businesses to develop, grow, and succeed. The Business Services Program provides assistance navigating government services, facilities access to capital and building management expertise, and invests in workforce development services focused on building skills that benefit individual job-seekers and support employers in key industry sectors.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Business Services	6,542,955	8,723,336	7,628,223	7,728,070
Full-time Equivalents Total	21.50	25.00	29.00	29.00

# Office of Economic Development

## Economic Development Leadership Program

The purpose of the Economic Development Leadership Program is to lead the creation of the City of Seattle's economic agenda. The Economic Development Leadership Program develops targeted areas of focus for OED and relevant City and community partners; convenes a broad range of the businesses in the community to make informed decisions on economic policies; and strengthens the alignment of city, regional, state, and federal economic development activities.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Economic Development Leadership	557,144	528,401	556,519	571,040
Full-time Equivalents Total	4.00	4.00	4.00	4.00

## Finance and Operations Program

The purpose of the Finance and Operations Program is to provide leadership over daily office operations and financial, administrative, and human resource services to effectively accomplish OED's mission and goals.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Finance and Operations	818,124	814,335	836,262	851,863
Full-time Equivalents Total	2.00	2.00	2.50	2.50



# Office of Housing

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Steve Walker, Director

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## Department Overview

The mission of the Office of Housing (OH) is to invest in, and promote, the development and preservation of housing so that all Seattle residents have access to safe, decent, and affordable housing. To accomplish this mission, OH has four program areas:

- Multi-Family Production and Preservation;
- Homeownership and Sustainability;
- Policy and Program Development; and
- Administration and Management.

The **Multi-Family Production and Preservation** program area employs the Housing Levy and other federal and local program funding to make long-term, low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the housing portfolio to ensure that the policy objectives of the City are achieved and that the units remain in good condition. The portfolio now includes 301 buildings with more than 12,000 units, representing a significant investment of City and other funding in affordable housing over 35 years.

The **Homeownership and Sustainability** program area includes three primary programs for low-income households. These programs are:

- Homeownership Assistance- provides loans to first-time homebuyers to support homeownership opportunities for low-income families;
- Home Repair Loan Program - provides no- or low-interest loans annually to assist with critical home repairs; and
- HomeWise Weatherization Program - provides annual grants to increase energy efficiency and lower costs.

The **Policy and Program Development** program area establishes long-term strategic plans, develops and implements policy-based tools, and addresses housing-related aspects of citywide land use and community development issues. Key components of this program area include expanding resources for affordable housing and homelessness programs, creating incentive programs to advance housing affordability goals, and coordinating disposition of vacant land for redevelopment purposes to increase housing opportunities for Seattle residents.

The **Administration and Management** program area provides centralized leadership, coordination, technology, contracting, and financial management services to OH program and capital projects.

# Office of Housing

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$345,403	\$401,623	\$138,950	\$143,120
Other Funding - Operating	\$39,390,010	\$52,137,503	\$67,963,782	\$68,072,119
<b>Total Operations</b>	<b>\$39,735,413</b>	<b>\$52,539,126</b>	<b>\$68,102,732</b>	<b>\$68,215,239</b>
<b>Total Appropriations</b>	<b>\$39,735,413</b>	<b>\$52,539,126</b>	<b>\$68,102,732</b>	<b>\$68,215,239</b>
Full-time Equivalent Total*	43.50	43.50	42.50	43.50

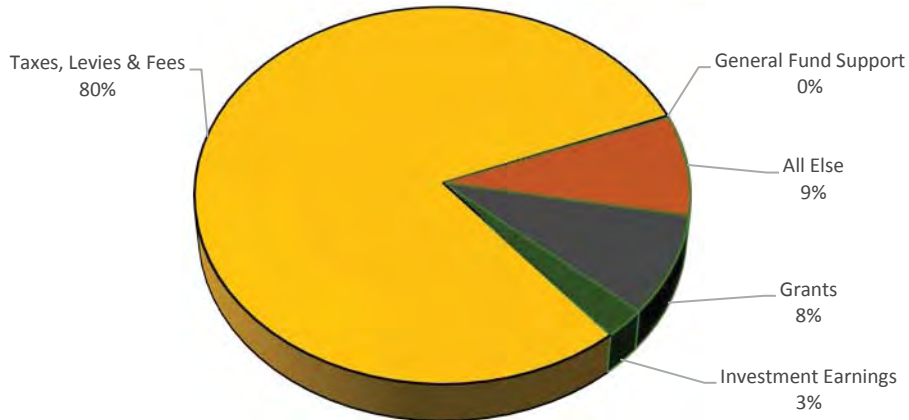
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Office of Housing

## 2017 Proposed Budget - Revenue by Category



## Budget Overview

In 2015, the Mayor and the City Council commissioned a Housing Affordability and Livability Agenda (HALA) Advisory Committee. After months of work, the committee reached consensus on 65 recommendations. Many of the recommendations coming out of HALA are being implemented, and two key recommendations are reflected in the 2017-2018 Proposed Budget: 1) doubling the size of the voter-approved housing levy; and 2) creating a mandatory inclusionary housing program, known as the Mandatory Housing Affordability (MHA) program.

In August 2016 Seattle voters approved a new seven-year, \$290-million housing levy to produce affordable housing for seniors, people with disabilities, low-wage workers, and people experiencing homelessness. The levy will also provide funding for homelessness prevention and homeownership assistance. This levy replaces the 2009 Housing Levy which expires at the end of 2016.

By the end of 2015, the 2009 Housing Levy produced or preserved 2,184 apartments to serve families, seniors, people with disabilities, and formerly homeless people for 50 years or more. In addition to the units created, 2,442 families and individuals received emergency rent assistance and services, and 144 low-income households received a loan to purchase their first home.

The 2016 Housing Levy will build on the success of the 2009 Housing Levy. The following programs will be funded under the new 7-year levy:



## Office of Housing

Program	Total Funding (7 Years)	Estimated Housing Produced/Households Assisted	Program Description
Rental Production and Preservation	\$201,000,000	2,150 units produced or preserved  350 units reinvested	Funds new construction or preservation of rental housing for low-income households, including people with disabilities, the elderly, homeless individuals and families, low-wage working people, and families with children.
Operating and Maintenance	\$42,000,000	510 units	Operating support for levy-funding buildings. Supplements rent paid by residents at or below 30% of median income.
Homelessness Prevention and Housing Stability Services	\$11,500,000	4,500 households	Short-term rent assistance and stability services for low-income individuals and families.
Homeownership	\$9,500,000	280 households	Down payment assistance loans, one-time loans to prevent foreclosure and emergency home repair grants.
Acquisition and Preservation	Loans will be made with levy proceeds not yet needed for other levy programs.		Short-term acquisition loans for purchases of building or land for rental or homeownership development.
Administration	\$26,000,000	N/A	Supports staff and operations at the Office of Housing and the Human Services Department.
<b>Total</b>	<b>\$290,000,000</b>		

The 2017-2018 Proposed Budget includes increases in revenues and budget authority to reflect the increase in the size of the levy. The budget also includes reductions to General Fund support in recognition that the Office of Housing (OH) has sufficient revenue from the levy and other sources to pay for the operations of the department.

In addition to changes related to the levy, the budget includes changes in revenue and the addition of an FTE in 2018 to support the new Mandatory Housing Affordability (MHA) program. The MHA program will require developers of commercial property and multi-family residential property to either commit to include affordable units in the development or pay a fee which will go to the City to create affordable housing. If developers choose the "performance" option, meaning that they will include affordable units, the units must be affordable at up to 60% adjusted median income over a 75-year timeframe. Developers that choose the "payment" option would be required to provide a cash contribution to the City for the purpose of providing affordable housing.

Although the MHA framework has already been adopted, the residential program will take effect as changes to development standards that increase residential development capacity are adopted. These changes can be made through changes to land use code, land use map amendments, or contract rezones. As the program is implemented, and more development is subject to the MHA program, it is anticipated that OH will need additional capacity to support this work.

# Office of Housing

## Performance Measures Budget Book Pilot

The Office of Housing (OH) is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and are not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, OH worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the 2017-18 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as applicable.

The following tables present information gathered during the initial pilot phase, and are subject to further refinement as this pilot is developed.

### Investing in 2016 affordable housing levy goals

2016 Levy Status

2017-2018 Proposed Budget: \$37.7M (2017), \$37.7M (2018)

**Program Summary:** At the completion of its sixth year, the Housing Levy is clearly keeping its promise to Seattle voters. Each Levy program has already exceeded, or is on track to meet, its performance goal by the end of this year. More importantly, Housing Levy investments are changing the lives of thousands of Seattle families and individuals for the better.

**Past Performance:** The 2009 Levy met and exceeded goals set during 2010-2016.

**2017-18 Goal Statement:** Meet or exceed levy goals set in the 2016 Levy.

**Expected Result:** Implementation of the 2016 Levy will begin in 2017.

Levy Program	Funding		Housing Produced (units)		
	Total Levy Funding: 2010-2016	Funding Committed: 2010-2015	Levy Goals: 2010-2016	Housing Outcomes: 2010-2015	Levy Goals: 2017-2023
Rental Production & Preservation	\$104 M	\$88.5 M	1,670	2,184 added, plus 410 reinvested	2,150 added, plus 350 reinvested
Acquisition & Opportunity Loans	\$6.5 M	\$7.9 M	175	234	TBD
Operating & Maintenance	\$14.4 M	\$12 M	220	207	510
Rental Assistance/ Homelessness Prevention (HSD)	\$4.25 M	\$3.4 M	3,025 households (2012-2016)	2,442 households (2012-2015)	4,500 households
Homebuyer Assistance	\$9.1 M	\$5.8 M	180 closed loans	144 closed loans, plus 43 projected	280 closed loans

# Office of Housing

## Increasing availability of affordable housing

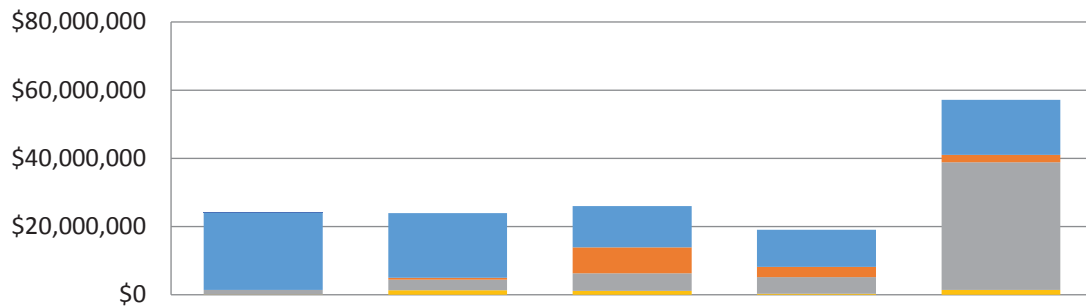
City funds awarded for rental production

2017-2018 Proposed Budget: \$28.7M each year from Levy; supplemented by incentive zoning revenues, federal grants, and program income.

**Program Summary:** The Office of Housing (OH) supports the preservation and production of affordable rental housing through long-term loans to mission-based multifamily developers in Seattle. There are currently almost 300 buildings that have received funding through OH, which are inspected by the Asset Management team to ensure quality, health, and safety.

**Past Performance:** By the end of 2015, there was a total of 12,423 affordable units created or in development through the Rental Production program as low and moderate income housing. The city leveraged \$3.44 for every dollar spent in 2015. In 2015, there was also a significant jump in Incentive Zoning funding, a fund source that is generated by new construction

### Funds Awarded for Rental Production:



	2011	2012	2013	2014	2015
Levies	\$22,633,805	\$18,964,195	\$12,112,699	\$10,880,329	\$16,141,859
Federal Grants		\$545,000	\$7,597,762	\$2,951,749	\$2,136,151
Incentive Zoning	\$1,371,145	\$3,084,472	\$5,175,261	\$4,879,329	\$37,494,093
Other	\$9,440	\$1,329,114	\$1,104,070	\$323,654	\$1,401,921
Total Funding:	\$24,014,390	\$23,922,781	\$25,989,792	\$19,035,060	\$57,174,025

**2017-18 Goal Statement:** The City of Seattle has an overarching goal to add a total of 20,000 affordable units between the years of 2015-2025. This 20,000 relies on various strategies that add up to 20,000 including Rental Production that is estimated to generate 12,000 units within this time period.

**Expected Result:** Rental Production is funded by the Housing Levy that has been renewed in 2016. These city dollars generated by the Housing Levy, leverage other sources of funding including state, federal, and private funds. OH anticipates the Incentive Zoning amount will likely remain high through 2016, 2017 and 2018. However, because new construction is largely driven by market forces this fund source is expected to oscillate over time in parallel with the housing market.

	2011 Actuals	2012 Actuals	2013 Actuals	2014 Actuals	2015 Actuals
Affordable units produced or preserved	471	516	394	275	890**
Total Funding awarded (see above table for detail)	\$24,014,390	\$23,922,781	\$25,989,792	\$19,035,061	\$57,174,024
Amount of public and private funds leveraged with each City dollar	\$2.51	\$4.80	\$2.97	\$3.67	\$3.44

\*Levy dollars include funds from all levies that were made available through the NOFA in that year.

\*\*26 additional, already affordable units, were recapitalized as part of the 2015 funding awards.

# Office of Housing

## Reducing household expenses for low-income families

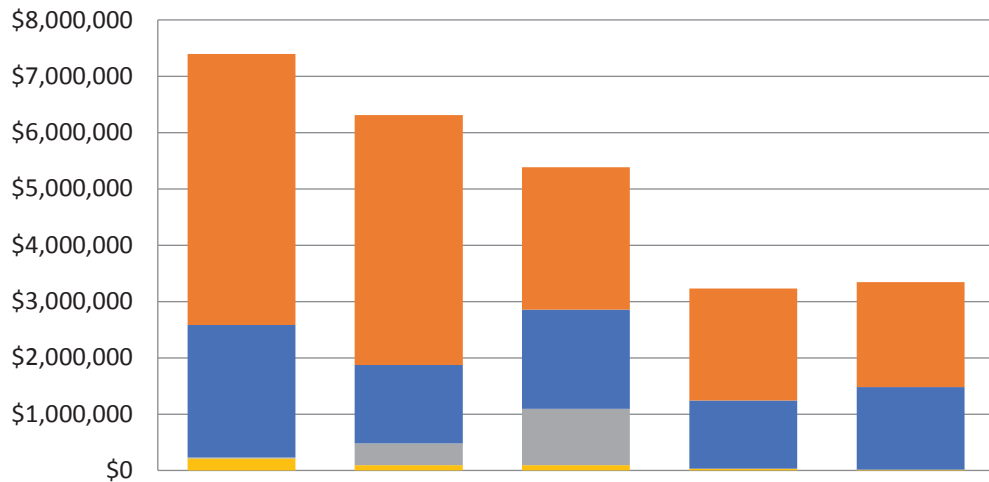
City funds expended for weatherization

2017-2018 Proposed Budget: \$3.4M (2017), \$3.5M (2018)

**Program Summary:** Utilities are one of a household's greatest expenses. For low-income families living in older homes, money could be leaking out of the cracks. The HomeWise Weatherization Program provides free energy efficiency improvements to qualified homes, increasing comfort and saving money. Improvements could include energy audits, insulation, air sealing, or furnace repair or replacement.

**Past Performance:** The Department of Commerce amounts include pass-through American Recovery and Reinvestment Act (ARRA) funding in 2011-2013, which is why funding is higher in those years.

### Funds Expended for Weatherization:



	2011: 1,802 Units	2012: 1,071 Units	2013: 1,161 Units	2014: 487 Units	2015: 575 Units
Department of Commerce	\$4,817,066	\$4,439,065	\$2,531,754	\$1,989,137	\$1,862,141
Seattle City Light	\$2,351,706	\$1,392,128	\$1,757,209	\$1,213,218	\$1,463,438
Community Power Works	\$16,163	\$383,208	\$1,000,198		
Puget Sound Energy	\$212,903	\$96,454	\$96,125	\$29,014	\$16,433
<b>Total Funding:</b>	<b>\$8,303,267</b>	<b>\$6,760,174</b>	<b>\$5,881,477</b>	<b>\$3,231,369</b>	<b>\$3,342,012</b>

**2017-18 Goal Statement:** Maintain 575 units weatherized per year.

**Expected Results:** OH expects the program cost and units receiving weatherization to maintain at 2015 level.

# Office of Housing

## Incremental Budget Changes

### Office of Housing

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 52,539,126</b>	<b>43.50</b>	<b>\$ 52,539,126</b>	<b>43.50</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 18,498	-1.00	-\$ 15,740	-1.00
Shift to Levy and Other Funding	\$ 0	0.00	\$ 0	0.00
Adjustment for One-Time Adds or Reductions	-\$ 540,979	0.00	-\$ 540,979	0.00
Citywide Adjustments for Standard Cost Changes	\$ 267,006	0.00	\$ 432,102	0.00
<b>Proposed Changes</b>				
Advance Seattle Housing Levy Goals	\$ 15,698,000	0.00	\$ 15,698,000	0.00
Increase Staffing and Enhance Permitting System to Support the Mandatory Housing Affordability Program	\$ 364,001	0.00	\$ 296,568	1.00
<b>Proposed Technical Changes</b>				
Technical Changes	-\$ 205,924	0.00	-\$ 193,838	0.00
<b>Total Incremental Changes</b>	<b>\$ 15,563,606</b>	<b>-1.00</b>	<b>\$ 15,676,113</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 68,102,732</b>	<b>42.50</b>	<b>\$ 68,215,239</b>	<b>43.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$18,498)/(1.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

# Office of Housing

## **Shift to Levy and Other Funding**

This is a budget neutral technical changes which shifts funding for a strategic advisor from the Community Development Block Grant (CDBG) to the Housing Levy and other OH sources.

## **Adjustment for One-Time Adds or Reductions - (\$540,979)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. The adjustments include a reduction of \$137,000 for one-time Summit Reimplementation costs, \$379,000 for the Fire Station 39 project, and \$25,000 for HALA consultant support.

## **Citywide Adjustments for Standard Cost Changes - \$267,006**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

## **Proposed Changes**

### **Advance Seattle Housing Levy Goals - \$15,698,000**

The 2016 voter-approved \$290 million 7-year housing levy represents a doubling in size from the 2009 Levy of \$145 million. To support the work of the new housing levy, the 2017-2018 Proposed Budget includes adjustments to reflect the increase in levy revenue and the corresponding spending authority. This adjustment includes an increase in budget authority of \$15,678,000 for the new housing levy. This funding will support the rental production and preservation program and the homeownership program, as well as will pass through to the Human Services Department for the homelessness prevention program.

The levy will also support the purchase of data to monitor unsubsidized housing. In Statement of Legislative Intent 28-1-A-1, passed with the 2016 Adopted Budget, OH and the Office of Planning and Community Development outlined a program to monitor unsubsidized rental housing affordable to households earning 80% of Area Median Income (AMI) and below. The data purchase will allow OH and OPCD to better understand the existing stock of low-cost market rate rental housing. The estimated cost of the annual data purchase is \$20,000.

The 2017-2018 Proposed Budget also shifts \$270,000 in OH staffing costs from the General Fund to the housing levy and incentive zoning funding. The renewal and increase in the size of the levy allows OH to continue funding the majority of its operations with non-General Fund sources, including the levy, incentive zoning funding, program income, and state and federal grants.

### **Increase Staffing and Enhance Permitting System to Support the Mandatory Housing Affordability Program - \$364,001**

Consistent with the goals of the Mayor's Housing Affordability and Livability Agenda (HALA) action plan, the new Mandatory Housing Affordability (MHA) program sets requirements for new commercial and residential development to increase the amount of available affordable housing. The program requires developers to either "set-aside" a certain percentage of units onsite at affordable levels, or to pay a mitigation fee based on square footage of the development. The MHA program will replace and expand the existing incentive zoning program. The current incentive zoning program is applied only in the Downtown/South Lake Union neighborhoods, and a few other limited areas of the City. The MHA program will apply to all areas of the City where commercial development and multi-family housing are allowed. As the MHA program ramps up, the number of participating properties is expected to increase compared to the current incentive zoning program. OH anticipates the need for additional staff capacity to support the program. The 2017-2018 Proposed Budget adds a 1.0 FTE Community

# Office of Housing

Development Specialist in 2018. The new position will be focused on reviewing project plans, reviewing title documents, executing covenants, tracking data, collecting payments, as well as other duties.

In addition to the staffing increase, the 2017-2018 Proposed Budget transfers \$364,000 from the Office of Housing to the Seattle Department of Construction and Inspections (SDCI) for improvements to its permitting system. The permitting system updates will be paid for with administrative revenue generated from the MHA program. The 2018 cost is \$178,000. The changes include integration of SDCI business practices, tracking and reporting on MHA projects and outcomes, and functions to calculate and document development fees and compliance with MHA. Additional information on this change is included in the SDCI section of the budget.

## **Proposed Technical Changes**

### **Technical Changes - (\$205,924)**

The 2017-2018 Proposed Budget includes \$379,000 in Community Development Block Grant (CDBG) funding for the development of the ground floor space at the Fire Station 39 project. These funds were approved in the 2016 Adopted Budget, but due to project timing, have not yet been spent. This technical change shifts the funding to 2017 for the same purpose. The project will include affordable housing as well as Pre-K classrooms. The technical changes also include a one-time reduction of \$200,000 in CDBG funding for program staffing and rental housing preservation and development; most of which will be covered by other sources.

# Office of Housing

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>CDBG - Office of Housing Budget Control</b>					
Homeownership and Sustainability - CDBG		607,019	690,441	826,191	823,187
Multi-Family Production and Preservation - CDBG		2,836,076	1,252,131	748,257	570,227
Strategic Planning, Resource, and Program Development - CDBG		575,870	279,170	152,397	155,213
<b>Total</b>	<b>6XZ10</b>	<b>4,018,966</b>	<b>2,221,742</b>	<b>1,726,845</b>	<b>1,548,627</b>
<b>Low-Income Housing Fund 16400 Budget Control</b>					
Homeownership and Sustainability - 16400		3,120,283	7,329,325	7,387,325	7,387,325
Multi-Family Production and Preservation - 16400		27,025,826	36,930,721	52,429,721	52,550,721
<b>Total</b>	<b>XZ-R1</b>	<b>30,146,109</b>	<b>44,260,046</b>	<b>59,817,046</b>	<b>59,938,046</b>
<b>Office of Housing Operating Fund 16600 Budget Control</b>					
Administration and Management - 16600		2,432,996	2,589,003	2,879,363	2,745,058
Community Development - 16600		787,898	758,699	910,602	1,048,247
Homeownership and Sustainability - 16600		1,250,278	1,322,372	1,387,066	1,429,441
Multi-Family Production and Preservation - 16600		1,099,166	1,387,264	1,381,810	1,505,820
<b>Total</b>	<b>XZ600</b>	<b>5,570,339</b>	<b>6,057,338</b>	<b>6,558,841</b>	<b>6,728,566</b>
<b>Department Total</b>		<b>39,735,413</b>	<b>52,539,126</b>	<b>68,102,732</b>	<b>68,215,239</b>
<b>Department Full-time Equivalent Total*</b>		<b>43.50</b>	<b>43.50</b>	<b>42.50</b>	<b>43.50</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*



# Office of Housing

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
433010	Community Development Block Grant	4,018,966	2,221,742	1,726,587	1,548,547
	<b>Total CDBG Grants</b>	<b>4,018,966</b>	<b>2,221,742</b>	<b>1,726,587</b>	<b>1,548,547</b>
	Unrealized Gains/Losses Investments	-154,186	0	0	0
411100	Property Tax Levy	17,934,155	17,969,417	37,862,143	37,862,143
433010	Federal Grants - Weatherization	739,395	632,734	632,734	632,734
434010	State Grants - Weatherization	236,742	975,000	975,000	975,000
445810	Bonus/MHA Capital	28,949,752	15,000,000	18,000,000	18,000,000
461110	Investment Earnings	1,326,983	2,000,000	2,000,000	2,000,000
469930	Program Income	4,967,280	4,000,000	4,000,000	4,000,000
471010	Federal Grants-HOME Program	6,028,057	2,262,246	2,262,246	2,262,246
569990	Local Grants-Weatherization	1,469,679	1,630,000	1,632,000	1,665,000
	<b>Total Low-Income Housing Fund Grants</b>	<b>61,497,857</b>	<b>44,469,397</b>	<b>67,364,123</b>	<b>67,397,123</b>
411100	Levy Administration	1,809,706	1,809,704	3,566,429	3,566,429
433010	Federal Grants-Weatherization	635,011	753,226	753,226	753,226
434010	State Grants-Weatherization	267,426	232,000	232,000	232,000
445800	MFTE application fees	190,000	120,000	120,000	120,000
445810	Bonus/MHA Administration	1,256,119	1,252,000	2,000,000	2,000,000
462900	Other Rents and Use Charges	24,825	12,000	0	0
469990	Miscellaneous Revenue	49,265	1,000	0	0
471010	Challenge Grant	231,926	0	0	0
471010	Fort Lawton Federal Grant	9,349	0	0	0
471010	HOME Administration	316,152	226,224	226,224	226,224
541490	City Light Administration	703,914	715,000	760,000	775,000
587001	General Subfund Support	345,403	401,623	138,950	143,120
	<b>Total Office of Housing All Else</b>	<b>5,839,096</b>	<b>5,522,777</b>	<b>7,796,829</b>	<b>7,815,999</b>
	<b>Total Revenues</b>	<b>71,355,919</b>	<b>52,213,916</b>	<b>76,887,539</b>	<b>76,761,669</b>
379100	Use of (Contribution To) Fund Balance	-31,353,764	-209,351	-7,546,819	-7,458,997
	<b>Total Low-Income Housing Fund Grants</b>	<b>-31,353,764</b>	<b>-209,351</b>	<b>-7,546,819</b>	<b>-7,458,997</b>
379100	Use of (Contribution To) Fund Balance	-266,742	534,561	-1,237,988	-1,087,433
	<b>Total Office of Housing All Else</b>	<b>-266,742</b>	<b>534,561</b>	<b>-1,237,988</b>	<b>-1,087,433</b>
	<b>Total Resources</b>	<b>39,735,413</b>	<b>52,539,126</b>	<b>68,102,732</b>	<b>68,215,239</b>

# Office of Housing

## Appropriations By Budget Control Level (BCL) and Program

<b><u>CDBG - Office of Housing Budget Control Level</u></b>				
tbd				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Homeownership and Sustainability - CDBG	607,019	690,441	826,191	823,187
Multi-Family Production and Preservation - CDBG	2,836,076	1,252,131	748,257	570,227
Strategic Planning, Resource, and Program Development - CDBG	575,870	279,170	152,397	155,213
<b>Total</b>	<b>4,018,966</b>	<b>2,221,742</b>	<b>1,726,845</b>	<b>1,548,627</b>
Full-time Equivalents Total*	1.00	1.00	1.00	1.00
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.				

**The following information summarizes the programs in CDBG - Office of Housing Budget Control Level:**

**Homeownership and Sustainability - CDBG Program**

tbd				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Homeownership and Sustainability - CDBG	607,019	690,441	826,191	823,187

**Multi-Family Production and Preservation - CDBG Program**

tbd				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Multi-Family Production and Preservation - CDBG	2,836,076	1,252,131	748,257	570,227

**Strategic Planning, Resource, and Program Development - CDBG Program**

tbd				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Strategic Planning, Resource, and Program Development - CDBG	575,870	279,170	152,397	155,213
Full-time Equivalents Total	1.00	1.00	1.00	1.00

# Office of Housing

## Low-Income Housing Fund 16400 Budget Control Level

The purpose of the Low-Income Housing Fund 16400 Budget Control Level is to fund multifamily housing production, and to support homeownership and sustainability.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Homeownership and Sustainability - 16400	3,120,283	7,329,325	7,387,325	7,387,325
Multi-Family Production and Preservation - 16400	27,025,826	36,930,721	52,429,721	52,550,721
<b>Total</b>	<b>30,146,109</b>	<b>44,260,046</b>	<b>59,817,046</b>	<b>59,938,046</b>

*The following information summarizes the programs in Low-Income Housing Fund 16400 Budget Control Level:*

### **Homeownership and Sustainability - 16400 Program**

The purpose of the Homeownership and Sustainability - 16400 Program is to provide three types of loans and grants to low-income Seattle residents: loans for first-time home buyers, home repair loans to address health and safety and code repairs, and grants to make low-income housing more energy efficient.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Homeownership and Sustainability - 16400	3,120,283	7,329,325	7,387,325	7,387,325

### **Multi-Family Production and Preservation - 16400 Program**

The purpose of the Multi-Family Production and Preservation - 16400 Program is to invest in the community by making long-term, low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the affordable housing portfolio to ensure the units remain affordable, serve the intended residents, and the buildings remain in good condition.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Multi-Family Production and Preservation - 16400	27,025,826	36,930,721	52,429,721	52,550,721

# Office of Housing

## **Office of Housing Operating Fund 16600 Budget Control Level**

The purpose of the Office of Housing Operating Fund 16600 Budget Control Level is to fund the Department's administration activities.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration and Management - 16600	2,432,996	2,589,003	2,879,363	2,745,058
Community Development - 16600	787,898	758,699	910,602	1,048,247
Homeownership and Sustainability - 16600	1,250,278	1,322,372	1,387,066	1,429,441
Multi-Family Production and Preservation - 16600	1,099,166	1,387,264	1,381,810	1,505,820
<b>Total</b>	<b>5,570,339</b>	<b>6,057,338</b>	<b>6,558,841</b>	<b>6,728,566</b>
Full-time Equivalents Total*	42.50	42.50	41.50	42.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in Office of Housing Operating Fund 16600 Budget Control Level:**

### **Administration and Management - 16600 Program**

The purpose of the Administration and Management - 16600 Program is to provide centralized leadership, coordination, technology, contracting, and financial management support services to OH programs and capital projects to facilitate the production of affordable housing for Seattle residents.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration and Management - 16600	2,432,996	2,589,003	2,879,363	2,745,058
Full-time Equivalents Total	13.00	11.00	10.00	10.00

### **Community Development - 16600 Program**

The purpose of the Community Development -16600 Program is to provide strategic planning, program development, and vacant land redevelopment services to increase housing opportunities for Seattle residents.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Community Development - 16600	787,898	758,699	910,602	1,048,247
Full-time Equivalents Total	4.00	5.00	5.00	6.00

# Office of Housing

## Homeownership and Sustainability - 16600 Program

The Homeownership and Sustainability -16600 Program provides three types of loans and grants to low-income Seattle residents: loans for first-time home-buyers, home repair loans to address health and safety and code repairs, and grants to make low-income housing more energy efficient.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Homeownership and Sustainability - 16600	1,250,278	1,322,372	1,387,066	1,429,441
Full-time Equivalents Total	14.00	14.00	14.00	14.00

## Multi-Family Production and Preservation - 16600 Program

The Multi-Family Production and Preservation -16600 Program invests in the community by making long-term, low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the affordable housing portfolio to ensure the units remain affordable and serve the intended residents, and the buildings remain in good condition.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Multi-Family Production and Preservation - 16600	1,099,166	1,387,264	1,381,810	1,505,820
Full-time Equivalents Total	11.50	12.50	12.50	12.50

# Office of Housing

## Housing Fund Table

### Low-Income Housing Fund (16400)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>105,418,000</b>	<b>109,638,000</b>	<b>136,310,000</b>	<b>140,649,105</b>	<b>148,196,182</b>
Accounting and Technical Adjustments	-459,748	0	0	0	0
Plus: Actual and Estimated Revenues	61,497,857	44,469,397	48,599,151	67,364,123	67,397,123
Less: Actual and Budgeted Expenditures	30,146,109	44,260,046	44,260,046	59,817,046	59,938,046
<b>Ending Fund Balance</b>	<b>136,310,000</b>	<b>109,847,351</b>	<b>140,649,105</b>	<b>148,196,182</b>	<b>155,655,259</b>
Continuing Appropriations	106,140,000	79,809,000	110,611,000	112,196,000	113,656,000
Reserves against FB	30,170,000	30,038,000	30,038,000	36,000,000	42,000,000
<b>Total Reserves</b>	<b>136,310,000</b>	<b>109,847,000</b>	<b>140,649,000</b>	<b>148,196,000</b>	<b>155,656,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>351</b>	<b>105</b>	<b>182</b>	<b>-741</b>

### Office of Housing (16600)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>1,614,000</b>	<b>1,319,000</b>	<b>1,882,757</b>	<b>1,733,196</b>	<b>2,971,184</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,839,096	5,522,777	5,907,777	7,796,829	7,815,999
Less: Actual and Budgeted Expenditures	5,570,339	6,057,338	6,057,338	6,558,841	6,728,566
<b>Ending Fund Balance</b>	<b>1,882,757</b>	<b>784,439</b>	<b>1,733,196</b>	<b>2,971,184</b>	<b>4,058,617</b>
Continuing Appropriations	162,000				
Reserves against FB				378,000	660,000
<b>Total Reserves</b>	<b>162,000</b>			<b>378,000</b>	<b>660,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,720,757</b>	<b>784,439</b>	<b>1,733,196</b>	<b>2,593,184</b>	<b>3,398,617</b>



# Neighborhood Matching Subfund

## Department Overview

The purpose of the Neighborhood Matching Subfund (NMF) is to provide grant resources for Seattle's communities to preserve and enhance the city's diverse neighborhoods, and to empower people to make positive contributions to their communities.

The NMF was established in 1988 to support partnerships between the City of Seattle and neighborhood organizations to undertake neighborhood-initiated planning, organizing and physical improvement projects. The City provides funding that is matched by the community's contribution of volunteer labor, donated materials and professional services, or cash. Applications are accepted from neighborhood-based organizations of residents or businesses, community-based organizations, and ad hoc groups of neighbors that form a committee for the purpose of a specific project. There are three categories of NMF awards:

- Large Projects Fund (awards up to \$100,000);
- Small and Simple Projects Fund (awards up to \$25,000); and
- Small Sparks Fund (awards up to \$1,000).

The Department of Neighborhoods (DON) administers the NMF. Staff coordinate with the Department of Parks and Recreation, Seattle Department of Transportation, Seattle Public Utilities, Seattle Department of Construction and Inspections, Office of Planning and Community Development and others when projects are within the jurisdiction of these departments.

## Budget Snapshot

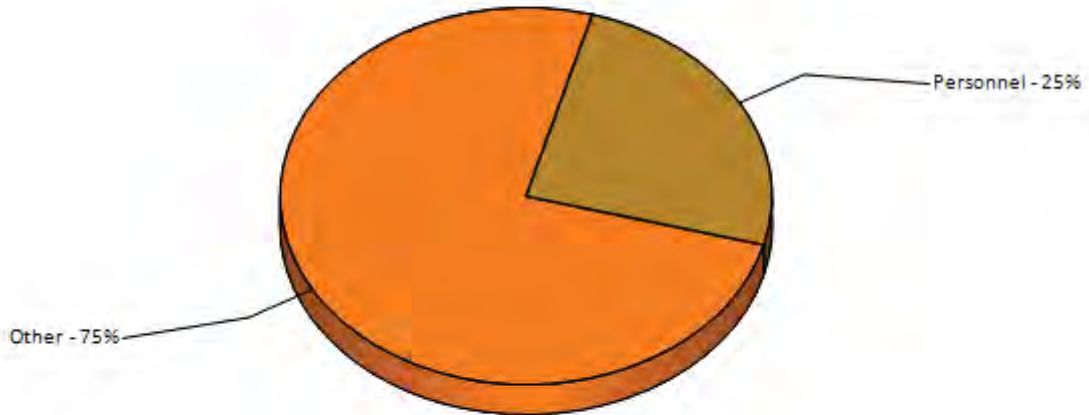
Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$1,557,068	\$3,163,660	\$3,044,195	\$3,069,648
Other Funding - Operating	\$1,858,966	\$1,613,882	\$1,148,308	\$1,017,677
<b>Total Operations</b>	<b>\$3,416,034</b>	<b>\$4,777,542</b>	<b>\$4,192,503</b>	<b>\$4,087,325</b>
<b>Total Appropriations</b>	<b>\$3,416,034</b>	<b>\$4,777,542</b>	<b>\$4,192,503</b>	<b>\$4,087,325</b>
Full-time Equivalent Total*	8.00	8.00	9.00	8.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

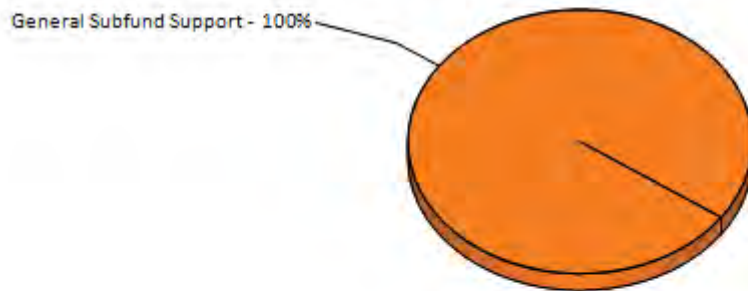


# Neighborhood Matching Subfund

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Neighborhood Matching Subfund

## Budget Overview

The 2017-2018 Proposed Budget will continue the Participatory Budgeting project that was first begun as a pilot project in 2016. In 2016, the Participatory Budgeting pilot project focused on youth initiatives and increased participation of youth from across Seattle to decide how best to use funds to help the residents of Seattle. In 2017, the NMF will expand the model to include all ages and will expand its use to the Neighborhood Parks and Street Fund to increase the accessibility and equity of City grant programs.

The proposed budget also includes the use of NMF fund balance to help support its operating budget as well as funding of the of the Participatory Budgeting program. NMF's fund balance continues to remain quite healthy and that allows the department to reduce its use of General Fund without compromising the financial benefit to NMF projects.

The proposed budget also includes a budget-neutral technical change that transfers funding to the Department of Neighborhoods as part of a departmental reorganization.

## Incremental Budget Changes

### Neighborhood Matching Subfund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 4,777,542</b>	<b>8.00</b>	<b>\$ 4,777,542</b>	<b>8.00</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 720,000	0.00	-\$ 720,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 55,383	0.00	\$ 84,941	0.00
<b>Proposed Changes</b>				
Participatory Budgeting	\$ 131,951	1.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Use of Unreserved Fund Balance	\$ 0	0.00	\$ 0	0.00
DON Reorganization Costs	-\$ 52,373	0.00	-\$ 55,158	0.00
<b>Total Incremental Changes</b>	<b>-\$ 585,039</b>	<b>1.00</b>	<b>-\$ 690,217</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 4,192,503</b>	<b>9.00</b>	<b>\$ 4,087,325</b>	<b>8.00</b>

# Neighborhood Matching Subfund

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$720,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget: Participatory Budgeting (\$700,000) and LGBTQ Task Force Recommendations (\$20,000).

#### **Citywide Adjustments for Standard Cost Changes - \$55,383**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Participatory Budgeting - \$131,951/1.00 FTE**

This adjustment uses NMF fund balance to provide one-time funding for a Planning and Development Specialist for Participatory Budgeting, a community process of designing and selecting projects for funding, where community members participate in the full cycle of the award process. Building off the pilot project last year, this outreach and engagement process will be applied to the Neighborhood Parks and Street Fund (NPSF) and expand from a youth-focused project towards one aimed at the greater public. This position will sunset on December 31, 2017.

### Proposed Technical Changes

#### **Use of Unreserved Fund Balance**

This item reduces the General Fund allocation by \$122,190 in 2017 and \$123,400 in 2018, and increases the use of fund balance by the same amounts. This reallocation will have no impact on the total grant resources available to neighborhoods and communities or the delivery of projects that have been awarded NMF funds. Nor will it reduce the annual funding made available for new projects. This use of fund balance is reflected in NMF's revenues.

#### **DON Reorganization Costs - (\$52,373)**

This item transfers funding to the Department of Neighborhoods as part of a department reorganization. This change is budget neutral. More details are provided in the Department of Neighborhoods budget section.

## Neighborhood Matching Subfund

### Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Neighborhood Matching Fund Budget Control</b>					
Large Projects Fund		955,188	2,244,512	1,544,512	1,544,512
Management and Project Development		944,127	955,177	1,090,138	984,960
Small and Simple Projects Fund		1,454,266	1,510,244	1,490,244	1,490,244
Small Sparks Fund		62,453	67,609	67,609	67,609
<b>Total</b>	<b>2IN00</b>	<b>3,416,034</b>	<b>4,777,542</b>	<b>4,192,503</b>	<b>4,087,325</b>
<b>Department Total</b>		<b>3,416,034</b>	<b>4,777,542</b>	<b>4,192,503</b>	<b>4,087,325</b>

<b>Department Full-time Equivalents Total*</b>	<b>8.00</b>	<b>8.00</b>	<b>9.00</b>	<b>8.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### Revenue Overview

#### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
587001	Operating Transfer In from Finance General	1,557,068	3,163,660	3,044,196	3,069,649
	<b>Total General Subfund Support</b>	<b>1,557,068</b>	<b>3,163,660</b>	<b>3,044,196</b>	<b>3,069,649</b>
	<b>Total Revenues</b>	<b>1,557,068</b>	<b>3,163,660</b>	<b>3,044,196</b>	<b>3,069,649</b>
379100	Use of (Contribution To) Fund Balance	1,858,966	1,613,882	1,148,308	1,017,677
	<b>Total Use of Fund Balance</b>	<b>1,858,966</b>	<b>1,613,882</b>	<b>1,148,308</b>	<b>1,017,677</b>
	<b>Total Resources</b>	<b>3,416,034</b>	<b>4,777,542</b>	<b>4,192,504</b>	<b>4,087,326</b>

# Neighborhood Matching Subfund

## Appropriations By Budget Control Level (BCL) and Program

### Neighborhood Matching Fund Budget Control Level

The purpose of the Neighborhood Matching Fund Budget Control Level is to support local grassroots projects within neighborhoods and communities. The Neighborhood Matching Fund provides funding to match community contributions of volunteer labor, donated professional services and materials, or cash, to implement community-based self-help projects.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Large Projects Fund	955,188	2,244,512	1,544,512	1,544,512
Management and Project Development	944,127	955,177	1,090,138	984,960
Small and Simple Projects Fund	1,454,266	1,510,244	1,490,244	1,490,244
Small Sparks Fund	62,453	67,609	67,609	67,609
<b>Total</b>	<b>3,416,034</b>	<b>4,777,542</b>	<b>4,192,503</b>	<b>4,087,325</b>
Full-time Equivalents Total*	8.00	8.00	9.00	8.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in Neighborhood Matching Fund Budget Control Level:**

#### **Large Projects Fund Program**

The purpose of the Large Projects Fund is to provide funding to grassroots organizations initiating community building projects that require up to 12 months to complete and up to \$100,000 in Neighborhood Matching Funds.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Large Projects Fund	955,188	2,244,512	1,544,512	1,544,512

#### **Management and Project Development Program**

The purpose of the Management and Project Development division is to administer the community grant awards by providing marketing and outreach to applicant groups; technical assistance and support to community groups for project development and implementation; administrative support coordinating and conducting the application review and award processes; and management and monitoring of funded projects to support high-quality and successful completion of projects.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Management and Project Development	944,127	955,177	1,090,138	984,960
Full-time Equivalents Total	8.00	8.00	9.00	8.00

# Neighborhood Matching Subfund

## Small and Simple Projects Fund Program

The purpose of the Small and Simple Projects Fund is to provide funding for community building projects initiated by grassroots organizations that can be completed in 12 months or less and require up to \$25,000 in funding.

Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Small and Simple Projects Fund	1,454,266	1,510,244	1,490,244	1,490,244

## Small Sparks Fund Program

The purpose of the Small Sparks Fund is to provide one-time awards of up to \$1,000 for small community building projects initiated by grassroots organizations. Awards are available to neighborhood organizations with annual operating budgets under \$25,000.

Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Small Sparks Fund	62,453	67,609	67,609	67,609

## Neighborhood Matching Subfund Fund Table

### Neighborhood Matching Subfund (00165)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>5,161,027</b>	<b>2,963,737</b>	<b>3,302,061</b>	<b>2,691,441</b>	<b>1,543,134</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	1,557,068	3,163,660	3,217,698	3,044,196	3,069,649
Less: Actual and Budgeted Expenditures	3,416,034	4,777,542	3,828,318	4,192,503	4,087,325
<b>Ending Fund Balance</b>	<b>3,302,061</b>	<b>1,349,855</b>	<b>2,691,441</b>	<b>1,543,134</b>	<b>525,458</b>
Reserved for Continuing Appropriations	1,976,000	1,355,736	0	0	0
<b>Total Reserves</b>	<b>1,976,000</b>	<b>1,355,736</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,326,061</b>	<b>-5,881</b>	<b>2,691,441</b>	<b>1,543,134</b>	<b>525,458</b>



# Department of Neighborhoods

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Kathy Nyland, Director

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[www.seattle.gov/neighborhoods](http://www.seattle.gov/neighborhoods)

## Department Overview

The Department of Neighborhoods (DON) strives to strengthen Seattle by engaging all communities. This is accomplished by fostering community partnerships, cultivating emerging leadership and facilitating community inclusiveness. Outreach and engagement is the core of DON's mission, with equity serving as a guiding principle.

By establishing and implementing equitable outreach and engagement practices, DON is creating opportunities and broadening accessibility, which are important components to any community involvement process and reflected in the programs DON administers.

DON has two lines of business:

The **Community Building Division** delivers technical assistance, supports services, and programs in neighborhoods to strengthen local communities, engages residents in neighborhood improvement, leverages resources and complete neighborhood-initiated projects. The programs that support this work include:

- Duwamish River Opportunity Fund
- Find It Fix It
- Historic Preservation
- Housing Affordability and Livability Agenda
- Major Institutions and Schools
- Neighborhood District Coordinators
- Neighborhood Matching Fund
- P-Patch Community Gardens
- Participatory Budgeting
- People's Academy for Community Engagement
- Public Outreach and Engagement Liaisons
- Seattle Youth Commission

The **Executive Leadership and Administration Division** provides executive leadership, communications, and internal operations and administration support such as financial, human resources, information technology, facility, and administrative services for the entire department.



# Department of Neighborhoods

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$5,946,667	\$7,041,265	\$7,466,050	\$7,450,351
<b>Total Operations</b>	<b>\$5,946,667</b>	<b>\$7,041,265</b>	<b>\$7,466,050</b>	<b>\$7,450,351</b>
<b>Total Appropriations</b>	<b>\$5,946,667</b>	<b>\$7,041,265</b>	<b>\$7,466,050</b>	<b>\$7,450,351</b>
Full-time Equivalent Total*	40.00	47.00	52.00	52.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



## Budget Overview

The 2017-2018 Proposed Budget allows DON to further establish and implement outreach and engagement practices that are equitable and aligned with the City's vision of inclusive participation. DON will continue to develop a public involvement framework that serves as a roadmap for internal and external stakeholders and focuses on educating, engaging, informing and involving community members. DON will continue acting as a conduit to and for residents, a link to communities and neighborhoods, and will actively share information regarding special initiatives such as the Housing Affordability and Livability Agenda (HALA). The proposed budget also includes funding to evaluate and improve the historic preservation process; streamlining the department's operations by transferring a position to the Seattle Department of Human Resources; and advancing some other

# Department of Neighborhoods

departmental efficiencies.

## **Expanding Outreach and Engagement**

In 2016, through Executive Order 2016-06, the Mayor tasked DON with leading an effort to implement equitable outreach and engagement plans and practices across all City offices and departments. Also in 2016, DON added two positions that will now be made permanent: one to oversee the re-envisioning of DON's Outreach and Engagement Division and lead Citywide response efforts, and another to work with other departments to coordinate and leverage opportunities for effective outreach and engagement efforts.

DON is also reallocating and deploying resources, including staff, within the department to prioritize the application of the community outreach and engagement principles that reflect the Mayor's vision of inclusive participation. This vision is articulated in Executive Order 2016-06 and the proposed resolution on equitable community involvement practices submitted to the City Council as part of the Mayor's 2017-2018 Proposed Budget. As part of this effort, DON will reallocate nine Neighborhood District Coordinator positions to meet this scope of work and the department's business needs.

Lastly, the Seattle Department of Transportation (SDOT) will fund staff in DON to help SDOT mitigate the impacts of their construction projects on neighborhoods and to improve outreach to low-income transit riders.

## **HALA**

The department will continue HALA outreach and engagement efforts and will implement a recommendation highlighted in the HALA report by evaluating the historic preservation process for opportunities to increase efficiency and accessibility in an effort to minimize any negative impact on housing availability. Increasing the historic preservation fees, described below, will fund the evaluation.

## **Historic Preservation Program Improvements**

In 2016, Council asked DON to develop a plan for the online submission and review of applications for certificates of approval as well as the online posting of staff recommendations and board decisions. The proposed budget provides for a part-time position and funds for a scanner to meet this Council request which will be funded by an increase in the Certificate of Approval fee schedule. This increase in fee revenue will also fund the HALA evaluation of historic preservation.

## **Improving Department Capacity and Efficiency**

The proposed budget continues funding for a position to run the Duwamish River Opportunity Fund, eliminating the need for a consultant contract. This position was created in the 1st Quarter Supplemental Budget Ordinance. DON will also transfer a position to the Seattle Department of Human Resources (SDHR) and in return, SDHR will take over management of DON's personnel matters.

DON provides accounting services to the Department of Education and Early Learning (DEEL) and bills DEEL for its services. The proposed budget adds an Accounting Technician to provide additional support to DEEL. The proposed budget also eliminates a vacant position and allocates the hours and funding to two existing part-time positions to make them full time.

## **Technical Adjustments**

Lastly, the proposed budget recognizes technical adjustments, including a budget neutral department reorganization that does not impact policy or service levels, a position reclassification in historic preservation, and funding for the ongoing maintenance of a P-Patch web application.

# Department of Neighborhoods

## Incremental Budget Changes

### Department of Neighborhoods

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 7,041,265</b>	<b>47.00</b>	<b>\$ 7,041,265</b>	<b>47.00</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 116,161	-0.50	-\$ 114,332	-0.50
Adjustment for One-Time Adds or Reductions	-\$ 376,484	-1.00	-\$ 376,484	-1.00
Citywide Adjustments for Standard Cost Changes	\$ 201,368	0.00	\$ 369,580	0.00
<b>Proposed Changes</b>				
Maintain Outreach and Engagement Capacity	\$ 201,405	2.00	\$ 207,300	2.00
Outreach for Seattle Department of Transportation	\$ 228,925	2.00	\$ 242,946	2.00
Housing Affordability and Livability Agenda (HALA)	\$ 185,000	0.00	\$ 39,000	0.00
Historic Preservation Program Improvements	\$ 50,000	0.50	\$ 50,000	0.50
Grants and Contract Specialist	\$ 0	1.00	\$ 0	1.00
Recognize Efficiencies	-\$ 39,502	0.00	-\$ 40,259	0.00
Human Resources Transfer	-\$ 129,272	-1.00	-\$ 133,185	-1.00
DEEL Accounting Technician	\$ 0	1.00	\$ 0	1.00
Citywide Summit Re-Implementation Project	\$ 135,581	0.00	\$ 77,492	0.00
<b>Proposed Technical Changes</b>				
DON Reorganization	\$ 52,373	1.00	\$ 55,158	1.00
Historic Preservation Position Reclassification	\$ 11,552	0.00	\$ 11,870	0.00
P-Patch Web Maintenance	\$ 20,000	0.00	\$ 20,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 424,785</b>	<b>5.00</b>	<b>\$ 409,086</b>	<b>5.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 7,466,050</b>	<b>52.00</b>	<b>\$ 7,450,351</b>	<b>52.00</b>

# Department of Neighborhoods

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$116,161)/(.50) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Adjustment for One-Time Adds or Reductions - (\$376,484)/(1.00) FTE**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget: Community Emergency Hubs (\$18,000), one-year term-limited Strategic Advisor to develop a plan to reorient programs and services around the new Council District structure (\$148,161), and the Citywide Summit Re-Implementation (SRI) project (\$210,323).

#### **Citywide Adjustments for Standard Cost Changes - \$201,368**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Maintain Outreach and Engagement Capacity - \$201,405/2.00 FTE**

This item maintains a Strategic Advisor 2 position originally added by Council to oversee the Outreach and Engagement Division, lead Citywide responses on emerging issues, and respond to the Statement of Legislative Intent 18-2-A-1 on Council districts and programs. This position was initially included in the 2016 Adopted Budget as a one-year term-limited position. This position will now also help implement the recommendations from DON on how to reaffirm the City's commitment to inclusive participation in response to the Mayor's Executive Order 2016-06. This item also maintains a Strategic Advisor 1 position to coordinate outreach and engagement by City departments. The position acts as a coordinator, processing requests that come from various departments. The position handles the logistics of outreach and engagement coordination, which includes an initial intake process, determination of support, project assignment, tracking and reporting of projects, and building a comprehensive calendar of events. This position was originally a term-limited position supported by grant funds from the City Accelerator program.

#### **Outreach for Seattle Department of Transportation - \$228,925/2.00 FTE**

The Seattle Department of Transportation (SDOT) will fund positions in DON for outreach and engagement. Two existing Neighborhood District Coordinator positions will be reallocated to Strategic Advisor 1 positions. These positions will work closely with SDOT and the Office of Economic Development on improving outreach and engagement to neighborhoods and communities affected by large-scale infrastructure improvement projects. In addition, SDOT will fund a new Planning and Development Specialist and a new Administrative Staff Assistant to

# Department of Neighborhoods

manage outreach and engagement services for low-income transit rider outreach to increase use of the ORCA Lift program.

## **Housing Affordability and Livability Agenda (HALA) - \$185,000**

This adjustment includes \$125,000 for an outreach and engagement plan in 2017 to help the residents of Seattle understand what is happening with HALA and why, and \$60,000 for an evaluation of the historic preservation program as recommended by the HALA report. The outreach and engagement plan will include an annual report, mailers, large-scale public events, telephone town halls, the use of Public Outreach and Engagement Liaisons (POELs), logistics, and advertising. The historic preservation evaluation will explore ways to make the review process more efficient and accessible without compromising the program's core mission. The evaluation is funded by an increase in Certificate of Approval fees in historic preservation.

## **Historic Preservation Program Improvements - \$50,000/.50 FTE**

This adjustment will add a part-time Administrative Specialist II and funds for a scanner to allow DON to accept and review applications online and post staff recommendations and board decisions on the web before board meetings. This item is funded by an increase in Certificate of Approval fees in historic preservation. Despite annual increases in operating and staff costs, the City has not increased these fees since 1988. This item, which corresponds to fee legislation submitted with the proposed budget, implements fee increases in order to offset increased costs of providing these services to the public. DON estimates that Certificate of Approval fee revenues will increase by \$141,000.

## **Grants and Contract Specialist/1.00 FTE**

This item makes permanent a position added to DON in the 1st Quarter Supplemental Budget Ordinance. This Grants and Contract Specialist position will increase internal capacity in the Duwamish River Opportunity Fund (DROF) program, allowing DON to eliminate the current consultant contract, and manage DON contracts across programs. DON will use existing budget authority to fund this position.

## **Recognize Efficiencies - (\$39,502)**

This adjustment recognizes health care savings of \$14,502 from eliminating a vacant position and allocating the 0.75 FTE hours and funding to two existing part-time positions to make them full time. This adjustment also eliminates the \$25,000 consultant contract used to run the Duwamish River Opportunity Fund (DROF) as it is no longer needed due to the addition of a Grants and Contracts Specialist.

## **Human Resources Transfer - (\$129,272)/(1.00) FTE**

This adjustment transfers a Human Resources position from DON to the Seattle Department of Human Resources (SDHR). In return, SDHR will take over management of DON's personnel needs.

## **DEEL Accounting Technician/1.00 FTE**

DON provides accounting support to the Department of Education and Early Learning (DEEL). This item adds an Accounting Technician provide increased support for DEEL programs as these programs expand. DON will bill DEEL for these services.

## **Citywide Summit Re-Implementation Project - \$135,581**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

# Department of Neighborhoods

## Proposed Technical Changes

### **DON Reorganization - \$52,373/1.00 FTE**

This adjustment reorganizes DON to a department with two budget control levels (BCLs): Executive Leadership and Administration and Community Building. These BCLs replace Internal Operations and Director's Office. This reorganization shifts \$52,373 from the Neighborhood Matching Fund (NMF) to DON and is budget neutral; it does not impact policy or services in either DON or NMF. The increase of 1.0 FTE is a combination of the following changes:

- a 0.5 FTE Administrative Specialist I in Internal Operations/Administration is increased to 0.75 FTE;
- a 0.5 FTE Planning and Development Specialist II in Major Institutions and Schools is reallocated to an Administrative Specialist II and increased to 1.00 FTE; and
- a 0.5 FTE Planning and Development Specialist II in the POEL program is increased to 0.75 FTE. The additional position authority and reclassification align staffing levels with the level of work currently being performed by these positions.

### **Historic Preservation Position Reclassification - \$11,552**

This adjustment provides funding for a reclassification of a Community Development Specialist Senior to a Community Development Specialist Supervising position in historic preservation.

### **P-Patch Web Maintenance - \$20,000**

This adjustment funds the maintenance of the P-Patch web application to allow P-Patch gardeners to manage accounts and make online payments, and allow staff to focus more of their efforts on managing P-Patch gardens.

# Department of Neighborhoods

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Community Building Budget Control</b>					
Neighborhood Planning Outreach		270,343	371,882	0	0
P-Patch Community Gardens		902,295	903,764	890,372	918,438
Participatory Budgeting/Seattle Youth Commission		0	0	111,950	115,222
People's Academy for Community Engagement		0	0	127,260	130,694
Public Outreach and Engagement Liaisons		0	0	472,061	491,370
Duwamish River Opportunity Fund		0	0	250,000	250,000
Find It Fix It		0	0	30,000	30,000
Historic Preservation-Community Building		935,207	861,825	885,885	911,042
Housing Affordability and Livability Agenda		0	0	317,584	175,588
Major Institutions and Schools		302,490	234,938	210,013	221,026
Neighborhood District Coordinators		1,305,426	1,551,655	1,261,591	1,297,978
<b>Total</b>	<b>I3300</b>	<b>3,715,760</b>	<b>3,924,064</b>	<b>4,556,716</b>	<b>4,541,358</b>
<b>Executive Leadership and Administration Budget Control</b>					
Communications		162,900	374,138	232,406	239,088
Executive Leadership		630,250	869,966	1,288,176	1,318,306
Internal Operations/Administration		0	0	1,388,752	1,351,599
Internal Operations/Administrative Services		1,437,757	1,873,097	0	0
<b>Total</b>	<b>I3100</b>	<b>2,230,907</b>	<b>3,117,201</b>	<b>2,909,334</b>	<b>2,908,993</b>
<b>Department Total</b>		<b>5,946,667</b>	<b>7,041,265</b>	<b>7,466,050</b>	<b>7,450,351</b>

<b>Department Full-time Equivalent Total*</b>	<b>40.00</b>	<b>47.00</b>	<b>52.00</b>	<b>52.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Neighborhoods

## Appropriations By Budget Control Level (BCL) and Program

### Community Building Budget Control Level

The purpose of the Community Building Budget Control Level is to deliver technical assistance, support services, and programs in neighborhoods to strengthen local communities, engage residents in neighborhood improvement, leverage resources, and complete neighborhood-initiated projects.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Duwamish River Opportunity Fund	0	0	250,000	250,000
Find It Fix It	0	0	30,000	30,000
Historic Preservation-Community Building	935,207	861,825	885,885	911,042
Housing Affordability and Livability Agenda	0	0	317,584	175,588
Major Institutions and Schools	302,490	234,938	210,013	221,026
Neighborhood District Coordinators	1,305,426	1,551,655	1,261,591	1,297,978
Neighborhood Planning Outreach	270,343	371,882	0	0
P-Patch Community Gardens	902,295	903,764	890,372	918,438
Participatory Budgeting/Seattle Youth Commission	0	0	111,950	115,222
People's Academy for Community Engagement	0	0	127,260	130,694
Public Outreach and Engagement Liaisons	0	0	472,061	491,370
<b>Total</b>	<b>3,715,760</b>	<b>3,924,064</b>	<b>4,556,716</b>	<b>4,541,358</b>
Full-time Equivalents Total*	30.50	32.50	35.25	35.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Community Building Budget Control Level:**

### **Duwamish River Opportunity Fund Program**

The purpose of the Duwamish River Opportunity Fund Program is to provide resources to Duwamish River area for quality of life enhancements that can be implemented in partnership with other business organizations, local governments and community stakeholders.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Duwamish River Opportunity Fund	0	0	250,000	250,000
Full-time Equivalents Total	0.00	0.00	1.00	1.00



# Department of Neighborhoods

## Find It Fix It Program

The purpose of the Find It Fix It program is to improve neighborhoods and build community block by block. During these walks, neighbors, communities, police, the Mayor and elected officials walk together to listen and learn more about the neighborhood and identify elements that affect public safety.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Find It Fix It	0	0	30,000	30,000

## Historic Preservation-Community Building Program

The purpose of the Historic Preservation - Community Building Program is to provide technical assistance, outreach, and education to the general public, owners of historic properties, government agencies, and elected officials to identify, protect, rehabilitate, and re-use historic properties.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Historic Preservation-Community Building	935,207	861,825	885,885	911,042
Full-time Equivalents Total	8.50	8.00	7.50	7.50

## Housing Affordability and Livability Agenda Program

The Housing Affordability Livability Agenda is a multi-pronged strategy for addressing one of the most pressing issues facing our city, affordable housing. DON has 1.0 FTE that leads the outreach and engagement efforts for this initiative.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Housing Affordability and Livability Agenda	0	0	317,584	175,588
Full-time Equivalents Total	0.00	0.00	1.00	1.00

## Major Institutions and Schools Program

The purpose of the Major Institutions and Schools Program is to coordinate community involvement in the development, adoption, and implementation of Major Institution Master Plans, and to facilitate community involvement in school re-use and development.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Major Institutions and Schools	302,490	234,938	210,013	221,026
Full-time Equivalents Total	1.50	1.50	2.00	2.00

## Neighborhood District Coordinators Program

The purpose of the Neighborhood District Coordinators Program is to provide a range of technical assistance and support services for residents and neighborhood groups to develop a sense of partnership among neighborhood residents, businesses, and City government.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Neighborhood District Coordinators	1,305,426	1,551,655	1,261,591	1,297,978
Full-time Equivalents Total	12.00	13.50	11.00	11.00

# Department of Neighborhoods

## Neighborhood Planning Outreach Program

The purpose of the Neighborhood Planning Outreach Program is to lead the inclusive outreach and engagement activities of Neighborhood Planning efforts across the City by working with communities to revise Neighborhood Plans to reflect changes and opportunities presented by new development and major transportation investments, including Light Rail. It also assists City departments with other outreach and engagement efforts.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Neighborhood Planning Outreach	270,343	371,882	0	0
Full-time Equivalents Total	1.50	2.50	0.00	0.00

## P-Patch Community Gardens Program

The purpose of the P-Patch Community Gardens Program is to provide community gardens, gardening space, and related support to Seattle residents while preserving open space for productive purposes, particularly in high-density communities.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
P-Patch Community Gardens	902,295	903,764	890,372	918,438
Full-time Equivalents Total	7.00	7.00	7.00	7.00

## Participatory Budgeting/Seattle Youth Commission Program

The purpose of the Participatory Budgeting-Seattle Youth Commission Program is to provide leadership opportunities for youth and actively engage historically underserved communities in City decision-making processes.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Participatory Budgeting/Seattle Youth Commission	0	0	111,950	115,222
Full-time Equivalents Total	0.00	0.00	1.00	1.00

## People's Academy for Community Engagement Program

The purpose of the People's Academy for Community Engagement Program is to provide leadership development and skill building of emerging leaders in a multicultural, participatory adult learning environment where participants learn hands-on strategies for community building, inclusive engagement, and accessing governments form experts in the field.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
People's Academy for Community Engagement	0	0	127,260	130,694
Full-time Equivalents Total	0.00	0.00	1.00	1.00

# Department of Neighborhoods

## Public Outreach and Engagement Liaisons Program

The purpose of the Public Outreach and Engagement Liaisons Program is to provide equitable outreach and engagement in a culturally competent manner to historically underserved communities. This is done for City departments through independent contractors who serve as resources and liaisons for community members, provide quality translations and interpretations, and advise on best practices for engaging with their communities.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Public Outreach and Engagement Liaisons	0	0	472,061	491,370
Full-time Equivalents Total	0.00	0.00	3.75	3.75

## Executive Leadership and Administration Budget Control Level

The purpose of the Executive Leadership and Administration Budget Control Level is to provide executive leadership; communications; and internal operations and administration support such as financial, human resources, information technology, facility, and administrative services for the entire department to serve customers efficiently and effectively.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Communications	162,900	374,138	232,406	239,088
Executive Leadership	630,250	869,966	1,288,176	1,318,306
Internal Operations/Administration	0	0	1,388,752	1,351,599
Internal Operations/Administrative Services	1,437,757	1,873,097	0	0
<b>Total</b>	<b>2,230,907</b>	<b>3,117,201</b>	<b>2,909,334</b>	<b>2,908,993</b>
Full-time Equivalents Total*	9.50	14.50	16.75	16.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## **The following information summarizes the programs in Executive Leadership and Administration Budget Control Level:**

### Communications Program

The purpose of the Communications Program is to provide printed and electronic information on programs and services offered by the Department, as well as to publicize other opportunities to increase civic participation.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Communications	162,900	374,138	232,406	239,088
Full-time Equivalents Total	1.00	3.00	2.00	2.00

# Department of Neighborhoods

## Executive Leadership Program

The purpose of the Executive Leadership Program is to provide leadership in fulfilling the Department's mission, and to facilitate the Department's communication and interaction with other City departments, external agencies, elected officials, and the public.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Executive Leadership	630,250	869,966	1,288,176	1,318,306
Full-time Equivalents Total	2.00	4.00	8.00	8.00

## Internal Operations/Administration Program

The purpose of Internal Operations/Administration program is to provide financial, human resources, information technology, facility, and administrative services for the entire department.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Internal Operations/Administration	0	0	1,388,752	1,351,599
Full-time Equivalents Total	0.00	0.00	6.75	6.75

## Internal Operations/Administrative Services Program

The purpose of Internal Operations/Administrative Services program is to provide financial, human resources, information technology, facility, and administrative services for the entire department.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Internal Operations/Administrative Services	1,437,757	1,873,097	0	0
Full-time Equivalents Total	6.50	7.50	0.00	0.00



# Office of Planning and Community Development

Sam Assefa, Director

[www.seattle.gov/dpd/cityplanning](http://www.seattle.gov/dpd/cityplanning)

## Department Overview

The Office of Planning and Community Development (OPCD) was established via [Ordinance 124919](#) in December 2015. The same ordinance also established the Seattle Department of Construction Inspections (SDCI). The new office and department had previously been part of a single department known as the Department of Planning and Development (DPD). OPCD operated as a stand-alone office for the first time in 2016, focusing on coordinated equitable planning and development.

OPCD was established to manage a coordinated vision for growth and development, which will inform decisions about equitable growth consistent with Seattle's Comprehensive Plan and align capital investments across the city. By 2035, Seattle is expected to have 120,000 new residents and 115,000 new jobs. The objective of OPCD is to help ensure the City supports thriving communities with a mix of amenities, open space, transportation, affordable housing, and educational and economic opportunity to meet current and future community needs. OPCD is working toward a city that is safe, affordable, vibrant, interconnected and innovative.

OPCD organized to support three divisions and two commissions:

- Research and Analysis/Comprehensive Planning Division
- Planning and Implementation Division, including HALA
- Director's Office
- Seattle Planning Commission
- Seattle Design Commission

The **Research and Analysis/Comprehensive Planning Division** informs data-driven decisions related to strategic capital investments and planning for growth. The division leads long-range planning functions, such as monitoring and updating the City's Comprehensive Plan and evaluating regional growth management policy. A primary goal of the Research and Analysis Division is to assemble, understand, and present data that will help inform the City's decisions on community planning and investments. The division will help staff the new Capital Cabinet, which was established to create a coordinated decision-making structure to guide the planning and implementation of infrastructure investments. This will involve working closely with department liaisons to better align long-range capital planning investments. As the City plans for future growth and responds to issues of livability, displacement, and social equity, it needs to ensure that decisions on basic infrastructure and appropriate amenities are made in a coordinated, equitable, and data-driven fashion. The division will also help inform work on Equitable Development Initiatives and will coordinate with the revenue team, economists, and Citywide GIS to support its work on equitable growth analysis and community investment strategies.

The **Planning and Implementation Division** works with local residents, businesses, non-profits, property owners, and other City departments to undertake focused planning and special initiatives in specific areas of the city, as informed by the Research and Analysis Division's assessment of data on growth, equity, and other topics. The Planning and Implementation Division develops sub-area and functional plans, implements community plans, and fosters urban design excellence throughout the city. It creates new partnerships to encourage equitable transit-oriented development in light rail station areas consistent with community plans, focusing on creating jobs and

# Office of Planning and Community Development

providing housing affordable to a range of incomes, maximizing transit ridership and stimulating the economic health of local neighborhood areas. Planners work with the community to develop programs to require affordable housing with new development, expand options for different housing types in transit-rich areas of the city, and examine design considerations to ensure neighborhoods remain livable and vibrant as the City grows and changes. The division also coordinates with the Department of Neighborhoods on outreach and engagement for community plans and Citywide initiatives.

The **Director's Office** manages and supports OPCD by providing leadership and support in the areas of finance, community engagement, administrative assistance, and communications with the Mayor, Councilmembers, staff, and constituents.

The **Seattle Planning Commission** advises the Mayor, the City Council and City departments on broad planning goals, policies and plans for the physical development of the city. Comprised of 16 volunteers, the Commission's work is framed by the Comprehensive Plan and seeks public comment and participation as a part of the process to achieve the Plan's vision. The Commission provides independent analysis and promotes issues vital to livability.

The **Seattle Design Commission** promotes civic design excellence in capital improvement projects that are located on City land, in the City right-of-way, or constructed with City funds. The Seattle Design Commission advises the Mayor, the City Council, and City departments on the design of capital improvements and other projects and policies that shape Seattle's public realm. The Commission provides recommendations on aesthetic, environmental and design principles and policies, and promotes interdepartmental and interagency coordination.

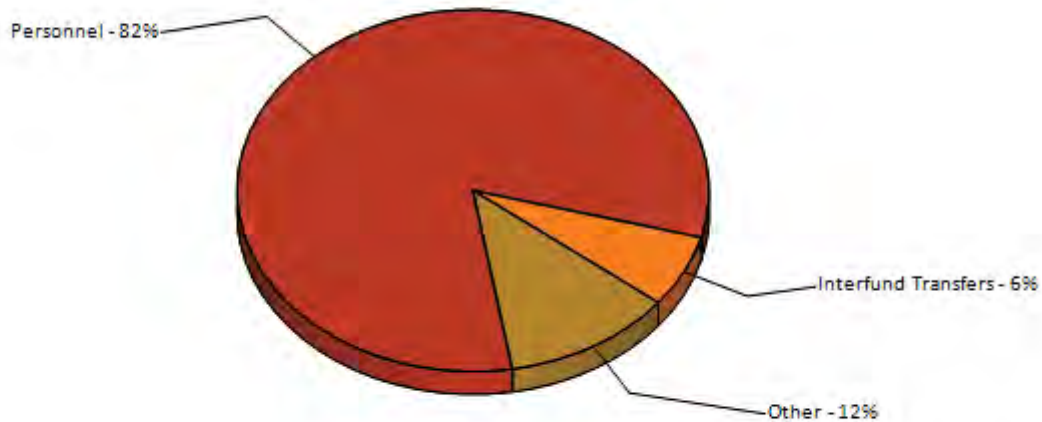
## Budget Snapshot

<b>Department Support</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
General Fund Support	\$0	\$8,026,815	\$7,642,785	\$7,715,385
Other Funding - Operating	\$0	\$0	\$0	\$430,000
<b>Total Operations</b>	<b>\$0</b>	<b>\$8,026,815</b>	<b>\$7,642,785</b>	<b>\$8,145,385</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$8,026,815</b>	<b>\$7,642,785</b>	<b>\$8,145,385</b>
Full-time Equivalent Total*	0.00	45.00	46.50	46.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Office of Planning and Community Development

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget marks a full year of the Office of Planning and Community Development (OPCD) existing as a stand-alone City office. Mayor Murray nominated a new director, Sam Assefa, who was confirmed by Council and sworn in on June 6, 2016. OPCD also filled several key staff positions, including a Director of Communications. The hiring processes for the remaining vacant positions are underway and expected to be complete by the end of 2016 or early 2017. Other ongoing change for OPCD includes physical space. In early 2017 OPCD will move from the 19th floor of the Seattle Municipal Tower to the 5th floor of City Hall. This will help the office foster closer relationships with the Executive and Council and have more of a centralized presence as they focus on integrated planning strategies and overseeing a cohesive investment strategy for capital projects in the city.

One of OPCD's overarching goals is to ensure the City grows and develops in a way that is fair and equitable to all communities. In 2015, the Council adopted [Resolution 31577](#), making race and social equity a core value of the Comprehensive Plan and setting an action plan to incorporate equity into all parts of the plan. The Comprehensive Plan identifies the need for investment in anti-displacement strategies in certain areas of the City that are characterized by high levels of chronic and recent displacement and significant populations of marginalized communities. Anti-displacement strategies are intended to help maintain affordability, anchor cultural communities, and provide education and economic opportunities for current residents.

Equitable development is an approach to creating healthy, vibrant communities and includes the investments, programs and policies that meet the needs of marginalized populations and reduce disparities throughout the city. As part of the overall Equitable Development Initiative, several community-driven equitable development initiatives in various stages of implementation were identified in OPCD's recent [Equitable Development Strategy report](#). These projects focus on meeting a variety of community needs, including the development of affordable housing, stabilization of small businesses and cultural organizations, and creation of education and economic



# Office of Planning and Community Development

opportunities. The projects will require partnership between community leaders, community-based organizations, public institutions, and philanthropic partners to leverage collective resources and bring the initiatives to fruition. OPCD currently dedicates two full-time staff to provide technical and capacity building assistance to the community groups working on place-based equitable development projects. The 2017-2018 Proposed Budget increases OPCD's capacity building capability through the creation of a Real Estate Advisor position. This position will provide implementation expertise for specific community-driven projects that may involve financial and legal negotiations with multiple local and regional stakeholders.

To help leverage outside investments, the proposed budget also includes \$200,000 in both 2017 and 2018 to support additional equitable development related projects and initiatives. In 2017, the City's first equitable development project will be the redevelopment of the former Fire Station 39 site in Lake City. The project will provide 70 units of affordable workforce housing, including studios, one-, two- and three-bedroom apartments, and will also include four pre-school classrooms serving predominantly low to moderate income families. The proposed budget also includes \$430,000 of Community Development Block Grant (CDBG) funding in 2018 to replicate the successful public-private partnership model demonstrated by the Fire Station 39 redevelopment. OPCD will work with communities to determine how to best allocate this funding to leverage other funding sources and increase community capacity to advance projects and initiatives.

For the first time in 2017, OPCD will be fully self-sufficient in relation to its budget. When the Office of Planning and Community Development was established in the 2016 Adopted Budget, it retained some financial ties with the Seattle Department of Construction and Inspections (SDCI). Most significantly, a Memorandum of Agreement was created to provide supporting "overhead" or back office services related to information technology, human resources/payroll, and finance and accounting support to OPCD. This arrangement was intended to help support a smooth transition for the new office. The 2017-2018 Proposed Budget removes the one time budget allocation for overhead services from SDCI. In 2017 and future years, OPCD will receive support for these functions through SDHR, FAS and Seattle IT the same as other executive offices in the City. The proposed budget also restores funding for two existing positions that were not fully funded in 2016 and adds a half-time administrative position to staff a reception area and support coordination with other departments.

## Incremental Budget Changes

### Office of Planning and Community Development

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 8,026,815</b>	<b>45.00</b>	<b>\$ 8,026,815</b>	<b>45.00</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 46,426	0.00	\$ 47,372	0.00
Adjustment for One-Time Adds or Reductions	-\$ 50,000	0.00	-\$ 50,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 415,310	0.00	\$ 594,823	0.00
<b>Proposed Changes</b>				
Provide Staff Support for Equitable Development	\$ 161,194	1.00	\$ 163,448	1.00
Invest in Community Driven Equitable Development Projects	\$ 200,000	0.00	\$ 630,000	0.00
Restore Staff Funding for Existing Positions	\$ 189,242	0.00	\$ 192,267	0.00

# Office of Planning and Community Development

Increase Administrative Support	\$ 49,809	0.50	\$ 48,746	0.50
<b>Proposed Technical Changes</b>				
Finalize Transition to Stand Alone Office	-\$ 1,396,011	0.00	-\$ 1,508,086	0.00
<b>Total Incremental Changes</b>	<b>-\$ 384,030</b>	<b>1.50</b>	<b>\$ 118,570</b>	<b>1.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 7,642,785</b>	<b>46.50</b>	<b>\$ 8,145,385</b>	<b>46.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$46,426**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). This adjustment reflects the updated central rates for information technology costs charged by Seattle IT to the department.

#### **Adjustment for One-Time Adds or Reductions - (\$50,000)**

This budget reduction removes one-time funding that was provided in the 2016 Adopted Budget to for the development of a capital development plan for a Multicultural Community Center (MCC) in the south end of Rainier Valley from the 2017 Proposed Budget.

#### **Citywide Adjustments for Standard Cost Changes - \$415,310**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% recruitment and retention wage increase.

### Proposed Changes

#### **Provide Staff Support for Equitable Development - \$161,194/1.00 FTE**

This adjustment adds a 1.0 FTE Strategic Advisor 3 position to increase capacity within OPCD to support and implement equitable community development strategies. The position will work closely with two existing equitable development positions in OPCD with a focus on collaboration with other City departments in relation to creating and leveraging relationships with neighborhood stakeholders, property and business owners, and nonprofit developers. This will allow OPCD to enhance its work externally in neighborhoods where markets are not fully mature and where proactive efforts are needed to implement strategies associated with equitable development and neighborhood planning. This new role will complement the traditional long-range planning, urban design and community engagement roles of the office by providing expertise to implement specific projects that may involve financial and legal negotiations and multiple stakeholders.

# Office of Planning and Community Development

## **Invest in Community Driven Equitable Development Projects - \$200,000**

In 2016, OPCD completed the Equitable Development Implementation Plan, which included a commitment to work with the community to help evaluate feasibility and identify non-City funding sources for several place-based specific targeted actions. To assist with this work, the 2017-2018 Proposed Budget allocates \$200,000 in each year to help leverage outside investments in support of future equitable development projects. In 2017, the City's first project under the banner of the equitable development initiative will be the redevelopment of the former Fire Station 39 site in Lake City. The project will provide 70 units of affordable workforce housing, including studios, one-, two- and three-bedroom apartments, and will also include four pre-school classrooms serving predominantly low to moderate income families.

The proposed budget also includes \$430,000 of Community Development Block Grant (CDBG) funding in 2018 to replicate the successful public-private partnership model for Fire Station 39 redevelopment and to support other community driven equitable development projects intended to improve stability for neighborhoods with high levels of displacement risk. OPCD will work with community groups to determine how to best allocate this funding.

## **Restore Staff Funding for Existing Positions - \$189,242**

This adjustment restores funding for a 1.0 FTE Executive 1 position, which will manage the Research and Analysis/ Comprehensive Planning work programs. During the 2016 budget process, Council requested delayed hiring in 2016. Hiring is now anticipated to be complete during the first half of 2017 and will require ongoing budget authority. This adjustment also restores funding for 25% of the cost of the Strategic Advisor 2 Director of Communications position. During the 2016 budget process, Council requested delayed hiring of this position. The position is currently filled and will require full ongoing budget authority in 2017.

## **Increase Administrative Support - \$49,809/.50 FTE**

This adjustment adds a 0.5 FTE Administrative Specialist II position to improve office support and management functions in OPCD. The office currently has 2.5 FTE of administrative staff who support the director and division directors, coordinate legislation, and provide administrative support for the rest of the office. This new proposed administrative support position will staff a reception area, maintain an outreach and engagement database, support OPCD's coordination work with the Department of Neighborhoods (DON), and support planning staff with the production of community outreach materials and other tasks.

## **Proposed Technical Changes**

### **Finalize Transition to Stand Alone Office - (\$1,396,011)**

This adjustment removes the budget of \$1,729,324 that was provided to purchase overhead services from SDCl in 2016. It also adds new budget authority of \$333,313 in 2017 and \$221,238 in 2018 for technical adjustments needed for OPCD to operate as a stand-alone office. These include one time and ongoing expenses for items that include software and licenses, computer replacements, motor pool costs and mobile phone costs, and salary adjustments to true up to new hires and new vacancy assumptions. Going forward, OPCD will be supported similarly to other executive offices: they will receive information technology support from Seattle IT; human resources/payroll support from Seattle Department of Human Resources (SDHR); and finance and accounting support from Finance and Administrative Services (FAS).

# Office of Planning and Community Development

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Planning and Community Development Budget Control</b>					
Design Commission		0	614,537	501,890	505,519
Planning		0	6,728,061	6,694,933	7,189,484
Planning Commission		0	684,217	445,962	450,382
<b>Total</b>	<b>X2P00</b>	<b>0</b>	<b>8,026,815</b>	<b>7,642,785</b>	<b>8,145,385</b>
<b>Department Total</b>		<b>0</b>	<b>8,026,815</b>	<b>7,642,785</b>	<b>8,145,385</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>45.00</b>	<b>46.50</b>	<b>46.50</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Appropriations By Budget Control Level (BCL) and Program

### Planning and Community Development Budget Control Level

The purpose of the Planning and Community Development Budget Control Level is to manage a coordinated vision for growth and development in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Design Commission	0	614,537	501,890	505,519
Planning	0	6,728,061	6,694,933	7,189,484
Planning Commission	0	684,217	445,962	450,382
<b>Total</b>	<b>0</b>	<b>8,026,815</b>	<b>7,642,785</b>	<b>8,145,385</b>
Full-time Equivalent Total*	0.00	45.00	46.50	46.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Office of Planning and Community Development

*The following information summarizes the programs in Planning and Community Development Budget Control Level:*

## Design Commission Program

The purpose of the Design Commission is to promote civic design excellence in capital improvement projects that are located on City land, in the City right-of-way, or constructed with City funds. The Seattle Design Commission advises the Mayor, the City Council, and City departments on the design of capital improvements and other projects and policies that shape Seattle's public realm. The commission provides recommendations on aesthetic, environmental and design principles and policies, and promotes interdepartmental/interagency coordination.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Design Commission	0	614,537	501,890	505,519
Full-time Equivalents Total	0.00	3.50	3.50	3.50

## Planning Program

The purpose of the Planning Program is to manage a coordinated vision for growth and development in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Planning	0	6,728,061	6,694,933	7,189,484
Full-time Equivalents Total	0.00	38.50	40.00	40.00

## Planning Commission Program

The purpose of the Planning Commission is to advise the Mayor, the City Council and City departments on broad planning goals, policies and plans for the physical development of the city. The commission also provides independent analysis and promotes issues vital to livability.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Planning Commission	0	684,217	445,962	450,382
Full-time Equivalents Total	0.00	3.00	3.00	3.00

# Criminal Justice Contracted Services

Linda Taylor-Manning, City Budget Office

(206) 684-8376

## Department Overview

Criminal Justice Contracted Services (CJCS) provides funding for both public defense and jail services for individuals arrested, prosecuted, and/or convicted of misdemeanor crimes in Seattle. The City Budget Office manages the contracts for these services.

The City contracts with King County and Snohomish County to provide jail services. The City also contracts with King County to provide public defense services.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$23,382,693	\$24,420,783	\$28,338,283	\$28,432,303
<b>Total Operations</b>	<b>\$23,382,693</b>	<b>\$24,420,783</b>	<b>\$28,338,283</b>	<b>\$28,432,303</b>
<b>Total Appropriations</b>	<b>\$23,382,693</b>	<b>\$24,420,783</b>	<b>\$28,338,283</b>	<b>\$28,432,303</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Budget Overview

Spending for Criminal Justice Contracted Services is driven by the number of people arrested and booked into jail and by the number of cases filed by the City Attorney. Jail bookings, jail days and case filing are expected to remain at the same levels as forecast in 2016.

In 2012, the City signed a long-term inter-local agreement with King County to provide jail services through 2030. Annually, the rates are inflated by the Seattle-Tacoma-Bremerton Consumer Price Index-for Urban Wage Earners and Clerical Workers plus 1.5% for most charges and 3% for infirmary and psychiatric surcharges. Every five years, the base costs are reset through a methodology based on King County's previous year's budgeted jail costs. The proposed reset for 2017 produced a significant increase in the daily maintenance charge, increasing by more than 20% over current rates which have grown by more than inflation. Reset years were placed in the agreement to ensure rates reflect changes in costs and actual jail population levels.

A secondary jail services agreement with Snohomish County was legislated in 2015. Per the agreement, there is a rate increase of 7% plus inflation in 2017 and in 2018 rates will only increase by inflation.

The City has an inter-local agreement with King County for public defense services. A number of costs related to salaries and compliance with public defense standards have increased over the baseline, requiring a 9% increase.

# Criminal Justice Contracted Services

## Incremental Budget Changes

### Criminal Justice Contracted Services

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 24,420,783</b>	<b>0.00</b>	<b>\$ 24,420,783</b>	<b>0.00</b>
<b>Proposed Changes</b>				
Jail Services Increase	\$ 3,151,000	0.00	\$ 3,231,424	0.00
Public Defense Services Increase	\$ 766,500	0.00	\$ 780,096	0.00
<b>Total Incremental Changes</b>	<b>\$ 3,917,500</b>	<b>0.00</b>	<b>\$ 4,011,520</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 28,338,283</b>	<b>0.00</b>	<b>\$ 28,432,303</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Jail Services Increase - \$3,151,000**

The City has a long-term inter-local agreement with King County to provide jail services through 2030. Every five years, the base costs are reset through a methodology based on the County's previous year's budgeted jail costs. The proposed reset in 2017 produces a significant increase in the daily maintenance charge, increasing by more than 20% over current rates which have grown by more than inflation. The proposed rate increase is a result of county labor agreements and major maintenance costs.

#### **Public Defense Services Increase - \$766,500**

The City has an inter-local agreement with King County for public defense services. The rate paid by the City in 2017 will increase 9% above the previous rate used in the 2016 Adopted Budget. The costs driving this change include:

- county mandated salary increases for social workers;
- clerical and paraprofessional staffing increases to meet public defense standards;
- lower caseload for new attorneys to meet public defense standards;
- caseload flexibility factor of 3%;
- on-call attorney staffing;
- staffing of the Conflict Attorney Panel;
- county overhead increase; and
- inflation and healthcare costs increases.

# Criminal Justice Contracted Services

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Indigent Defense Services Budget Control Level	VJ500	6,025,140	7,333,471	8,099,971	8,113,567
Jail Services Budget Control Level	VJ100	17,357,553	17,087,312	20,238,312	20,318,736
<b>Department Total</b>		<b>23,382,693</b>	<b>24,420,783</b>	<b>28,338,283</b>	<b>28,432,303</b>

Department Full-time Equivalents Total\* 0.00 0.00 0.00 0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Appropriations By Budget Control Level (BCL) and Program

### Indigent Defense Services Budget Control Level

The purpose of the Indigent Defense Services Budget Control Level is to secure legal defense services, as required by State law, for indigent people facing criminal charges in Seattle Municipal Court.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Indigent Defense Services	6,025,140	7,333,471	8,099,971	8,113,567
<b>Total</b>	<b>6,025,140</b>	<b>7,333,471</b>	<b>8,099,971</b>	<b>8,113,567</b>

### Jail Services Budget Control Level

The purpose of the Jail Services Budget Control Level is to provide for the booking, housing, transporting, and guarding of City inmates. The jail population, for which the City pays, are adults charged with or convicted of misdemeanor crimes alleged to have been committed within the Seattle city limits.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Jail Services	17,357,553	17,087,312	20,238,312	20,318,736
<b>Total</b>	<b>17,357,553</b>	<b>17,087,312</b>	<b>20,238,312</b>	<b>20,318,736</b>





# Seattle Fire Department

Harold D Scoggins, Fire Chief

(206) 386-1400

[www.seattle.gov/fire](http://www.seattle.gov/fire)

## Department Overview

The Seattle Fire Department (SFD) provides fire protection and prevention, technical rescue, and emergency medical services for the City of Seattle. It deploys engine companies, ladder companies, aid and medic units, and fireboats to mitigate the loss of life and property resulting from fires, medical emergencies, and other disasters. SFD maintains 33 fire stations that are strategically located within six battalions to provide optimal response times to emergencies. Each battalion serves specific geographic areas in the city: the downtown/Central Area, north and northeast Seattle, northwest Seattle, south and southeast Seattle, and West Seattle.

SFD has a strong record on prevention of fires and property loss from fires. Seattle has fewer fires than the national average and of other cities with similar population size. Dollar loss and civilian deaths are also below the national and regional averages. Seattle averages 0.7 fires annually per 1,000 residents, which is lower than the regional average of 3.4 and national average of 4.6. For the past five years, the average number of structure fires per year in Seattle was 487. Fire dollar loss averaged \$16.9 million per year.

SFD provides emergency medical responses, which account for approximately 83% of all fire emergency calls in Seattle. In order to respond to the emergency medical demand, all Seattle firefighters are trained as emergency medical technicians (EMTs) to provide basic emergency medical care, or basic life support. SFD staffs seven medic units each with two firefighters trained as paramedics to provide more advanced medical care, or advanced life support. Additionally, the department has five aid units staffed by firefighters to provide citywide basic emergency medical response coverage, or basic life support.

The department also has marine, hazardous materials, high-angle, tunnel and confined-space rescue teams. In addition, SFD officers and firefighters are members of several local and national disaster response teams: FEMA's Urban Search and Rescue Task Force, Metropolitan Medical Response System, and wild land firefighting. SFD's fire prevention efforts include fire code enforcement, building inspections, plan reviews of fire and life safety systems, public education and fire safety programs, regulation of hazardous materials storage and processes, and regulation of places of public assembly and public events to ensure life safety.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$185,353,496	\$183,522,714	\$200,982,105	\$203,663,980
<b>Total Operations</b>	<b>\$185,353,496</b>	<b>\$183,522,714</b>	<b>\$200,982,105</b>	<b>\$203,663,980</b>
<b>Total Appropriations</b>	<b>\$185,353,496</b>	<b>\$183,522,714</b>	<b>\$200,982,105</b>	<b>\$203,663,980</b>
Full-time Equivalent Total*	1,162.55	1,167.55	1,155.55	1,155.55

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Fire Department

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The Seattle Fire Department's (SFD) 2017-2018 Proposed Budget continues to reflect the Mayor's commitment to maintaining public safety. The proposed budget makes specific investments in ongoing operations, including addressing vacancies, technology needs, and the continued construction inspection workload. The 2017-2018 Proposed Budget also includes new innovative programs in the Fire Marshal's Office to improve fire safety in downtown high rises and all multifamily buildings.

#### Keeping up with Staffing and Recruitment

Over the last few years SFD has faced the challenge of an aging workforce. The average age of a Seattle firefighter is about 45. As the number of retirements increase, SFD must contend with a high number of vacancies while maintaining the minimum staffing requirements of 209 staff on duty around the clock. If there are not enough firefighters to fill all these positions, then the positions must be filled with overtime hours. For each of the past three years, an additional recruit class has been added to fill the extra vacancies. As in previous years, the proposed budget adds funding for 35 additional recruits, for a total of 60 new recruits in 2017. The additional recruits, once trained, will fill existing positions that have been vacated as a result of retirements or other attrition. The proposed budget also includes funding for a study related to hiring and improving diversity of the workforce.

A major objective for Chief Scoggins and the Mayor is to build a diverse Fire Department that reflects the community it serves. SFD is making particular efforts to improve recruitment efforts towards more community organizations, including high schools, community colleges, technical career fairs and women's groups. In 2016, the City funded a pilot project to remove the Emergency Medical Technician (EMT) requirement for firefighter candidates, which was identified as a possible barrier to entry. The department will provide an EMT course to

# Seattle Fire Department

those recruit candidates in need of an EMT certification. Approximately 10 recruit candidates will participate in the EMT course this fall, representing a diverse addition to the department. The City will continue the pilot program for 2017 and the department will determine if this change makes an impact on the demographics of uniformed firefighters and firefighter candidates.

## Improving Services

There is a correlation between population growth in a community and the number of alarms. Seattle's population grew by about 3.42% from 2014 to 2015. At the same time, the number of SFD responses increased by 3.37%. In response to this increase, the Low Acuity Alarm Program pilot was implemented in 2016 to reduce non-emergency calls to the 911 system. The program will assist very high utilizers of the 911 system by providing outreach to understand their health care needs. To support individuals who utilize the 911 system for non-life threatening reasons, the program will offer training modules on 911 use for residential facilities, establish partnerships that allow responding firefighters access to a Mobile Crisis Team from the Downtown Emergency Services Center (DESC) Crisis Solutions Center for patients having behavioral emergencies, and establish a pilot telephone nurse line for high utilizing clients to call for medical advice. The City will continue to monitor the Low Acuity Alarm program and its impact on call volume in the downtown area.

Call volumes for SFD in the Downtown and South Lake Union areas continue to be very high, particularly during daytime hours when the population of downtown almost doubles. The 2017-2018 Proposed Budget adds a peak staffing aid unit which will be purchased in 2017 and staffed for 12 hours a day beginning in 2018. The four existing aid units in the central core of the City averaged more than 6,500 calls each in 2015, which is well over the general threshold of 3,500 calls per year. The additional peak-time unit will mitigate the growing demands on existing resources. In particular, having another aid unit will decrease the number of times an engine company is dispatched to an EMS incident and thereby making it more available for fire and rescue emergencies. Also, redistributing the workload will provide better quality of care for the patients and improve the health and safety of fire personnel by lessening over-utilization of these personnel.

Another programmatic area in which the Fire Department is making improvements this year is water rescues. SFD owns two large fire boats and several smaller rescue boats that are used primarily for fighting marine fires. Responses to water rescues are limited given that the City has one fireboat crew and one technical rescue/diving team. To address this, SFD proposes piloting a Surface Water Rescue Program to provide a greater level of water rescue capability. The proposed Surface Water Rescue Program will train up to 40 firefighters as technician level rescue swimmers and deploy them city-wide, allowing them to respond more quickly to water rescues.

## New Labor Agreement

In 2016, the City negotiated a new, four-year labor contract, effective 2015-2018, with the Local 27 Firefighters union. The agreement includes cost of living increases of 3.5% for 2017 and an estimated 2.4% for 2018. The largest policy change as a result of the labor agreement is the creation of the Seattle Fire Fighters Health Care Clinic, located at Fire Station 2 in Belltown. The Clinic will encourage proactive medical management and early detection and prevention of injury, illness and disease for fire fighters. Additional information on the labor agreement can be found in [Ordinance 125079](#).

## Fire Prevention & Safety

The Seattle Fire Department's Fire Marshal's Office (FMO) provides fire prevention services to help provide the standard of life safety expected by those who work, live, and visit Seattle. Part of this work includes conducting new building plan review and approval and performing new construction inspections. In 2015, the FMO inspectors completed 9,298 inspections, including hazardous materials, permit issuance, new construction, compliance, and special event inspections. Through the second quarter of 2016, the FMO has seen a 10% increase in inspections. SFD still has a high construction inspection workload and is not currently reaching target turnaround times of about 48 hours. To manage the increased inspection workload, the City will retain two inspector positions that

# Seattle Fire Department

were intended to sunset at the end of 2016.

The FMO also promotes fire and life safety by providing annual building inspections. In 2016, Chief Scoggins hired a new Fire Marshal, who will focus on life safety and fire prevention in all city buildings, with a focus on complex high rises and hospitals. The 2017-2018 Proposed Budget creates two new fee based programs to improve outcomes in these areas:

1. **Improve Fire Safety in Complex High Rises:** High rise buildings present a particular fire risk in large cities as large concentrations of people are present in structures that rise far above the reach of aerial ladders. The new High Rise Safety program will add two new inspector positions who will improve high rise building fire code safety and compliance by implementing a high quality, consistent inspection protocol. The program will also help relieve the inspection burden on SFD companies, particularly in downtown Seattle. Relieving firefighters of their heavy high-rise inspection responsibilities will help improve emergency availability and response times.
2. **Provide Oversight of Fire Protections System Testing:** Fire protection systems such as alarms and sprinklers are among the most important components in any building with regards to preserving lives, protecting property, and providing safety to first responders. The 2017-2018 Proposed Budget creates a new program to provide oversight of fire protection systems testing. The Seattle Fire Department will contract with a private sector company to track and drive code compliance, reduce false alarm activity, and provide a safer city through third party inspection reporting and maintenance. By tracking and driving code compliance, this new program is expected to reduce false alarm activity and provide safer communities. The investment will be fully offset by new fee revenue related to the inspection services.

Finally, the 2017-2018 Proposed Budget creates a plan for updating the FMO's technology systems. The FMO currently operates with dozens of stand-alone and outdated Access databases and Excel spreadsheets to manage their permitting, inspections, and code compliance work. The FMO does not have capacity for online scheduling or payments, and inspection records are done on paper and are difficult to track. SFD has a five year plan to move their FMO systems to a Citywide coordinated permitting system that will allow for consolidated records that interface with each other as well as capability for online scheduling, reporting, payments and tracking. This technology project will also implement online scheduling for inspections and make SFD building records available online. In 2017 and 2018, the FMO will work closely with the Seattle Information Technology Department (Seattle IT) and an outside vendor to move and consolidate databases related to inspections and new construction to a city-wide platform. This will include the addition of new mobile devices for better tracking of inspection results, integration with other systems, more efficient record retention and search capacity, and electronic notices of violation. This work will improve the FMO's capability to track the frequency and results of annual building inspections. This plan includes raising fees in the FMO to help support the technology upgrades.

# Seattle Fire Department

## Performance Measures Budget Book Pilot

The Seattle Fire Department (SFD) is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and is not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, SFD worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the Mayor's 2016 Adopted Budget and now the 2017-18 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The following tables present information gathered during the initial pilot phase, subject to further refinement as this pilot is developed.

### **Meet nationally recognized fire response times**

Operations: Arrival on Scene of Fire and Emergency Medical Services Personnel  
 2017-18 Proposed Budget: \$200,982,105 (2017), \$203,663,980 (2018)

**Program summary:** The National Fire Protection Association (NFPA) sets standards concerning response times to fires and medical emergencies, among other things. SFD's goal is to meet the NFPA 1710 measures to provide for the arrival of an engine company within 4 minutes travel time to 90% of fire suppression incidents, and the arrival of a first responder within 4 minutes travel time to 90% of EMS incidents. In this measurement, travel times are measured from the time the unit leaves the station to its arrival time on the scene of an emergency incident. This measurement does not account for the call-taking time of receiving the phone call at the 911 dispatch center, the call-processing time of dispatching the call and the turn out time of the unit leaving the station.

**Past Performance:** In 2015, the 90% goal was not met; results are in the mid-80 percentile.

**2017-18 Goal Statement:** Arrive to 90% of fire suppression and EMS incidents within 4 minutes.

**Expected Result:** Due to increases in population, number of employees, and commercial property uses, it is projected that the SFD will continue to experience growth in the number of emergency incidents. This will challenge the department to maintain current response time outcomes as SFD looks into the future. Ongoing investments in the Low Acuity Alarm Program (see next page) will allow SFD to reduce demand by assisting high utilizers of the 911 system. Additionally, potential modifications to dispatch protocols to more appropriately direct 911 calls to services and resources would free up SFD resources to be more available for life threatening emergency responses. New funding for an additional EMS aid unit and staffing to begin in 2018 will assist in keeping up with the growth in EMS incidences.

	2014	2015	2016	2017	2018
	Actuals	Actuals	Estimated	Estimated	Estimated
Arrival of an engine company to 90% of fire suppression incidents within 4 minutes travel time	85%	82%	83%	83%	84%
Arrival of a first responder to 90% of EMS incidents within 4 minutes travel time	85%	85%	85%	85%	85%

# Seattle Fire Department

## Respond to incidents

Operations: Responses by Seattle Fire Department to Incidents in the City of Seattle  
 2017-18 Proposed Budget: \$200,982,105 (2017), \$203,663,980 (2018)

**Program Summary:** The Seattle Fire Department (SFD) responds to about 100,000 incidents per year. These incidents include everything from structure fires, marine fires, medical emergencies, and other disasters. The number of incidents per year is expected to increase with continued population growth in Seattle.

SFD has recently begun tracking “low acuity” responses, or 911 calls for incidents that are determined to be non-emergency situations in that they pose no immediate risk to health, life, property, or the environment. SFD responded to over 24,000 non-emergency calls in 2015, which included hundreds of individuals who called 911 over 5 times each and many exceeding 25 requests for services. In 2016, SFD implemented a new program to reduce non-emergency calls and help high utilizers of the 911 system get registered for the appropriate services to meet their needs. This program includes a program manager, a case worker, and new technology to better track patient interactions. Reducing the growth of non-emergency calls will allow SFD resources to be more available to deploy quickly to critical, life threatening calls.

**Past Performance:** Funding was authorized to implement the Low Acuity Alarm Program, beginning in mid-2016. A work plan has been developed with initial pilots and outreach steps on track.

**2017-18 Goal Statement:** Reduce the number of non-emergency responses through direct intervention with high utilizing facilities/individuals and implementation of dispatching efficiencies.

**Expected Result:** The incident count is consistently trending upward but it is anticipated that the system-wide, aggregate Low Acuity Alarm Program impacts will be realized in 2017. In the first year the target is estimated to yield a reduction of 1,775 non-emergency calls.

	2014 Actuals	2015 Actuals	2016 Adopted	2017 Estimated	2018 Estimated
Total SFD 911 Responses	91,275	94,346	98,025	102,632	107,045
Total Number of Non-Emergency 911 Responses	24,612	24,792	26,409	27,909	29,973
Percent of 911 responses that are non-emergency	27%	27%	27%	28%	28%
	2014 Actuals	2015 Actuals	2016 Adopted	2017 Proposed	2018 Proposed
Total Cost of Operating Fire Department (less Fire Prevention Services)	\$178,644,442	\$177,802,113	\$175,777,984	\$192,357,397	\$194,770,397
Cost of Administering Low Acuity Alarm Program	n/a	n/a	\$241,878	\$242,892	\$250,384

# Seattle Fire Department

## Incremental Budget Changes

### Seattle Fire Department

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 183,522,714</b>	<b>1,167.55</b>	<b>\$ 183,522,714</b>	<b>1,167.55</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 1,354,148	-19.00	\$ 1,421,962	-19.00
Adjustment for One-Time Adds or Reductions	-\$ 1,024,252	0.00	-\$ 1,024,252	0.00
Citywide Adjustments for Standard Cost Changes	\$ 1,373,577	0.00	\$ 2,708,644	0.00
Salary Changes	\$ 1,106,715	0.00	\$ 1,792,045	0.00
<b>Proposed Changes</b>				
Improve Fire Safety in Complex High Rises	\$ 414,555	3.00	\$ 401,019	3.00
Provide Oversight of Fire Protections Systems Testing	\$ 136,600	1.00	\$ 167,850	1.00
Develop Surface Water Rescue Program	\$ 0	0.00	\$ 0	0.00
Fund Additional Recruit Class	\$ 2,400,000	0.00	\$ 0	0.00
Add New Aid Unit	\$ 250,000	0.00	\$ 700,000	0.00
Maintain Peak Level Staffing for Construction Inspections	\$ 272,000	2.00	\$ 280,160	2.00
Support Technology Upgrades in Fire Marshal's Office	\$ 1,500,000	0.00	\$ 1,000,000	0.00
Citywide Summit Re-Implementation Project	\$ 482,920	0.00	\$ 172,149	0.00
<b>Proposed Technical Changes</b>				
Local 27 Labor Agreement	\$ 9,322,386	0.00	\$ 12,633,559	0.00
Technical Adjustments and Administrative Efficiencies	-\$ 129,258	1.00	-\$ 111,870	1.00
<b>Total Incremental Changes</b>	<b>\$ 17,459,391</b>	<b>-12.00</b>	<b>\$ 20,141,266</b>	<b>-12.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 200,982,105</b>	<b>1,155.55</b>	<b>\$ 203,663,980</b>	<b>1,155.55</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$1,354,148/(19.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from



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departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

## **Adjustment for One-Time Adds or Reductions - (\$1,024,252)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget for costs related to a second recruit class in 2016, one-time grant match, and backfill costs for Summit Reimplementation (SRI) work.

## **Citywide Adjustments for Standard Cost Changes - \$1,373,577**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT) of health care, retirement contribution rate, judgement and claims, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

## **Salary Changes - \$1,106,715**

This adjustment adds incremental appropriation to reflect salary adjustments for SFD employees with longevity or salary step increases as part of SFD's baseline budgeting process.

## **Proposed Changes**

### **Improve Fire Safety in Complex High Rises - \$414,555/3.00 FTE**

This adjustment adds funding for two new Firefighter-Inspector I positions with vehicles to support field inspections and an Administrative Specialist. The 2017-2018 Proposed Budget proposes a new, fee-based, High Rise Inspection pilot program, similar to programs already in place in several other jurisdictions. The inspectors will concentrate on fire and life safety inspections in complex high rise and hospital buildings. The program is intended to improve high-rise building fire code safety and compliance by implementing a high quality, consistent inspection protocol provided by specialty trained inspectors. Having dedicated firefighters for this program will help relieve the inspection burden on SFD companies, improve availability and response times for emergency response units. This program will be offset by new fee revenue.

### **Provide Oversight of Fire Protections Systems Testing - \$136,600/1.00 FTE**

This adjustment adds a new Fire Lieutenant Prevention Inspector position to implement and manage a new fee-based program to provide oversight of mandatory testing of fire protection systems in buildings throughout Seattle in partnership with a private sector vendor. This program will work closely with the vendor, who will manage customer notifications and reminders of annual fire system testing requirements, and will refer compliance follow up to the Fire Marshal's Office for resolution. By tracking and supporting code compliance with a private vendor, this new program is intended to reduce false alarm activity and provide safer communities. This investment will be offset by new fee revenue related to the inspection services.

### **Develop Surface Water Rescue Program**

The 2017-2018 Proposed Budget creates a Surface Water Rescue Program within the Seattle Fire Department which will train up to 40 firefighters as technician level rescue swimmers, allowing them to respond more quickly

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to water rescues. This program is expected to improve outcomes for patients and increase the safety of firefighters. The program will cost about \$170,000 for a combination of training and equipment. SFD is funding this program internally with an offsetting cut to their overtime budget.

## **Fund Additional Recruit Class - \$2,400,000**

SFD is currently experiencing a high number of vacancies, due mostly to retirements from an aging workforce. Mandatory minimum staffing levels require SFD to maintain service to the City around the clock and SFD is increasingly relying on overtime hours to staff the City's fire stations. This adjustment provides one-time funding to SFD to add an additional recruit class in the fall of 2017, in addition to their regularly held spring recruit class. This allows for a total of 60 new firefighter recruits to be hired in 2017. A portion of the funding for recruitment and training will support efforts to improve the diversity of the workforce.

## **Add New Aid Unit - \$250,000**

This change provides resources for SFD to procure an additional aid vehicle in 2017. In 2018, \$700,000 will be added to cover personnel costs to staff the aid unit for 12 hours a day, 365 days a year. This additional peak-time unit mitigates demands on existing resources and lessens the number of times an engine company is dispatched to an EMS incident, making it more available for fire and rescue emergencies.

## **Maintain Peak Level Staffing for Construction Inspections - \$272,000/2.00 FTE**

This adjustment continues funding for two Firefighter Prevention Inspector I positions that were set to expire in 2016 and were removed from SFD's salary baseline for 2017. These positions provide fire code compliance inspections in new construction and significant remodels in commercial, office, industrial, and multifamily residential buildings throughout the city. Since construction related development remains at high levels in Seattle, continuing the positions for another two years allows SFD to provide plan review and construction inspection services in a timely manner. The position costs will be offset by a projected increase in construction-related revenues for 2017 and 2018.

## **Support Technology Upgrades in Fire Marshal's Office - \$1,500,000**

The 2017-2018 Proposed Budget provides appropriation of \$1,500,000 in 2017 and \$1,000,000 in 2018 to begin moving SFD's many processes and systems in the Fire Marshal's Office (FMO) to a Citywide coordinated permitting and licensing system. SFD has more than a dozen stand-alone systems for its permitting, inspection, and compliance services, which are outdated and in need of replacement. SFD has a five year plan to update the systems in the FMO. This plan includes raising fees in the FMO, which were last increased as part of the 2015-2016 biennial budget, to help support the technology upgrades.

## **Citywide Summit Re-Implementation Project - \$482,920**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative services.

## **Proposed Technical Changes**

### **Local 27 Labor Agreement - \$9,322,386**

In August 2016, the City negotiated a new contract with the International Association of Fire Fighters, Local 27. The agreement included a Cost of Living Adjustment (COLA) that will increase firefighters' base wages by 3.5%

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for 2017, and 100% of the increase of the Seattle-Tacoma-Bremerton Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI-W") June over June increase in 2018, with a "floor" of 1.5% and a "ceiling" of 4%. This adjustment increases the budget appropriation by \$9,322,386 in 2017 and \$12,633,559 in 2018 to implement the labor contract terms and COLA amounts agreed to by the City of Seattle and Local 27. Other changes include:

- Effective September 2016, certain ladder trucks that probationary firefighters are assigned to shall receive 72 hours of 5-person staffing.
- Effective October 2016, paramedic students may receive 8.5% premium pay while in the program.
- Effective January 2017, assignment pay will increase from 15% to 17% for Paramedics, and from 5% to 6% for members of the Dive Team. (Assignment and longevity pay is paid as a percentage of the top step of the Fire Fighter monthly wage rate.)
- Effective January 2017, assignment pay is established for Dive Masters at 8%.
- Effective January 2017, uniform allowance will be increased by \$100 for employees assigned to divisions other than operations.
- Employees who have completed more than 20 years of service will receive an additional 0.5% longevity pay effective at year-end of 2017.

## Technical Adjustments and Administrative Efficiencies - (\$129,258)/1.00 FTE

This adjustments includes technical true ups that include administrative efficiencies, FMO special projects staff, and a reorganization of public affairs. Specifically, the proposed budget:

- Internally transfers two positions to gain administrative support in the Human Resources and Operations programs and reflect current reporting structure and accurate financial reporting. Additionally, the budget proposes adding a part-time administrative position to the Training Division to assist with increasing administrative demands.
- Adjusts funding and revenues associated with a portion of the Assistant Fire Marshal and Sr. Plan Review Engineer positions to reflect current work performed. The budget reduces revenue estimates for reimbursements from other transportation agencies and augments revenues from fee supported work, reflecting workload projections for 2017 and 2018.
- Combines the Public Education program, Medic Two Program and the Public Information Officer to create a new program, the Public Affairs Division, which is located in the Administration Budget Control Level (BCL).

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Administration Budget Control</b>					
Finance		1,436,824	1,551,690	1,520,943	1,566,770
Human Resources		1,406,613	1,337,448	1,780,130	1,577,440
Information Systems		4,284,386	5,443,357	8,305,386	7,547,143
Office of the Chief		939,372	1,089,174	1,125,321	1,153,571
Public Affairs		0	0	606,569	627,020
<b>Total</b>	<b>F1000</b>	<b>8,067,195</b>	<b>9,421,669</b>	<b>13,338,349</b>	<b>12,471,944</b>
<b>Fire Prevention Budget Control</b>					
Code Compliance		374,134	507,679	541,359	554,771
Fire Investigation		1,251,426	1,233,773	1,316,858	1,352,753

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Office of the Fire Marshal		943,706	1,053,688	1,257,821	1,294,670
Public Education		347,307	366,280	0	0
Regulating Construction		2,174,185	2,404,087	2,925,440	3,025,287
Special Events		619,416	493,239	529,056	543,074
Special Hazards		1,836,056	1,685,984	2,350,773	2,419,626
<b>Total</b>	<b>F5000</b>	<b>7,546,229</b>	<b>7,744,730</b>	<b>8,921,307</b>	<b>9,190,181</b>
<b>Grants &amp; Reimbursables</b>	<b>F6000</b>	<b>4,863,903</b>	<b>769,348</b>	<b>0</b>	<b>0</b>
<b>Budget Control Level</b>					
<b>Operations Budget Control</b>					
Battalion 2		26,016,981	27,714,739	30,291,294	31,196,506
Battalion 3 - Medic One		14,843,781	14,773,361	16,387,725	16,596,764
Battalion 4		24,337,206	26,316,085	28,416,353	29,072,041
Battalion 5		25,989,252	24,591,008	26,268,601	26,859,002
Battalion 6		22,598,390	22,526,305	24,398,581	24,904,232
Battalion 7		20,880,278	20,296,144	22,010,198	22,409,780
Office of the Operations Chief		18,324,752	17,694,394	18,630,446	18,569,267
<b>Total</b>	<b>F3000</b>	<b>152,990,640</b>	<b>153,912,036</b>	<b>166,403,198</b>	<b>169,607,592</b>
<b>Resource Management Budget Control</b>					
Communications - Resource Mgmt		6,546,623	6,781,183	7,304,688	7,455,123
Safety and Risk Management		1,100,265	1,249,936	1,281,291	1,299,798
Support Services - Resource Mgmt		1,696,348	1,249,383	1,304,899	1,331,827
Training and Officer Development		2,542,293	2,394,429	2,428,373	2,307,515
<b>Total</b>	<b>F2000</b>	<b>11,885,529</b>	<b>11,674,931</b>	<b>12,319,251</b>	<b>12,394,263</b>
<b>Department Total</b>		<b>185,353,496</b>	<b>183,522,714</b>	<b>200,982,105</b>	<b>203,663,980</b>
<b>Department Full-time Equivalent Total*</b>		<b>1,162.55</b>	<b>1,167.55</b>	<b>1,155.55</b>	<b>1,155.55</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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## Appropriations By Budget Control Level (BCL) and Program

### Administration Budget Control Level

The purpose of the Administration Budget Control Level is to provide management information and to allocate and manage available resources needed to achieve the Department's mission.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Finance	1,436,824	1,551,690	1,520,943	1,566,770
Human Resources	1,406,613	1,337,448	1,780,130	1,577,440
Information Systems	4,284,386	5,443,357	8,305,386	7,547,143
Office of the Chief	939,372	1,089,174	1,125,321	1,153,571
Public Affairs	0	0	606,569	627,020
<b>Total</b>	<b>8,067,195</b>	<b>9,421,669</b>	<b>13,338,349</b>	<b>12,471,944</b>
Full-time Equivalents Total*	45.50	49.50	34.50	34.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Administration Budget Control Level:**

#### **Finance Program**

The purpose of the Finance Program is to provide strategic financial planning and management to effectively utilize budgeted funds.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Finance	1,436,824	1,551,690	1,520,943	1,566,770
Full-time Equivalents Total	12.50	12.50	12.50	12.50

#### **Human Resources Program**

The purpose of the Human Resources Program is to provide management, advice, and direction in all areas of human resources and labor relations for uniformed and civilian employees. Major areas include: all hiring processes; worker's compensation and all disability and leave programs; EEO including internal investigations, litigation support, Race and Social Justice Initiative support; personnel performance management; all department labor relations functions; and public disclosure.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Human Resources	1,406,613	1,337,448	1,780,130	1,577,440
Full-time Equivalents Total	9.00	9.00	11.00	11.00

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## Information Systems Program

The purpose of the Information Systems Program is to provide data and technology to support the Department.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Information Systems	4,284,386	5,443,357	8,305,386	7,547,143
Full-time Equivalents Total	19.00	21.00	0.00	0.00

## Office of the Chief Program

The purpose of the Office of the Chief Program is to provide strategy, policy, priorities, and leadership to department personnel and advise the Executive on matters of department capabilities in order to ensure delivery of service to Seattle residents.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Office of the Chief	939,372	1,089,174	1,125,321	1,153,571
Full-time Equivalents Total	5.00	7.00	6.00	6.00

## Public Affairs Program

The purpose of the Public Affairs Program is to provide strategic communication, internal and external information dissemination, community engagement, public outreach and fire and life safety education.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Public Affairs	0	0	606,569	627,020
Full-time Equivalents Total	0.00	0.00	5.00	5.00

## Fire Prevention Budget Control Level

The purpose of the Fire Prevention Budget Control Level is to provide Fire Code enforcement to help prevent injury and loss from fire and other hazards.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Code Compliance	374,134	507,679	541,359	554,771
Fire Investigation	1,251,426	1,233,773	1,316,858	1,352,753
Office of the Fire Marshal	943,706	1,053,688	1,257,821	1,294,670
Public Education	347,307	366,280	0	0
Regulating Construction	2,174,185	2,404,087	2,925,440	3,025,287
Special Events	619,416	493,239	529,056	543,074
Special Hazards	1,836,056	1,685,984	2,350,773	2,419,626
<b>Total</b>	<b>7,546,229</b>	<b>7,744,730</b>	<b>8,921,307</b>	<b>9,190,181</b>
Full-time Equivalents Total*	55.50	56.50	61.50	61.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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*The following information summarizes the programs in Fire Prevention Budget Control Level:*

## Code Compliance Program

The purpose of the Code Compliance Program is to provide Fire Code information to the public and resolve code violations that have been identified to reduce fire and hazardous material dangers.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Code Compliance	374,134	507,679	541,359	554,771
Full-time Equivalents Total	4.00	4.00	4.00	4.00

## Fire Investigation Program

The purpose of the Fire Investigation Program is to determine the origin and cause of fires in order to pursue arson prosecution and identify needed changes to the Fire Code to enhance prevention practices.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Fire Investigation	1,251,426	1,233,773	1,316,858	1,352,753
Full-time Equivalents Total	9.00	9.00	9.00	9.00

## Office of the Fire Marshal Program

The purpose of the Office of the Fire Marshal Program is to develop Fire Code enforcement policy, propose code revisions, manage coordination of all prevention programs with other lines of business, and archive inspection and other records to minimize fire and other code-related dangers.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Office of the Fire Marshal	943,706	1,053,688	1,257,821	1,294,670
Full-time Equivalents Total	6.50	7.50	8.50	8.50

## Public Education Program

The purpose of the Public Education Program is to serve as a fire and injury prevention resource for those who live and work in Seattle to reduce loss of lives and properties from fires.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Public Education	347,307	366,280	0	0
Full-time Equivalents Total	3.00	3.00	0.00	0.00

## Regulating Construction Program

The purpose of the Regulating Construction Program is to provide timely review of building and fire protection system plans and conduct construction site inspections to ensure compliance with Fire Code, safety standards, and approved plans to minimize risk to occupants.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Regulating Construction	2,174,185	2,404,087	2,925,440	3,025,287
Full-time Equivalents Total	16.50	16.50	19.50	19.50

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## Special Events Program

The purpose of the Special Events Program is to ensure that plans for large public assemblies comply with Fire Codes to provide a safer environment and reduce potential risks to those attending the event.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Special Events	619,416	493,239	529,056	543,074
Full-time Equivalents Total	3.00	3.00	3.00	3.00

## Special Hazards Program

The purpose of the Special Hazards Program is to enforce Fire Code requirements for the safe storage, handling, transport, and use of flammable or combustible liquids and other hazardous materials to reduce the dangers that such materials pose to the public.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Special Hazards	1,836,056	1,685,984	2,350,773	2,419,626
Full-time Equivalents Total	13.50	13.50	17.50	17.50

## Grants & Reimbursables Budget Control Level

The purpose of the Grants & Reimbursable Budget Control Level (BCL) is to improve financial management of grant and reimbursable funds. In the annual budget process, costs for staff and equipment are fully reflected in the BCLs in which they reside; for example, in the Operations BCL. When reimbursable expenditures are made, the expenses are moved into this BCL to separate reimbursable and non-reimbursable costs.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Grants & Reimbursables	4,863,903	769,348	0	0
<b>Total</b>	<b>4,863,903</b>	<b>769,348</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	2.50	2.50	1.00	1.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*



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## Operations Budget Control Level

The purpose of the Operations Budget Control Level is to provide emergency and disaster response capabilities for fire suppression, emergency medical needs, hazardous materials, weapons of mass destruction, and search and rescue.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Battalion 2	26,016,981	27,714,739	30,291,294	31,196,506
Battalion 3 - Medic One	14,843,781	14,773,361	16,387,725	16,596,764
Battalion 4	24,337,206	26,316,085	28,416,353	29,072,041
Battalion 5	25,989,252	24,591,008	26,268,601	26,859,002
Battalion 6	22,598,390	22,526,305	24,398,581	24,904,232
Battalion 7	20,880,278	20,296,144	22,010,198	22,409,780
Office of the Operations Chief	18,324,752	17,694,394	18,630,446	18,569,267
<b>Total</b>	<b>152,990,640</b>	<b>153,912,036</b>	<b>166,403,198</b>	<b>169,607,592</b>
Full-time Equivalents Total*	1,001.25	1,001.25	1,001.25	1,001.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Operations Budget Control Level:**

### **Battalion 2 Program**

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 2 primarily covers central Seattle.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Battalion 2	26,016,981	27,714,739	30,291,294	31,196,506
Full-time Equivalents Total	205.45	205.45	205.45	205.45

### **Battalion 3 - Medic One Program**

The purpose of the Battalion 3 - Medic One Program is to provide advanced life support medical services for the safety of Seattle residents.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Battalion 3 - Medic One	14,843,781	14,773,361	16,387,725	16,596,764
Full-time Equivalents Total	83.00	83.00	82.00	82.00

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## Battalion 4 Program

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 4 primarily covers northwest Seattle.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Battalion 4	24,337,206	26,316,085	28,416,353	29,072,041
Full-time Equivalents Total	199.45	199.45	199.45	199.45

## Battalion 5 Program

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 5 primarily covers southeast Seattle.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Battalion 5	25,989,252	24,591,008	26,268,601	26,859,002
Full-time Equivalents Total	185.45	185.45	185.45	185.45

## Battalion 6 Program

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 6 primarily covers northeast Seattle.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Battalion 6	22,598,390	22,526,305	24,398,581	24,904,232
Full-time Equivalents Total	169.45	169.45	169.45	169.45

## Battalion 7 Program

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 7 primarily covers southwest Seattle.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Battalion 7	20,880,278	20,296,144	22,010,198	22,409,780
Full-time Equivalents Total	148.45	148.45	148.45	148.45

## Office of the Operations Chief Program

The purpose of the Office of the Operations Chief Program is to provide planning, leadership, and tactical support to maximize emergency fire, disaster, and rescue operations.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Office of the Operations Chief	18,324,752	17,694,394	18,630,446	18,569,267
Full-time Equivalents Total	10.00	10.00	11.00	11.00

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## **Resource Management Budget Control Level**

The purpose of the Resource Management Budget Control Level (formerly known as Risk Management) is to recruit and train uniformed staff, reduce injuries by identifying and changing practices that place firefighters at greater risk, provide services to enhance firefighter health and wellness, and provide communication services and logistical support.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Communications - Resource Mgmt	6,546,623	6,781,183	7,304,688	7,455,123
Safety and Risk Management	1,100,265	1,249,936	1,281,291	1,299,798
Support Services - Resource Mgmt	1,696,348	1,249,383	1,304,899	1,331,827
Training and Officer Development	2,542,293	2,394,429	2,428,373	2,307,515
<b>Total</b>	<b>11,885,529</b>	<b>11,674,931</b>	<b>12,319,251</b>	<b>12,394,263</b>
Full-time Equivalents Total*	57.80	57.80	57.30	57.30

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Resource Management Budget Control Level:**

### **Communications - Resource Mgmt Program**

The purpose of the Communications Program is to manage emergency calls to assure proper dispatch and subsequent safety monitoring of deployed units.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Communications - Resource Mgmt	6,546,623	6,781,183	7,304,688	7,455,123
Full-time Equivalents Total	31.80	31.80	31.80	31.80

### **Safety and Risk Management Program**

The purpose of the Safety and Risk Management Program is to reduce injuries and health problems by identifying practices that place firefighters at risk during an emergency incident and providing services to enhance firefighter health and wellness.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Safety and Risk Management	1,100,265	1,249,936	1,281,291	1,299,798
Full-time Equivalents Total	6.00	6.00	6.00	6.00

# Seattle Fire Department

## Support Services - Resource Mgmt Program

The purpose of the Support Services Program is to provide the complete range of logistical support necessary to ensure all operational services have the supplies, capital equipment, fleet, and facilities needed to accomplish their objectives.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Support Services - Resource Mgmt	1,696,348	1,249,383	1,304,899	1,331,827
Full-time Equivalents Total	8.00	8.00	8.00	8.00

## Training and Officer Development Program

The purpose of the Training and Officer Development Program is to provide centralized educational and development services for all uniformed members of the department to ensure they have the critical and command skills demanded by their jobs.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Training and Officer Development	2,542,293	2,394,429	2,428,373	2,307,515
Full-time Equivalents Total	12.00	12.00	11.50	11.50



# Fire Facilities Levy Fund

Fred Podesta, Director

(206) 386-0041

<http://www.seattle.gov/fas>

## Department Overview

The 2003 Fire Facilities Levy Fund was created through Ordinance 121230, following voter approval of the Fire Facilities and Emergency Response Levy in November 2003. The fund receives revenue from property taxes (approximately \$167.2 million over the nine-year life of the levy), grants, certain interfund payments and other sources. Levy fund resources are supplemented with other funding sources, such as the City's Cumulative Reserve Subfund and bond proceeds, which are not included in this section, but are detailed in the Department of Finance and Administrative Services Capital Improvement Program (CIP).

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other funding - Capital	\$6,551,446	\$0	\$0	\$0
<b>Total Appropriations</b>	<b>\$6,551,446</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Fire Facilities Levy Fund

## Budget Overview

Projects funded from the Fire Facilities Levy Fund are detailed in the Department of Finance and Administrative Services (FAS) CIP.

The levy stopped collecting levy funds in 2012 and the program is nearing completion. In 2016, the last two planned projects at Fire Stations 22 and 32 were in construction. Other completed projects within the program include the Emergency Operations Center, the Joint Training Facility and a number of neighborhood fire station modifications and construction projects which have already been completed.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
461110	Investment Earnings	95,792	0	0	0
	<b>Total Investment Earnings</b>	<b>95,792</b>	<b>0</b>	<b>0</b>	<b>0</b>
444590	Miscellaneous - Other Revenues	14,135	0	0	0
461320	Unrealized Gains/Losses	-6,773	0	0	0
469100	Sale of Junk or Salvage	5,449	0	0	0
	<b>Total Miscellaneous</b>	<b>12,811</b>	<b>0</b>	<b>0</b>	<b>0</b>
485110	Property Sales	911,912	0	0	0
	<b>Total Property Sales</b>	<b>911,912</b>	<b>0</b>	<b>0</b>	<b>0</b>
411100	Real & Personal Property Tax	17,193	0	0	0
	<b>Total Property Tax</b>	<b>17,193</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>1,037,708</b>	<b>0</b>	<b>0</b>	<b>0</b>
379100	Use of (Contribution To) Fund Balance	5,513,738	2,126,070	3,282,513	0
	<b>Total Use of (Contribution To) Fund Balance</b>	<b>5,513,738</b>	<b>2,126,070</b>	<b>3,282,513</b>	<b>0</b>
	<b>Total Resources</b>	<b>6,551,446</b>	<b>2,126,070</b>	<b>3,282,513</b>	<b>0</b>

## Fire Facilities Levy Fund

### Fire Facilities Levy Fund Table

#### 2003 Fire Facilities Subfund (34440)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>10,888,251</b>	<b>2,291,723</b>	<b>5,374,513</b>	<b>3,282,513</b>	-
Accounting and Technical Adjustments	-	-		-	-
Plus: Actual and Estimated Revenues	1,037,708	-	34,000	-	-
Less: Actual and Estimated Expenditures	6,551,446	2,126,070	2,126,000	3,282,513	-
<b>Ending Fund Balance</b>	<b>5,374,513</b>	<b>165,653</b>	<b>3,282,513</b>	-	-
Continuing Appropriations	5,374,513	165,653	3,282,513	-	-
<b>Total Reserves</b>	<b>5,374,513</b>	<b>165,653</b>	<b>3,282,513</b>	-	-
<b>Ending Unreserved Fund Balance</b>	-	-	-	-	-





# Firefighters' Pension

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Steve Brown, Executive Secretary

(206) 625-4355

<http://www.seattle.gov/firepension/>

## Department Overview

The Firefighters' Pension Fund (FPEN) provides pension and medical benefit services to eligible active and retired firefighters and their beneficiaries. While the City pays into benefit funds for all Seattle firefighters, FPEN covers only firefighters who were hired before October 1, 1977 and therefore is a closed plan. Retiree benefits for firefighters hired more recently are primarily covered through a separate state-managed plan.

The management of firefighter benefits funds transitioned in the 1970s from local to state control. Prior to that time, the City paid into FPEN to provide for firefighter retiree benefits. In March 1970, the state created the Law Enforcement Officers and Fire Fighters Retirement System Plan 1 (LEOFF 1). Seattle firefighters hired between March 1970 and October 1977 enrolled in LEOFF 1, but also received additional benefit coverage through FPEN. As a result, this group of firefighters receives retiree benefits primarily from the state's LEOFF 1 plan, but also any earned increment from the City's FPEN that exceeds LEOFF 1 coverage. Both FPEN and LEOFF 1 closed to new enrollees in October 1977. Firefighters hired after that date enroll in the state's LEOFF 2 plan and do not receive benefits from FPEN.

The Seattle Firefighters' Pension Board is a five-member quasi-judicial body chaired by the Mayor or his/her designee, which formulates policy, rules on disability applications, and provides oversight of the Firefighters' Pension Fund. Four staff employees of the board handle all of its operational functions. Staff positions associated with Firefighters' Pension Fund are not reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise about 97% of the total annual FPEN budget, are based on the forecasts of an independent actuary. The Firefighters' Pension Fund has two statutory funding sources. The first is a component of the City's property tax levy. These revenues are placed in the City's General Fund, which funds the Fire Pension Fund's annual budget. The second statutory funding source is the state fire insurance premium tax. These statutory funding sources are in addition to other smaller funding sources that support the Firefighters' Pension Fund obligations.

The Firefighters' Pension Fund includes two funds: the Fire Pension Fund, which pays current pension, medical, and death benefits; and the Actuarial Account, which was established by [Ordinance 117216](#) in 1994 to pay future pension liabilities of the Fund.

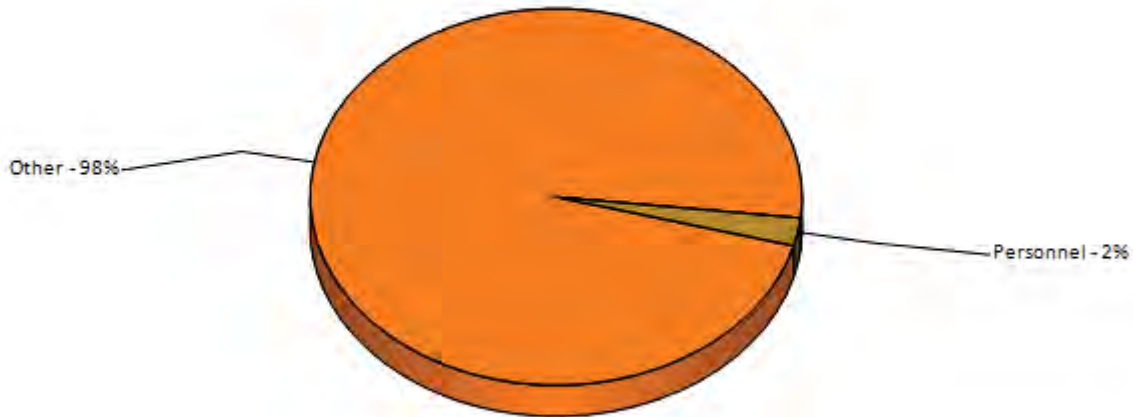
# Firefighters' Pension

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$17,311,984	\$17,163,500	\$18,787,000	\$19,481,248
Other Funding - Operating	\$1,313,697	\$1,293,500	\$1,300,000	\$1,319,000
<b>Total Operations</b>	<b>\$18,625,681</b>	<b>\$18,457,000</b>	<b>\$20,087,000</b>	<b>\$20,800,248</b>
<b>Total Appropriations</b>	<b>\$18,625,681</b>	<b>\$18,457,000</b>	<b>\$20,087,000</b>	<b>\$20,800,248</b>
Full-time Equivalent Total*	4.00	4.00	4.00	4.00

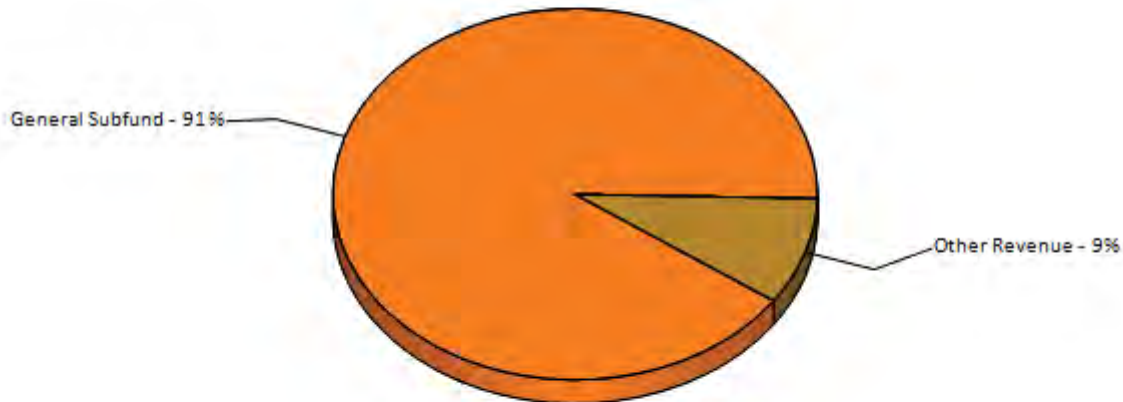
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## 2017 Proposed Budget - Expenditure by Category



# Firefighters' Pension

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

The Firefighters' Pension Fund (FPEN) receives almost all of its revenue from the City's General Fund. FPEN's expenditures, in turn, are devoted to paying the legally-mandated pension and medical benefits to eligible active and retired firefighters and qualified beneficiaries. The total pension benefits for FPEN members are increased annually through locally negotiated cost of living adjustments (COLA) and then offset by benefits paid by the state's LEOFF 1 pension plan which has its own annual growth rate.

Most of FPEN's retirees are represented by either Local 27 (firefighters union) or Local 2898 (fire chiefs union) and their total pension benefits are increased annually with a COLA equal to the negotiated annual wage increases (AWI) for the active union members at the Seattle Fire Department.

In August 2016, the City and the firefighters union, Local 27, approved a collective bargaining agreement ([Ordinance 118728](#)) that includes COLA rates from 2015 through 2018 and expires on December 31, 2018. The estimated retroactive pension benefits for 2015 and 2016 is \$1.3 million and will be paid to affected FPEN members as a lump sum in 2016. Legislation will be submitted to the City Council to increase FPEN's 2016 appropriations to support the retroactive payments by the end of 2016. However, the on-going Local 27 pension impacts for 2017 and 2018 are included in the pension benefits expenditures in the 2017-2018 Proposed Budget.

The contract for Local 2898 which includes the fire chiefs, however, expired on December 31, 2014 and a new agreement has not been reached yet. Since the COLA rates are currently unknown, the 2017-2018 Proposed Budget does not assume any growth factors for Local 2898 member's pension benefits. Once their bargaining agreement is reached, the impacts will be incorporated into FPEN's budget to cover retroactive pension benefit costs due from January 1, 2015.

The 2017-2018 Proposed Budget includes an adjustment to reflect the growth of retiree medical and long-term

# Firefighters' Pension

care costs in the 2016 actuarial valuation report. The report anticipates the costs will increase over the next 15 to 20 years due to FPEN's aging membership and annual trend rates for medical and long-term care costs.

The actuarial account was previously invested in the City's cash pool and earned interest. In 2013, the funds from the actuarial account were placed into an investment portfolio managed by the Department of Finance and Administration Services. The 2017-2018 Proposed Budget assumes an annual rate of return of 5.5% on the investment portfolio, and that the returns are continuously reinvested.

## Incremental Budget Changes

### Firefighters' Pension

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 18,457,000</b>	<b>4.00</b>	<b>\$ 18,457,000</b>	<b>4.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 30,000	0.00	\$ 43,248	0.00
<b>Proposed Changes</b>				
Medical Benefit Obligation Adjustment	\$ 400,000	0.00	\$ 1,000,000	0.00
<b>Proposed Technical Changes</b>				
Local 27 Pension Obligation Adjustments	\$ 1,200,000	0.00	\$ 1,300,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,630,000</b>	<b>0.00</b>	<b>\$ 2,343,248</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 20,087,000</b>	<b>4.00</b>	<b>\$ 20,800,248</b>	<b>4.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$30,000**

Citywide technical adjustments made in the initial planning phase reflect health care and retirement contribution rate changes. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes the Annual Wage Increases (AWI) from 2015 through 2018 for employees at the Firefighters Pension department.

# Firefighters' Pension

## Proposed Changes

### Medical Benefit Obligation Adjustment - \$400,000

This adjustment reflects the net impact of the change in FPEN's expected medical benefit obligations in 2017, as provided by FPEN's 2016 actuarial valuation.

## Proposed Technical Changes

### Local 27 Pension Obligation Adjustments - \$1,200,000

This adjustment increases the pension benefits for members in the firefighter union, Local 27. Local 27 retirees receive an annual cost of living adjustment (COLA) equal to the annual wage increase (AWI) for active Local 27 members at the Seattle Fire Department. In 2017, the COLA is 3.5%. In 2018, the COLA will be equal to 100% of the June 2017 Consumer Price Index with a 1.5% floor and 4.0% ceiling.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Firefighters' Pension Budget Control</b>					
Administration		615,408	640,000	670,000	683,248
Death Benefits		9,500	17,000	17,000	17,000
Medical Benefits		11,108,355	11,000,000	11,400,000	12,000,000
Pensions		6,892,418	6,800,000	8,000,000	8,100,000
<b>Total</b>	<b>R2F01</b>	<b>18,625,681</b>	<b>18,457,000</b>	<b>20,087,000</b>	<b>20,800,248</b>
<b>Department Total</b>		<b>18,625,681</b>	<b>18,457,000</b>	<b>20,087,000</b>	<b>20,800,248</b>
<b>Department Full-time Equivalents Total*</b>		<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Firefighters' Pension

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
587001	General Subfund	17,311,984	17,163,500	18,787,000	19,481,245
	<b>Total General Subfund</b>	<b>17,311,984</b>	<b>17,163,500</b>	<b>18,787,000</b>	<b>19,481,245</b>
436691	Fire Insurance Premium Tax	976,057	943,500	950,000	969,000
461320	Return on Actuarial Account	73,361	633,825	641,000	676,000
469990	Medicare Rx Subsidy Refund	445,054	350,000	350,000	350,000
	<b>Total Other Revenue</b>	<b>1,494,472</b>	<b>1,927,325</b>	<b>1,941,000</b>	<b>1,995,000</b>
	<b>Total Revenues</b>	<b>18,806,456</b>	<b>19,090,825</b>	<b>20,728,000</b>	<b>21,476,245</b>
379100	Use of (Contribution to) Fund Balance	-180,775	-633,825	-641,000	-676,000
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-180,775</b>	<b>-633,825</b>	<b>-641,000</b>	<b>-676,000</b>
	<b>Total Resources</b>	<b>18,625,681</b>	<b>18,457,000</b>	<b>20,087,000</b>	<b>20,800,245</b>

## Appropriations By Budget Control Level (BCL) and Program

### Firefighters' Pension Budget Control Level

The purpose of the Firefighters' Pension Budget Control Level is to provide benefit services to eligible active and retired firefighters and their lawful beneficiaries.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Administration	615,408	640,000	670,000	683,248
Death Benefits	9,500	17,000	17,000	17,000
Medical Benefits	11,108,355	11,000,000	11,400,000	12,000,000
Pensions	6,892,418	6,800,000	8,000,000	8,100,000
<b>Total</b>	<b>18,625,681</b>	<b>18,457,000</b>	<b>20,087,000</b>	<b>20,800,248</b>
Full-time Equivalents Total*	4.00	4.00	4.00	4.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Firefighters' Pension

*The following information summarizes the programs in Firefighters' Pension Budget Control Level:*

## Administration Program

The purpose of the Administration Program is to administer the medical and pension benefits programs for active and retired members.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	615,408	640,000	670,000	683,248
Full-time Equivalent Total	4.00	4.00	4.00	4.00

## Death Benefits Program

The purpose of the Death Benefits Program is to disburse benefits and ensure proper documentation of deceased members' death benefits.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Death Benefits	9,500	17,000	17,000	17,000

## Medical Benefits Program

The purpose of the Medical Benefits Program is to provide medical benefits to eligible members as prescribed by state law.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Medical Benefits	11,108,355	11,000,000	11,400,000	12,000,000

## Pensions Program

The purpose of the Pensions Program is to administer the various facets of the members' pension benefits, which includes the calculation of benefits, the disbursement of funds, and pension counseling for active and retired members.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Pensions	6,892,418	6,800,000	8,000,000	8,100,000



# Firefighters' Pension

## Firefighters Pension Fund Table

### Firefighters Pension Fund (60200)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>14,741,892</b>	<b>15,605,148</b>	<b>14,922,667</b>	<b>15,556,492</b>	<b>16,197,492</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	18,806,456	19,090,825	19,090,825	20,728,000	21,476,245
Less: Actual and Budgeted Expenditures	18,625,681	18,457,000	18,457,000	20,087,000	20,800,248
<b>Ending Fund Balance</b>	<b>14,922,667</b>	<b>16,238,973</b>	<b>15,556,492</b>	<b>16,197,492</b>	<b>16,873,489</b>
Actuarial Account	11,016,172	12,157,908	11,649,997	12,290,997	12,966,997
Contingency Reserve	500,000	500,000	500,000	500,000	500,000
Rate Stabilization Reserve	3,406,495	3,581,065	3,406,495	3,406,495	3,406,495
<b>Total Reserves</b>	<b>14,922,667</b>	<b>16,238,973</b>	<b>15,556,492</b>	<b>16,197,492</b>	<b>16,873,492</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3</b>

# Law Department

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Peter S. Holmes, City Attorney

Civil Division, (206) 684-8200; Criminal Division, (206) 684-7757

<http://www.seattle.gov/cityattorney/>

## Department Overview

The Law Department serves as counsel to the City's elected officials and agencies, and as the prosecutor in Seattle Municipal Court. The Seattle City Attorney, Peter S. Holmes, is a nonpartisan elected official.

The department provides legal advice to City officials to help them achieve their goals, represents the City in litigation, and protects the public health, safety, and welfare of the community by prosecuting violations of City criminal and civil ordinances and state law. The four department divisions are described below.

The **Administration Division** provides executive leadership, communications, and operational support for the entire department. It is comprised of the executive leadership team for the department, human resources, finance, media relations, and information technology staff.

The **Civil Division** provides legal counsel and representation to the City's elected and appointed policymakers in litigation at all levels of county, state, federal courts, and administrative agencies. The Civil Division is organized into the following seven specialized areas of practice: Employment, Environmental Protection, Land Use, Government Affairs, Torts, Regulatory Enforcement & Economic Justice, and Utilities & Contracts.

The **Criminal Division** prosecutes misdemeanor crimes in Seattle Municipal Court, provides legal advice to City clients on criminal justice matters, monitors state criminal justice legislation of interest to the City, and participates in criminal justice policy development and management of the criminal justice system. In addition, the Criminal Division operates a Victims of Crime program which assists crime victims in obtaining restitution. The Criminal Division is comprised of a Prosecution Support Team, Case Preparation Team, Domestic Violence Unit, Appellate Practice, Filing/Early Plea Unit, Specialty Courts Unit (Mental Health, Community Court, Veterans' Court, DUI, and Infractions Program), and one trial team.

The **Precinct Liaison** attorneys work in each of the City's five police precincts, providing legal advice to police and other City departments. In helping to address a variety of neighborhood and community problems, these attorneys coordinate with the Civil and Criminal divisions to ensure a consistent, thorough and effective approach to solving issues of concern to the community.

# Law Department

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$23,638,285	\$24,348,261	\$26,836,380	\$27,730,663
<b>Total Operations</b>	<b>\$23,638,285</b>	<b>\$24,348,261</b>	<b>\$26,836,380</b>	<b>\$27,730,663</b>
<b>Total Appropriations</b>	<b>\$23,638,285</b>	<b>\$24,348,261</b>	<b>\$26,836,380</b>	<b>\$27,730,663</b>
Full-time Equivalent Total*	173.60	177.10	181.60	181.60

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



## Budget Overview

The Law Department established a Regulatory Enforcement and Economic Justice (REEJ) Unit in the Civil Division to address the growing number of regulatory challenges. The unit consolidated in 2015 and leveraged in-house resources and staffing with four attorneys and two staff. The workload for REEJ increased with further regulations and the 2015 creation of the Office of Labor Standards (OLS) to implement the City's labor standards for Minimum Wage, Paid Sick and Safe Time, Wage Theft, and Fair Chance Employment (limiting the use of conviction and arrest records in employment decisions). The 2017-2018 Proposed Budget adds one attorney position to focus on regulatory issues and litigation related to OLS.

The Land Use Section in the Civil Division provides legal counsel on zoning, planning, growth management, code

## Law Department

enforcement, the State Environmental Policy Act, low-income housing development, preservation of historic properties, and acquisition of public property for open space, parks, and other public facilities. In 2015, an increase in workload required utilizing outside counsel for more than 800 hours. Outside counsel fees are charged to the Judgment and Claims Fund and is more costly than using City staff. Increasing an existing attorney position from part-time to full-time keeps cases in-house and saves the Judgment and Claims Fund approximately \$150,000, off-setting the cost of increasing this position. A reduction is made in the Judgment and Claims Fund providing a net savings to the General Fund of \$65,000.

The Seattle Police Department (SPD) began development of a body-worn camera program in 2016. The 2017-2018 Proposed Budget provides funds to continue the planning, purchase and implementation efforts for this project. This advanced camera technology will increase police accountability as a component of the Department of Justice Consent Decree to provide transparency within law enforcement. The result will be a large volume of video added as evidence in the judicial process, in addition to the already existing in-car video. The increase in volume of video retrieval, discovery and viewing prior to making case filing decisions will require additional staffing of an Assistant City Prosecutor, Senior and a Paralegal, Senior in the Criminal Division. The success of the body-worn camera program and its ability to build trust with the community is dependent on the City's ability to store, manage, and retrieve the video properly, while conforming to the state Privacy Act and public disclosure laws. Both SPD and the Law Department must meet an individual's right to privacy as well as the needs of crime victims, minors, families of the deceased and other scenarios requiring privacy and non-disclosure. Having reliable and accurate evidence to prove or disprove a case benefits both victims and defendants.

The Law Enforcement Assisted Diversion (LEAD) program started in 2011 to address low-level drug and prostitution crimes in Seattle's Belltown neighborhood and the Skyway area. The LEAD program diverts participants into community-based treatment and support services rather than prosecuting them through the traditional channels of the criminal justice system. The proposed budget provides one unfunded prosecutor position in the Criminal Division to allow the Law Department to dedicate resources to this program with a goal of continuing the progress toward reducing recidivism, improving public safety and quality of life, and lowering costs associated with criminal prosecution. Funding will be provided to the City by the LEAD program administrator.

### Incremental Budget Changes

#### Law Department

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 24,348,261</b>	<b>177.10</b>	<b>\$ 24,348,261</b>	<b>177.10</b>
<b>Baseline Changes</b>				
Technical Baseline Changes	\$ 300,000	0.00	\$ 300,000	0.00
Adjustment for One-Time Adds or Reductions	-\$ 209,865	-1.00	-\$ 209,865	-1.00
Citywide Adjustments for Standard Cost Changes	\$ 1,438,384	0.00	\$ 2,122,068	0.00
<b>Proposed Changes</b>				
Regulatory Enforcement and Economic Justice (REEJ) Attorney	\$ 157,713	1.00	\$ 162,347	1.00
Land Use Attorney	\$ 83,011	0.50	\$ 85,092	0.50
Staffing for Implementation of Body Worn Cameras	\$ 131,582	2.00	\$ 241,317	2.00

## Law Department

Law Enforcement Assisted Diversion (LEAD) Attorney	\$ 0	1.00	\$ 0	1.00
Citywide Summit Re-Implementation Project	\$ 171,275	0.00	\$ 182,000	0.00
<b>Proposed Technical Changes</b>				
Columbia Center Lease	\$ 378,950	0.00	\$ 460,988	0.00
Public Records Staffing	\$ 194,136	2.00	\$ 200,156	2.00
Internal Transfers	\$ 0	0.00	\$ 0	0.00
Transfer Investigator to Seattle Department of Human Resources	-\$ 157,067	-1.00	-\$ 161,701	-1.00
<b>Total Incremental Changes</b>	<b>\$ 2,488,119</b>	<b>4.50</b>	<b>\$ 3,382,402</b>	<b>4.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 26,836,380</b>	<b>181.60</b>	<b>\$ 27,730,663</b>	<b>181.60</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Technical Baseline Changes - \$300,000

This item restores a one-time budget savings from 2016. In 2015, the Law Department relocated to the Columbia Center and the lease provided a generous tenant improvement budget and allowed unspent funds to be applied to future rent. In 2016, the \$300,000 of rent savings was captured and is restored with the proposed budget to pay for space rental costs in 2017 and 2018.

#### Adjustment for One-Time Adds or Reductions - (\$209,865)/(1.00) FTE

This item includes budget reductions for one-time additions in the 2016 Adopted Budget.

- In the 2016 Adopted Budget, a one-year position was added to the Civil Division to work with city staff, Seattle Police Department, and the Counsel of State Governments on issues and data related to criminal justice programs. (\$121,365)
- Funds appropriated in 2016 for the Citywide Summit Re-Implementation project are backed out and re-appropriated in the 2017-2018 Proposed Budget. (\$88,500)

#### Citywide Adjustments for Standard Cost Changes - \$1,438,384

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

# Law Department

## Proposed Changes

### **Regulatory Enforcement and Economic Justice (REEJ) Attorney - \$157,713/1.00 FTE**

This Assistant City Attorney position will address the increasing need for legal advice and enforcement related to the Office of Labor Standards' work on minimum wage, paid sick and safe leave, wage theft, and Fair Chance Employment (limiting the use of conviction and arrest records in employment decisions). REEJ was established to address the growing number of regulatory and licensing ordinances enacted by the City including marijuana violations, taxi cab and for-hire licenses, Rental Housing Registration and Inspection Program, and the Department of Justice Consent Decree related to the Seattle Police Department.

### **Land Use Attorney - \$83,011/.50 FTE**

A current 0.5 FTE attorney will increase to 1.0 FTE keeping work in-house and reducing the need for outside counsel. In 2015, five cases were sent to outside counsel for litigation due to a lack of capacity in the Land Use Section of the Law Department. Outside counsel fees are charged to the Judgment and Claims Fund and is more costly than using City staff. Increasing an existing attorney position from part-time to full-time keeps cases in-house and saves the Judgment and Claims Fund approximately \$150,000, off-setting the cost of increasing this position. A reduction is made in the Judgment and Claims fund, providing a net savings to the General Fund of \$67,000.

### **Staffing for Implementation of Body Worn Cameras - \$131,582/2.00 FTE**

This item adds an attorney and paralegal in the Criminal Division with funding to begin in July 2017 for the implementation of SPD's body worn cameras project. This staffing is needed to address the retrieval, discovery, review and redaction of a large volume of additional video footage.

### **Law Enforcement Assisted Diversion (LEAD) Attorney/1.00 FTE**

LEAD is a program designed to address low-level drug and prostitution crimes by diverting participants into support services including housing, healthcare, job training, treatment and mental health support rather than prosecution through traditional channels of the criminal justice system. An Assistant City Prosecutor position is added to the Criminal Division to be dedicated to the LEAD program and will be funded by the LEAD program administrator. The attorney will track participants' cases and make intentional decisions to coordinate with and support the individual intervention plan. Decisions on filing, release, dismissal and disposition recommendations can significantly enhance the effectiveness of LEAD.

### **Citywide Summit Re-Implementation Project - \$171,275**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## Proposed Technical Changes

### **Columbia Center Lease - \$378,950**

In 2015, the Law Department consolidated offices through a lease with the Columbia Center. Annually the lease rate increases \$1.00 per square foot. This increase will fully fund the Law Department lease in the Columbia Center.

# Law Department

## Public Records Staffing - \$194,136/2.00 FTE

In the 1st Quarter 2016 Supplemental Budget Ordinance, 2.0 FTE paralegal positions were added to manage the increasing volume and complexity of public records requests submitted to all City departments. The total number of requests per year increased 64% from 5,600 in 2011 to over 9,000 in 2015. Over the same period, requests received from outside attorneys related to complex litigation requests increased by 28%. The new paralegals provide centralized review and redaction of attorney-client communications and assistance in processing large or inter-departmental requests.

## Internal Transfers

Two positions are transferring internally in the Law Department.

- An attorney position will transfer from the Precinct Liaison Division to the Criminal Division. This position handles the vice/narcotics cases and is represented by Local 21. It is appropriate for this position to be in the Criminal Division.
- Supervision of the Precinct Liaison Division (PLD) has rotated between the Civil, Criminal and Administrative Divisions. An attorney in the Civil Division has been designated to supervise. This transfer of an attorney from the Civil to the Precinct Liaison Division will formalize the assignment.

## Transfer Investigator to Seattle Department of Human Resources - (\$157,067)/(1.00) FTE

This position investigates employment discrimination allegations. Both the Law Department and SDHR have agreed the position is better suited to reside in SDHR.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Administration Budget Control Level	J1100	2,496,378	2,395,813	2,497,927	2,579,251
Civil Budget Control Level	J1300	13,489,894	14,232,192	15,428,937	15,879,486
Criminal Budget Control Level	J1500	6,986,960	7,023,193	8,065,707	8,402,680
<b>General Fund Supported BCLs</b>					
Precinct Liaison Attorneys Budget Control Level	J1700	665,053	697,063	843,809	869,246
<b>Department Total</b>		<b>23,638,285</b>	<b>24,348,261</b>	<b>26,836,380</b>	<b>27,730,663</b>

<b>Department Full-time Equivalents Total*</b>	<b>173.60</b>	<b>177.10</b>	<b>181.60</b>	<b>181.60</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Law Department

## Appropriations By Budget Control Level (BCL) and Program

### Administration Budget Control Level

The purpose of the Administration Budget Control Level is to provide the financial, technological, administrative and managerial support for the Department.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	2,496,378	2,395,813	2,497,927	2,579,251
<b>Total</b>	<b>2,496,378</b>	<b>2,395,813</b>	<b>2,497,927</b>	<b>2,579,251</b>
Full-time Equivalents Total*	15.30	16.30	16.30	16.30

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Civil Budget Control Level

The purpose of the Civil Budget Control Level is to provide legal advice to the City's policy-makers, and to defend and represent the City, its employees, and officials before a variety of county, state, federal courts, and administrative bodies.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Civil	13,489,894	14,232,192	15,428,937	15,879,486
<b>Total</b>	<b>13,489,894</b>	<b>14,232,192</b>	<b>15,428,937</b>	<b>15,879,486</b>
Full-time Equivalents Total*	93.80	96.30	96.80	96.80

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Criminal Budget Control Level

The purpose of the Criminal Budget Control Level includes prosecuting ordinance violations and misdemeanor crimes, maintaining case information and preparing effective case files for the court appearances of prosecuting attorneys, and assisting and advocating for victims of domestic violence throughout the court process.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Criminal	6,986,960	7,023,193	8,065,707	8,402,680
<b>Total</b>	<b>6,986,960</b>	<b>7,023,193</b>	<b>8,065,707</b>	<b>8,402,680</b>
Full-time Equivalents Total*	59.50	59.50	63.50	63.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



## Law Department

### Precinct Liaison Attorneys Budget Control Level

The purpose of the Precinct Liaison Budget Control Level is to support a program where attorneys work in each of the City's five precincts, providing legal advice to police and other City departments. In helping to address a variety of neighborhood and community problems, the precinct liaison attorneys coordinate with the Civil and Criminal divisions with the goal of providing a consistent, thorough and effective approach.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Precinct Liaison Program	665,053	697,063	843,809	869,246
<b>Total</b>	<b>665,053</b>	<b>697,063</b>	<b>843,809</b>	<b>869,246</b>
Full-time Equivalent Total*	5.00	5.00	5.00	5.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Seattle Municipal Court

The Honorable Karen Donohue, Presiding Judge

(206) 684-5600

<http://www.seattle.gov/courts/>

## Judicial Branch Overview

The Seattle Municipal Court (Court) is authorized by the State of Washington and the Seattle Municipal Code to adjudicate misdemeanors, gross misdemeanors, infractions (e.g., traffic infractions, parking violations, and other infractions), and civil violations including those related to building and zoning offenses. There are seven elected judges and six appointed magistrates (5.5 FTE). There are more cases processed here than any other municipal court in the State of Washington.

The Court is committed to excellence in providing fair, accessible and timely resolution of alleged violations of the Seattle Municipal Code in an atmosphere of respect for the public, Court employees and other government entities. The Court works closely with the Seattle Police Department, the City Attorney and the defense bar toward a safe and vital community. Community organizations also partner with the Court to increase access to services for residents and enhance compliance with court-ordered conditions. The employees and volunteers of the Court are recognized as a valued part of the organization with many of them working directly with the defendants. Court staff involvement with defendants includes monitoring adherence to court orders for probation and day reporting, assessing treatment needs, and directing them to social service resources. Probation Officers and volunteer staff are in contact with defendants at the Court Resource Center offering services that include, but are not limited to:

- GED preparation classes;
- assistance in voicemail, cell phone, and post office box sign up;
- employment readiness classes;
- chemical dependency "Living in Sobriety" classes;
- housing assistance;
- identification replacement assistance;
- assistance in applying for state Department of Social and Health Service benefits;
- mental health treatment referrals; and
- direct computer connections to the Seattle Public Library.

Alternatives to jail have substantially reduced the City's jail expenditures and created opportunities for defendants to address underlying problems which lead to criminal behavior. Some of these alternatives include the following:

- work crew;
- community service;
- day reporting;
- random breath testing and urine analysis;
- Electronic Home Monitoring (EHM) and Secure Remote Alcohol Monitoring (SCRAM); and
- ignition interlock devices.

Ensuring access to justice for defendants with limited English proficiency is another priority. In 2015, more than 6,000 interpreted events, including hearings, attorney-client interviews, Washington State Hospital doctor

# Seattle Municipal Court

evaluations, probation and EHM appointments were conducted with the help of interpreters in 51 languages, American Sign Language and real time captioning. Approximately 40% of the requests are for Spanish language interpreters. Other frequent requests for interpretation include the Vietnamese, Somali, Amharic, Cantonese, Mandarin, Russian and Tigrinya languages.

In addition to the three general trial courts, the jail arraignment calendar and the master jury trial calendar, the Court serves defendants and the community through four specialty court calendars.

The **Mental Health Court Calendar** (MHC), established in 1999, is nationally recognized for serving misdemeanor offenders who are mentally ill or developmentally disabled. Defendants are expected to maintain treatment compliance, contact social service providers and adhere to other conditions of release. Once defendants opt into the court, frequent reviews are held. Judges become familiar with defendants, obtain input from dedicated probation staff, and make informed decisions while holding defendants responsible for their actions. The court holds contested competency and contested restoration hearings. Defendants may elect to opt out or enter into a disposition and remain under MHC supervision. Defendants can also be referred for supervision from mainstream courtrooms.

**Seattle Community Court Calendar** was established in 2005 as a way of enabling non-violent misdemeanor offenders to access social services while completing court supervised community service hours, rather than spending time in jail. Defendant connections with social services are designed to help address the causes of underlying repeated criminal behavior. Offenders are also typically required to attend a self-awareness workshop, where participants discuss the consequences of choices they make for themselves and the community.

**Seattle Veterans Treatment Court Calendar** was established in 2012 to meet the needs of defendants who previously served in the military and were generally discharged. The Court works closely with the King County Department of Community and Human Services, the Washington State Department of Veterans Affairs, and the U.S. Department of Veterans Affairs to access agency resources available to veterans. Typically the veterans come before the court with substance abuse and/or serious mental health issues. Treatment incorporates core values of military life including integrity, initiative and accountability.

The **Domestic Violence Calendars** were established in 2004 and are staffed by 1.5 judges and specialized probation counselors. These courts preside over dedicated pretrial, trial, review and revocation courts each week. Victim safety is a primary concern in these cases and special emphasis is placed on accountability for offender actions. Intensive court supervision increases compliance with court conditions and scheduling more immediate violation reviews provide greater assurance of public safety. The Court addresses no contact order violations swiftly.

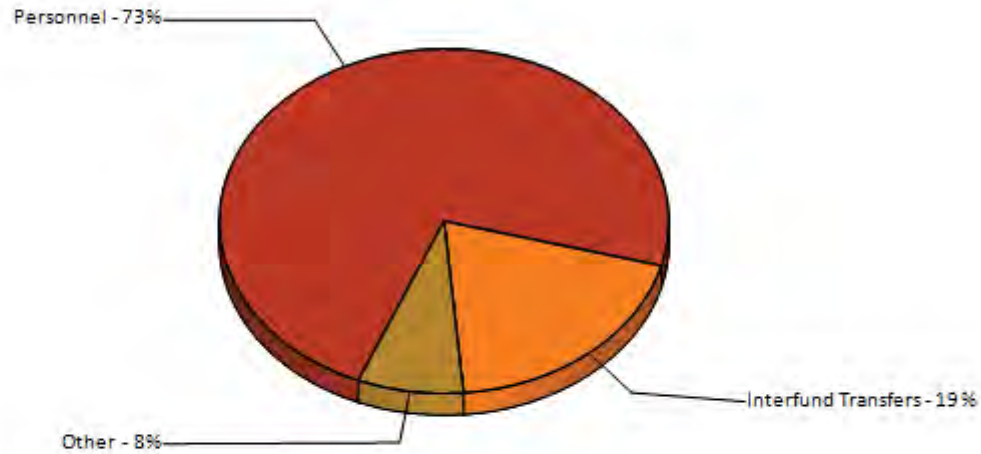
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$29,351,624	\$30,333,987	\$31,855,425	\$32,366,470
<b>Total Operations</b>	<b>\$29,351,624</b>	<b>\$30,333,987</b>	<b>\$31,855,425</b>	<b>\$32,366,470</b>
<b>Total Appropriations</b>	<b>\$29,351,624</b>	<b>\$30,333,987</b>	<b>\$31,855,425</b>	<b>\$32,366,470</b>
Full-time Equivalent Total*	213.60	214.10	212.10	212.10

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Municipal Court

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget provides resources to enable the Court to continue to adjudicate criminal cases, citations and infractions.

A priority for the Court is to continue planning for the replacement of the Municipal Court Information System (MCIS). MCIS is over 25 years old and was developed internally using the legacy IBM Informix platform to capture key court case events and meet the reporting requirements of the State Administrative Office of the Courts (AOC). Over time, the Court has enhanced this system to provide important case management information, data exchanges and public access. The Court and the City are highly dependent on MCIS to provide a continuing, permanent record of court case events, dates, hearings and outcomes. MCIS also tracks defendant compliance with court ordered sanctions and tracks all related fines and fees. Data related to the collection of \$44 million in fines and fees from the Seattle Police Department's parking and traffic ticket devices are highly dependent on MCIS. Daily data exchanges with the City of Seattle departments, King County and the State of Washington agencies rely on MCIS fully functioning. Seattle Municipal Court is unique as the largest court of limited jurisdiction in Washington. The AOC is developing a new case management system for courts of limited jurisdiction and the Court will continue participating in the AOC Court User Work Group. However, the AOC system may not be a practical option to meet the robust needs noted above.

In 2016, a project manager and two business analysts were added to Seattle IT and assigned to SMC to work on the MCIS replacement project. They began to define current and future business practices and system requirements. The project has convened Executive and Steering Committees and a feasibility study has been commissioned.

In 2017, \$2.5 million is appropriated to Seattle IT to complete the feasibility study comparing available options, while concurrently documenting MCIS current business practices. This project is included in the Seattle IT capital

# Seattle Municipal Court

improvement program with an estimated total cost of \$41 million over six years. Once the feasibility study and business requirements are completed in 2017 a more defined budget will be developed. During 2017, the work will also commence on development of the request for proposals.

Independent of the MCIS replacement project, the 2017-2018 Proposed Budget adds a Project Manager to the Court Technology Division to address a gap in the area of project management. The manager will report to the Court Technology Director and provide key leadership on crucial projects, bring structure to processes, engage stakeholders more functionally and reduce risks associated with information technology projects.

Elected state, superior and district court judicial salaries are set by the Washington Citizen's Commission on Salaries for Elected Officials. By City Ordinance 122112, SMC judicial salaries are set at 95% of the district court. A final salary schedule and wage increase has been mandated effective September 2016 and the proposed budget will fund this increase. Additionally, setting SMC judicial salaries at this level qualifies the City to receive a contribution from the state for technology improvements at SMC per the aforementioned ordinance.

## Incremental Budget Changes

### Seattle Municipal Court

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 30,333,987</b>	<b>214.10</b>	<b>\$ 30,333,987</b>	<b>214.10</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 222,250	0.00	-\$ 222,250	0.00
Citywide Adjustments for Standard Cost Changes	\$ 1,295,688	0.00	\$ 2,041,733	0.00
<b>Proposed Changes</b>				
Judicial Salary Adjustment	\$ 53,000	0.00	\$ 53,000	0.00
Court Technology Project Manager	\$ 155,000	1.00	\$ 160,000	1.00
Citywide Summit Re-Implementation Project	\$ 240,000	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Transfer Position from Court Operations to Court Administration	\$ 0	0.00	\$ 0	0.00
Eliminate Three Unfunded Positions	\$ 0	-3.00	\$ 0	-3.00
<b>Total Incremental Changes</b>	<b>\$ 1,521,438</b>	<b>-2.00</b>	<b>\$ 2,032,483</b>	<b>-2.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 31,855,425</b>	<b>212.10</b>	<b>\$ 32,366,470</b>	<b>212.10</b>

# Seattle Municipal Court

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$222,250)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. Funds appropriated in 2016 for the Citywide Summit Re-Implementation project are backed out and re-appropriated in the 2017-2018 Proposed Budget.

#### **Citywide Adjustments for Standard Cost Changes - \$1,295,688**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

### Proposed Changes

#### **Judicial Salary Adjustment - \$53,000**

In Washington state, elected state, superior and district court judicial salaries are set by the Washington Citizen's Commission on Salaries for Elected Officials. As directed in Ordinance 122112, Seattle Municipal Court judicial salaries are set at 95% of the district court. A final salary schedule and wage increase has been mandated effective September 2016 which the Court will absorb within their 2016 budget. The proposed budget funds the 2016 increase and the second increase effective in September 2017. Additionally, setting SMC judicial salaries at this level qualifies the City to receive a contribution from the State for technology improvements at SMC. The state contribution is generally \$150,000 annually and is applied to the Trial Court Improvement Account in Finance General. The Court uses this account to fund one-time technology improvements such as the Electronic Court Filing Project.

#### **Court Technology Project Manager - \$155,000/1.00 FTE**

A project manager position is added to the Court Technology Division to address a management gap and increase in critical projects and technology innovations. The division is composed of a director and twelve IT professionals. The director's time is spread too broadly to manage application support, desktop support, operations support, quality assurance testing, business analysis, development and project management. This new position will provide key leadership on the new collections contract and payment card industry compliance requirements, Next Generation Data Center server farm migration, Office 365 upgrade, and the Tableau Server implementation, in addition to daily operations primarily associated with MCIS including data purging and clean up in preparation for the MCIS 2.0 project implementation.

#### **Citywide Summit Re-Implementation Project - \$240,000**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

# Seattle Municipal Court

## Proposed Technical Changes

### Transfer Position from Court Operations to Court Administration

The Court reallocated a position in 2016 from a Court Clerk to a 0.5 FTE Human Resource Specialist to meet the needs of increasing reporting requirements such as FMLA, ADA, and City wage ordinances. This transfer moves the position from Court Operations Budget Control Level (BCL) to the Court Administration BCL's Human Resource Unit.

### Eliminate Three Unfunded Positions/(3.00) FTE

In the 2004 Adopted Budget, the Court implemented a vacancy rate of 2.5% leaving some positions unfunded. This action eliminates three unfunded positions equal to 3.0 FTE and the benefits associated and brings the budget closer in line with funded positions.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Court Administration Budget Control Level	M3000	6,908,605	7,447,922	7,844,646	7,754,370
Court Compliance Budget Control Level	M4000	5,743,900	5,904,301	6,174,101	6,328,948
Court Operations Budget Control Level	M2000	16,699,120	16,981,764	17,836,678	18,283,152
<b>Department Total</b>		<b>29,351,624</b>	<b>30,333,987</b>	<b>31,855,425</b>	<b>32,366,470</b>
<b>Department Full-time Equivalent Total*</b>		<b>213.60</b>	<b>214.10</b>	<b>212.10</b>	<b>212.10</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Municipal Court

## Appropriations By Budget Control Level (BCL) and Program

### Court Administration Budget Control Level

The purpose of the Court Administration Budget Control Level is to provide administrative controls, develop and provide strategic direction, and provide policy and program development.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Court Administration	6,908,605	7,447,922	7,844,646	7,754,370
<b>Total</b>	<b>6,908,605</b>	<b>7,447,922</b>	<b>7,844,646</b>	<b>7,754,370</b>
Full-time Equivalents Total*	32.50	32.50	34.00	34.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Court Compliance Budget Control Level

The purpose of the Court Compliance Budget Control Level is to help defendants understand the Court's expectations and to assist them in successfully complying with court orders.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Court Compliance	5,743,900	5,904,301	6,174,101	6,328,948
<b>Total</b>	<b>5,743,900</b>	<b>5,904,301</b>	<b>6,174,101</b>	<b>6,328,948</b>
Full-time Equivalents Total*	41.85	42.85	41.85	41.85

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Court Operations Budget Control Level

The purpose of the Court Operations Budget Control Level is to hold hearings and address legal requirements for defendants and others who come before the Court. Some proceedings are held in formal courtrooms and others in magistrate offices, with the goal of providing timely resolution of alleged violations of City ordinances and misdemeanor crimes committed within the Seattle city limits.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Court Operations	16,699,120	16,981,764	17,836,678	18,283,152
<b>Total</b>	<b>16,699,120</b>	<b>16,981,764</b>	<b>17,836,678</b>	<b>18,283,152</b>
Full-time Equivalents Total*	139.25	138.75	136.25	136.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.





# Seattle Police Department

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Kathleen O'Toole, Chief of Police

(206) 684-5577

<http://www.seattle.gov/police/>

## Department Overview

The Seattle Police Department (SPD) prevents crime, enforces laws, and enhances public safety by delivering respectful, professional, and dependable police services. SPD divides operations into five precincts. These precincts define east, west, north, south, and southwest patrol areas, with a police station in each area. The department's organizational model places neighborhood-based emergency response services at its core, allowing SPD the greatest flexibility in managing public safety. Under this model, neighborhood-based personnel in each precinct assume responsibility for public safety management, primary crime prevention and law enforcement. Precinct-based detectives investigate property crimes and crimes involving juveniles, whereas detectives in centralized units located at SPD headquarters downtown and elsewhere conduct follow-up investigations into other types of crimes. SPD also has citywide responsibility for enhancing the City's capacity to plan for, respond to, recover from, and reduce the impacts of a wide range of emergencies and disasters, under the auspices of the Office of Emergency Management. Other parts of the department function to train, equip, and provide policy guidance, human resources, communications, and technology support to those delivering direct services to the public.

Following her appointment in 2014, Police Chief Kathleen O'Toole adopted a set of priorities that continue to guide the department:

1. **Restore Public Trust** - Implement the [Settlement Agreement](#) with the United States Department of Justice (DOJ) in an expeditious manner, connect SPD leadership with the community and increase SPD officer presence, ensuring that citizens feel safe in their neighborhoods and the downtown core.
2. **Restore SPD Pride and Professionalism** - Initiate a robust leadership development program to train the future leaders of SPD, create an advisory team to ensure the Chief receives input from community leaders and change the public face of the department by issuing updated and modern uniforms, equipment and vehicles.
3. **Address Crime and Quality-of-Life Issues: Seattle is a city of neighborhoods** - Create Micro-Community Policing plans for neighborhoods in Seattle; enhance partnerships with businesses and civic organizations like the Downtown Seattle Association; and build relationships with academic institutions that can assist SPD in developing innovative policing practices.
4. **Promote Best Business Practices** - Empower the department's Chief Operating Officer to allocate resources in a responsible manner and to ensure the department runs as efficiently and effectively as possible.

# Seattle Police Department

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$294,028,062	\$299,838,119	\$320,858,110	\$329,247,796
<b>Total Operations</b>	<b>\$294,028,062</b>	<b>\$299,838,119</b>	<b>\$320,858,110</b>	<b>\$329,247,796</b>
<b>Total Appropriations</b>	<b>\$294,028,062</b>	<b>\$299,838,119</b>	<b>\$320,858,110</b>	<b>\$329,247,796</b>
Full-time Equivalent Total*	2,019.35	2,033.35	2,095.35	2,146.35

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



## Budget Overview

The 2017-2018 Proposed Budget for the Seattle Police Department (SPD) reflects the City's commitment to protecting public safety and enhancing community trust while reforming SPD. In developing the proposed budget, the Mayor worked closely with SPD to ensure existing resources are used effectively, identify new resources required in 2017 and 2018, and annualize resources provided through 2016 legislation. Focus was placed on:

- increasing the size of the police force;
- improving 911 Communications Center operations;
- investing in new technology solutions and replacing outdated applications; and
- achieving the goals of the Department of Justice (DOJ) Settlement Agreement.

# Seattle Police Department

In July 2016, the Council passed an ordinance to increase business license fee revenue in order to partially fund new officers, 911 center improvements and SPD technology projects. Many of the appropriation increases included in the proposed budget for SPD are offset by these increased General Fund revenues related to change in business license fees.

The 2017-2018 Proposed Budget provides the funding or authorities necessary to accomplish the following tasks:

- hire 72 new officers;
- hire 25 new 911 communication center staff;
- improve response to public disclosure requests;
- advance DOJ Settlement Agreement implementation;
- provide funding for implementation of the Data Analytics Platform (DAP);
- complete implementation of the body-worn video program and continue support;
- implement a work scheduling, and timekeeping system for better overtime management;
- replace the department's outdated Records Management System; and
- annualize resources added by the Council in 2016.

## **Address Crime and Quality-of-Life Issues: Accelerating Police Officer Hiring and Adding Community Liaison Services**

The 2017-2018 Proposed Budget provides resources for 35 new police officers in 2017 and an additional 37 officers in 2018. The additional police officers will increase the size of the force from 1,404 to 1,476, strengthening SPD's core public safety goals, and increasing the department's ability to respond to 911 calls, emerging issues and citywide needs. The need for more police officers is substantiated by both community concerns and a 2016 staffing study that recommended SPD hire additional officers. The Mayor has committed to a net increase of 200 officers relative to 2013 staff levels and this hiring will keep the department on pace to achieve this goal by early 2020. The new 200 officers, once fully trained and deployed, will represent a 15% increase in the size of the sworn force above 2013 levels. In the near term, SPD sworn staffing levels reached an all-time high in 2016 and will continue to expand in 2017 and 2018 to accommodate Seattle's growing population.

It is important to both Chief O'Toole and the Mayor to focus on building a department that represents the community it serves. Recognizing the importance of hiring diverse police officers and understanding that the current hiring plan is an aggressive one, the proposed budget includes funds for more robust recruiting of police officer candidates.

To continue building relationships and enhancing trust within the community, the proposed budget annualizes community outreach support added through the 3rd Quarter Supplemental Budget Ordinance. With the new positions, SPD will have one crime prevention coordinator per precinct, in addition to an Asian community liaison and a term-limited employee focused on public safety issues in the Chinatown/International District neighborhoods in 2017. The positions will act as community liaisons representing SPD, offering outreach to individuals and community and business groups to provide education, training and problem-solving on crime-related issues.

Replacement or expansion of the existing North Precinct facility has been an identified need for the SPD since 1998. SPD will continue to work with Finance and Administrative Services (FAS) in 2017 to assess SPD's North Seattle facility needs, including both long-term replacement of the current precinct and potential interim measures to increase the capacity of the existing facility. Additional detail can be found in FAS' budget.

## **Restore Public Trust: Achieving the Goals of the Department of Justice (DOJ Settlement Agreement)**

The department continued to advance towards compliance with the Department of Justice Settlement Agreement in 2016. DOJ Settlement Agreement achievements to date, systematic assessments, semi-annual reports, annual

# Seattle Police Department

monitoring plans, approved policies and procedures, court proceedings, results of community perception surveys, and expenditures can be found on both [SPD's Compliance](#) and the [Seattle Police Monitor's](#) web pages.

Resources were added in 2016 through the quarterly supplemental budget ordinance process to support compliance with the DOJ Settlement Agreement. Two civilian positions were added to the Office of Professional Accountability to help manage increasing number of investigations in the 2016 1st Quarter Supplemental Budget Ordinance. In the 2nd Quarter Supplemental Budget Ordinance, funds were appropriated and positions added to continue implementation of the Data Analytics Platform (DAP) and support the program into the future. The DAP will establish a data analytics and reporting platform for SPD, delivering a data warehouse that will enable ad-hoc reporting and alerting. The platform will be capable of generating a rich set of data-driven reports and analyses for SPD. Included in the DAP at project completion will be data typically used for compliance reporting, including use of force, chain of command, complaints and early intervention for officers. While the majority of the DAP is expected to be implemented in 2016, the department will continue to focus on data quality and data governance of the systems feeding information to the DAP to ensure that analyses performed in the DAP are pulling from accurate data and therefore producing the highest quality reports.

The proposed budget also reflects the significant training costs associated with DOJ compliance. Since 2013, approximately \$1.4 million of funding for DOJ-related training has been held in a Finance General reserve and transferred to SPD in the quarterly supplemental budget ordinance process. It is now apparent that this training must become a part of SPD's on-going training protocols. Accordingly, the proposed budget permanently adds \$1.4 million to the department's overtime budget to account for this added training.

The proposed budget includes a Finance General reserve for the DOJ Consent Decree that could be used to support emerging needs as more is known about the future of police accountability in Seattle. The funding is held in reserve consistent with the reform process outlined by presiding U.S. District Court Judge James Robart. The funds will be appropriated pending the Court's review and approval of the draft legislation to reform the City's police accountability system and the City Council's passage of the court-approved legislation.

## **Enhance the 911 Communications Center**

The 911 communications center is the public's gateway to the City's emergency services. Residents of the city expect prompt, friendly and helpful service when they call 911 to report emergencies.

In 2016, the department completed a total remodel of the 911 Communications Center. Improvements included, expanding capacity of the center, enhancing supervisory oversight, upgrading outdated technology and reconfiguring the technology to allow better integration of the police and fire 911 centers. The complex project was completed ahead of schedule without noticeable impact to service levels. The 2016 Adopted Budget also added seven call-taker positions.

The 2017-2018 Proposed Budget builds on the progress made in 2016 to add staff. The proposed budget includes funding and position authority for 22 new positions and annualizes funding for three supervisor positions added in the 2016 1st Quarter Supplemental Budget Ordinance. SPD has been relying on overtime to meet the call volume standards set forth by the state. Increased staffing will improve SPD's ability to meet call volume standards while also boosting workplace morale and enhancing the customer experience. A 2016 assessment of the 911 communications center confirmed the need for more staff and recommended additional changes that could make hiring and training more efficient, increase management oversight and improve customer service. The department began implementing these recommendations in 2016 and will continue in 2017.

## **Expedite Response to Public Disclosure Requests**

The 2017-2018 Proposed Budget provides funding and appropriation authority for two civilian Public Disclosure Unit staff. Over the past five years, SPD has seen a 67% increase in the volume of requests received and the average response time for requests has also grown. The proposed budget recognizes that responding to public disclosure and public records requests is important to maintaining and building trust between the public and the

# Seattle Police Department

police department.

## **Expand SPD's IT Portfolio**

The 2017-2018 Proposed Budget provides funding for several large technology projects for SPD, totaling more than \$8 million. In January 2017, SPD will complete the consolidation of information technology (IT) staff that began city-wide in April 2016. As a result, the majority of the funding for SPD's IT projects is appropriated to the Seattle Department of Information Technology (Seattle IT); appropriations and project descriptions can be found in Seattle IT's budget pages.

### **Implement body-worn video**

SPD is working to increase police accountability using technology. The 2016 Adopted Budget provided funds for the initial purchase and implementation of body-worn cameras through General Fund and grant funds. The 2017-2018 Proposed Budget provides additional resources for the sustainment of the body-worn camera program, including support for public disclosure response, redaction, prosecutorial support and video storage. The success of the body-worn camera program and its ability to build trust with the community is largely dependent on the City's ability to store, manage, and retrieve the video properly, while conforming to the state's privacy and public disclosure laws. Implementing body-worn cameras is a complex and challenging project with many associated risks. The proposed budget provides funding with the goal of strengthening relationships between the community and the police, while striking the right balance between obtaining greater police department transparency while protecting public privacy.

### **Replace outdated Records Management System**

The proposed budget provides funding for replacement of SPD's Records Management System (RMS). SPD's current RMS is ten years old, limited in its capabilities and is difficult and time consuming to use. The current implementation of the existing RMS results in poor data quality and tedious workarounds to mine the data for compliance and operational reporting. SPD will implement a new system that will improve the department's ability to utilize the data and reduce the amount of time officers spend completing reports. The new system will be accessible and easy to use on many platforms including tablets and phones, which will be critical as the department works to increase its mobile capacities.

### **Improve overtime management with a work-scheduling and timekeeping system**

In 2016, an Overtime Controls Audit conducted by the City Auditor recommended SPD should "improve its overtime processes related to approvals and authorizations, recording of overtime, reconciliation of hours paid to hours worked, recordkeeping, and compliance with existing policies." To facilitate monitoring and compliance with overtime policies, the Auditor recommended implementing an automated staff scheduling and timekeeping system. The 2017-2018 Proposed Budget provides funding for procurement and implementation of a scheduling and timekeeping system to allow for better management of staff resources.

### **Continue implementation and sustainment of the Data Analytics Platform (DAP)**

As noted above in relation to the DOJ Settlement Agreement, implementation and effective use of the DAP is critical to compliance with the Settlement Agreement. The 2017-2018 Proposed Budget provides funding for continued advancement of the DAP with a focus on data quality and governance. A focus on data quality ensures that reports generated by the DAP for supervisors are high-quality reports that can be easily interpreted and acted upon.

### **Maintain Acoustic Gunshot Locator System**

SPD will begin implementation of an Acoustic Gunshot Locator System pilot program in late 2016. The department has partnered with the US Bureau of Alcohol, Tobacco, and Firearms and Explosives

# Seattle Police Department

Administration (ATF) on the pilot. The program will be funded by the ATF for one year and then evaluated. The proposed budget provides funding for potential continuation of the AGLS system in late 2017, pending a positive evaluation and feedback from the community.

## Re-aligning and establish baseline overtime budget

In 2016, an Overtime Controls Audit conducted by the City Auditor recommended SPD should "establish a more realistic overtime budget to better funds its actual overtime needs, but that also takes into account the likely reduction in overtime usage due to implementing improved controls." Consistent with this recommendation, the proposed budget establishes a realistic and responsible overtime budget. The overtime budget aligns SPD's overtime budget with its actual expenditures based on recent history and best practices. The re-alignment has three main components:

1. Adding \$2 million of new funding.
2. Adding \$1.4 million for overtime related to the DOJ Settlement Agreement that has historically been held in a Finance General reserve.
3. Transferring approximately \$2.7 million of existing funding from existing salary accounts to overtime to better align budget with expenditures. SPD has exceeded its overtime appropriation for the past 10 years but has mitigated the difference between the overtime budget and expenditures with savings in other accounts such as salary. The proposed budget transfers funding to better reflect the department's vacancy rate and more closely align SPD's budget with historical spending.

With these changes, the proposed overtime budget is \$22.2 million, which is based on analysis of actual overtime usage from 2012-2015. The proposed overtime budget also recognizes the importance of making progress on the Overtime Audit's recommendations related to overtime policies, and management and operational controls. As noted above, SPD and Seattle IT will also be implementing a work scheduling and timekeeping system which will remove barriers to management and overtime control, further strengthening SPD's ability to manage limited resources and department priorities.

## Incremental Budget Changes

### Seattle Police Department

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 299,838,119</b>	<b>2,033.35</b>	<b>\$ 299,838,119</b>	<b>2,033.35</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 8,933,458	-37.00	-\$ 9,003,797	-37.00
Adjustment for One-Time Adds or Reductions	-\$ 708,953	0.00	-\$ 708,953	0.00
Supplemental Budget Changes	\$ 5,592,810	45.00	\$ 5,653,681	45.00
Citywide Adjustments for Standard Cost Changes	\$ 13,139,443	0.00	\$ 17,299,281	0.00
<b>Proposed Changes</b>				
Accelerate hiring of new police officers	\$ 4,346,174	35.00	\$ 8,700,421	72.00
Improve the 911 Communications Center	\$ 1,009,785	12.00	\$ 2,239,922	25.00
Improve public disclosure response	\$ 211,389	2.00	\$ 207,641	2.00

# Seattle Police Department

Expand community outreach capacity	\$ 376,889	2.00	\$ 336,932	3.00
Add parking enforcement staff for extended paid parking hours	\$ 28,645	1.00	\$ 95,366	1.00
Implement body-worn video	\$ 908,902	0.00	\$ 726,611	0.00
Implement and sustain Data Analytics Platform (DAP)	\$ 291,250	2.00	\$ 280,000	2.00
Replace Records Management System (RMS)	\$ 750,000	0.00	\$ 0	0.00
Continue Acoustic Gunshot Locator System	\$ 50,000	0.00	\$ 0	0.00
Permanently transfer funding for DOJ-related overtime	\$ 1,420,146	0.00	\$ 1,420,146	0.00
Re-aligning overtime budget with expenditures	\$ 2,000,000	0.00	\$ 2,000,000	0.00
Citywide Summit Re-Implementation Project	\$ 536,969	0.00	\$ 162,426	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 21,019,991</b>	<b>62.00</b>	<b>\$ 29,409,677</b>	<b>113.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 320,858,110</b>	<b>2,095.35</b>	<b>\$ 329,247,796</b>	<b>2,146.35</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$8,933,458)/(37.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Adjustment for One-Time Adds or Reductions - (\$708,953)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. This adjustment removes one-time costs for new vehicles, 911 communications center remodel costs, EOC technology upgrades, two new patrol vehicles, overtime costs for training at the 911 communications center, and term-limited positions for the Summit Reimplementation Project.

#### **Supplemental Budget Changes - \$5,592,810/45.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities



# Seattle Police Department

or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. Included in this adjustment are the on-going costs associated with 42.0 police officer positions, one analyst to support special events and two Office of Professional Accountability civilian staff- one analyst and one administrative specialist. The adjustment also includes an adjustment to the photo enforcement program to correct for an error in the 2016 Adopted Budget.

## **Citywide Adjustments for Standard Cost Changes - \$13,139,443**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This adjustment also includes baseline changes in salary and benefits accounts capture cost of living adjustments; longevity and salary step adjustments; and annualized costs for partial year officers and expenses added in the 2016 Adopted Budget. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

## **Proposed Changes**

### **Accelerate hiring of new police officers - \$4,346,174/35.00 FTE**

The 2017-2018 Proposed Budget includes funding and authority to grow the force in continuation of the goal to add 200 new officers to SPD. Greater visibility of police officers in all Seattle neighborhoods is a priority for both the Mayor and the Chief. The proposed budget adds 35.0 FTE in 2017 and 37.0 FTE in 2018, increasing the size of the sworn police force from 1,404 to 1,476.

### **Improve the 911 Communications Center - \$1,009,785/12.00 FTE**

The proposed budget provides funding for nine new 911 Communications Center call-takers in 2017 and annualizes the on-going costs of three Dispatch Supervisor positions added in the 2016 1st quarter supplemental ordinance. The proposed budget also provides funding for an additional 13.0 FTE in 2018. The department is required by the state to answer 90% of all 911 calls in 10 seconds or less 80% of the time, on an hourly basis. The department has relied on both voluntary and mandatory overtime over the past five years to meet demand at the 911 communications center. Since 2011, the department has used an average of 14,000 hours of overtime each year to meet call volume standards, or approximately \$645,000 per year spent on 911 call taker overtime. The proposed budget continues investing in the 911 center to reduce reliance on overtime, thus improving customer service and morale among 911 communications center staff.

### **Improve public disclosure response - \$211,389/2.00 FTE**

The proposed budget adds 2.0 FTE to support SPD's public disclosure unit. Since 2011, the department has experienced more than a 60% increase in the volume of requests received; in 2015 SPD received approximately 7,000 requests, many of which are complex in nature. The two staff will help SPD manage response time for requests, improving the customer service provided to requestors.

### **Expand community outreach capacity - \$376,889/2.00 FTE**

The 2017-2018 Proposed Budget annualizes the costs of 2.0 FTE added in the 2016 3rd Quarter Supplemental Budget Ordinance as well as the continued cost of a term-limited position added in the 2nd Quarter Supplemental Budget Ordinance to support public safety in the Chinatown-International District.

# Seattle Police Department

## **Add parking enforcement staff for extended paid parking hours - \$28,645/1.00 FTE**

This item adds funding and authority for one Parking Enforcement Officer to enforce extended paid parking hours in three areas on Capitol Hill from the current ending time of 8 p.m. to 11 p.m. in late 2017. The affected parking areas are Capitol Hill North, Capitol Hill South, and Pike-Pine. Additional detail can be found in the Seattle Department of Transportation's budget.

## **Implement body-worn video - \$908,902**

This item provides funding for SPD's costs related to implementation and support of the body-worn video program. Costs include project management in 2017 and video redaction and dissemination management. The total project cost and additional details can be found in Seattle IT's budget.

## **Implement and sustain Data Analytics Platform (DAP) - \$291,250/2.00 FTE**

This item provides funding for SPD's costs related to implementation and support of the Data Analytics Platform (DAP) project as part of the requirements of the Settlement Agreement with the Department of Justice. This item annualizes funding for two positions added in the 2nd Quarter Supplemental Budget Ordinance to focus on data quality, governance and business processes related to the DAP. The item also funds one-time costs for overtime related to DAP development. The 2nd Quarter Supplemental Budget Ordinance authorized a total of four positions for SPD to support the DAP, however two of the approved positions are IT professionals and therefore are included in the baseline adjustment above to consolidate IT staff. The total project cost and additional details can be found in Seattle IT's budget.

## **Replace Records Management System (RMS) - \$750,000**

This item provides funding for SPD's costs related to the replacement of the Records Management System (RMS). This adjustment includes one-time funding for organizational change management and training overtime. The total project cost and additional details can be found in Seattle IT's budget.

## **Continue Acoustic Gunshot Locator System - \$50,000**

The proposed budget provides one-time funding for operations and maintenance costs of an Acoustic Gunshot Locator System for a portion of 2017, pending a successful pilot which is expected to begin in late 2016 and is funded by the US Bureau of Alcohol, Tobacco, Firearms and Explosives for a one-year period.

## **Permanently transfer funding for DOJ-related overtime - \$1,420,146**

This item makes permanent the transfer of funds for DOJ-related overtime from Finance General to SPD. Finance General has held a reserve for overtime costs associated with DOJ-related activities; the appropriation has historically been transferred to SPD each year in the quarterly supplemental budget ordinance process. This adjustment reflects the Executive's understanding that SPD's current level of training is the "new standard" and the proposed budget formalizes that understanding.

## **Re-aligning overtime budget with expenditures - \$2,000,000**

The proposed budget transfers existing funding within the department to overtime to account for SPD's vacancy rate and also adds \$2 million of new funding to better align SPD's overtime budget with recent expenditures.

## **Citywide Summit Re-Implementation Project - \$536,969**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

# Seattle Police Department

## Proposed Technical Changes

### Technical Adjustments

Changes reflected in this category include: adjustments within or between budget control levels that align funding with spending requirements, corrections to baseline adjustments and other technical changes to staffing and program funding requirements. These changes are considered technical in nature because they do not significantly affect approved departments service delivery or require new or additional policy decisions.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Administrative Operations Budget Control Level	P8000	36,162,953	36,688,083	38,553,520	39,131,074
Chief of Police Budget Control Level	P1000	17,424,072	5,773,605	9,961,761	10,082,880
Chief Operating Officer Budget Control Level	P1600	24,498,752	27,164,492	28,072,862	27,970,738
Compliance and Professional Standards Bureau Budget Control Level	P2000	0	15,422,861	18,346,293	18,622,891
Criminal Investigations Administration Budget Control Level	P7000	8,811,715	11,082,485	11,664,927	11,973,918
East Precinct Budget Control Level	P6600	24,745,661	23,779,610	23,547,142	23,922,264
Narcotics Investigations Budget Control Level	P7700	5,059,894	4,939,916	5,202,343	5,251,337
North Precinct Patrol Budget Control Level	P6200	34,623,507	32,986,479	32,770,787	33,252,532
Office of Professional Accountability Budget Control Level	P1300	2,872,756	2,945,207	3,139,466	3,183,066
Patrol Operations Budget Control Level	P1800	1,960,951	3,090,480	9,261,391	13,460,456
South Precinct Patrol Budget Control Level	P6500	18,546,903	17,537,040	17,924,764	18,191,760
Southwest Precinct Patrol Budget Control Level	P6700	16,539,652	16,093,818	15,824,273	16,007,706
Special Investigations Budget Control Level	P7800	4,822,563	8,721,167	9,177,298	9,277,999
Special Operations Budget Control Level	P3400	50,571,030	47,918,977	52,439,317	53,289,487
Special Victims Budget Control	P7900	6,955,024	6,755,562	6,772,322	6,864,536

# Seattle Police Department

Level					
Violent Crimes Investigations Budget Control Level	P7100	8,377,748	7,814,788	8,179,502	8,260,102
West Precinct Patrol Budget Control Level	P6100	32,054,879	31,123,549	30,020,142	30,505,050
<b>Department Total</b>		<b>294,028,062</b>	<b>299,838,119</b>	<b>320,858,110</b>	<b>329,247,796</b>

**Department Full-time Equivalents Total\***                      **2,019.35**                      **2,033.35**                      **2,095.35**                      **2,146.35**

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Appropriations By Budget Control Level (BCL) and Program

### Administrative Operations Budget Control Level

The purpose of the Administrative Operations Budget Control Level is to provide operational support, policy direction, and guidance to the employees and programs in the Department. The Administrative Operations Budget Control Level includes the Communications, Information Technology, and Human Resources Programs; some of which were separate Budget Control Levels in prior budgets. This BCL is functionally organized under the Chief Operating Officer BCL.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Field Support Administration	36,162,953	36,688,083	38,553,520	39,131,074
<b>Total</b>	<b>36,162,953</b>	<b>36,688,083</b>	<b>38,553,520</b>	<b>39,131,074</b>
Full-time Equivalents Total*	221.25	233.25	287.25	337.25

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### Chief of Police Budget Control Level

The purpose of the Chief of Police Budget Control Level is to lead and direct department employees and to provide policy guidance and oversee relationships with the community, with the goal that the department provides the City with professional, dependable, and respectful public safety services.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Chief of Police	17,424,072	5,773,605	9,961,761	10,082,880
<b>Total</b>	<b>17,424,072</b>	<b>5,773,605</b>	<b>9,961,761</b>	<b>10,082,880</b>
Full-time Equivalents Total*	71.00	53.50	57.50	58.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Seattle Police Department

## Chief Operating Officer Budget Control Level

The purpose of the Chief Operating Officer Budget Control Level (BCL) is to oversee the organizational support as well as financial and policy functions of the Department. It includes the Finance & Planning unit, Grants & Contract unit, and Administrative Services Program, which includes the Records and Files, Data Center, Fleets, and Public Request Programs. The Chief Operating Officer will also oversee the Field Support Program and Compliance and Professional Standards Bureau. These units include the Strategic Deployment unit, Communication Program, Information Technology Program, Human Resources Program, Audit and Policy units, Training and Education Program, the Force Investigation Team, and the Use of Force Review Board.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Deputy Chief of Staff	24,498,752	27,164,492	28,072,862	27,970,738
<b>Total</b>	<b>24,498,752</b>	<b>27,164,492</b>	<b>28,072,862</b>	<b>27,970,738</b>
Full-time Equivalents Total*	108.60	113.10	113.10	113.10

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Compliance and Professional Standards Bureau Budget Control Level

The purpose of the Compliance and Professional Standards Bureau Budget Control Level is to develop Police Department policies and procedures, undertake departmental program audits, research police issues, implement strategic initiatives, develop training programs and train sworn staff in Advanced Training topics. It also houses the Department's Force Investigation Team and Use of Force Review Board that investigate and review use of force issues. While under the court mandated Settlement Agreement and Memorandum of Understanding with the United States Department of Justice (DOJ), the Bureau is responsible for communication with the Monitoring Team and the Law Department concerning Department compliance with the expectations and requirements of the agreements. After the DOJ requirements are completed, the purpose of this BCL will continue to include oversight of development of related rules and monitoring their implementation.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Professional Standards	0	15,422,861	18,346,293	18,622,891
<b>Total</b>	<b>0</b>	<b>15,422,861</b>	<b>18,346,293</b>	<b>18,622,891</b>
Full-time Equivalents Total*	106.00	106.00	106.00	106.00

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# Seattle Police Department

## Criminal Investigations Administration Budget Control Level

The purpose of the Criminal Investigations Administration Budget Control Level is to direct and support the work of employees in the Criminal Investigations Bureau by providing oversight and policy guidance, and technical support. The program includes the Internet Crimes against Children, Human Trafficking section, and the Crime Gun Initiative analyst.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Criminal Investigations Administration	8,811,715	11,082,485	11,664,927	11,973,918
<b>Total</b>	<b>8,811,715</b>	<b>11,082,485</b>	<b>11,664,927</b>	<b>11,973,918</b>
Full-time Equivalents Total*	76.50	93.50	93.50	93.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## East Precinct Budget Control Level

The purpose of the East Precinct Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the East Precinct, to promote safety in their homes, schools, businesses, and the community at large.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
East Precinct	24,745,661	23,779,610	23,547,142	23,922,264
<b>Total</b>	<b>24,745,661</b>	<b>23,779,610</b>	<b>23,547,142</b>	<b>23,922,264</b>
Full-time Equivalents Total*	188.00	178.00	178.00	178.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Narcotics Investigations Budget Control Level

The purpose of the Narcotics Investigations Budget Control Level is to apply a broad range of professional investigative skills to interdict narcotics activities affecting the community and region to hold offenders involved in these activities accountable and to promote public safety.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Narcotics Investigations	5,059,894	4,939,916	5,202,343	5,251,337
<b>Total</b>	<b>5,059,894</b>	<b>4,939,916</b>	<b>5,202,343</b>	<b>5,251,337</b>
Full-time Equivalents Total*	32.00	32.00	32.00	32.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Police Department

## North Precinct Patrol Budget Control Level

The purpose of the North Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the North Precinct, to promote safety in their homes, schools, businesses, and the community at large.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
North Precinct Patrol	34,623,507	32,986,479	32,770,787	33,252,532
<b>Total</b>	<b>34,623,507</b>	<b>32,986,479</b>	<b>32,770,787</b>	<b>33,252,532</b>
Full-time Equivalents Total*	254.00	245.00	245.00	245.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Office of Professional Accountability Budget Control Level

The purpose of the Office of Professional Accountability Budget Control Level is to help to ensure complaints involving department employees are handled in a thorough, professional, and expeditious manner, to retain the trust and confidence of employees and the public.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Office of Professional Accountability	2,872,756	2,945,207	3,139,466	3,183,066
<b>Total</b>	<b>2,872,756</b>	<b>2,945,207</b>	<b>3,139,466</b>	<b>3,183,066</b>
Full-time Equivalents Total*	15.00	16.00	18.00	18.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Patrol Operations Budget Control Level

The purpose of the Patrol Operations Budget Control Level is to oversee the operational functions of the Department with the goal that the public receives public safety services that are dependable, professional, and respectful. The Patrol Operations Budget Control Level oversees the five Precincts and associated personnel.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Deputy Chief Operations	1,960,951	3,090,480	9,261,391	13,460,456
<b>Total</b>	<b>1,960,951</b>	<b>3,090,480</b>	<b>9,261,391</b>	<b>13,460,456</b>
Full-time Equivalents Total*	26.00	29.00	30.00	30.00

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# Seattle Police Department

## South Precinct Patrol Budget Control Level

The purpose of the South Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services with the goal of keeping residents of, and visitors to, the South Precinct, safe in their homes, schools, businesses, and the community at large.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
South Precinct Patrol	18,546,903	17,537,040	17,924,764	18,191,760
<b>Total</b>	<b>18,546,903</b>	<b>17,537,040</b>	<b>17,924,764</b>	<b>18,191,760</b>
Full-time Equivalents Total*	138.00	132.00	132.00	132.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Southwest Precinct Patrol Budget Control Level

The purpose of the Southwest Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the Southwest Precinct, to promote safety in their homes, schools, businesses, and the community at large.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Southwest Precinct Patrol	16,539,652	16,093,818	15,824,273	16,007,706
<b>Total</b>	<b>16,539,652</b>	<b>16,093,818</b>	<b>15,824,273</b>	<b>16,007,706</b>
Full-time Equivalents Total*	127.00	124.00	124.00	124.00

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## Special Investigations Budget Control Level

The purpose of the Special Investigations Budget Control Level is to apply a broad range of professional investigative and analytical skills toward investigating and interdicting vehicle theft, fraud, forgery, and financial exploitation cases; vice crimes and organized crime activities in the community; and toward identifying and describing crime patterns and trends with the goals of holding offenders involved in these activities accountable and to promote public safety.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Special Investigations	4,822,563	8,721,167	9,177,298	9,277,999
<b>Total</b>	<b>4,822,563</b>	<b>8,721,167</b>	<b>9,177,298</b>	<b>9,277,999</b>
Full-time Equivalents Total*	31.00	65.00	65.00	65.00

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# Seattle Police Department

## Special Operations Budget Control Level

The purpose of the Special Operations Budget Control Level is to deploy specialized response units in emergencies and disasters. The Bureau provides crowd control, special event, search, hostage, crisis, and marine-related support to monitor and protect critical infrastructure to protect lives and property, aid the work of uniformed officers and detectives, and promote the safety of the public.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Special Operations	50,571,030	47,918,977	52,439,317	53,289,487
<b>Total</b>	<b>50,571,030</b>	<b>47,918,977</b>	<b>52,439,317</b>	<b>53,289,487</b>
Full-time Equivalents Total*	287.00	281.00	282.00	282.00

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## Special Victims Budget Control Level

The purpose of the Special Victims Budget Control Level is to apply a broad range of professional investigative skills to cases involving family violence, sexual assault, child, and elder abuse, and custodial interference with the goals of holding offenders accountable, preventing additional harm to victims, and promoting public safety.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Special Victims	6,955,024	6,755,562	6,772,322	6,864,536
<b>Total</b>	<b>6,955,024</b>	<b>6,755,562</b>	<b>6,772,322</b>	<b>6,864,536</b>
Full-time Equivalents Total*	52.00	52.00	52.00	52.00

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## Violent Crimes Investigations Budget Control Level

The purpose of the Violent Crimes Investigations Budget Control Level is to apply a broad range of professional investigative skills and crime scene investigation techniques to homicide, assault, robbery, bias crimes, missing persons, extortion, threat and harassment, and gang-related cases, in order to hold offenders accountable, help prevent further harm to victims, and promote public safety.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Violent Crimes Investigations	8,377,748	7,814,788	8,179,502	8,260,102
<b>Total</b>	<b>8,377,748</b>	<b>7,814,788</b>	<b>8,179,502</b>	<b>8,260,102</b>
Full-time Equivalents Total*	52.00	52.00	52.00	52.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Police Department

## West Precinct Patrol Budget Control Level

The purpose of the West Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the West Precinct, to promote safety in their homes, schools, businesses, and the community at large.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
West Precinct Patrol	32,054,879	31,123,549	30,020,142	30,505,050
<b>Total</b>	<b>32,054,879</b>	<b>31,123,549</b>	<b>30,020,142</b>	<b>30,505,050</b>
Full-time Equivalents Total*	234.00	228.00	228.00	228.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*



# Police Relief and Pension

Dan Oliver, Executive Secretary

(206) 386-1286

<http://www.seattle.gov/policepension/>

## Department Overview

The Police Relief and Pension Fund (PPEN) provides pension and medical benefit services to eligible active and retired police officers and their beneficiaries. While the City pays into benefit funds for all Seattle police officers, PPEN covers only police officers who were hired before October 1, 1977 and therefore is a closed plan. Retiree benefits for police officers hired more recently are primarily covered through a separate state-managed plan.

The management of police benefits funds transitioned in the 1970s from local to state control. Prior to that time, the City paid into PPEN to provide for police officer retiree benefits. In March 1970, the State of Washington took over the provision of certain police pensions through Revised Code of Washington (RCW) Section 41.26, the Law Enforcement Officers and Fire Fighters (LEOFF) Plan 1. Seattle police officers hired between March 1970 and October 1977 enrolled in LEOFF 1, but also received additional benefit coverage through PPEN. As a result, this group of police officers receives retiree benefits primarily from the state's LEOFF 1 plan, but also any earned increment from the City's PPEN that exceeds LEOFF 1 coverage. Both PPEN and LEOFF 1 closed to new enrollees in October 1977. Police officers hired after that date enroll in the state's LEOFF 2 plan and do not receive benefits from PPEN.

The Seattle Police Pension Board is a seven-member quasi-judicial body chaired by the Mayor or his/her designee, which formulates policy, rules on disability applications, and provides oversight of the Police Pension Fund. Three staff employees of the board handle all of its operational functions. Staff positions associated with Police Relief and Pension are reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise about 97% of the total annual PPEN budget, are based on the forecasts of an independent actuary. The City's General Fund provides funding for nearly all of PPEN's annual budget that supports the Police Relief and Pension Fund obligations. The Police Pension Fund also has a statutory funding source from police auction proceeds, which contribute a small amount towards the annual budget.

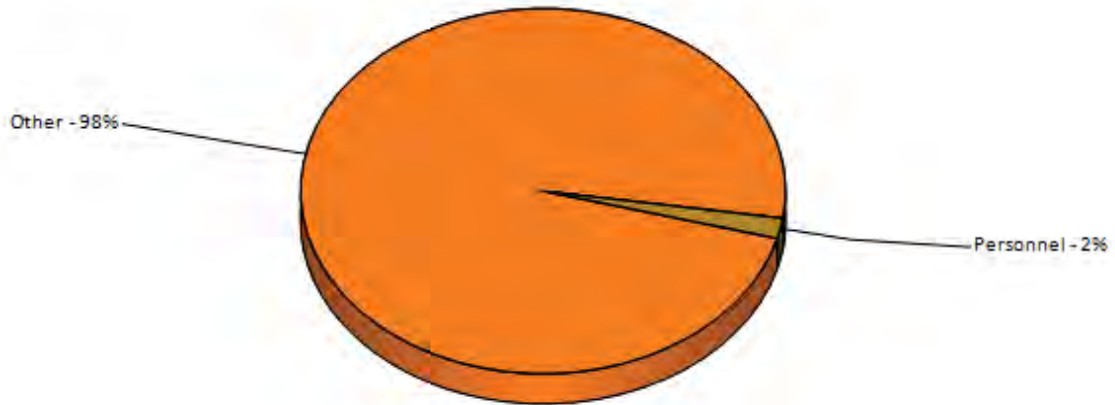
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$20,227,855	\$21,313,000	\$21,313,000	\$21,770,367
Other Funding - Operating	\$1,132,946	\$517,000	\$759,712	\$774,288
<b>Total Operations</b>	<b>\$21,410,801</b>	<b>\$21,830,000</b>	<b>\$22,072,712</b>	<b>\$22,544,655</b>
<b>Total Appropriations</b>	<b>\$21,410,801</b>	<b>\$21,830,000</b>	<b>\$22,072,712</b>	<b>\$22,544,655</b>
Full-time Equivalent Total*	3.00	3.00	3.00	3.00

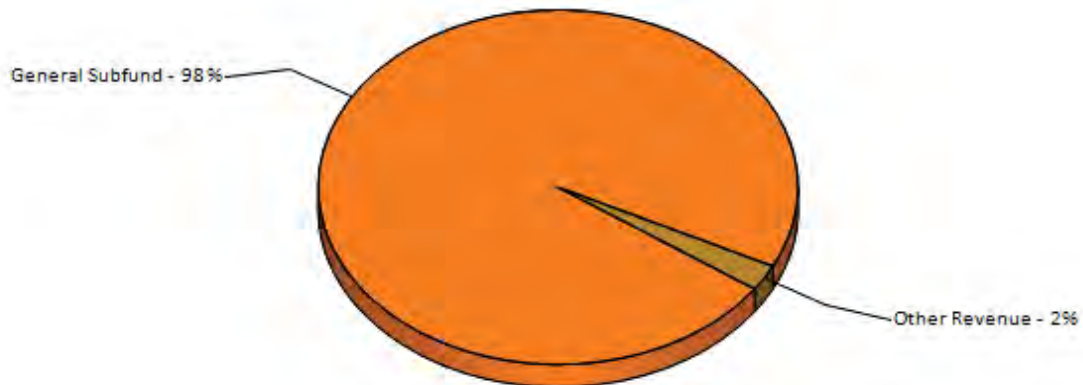
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Police Relief and Pension

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Police Relief and Pension

## Budget Overview

The Police Relief and Pension Fund (PPEN) receives almost all of its revenue from the City's General Fund. PPEN's expenditures, in turn, are devoted to paying legally mandated pension and medical benefits to eligible active and retired police officers and qualified beneficiaries. The total pension benefits for PPEN members are increased annually through locally negotiated cost of living adjustments (COLA) and local inflation. These increases are then offset by the benefits paid by the state's LEOFF 1 pension plan which has its own annual growth rate.

Most of PPEN's retirees are represented by either the Seattle Police Management Association (SPMA) or the Seattle Police Officer's Guild (SPOG). Their total pension benefits are increased annually with a COLA equal to the negotiated annual wage increases (AWI) for active union members at the Seattle Police Department.

The collective bargaining agreements expired December 31, 2013 for SPMA and December 31, 2014 for SPOG, and new agreements have not been reached yet. Since the COLA rates are currently unknown, the 2017-2018 Proposed Budget does not assume COLA increases on the total pension benefits for PPEN members. However, the 2017-2018 Proposed Budget assumes the LEOFF 1 plan offset benefit increases by an annual growth rate, and this results in a decreasing pension obligation paid from PPEN. Once their bargaining agreements are reached, the impacts will be incorporated into PPEN's budget to cover retroactive pension benefit costs due from January 1, 2014 for SPMA and January 1, 2015 for SPOG.

The 2017-2018 Proposed Budget also reflects increases to the retiree medical costs based on the 2016 actuarial valuation report. The report anticipates medical and long-term care costs will increase over the next 15 to 20 years due to PPEN's aging membership, and annual trend rates for medical and long-term care costs.

## Incremental Budget Changes

### Police Relief and Pension

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 21,830,000</b>	<b>3.00</b>	<b>\$ 21,830,000</b>	<b>3.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 22,712	0.00	\$ 34,655	0.00
<b>Proposed Changes</b>				
Medical Benefit Obligation	\$ 820,000	0.00	\$ 1,380,000	0.00
Pension Benefit Obligation Changes	-\$ 600,000	0.00	-\$ 700,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 242,712</b>	<b>0.00</b>	<b>\$ 714,655</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 22,072,712</b>	<b>3.00</b>	<b>\$ 22,544,655</b>	<b>3.00</b>

# Police Relief and Pension

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$22,712

Citywide technical adjustments made in the initial planning phase reflect changes in the health care and retirement contribution rates. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes the Annual Wage Increases (AWI) from 2015 through 2018 for employees at the Police Pension department.

### Proposed Changes

#### Medical Benefit Obligation - \$820,000

This item increases the medical benefit obligation by 5.7% in 2017 and 2018. These adjustments reflect the annual medical trend rates for PPEN members whose average age is about 75 with an increasing use of PPEN medical and long-term care benefits.

#### Pension Benefit Obligation Changes - (\$600,000)

This adjustment decreases the pension benefit obligation. The total pension benefits due to PPEN members do not have a cost of living adjustment from the Seattle Police Officer's Guild (SPOG) and the Seattle Police Management Association (SPMA) since their collective bargaining agreements are expired. However, the State's LEOFF 1 pension plan pays most PPEN members an offsetting benefit which increases annually with their own growth rate. This results in decreasing benefits paid by PPEN each year. The City Budget Office is aware that benefits will likely increase when SPOG and SPMA reach an agreement and has accounted for this potential liability in its financial planning for the General Fund.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Police Relief and Pension Budget Control</b>					
Administration		532,708	612,000	634,712	646,655
Death Benefits		12,000	18,000	18,000	18,000
Medical Benefits		12,551,940	14,000,000	14,820,000	15,380,000
Pension Benefits		8,314,153	7,200,000	6,600,000	6,500,000
<b>Total</b>	<b>RP604</b>	<b>21,410,801</b>	<b>21,830,000</b>	<b>22,072,712</b>	<b>22,544,655</b>
<b>Department Total</b>		<b>21,410,801</b>	<b>21,830,000</b>	<b>22,072,712</b>	<b>22,544,655</b>

<b>Department Full-time Equivalents Total*</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Police Relief and Pension

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
587000	General Subfund	20,277,855	21,313,000	21,313,000	21,770,367
	<b>Total General Subfund</b>	<b>20,277,855</b>	<b>21,313,000</b>	<b>21,313,000</b>	<b>21,770,367</b>
469200	Police Auction Proceeds	258,133	117,000	117,000	117,000
587001	Medicare Rx Subsidy	445,363	400,000	400,000	400,000
	<b>Total Other Revenue</b>	<b>703,496</b>	<b>517,000</b>	<b>517,000</b>	<b>517,000</b>
	<b>Total Revenues</b>	<b>20,981,351</b>	<b>21,830,000</b>	<b>21,830,000</b>	<b>22,287,367</b>
379100	Use of (Contribution to) Fund Balance	429,450	0	242,712	257,288
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>429,450</b>	<b>0</b>	<b>242,712</b>	<b>257,288</b>
	<b>Total Resources</b>	<b>21,410,801</b>	<b>21,830,000</b>	<b>22,072,712</b>	<b>22,544,655</b>

## Appropriations By Budget Control Level (BCL) and Program

### Police Relief and Pension Budget Control Level

The purpose of the Police Relief and Pension Budget Control Level is to provide responsive benefit services to eligible active-duty and retired Seattle police officers.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Administration	532,708	612,000	634,712	646,655
Death Benefits	12,000	18,000	18,000	18,000
Medical Benefits	12,551,940	14,000,000	14,820,000	15,380,000
Pension Benefits	8,314,153	7,200,000	6,600,000	6,500,000
<b>Total</b>	<b>21,410,801</b>	<b>21,830,000</b>	<b>22,072,712</b>	<b>22,544,655</b>
Full-time Equivalents Total*	3.00	3.00	3.00	3.00

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# Police Relief and Pension

*The following information summarizes the programs in Police Relief and Pension Budget Control Level:*

## Administration Program

The purpose of the Administration Program is to provide responsive benefit services to eligible active-duty and retired Seattle police officers.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	532,708	612,000	634,712	646,655
Full-time Equivalents Total	3.00	3.00	3.00	3.00

## Death Benefits Program

The purpose of the Death Benefits Program is to provide statutory death benefit payments to lawful beneficiaries of eligible former members of the Seattle Police Department.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Death Benefits	12,000	18,000	18,000	18,000

## Medical Benefits Program

The purpose of the Medical Benefits Program is to provide medical benefits for eligible active-duty and retired members of the Seattle Police Department.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Medical Benefits	12,551,940	14,000,000	14,820,000	15,380,000

## Pension Benefits Program

The purpose of the Pension Benefits Program is to provide pension benefits for eligible retired members of the Seattle Police Department.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Pension Benefits	8,314,153	7,200,000	6,600,000	6,500,000

## Police Relief and Pension

### Police Pension Fund Table

#### Police Relief and Pension Fund (60400)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>5,101,352</b>	<b>3,279,692</b>	<b>4,671,902</b>	<b>5,171,902</b>	<b>4,929,190</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	20,981,351	21,830,000	21,830,000	21,830,000	22,287,367
Less: Actual and Budgeted Expenditures	21,410,801	21,830,000	21,330,000	22,072,712	22,544,655
<b>Ending Fund Balance</b>	<b>4,671,902</b>	<b>3,279,692</b>	<b>5,171,902</b>	<b>4,929,190</b>	<b>4,671,902</b>
Contingency Reserve	500,000	500,000	500,000	500,000	500,000
Rate Stabilization Reserve	4,171,902	2,779,692	4,671,902	4,429,190	4,171,902
<b>Total Reserves</b>	<b>4,671,902</b>	<b>3,279,692</b>	<b>5,171,902</b>	<b>4,929,190</b>	<b>4,671,902</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# Seattle City Light

Larry Weis, General Manager & CEO

(206) 684-3500

<http://www.seattle.gov/light/>

## Department Overview

Seattle City Light was created by the residents of Seattle in 1902 to provide affordable, reliable, and environmentally sound electric power to the City of Seattle and neighboring suburbs. Owned by the community it serves, City Light is a nationally recognized leader in energy efficiency, renewable resource development, and environmental stewardship.

City Light provides electric power to approximately 423,000 residential, business, and industrial customers within a 130-square-mile service area. City Light provides power to the City of Seattle and surrounding jurisdictions, including parts of Shoreline, Burien, Tukwila, SeaTac, Lake Forest Park, Renton, Normandy Park, and areas of unincorporated King County.

City Light owns about 2,000 megawatts of very low-cost, environmentally-responsible, hydroelectric generation capacity. In an average year, City Light meets about 50% of its load with hydroelectric facilities that it owns directly and obtains the remainder primarily through the Bonneville Power Administration (BPA). City Light is the nation's tenth largest publicly-owned electric utility in terms of customers served.

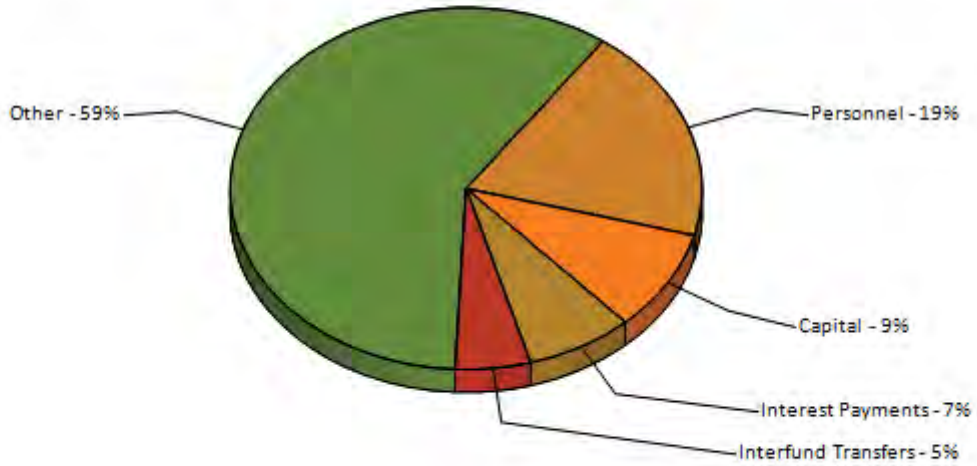
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$960,961,011	\$1,039,049,100	\$1,051,620,028	\$1,102,879,122
<b>Total Operations</b>	<b>\$960,961,011</b>	<b>\$1,039,049,100</b>	<b>\$1,051,620,028</b>	<b>\$1,102,879,122</b>
Other funding - Capital	\$433,377,844	\$330,545,994	\$315,249,998	\$296,915,524
<b>Total Appropriations</b>	<b>\$1,394,338,855</b>	<b>\$1,369,595,094</b>	<b>\$1,366,870,026</b>	<b>\$1,399,794,646</b>
Full-time Equivalent Total*	1,861.30	1,868.30	1,779.80	1,794.80

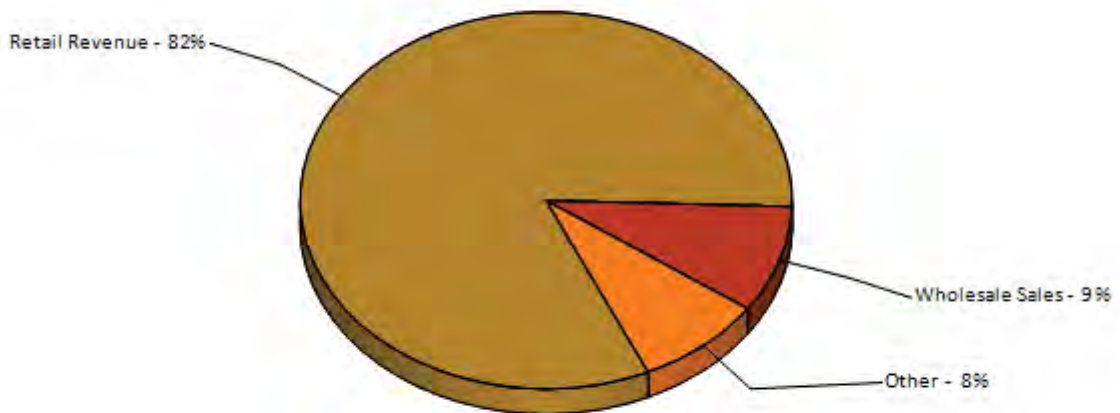
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle City Light

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Seattle City Light

## Budget Overview

The 2017-2018 Proposed Budget reflects the priorities outlined in the department's 2017-2022 Strategic Plan, and it follows the plan's rate path which increases rates 5.6% in both 2017 and 2018. The proposed budget addresses developments in several areas of City Light operations including changes to regulatory requirements; developments in technology; long-term utility planning; aging infrastructure; and the electrification of transportation.

As part of the [Drive Clean Seattle Initiative](#), City Light will initiate two electric vehicle charging infrastructure pilot programs, at a cost of \$1.75 million in 2017. The first pilot project will install 20 public fast charging stations, tripling the number of stations in the city. These stations will allow electric vehicles to charge most of their battery pack in 20 to 30 minute sessions. The second program will facilitate the installation of approximately 200 Level II stations in customers' homes (both single-family and multifamily housing). The cost of these installations will be billed to customers over time thereby removing one of the up-front financial barriers to electric vehicle ownership.

The proposed budget also funds an expanded Utility Discount Program (UDP). In 2015, Mayor Murray announced a goal of doubling enrollment in the UDP - from 14,000 to 28,000 customers - by the end of 2018. The City worked with local, regional and national partners and on August 1, 2016, an auto-enrollment policy was implemented for eligible Seattle Housing Authority clients. This and other program improvements have catapulted enrollment to 28,100, reaching the Mayor's goal more than two years ahead of schedule.

The department also faces significant challenges in the coming years. In both 2015 and 2016, precipitation in the Northwest has been significantly below historic averages, and it is possible that this pattern may continue into 2017. City Light reduced its forecast for Net Wholesale Revenue (NWR) beginning with the 2015 budget, but even with this adjustment, NWR remains below forecast. The Rate Stabilization Account (RSA), a reserve established to help mitigate volatility in NWR, was at its upper limit of \$125 million at the beginning of 2015, however by the end of June 2016, the balance had dropped below \$90 million, triggering an automatic surcharge. The 1.5% surcharge will remain in place until the RSA balance returns to \$100 million (expected to occur sometime in 2018).

Retail revenue has suffered as well. Due to increased conservation, warmer winter weather, an increasing share of multi-family housing (lower per capita energy use), and deployment of more energy efficient infrastructure and equipment, retail power sales (by volume) have been lower than expected in recent years. In fact, total electricity use has actually declined for the past four years despite recent economic growth, and the utility sold 3% less retail power in 2015 than it did in 2011. City Light continues to monitor the load decline and is evaluating several ways to address it, including changes to forecasting and to their financial policies.

The department's capital program budget is approximately \$400 million in both 2017 and 2018 respectively, and work is underway on several large-scale projects. Below are updates and 2017 spending amounts on three noteworthy projects. For more detailed information on the capital program, please see the 2017-2022 Proposed Capital Improvement Program (CIP) Budget book.

- Denny Substation construction has begun and will be underway for the next several years.
- The deployment of new meters will be underway in 2017 as part of the Advanced Metering Infrastructure (AMI) project.
- City Light continues their work relocating utility infrastructure as part of the Alaska Way Viaduct and Seawall Replacement project.

To support the capital program and other eligible City Light costs, the 2017-2018 Proposed Budget anticipates a 2017 bond issue of approximately \$275 million.

City Light welcomed a new General Manager in 2016. One of the first tasks undertaken was a review of the organizational structure that resulted in the realignment of department leadership and a restructuring of several

# Seattle City Light

operational units. Two new officer positions were created - an environmental leadership position and an engineering and utility innovation position - and customer care, regulatory affairs and communication were consolidated under one officer. The goal of the realignment was to heighten the focus on innovation, environmental leadership and responsibility, and to improve communication between management and operational units. No changes are made within the department's divisions, only to the groupings of those divisions, also called budget control levels. To reflect this reorganization, the proposed budget creates several new budget control levels, while others have no new appropriations as the spending is moved to the new operational unit.

## Incremental Budget Changes

### Seattle City Light

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 1,369,595,094</b>	<b>1,868.30</b>	<b>\$ 1,369,595,094</b>	<b>1,868.30</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 19,226,405	-103.50	-\$ 19,226,405	-103.50
Citywide Adjustments for Standard Cost Changes	\$ 17,163,611	0.00	\$ 18,488,402	0.00
Technical Adjustments	-\$ 15,934,617	0.00	-\$ 79,244,682	0.00
<b>Proposed Changes</b>				
Regulatory Requirements	\$ 8,899,512	4.00	\$ 11,627,915	10.00
Ongoing Support for Technology Projects	\$ 2,575,570	0.00	\$ 3,075,570	0.00
Technology Investments	\$ 2,140,000	3.00	\$ 5,994,000	3.00
Aging Infrastructure Replacement	\$ 6,400,000	0.00	\$ 6,060,000	0.00
Drive Clean Initiative	\$ 1,750,000	0.00	\$ 1,050,000	0.00
Wholesale Energy Market Changes	\$ 3,607,658	4.00	\$ 8,152,578	8.00
Utility Planning	\$ 475,810	3.00	\$ 481,983	3.00
One-Time Efficiencies	-\$ 12,794,383	0.00	-\$ 6,550,933	0.00
Technical Adjustments	\$ 24,001,534	0.00	\$ 62,782,330	0.00
Technical Adjustments - Staffing	\$ 0	1.00	\$ 0	6.00
Technical Adjustment - Annual CIP Spending Update	-\$ 21,783,358	0.00	\$ 17,508,794	0.00
<b>Total Incremental Changes</b>	<b>-\$ 2,725,068</b>	<b>-88.50</b>	<b>\$ 30,199,552</b>	<b>-73.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 1,366,870,026</b>	<b>1,779.80</b>	<b>\$ 1,399,794,646</b>	<b>1,794.80</b>

# Seattle City Light

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$19,226,405)/(103.50) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Citywide Adjustments for Standard Cost Changes - \$17,163,611**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

#### **Technical Adjustments - (\$15,934,617)**

This adjustment realigns the CIP budget with the 2016 Adopted budget and executes several net-zero adjustments between BCLs to align the budget with the central cost manual.

### Proposed Changes

#### **Regulatory Requirements - \$8,899,512/4.00 FTE**

City Light will make several budget adjustments in response to changes in regulatory requirements. The Federal Energy Regulatory Commission (FERC) expressed concerns around performance, reliability, accessibility, safety, and durability of all City Light dams after a two-inch-wide crack was discovered in 2014 at a non-City Light dam on the Columbia River (the Wanapum dam). This budget adds \$1 million to perform analysis, testing, licensing, and seismic improvements to City Light dams to demonstrate that the engineering systems are meeting standards.

In addition, the North American Electric Reliability Corporation (NERC) continues to update their Critical Infrastructure Program standards. This budget adds \$929,000 to bring substation assets into compliance with the latest version of security, safety and reliability standards.

The budget also provides funding for various CIP projects to reflect recent project updates. These include a \$2.5 million increase to address the revised scope for the Alaskan Way Viaduct project; a \$3.7 million increase to the Transportation Streetlights project to accommodate increased Seattle Department of Transportation activity due to the passage of the Move Seattle levy; a \$300,000 increase to the Waterfront Seattle project to replace lighting on the waterfront; and an add of 1.0 FTE to the Skagit Hydroelectric Relicensing project to begin the lengthy relicensing process.

A new Stormwater Compliance project is also added to the budget and funded at \$512,000. A citywide Department of Ecology audit found several areas where City Light facilities drained directly into Superfund sites,



# Seattle City Light

causing them to be out of compliance. City Light will address the compliance issues and improve drainage at the facilities. The project is expected to last for four years.

## **Ongoing Support for Technology Projects - \$2,575,570**

Both the New Customer Information System (NCIS) project and the Advanced Metering Infrastructure (AMI) project require ongoing support for the new technology put in place with these systems. City Light will split the cost for NCIS support 50/50 with Seattle Public Utilities. The City Light portion of the costs totals \$1.1 million which will fund contracted O&M support for the project, and 8.0 ongoing FTEs added to the Seattle Information Technology Department budget.

AMI funding totals \$1.5 million and supports a managed service contract for ongoing support and maintenance of the communications network and data services infrastructure. City Light analyzed recent industry deployments and best practices for this technology and determined that a managed services contract was the most efficient solution for supporting the technology.

## **Technology Investments - \$2,140,000/3.00 FTE**

This increase funds technology improvements in several areas. Due to the addition of more advanced software systems and applications as well as increasing NERC requirements, more staffing is needed on the Energy Management System team. To address this expanding, ongoing body of work, three temporary employees will be converted to full time. City Light will use existing budget to fund the new FTEs.

The department's Corporate Performance Business Intelligence team is expanding its performance reporting to allow for more robust analysis of department operations. Funding of \$500,000 will be used to purchase the software needed to develop the reports, and to hire consulting services to build them.

Funding of \$1.6 million is added to the capital budget to support and upgrade existing and planned enterprise software solutions. These systems include the Outage Management and Worker Asset Management systems, as well as the new billing, customer service, and meter data management systems. Historically, the budget has not been adequate to meet the required schedule for upgrades and maintenance and this has led to delays and inefficiencies. This adjustment fully funds the enterprise software solutions schedule.

In 2018, capital funding of \$400,000 is added to improve the distribution system by upgrading the network distribution switches. Funding provides for their installation and maintenance. The new switches are able to be operated remotely, thereby improving worker safety, and they will have their data available online which allows for immediate recognition and isolation of outages, thereby improving efficiency.

## **Aging Infrastructure Replacement - \$6,400,000**

The proposed budget restores full funding to the Underground Cable Replacement project. The budget was transferred from the project to provide funding for the Alaskan Way Viaduct and Denny Substation projects in prior budget cycles. City Light has more than 500 miles of underground cable, much of which is at the end of its useful life. By adding back \$5.2 million to the project, bringing the 2017 total to \$11.1 million, this adjustment will significantly improve the progress of replacement and repair on the aging underground cables.

The proposed budget also adds \$1.2 million to the Workplace and Process Improvement project to begin the process of reconfiguring workspaces and upgrading furniture for the ten floors that City Light occupies in the Seattle Municipal Tower. Current work stations are approximately 20 years old. The upgrade, which includes smaller work stations with furniture systems that can be easily adapted and reconfigured to accommodate multiple uses, is expected to improve employee office conditions by providing better ergonomics, more natural light, and more flexibility with the workspaces.

# Seattle City Light

## **Drive Clean Initiative - \$1,750,000**

As part of the [Drive Clean Seattle Initiative](#), City Light will initiate two electric vehicle charging infrastructure pilot programs, at a cost of \$1.75 million in 2017. The first pilot project will install 20 public fast charging stations, tripling the number of stations in the city. These stations will allow electric vehicles to charge most of their battery pack in 20 to 30 minute sessions. The second program will facilitate the installation of approximately 200 Level II stations in customers' homes (both single-family and multifamily housing). The cost of these installations will be billed to customers over time thereby removing one of the up-front financial barriers to electric vehicle ownership.

## **Wholesale Energy Market Changes - \$3,607,658/4.00 FTE**

The proposed budget adds \$3.6 million and four FTEs to develop software and procedures; purchase new software and applications; and pay annual system operator fees that will allow City Light to participate in the Western Energy Imbalance Market (EIM) run by the California Independent System Operator. Participation will allow City Light to more efficiently use generation and transmission assets; buy and sell energy in shorter term increments; and use pricing to match loads and resources across more buyers and sellers than existing markets currently permit. By doing this, City Light will more effectively integrate renewable energy across the West due to its flexible hydro capacity. City Light plans to begin participating in the market in the spring of 2019.

## **Utility Planning - \$475,810/3.00 FTE**

Two items in the proposed budget address planning needs on both the macro and micro levels. To address changes to the utility industry as a whole, the budget, in line with the updated 2017-2022 Strategic Plan, adds 1.0 FTE to focus on the future of the industry. Developments are occurring in numerous areas that will impact City Light including changes in historic load patterns, vehicle electrification, micro-grid technology, alternative energy sources, and energy storage. This position will help the department more effectively plan for the future and navigate change in this rapidly developing industry.

Operationally, planning capacity is needed at the Skagit and Boundary hydroelectric projects as increases in regulatory requirements and asset preservation activity require more attention than current staffing levels can provide. One position will be added at each facility. Examples of tasks that the positions will take on include managing the outage schedule, arranging site crews, tracking and coordinating on-site projects, and working on safety plans.

## **One-Time Efficiencies - (\$12,794,383)**

City Light has identified O&M budget reductions in 2017 and 2018 to reduce the rate impacts and offset the additional costs from the new initiatives included in the 2017-2022 Strategic Plan. The reductions, which will be restored to the budget in 2019, total approximately \$12.8 million in 2017 and \$6.5 million in 2018. These cuts will have minimal adverse effects on customers and on the delivery of City Light programs. Examples of areas targeted for temporary reductions include consulting services, fuel costs, overtime, temporary employee services, data processing services, and incentive awards.

## **Technical Adjustments - \$24,001,534**

Changes reflected in this category include adjustments within or between Budget Control Levels that align funding with spending requirements; corrections to baseline adjustments made during Executive phase; and other technical changes to staffing and program funding requirements. These changes are considered technical in nature because they do not significantly affect approved department service delivery or require new or additional policy decisions. Included in this adjustment are changes to debt service payments, taxes and purchased power, as well as the restoration of Seattle Information Technology Department (Seattle IT) costs, which were removed in the baseline process.

# Seattle City Light

## Technical Adjustments - Staffing/1.00 FTE

This adjustment captures changes in staffing related to the department's management reorganization, the Seattle IT consolidation, and the conversion of temporary employees to full time.

In February 2016, the new City Light GM reorganized the management structure, creating two new officer level positions - an environmental leadership position and an engineering and utility innovation position. In addition, customer care, regulatory affairs and communication were consolidated under one officer. The goal of the realignment is to heighten the focus on innovation and on environmental leadership, and to improve communication between management and operational units.

An adjustment was also made to shift 6.0 additional FTEs to Seattle IT's budget. It was determined, after the initial transfer of IT employees in the baseline phase of the budget, that these six positions also performed functions that are more aligned with information technology rather than operational technology, and that as such, they should reside in Seattle IT.

Lastly, City Light utilizes temporary labor to nimbly address fluctuations in workload. In cases where the workload or body of work has expanded and it is determined that a temporary position is needed on an ongoing basis, the position must be converted before reaching the three-year term limit. This budget adjustment converts seven temporary positions to full time in 2017 and five more in 2018. No funding is needed as the positions have been funded in prior budgets. All position additions are aligned with the goals and initiatives outlined in the strategic plan.

## Technical Adjustment - Annual CIP Spending Update - (\$21,783,358)

This adjustment reflects year-to-year changes in CIP spending for existing projects outlined in the Strategic Plan and the 2017-2022 Proposed CIP budget. For a summary of City Light's capital program and more detail on project-level changes, please see the 2017-2022 Proposed CIP budget.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Customer Service, Communications and Regulatory Affairs Budget Control Level	SCL110	0	0	43,565,482	45,448,991
Engineering and Technology Innovation O&M Budget Control Level	SCL910	0	0	23,434,009	24,454,084
Environmental Affairs O&M Budget Control Level	SCL230	0	0	14,900,786	15,095,298
Generation Operations and Engineering O&M Budget Control Level	SCL610	0	0	23,288,606	23,842,980
Power Management and Strategic Planning O&M Budget Control Level	SCL730	0	0	70,981,644	78,293,800
Transmission and Distribution O&M Budget Control Level	SCL330	0	0	60,446,782	64,420,747

# Seattle City Light

## Capital

Customer Focused - CIP Budget Control Level	SCL370	89,964,114	73,129,129	93,426,947	98,438,816
Financial Services - CIP Budget Control Level	SCL550	23,196,158	20,302,210	8,633,328	6,204,070
Power Supply & Environmental Affairs - CIP Budget Control Level	SCL250	106,801,116	74,456,759	70,819,756	93,580,296
Transmission and Distribution - CIP Budget Control Level	SCL360	213,416,456	162,657,896	142,369,967	98,692,342

## General Expense

Debt Service Budget Control Level	SCL810	195,105,882	207,693,126	213,372,652	227,317,057
General Expenses Budget Control Level	SCL800	97,658,543	101,091,764	104,814,529	106,652,643
Taxes Budget Control Level	SCL820	81,120,747	93,459,200	94,370,522	98,774,281

## Operations and Maintenance

Administrative Services O&M Budget Control Level	SCL400	8,318,356	9,228,643	9,322,211	9,684,950
Compliance and Security Budget Control Level	SCL900	4,080,050	3,652,641	0	0
Conservation Resources and Environmental Affairs O&M Budget Control Level	SCL220	57,951,928	62,047,103	0	0
Customer Services Budget Control Level	SCL320	30,726,375	31,726,510	0	0
Distribution Services Budget Control Level	SCL310	77,873,011	77,983,852	0	0
Financial Services - O&M Budget Control Level	SCL500	39,771,639	43,116,622	53,644,396	57,385,820
Office of Superintendent Budget Control Level	SCL100	3,256,258	3,534,612	0	0
Power Supply O&M Budget Control Level	SCL210	50,043,927	51,720,186	0	0

## Power Purchase

Long-Term Purchased Power Budget Control Level	SCL720	278,266,338	312,449,567	299,074,369	311,102,350
Short-Term Purchased Power Budget Control Level	SCL710	36,787,955	41,345,274	40,404,040	40,406,121

<b>Department Total</b>		<b>1,394,338,855</b>	<b>1,369,595,094</b>	<b>1,366,870,026</b>	<b>1,399,794,646</b>
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<b>Department Full-time Equivalent Total*</b>		<b>1,861.30</b>	<b>1,868.30</b>	<b>1,779.80</b>	<b>1,794.80</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle City Light

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
431010	Operating Grants	4,594,504	700,000	0	0
431200	BPA Payments for Conservation Deferred	2,225,170	8,000,000	2,500,000	0
443250	Other O&M Revenue	8,346,435	7,748,284	7,825,767	7,904,025
443250	Revenue From Damage	2,439,139	1,659,851	1,676,449	1,693,214
443345	BPA Credit for South Fork Tolt	3,364,720	3,103,968	3,122,722	2,961,495
443380	Account Change Fees	2,032,541	1,553,100	1,568,631	1,584,317
443380	Construction & Miscellaneous Charges	163,577	193,998	195,938	197,897
443380	Late Payment Fees	3,501,541	3,848,167	3,886,649	3,925,515
443380	Pole Attachments	2,553,197	2,359,037	2,382,627	2,406,454
443380	Property Rentals	2,845,033	2,602,757	2,628,785	2,655,072
443380	Reconnect Charges	587,959	1,122,411	1,133,635	1,144,971
443380	Transmission Attach. & Cell Sites	1,562,993	1,453,034	1,467,564	1,482,240
443380	Water Heater & Miscellaneous Rentals	159,502	159,151	160,743	162,350
461100	Federal Subsidies of Interest Payments on Debt	5,049,119	5,045,838	5,970,262	5,970,262
461100	Interest Earnings	6,745,624	7,426,479	7,985,561	7,834,446
461100	Sale of Property, Material & Equip.	1,040,658	1,048,511	0	0
462900	North Mountain Substation (Snohomish PUD)	246,846	411,441	415,980	420,145
462900	Transmission Sales	5,164,965	5,152,008	3,000,000	3,000,000
473010	Capital Fees and Grants	350,768	91,078	108,467	110,600
482000	Contributions in Aid of Construction	28,896,850	37,265,384	40,131,952	31,140,797
482000	Suburban Undergrounding	639,670	1,158,792	1,445,389	1,519,338
541830	Reimbursement for CCSS - O&M	0	552,430	0	0
541830	Reimbursement for CCSS and NCIS - CIP	0	11,560,697	0	0
	<b>Total Other</b>	<b>82,510,811</b>	<b>104,216,416</b>	<b>87,607,121</b>	<b>76,113,138</b>
443310	Energy Sales to Customers	729,324,824	810,741,087	848,930,382	898,866,356
443310	Seattle Green Power/GreenUp/Community Solar	1,351,430	627,473	1,534,974	1,571,420
	<b>Total Retail Revenue</b>	<b>730,676,254</b>	<b>811,368,560</b>	<b>850,465,356</b>	<b>900,437,776</b>
443310	Sales from Priest Rapids	3,858,697	3,954,552	2,326,968	2,190,140
443345	Article 49 Sale to Pend Oreille Country	2,146,374	2,012,688	2,061,552	2,110,411
443345	Basis Sales	531,307	3,200,004	999,996	1,000,000

## Seattle City Light

443345	Other Power Related Services	6,988,885	7,178,690	5,378,966	4,608,994
443345	Surplus Energy Sales	76,818,975	83,202,783	84,456,686	84,456,686
	<b>Total Wholesale Sales</b>	<b>90,344,238</b>	<b>99,548,717</b>	<b>95,224,168</b>	<b>94,366,231</b>
	<b>Total Revenues</b>	<b>903,531,303</b>	<b>1,015,133,693</b>	<b>1,033,296,645</b>	<b>1,070,917,145</b>
379100	Use of (Contribution to) Fund Balance due to GSF St Lighting Payments	0	0	0	0
	<b>Total Other</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
379100	Use of (contribution to) Fund Balance	490,807,551	354,461,402	333,573,381	328,877,501
	<b>Total Transfers</b>	<b>490,807,551</b>	<b>354,461,402</b>	<b>333,573,381</b>	<b>328,877,501</b>
	<b>Total Resources</b>	<b>1,394,338,854</b>	<b>1,369,595,095</b>	<b>1,366,870,026</b>	<b>1,399,794,646</b>

## Appropriations By Budget Control Level (BCL) and Program

### **Customer Service, Communications and Regulatory Affairs Budget Control Level**

The purpose of the Customer Service, Communications and Regulatory Affairs Budget Control Level is to provide customer services and communications, and to monitor compliance with federal electric reliability standards and secure critical utility infrastructure. Customer services include metering, billing, account management, and support for customer information systems. The utility's General Manager and governmental affairs functions are also included in this Budget Control Level.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Service, Communications and Regulatory Affairs	0	0	43,565,482	45,448,991
<b>Total</b>	<b>0</b>	<b>0</b>	<b>43,565,482</b>	<b>45,448,991</b>
Full-time Equivalents Total*	0.00	0.00	264.89	264.89

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### **Engineering and Technology Innovation O&M Budget Control Level**

The purpose of the Engineering and Technology Innovation Budget Control Level is to provide engineering and leadership on emerging utility technology, asset management, transportation electrification, solar, and other technologies. The energy delivery engineering and asset management functions are also included in this Budget Control Level.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Engineering and Technology Innovation O&M	0	0	23,434,009	24,454,084
<b>Total</b>	<b>0</b>	<b>0</b>	<b>23,434,009</b>	<b>24,454,084</b>
Full-time Equivalents Total*	0.00	0.00	212.00	216.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### **Environmental Affairs O&M Budget Control Level**

The purpose of the Environmental Affairs O&M Budget Control Level is to help the utility generate and deliver energy in an environmentally responsible manner. This Budget Control Level also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Environmental Affairs O&M	0	0	14,900,786	15,095,298
<b>Total</b>	<b>0</b>	<b>0</b>	<b>14,900,786</b>	<b>15,095,298</b>
Full-time Equivalents Total*	0.00	0.00	48.00	49.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Generation Operations and Engineering O&M Budget Control Level**

The purpose of the Generation Operations and Engineering Budget Control Level is to provide power to City Light customers by engineering and operating the power production facilities in a clean, safe, efficient, and reliable manner. The utility's power production engineering and generation operations are included in this Budget Control Level.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Generation Operations and Engineering O&M	0	0	23,288,606	23,842,980
<b>Total</b>	<b>0</b>	<b>0</b>	<b>23,288,606</b>	<b>23,842,980</b>
Full-time Equivalents Total*	0.00	0.00	176.89	176.89

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Power Management and Strategic Planning O&M Budget Control Level**

The purpose of the Power Management and Strategic Planning Budget Control Level is to provide electric power for City Light customers; to implement demand-side conservation measures that offset the need for additional generation resources; to support the power marketing operations of the utility; and to provide utility-wide support services such as shops, real estate, fleet, and facility management services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Power Management and Strategic Planning O&M	0	0	70,981,644	78,293,800
<b>Total</b>	<b>0</b>	<b>0</b>	<b>70,981,644</b>	<b>78,293,800</b>
Full-time Equivalents Total*	0.00	0.00	135.74	140.74

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*



### **Transmission and Distribution O&M Budget Control Level**

The purpose of the Transmission and Distribution O&M Budget Control Level is to provide reliable electricity to customers through operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Transmission and Distribution O&M	0	0	60,446,782	64,420,747
<b>Total</b>	<b>0</b>	<b>0</b>	<b>60,446,782</b>	<b>64,420,747</b>
Full-time Equivalents Total*	0.00	0.00	433.84	436.84

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Customer Focused - CIP Budget Control Level**

The purpose of the Customer Focused - CIP Budget Control Level is to provide for the capital costs of customer service connections, meters, and other customer-driven projects, including large inter-agency projects requiring utility services or relocations. This Budget Control Level supports capital projects identified in the department's Capital Improvement Plan.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Focused - CIP	89,964,114	73,129,129	93,426,947	98,438,816
<b>Total</b>	<b>89,964,114</b>	<b>73,129,129</b>	<b>93,426,947</b>	<b>98,438,816</b>
Full-time Equivalents Total*	132.32	132.32	132.32	132.32

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Financial Services - CIP Budget Control Level**

The purpose of the Financial Services - CIP Budget Control Level is to provide for the capital costs of rehabilitation and replacement of the utility's financial systems and information technology infrastructure, and the development and implementation of large software applications. This Budget Control Level supports capital projects identified in the department's Capital Improvement Plan.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Financial Services - CIP	23,196,158	20,302,210	8,633,328	6,204,070
<b>Total</b>	<b>23,196,158</b>	<b>20,302,210</b>	<b>8,633,328</b>	<b>6,204,070</b>
Full-time Equivalents Total*	10.71	10.71	10.71	10.71

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Power Supply & Environmental Affairs - CIP Budget Control Level**

The purpose of the Power Supply & Environmental Affairs - CIP Budget Control Level is to provide for the capital costs of maintaining the physical generating plant and associated power license and regulatory requirements. This Budget Control Level supports capital projects identified in the department's Capital Improvement Plan.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Power Supply & Environmental Affairs - CIP	106,801,116	74,456,759	70,819,756	93,580,296
<b>Total</b>	<b>106,801,116</b>	<b>74,456,759</b>	<b>70,819,756</b>	<b>93,580,296</b>
Full-time Equivalents Total*	73.26	73.26	73.26	73.26

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### **Transmission and Distribution - CIP Budget Control Level**

The purpose of the Transmission and Distribution - CIP Budget Control Level is to provide for the capital costs of installation, major maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, and other elements of the utility's transmission and distribution systems. This Budget Control Level supports capital projects identified in the department's Capital Improvement Plan.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Transmission and Distribution - CIP	213,416,456	162,657,896	142,369,967	98,692,342
<b>Total</b>	<b>213,416,456</b>	<b>162,657,896</b>	<b>142,369,967</b>	<b>98,692,342</b>
Full-time Equivalents Total*	156.06	158.06	158.06	158.06

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Debt Service Budget Control Level**

The purpose of the Debt Service Budget Control Level is to meet principal repayment and interest obligations on funds borrowed to meet City Light's capital expenditure requirements.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt Service - BCL	195,105,882	207,693,126	213,372,652	227,317,057
<b>Total</b>	<b>195,105,882</b>	<b>207,693,126</b>	<b>213,372,652</b>	<b>227,317,057</b>

### **General Expenses Budget Control Level**

The purpose of the General Expenses Budget Control Level is to provide for the general expenses of the utility that, for the most part, are not directly attributable to a specific organizational unit. These expenditures include insurance, bond issue costs, bond maintenance fees, audit costs, Law Department legal fees, external legal fees, employee benefits (medical and retirement costs), industrial insurance costs, general claims costs, and services provided by the City's internal services departments through the central cost allocation mechanism.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General Expenses	97,658,543	101,091,764	104,814,529	106,652,643
<b>Total</b>	<b>97,658,543</b>	<b>101,091,764</b>	<b>104,814,529</b>	<b>106,652,643</b>

### **Taxes Budget Control Level**

The purpose of the Taxes Budget Control Level is to pay City Light's legally required tax payments for state, city, and local jurisdictions. This Budget Control Level includes funding for franchise contract payments negotiated with local jurisdictions in City Light's service territory.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Taxes	81,120,747	93,459,200	94,370,522	98,774,281
<b>Total</b>	<b>81,120,747</b>	<b>93,459,200</b>	<b>94,370,522</b>	<b>98,774,281</b>

### **Administrative Services O&M Budget Control Level**

The purpose of the Administrative Services Budget Control Level is to provide employee and management support services, including safety programs, organizational development, training, personnel, and labor relations.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administrative Services O&M	8,318,356	9,228,643	9,322,211	9,684,950
<b>Total</b>	<b>8,318,356</b>	<b>9,228,643</b>	<b>9,322,211</b>	<b>9,684,950</b>
Full-time Equivalents Total*	56.50	57.50	57.00	57.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Compliance and Security Budget Control Level**

The purpose of the Compliance and Security Budget Control Level is to monitor compliance with federal electric reliability standards and secure critical utility infrastructure.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Compliance and Security	4,080,050	3,652,641	0	0
<b>Total</b>	<b>4,080,050</b>	<b>3,652,641</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	17.00	17.50	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Conservation Resources and Environmental Affairs O&M Budget Control Level**

The purpose of the Conservation Resources and Environmental Affairs O&M Budget Control Level is to design and implement demand-side conservation measures that offset the need for additional generation resources, and to help the utility generate and deliver energy in an environmentally responsible manner. This Budget Control Level also supports the utility's renewable resource development programs.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Conservation Resources and Environmental Affairs O&M	57,951,928	62,047,103	0	0
<b>Total</b>	<b>57,951,928</b>	<b>62,047,103</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	116.50	116.50	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Customer Services Budget Control Level**

The purpose of the Customer Services Budget Control Level is to provide customer services. These include metering, billing, account management, and support for customer information systems.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Services	30,726,375	31,726,510	0	0
<b>Total</b>	<b>30,726,375</b>	<b>31,726,510</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	210.75	210.75	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Distribution Services Budget Control Level**

The purpose of the Distribution Services Budget Control Level is to provide reliable electricity to customers through operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Distribution Services	77,873,011	77,983,852	0	0
<b>Total</b>	<b>77,873,011</b>	<b>77,983,852</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	584.04	587.04	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### **Financial Services - O&M Budget Control Level**

The purpose of the Financial Services - O&M Budget Control Level is to manage the utility's financial health through planning, risk mitigation, and provision of information to make financial decisions. Information technology services are also provided through this Budget Control Level to support systems and applications used throughout the utility.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Financial Services - O&M	39,771,639	43,116,622	53,644,396	57,385,820
<b>Total</b>	<b>39,771,639</b>	<b>43,116,622</b>	<b>53,644,396</b>	<b>57,385,820</b>
Full-time Equivalents Total*	197.95	198.45	77.09	79.09

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### **Office of Superintendent Budget Control Level**

The purpose of the Office of the Superintendent Budget Control Level is to provide leadership and broad departmental policy direction to deliver reliable electric power and maintain the financial health of the utility. The utility's communications and governmental affairs functions are included in this Budget Control Level.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Office of Superintendent	3,256,258	3,534,612	0	0
<b>Total</b>	<b>3,256,258</b>	<b>3,534,612</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	21.75	21.75	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### **Power Supply O&M Budget Control Level**

The purpose of the Power Supply O&M Budget Control Level is to provide clean, safe, economic, efficient, reliable sources of electric power for City Light customers. This Budget Control Level supports the power generation and power marketing operations of the utility. Utility-wide support services such as shops, real estate, fleet, and facility management services are also included in this Budget Control Level.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Power Supply O&M	50,043,927	51,720,186	0	0
<b>Total</b>	<b>50,043,927</b>	<b>51,720,186</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	284.46	284.46	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Long-Term Purchased Power Budget Control Level**

The purpose of the Long-Term Purchased Power Budget Control Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to meet the utility's long-term demand for power. This Budget Control Level provides appropriations for planned transactions beyond 24 months in advance.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Long-Term Purchased Power	278,266,338	312,449,567	299,074,369	311,102,350
<b>Total</b>	<b>278,266,338</b>	<b>312,449,567</b>	<b>299,074,369</b>	<b>311,102,350</b>

### **Short-Term Purchased Power Budget Control Level**

The purpose of the Short-Term Purchased Power Budget Control Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to manage the utility's short-term demand given the variability of hydroelectric power. This Budget Control Level provides appropriations for planned transactions up to 24 months in advance.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Short-Term Purchased Power	36,787,955	41,345,274	40,404,040	40,406,121
<b>Total</b>	<b>36,787,955</b>	<b>41,345,274</b>	<b>40,404,040</b>	<b>40,406,121</b>

# Seattle City Light

## City Light Fund Table

### City Light Fund

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Cash Balance</b>	<b>426,732,431</b>	<b>386,637,057</b>	<b>417,617,968</b>	<b>386,558,971</b>	<b>365,124,342</b>
Accounting and Technical Adjustments	481,693,088	335,711,364	371,344,497	312,138,753	322,052,907
Plus: Actual and Estimated Revenue	903,531,303	1,015,133,692	967,191,600	1,033,296,644	1,070,917,144
Less: Actual and Budgeted Expenditures****	1,394,338,854	1,369,595,094	1,369,595,094	1,366,870,026	1,399,794,646
<b>Ending Cash Balance</b>	<b>417,617,968</b>	<b>367,887,019</b>	<b>386,558,971</b>	<b>365,124,342</b>	<b>358,299,747</b>
Less: Reserves Against Cash Balances					
Restricted Accounts*	85,465,792	115,866,882	108,886,705	127,187,496	148,287,614
Contingency Reserve / RSA**	90,992,709	95,276,178	84,181,543	93,763,850	95,180,909
Construction Account	88,671,908	70,069,004	74,094,750	99,092,511	85,471,930
<b>Total Reserves</b>	<b>265,130,409</b>	<b>281,212,064</b>	<b>267,162,998</b>	<b>320,043,857</b>	<b>328,940,454</b>
<b>Ending Unreserved Cash Balance***</b>	<b>152,487,559</b>	<b>86,674,956</b>	<b>119,395,973</b>	<b>45,080,486</b>	<b>29,359,294</b>

\*Includes Special Deposits, Debt Service Account, and Bond Reserves. Does not include the Construction Account.

\*\*The Adopted 2016 and Proposed 2017 and 2018 Revenue Budgets assume that Net Wholesale Revenue will equal the RSA Baseline Amount. The Revised 2016 Revenue Budget projects that Net Wholesale Revenue will be lower than the RSA Baseline, therefore cash will be transferred from the RSA to Operating Cash, drawing down the balance of the RSA to a lower level than assumed in the Adopted 2016 Budget. The RSA Baseline amount of Net Wholesale Revenue is per the Strategic Plan.

\*\*\*Includes All City Light Cash other than Special Deposits, Debt Service Account, and Bond Reserve.

\*\*\*\*2017 and 2018 Expenditure Budget amounts are preliminary estimates

# Seattle Public Utilities

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Mami Hara, Acting CEO and General Manager

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<http://www.seattle.gov/util/>

## Department Overview

Seattle Public Utilities (SPU) provides reliable, efficient and environmentally conscious utility services to enhance the quality of life and livability in all communities SPU serves. SPU operates three distinct utilities: Drainage and Wastewater, Solid Waste and Water. The three utilities each have unique revenue sources and capital improvement projects, but share many operations and administration activities within SPU and the City.

**Drainage and Wastewater:** The Drainage and Wastewater Utility collects and disposes or discharges storm runoff and wastewater from residences, businesses, institutions and public properties within the City. In addition to handling sewage and storm water runoff, Drainage and Wastewater works with other government agencies and private parties to address Federal EPA-mandated sediment cleanup projects where contamination is linked to storm water or sewage, such as Gas Works Park and the Lower Duwamish Waterway. The drainage and wastewater system includes approximately 448 miles of separated sanitary sewers, 968 miles of combined sewers, 477 miles of storm drains, 68 pump stations, 90 permitted combined sewer overflow outfalls, 295 storm drain outfalls, 189 stormwater quality treatment facilities, 145 flow control facilities, and 38 combined sewer overflow control detention tanks and pipes.

**Solid Waste:** The Solid Waste Utility collects and processes recycling, compostables, and residential and commercial garbage to promote public health and safety, quality of life, and environmental stewardship. The City owns and operates two transfer stations, two household hazardous waste facilities, a fleet of trucks and heavy equipment, and several closed landfills. The Solid Waste Capital Improvement Plan (CIP) supports the transfer stations, heavy equipment, and post-closure projects on landfills previously used by the City. In addition, SPU contracts with private companies who collect household refuse, compostable material, and recyclables. The companies deliver the material to recycling and composting facilities and to transfer stations for its ultimate processing or disposal. In concert with its waste handling and disposal activities, Solid Waste engages its customers in environmental sustainability programs that promote recycling, composting and reducing waste generation. Solid Waste also works to keep Seattle clean, by targeting illegal dumping, automobile abandonment, graffiti removal and providing public litter cans and recycling bins across Seattle.

**Water:** The Water Utility provides reliable, clean, and safe water to more than 1.4 million customers in and around Seattle for consumption and other uses. The water delivery system extends from Edmonds to Des Moines and from Puget Sound to Lake Joy near Duvall. SPU delivers water directly to its customers in Seattle and adjacent areas, and provides wholesale water to 21 suburban water utilities and two interlocal associations for distribution to their customers. The Water Utility includes 1,900 miles of pipeline, 30 pump stations, 15 treated water reservoirs, three wells and 104,000 acres in two watersheds. The Water Utility builds, operates and maintains the City's water infrastructure to ensure system reliability, conserve and enhance the region's environmental resources and protect public health and safety. SPU engages the community in conservation efforts to reduce water consumption.

SPU monitors its funds using financial targets and employs these metrics to communicate about the financial health of its utilities with the Mayor and Council, Seattle residents and businesses and the bond rating agencies. Financial performance metrics include net income; year-end cash balance; the amount of cash versus debt



# Seattle Public Utilities

dedicated to the CIP; debt service coverage, which is the amount of cash available to pay annual debt service after day-to-day system expenses are paid; and, for the Drainage and Wastewater Fund, the debt to asset ratio. As a result of strong financial management and a commitment on the part of elected officials to establishing prudent rates, SPU has some of the strongest bond ratings of any utility in the country. SPU's Water and Drainage and Wastewater bonds are rated one notch below the highest rating by both S&P (AA+) and Moody's (Aa1), while Solid Waste bonds, which traditionally are viewed as more risky by ratings agencies, are just slightly lower and still categorized as High Grade High Quality bonds (AA and Aa3 from the two agencies, respectively). These high ratings help SPU sell revenue bonds to fund infrastructure investments at the lowest costs possible. These lowered costs benefit the utilities and the rate payers they serve.

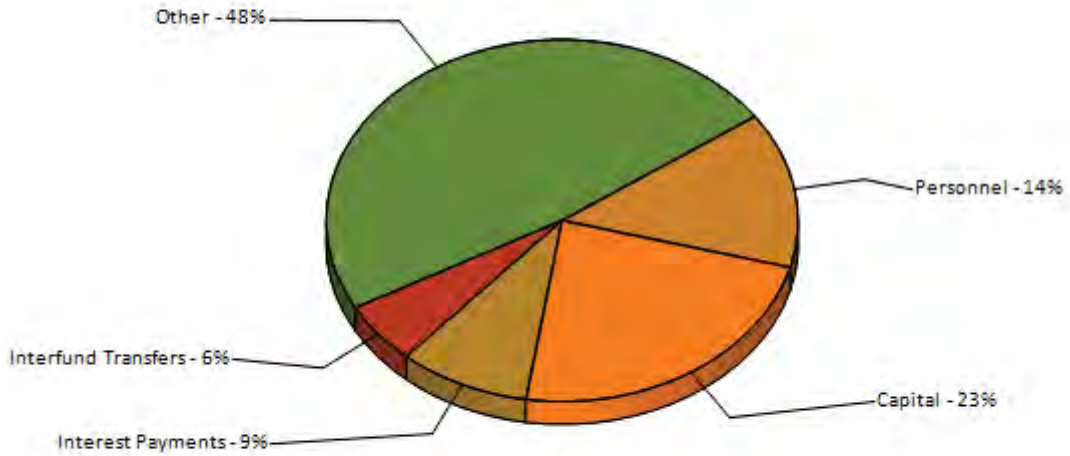
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$1,978,906	\$7,836,133	\$9,373,982	\$9,490,015
Other Funding - Operating	\$731,452,789	\$773,533,390	\$830,406,527	\$861,205,588
<b>Total Operations</b>	<b>\$733,431,695</b>	<b>\$781,369,523</b>	<b>\$839,780,509</b>	<b>\$870,695,603</b>
Other funding - Capital	\$258,107,591	\$242,167,797	\$254,430,086	\$298,285,405
<b>Total Appropriations</b>	<b>\$991,539,286</b>	<b>\$1,023,537,320</b>	<b>\$1,094,210,595</b>	<b>\$1,168,981,008</b>
Full-time Equivalent Total*	1,438.05	1,460.05	1,361.05	1,361.05

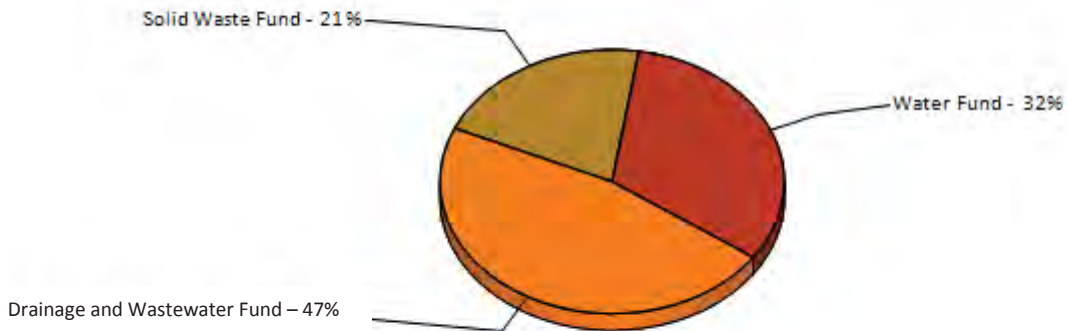
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Seattle Public Utilities

## Budget Overview

The 2017-2018 Proposed Budget for Seattle Public Utilities (SPU) includes some modifications from the 2016 Adopted Budget that reflect ongoing efforts to implement the 6-year Strategic Business Plan.

### Strategic Business Plan Overview

SPU developed a Strategic Business Plan, adopted in August 2014, to guide the department's operations and investments for the period of 2015-2020. A nine-member customer panel oversaw the development of the plan. The plan sets a transparent and integrated direction for all SPU utilities and contains a six-year rate path for water, drainage, wastewater, and solid waste rates. SPU will revise their six-year plan every three years. The next scheduled update is in 2017 for the 2018-2023 period.

In 2017, SPU continues with programmatic reprioritization and efficiency cost savings outlined in the plan to streamline utility services for its customers through the following focus areas:

- Customer Experience
- Environmental and Public Health
- Operational Excellence
- Transforming the Workforce

### Drainage and Wastewater Highlights

The Drainage and Wastewater Utility provides wastewater and stormwater management services to residences and businesses in the City of Seattle. It is supported almost entirely by utility fees. For wastewater, SPU collects charges based on the metered water usage via the SPU combined utility bill. For drainage, SPU charges Seattle property owners fees based on property characteristics contributing to stormwater runoff. The drainage fee appears as a line item on King County property tax bills.

Drainage and Wastewater Rates were adopted in July 2015, and reflect an increase in the original expectations in the Strategic Business Plan. For the 2016-2018 period, Drainage rates will grow by 9.9%, 10.9%, and 8.0%, respectively. Wastewater rates will grow 3.6%, 5.4%, and 1.2% over the same period. These rates are inclusive of King County treatment rates, which are typically added to rates charged by SPU to cover wastewater and drainage treatment costs.

Environmental Compliance: Drainage and Wastewater will continue the efforts identified in the 2016 Adopted Budget to address environmental compliance through long-term issues like Combined Sewer Overflows (CSOs), National Pollutant Discharge Elimination System (NPDES) permits and contaminated soil clean-ups and containment areas. SPU will also invest additional resources to focus on CSO response. Capital program increases in the 2017-2022 Proposed CIP reprioritize and add projects based on CSO and clean-up efforts, the largest of which is the West Ship Canal Water Quality Project. This project will construct a CSO overflow tunnel between Ballard and Wallingford, and is a joint project with King County.

Operational Improvements: SPU is undertaking significant efforts to improve operations and direct service provision for permitting and other business activities as part of the Strategic Business Plan. This budget anticipates \$335,000 additional funds to develop greater efficiency in their permit processing, and expand support and enforcement in the Fats, Oil, and Grease program that protects Seattle waterways.

### Solid Waste Highlights

The Solid Waste Utility provides collection services to residents and businesses within the City of Seattle. Financial support of this service is primarily generated through charges based on the amount of garbage collected from residential and commercial waste collection contracts. Solid Waste will pursue opportunities for efficiencies in service delivery as it continues to experience decreased demand for services as a result of its conservation efforts

# Seattle Public Utilities

to reduce solid waste and increase recycling activity.

The Solid Waste Fund saw significant growth in actual revenues for 2015 and 2016, but expects long-term demand to remain stable, with a small decline in some sectors through 2019.

Clean City Program Expansion: The Clean City Program is the City's public garbage program which provides garbage and recycling services for City parks, public garbage and recycling receptacles, illegal dumping and abandoned vehicle response, graffiti abatement, community clean-up funding, and the above-ground rodent abatement program. In 2016, the Mayor announced new pilot programs and expanded support for existing services related to public litter and encampment clean-up. The SPU 2017-2018 Proposed Budget includes funding for:

- Additional Business Improvement Area (BIA) funding for litter;
- Expanded outreach and capacity-building for BIAs;
- Short-term neighborhood litter pick-up pilot projects;
- Unsanctioned encampment waste removal pilot projects; and
- Waste sharps disposal and response program.

These activities are supported by General Fund revenues, and will be funded by a 2.7 percentage-point increase to the Solid Waste Utility Tax rate passed by City Council in July 2016. These new revenues will also fund additional services related to homelessness and encampment cleanup.

The City Council adopted solid waste rates in July 2016 for the three year period of 2017-2019, effective April 1st, 2017. The Council adopted rates with an increase of 7.2% in 2017, 1.9% in 2018, and 4.0% in 2019.

## **Water Highlights**

Water delivers potable water directly to retail customers both inside the City and in adjacent areas. These retail customers provide about 72% of the Water Fund's operating revenues, with roughly equal revenues coming from residential and commercial users. SPU also delivers water to districts and agencies who then deliver water to their direct customers. This wholesaling of water represents about 21% of Water's projected operating revenues in 2017. Remaining revenue come from charges and reimbursement services that Water provides on behalf of the City, as well as from grants and contributions.

The Water line of business has moved away from a period of intensive capital investment in new projects and is transitioning into maintenance and improvements of the existing transmission and distribution system. SPU will continue its efforts to complete reservoir retrofits and covering, water supply and asset preservation projects as detailed in the 2017-2022 Proposed CIP. The remaining budget changes for the Water Utility reflect shared investments in technology, operational improvements, and Strategic Business Plan investments.

The City Council adopted water rates for retail customers in 2015 for the 2015, 2016 and 2017 rate period. In June 2015, the City Council adopted an increase of 0.0% in 2015, 1.7% in 2016, and 2.7% in 2017 for the average retail water customer. This is a reduction in rate growth originally anticipated by the Strategic Business Plan, which prescribed a 5.2% increase in both 2016 and 2017.

# Seattle Public Utilities

## Incremental Budget Changes

### Seattle Public Utilities

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 1,023,537,320</b>	<b>1,460.05</b>	<b>\$ 1,023,537,320</b>	<b>1,460.05</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 18,004,790	-107.00	-\$ 18,004,790	-107.00
Adjustment for One-Time Adds or Reductions	-\$ 1,348,990	0.00	-\$ 1,348,990	0.00
Baseline Technical Adjustments	-\$ 17,171,602	0.00	-\$ 39,763,542	0.00
<b>Proposed Changes</b>				
Regulatory Changes	\$ 354,780	0.00	\$ 360,144	0.00
Clean City Expansion	\$ 1,986,475	2.00	\$ 2,052,114	2.00
Operational Capacity Expansion	\$ 1,868,954	4.00	\$ 1,876,079	4.00
Process Improvements	\$ 479,489	1.00	\$ 484,821	1.00
Information Technology Investments	\$ 1,932,685	1.00	\$ 1,937,743	1.00
Water Fund CIP	\$ 10,142,153	0.00	\$ 31,443,171	0.00
Drainage and Wastewater Fund CIP	\$ 15,045,661	0.00	\$ 44,559,639	0.00
Solid Waste Fund CIP	-\$ 6,528,757	0.00	\$ 16,036,835	0.00
Technology CIP	\$ 10,774,834	0.00	\$ 3,841,505	0.00
Citywide Summit Re-Implementation Project	\$ 589,125	0.00	\$ 349,999	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 70,553,258	0.00	\$ 101,618,960	0.00
<b>Total Incremental Changes</b>	<b>\$ 70,673,275</b>	<b>-99.00</b>	<b>\$ 145,443,688</b>	<b>-99.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 1,094,210,595</b>	<b>1,361.05</b>	<b>\$ 1,168,981,008</b>	<b>1,361.05</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$18,004,790)/(107.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from

# Seattle Public Utilities

departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

## **Adjustment for One-Time Adds or Reductions - (\$1,348,990)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. This reflects a reduction of one-time expenditures of \$348,990 in the 2016 Adopted Budget for Summit Re-Implementation (SRI) costs and a reduction of a one-time 2016 expenditure of \$1,000,000 for street restoration on utility projects that affect the right-of-way.

## **Baseline Technical Adjustments - (\$17,171,602)**

This item reflects a technical true-up to align SPU's Capital Improvement Program 2016 Baseline Budget with their 2017 Proposed Baseline Budget.

## **Proposed Changes**

### **Regulatory Changes - \$354,780**

This item reflects budget changes related to regulatory compliance programs. Funding in this item supports SPU requirements to expand the Call Before You Dig program services. SPU is also using additional funding to expand its Fats, Oils, and Grease program to better monitor and enforce safe and environmentally sound disposal of food waste byproducts.

### **Clean City Expansion - \$1,986,475/2.00 FTE**

This item funds new and expanded Clean City program activities. SPU will expand this program to fund additional litter programs, Business Improvement Association support, and increased service levels on illegal dumping response. This change includes one Lead Solid Waste Field Representative and one Utility Service Representative to support this work. The entirety of these activities in this category are funded by revenues from the General Fund and will be supported partially from revenues generated by an increase in the Solid Waste Utility Tax. The tax was passed by City Council in July 2016. The remaining revenues collected in 2017 from this tax increase will be spent on homelessness services in the Human Services Department budget. Please see that section for more details.

### **Operational Capacity Expansion - \$1,868,954/4.00 FTE**

This item improves SPU's ability to deliver direct services to the public. Included in this category is expanded budget for core services due to the increase in development activity, staffing for the new North Transfer Station facility including two Maintenance Laborer positions and one Scale Attendant, and an Administrative Staff Specialist position to meet the increase demand in public disclosure requests.

### **Process Improvements - \$479,489/1.00 FTE**

This item funds business process improvements to SPU's Development Services group to increase responsiveness, improve efficiency in operations, and simplify procedures that affect permit customer experience. It also funds an additional Strategic Advisor 3 position to support strategic plan initiatives to enhance utility asset information gathering, analysis, and planning activities.

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## **Information Technology Investments - \$1,932,685/1.00 FTE**

This item supports half of the costs for eight new positions for the ongoing support of the New Customer Information System (NCIS). These positions can be found in the Seattle IT Department budget. It also funds a new Information Technology Professional B to fill a new Digital Strategy position to expand SPU's work in improving customer access to the web, bill information, or make requests. For more detail on NCIS, see the Customer Contact and Billing Capital Improvement Project in the SPU Proposed 2017-2022 CIP.

## **Water Fund CIP - \$10,142,153**

SPU will fund a number of increased water projects in this item. Included are increases driven by the Move Seattle Levy project list, consolidation of staff in the new operational facility plan, scope refinement on a number of projects including the Tolt Ring Gate System Rehabilitation project and reservoir seismic retrofits, and expanded budget to accommodate new water taps to keep pace with development growth.

## **Drainage and Wastewater Fund CIP - \$15,045,661**

This item funds scope and schedule refinement for the Duwamish Remediation project, Taylor Creek Culvert Restoration project, and Combined Sewer Overflow (CSO) projects mandated by the Environmental Protection Agency. This item also funds an expansion to SPU's Pump Station and Pipe Rehabilitation program after a comprehensive study indicated greater investment was needed to meet goals in the Strategic Business Plan. Finally, this item anticipates increases in future years to accommodate a new Drainage and Wastewater South Operations Complex, expected to be complete in 2022.

## **Solid Waste Fund CIP - (\$6,528,757)**

This item reflects a funding shift for the second phase of the South Park Transfer Station Rebuild project, removing funds from 2017 and moving them into 2018. This item also includes a small increase to fund heavy equipment purchases to support the North and South Transfer Stations.

## **Technology CIP - \$10,774,834**

SPU will support expanded work in capital investments in technology in 2017. This item increases funds in the capital components of the Summit Reimplementation Project, as scope has been refined. It also includes replacement of outdated asset information systems and new water-wastewater monitoring systems. Finally, this item includes funding for companion projects to support services related to the New Customer Information System.

## **Citywide Summit Re-Implementation Project - \$589,125**

This item represents SPU's non-capital work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services. SPU's capital investments on Summit Re-Implementation can be found in their 2017-2018 Proposed Technology Capital Improvement Program budget.

## **Proposed Technical Changes**

### **Technical Adjustments - \$70,553,258**

The majority of this funding change reflects central consolidation of Information Technology costs of \$21,618,000 to the new Seattle IT department and changing rates of \$22,607,000 for King County sewer treatment, an external contract cost to the City. This item also includes wage adjustments for inflation of \$5,440,000, contract inflation

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of \$2,061,000, taxes of \$7,500,000, debt service of \$8,494,000, and \$2,833,000 of miscellaneous technical changes.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Drainage &amp; Wastewater Utility</b>					
<b>Administration Budget Control</b>					
Administration		1,552,240	19,296,673	13,024,113	13,469,145
General and Administrative Credit		0	-12,248,965	-11,607,821	-11,931,340
<b>Total</b>	<b>N100B-DW</b>	<b>1,552,240</b>	<b>7,047,708</b>	<b>1,416,292</b>	<b>1,537,805</b>
<b>Combined Sewer Overflows Budget Control Level</b>	<b>C360B</b>	<b>60,736,249</b>	<b>56,597,377</b>	<b>37,290,884</b>	<b>39,482,646</b>
<b>Customer Service Budget Control Level</b>	<b>N300B-DW</b>	<b>8,002,537</b>	<b>9,649,850</b>	<b>10,498,664</b>	<b>10,758,098</b>
<b>Flooding, Sewer Back-up, and Landslides Budget Control Level</b>	<b>C380B</b>	<b>11,534,355</b>	<b>13,390,009</b>	<b>18,646,186</b>	<b>32,178,536</b>
<b>General Expense Budget Control</b>					
Debt Service		0	52,991,823	63,679,631	73,251,121
Other General Expenses		265,549,393	171,164,501	199,320,533	204,602,850
Taxes		0	48,067,298	51,274,136	52,654,747
<b>Total</b>	<b>N000B-DW</b>	<b>265,549,393</b>	<b>272,223,622</b>	<b>314,274,300</b>	<b>330,508,718</b>
<b>Other Operating Budget Control</b>					
DWW LOB		0	43,237,946	46,061,587	46,970,685
Field Operations		0	0	0	0
Pre-Capital Planning & Development		0	1,676,836	2,188,339	2,119,200
Project Delivery		55,798,101	12,736,148	13,228,787	13,559,706
Utility Systems Management		0	0	0	0
Water LOB		0	7,335,903	5,250,560	5,597,312
<b>Total</b>	<b>N400B-DW</b>	<b>55,798,101</b>	<b>64,986,833</b>	<b>66,729,273</b>	<b>68,246,903</b>
<b>Protection of Beneficial Uses Budget Control Level</b>	<b>C333B</b>	<b>4,917,051</b>	<b>4,820,211</b>	<b>9,897,378</b>	<b>10,283,913</b>
<b>Rehabilitation Budget Control Level</b>	<b>C370B</b>	<b>14,759,126</b>	<b>19,758,185</b>	<b>29,774,678</b>	<b>36,603,112</b>
<b>Sediments Budget Control Level</b>	<b>C350B</b>	<b>3,346,542</b>	<b>4,761,538</b>	<b>6,854,789</b>	<b>6,552,998</b>



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<b>Shared Cost Projects Budget Control Level</b>	<b>C410B-DW</b>	<b>18,839,478</b>	<b>17,845,078</b>	<b>23,446,404</b>	<b>33,004,611</b>
<b>Technology Budget Control Level</b>	<b>C510B-DW</b>	<b>6,730,712</b>	<b>12,796,754</b>	<b>11,185,051</b>	<b>6,161,485</b>
<b>Solid Waste Utility</b>					
<b>Administration Budget Control</b>					
Administration		3,761,497	7,761,293	6,061,339	6,154,767
General and Administrative Credit		0	-2,444,057	-1,494,810	-1,493,538
<b>Total</b>	<b>N100B-SW</b>	<b>3,761,497</b>	<b>5,317,236</b>	<b>4,566,529</b>	<b>4,661,229</b>
<b>Customer Service Budget Control Level</b>	<b>N300B-SW</b>	<b>12,692,444</b>	<b>12,695,274</b>	<b>11,819,025</b>	<b>12,000,301</b>
<b>General Expense Budget Control</b>					
Debt Service		0	16,508,007	16,376,671	16,306,288
Other General Expenses		142,807,178	117,083,681	123,315,322	127,336,750
Taxes		0	22,431,755	25,967,732	27,435,605
<b>Total</b>	<b>N000B-SW</b>	<b>142,807,178</b>	<b>156,023,443</b>	<b>165,659,725</b>	<b>171,078,643</b>
<b>New Facilities Budget Control Level</b>	<b>C230B</b>	<b>46,659,697</b>	<b>30,551,733</b>	<b>7,823,757</b>	<b>19,672,816</b>
<b>Other Operating Budget Control</b>					
DWW LOB		0	80,347	80,442	82,072
Field Operations		0	0	0	0
Pre-Capital Planning & Development		0	150,310	170,071	173,481
Project Delivery		15,790,318	1,236,948	1,232,921	1,257,535
Solid Waste LOB		0	16,341,270	21,778,290	22,301,912
Utility Systems Management		0	0	0	0
Water LOB		0	637,740	469,472	477,015
<b>Total</b>	<b>N400B-SW</b>	<b>15,790,318</b>	<b>18,446,615</b>	<b>23,731,196</b>	<b>24,292,015</b>
<b>Rehabilitation and Heavy Equipment Budget Control Level</b>	<b>C240B</b>	<b>9,539</b>	<b>430,000</b>	<b>400,000</b>	<b>120,000</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C410B-SW</b>	<b>1,827,961</b>	<b>1,146,963</b>	<b>2,921,977</b>	<b>2,343,914</b>
<b>Technology Budget Control Level</b>	<b>C510B-SW</b>	<b>5,200,533</b>	<b>7,234,937</b>	<b>5,864,014</b>	<b>2,750,610</b>
<b>Water Utility</b>					
<b>Administration Budget Control</b>					
Administration		7,481,273	20,396,225	14,910,617	15,308,402
General and Administrative Credit		0	-8,869,247	-7,206,102	-6,766,395
<b>Total</b>	<b>N100B-</b>	<b>7,481,273</b>	<b>11,526,978</b>	<b>7,704,515</b>	<b>8,542,007</b>

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		WU			
<b>Customer Service Budget Control Level</b>	<b>N300B-WU</b>	<b>9,726,727</b>	<b>11,549,731</b>	<b>12,343,177</b>	<b>12,680,694</b>
<b>Distribution Budget Control Level</b>	<b>C110B</b>	<b>19,808,547</b>	<b>21,514,429</b>	<b>28,545,498</b>	<b>28,145,207</b>
<b>General Expense Budget Control</b>					
Debt Service		0	85,534,987	83,472,461	85,612,088
Other General Expenses		154,661,716	26,608,339	33,608,680	34,489,552
Taxes		0	41,536,667	42,293,582	44,090,410
<b>Total</b>	<b>N000B-WU</b>	<b>154,661,716</b>	<b>153,679,993</b>	<b>159,374,723</b>	<b>164,192,050</b>
<b>Habitat Conservation Program Budget Control Level</b>	<b>C160B</b>	<b>1,348,701</b>	<b>2,116,292</b>	<b>2,105,933</b>	<b>2,606,331</b>
<b>Other Operating Budget Control</b>					
DWW LOB		0	221,861	179,311	181,380
Field Operations		0	0	0	0
Pre-Capital Planning & Development		0	1,836,304	1,784,392	1,798,197
Project Delivery		55,608,271	6,885,374	7,215,945	7,517,759
Utility Systems Management		0	0	0	0
Water LOB		0	49,278,701	52,483,442	52,699,804
<b>Total</b>	<b>N400B-WU</b>	<b>55,608,271</b>	<b>58,222,240</b>	<b>61,663,090</b>	<b>62,197,140</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C410B-WU</b>	<b>29,079,309</b>	<b>21,701,948</b>	<b>35,633,742</b>	<b>38,399,445</b>
<b>Technology Budget Control Level</b>	<b>C510B-WU</b>	<b>6,797,585</b>	<b>13,314,128</b>	<b>11,733,604</b>	<b>7,409,884</b>
<b>Transmission Budget Control Level</b>	<b>C120B</b>	<b>1,862,016</b>	<b>3,788,015</b>	<b>5,529,397</b>	<b>22,430,952</b>
<b>Water Quality &amp; Treatment Budget Control Level</b>	<b>C140B</b>	<b>9,535,406</b>	<b>1,846,000</b>	<b>8,444,366</b>	<b>385,000</b>
<b>Water Resources Budget Control Level</b>	<b>C150B</b>	<b>14,879,061</b>	<b>7,713,200</b>	<b>8,265,947</b>	<b>8,776,459</b>
<b>Watershed Stewardship Budget Control Level</b>	<b>C130B</b>	<b>235,722</b>	<b>841,000</b>	<b>66,481</b>	<b>977,486</b>
<b>Department Total</b>		<b>991,539,286</b>	<b>1,023,537,320</b>	<b>1,094,210,595</b>	<b>1,168,981,008</b>
<b>Department Full-time Equivalents Total*</b>		<b>1,438.05</b>	<b>1,460.05</b>	<b>1,361.05</b>	<b>1,361.05</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
408000	Capital Grants and Contributions (excluding donated assets)	5,083,609	1,506,000	1,815,257	1,382,322
408000	Other Reimbursement for NS activities	1,000,706	1,500,730	846,752	859,876
437010	Call Center Reimbursement from SCL	1,950,713	2,096,265	1,644,428	1,702,341
443510	Wastewater Utility Services	257,092,493	252,901,185	271,128,247	273,069,847
443610	Drainage Utility Services	101,711,526	107,150,170	118,197,223	126,968,005
443691	Side Sewer Permit Fees	1,703,946	1,030,318	1,703,946	1,703,946
443694	Drainage Permit Fees	285,645	285,645	285,645	285,645
461110	Build America Bond Interest Income	1,754,279	2,146,436	1,747,993	1,747,993
469990	Other Operating Revenues	408,002	98,656	422,338	426,607
469990	Transfer from Construction Fund	72,712,772	89,717,758	98,867,581	124,704,772
479010	Operating Grants	1,481,900	1,598,155	500,000	500,000
543210	CGDB Reimbursements (N2418)	1,489,839	1,658,992	0	0
543210	GIS (N2419)	348,959	157,619	0	0
543210	Parks & Other City Depts. (N4405)	29,645	1,126,276	71,363	74,440
543210	ReLeaf reimbursement - GF	220,710	0	243,519	248,899
543210	ReLeaf reimbursement - SCL	71,786	83,343	90,009	91,965
543210	SCL Fund (N4403)	947,942	235,404	796,321	821,265
543210	SDOT Fund (N4404)	1,660,048	3,692,608	2,471,169	2,555,941
543210	Technical services reimbursement (N4331, N4601)	693,158	0	724,851	735,446
705000	Development services reimbursement (N4371)	3,337	0	0	0
	<b>Total Drainage and Wastewater Fund</b>	<b>450,651,015</b>	<b>466,985,560</b>	<b>501,556,642</b>	<b>537,879,310</b>
408000	Other Nonoperating Revenue	280	409,735	3,482	25,154
437010	Operating Fees, Contributions and grants	584,409	750,000	750,000	750,000
443450	Recycling Processing Revenues	342,247	0	7,061,755	7,154,782
443710	Commercial Services	54,046,480	52,710,680	58,559,132	60,168,172
443710	Residential Services	112,667,164	119,255,675	125,649,187	129,878,917
443741	Recycling and Disposal Station Charges	8,111,904	8,980,682	10,007,607	10,224,741
443745	Comm'l Disposal (Longhaul) Charges	1,159,895	487,597	709,266	780,267
469990	Other Operating Revenue	221,277	144,188	45,932	27,177

## Seattle Public Utilities

481200	Transfers from Construction Fund	48,327,957	25,970,300	9,567,350	0
587000	Op Transfer In - Rev Stab Subfund	-2,500,000	4,000,000	0	0
587001	GF - Various Clean City Prgms	419,880	264,713	8,405,612	8,505,669
587001	Tonnage Tax Transfer Fee - In City	4,113,258	4,038,849	0	0
587001	Tonnage Tax Transfer Fee - Out City	2,013,846	2,031,841	0	0
705000	Call Center Reimbursement from SCL	1,950,713	2,096,265	1,644,428	1,702,341
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	2,445,031	2,616,844	2,833,615	2,836,879
	<b>Total Solid Waste Fund</b>	<b>233,923,461</b>	<b>223,757,369</b>	<b>223,250,891</b>	<b>220,001,984</b>
408000	Other Non-Operating Revenue	845,458	2,477,707	1,775,508	1,360,460
408000	Reimbursement for NS activities	460,565	0	68,128	70,050
437010	Operating Grants	216,752	0	0	0
443410	Retail Water Sales	187,059,286	181,874,865	186,255,548	194,139,357
443420	Water Service for Fire Protection	8,438,523	8,889,680	9,338,452	9,733,729
443420	Wholesale Water Sales	51,173,206	48,933,764	48,428,606	60,654,174
443450	Facilities Charges	1,042,048	911,239	911,239	450,000
443450	Tap Fees	8,773,884	6,581,000	6,663,516	6,746,810
461110	Build America Bond Interest Income	1,983,904	2,135,334	1,983,904	1,983,904
462500	Rentals--Non-City	632,895	606,068	600,720	615,738
469990	Other Operating Revenues	2,490,395	2,477,957	2,496,960	2,559,383
479010	Capital Grants and Contributions	10,393,558	8,294,799	4,839,712	4,901,355
481200	Public Works Loan Proceeds	7,363,888	0	3,000,000	0
481200	Transfers from Construction Fund	23,712,867	39,217,360	70,595,140	76,500,250
543970	Inventory Purchased by SDOT	0	0	0	0
587000	Op Transfer In - Rev Stab Subfnd - BPA Acct	0	200,000	200,000	0
587000	Op Transfer In - Rev Stab Subfund	-7,000,000	4,500,000	5,800,000	-3,700,000
705000	Call Center Reimbursement from SCL	2,009,825	2,159,788	1,694,259	1,753,928
	<b>Total Water Fund</b>	<b>299,597,054</b>	<b>309,259,361</b>	<b>344,651,692</b>	<b>357,769,138</b>
	<b>Total Revenues</b>	<b>984,171,530</b>	<b>1,000,002,290</b>	<b>1,069,459,225</b>	<b>1,115,650,432</b>
379100	Decrease (Increase) in Working Capital	1,114,769	16,891,605	28,457,257	37,439,515
	<b>Total Drainage and Wastewater Fund</b>	<b>1,114,769</b>	<b>16,891,605</b>	<b>28,457,257</b>	<b>37,439,515</b>
379100	Decrease (Increase) in Working Capital	-5,155,174	8,088,832	-2,451,143	14,865,429

# Seattle Public Utilities

	<b>Total Solid Waste Fund</b>	<b>-5,155,174</b>	<b>8,088,832</b>	<b>-2,451,143</b>	<b>14,865,429</b>
379100	Decrease (Increase) in Working Capital	11,427,280	-1,445,607	-3,241,219	-1,026,483
	<b>Total Water Fund</b>	<b>11,427,280</b>	<b>-1,445,607</b>	<b>-3,241,219</b>	<b>-1,026,483</b>
<b>Total Resources</b>		<b>991,539,286</b>	<b>1,023,537,320</b>	<b>1,094,210,595</b>	<b>1,168,981,008</b>

## Appropriations By Budget Control Level (BCL) and Program

### Administration Budget Control Level

The purpose of the Drainage and Wastewater Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Drainage and Wastewater Utility, and to provide core financial, human resource, and information technology services.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	1,552,240	19,296,673	13,024,113	13,469,145
General and Administrative Credit	0	-12,248,965	-11,607,821	-11,931,340
<b>Total</b>	<b>1,552,240</b>	<b>7,047,708</b>	<b>1,416,292</b>	<b>1,537,805</b>
Full-time Equivalents Total*	66.75	68.75	19.75	19.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

*The following information summarizes the programs in Administration Budget Control Level:*

#### **Administration Program**

The purpose of the Drainage and Wastewater Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Drainage and Wastewater Utility, and to provide core financial, human resource, and information technology services to the entire department.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	1,552,240	19,296,673	13,024,113	13,469,145
Full-time Equivalents Total	66.75	68.75	19.75	19.75

#### **General and Administrative Credit Program**

The purpose of the Drainage and Wastewater Utility's General and Administrative Credit Program is to provide appropriation for indirect cost allocation recovery, fringe overhead, and equipment depreciation.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General and Administrative Credit	0	-12,248,965	-11,607,821	-11,931,340

# Seattle Public Utilities

## Combined Sewer Overflows Budget Control Level

The purpose of the Drainage and Wastewater Utility Combined Sewer Overflow (CSO) Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to plan and construct large infrastructure systems, smaller retrofits, and green infrastructure for CSO control.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Combined Sewer Overflows	60,736,249	56,597,377	37,290,884	39,482,646
<b>Total</b>	<b>60,736,249</b>	<b>56,597,377</b>	<b>37,290,884</b>	<b>39,482,646</b>
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Customer Service Budget Control Level

The purpose of the Drainage and Wastewater Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Service	8,002,537	9,649,850	10,498,664	10,758,098
<b>Total</b>	<b>8,002,537</b>	<b>9,649,850</b>	<b>10,498,664</b>	<b>10,758,098</b>
Full-time Equivalents Total*	59.50	60.50	60.50	60.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Flooding, Sewer Back-up, and Landslides Budget Control Level

The purpose of the Drainage and Wastewater Utility Flooding, Sewer Back-up, and Landslides Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to plan, design and construct systems aimed at preventing or alleviating flooding and sewer backups in the City of Seattle, protecting public health, safety, and property. This program also protects SPU drainage and wastewater infrastructure from landslides, and makes drainage improvements where surface water generated from City rights-of-way contributes to landslides.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Flooding, Sewer Back-up, and Landslides	11,534,355	13,390,009	18,646,186	32,178,536
<b>Total</b>	<b>11,534,355</b>	<b>13,390,009</b>	<b>18,646,186</b>	<b>32,178,536</b>
Full-time Equivalents Total*	25.00	25.00	25.00	25.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

## General Expense Budget Control Level

The purpose of the Drainage and Wastewater Utility General Expense Budget Control Level is to appropriate funds to pay the Drainage and Wastewater Utility's general expenses.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Debt Service	0	52,991,823	63,679,631	73,251,121
Other General Expenses	265,549,393	171,164,501	199,320,533	204,602,850
Taxes	0	48,067,298	51,274,136	52,654,747
<b>Total</b>	<b>265,549,393</b>	<b>272,223,622</b>	<b>314,274,300</b>	<b>330,508,718</b>
Full-time Equivalents Total*	0.50	0.50	0.50	0.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in General Expense Budget Control Level:**

### Debt Service Program

The purpose of the Drainage and Wastewater Utility Debt Service Program is to provide appropriation for debt service on Drainage and Wastewater Utility bonds.

Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Debt Service	0	52,991,823	63,679,631	73,251,121

### Other General Expenses Program

The purpose of the Drainage and Wastewater Utility Other General Expenses Program is to appropriate funds for SPU's share of City central costs, claims, contracts, and other general expenses.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Other General Expenses	265,549,393	171,164,501	199,320,533	204,602,850
Full-time Equivalents Total	0.50	0.50	0.50	0.50

### Taxes Program

The purpose of the Drainage and Wastewater Utility Taxes Program is to provide appropriation for payment of city and state taxes.

Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Taxes	0	48,067,298	51,274,136	52,654,747

# Seattle Public Utilities

## Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Drainage and Wastewater Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, Utility Systems Management, DWW LOB, Solid Waste LOB, and Water LOB programs.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
DWW LOB	0	43,237,946	46,061,587	46,970,685
Field Operations	0	0	0	0
Pre-Capital Planning & Development	0	1,676,836	2,188,339	2,119,200
Project Delivery	55,798,101	12,736,148	13,228,787	13,559,706
Utility Systems Management	0	0	0	0
Water LOB	0	7,335,903	5,250,560	5,597,312
<b>Total</b>	<b>55,798,101</b>	<b>64,986,833</b>	<b>66,729,273</b>	<b>68,246,903</b>
Full-time Equivalents Total*	286.05	294.05	292.05	292.05

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Other Operating Budget Control Level:**

### **DWW LOB Program**

The purpose of the Drainage and Wastewater Line of Business Program is to manage sewage and stormwater to protect public health as required by the Environmental Protection Agency and state regulatory agencies. This includes efforts to inspect, clean, and maintain systems, educate customers to keep things out of the system that contribute to flooding and runoff pollution, and to ensure the system meets population growth and development needs. Costs for the Drainage and Wastewater Line of Business can apply to other utility lines of business through shared services.

Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
DWW LOB	0	43,237,946	46,061,587	46,970,685

### **Field Operations Program**

Until 2016, the purpose of the Drainage and Wastewater Utility's Field Operations Program is to operate and maintain drainage and wastewater infrastructure that protects the public's health, and protects and improves the environment. In 2016, The Drainage and Wastewater Utility's Field Operations Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Field Operations	0	0	0	0
Full-time Equivalents Total	118.75	118.75	118.75	118.75



# Seattle Public Utilities

## Pre-Capital Planning & Development Program

The purpose of the Drainage and Wastewater Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the drainage and wastewater system. This program will capture all costs associated with a project that need to be expensed during its life cycle, including any post-construction monitoring and landscape maintenance.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Pre-Capital Planning & Development	0	1,676,836	2,188,339	2,119,200
Full-time Equivalents Total	0.00	0.00	-2.00	-2.00

## Project Delivery Program

The purpose of the Drainage and Wastewater Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Drainage and Wastewater Utility's capital improvement projects and to the managers of drainage and wastewater facilities.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Project Delivery	55,798,101	12,736,148	13,228,787	13,559,706
Full-time Equivalents Total	74.00	81.00	81.00	81.00

## Utility Systems Management Program

Until 2016, the purpose of the Drainage and Wastewater Utility's Utility Systems Management Program was to ensure that each SPU utility system and associated assets were properly planned, developed, operated, and maintained and that asset management principles and practices were applied to achieve established customer and environmental service levels at the lowest life cycle cost. In 2016, The Drainage and Wastewater Utility's Utility Systems Management Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Utility Systems Management	0	0	0	0
Full-time Equivalents Total	93.30	93.30	93.30	93.30

## Water LOB Program

The purpose of the Water Line of Business Program is to manage, treat, and reliably deliver high-quality drinking water. The Water Line of Business also promotes wise water use, and manages the Cedar and Tolt watersheds, dams, and water storage facilities to ensure the system meets population growth and development needs. Costs for the Water Lines of Business can apply to other utility lines of business through shared services.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Water LOB	0	7,335,903	5,250,560	5,597,312
Full-time Equivalents Total	0.00	1.00	1.00	1.00

# Seattle Public Utilities

## Protection of Beneficial Uses Budget Control Level

The purpose of the Drainage and Wastewater Utility Protection of Beneficial Uses Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to make improvements to the City's drainage system to reduce the harmful effects of stormwater runoff on creeks and receiving waters by improving water quality and protecting or enhancing habitat.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Protection of Beneficial Uses	4,917,051	4,820,211	9,897,378	10,283,913
<b>Total</b>	<b>4,917,051</b>	<b>4,820,211</b>	<b>9,897,378</b>	<b>10,283,913</b>
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Rehabilitation Budget Control Level

The purpose of the Drainage and Wastewater Utility Rehabilitation Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to rehabilitate or replace existing drainage and wastewater assets in kind, to maintain the current functionality of the system.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Rehabilitation	14,759,126	19,758,185	29,774,678	36,603,112
<b>Total</b>	<b>14,759,126</b>	<b>19,758,185</b>	<b>29,774,678</b>	<b>36,603,112</b>
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Sediments Budget Control Level

The purpose of the Drainage and Wastewater Utility Sediments Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to restore and rehabilitate natural resources in or along Seattle's waterways.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Sediments	3,346,542	4,761,538	6,854,789	6,552,998
<b>Total</b>	<b>3,346,542</b>	<b>4,761,538</b>	<b>6,854,789</b>	<b>6,552,998</b>
Full-time Equivalents Total*	7.00	7.00	7.00	7.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

## Shared Cost Projects Budget Control Level

The purpose of the Drainage and Wastewater Utility Shared Cost Projects Budget Control Level, a Drainage and Wastewater Capital Improvement Program, is to implement the Drainage and Wastewater Utility's share of capital improvement projects that receive funding from multiple SPU funds benefiting the Utility.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Shared Cost Projects	18,839,478	17,845,078	23,446,404	33,004,611
<b>Total</b>	<b>18,839,478</b>	<b>17,845,078</b>	<b>23,446,404</b>	<b>33,004,611</b>
Full-time Equivalents Total*	39.00	39.00	39.00	39.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Technology Budget Control Level

The purpose of the Drainage and Wastewater Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of recent technology advances to increase the Drainage and Wastewater Utility's efficiency and productivity.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Technology	6,730,712	12,796,754	11,185,051	6,161,485
<b>Total</b>	<b>6,730,712</b>	<b>12,796,754</b>	<b>11,185,051</b>	<b>6,161,485</b>
Full-time Equivalents Total*	13.00	13.00	13.00	13.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Administration Budget Control Level

The purpose of the Solid Waste Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Solid Waste Utility, and to provide core financial, human resource, and information technology services.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Administration	3,761,497	7,761,293	6,061,339	6,154,767
General and Administrative Credit	0	-2,444,057	-1,494,810	-1,493,538
<b>Total</b>	<b>3,761,497</b>	<b>5,317,236</b>	<b>4,566,529</b>	<b>4,661,229</b>
Full-time Equivalents Total*	28.50	28.50	16.50	16.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

*The following information summarizes the programs in Administration Budget Control Level:*

## Administration Program

The purpose of the Solid Waste Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Solid Waste Utility, and to provide core financial, human resource, and information technology services to the entire department.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Administration	3,761,497	7,761,293	6,061,339	6,154,767
Full-time Equivalents Total	28.50	28.50	16.50	16.50

## General and Administrative Credit Program

The purpose of the Solid Waste Utility's General and Administrative Credit Program is to provide appropriation for indirect cost allocation recovery, fringe overhead, and equipment depreciation.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
General and Administrative Credit	0	-2,444,057	-1,494,810	-1,493,538

## Customer Service Budget Control Level

The purpose of the Solid Waste Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of programs and services.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Customer Service	12,692,444	12,695,274	11,819,025	12,000,301
<b>Total</b>	<b>12,692,444</b>	<b>12,695,274</b>	<b>11,819,025</b>	<b>12,000,301</b>
Full-time Equivalents Total*	84.50	86.50	86.50	86.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## General Expense Budget Control Level

The purpose of the Solid Waste Utility General Expense Budget Control Level is to provide appropriation to pay the Solid Waste Utility's general expenses.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Debt Service	0	16,508,007	16,376,671	16,306,288
Other General Expenses	142,807,178	117,083,681	123,315,322	127,336,750
Taxes	0	22,431,755	25,967,732	27,435,605
<b>Total</b>	<b>142,807,178</b>	<b>156,023,443</b>	<b>165,659,725</b>	<b>171,078,643</b>

# Seattle Public Utilities

**The following information summarizes the programs in General Expense Budget Control Level:**

## Debt Service Program

The purpose of the Solid Waste Utility Debt Service Program is to appropriate funds for debt service on Solid Waste Utility bonds.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service	0	16,508,007	16,376,671	16,306,288

## Other General Expenses Program

The purpose of the Solid Waste Utility Other General Expenses Program is to appropriate funds for SPU's share of City central costs, claims, contracts, and other general expenses.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Other General Expenses	142,807,178	117,083,681	123,315,322	127,336,750

## Taxes Program

The purpose of the Solid Waste Utility Taxes Program is to appropriate funds for payment of city and state taxes.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Taxes	0	22,431,755	25,967,732	27,435,605

## **New Facilities Budget Control Level**

The purpose of the Solid Waste Utility New Facilities Budget Control Level, a Capital Improvement Program funded by solid waste revenues, is to design and construct new facilities to enhance solid waste operations.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
New Facilities	46,659,697	30,551,733	7,823,757	19,672,816
<b>Total</b>	<b>46,659,697</b>	<b>30,551,733</b>	<b>7,823,757</b>	<b>19,672,816</b>
Full-time Equivalents Total*	9.00	9.00	9.00	9.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Seattle Public Utilities

## Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Solid Waste Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, Utility Systems Management, DWW LOB, Solid Waste LOB, and Water LOB programs.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
DWW LOB	0	80,347	80,442	82,072
Field Operations	0	0	0	0
Pre-Capital Planning & Development	0	150,310	170,071	173,481
Project Delivery	15,790,318	1,236,948	1,232,921	1,257,535
Solid Waste LOB	0	16,341,270	21,778,290	22,301,912
Utility Systems Management	0	0	0	0
Water LOB	0	637,740	469,472	477,015
<b>Total</b>	<b>15,790,318</b>	<b>18,446,615</b>	<b>23,731,196</b>	<b>24,292,015</b>
Full-time Equivalents Total*	76.56	78.56	82.56	82.56

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### **The following information summarizes the programs in Other Operating Budget Control Level:**

#### **DWW LOB Program**

The purpose of the Drainage and Wastewater Line of Business Program is to manage sewage and stormwater to protect public health as required by the Environmental Protection Agency and state regulatory agencies. This includes efforts to inspect, clean, and maintain systems, educate customers to keep things out of the system that contribute to flooding and runoff pollution, and to ensure the system meets population growth and development needs. Costs for the Drainage and Wastewater Line of Business can apply to other utility lines of business through shared services.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
DWW LOB	0	80,347	80,442	82,072
Full-time Equivalents Total	0.00	2.00	2.00	2.00

#### **Field Operations Program**

Until 2016, the purpose of the Solid Waste Utility's Field Operations Program is to operate and maintain the City's solid waste transfer stations and hazardous materials disposal facilities, and to monitor and maintain the City's closed landfills so the public's health is protected and opportunities are provided for reuse and recycling. In 2016, the Solid Waste Utility's Field Operations program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Field Operations	0	0	0	0
Full-time Equivalents Total	57.00	57.00	57.00	57.00

# Seattle Public Utilities

## Pre-Capital Planning & Development Program

The purpose of the Solid Waste Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the solid waste system. This program will capture all costs associated with a project that needs to be expensed during its life cycle, including any post-construction monitoring and landscape maintenance.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Pre-Capital Planning & Development	0	150,310	170,071	173,481
Full-time Equivalents Total	0.00	0.00	-1.00	-1.00

## Project Delivery Program

The purpose of the Solid Waste Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Solid Waste Fund capital improvement projects, and to solid waste facility managers.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Project Delivery	15,790,318	1,236,948	1,232,921	1,257,535

## Solid Waste LOB Program

The purpose of the Solid Waste Line of Business Program is to manage garbage, recycling, and yard waste collection, and to educate customers to encourage the composting of yard waste and organics, recycling, and garbage reduction. This program includes operating Seattle's two garbage and recycling transfer stations. Costs for the Solid Waste Line of Business can apply to other Utility lines of business through shared services.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Solid Waste LOB	0	16,341,270	21,778,290	22,301,912
Full-time Equivalents Total	0.00	0.00	5.00	5.00

## Utility Systems Management Program

Until 2016, the purpose of the Solid Waste Utility's Utility Systems Management Program is to ensure that each SPU utility system and associated assets are properly planned, developed, operated, and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life cycle cost. In 2016, the Solid Waste Utility's Utility Systems Management Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Utility Systems Management	0	0	0	0
Full-time Equivalents Total	19.56	19.56	19.56	19.56

# Seattle Public Utilities

## Water LOB Program

The purpose of the Water Line of Business Program is to manage, treat, and reliably deliver high-quality drinking water. The Water Line of Business also promotes wise water use, and manages the Cedar and Tolt watersheds, dams, and water storage facilities to ensure the system meets population growth and development needs. Costs for the Water Lines of Business can apply to other utility lines of business through shared services.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Water LOB	0	637,740	469,472	477,015

### Rehabilitation and Heavy Equipment Budget Control Level

The purpose of the Solid Waste Utility Rehabilitation and Heavy Equipment Budget Control Level, a Capital Improvement Program funded by solid waste revenues, is to implement projects to repair and rehabilitate the City's solid waste transfer stations and improve management of the City's closed landfills and household hazardous waste sites.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Rehabilitation and Heavy Equipment	9,539	430,000	400,000	120,000
<b>Total</b>	<b>9,539</b>	<b>430,000</b>	<b>400,000</b>	<b>120,000</b>

### Shared Cost Projects Budget Control Level

The purpose of the Solid Waste Utility Shared Cost Projects Budget Control Level, a Solid Waste Capital Improvement Program, is to implement the Solid Waste Utility's share of capital improvement projects that receive funding from multiple SPU funds and will benefit the Solid Waste Fund.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Shared Cost Projects	1,827,961	1,146,963	2,921,977	2,343,914
<b>Total</b>	<b>1,827,961</b>	<b>1,146,963</b>	<b>2,921,977</b>	<b>2,343,914</b>

### Technology Budget Control Level

The purpose of the Solid Waste Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of technology to increase the Solid Waste Utility's efficiency and productivity.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Technology	5,200,533	7,234,937	5,864,014	2,750,610
<b>Total</b>	<b>5,200,533</b>	<b>7,234,937</b>	<b>5,864,014</b>	<b>2,750,610</b>
Full-time Equivalents Total*	6.00	6.00	6.00	6.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Seattle Public Utilities

## **Administration Budget Control Level**

The purpose of the Water Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Water Utility, and to provide core financial, human resource, and information technology services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	7,481,273	20,396,225	14,910,617	15,308,402
General and Administrative Credit	0	-8,869,247	-7,206,102	-6,766,395
<b>Total</b>	<b>7,481,273</b>	<b>11,526,978</b>	<b>7,704,515</b>	<b>8,542,007</b>
Full-time Equivalents Total*	98.10	99.10	62.10	62.10

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Administration Budget Control Level:**

### **Administration Program**

The purpose of the Water Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Water Utility, and to provide core financial, human resource, and information technology services to the entire department.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	7,481,273	20,396,225	14,910,617	15,308,402
Full-time Equivalents Total	98.10	99.10	62.10	62.10

### **General and Administrative Credit Program**

The purpose of the Water Utility's General and Administrative Credit Program is to provide appropriation for indirect cost allocation recovery, fringe overhead, and equipment depreciation.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General and Administrative Credit	0	-8,869,247	-7,206,102	-6,766,395

# Seattle Public Utilities

## Customer Service Budget Control Level

The purpose of the Water Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of programs and services.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Service	9,726,727	11,549,731	12,343,177	12,680,694
<b>Total</b>	<b>9,726,727</b>	<b>11,549,731</b>	<b>12,343,177</b>	<b>12,680,694</b>
Full-time Equivalents Total*	82.00	86.00	86.00	86.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Distribution Budget Control Level

The purpose of the Water Utility Distribution Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's water lines, pump stations, and other facilities.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Distribution	19,808,547	21,514,429	28,545,498	28,145,207
<b>Total</b>	<b>19,808,547</b>	<b>21,514,429</b>	<b>28,545,498</b>	<b>28,145,207</b>
Full-time Equivalents Total*	79.00	79.00	79.00	79.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## General Expense Budget Control Level

The purpose of the Water Utility General Expense Budget Control Level is to appropriate funds to pay the Water Utility's general expenses.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt Service	0	85,534,987	83,472,461	85,612,088
Other General Expenses	154,661,716	26,608,339	33,608,680	34,489,552
Taxes	0	41,536,667	42,293,582	44,090,410
<b>Total</b>	<b>154,661,716</b>	<b>153,679,993</b>	<b>159,374,723</b>	<b>164,192,050</b>

# Seattle Public Utilities

*The following information summarizes the programs in General Expense Budget Control Level:*

## Debt Service Program

The purpose of the Water Utility Debt Service Program is to appropriate funds for debt service on Water Utility bonds.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service	0	85,534,987	83,472,461	85,612,088

## Other General Expenses Program

The purpose of the Water Utility Other General Expenses Program is to appropriate funds for SPU's share of City central costs, claims, contracts, and other general expenses.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Other General Expenses	154,661,716	26,608,339	33,608,680	34,489,552

## Taxes Program

The purpose of the Water Utility Taxes Program is to appropriate funds for payment of city and state taxes.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Taxes	0	41,536,667	42,293,582	44,090,410

## Habitat Conservation Program Budget Control Level

The purpose of the Water Utility Habitat Conservation Budget Control Level, a Capital Improvement Program funded by water revenues, is to manage projects directly related to the Cedar River Watershed Habitat Conservation Plan.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Habitat Conservation Program	1,348,701	2,116,292	2,105,933	2,606,331
<b>Total</b>	<b>1,348,701</b>	<b>2,116,292</b>	<b>2,105,933</b>	<b>2,606,331</b>
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Seattle Public Utilities

## **Other Operating Budget Control Level**

The purpose of the Other Operating Budget Control Level is to fund the Water Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, Utility Systems Management, DWW LOB, Solid Waste LOB, and Water LOB programs.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
DWW LOB	0	221,861	179,311	181,380
Field Operations	0	0	0	0
Pre-Capital Planning & Development	0	1,836,304	1,784,392	1,798,197
Project Delivery	55,608,271	6,885,374	7,215,945	7,517,759
Utility Systems Management	0	0	0	0
Water LOB	0	49,278,701	52,483,442	52,699,804
<b>Total</b>	<b>55,608,271</b>	<b>58,222,240</b>	<b>61,663,090</b>	<b>62,197,140</b>
Full-time Equivalents Total*	270.59	272.59	269.59	269.59

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Other Operating Budget Control Level:**

### **DWW LOB Program**

The purpose of the Drainage and Wastewater Line of Business Program is to manage sewage and stormwater to protect public health as required by the Environmental Protection Agency and state regulatory agencies. This includes efforts to inspect, clean, and maintain systems, educate customers to keep things out of the system that contribute to flooding and runoff pollution, and to ensure the system meets population growth and development needs. Costs for the Drainage and Wastewater Line of Business can apply to other utility lines of business through shared services.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
DWW LOB	0	221,861	179,311	181,380
Full-time Equivalents Total	0.00	2.00	2.00	2.00

### **Field Operations Program**

Until 2016, the purpose of the Water Utility's Field Operations Program is to operate and maintain the infrastructure that provides the public with an adequate, reliable, and safe supply of high-quality drinking water. In 2016, the Water Utility's Field Operations Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Field Operations	0	0	0	0
Full-time Equivalents Total	124.00	124.00	124.00	124.00

# Seattle Public Utilities

## Pre-Capital Planning & Development Program

The purpose of the Water Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the water system. This program will capture all costs associated with a project that need to be expensed during the life cycle of the project, including any post-construction monitoring and landscape maintenance.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Pre-Capital Planning & Development	0	1,836,304	1,784,392	1,798,197
Full-time Equivalents Total	0.00	0.00	-2.00	-2.00

## Project Delivery Program

The purpose of the Water Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Water Utility's capital improvement projects and to the managers of water facilities.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Project Delivery	55,608,271	6,885,374	7,215,945	7,517,759
Full-time Equivalents Total	24.50	24.50	24.50	24.50

## Utility Systems Management Program

Until 2016, the purpose of the Water Utility's Utility Systems Management Program is to assure that SPU utility system and associated assets are properly planned, developed, operated and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life cycle cost. In 2016, The Water Utility's Utility Systems Management Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Utility Systems Management	0	0	0	0
Full-time Equivalents Total	122.09	122.09	122.09	122.09

## Water LOB Program

The purpose of the Water Line of Business Program is to manage, treat, and reliably deliver high-quality drinking water. The Water Line of Business also promotes wise water use, and manages the Cedar and Tolt watersheds, dams, and water storage facilities to ensure the system meets population growth and development needs. Costs for the Water Lines of Business can apply to other utility lines of business through shared services.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Water LOB	0	49,278,701	52,483,442	52,699,804
Full-time Equivalents Total	0.00	0.00	-1.00	-1.00

# Seattle Public Utilities

## Shared Cost Projects Budget Control Level

The purpose of the Water Utility Shared Cost Projects Budget Control Level, which is a Water Capital Improvement Program, is to implement the Water Utility's share of capital improvement projects that receive funding from multiple SPU funds.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Shared Cost Projects	29,079,309	21,701,948	35,633,742	38,399,445
<b>Total</b>	<b>29,079,309</b>	<b>21,701,948</b>	<b>35,633,742</b>	<b>38,399,445</b>
Full-time Equivalents Total*	56.00	56.00	56.00	56.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Technology Budget Control Level

The purpose of the Water Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of technology to increase the Water Utility's efficiency and productivity.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Technology	6,797,585	13,314,128	11,733,604	7,409,884
<b>Total</b>	<b>6,797,585</b>	<b>13,314,128</b>	<b>11,733,604</b>	<b>7,409,884</b>
Full-time Equivalents Total*	22.00	22.00	22.00	22.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Transmission Budget Control Level

The purpose of the Water Utility Transmission Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's large transmission pipelines that bring untreated water to the treatment facilities, and convey water from the treatment facilities to Seattle and its suburban wholesale customers' distribution systems.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Transmission	1,862,016	3,788,015	5,529,397	22,430,952
<b>Total</b>	<b>1,862,016</b>	<b>3,788,015</b>	<b>5,529,397</b>	<b>22,430,952</b>
Full-time Equivalents Total*	5.00	5.00	5.00	5.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

## Water Quality & Treatment Budget Control Level

The purpose of the Water Utility Water Quality & Treatment Budget Control Level, a Capital Improvement Program funded by water revenues, is to design, construct, and repair water treatment facilities and remaining open-water reservoirs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Water Quality & Treatment	9,535,406	1,846,000	8,444,366	385,000
<b>Total</b>	<b>9,535,406</b>	<b>1,846,000</b>	<b>8,444,366</b>	<b>385,000</b>
Full-time Equivalents Total*	14.00	14.00	14.00	14.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Water Resources Budget Control Level

The purpose of the Water Utility Water Resources Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade water transmission pipelines and promote residential and commercial water conservation.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Water Resources	14,879,061	7,713,200	8,265,947	8,776,459
<b>Total</b>	<b>14,879,061</b>	<b>7,713,200</b>	<b>8,265,947</b>	<b>8,776,459</b>
Full-time Equivalents Total*	12.00	12.00	12.00	12.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Watershed Stewardship Budget Control Level

The purpose of the Water Utility Watershed Stewardship Budget Control Level, a Capital Improvement Program funded by water revenues, is to implement projects associated with the natural land, forestry, and fishery resources within the Tolt, Cedar, and Lake Youngs watersheds.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Watershed Stewardship	235,722	841,000	66,481	977,486
<b>Total</b>	<b>235,722</b>	<b>841,000</b>	<b>66,481</b>	<b>977,486</b>
Full-time Equivalents Total*	8.00	8.00	8.00	8.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Public Utilities

## SPU Fund Table

### Drainage and Wastewater Utility Fund (44010)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Operating Cash at End of Previous Year</b>	<b>101,299,000</b>	<b>82,658,000</b>	<b>100,918,000</b>	<b>86,893,000</b>	<b>68,208,949</b>
Plus: Actual and Estimated Revenues	450,651,015	466,985,560	480,117,972	501,556,642	537,879,310
Less: Actual and Budgeted Expenditures	451,765,784	483,877,165	502,474,031	530,013,899	575,318,825
Plus: Accounting and Technical Adjustments	733,769	(13,266,395)	8,331,059	9,773,206	18,293,991
<b>Ending Operating Cash</b>	<b>100,918,000</b>	<b>52,500,000</b>	<b>86,893,000</b>	<b>68,208,949</b>	<b>49,063,425</b>
Planning Reserve	0	(4,102,843)	0	0	0
<b>Ending Unreserved Operating Cash</b>	<b>100,918,000</b>	<b>48,397,157</b>	<b>86,893,000</b>	<b>68,208,949</b>	<b>49,063,425</b>

### Solid Waste Utility Fund (45010)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Operating Cash at End of Previous Year</b>	<b>30,518,000</b>	<b>34,371,000</b>	<b>42,220,000</b>	<b>43,498,000</b>	<b>43,498,000</b>
Plus: Actual and Estimated Revenues	233,904,341	223,757,369	224,600,173	225,237,366	222,054,099
Less: Actual and Budgeted Expenditures	228,749,167	231,846,201	240,865,015	222,786,223	236,919,528
Plus: Accounting and Technical Adjustments	6,546,826	4,768,832	17,542,842	(2,451,143)	(5,858,571)
<b>Ending Operating Cash</b>	<b>42,220,000</b>	<b>31,051,000</b>	<b>43,498,000</b>	<b>43,498,000</b>	<b>22,774,000</b>
Planning Reserve	0	(1,474,711)	0	0	0
<b>Ending Unreserved Operating Cash</b>	<b>42,220,000</b>	<b>29,576,289</b>	<b>43,498,000</b>	<b>43,498,000</b>	<b>22,774,000</b>



## Seattle Public Utilities

### Water Utility Fund (43000)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Operating Cash at End of Previous Year</b>	<b>43,516,000</b>	<b>25,293,000</b>	<b>42,116,000</b>	<b>27,000,000</b>	<b>27,000,000</b>
Plus: Actual and Estimated Revenues	299,597,054	309,259,561	316,233,384	344,651,692	357,769,138
Less: Actual and Budgeted Expenditures	311,024,334	307,813,954	338,724,052	341,410,473	356,742,655
Plus: Accounting and Technical Adjustments	(11,738,607)	7,374,668	(3,241,219)	(1,026,483)	(7,449,789)
<b>Ending Operating Cash</b>	<b>42,116,000</b>	<b>15,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>
Planning Reserve	(3,325,640)	(3,979,475)	0	0	0
<b>Ending Unreserved Operating Cash</b>	<b>38,790,360</b>	<b>11,020,525</b>	<b>27,000,000</b>	<b>27,000,000</b>	<b>27,000,000</b>

# Seattle Streetcar

Scott Kubly, Director

(206) 684-5000

<http://www.seattle.gov/transportation/>

## Department Overview

The Seattle Streetcar is part of the Seattle Department of Transportation (SDOT), which operates and maintains the lines of the Seattle Streetcar. The South Lake Union line began operation in late 2007, and the First Hill line began operations in 2016. Two extensions (the Broadway Streetcar Extension and the Center City Connector) are planned in SDOT's Capital Improvement Program to complete a 5.5 mile Center City streetcar system.

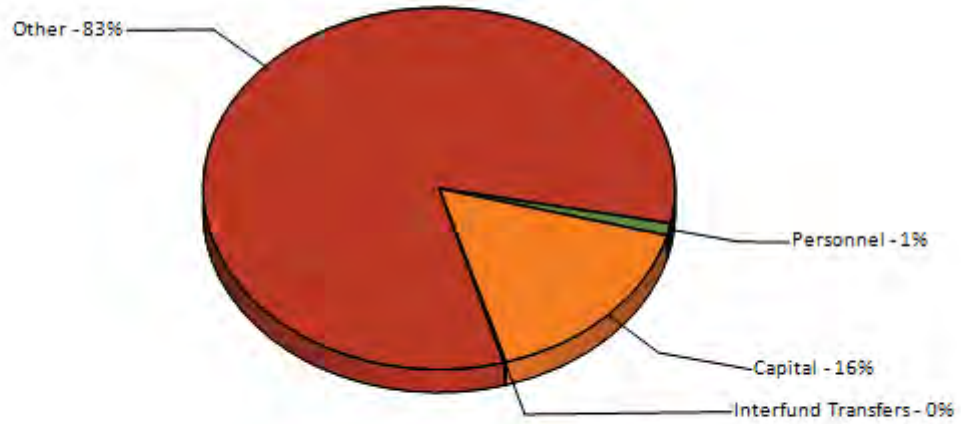
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$5,732,922	\$5,870,124	\$6,220,000	\$5,660,000
<b>Total Operations</b>	<b>\$5,732,922</b>	<b>\$5,870,124</b>	<b>\$6,220,000</b>	<b>\$5,660,000</b>
<b>Total Appropriations</b>	<b>\$5,732,922</b>	<b>\$5,870,124</b>	<b>\$6,220,000</b>	<b>\$5,660,000</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

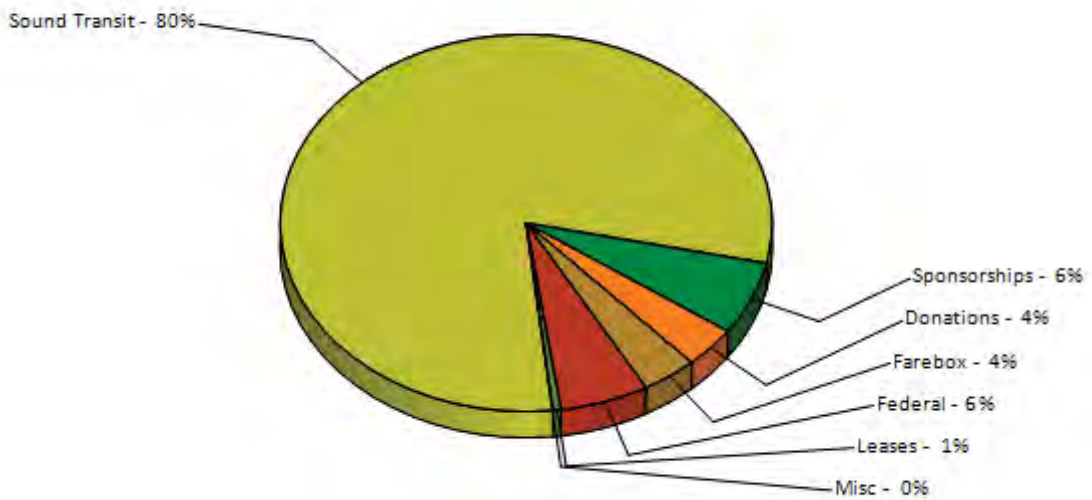
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Streetcar

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Seattle Streetcar

## Budget Overview

The Seattle Streetcar consists of two lines - the South Lake Union line and the First Hill line. The City of Seattle contracts with King County Metro to operate the streetcars. Pursuant to interlocal agreements, King County contributes about \$1.5 million annually for South Lake Union line operating costs and Sound Transit contributes \$5 million annually for First Hill line operating costs. The City pays the remaining costs to operate the streetcars. The City's share of the costs is covered by the following: streetcar fares, Federal Transit Administration funds, sponsorships, leases and contributions. The South Lake Union Streetcar is supported by a \$3.6 million interfund loan authorized by the City Council in June 2007 and amended in September 2009. The loan expires in December 2018.

## Incremental Budget Changes

### Seattle Streetcar

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 5,870,124</b>	<b>0.00</b>	<b>\$ 5,870,124</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 5,199	0.00	\$ 7,495	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustment	\$ 344,677	0.00	-\$ 217,619	0.00
<b>Total Incremental Changes</b>	<b>\$ 349,876</b>	<b>0.00</b>	<b>-\$ 210,124</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 6,220,000</b>	<b>0.00</b>	<b>\$ 5,660,000</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$5,199

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

# Seattle Streetcar

## Proposed Technical Changes

### Technical Adjustment - \$344,677

This adjustment is a technical adjustment to separate the First Hill Streetcar BCL from the South Lake Union BCL. The baseline budget had all streetcar funding within a single BCL. The adjustment also aligns to the actual budget need based on the City's operating agreement with King County.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
First Hill Streetcar Operations Budget Control Level	12002	0	0	5,475,000	4,915,000
South Lake Union Streetcar Operations Budget Control Level	12001	5,732,922	5,870,124	745,000	745,000
<b>Department Total</b>		<b>5,732,922</b>	<b>5,870,124</b>	<b>6,220,000</b>	<b>5,660,000</b>

<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
439090	Donation and Service Contributions - SLU	156,606	160,000	221,000	229,000
	<b>Total Donations</b>	<b>156,606</b>	<b>160,000</b>	<b>221,000</b>	<b>229,000</b>
444900	Farebox Revenue - First Hill	0	118,000	121,000	124,000
444900	Farebox Revenue - South Lake Union	96,365	102,907	105,995	109,174
	<b>Total Farebox</b>	<b>96,365</b>	<b>220,907</b>	<b>226,995</b>	<b>233,174</b>
471010	FTA Funds - First Hill	0	0	0	258,185
471010	FTA Funds - South Lake Union	545,578	345,000	364,808	172,123
	<b>Total Federal</b>	<b>545,578</b>	<b>345,000</b>	<b>364,808</b>	<b>430,308</b>
462500	LT Space/Facilities Leases	89,340	67,500	33,750	0
	<b>Total Leases</b>	<b>89,340</b>	<b>67,500</b>	<b>33,750</b>	<b>0</b>
544900	IF Other Miscellaneous Revenue	-19,290	0	0	0
	<b>Total Misc</b>	<b>-19,290</b>	<b>0</b>	<b>0</b>	<b>0</b>
444900	Sound Transit Funds - First Hill	4,934,299	5,000,000	5,000,000	5,000,000

## Seattle Streetcar

	<b>Total Sound Transit</b>	<b>4,934,299</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
439090	Sponsorships - First Hill	0	210,000	150,000	200,000
444900	Sponsorships - South Lake Union	324,073	235,497	242,562	249,838
	<b>Total Sponsorships</b>	<b>324,073</b>	<b>445,497</b>	<b>392,562</b>	<b>449,838</b>
	<b>Total Revenues</b>	<b>6,126,971</b>	<b>6,238,904</b>	<b>6,239,115</b>	<b>6,342,320</b>
317900	Use of (Contribution to) Fund Balance	-394,049	-368,780	-19,115	-682,320
	<b>Total Fund Balance</b>	<b>-394,049</b>	<b>-368,780</b>	<b>-19,115</b>	<b>-682,320</b>
	<b>Total Resources</b>	<b>5,732,922</b>	<b>5,870,124</b>	<b>6,220,000</b>	<b>5,660,000</b>

### Appropriations By Budget Control Level (BCL) and Program

#### First Hill Streetcar Operations Budget Control Level

The purpose of the First Hill Streetcar Operations Budget Control Level is to operate and maintain the First Hill Seattle Streetcar.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
First Hill Streetcar	0	0	5,475,000	4,915,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,475,000</b>	<b>4,915,000</b>

#### South Lake Union Streetcar Operations Budget Control Level

The purpose of the South Lake Union Budget Control Level is to operate and maintain the South Lake Union Seattle Streetcar.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
South Lake Union Streetcar Operations	5,732,922	5,870,124	745,000	745,000
<b>Total</b>	<b>5,732,922</b>	<b>5,870,124</b>	<b>745,000</b>	<b>745,000</b>

# Seattle Streetcar

## Streetcar Fund Table

### Streetcar Fund (10810)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>-3,582,461</b>	<b>-2,764,000</b>	<b>-3,188,412</b>	<b>-2,933,741</b>	<b>-2,914,626</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	6,126,971	6,238,904	6,202,712	6,239,115	6,342,320
Less: Actual and Budgeted Expenditures	5,732,922	5,870,124	5,948,041	6,220,000	5,660,000
<b>Ending Fund Balance</b>	<b>-3,188,412</b>	<b>-2,395,220</b>	<b>-2,933,741</b>	<b>-2,914,626</b>	<b>-2,232,306</b>
<b>Ending Unreserved Fund Balance</b>	<b>-3,188,412</b>	<b>-2,395,220</b>	<b>-2,933,741</b>	<b>-2,914,626</b>	<b>-2,232,306</b>

# Seattle Department of Transportation

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Scott Kubly, Director

(206) 684-5000

<http://www.seattle.gov/transportation/>

## Department Overview

The Seattle Department of Transportation (SDOT) develops, maintains, and operates a transportation system that promotes the safe and efficient mobility of people and goods, and enhances the quality of life, environment, and economy of Seattle and the surrounding region. The City's transportation infrastructure is valued at more than \$19.8 billion, including:

- 1,547 lane-miles of arterial streets;
- 2,407 lane-miles of non-arterial streets;
- 117 bridges;
- 509 stairways;
- 581 retaining walls;
- 22 miles of seawalls;
- 158 traffic cameras;
- 1,071 signalized intersections;
- 338 miles of on-street bicycle facilities;
- 41,000 street trees;
- 2,018 pay station locations;
- 29,073 curb ramps;
- more than 180,000 signs; and
- 110 acres of SDOT managed landscape areas.

The SDOT budget covers three major lines of business:

The **Transportation Capital Improvement Program** includes the major maintenance and replacement of SDOT's capital assets; the program also develops and constructs additions to the City's transportation infrastructure. The program includes the Major Maintenance/Replacement, Major Projects, and Mobility-Capital Budget Control Levels (BCLs).

**Operations and Maintenance** covers day-to-day operations and routine maintenance that keep people and goods moving throughout the City, which includes operating the City's movable bridges and traffic signals, cleaning streets, repairing potholes, issuing permits, maintaining trees, and planning and engineering transportation. The six BCLs in this area are: Bridges and Structures; Engineering Services; Mobility-Operations; Right-of-Way Management; Street Maintenance; and Urban Forestry.

**Business Management and Support** provides overall policy direction and business support for SDOT and includes the Department Management and General Expense BCLs.



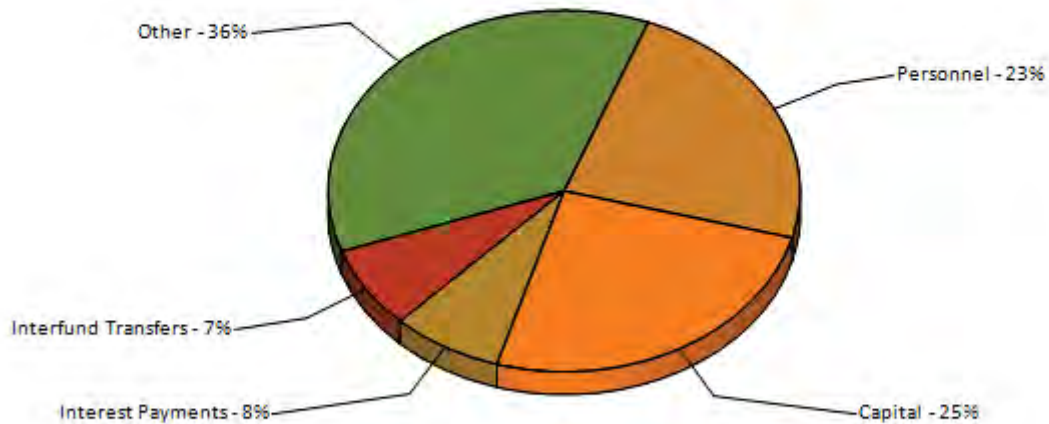
# Seattle Department of Transportation

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$39,660,716	\$44,308,048	\$46,058,162	\$44,445,394
Other Funding - Operating	\$382,771,896	\$446,726,658	\$394,585,356	\$516,683,517
<b>Total Operations</b>	<b>\$422,432,612</b>	<b>\$491,034,706</b>	<b>\$440,643,518</b>	<b>\$561,128,911</b>
<b>Total Appropriations</b>	<b>\$422,432,612</b>	<b>\$491,034,706</b>	<b>\$440,643,518</b>	<b>\$561,128,911</b>
Full-time Equivalent Total*	794.00	844.00	883.50	883.50

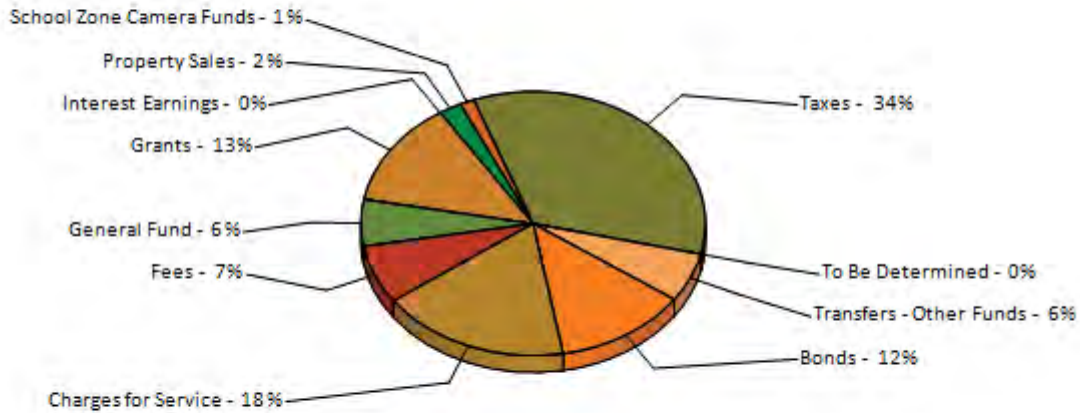
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## 2017 Proposed Budget - Expenditure by Category



# Seattle Department of Transportation

## 2017 Proposed Budget - Revenue by Category



## Budget Overview

The City of Seattle is one of the fastest growing large cities in America. While this growth provides great opportunities for economic development, it also places significant pressure on the transportation system managed and maintained by the Seattle Department of Transportation (SDOT). Within this context of growth and increasing density, the 2017-2018 Proposed Budget supports investments that enhance environments for walking, biking, riding transit, driving, and moving freight based on geographic equity and community need. The proposed budget also dedicates resources to strategic planning and to the management of existing and new assets. These resources will be used to further integrate SDOT's master plans, establish a fully connected and integrated rail system, and implement a comprehensive Move Seattle strategy that maintains and expands the City's transportation infrastructure. The proposed budget also makes investments in the effective management of the City's right of way such as smart technology and traffic incident management. SDOT prioritizes all investments based on safety, need, regulatory requirements and policies established by the Mayor and the City Council.

### Strategic Planning and Management of Existing and New Assets

The 2017-2018 Proposed Budget makes investments in strategic planning as well as the management of existing and new assets, including improving business practices and keeping the City in compliance with regulatory planning requirements. In addition to major capital projects and basic maintenance, the proposed budget funds provisions that maintain accessibility in the midst of significant downtown construction, including:

- advancing Move Seattle projects through accelerating several initiatives such as building new sidewalks and constructing the South Lander Street grade separation crossing;
- increasing the total annualized number of bus service hours by 39,500 for an additional cost of \$2.9

# Seattle Department of Transportation

million;

- providing bond funding for the required \$45 million local match to the proposed \$75 million federal Small Starts grant for the Center City Connector Streetcar; and
- providing funding in 2017 to enable City staff to do early work on the environmental assessment and design phases of the Sound Transit 3 projects, thereby enabling Sound Transit to accelerate the delivery of transit improvements in Seattle if the measure is successful.

## Enhanced Effective Management of the Right Of Way

The Seattle Department of Transportation manages the City's rights of way. As part of this stewardship the department equitably oversees, activates and regulates activities impacting safety, mobility and the environment in Seattle's right-of-way space. The 2017-2018 budget provisions would:

- fund improving traffic incident management through increasing staffing to respond to emergencies and quickly clear the roadway, and for the purchase of an advanced traffic management system to consolidate information from traffic systems and make the information available to travelers, traffic control systems, and traffic planners to optimize mobility and safety; and
- update the City's parking program by increasing on-street vanpool rates for greater parity with carpool rates; expanding warranty protection for parking pay stations; and providing for the installation of fewer pay stations per block in accord with current industry standards.

## Stronger Neighborhood and Community Engagement

The 2017-2018 Proposed Budget makes a variety of investments that aim at increasing neighborhood and community engagement around significant capital projects, including:

- reducing community impacts resulting from the 23rd Avenue Corridor Project by funding construction site clean-up, providing a storage yard, improving pedestrian detours, and opening the South Jackson Street to East Cherry Street segment earlier than previously planned; and
- creating and activating space for arts and cultural programming in King Street Station as well as providing office space for the City's Office of Arts and Culture staff.

## More Strategic SDOT Information Technology Systems

The proposed budget funds a number of technology improvements that will strengthen the department's ability to track, manage, analyze, strategically prioritize, financially leverage, and report on the SDOT project portfolio to decision-makers and stakeholders. In addition, the budget invests in data analytics tools that promote transparency, development of data-driven guidelines and identification and implementation of best practices. Funding is provided for a new tool that will give crews the ability to access work-order information remotely. Furthermore, the proposed budget supports effective project coordination through expanding the capacity of the Office of Project Coordination to work with its partners and minimize inconvenience to those who rely on the right of way.

## New Transportation Revenues

The 2017-2018 Proposed Budget uses several funding sources and increased revenues to support transportation infrastructure. Sources include federal, state and local grants; bonds; Move Seattle property levy proceeds; Metro Proposition 1 vehicle license fees and sales tax proceeds; commercial parking tax; vehicle license fees; fees for service; real estate excise taxes; street vacations; gas tax; property sale proceeds; revenue from school zone camera and red light camera infractions; and an annual allocation from the City's General Fund.

A significant source of funding for the proposed transportation budget is the Move Seattle property tax levy that was approved by voters in 2015. This nine-year, \$930 million levy is replacing the \$365 million Bridging the Gap levy that was approved by voters in 2006 and that expired in 2015. The Move Seattle levy provides \$10.7 million

# Seattle Department of Transportation

in 2017 and almost \$11 million in 2018 for the transportation operating budget. In addition, the levy supports the transportation capital program funding \$75 million in 2017 and \$110 million in 2018. A detailed funding breakdown is in the "Move Seattle 2017-2018 Proposed Budget" table below.

## Move Seattle 2017-2018 Proposed Budget

	2017 Proposed	2018 Proposed
<b>Revenues</b>	<b>96,983,601</b>	<b>99,008,620</b>
<b>Expenditures</b>	<b>85,846,353</b>	<b>121,358,679</b>
<b>Operations &amp; Maintenance</b>		
Bridge/Structure Maintenance	2,594,880	2,646,777
Corridor Projects Development	943,500	962,370
Curb and Pavement Marking	443,700	452,574
NSF/CRF Project and Program Management	228,582	233,154
Sign Maintenance	459,000	468,180
Signal Maintenance	428,400	436,968
Stairway & Structure Maintenance	484,500	494,190
Traffic Management Center	1,142,400	1,165,248
Traffic Signal Operations	1,326,000	1,352,520
Traffic Spot Improvements	596,700	608,634
Urban Forestry-Arborist Services	943,500	962,370
Urban Forestry-GF	1,147,500	1,170,450
<b>Operations &amp; Maintenance Subtotal</b>	<b>10,738,662</b>	<b>10,953,435</b>
<b>Capital Improvement Program</b>		
23rd Avenue Corridor Improvements	0	6,700,000
Arterial Asphalt & Concrete Program	25,314,970	18,391,500
Arterial Major Maintenance	1,500,000	1,500,000
Bike Master Plan Implementation	7,965,000	7,980,300
Bridge Rehabilitation and Replacement	4,465,000	19,835,000
Bridge Rehabilitation and Replacement Phase II	700,669	794,880
Bridge Seismic - Phase III	2,000,000	4,000,000
BRT Concepts Design	500,000	500,000
Burke-Gilman Trail Extension	0	2,000,000
Collision Evaluation Program	50,000	52,000
Delridge Multimodal Corridor	500,000	1,000,000
Fauntleroy Way SW Boulevard	700,000	7,600,000
Freight Spot Improvement Program	1,500,000	1,500,000
Madison Street Bus Rapid Transit	2,200,000	3,800,000
Neighborhood Large Projects	25,000	5,550,000
New Traffic Signals	277,022	284,936
Next Generation Intelligent Transportation Systems (ITS)	2,200,000	2,200,000
Northgate Bridge and Cycle Track	1,509,721	678,665

# Seattle Department of Transportation

	<b>2017</b>	<b>2018</b>
	<b>Proposed</b>	<b>Proposed</b>
Pedestrian Master Plan - New Sidewalks	9,000,000	4,000,000
Pedestrian Master Plan - School Safety	800,000	800,000
Pedestrian Master Plan Implementation	4,710,153	4,450,000
Rainier/Jackson Multimodal Corridor	400,000	2,300,000
Route 48 South Electrification	0	187,298
S Lander St. Grade Separation	0	3,500,000
Sidewalk Safety Repair	1,530,000	1,560,600
Signal Major Maintenance	960,156	966,986
SPU Drainage Partnership - Broadview Pedestrian Improvements	500,000	2,000,000
SPU Drainage Partnership - South Park	500,000	2,000,000
Transit Corridor Improvements	2,900,000	1,873,079
Vision Zero	2,400,000	2,400,000
<b>Capital Improvement Subtotal</b>	<b>75,107,691</b>	<b>110,405,244</b>

The gas tax revenues are increasing in 2017-2018 due to state legislative changes. Commercial parking tax revenues have been adjusted upward to reflect growth and these revenues are leveraged to back bond financing of both seawall/waterfront program items and general transportation needs including the Center City Connector Streetcar. Continued investments of Real Estate Excise Tax (REET) support SDOT's Capital Improvement Program (CIP), allowing for increased funding in 2017 and 2018 for infrastructure maintenance, preservation and expansion primarily focused on the Central Waterfront and general transportation projects.

The proposed budget provides SDOT with \$46 million in General Funds and \$394.6 million from other funding sources in 2017 and \$44.4 million in General Funds and \$516.7 million from other funding sources in 2018.

# Seattle Department of Transportation

## Performance Measures Budget Book Pilot

The Seattle Department of Transportation (SDOT) is one of nine departments participating in the 2017-18 Performance Measures Budget Book Pilot Project. This pilot explores potential use of the annual budget book to discuss and display performance measures and related financial information for City departments. Actuals from year ending 2016 were incomplete at the time of populating data and is not included. A more in-depth description of this pilot and its objectives can be found in the 2017-18 Proposed Executive Summary of this book.

As part of this project, SDOT worked with the City Budget Office to:

1. identify and present service area workload performance measures to be included in the 2017-18 Proposed Budget;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as applicable.

The following tables present information gathered during the initial pilot phase, and are subject to further refinement as this pilot is developed.

### **Taking Care of What We Have**

Provide timely and efficient repair of potholes

*2017-2018 Proposed Budget: \$2.31M (2017), \$2.38M (2018)*

**Program Summary:** Potholes are perhaps one of the most visible reminders of the health of a city's major streets and local roadways. It is important to fix potholes in a timely manner to maximize rider safety and comfort while also minimizing damage to vehicles and the existing road surface.

Potholes occur when street pavement cracks and breaks because of water or traffic. Over time, the water can cause the material under the pavement to erode, causing the pavement to sink down and break. During the winter, the water under the pavement can freeze and expand, and then thaw and contract. This freeze/thaw cycle can cause the pavement to crack so that it deteriorates quickly under the weight of traffic, and then streets can seem to break out in potholes overnight.

**Past Performance:** Although repairing 80% of reported potholes within three business days of notification is a very aggressive goal for a big city transportation department, SDOT routinely achieves this target. In fact, SDOT has met or exceeded this goal in 50 of the last 54 months on record and often exceeds 90% of potholes repaired within three days of notification.

**2017-18 Goal Statement:** Repair 80% of reported potholes within 3 business days.

**Expected Result:** In 2017-2018, SDOT expects to continue to consistently meet or exceed the existing performance measure of repairing 80% or more of potholes repaired within 3 business days of notification.

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
% avg. of potholes repaired within 3 business days	86%	95%	90%	90%	90%
Total number of potholes repaired	15,582	17,651	17,500	17,500	17,500
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Total Program Cost	\$2,409,624	\$2,220,236	\$2,229,901	\$2,310,230	\$2,379,537
Staff Program Hours	20,194	17,651	18,000	18,500	19,000

# Seattle Department of Transportation

## Providing More Transit Choices

Increase transit access

2017-2018 Proposed Budget: \$41.89M (2017), \$44.87M (2018)

**Program summary:** Seattle is one of the fastest growing large cities in the US, but as a mature urban community there is little room to expand city streets. The most effective way to move more people within the same space without increasing roadway congestion is to invest in transit. Transit vehicles provide mobility for more people per vehicle and use roadway space more efficiently. Bus transit is the workhorse of most transit systems, providing flexible route connections for areas with variable travel needs and linking less-urban areas with high-capacity transit services.

**Past Performance:** Over the last several years, the City purchased additional transit service hours beyond King County Metro’s base programming to increase frequency of Metro’s service on key City bus routes. Seattle’s successful 2014 transit funding ballot measure provides funding for additional bus service which restored some service Metro had previously cut and purchases additional new service that allows bus transit to grow in Seattle. Seattle’s initial investment in 2015 and early 2016 added approximately 265,000 annual service hours to Seattle routes. Of those hours invested, about 73,000 (28%) were added during the peak period to improve service quality for riders, addressing overcrowding and reliability needs. Approximately 192,000 (72%) annual service hours were invested in Seattle routes in late 2015 and early 2016 to improve off-peak service frequency, span, and service needs. In part because of these investments, the percent of households within a 10-minute walk to high frequency transit more than doubled from 25% in 2015 to 51% in 2016.

As a result of the City’s investment in service quality, Seattle has seen a dramatic increase in customers’ satisfaction with transit. The 2016 Customer Satisfaction Survey includes the following findings: 47% of respondents feel that getting around Seattle via public transit has gotten better over the past few years. This is a 29% increase from when this question was asked in 2014. In 2016, 26% of respondents feel that getting around their neighborhood via public transit has gotten better over the past few years. This is a 16% increase from 2014.

**2017-18 Goal Statement:** Increase the percent of households within a 10 minute (or ½ mile) walk to high frequency transit service. High frequency transit is transit that runs at a 5-12 minute frequency.

**Expected Result:** In 2017-2018, Seattle will finish the service investment ramp up through the Seattle Transportation Benefit District. As service is added and reinvested in the transit system during these years, additional households will have access to frequent service, which is estimated to reach 53% of households by 2018.

	<b>2015 Actuals</b>	<b>2016 Actuals</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
% households within a 10 minute walk to high frequency service	25%	51%	53%	53%
	<b>2015 Actuals</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Program Cost (Seattle)	\$12.4M	\$36.9M	\$41.89M	\$44.87M
Service hours invested in Seattle routes* (by Seattle)	141,000	265,000	335,387	343,784
Service hours invested in Seattle routes (by Metro)	1,709,000	1,709,000	1,709,000	1,709,000

\*Seattle Routes hours do not include Regional Partnership hours or Downtown Circulator service.



# Seattle Department of Transportation

## Repaving Seattle's Key Arterial Streets

Move Seattle Levy: Pavement condition

2017-18 Proposed Budget: \$25.3M (2017), \$18.4M (2018)

**Program Summary:** SDOT's goal is to understand and plan for the changes of tomorrow, while delivering great service today. SDOT is improving its use of data to drive decisions, especially as it relates to street maintenance and repair.

Traveler-miles represent the current number of people in cars, trucks, and buses that travel on Seattle's streets. The aggregate number of miles traveled by these people is approximately 10 billion traveler-miles per year. Over the course of the nine-year Move Seattle levy, the City will increase the amount of traveler-miles of pavement listed in "fair" to "better" condition.

**Past Performance:** No data exists for 2015 because the Move Seattle Levy began in 2016.

**2017-18 Goal Statement:** Increase "traveler miles" on pavement on arterial streets in fair or better condition due to the Move Seattle Levy.

**Expected Results:** The Move Seattle levy will provide \$250 million in funding for paving projects from 2016 through 2024. Current analysis estimates that delivery of this 9-year paving plan will increase the % of traveler miles on pavement on arterial streets in fair or better condition by 11% by 2025.

Initial paving projects projected for fiscal year 2016 include the following:

1. Mill/overlay on Renton Ave. S. between S. 112th St. and 51st Ave. S.,
2. Mill/overlay on Meridian Ave. N. from N. 103rd St. to N. 112th St.,
3. Mill/overlay on S. Spokane St. from Klickitat to E. Marginal Way S., and
4. Mill/Overlay on Greenwood Ave. N. from N. 112th St. to N. 145th St.

	<b>2014 Actuals</b>	<b>2015 Actuals</b>	<b>2016 Estimated</b>	<b>2017 Estimated</b>	<b>2018 Estimated</b>
% increase in traveler miles on pavement in fair or better condition due to the Move Seattle levy	N/A	N/A	1%	2%	3%
	<b>2014 Actuals</b>	<b>2015 Actuals</b>	<b>2016 Revised</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Total Paving Program Cost*	\$13,724,221	\$5,750,637	\$37.2M**	\$25.3M**	\$18.4M**

\*Total Paving Program Cost includes funding such as: LTGO Bonds, Commercial Parking Tax, Employee Head Tax, REET I and II, FHWA grant funds, gas tax, general fund, Move Seattle levy (begins 2016), and vehicle license fees.

\*\*2017 Proposed CIP



# Seattle Department of Transportation

## Improving the Environment by Prompt Sweeping of Seattle's Streets

Reduce polluted runoff from roads through comprehensive street sweeping  
 2017-18 Proposed Budget: \$1.7M (2017), \$1.8M (2018)

**Program Summary:** Street sweeping protects the environment, public health, safety, and property by keeping harmful pollutants from reaching waterways and keeping storm drains clear to reduce flooding. Every day pollutants from vehicles, leaves and grass clippings, and trash build up on busy city streets. Metals from automobile wear (copper from brake pads, zinc from tires, nickel and chromium from engines) may be toxic to aquatic life. Organic compounds from automotive exhaust (poly-aromatic hydrocarbons (PAHs)), may be cancer-causing. Tree detritus (leaves and needles) stimulate algae growth and deplete oxygen in water, harming fish, and other aquatic life.

Approximately 75% of the arterials swept drain to waterways with the remaining draining to the sewage treatment plant. In 2015, to meet their Clean Water Act requirements, Seattle proposed prioritizing some stormwater quality projects over low priority Combined Sewer Overflow projects to mitigate stormwater impacts to waterways. Expanding the street sweeping program was selected as one of three projects.

**Past Performance:** By the end of 2015, the partnership between Seattle Public Utilities (SPU) and the Seattle Department of Transportation (SDOT) had completed its fifth consecutive year of street sweeping. Based on data collected by the sweeping program, street sweeping unit costs have proven to be 5 to 10 times less than typical unit costs for treatment technologies applicable to streets and 4 times less than average regional-scale treatment facility unit cost. In terms of water quality, SPU's four regional treatment facilities are expected to remove approximately 100 tons by 2020 when all plants are online. In 2015, the partnership met their 2015 goal with 136 tons of pollutants removed.

**2017-18 Goal Statement:** Remove 140 tons of pollutants from Seattle's roads.

**Expected Result:** In 2016, the Partnership plans to double the annual broom-miles swept, from 10,000 to 20,000 by extending the sweeping season, the arterials served, and frequency of sweeping. In 2017-2018 the partnership expects to see a continued emphasis on street sweeping for water quality as the cost effectiveness of sweeping for pollutant removal becomes even more broadly known.

	2013 Actuals	2014 Actuals	2015 Actuals	2016 Estimated	2017 Estimated	2018 Estimated
Number of tons of pollutants removed from Seattle's roads by SPU/SDOT street sweeping	99	131	136	140	140	140
Miles swept	10,300	10,720	11,120	20,000	20,000	20,000
Pickup rate (pollutant pounds per mile swept)**	19	24	24	14	14	14
	2013 Actuals	2014 Actuals	2015 Actuals	2016 Adopted*	2017 Proposed*	2018 Proposed*
Total Program Cost (includes water quality and flooding)	\$684,000	\$751,900	\$911,000	\$1,683,000	\$1,725,500	\$1,769,100
Staff Program Hours (street sweeping)	3,330	3,530	4,010	6,650	6,650	6,650

\*Adopted and Proposed budget numbers reference the Memorandum of Agreement between SPU and SDOT for sweeping Seattle's streets.

\*\*2016 through 2018 estimated pollutant load removed assumes a conservative 14 pounds picked up per mile swept to account for reductions in pickup rate from increased sweeping frequency, natural variations, and potential climate change impacts. The average pickup rate for 2016 through June is 23 pounds per swept mile.

# Seattle Department of Transportation

## Incremental Budget Changes

### Seattle Department of Transportation

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 491,034,706</b>	<b>844.00</b>	<b>\$ 491,034,706</b>	<b>844.00</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 1,037,500	0.00	-\$ 1,037,500	0.00
Align CIP with 2017 CIP Plan	-\$ 36,394,551	0.00	\$ 92,615,188	0.00
Citywide Adjustments for Standard Cost Changes	\$ 11,387,874	0.00	\$ 17,502,438	0.00
Adjustment for Information Technology Changes	-\$ 4,586,945	-24.00	-\$ 4,586,945	-24.00
<b>Proposed Changes</b>				
Construct the Center City Streetcar Connector	\$ 7,485,419	0.00	\$ 93,008,437	0.00
Advance Move Seattle Projects	\$ 29,054,370	0.00	\$ 72,100,104	0.00
Improve Traffic Incident Management	\$ 1,922,500	7.00	\$ 1,253,500	7.00
Update the City's Parking Program	\$ 604,668	0.00	\$ 768,068	0.00
Demand-Driven Changes to Paid Parking	\$ 101,855	0.00	\$ 122,000	0.00
Purchase Transit Service	\$ 2,567,617	0.00	\$ 2,491,071	0.00
Reduce Community Impacts Resulting from the 23rd Avenue Corridor Project	\$ 1,600,000	0.00	\$ 0	0.00
Create Space for Arts and Cultural Programming in King Street Station	\$ 1,870,000	0.00	\$ 140,000	0.00
Engage Sound Transit in ST3 Planning	\$ 1,000,000	0.00	\$ 0	0.00
Add Staffing to Advance Key Projects	\$ 0	13.00	\$ 0	13.00
Fund New Portfolio Management System	\$ 2,163,503	0.00	\$ 363,790	0.00
Improve SDOT's IT Infrastructure Processes and Capacity	\$ 2,179,049	-1.00	\$ 652,412	-1.00
Support Project Coordination Efforts	\$ 298,175	1.00	\$ 305,629	1.00
Funding Shifts to Save General Fund Resources	-\$ 285,000	0.00	-\$ 285,000	0.00
Begin Repayments on South Lake Union Streetcar Loan	\$ 300,000	0.00	\$ 300,000	0.00
Debt Service Update	-\$ 2,030,252	0.00	-\$ 886,196	0.00
Citywide Summit Re-Implementation Project	\$ 2,080,429	0.00	\$ 1,171,334	0.00
<b>Proposed Technical Changes</b>				
Adjust Budget for Mid-Year Budget Changes	\$ 670,000	36.50	\$ 170,000	36.50
CIP Technical Adjustment	-\$ 75,924,536	0.00	-\$ 210,262,839	0.00
Adjust Budget for Reimbursable Work SDOT Performs	\$ 4,409,253	0.00	\$ 4,409,253	0.00

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Adjust Revenue Source for Elliott Bay Seawall Project	\$ 0	0.00	\$ 0	0.00
Align FTEs with SDHR	\$ 0	7.00	\$ 0	7.00
Align FTEs to Proper BCL and Program	\$ 0	0.00	\$ 0	0.00
Citywide Cost Adjustment	\$ 172,884	0.00	-\$ 220,539	0.00
<b>Total Incremental Changes</b>	<b>-\$ 50,391,188</b>	<b>39.50</b>	<b>\$ 70,094,205</b>	<b>39.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 440,643,518</b>	<b>883.50</b>	<b>\$ 561,128,911</b>	<b>883.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$1,037,500)**

This item includes budget reductions for one-time additions that were included in the 2016 Adopted Budget. These reductions include: \$250,000 for the Spokane Street Swing Bridge; \$100,000 for a corridor feasibility study for the West Seattle Bridge; \$20,000 for a study about off-street shared parking; a \$433,000 one-time use of Street Use fees instead of General Fund for the Street Vacation program; a \$479,750 one-time use of Commercial Parking Tax instead of General Fund for debt service on the Alaskan Way Viaduct & Seawall project; and \$667,500 for items associated with Street Use division staffing increases.

#### **Align CIP with 2017 CIP Plan - (\$36,394,551)**

This adjustment aligns the budget with the 2017 amounts in the 2016-2021 Adopted CIP.

#### **Citywide Adjustments for Standard Cost Changes - \$11,387,874**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

#### **Adjustment for Information Technology Changes - (\$4,586,945)/(24.00) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from SDOT to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to SDOT. The transfer of positions from SDOT to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

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## Proposed Changes

### **Construct the Center City Streetcar Connector - \$7,485,419**

The Center City Connector is a 1.2-mile long streetcar that will connect the South Lake Union and First Hill streetcar lines. The full system is expected to carry up to 30,000 average weekday riders. In February 2016, the project was recommended for a \$75 million grant in President Obama's 2017 budget. The City's 2017-2018 Proposed Budget provides bond funding for the required \$45 million local match. Of this amount, \$4.7 million will be issued during 2017, \$16 million will be issued during 2018, and \$24.3 million will be issued during 2019. This item also includes \$4.1 million in costs for utility work during 2017 and \$7.9 million in costs for utility work during 2018. \$68 million of "to be determined" revenues are also included; most of these revenues are anticipated to be coming from the pending Federal grant. Debt service on the 20-year bonds will be paid from Commercial Parking Tax revenues. The debt service amount in 2017 is \$213,419. In 2018, the amount is \$923,437. The project is currently at 60% design so cost estimates, including those from associated utility work, may change.

### **Advance Move Seattle Projects - \$29,054,370**

In November 2016, Seattle voters approved the Move Seattle Levy. The 9-year, \$930 million levy supports a wide range of transportation projects throughout Seattle. The 2017-2018 Proposed Budget provides funding to advance two key Move Seattle initiatives:

- Accelerate the South Lander Street Grade Separation Project - This \$142 million project will enhance mobility and safety by building a new grade-separated crossing over railroad tracks in SODO. On July 6, 2016, the U.S. Department of Transportation announced that this project will receive a \$45 million award under the Federal FASTLANE Grant Program; in addition, a \$7 million state grant was awarded to this project during 2016. As a result, the proposed budget advances Move Seattle levy funds originally planned for use in 2020-2023 so that they will be available for the South Lander Street project in 2018-2021. An additional \$5 million of Real Estate Excise Tax and \$8 million of property proceeds from the Pacific Place Garage sale are budgeted in 2017. Nonetheless, a \$27.5 million funding gap remains on this project and the City is working with partners including the Port of Seattle and Burlington Northern Santa Fe Railroad to fully fund this project. (*\$8,000,000 Pacific Place Garage proceeds, \$5,000,000 of REET II and \$4,200,000 state grant funds in 2017; \$3,500,000 Move Seattle levy funds as well as grant and partnership funds in 2018*)
- Accelerate the Installation of New Sidewalks - Although the Move Seattle levy identified funding for the installation of new sidewalks, this work is a key priority for Mayor Murray and he has accelerated the number of sidewalks that will be built in 2016 and 2017 by advancing that funding. Over the remainder of 2016 and through the end of 2017, SDOT will deliver 68 blocks of new sidewalks. This represents a significant increase over the average 13 blocks per year that were funded by the Bridging the Gap levy. Total required funding for the 2016 funding is appropriated in the 2016 Third Quarter Supplemental budget, while the remaining 2017 funding is included in the proposed budget. Total funding for 2017 (and 2018), via the "Pedestrian Master Plan - New Sidewalks" CIP, is \$11,854,000. (*Move Seattle levy funds, \$9,000,000 in 2017 and \$4,000,000 in 2018; revenue from school zone camera infractions, \$2,404,000 in 2017 and \$1,275,000 in 2018; revenue from red light camera infractions, \$450,000 in 2017 and \$425,000 in 2018*)

For additional information on the Lander and New Sidewalks items, please see the 2017-2022 Proposed Capital Improvement Program.

### **Improve Traffic Incident Management - \$1,922,500/7.00 FTE**

In March 2015, an overturned tractor trailer rendered the Alaskan Way Viaduct closed to traffic for nine hours. In response to these and other incidents, the City hired a consultant to review national best practices in Traffic Incident Management (TIM) and make recommendations for improvements in Seattle's TIMs procedures. The 2017-2018 Proposed Budget provides ongoing funding from the General Fund to provide support to implement

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these recommendations, including:

- staffing that includes laborers, supervisors, dispatchers and trucks to respond to emergencies and quickly clear the roadway;
- training for incident responders; and
- purchasing an advanced traffic management system to consolidate information from traffic systems and make the information available to travelers, traffic control systems, and traffic planners to optimize mobility and safety.

*(General Fund; \$1,922,500 in 2017; \$1,253,500 ongoing in 2018)*

## **Update the City's Parking Program - \$604,668**

The City is replacing all pay stations and replacement is scheduled to be complete in 2017. As a result, the 2017-2018 Proposed Budget includes the following budget adjustments:

- Support increased adoption of "Pay by Phone" for parking fees - Users of paid parking stations in Seattle already have the option of paying their parking fees by means of a smart-phone app linked to a credit card, and pay-by-phone transactions make up almost 13% of all parking transactions. To encourage greater adoption of this fast and convenient parking method, beginning in 2017 SDOT will absorb a 15-cent transaction fee. This item also includes funding to promote awareness of pay-by-phone parking as an option that is free of charge. SDOT will work to make pay-by-phone service responsive to the diverse language needs of the community. *(General Fund; ongoing)*
- Provide Ongoing Funding for E-Park Operations and Maintenance - This adjustment provides ongoing funding for the e-Park parking guidance system, which leads drivers to off-street parking in 16 Center City garages by displaying current availability on dynamic signs and various websites. E-Park provides the means for drivers to find parking quickly, which reduces both greenhouse-gas emissions and congestion in the right of way. This program, which represents a collaboration among SDOT, the Downtown Seattle Association, and the operators of private parking garages, had previously relied on a funding source that has been reallocated. *(\$299,000 General Fund in 2017, \$307,000 General Fund in 2018; ongoing)*
- Fund expanded warranty protection for paid parking stations - This funding supports improved warranty protection for the pay stations where Seattle drivers pay for on-street parking. The expanded coverage, paid to the manufacturer of the pay stations, will both enable SDOT to provide a higher level of service to the pay stations and normalize the costs associated with their upkeep. Although this item commits SDOT to an expense that is higher by \$207,000, it is more than offset by the savings associated with decreasing the total number of pay stations in the city (see below). *(General Fund; ongoing)*
- Reflect the lower costs associated with fewer parking pay stations - SDOT is in the process of replacing its older parking pay stations, which were installed about 10 years ago. Since that time, industry standards around the placement of these stations has changed, and as it replaces them, SDOT will gradually reduce their number by about 17% citywide (though the department commits to at least one pay station per block-face). SDOT funds the purchase of parking pay stations through bond issuance, and to the extent that its purchase costs are lower, it needs to issue fewer bonds and its debt-service payments will also be lower. This adjustment accounts for the total expense reduction of (\$433,887). *(General Fund; ongoing)*

## **Demand-Driven Changes to Paid Parking - \$101,855**

SDOT's performance-based parking program was established by Council in 2010. The program uses occupancy data to determine parking rates based on demand at various times of day, with the objective of meeting a target occupancy level of one to two paid on-street spaces available, on average, per blockface per day. This target level is consistent with SDOT's goal of optimal management of the right of way. The department conducts system-wide data collection (most recently, the 2016 Annual Paid Parking Study), and in [areas](#) that are consistently above or below the target occupancy level all day or at particular times of day, it adjusts the hourly parking rate up or down. During the fourth quarter of 2016 and the first quarter of 2017, SDOT will make 21 rate increases and 16

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rate reductions based on data collected earlier in 2016. Areas where at least one time-of-day rate will increase include Green Lake, Denny Triangle, and South Lake Union; areas where at least one time-of-day rate will decrease include Fremont, Uptown Triangle, and U District Core. Because parking demand often varies by time of day, in some areas, like Cherry Hill and 12th Avenue, at least one time-of-day-rate will increase and at least one will decrease. Parking revenues accrue to the General Fund and the revenue implications of these changes are incorporated into 2017 and 2018 General Fund forecasts.

SDOT also collects parking data in areas that are adjacent to paid-parking areas to determine whether demand supports the extension of existing paid parking. Every year SDOT surveys two to three neighborhoods on access and parking issues and these studies result in updated, neighborhood-specific Parking Management Plans, which can include new paid parking. Responsive to SDOT's 2016 Annual Paid Parking Study, in the first quarter of 2017 SDOT will install new paid spaces both in the Pike-Pine parking area east of 12th Avenue and around the perimeter of the existing South Lake Union parking area, and it will install evening paid parking in the Ballard Edge parking area. This adjustment reflects the same incremental, data-driven approach to parking management. The 2016 data-collection effort showed very high late-night occupancy levels in three areas on Capitol Hill where paid parking hours currently end at 8 p.m. SDOT proposes extending those hours until 11 p.m. due to demonstrated demand. Funding will support a comprehensive public-engagement process around this change during 2017, with the extended paid-parking hours to take effect late in the year. Funding also supports installation costs, which include signage, pay station programming, and credit-card fees. The Seattle Police Department's budget includes an adjustment that addresses enforcement of these extended hours. *(General Fund; one-time)*

## **Purchase Transit Service - \$2,567,617**

In November 2015, Seattle voters passed Seattle Transportation Benefit District (STBD) Proposition One, which funds the purchase of transit service from King County Metro, and supports access to transit access for low-income transit riders. Proposition One increased vehicle license fees by \$60 per license plate; to reduce this cost for low-income households, Proposition One also provides a \$20 vehicle license fee rebate for low-income households. The 2017-2018 Proposed Budget increases the total annualized number of bus service hours by 35,900 for an additional cost of \$2.9 million; this represents a 12% increase in service purchased by the City compared to 2016. This cost is partially offset by a reduction in the STBD's vehicle license fee rebate program. *(Seattle Transportation Benefit District revenues; ongoing)*

## **Reduce Community Impacts Resulting from the 23rd Avenue Corridor Project - \$1,600,000**

23rd Avenue is a vital multi-modal corridor linking much of south and central Seattle with Capitol Hill, the University District, and other North Seattle neighborhoods. The project reconstructs the roadway, modifies the cross section to a three-lane section, builds a parallel greenway, and continues development of Route 48 transit service electrification in the corridor. However, construction of the project is taking multiple years and is impacting businesses along the roadway. The 2017-2018 Proposed Budget provides funding to address these impacts, including construction site clean-up; providing a storage yard for materials and contractor parking; improving pedestrian detours; opening the South Jackson Street to East Cherry Street segment earlier than previously planned; resequencing and accelerating work during weekend intersection closures; and changing from a one-way traffic scenario to a two-way pattern as much as possible. *(Commercial Parking Tax; one-time)*

## **Create Space for Arts and Cultural Programming in King Street Station - \$1,870,000**

King Street Station is an historic structure owned by the City of Seattle. The Seattle Department of Transportation is responsible for operating and maintaining the building. The first floor of the station is occupied by Amtrak, but the second and third floors are currently vacant. The proposed budget seeks to activate this space for performances, exhibitions, workshops and community gatherings as well as provide office space for Arts & Culture staff.

The proposed budget provides \$1.8 million in bond financing so that the Office of Arts & Culture can renovate



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most of the vacant portions of the station, allowing them move into the station in July 2017. After Arts & Culture moves into the building, Admissions Tax revenues will be used to pay SDOT for use of the building, thereby reducing reliance on the Commercial Parking Tax for station operations costs. Arts will pay SDOT \$202,500 in rent and \$70,000 for utilities in 2017; these amounts are doubled in 2018. Debt service will be repaid by the Office of Arts & Culture's Admissions Tax receipts. (*\$1.8 million LTGO bonds one-time; utility and rent amounts are ongoing*)

## **Engage Sound Transit in ST3 Planning - \$1,000,000**

In November 2016, voters in Central Puget Sound will decide whether to approve another round of Sound Transit improvements in a measure commonly referred to as "ST3." In May 2016, the Seattle City Council passed Resolution 31668 which encourages Sound Transit to accelerate the project delivery schedule and provide ST3 transit service to voters as quickly as possible. The proposed budget provides funds to enable City staff to do early work on the environmental assessment and design phases of the ST3 projects, thereby enabling Sound Transit to accelerate the delivery of transit improvements in Seattle. (*\$750,000 General Fund/\$250,000 reimbursable one-time*)

## **Add Staffing to Advance Key Projects/13.00 FTE**

The 2017-2018 Proposed Budget includes the following staffing additions to advance important projects:

- Increase Oversight and Support for Freight Improvements - Freight movement is critical to keeping Seattle's economy strong. The proposed budget adds one Civil Engineer to oversee and support both truck and rail freight mobility improvements, including those funded from the Move Seattle levy in the Freight Spot Improvements project. The engineer will support the Freight Master Plan and will work to ensure that rail crossings are compliant with federal and state regulations, develop signing and striping improvements, and verify bridge clearances on Major Truck Streets. This position is funded from the Move Seattle levy and requires no additional spending authority. (*1 FTE; ongoing*)
- Add Staffing to Support Move Seattle Projects - The proposed budget provides additional staffing to support Move Seattle projects as well as other projects funded within SDOT's budget. One concrete crew is added to support ADA accessibility, transit corridor improvements, sidewalk repair and other projects. In addition, a civil engineering specialist position is added to evaluate general traffic operational concerns and to guide elements of installation improvements such as the location of signs and pavement markings. (*12 FTEs; ongoing*)

## **Fund New Portfolio Management System - \$2,163,503**

The Move Seattle levy provided funding for SDOT to develop and plan a large number of capital projects. In the course of this work SDOT came to recognize that its current tools were insufficient to track, manage, analyze, strategically prioritize, financially leverage and report on its project portfolio to decision-makers and stakeholders. In 2016 SDOT worked with Seattle IT to conduct a comprehensive needs analysis and to develop a business case and requirements for a portfolio management system. This funding will allow the department to procure, test and implement that new system. (*\$540,876 General Fund/\$1,622,627 Other; one-time in 2017; also \$90,948 General Fund/\$272,842 Other ongoing in 2018*)

## **Improve SDOT's IT Infrastructure Processes and Capacity - \$2,179,049/(1.00) FTE**

The 2017-2018 Proposed Budget also provides support for SDOT-specific IT initiatives to improve processes and increase capacity as follows:

- Fund Effective Right-of-Way Project Coordination - SDOT created the Project Coordination Office in 2015

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to protect the condition and integrity of public assets, reduce construction-related impacts to the traveling public, and improve the cost-effectiveness of public investment projects and private infrastructure projects taking place in, or affecting, the right of way. To do this work the Office must have advance knowledge of new projects and the ability to track and coordinate them. The software it currently uses was built in 2008, before the Office was founded and its mandate developed, and it does not support the visual display of data around current projects, so it is of limited utility to other agencies and companies. This funding provides for the implementation of a new, integrated software tool that will expand the capacity of the Office to work with its partners and serve the public. (*Street use fees; \$1,287,352 one-time; \$304,311 ongoing*)

- Fund Support of Remote Access to Work Order Data - In 2010, SDOT implemented the Hansen 8 Work Management system to track and manage the work that its crews do throughout the city. This item will build on that foundation by giving crews the ability to access work-order information remotely. SDOT anticipates that the result of this process enhancement will be a reduction in the number of trips per day per work crew and a reduction in administrative workload for crew chiefs, which will enable them to focus on management and audit functions. (*\$189,185 General Fund/\$567,585 Other one-time; \$87,025 General Fund/\$261,076/Other ongoing*)
- Fund Development of Data Analytics Tools - In 2015 and 2016 SDOT transitioned from one internal-reporting platform to another, enabling it to share licensing costs with other departments that use the same platform. As part of that project, the department recognized an opportunity significantly to increase its capacity to analyze and manipulate data for more informed decision-making, and to make that ability broadly available to staff, by means of the consultant-led development of new data-analytics tools. Use of these tools will help SDOT to be more transparent in terms of resource deployment and work management and to develop guidelines and best practices that are based on data. (*\$33,732 General Fund/\$101,195 Other; one-time*)
- Transfer 1.0 FTE IT Professional C to Seattle IT - This position was inadvertently not transferred to Seattle IT simultaneously with the April 6, 2016 effective date of the City's centralization of IT functions. The transfer supports existing work-program commitments and will not affect SDOT's ability to deliver service in the future. (*Funded via Seattle IT internal rates*)

## **Support Project Coordination Efforts - \$298,175/1.00 FTE**

The Project Coordination Office (PCO) is a new program at SDOT that works to ensure effective coordination and sequencing of infrastructure projects that impact the right-of-way. The goals of the PCO are to improve the cost-effectiveness of both private and public infrastructure projects, protect the condition of public assets, and reduce construction-related impacts to the traveling public. The 2017-2018 Proposed Budget adds one full-time Strategic Advisor II to help with these efforts. (*Street use fees; ongoing*)

## **Funding Shifts to Save General Fund Resources - (\$285,000)**

The 2017-2018 Proposed Budget reduces General Fund support through the following actions:

- Eliminate Major Projects Management program - Many of SDOT's large capital projects require coordination with other agencies. Much of the coordination work that SDOT performs is reimbursed by those agencies, but typically administrative support for that work is not eligible for reimbursement. The Major Projects Management Program was established to fund such administrative support internally. SDOT believes, however, that it can adequately provide administrative support within its existing budget, and it will forgo \$185,000 in funding beginning in 2017. (*ongoing*)
- Discontinue use of project-prioritization tool - During 2015, SDOT used proprietary software that helps organizations prioritize capital projects through the filter of their individual goals and objectives. Because the Move Seattle levy has largely prioritized SDOT's capital-projects work plan through 2024, this software is not necessary, and SDOT need not incur its \$100,000 annual licensing fee. Move Seattle has also added complexity to SDOT's management of its capital program and added dimensions along which



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it must report results, and the department also requested funding for a more powerful, robust software system that can address these needs (see above). *(ongoing)*

- Shift Funding for Downtown Circulator Service - The Downtown Circulator provides fare-free transit service in downtown Seattle. The service is targeted at very low-income populations that were most impacted by the discontinuation of the Ride Free Area. SDOT's base budget funds this program with General Fund revenues. The 2017-2018 Proposed Budget pays this \$350,000 annual expense from the Seattle Transportation Benefit District's Low Income Access to Transit program instead of the General Fund. *(ongoing)*
- Shift Funding for Summer Mowing program - SDOT's base budget funds the summer mowing program with General Fund revenues. The 2017-2018 Proposed Budget pays \$83,000 of this expense from Gas Tax revenues instead of the General Fund. *(ongoing)*
- Shift Funding for Street Vacation program - SDOT's base budget funds Street Vacation program staffing costs with General Fund revenues. The 2017-2018 Proposed Budget pays this \$433,000 from street use fees instead of from the General Fund. This is only a funding change; the program, process and concepts will continue to operate as required by the Seattle Municipal Code and the Revised Code of Washington. *(ongoing)*
- Shift Funding for Debt Service - SDOT's base budget pays debt service related to 2010 LTGO bonds sold for the Alaskan Way Viaduct & Seawall project from the General Fund. The 2017 - 2018 Proposed Budget pays \$451,000 of debt service from Commercial Parking Tax instead of from the General Fund; in 2018, this amount is \$464,734. *(ongoing)*

## **Begin Repayments on South Lake Union Streetcar Loan - \$300,000**

In 2009, the Seattle City Council authorized a \$5.945 million interfund loan to pay for capital costs on the South Lake Union streetcar. The loan was to be repaid, in part, with proceeds from the sale of surplus property in South Lake Union. In 2014, it became apparent that the property could be needed for additional streetcar and maintenance and storage capacity. As a result, Council passed an Ordinance requiring the City to begin making annual payments of \$300,000 beginning in 2016. The proposed budget includes the first \$300,000 payment on this loan. *(Commercial Parking Tax; ongoing)*

## **Debt Service Update - (\$2,030,252)**

The 2017-2018 Proposed Budget updates debt service to reflect current capital spending plans, including changes for the Elliott Bay Seawall Project/Central Waterfront Project. *(\$2,030,252 in 2017; \$886,186 in 2018; Commercial Parking Tax; ongoing)*

## **Citywide Summit Re-Implementation Project - \$2,080,429**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Proposed Technical Changes**

### **Adjust Budget for Mid-Year Budget Changes - \$670,000/36.50 FTE**

The 2017-2018 Proposed Budget includes technical adjustments to account for mid-year budget changes in the transportation budget, including \$170,000 for a Commercial Vehicle Enforcement Officer to enforce truck-related rules and regulations on the Heavy Haul Corridor; \$500,000 to complete the One Center City Plan (also known as the Center City Mobility Plan); 35.5 FTEs to support Move Seattle; a revenue-neutral transfer to combine all stairway maintenance items in the Pedestrian Master Plan CIP; and a technical revenue-neutral transfer to

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support Vision Zero, which is the department's plan to reduce traffic injuries and fatalities.

## **CIP Technical Adjustment - (\$75,924,536)**

The Capital Improvement Program technical adjustment aligns the budget with the 2017-2022 Proposed Capital Improvement Program.

## **Adjust Budget for Reimbursable Work SDOT Performs - \$4,409,253**

The 2017-2018 Proposed Budget includes technical adjustments to account for changes in SDOT's budget for work it performs that will be reimbursed by other City departments or outside agencies or organizations. When the value of this adjustment is positive, it means that SDOT changed its budget over the previous year's level to include more reimbursable work overall, though the department may have included less reimbursable work in some programs. This item includes \$1,604,000 for increased street repair related to utility work, \$1,465,000 for expansion of car-sharing programs in the city, and \$1,007,000 for increased street sweeping by SDOT staff as part of a Seattle Public Utilities program.

## **Adjust Revenue Source for Elliott Bay Seawall Project**

This is a revenue-neutral adjustment that changes the source of \$1,400,000 in 2017 funding for the Elliott Bay Seawall Project from the General Fund to the Parking Garage Disposition Proceeds Fund.

## **Align FTEs with SDHR/7.00 FTE**

This adjustment adds seven positions to ensure that the FTE count in the budget book matches precisely with the Seattle Department of Human Resources' technical budget system.

## **Align FTEs to Proper BCL and Program**

This adjustment updates FTE assignments to that they are appropriately assigned to BCLs and programs. There is no change to the total number of FTEs within SDOT's budget.

## **Citywide Cost Adjustment - \$172,884**

This adjustment includes adjustments to Judgement and Claims costs, an increase for City Central Costs which is mostly offset by Indirect Cost Recovery, and a net neutral adjustment for benefits costs.

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## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Bridges &amp; Structures Budget Control</b>					
Bridge Operations		3,090,527	3,420,952	3,572,293	3,666,444
Structures Engineering		749,855	872,385	917,607	938,379
Structures Maintenance		4,713,886	7,282,684	7,270,492	7,415,988
<b>Total</b>	<b>17001</b>	<b>8,554,269</b>	<b>11,576,021</b>	<b>11,760,392</b>	<b>12,020,811</b>
<b>Department Management Budget Control</b>					
Director's Office		1,751,782	2,375,677	2,509,644	2,560,680
Division Management		9,167,374	7,227,706	7,599,654	7,785,839
Human Resources		664,847	998,943	1,060,604	1,082,800
Indirect Cost Recovery - Department Management		-30,925,225	-29,666,913	-31,279,855	-31,885,076
Public Information		978,018	639,001	585,110	600,567
Resource Management		16,735,307	20,829,181	19,421,488	20,304,295
Revenue Development		490,464	463,869	488,870	501,987
<b>Total</b>	<b>18001</b>	<b>-1,137,433</b>	<b>2,867,464</b>	<b>385,515</b>	<b>951,092</b>
<b>Engineering Services Budget Control Level</b>	<b>17002</b>	<b>512,372</b>	<b>3,968,864</b>	<b>3,776,353</b>	<b>3,810,130</b>
<b>General Expense Budget Control</b>					
City Central Costs		20,445,434	22,529,470	34,649,172	32,098,624
Debt Service		24,310,539	27,113,178	31,208,115	35,920,401
Indirect Cost Recovery - General Expense		-19,390,996	-22,529,470	-30,374,593	-30,792,683
Judgment & Claims		1,770,151	3,250,869	2,983,510	2,590,087
<b>Total</b>	<b>18002</b>	<b>27,135,128</b>	<b>30,364,047</b>	<b>38,466,204</b>	<b>39,816,429</b>
<b>Major Maintenance/Replacement Budget Control</b>					
Bridges & Structures		8,294,954	19,045,500	20,234,733	31,965,880
Landslide Mitigation		356,053	1,345,000	427,000	440,000
Roads		18,510,869	45,434,497	36,432,808	30,374,500
Sidewalk Maintenance		1,703,619	1,500,000	1,530,000	1,560,600
Signs, Signals and Markings		0	0	1,492,576	1,525,683
Trails and Bike Paths		9,186,826	9,250,000	9,165,000	9,180,000
<b>Total</b>	<b>19001</b>	<b>38,052,322</b>	<b>76,574,997</b>	<b>69,282,117</b>	<b>75,046,663</b>
<b>Major Projects Budget Control</b>					
Alaskan Way Viaduct and Seawall Replacement		149,022,952	127,564,000	72,481,358	36,459,642
First Hill Streetcar		9,059,241	0	0	0
Magnolia Bridge Replacement		8,860	0	0	0
Mercer Corridor		236,719	0	0	0

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Mercer West		15,792,490	3,909,000	0	0
Spokane Street Viaduct		104,498	0	0	0
SR-520		157,647	119,000	1,065,585	681,445
<b>Total</b>	<b>19002</b>	<b>174,382,407</b>	<b>131,592,000</b>	<b>73,546,943</b>	<b>37,141,087</b>
<b>Mobility-Capital Budget Control</b>					
Corridor & Intersection Improvements		23,558,343	24,524,501	15,090,197	15,985,671
Freight Mobility		1,132,917	1,500,000	18,700,000	67,900,000
Intelligent Transportation System		2,850,639	7,300,001	2,800,000	2,800,000
Neighborhood Enhancements		7,736,652	21,057,001	3,267,000	13,760,000
New Trails and Bike Paths		2,672,032	0	0	2,000,000
Sidewalks & Pedestrian Facilities		16,158,875	18,810,266	24,251,523	17,922,104
Transit & HOV		12,940,268	14,554,001	18,732,271	112,189,695
<b>Total</b>	<b>19003</b>	<b>67,049,727</b>	<b>87,745,770</b>	<b>82,840,991</b>	<b>232,557,470</b>
<b>Mobility-Operations Budget Control</b>					
Commuter Mobility		16,441,854	13,550,476	15,380,502	14,388,803
Neighborhoods		4,234,780	5,667,933	3,094,883	3,294,715
Parking		8,799,508	9,055,635	11,865,264	12,165,873
Signs & Markings		4,216,618	3,357,094	3,388,117	3,462,814
Traffic Signals		11,647,114	8,938,900	10,034,219	10,242,491
Transit Operations		13,540,200	44,893,320	48,083,083	47,769,547
<b>Total</b>	<b>17003</b>	<b>58,880,074</b>	<b>85,463,358</b>	<b>91,846,068</b>	<b>91,324,243</b>
<b>ROW Management Budget Control Level</b>	<b>17004</b>	<b>24,086,347</b>	<b>30,354,732</b>	<b>32,725,996</b>	<b>32,514,501</b>
<b>Street Maintenance Budget Control</b>					
Emergency Response		1,760,186	2,093,557	4,080,562	3,451,569
Operations Support		4,207,841	4,585,736	4,757,423	4,863,206
Pavement Management		536,520	313,572	329,543	337,816
Street Cleaning		5,826,030	6,141,995	7,343,453	7,467,380
Street Repair		8,148,116	12,011,498	13,916,419	14,102,436
<b>Total</b>	<b>17005</b>	<b>20,478,692</b>	<b>25,146,358</b>	<b>30,427,400</b>	<b>30,222,407</b>
<b>Urban Forestry Budget Control</b>					
Arborist Services		1,362,408	1,418,432	1,457,628	1,491,943
Tree & Landscape Maintenance		3,076,300	3,962,663	4,127,911	4,232,135
<b>Total</b>	<b>17006</b>	<b>4,438,708</b>	<b>5,381,095</b>	<b>5,585,539</b>	<b>5,724,078</b>
<b>Department Total</b>		<b>422,432,612</b>	<b>491,034,706</b>	<b>440,643,518</b>	<b>561,128,911</b>
<b>Department Full-time Equivalents Total*</b>		<b>794.00</b>	<b>844.00</b>	<b>883.50</b>	<b>883.50</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
481100	G.O. Bond Proceeds	4,508,326	70,120,487	53,075,420	40,824,644
587358	Operating Transfer In-From ALASKA SEA	130,418,149	37,946,000	720,000	0
999999	Local Improvement District Bonds	0	0	1,501,000	1,410,000
	<b>Total Bonds</b>	<b>134,926,475</b>	<b>108,066,487</b>	<b>55,296,420</b>	<b>42,234,644</b>
422100	Permit Fees	5,662,844	3,200,725	3,250,000	3,265,850
439090	Other Private Contributions & Donations	1,948,634	0	473,088	2,500,000
444100	Street Maintenance & Repair Charges	2,359,021	898,679	1,176,674	1,176,674
444590	Miscellaneous - Other Revenues	10,630	2,633	2,565	2,565
444900	Other Charges - Transportation	35,393,576	56,984,189	47,426,383	39,828,134
445831	Plan Review & Inspection SDOT	6,922,850	14,000,000	9,000,000	8,000,000
522400	IF Permit Activities	447,115	54,392	0	0
541490	IF Charges and Fees	214,792	654,069	1,267,766	1,322,408
543210	IF Architecture/Engineering Services	0	204,000	3,824,648	2,222,000
544590	Various Charges	-126,235	0	0	0
544900	IF Other Charges - Transportation	22,364,579	9,184,181	12,484,815	12,284,815
	<b>Total Charges for Service</b>	<b>75,197,806</b>	<b>85,182,868</b>	<b>78,905,939</b>	<b>70,602,446</b>
587199	Operating Transfer In-From Transportation Benefit District Fund - \$20	7,212,091	7,667,662	7,961,207	7,895,918
587199	Operating Transfer In-From Transportation Benefit District Fund Prop 1 - \$60	13,711,121	22,029,543	23,883,620	24,301,583
	<b>Total Fees</b>	<b>20,923,212</b>	<b>29,697,205</b>	<b>31,844,827</b>	<b>32,197,501</b>
587001	Operating Transfer In-From General Fund	39,660,716	44,308,048	46,058,162	44,445,394
587002	General Fund - Other	473,587	0	0	0
	<b>Total General Fund</b>	<b>40,134,303</b>	<b>44,308,048</b>	<b>46,058,162</b>	<b>44,445,394</b>
434010	State Grants	5,501,753	1,900,000	6,399,951	4,227,078
437010	Interlocal Grants	44,721	0	0	0
471010	Federal Grants	14,255,956	6,536,974	4,907,618	58,935,377
577010	IF Capital Contributions & Grants	0	11,396,683	0	0
	<b>Total Grants</b>	<b>19,802,430</b>	<b>19,833,657</b>	<b>11,307,569</b>	<b>63,162,455</b>
461110	Investment Earnings	451,708	0	0	0
	<b>Total Interest Earnings</b>	<b>451,708</b>	<b>0</b>	<b>0</b>	<b>0</b>
485110	Property Proceeds	0	3,909,152	9,400,000	26,300,000

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	<b>Total Property Sales</b>	<b>0</b>	<b>3,909,152</b>	<b>9,400,000</b>	<b>26,300,000</b>
587185	School Safety Traffic and Pedestrian Improvement Fund	5,834,949	8,568,097	5,994,239	4,152,091
	<b>Total School Zone Camera Funds</b>	<b>5,834,949</b>	<b>8,568,097</b>	<b>5,994,239</b>	<b>4,152,091</b>
411100	BTG-Property Tax Levy	43,607,770	0	0	0
411100	Move Seattle Property Tax Levy	0	94,959,100	96,983,601	99,008,620
416310	Commercial Parking Tax	33,192,377	30,663,579	32,838,296	34,036,894
418800	BTG-Employee Hours Tax	4,481	0	0	0
419997	Commercial Parking Tax-AWV	8,123,266	7,665,895	8,209,574	8,509,223
436088	Motor Vehicle Fuel Tax	13,546,480	13,786,909	13,786,909	14,632,821
437321	Proceeds County-Wide Tax	22,266	0	0	0
587199	Operating Transfer In-From Transportation Benefit District Fund Prop 1 - 1% Sales Tax	17,542,790	22,863,627	25,215,917	25,738,326
	<b>Total Taxes</b>	<b>116,039,430</b>	<b>169,939,110</b>	<b>177,034,297</b>	<b>181,925,884</b>
587420	To Be Determined	0	0	0	81,559,000
	<b>Total To Be Determined</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>81,559,000</b>
587116	Operating Transfer In-From Cumulative Reserve Subfund - REET I	3,163,941	6,409,095	4,000,000	0
587116	Operating Transfer In-From Cumulative Reserve Subfund - REET II	18,027,612	24,756,000	21,017,000	4,188,000
587116	Operating Transfer In-From Cumulative Reserve Subfund - Street Vacations	3,074,661	2,300,000	177,000	0
587116	Operating Transfer In-From Cumulative Reserve Subfund - Unrestricted	985,851	0	0	0
587118	Operating Transfer In-From Emergency Subfund	0	0	0	0
587338	Operating Transfer In-From 2000 Park Levy Fund	273,699	0	0	0
587359	Operating Transfer In-From CEN WF IMP FUND	1,877,501	0	0	0
587410	Operating Transfer In-From SCL Fund	0	1,419,835	1,437,938	10,199,000
	<b>Total Transfers - Other Funds</b>	<b>27,403,265</b>	<b>34,884,930</b>	<b>26,631,938</b>	<b>14,387,000</b>
	<b>Total Revenues</b>	<b>440,713,578</b>	<b>504,389,554</b>	<b>442,473,391</b>	<b>560,966,415</b>
379100	Use of (Contribution to) Fund Balance	-18,280,966	-13,354,848	-1,829,873	162,496
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-18,280,966</b>	<b>-13,354,848</b>	<b>-1,829,873</b>	<b>162,496</b>
	<b>Total Resources</b>	<b>422,432,612</b>	<b>491,034,706</b>	<b>440,643,518</b>	<b>561,128,911</b>

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## Appropriations By Budget Control Level (BCL) and Program

### Bridges & Structures Budget Control Level

The purpose of the Bridges and Structures Budget Control Level is to maintain the City's bridges and structures which helps provide for the safe and efficient movement of people, goods and services throughout the city.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Bridge Operations	3,090,527	3,420,952	3,572,293	3,666,444
Structures Engineering	749,855	872,385	917,607	938,379
Structures Maintenance	4,713,886	7,282,684	7,270,492	7,415,988
<b>Total</b>	<b>8,554,269</b>	<b>11,576,021</b>	<b>11,760,392</b>	<b>12,020,811</b>
Full-time Equivalents Total*	61.50	61.50	53.00	53.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

*The following information summarizes the programs in Bridges & Structures Budget Control Level:*

#### **Bridge Operations Program**

The purpose of the Bridge Operations Program is to ensure the safe and efficient operation and preventive maintenance for over 180 bridges throughout the city.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Bridge Operations	3,090,527	3,420,952	3,572,293	3,666,444
Full-time Equivalents Total	28.00	28.00	18.50	18.50

#### **Structures Engineering Program**

The purpose of the Structures Engineering Program is to provide engineering services on all the bridges and structures within the city to ensure the safety of transportation users as they use or move in proximity to these transportation facilities.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Structures Engineering	749,855	872,385	917,607	938,379
Full-time Equivalents Total	5.75	5.75	3.50	3.50

#### **Structures Maintenance Program**

The purpose of the Structures Maintenance Program is to provide for the maintenance of all of the city's bridges, roadside structures and stairways.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Structures Maintenance	4,713,886	7,282,684	7,270,492	7,415,988
Full-time Equivalents Total	27.75	27.75	31.00	31.00

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## Department Management Budget Control Level

The purpose of the Department Management Budget Control Level is to provide leadership and operations support services to accomplish the mission and goals of the department.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Director's Office	1,751,782	2,375,677	2,509,644	2,560,680
Division Management	9,167,374	7,227,706	7,599,654	7,785,839
Human Resources	664,847	998,943	1,060,604	1,082,800
Indirect Cost Recovery - Department Management	-30,925,225	-29,666,913	-31,279,855	-31,885,076
Public Information	978,018	639,001	585,110	600,567
Resource Management	16,735,307	20,829,181	19,421,488	20,304,295
Revenue Development	490,464	463,869	488,870	501,987
<b>Total</b>	<b>-1,137,433</b>	<b>2,867,464</b>	<b>385,515</b>	<b>951,092</b>
Full-time Equivalents Total*	131.50	131.50	207.50	207.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Department Management Budget Control Level:**

### **Director's Office Program**

The purpose of the Director's Office Program is to provide overall direction and guidance to accomplish the mission and goals of the department.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Director's Office	1,751,782	2,375,677	2,509,644	2,560,680
Full-time Equivalents Total	5.00	5.00	14.50	14.50

### **Division Management Program**

The purpose of the Division Management Program is to provide division leadership and unique transportation technical expertise to accomplish the division's goals and objectives in support of the department's mission.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Division Management	9,167,374	7,227,706	7,599,654	7,785,839
Full-time Equivalents Total	30.50	30.50	97.00	97.00



# Seattle Department of Transportation

## Human Resources Program

The purpose of the Human Resources Program is to provide employee support services, training coordination, and other personnel expertise to the department and its employees.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Human Resources	664,847	998,943	1,060,604	1,082,800
Full-time Equivalents Total	9.75	9.75	11.00	11.00

## Indirect Cost Recovery - Department Management Program

The purpose of the Indirect Cost Recovery - Department Management Program is to allocate departmental indirect costs to all transportation activities and capital projects and equitably recover funding from them to support departmental management and support services essential to the delivery of transportation services to the public.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Indirect Cost Recovery - Department Management	-30,925,225	-29,666,913	-31,279,855	-31,885,076
Full-time Equivalents Total	5.00	5.00	0.00	0.00

## Public Information Program

The purpose of the Public Information Program is to manage all community and media relations and outreach for the department, including all public information requests and inquiries from the City Council and other government agencies. Public Information also maintains the ROADS hotline and the SDOT web site for both residents and department staff.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Public Information	978,018	639,001	585,110	600,567
Full-time Equivalents Total	7.50	7.50	8.00	8.00

## Resource Management Program

The purpose of the Resource Management Program is to provide the internal financial, accounting, information technology, safety management and office space management support for all SDOT business activities.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Resource Management	16,735,307	20,829,181	19,421,488	20,304,295
Full-time Equivalents Total	68.00	68.00	75.00	75.00

## Revenue Development Program

The purpose of the Revenue Development Program is to identify funding, grant and partnership opportunities for transportation projects and provide lead coordination for grant applications and reporting requirements.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Revenue Development	490,464	463,869	488,870	501,987
Full-time Equivalents Total	5.75	5.75	2.00	2.00

# Seattle Department of Transportation

## Engineering Services Budget Control Level

The purpose of the Engineering Services Budget Control Level is to provide construction management for capital projects, engineering support for street vacations, the scoping of neighborhood projects, and other transportation activities requiring transportation engineering and project management expertise.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Engineering & Operations Support	512,372	3,968,864	3,776,353	3,810,130
<b>Total</b>	<b>512,372</b>	<b>3,968,864</b>	<b>3,776,353</b>	<b>3,810,130</b>
Full-time Equivalents Total*	25.75	25.75	3.00	3.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## General Expense Budget Control Level

The purpose of the General Expense Budget Control Level is to account for certain City business expenses necessary to the overall delivery of transportation services. Money from all transportation funding sources is collected to pay for these indirect cost services. It also includes Judgment and Claims contributions and debt service payments.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
City Central Costs	20,445,434	22,529,470	34,649,172	32,098,624
Debt Service	24,310,539	27,113,178	31,208,115	35,920,401
Indirect Cost Recovery - General Expense	-19,390,996	-22,529,470	-30,374,593	-30,792,683
Judgment & Claims	1,770,151	3,250,869	2,983,510	2,590,087
<b>Total</b>	<b>27,135,128</b>	<b>30,364,047</b>	<b>38,466,204</b>	<b>39,816,429</b>

# Seattle Department of Transportation

*The following information summarizes the programs in General Expense Budget Control Level:*

## City Central Costs Program

The purpose of the City Central Costs Program is to allocate the City's general services costs to SDOT in a way that benefits the delivery of transportation services to the public.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
City Central Costs	20,445,434	22,529,470	34,649,172	32,098,624

## Debt Service Program

The purpose of the Debt Service Program is to meet principal repayment and interest obligations on debt proceeds that are appropriated in SDOT's budget.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt Service	24,310,539	27,113,178	31,208,115	35,920,401

## Indirect Cost Recovery - General Expense Program

The purpose of the Indirect Cost Recovery - General Expense Program is to equitably recover funding from all transportation activities and capital projects to pay for allocated indirect costs for city services that are essential to the delivery of transportation services to the public.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Indirect Cost Recovery - General Expense	-19,390,996	-22,529,470	-30,374,593	-30,792,683

## Judgment & Claims Program

The purpose of the Judgment & Claims Program is to represent SDOT's annual contribution to the City's centralized self-insurance pool from which court judgments and claims against the City are paid.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Judgment & Claims	1,770,151	3,250,869	2,983,510	2,590,087

# Seattle Department of Transportation

## **Major Maintenance/Replacement Budget Control Level**

The purpose of the Major Maintenance/Replacement Budget Control Level is to provide maintenance and replacement of roads, trails, bike paths, bridges and structures.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Bridges & Structures	8,294,954	19,045,500	20,234,733	31,965,880
Landslide Mitigation	356,053	1,345,000	427,000	440,000
Roads	18,510,869	45,434,497	36,432,808	30,374,500
Sidewalk Maintenance	1,703,619	1,500,000	1,530,000	1,560,600
Signs, Signals and Markings	0	0	1,492,576	1,525,683
Trails and Bike Paths	9,186,826	9,250,000	9,165,000	9,180,000
<b>Total</b>	<b>38,052,322</b>	<b>76,574,997</b>	<b>69,282,117</b>	<b>75,046,663</b>
Full-time Equivalents Total*	61.00	62.00	80.50	80.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Major Maintenance/Replacement Budget Control Level:**

### **Bridges & Structures Program**

The purpose of the Bridges & Structures Program is to provide for safe and efficient use of the city's bridges and structures to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Bridges & Structures	8,294,954	19,045,500	20,234,733	31,965,880
Full-time Equivalents Total	21.50	21.50	12.75	12.75

### **Landslide Mitigation Program**

The purpose of the Landslide Mitigation Program is to proactively identify and address potential areas of landslide concerns that affect the right-of-way.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Landslide Mitigation	356,053	1,345,000	427,000	440,000
Full-time Equivalents Total	2.00	2.00	2.00	2.00

# Seattle Department of Transportation

## Roads Program

The purpose of the Roads Program is to provide for the safe and efficient use of the city's roadways to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Roads	18,510,869	45,434,497	36,432,808	30,374,500
Full-time Equivalents Total	18.50	19.50	40.00	40.00

## Sidewalk Maintenance Program

The purpose of the Sidewalk Maintenance Program is to maintain and provide safe and efficient use of the city's sidewalks to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Sidewalk Maintenance	1,703,619	1,500,000	1,530,000	1,560,600
Full-time Equivalents Total	6.50	6.50	6.00	6.00

## Signs, Signals and Markings Program

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Signs, Signals and Markings	0	0	1,492,576	1,525,683

## Trails and Bike Paths Program

The purpose of the Trails and Bike Paths Program is to maintain and provide safe and efficient use of the city's trails and bike paths to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Trails and Bike Paths	9,186,826	9,250,000	9,165,000	9,180,000
Full-time Equivalents Total	12.50	12.50	19.75	19.75

# Seattle Department of Transportation

## **Major Projects Budget Control Level**

The purpose of the Major Projects Budget Control Level is to design, manage and construct improvements to the transportation infrastructure for the benefit of the traveling public including freight, transit, other public agencies, pedestrians, bicyclists and motorists.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Alaskan Way Viaduct and Seawall Replacement	149,022,952	127,564,000	72,481,358	36,459,642
First Hill Streetcar	9,059,241	0	0	0
Magnolia Bridge Replacement	8,860	0	0	0
Mercer Corridor	236,719	0	0	0
Mercer West	15,792,490	3,909,000	0	0
Spokane Street Viaduct	104,498	0	0	0
SR-520	157,647	119,000	1,065,585	681,445
<b>Total</b>	<b>174,382,407</b>	<b>131,592,000</b>	<b>73,546,943</b>	<b>37,141,087</b>
Full-time Equivalents Total*	44.75	45.75	23.50	23.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Major Projects Budget Control Level:**

### **Alaskan Way Viaduct and Seawall Replacement Program**

The purpose of the Alaskan Way Viaduct and Seawall Replacement Program is to fund the City's involvement in the replacement of the seismically-vulnerable viaduct and seawall. The Alaskan Way Viaduct is part of State Route 99, which carries one-quarter of the north-south traffic through downtown Seattle and is a major truck route serving the city's industrial areas.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Alaskan Way Viaduct and Seawall Replacement	149,022,952	127,564,000	72,481,358	36,459,642
Full-time Equivalents Total	28.50	29.50	22.00	22.00

### **First Hill Streetcar Program**

The purpose of the First Hill Streetcar Program is to support the First Hill Streetcar project, which connects First Hill employment centers to the regional Link light rail system, including but not limited to the International District/Chinatown Station and Capitol Hill Station at Broadway and John Street.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
First Hill Streetcar	9,059,241	0	0	0
Full-time Equivalents Total	1.00	1.00	1.00	1.00

# Seattle Department of Transportation

## Magnolia Bridge Replacement Program

The purpose of the Magnolia Bridge Replacement Program is to evaluate possible locations and bridge types for the replacement of the Magnolia Bridge, and to ultimately replace the bridge, which was damaged by a landslide in 1997 and the Nisqually earthquake in 2001.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Magnolia Bridge Replacement	8,860	0	0	0
Full-time Equivalents Total	0.00	0.00	-1.00	-1.00

## Mercer Corridor Program

The purpose of the Mercer Corridor Program is to use existing street capacity along the Mercer Corridor and South Lake Union more efficiently and enhance all modes of travel, including pedestrian mobility.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Mercer Corridor	236,719	0	0	0
Full-time Equivalents Total	7.25	7.25	0.00	0.00

## Mercer West Program

The purpose of the Mercer West Program is to use existing street capacity along the west portion of Mercer Street more efficiently and enhance all modes of travel, including pedestrian mobility, and provide an east/west connection between I-5, State Route 99, and Elliott Ave W.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
Mercer West	15,792,490	3,909,000	0	0

## Spokane Street Viaduct Program

The purpose of the Spokane Street Viaduct Program is to improve the safety of the Spokane Street Viaduct by building a new structure parallel and connected to the existing one and widening the existing viaduct.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Spokane Street Viaduct	104,498	0	0	0
Full-time Equivalents Total	6.50	6.50	0.00	0.00

## SR-520 Program

The purpose of the SR-520 Program is to provide policy, planning and technical analysis support and to act as the City's representative in a multi-agency group working on the replacement of the State Route 520 bridge.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
SR-520	157,647	119,000	1,065,585	681,445
Full-time Equivalents Total	1.50	1.50	1.50	1.50

# Seattle Department of Transportation

## **Mobility-Capital Budget Control Level**

The purpose of the Mobility-Capital Budget Control Level is to help maximize the movement of traffic throughout the city by enhancing all modes of transportation including corridor and intersection improvements, transit and HOV improvements, and sidewalk and pedestrian facilities.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Corridor & Intersection Improvements	23,558,343	24,524,501	15,090,197	15,985,671
Freight Mobility	1,132,917	1,500,000	18,700,000	67,900,000
Intelligent Transportation System	2,850,639	7,300,001	2,800,000	2,800,000
Neighborhood Enhancements	7,736,652	21,057,001	3,267,000	13,760,000
New Trails and Bike Paths	2,672,032	0	0	2,000,000
Sidewalks & Pedestrian Facilities	16,158,875	18,810,266	24,251,523	17,922,104
Transit & HOV	12,940,268	14,554,001	18,732,271	112,189,695
<b>Total</b>	<b>67,049,727</b>	<b>87,745,770</b>	<b>82,840,991</b>	<b>232,557,470</b>
Full-time Equivalents Total*	73.50	73.50	106.75	106.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Mobility-Capital Budget Control Level:**

### **Corridor & Intersection Improvements Program**

The purpose of the Corridor & Intersection Improvements Program is to analyze and make improvements to corridors and intersections to move traffic more efficiently. Examples of projects include signal timing, left turn signals and street improvements.

<b>Expenditures/FTE</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Corridor & Intersection Improvements	23,558,343	24,524,501	15,090,197	15,985,671
Full-time Equivalents Total	15.75	15.75	34.00	34.00

### **Freight Mobility Program**

The purpose of the Freight Mobility Program is to help move freight throughout the city in a safe and efficient manner.

<b>Expenditures/FTE</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Freight Mobility	1,132,917	1,500,000	18,700,000	67,900,000
Full-time Equivalents Total	1.75	1.75	4.50	4.50



# Seattle Department of Transportation

## Intelligent Transportation System Program

The purpose of the Intelligent Transportation System (ITS) Program is to fund projects identified in the City's ITS Strategic Plan and ITS Master Plan. Examples of projects include implementation of transit signal priority strategies; installation of closed-circuit television (CCTV) cameras to monitor traffic in key corridors; and development of parking guidance, traveler information and real-time traffic control systems.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Intelligent Transportation System	2,850,639	7,300,001	2,800,000	2,800,000
Full-time Equivalents Total	12.50	12.50	8.25	8.25

## Neighborhood Enhancements Program

The purpose of the Neighborhood Enhancements Program is to make safe and convenient neighborhoods by improving sidewalks, traffic circles, streetscape designs and the installation of pay stations.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Neighborhood Enhancements	7,736,652	21,057,001	3,267,000	13,760,000
Full-time Equivalents Total	12.00	12.00	13.00	13.00

## New Trails and Bike Paths Program

The purpose of the New Trails and Bike Paths Program is to construct new trails and bike paths that connect with existing facilities to let users transverse the city on a dedicated network of trails and paths.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
New Trails and Bike Paths	2,672,032	0	0	2,000,000
Full-time Equivalents Total	8.25	8.25	0.50	0.50

## Sidewalks & Pedestrian Facilities Program

The purpose of the Sidewalks & Pedestrian Facilities Program is to install new facilities that help pedestrians move safely along the city's sidewalks by installing or replacing sidewalks, modifying existing sidewalks for elderly and handicapped accessibility, and increasing pedestrian lighting.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Sidewalks & Pedestrian Facilities	16,158,875	18,810,266	24,251,523	17,922,104
Full-time Equivalents Total	17.25	17.25	34.50	34.50

## Transit & HOV Program

The purpose of the Transit & HOV Program is to move more people in less time throughout the city.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Transit & HOV	12,940,268	14,554,001	18,732,271	112,189,695
Full-time Equivalents Total	6.00	6.00	12.00	12.00

# Seattle Department of Transportation

## **Mobility-Operations Budget Control Level**

The purpose of the Mobility-Operations Budget Control level is to promote the safe and efficient operation of all transportation modes in the city. This includes managing the parking, pedestrian, and bicycle infrastructure; implementing neighborhood plans; encouraging alternative modes of transportation; and maintaining and improving signals and the non-electrical transportation management infrastructure.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Commuter Mobility	16,441,854	13,550,476	15,380,502	14,388,803
Neighborhoods	4,234,780	5,667,933	3,094,883	3,294,715
Parking	8,799,508	9,055,635	11,865,264	12,165,873
Signs & Markings	4,216,618	3,357,094	3,388,117	3,462,814
Traffic Signals	11,647,114	8,938,900	10,034,219	10,242,491
Transit Operations	13,540,200	44,893,320	48,083,083	47,769,547
<b>Total</b>	<b>58,880,074</b>	<b>85,463,358</b>	<b>91,846,068</b>	<b>91,324,243</b>
Full-time Equivalents Total*	156.75	156.75	129.75	129.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Mobility-Operations Budget Control Level:**

### **Commuter Mobility Program**

The purpose of the Commuter Mobility Program is to provide a variety of services, including enforcement of City commercial vehicle limits, transit coordination, and planning, to increase mobility and transportation options to the residents of Seattle.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Commuter Mobility	16,441,854	13,550,476	15,380,502	14,388,803
Full-time Equivalents Total	51.50	51.50	44.25	44.25

### **Neighborhoods Program**

The purpose of the Neighborhoods Program is to plan and forecast the needs of specific neighborhoods including neighborhood and corridor planning, development of the coordinated transportation plans, traffic control spot improvements and travel forecasting. The program also constructs minor improvements in neighborhoods based on these assessments.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Neighborhoods	4,234,780	5,667,933	3,094,883	3,294,715
Full-time Equivalents Total	15.50	15.50	10.00	10.00

# Seattle Department of Transportation

## Parking Program

The purpose of the Parking Program is to manage the City's parking resources, maintain and operate pay stations and parking meters for on-street parking, and develop and manage the City's carpool program and Residential Parking Zones for neighborhoods.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Parking	8,799,508	9,055,635	11,865,264	12,165,873
Full-time Equivalents Total	33.25	33.25	24.00	24.00

## Signs & Markings Program

The purpose of the Signs & Markings Program is to design, fabricate and install signage, as well as provide pavement, curb and crosswalk markings to facilitate the safe movement of vehicles, pedestrians and bicyclists throughout the city.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Signs & Markings	4,216,618	3,357,094	3,388,117	3,462,814
Full-time Equivalents Total	18.75	18.75	19.50	19.50

## Traffic Signals Program

The purpose of the Traffic Signals Program is to operate the Traffic Management Center that monitors traffic movement within the city and to maintain and improve signals and other electrical transportation management infrastructure.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Traffic Signals	11,647,114	8,938,900	10,034,219	10,242,491
Full-time Equivalents Total	37.75	37.75	29.25	29.25

## Transit Operations Program

Transit Operations

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Transit Operations	13,540,200	44,893,320	48,083,083	47,769,547
Full-time Equivalents Total	0.00	0.00	2.75	2.75

# Seattle Department of Transportation

## **ROW Management Budget Control Level**

The purpose of the Right-of-Way (ROW) Management Budget Control Level is to review projects throughout the city for code compliance for uses of the right-of-way and to provide plan review, utility permit and street use permit issuance, and utility inspection and mapping services.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Street Use Permitting & Enforcement	24,086,347	30,354,732	32,725,996	32,514,501
<b>Total</b>	<b>24,086,347</b>	<b>30,354,732</b>	<b>32,725,996</b>	<b>32,514,501</b>
Full-time Equivalents Total*	95.50	141.50	134.00	134.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## **Street Maintenance Budget Control Level**

The purpose of the Street Maintenance Budget Control Level is to maintain the city's roadways and sidewalks.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Emergency Response	1,760,186	2,093,557	4,080,562	3,451,569
Operations Support	4,207,841	4,585,736	4,757,423	4,863,206
Pavement Management	536,520	313,572	329,543	337,816
Street Cleaning	5,826,030	6,141,995	7,343,453	7,467,380
Street Repair	8,148,116	12,011,498	13,916,419	14,102,436
<b>Total</b>	<b>20,478,692</b>	<b>25,146,358</b>	<b>30,427,400</b>	<b>30,222,407</b>
Full-time Equivalents Total*	112.50	114.50	111.50	111.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Street Maintenance Budget Control Level:**

### **Emergency Response Program**

The purpose of the Emergency Response Program is to respond to safety and mobility issues such as pavement collapses, severe weather, landslides and other emergencies to make the right-of-way safe for moving people and goods. This program proactively addresses landslide hazards to keep the right-of-way open and safe.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Emergency Response	1,760,186	2,093,557	4,080,562	3,451,569
Full-time Equivalents Total	2.25	2.25	18.50	18.50

# Seattle Department of Transportation

## Operations Support Program

The purpose of the Operations Support Program is to provide essential operating support services necessary for the daily operation of SDOT's equipment and field workers dispatched from three field locations in support of street maintenance activities. These functions include warehousing, bulk material supply and management, tool cleaning and repair, equipment maintenance and repair, project accounting and technical support, and crew supervision.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Operations Support	4,207,841	4,585,736	4,757,423	4,863,206
Full-time Equivalents Total	33.25	33.25	22.50	22.50

## Pavement Management Program

The purpose of the Pavement Management Program is to assess the condition of asphalt and concrete pavements and establish citywide paving priorities for annual resurfacing and repair programs.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Pavement Management	536,520	313,572	329,543	337,816
Full-time Equivalents Total	0.75	0.75	1.00	1.00

## Street Cleaning Program

The purpose of the Street Cleaning Program is to keep Seattle's streets, improved alleys, stairways and pathways clean, safe and environmentally friendly by conducting sweeping, hand-cleaning, flushing and mowing on a regular schedule.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Street Cleaning	5,826,030	6,141,995	7,343,453	7,467,380
Full-time Equivalents Total	21.25	23.25	22.50	22.50

## Street Repair Program

The purpose of the Street Repair Program is to preserve and maintain all streets and adjacent areas such as sidewalks and road shoulders by making spot repairs and conducting annual major maintenance paving and rehabilitation programs.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Street Repair	8,148,116	12,011,498	13,916,419	14,102,436
Full-time Equivalents Total	55.00	55.00	47.00	47.00

# Seattle Department of Transportation

## Urban Forestry Budget Control Level

The purpose of the Urban Forestry Budget Control Level is to administer, maintain, protect and expand the city's urban landscape in the street right-of-way through the maintenance and planting of new trees and landscaping to enhance the environment and aesthetics of the city. The Urban Forestry BCL maintains City-owned trees to improve the safety of the right-of-way for Seattle's residents and visitors.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Arborist Services	1,362,408	1,418,432	1,457,628	1,491,943
Tree & Landscape Maintenance	3,076,300	3,962,663	4,127,911	4,232,135
<b>Total</b>	<b>4,438,708</b>	<b>5,381,095</b>	<b>5,585,539</b>	<b>5,724,078</b>
Full-time Equivalents Total*	31.25	31.25	34.00	34.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Urban Forestry Budget Control Level:**

### **Arborist Services Program**

The purpose of the Arborist Services Program is to maintain, protect and preserve city street trees and to regulate privately-owned trees in the right-of-way by developing plans, policies and procedures to govern and improve the care and quality of street trees.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Arborist Services	1,362,408	1,418,432	1,457,628	1,491,943
Full-time Equivalents Total	8.75	8.75	4.50	4.50

### **Tree & Landscape Maintenance Program**

The purpose of the Tree & Landscape Maintenance Program is to provide planning, design, construction and construction inspection services for the landscape elements of transportation capital projects, as well as guidance to developers on the preservation of city street trees and landscaped sites during construction of their projects.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Tree & Landscape Maintenance	3,076,300	3,962,663	4,127,911	4,232,135
Full-time Equivalents Total	22.50	22.50	29.50	29.50

# Seattle Department of Transportation

## Transportation Fund Table

### Transportation Operating Fund (10310)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>86,347,911</b>	<b>78,162,835</b>	<b>104,628,877</b>	<b>181,458,706</b>	<b>183,288,579</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	440,713,578	504,389,554	486,102,121	442,473,391	560,966,415
Less: Actual and Budgeted Expenditures	422,432,612	491,034,706	409,272,292	440,643,518	561,128,911
<b>Ending Fund Balance</b>	<b>104,628,877</b>	<b>91,517,683</b>	<b>181,458,706</b>	<b>183,288,579</b>	<b>183,126,083</b>
Continuing Appropriations	0		53,654,316	53,654,316	53,654,316
Interfund Loan Mercer West	0	0	-26,300,000	0	0
Interfund Loan Streetcar Capital	0	0	-5,950,000	-5,950,000	-5,950,000
Planning Reserve	0	0	0	-1,600,000	-1,600,000
<b>Total Reserves</b>	<b>0</b>	<b>0</b>	<b>21,404,316</b>	<b>46,104,316</b>	<b>46,104,316</b>
<b>Ending Unreserved Fund Balance</b>	<b>104,628,877</b>	<b>91,517,683</b>	<b>160,054,390</b>	<b>137,184,263</b>	<b>137,021,767</b>

# Seattle Department of Transportation

## Capital Improvement Program Highlights

The Seattle Department of Transportation (SDOT) maintains, upgrades, and monitors the use of the City's system of streets, bridges, retaining walls, seawalls, bicycle and pedestrian facilities, and traffic control devices. SDOT's Capital Improvement Program (CIP) outlines the department's plan for repairing, improving, and adding to this extensive infrastructure. SDOT finances its CIP with a variety of revenue sources, including the Cumulative Reserve Subfund, Commercial Parking Tax, Real Estate Excise Taxes, gas tax, state and federal grants, partnerships with private organizations and other public agencies, and bond proceeds.

The 2017-2022 Proposed CIP includes key infrastructure investments, previously detailed in this chapter, to:

- implement the Move Settle levy approved by voters in November 2015;
- continue the Seawall and Waterfront Replacement projects;
- design and construct the Center City Connector Streetcar;
- design and construct the South Lander Street Grade Separation project;
- replace the City's aging pay stations and;
- replace SDOT's permitting system.

For more information on SDOT's full capital program, please refer to the 2017-2022 Proposed CIP.

Most capital appropriations for SDOT are directly budgeted to a Budget Control Level (BCL) within the department. These are displayed at the start of this chapter and summarized in **Table I: Capital Improvement Budget Control Level Summary**. Consistent with RCW 35.32A.080, if any portion of these funds remains unexpended or unencumbered at the close of the fiscal year, SDOT holds that portion for the following year unless abandoned by the City Council by ordinance.

**Table 1: Capital Improvement Budget Control Level Summary**

<b>Budget Control Level</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Major Maintenance/Replacement	\$69,282,117	\$75,046,663
Major Projects	\$73,546,943	\$37,141,087
Mobility Capital	\$82,840,991	\$232,557,470
<b>Total Capital Improvement Program</b>	<b>\$225,670,051</b>	<b>\$344,745,220</b>

While the City appropriates most revenue sources for SDOT's capital projects directly to the Transportation Operating Fund (TOF), funding from the following funds require separate transfer authority to the TOF: Limited Tax General Obligation Bond (LTGO) proceeds; the Cumulative Reserve Subfund (CRS); the Central Waterfront Improvement Fund; and the School Safety Traffic and Pedestrian Improvement Fund. A summary of this information is presented in Tables 2 through 5 on the following pages.

**Table 2: 2017-2018 Proposed SDOT Bond Appropriations in CIP** provides an informational display of LTGO bond proceed transfers to the TOF and the projects to which these proceeds will be allocated. Authority to transfer these funds to the TOF is provided by the various LTGO bond ordinances or other legislation.



# Seattle Department of Transportation

**Table 2: 2017-2018 Proposed SDOT Bond Appropriations in CIP**

Project and Bond Type	2017 Proposed	2018 Proposed
<b>Bridge Rehabilitation and Replacement: TC366850</b>		
Multipurpose LTGO Bonds	\$5,247,000	\$0
<b>23<sup>rd</sup> Avenue Corridor: TC367420</b>		
Multipurpose LTGO Bonds	\$1,651,000	\$0
<b>Center City Connector Streetcar: TC367210</b>		
Multipurpose LTGO Bonds	\$4,701,000	\$16,000,000
<b>King Street Station Tenant Improvements: TC367840</b>		
Multipurpose LTGO Bonds	\$1,800,000	\$0
<b>Elliott Bay Seawall: TC367320</b>		
Multipurpose LTGO Bonds	\$30,421,000	\$14,579,000
<b>Overlook Walk and East-West Connections: TC367630</b>		
Multipurpose LTGO Bonds	\$3,281,000	\$3,280,000
<b>Alaskan Way Main Corridor: TC 367330</b>		
Multipurpose LTGO Bonds	\$5,975,000	\$6,966,000
<b>Total Bond Proceeds</b>	<b>\$53,076,000</b>	<b>\$40,825,000</b>

The Cumulative Reserve Subfund section of the budget presents appropriations authorized for specific programs; however, they have been summarized in this section in **Table 3: 2017-2018 Proposed Cumulative Reserve Subfund Program Funding to SDOT**. Appropriations from the CRS include Real Estate Excise Tax debt as well as CRS-Unrestricted funds, which are backed by street vacation revenues.

*For Informational Purposes Only*

**Table 3: 2017-2018 Proposed Cumulative Reserve Subfund Program Funding to SDOT  
(Dollars in Thousands)**

Sub-Account	Project ID	2017	2018
<b>Cumulative Reserve Subfund – REET I (00163)</b>			
Northgate Bridge and Cycle Track	TC367350	\$3,000	\$0
Pedestrian Master Plan Implementation	TC367150	\$1,000	\$0
<b>Subtotal REET I</b>		<b>\$4,000</b>	<b>\$0</b>
<b>Cumulative Reserve Subfund – REET II (00161)</b>			
23 <sup>rd</sup> Avenue Corridor Improvements	TC367420	\$0	\$111
Bridge Painting Program	TC324900	\$2,135	\$2,135
Elliott Bay Seawall	TC367320	\$10,000	\$0
Hazard Mitigation Program – Areaways	TC365480	\$330	\$331
Hazard Mitigation Program – Landslide	TC365510	\$200	\$200
Non-Arterial Street Resurfacing & Restoration	TC367710	\$1,150	\$1,150
NPSF Neighborhood Parks Street Fund	TC365770	\$1,941	\$0
Pedestrian Master Plan Implementation	TC367150	\$49	\$49
Retaining Wall Repair and Restoration	TC365890	\$212	\$212
South Lander Street Grade Separation	TC366150	\$5,000	\$0
Debt Service	TC320060	\$1,306	\$812
<b>Subtotal REET II</b>		<b>\$22,323</b>	<b>\$5,000</b>
<b>Cumulative Reserve Subfund – Street Vacation (00169)</b>			
Bridge Rehabilitation and Replacement	TC366850	\$177	\$0
<b>Subtotal CRS – Street Vacation</b>		<b>\$177</b>	<b>\$0</b>
<b>TOTAL – CRS FUNDING TO TRANSPORTATION</b>		<b>\$26,500</b>	<b>\$5,000</b>

# Seattle Department of Transportation

**Table 4: Central Waterfront Improvement Fund Appropriation** displays appropriations from the Central Waterfront Improvement Fund to the Transportation Operating Fund for certain costs associated with the design and construction of the waterfront improvement program, including costs eligible for financing by a future Local Improvement District (LID), and related costs for City administration. This fund is backed by an interfund loan until such time that the LID is formed. Additional details of this fund are located in the Central Waterfront Improvement Fund section of the 2017-2018 Proposed Budget.

**Table 4: Central Waterfront Improvement Fund Appropriation**

The purpose of the Central Waterfront Improvement Fund Support to the Transportation Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the waterfront improvement program.

<b>Expenditures</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Central Waterfront Improvement Fund Support to Transportation BCL	\$1,410,000	\$1,410,000

**Table 5: School Safety Traffic and Pedestrian Improvement Fund Appropriation** displays the appropriation from the School Safety Traffic and Pedestrian Improvement Fund to the Transportation Operating Fund for support of the Pedestrian Master Plan – School Safety and the Pedestrian Master Plan – New Sidewalk capital programs and the operation and maintenance costs associated with the programs. This fund supports costs associated with design and construction of school safety infrastructure projects; school zone camera installation; school zone warning beacon maintenance; new sidewalks in school walk zones; the maintenance of stairways in school walk zones; and school safety program education, outreach and administration. Additional fund details are located in the School Safety Traffic and Pedestrian Improvement Fund section of the 2017-2018 Proposed Budget.

**Table 5: School Safety Traffic and Pedestrian Improvement Fund Appropriation**

The purpose of the School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements BCL is to appropriate funds from the School Safety Traffic and Pedestrian Improvement Fund to the Transportation Operating Fund for support of operational and capital expenses related to school safety projects.

<b>Expenditures</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
School Safety Traffic and Pedestrian Improvement Fund Support to Transportation BCL	\$5,944,239	\$4,127,091



# Cable Television Franchise Subfund

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<http://www.seattle.gov/seattleIT>

## Department Overview

The City of Seattle entered into cable franchise agreements beginning in 1996 that included a franchise fee as compensation for cable television providers locating in the public right-of-way. The City has approved franchises with CenturyLink, Comcast and Wave Division I.

The Cable Television Franchise Subfund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Seattle Information Technology Department (Seattle IT). Resolution 30379 establishes usage policies for the fund. The fund pays for the following services:

- administration of the Cable Customer Bill of Rights and the public, education, and government access costs the City is obligated to fund under the terms of its cable franchise agreements;
- support of the Seattle Channel, including both operations and capital equipment;
- programs and projects promoting technology literacy and access, including related research, analysis, and evaluation; and
- use of innovative and interactive technology, including television and online content, to provide ways for residents to access City services.

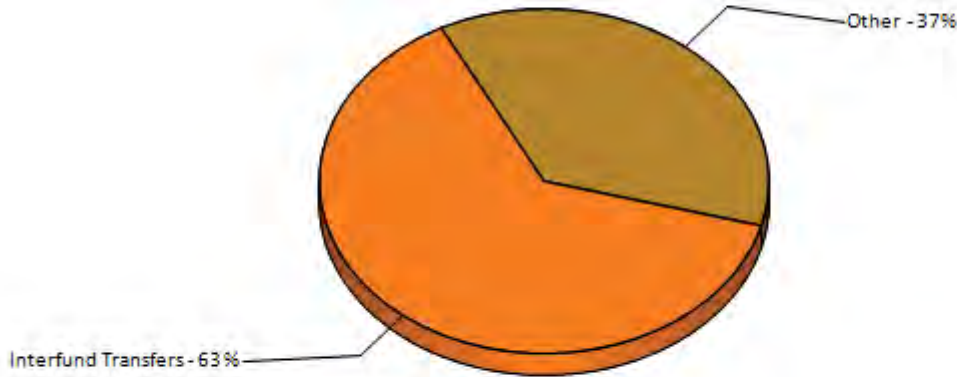
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$8,775,867	\$9,936,381	\$10,353,466	\$10,041,960
<b>Total Operations</b>	<b>\$8,775,867</b>	<b>\$9,936,381</b>	<b>\$10,353,466</b>	<b>\$10,041,960</b>
<b>Total Appropriations</b>	<b>\$8,775,867</b>	<b>\$9,936,381</b>	<b>\$10,353,466</b>	<b>\$10,041,960</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Cable Television Franchise Subfund

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The Cable Television Franchise Fund (Cable Fund) receives revenues from cable television provider franchise fees. The 2017-18 Proposed Budget continues previous uses of the Cable Fund for programs such as the Seattle Channel, the Cable Customer Bill of Rights, initiatives that promote technology literacy and access, and technology that provides ways for residents to access City services.

The proposed budget funds a new public-facing community grant system to make it easier for community groups to apply for City grants. The Department of Neighborhoods is leading an effort with several departments to find ways to improve the community grant-making process and ease the administrative burden on community groups.

The proposed budget increases support for the City's Digital Equity Initiative by adding funds for community technology grants, digital services, training, and program management resources. Additionally, the Cable Fund will provide a portion of the funding for the City's Civic Technology Advocate, a position added in 2015 to help facilitate community partnerships and engage the Seattle tech community to create innovative solutions that leverage the City's open datasets. To make Seattle Channel operations more efficient, the Cable Fund will provide funds to purchase a second van thereby decreasing its reliance on fleet rentals and employees' personal car use.

The proposed budget also funds a Digital Media Specialist position to serve Seattle IT's Citywide Web Team. This position will be responsible for increasing the strategic use of digital media content on Seattle.gov and social media outlets. The Seattle Web Team lacks resources dedicated to producing, managing, and presenting digital media such as graphics, photos and video content. The position is expected to produce professional content in collaboration with customer departments in an effort to increase public engagement with the City's online presence.

For additional detail regarding the use of Cable Fund, please refer to the Seattle IT budget.

# Cable Television Franchise Subfund

## Incremental Budget Changes

### Cable Television Franchise Subfund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 9,936,381</b>	<b>0.00</b>	<b>\$ 9,936,381</b>	<b>0.00</b>
<b>Proposed Changes</b>				
Align with Information Technology Fund	\$ 307,085	0.00	-\$ 6,421	0.00
Seattle Public Library Digital Librarian	\$ 110,000	0.00	\$ 112,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 417,085</b>	<b>0.00</b>	<b>\$ 105,579</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 10,353,466</b>	<b>0.00</b>	<b>\$ 10,041,960</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Align with Information Technology Fund - \$307,085**

This adjustment aligns the Cable Fund with changes made in the Seattle IT budget for changes in usage of services supported with the Cable Fund and changes in cost allocation. This item includes \$644,000 to support the creation of a new community grant system, \$316,000 to support the City's Digital Equity Initiative, \$130,000 for a Digital Media Specialist on the Citywide Web Team, and \$39,000 for a second Seattle Channel van. These additions are offset, however, by changes in other cost allocations. Detail on these items can be found in the Seattle IT budget.

#### **Seattle Public Library Digital Librarian - \$110,000**

This item includes \$110,000 for the Seattle Public Library's Digital Librarian, an existing position that will now spend all of its time on digital equity programming. In addition to working specifically on Wi-Fi hotspot outreach, this position now provides broad support of digital literacy through direct patron instruction and support. This position leads the organization by identifying audiences to serve, developing broad partnerships with City agencies as well as non-profits and other service providers, designing programs and instruction curriculum, and training staff and volunteers to deliver classes and direct services. More information on Seattle Public Library's use of Cable Fund for digital equity can be found in the Seattle Public Library's budget.

# Cable Television Franchise Subfund

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Cable Fee Support to Information Technology Fund Budget Control</b>					
Applications		0	0	742,062	430,062
Business Office		-14,643	238,437	456,822	386,145
Citywide Web Team		1,211,646	945,258	1,122,959	1,135,302
Community Technology		1,429,344	1,715,774	1,701,104	1,687,396
Engineering and Operations		969,084	1,155,473	762,585	770,763
Office of Cable Communications		955,364	907,842	811,121	821,776
Open Data		0	0	307,153	312,935
Seattle Channel		3,627,540	3,709,800	3,306,378	3,343,070
Security, Risk and Compliance		0	0	435,097	442,581
Strategy and Planning		407,532	733,797	68,185	69,930
<b>Total</b>	<b>D160B</b>	<b>8,585,867</b>	<b>9,406,381</b>	<b>9,713,466</b>	<b>9,399,960</b>
<b>Cable Fee Support to Library Fund Budget Control Level</b>	<b>D160C</b>	<b>190,000</b>	<b>530,000</b>	<b>640,000</b>	<b>642,000</b>
<b>Department Total</b>		<b>8,775,867</b>	<b>9,936,381</b>	<b>10,353,466</b>	<b>10,041,960</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Cable Television Franchise Subfund

### Revenue Overview

#### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
421911	Franchise Fee Revenues, Licenses, Permits, and Fines	9,081,788	9,999,314	9,356,315	9,356,315
	<b>Total Franchise Fees, Licenses, Permits, and Fines</b>	<b>9,081,788</b>	<b>9,999,314</b>	<b>9,356,315</b>	<b>9,356,315</b>
461110	Interest Earnings	33,320	49,006	36,818	27,453
	<b>Total Interest Earnings/Investment Earnings</b>	<b>33,320</b>	<b>49,006</b>	<b>36,818</b>	<b>27,453</b>
	<b>Total Revenues</b>	<b>9,115,108</b>	<b>10,048,320</b>	<b>9,393,133</b>	<b>9,383,768</b>
379100	Use of (Contributions to) Fund Balance	-339,240	-111,939	960,333	658,192
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>-339,240</b>	<b>-111,939</b>	<b>960,333</b>	<b>658,192</b>
	<b>Total Resources</b>	<b>8,775,868</b>	<b>9,936,381</b>	<b>10,353,466</b>	<b>10,041,960</b>



# Cable Television Franchise Subfund

## Appropriations By Budget Control Level (BCL) and Program

### **Cable Fee Support to Information Technology Fund Budget Control Level**

The purpose of the Cable Fee Support to Information Technology Fund Budget Control Level is to authorize the transfer of resources from the Cable Television Franchise Subfund to the Seattle Information Technology Department's Information Technology Fund. These resources are used by the department for a variety of programs consistent with Resolution 30379.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Applications	0	0	742,062	430,062
Business Office	-14,643	238,437	456,822	386,145
Citywide Web Team	1,211,646	945,258	1,122,959	1,135,302
Community Technology	1,429,344	1,715,774	1,701,104	1,687,396
Engineering and Operations	969,084	1,155,473	762,585	770,763
Office of Cable Communications	955,364	907,842	811,121	821,776
Open Data	0	0	307,153	312,935
Seattle Channel	3,627,540	3,709,800	3,306,378	3,343,070
Security, Risk and Compliance	0	0	435,097	442,581
Strategy and Planning	407,532	733,797	68,185	69,930
<b>Total</b>	<b>8,585,867</b>	<b>9,406,381</b>	<b>9,713,466</b>	<b>9,399,960</b>

### **Cable Fee Support to Library Fund Budget Control Level**

The purpose of the Cable Fee Support to Library Fund Budget Control Level is to authorize the transfer of resources from the Cable Television Franchise Subfund to the Seattle Public Library's Operating Fund. The Library uses these resources to pay for and maintain computers available to the public.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Citizen Literacy/Access	190,000	530,000	640,000	642,000
<b>Total</b>	<b>190,000</b>	<b>530,000</b>	<b>640,000</b>	<b>642,000</b>

## Cable Television Franchise Subfund

### Cable TV Fund Table

#### Cable Television Franchise Subfund (00160)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>4,118,457</b>	<b>3,886,472</b>	<b>4,451,163</b>	<b>3,658,061</b>	<b>2,697,728</b>
Accounting and Technical Adjustments	-6,535	0	0	0	0
Plus: Actual and Estimated Revenues	9,115,108	10,048,320	9,403,279	9,393,133	9,383,768
Less: Actual and Budgeted Expenditures	8,775,867	9,936,381	10,196,381	10,353,466	10,041,960
<b>Ending Fund Balance</b>	<b>4,451,163</b>	<b>3,998,411</b>	<b>3,658,061</b>	<b>2,697,728</b>	<b>2,039,536</b>
Ongoing Reserve	1,916,380	2,090,457	2,129,457	2,153,020	2,106,294
Planning Reserve		801,450	500,000	283,754	97,699
<b>Total Reserves</b>	<b>1,916,380</b>	<b>2,891,907</b>	<b>2,629,457</b>	<b>2,436,774</b>	<b>2,203,993</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,534,783</b>	<b>1,106,504</b>	<b>1,028,604</b>	<b>260,954</b>	<b>-164,457</b>



# Office of City Auditor

David G. Jones, City Auditor

(206) 233-3801

<http://www.seattle.gov/audit/>

## Department Overview

The Office of City Auditor was established by City Charter and serves as Seattle's independent performance audit function. The City Auditor is appointed by the City Council to a four-year term of office.

The Office of City Auditor seeks to promote honest, efficient management and full accountability throughout City government. It serves the public interest by providing the City Council, the Mayor and City employees with accurate information, unbiased analyses and objective recommendations on how best to use public resources.

The Office of City Auditor conducts audits of City departments, programs, grantees and contracts, as well as some nonaudit projects. Most of the office's work is performed in response to specific concerns or requests from City Councilmembers, but the City Auditor also independently initiates work to fulfill the office's mission. If resources are available, the City Auditor responds to requests from the Mayor, City departments and the public.

Through its work, the Office of City Auditor answers the following types of questions:

- Are City of Seattle programs being carried out in compliance with applicable laws and regulations, and is accurate information furnished to the City Council and Mayor on these programs?
- Do opportunities exist to eliminate inefficient use of public funds and waste?
- Are programs achieving desired results?
- Are there better ways to achieve program objectives at lower costs?
- Are there ways to improve the quality of service without increasing costs?
- What emerging or key issues should the City Council and Mayor consider?

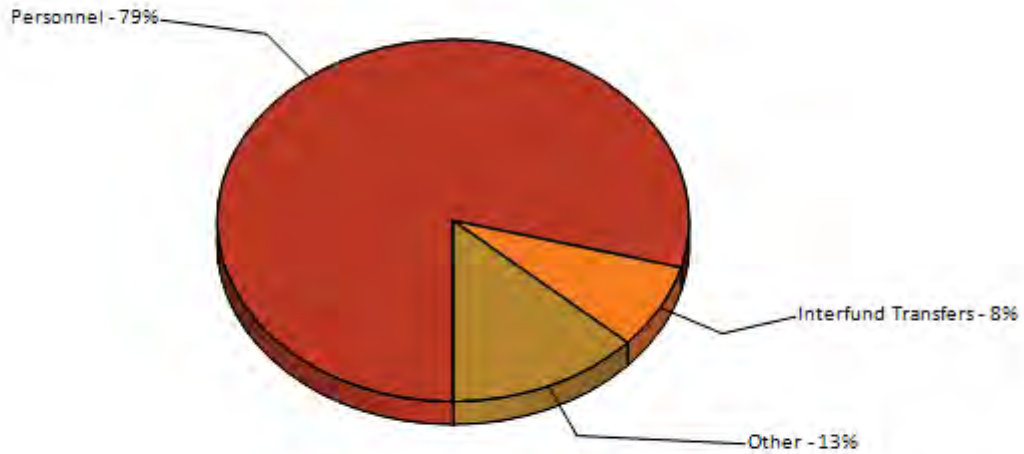
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$1,858,747	\$1,792,064	\$1,947,748	\$1,795,041
<b>Total Operations</b>	<b>\$1,858,747</b>	<b>\$1,792,064</b>	<b>\$1,947,748</b>	<b>\$1,795,041</b>
<b>Total Appropriations</b>	<b>\$1,858,747</b>	<b>\$1,792,064</b>	<b>\$1,947,748</b>	<b>\$1,795,041</b>
Full-time Equivalent Total*	9.50	9.50	9.50	9.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of City Auditor

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of City Auditor provides information to the Mayor, City Council, and City executive and management staff on City programs and activities.

The Office offers a way for City leaders to assess various public programs objectively, ensuring the use of efficient, effective service delivery options. It also offers the public a way to hold the City accountable for how public resources are being used. The 2017 - 2018 Proposed Budget preserves the funding and staffing levels that have allowed the Office of City Auditor to respond to those needs. In addition, the proposed budget adds funding for professional services. This funding will allow the Office to contract with academic researchers, in collaboration with the Office of Labor Standards, to conduct a study related to the new Secure Scheduling Ordinance.

### Incremental Budget Changes

#### Office of City Auditor

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 1,792,064</b>	<b>9.50</b>	<b>\$ 1,792,064</b>	<b>9.50</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 135,700	0.00	-\$ 135,700	0.00
Citywide Adjustments for Standard Cost Changes	\$ 91,384	0.00	\$ 138,677	0.00

# Office of City Auditor

## Proposed Changes

Add Funding for Secure Scheduling Evaluation	\$ 200,000	0.00	\$ 0	0.00
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## Proposed Technical Changes

Technical Adjustments	\$ 0	0.00	\$ 0	0.00
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<b>Total Incremental Changes</b>	<b>\$ 155,684</b>	<b>0.00</b>	<b>\$ 2,977</b>	<b>0.00</b>
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<b>2017 - 2018 Proposed Budget</b>	<b>\$ 1,947,748</b>	<b>9.50</b>	<b>\$ 1,795,041</b>	<b>9.50</b>
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## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$135,700)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget for work related to a University of Washington minimum wage evaluation.

#### **Citywide Adjustments for Standard Cost Changes - \$91,384**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

### Proposed Changes

#### **Add Funding for Secure Scheduling Evaluation - \$200,000**

This change adds funding for the Office of City Auditor, in collaboration with the Office of Labor Standards, to contract with academic researchers to study the new Secure Scheduling Ordinance.

### Proposed Technical Changes

#### **Technical Adjustments**

This adjustment makes net zero budgetary changes to better align the budget with actual expenditures.

# Office of City Auditor

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of City Auditor Budget Control Level	VG000	1,858,747	1,792,064	1,947,748	1,795,041
<b>Department Total</b>		<b>1,858,747</b>	<b>1,792,064</b>	<b>1,947,748</b>	<b>1,795,041</b>

<b>Department Full-time Equivalents Total*</b>	<b>9.50</b>	<b>9.50</b>	<b>9.50</b>	<b>9.50</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Appropriations By Budget Control Level (BCL) and Program

### Office of City Auditor Budget Control Level

The purpose of the Office of City Auditor is to provide unbiased analyses and objective recommendations to assist the City in using public resources more equitably, efficiently and effectively in delivering services to the public.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of City Auditor	1,858,747	1,792,064	1,947,748	1,795,041
<b>Total</b>	<b>1,858,747</b>	<b>1,792,064</b>	<b>1,947,748</b>	<b>1,795,041</b>
Full-time Equivalents Total*	9.50	9.50	9.50	9.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# City Budget Office

Ben Noble, Director

(206) 615-1962

<http://www.seattle.gov/budgetoffice/>

## Department Overview

The City Budget Office (CBO) is responsible for developing and monitoring the City's annual budget, carrying out budget-related functions, and overseeing fiscal policy and financial planning activities. CBO provides strategic analysis relating to the use of revenues, debt, long-term issues, and special events. The department also provides technical assistance, training, and support to City departments in performing financial functions.

## Budget Snapshot

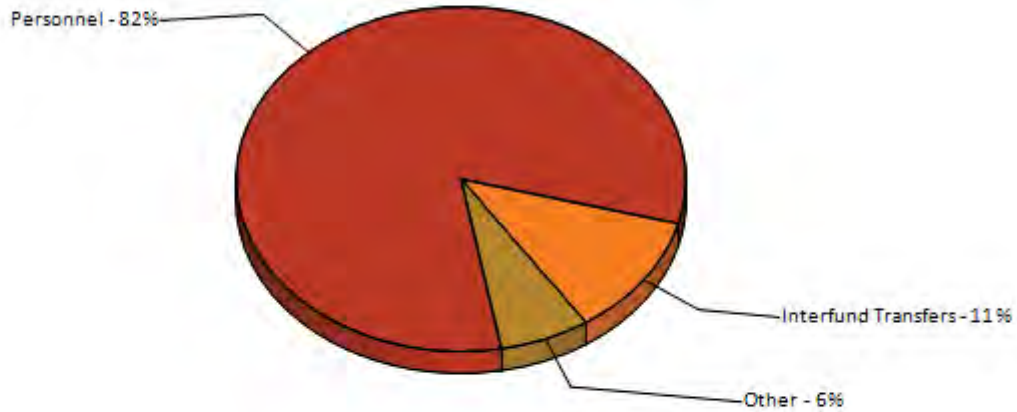
Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$5,134,721	\$5,895,076	\$6,206,560	\$6,364,599
<b>Total Operations</b>	<b>\$5,134,721</b>	<b>\$5,895,076</b>	<b>\$6,206,560</b>	<b>\$6,364,599</b>
<b>Total Appropriations</b>	<b>\$5,134,721</b>	<b>\$5,895,076</b>	<b>\$6,206,560</b>	<b>\$6,364,599</b>
Full-time Equivalent Total*	33.00	35.00	35.00	35.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# City Budget Office

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget includes technical adjustments related to central cost changes. No other budget changes are proposed for the City Budget Office.

### Incremental Budget Changes

#### City Budget Office

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 5,895,076</b>	<b>35.00</b>	<b>\$ 5,895,076</b>	<b>35.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 311,484	0.00	\$ 469,523	0.00
<b>Total Incremental Changes</b>	<b>\$ 311,484</b>	<b>0.00</b>	<b>\$ 469,523</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 6,206,560</b>	<b>35.00</b>	<b>\$ 6,364,599</b>	<b>35.00</b>

# City Budget Office

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$311,484

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
City Budget Office Budget Control Level	CZ000	5,134,721	5,895,076	6,206,560	6,364,599
<b>Department Total</b>		<b>5,134,721</b>	<b>5,895,076</b>	<b>6,206,560</b>	<b>6,364,599</b>
<b>Department Full-time Equivalents Total*</b>		<b>33.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Appropriations By Budget Control Level (BCL) and Program

#### City Budget Office Budget Control Level

The purpose of the City Budget Office Budget Control Level is to develop and monitor the budget, carrying out budget-related functions, oversee financial policies and plans, and provide financial and other strategic analysis.

	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Program Expenditures</b>				
City Budget Office	5,134,721	5,895,076	6,206,560	6,364,599
<b>Total</b>	<b>5,134,721</b>	<b>5,895,076</b>	<b>6,206,560</b>	<b>6,364,599</b>
Full-time Equivalents Total*	33.00	35.00	35.00	35.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Office for Civil Rights

Patricia Lally, Director

(206) 684-4500

<http://www.seattle.gov/civilrights/>

## Department Overview

The Office for Civil Rights (OCR) works to achieve equity and advance opportunity in Seattle by:

- Developing policies and promoting partnerships to achieve racial equity and social justice
- Enforcing City, state and federal anti-discrimination laws that guarantee equal access to housing, employment, public accommodations, contracting and lending
- Developing and conducting testing for discrimination in employment hiring and housing based on race, national origin, sexual orientation, gender identity and disability
- Staffing the Seattle Human Rights Commission, Seattle Women's Commission, Seattle Lesbian Gay Bisexual Transgender Commission, and the Seattle Commission for People with disAbilities
- Administering the Title VI program of the 1964 Civil Rights Act, which relates to physical access to governmental facilities, projects, and programs, and Title II complaints alleging discrimination on the basis of disability in the provision of services, activities, programs or benefits by the City
- Offering free Civil Rights technical assistance and outreach to businesses, community groups, and the general public, including immigrants, people of color, women, people with disabilities, and lesbian, gay, bisexual, transgender and queer communities
- Making available a wide array of civil rights information, including translations into other languages

OCR leads the City's Race and Social Justice Initiative. The goals of the Initiative are to end institutional racism in City government; promote inclusion and full participation of all residents in civic life; and partner with the community to achieve racial equity across Seattle. In working to achieve these goals, OCR conducts Race and Social Justice trainings, including Racial Equity Toolkit training, for all City staff and/or departments, community organizations and educational institutions.

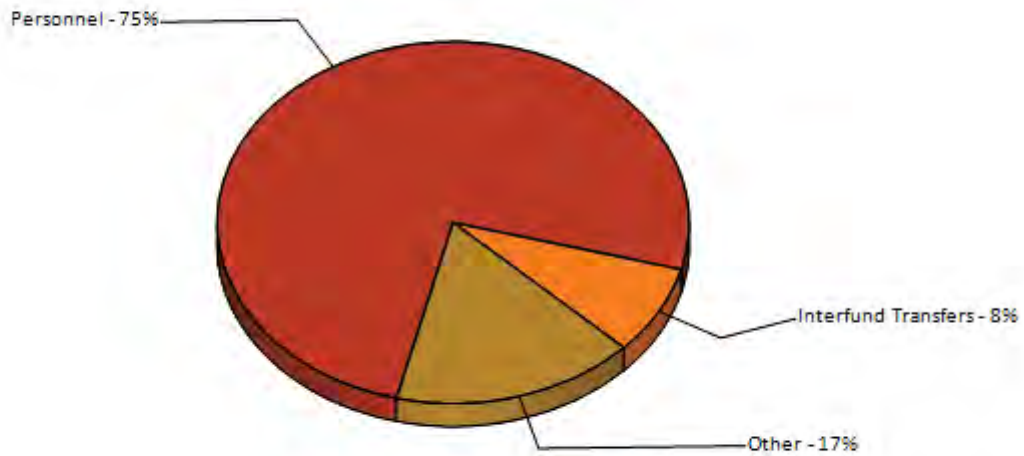
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$4,189,120	\$6,162,247	\$3,988,251	\$4,092,994
<b>Total Operations</b>	<b>\$4,189,120</b>	<b>\$6,162,247</b>	<b>\$3,988,251</b>	<b>\$4,092,994</b>
<b>Total Appropriations</b>	<b>\$4,189,120</b>	<b>\$6,162,247</b>	<b>\$3,988,251</b>	<b>\$4,092,994</b>
Full-time Equivalent Total*	31.25	34.25	26.25	26.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office for Civil Rights

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

Responsibilities for the Office for Civil Rights (OCR) continue to grow as the City adopts new anti-discrimination laws. In 2016, the City Council enacted two new ordinances related to source of income and conversion therapy. The first ordinance bans rental discrimination based on source of income, creates a first-in-time application screening policy, and prohibits preferred employer programs. The second ordinance bans the practice of conversion therapy on minors. The 2017-2018 Proposed Budget provides resources for OCR to manage the additional workload associated with these ordinances by adding two new positions.

In the 2015-2016 Adopted Budget, the Office of Arts and Culture (Arts) partnered with OCR to support half of a full-time position within OCR. This position worked to align OCR's and Arts' community and outreach efforts around racial equity. In 2017, Arts will discontinue its funding for this work in order to create a full-time position within Arts to work on arts equity initiatives. OCR will maintain its existing position at full time with new funding agreements from Seattle City Light and Arts. These funding agreements will support work on a new Equity Lab initiative increasing OCR's capacity to support the City's Race and Social Justice Initiative.

In 2017, the Office of Labor Standards (OLS), formerly housed within OCR, will become a stand-alone office. To create the new office, the proposed budget transfers resources, including nine full-time positions, for OLS out of OCR.

# Office for Civil Rights

## Incremental Budget Changes

### Office for Civil Rights

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 6,162,247</b>	<b>34.25</b>	<b>\$ 6,162,247</b>	<b>34.25</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 59,118	-0.50	\$ 61,672	-0.50
Technical Adjustments	\$ 6,402	-0.50	\$ 16,144	-0.50
Adjustment for One-Time Adds or Reductions	-\$ 700,000	0.00	-\$ 700,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 222,737	0.00	\$ 339,761	0.00
<b>Proposed Changes</b>				
Transfer Salary Support Back to the Office of Arts and Culture	-\$ 45,000	-0.50	-\$ 45,000	-0.50
Partner with Seattle City Light and the Office of Arts and Culture on Equity Initiatives	\$ 115,009	0.50	\$ 115,001	0.50
Increase Support for Outreach and Enforcement	\$ 234,436	2.00	\$ 241,600	2.00
Transfer Out Budget for the Office of Labor Standards to Create Stand-Alone Office	-\$ 2,066,698	-9.00	-\$ 2,098,431	-9.00
<b>Proposed Technical Changes</b>				
Technical Adjustment	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>-\$ 2,173,996</b>	<b>-8.00</b>	<b>-\$ 2,069,253</b>	<b>-8.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 3,988,251</b>	<b>26.25</b>	<b>\$ 4,092,994</b>	<b>26.25</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$59,118/(.50) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

# Office for Civil Rights

## **Technical Adjustments - \$6,402/ (.50) FTE**

This item removes an unfunded position that was added in error during a previous budget cycle. It also makes a net-zero funding adjustment to correct a Budget Control Level error in the 2016 Adopted Budget and adds funding for increased costs for the Central Building lease in 2017 and 2018.

## **Adjustment for One-Time Adds or Reductions - (\$700,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. Specifically, it removes one-time funding added for community involvement in the Comprehensive Plan (\$50,000), employment bias testing (\$50,000), and zero detention projects with the Social Justice Fund (\$600,000).

## **Citywide Adjustments for Standard Cost Changes - \$222,737**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

## **Proposed Changes**

### **Transfer Salary Support Back to the Office of Arts and Culture - (\$45,000)/ (.50) FTE**

In 2017, the Office of Arts Culture (Arts) will end its support for half of a full-time strategic advisor position in OCR. This position worked to align OCR's and Arts' community and outreach efforts around racial equity. As a shared position, this role did not have the capacity to lead the significant demand for arts equity work and can better fulfill its role as a full-time position within the Arts department. While this change will reduce OCR's strategic advisor position to half time, OCR has established new funding agreements with Seattle City Light and Arts to maintain the position at full time supporting a different body of work.

### **Partner with Seattle City Light and the Office of Arts and Culture on Equity Initiatives - \$115,009/ .50 FTE**

This item will increase a strategic advisor position from half time to full time through a two-year funding agreement with Arts and Seattle City Light. The new funding agreements support the position's work on OCR's RSJI Equity Lab initiative. The RSJI Equity Lab is a new initiative within the Office for Civil Rights that will enable the City of Seattle to bring together key RSJI policy and project leaders, foster innovation and creativity in racial equity, develop programmatic linkages for significant RSJI actions, and take advantage of promising practices. The position will support the City's network of RSJI practitioners in departmental and citywide policy initiatives resulting in more effective implementation of racial equity principles across city government. Funding also supports RSJI program coordination, services and training initiatives. In mid-2018, Seattle City Light and Arts will review the agreement and funding as part of OCR's 2019 budget proposal.

# Office for Civil Rights

## Increase Support for Outreach and Enforcement - \$234,436/2.00 FTE

In 2016, the Seattle City Council passed new legislation related to Source of Income (Ordinance 125114) and Conversion Therapy (Ordinance 125100), increasing OCR's enforcement mandate. The Source of Income ordinance bans rental discrimination based on source of income, creates a first-in-time application screening policy, and prohibits preferred employer programs. The Conversion Therapy ordinance bans the practice of conversion therapy on minors, a harmful practice aimed at changing an individual's sexual orientation or gender identity. To effectively enforce both laws, OCR requires additional staffing. This change adds:

- One Strategic Advisor 1 to work on policy analysis, administration and planning; and
- One Civil Rights Analyst to cover enforcement responsibilities.

One-time funding for outreach to promote each law and support partnerships with community-based organizations is proposed for funding in the 2016 3rd Quarter Supplemental Budget Ordinance.

## Transfer Out Budget for the Office of Labor Standards to Create Stand-Alone Office - (\$2,066,698)/(9.00) FTE

Beginning in 2017, OCR will no longer house the Office of Labor Standards (OLS). This change transfers OLS resources out of OCR, including nine full-time positions and outreach funding to a new stand-alone Office of Labor Standards.

### Proposed Technical Changes

#### Technical Adjustment

This net zero adjustment brings OCR back under one Budget Control Level (BCL). The 2016 Adopted Budget created two new BCLs to separate Labor Standards and general department administrative resources from the Civil Rights BCL. This change provided transparency about the resources available to each office and created greater administrative and operational efficiencies. In 2017, OLS will move to a stand-alone office and OCR will resume budgeting its resources under one Civil Rights BCL.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Administration Budget Control Level	X1R02	0	1,158,003	0	0
Civil Rights Budget Control Level	X1R00	4,189,120	3,074,357	3,988,251	4,092,994
Labor Standards Budget Control Level	W1R01	0	1,929,887	0	0
<b>Department Total</b>		<b>4,189,120</b>	<b>6,162,247</b>	<b>3,988,251</b>	<b>4,092,994</b>
<b>Department Full-time Equivalents Total*</b>		<b>31.25</b>	<b>34.25</b>	<b>26.25</b>	<b>26.25</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Office for Civil Rights

## Appropriations By Budget Control Level (BCL) and Program

### Administration Budget Control Level

The purpose of the Administration Budget Control Level is to provide the financial, human resource, technology, and business support necessary to provide effective delivery of the department's services.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	0	1,158,003	0	0
<b>Total</b>	<b>0</b>	<b>1,158,003</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	0.00	4.50	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Civil Rights Budget Control Level

The purpose of the Civil Rights Budget Control Level is to encourage and promote equal access and opportunity, diverse participation, and social and economic equity in Seattle. OCR works to eliminate discrimination in employment, housing, public accommodations, contracting, and lending in Seattle through enforcement, and policy and outreach activities. In addition, OCR is responsible for directing the Race and Social Justice Initiative, which leads other City departments to design and implement programs that help eliminate institutionalized racism.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Civil Rights	4,189,120	3,074,357	3,988,251	4,092,994
<b>Total</b>	<b>4,189,120</b>	<b>3,074,357</b>	<b>3,988,251</b>	<b>4,092,994</b>
Full-time Equivalents Total*	31.25	20.75	26.25	26.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Labor Standards Budget Control Level

The purpose of the Labor Standards Budget Control Level is to enforce Seattle's labor-standards ordinances for employees working within the City of Seattle. This includes investigation, remediation, outreach, and policy work related to the paid sick and safe time, job assistance, minimum wage, and wage theft ordinances.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Labor Standards	0	1,929,887	0	0
<b>Total</b>	<b>0</b>	<b>1,929,887</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	0.00	9.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Civil Service Commissions

Jennifer A. Greenlee, Executive Director

(206) 233-7118

<http://www.seattle.gov/CivilServiceCommissions/>

## Department Overview

The **Civil Service Commissions** is the administrative entity serving both the Civil Service Commission and the Public Safety Civil Service Commission that are both quasi-judicial bodies charged with providing fair and impartial hearings of alleged violations of the City's personnel rules. Each commission is governed by a separate three-member board, with one member appointed by the Mayor, one appointed by the City Council, and one elected by, and representing, employees. The term of each commissioner is three years.

The **Civil Service Commission (CSC)** provides fair and impartial hearings of alleged violations of the City's personnel rules. Employees may file appeals with the CSC regarding all final disciplinary actions and alleged violations of the Personnel Ordinance, as well as related rules and policies. The CSC may issue orders to remedy violations and may also make recommendations to the Mayor and the City Council regarding the administration of the personnel system.

In addition, the CSC investigates allegations of political patronage to ensure the City's hiring practices are established and carried out in accordance with the merit principles set forth in the City Charter. The CSC conducts public hearings on personnel related issues and may propose changes to personnel rules, policies, and laws to the Mayor and the City Council.

The purpose of the **Public Safety Civil Service Commission (PSCSC)** is to implement, administer, and direct a civil service system for sworn personnel of the Seattle Police Department and uniformed personnel of the Seattle Fire Department. The PSCSC provides sworn police and uniformed fire employees with a quasi-judicial process for hearings on appeals concerning disciplinary actions, examination and testing, and other related issues.

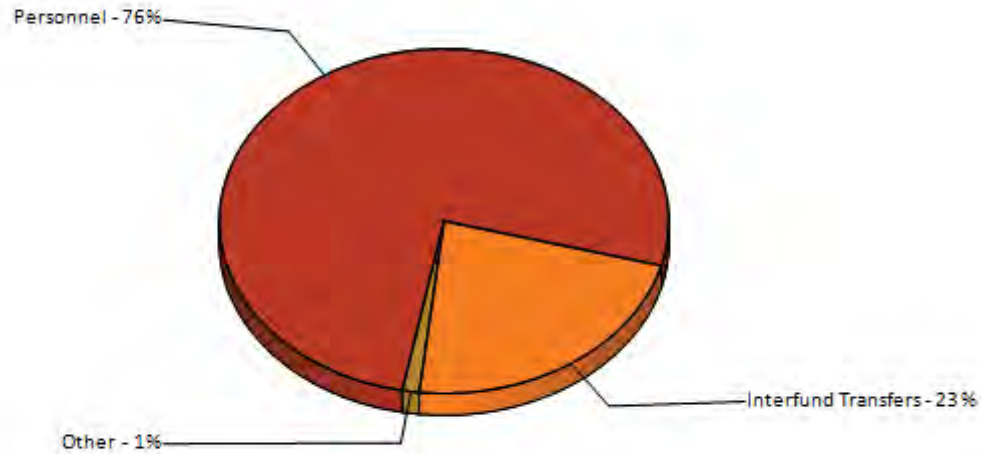
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$460,822	\$506,518	\$489,344	\$501,809
<b>Total Operations</b>	<b>\$460,822</b>	<b>\$506,518</b>	<b>\$489,344</b>	<b>\$501,809</b>
<b>Total Appropriations</b>	<b>\$460,822</b>	<b>\$506,518</b>	<b>\$489,344</b>	<b>\$501,809</b>
Full-time Equivalent Total*	2.60	2.60	2.60	2.60

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Civil Service Commissions

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The workload of the Civil Service Commission (CSC) is largely driven by the number of appeals filed regarding the City's personnel rules, and appeals have been decreasing over the last five years. The 2017-2018 Proposed Budget reduces the department's budget for temporary employees, travel, training and other administrative items to better align with the department's historical spending.

### Incremental Budget Changes

#### Civil Service Commissions

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 506,518</b>	<b>2.60</b>	<b>\$ 506,518</b>	<b>2.60</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	-\$ 759	0.00	\$ 12,176	0.00

# Civil Service Commissions

## Proposed Changes

Proposed Operating Adjustment	-\$ 16,415	0.00	-\$ 16,885	0.00
<b>Total Incremental Changes</b>	<b>-\$ 17,174</b>	<b>0.00</b>	<b>-\$ 4,709</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 489,344</b>	<b>2.60</b>	<b>\$ 501,809</b>	<b>2.60</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - (\$759)

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

### Proposed Changes

#### Proposed Operating Adjustment - (\$16,415)

During the 2017/2018 budget process, the department identified areas where it could reduce its General Fund appropriations. This adjustment reduces the annual operating budget for temporary employees, training and travel and other administrative functions. These reductions will not impact the department's ability to provide services to the Commissions.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Civil Service Commissions Budget Control Level	V1CIV	460,822	506,518	489,344	501,809
<b>Department Total</b>		<b>460,822</b>	<b>506,518</b>	<b>489,344</b>	<b>501,809</b>
<b>Department Full-time Equivalent Total*</b>		<b>2.60</b>	<b>2.60</b>	<b>2.60</b>	<b>2.60</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Civil Service Commissions

## Appropriations By Budget Control Level (BCL) and Program

### Civil Service Commissions Budget Control Level

The purpose of the Civil Service Commissions Budget Control Level is to provide administrative support to the Public Safety Civil Service Commission (PSCSC) and the Civil Service Commission (CSC). The PSCSC provides sworn police and uniformed fire employees with a quasi-judicial process for hearings on appeals concerning disciplinary actions, examination and testing, and other related issues. The CSC directs the civil service system for all other employees of the City.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Civil Service Commissions	460,822	506,518	489,344	501,809
<b>Total</b>	<b>460,822</b>	<b>506,518</b>	<b>489,344</b>	<b>501,809</b>
Full-time Equivalents Total*	2.60	2.60	2.60	2.60

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Office of the Community Police Commission

Fé Lopez, Executive Director

(206) 684-5175

<http://www.seattle.gov/policecommission/>

## Department Overview

The Office of the Community Police Commission (CPC) is the administrative and policy support entity of the Community Police Commission. The CPC is charged with providing community oversight and input on the police reform efforts that are the subject of a Settlement Agreement between the City and the U.S. Department of Justice regarding police practices. A 15-member board appointed by the Mayor and confirmed by the City Council governs the CPC. Each commissioner serves a three-year term.

The CPC provides an independent forum for dialogue and widespread input on the reform efforts embodied in the Settlement Agreement and Memorandum of Understanding established by the Department of Justice. Ongoing community input is a critical component of achieving and maintaining effective and constitutional policing.

The CPC leverages the ideas, talent, experience and expertise of the people of Seattle to ensure police services:

1. Fully comply with the Constitution of the United States;
2. Ensure public and officer safety; and
3. Promote public confidence in the Seattle Police Department and its officers.

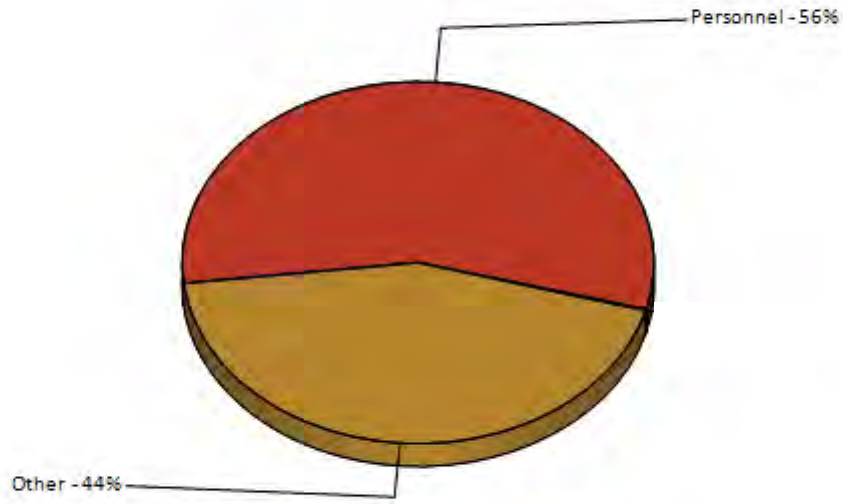
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$782,630	\$850,480	\$878,557	\$893,532
<b>Total Operations</b>	<b>\$782,630</b>	<b>\$850,480</b>	<b>\$878,557</b>	<b>\$893,532</b>
<b>Total Appropriations</b>	<b>\$782,630</b>	<b>\$850,480</b>	<b>\$878,557</b>	<b>\$893,532</b>
Full-time Equivalent Total*	4.00	4.00	4.00	4.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of the Community Police Commission

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget does not recommend significant changes to the Community Police Commission's budget.

### Incremental Budget Changes

#### Office of the Community Police Commission

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 850,480</b>	<b>4.00</b>	<b>\$ 850,480</b>	<b>4.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 28,077	0.00	\$ 43,052	0.00
<b>Total Incremental Changes</b>	<b>\$ 28,077</b>	<b>0.00</b>	<b>\$ 43,052</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 878,557</b>	<b>4.00</b>	<b>\$ 893,532</b>	<b>4.00</b>

# Office of the Community Police Commission

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$28,077

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Office of the Community Police Commission Budget Control Level	X1P00	782,630	850,480	878,557	893,532
<b>Department Total</b>		<b>782,630</b>	<b>850,480</b>	<b>878,557</b>	<b>893,532</b>

<b>Department Full-time Equivalents Total*</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Appropriations By Budget Control Level (BCL) and Program

### Office of the Community Police Commission Budget Control Level

The purpose of the Office of the Community Police Commission BCL is to leverage the ideas, talents, experience, and expertise of the community to provide ongoing community input into the development of Seattle Police Department reforms, the establishment of police priorities, and facilitation of police/community relationships necessary to promote public safety.

<b>Program Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Office of the Community Police Commission	782,630	850,480	878,557	893,532
<b>Total</b>	<b>782,630</b>	<b>850,480</b>	<b>878,557</b>	<b>893,532</b>
Full-time Equivalents Total*	4.00	4.00	4.00	4.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.





# Employees' Retirement System

Ken Nakatsu, Interim Executive Director

(206) 386-1293

<http://www.seattle.gov/retirement/>

## Department Overview

The Employees' Retirement System has two major functions: administration of retirement benefits and management of the assets of the Retirement Fund. Employee and employer contributions, as well as investment earnings, provide funding for the system. Approximately 8,900 active employee members, 2,200 vested terminated employee members and 6,200 retired employee members participate in the plan.

The provisions of the plan are set forth in Chapter 4.36 of the Seattle Municipal Code. The plan is a "defined benefit plan," which means an employee's salary, years of service, and age at the time of retirement are used to determine the amount of retirement benefits. At retirement, members are given a choice of several payment options to collect their retirement benefit. The Retirement System is led by a seven-member Board of Administration and an Executive Director appointed by the Board.

Please note that the appropriations detailed in the following tables reflect only the costs to administer the system and do not reflect payment of retiree benefits. For additional details on retiree benefit payments, please visit the Retirement website: <http://www.seattle.gov/retirement/>

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$16,166,238	\$20,490,002	\$20,445,962	\$19,473,544
<b>Total Operations</b>	<b>\$16,166,238</b>	<b>\$20,490,002</b>	<b>\$20,445,962</b>	<b>\$19,473,544</b>
<b>Total Appropriations</b>	<b>\$16,166,238</b>	<b>\$20,490,002</b>	<b>\$20,445,962</b>	<b>\$19,473,544</b>
Full-time Equivalent Total*	20.00	20.00	21.00	21.00

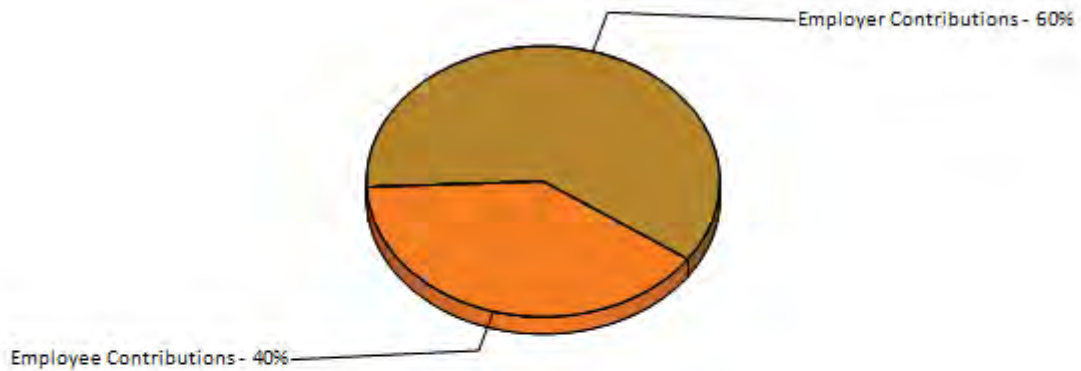
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Employees' Retirement System

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Employees' Retirement System

## Budget Overview

The Seattle City Employees Retirement System (SCERS) relies on the long-term health of its assets to sustain its long-term financial obligations to SCERS members. The long-term health of SCERS is measured by the annual January 1 funding status, a percentage that represents the value of the asset portfolio over the reserves needed to pay retirement benefits to employees.

In 2008, SCERS held net assets worth \$2.1 billion with a 92% funded status, a level considered healthy by most standards. However, SCERS experienced large investment losses in the 2008 economic downturn and its net assets fell to \$1.6 billion by 2010 with a 62% funded status. In 2016, the funded status has increased to 66.5%. Although the current level remains lower than the 2008 funded status, SCERS has made a number of changes over the last several years to positively impact the funding status over the long-term.

### Changes to Impact SCERS Funding Status

Employee and Employer Contributions: The plan's actuaries determine an "annual required contribution" (ARC) into SCERS so that its assets grow in tandem with the pension costs that rise as new employees join SCERS and salaries increase. In 2010, employees agreed to increase their contribution rate from 8.03% to 10.03% where it now remains per City labor contract agreements. The City agreed to pay the remaining ARC beyond 10.03%. The 2017 ARC is 25.32%; therefore employee contributions are 10.03% and employer contributions are 15.29%.

SCERS enhanced the plan in 2013 by revising its ARC calculation so that SCERS is fully funded after a fixed 30-year period beginning January 1, 2013 and ending January 1, 2043.

Investment Return Assumption: SCERS decreased its long-term investment return assumption from 7.75% to 7.50% in January 2014. The updated investment return assumption anticipates a slower asset growth. However, it raises the ARC so that the plan relies more on employee and employer contributions that are based on salaries which are less volatile than the investment returns affected by portfolio experience and the economy.

Asset Smoothing: SCERS implemented an asset smoothing policy in 2011 to protect the funded status from volatile year-to-year swings by recognizing annual investment return gains and losses evenly over five years. This policy results in gradual changes in the ARC so the City's contribution is more stable.

Building Capacity at SCERS: SCERS has made operational changes to support better overall management of its benefits and assets. SCERS is currently in the process of implementing a new pension administration system (PAS) to improve its record keeping and benefit calculations. The 2017-2018 Proposed Budget includes updated PAS project costs in 2017 and 2018.

A Chief Investment Officer was added in 2015 to strengthen SCERS' priorities in asset management. The 2017-2018 Proposed Budget adds an investment analyst to further enhance the investment team.

### Pension Plan for New Employees

The City began evaluating plan changes in 2012 to reduce the cost of the plan for employees and the City and thereby enhance SCERS' fiscal stability over the long run, while still maintaining an adequate retirement benefit for employees. In 2016 the City and labor unions agreed, and Council approved, a new defined benefit plan (SCERS II) for new employees hired on or after January 1, 2017 with a similar structure to the existing plan (SCERS I).

Under SCERS II annual employer and employee contributions will decrease from 15.8% of payroll to 11.9%, a 3.9% savings. Members of the new plan will contribute 7% of their salary toward their retirement benefit, compared to the approximately 10% that current employees contribute. Given the lower contributions into the plan, the new SCERS II plan will provide a retirement benefit that is somewhat less generous than the current benefit, but consistent with the design of the current SCERS I plan, it will still provide City retirees with an adequate

# Employees' Retirement System

retirement income when combined with Social Security.

SCERS I and SCERS II have the following key differences:

- Monthly Pension Benefit Calculation
  - SCERS I: 2.00% multiplied by total years of service multiplied by the final average salary during 24 consecutive months
  - SCERS II: 1.75% multiplied by total years of service multiplied by the final average salary during 60 consecutive months
- Employee Contribution Rate
  - SCERS I: 10.03% of salary
  - SCERS II: 7.00% of salary
- Employer Contribution Rate
  - SCERS I: 5.76% of normal cost - the value of pension benefits expected to increase each year
  - SCERS II: 4.90% of normal cost
- Normal Retirement Age
  - SCERS I: "Rule of 80" - lesser of 65 or when an employee's age plus service equals 80
  - SCERS II: "Rule of 85" - lesser of 65 or when an employee's age plus service equals 85
- Minimum Retirement Age
  - SCERS I: 52 years
  - SCERS II: 55 years

SCERS will use existing resources to support the implementation and management of SCERS II so the 2017-2018 Proposed Budget does not include any changes related to SCERS II.

## Incremental Budget Changes

### Employees' Retirement System

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 20,490,002</b>	<b>20.00</b>	<b>\$ 20,490,002</b>	<b>20.00</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 673,292	0.00	\$ 969,369	0.00
Citywide Adjustments for Standard Cost Changes	-\$ 73,932	0.00	\$ 50,673	0.00
<b>Proposed Changes</b>				
Investment Analyst	\$ 0	1.00	\$ 0	1.00
Pension Administration System	-\$ 643,400	0.00	-\$ 2,036,500	0.00
<b>Total Incremental Changes</b>	<b>-\$ 44,040</b>	<b>1.00</b>	<b>-\$ 1,016,458</b>	<b>1.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 20,445,962</b>	<b>21.00</b>	<b>\$ 19,473,544</b>	<b>21.00</b>

# Employees' Retirement System

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$673,292**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects updated central rates for information technology costs charged by Seattle IT to the department.

#### **Citywide Adjustments for Standard Cost Changes - (\$73,932)**

Citywide technical adjustments made in the initial planning phase reflect changes in the health care rate, retirement contribution rate, and unemployment insurance charges with a net increase of \$32,000 in 2017 and \$48,000 in 2018, as compared to the 2016 Adopted Budget.

These increases were offset by a reduction in the cost allocations from the Department of Finance and Administrative Services (FAS) which totaled \$325,000 in 2017 and \$307,000 in 2018, as compared to the 2016 Adopted Budget. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Finally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase which totaled \$218,000 in 2017 and \$310,000 for 2018 above the 2016 Adopted Budget.

### Proposed Changes

#### **Investment Analyst/1.00 FTE**

In 2015, SCERS added an investment analyst as a term-limited position to the investment team. This item in the 2017-2018 Proposed Budget adds 1.0 FTE for a Strategic Advisor 2 to serve as a permanent investment analyst. The investment analyst supports a range of responsibilities to contribute to strong long-term investment performance including quantitative analysis, asset and portfolio monitoring, and due diligence. SCERS will use existing budget appropriation to fund the position.

#### **Pension Administration System - (\$643,400)**

In 2015, the Retirement Department began the process for its Pension Administration System (PAS), the new benefits administration software system to improve record keeping and administrative processes. PAS is expected to be fully implemented in 2017. This adjustment reflects the updated project costs in 2017 and 2018 as larger costs associated with the development of the software and data transfer from the old system decrease after PAS implementation. These decreases are offset by on-going support costs to maintain the new system once it goes live.

# Employees' Retirement System

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Employee Benefit Management Budget Control Level	R1E00	16,166,238	20,490,002	20,445,962	19,473,544
<b>Department Total</b>		<b>16,166,238</b>	<b>20,490,002</b>	<b>20,445,962</b>	<b>19,473,544</b>
<b>Department Full-time Equivalents Total*</b>		<b>20.00</b>	<b>20.00</b>	<b>21.00</b>	<b>21.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
469610	Employee Contributions	6,294,541	8,135,975	8,099,250	7,726,252
	<b>Total Employee Contributions</b>	<b>6,294,541</b>	<b>8,135,975</b>	<b>8,099,250</b>	<b>7,726,252</b>
569510	Employer Contributions	9,871,697	12,354,027	12,346,712	11,747,292
	<b>Total Employer Contributions</b>	<b>9,871,697</b>	<b>12,354,027</b>	<b>12,346,712</b>	<b>11,747,292</b>
	<b>Total Revenues</b>	<b>16,166,238</b>	<b>20,490,002</b>	<b>20,445,962</b>	<b>19,473,544</b>
	<b>Total Resources</b>	<b>16,166,238</b>	<b>20,490,002</b>	<b>20,445,962</b>	<b>19,473,544</b>

## Appropriations By Budget Control Level (BCL) and Program

### Employee Benefit Management Budget Control Level

The purpose of the Employees' Retirement Budget Control Level is to manage and administer retirement assets and benefits.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Employees' Retirement	16,166,238	20,490,002	20,445,962	19,473,544
<b>Total</b>	<b>16,166,238</b>	<b>20,490,002</b>	<b>20,445,962</b>	<b>19,473,544</b>
Full-time Equivalents Total*	20.00	20.00	21.00	21.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Ethics and Elections Commission

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Wayne Barnett, Executive Director

(206) 684-8500

<http://www.seattle.gov/ethics/>

## Department Overview

The Seattle Ethics and Elections Commission (SEEC) helps foster public confidence in the integrity of Seattle city government by providing education, training, and enforcement of the City's Ethics Code, Whistleblower Code, and lobbying regulations. It also promotes informed elections through education, training, and enforcement of the City's Elections Code and Election Pamphlet Code. With the passage of [Initiative 122](#) in November 2015, the Commission now administers and funds the Election Voucher program.

The Commission work on behalf of the City of Seattle centers around five main lines of business:

**Ethics Code:** The Commission conducts ethics training for all City of Seattle employees upon request and through the City's New Employee and New Supervisor Orientation programs. It also provides ethics training information for City employees via the City's intranet site. The Commission issues advisory opinions regarding interpretations of the Code of Ethics and also investigates and rules upon alleged violations of the Code. Thirty years of formal advisory opinions, organized and searchable by topic, are available on the Commission's website.

**Whistleblower Code:** The Commission helps to protect an employee's right to report improper governmental action and to be free from possible retaliation as a result of such reporting. The Commission either investigates allegations of improper governmental actions itself or refers allegations to the appropriate agency.

**Elections Code and Election Pamphlets Code:** The Commission fulfills the public's mandate of full campaign disclosure by:

- training organizations required to report campaign contributions and expenditures in proper reporting procedures;
- auditing every organization that files campaign reports;
- working with organizations to correct errors; and
- making all campaign finance information available to the public.

Since 1993, the Commission has made summary reports of campaign financing information available to the public, and since 1995, the Commission has published campaign financing information on its website. The Commission also produces voters' pamphlets for City elections and ballot measures. It makes these pamphlets available in several languages and produces a video voters' guide with King County.

**Lobbying Regulations:** The Commission is charged with administering the City's lobbying regulations. The Commission collects and posts information so that citizens know who is lobbying and how much they are being paid to lobby. The Commission also enforces compliance with the lobbying regulations.

**Elections Voucher Program:** The Commission administers the Elections Voucher Program which was approved with the passage of I-122 in November 2015. The primary goal of the program is to provide \$100 in vouchers to eligible Seattle residents so that they can contribute to candidates for City office who qualify to participate in the program.



# Ethics and Elections Commission

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$709,172	\$654,266	\$723,675	\$745,729
Other Funding - Operating	\$0	\$0	\$4,281,316	\$708,622
<b>Total Operations</b>	<b>\$709,172</b>	<b>\$654,266</b>	<b>\$5,004,991</b>	<b>\$1,454,351</b>
<b>Total Appropriations</b>	<b>\$709,172</b>	<b>\$654,266</b>	<b>\$5,004,991</b>	<b>\$1,454,351</b>
Full-time Equivalent Total*	5.20	4.90	5.90	5.90

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



# Ethics and Elections Commission

## Budget Overview

The 2017-2018 Proposed Budget adds staffing and resources to implement the new Election Voucher program which voters passed in November 2015. The program is funded by a 10-year property tax levy that collects \$3 million annually.

Key elements of the program are that it:

- creates a voluntary program for public campaign financing through \$100 vouchers issued to eligible Seattle residents;
- limits election campaign contributions from entities receiving City contracts totaling \$250,000 or more, or from persons spending \$5,000 or more for lobbying;
- requires 24-hour reporting of electronic contributions;
- requires paid signature gatherer identification; and
- limits lobbying by former City officials.

There were no other significant changes to the SEEC budget.

## Incremental Budget Changes

### Ethics and Elections Commission

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 654,266</b>	<b>4.90</b>	<b>\$ 654,266</b>	<b>4.90</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 69,409	0.00	\$ 91,463	0.00
<b>Proposed Changes</b>				
Election Voucher Program	\$ 4,281,316	1.00	\$ 708,622	1.00
<b>Total Incremental Changes</b>	<b>\$ 4,350,725</b>	<b>1.00</b>	<b>\$ 800,085</b>	<b>1.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 5,004,991</b>	<b>5.90</b>	<b>\$ 1,454,351</b>	<b>5.90</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$69,409**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including

# Ethics and Elections Commission

the Annual Wage Increases (AWI) from 2015 through 2018.

## Proposed Changes

### **Election Voucher Program - \$4,281,316/1.00 FTE**

The proposed budget adds funding to implement the Election Voucher program required by the passage of Initiative 122 in November 2015. The program is funded through a 10-year property tax levy that collects \$3 million annually. The initiative requires several reforms in the election process, the most significant of which is the public financing of campaigns for qualified candidates seeking the office of Mayor, City Attorney, or City Council (the Mayoral election is not eligible until 2021 due to the lack of adequate fund balance during the first election cycle). Eligible voters will receive four \$25 vouchers at the beginning of each election year that can be donated to any qualifying candidates for the offices previously noted that are participating in the program. The primary costs to run the program are staffing and administration; technology costs (the department must establish a secure online system for delivery of Democracy Vouchers no later than the 2019 election cycle); printing, mailing and processing; and candidate voucher payments. Costs will be higher in odd-number years due to expenditures associated with elections. Staffing costs include funding for one full-time Strategic Advisor 3 to manage program implementation. More information on the program is available at the City's [Democracy Voucher program](#) website.

## **Expenditure Overview**

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Election Vouchers Budget Control Level</b>	<b>VT123</b>	<b>0</b>	<b>0</b>	<b>4,281,316</b>	<b>708,622</b>
<b>Ethics and Elections Budget Control Level</b>	<b>V1T00</b>	<b>709,172</b>	<b>654,266</b>	<b>723,675</b>	<b>745,729</b>
<b>Department Total</b>		<b>709,172</b>	<b>654,266</b>	<b>5,004,991</b>	<b>1,454,351</b>
<b>Department Full-time Equivalent Total*</b>		<b>5.20</b>	<b>4.90</b>	<b>5.90</b>	<b>5.90</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Ethics and Elections Commission

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
411100	REAL & PERSONAL PROPERTY TAX	0	0	3,000,000	3,000,000
	<b>Total Property Tax</b>	<b>0</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>
	<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>3,000,000</b>	<b>3,000,000</b>
379100	Use of (contribution to) Fund Balance	0	0	1,281,316	-2,291,378
	<b>Total Transfers</b>	<b>0</b>	<b>0</b>	<b>1,281,316</b>	<b>-2,291,378</b>
	<b>Total Resources</b>	<b>0</b>	<b>0</b>	<b>4,281,316</b>	<b>708,622</b>

\* The Revenue Overview table contains information for the Election Vouchers Fund only. The remainder of the Ethics and Elections revenue comes from the General Fund. Please see the Election Vouchers Fund table below to see fund balance and 2016 revised budget information.

## Appropriations By Budget Control Level (BCL) and Program

### Election Vouchers Budget Control Level

The purpose of the Election Voucher Budget Control Level is to pay costs associated with implementing, maintaining and funding a program for providing one hundred dollars in vouchers to eligible Seattle residents that they can contribute to candidates for City office who qualify to participate in the Election Voucher program enacted by voters in November 2015.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Election Vouchers	0	0	4,281,316	708,622
<b>Total</b>	<b>0</b>	<b>0</b>	<b>4,281,316</b>	<b>708,622</b>
Full-time Equivalents Total*	0.00	0.00	1.00	1.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Ethics and Elections Commission

## Ethics and Elections Budget Control Level

The purpose of the Ethics and Elections Budget Control Level is to: 1) audit, investigate, and conduct hearings regarding non-compliance with, or violations of, Commission-administered ordinances; 2) advise all City officials and employees of their obligations under Commission-administered ordinances; and 3) publish and broadly distribute information about the City's ethical standards, City election campaigns, campaign financial disclosure statements, and lobbyist disclosure statements.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Ethics and Elections	709,172	654,266	723,675	745,729
<b>Total</b>	<b>709,172</b>	<b>654,266</b>	<b>723,675</b>	<b>745,729</b>
Full-time Equivalents Total*	5.20	4.90	4.90	4.90

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Ethics and Elections Fund Table

### Election Vouchers Fund

	2015	2016	2016	2017	2018
	Actuals	Adopted	Revised	Proposed	Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,933,000</b>	<b>651,684</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	0	0	3,000,000	3,000,000	3,000,000
Less: Actual and Budgeted Expenditures	0	0	1,067,000	4,281,316	708,622
<b>Ending Fund Balance</b>	<b>0</b>	<b>0</b>	<b>1,933,000</b>	<b>651,684</b>	<b>2,943,062</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>1,933,000</b>	<b>651,684</b>	<b>2,943,062</b>

# Department of Finance & Administrative Services

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Fred Podesta, Director

(206) 386-0041

<http://www.seattle.gov/fas>

## Department Overview

The Department of Finance and Administrative Services (FAS), with more than 600 employees represented by 16 different unions, has the most diverse set of responsibilities of any City department. In addition to the services FAS provides directly to its external customers, FAS also provides behind-the-scenes services to internal customers (all City departments), which support the work City departments do on the public's behalf. FAS' work can be broken into four categories, though there is much overlap among them.

### Customer Service

FAS is often the first stop for the public to interact with City government. This contact may come through the City's Customer Service Bureau, the Downtown Customer Service Center or the six customer service centers located throughout the city, or through the new Mobile Customer Service Center launching in fall 2016. Over the phone, online and in person, customers can get information, request services, pay bills, resolve problems and voice opinions. FAS supports transparency in City work by providing Citywide coordination and guidance on public disclosure, and by helping customers clarify requests so they receive the information they are seeking. Finally, through the Seattle Animal Shelter, FAS advocates for animal welfare, reunites lost animals with their owners and finds suitable owners to adopt homeless animals.

### Regulation and Oversight

FAS ensures all businesses operating in Seattle are properly licensed and paying required business and occupation taxes. FAS issues regulatory licenses for certain businesses types - including taxis, transportation network company and for-hire vehicles, adult entertainment venues, door-to-door salespeople, recreational marijuana establishments and trade shows - and enforces requirements related to those licenses. FAS also monitors certain types of businesses to increase consumer safety and ensure proper charges for services. This includes setting rate caps for private property tows, as well as ensuring consumers are not overcharged due to an inaccurate device, such as a gas pump or a supermarket scanner or scale. As the central coordinator for City contracting, FAS establishes policies and procedures to ensure fair competition for City-funded construction projects and oversees programs to ensure everyone in the community has equal access to jobs and opportunities involving those projects. FAS also enforces animal-related ordinances, including the investigation of animal cruelty, neglect and abuse.

### Financial Services

The City Finance Director is located within FAS and oversees functions that ensure the City's financial health. These functions include managing City debt, purchasing insurance, and overseeing City investments, all of which are essential to financial planning and budgeting. FAS also manages claims for damages against the City, balancing proper stewardship of taxpayer dollars when settling a claim with fairness to claimants. FAS oversees the City's accounting system, as well as payroll and treasury services, ensuring revenue is collected and vendors and staff

# Department of Finance & Administrative Services

are properly paid in a timely manner. Finally, FAS helps administer the City's three retirement systems: Employees' Retirement System, Firefighters' Pension Fund and the Police Relief and Pension Fund.

## Operational Services

FAS designs, builds and maintains most City-owned buildings, including Seattle City Hall, the Seattle Municipal Tower, the Justice Center, the Joint Training Facility, 33 neighborhood fire stations and five police stations. When departments need to acquire property or when the City no longer has a purpose for property, FAS is responsible for managing the acquisition or sale. FAS also maintains the City's vehicle fleet, which includes police patrol cars, fire engines and heavy equipment. Departments have relied on FAS to build and maintain the technology that supports the City's financial management, payroll and personnel records management systems. Many of these information technology (IT) functions transitioned to the new Seattle IT department in mid-2016. FAS also negotiates purchasing contracts on behalf of all City departments and establishes purchasing guidelines for departments.

FAS' budget is split into the following eight functional areas:

- **Capital Development and Construction Management**, which manages the design and construction of City facilities, including upgrading, renovating, or replacing neighborhood fire stations, as well as renovations, asset preservation projects, tenant improvements, and sustainability and environmental stewardship related to facility design and construction.
- **Purchasing and Contracting**, which manages rules, bids and contracts for products, supplies, equipment and services; maintains guidelines and procedures for consultant contracting; and administers public works contracting to ensure all City departments adhere to the City's policy goals related to social equity and environmental stewardship.
- **Facility Operations**, which manages more than 100 public buildings and facilities, covering 2.5 million square feet, including office space, parking garages, police and fire stations, community facilities and maintenance shops; procures leased space for City tenants when needed; plans and acquires new and expanded City facilities; and disposes of surplus City property.
- **City Finance**, which receives City revenue and provides Citywide financial services, including debt management, treasury, Citywide accounting (includes producing the Comprehensive Annual Financial Report, City investments and payroll, including producing paychecks for more than 10,000 current and retired employees), business and licensing and tax administration, and risk management, which includes claims settlements.
- **Fleet Services**, which buys and provides maintenance, motor pool, and fueling services for more than 4,000 vehicles and heavy equipment while supporting environmentally sustainable fleet goals and practices.
- **Regulatory Compliance and Consumer Protection** provides a variety of regulatory services, such as overseeing Seattle's taxicab, transportation network company and for-hire vehicle industry, and consumer protection services, such as the Weights and Measures program.
- **Seattle Animal Shelter**, which promotes public safety and animal welfare, enforces Seattle's laws regarding animals, runs animal sheltering and adoption programs, and manages a spay and neuter clinic, working with more than 4,000 animals a year, from dogs and cats to chickens and goats.
- **Office of Constituent Services**, which provides customer service interface for the City's constituents through the Customer Service Bureau and at seven customer service centers, answering more than 80,000 requests from constituents each year.

## Department of Finance & Administrative Services

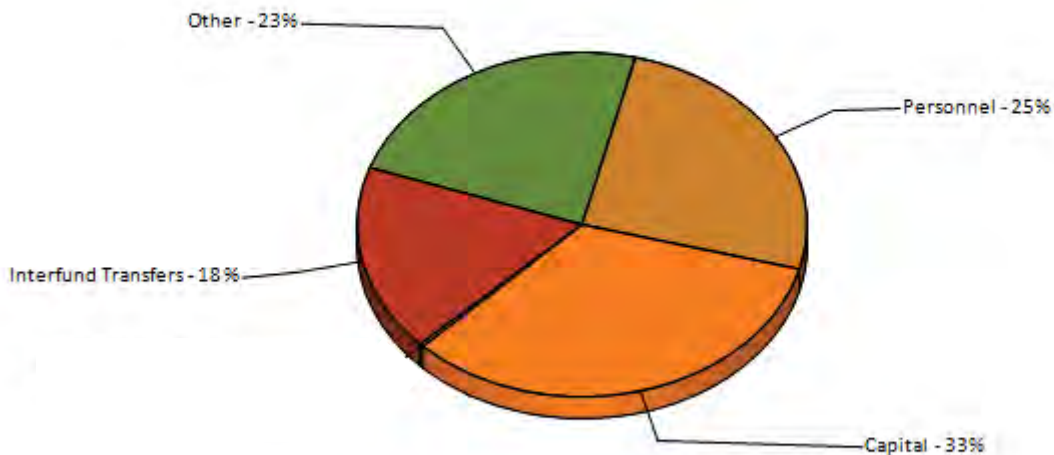
In 2016, the Business Technology division of FAS was dissolved as part of the IT consolidation with many positions and functions transferring to Seattle IT. Internal service operations in FAS are primarily supported through charges to City departments and, in some cases, such as when the City leases space, by private businesses or individuals. FAS also collects certain fees specifically to pay for its services, such as the Seattle Animal Shelter Spay and Neuter Clinic, pet licensing, the Weights and Measures program, and for-hire driver licenses. Finally, FAS receives General Fund support from the City to pay for certain financial services, as well as administration of the City's taxes and business licensing services.

### Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$26,488,458	\$29,051,281	\$27,944,843	\$29,120,727
Other Funding - Operating	\$150,779,539	\$174,318,073	\$174,101,638	\$168,695,409
<b>Total Operations</b>	<b>\$177,267,997</b>	<b>\$203,369,354</b>	<b>\$202,046,481</b>	<b>\$197,816,136</b>
Other funding - Capital	\$34,184,553	\$74,269,560	\$67,890,200	\$46,265,210
<b>Total Appropriations</b>	<b>\$211,452,550</b>	<b>\$277,638,914</b>	<b>\$269,936,681</b>	<b>\$244,081,346</b>
Full-time Equivalent Total*	625.00	641.50	622.50	619.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

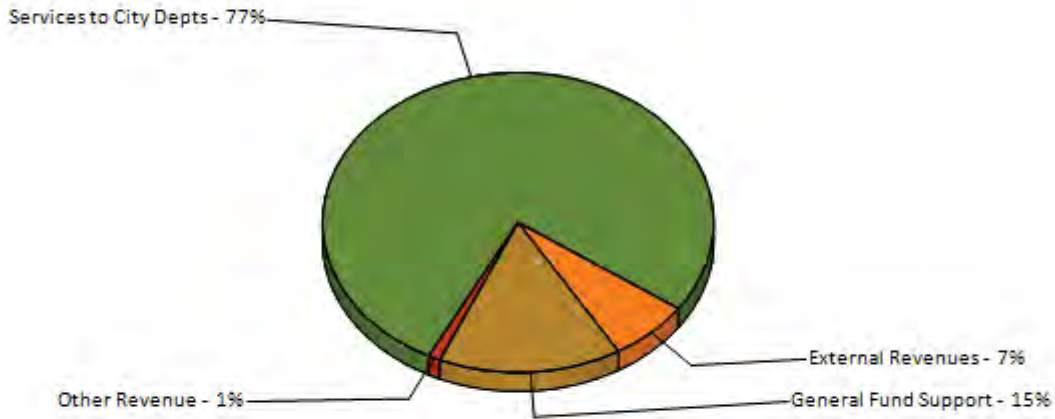
### 2017 Proposed Budget - Expenditure by Category





# Department of Finance & Administrative Services

## 2017 Proposed Budget - Revenue by Category



### Budget Overview

As an internal service department, many functions of the Department of Finance and Administrative Services (FAS) are billed to other City departments through central rates and allocations in exchange for services provided. For example, FAS supports all City departments through its fleets, facilities, customer service, finance, contracting and purchasing functions. FAS also performs general government functions, like business licensing and tax collection, consumer protection, and the Seattle Animal Shelter, which are supported by General Fund transfers.

The 2017-2018 Proposed Budget includes improvements to customer service functions in recognition of increased workload and new ways to contact the City, sustains and adds resources for the coordination of City departments as part of the Homelessness State of Emergency, increases investments in asset preservation of City facilities (including vital public safety facilities construction and maintenance), funds departmental and Citywide resources for the enterprise financial system replacement (Summit Re-Implementation) project and includes staffing for flexibility of regulation of new or evolving industries. Some of the items listed above are offset by a combination of operating efficiencies and increased revenues, including increased fees for animal licenses and spay/neuter services and increased fees for marijuana regulatory business licenses, to avoid large rate increases to departments and minimal General Fund impacts. Finally, the proposed budget includes a new project for installation of 150 electric vehicle charging stations as part of the Drive Clean Seattle Initiative to reduce greenhouse gas emissions caused by transportation.

In addition, the 2017-2018 Proposed Budget includes important technical adjustments to recognize the transfer of staff and budget as part of the Seattle IT consolidation, additional lease costs paid by FAS on behalf of departments, and continuation of budget authority for items authorized as part of the quarterly supplemental budget processes or stand-alone legislation in 2016.

# Department of Finance & Administrative Services

## **Improving Customer Service**

A variety of new technologies, and consolidation of phone lines and departmental responsibilities have resulted in a large increase in service requests to the FAS Customer Service Bureau. FAS is increasing staff capacity in the Customer Service Bureau to respond to service requests and to evaluate and make recommendations about business processes around ancillary systems, including those departments use to manage work orders, to better integrate them into the main customer service request system. Other business process recommendations will address how to close the loop with constituents and departments once requested work has been completed. This will ensure customer service response targets are met, and that constituents remain satisfied with City response.

In 2016, Council authorized a tiered business license fee structure with different rates depending on the size of businesses, as determined by their gross income. Additional staff, outreach materials and system modifications are required to ensure business owners have a seamless transition to the new tiered licensing structure.

## **Centralizing City Functions**

FAS acts as the coordinator of other City departments to improve access for people with disabilities as required under Title II of the Americans with Disabilities Act (ADA). By centralizing this effort, the City can ensure there is a consistent approach and prioritization to address facility and programmatic access issues. FAS is adding a temporary position to act as a Citywide departmental contact to share best practices and assist departments in setting up transition plans to move towards greater ADA compliance and accessibility.

As part of the declaration of the homelessness state of emergency in 2015, FAS was identified as the central department to coordinate the City's efforts related to outreach and garbage removal for unauthorized encampments that pose public health or safety concerns. The process and procedures for this work are continuing to evolve, but there remains a need for centralized response and coordination between departments for various clean-up activities. The 2017-2018 Proposed Budget continues state of emergency funding for FAS to fulfill this role, and adds additional resources to further address some of the issues around coordination.

## **Protecting Consumers**

FAS regulates the safety and service of the taxi and for-hire vehicle industries to promote public welfare. In 2014, an agreement was reached by representatives from the taxicab, for-hire vehicle and transportation network company (TNC) industries and legislation was passed with a new set of ride-sharing regulations. The tremendous growth in the industry and the reporting requirements specified by the Council require the storage and analysis of a large volume of data. In 2016, FAS began planning for implementation of a system to track driver licensing and TNC compliance data for reporting requirements. Additional budget, supported by the TNC revenue, is included to fund completion of this system and is considered phase one. Phase two of this work expands upon existing functionality to track data for the regulation of other industries and allows flexibility to respond to future regulation as various industries emerge and evolve.

The Regulatory Compliance and Consumer Protection division of FAS is transitioning to a model in which staff (including inspectors, strategic advisors and administrative staff) are not constrained to regulation of one industry, but are cross-trained to work on a variety of industries as the need arises. An additional staff position is added for increased flexibility and capacity to regulate emergent and evolving industries.

## **Maintaining, Improving and Constructing City Facilities**

Investing in the City's existing facilities ensures these assets are available for long-term use and reduces future maintenance costs. FAS collects funds for current maintenance as well as future repairs through space rent charges to City departments in FAS-managed buildings, based on the square footage occupied. The 2017-2018 Proposed Budget authorizes a transfer of FAS fund balance, collected via space rent in previous years to address the backlog. FAS will use existing facilities fund balance to continue preservation activities, including a major investment to replace the cooling units in the Seattle Municipal Tower. The proposed budget takes advantage of

# Department of Finance & Administrative Services

expiring debt service payments which were funded through space rent collections and diverts the same level of space rent to the Asset Preservation fund. This keeps space rent stable for departments while increasing funding for asset preservation.

Some facility maintenance work is not included in the asset preservation program due to the nature or magnitude of the repairs and improvements, often involving additional investments to replace aging systems and prolong the useful life of the building. Major facilities projects in the 2017-2018 Proposed Budget, including construction of the remaining fire stations from the Fire Facilities Levy program and major maintenance to other public safety facilities, are detailed in the 2017-2022 FAS Capital Improvement Program.

Additionally, as the manager of most of the City-owned facilities, FAS performs space-planning work for many departments across the City. The underlying goal of this work is to accommodate more employees in the existing footprint and limit the need for external leases. As the number of City personnel grows, strategic planning for facilities is necessary to improve operations by aligning functional groups in the same workspace, consolidating departments to improve internal communications and, as outside leases expire, to bring departments into City-owned space where feasible. Minor capital improvement projects and floor plan layout changes are required to accommodate the additional personnel in City-owned space.

FAS is also funding facility work to improve accessibility in the Boards and Commissions Room of the City Hall building with installation of a Smart TV and Listen Line to assist public participation in meetings held in the room without being physically present.

## **Improving and Maintaining Internal Services**

FAS provides centralized services to most City departments for things like fleet management, treasury management and citywide purchasing. As the City grows, FAS' workload grows as well. FAS is adding resources to address the regular maintenance backlog for fleets due to vehicles adds, additional support for processing the an increasing volume of treasury transactions and centralizing the entry of vendors into the financial system.

The funding for the initiatives outlined above is not from a rate increase for customers, but instead by implementing administrative reductions in the discretionary operating budget of various divisions and by recognizing increasing revenues. The net effect of these measures offsets costs from rate-paying departments and the General Fund.

FAS is also leading the charge on installation of 150 additional electric vehicle charging stations at the Seattle Municipal Tower to electrify fleet vehicles as part of the Drive Clean Seattle Initiative. This has the dual purpose of reducing greenhouse gas emissions caused by transportation and cost savings through a lower total cost of ownership for electric vehicles over traditional, or even hybrid, vehicles.

## **Summit Re-Implementation Project**

In 2011, Council passed Resolution 31332, directing FAS to establish a financial management and accountability program (FinMAP) to create Citywide financial management policies and standardize the use of Summit, the City's financial system. The Summit Re-Implementation Program (SRI) is a key deliverable for FinMAP and is being led by a core project team in FAS working with all City departments to move Summit to the most current software release, PeopleSoft Financials 9.2. Work for SRI began in 2013, with an anticipated operational start date of January 2018.

In addition, the City is leveraging resources for the SRI technology project by simultaneously implementing business process standardization and improvements. FAS is coordinating this work on behalf of departments and allocating eligible costs through rates. Once Summit is re-implemented and business processes are updated, financial reporting and accountability will be more standardized across the City, with the goal of increased transparency and stronger management of financials.

# Department of Finance & Administrative Services

This project has central capital components as well as department-specific components. The central capital project is detailed in the FAS Capital Improvement Program, along with a funding mechanisms to reimburse operating departments for certain capital expenditures they incur during the project, and departmental components are budgeted in individual departments and Seattle IT.

## Incremental Budget Changes

### Department of Finance & Administrative Services

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 203,369,354</b>	<b>641.50</b>	<b>\$ 203,369,354</b>	<b>641.50</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	-\$ 8,992,596	-33.50	-\$ 10,399,122	-33.50
Additional Funding for Items Pro-Rated in 2016 Budget	\$ 151,346	0.00	\$ 151,346	0.00
Professional Services Costs with Assumed Inflationary Increases	\$ 1,542,104	0.00	\$ 1,904,953	0.00
Return to Base Level of Asset Preservation Funding	-\$ 2,459,000	0.00	-\$ 2,459,000	0.00
Debt Service Adjustments	\$ 2,063,407	0.00	\$ 4,053,014	0.00
Adjustment for One-Time Adds or Reductions	-\$ 11,720,148	-1.00	-\$ 12,117,044	-3.00
Supplemental Budget Changes	\$ 584,856	4.00	\$ 587,580	4.00
Citywide Adjustments for Standard Cost Changes	\$ 3,795,389	0.00	\$ 5,794,559	0.00
<b>Proposed Changes</b>				
Customer Service Improvements	\$ 507,776	1.00	\$ 407,428	1.00
Sustained State of Emergency Funding	\$ 854,354	2.00	\$ 854,494	2.00
Increasing Flexibility and Capacity for Regulatory Services	\$ 1,384,801	1.00	\$ 3,164,122	1.00
Fleets Additional Operational Capacity	\$ 215,523	2.00	\$ 217,988	2.00
Operating Reductions	-\$ 428,294	0.00	-\$ 431,471	0.00
Centralization and Increased Workload	\$ 336,254	2.00	\$ 333,488	2.00
Citywide Summit Re-Implementation Project	\$ 3,785,437	0.00	\$ 1,906,550	0.00
<b>Proposed Technical Changes</b>				
Implementation of Business License Fee and Tax Increase	\$ 299,371	2.50	\$ 220,597	2.50
Funding for Facilities Capital Work	\$ 6,500,000	1.00	\$ 0	0.00
Additional Authority for FileLocal	\$ 18,739	0.00	\$ 19,492	0.00

# Department of Finance & Administrative Services

Additional Authority for Wheelchair Accessibility Fund	\$ 237,808	0.00	\$ 237,808	0.00
<b>Total Incremental Changes</b>	<b>-\$ 1,322,873</b>	<b>-19.00</b>	<b>-\$ 5,553,218</b>	<b>-22.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 202,046,481</b>	<b>622.50</b>	<b>\$ 197,816,136</b>	<b>619.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - (\$8,992,596)/(33.50) FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to the department. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment. As part of the consolidation, FAS dissolved the Business Technology division and is transferring positions and budget outside the scope of IT consolidation out of this defunct division to other FAS divisions, as appropriate. This item also reduces funding for the Seattle License Information Management system replacement in the Seattle IT rates charged to FAS, as the project is being deferred.

#### **Additional Funding for Items Pro-Rated in 2016 Budget - \$151,346**

In the 2016 Adopted Budget, funding for the Mobile Service Center was pro-rated to reflect the time necessary to acquire the vehicle and to hire and train new positions. In 2017, this program is anticipated to be operational for all twelve months with additional appropriation to reflect this.

#### **Professional Services Costs with Assumed Inflationary Increases - \$1,542,104**

This item represents existing contracts and other items with assumed inflationary increases requiring additional budget authority. Included are increases in external leases that FAS pays on behalf of City departments, software contracts, a major facilities management contract, and printing and postage costs.

#### **Return to Base Level of Asset Preservation Funding - (\$2,459,000)**

Each year, FAS collects space rent for facilities maintenance. In the 2016 Adopted Budget, an additional amount beyond the \$4 million in the baseline was transferred for asset preservation. This adjustment reverses that increase back to the baseline amount in anticipation of a formal budget proposal for additional asset preservation funding as part of the Executive phase of the budget.

#### **Debt Service Adjustments - \$2,063,407**

FAS pays the debt service costs on behalf of City departments for several Citywide projects and facilities. Included in this item are increases for the Summit Re-Implementation project debt service.

# Department of Finance & Administrative Services

## **Adjustment for One-Time Adds or Reductions - (\$11,720,148)/(1.00) FTE**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. This includes the removal of one-time Council-generated green-sheet items: Hearing Loop Installation, TNC software needs and City Campus Child Care Center feasibility funding. This also includes the removal of other one-time items, including ADA facility assessment funding, and various minor systems and resources for the Summit Re-Implementation project.

## **Supplemental Budget Changes - \$584,856/4.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. This change includes the transfer of budget authority into a new sub-fund and budget control level to more accurately track and separate fleet capital expenditures from fleet operating expenditures, as well as several other changes including a state of emergency personnel addition, other personnel additions and support for the Animal Shelter.

## **Citywide Adjustments for Standard Cost Changes - \$3,795,389**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

## **Proposed Changes**

### **Customer Service Improvements - \$507,776/1.00 FTE**

This item funds additional capacity to improve customer service experience for the public. Included is a temporary position to assist City departments in planning for ADA accessibility so that all residents and visitors can enjoy Seattle programs and facilities. Also included is an additional position in the Customer Service Bureau to ensure that customer service performance targets are met as the number of communications with the public has increased dramatically. Finally, funding is added to review and make recommendations on existing departmental systems and business processes related to customer service so that requests from the public are handled consistently by departments with feedback mechanisms for response.

### **Sustained State of Emergency Funding - \$854,354/2.00 FTE**

As part of the Homelessness State of Emergency declared by Mayor Murray in November 2015, FAS was identified as the central department to coordinate clean-up activities amongst all City departments. This budget item funds the on-going role of FAS as department coordinator with additional staff and contract resources. While the operational mechanisms around this work may evolve, there is still a need for a centralized department role with additional capacity to coordinate this work effort.

### **Increasing Flexibility and Capacity for Regulatory Services - \$1,384,801/1.00 FTE**

The Regulatory Compliance and Consumer Protection division of FAS is transitioning to a model in which staff (including inspectors, strategic advisors and administrative staff) are not constrained to the regulation of one industry, but are cross-trained to be able to work on a variety of industries as the need arises. This item funds an

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additional position for Regulatory Compliance to increase flexibility and capacity to regulate emergent and evolving industries. In addition, the division is also consolidating systems to be more efficient with staff time and adaptable for existing regulated industries and future proposed industry regulation.

## **Fleets Additional Operational Capacity - \$215,523/2.00 FTE**

This item includes funding for a mechanic position to alleviate the service backlog for regular vehicle maintenance due to the addition of nearly 100 new vehicles per year for various initiatives including the Move Seattle Levy, the Metropolitan Parks District and increasing City staff. This item also includes a position to process warranty claims and ensure that the City receives the reimbursements it is owed for vehicles still under warranty. These positions are funded respectively by vehicle maintenance charges to customer departments and revenue generated by additional warranty claims.

## **Operating Reductions - (\$428,294)**

This item includes various operating reductions taken across divisions as part of the budget reduction target. Reductions in funding for the to facilities maintenance division are not anticipated to have an impact on operations due to prior or planned capital work for asset preservation, fire station improvements made during the Fire Levy Program and investments in the mutually offsetting benefit facilities. Other reductions are small in magnitude and are not anticipated to have operational impacts.

## **Centralization and Increased Workload - \$336,254/2.00 FTE**

As an internal service providing support to departments, FAS experiences an increase in workload as a result of growth in other City departments and new initiatives. This item funds two permanent positions in Treasury and Purchasing and one temporary position in Accounting and Budget Services. These positions will assist with additional workload due to the increases in the volume of transactions and vendors that the City is processing, and a transfer of accounting responsibilities for the new Office of Planning and Community Development to FAS. Also, the Purchasing position will assist in centralizing some financial functions which have been decentralized to departments to ensure that the City has appropriate financial controls.

## **Citywide Summit Re-Implementation Project - \$3,785,437**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

### **Proposed Technical Changes**

## **Implementation of Business License Fee and Tax Increase - \$299,371/2.50 FTE**

In 2016, Council authorized a tiered business license fee structure and increases to the City's business and occupation tax rates. To implement these changes which greatly increase the complexity of the administration of the business licensing program, FAS Business Licensing and Tax Division requires on-going funding for 2.50 FTE positions and outreach materials, printing, postage and other various expenditures.

## **Funding for Facilities Capital Work - \$6,500,000/1.00 FTE**

This item funds facilities capital work, including a \$6.5 million transfer of Facilities Operations Fund balance to the asset preservation program for crucial maintenance work on buildings in the downtown campus.



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## Additional Authority for FileLocal - \$18,739

This item increases budget authority for the FileLocal Agency Fund as a technical adjustment to reflect standard costs increases in the loaned FAS staff provided to the FileLocal Agency. These costs will be fully reimbursed by the FileLocal Agency.

## Additional Authority for Wheelchair Accessibility Fund - \$237,808

This item increases appropriation in the Wheelchair Accessibility Fund (12100) as a technical adjustment to reflect the current revenue and subsequent disbursements to eligible wheelchair accessible taxi operators to reimburse them for higher costs associated with operating and equipping a wheelchair-accessible taxi. The fund was created by SMC 6.310.175 and revenue to the fund has exceeded the initial appropriation.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
FileLocal Agency Budget Control Level	A9POR	178,288	326,394	363,952	374,950
Wheelchair Accessible Services Program Budget Control Level	AW001	254,955	1,250,000	1,487,808	1,487,808
<b>Bond Funds</b>					
Pike Place Market Waterfront Entrance Project (36300-A8600) Budget Control Level	A8600	0	6,000,000	0	0
<b>Central Waterfront Fund</b>					
Central Waterfront Improvement Program Financial Support Budget Control Level	A8CWF	0	2,870,000	1,099,000	924,000
<b>FAS Operating Fund</b>					
Budget and Central Services Budget Control Level	A1000	4,946,877	6,945,378	15,211,137	12,137,519
Business Technology Budget Control Level	A4520	18,426,677	19,584,021	0	0
<b>City Finance Division Budget Control</b>					
Accounting		3,745,887	3,996,471	10,562,859	12,787,968
Business Licensing and Tax Administration		3,393,629	3,251,803	3,717,446	3,721,367
City Financial Management		1,641,205	1,383,631	1,778,394	1,831,308
Risk Management		1,332,588	1,311,154	1,375,185	1,411,222
Treasury		3,754,112	4,360,623	4,690,708	4,791,399
<b>Total</b>	<b>A4510</b>	<b>13,867,422</b>	<b>14,303,682</b>	<b>22,124,592</b>	<b>24,543,264</b>



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## City Purchasing and Contracting Services Budget Control

Contracting Services		3,080,972	4,419,694	4,199,618	4,298,765
Purchasing Services		1,838,839	1,835,281	2,605,730	2,679,282
<b>Total</b>	<b>A4540</b>	<b>4,919,812</b>	<b>6,254,975</b>	<b>6,805,348</b>	<b>6,978,047</b>

<b>Facility Services Budget Control Level</b>	<b>A3000</b>	<b>67,419,040</b>	<b>71,969,656</b>	<b>78,705,818</b>	<b>72,713,785</b>
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<b>Fleet Capital Program Budget Control Level</b>	<b>A2001</b>	<b>0</b>	<b>0</b>	<b>21,829,848</b>	<b>21,829,848</b>
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## Fleet Services Budget Control

Vehicle Fueling		6,158,253	10,578,347	10,582,509	10,586,493
Vehicle Leasing		27,440,893	23,788,163	2,070,820	2,134,942
Vehicle Maintenance		18,533,191	19,919,596	20,733,077	21,103,078
<b>Total</b>	<b>A2000</b>	<b>52,132,337</b>	<b>54,286,106</b>	<b>33,386,406</b>	<b>33,824,513</b>

## Office of Constituent Services Budget Control

Office of Constituent Services		2,992,720	3,775,651	4,633,381	4,650,200
<b>Total</b>	<b>A6510</b>	<b>2,992,720</b>	<b>3,775,651</b>	<b>4,633,381</b>	<b>4,650,200</b>

<b>Regulatory Compliance and Consumer Protection Budget Control Level</b>	<b>A4530</b>	<b>4,276,352</b>	<b>7,252,209</b>	<b>7,562,313</b>	<b>9,275,904</b>
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<b>Seattle Animal Shelter Budget Control Level</b>	<b>A5510</b>	<b>3,802,144</b>	<b>4,032,024</b>	<b>4,289,787</b>	<b>4,403,691</b>
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## Technical Services Budget Control

Capital Development and Construction Management		4,051,373	4,519,258	4,547,091	4,672,607
<b>Total</b>	<b>A3100</b>	<b>4,051,373</b>	<b>4,519,258</b>	<b>4,547,091</b>	<b>4,672,607</b>

<b>Department Total</b>		<b>177,267,997</b>	<b>203,369,354</b>	<b>202,046,481</b>	<b>197,816,136</b>
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<b>Department Full-time Equivalent Total*</b>		<b>625.00</b>	<b>641.50</b>	<b>622.50</b>	<b>619.50</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Finance & Administrative Services

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
444590	2016 Bond Funds - Pike Place Market	0	6,000,000	0	0
444590	File Local Agency Fund Revenue	178,288	326,394	375,952	386,950
421607	Transportation Network Company Fees	978,821	1,250,000	1,487,808	1,487,808
	<b>Total Other Revenue</b>	<b>1,157,109</b>	<b>7,576,394</b>	<b>1,863,760</b>	<b>1,874,758</b>
421600	Professional and Occupational Licenses	447,746	436,000	447,746	447,746
421601	Licenses - Taxi/For Hire	533,843	1,201,300	578,843	606,343
421605	Licenses - Fore Hire Drivers	185,800	137,250	192,905	192,905
421607	Tran Net Co Fees	672,305	697,000	1,922,164	2,054,338
421700	Licenses - Tow Operators/Companies	16,645	13,000	15,000	15,000
421750	Panoram Licenses	1,530	4,300	1,500	1,500
421790	Other Amusement Licenses	64,650	80,900	65,000	65,000
421800	Penalties-Business Licenses	114,427	98,800	114,000	114,000
421990	Marijuana Program	40,000	0	0	0
422310	Cat Licenses	317,032	419,380	378,152	350,550
422320	Dog Licenses	818,043	1,082,420	1,184,673	1,144,843
422800	Penalties on Non-Business Licenses	30	0	0	0
422802	Lic Late Fees - Taxi/For Hire	4,230	0	0	0
422803	Fires - Taxi/For Hire	9,805	27,885	9,805	9,805
422820	Tow Company License Late Fees	1,140	0	0	0
441630	Photocopy Services	551	0	0	0
441710	Sales of Merchandise	81,084	90,000	90,000	90,000
441930	Cable/Private Reimbursements	95,253	120,000	20,000	20,000
441970	Scanning Systems License	123,026	146,425	146,425	146,425
441980	State Wts & Meas Dev Reg Fees	96,863	99,955	99,955	99,955
442491	Fees - Taxi/For Hire	18,425	59,295	20,000	20,000
442492	Fees - Limo Inspections	36,805	37,000	37,000	37,000
442493	Fees - Limo Payment From State	143,000	130,000	240,000	240,000
442494	Tow company Impound Fees	49,890	60,000	50,000	50,000
443210	Capital Development and Construction Management	6,946	0	0	0
443931	Animal Control Admin Fees	27,238	32,640	30,029	31,530
443932	Animal Adoption Fees	20,970	10,200	23,119	24,275
443934	Kennel Fees	15,590	8,160	17,188	18,047
443936	Spay and Neuter Fees	133,286	204,000	289,222	303,683

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443937	Surrender Fees	6,455	5,100	7,117	7,472
443939	Misc Other Animal Control Fees	72,925	81,600	80,610	84,641
443979	Sundry Recoveries (Kubra CC)	196,115	0	200,000	200,000
444500	Fuel Sales	0	0	0	0
444590	Miscellaneous - Other Revenue	495,796	847,000	930,000	930,000
447800	Training Charges	0	129,375	0	0
459896	Penalties on Delinquent Receivable	60	0	0	0
459900	Miscellaneous Fine & Penalties	8,500	0	0	0
459930	NSF Check Fees	506	0	0	0
461110	Interest Earnings - Residual Cash	536,145	223,500	223,500	223,500
461320	Unrealized Gains/Losses-Inv GASB31	-45,263	0	0	0
462300	Parking Fees	2,154,214	2,241,259	2,400,000	2,400,000
462500	Bldg/Other Space Rental Charge	2,493,469	2,211,716	1,860,116	1,860,116
462900	Other Rents & use Charges	12,455	11,000	11,000	11,000
469100	Sales of Junk or Salvage	32,910	0	0	0
469400	Other Judgments & Settlements	3,800	0	0	0
469810	Cashier's Overages & Shortages	-1,168	0	0	0
469970	Telephone Commission Revenues	0	0	0	0
469990	Other Miscellaneous Revenues	658,598	751,718	741,718	726,718
485100	Property Management Services-Sales of Land & Buildings	5,600	0	0	0
485200	Vehicle Maintenance-Insurance Recoveries-Fixed Ass	2,647	0	0	0
485400	Gan (Loss) Disposition of Fixed Asset - Vehicle Leasing	2,181,145	0	0	0
	<b>Total External Revenues</b>	<b>12,891,062</b>	<b>11,698,178</b>	<b>12,426,787</b>	<b>12,526,392</b>
587001	Accounting Director's Office	304,772	303,978	302,830	314,137
587001	Business Licensing	1,249,017	1,653,318	1,973,771	1,933,000
587001	Capital Development and Construction Management	1,453	115,000	0	0
587001	Central Accounting	1,065,204	1,074,069	1,178,882	1,209,448
587001	City Purchasing	646,250	683,405	585,845	604,919
587001	Citywide Summit	0	0	3,324,060	4,566,558
587001	Claims Processing	183,806	186,403	164,020	168,906
587001	Concert Hall	363,258	370,523	380,876	390,232
587001	Consumer Protection	717,193	740,051	4,243,687	4,030,575
587001	Contracting Services	166,706	471,278	399,596	403,132
587001	Customer Service Bureau	387,231	323,933	324,953	334,542
587001	Debt Management	122,582	123,454	97,813	99,810
587001	Department Director	202,247	202,247	170,818	170,818
587001	Distribution Services	388,068	411,910	429,724	440,103
587001	Economics and Forecasting	201,237	185,347	175,723	180,605
587001	Electronic Records	0	0	463,827	463,572

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587001	Encampment Clean-Up	0	0	1,051,188	1,052,615
587001	FAS Accounting	71,142	72,919	74,665	76,725
587001	FAS Applications	1,813,845	1,885,157	0	0
587001	FAS IT Services	0	0	830,800	844,321
587001	FAS Underspending Rebate	-377,612	0	0	0
587001	Fiscal Policy and Management	933,703	937,597	1,162,722	1,201,411
587001	Garden of Remembrance	174,349	177,836	182,805	187,296
587001	Health Care Reductions/Rebate	-143,183	0	0	0
587001	HRIS	1,188,745	1,352,641	0	0
587001	Human Resources	0	58,331	50,104	51,567
587001	Investments	169,177	172,359	208,914	213,600
587001	Nghd Payment & Information Svcs	199,505	217,649	342,420	354,477
587001	Office of Constituent Services	229,807	251,774	565,739	541,115
587001	Parking Meter Collections	553,620	571,768	445,513	460,227
587001	Payroll	967,303	978,674	997,727	1,020,971
587001	Property Management Services	1,815,245	1,680,685	1,473,808	1,493,328
587001	Regulatory Enforcement	1,784,114	2,296,021	0	0
587001	Remittance Processing	186,916	189,701	237,511	242,784
587001	Risk Management	253,652	254,097	217,850	222,627
587001	Seattle Animal Shelter	2,422,051	2,534,393	2,643,414	2,541,096
587001	Shared Accounting Services	112,932	117,400	74,375	76,473
587001	Spay and Neuter Clinic	89,846	94,441	65,052	58,160
587001	SRI Project	0	1,235,000	0	0
587001	SUMMIT	3,232,128	3,813,808	0	0
587001	Tax Administration	3,866,145	2,290,720	2,239,591	2,289,408
587001	Treasury Operations	939,608	1,016,853	856,620	874,475
587001	Warehousing Services	6,396	6,541	7,600	7,694
	<b>Total General Fund Support</b>	<b>26,488,458</b>	<b>29,051,281</b>	<b>27,944,843</b>	<b>29,120,727</b>
541490	Accounting Director's Office	269,836	270,650	248,973	258,269
541490	Central Accounting	943,099	956,307	911,335	934,963
541490	City Purchasing	1,258,709	1,331,076	1,903,054	1,965,016
541490	Citywide Summit	0	0	3,629,438	4,452,303
541490	Claims Processing	472,576	479,687	519,954	535,161
541490	Consumer Protection	-13,485	0	0	0
541490	Contracting Services	3,329,708	5,006,444	3,938,030	4,032,749
541490	Customer Service Bureau	705,396	590,091	577,528	594,570
541490	Debt Management	220,648	222,217	254,285	259,477
541490	Electronic Records	0	0	446,173	445,929
541490	FAS IT Services	0	0	1,233,865	1,574,104
541490	Fiscal Policy and Management	0	0	167,102	171,326
541490	Human Resources	0	112,627	95,042	97,815
541490	Investments	297,740	303,342	275,827	282,013
541490	Nghd Payment & Information Svcs	1,474,720	1,608,835	2,180,939	2,257,736

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541490	Office of Constituent Services	408,265	458,643	1,005,469	961,707
541490	Payroll	856,421	871,372	870,957	891,247
541490	Property Management Services	475,119	260,000	260,000	260,000
541490	Remittance Processing	780,935	792,571	756,259	773,049
541490	Risk Management	658,732	661,553	700,223	715,815
541490	Tax Administration	-75,182	0	0	0
541490	Treasury Operations	1,875,274	2,038,662	2,269,590	2,319,318
541830	FAS Applications	945,994	1,170,940	0	0
541830	HRIS	1,131,182	1,287,142	0	0
541830	SUMMIT	5,496,511	6,485,708	0	0
541921	Property Management Services	8,504	0	0	0
541930	Facilities Maintenance	44,291	75,000	75,000	75,000
542830	Distribution Services	277,042	291,760	291,760	291,760
542831	Distribution Services	250,789	266,197	252,052	258,140
543210	Capital Development and Construction Management	4,843,028	5,294,146	5,530,310	5,541,234
543932	Seattle Animal Shelter	0	0	0	0
543936	Spay and Neuter Clinic	140,914	100,000	50,000	50,000
543970	Nghd Payment & Information Svcs	63,172	0	0	0
544300	Vehicle Maintenance	8,033,571	8,328,986	8,706,388	8,901,453
544400	Vehicle Warehousing	3,030,849	2,711,357	3,003,009	3,024,261
544500	Vehicle Fuel	6,337,599	10,850,411	10,598,233	10,682,120
544590	Capital Development and Construction Management	694,266	0	0	0
544590	Human Resources	13	0	0	0
544590	Vehicle Leasing	1,066	0	0	0
548921	Warehousing Services	1,353,037	1,383,650	1,361,035	1,377,921
548922	Property Management Services	402,699	413,304	400,243	412,187
562150	Motor Pool	833,630	774,714	911,793	912,934
562250	Fleet Capital Program	0	0	16,853,578	17,290,292
562250	Vehicle Leasing	26,811,813	27,903,800	11,407,259	11,661,915
562300	Parking Services	727,160	686,020	686,020	686,020
562500	Nghd Payment & Information Svcs	11,306	10,983	11,522	11,710
562500	Property Management Services	5,654,201	9,291,602	10,126,597	10,295,345
562500	Seattle Municipal Tower	1,800	0	0	0
562510	Property Management Services	47,948,510	48,204,276	48,996,256	49,295,568
569990	Central Accounting	148,995	224,983	241,313	247,570
569990	Department Director	37,036	37,831	12,043	12,402
569990	Facility Management	2,857	0	0	0
569990	FAS Accounting	55,742	51,637	6,530	6,737
569990	FAS IT Services	0	0	28,078	29,110
569990	FAS Technology	107,472	291,270	0	0
569990	Fiscal Policy and Management	161,043	171,616	172,000	176,344
569990	Human Resources	31,064	68,606	6,894	7,099

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569990	Office of Constituent Services	0	300,000	0	0
569990	Policy & Budget	30,144	31,550	7,621	7,856
569990	Property Management Services	178,829	154,190	0	0
569990	Seattle Animal Shelter	116,305	251,838	124,195	127,472
569990	Seattle Municipal Tower	536,084	545,000	545,000	545,000
569990	Shared Accounting Services	18,202	15,371	4,924	5,051
569990	Treasury Operations	38,740	0	0	0
569990	Vehicle Leasing	1,534,069	0	0	0
569999	FAS Applications	1,285,520	0	0	0
569999	HRIS	450,000	0	0	0
569999	Miscellaneous	520,795	0	0	0
569999	Treasury Operations	3,541	0	0	0
	<b>Total Services to City Depts</b>	<b>134,237,896</b>	<b>143,637,965</b>	<b>142,653,696</b>	<b>145,715,068</b>
	<b>Total Revenues</b>	<b>174,774,525</b>	<b>191,963,818</b>	<b>184,889,086</b>	<b>189,236,945</b>
379100	Use of (Contribution to) Fund Balance - Central Waterfront Fund	0	2,870,000	1,099,000	924,000
379100	Use of (Contribution to) Fund Balance - FileLocal Agency Fund	0	0	-12,000	-12,000
379100	Use of (Contribution to) Fund Balance - FAS Operating Fund	3,217,338	8,535,536	16,070,395	7,667,191
379100	Use of (Contribution to) Fund Balance - Wheelchair Accessible Fund	-723,866	0	0	0
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>2,493,472</b>	<b>11,405,536</b>	<b>17,157,395</b>	<b>8,579,191</b>
	<b>Total Resources</b>	<b>177,267,997</b>	<b>203,369,354</b>	<b>202,046,481</b>	<b>197,816,136</b>

# Department of Finance & Administrative Services

## Appropriations By Budget Control Level (BCL) and Program

### FileLocal Agency Budget Control Level

The purpose of the FileLocal Agency Budget Control Level is to execute the City's response to the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement. The City of Seattle will be reimbursed by the agency for all costs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
FAS FileLocal Agency	178,288	326,394	363,952	374,950
<b>Total</b>	<b>178,288</b>	<b>326,394</b>	<b>363,952</b>	<b>374,950</b>
Full-time Equivalents Total*	0.00	2.50	2.50	2.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### Wheelchair Accessible Services Program Budget Control Level

The purpose of the Wheelchair Accessible Services Budget Control Level is to disburse monies collected on every taxi, for hire and Transportation Network Company (TNC) trip that originates in the city of Seattle. This BCL is funded by the Wheelchair Accessibility Disbursement Fund.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Wheelchair Accessible Services Program	254,955	1,250,000	1,487,808	1,487,808
<b>Total</b>	<b>254,955</b>	<b>1,250,000</b>	<b>1,487,808</b>	<b>1,487,808</b>

### Pike Place Market Waterfront Entrance Project (36300-A8600) Budget Control Level

The purpose of the Pike Place Market Waterfront Entrance Project Budget Control Level (BCL) is to manage disbursement of resources to the Pike Place Market Preservation and Development Authority (PDA) for costs associated with the PC1-North Parking Garage design and planning. This BCL is funded by a 2016 Limited Tax General Obligation bond issuance (Fund 36300).

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Pike Place Market Waterfront Entrance Project (36300-8600)	0	6,000,000	0	0
<b>Total</b>	<b>0</b>	<b>6,000,000</b>	<b>0</b>	<b>0</b>

## Department of Finance & Administrative Services

### **Central Waterfront Improvement Program Financial Support Budget Control Level**

The purpose of the Central Waterfront Improvement Program Financial Support Budget Control Level (BCL) is to provide resources to the City Finance Division for the development of funding mechanisms for the Central Waterfront Improvement Program. This BCL is funded by the Central Waterfront Improvement Fund (Fund 35900).

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
FAS CWF Finance	0	2,870,000	1,099,000	924,000
<b>Total</b>	<b>0</b>	<b>2,870,000</b>	<b>1,099,000</b>	<b>924,000</b>
Full-time Equivalents Total*	3.00	3.00	3.00	3.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Budget and Central Services Budget Control Level**

The purpose of the Budget and Central Services Budget Control Level is to provide executive leadership and a range of planning and support functions, including policy and strategic analysis, budget development and monitoring, financial analysis and reporting, accounting services, information technology services, human resource services, office administration, and central departmental services such as contract review and legislative coordination. These functions promote solid business systems, optimal resource allocation, and compliance with Citywide financial, technology, and personnel policies.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Budget and Central Services	4,946,877	6,945,378	15,211,137	12,137,519
<b>Total</b>	<b>4,946,877</b>	<b>6,945,378</b>	<b>15,211,137</b>	<b>12,137,519</b>
Full-time Equivalents Total*	38.00	40.00	42.00	42.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

### **Business Technology Budget Control Level**

The purpose of the Business Technology Budget Control Level is to plan, strategize, develop, implement, and maintain business technologies to support the City's business activities.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Business Technology	18,426,677	19,584,021	0	0
<b>Total</b>	<b>18,426,677</b>	<b>19,584,021</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	46.50	45.50	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*



# Department of Finance & Administrative Services

## City Finance Division Budget Control Level

The purpose of the City Finance Division Budget Control Level (BCL) is to oversee and provide technical support to the financial affairs of the City. This BCL performs a wide range of technical and operating functions, such as debt issuance and management, Citywide payroll processing, investments, risk management tax administration, and revenue and payment processing services and support to the City Budget Office economic forecasting efforts. In addition, this BCL develops and implements a variety of City financial policies related to the City's revenues, accounting procedures, and risk mitigation. Finally, the BCL provides oversight and guidance to financial reporting, City retirement programs, and public corporations established by the City.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Accounting	3,745,887	3,996,471	10,562,859	12,787,968
Business Licensing and Tax Administration	3,393,629	3,251,803	3,717,446	3,721,367
City Financial Management	1,641,205	1,383,631	1,778,394	1,831,308
Risk Management	1,332,588	1,311,154	1,375,185	1,411,222
Treasury	3,754,112	4,360,623	4,690,708	4,791,399
<b>Total</b>	<b>13,867,422</b>	<b>14,303,682</b>	<b>22,124,592</b>	<b>24,543,264</b>
Full-time Equivalents Total*	134.00	134.50	146.00	146.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in City Finance Division Budget Control Level:**

### **Accounting Program**

The purpose of the Accounting Program is to establish and enforce Citywide accounting policies and procedures, perform certain financial transactions, process the City's payroll, and provide financial reporting, including preparation of the City's Comprehensive Annual Financial Report.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Accounting	3,745,887	3,996,471	10,562,859	12,787,968
Full-time Equivalents Total	59.50	59.50	65.50	65.50

### **Business Licensing and Tax Administration Program**

The purpose of the Business Licensing and Tax Administration Program is to license businesses, collect business-related taxes, and administer the Business and Occupation (B&O) Tax, utility taxes, and other taxes levied by the City.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Business Licensing and Tax Administration	3,393,629	3,251,803	3,717,446	3,721,367
Full-time Equivalents Total	25.00	26.00	28.50	28.50

# Department of Finance & Administrative Services

## City Financial Management Program

The purpose of the City Economics and Financial Management Program is to ensure that the City's financial affairs are consistent with state and federal laws and policies, City code, and the City's Adopted Budget. This includes establishing policy for and overseeing City accounting, treasury, risk management, and tax administration functions on behalf of the director of Finance and Administrative Services. In addition, the program provides financial oversight of City retirement programs and public corporations established by the City. The program also administers the City's debt portfolio and provides support to City Budget Office economic forecasting efforts. Program staff members provide expert financial analysis to elected officials and the City Budget Office to help inform and shape the City's budget.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
City Financial Management	1,641,205	1,383,631	1,778,394	1,831,308
Full-time Equivalents Total	10.50	9.00	11.00	11.00

## Risk Management Program

The purpose of the Risk Management Program is to advise City departments on ways to avoid or reduce losses, provide expert advice on appropriate insurance and indemnification language in contracts, investigate and adjust claims against the City, and to administer all of the City's liability, property insurance policies, and its self-insurance program.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Risk Management	1,332,588	1,311,154	1,375,185	1,411,222
Full-time Equivalents Total	9.00	9.00	9.00	9.00

## Treasury Program

The purpose of the Treasury Program is to collect and record monies owed to the City and pay the City's expenses. This program also invests temporarily idle City money, administers the Business Improvement Area and Local Improvement District programs, and collects and processes parking meter revenues.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Treasury	3,754,112	4,360,623	4,690,708	4,791,399
Full-time Equivalents Total	30.00	31.00	32.00	32.00

# Department of Finance & Administrative Services

## City Purchasing and Contracting Services Budget Control Level

The purpose of the City Purchasing and Contracting Services Budget Control Level is to conduct and administer all bids and contracts for public works and purchases (products, supplies, equipment, and services) on behalf of City departments.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Contracting Services	3,080,972	4,419,694	4,199,618	4,298,765
Purchasing Services	1,838,839	1,835,281	2,605,730	2,679,282
<b>Total</b>	<b>4,919,812</b>	<b>6,254,975</b>	<b>6,805,348</b>	<b>6,978,047</b>
Full-time Equivalents Total*	44.00	45.00	47.00	47.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in City Purchasing and Contracting Services Budget Control Level:**

### Contracting Services Program

The purpose of the Contracting Services Program is to administer the bid, award, execution, and close-out of public works projects for City departments. Staff anticipate and meet customers' contracting needs and provide education throughout the contracting process. This program also maintains the City's guidelines and procedures for consultant contracting. The program is also responsible for social equity monitoring and contract compliance on City contracts, particularly focused on construction and procurement.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Contracting Services	3,080,972	4,419,694	4,199,618	4,298,765
Full-time Equivalents Total	29.00	30.00	27.00	27.00

### Purchasing Services Program

The purpose of the Purchasing Services Program is to provide central oversight for the purchase of goods, products, materials, and routine services obtained by City departments. All purchases for any department that total more than \$47,000 per year are centrally managed by Purchasing Services. City Purchasing conducts the bid and acquisition process, executes and manages the contracts, and establishes centralized volume-discount blanket contracts for City department use. This program also develops and manages City guidelines and policies for purchases.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Purchasing Services	1,838,839	1,835,281	2,605,730	2,679,282
Full-time Equivalents Total	15.00	15.00	20.00	20.00

# Department of Finance & Administrative Services

## Facility Services Budget Control Level

The purpose of the Facility Services Budget Control Level is to manage most of the City's general government facilities, including the downtown civic campus, police precincts, fire stations, shops and yards, and several parking facilities. Functions include property management, environmental analysis, implementation of environmentally sustainable facility investments, facility maintenance and repair, janitorial services, security services, and event scheduling. The Facility Operations team is also responsible for warehouse, real estate, and mail services throughout the City. These functions promote well-managed, clean, safe, and highly efficient buildings and grounds that house City employees and serve the public.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Facility Services	67,419,040	71,969,656	78,705,818	72,713,785
<b>Total</b>	<b>67,419,040</b>	<b>71,969,656</b>	<b>78,705,818</b>	<b>72,713,785</b>
Full-time Equivalents Total*	92.50	92.50	95.50	94.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Fleet Capital Program Budget Control Level

The purpose of the Fleet Capital Program Budget Control Level is to manage City of Seattle Fleet Replacement, including the purchase and disposal of vehicles owned by the Department of Finance and Administrative Services (FAS) and the administration of the Fleet Replacement Capital Reserve.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Fleet Capital Program	0	0	21,829,848	21,829,848
<b>Total</b>	<b>0</b>	<b>0</b>	<b>21,829,848</b>	<b>21,829,848</b>

## Fleet Services Budget Control Level

The purpose of the Fleet Services Budget Control Level is to provide fleet vehicles to City departments, assess and implement environmental initiatives related to both the composition of the City's fleet and the fuels that power it, actively manage and maintain the fleet, procure and distribute fuel, and operate a centralized motor pool. The goal of these functions is to create and support an environmentally responsible and cost-effective Citywide fleet that helps all City departments carry out their work as efficiently as possible.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Vehicle Fueling	6,158,253	10,578,347	10,582,509	10,586,493
Vehicle Leasing	27,440,893	23,788,163	2,070,820	2,134,942
Vehicle Maintenance	18,533,191	19,919,596	20,733,077	21,103,078
<b>Total</b>	<b>52,132,337</b>	<b>54,286,106</b>	<b>33,386,406</b>	<b>33,824,513</b>
Full-time Equivalents Total*	129.00	129.00	131.00	131.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Finance & Administrative Services

*The following information summarizes the programs in Fleet Services Budget Control Level:*

## Vehicle Fueling Program

The purpose of the Vehicle Fueling Program is to procure, store, distribute and manage various types of fuels, including alternative fuels, for City departments.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Vehicle Fueling	6,158,253	10,578,347	10,582,509	10,586,493
Full-time Equivalents Total	1.00	1.00	1.00	1.00

## Vehicle Leasing Program

The purpose of the Vehicle Leasing Program is to specify, engineer, purchase and dispose of vehicles and equipment on behalf of other City departments and local agencies. This program administers the lease program by which these FAS-procured vehicles are provided to City departments. The program also provides motor pool services, and houses fleet administration and environmental stewardship functions.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Vehicle Leasing	27,440,893	23,788,163	2,070,820	2,134,942
Full-time Equivalents Total	12.00	15.00	15.00	15.00

## Vehicle Maintenance Program

The purpose of the Vehicle Maintenance Program is to provide vehicle and equipment outfitting, preventive maintenance, repairs, parts delivery and related services in a safe, rapid, and prioritized manner.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Vehicle Maintenance	18,533,191	19,919,596	20,733,077	21,103,078
Full-time Equivalents Total	116.00	113.00	115.00	115.00

## Office of Constituent Services Budget Control Level

The purpose of the Office of Constituent Services Budget Control Level (BCL) is to lead City departments to improve on consistently providing services that are easily accessible, responsive and fair. This includes assistance with a broad range of City services, such as transactions, information requests and complaint investigations. This BCL includes the City's Customer Service Bureau, the Neighborhood Payment and Information Service centers, Citywide public disclosure responsibilities and service-delivery analysts.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of Constituent Services	2,992,720	3,775,651	4,633,381	4,650,200
<b>Total</b>	<b>2,992,720</b>	<b>3,775,651</b>	<b>4,633,381</b>	<b>4,650,200</b>
Full-time Equivalents Total*	28.50	34.00	38.00	38.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Finance & Administrative Services

The following information summarizes the programs in Office of Constituent Services Budget Control Level:

## Office of Constituent Services Program

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of Constituent Services	2,992,720	3,775,651	4,633,381	4,650,200
Full-time Equivalents Total	28.50	34.00	38.00	38.00

### Regulatory Compliance and Consumer Protection Budget Control Level

The purpose of the Regulatory Compliance and Consumer Protection Budget Control Level is to support City services and regulations that attempt to provide Seattle consumers with a fair and well-regulated marketplace. Expenditures from this BCL include support for taxicab inspections and licensing, the weights and measures inspection program, vehicle impound and consumer complaint investigation.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Regulatory Compliance and Consumer Protection	4,276,352	7,252,209	7,562,313	9,275,904
<b>Total</b>	<b>4,276,352</b>	<b>7,252,209</b>	<b>7,562,313</b>	<b>9,275,904</b>
Full-time Equivalents Total*	42.50	47.50	49.50	48.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Seattle Animal Shelter Budget Control Level

The purpose of the Seattle Animal Shelter Budget Control Level is to provide animal care, enforcement, and spay and neuter services in Seattle to control pet overpopulation and foster public safety. The shelter also provides volunteer and foster care programs which enables the citizens of Seattle to donate both time and resources and engage in activities which promote animal welfare in Seattle.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Seattle Animal Shelter	3,802,144	4,032,024	4,289,787	4,403,691
<b>Total</b>	<b>3,802,144</b>	<b>4,032,024</b>	<b>4,289,787</b>	<b>4,403,691</b>
Full-time Equivalents Total*	38.00	39.00	39.00	39.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Department of Finance & Administrative Services

## Technical Services Budget Control Level

The purpose of the Technical Services Budget Control Level is to plan and administer FAS' Capital Improvement Program.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Capital Development and Construction Management	4,051,373	4,519,258	4,547,091	4,672,607
<b>Total</b>	<b>4,051,373</b>	<b>4,519,258</b>	<b>4,547,091</b>	<b>4,672,607</b>
Full-time Equivalents Total*	29.00	29.00	29.00	28.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in Technical Services Budget Control Level:**

### **Capital Development and Construction Management Program**

The purpose of the Capital Development and Construction Management Program is to provide for the design, construction, commission and initial departmental occupancy of many City facilities. Functions include environmental design, space planning and project planning and management in support of the FAS Capital Improvement Program. This program also includes the Fire Facilities and Emergency Response Levy, asset preservation and renovation projects and other major development projects.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Capital Development and Construction Management	4,051,373	4,519,258	4,547,091	4,672,607
Full-time Equivalents Total	29.00	29.00	29.00	28.00

# Department of Finance & Administrative Services

## Finance and Administrative Services Fund Table

### Finance and Administrative Services Fund (50300)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>113,129,508</b>	<b>27,169,342</b>	<b>34,808,169</b>	<b>28,533,479</b>	<b>18,965,826</b>
Accounting and Technical Adjustments-Add Back Non- cash Items	(75,346,000)		7,297,428	7,002,742	7,042,310
Plus: Actual and Estimated Revenue	173,617,417	184,387,424	184,387,424	183,025,326	187,362,187
Plus: Inter-fund Transfer	6,181,624	16,135,000	16,135,000	10,862,000	10,397,000
Less: Actual and Budgeted Expenditures	176,834,752	192,922,960	196,859,542	199,095,721	195,029,378
Less: Capital Improvements	5,939,628	17,235,000	17,235,000	11,362,000	10,397,000
<b>Ending Fund Balance</b>	<b>34,808,169</b>	<b>17,533,806</b>	<b>28,533,479</b>	<b>18,965,826</b>	<b>18,340,945</b>

Continuing Appropriations	11,011,000				
Working Capital - Fleets	7,352,206	9,618,189	12,307,108	9,919,678	12,339,325
Planning Reserve	-	3,831,572	-	-	-
<b>Total Reserves</b>	<b>18,363,206</b>	<b>13,449,761</b>	<b>12,307,108</b>	<b>9,919,678</b>	<b>12,339,325</b>

<b>Ending Unreserved Fund Balance</b>	<b>16,444,963</b>	<b>4,084,045</b>	<b>16,226,371</b>	<b>9,046,148</b>	<b>6,001,620</b>
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### Wheelchair Accessible Services Fund

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>723,866</b>	<b>0</b>	<b>0</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	978,821	1,250,000	1,250,000	1,487,808	1,487,808
Less: Actual and Budgeted Expenditures	254,955	1,250,000	1,973,866	1,487,808	1,487,808
<b>Ending Fund Balance</b>	<b>723,866</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>723,866</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Department of Finance & Administrative Services

### FileLocal Agency Fund

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,000</b>	<b>36,000</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	178,288	326,394	348,182	375,952	386,950
Less: Actual and Budgeted Expenditures	178,288	326,394	324,182	363,952	374,950
<b>Ending Fund Balance</b>	<b>0</b>	<b>0</b>	<b>24,000</b>	<b>36,000</b>	<b>48,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>24,000</b>	<b>36,000</b>	<b>48,000</b>

# Department of Finance & Administrative Services

## Capital Improvement Program Highlights

The Department of Finance and Administrative Services Department (FAS) is responsible for building, operating and maintaining general government facilities, including:

- 33 fire stations and waterfront marine operations;
- five police precinct buildings;
- police mounted patrol facility;
- harbor patrol facility;
- Seattle Emergency Operations and Fire Alarm Centers;
- City vehicle maintenance shops and other support facilities; and
- City downtown office building portfolio;

FAS also maintains core building systems for some of the community-based facilities owned by the City, such as senior centers and community service centers. In addition to these facility assets, FAS is responsible for the re-implementation of City's financial management system (Summit).

The department's 2017-2022 Proposed Capital Improvement Program (CIP) is FAS' plan for maintaining, renovating, expanding, and replacing its extensive inventory of buildings and technology systems. The department's CIP is financed by a variety of revenue sources, including the City's General Fund, the Cumulative Reserve Sub-fund (this fund includes unrestricted funds, REET I, and FAS Asset Preservation subaccounts), general obligation bonds, FAS funds collected through rates and proceeds from property sales.

### 2017-2018 Project Highlights

**Americans with Disabilities Act (ADA) - Citywide and FAS.** In 2017, FAS will continue to manage the City's efforts to improve accessibility to City facilities, consistent with the Americans with Disabilities Act (ADA). In this role and in response to a 2007 Department of Justice (DOJ) audit, FAS conducted a Citywide prioritization process to allocate \$3 million for specific ADA improvements among capital departments. In 2017, ADA improvements in two departments are proposed for funding: the Department of Parks and Recreation (Parks) and FAS. For FAS, this funds accessibility improvements to Seattle City Hall, the Seattle Justice Center, Fire Headquarters and the SeaPark parking garage. Parks projects are reflected in the Parks Department CIP budget.

In addition, FAS has engaged a consultant in 2016 to document the progress made on DOJ citations as this work is coming to a close and is beginning a larger review of all facilities to assess ADA access issues citywide. The program will then continue strategically allocating resources to the most urgent needs, in addition to the remediation which was legally required by the DOJ audit.

**Asset Preservation Program.** FAS' asset preservation program extends the useful life of the various buildings owned and maintained by FAS by making strategic investments in major maintenance. The asset preservation program is funded primarily through facility space rent charges paid by City departments, with additional funding from Real Estate Excise Tax (REET). Large projects on the horizon, including the replacement of the chiller units in the Seattle Municipal Tower, will require additional funding. To keep space rent rates stable for City departments, the 2017-2018 Proposed Budget includes a transfer of \$6.5 million of FAS facilities fund balance to the asset preservation program, and in 2018, additional space rent transfers to asset preservation as debt service charges for the Seattle Municipal Tower are reduced. As debt service costs are reduced and space rent is freed from these costs, FAS and the City Budget Office will evaluate long-term strategies to fund asset preservation while keeping space rent rates stable in the future. Some projects started in 2016 and planned for 2017 include:

- Seattle Municipal Tower (SMT) chiller plant replacement;
- SMT weatherization program, and exterior repairs;
- SMT 14 demolition and structural repairs;
- SMT sewer repairs;

## Department of Finance & Administrative Services

- SMT Intermediate Distribution Frame (IDF) room upgrades;
- roof replacements at Airport Way Center (AWC), Building E; and
- Haller Lake Vehicle Maintenance Building A plumbing and HVAC repairs.

**Benaroya Hall.** The City is committing resources to assist in the transformation of the Soundbridge educational space at Benaroya Hall into OCTAVE 9. OCTAVE 9 will be an acoustically superb small flexible performance venue, supported by the latest audio-visual technology that will allow music exploration, education, creation, and performance. As well as a performance hub, it will be a window into the vibrant creativity and stellar performances that happen inside Benaroya Hall, allowing young people, communities, visitors, and audiences to see deep into the creative process. In addition to supporting the Seattle Symphony's community and education ambitions, OCTAVE 9 also represents a major capital improvement to Benaroya Hall.

**Customer Requested Tenant Improvements.** This ongoing program provides a process for FAS to manage and execute all public works tenant improvement projects and space planning in FAS owned and leased facilities. FAS is also hired by other City departments to manage their facilities' capital improvement projects in non-FAS buildings. In 2017, projects include tenant improvements in the Seattle Municipal Tower, Seattle Justice Center and Seattle City Hall. Appropriations for FAS' Customer Requested Tenant Improvements (CRTI) program serve as a pass-through to the requesting departments that are responsible for all project costs with funding coming from their capital or operating funds.

**Drive Clean Seattle.** This project funds the installation of 150 charging stations for electric vehicles at the Seattle Municipal Tower as part of Mayor Murray's Drive Clean Seattle Initiative. The initiative sets a goal of 50% reduction in greenhouse gas emissions for the City's fleet by 2025. Part of this work includes the transition of Seattle's transportation sector from fossil fuels to clean and carbon-neutral electricity. The City is leading by example in transitioning the fleet to electric vehicles where cost-effective electric alternatives are available.

This work is in addition to the Airport Way Center electric vehicle charging station project which provides 15 permanent, code-compliant charging stations for SPD's existing fleet of electric vehicles in the Airport Way Center Building C complex.

**Energy Efficiency for Municipal Buildings.** In an effort to reduce energy use in City-owned buildings, this project funds work by the Office of Sustainability and Environment (OSE) to support the City's goal of a 20 percent reduction in building energy use by 2020. This work is part of a Citywide Resource Conservation Initiative coordinated by OSE to improve the energy efficiency of City facilities.

**Fire Facilities and Emergency Response Levy Program.** The 2003 Fire Facilities and Emergency Response Levy Program was a nine-year \$167 million property tax levy voters approved in November 2003. FAS uses levy proceeds to:

- upgrade or replace fire stations and other fire facilities;
- construct a new emergency operations center and fire alarm center; and
- build new fireboats and renovate the Chief Seattle fireboat.

The program is nearing completion. FAS will continue to execute the Fire Facilities Levy Program by continuing construction on the final two stations: Fire Station 32 in West Seattle and Fire Station 22 in Roanoke. In the 2017-2018 Proposed Budget FAS will be recovering \$2 million in appropriation that was transferred out of the program during the fourth quarter of 2014.

**Fire Facilities Non-Levy Work.** The project provides retrofits to existing fire stations. Fire Station 31 requires a larger apparatus bay to accommodate the new larger tillered aerial ladder truck, now required by state law. In addition, Fire Station 5 on the waterfront requires seismic retrofits to structurally tie it to the new seawall, as well as concurrent updates to the major systems to extend the useful life of the building and reduce energy consumption.

# Department of Finance & Administrative Services

**North Precinct.** Replacement or expansion of the existing North Precinct facility has been an identified need for the Seattle Police Department (SPD) since 1998. Significant design and programming work resulted in a CIP project of approximately \$160 million in the 2016-2021 Adopted CIP Budget, including land acquisition. Construction of the project was expected to begin in 2017. However, given concerns about project cost and the need to gather additional input from the community, the project has been delayed and a further facility assessment will be conducted.

Recognizing that significant resources will be needed to replace the existing facility once that assessment is complete, a total of \$15 million is retained in a new capital project. This funding will also be available to fund interim solutions that are identified to address short-term capacity needs at the existing North Precinct.

**Seattle City Hall HVAC Improvements.** This project funds HVAC system improvements at Seattle City Hall, including revising system configuration and controls to implement current best practices, reducing heat loads and isolating cooling requirements during off hours. This will result in higher efficiencies and better tenant comfort.

**Summit Re-Implementation (SRI).** In 2011, the City of Seattle initiated a Financial Management and Accountability Program (FinMAP) to create Citywide financial management policies and standardization of the City enterprise financial system, Summit. The Summit Re-Implementation project is a key deliverable for this program. It will improve financial reporting and access to financial information for decision-makers across the City and will simplify and standardize regulatory reporting and oversight.

Phase one, from January 2013 to August 2015, identified the appropriate scope for SRI. Phase two, which began in September 2015, is the implementation phase with an operational start date of January 2018.

This project has central capital components as well as department-specific components. The central capital project is detailed in the FAS Capital Improvement Program, along with a funding mechanism to reimburse operating departments for certain capital expenditures they incur during the project. Departmental components are budgeted in individual departments and Seattle IT.

## Capital Improvement Program Appropriation

Budget Control Level	2017 Proposed	2018 Proposed
<b>ADA Improvements - FAS: A1ADA</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	687,000	0
<b>Subtotal</b>	<b>687,000</b>	<b>0</b>
<b>Asset Preservation - Schedule 1 Facilities: A1APSCH1</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	0	2,000,000
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	8,652,000	4,124,000
<b>Subtotal</b>	<b>8,652,000</b>	<b>6,124,000</b>
<b>Asset Preservation - Schedule 2 Facilities: A1APSCH2</b>		
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	1,848,000	1,848,000
<b>Subtotal</b>	<b>1,848,000</b>	<b>1,848,000</b>

# Department of Finance & Administrative Services

**FAS Oversight-External Projects: A1EXT**

Cumulative Reserve Subfund - REET I Subaccount (00163)	2,500,000	2,500,000
<b>Subtotal</b>	<b>2,500,000</b>	<b>2,500,000</b>

**Garden of Remembrance: A51647**

Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	27,025	27,675
<b>Subtotal</b>	<b>27,025</b>	<b>27,675</b>

**General Government Facilities - General: A1GM1**

Cumulative Reserve Subfund - REET I Subaccount (00163)	4,447,465	774,535
Finance and Administrative Services Fund (50300)	3,500,000	3,500,000
<b>Subtotal</b>	<b>7,947,465</b>	<b>4,274,535</b>

**Information Technology: A1IT**

2017 Multipurpose LTGO Bond Fund (36400)	16,345,000	0
2018 Multipurpose LTGO Bond Fund	0	4,903,000
Finance and Administrative Services Fund (50300)	7,362,000	6,897,000
<b>Subtotal</b>	<b>23,707,000</b>	<b>11,800,000</b>

**Maintenance Shops and Yards: A1MSY**

Finance and Administrative Services Fund (50300)	500,000	0
<b>Subtotal</b>	<b>500,000</b>	<b>0</b>

**Neighborhood Fire Stations: A1FL1**

2017 Multipurpose LTGO Bond Fund (36400)	8,610,710	0
Cumulative Reserve Subfund - REET I Subaccount (00163)	3,016,000	3,590,000
<b>Subtotal</b>	<b>11,626,710</b>	<b>3,590,000</b>

**Public Safety Facilities - Fire: A1PS2**

2017 Multipurpose LTGO Bond Fund (36400)	4,300,000	0
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,916,000	1,043,000
<b>Subtotal</b>	<b>6,216,000</b>	<b>1,043,000</b>

**Public Safety Facilities - Police: A1PS1**

Cumulative Reserve Subfund - REET I Subaccount (00163)	1,850,000	13,852,000
<b>Subtotal</b>	<b>1,850,000</b>	<b>13,852,000</b>

**Summit Re-Implementation Department Capital Needs: A1IT1**

2017 Multipurpose LTGO Bond Fund (36400)	2,329,000	0
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# Department of Finance & Administrative Services

2018 Multipurpose LTGO Bond Fund	0	1,206,000
<b>Subtotal</b>	<b>2,329,000</b>	<b>1,206,000</b>
<b>Total Capital Improvement Program Appropriation</b>	<b>67,890,200</b>	<b>46,265,210</b>



# Finance General

Ben Noble, Director

(206) 615-1962

## Department Overview

Finance General provides a mechanism for allocating General Subfund resources to reserve and bond redemption funds, City department operating funds, and certain programs for which there is desire for additional Council, Mayor, or City Budget Office oversight.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$431,993,625	\$456,441,274	\$492,703,653	\$495,740,953
<b>Total Operations</b>	<b>\$431,993,625</b>	<b>\$456,441,274</b>	<b>\$492,703,653</b>	<b>\$495,740,953</b>
<b>Total Appropriations</b>	<b>\$431,993,625</b>	<b>\$456,441,274</b>	<b>\$492,703,653</b>	<b>\$495,740,953</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Budget Overview

Finance General serves as a central repository to pay for ongoing City costs, subsidize the operations of City departments, and provide contributions to outside organizations. It also provides a mechanism to hold appropriations temporarily until the City determines the appropriate managing department, or to act as a contingency reserve to respond to unpredictable situations, or cover costs that vary with economic conditions. For additional information on these items, please refer to the department-specific sections.



# Finance General

## Incremental Budget Changes

### Finance General

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 456,441,274</b>	<b>0.00</b>	<b>\$ 456,441,274</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 5,515,000	0.00	-\$ 5,515,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 9,906,620	0.00	\$ 13,406,079	0.00
<b>Proposed Changes</b>				
Department of Justice/Police Accountability	\$ 241,636	0.00	-\$ 1,280,775	0.00
Police Technology Programs	\$ 7,538,044	0.00	\$ 6,260,714	0.00
Business and Contract Management System Improvements	\$ 1,140,559	0.00	\$ 1,658,465	0.00
Fire Station 39 Equitable Development	\$ 475,000	0.00	\$ 0	0.00
Paid Family Leave Reserve	\$ 1,500,000	0.00	\$ 1,500,000	0.00
General Fund Support and Cultural and Community Institutions	\$ 1,400,000	0.00	\$ 0	0.00
City Multi-Disciplinary Team Reserve	-\$ 130,000	0.00	-\$ 130,000	0.00
<b>Proposed Technical Changes</b>				
Updated Costs for Recurring Expenses	-\$ 7,350,430	0.00	-\$ 4,348,440	0.00
General Fund Support to Department Programs	\$ 27,055,950	0.00	\$ 27,748,636	0.00
<b>Total Incremental Changes</b>	<b>\$ 36,262,379</b>	<b>0.00</b>	<b>\$ 39,299,679</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 492,703,653</b>	<b>0.00</b>	<b>\$ 495,740,953</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$5,515,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. Adjustments were made to end programs, combine like-programs to consolidate resources, or move programs to different departments.

# Finance General

## **Citywide Adjustments for Standard Cost Changes - \$9,906,620**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

## **Proposed Changes**

### **Department of Justice/Police Accountability - \$241,636**

Funding is reserved for continued costs associated with the Department of Justice Consent Decree. This reserve is now the combination of three previously separate reserves - the Department of Justice Settlement Agreement Public Safety Reserve, Police Accountability Reserve and the recurring reserve for the Office of Professional Accountability Auditor, and totals \$3.2 million in 2017 and \$3.4 million in 2018. Resources from this reserve have been moved to Seattle IT to implement the Data Analytic Platform and the body-worn video program. It also includes funding for Monitoring Team costs, in-car video storage and potential costs associated with the City's police accountability reform. The funding for police accountability reform is held in a reserve consistent with the reform process outlined by presiding U.S. District Court Judge James Robart. Funds will be appropriated pending the Court's review and approving of the draft legislation to reform the City's police accountability system and the City Council's passage of the Court-approved legislation.

### **Police Technology Programs - \$7,538,044**

General Fund resources are dedicated to Seattle Department of Information Technology to implement several programs for the Seattle Police Department. These programs include the implementation of a work scheduling and timekeeping system for better overtime management, replacement of the Police Department's outdated Records Management System, and consolidation of information technology staff.

### **Business and Contract Management System Improvements - \$1,140,559**

The General Fund will provide resources to the Finance and Administrative Services Department to improve City business and contracting systems. Funding has been reserved to design a tiered business license fee structure with different rates, create a system to track driver licensing data that complies with Transportation Network Company reporting requirements, and develop a single, comprehensive contract management system that replaces multiple contract management applications across the City. For more information, refer to the Finance and Administrative Services section.

### **Fire Station 39 Equitable Development - \$475,000**

The 2017-2018 Proposed Budget reserves funding for the development of the ground floor space of a mixed-use project in Lake City. The project includes affordable housing and pre-k classrooms. In addition to this reserve, there is funding in the Office of Housing budget for the ground floor space.

### **Paid Family Leave Reserve - \$1,500,000**

The City has made a proposal to extend existing leave benefits consistent with the Workforce Equity Action Plan and is currently negotiating the details of this proposal with our union partners. The reserve is increased from the \$500,000 set aside in 2016 to \$2,000,000, which reflects the anticipated General Fund share of the proposed enhancements to leave benefits. These funds will be held in Finance General and distributed to departments to repay them for the actual direct costs of back-filling for employees who take advantage of the leave benefit.

# Finance General

## General Fund Support and Cultural and Community Institutions - \$1,400,000

In 2017, funding has been reserved to provide \$1.4 million for the construction and renovation of cultural and community facilities at the Nordic Heritage Museum, Burke Museum, Town Hall Seattle, Hugo House and Lambert House. Each of these institutions is engaged in significant capital campaign that is raising funds from public, private and philanthropic sources to build new facilities, or significantly enhance their existing buildings. The City's contribution to each will be subject to completing an agreement for public benefits in exchange for the funding.

## City Multi-Disciplinary Team Reserve - (\$130,000)

The 2017-2018 Proposed Budget reserves funding for the continuation of the City Multi-Disciplinary Team (MDT) program to additional neighborhoods. The MDT program is a joint partnership between the City and Business Improvement Areas to provide outreach and case management. The reduction of \$130,000 in Finance General will be transferred to the Human Services Department to support previously-approved expansion to Capitol Hill, with \$170,000 remaining in Finance General for possible future expansion neighborhoods.

### Proposed Technical Changes

## Updated Costs for Recurring Expenses - (\$7,350,430)

Updated cost projections include non-programmatic changes that represent the latest cost estimates for recurring expenses or different financing plans to fund ongoing services. Adjustments in this category reflect increased funding to the City's Emergency Fund to maintain target balances, lower debt service costs, and higher contributions to the City's Rainy Day Fund.

## General Fund Support to Department Programs - \$27,055,950

Technical adjustments made in the proposed phase update preliminary cost assumptions established in the baseline phase and provides General Fund resources to support department operations. It includes the adjustment for 2015-2018 annual wage increases per labor contract agreements ratified after the 2016 Adopted Budget was finalized by Council. Refer to department sections for specific program descriptions.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Appropriation to General Fund Subfunds and Special Funds Budget Control</b>					
Arts Account		5,953,328	7,992,924	9,214,128	9,004,368
Cumulative Reserve Subfund - Capital Projects Account		0	2,700,000	0	0
Cumulative Reserve Subfund - Revenue Stabilization Account		3,810,000	2,223,941	2,777,744	1,868,939
Emergency Subfund		5,646,198	5,148,309	1,697,861	1,521,358
Finance and Administrative Services Fund		26,488,458	29,051,281	27,944,843	29,120,726
General Bond Interest/Redemption Fund		13,758,263	10,468,713	15,718,000	16,811,000

## Finance General

Housing Operating Fund	0	0	0	0
Information Technology Fund	10,774,086	5,593,859	21,169,544	21,003,276
Insurance	4,400,787	5,086,000	5,352,200	5,617,000
Judgment/Claims Subfund	337,906	620,824	416,819	361,855
School Safety Traffic and Pedestrian Improvement Fund	0	409,801	425,000	400,000
<b>Total</b>	<b>2QA00</b>	<b>71,169,027</b>	<b>69,295,652</b>	<b>84,716,139</b>
<b>Reserves Budget Control</b>				
Building Code Impact Support	27,260	0	0	0
City LEAD Multi-Disciplinary Team (MDT) Reserve	170,000	300,000	170,000	170,000
Department of Justice Settlement Agreement/Police Accountability	3,157,631	2,935,511	3,156,531	3,355,762
Emergency Homeless Program	0	2,265,000	0	0
Emergency Notification Alert System	0	0	0	0
Family Leave Reserve	0	500,000	2,000,000	2,000,000
Fire Station 39 Housing Services	0	0	475,000	0
Food Lifeline	0	250,000	0	0
Get Engaged: City Boards and Commissions	67,696	34,937	34,937	34,937
Homeless Crisis Action Plan	5,000,000	0	0	0
Homeless Families Assistance	200,000	0	0	0
Homeless Shelter Development	175,000	0	0	0
Immigrant and Refugee Leadership Program	32,500	0	0	0
Impact Fee Evaluation	41,362	0	0	0
Lambert House	0	0	100,000	0
Mentoring Program	100,000	0	0	0
Mercer Teardrop Sale Study	0	100,000	100,000	100,000
Minimum Wage for City Employees	0	1,080,585	0	0
Municipal Court Information System Planning Reserve	151,686	0	0	0
PacMed Pacific Tower Debt Service Support	0	0	0	0
Police Accountability Reserve	0	2,924,489	0	0
Police Civilian Community Liaison Services	0	323,000	0	0
Police Department Reserve	0	0	0	0
Public Health Reserve	0	0	0	0
Recurring Reserve for Portable Art Rental and Maintenance	297,878	310,154	310,154	310,154
Recurring Reserve-Election Expense	900,375	1,600,000	900,000	1,600,000

## Finance General

Recurring Reserve-Fire Hydrants	8,219,149	8,655,000	8,512,000	8,812,000
Recurring Reserve-Office of Professional Accountability Auditor	151,000	168,060	0	0
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Police Intelligence Officer	0	15,000	15,000	15,000
Recurring Reserve-Puget Sound Clean Air Agency	556,511	640,000	640,000	640,000
Recurring Reserve-State Examiner	809,983	878,416	878,416	878,416
Recurring Reserve-Street Lighting	9,240,000	9,290,000	12,500,000	13,200,000
Recurring Reserve-Transit Pass Subsidy	2,947,481	3,400,000	4,017,513	4,057,089
Recurring Reserve-Voter Registration and Pamphlet	1,400,000	1,400,000	1,500,000	1,500,000
Seattle Indian Services Commission	23,873	0	0	0
Seattle Indian Services Commission Debt Service Payment	441,102	440,000	442,000	445,000
Seattle Opera House	0	200,000	0	0
SODO Arena Proposal	6,075	0	0	0
Suquamish Project	0	1,500,000	0	0
Sworn Officers Hiring Reserve	0	2,787,745	0	0
Tax Refund Interest Reserve	777,140	500,000	775,000	775,000
Tenant Improvements	14,964	0	0	0
Unemployment Fund Transfer	1,100,000	0	0	0
<b>Total</b>	<b>2QD00</b>	<b>36,128,664</b>	<b>42,617,897</b>	<b>36,646,551</b>
<b>Support to Operating Funds Budget Control</b>				
Construction and Inspections Fund	11,351,458	6,230,843	6,537,989	6,512,589
Department of Education Fund	12,629,932	6,985,124	8,628,893	7,308,132
Drainage and Wastewater Fund	1,559,026	1,500,730	968,370	984,346
Firefighters Pension Fund	17,311,984	17,163,500	18,787,000	19,481,248
Housing Operating Fund-Supp to Op Fund	345,403	401,623	138,950	143,120
Human Services Operating Fund	66,165,147	77,492,873	88,875,739	86,297,607
Library Fund	49,007,392	50,205,639	52,321,519	53,516,033
Neighborhood Matching Subfund	1,557,068	3,163,660	3,044,195	3,069,648
Parks and Recreation Fund	91,757,322	96,478,558	103,217,523	106,758,463
Police Relief and Pension Fund	20,277,855	21,313,000	21,313,000	21,770,367
Seattle Center Fund	12,652,751	12,948,724	13,044,011	13,226,457
Solid Waste Fund	419,880	6,335,403	8,405,612	8,505,669
Transportation Fund	39,660,716	44,308,048	46,058,162	44,445,394
<b>Total</b>	<b>2QE00</b>	<b>324,695,934</b>	<b>344,527,725</b>	<b>371,340,963</b>

# Finance General

<b>Department Total</b>	<b>431,993,625</b>	<b>456,441,274</b>	<b>492,703,653</b>	<b>495,740,953</b>
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<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Appropriations By Budget Control Level (BCL) and Program

### Appropriation to General Fund Subfunds and Special Funds Budget Control Level

The purpose of the Appropriation to General Fund Subfunds and Special Funds Budget Control Level is to appropriate General Subfund resources, several of which are based upon the performance of certain City revenues, to bond redemption or special purpose funds. These appropriations are implemented as operating transfers to the funds, subfunds, or accounts they support.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Arts Account	5,953,328	7,992,924	9,214,128	9,004,368
Cumulative Reserve Subfund - Capital Projects Account	0	2,700,000	0	0
Cumulative Reserve Subfund - Revenue Stabilization Account	3,810,000	2,223,941	2,777,744	1,868,939
Emergency Subfund	5,646,198	5,148,309	1,697,861	1,521,358
Finance and Administrative Services Fund	26,488,458	29,051,281	27,944,843	29,120,726
General Bond Interest/Redemption Fund	13,758,263	10,468,713	15,718,000	16,811,000
Housing Operating Fund	0	0	0	0
Information Technology Fund	10,774,086	5,593,859	21,169,544	21,003,276
Insurance	4,400,787	5,086,000	5,352,200	5,617,000
Judgment/Claims Subfund	337,906	620,824	416,819	361,855
School Safety Traffic and Pedestrian Improvement Fund	0	409,801	425,000	400,000
<b>Total</b>	<b>71,169,027</b>	<b>69,295,652</b>	<b>84,716,139</b>	<b>85,708,522</b>

## Finance General

### Reserves Budget Control Level

The purpose of the Reserves Budget Control Level is to provide appropriation authority to those programs for which there is no single appropriate managing department, or for which there is Council and/or Mayor desire for additional budget oversight.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Building Code Impact Support	27,260	0	0	0
City LEAD Multi-Disciplinary Team (MDT) Reserve	170,000	300,000	170,000	170,000
Department of Justice Settlement Agreement/Police Accountability	3,157,631	2,935,511	3,156,531	3,355,762
Emergency Homeless Program	0	2,265,000	0	0
Emergency Notification Alert System	0	0	0	0
Family Leave Reserve	0	500,000	2,000,000	2,000,000
Fire Station 39 Housing Services	0	0	475,000	0
Food Lifeline	0	250,000	0	0
Get Engaged: City Boards and Commissions	67,696	34,937	34,937	34,937
Homeless Crisis Action Plan	5,000,000	0	0	0
Homeless Families Assistance	200,000	0	0	0
Homeless Shelter Development	175,000	0	0	0
Immigrant and Refugee Leadership Program	32,500	0	0	0
Impact Fee Evaluation	41,362	0	0	0
Lambert House	0	0	100,000	0
Mentoring Program	100,000	0	0	0
Mercer Teardrop Sale Study	0	100,000	100,000	100,000
Minimum Wage for City Employees	0	1,080,585	0	0
Municipal Court Information System Planning Reserve	151,686	0	0	0
PacMed Pacific Tower Debt Service Support	0	0	0	0
Police Accountability Reserve	0	2,924,489	0	0
Police Civilian Community Liaison Services	0	323,000	0	0
Police Department Reserve	0	0	0	0
Public Health Reserve	0	0	0	0
Recurring Reserve for Portable Art Rental and Maintenance	297,878	310,154	310,154	310,154
Recurring Reserve-Election Expense	900,375	1,600,000	900,000	1,600,000
Recurring Reserve-Fire Hydrants	8,219,149	8,655,000	8,512,000	8,812,000

## Finance General

Recurring Reserve-Office of Professional Accountability Auditor	151,000	168,060	0	0
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Police Intelligence Officer	0	15,000	15,000	15,000
Recurring Reserve-Puget Sound Clean Air Agency	556,511	640,000	640,000	640,000
Recurring Reserve-State Examiner	809,983	878,416	878,416	878,416
Recurring Reserve-Street Lighting	9,240,000	9,290,000	12,500,000	13,200,000
Recurring Reserve-Transit Pass Subsidy	2,947,481	3,400,000	4,017,513	4,057,089
Recurring Reserve-Voter Registration and Pamphlet	1,400,000	1,400,000	1,500,000	1,500,000
Seattle Indian Services Commission	23,873	0	0	0
Seattle Indian Services Commission Debt Service Payment	441,102	440,000	442,000	445,000
Seattle Opera House	0	200,000	0	0
SODO Arena Proposal	6,075	0	0	0
Suquamish Project	0	1,500,000	0	0
Sworn Officers Hiring Reserve	0	2,787,745	0	0
Tax Refund Interest Reserve	777,140	500,000	775,000	775,000
Tenant Improvements	14,964	0	0	0
Unemployment Fund Transfer	1,100,000	0	0	0
<b>Total</b>	<b>36,128,664</b>	<b>42,617,897</b>	<b>36,646,551</b>	<b>38,013,358</b>



## Finance General

### Support to Operating Funds Budget Control Level

The purpose of the Support to Operating Funds Budget Control Level is to appropriate General Subfund resources to support the operating costs of line departments that have their own operating funds. These appropriations are implemented as operating transfers to the funds or subfunds they support.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Construction and Inspections Fund	11,351,458	6,230,843	6,537,989	6,512,589
Department of Education Fund	12,629,932	6,985,124	8,628,893	7,308,132
Drainage and Wastewater Fund	1,559,026	1,500,730	968,370	984,346
Firefighters Pension Fund	17,311,984	17,163,500	18,787,000	19,481,248
Housing Operating Fund-Supp to Op Fund	345,403	401,623	138,950	143,120
Human Services Operating Fund	66,165,147	77,492,873	88,875,739	86,297,607
Library Fund	49,007,392	50,205,639	52,321,519	53,516,033
Neighborhood Matching Subfund	1,557,068	3,163,660	3,044,195	3,069,648
Parks and Recreation Fund	91,757,322	96,478,558	103,217,523	106,758,463
Police Relief and Pension Fund	20,277,855	21,313,000	21,313,000	21,770,367
Seattle Center Fund	12,652,751	12,948,724	13,044,011	13,226,457
Solid Waste Fund	419,880	6,335,403	8,405,612	8,505,669
Transportation Fund	39,660,716	44,308,048	46,058,162	44,445,394
<b>Total</b>	<b>324,695,934</b>	<b>344,527,725</b>	<b>371,340,963</b>	<b>372,019,073</b>

# Office of Hearing Examiner

Sue Tanner, Hearing Examiner

(206) 684-0521

<http://www.seattle.gov/examiner/>

## Department Overview

The Office of Hearing Examiner is Seattle's quasi-judicial forum for reviewing factual and legal issues raised by the application of City Code requirements to specific people or property. As authorized by the Seattle Municipal Code, the office conducts hearings and decides appeals in cases where citizens disagree with a decision made by a City agency. Many of the matters appealed to the Hearing Examiner relate to land use and environmental permit decisions and interpretations made by the Seattle Department of Construction and Inspections. The Hearing Examiner also hears appeals in many other subject areas and makes recommendations to the City Council on rezone petitions, major institution master plans, and other Council land-use actions. Pursuant to authority granted in 2004, the Hearing Examiner also provides contract hearing examiner services to other local governments.

The Hearing Examiner is appointed by the City Council, and Deputy Hearing Examiners are appointed by the Hearing Examiner. Examiners handle all pre-hearing matters, regulate the conduct of hearings, and prepare decisions and recommendations based upon the hearing record and applicable law. The code requires all examiners to be attorneys with training and experience in administrative hearings. The Hearing Examiner also manages an executive assistant to oversee the administrative areas of the office, a legal assistant to assist with hearings and decision preparation, and an administrative specialist to support all other office positions and provide information to the public.

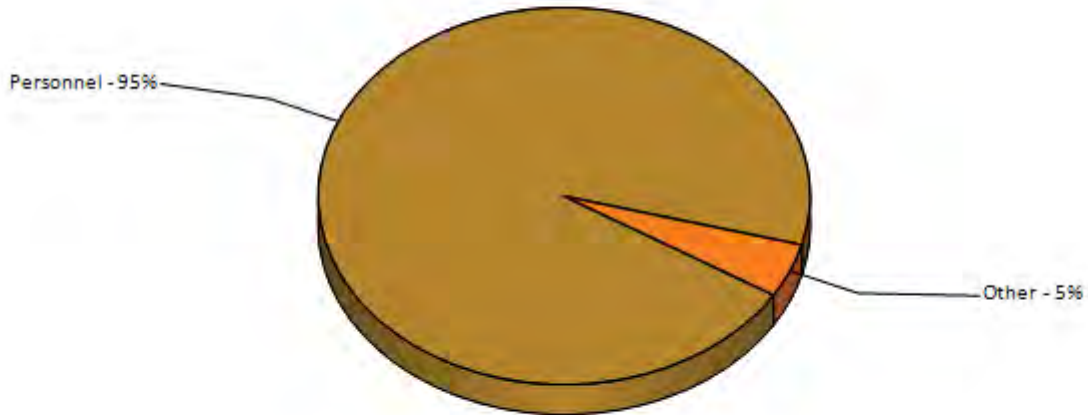
## Budget Snapshot

<b>Department Support</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
General Fund Support	\$680,606	\$666,708	\$705,415	\$725,696
<b>Total Operations</b>	<b>\$680,606</b>	<b>\$666,708</b>	<b>\$705,415</b>	<b>\$725,696</b>
<b>Total Appropriations</b>	<b>\$680,606</b>	<b>\$666,708</b>	<b>\$705,415</b>	<b>\$725,696</b>
Full-time Equivalent Total*	4.63	4.63	4.63	4.63

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Hearing Examiner

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget does not recommend significant changes to the Office of the Hearing Examiner budget.

### Incremental Budget Changes

#### Office of Hearing Examiner

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 666,708</b>	<b>4.63</b>	<b>\$ 666,708</b>	<b>4.63</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 4,000	0.00	-\$ 4,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 38,707	0.00	\$ 58,988	0.00

# Office of Hearing Examiner

## Proposed Changes

Technical - IT Maintenance for Case Management System Support	\$ 4,000	0.00	\$ 4,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 38,707</b>	<b>0.00</b>	<b>\$ 58,988</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 705,415</b>	<b>4.63</b>	<b>\$ 725,696</b>	<b>4.63</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$4,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. This change removes one-time funding for the FRITS case management system.

#### **Citywide Adjustments for Standard Cost Changes - \$38,707**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

### Proposed Changes

#### **Technical - IT Maintenance for Case Management System Support - \$4,000**

The Office of Hearing Examiner uses an electronic case management system, which is no longer supported by the Seattle IT Department. This change converts previous one-time funding for the Office of Hearing Examiner to ongoing annual support for the case management system until a new system can be developed.

# Office of Hearing Examiner

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of Hearing Examiner Budget Control Level	V1X00	680,606	666,708	705,415	725,696
<b>Department Total</b>		<b>680,606</b>	<b>666,708</b>	<b>705,415</b>	<b>725,696</b>

<b>Department Full-time Equivalents Total*</b>	<b>4.63</b>	<b>4.63</b>	<b>4.63</b>	<b>4.63</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Appropriations By Budget Control Level (BCL) and Program

### Office of Hearing Examiner Budget Control Level

The purpose of the Office of Hearing Examiner Budget Control Level is to conduct fair and impartial hearings in all subject areas where the Seattle Municipal Code grants authority to do so (there are currently more than 75 subject areas) and to issue decisions and recommendations consistent with applicable law.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of Hearing Examiner	680,606	666,708	705,415	725,696
<b>Total</b>	<b>680,606</b>	<b>666,708</b>	<b>705,415</b>	<b>725,696</b>
Full-time Equivalents Total*	4.63	4.63	4.63	4.63

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Seattle Department of Human Resources

Susan Coskey, Director

(206) 684-7999

<http://www.seattle.gov/personnel/>

## Department Overview

The Seattle Department of Human Resources' promise is to promote an equitable and engaging work environment so employees can do their best work and make a difference for the people and communities we serve.

SDHR is structured into four primary areas of operation:

- The **Director's Office** establishes Citywide personnel rules; offers strategic consultative assistance to departments, policymakers and employees; provides human resources support to several executive offices; and spearheads Citywide programs and efforts such as the Human Resources Strategic Plan and Workforce equity.
- The **Talent Acquisition and Development Division** provides recruitment and staffing services; mediation; integrated employee training and development opportunities, including the City Leadership Academy; temporary employment program oversight; and technical assistance to all City departments so that the City can meet its hiring needs efficiently, comply with legal guidelines, and accomplish its work.
- The **Administrative Services Division** administers Citywide quality and cost-effective employee benefits, including health care and workers' compensation; provides Citywide safety, classification/compensation and Human Resource Information System (HRIS) Management services; manages the City's voluntary deferred compensation plan; and manages the department's finances.
- The **Labor Relations Division** negotiates and implements collective bargaining agreements and administers the City's Personnel Rules.

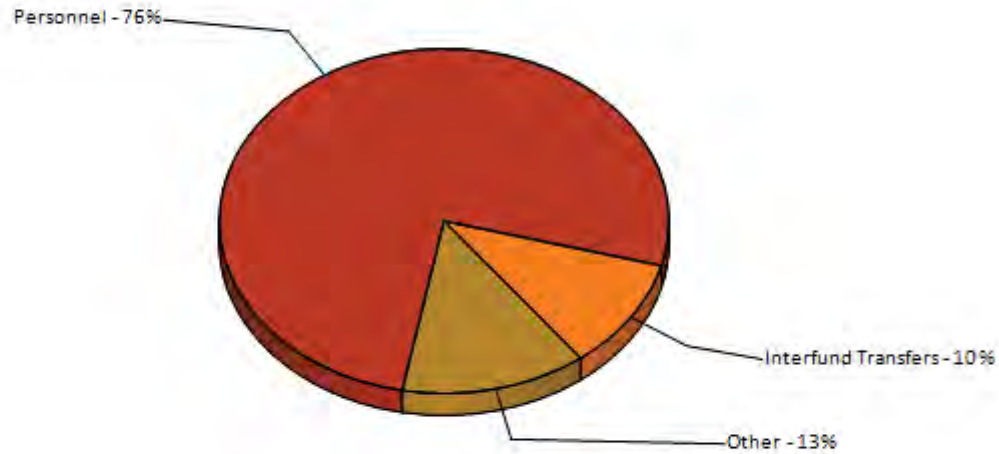
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$15,017,320	\$16,572,227	\$18,644,813	\$18,960,608
<b>Total Operations</b>	<b>\$15,017,320</b>	<b>\$16,572,227</b>	<b>\$18,644,813</b>	<b>\$18,960,608</b>
<b>Total Appropriations</b>	<b>\$15,017,320</b>	<b>\$16,572,227</b>	<b>\$18,644,813</b>	<b>\$18,960,608</b>
Full-time Equivalent Total*	143.55	148.25	156.75	156.75

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Department of Human Resources

## 2017 Proposed Budget - Expenditure by Category



## Budget Overview

Mayor Ed Murray and the City Council tasked the Seattle Human Resources Department (SDHR) to improve human resources (HR) service delivery and enhance and promote equity within the City of Seattle. In 2016, SDHR continued to advance its core functional and administrative HR services, expand Citywide HR services to all City departments and shift focus from internal planning and operations to Citywide strategic planning.

Two key initiatives were developed in 2016 that will guide future Citywide HR service delivery: the **HR Consolidation Strategic Plan** to align Citywide human resources programs and the **Workforce Equity Strategic Plan** to enhance and promote equity within the City of Seattle. The 2017-2018 Proposed Budget increases support to SDHR in order to begin a phased, multi-year process to implement these initiatives.

### HR Consolidation

Human resources services at the City of Seattle are currently delivered through a combination of central and departmental HR staff. Local service delivery to the City's executive offices and smaller departments is provided directly by SDHR. The City's larger departments, however, have their own HR staffs who report to their specific department executives rather than to SDHR. This decentralization of HR functions creates inconsistent service delivery and employee experiences.

The HR Consolidation Strategic Plan addresses these complexities and outlines four strategies to align HR services:

- **Build a consolidated HR organizational structure.** With the ultimate goal of forming a single organizational structure, SDHR will develop HR business partnership teams with departments to manage and communicate HR strategies across all City departments.
- **Implement aligned policies, practices and programs Citywide.** Achieving workforce equity is a primary objective of the HR Consolidation Strategic Plan. HR operations will be standardized so that policies are

# Seattle Department of Human Resources

enforced equitably across the City. This includes consistent employee leave policies and performance management. Further details of the Workforce Equity Strategic Plan are provided below.

- **Proactively support departmental leadership to enable employees to do their best work.** In partnership with departments, SDHR's Deputy Director of Service Delivery will develop service delivery agreements for department-specific staffing and HR service needs. The service delivery agreements will allow departments to anticipate their level of HR support and build accountability for HR functions across the City.
- **Optimize the workforce through talent acquisition, development, and retention.** The City of Seattle will define itself as an employer of choice through improved and consistent impacts on employee engagement, from hiring to retirement. Improved Citywide leadership training and professional development will bolster the experience and opportunities for applicants and employees.

In the 2016 1st Quarter Supplemental Budget Ordinance, the City Council approved an unfunded Deputy Director of Service Delivery to manage HR consolidation and interdepartmental coordination of service delivery agreements. The 2017-2018 Proposed Budget provides ongoing funding to support the position.

## Workforce Equity

Greater workforce equity is a primary objective of the HR Consolidation Strategic Plan to achieve service excellence and a more equitable and consistent employee experience. The 2016 Adopted Budget included funding to support the development of the Citywide Workforce Equity Strategic Plan (WFE Plan), which SDHR presented in July 2016 in collaboration with the City Council and the Mayor.

The Workforce Equity Action Plan proposes a combination of platform and workforce investment strategies to foster organizational change to address barriers to full inclusion for all employees:

- **Hire Workforce Equity Advisor.** The 2017-2018 Proposed Budget includes a workforce equity program manager to coordinate, drive, and track progress on workforce equity policies, programs, and services across City departments. Annual accountability reports of platform strategies and workforce investments will be provided to the City Council.
- **Implement Citywide training on unbiased employment practices.** All managers and supervisors who make employment decisions will be required to participate in implicit bias training. The trainings will address institutional barriers and increase equity in employee hiring and promotion processes. The 2017-2018 Proposed Budget adds a dedicated workforce equity trainer who will develop and implement Citywide training.
- **Continue adoption of Citywide performance management systems and standards through E3 (Equity, Engagement, Expectations).** Launched in 2016, the E3 employee performance management system continues to be implemented Citywide as a standardized performance evaluation tool to reduce unfair and potentially biased evaluation practices. This allows employees to be valued and recognized for their performance-driven contributions. The 2017-2018 Proposed Budget adds a Citywide Performance Management Advisor who will ensure a successful deployment of E3.
- **Consolidate Citywide human resources.** The 2017-2018 Proposed Budget provides SDHR with two temporary employees to serve as the HR consolidation project manager and logistics coordinator over 18 months. The project manager will focus on high-level strategic engagement of City departments during implementation of the HR consolidation strategic plan. The logistics coordinator will serve as the central resource to manage the changes and deadlines that support HR consolidation.

In 2015, the City of Seattle introduced up to four weeks of paid parental leave to allow employees to bond with their new children and support working parents to provide caregiving responsibilities without putting their economic security at risk. The Workforce Equity Action Plan recommends expanding paid leave as a workforce investment strategy that provides direct benefits and career development opportunities to employees. The leave strategies are subject to negotiations with the City's labor partners, therefore the 2017-2018 Proposed Budget does not include any changes for paid leave.



# Seattle Department of Human Resources

## SDHR Capacity Increases

The 2017-2018 Proposed Budget also adds capacity to SDHR's Citywide HR services. The Law Department will transfer its City investigator position to lead a Citywide investigation function for employee complaints filed with SDHR. The Department of Neighborhoods and the Office of Planning and Community Development will transfer resources so their HR needs will now be served by SDHR rather than department-based HR staff. These changes further SDHR's vision of a more consistent and equitable employee experience with HR services.

## Incremental Budget Changes

### Seattle Department of Human Resources

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 16,572,227</b>	<b>148.25</b>	<b>\$ 16,572,227</b>	<b>148.25</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 387,000	0.00	-\$ 387,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 742,882	0.00	\$ 1,140,933	0.00
<b>Proposed Changes</b>				
Deputy Director of Service Delivery	\$ 203,843	0.00	\$ 209,606	0.00
Workforce Equity Action Plan	\$ 659,022	3.00	\$ 545,061	3.00
Add Human Resource Generalist	\$ 117,541	1.00	\$ 121,131	1.00
Add City Investigator from Law Department	\$ 157,068	1.00	\$ 161,701	1.00
Citywide Summit Re-Implementation Project	\$ 411,464	0.00	\$ 424,212	0.00
<b>Proposed Technical Changes</b>				
Supplemental Budget Changes	\$ 167,766	3.50	\$ 172,737	3.50
Technical Adjustment to Reflect Internal Reorganization	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 2,072,586</b>	<b>8.50</b>	<b>\$ 2,388,381</b>	<b>8.50</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 18,644,813</b>	<b>156.75</b>	<b>\$ 18,960,608</b>	<b>156.75</b>

# Seattle Department of Human Resources

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$387,000)**

This item includes a budget reduction for a one-time addition to support the Citywide Summit Re-Implementation (SRI) project included in the 2016 Adopted Budget. The 2017 Proposed Budget includes updated SRI costs for 2017 and 2018.

#### **Citywide Adjustments for Standard Cost Changes - \$742,882**

Citywide technical adjustments made in the initial planning phase reflect changes in the annual wage increases (AWI), internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Deputy Director of Service Delivery - \$203,843**

This appropriation provides funding for the Deputy Director of Service Delivery position approved by the City Council in the 2016 1st Quarter Supplemental Budget Ordinance. The deputy director will manage the operational needs and reporting structure necessary to deliver HR service for each City department. This position will also develop service level agreements in partnership with City departments and advise City leaders on complex employee relations initiatives, policies, and legal implications.

#### **Workforce Equity Action Plan - \$659,022/3.00 FTE**

This item adds the following resources at SDHR to support the platform strategies in the Workforce Equity Action Plan:

- 1.0 FTE for an on-going Strategic Advisor 1 to serve as the workforce equity advisor to coordinate, drive, and track progress on workforce equity policies, programs, and services across City departments.
- 1.0 FTE for a two-year Assistant Training and Education Coordinator to serve as the workforce equity trainer to work in conjunction with the Office of Civil Rights to develop, plan, and coordinate training to promote unbiased employment decisions. This training will be required for City HR staff, supervisors, and other employees involved with employee relations related to hiring, promotion and discipline processes.
- 1.0 FTE for a two-year Strategic Advisor 1 to serve as the performance management advisor to implement the E3 (Equity, Engagement, Expectations) performance management system that centrally manages employee goals and performance. SDHR launched E3 on a pilot basis in 2016. This position will continue the implementation of E3 Citywide.
- Two temporary employees to serve as the HR consolidation project manager and logistics coordinator over 18 months. The project manager will focus on high-level strategic engagement of City departments during implementation of the HR Consolidation Strategic Plan. The logistics coordinator will serve as the central resource to manage the changes and deadlines that support HR consolidation.

# Seattle Department of Human Resources

## **Add Human Resource Generalist - \$117,541/1.00 FTE**

This item increases the capacity of Citywide HR consulting services and full-service HR support to the City's executive offices. The Department of Neighborhoods (DON) will transfer to SDHR an in-house HR position vacated in 2016. This position will support DON whose HR functions will also be transferred to SDHR. This HR Generalist will also support the Office of Planning and Community Development whose HR functions have been supported by the Seattle Department of Construction and Inspections since both departments were formed in 2016 from the former Department of Planning and Development.

## **Add City Investigator from Law Department - \$157,068/1.00 FTE**

This position is transferred from the Law Department to SDHR to support internal City investigations as in-house counsel. SDHR has worked closely with this position since its creation in the Law Department in 2010. The transfer represents a reporting change to improve SDHR's coordination of internal employee complaints and promote a consistent employee experience. Examples of complaints include discrimination, harassment, workplace safety and whistleblowing.

## **Citywide Summit Re-Implementation Project - \$411,464**

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Proposed Technical Changes**

### **Supplemental Budget Changes - \$167,766/3.50 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to correct the current-year budget, address unforeseen changes in circumstance, or recognize new funding opportunities or new policy priorities. Council approved 3.5 FTEs in the 2016 1st Quarter Supplemental Budget Ordinance. The primary focus of these positions is to increase SDHR's resources to support HR consolidation, coordinate the compliance needs of the City's healthcare plans, and manage the City's deferred compensation program.

### **Technical Adjustment to Reflect Internal Reorganization**

This adjustment reflects the net-zero allocation of existing resources to support the continued improvements to the internal organizational structure of SDHR made in 2016. The changes include the creation of a Workforce Equity division in the Director's Office and updated space allocation costs between divisions.

# Seattle Department of Human Resources

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Administrative Services Budget Control Level	N2000	3,308,664	6,575,371	7,489,890	7,690,811
Director's Office Budget Control Level	N3000	3,478,093	2,234,462	3,761,441	3,765,479
Labor Relations Budget Control Level	N4000	3,234,779	2,017,104	2,027,235	2,078,994
Talent Management and Development Budget Control Level	N1000	4,995,783	5,745,290	5,366,247	5,425,324
<b>Department Total</b>		<b>15,017,320</b>	<b>16,572,227</b>	<b>18,644,813</b>	<b>18,960,608</b>

<b>Department Full-time Equivalents Total*</b>	<b>143.55</b>	<b>148.25</b>	<b>156.75</b>	<b>156.75</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Appropriations By Budget Control Level (BCL) and Program

### Administrative Services Budget Control Level

The purpose of the Administrative Services Budget Control Level is to administer employee benefits, including health care and workers' compensation, and provide safety services to promote employee health and productivity. This Budget Control Level also provides services that support City department management including financial and accounting services, information management, and classification and compensation services.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Administrative Services	3,308,664	6,575,371	7,489,890	7,690,811
<b>Total</b>	<b>3,308,664</b>	<b>6,575,371</b>	<b>7,489,890</b>	<b>7,690,811</b>
Full-time Equivalents Total*	22.30	50.75	54.25	54.25

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Department of Human Resources

## Director's Office Budget Control Level

The purpose of the Director's Office Budget Control Level is to establish Citywide personnel rules; offer strategic consultative assistance to departments, policymakers, and employees; provide human resources support to several executive offices; and spearhead Citywide programs and efforts such as the Human Resources Consolidation Strategic Plan.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Director's Office	3,478,093	2,234,462	3,761,441	3,765,479
<b>Total</b>	<b>3,478,093</b>	<b>2,234,462</b>	<b>3,761,441</b>	<b>3,765,479</b>
Full-time Equivalents Total*	53.75	39.00	24.00	24.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Labor Relations Budget Control Level

The purpose of the Labor Relations Budget Control Level is to provide technical and professional labor-relations services to policymakers and management staff of all City departments. This Budget Control Level implements collective bargaining agreements and administers the City's Personnel Rules.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Labor Relations	3,234,779	2,017,104	2,027,235	2,078,994
<b>Total</b>	<b>3,234,779</b>	<b>2,017,104</b>	<b>2,027,235</b>	<b>2,078,994</b>
Full-time Equivalents Total*	24.00	10.00	11.00	11.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Talent Management and Development Budget Control Level

The purpose of the Talent Management & Development Budget Control Level is to provide staffing services, employee development opportunities, and technical assistance to all City departments. This Budget Control Level includes the Talent Acquisition and Training, Development & Organizational Effectiveness divisions and services such as Equal Employment Opportunity, and Police and Fire Exams. This Budget Control Level also includes Supported Employment, Alternative Dispute Resolution, and Career Quest units that are under the Workforce Equity division.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Talent Acquisition and Management	4,995,783	5,745,290	5,366,247	5,425,324
<b>Total</b>	<b>4,995,783</b>	<b>5,745,290</b>	<b>5,366,247</b>	<b>5,425,324</b>
Full-time Equivalents Total*	43.50	48.50	67.50	67.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Immigrant and Refugee Affairs

Cuc Vu, Director

(206)-233-3886

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## Department Overview

The Office of Immigrant and Refugee Affairs (OIRA) facilitates the successful integration of immigrants and refugees into Seattle's civic, economic and cultural life; celebrates their diverse cultures and contributions to Seattle; and advocates on behalf of immigrants and refugees.

OIRA works with the Immigrant and Refugee Commission, community partners, and City departments to define and achieve desired outcomes for City investments for immigrant and refugees. According to the 2014 American Community Survey, immigrants and refugees comprise approximately 18% of Seattle's population. It is OIRA's job to ensure that these residents are effectively connected with City services.

OIRA is dedicated to supporting the City's Race and Social Justice Initiative by improving services and better engaging immigrant and refugee communities. OIRA also partners and collaborates with other City departments, government agencies, community organizations and the private sector.

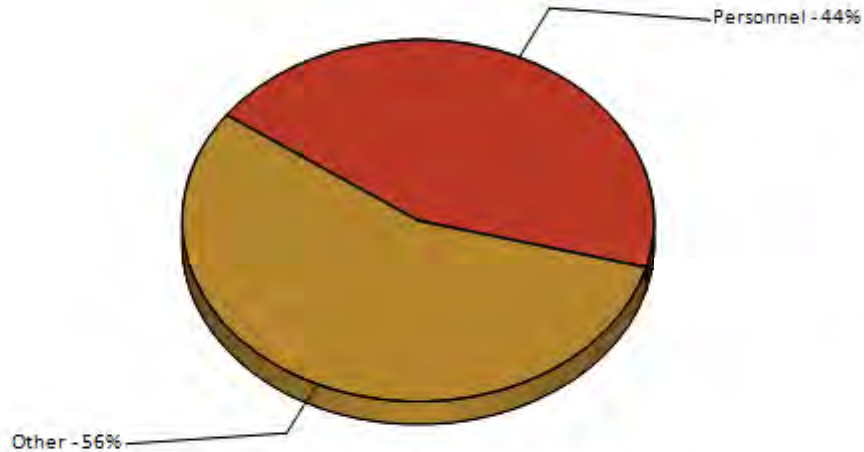
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$1,033,630	\$2,261,083	\$2,281,544	\$2,291,564
Other Funding - Operating	\$192,301	\$400,000	\$400,000	\$400,000
<b>Total Operations</b>	<b>\$1,225,931</b>	<b>\$2,661,083</b>	<b>\$2,681,544</b>	<b>\$2,691,564</b>
<b>Total Appropriations</b>	<b>\$1,225,931</b>	<b>\$2,661,083</b>	<b>\$2,681,544</b>	<b>\$2,691,564</b>
Full-time Equivalent Total*	7.00	9.50	9.50	9.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Immigrant and Refugee Affairs

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

Since coming into office the Mayor has made it a priority to better integrate immigrants and refugees into the social and economic fabric of Seattle. In 2014, the Mayor's first year, OIRA began with a budget of less than \$360,000 to serve a city where almost one in five residents are immigrants or refugees. The Mayor has increased OIRA's budget every year and the 2017-2018 Proposed Budget will further increase OIRA's budget to over \$2.6 million - a more than seven-fold difference since 2014. The budget adds resources for increased translation and interpretation services, allows staff to implement expanded efforts to help naturalize immigrants, and provides funding for improving City outreach and engagement efforts to the East African community.

The budget also builds off of OIRA's successful work in enacting the City's Ready to Work program. In 2015, the City developed Ready to Work to better support residents with limited English proficiency gain the skills needed to earn a living wage in a stable job, including computer literacy, functional English, and applying for work and performing on the job. The City partnered with Seattle Colleges and community-based organizations to integrate services to provide easier access to potential students. The program's approach is based in communities and neighborhoods with job readiness classes taught by Seattle College ESL instructors at community-based organizations. ESL instructors work with staff from these organizations to provide personalized instruction, including bilingual classroom support. The budget provides resources for additional classroom support for Ready to Work students to better serve a diverse array of English-language learners.

The proposed budget also reduces consultant contracts without affecting the ability of OIRA to carry out services to its constituents.

# Immigrant and Refugee Affairs

## Incremental Budget Changes

### Immigrant and Refugee Affairs

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 2,661,083</b>	<b>9.50</b>	<b>\$ 2,661,083</b>	<b>9.50</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 35,000	0.00	-\$ 35,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 76,774	0.00	\$ 113,023	0.00
<b>Proposed Changes</b>				
Language Access	\$ 15,000	0.00	\$ 15,000	0.00
East African Community Action	\$ 25,000	0.00	\$ 0	0.00
Ready to Work Bilingual Classroom Assistants	\$ 25,200	0.00	\$ 25,200	0.00
Reduce Consultant Contracts	-\$ 93,088	0.00	-\$ 94,498	0.00
<b>Proposed Technical Changes</b>				
New Citizenship Program Job Reclassification	\$ 6,575	0.00	\$ 6,756	0.00
<b>Total Incremental Changes</b>	<b>\$ 20,461</b>	<b>0.00</b>	<b>\$ 30,481</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 2,681,544</b>	<b>9.50</b>	<b>\$ 2,691,564</b>	<b>9.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$35,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget: a Welcome Back Center feasibility study.

#### **Citywide Adjustments for Standard Cost Changes - \$76,774**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.



# Immigrant and Refugee Affairs

## Proposed Changes

### **Language Access - \$15,000**

This adjustment doubles the funding for language access to meet increased demand by City departments for translation and interpretation services. Language access allows the City of Seattle to better serve its residents with limited English skills by providing needed information and services in various languages.

### **East African Community Action - \$25,000**

In 2016, the City and OIRA commissioned a report, "Voices of Seattle's East African Communities," in part, to inform and guide the City and OIRA in improving outreach and services to these communities. The Mayor welcomed the report and asked City departments to provide a list of action items to improve how the City tends to the needs of residents of East African background. This item provides one-time funding to hire a consultant to evaluate the outreach and engagement efforts of City departments and then provide support to departments to implement their plans.

### **Ready to Work Bilingual Classroom Assistants - \$25,200**

This adjustment provides OIRA with ongoing additional funding to distribute to local community-based organizations taking part in the City's Ready to Work program. Two bilingual classroom assistants will be added to help immigrant and refugee students follow along in class in order to learn English and gain employment. Increased capacity is needed to address the needs of students of various ethnic and language backgrounds.

### **Reduce Consultant Contracts - (\$93,088)**

This item reduces consultant contracts without impairing the ability of the office to carry out its programs or decreasing the level of service to residents.

## Proposed Technical Changes

### **New Citizenship Program Job Reclassification - \$6,575**

This adjustment changes the classification of a Grants and Contracts Specialist in the New Citizenship Program to a Strategic Advisor 1. This will allow staff to help implement an expanded strategy aiming to increase the numbers of legal permanent residents in Seattle-King County who become U.S. citizens.

# Immigrant and Refugee Affairs

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
CDBG - Office of Immigrant and Refugee Affairs Budget Control Level	6XN10	192,301	400,000	400,000	400,000
Office of Immigrant and Refugee Affairs Budget Control Level	X1N00	1,033,630	2,261,083	2,281,544	2,291,564
<b>Department Total</b>		<b>1,225,931</b>	<b>2,661,083</b>	<b>2,681,544</b>	<b>2,691,564</b>

<b>Department Full-time Equivalents Total*</b>	<b>7.00</b>	<b>9.50</b>	<b>9.50</b>	<b>9.50</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Appropriations By Budget Control Level (BCL) and Program

### CDBG - Office of Immigrant and Refugee Affairs Budget Control Level

The purpose of the CDBG - Office of Immigrant and Refugee Affairs Budget Control Level is to provide support to community-based development organizations with the goal of increasing the socioeconomic and civic opportunities for immigrants and refugees in Seattle.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
CDBG - Office of Immigrant and Refugee Affairs	192,301	400,000	400,000	400,000
<b>Total</b>	<b>192,301</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>

### Office of Immigrant and Refugee Affairs Budget Control Level

The purpose of the Office of Immigrant and Refugee Affairs Budget Control Level is to facilitate the successful integration of immigrants and refugees into Seattle's civic, economic, and cultural life, to celebrate their diverse cultures and contributions to Seattle, and to advocate on behalf of immigrants and refugees.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Office of Immigrant and Refugee Affairs	1,033,630	2,261,083	2,281,544	2,291,564
<b>Total</b>	<b>1,033,630</b>	<b>2,261,083</b>	<b>2,281,544</b>	<b>2,291,564</b>
Full-time Equivalents Total*	7.00	9.50	9.50	9.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Department of Information Technology

Michael Mattmiller, Director & Chief Technology Officer

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<http://www.seattle.gov/seattleit>

## Department Overview

As of April 6, 2016, the Department of Information Technology (DoIT) transferred the entirety of its resources and staff to the new Seattle Information Technology Department (Seattle IT). See the Seattle IT budget for details.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$12,966,745	\$3,875,519	\$0	\$0
Other Funding - Operating	\$34,397,308	\$23,123,590	\$0	\$0
<b>Total Operations</b>	<b>\$47,364,053</b>	<b>\$26,999,109</b>	<b>\$0</b>	<b>\$0</b>
Other funding - Capital	\$35,141,239	\$11,785,363	\$0	\$0
<b>Total Appropriations</b>	<b>\$82,505,292</b>	<b>\$38,784,472</b>	<b>\$0</b>	<b>\$0</b>
Full-time Equivalent Total*	198.25	205.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Budget Overview

There are no proposed changes to the Department of Information Technology budget. The transfer of all resources and staff is reflected in the baseline changes. All budget control levels and programs are reduced to zero.

For historical information, the appropriations and revenues for 2015 Actuals are contained below, solely in DoIT. The appropriations and revenues for 2016 Adopted are split, as originally appropriated, between DoIT and Seattle IT. Information on the Information Technology Fund is contained in the Seattle IT budget book pages.

# Department of Information Technology

## Incremental Budget Changes

### Department of Information Technology

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 38,784,472</b>	<b>0.00</b>	<b>\$ 38,784,472</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 25,869	0.00	\$ 26,580	0.00
Transfer Divisions to Seattle Information Technology Department	-\$ 38,810,341	0.00	-\$ 38,811,052	0.00
<b>Total Incremental Changes</b>	<b>-\$ 38,784,472</b>	<b>0.00</b>	<b>-\$ 38,784,472</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 0</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$25,869**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Transfer Divisions to Seattle Information Technology Department - (\$38,810,341)**

This item transfers the existing divisions in the Department of Information Technology to the new Seattle Information Technology Department effective April 6, 2016. Legislation accompanying the 2016 Adopted Budget created the Seattle Information Technology Department and transferred IT positions from across executive departments in the City to the new department.

# Department of Information Technology

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Business Office Budget Control</b>					
Finance and Administration		2,616,765	1,989,338	0	0
General and Administration		34,180,507	5,866,905	0	0
<b>Total</b>	<b>W1100</b>	<b>36,797,272</b>	<b>7,856,243</b>	<b>0</b>	<b>0</b>
<b>Digital Engagement Budget Control</b>					
Citywide Web Team		2,602,914	906,650	0	0
Community Technology		1,460,178	703,404	0	0
Office of Cable Communications		883,571	275,363	0	0
Seattle Channel		3,306,575	1,452,622	0	0
<b>Total</b>	<b>W4400</b>	<b>8,253,238</b>	<b>3,338,039</b>	<b>0</b>	<b>0</b>
<b>Engineering and Operations Budget Control</b>					
Communications Shop		1,945,270	605,248	0	0
Data Network Services		4,179,505	2,404,636	0	0
Enterprise Computing Services		6,649,164	6,462,866	0	0
Messaging, Collaboration and Directory Services		2,948,399	1,736,007	0	0
Radio Network		2,367,475	876,940	0	0
Service Desk		1,269,908	1,059,664	0	0
Technical Support Services		2,139,691	1,015,152	0	0
Technology Engineering and Project Management		2,979,926	4,456,963	0	0
Technology Infrastructure Grants		87,960	0	0	0
Telephone Services		8,594,991	3,881,783	0	0
Warehouse		897,174	426,037	0	0
<b>Total</b>	<b>W3300</b>	<b>34,059,463</b>	<b>22,925,296</b>	<b>0</b>	<b>0</b>
<b>Leadership, Planning and Security Budget Control</b>					
Citywide Technology Leadership and Governance		2,095,238	2,587,221	0	0
Information Security Office		1,300,081	2,077,673	0	0
<b>Total</b>	<b>W2200</b>	<b>3,395,319</b>	<b>4,664,894</b>	<b>0</b>	<b>0</b>
<b>Department Total</b>		<b>82,505,292</b>	<b>38,784,472</b>	<b>0</b>	<b>0</b>
<b>Department Full-time Equivalent Total*</b>		<b>198.25</b>	<b>205.00</b>	<b>0.00</b>	<b>0.00</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Information Technology

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
542810	Cable Fund Allocation	8,585,867	4,049,267	0	0
	<b>Total Cable Fund</b>	<b>8,585,867</b>	<b>4,049,267</b>	<b>0</b>	<b>0</b>
541490	Technology Allocation (GF Depts)	13,690,752	7,309,838	0	0
541710	Rates (GF Depts)	170,579	0	0	0
541810	Rates (GF Depts)	1,465,590	1,581,277	0	0
542810	Rates (GF Depts)	3,569,027	1,083,779	0	0
542810	Special Project Billings (GF Depts)	339,659	0	0	0
	<b>Total City Agency - GF</b>	<b>19,235,607</b>	<b>9,974,894</b>	<b>0</b>	<b>0</b>
541490	Technology Allocation	19,777,332	10,762,421	0	0
541710	Rates	41,208	0	0	0
541810	Rates	1,099,604	1,249,467	0	0
542810	Rates	1,562,762	418,766	0	0
542810	Special Project Billings	626,404	0	0	0
	<b>Total City Agency - Non-GF</b>	<b>23,107,310</b>	<b>12,430,654</b>	<b>0</b>	<b>0</b>
441710	Rates	422	0	0	0
442810	Rates	428,323	130,126	0	0
442810	Special Project Billings	402,362	0	0	0
	<b>Total External Revenues</b>	<b>831,107</b>	<b>130,126</b>	<b>0</b>	<b>0</b>
461110	Interest Earnings	27,660	0	0	0
	<b>Total Finance - External</b>	<b>27,660</b>	<b>0</b>	<b>0</b>	<b>0</b>
587001	Technology Allocation (pure GF)	12,966,745	3,875,519	0	0
	<b>Total General Subfund Support</b>	<b>12,966,745</b>	<b>3,875,519</b>	<b>0</b>	<b>0</b>
433010	Federal Grants - Indirect	87,850	0	0	0
	<b>Total Grants</b>	<b>87,850</b>	<b>0</b>	<b>0</b>	<b>0</b>
569990	Long-Term General Obligation (LTGO) Bonds - Next Generation Data Center	0	2,100,000	0	0
	<b>Total LTGO Bonds</b>	<b>0</b>	<b>2,100,000</b>	<b>0</b>	<b>0</b>
569990	Short Term Loan from City Cash Pool	0	-2,100,000	0	0
	<b>Total Short Term Loan from City Cash Pool</b>	<b>0</b>	<b>-2,100,000</b>	<b>0</b>	<b>0</b>
542810	Special Project Billings	0	4,926,288	0	0
	<b>Total Special Project Billings</b>	<b>0</b>	<b>4,926,288</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>64,842,146</b>	<b>35,386,748</b>	<b>0</b>	<b>0</b>

# Department of Information Technology

379100	Use of (Contributions to) Fund Balance	17,663,143	3,397,724	0	0
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>17,663,143</b>	<b>3,397,724</b>	<b>0</b>	<b>0</b>
<b>Total Resources</b>		<b>82,505,289</b>	<b>38,784,472</b>	<b>0</b>	<b>0</b>

## Appropriations By Budget Control Level (BCL) and Program

### Business Office Budget Control Level

The purpose of the Business Office Budget Control Level is to provide human resources, contracting, finance, budget, and accounting services (planning, control, analysis, and consulting) to the Department, and to manage funding associated with Citywide initiatives.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Finance and Administration	2,616,765	1,989,338	0	0
General and Administration	34,180,507	5,866,905	0	0
<b>Total</b>	<b>36,797,272</b>	<b>7,856,243</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	25.00	24.00	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in Business Office Budget Control Level:**

#### **Finance and Administration Program**

The purpose of the Finance and Administration Program is to provide human resources, contracting, finance, budget, and accounting services (planning, control, analysis, and consulting) to the Department.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Finance and Administration	2,616,765	1,989,338	0	0
Full-time Equivalents Total	25.00	23.00	0.00	0.00

#### **General and Administration Program**

The purpose of the General and Administration Program is to provide general administrative services and supplies to the Department's internal programs.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General and Administration	34,180,507	5,866,905	0	0
Full-time Equivalents Total	0.00	1.00	0.00	0.00



# Department of Information Technology

## **Digital Engagement Budget Control Level**

The purpose of the Digital Engagement Budget Control Level is to operate the Seattle Channel, Cable Office, Web sites, and related programs.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Citywide Web Team	2,602,914	906,650	0	0
Community Technology	1,460,178	703,404	0	0
Office of Cable Communications	883,571	275,363	0	0
Seattle Channel	3,306,575	1,452,622	0	0
<b>Total</b>	<b>8,253,238</b>	<b>3,338,039</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	35.00	35.00	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

**The following information summarizes the programs in Digital Engagement Budget Control Level:**

### **Citywide Web Team Program**

The purpose of the Citywide Web Team Program is to provide leadership in using Web technology and a Web presence for residents, businesses, visitors, and employees so that they have 24-hour access to relevant information and City services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Citywide Web Team	2,602,914	906,650	0	0
Full-time Equivalents Total	12.75	12.75	0.00	0.00

### **Community Technology Program**

The purpose of the Community Technology Program is to provide leadership, education, and funding so that all residents have access to computer technology and online information.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Community Technology	1,460,178	703,404	0	0
Full-time Equivalents Total	4.25	4.25	0.00	0.00

### **Office of Cable Communications Program**

The purpose of the Office of Cable Communications Program is to negotiate with and regulate private cable communications providers so that residents receive high-quality and reasonably priced services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Office of Cable Communications	883,571	275,363	0	0
Full-time Equivalents Total	2.75	2.75	0.00	0.00

# Department of Information Technology

## Seattle Channel Program

The purpose of the Seattle Channel Program is to inform and engage residents in Seattle's governmental, civic, and cultural affairs by using television, the Web, and other media in compelling ways.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Seattle Channel	3,306,575	1,452,622	0	0
Full-time Equivalents Total	15.25	15.25	0.00	0.00

## Engineering and Operations Budget Control Level

The purpose of the Engineering and Operations Budget Control Level is to build and operate the City's corporate communications and computing assets.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Communications Shop	1,945,270	605,248	0	0
Data Network Services	4,179,505	2,404,636	0	0
Enterprise Computing Services	6,649,164	6,462,866	0	0
Messaging, Collaboration and Directory Services	2,948,399	1,736,007	0	0
Radio Network	2,367,475	876,940	0	0
Service Desk	1,269,908	1,059,664	0	0
Technical Support Services	2,139,691	1,015,152	0	0
Technology Engineering and Project Management	2,979,926	4,456,963	0	0
Technology Infrastructure Grants	87,960	0	0	0
Telephone Services	8,594,991	3,881,783	0	0
Warehouse	897,174	426,037	0	0
<b>Total</b>	<b>34,059,463</b>	<b>22,925,296</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	122.50	122.50	0.00	0.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Department of Information Technology

*The following information summarizes the programs in Engineering and Operations Budget Control Level:*

## Communications Shop Program

The purpose of the Communications Shop Program is to install, maintain, and repair the dispatch radio infrastructure and mobile and portable radios for City departments and other regional agencies for common, cost-effective communications.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Communications Shop	1,945,270	605,248	0	0
Full-time Equivalents Total	10.50	10.50	0.00	0.00

## Data Network Services Program

The purpose of the Data Network Services Program is to provide data communications infrastructure and related services to City employees so that they may send and receive electronic data in a cost-effective manner and residents may electronically communicate with City staff and access City services.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Data Network Services	4,179,505	2,404,636	0	0
Full-time Equivalents Total	14.95	14.95	0.00	0.00

## Enterprise Computing Services Program

The purpose of the Enterprise Computing Services Program is to provide a reliable production computing environment that allows departments to effectively operate their technology applications, operating systems, and servers.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Enterprise Computing Services	6,649,164	6,462,866	0	0
Full-time Equivalents Total	22.75	23.75	0.00	0.00

## Messaging, Collaboration and Directory Services Program

The purpose of the Messaging, Collaboration and Directory Services Program is to provide, operate, and maintain an infrastructure for e-mail, calendar, directory, and related services to City employees and the general public so that they can communicate and obtain City services.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Messaging, Collaboration and Directory Services	2,948,399	1,736,007	0	0
Full-time Equivalents Total	12.25	12.25	0.00	0.00

# Department of Information Technology

## Radio Network Program

The purpose of the Radio Network Program is to provide dispatch radio communications and related services to City departments and other regional agencies so that they have a highly available means for mobile communications.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Radio Network	2,367,475	876,940	0	0
Full-time Equivalents Total	0.85	0.85	0.00	0.00

## Service Desk Program

The purpose of the Service Desk Program is to provide an initial point of contact for technical support, problem analysis and resolution, and referral services for customers in non-utility departments.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Service Desk	1,269,908	1,059,664	0	0
Full-time Equivalents Total	9.25	9.25	0.00	0.00

## Technical Support Services Program

The purpose of the Technical Support Services Program is to provide, operate, and maintain computer services for City employees so that they have a reliable computing environment to conduct City business and to provide services to other government entities and the public.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Technical Support Services	2,139,691	1,015,152	0	0
Full-time Equivalents Total	15.25	15.25	0.00	0.00

## Technology Engineering and Project Management Program

The purpose of the Technology Engineering and Project Management Program is to engineer communications systems and networks, to manage large technology infrastructure projects for City departments, and to facilitate reliable and cost-effective communications and technology.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Technology Engineering and Project Management	2,979,926	4,456,963	0	0
Full-time Equivalents Total	7.00	8.00	0.00	0.00

## Technology Infrastructure Grants Program

The purpose of the Technology Infrastructure Grants Program is to display expenditures related to technology projects funded by City and non-City sources and where appropriations for such projects are often made outside of the budget book.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Technology Infrastructure Grants	87,960	0	0	0

# Department of Information Technology

## Telephone Services Program

The purpose of the Telephone Services Program is to provide, operate, and maintain a telecommunications infrastructure, and to provide related services to City employees so that they have a highly available means of communication.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Telephone Services	8,594,991	3,881,783	0	0
Full-time Equivalents Total	26.70	24.70	0.00	0.00

## Warehouse Program

The purpose of the Warehouse Program is to acquire, store, and distribute telephone, computing, data communications, and radio components to the Department so that equipment is available when requested.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Warehouse	897,174	426,037	0	0
Full-time Equivalents Total	3.00	3.00	0.00	0.00

## Leadership, Planning and Security Budget Control Level

The purpose of the Leadership, Planning and Security Budget Control Level is to provide strategic direction and coordination on technology for the City.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Citywide Technology Leadership and Governance	2,095,238	2,587,221	0	0
Information Security Office	1,300,081	2,077,673	0	0
<b>Total</b>	<b>3,395,319</b>	<b>4,664,894</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	15.75	23.50	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Department of Information Technology

*The following information summarizes the programs in Leadership, Planning and Security Budget Control Level:*

## **Citywide Technology Leadership and Governance Program**

The purpose of the Citywide Technology Leadership and Governance Program is to establish strategic directions; identify key technology drivers; provide project management, oversight and quality assurance services; and provide information, research, and analysis to departments' business and technology managers.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Citywide Technology Leadership and Governance	2,095,238	2,587,221	0	0
Full-time Equivalents Total	11.75	19.50	0.00	0.00

## **Information Security Office Program**

The purpose of the Information Security Office is to manage the Information Security program for the City including the creation and enforcement of policy, threat and vulnerability management, monitoring, and response, and regulatory compliance.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Information Security Office	1,300,081	2,077,673	0	0
Full-time Equivalents Total	4.00	4.00	0.00	0.00



# Seattle Information Technology Department

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Michael Mattmiller, Director & Chief Technology Officer

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## Department Overview

The Seattle Information Technology Department (Seattle IT) provides strategic direction for and management of the City's information technology resources. These include telecommunications, data, and supporting physical infrastructure; applications and application infrastructure; computer engineering and operations; data centers, servers, storage, and backup equipment; desktop, mobile, and printing devices; cloud services; digital engagement services; and the services to provide, maintain, and support the above for the City.

Seattle IT is a relatively new department, created in April 2016, comprised of information technology staff and resources previously located throughout City departments and in the City's previous IT department, the Department of Information Technology (DoIT). Producing the 2017-2018 Proposed Budget first required establishing a new baseline for the department to reflect the transfer of hundreds of employees from multiple departments to Seattle IT along with existing IT resources and project budgets. Once the new baseline was established, in order to evaluate new IT-related budget requests, Seattle IT solicited new IT requests from departments. Seattle IT then worked with departments to understand a project's business need and evaluate it based on need, security, compliance and cost. With a full view of the City's IT needs, Seattle IT had the opportunity to look for areas where multi-department requests could be consolidated into a more efficient citywide project, where similar programs could share a common platform, and where a department may already have a solution that another department could utilize. Departments then submitted IT requests through their normal budget submittal process and any proposed IT project required the approval of Seattle IT.

Seattle IT is organized into seven divisions: Engineering and Operations; Strategy and Planning; Digital Engagement; Business Office; Security, Privacy, and Compliance; Application Services; and Citywide Information Technology Initiatives.

The **Engineering and Operations** division builds and operates the City's communications and computing assets, which include the City's telephone, radio, and e-mail systems, as well as the networks and servers. The City's technology and network infrastructure is used by every department to deliver power, water, recreation, public safety and human services to the people of Seattle. Seattle IT also develops, supports and oversees systems and policies that increase the convenience and security of the City's technology systems.

The **Strategy and Planning** division provides strategic direction and coordination on technology for the City, including the development of a multi-year strategic plan for information technology, development of common standards and architectures to deliver City services more efficiently and effectively, and IT project management and monitoring.

The **Digital Engagement** division oversees and operates the City's government-access television station (the Seattle Channel), websites ([seattlechannel.org](http://seattlechannel.org) and [seattle.gov](http://seattle.gov)), and open data program. Services provided include: new television and online programming, live web streaming, indexed videos on demand, web-based applications, and other interactive services aimed at improving access to government services, information and



# Seattle Information Technology Department

decision-makers. It also oversees the City's cable television franchises with various providers. Finally, the division manages the department's community outreach programs, including the Technology Matching Fund program, which supports community efforts to close the digital divide and encourage a technology-healthy city.

The **Business Office** division provides executive management, finance, budget, accounting, human resources, performance management, administrative and contracting services for Seattle IT.

The **Security, Privacy, and Compliance** division provides secure and compliant computing environments through the development of appropriate policies and application of enforcement measures.

The **Application Services** division designs, develops, integrates, implements and supports application solutions in accordance with citywide architecture and governance.

The **Citywide Information Technology Initiatives** division provides department-specific support for IT initiatives within departments.

As an internal service department, Seattle IT provides services to other City departments that in turn pay Seattle IT for those services they purchase. As such, Seattle IT receives revenue from most of the major fund sources within the City, including the General Fund, Seattle City Light, Seattle Public Utilities, Seattle Department of Transportation, Seattle Department of Construction and Inspections and the Retirement Fund. Seattle IT also receives funds from the City's Cable Television Subfund, grants and other government agencies external to the City (e.g., the Seattle School District, the Port of Seattle) that buy Seattle IT services for special projects.

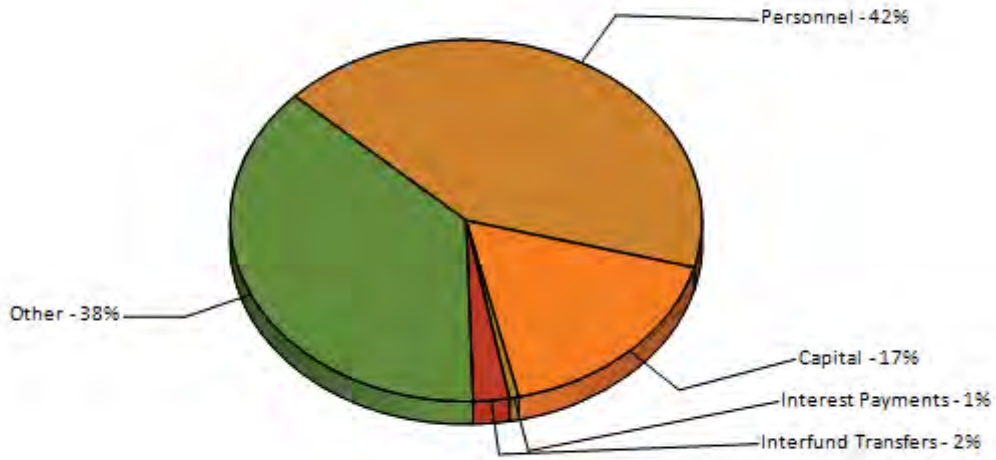
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$0	\$1,718,340	\$20,481,287	\$18,789,746
Other Funding - Operating	\$0	\$81,705,056	\$182,674,100	\$174,888,135
<b>Total Operations</b>	<b>\$0</b>	<b>\$83,423,396</b>	<b>\$203,155,387</b>	<b>\$193,677,881</b>
Other funding - Capital	\$0	\$0	\$42,335,800	\$43,754,097
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$83,423,396</b>	<b>\$245,491,187</b>	<b>\$237,431,978</b>
Full-time Equivalent Total*	0.00	0.00	656.60	658.60

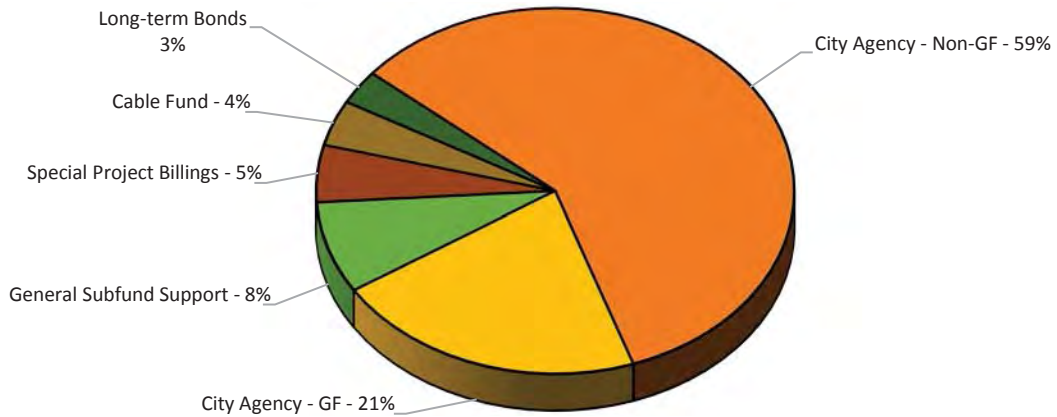
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# Seattle Information Technology Department

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Seattle Information Technology Department

## Budget Overview

The 2017-2018 Proposed Budget for Seattle IT represents the first consolidated information technology budget in the City's history. For the first time, the City has a single picture of its planned IT spending and investments for executive branch departments. The budget reflects Seattle IT's vision of being "One City, connected by technology" and follows three primary objectives: to connect people to their government, enable an effective and productive workforce, and build a digitally-equitable community.

With the creation of Seattle IT, this budget reflects the merging of the previous Department of Information Technology budget with technology budgets previously held by multiple other departments plus any new projects proposed for 2017 and 2018. Unlike the interim budget for 2016, this budget reflects the new organizational structure of the new department, and as a result, the budget went from five to seven budget control levels and introduced a number of new programs.

The organizational structure for Seattle IT is comprised of two main components: **shared services teams** and **department teams**.

**Shared services teams**, which work on tasks such as strategy and planning or engineering and operations, are overseen by directors reporting to the Chief Technology Officer. Having one delivery team in the City for a particular IT service will allow for investment and service maturity that could not otherwise be afforded by a single department. Similarly, pooling resources will allow for more efficient usage and thus will create capacity to invest in other services not currently available. As Seattle IT continues to execute the consolidation plan, these shared services teams will be phased in over the next two years.

**Department teams** are led by a Seattle IT department IT director. Initially, department teams included most of the legacy department IT employees transferred to Seattle IT. Over time, as shared service teams are formed, staff will be transferred. For 2017, many of the infrastructure staff will move into shared service teams. Going forward, department teams will have dedicated project management and business analyst resources to help envision and deliver strategic technology solutions in close coordination with department staff. The department IT directors are responsible for the delivery of technology services to their department and will work closely with department leadership teams. The IT directors report to the Deputy CTO with department directors playing a leading role in evaluating their performance. Departments will work with these IT directors on the services they need to support their businesses. Seattle IT will introduce new processes and service strategies gradually and with customer input. This deliberate approach honors the close relationships and existing business knowledge of IT staff while providing a path to implement best practices, gain efficiencies and invest in common platforms.

### 2017-18 Technology Priorities

New projects in the 2017-18 Proposed Budget generally fall under one or more of the following technology priorities.

#### *Optimization*

Seattle IT was created to increase the value delivered from the City's information technology investment. More than 650 staff from across the City's executive branch departments came together to form the new department, with a focus on creating capacity to deliver strategic and innovative technology projects that meet department needs. The 2017-2018 Proposed Budget will add three key positions: a Director of Applications to oversee more than 200 individuals that support over 1,200 systems, a Lead IT Architect, and a Contract Specialist to oversee the increasing number of contracts for cloud services.

#### *Smart, Data-Driven City*

Seattle has grown by 70,000 people in the last five years and is estimated to grow by another 120,000 by 2035 - a 31% population increase. Our City government staff per capita will not increase at a similar rate, and the

# Seattle Information Technology Department

challenges the City faces will also continue to grow. This includes everything from sustainability and energy use to safety and effective service delivery.

Technology is creating new opportunities to reduce traffic congestion, fight crime, foster economic development, reduce greenhouse gases, and make local governments more open, responsive and efficient. Around the world, cities are beginning to harness the power of sensors, cloud computing, high-speed networks and data analytics. Unlocking the promise of a smart, data-driven city requires a focus on data governance, consistent tools that facilitate cross-department collaboration and educating the public on how to leverage the City's resources. In the 2017-2018 Proposed Budget, projects related to this priority include the Seattle Police Department's data analytics platform, the Human Services Department data-to-decisions database, and the addition of a Business Intelligence Program Manager in Seattle IT.

## *Privacy and Security*

As an increasing amount of City business and public interactions occurs online, the City has an obligation to protect its technology resources and earn the public's trust in how it collects and uses information. Over the past three years, the City has invested considerable resources in upgrading our security posture, and in 2015 the City received its first report on compliance demonstrating our ability to comply with the highest level of Payment Card Industry Data Security Standards.

In 2016, Seattle IT continued to implement the privacy and security projects funded in its current budget. However, through the consolidation planning effort, Seattle IT identified several gaps in department security practices that necessitate funding additional hardware and services. The proposed budget includes funding to ensure the City maintains an acceptable level of security and can be more proactive in responding to security threats. It also adds resources to improve the City's identity management system.

## *Public Engagement*

In 2015, Mayor Murray challenged the City with identifying new ways to engage with the public and identified the Department of Neighborhoods as the one-stop department for communicating with the public and developing a model for facilitating public engagement. At the same time, the Mayor's Office and City Council are working through an initiative to change how correspondence is received and managed and in 2017, work will begin to expand correspondence and relationship management Citywide. The proposed budget includes funding to expand the use of a customer engagement and relationship system as well as a new grant application system to improve the City's engagement with the public. The budget also includes support for digital equity and civic technology including funding to implement the digital equity action plan, a Civic Technology Advocate and an expansion of the Citywide web team.

## *Service and System Maturity*

Seattle IT strives to deliver enterprise grade, scalable, sustainable services to its customers. The department began implementing an IT Service Management approach to delivering its more than 50 services in 2014. Many of the services Seattle IT operates have not evolved with the rapid technology advances of the past decade, nor are investments being made to automate service delivery or improve service levels. Focusing on service and system maturity will lower ongoing operational costs and improve the customer experience. The proposed budget includes funding to support the deployment of an enterprise mobility service to monitor, manage, support and secure mobile devices as well as manage the applications available on them. Additionally, Seattle IT will now manage desktop and laptop replacements for executive departments to drive a centrally-administered, standardized approach.

## **Department Projects**

The proposed budget includes a number of department-specific IT projects for which Seattle IT will do the work and collect rates or bill departments directly. These projects are double-appropriated in Seattle IT and the

# Seattle Information Technology Department

respective departments. These projects are shown in the Seattle IT budget book pages; however, the detail for these projects are included in the budget book sections for the individual departments. Therefore, please see the individual department's budget book sections for details.

One new project to note that does not require increased appropriation authority for Seattle IT, but does rely on new resources from Finance General in 2018, is a critical business system resiliency improvement for the Seattle Police Department and Seattle Fire Department. In 2016, the City migrated the majority of its technology services from existing data centers to the Next Generation Data Center (NGDC) to mitigate susceptibility to outages due to catastrophic events in the downtown core. During the initial phase of the NGDC project, several of the City's critical business systems, including those for the police and fire departments, were excluded from the initial migrations with the plan to move those as a part of system upgrades and replacements. In 2017, within existing appropriation authority for the project, Seattle IT will migrate of those remaining systems from their current older, less resilient facilities to the new Citywide, highly-resilient NGDC environment. The remaining contingency from the NGDC project will fund the initial upfront costs of \$1.0 million. The expenditure will be capitalized and costs will be recovered from Finance General over five years, commensurate with how the NGDC project handled other data center projects. See Finance General budget book pages for details.

For historical budget information, please note the appropriations and revenues for 2015 Actuals are contained in DoIT's budget book pages. The appropriations and revenues for 2016 Adopted are split, as originally appropriated, between DoIT and Seattle IT. Information on the Information Technology Fund is contained in the Seattle IT budget book pages and reflects past DoIT activity combined with current and future Seattle IT activity.

## Incremental Budget Changes

### Seattle Information Technology Department

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 83,423,396</b>	<b>205.00</b>	<b>\$ 83,423,396</b>	<b>205.00</b>
<b>Baseline Changes</b>				
Adjustment for Information Technology Changes	\$ 108,262,170	365.10	\$ 102,064,088	365.10
Adjustment for One-Time Adds or Reductions	-\$ 2,634,909	0.00	-\$ 2,634,909	0.00
Supplemental Budget Changes	\$ 330,257	2.00	\$ 338,001	2.00
Citywide Adjustments for Standard Cost Changes	\$ 1,706,229	0.00	\$ 1,737,598	0.00
<b>Proposed Changes</b>				
Digital Equity and Civic Technology	\$ 631,544	2.00	\$ 601,944	2.00
Citywide IT Leadership and Core Functions	\$ 609,396	3.00	\$ 591,435	3.00
Information Security Program Support	\$ 1,007,414	2.00	\$ 1,001,395	2.00
Citywide Community Grant System	\$ 636,672	0.00	\$ 105,000	0.00
Citywide Contract Management System	\$ 90,559	0.00	\$ 479,769	0.00
Citywide Customer Engagement and Relationship Management	\$ 348,247	2.00	\$ 1,147,769	4.00
Citywide Desktop and Laptop Replacement Program	\$ 156,508	0.00	\$ 156,508	0.00
Project Management Resources	\$ 3,133,350	20.00	\$ 3,131,450	20.00

## Seattle Information Technology Department

Administrative Support	\$ 1,082,480	4.50	\$ 575,907	4.50
Licensing and Upgrade Costs	\$ 1,040,350	0.00	\$ 854,677	0.00
Mobility Services and Support	\$ 128,898	1.00	\$ 125,889	1.00
Identity Management	\$ 325,338	0.00	\$ 0	0.00
Business Intelligence and Data Analytics	\$ 168,143	1.00	\$ 169,003	1.00
Enterprise Resources for Citywide Permitting System	\$ 235,013	0.00	\$ 328,994	0.00
Distributed Antenna System Replacement	\$ 574,350	0.00	\$ 25,000	0.00
Seattle Channel Vehicle	\$ 38,700	0.00	\$ 4,200	0.00
Fiber Upgrades	\$ 490,381	0.00	\$ 0	0.00
Renovate Existing Data Center Space to Office Space	\$ 6,180,000	0.00	\$ 6,621,622	0.00
Post-Consolidation Re-Alignments	\$ 5,156,622	27.00	\$ 5,225,485	27.00
Municipal Court Information System	\$ 2,613,073	7.00	\$ 7,283,183	7.00
New Customer Information System (NCIS) Support	\$ 3,908,753	11.00	\$ 3,889,838	11.00
Seattle Police Department: Data Analytics Platform	\$ 1,934,439	0.00	\$ 1,253,189	0.00
Seattle Police Department: Body-Worn Video	\$ 2,370,634	0.00	\$ 2,240,169	0.00
Seattle Police Department: Work Scheduling Timekeeping System	\$ 896,665	0.00	\$ 935,083	0.00
Seattle Police Department: Records Management System	\$ 2,484,518	0.00	\$ 917,900	0.00
Seattle Police Department: In-Car Video System and Video Storage	\$ 875,300	0.00	\$ 962,000	0.00
Department of Education and Early Learning Projects	\$ 143,531	1.00	\$ 140,522	1.00
Department of Neighborhoods Projects	\$ 27,480	0.00	\$ 27,480	0.00
Department of Parks and Recreation Projects	\$ 575,000	0.00	\$ 1,825,000	0.00
Ethics & Elections Commission	\$ 179,278	0.00	\$ 137,478	0.00
Finance and Administrative Services Projects	\$ 1,233,442	0.00	\$ 3,011,647	0.00
Human Services Department Projects	\$ 144,527	0.00	\$ 0	0.00
Office of Sustainability and Environment Projects	\$ 298,689	0.00	\$ 250,434	0.00
Seattle City Light Projects	\$ 1,933,143	1.00	\$ 3,666,371	1.00
Seattle Center Information Technology Projects	\$ 156,000	0.00	\$ 12,000	0.00
Seattle Department of Construction and Inspections	\$ 1,071,253	0.00	\$ 458,867	0.00
Seattle Department of Transportation Projects	\$ 3,694,331	0.00	\$ 971,810	0.00
Seattle Fire Department Projects	\$ 1,445,269	0.00	\$ 963,208	0.00
Citywide Summit Re-Implementation Project	\$ 6,871,609	1.00	\$ 2,839,054	1.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 486,855	1.00	-\$ 427,476	1.00
<b>Total Incremental Changes</b>	<b>\$ 162,067,791</b>	<b>451.60</b>	<b>\$ 154,008,582</b>	<b>453.60</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 245,491,187</b>	<b>656.60</b>	<b>\$ 237,431,978</b>	<b>658.60</b>

# Seattle Information Technology Department

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Information Technology Changes - \$108,262,170/365.10 FTE**

In 2016, the City consolidated information technology functions in a new central department, the Seattle Information Technology Department (Seattle IT). However, the budgets for information technology remained in the departments through the end of 2016. The 2017 budget completes the consolidation by transferring budget authority from departments to Seattle IT. This adjustment reflects the net change from the transfer of labor and non-labor resources, including CIP, from the department to Seattle IT and the updated central rates for information technology costs charged by Seattle IT to departments. The transfer out of positions from the department to Seattle IT, authorized in legislation passed with the 2016 Adopted Budget, is also reflected in this adjustment.

#### **Adjustment for One-Time Adds or Reductions - (\$2,634,909)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. These adjustments include one-time adds for consolidation consultants, term-limited positions, payment card industry compliance and Summit Re-Implementation support.

#### **Supplemental Budget Changes - \$330,257/2.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. For Seattle IT, this item includes funding and FTE related to a 2016 1st Quarter Supplemental item which increased appropriation authority and provided for 2.0 FTE IT Professional A, Exempt positions to adequately plan and coordinate multiple projects for the permit system integration project.

#### **Citywide Adjustments for Standard Cost Changes - \$1,706,229**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the annual wage increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% recruitment and retention wage increase.

### Proposed Changes

#### **Digital Equity and Civic Technology - \$631,544/2.00 FTE**

The Digital Equity Initiative and related four-year action plan launched in 2016. The action plan is the result of a public input process that gathered input and ideas from diverse sources including a City Interdepartmental Team, stakeholder interviews, an external advisory committee, four community roundtables and three subsequent workgroups that defined specific strategies. This item uses Cable Fund dollars to implement the action plan, including digital literacy and coding training, and funds a Digital Equity Manager position to oversee the program and provide capacity for work on public Wi-Fi strategies and broadband-related issues.



# Seattle Information Technology Department

Partially-funded by Cable Fund, this item also includes funding for the City's Civic Technology Advocate through 2018. The Civic Technology Advocate is responsible for engaging the Seattle community to create innovative solutions that leverage the City's open data and help facilitate partnerships that make Seattle a smart, data-driven, socially-just community. With the Mayor's proclamation that Seattle is "Open by Preference," this role is a critical link to forming and leveraging effective partnerships that bring the value of the City's open data investments to life.

The Seattle IT Citywide Web Team is responsible for the public-facing web properties for the City, including Seattle.gov and related sites, blogs and social media sites. Currently, the team lacks resources dedicated to producing, managing and presenting digital media such as graphics, photos and video content. This item adds funding for a Digital Media Specialist who will work together with other content specialists focused on writing and editing content as part of a new digital content group within the Citywide Web Team.

## **Citywide IT Leadership and Core Functions - \$609,396/3.00 FTE**

This item funds three critical positions serving core functions in the newly-consolidated IT department. First, the Director of Applications will oversee an organization of more than 200 individuals supporting more than 1,200 systems. This role is critical to modernizing the City's application environment, driving standards and reducing the number of applications to lower overall IT costs and risk. Second, the Lead IT Architect will be responsible for the management and evolution of the enterprise application architecture, information architecture and infrastructure architecture for the City. An organizational assessment of IT in 2014 strongly recommended the City create an IT architecture function to help drive consistency and increase cost efficiency. Third, the Cloud and Managed Services Contract Specialist will review, negotiate and manage the increasing number of contracts the City enters into with cloud computing providers. Cloud and managed IT services place City data in the hands of a third party provider and increased staff resources are needed to manage and monitor these services.

## **Information Security Program Support - \$1,007,414/2.00 FTE**

This item increases support for the Citywide Security Program by ensuring information security staff can maintain cyber security capabilities required by the City. The nature of information security is such that the threat landscape is in a constant state of flux. As a result, the nature of responsive measures and the tools and techniques the City uses to prevent, defend and deflect those attacks needs to be agile. Historically, security program support paid for particular tools to be acquired and implemented. In reality, by the time the City spends the funds, the threats have changed. With this budget, Seattle IT proposes to change the budget paradigm and create a consistent baseline level of funding which Seattle IT can spend each year on security as is most appropriate. This includes an increase in operating funds to cover such expenditures as regional cooperative initiatives, contracted services and staff overtime. It also includes an annual CIP budget of \$500,000 to be used in the acquisition, upgrade and deployment of security tools and systems across the City.

## **Citywide Community Grant System - \$636,672**

The Department of Neighborhoods is leading an effort to better coordinate community grant programs across the City. As part of this effort, and with several grant programs either unsatisfied with their existing application and management systems or in the process of transitioning to new ones, moving to a common, shared platform provides several efficiencies-both internally for City staff and externally for applicants. Moving to a shared system will streamline internal and external processes and reduce some of the administrative burden on community groups and City staff from maintaining multiple, duplicative systems. The Cable Fund will provide funding for the initial build-out, and once a cost distribution model can be developed for participating departments, a new internal rate pool will be established.



# Seattle Information Technology Department

## **Citywide Contract Management System - \$90,559**

This item provides funding to begin developing a single, comprehensive contract management system as a replacement for the various contract management applications deployed across the City. With its Citywide perspective, Seattle IT recognized a common need shared by several departments that requested replacements or significant upgrades to their contract management systems. Most departments have a patchwork of custom in-house developed or vendor-provided solutions to support the various contract management processes. A Citywide solution would enable standardization of the contract lifecycle (i.e. development, management, administration and termination) for the various types of contracts.

## **Citywide Customer Engagement and Relationship Management - \$348,247/2.00 FTE**

In 2015, the Department of Neighborhoods was tasked with creating a one-stop gateway for communicating with the public and developing a complement of services that facilitate effective and coordinated community interaction. A Citywide customer engagement and relationship management (CRM) system will enable constituent correspondence management, marketing campaign management and social media management and expand the capabilities to a more comprehensive technology solution that can scale to serve multiple City needs. Currently, the plan is to expand and build on the CRM system currently used by the Mayor's Office and City Council. In 2017, this item adds a Strategic Advisor 2 and an Information Technology Professional A.

## **Citywide Desktop and Laptop Replacement Program - \$156,508**

This item supports the creation of a centralized approach to the ongoing routine replacement of desktops and laptops. Currently, the process of replacing these devices varies from department to department resulting in significant repetition, duplication, long wait times and inefficiency. Moving to this standardized, centrally-administered process will result in a consistent, efficient approach.

## **Project Management Resources - \$3,133,350/20.00 FTE**

With consolidation, there is an opportunity to modify the staffing approach for project managers and business analysts to a more effective and sustainable model which benefits both the City and its employees. Currently, Seattle IT has approximately 30 temporary project managers and 25 temporary business analysts. The need for these positions remains stable given the portfolio of projects handled by Seattle IT. Therefore, rather than continuously hire temporary project managers and business analysts, this item increases permanent project staff by adding 10 permanent project managers and 10 permanent business analysts. This revenue-neutral addition would be double-appropriated as billable hours for projects and is anticipated to decrease time spent on hiring processes and training, increase these positions' familiarity with the City's standards and processes, and maintain a long-term core team of project managers and business analysts.

## **Administrative Support - \$1,082,480/4.50 FTE**

With consolidation, Seattle IT more than tripled its existing budget and staff. This item adds administrative support to handle the increased workload associated with a larger department. Seattle IT will add staff for accounting, human resources, payroll and public disclosure. Additionally, this item provides consulting resources to assist in defining new workflows across to-be-integrated teams and provides targeted expertise in strategy development, benchmarking, best practices and organizational change management.

## **Licensing and Upgrade Costs - \$1,040,350**

This item adds funds for the City's new enterprise license agreement for Microsoft Office 365 which expires at the end of 2016. With the expiration of the current agreement and the creation of Seattle IT, the City seized the opportunity to bundle multiple products together at a reduced price rather than buy products separately. This

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item also funds scheduled cost increases for the City's enterprise license for Geographic Information System (GIS) software.

The City currently has a mix of 2005 and 2008 SQL server environments, both of which are expected to lose vendor support by 2018. In order to avoid the security and support risks of running an unsupported environment, this item also includes funding to upgrade and standardize more than 500 City servers.

## **Mobility Services and Support - \$128,898/1.00 FTE**

This item adds resources to manage the increasing number of mobile devices used by the City's workforce by converting a temporary term-limited position into a permanent position. In 2017, Seattle IT will deploy an enterprise mobility service to monitor, manage, support and secure mobile devices as well as manage the applications available on them. The City owns and maintains nearly 6,000 mobile devices including smart phones, laptops and tablets. Additionally, the City provides access into its systems for approximately 1,000 employee-owned devices.

## **Identity Management - \$325,338**

City departments use more than 1,200 software applications with more and more hosted by cloud computing companies. Controlling access to these applications, more than 13,000 desktops and a growing number of mobile devices has become increasingly complex. This item adds project management and business analysis resources to implement a consistent identity management solution and approach for the City. This will improve security by limiting access to City technology resources based on a user's relationship with the City, reduce maintenance effort and avoid future costs and improve user experience by eliminating separate usernames and password for different systems. The management solution will also address the findings of a City Auditor report issued in December 2014 that found the City could not validate the propriety of users accessing City technology resources.

## **Business Intelligence and Data Analytics - \$168,143/1.00 FTE**

This item establishes a Business Intelligence (BI) Program Manager which will be responsible for leading technology projects related to the analysis and presentation of data. Business intelligence technologies leverage historical data, operational data and benchmark data to help the City understand its overall performance. Several departments requested funding for new BI projects in 2017. Building out these projects in a consistent manner will be critical to cost containment and efficient operational performance. The BI Program Manager will provide this consistency and currently, the City lacks staff capacity to plan for, implement or operate BI solutions. Initially, the BI Program Manager will be dedicated to advising on and completing the Seattle Police Department's Data Analytics Platform.

## **Enterprise Resources for Citywide Permitting System - \$235,013**

This item adds resources to support Seattle IT's enterprise permitting system integration team. In 2016, SDOT and SDCI began building Accela-based permitting systems to replace their existing systems. In Seattle IT, five existing positions support this work which seeks to better automate permitting and licensing processes, share data and workflow across departments, and streamline systems maintenance and support. Beginning in 2017, Seattle IT will lead the efforts of the Department of Finance and Administrative Services and the Seattle Fire Department to begin working on new permitting systems for their departments (see the respective department's budget for details). In 2017, to support the Seattle IT permitting system integration enterprise team, this item adds \$235,000 for 1.5 additional term-limited temporary employees, with some training resources, including a full-time quality assurance tester and a half-time production support analyst that will support the additional departments. The additional resources are focused on building individual departments' permitting systems, but the ultimate goal of permit system integration is to eventually build an integrated Citywide permitting system that will ease the administrative burden on the City's customers and improve operating efficiencies for departments.

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## **Distributed Antenna System Replacement - \$574,350**

This item funds the replacement of the distributed antenna system that serves a variety of municipal facilities within the City of Seattle. All costs will be drawn from the radio reserves in the Information Technology Fund. This system distributes the critical 800 MHz radio communications signals used by all City first responders and most City departments. Signals from this system are also distributed to the University of Washington, McCaw Hall and the downtown Seattle Public Library. Upgrading these systems will ensure communication for our first responders will be available when entering these buildings.

## **Seattle Channel Vehicle - \$38,700**

This item uses Cable Funds to purchase a vehicle and includes the on-going lease, parking and maintenance costs. Seattle Channel covers remote events for the Mayor's Office, City Council and City departments. Due to increased events, the single Seattle Channel-dedicated van is often not available which means paying fleet rental costs for a second vehicle. As a result of the increased work load, vehicle rental costs for Seattle Channel have increased to the point where it is more cost effective to add a second dedicated vehicle.

## **Fiber Upgrades - \$490,381**

This item will fund the installation of back-up fiber optic cable at the Westbridge facility which is a core network distribution site. The City has fiber optic cable redundancy at all of its core network sites except Westbridge. If the fiber at the Westbridge site became damaged or unusable, numerous City sites (including five fire stations) would be without data connectivity until the damage is repaired.

## **Renovate Existing Data Center Space to Office Space - \$6,180,000**

The 26th floor of the Seattle Municipal Tower hosted the data center which has now been replaced by the Next Generation Data Center. With consolidation and an influx of new employees, Seattle IT will renovate the data center space into office space. Given the custom build-out with the data center, the renovation requires significant investment to change HVAC, ceilings, flooring and walls-a more significant renovation than normal. These planning and renovation costs are funded by a combination of long-term bonds (\$4.8 million) and Seattle IT fund balance (\$1.2 million). The debt service and replenishment of fund balance will be collected back via Seattle IT rates.

## **Post-Consolidation Re-Alignments - \$5,156,622/27.00 FTE**

During the planning stage for IT consolidation, Seattle IT worked with departments to determine which positions were "in scope" or "out of scope" for consolidation into the new IT department. During the consolidation process in 2016, Seattle IT and departments missed some positions that should have been consolidated. This item includes those position transfers. Additionally, during consolidation, departments recognized some positions, originally agreed to be out of scope, would be better as Seattle IT employees. Therefore, this item also includes agreed-upon IT position transfers into Seattle IT from Seattle City Light and the Seattle Police Department.

## **Municipal Court Information System - \$2,613,073/7.00 FTE**

The Seattle Municipal Court's Information Systems (MCIS) is reaching its end of useful life. The 2016 Adopted Budget added resources to start the first phase of work to gather business requirements, develop a cost-benefit analysis and recommend options for replacing the aging system. With that work underway, this item adds resources for the next phase after the feasibility and business requirements are completed. The six-year CIP reflects a preliminary placeholder estimate and will be revised once the more robust feasibility study and business requirements gathering is complete.

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## **New Customer Information System (NCIS) Support - \$3,908,753/11.00 FTE**

This item establishes a team to support the New Customer Information System (NCIS) after the system stabilizes. The new team will work with Seattle City Light (SCL) and Seattle Public Utilities (SPU) to ensure the successful support, maintenance and security of the applications. In 2017, this new team will add 8.0 FTE: six Information Technology Professional Bs, one Information Technology Professional A, and one Information Technology Systems Analyst. This item also provides for on-call assistance, emergency support and staff training. It will also fund additional maintenance and licensing costs associated with the system. This item also funds support for a new technology required by NCIS, Oracle Identity and Access Management infrastructure. This new technology forms the key infrastructure for the technology solutions that include customer care and billing, meter data management, customer self-service and utilities analytics. Three FTE will be added for this support team, two Information Technology Professional As and one Information Technology Professional B. This work will be funded by SCL and SPU through IT rates, and additional details on NCIS can be found in their respective budget books.

## **Seattle Police Department: Data Analytics Platform - \$1,934,439**

This item continues the implementation and support of the Data Analytics Platform (DAP) project as part of the requirements of the Settlement Agreement with the Department of Justice. In 2017, the project will focus on data quality and governance to support the reports generated by the DAP for supervisors and others. High-quality reports that can be easily interpreted and acted upon will provide better oversight in the Seattle Police Department (SPD). To simplify the budget and invoicing process, Seattle IT will receive funds from Finance General directly for this project.

## **Seattle Police Department: Body-Worn Video - \$2,370,634**

This item provides funding to implement and support SPD's body-worn video program. Costs include one-time equipment purchases; project management; network upgrades and integration; video storage, inventory, and management; and redaction and dissemination. The 2016 3rd Quarter Supplemental Budget Ordinance appropriates funds to Seattle IT for the body-worn video program. This adjustment appropriates additional funds to the CIP. To simplify the budget and invoicing process, Seattle IT will receive funds from Finance General directly for this project.

## **Seattle Police Department: Work Scheduling Timekeeping System - \$896,665**

This item provides funding to procure and implement a scheduling and timekeeping system for SPD to allow for better management of staff resources. In 2016, an Overtime Controls Audit conducted by the City Auditor recommended SPD implement an automated staff scheduling and timekeeping system. This system will facilitate monitoring and compliance with overtime policies. To simplify the budget and invoicing process, Seattle IT will receive funds from Finance General directly for this project.

## **Seattle Police Department: Records Management System - \$2,484,518**

This item funds the replacement of SPD's records management system (RMS). SPD's current RMS is limited in its capabilities and considered difficult and time consuming when creating police reports. SPD seeks an alternate solution with a modern user interface to improve the department's ability to utilize data and reduce the amount of time officers spend completing reports. To simplify the budget and invoicing process, Seattle IT will receive funds from Finance General directly for this project.

## **Seattle Police Department: In-Car Video System and Video Storage - \$875,300**

This item funds ongoing system maintenance and licensing costs to extend SPD's in-car video system contract with COBAN, the third-party vendor that operates the system. The original five-year contract with COBAN expires in December 2017. The in-car video system is used in managing use of force and officer-citizen interactions as

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mandated by the Department of Justice (DOJ) and its monitor. This system is the source of public disclosure requests and evidence. This item also includes funding for the ongoing storage of video as required by the DOJ and its monitor. The storage contains video for in-car, holding cell, precinct security, evidence and firing range. To simplify the budget and invoicing process, Seattle IT will receive funds from Finance General directly for this project.

## **Department of Education and Early Learning Projects - \$143,531/1.00 FTE**

Please see the individual department budget book pages for more detail.

## **Department of Neighborhoods Projects - \$27,480**

Please see the individual department budget book pages for more detail.

## **Department of Parks and Recreation Projects - \$575,000**

Please see the individual department budget book pages for more detail.

## **Ethics & Elections Commission - \$179,278**

Please see the individual department budget book pages for more detail.

## **Finance and Administrative Services Projects - \$1,233,442**

Please see the individual department budget book pages for more detail.

## **Human Services Department Projects - \$144,527**

Please see the individual department budget book pages for more detail.

## **Office of Sustainability and Environment Projects - \$298,689**

Please see the individual department budget book pages for more detail.

## **Seattle City Light Projects - \$1,933,143/1.00 FTE**

Please see the individual department budget book pages for more detail.

## **Seattle Center Information Technology Projects - \$156,000**

Please see the individual department budget book pages for more detail.

## **Seattle Department of Construction and Inspections - \$1,071,253**

Please see the individual department budget book pages for more detail.

## **Seattle Department of Transportation Projects - \$3,694,331**

Please see the individual department budget book pages for more detail.

## **Seattle Fire Department Projects - \$1,445,269**

Please see the individual department budget book pages for more detail.

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## **Citywide Summit Re-Implementation Project - \$6,871,609/1.00 FTE**

This item represents the department's work in support of the Citywide Summit Re-Implementation (SRI) project. For Seattle IT, this item includes both resources for work on the department's behalf and appropriation authority for technical work for other departments. In 2017, this item includes \$1.1 million for technical and non-technical work for Seattle IT's own SRI needs and includes \$5.7 million for technical work for other departments including the Department of Parks and Recreation, Finance and Administrative Services, Human Services Department, Seattle Center, Seattle Department of Construction and Inspections, Seattle Department of Transportation, Seattle Fire Department, and Seattle Police Department. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

## **Proposed Technical Changes**

### **Technical Adjustments - (\$486,855)/1.00 FTE**

This item contains adjustments for technical changes to the Seattle IT CIP, specifically the citywide interactive voice response system replacement and the alternate data center. It also includes an adjustment to reconcile position costs for a position related to Seattle City Light and Seattle Public Utilities.

# Seattle Information Technology Department

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Application Services Budget Control Level</b>	<b>D6600</b>	<b>0</b>	<b>0</b>	<b>36,474,024</b>	<b>36,280,985</b>
<b>Business Office Budget Control</b>					
Business Office		0	1,976,727	6,671,755	6,826,783
CTO/Executive Team		0	0	2,522,364	2,068,635
General and Administration		0	816,976	6,314,688	6,758,193
Programmatic Initiatives		0	0	9,205,059	7,697,904
<b>Total</b>	<b>D1100</b>	<b>0</b>	<b>2,793,703</b>	<b>24,713,866</b>	<b>23,351,515</b>
<b>Citywide IT Initiatives Budget Control</b>					
Department of Construction and Inspections IT Initiatives		0	3,367,227	5,279,446	5,333,179
Department of Education and Early Learning IT Initiatives		0	0	295,233	292,224
Department of Neighborhoods IT Initiatives		0	51,132	38,480	38,480
Department of Parks and Recreation Information Technology Initiatives		0	1,349,487	1,286,468	1,292,331
Finance and Administrative Services IT Initiatives		0	4,967,454	1,385,308	1,400,532
Human Services Department IT Initiatives		0	1,093,044	1,270,187	1,132,054
Office for Civil Rights IT Initiatives		0	94,278	163,875	164,772
Office of Arts and Culture IT Initiatives		0	95,648	153,536	154,294
Office of Housing IT Initiatives		0	99,686	153,990	154,748
Office of Planning and Community Development IT Initiatives		0	0	13,000	13,000
Seattle Center IT Initiatives		0	759,264	874,451	733,683
Seattle City Light IT Initiatives		0	15,694,231	22,516,920	24,547,229
Seattle Department of Transportation IT Initiatives		0	2,821,145	8,104,584	8,232,700
Seattle Fire Department IT Initiatives		0	2,366,046	3,458,889	3,472,849
Seattle Police Department IT Initiatives		0	2,104,740	8,514,602	8,547,360
Seattle Public Utilities IT Initiatives		0	14,236,538	42,946,708	30,732,047
<b>Total</b>	<b>D9900</b>	<b>0</b>	<b>49,099,920</b>	<b>96,455,677</b>	<b>86,241,482</b>
<b>Digital Engagement Budget Control</b>					
Citywide Web Team		0	1,413,307	2,902,511	2,939,385
Community Technology		0	906,809	1,688,180	1,674,394
Office of Cable Communications		0	550,724	802,875	813,480
Open Data		0	0	1,082,106	1,102,640

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Seattle Channel		0	1,973,348	3,347,176	3,383,338
<b>Total</b>	<b>D4400</b>	<b>0</b>	<b>4,844,188</b>	<b>9,822,848</b>	<b>9,913,237</b>
<b>Engineering and Operations Budget Control</b>					
Communications Shop		0	1,210,493	0	0
Customer Support Services		0	1,619,724	11,971,890	12,029,826
Data Network Services		0	1,977,529	0	0
Engineering		0	0	1,899,330	1,953,468
Enterprise Computing		0	8,683,605	22,062,387	21,930,812
Messaging, Collaboration and Directory Services		0	0	0	0
Radio Communications		0	582,263	3,996,722	7,511,567
Radio Network		0	0	0	0
Service Desk		0	1,176,122	0	0
Supply Room		0	852,074	5,478,690	5,506,715
Technical Support Services		0	1,524,308	0	0
Technology Engineering and Project Management		0	1,089,298	4,750,834	4,877,739
Telecommunications		0	5,470,789	15,696,540	15,507,188
<b>Total</b>	<b>D3300</b>	<b>0</b>	<b>24,186,205</b>	<b>65,856,393</b>	<b>69,317,315</b>
<b>Security, Privacy, and Compliance Budget Control</b>					
Compliance		0	0	1,215,683	1,229,862
Privacy		0	0	516,229	527,733
Security		0	434,658	3,343,835	3,386,086
<b>Total</b>	<b>D5500</b>	<b>0</b>	<b>434,658</b>	<b>5,075,747</b>	<b>5,143,681</b>
<b>Strategy and Planning Budget Control</b>					
Citywide PMO		0	0	1,385,916	1,412,571
Enterprise Architecture		0	0	168,143	169,003
Information Security Office		0	0	0	0
IT Governance		0	2,064,722	515,548	528,766
Portfolio		0	0	344,941	354,444
Project Resources		0	0	3,942,440	3,964,716
Service Management Office		0	0	735,644	754,263
<b>Total</b>	<b>D2200</b>	<b>0</b>	<b>2,064,722</b>	<b>7,092,632</b>	<b>7,183,763</b>
<b>Department Total</b>		<b>0</b>	<b>83,423,396</b>	<b>245,491,187</b>	<b>237,431,978</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>656.60</b>	<b>658.60</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



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## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
542810	Cable Fund Allocation	0	5,357,114	9,713,467	9,399,960
	<b>Total Cable Fund</b>	<b>0</b>	<b>5,357,114</b>	<b>9,713,467</b>	<b>9,399,960</b>
541490	Technology Allocation (GF Depts)	0	11,103,153	49,003,032	50,826,382
541810	Rates (GF Depts)	0	123,500	212,646	217,569
541810	Rates (GF Depts) - Citywide	0	13,413,780	433,908	134,458
	Department Specific Initiatives				
542810	Rates (GF Depts)	0	2,212,841	3,123,083	3,152,584
	<b>Total City Agency - GF</b>	<b>0</b>	<b>26,853,274</b>	<b>52,772,669</b>	<b>54,330,993</b>
541490	Technology Allocation	0	14,097,196	101,319,117	98,469,236
541810	Rates	0	100,699	2,032,892	1,402,362
541810	Rates - Citywide	0	37,661,803	40,866,270	30,205,335
	Department Specific Initiatives				
542810	Rates	0	856,071	1,257,214	1,262,933
	<b>Total City Agency - Non-GF</b>	<b>0</b>	<b>52,715,769</b>	<b>145,475,493</b>	<b>131,339,866</b>
442810	Rates	0	267,684	361,175	363,869
	<b>Total External Revenues</b>	<b>0</b>	<b>267,684</b>	<b>361,175</b>	<b>363,869</b>
587001	Technology Allocation (pure GF)	0	1,718,340	20,481,287	18,789,746
	<b>Total General Subfund Support</b>	<b>0</b>	<b>1,718,340</b>	<b>20,481,287</b>	<b>18,789,746</b>
569990	Long-Term General Obligation (LTGO) Bonds - MCIS	0	0	2,518,625	6,600,400
569990	Long-Term General Obligation (LTGO) Bonds - Next Generation Data Center	0	0	0	0
569990	Long-Term General Obligation (LTGO) Bonds - SMT Remodel - IT	0	0	4,800,000	0
	<b>Total LTGO Bonds</b>	<b>0</b>	<b>0</b>	<b>7,318,625</b>	<b>6,600,400</b>
542810	Special Project Billings	0	1,396,299	12,877,736	19,327,295
	<b>Total Special Project Billings</b>	<b>0</b>	<b>1,396,299</b>	<b>12,877,736</b>	<b>19,327,295</b>
	<b>Total Revenues</b>	<b>0</b>	<b>88,308,480</b>	<b>249,000,452</b>	<b>240,152,129</b>
379100	Use of (Contributions to) Fund Balance	0	-4,885,085	-3,509,265	-2,720,151
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>0</b>	<b>-4,885,085</b>	<b>-3,509,265</b>	<b>-2,720,151</b>
	<b>Total Resources</b>	<b>0</b>	<b>83,423,395</b>	<b>245,491,187</b>	<b>237,431,978</b>

# Seattle Information Technology Department

## Appropriations By Budget Control Level (BCL) and Program

### Application Services Budget Control Level

The purpose of the Application Services Budget Control Level is to design, develop, integrate, implement, and support application solutions in accordance with citywide architecture and governance.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Application Services	0	0	36,474,024	36,280,985
<b>Total</b>	<b>0</b>	<b>0</b>	<b>36,474,024</b>	<b>36,280,985</b>
Full-time Equivalents Total*	0.00	0.00	64.50	66.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

### Business Office Budget Control Level

The purpose of the Business Office Budget Control Level is to provide human resources, contracting, finance, budget, and accounting services (planning, control, analysis, and consulting) to the Department, and to manage funding associated with Citywide initiatives.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Business Office	0	1,976,727	6,671,755	6,826,783
CTO/Executive Team	0	0	2,522,364	2,068,635
General and Administration	0	816,976	6,314,688	6,758,193
Programmatic Initiatives	0	0	9,205,059	7,697,904
<b>Total</b>	<b>0</b>	<b>2,793,703</b>	<b>24,713,866</b>	<b>23,351,515</b>
Full-time Equivalents Total*	0.00	0.00	51.50	51.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Information Technology Department

*The following information summarizes the programs in Business Office Budget Control Level:*

## Business Office Program

To provide human resources, contracting, finance, accounting, grants management and budget (planning, control, analysis and consulting) services to the other information technology divisions.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Business Office	0	1,976,727	6,671,755	6,826,783
Full-time Equivalents Total	0.00	0.00	42.50	42.50

## CTO/Executive Team Program

To manage funding associated with the Chief Technology Officer (CTO) and the Seattle IT Executive Team. The CTO sets technology standards and strategies to ensure the City's technology investments are used efficiently and effectively.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
CTO/Executive Team	0	0	2,522,364	2,068,635
Full-time Equivalents Total	0.00	0.00	8.00	8.00

## General and Administration Program

The purpose of the General and Administration Program is to provide general administrative services and supplies to the Department's internal programs.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Proposed	Proposed
General and Administration	0	816,976	6,314,688	6,758,193

## Programmatic Initiatives Program

To manage funding associated with programmatic IT initiatives.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Programmatic Initiatives	0	0	9,205,059	7,697,904
Full-time Equivalents Total	0.00	0.00	1.00	1.00

# Seattle Information Technology Department

## Citywide IT Initiatives Budget Control Level

The purpose of the City Department IT Initiatives Budget Control Level is to provide support for IT initiatives within departments.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Department of Construction and Inspections IT Initiatives	0	3,367,227	5,279,446	5,333,179
Department of Education and Early Learning IT Initiatives	0	0	295,233	292,224
Department of Neighborhoods IT Initiatives	0	51,132	38,480	38,480
Department of Parks and Recreation Information Technology Initiatives	0	1,349,487	1,286,468	1,292,331
Finance and Administrative Services IT Initiatives	0	4,967,454	1,385,308	1,400,532
Human Services Department IT Initiatives	0	1,093,044	1,270,187	1,132,054
Office for Civil Rights IT Initiatives	0	94,278	163,875	164,772
Office of Arts and Culture IT Initiatives	0	95,648	153,536	154,294
Office of Housing IT Initiatives	0	99,686	153,990	154,748
Office of Planning and Community Development IT Initiatives	0	0	13,000	13,000
Seattle Center IT Initiatives	0	759,264	874,451	733,683
Seattle City Light IT Initiatives	0	15,694,231	22,516,920	24,547,229
Seattle Department of Transportation IT Initiatives	0	2,821,145	8,104,584	8,232,700
Seattle Fire Department IT Initiatives	0	2,366,046	3,458,889	3,472,849
Seattle Police Department IT Initiatives	0	2,104,740	8,514,602	8,547,360
Seattle Public Utilities IT Initiatives	0	14,236,538	42,946,708	30,732,047
<b>Total</b>	<b>0</b>	<b>49,099,920</b>	<b>96,455,677</b>	<b>86,241,482</b>
Full-time Equivalents Total*	0.00	0.00	249.10	249.10

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Seattle Information Technology Department

*The following information summarizes the programs in Citywide IT Initiatives Budget Control Level:*

## Department of Construction and Inspections IT Initiatives Program

The purpose of the Department of Construction and Inspections IT Initiatives Program is to provide support for IT initiatives within the Department of Construction and Inspections.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Department of Construction and Inspections IT Initiatives	0	3,367,227	5,279,446	5,333,179
Full-time Equivalents Total	0.00	0.00	21.00	21.00

## Department of Education and Early Learning IT Initiatives Program

The purpose of the Department of Education and Early Learning IT Initiatives Program is to provide support for IT initiatives within the Department of Education and Early Learning.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Department of Education and Early Learning IT Initiatives	0	0	295,233	292,224
Full-time Equivalents Total	0.00	0.00	1.00	1.00

## Department of Neighborhoods IT Initiatives Program

The purpose of the Department of Neighborhoods IT Initiatives Program is to provide support for IT initiatives within the Department of Neighborhoods.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Department of Neighborhoods IT Initiatives	0	51,132	38,480	38,480

## Department of Parks and Recreation Information Technology Initiatives Program

The purpose of the Department of Parks and Recreation IT Initiatives Program is to support IT initiatives within the Department of Parks and Recreation.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Department of Parks and Recreation Information Technology Initiatives	0	1,349,487	1,286,468	1,292,331
Full-time Equivalents Total	0.00	0.00	7.00	7.00

# Seattle Information Technology Department

## Finance and Administrative Services IT Initiatives Program

The purpose of the Finance and Administrative Services IT Initiatives Program is to support IT initiatives within the Finance and Administrative Services Department.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Finance and Administrative Services IT Initiatives	0	4,967,454	1,385,308	1,400,532
Full-time Equivalents Total	0.00	0.00	5.00	5.00

## Human Services Department IT Initiatives Program

The purpose of the Human Services Department IT Initiatives Program is to support IT initiatives within the Human Services Department.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Human Services Department IT Initiatives	0	1,093,044	1,270,187	1,132,054
Full-time Equivalents Total	0.00	0.00	7.10	7.10

## Office for Civil Rights IT Initiatives Program

The purpose of the Office for Civil Rights IT Initiatives Program is to provide support for IT initiatives within the Office for Civil Rights.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Office for Civil Rights IT Initiatives	0	94,278	163,875	164,772
Full-time Equivalents Total	0.00	0.00	0.50	0.50

## Office of Arts and Culture IT Initiatives Program

The purpose of the Office of Arts and Culture IT Initiatives Program is to provide support to IT initiatives within the Office of Arts and Culture.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Office of Arts and Culture IT Initiatives	0	95,648	153,536	154,294
Full-time Equivalents Total	0.00	0.00	1.00	1.00

## Office of Housing IT Initiatives Program

The purpose of the Office of Housing IT Initiatives Program is to provide support for IT initiatives within the Office of Housing.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Office of Housing IT Initiatives	0	99,686	153,990	154,748
Full-time Equivalents Total	0.00	0.00	1.00	1.00

# Seattle Information Technology Department

## Office of Planning and Community Development IT Initiatives Program

The purpose of the Office of Planning and Community Development IT Initiatives Program is to provide support for IT initiatives within the Office of Planning and Community Development.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Office of Planning and Community Development IT Initiatives	0	0	13,000	13,000

## Seattle Center IT Initiatives Program

The purpose of the Seattle Center IT Initiatives Program is to support IT initiatives within the Seattle Center.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Seattle Center IT Initiatives	0	759,264	874,451	733,683
Full-time Equivalents Total	0.00	0.00	4.00	4.00

## Seattle City Light IT Initiatives Program

The purpose of the Seattle City Light IT Initiatives Program is to support IT initiatives within Seattle City Light.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Seattle City Light IT Initiatives	0	15,694,231	22,516,920	24,547,229
Full-time Equivalents Total	0.00	0.00	65.50	65.50

## Seattle Department of Transportation IT Initiatives Program

The purpose of the Seattle Department of Transportation IT Initiatives Program is to support IT initiatives within the Seattle Department of Transportation.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Seattle Department of Transportation IT Initiatives	0	2,821,145	8,104,584	8,232,700
Full-time Equivalents Total	0.00	0.00	23.00	23.00

## Seattle Fire Department IT Initiatives Program

The purpose of the Seattle Fire Department IT Initiatives Program is to support IT initiatives within the Seattle Fire Department.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Seattle Fire Department IT Initiatives	0	2,366,046	3,458,889	3,472,849
Full-time Equivalents Total	0.00	0.00	17.00	17.00

# Seattle Information Technology Department

## Seattle Police Department IT Initiatives Program

The purpose of the Seattle Police Department IT Initiatives Program is to support IT initiatives within the Seattle Police Department.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Seattle Police Department IT Initiatives	0	2,104,740	8,514,602	8,547,360
Full-time Equivalents Total	0.00	0.00	21.00	21.00

## Seattle Public Utilities IT Initiatives Program

The purpose of the Seattle Public Utilities IT Initiatives Program is to support IT initiatives within the Seattle Public Utilities.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Seattle Public Utilities IT Initiatives	0	14,236,538	42,946,708	30,732,047
Full-time Equivalents Total	0.00	0.00	75.00	75.00

## Digital Engagement Budget Control Level

The purpose of the Digital Engagement Budget Control Level is to operate the Seattle Channel, Cable Office, Web sites, and related programs.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Citywide Web Team	0	1,413,307	2,902,511	2,939,385
Community Technology	0	906,809	1,688,180	1,674,394
Office of Cable Communications	0	550,724	802,875	813,480
Open Data	0	0	1,082,106	1,102,640
Seattle Channel	0	1,973,348	3,347,176	3,383,338
<b>Total</b>	<b>0</b>	<b>4,844,188</b>	<b>9,822,848</b>	<b>9,913,237</b>
Full-time Equivalents Total*	0.00	0.00	43.00	43.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Digital Engagement Budget Control Level:**

### Citywide Web Team Program

The purpose of the Citywide Web Team Program is to provide leadership in using Web technology and a Web presence for residents, businesses, visitors, and employees so that they have 24-hour access to relevant information and City services.

Expenditures/FTE	2015	2016	2017	2018
	Actual	Adopted	Proposed	Proposed
Citywide Web Team	0	1,413,307	2,902,511	2,939,385
Full-time Equivalents Total	0.00	0.00	17.00	17.00



# Seattle Information Technology Department

## Community Technology Program

The purpose of the Community Technology Program is to provide leadership, education, and funding so that all residents have access to computer technology and online information.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Community Technology	0	906,809	1,688,180	1,674,394
Full-time Equivalents Total	0.00	0.00	5.00	5.00

## Office of Cable Communications Program

The purpose of the Office of Cable Communications Program is to negotiate with and regulate private cable communications providers so that residents receive high-quality and reasonably priced services.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Office of Cable Communications	0	550,724	802,875	813,480
Full-time Equivalents Total	0.00	0.00	2.50	2.50

## Open Data Program

Provides the publication and management of data on the City's open data platform. The open data team works with departments to make additional datasets available in a manner that protects individual privacy and works on further projects to make City performance, budget and other data available to provide transparency and foster innovation.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Open Data	0	0	1,082,106	1,102,640
Full-time Equivalents Total	0.00	0.00	4.00	4.00

## Seattle Channel Program

The purpose of the Seattle Channel Program is to inform and engage residents in Seattle's governmental, civic, and cultural affairs by using television, the Web, and other media in compelling ways.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Seattle Channel	0	1,973,348	3,347,176	3,383,338
Full-time Equivalents Total	0.00	0.00	14.50	14.50

# Seattle Information Technology Department

## Engineering and Operations Budget Control Level

The purpose of the Engineering and Operations Budget Control Level is to build and operate the City's corporate communications and computing assets.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Communications Shop	0	1,210,493	0	0
Customer Support Services	0	1,619,724	11,971,890	12,029,826
Data Network Services	0	1,977,529	0	0
Engineering	0	0	1,899,330	1,953,468
Enterprise Computing	0	8,683,605	22,062,387	21,930,812
Messaging, Collaboration and Directory Services	0	0	0	0
Radio Communications	0	582,263	3,996,722	7,511,567
Radio Network	0	0	0	0
Service Desk	0	1,176,122	0	0
Supply Room	0	852,074	5,478,690	5,506,715
Technical Support Services	0	1,524,308	0	0
Technology Engineering and Project Management	0	1,089,298	4,750,834	4,877,739
Telecommunications	0	5,470,789	15,696,540	15,507,188
<b>Total</b>	<b>0</b>	<b>24,186,205</b>	<b>65,856,393</b>	<b>69,317,315</b>
Full-time Equivalents Total*	0.00	0.00	191.00	191.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Engineering and Operations Budget Control Level:**

### **Communications Shop Program**

The purpose of the Communications Shop Program is to install, maintain, and repair the dispatch radio infrastructure and mobile and portable radios for City departments and other regional agencies for common, cost-effective communications.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Communications Shop	0	1,210,493	0	0

### **Customer Support Services Program**

To provide, operate and maintain personal computer services for City employees.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Support Services	0	1,619,724	11,971,890	12,029,826
Full-time Equivalents Total	0.00	0.00	74.00	74.00

# Seattle Information Technology Department

## Data Network Services Program

To provide data communications infrastructure and related services to City employees so that they may send and receive electronic data in a cost-effective manner and residents may electronically communicate with City staff and access City services.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Data Network Services	0	1,977,529	0	0

## Engineering Program

Provides technical engineering and project management services for City communications systems and networks, manages large technology infrastructure projects for City departments, and facilitates reliable and cost-effective solutions.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Engineering	0	0	1,899,330	1,953,468
Full-time Equivalent Total	0.00	0.00	11.00	11.00

## Enterprise Computing Program

The purpose of the Enterprise Computing Services Program is to provide a reliable production computing environment that allows departments to effectively operate their technology applications, operating systems, and servers.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Enterprise Computing	0	8,683,605	22,062,387	21,930,812
Full-time Equivalent Total	0.00	0.00	45.50	45.50

## Messaging, Collaboration and Directory Services Program

To provide, operate and maintain an infrastructure for e-mail, calendar, directory and related services to City employees and the general public.

<b>Expenditures</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Messaging, Collaboration and Directory Services	0	0	0	0

## Radio Communications Program

To install, maintain and repair the dispatch radio infrastructure and mobile and portable radios for City departments and other regional agencies for common, cost-effective communications as well as other mobile and non-mobile electronic equipment.

<b>Expenditures/FTE</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
Radio Communications	0	582,263	3,996,722	7,511,567
Full-time Equivalent Total	0.00	0.00	11.00	11.00

# Seattle Information Technology Department

## Radio Network Program

To provide dispatch radio communications and related services to City departments and other regional agencies.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Radio Network	0	0	0	0

## Service Desk Program

The purpose of the Service Desk Program is to provide an initial point of contact for technical support, problem analysis and resolution, and referral services for customers in non-utility departments.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Service Desk	0	1,176,122	0	0

## Supply Room Program

To acquire, store and distribute telephone and data communications components to the department so equipment is available when requested.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Supply Room	0	852,074	5,478,690	5,506,715
Full-time Equivalents Total	0.00	0.00	7.00	7.00

## Technical Support Services Program

The purpose of the Technical Support Services Program is to provide, operate, and maintain computer services for City employees so that they have a reliable computing environment to conduct City business and to provide services to other government entities and the public.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Technical Support Services	0	1,524,308	0	0

## Technology Engineering and Project Management Program

The purpose of the Technology Engineering and Project Management Program is to engineer communications systems and networks, to manage large technology infrastructure projects for City departments, and to facilitate reliable and cost-effective communications and technology.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Technology Engineering and Project Management	0	1,089,298	4,750,834	4,877,739
Full-time Equivalents Total	0.00	0.00	2.00	2.00

# Seattle Information Technology Department

## Telecommunications Program

To provide, operate and maintain a telecommunications infrastructure and to provide related services to City employees.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Telecommunications	0	5,470,789	15,696,540	15,507,188
Full-time Equivalent Total	0.00	0.00	40.50	40.50

## Security, Privacy, and Compliance Budget Control Level

The purpose of the Security, Privacy, and Compliance Budget Control Level is to develop and implement policies and enforcement measures that further the goal of a secure and compliant computing environment.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Compliance	0	0	1,215,683	1,229,862
Privacy	0	0	516,229	527,733
Security	0	434,658	3,343,835	3,386,086
<b>Total</b>	<b>0</b>	<b>434,658</b>	<b>5,075,747</b>	<b>5,143,681</b>
Full-time Equivalent Total*	0.00	0.00	17.50	17.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Security, Privacy, and Compliance Budget Control Level:**

### Compliance Program

Develops, tracks and reports on operating controls that show the City's level of compliance with regulatory, legal and policy standards.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Compliance	0	0	1,215,683	1,229,862
Full-time Equivalent Total	0.00	0.00	3.00	3.00

### Privacy Program

To develop and implement Citywide standards and policies in support of obligations and legal commitments to protect the personal and sensitive information collected from the public.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Privacy	0	0	516,229	527,733
Full-time Equivalent Total	0.00	0.00	2.50	2.50

# Seattle Information Technology Department

## Security Program

Provides information security services and digital investigation forensics.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Security	0	434,658	3,343,835	3,386,086
Full-time Equivalents Total	0.00	0.00	12.00	12.00

## Strategy and Planning Budget Control Level

The purpose of the Strategy and Planning Budget Control Level is to provide strategic direction and coordination on technology for the City, including the development of a multi-year strategic plan for information technology, development of common standards and architectures, and IT project management and monitoring.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Citywide PMO	0	0	1,385,916	1,412,571
Enterprise Architecture	0	0	168,143	169,003
Information Security Office	0	0	0	0
IT Governance	0	2,064,722	515,548	528,766
Portfolio	0	0	344,941	354,444
Project Resources	0	0	3,942,440	3,964,716
Service Management Office	0	0	735,644	754,263
<b>Total</b>	<b>0</b>	<b>2,064,722</b>	<b>7,092,632</b>	<b>7,183,763</b>
Full-time Equivalents Total*	0.00	0.00	40.00	40.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## **The following information summarizes the programs in Strategy and Planning Budget Control Level:**

### Citywide PMO Program

The Project Management Office (PMO) is accountable for promoting the discipline of planning, organizing, securing and managing resources to achieve specific goals through a standard project management methodology and process for customers served by Seattle IT. The PMO also provides business analysis services including requirements elicitation, business process documentation and reengineering.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Citywide PMO	0	0	1,385,916	1,412,571
Full-time Equivalents Total	0.00	0.00	7.00	7.00

# Seattle Information Technology Department

## Enterprise Architecture Program

Enterprise Architecture is responsible for designing architecture for the organization on an enterprise level; defines system and application architecture; and provides vision, problem anticipation and problem-solving ability to the organization. The enterprise architecture team is accountable for defining, maintaining and managing frameworks and standards for service management and service management processes.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Enterprise Architecture	0	0	168,143	169,003
Full-time Equivalents Total	0.00	0.00	1.00	1.00

## Information Security Office Program

To manage the information security program for the City including the creation and enforcement of policy; threat and vulnerability management, monitoring, and response; and regulatory compliance.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Information Security Office	0	0	0	0

## IT Governance Program

This program establishes strategic directions; identifies key technology drivers; supports effective project management and quality assurance; and provides information, research and analysis to departments' business and technology managers.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
IT Governance	0	2,064,722	515,548	528,766
Full-time Equivalents Total	0.00	0.00	2.00	2.00

## Portfolio Program

Manages and facilitates intake of projects, oversees project execution and reports to City stakeholders.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Portfolio	0	0	344,941	354,444
Full-time Equivalents Total	0.00	0.00	2.00	2.00

## Project Resources Program

Manages and provides staffing of IT projects for department stakeholders.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures/FTE</b>				
Project Resources	0	0	3,942,440	3,964,716
Full-time Equivalents Total	0.00	0.00	24.00	24.00

# Seattle Information Technology Department

## Service Management Office Program

The Service Management Organization is accountable for defining, maintaining, and managing frameworks and standards for service management and service management processes.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Service Management Office	0	0	735,644	754,263
Full-time Equivalents Total	0.00	0.00	4.00	4.00

## Seattle IT Fund Table

### Information Technology Fund (50410)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>46,404,748</b>	<b>13,010,957</b>	<b>43,658,495</b>	<b>14,333,790</b>	<b>17,843,055</b>
Accounting and Technical Adjustments	14,916,893	0	0	0	0
Plus: Actual and Estimated Revenues	64,842,147	123,695,236	128,197,699	249,000,452	240,152,129
Less: Actual and Budgeted Expenditures	82,505,292	122,207,868	157,522,404	245,491,187	237,431,978
<b>Ending Fund Balance</b>	<b>43,658,495</b>	<b>14,498,325</b>	<b>14,333,790</b>	<b>17,843,055</b>	<b>20,563,206</b>
Ongoing Reserves	43,140,714	11,048,575	10,507,243	11,434,694	9,598,583
Planning Reserve	229,994	3,757,050	1,417,327	6,438,980	11,423,900
<b>Total Reserves</b>	<b>43,370,708</b>	<b>14,805,625</b>	<b>11,924,570</b>	<b>17,873,673</b>	<b>21,022,483</b>
<b>Ending Unreserved Fund Balance</b>	<b>287,788</b>	<b>-307,299</b>	<b>2,409,221</b>	<b>-30,618</b>	<b>-459,277</b>



# Seattle Information Technology Department

## Capital Improvement Program Highlights

The Seattle Information Technology Department (Seattle IT) provides powerful technology solutions to the City and public it serves. Seattle IT also manages and directs the development of designated projects on behalf of the City, manages other departments' projects, and organizes around priorities and projects with regional partners. Seattle IT's Capital Improvement Program (CIP) supports major maintenance, improvements, replacements, and upgrades to the City's existing technology systems as well as the development and implementation of new capacity and systems.

Now that Seattle IT is managing and developing information technology projects on behalf of City departments, the CIP is expanding to accommodate the management and tracking of department-specific projects.

With 2017 being the first full year operating as a consolidated department, the Seattle IT CIP budget provides a robust overview on where the department is headed, investment priorities, new and improved processes, how it intends to interact with departments, and what the future holds for information technology. See the Seattle IT CIP for a detailed overview and for information on the 2017-2022 Proposed CIP.

# Office of Intergovernmental Relations

Chris Gregorich, Director

(206) 684-0213

<http://www.seattle.gov/oir>

## Department Overview

The Office of Intergovernmental Relations (OIR) provides advice and information to, and on behalf of, City elected officials, City departments, and external customers. The primary goal of these efforts is to ensure the City's interests are advanced with regional, state, federal, tribal and international entities to enable the City to better serve the community.

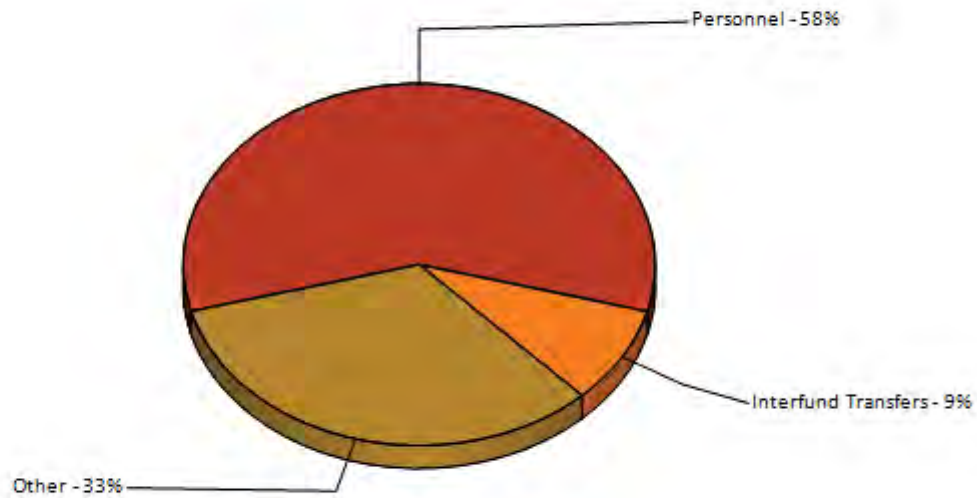
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$2,827,638	\$2,794,643	\$2,913,827	\$2,962,828
<b>Total Operations</b>	<b>\$2,827,638</b>	<b>\$2,794,643</b>	<b>\$2,913,827</b>	<b>\$2,962,828</b>
<b>Total Appropriations</b>	<b>\$2,827,638</b>	<b>\$2,794,643</b>	<b>\$2,913,827</b>	<b>\$2,962,828</b>
Full-time Equivalent Total*	11.50	10.50	11.50	11.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Office of Intergovernmental Relations

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of Intergovernmental Relations (OIR) is responsible for engaging with other jurisdictions and governmental entities to collaborate and advocate for outcomes that are in the interest of the City and region. OIR implements and manages lobbying contracts and ensures the City's lobbying resources align with the City's strategic advocacy priorities.

The Mayor's 2017-2018 Proposed Budget makes two changes to the department. In order to increase the City's ability to respond to increased international opportunities, the proposed budget adds one position to OIR. This will help elevate Seattle's international profile increasing support of the City's existing and new international initiatives. In addition, OIR responded to the request of all departments to reprioritize General Fund resources for other priorities with a 2% reduction. The proposed budget includes this reduction, made to the department's human services advocacy contracts.

# Office of Intergovernmental Relations

## Incremental Budget Changes

### Office of Intergovernmental Relations

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 2,794,643</b>	<b>10.50</b>	<b>\$ 2,794,643</b>	<b>10.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 72,684	0.00	\$ 121,685	0.00
<b>Proposed Changes</b>				
Elevate Seattle's International Profile	\$ 100,000	1.00	\$ 100,000	1.00
Reduction to human services advocacy contracts	-\$ 53,500	0.00	-\$ 53,500	0.00
<b>Total Incremental Changes</b>	<b>\$ 119,184</b>	<b>1.00</b>	<b>\$ 168,185</b>	<b>1.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 2,913,827</b>	<b>11.50</b>	<b>\$ 2,962,828</b>	<b>11.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$72,684**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Elevate Seattle's International Profile - \$100,000/1.00 FTE**

As Seattle continues to grow as an international city, opportunities for the City to become involved in international issues are also growing. Through trade and cultural exchange, to building local immigrant community groups, increasing our international profile benefits Seattle's residents. To help develop these opportunities, the 2015 Adopted and 2016 Endorsed Budget added an international business development position to OIR to facilitate growth in international economic activity. This position and portfolio were transferred to the Office of Economic Development to align business development activities within one department.

The 2017-2018 Proposed Budget builds on the need for more capacity by including a Strategic Advisor 1 to facilitate and maintain existing and new international relationships and initiatives. This includes strengthening the Sister Cities program, increasing outreach to local international groups, and institutionalizing the Partner Cities

# Office of Intergovernmental Relations

program. Like with the Sister Cities, the Partner Cities program seeks to build relationships between Seattle and foreign cities, but with the ability to move more nimbly to opportunities.

## Reduction to human services advocacy contracts - (\$53,500)

The Office of Intergovernmental Relations is reducing their overall budget by 2% in order for the City to reprioritize General Fund to other initiatives. This reduction will come out of the funding for human services advocacy contracts.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Intergovernmental Relations Budget Control Level	X1G00	2,827,638	2,794,643	2,913,827	2,962,828
<b>Department Total</b>		<b>2,827,638</b>	<b>2,794,643</b>	<b>2,913,827</b>	<b>2,962,828</b>
<b>Department Full-time Equivalents Total*</b>		<b>11.50</b>	<b>10.50</b>	<b>11.50</b>	<b>11.50</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Appropriations By Budget Control Level (BCL) and Program

### Intergovernmental Relations Budget Control Level

The purpose of the Intergovernmental Relations Budget Control Level is to promote and protect the City's federal, state, regional, tribal, and international interests by providing strategic advice, representation, and advocacy to, and on behalf of, City elected officials on a variety of issues. These include: federal and state executive and legislative actions; issues and events relating to the City's tribal and international relations; and jurisdictional issues involving King County, suburban cities, and regional governmental organizations.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Intergovernmental Relations	2,827,638	2,794,643	2,913,827	2,962,828
<b>Total</b>	<b>2,827,638</b>	<b>2,794,643</b>	<b>2,913,827</b>	<b>2,962,828</b>
Full-time Equivalents Total*	11.50	10.50	11.50	11.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Labor Standards

Dylan Orr, Director

(206) 684-4500

<http://www.seattle.gov/laborstandards>

## Department Overview

The mission of the Office of Labor Standards (OLS) is to advance labor standards through thoughtful community and business engagement, strategic enforcement and innovative policy development, with a commitment to race and social justice. OLS's main work program focuses on the enforcement of Seattle's Labor Standards Ordinances for employees working within Seattle city limits. These ordinances include the:

- **Paid Sick and Safe Time Ordinance**, requiring employers with more than four full-time equivalent employees to provide paid sick and safe time;
- **Fair Chance Employment Ordinance**, restricting how employers can use conviction and arrest records during the hiring process and course of employment;
- **Minimum Wage Ordinance**, establishing a minimum hourly wage that will rise to \$15/hour over several years; and
- **Wage Theft Ordinance**, requiring employers to provide written notice of employment information and pay all compensation due by reason of employment (including wages and tips) on a regular pay day.

OLS also provides free education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Labor Standards Community Outreach and Education Fund** to foster collaboration between OLS and the community with funds to develop awareness and understanding of worker rights provided by Seattle's labor standards. The office also manages the **Labor Standards Business Outreach and Education Fund** which provides technical assistance to small businesses in order to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities, who typically are not served by traditional outreach methods.

OLS also provides technical and administrative support for the Labor Standards Advisory Commission, a 15-member commission who advises on matters related to labor standards laws, as well as wages, working conditions, safety, and the health of Seattle workers.

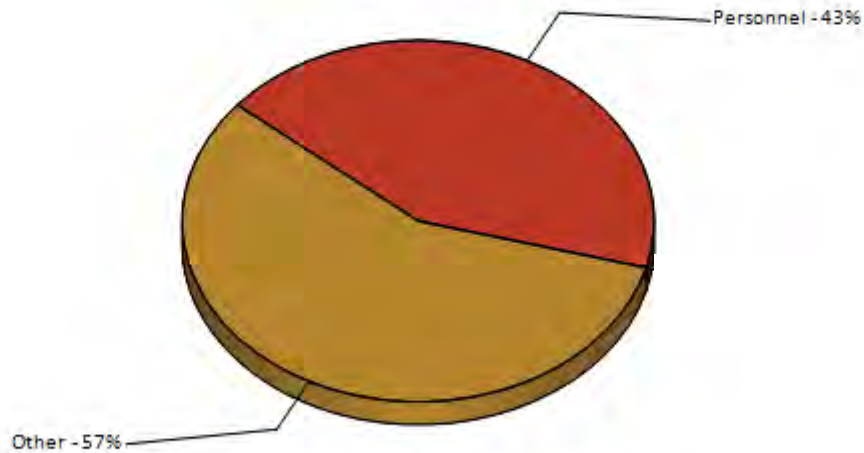
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$0	\$0	\$5,271,785	\$5,561,545
<b>Total Operations</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,271,785</b>	<b>\$5,561,545</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,271,785</b>	<b>\$5,561,545</b>
Full-time Equivalent Total*	0.00	0.00	22.00	22.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Labor Standards

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget creates a stand-alone department for the Office of Labor Standards (OLS) by transferring existing resources from OCR, adding 13 full-time positions, and increasing funding for operating expenses, staff training and outreach. OLS has grown rapidly since it was introduced in 2015 as a division of the Seattle Office for Civil Rights. OLS's responsibilities continue to expand as the City has adopted new regulations to protect wages and working conditions of Seattle workers. The office is currently responsible for enforcing four labor standards ordinances - Minimum Wage, Wage Theft, Paid Sick and Safe Time, and the Fair Chance Employment Ordinance - and will be responsible for other labor standards the City may enact in the future.

Over the past two years, labor standards caseloads have increased as more people become aware of their rights under these ordinances. Furthermore, OLS has identified the need for additional outreach to both employees and employers to educate them about the City's regulations. Outreach and education is no small task for OLS, as Seattle is estimated to have more than 500,000 employees and 60,000 employers that will likely be affected by one or more labor regulations. Lastly, the new Labor Standards Advisory Commission, first convened in June 2016, will require ongoing staff support.

# Office of Labor Standards

## Incremental Budget Changes

### Office of Labor Standards

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Proposed Changes</b>				
Create Department for the Office of Labor Standards	\$ 5,271,785	22.00	\$ 5,561,545	22.00
<b>Total Incremental Changes</b>	<b>\$ 5,271,785</b>	<b>22.00</b>	<b>\$ 5,561,545</b>	<b>22.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 5,271,785</b>	<b>22.00</b>	<b>\$ 5,561,545</b>	<b>22.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Create Department for the Office of Labor Standards - \$5,271,785/22.00 FTE**

In 2017, the Office of Labor Standards will move from its shared office space within OCR into its own office in the Central Building. The proposed budget adds funding for all costs related to this move including lease costs and one-time costs for tenant improvements. This change also transfers existing resources from OCR, which includes 9 existing staff, adds 13 full-time positions, and increases funding for operating expenses, staff training and outreach.

In 2015 and 2016, OLS shared administrative positions with OCR. In 2017, OLS will have its own administrative staffing and will need additional positions to support enforcement and outreach. The 13 new positions include:

- six investigators
- one enforcement manager
- one outreach manager
- one business liaison
- one finance and human resources manager
- one data analyst
- two administrative positions

With these new positions, OLS will be better equipped to handle complex complaint-based investigations and develop a directed investigation program, provide ongoing support to engage the labor and business communities, and fulfill its managerial and administrative needs. This change also reclassifies several existing positions to better reflect their scope of work within the new department.

Finally, this adjustment adds \$2,300,000 to the budget for outreach and education targeted at employees and local employers.



# Office of Labor Standards

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of Labor Standards Budget Control Level	X1R01	0	0	5,271,785	5,561,545
<b>Department Total</b>		<b>0</b>	<b>0</b>	<b>5,271,785</b>	<b>5,561,545</b>

<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>22.00</b>	<b>22.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Appropriations By Budget Control Level (BCL) and Program

### Office of Labor Standards Budget Control Level

The purpose of the Office of Labor Standards Budget Control Level is to enforce Seattle's labor-standards ordinances for employees working within the City of Seattle. This includes investigation, remediation, outreach and education, and policy work related to the paid sick and safe time, fair chance employment, minimum wage, and wage theft ordinances and other applicable ordinances.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Labor Standards	0	0	5,271,785	5,561,545
<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,271,785</b>	<b>5,561,545</b>
Full-time Equivalents Total*	0.00	0.00	22.00	22.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Legislative Department

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Bruce Harrell, Council President

(206) 684-8888 TTY: (206) 233-0025

<http://www.seattle.gov/council/>

## Department Overview

The Legislative Department is comprised of the Seattle City Council, as well as two primary divisions: Central Staff and the Office of the City Clerk. Each division supports various aspects of the Council and works with members of the public and City departments to facilitate and develop effective and responsive public policy. The Council and Legislative Department are part of the legislative branch of government, which also includes the Office of City Auditor and the Office of Hearing Examiner.

The Council is composed of two at-large and seven district-elected seats for a total of nine, nonpartisan, elected councilmembers. In the November 2015 election, seven district Councilmembers were elected to a four-year term beginning in 2016. Two at-large Councilmembers were elected to an initial two-year term to align the election for a four-year term with the Mayor and City Attorney election in 2017. This approach staggers the district and at-large elections two years apart in future years.

The City Council establishes City laws; creates, evaluates and approves policies, legislation, and regulations; approves the City's annual operating and capital improvement budgets; and provides oversight to the City's executive departments. Each councilmember has a staff of legislative assistants who assist in this work.

Central Staff provides policy and budget analysis for councilmembers and their staffs, as well as finance, budget, accounting, payroll and consultant contracting services to the Legislative Department, the Office of City Auditor and the Office of Professional Accountability Review Board.

The Office of the City Clerk advances principles of open government and inclusive access through effective facilitation of the legislative process and transparent, accountable stewardship of public information and the official record, including City Council proceedings and legislation. The City Clerk serves as ex-officio elections administrator and filing officer. The office manages the City's Boards and Commissions Registry Program; coordinates public records disclosure requests; and provides information technology, administrative and operational support to the Legislative Department and Office of Professional Accountability Review Board.

Communications and Human Resources teams are also a part of the Legislative Department. Communications staff assists councilmembers and the Council as a whole in communicating values, goals and issues to the public by providing marketing and public relations services, including website and social media management, strategic media relations and public affairs work. Human Resources staff provides employee relations, talent acquisition, employee development, performance management, and benefits administration services.

# Legislative Department

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$13,745,496	\$14,316,153	\$15,687,950	\$16,075,822
<b>Total Operations</b>	<b>\$13,745,496</b>	<b>\$14,316,153</b>	<b>\$15,687,950</b>	<b>\$16,075,822</b>
<b>Total Appropriations</b>	<b>\$13,745,496</b>	<b>\$14,316,153</b>	<b>\$15,687,950</b>	<b>\$16,075,822</b>
Full-time Equivalent Total*	88.50	90.00	99.00	99.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Expenditure by Category



## Budget Overview

The 2017-2018 Proposed Budget maintains support to the City Council and preserves the services provided by the City Council to residents and City departments. In 2016, the Seattle City Council changed to a district-based representation model with seven members representing geographical districts, and two members serving the City at-large. Beginning in 2017, each council office will receive funding to better serve and communicate with residents of the Council districts.

# Legislative Department

## Incremental Budget Changes

### Legislative Department

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 14,316,153</b>	<b>90.00</b>	<b>\$ 14,316,153</b>	<b>90.00</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 10,000	0.00	-\$ 10,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 931,797	0.00	\$ 1,319,669	0.00
<b>Proposed Changes</b>				
Add Funding for Council District Offices and Additional Legislative Assistants	\$ 450,000	9.00	\$ 450,000	9.00
<b>Proposed Technical Changes</b>				
Technical Adjustment	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,371,797</b>	<b>9.00</b>	<b>\$ 1,759,669</b>	<b>9.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 15,687,950</b>	<b>99.00</b>	<b>\$ 16,075,822</b>	<b>99.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$10,000)**

This item includes a budget reduction for a one-time addition in the 2016 Adopted Budget for work related to a universal parental and family leave policy.

#### **Citywide Adjustments for Standard Cost Changes - \$931,797**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018.

# Legislative Department

## Proposed Changes

### **Add Funding for Council District Offices and Additional Legislative Assistants - \$450,000/9.00 FTE**

This change adds funding to the Legislative Department to enhance engagement with the new City Council Districts. In 2016, the Seattle City Council changed to a district-based representation model with seven members representing geographical districts and two members serving the City at-large. To better serve and communicate with residents of the Council districts, Seattle City Council also authorized nine full-time Legislative Assistant positions, one for each council office. In fulfilling Ordinance 125032, this changes make an adjustment to add the nine positions to the 2017-2018 Proposed Budget and provides \$50,000 per year to each council office to pay for staffing and, in some cases, to pay for office space rent in a councilmember's district.

## Proposed Technical Changes

### **Technical Adjustment**

This adjustment makes net zero budgetary changes to better align the budget with actual expenditures.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2015 Actual</b>	<b>2016 Adopted</b>	<b>2017 Proposed</b>	<b>2018 Proposed</b>
<b>Legislative Department Budget Control</b>					
Central Staff		3,272,325	3,423,646	3,657,535	3,763,219
City Clerk		3,044,909	3,204,115	3,489,240	3,588,264
City Council		5,504,278	5,535,636	6,283,855	6,445,523
General Expense		1,923,983	2,152,756	2,257,320	2,278,816
<b>Total</b>	<b>G1100</b>	<b>13,745,496</b>	<b>14,316,153</b>	<b>15,687,950</b>	<b>16,075,822</b>
<b>Department Total</b>		<b>13,745,496</b>	<b>14,316,153</b>	<b>15,687,950</b>	<b>16,075,822</b>
<b>Department Full-time Equivalent Total*</b>		<b>88.50</b>	<b>90.00</b>	<b>99.00</b>	<b>99.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Legislative Department

## Appropriations By Budget Control Level (BCL) and Program

### Legislative Department Budget Control Level

The purpose of the Legislative Department Budget Control Level is to set policy, enact City laws, approve the City's budget, provide oversight of City departments, and support the mission of the Council.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Central Staff	3,272,325	3,423,646	3,657,535	3,763,219
City Clerk	3,044,909	3,204,115	3,489,240	3,588,264
City Council	5,504,278	5,535,636	6,283,855	6,445,523
General Expense	1,923,983	2,152,756	2,257,320	2,278,816
<b>Total</b>	<b>13,745,496</b>	<b>14,316,153</b>	<b>15,687,950</b>	<b>16,075,822</b>
Full-time Equivalents Total*	88.50	90.00	99.00	99.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

**The following information summarizes the programs in Legislative Department Budget Control Level:**

#### **Central Staff Program**

The purpose of the Central Staff Program is to provide high-quality, objective research and analysis to the Council and its individual members on a variety of policy and budget issues. Central Staff also provides finance, budget, accounting, payroll and consultant contracting services to the Legislative Department, the Office of City Auditor and Office of Professional Accountability Review Board.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Central Staff	3,272,325	3,423,646	3,657,535	3,763,219
Full-time Equivalents Total	21.00	22.00	22.00	22.00

#### **City Clerk Program**

The purpose of the City Clerk Program is to support and facilitate the City's legislative process in compliance with the Open Public Meetings Act; manage the City's Records Management Program and ensure public access to the City's records; preserve the City's official and historical records in compliance with the Public Records Acts; manage the City's Boards and Commissions Registry; serve as the City's ex officio elections officer; and provide information technology, administrative and operational support to the Legislative Department and Office of Professional Accountability Review Board.

	2015	2016	2017	2018
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
City Clerk	3,044,909	3,204,115	3,489,240	3,588,264
Full-time Equivalents Total	26.50	27.00	27.00	27.00

# Legislative Department

## City Council Program

The purpose of the City Council Program is to set policy; review, consider and determine legislative action; approve the City's budget; and provide oversight of City departments. The goal of the City Council is to be transparent, effective and accountable, as well as to promote diversity and health of all neighborhoods. This program consists of the nine Councilmembers, their Legislative Assistants and the Communications and Human Resources staff.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
City Council	5,504,278	5,535,636	6,283,855	6,445,523
Full-time Equivalents Total	41.00	41.00	50.00	50.00

## General Expense Program

The purpose of the General Expense Program is to track and account for expenses for the operation of the Legislative Department. These expenditures include workers' compensation and unemployment claims; information technology hardware and software costs; common area equipment, furniture and related expenses; and internal City cost allocations and charges, including space rent, information technology, telephone services and common area building maintenance. It also includes Office of Professional Accountability Review Board expenses.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General Expense	1,923,983	2,152,756	2,257,320	2,278,816

# Office of the Mayor

Edward B. Murray, Mayor

(206) 684-4000

<http://www.seattle.gov/mayor/>

## Department Overview

The Office of the Mayor works to provide strong leadership to the residents, employees, and regional neighbors of the City of Seattle and to create an environment that encourages ideas, civic discourse, and inclusion for the City's entire diverse population.

In the municipality of Seattle, the Mayor governs the Executive Branch as its chief executive officer. More than 25 department directors are appointed by the Mayor, work directly for the Mayor, and have been delegated the day-to-day authority to administer their respective departments and offices. The Mayor also appoints members to the City's 45 boards and commissions. The many legal roles and responsibilities of the Mayor, and those working directly for the Mayor, are prescribed in the City Charter, state statutes and municipal ordinances. Elections for this nonpartisan office are held every four years.

## Budget Snapshot

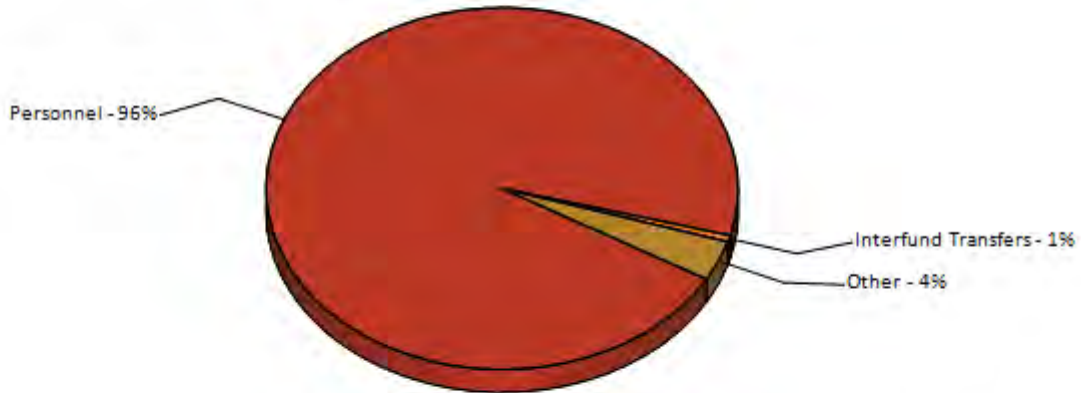
Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$5,233,166	\$5,833,014	\$6,572,417	\$6,762,707
<b>Total Operations</b>	<b>\$5,233,166</b>	<b>\$5,833,014</b>	<b>\$6,572,417</b>	<b>\$6,762,707</b>
<b>Total Appropriations</b>	<b>\$5,233,166</b>	<b>\$5,833,014</b>	<b>\$6,572,417</b>	<b>\$6,762,707</b>
Full-time Equivalent Total*	35.50	44.00	44.00	44.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Office of the Mayor

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The 2017-2018 Proposed Budget includes City funding for the director of the Innovation Team grant program. Also included are technical changes for central cost changes, and an adjustment approved by Council for a director of homelessness.

### Incremental Budget Changes

#### Office of the Mayor

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 5,833,014</b>	<b>44.00</b>	<b>\$ 5,833,014</b>	<b>44.00</b>
<b>Baseline Changes</b>				
Supplemental Budget Changes	\$ 186,289	0.00	\$ 191,568	0.00
Citywide Adjustments for Standard Cost Changes	\$ 366,567	0.00	\$ 546,293	0.00
<b>Proposed Changes</b>				
City contribution to Innovation Team program	\$ 186,547	0.00	\$ 191,832	0.00

# Office of the Mayor

Total Incremental Changes	\$ 739,403	0.00	\$ 929,693	0.00
2017 - 2018 Proposed Budget	\$ 6,572,417	44.00	\$ 6,762,707	44.00

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Supplemental Budget Changes - \$186,289

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. This change reflects the addition of the Director of Homelessness in the 1st Quarter Supplemental Budget Ordinance, with annualized salary costs.

#### Citywide Adjustments for Standard Cost Changes - \$366,567

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### City contribution to Innovation Team program - \$186,547

In 2015 the City was selected by Bloomberg Philanthropies for an Innovation Team grant to spur innovative policies on major challenges. The grant requires the director position move onto City resources for the third year of the grant project, and those personnel costs are represented in this budget change.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of the Mayor Budget Control Level	X1A00	5,233,166	5,833,014	6,572,417	6,762,707
<b>Department Total</b>		<b>5,233,166</b>	<b>5,833,014</b>	<b>6,572,417</b>	<b>6,762,707</b>
<b>Department Full-time Equivalents Total*</b>		<b>35.50</b>	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Office of the Mayor

## Appropriations By Budget Control Level (BCL) and Program

### Office of the Mayor Budget Control Level

The purpose of the Office of the Mayor Budget Control Level is to provide executive leadership to support City departments, engage and be responsive to residents of the city, develop policy for the City, and provide executive administrative and management support to the City.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Office of the Mayor	5,233,166	5,833,014	6,572,417	6,762,707
<b>Total</b>	<b>5,233,166</b>	<b>5,833,014</b>	<b>6,572,417</b>	<b>6,762,707</b>
Full-time Equivalents Total*	35.50	44.00	44.00	44.00

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# Personnel Compensation Trust Subfunds

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Susan Coskey, Director

(206) 684-7923

<http://www.seattle.gov/personnel/>

## Department Overview

The Personnel Compensation Trust Funds are six subfunds of the General Fund, five of which are administered by the Seattle Department of Human Resources (SDHR) and one of which is administered by the Department of Finance and Administrative Services (FAS). These six subfunds serve as a means to manage certain Citywide contractual obligations on behalf of employees and City departments. The administering department collects funds from other City departments, which are then paid out to various insurance companies, service providers, and individuals.

### The following subfunds are administered by the Seattle Department of Human Resources:

- **Health Care Subfund:** Contains the revenues and expenses related to the City's medical, dental, and vision insurance programs; Flexible Spending Account program; Employee Assistance Program; and COBRA continuation coverage. The City is self-insured for both the Group Health and Aetna medical plans and one dental plan, and carries insurance for the remainder of the dental and vision plans.
- **Industrial Insurance Subfund:** Captures the revenues and expenditures associated with the City's Workers' Compensation and Safety programs. Since 1972, the City of Seattle has been a self-insured employer as authorized under state law. The Industrial Insurance Subfund receives payments from City departments to pay for these costs and related administrative expenses. Overall costs include fees levied by the Washington State Department of Labor and Industries, reinsurance premiums, and administrative costs to manage the program.
- **Unemployment Insurance Subfund:** Contains the revenues and expenditures associated with the City's unemployment benefit and administration costs. The City is a self-insured employer with respect to unemployment insurance.
- **Group Term Life Insurance Subfund:** Contains the revenues and expenses related to the City's group term life insurance, long-term disability insurance, and accidental death and dismemberment insurance plans.
- **Special Employment Subfund:** Contains the outside agency revenues and expenditures associated with the City's temporary, intern, and work study programs. Expenses related to employees hired by City departments through the Special Employment program are charged directly to the departments and do not pass through the Subfund.

### The following subfund is managed by the Department of Finance and Administrative Services (FAS):

- **Transit Benefit Subfund:** Contains the revenues and expenditures associated with the City's employee transit subsidy program with King County Metro Transit.

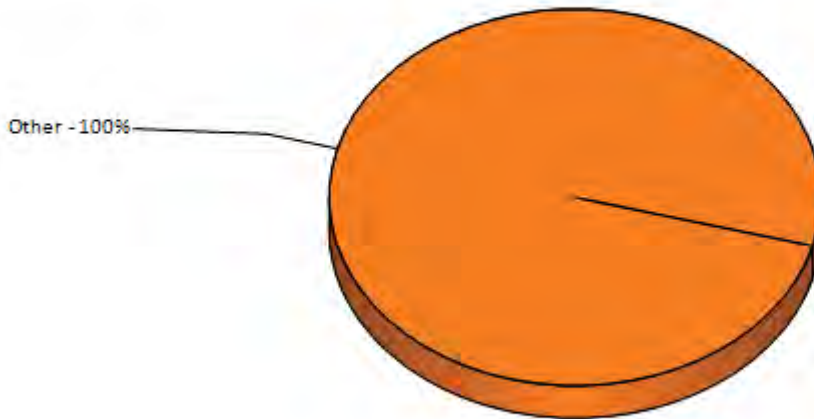
# Personnel Compensation Trust Subfunds

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$212,705,270	\$235,452,111	\$245,749,190	\$259,926,092
<b>Total Operations</b>	<b>\$212,705,270</b>	<b>\$235,452,111</b>	<b>\$245,749,190</b>	<b>\$259,926,092</b>
<b>Total Appropriations</b>	<b>\$212,705,270</b>	<b>\$235,452,111</b>	<b>\$245,749,190</b>	<b>\$259,926,092</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

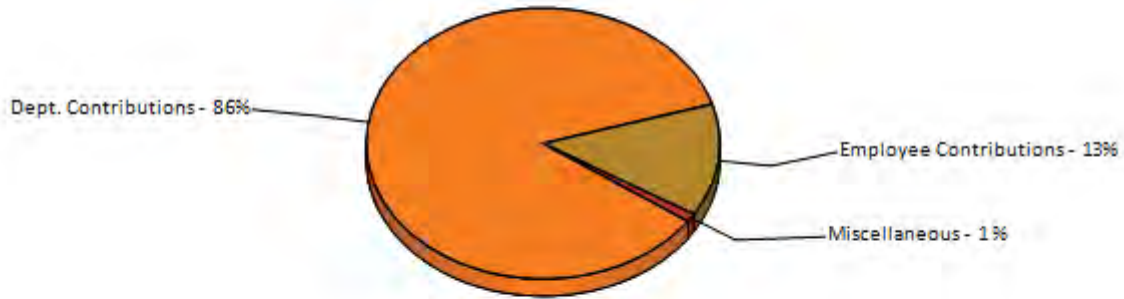
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## 2017 Proposed Budget - Expenditure by Category



# Personnel Compensation Trust Subfunds

## 2017 Proposed Budget - Revenue by Category



## Budget Overview

The following provides a summary of each of the six individual subfunds of the General Fund that comprise the Personnel Compensation Trust Funds.

**Health Care Subfund:** Total City health care costs including medical, dental, and vision care reached \$193 million in 2015. Although the City of Seattle has experienced slow growth in average cost increases over the last four years, health care costs are generally cyclical in nature and the City of Seattle could see an uptick in health care costs beyond 2017.

### *Overall Health Care Rate Changes*

In recent years, the City of Seattle's self-insured plans for City employees have experienced low annual rates of cost increases. The City's health care rates in the 2017-2018 Proposed Budget represent modest increases over 2016 levels. City departments contribute health care premiums per employee based on a weighted average that includes medical, dental, and vision coverage. The weighted average across the City will increase by 2% in 2017 over 2016, and an additional 5% increase in 2018 over 2017. Compared to 2017, the more moderate 2018 trend of 5% represents expected upticks as the City's health care costs more closely align with the national annual growth of health care costs.

### *2017 Health Care Rate Components*

The following section summarizes the changes in individual medical, dental and vision rates in 2017 over 2016 as developed by the City's actuary. Departments are billed by subgroups of employees based on bargaining agreements using a weighted average rate that reflects medical, dental, and vision coverage. The following component rates are combined to drive the total weighted average rate.

# Personnel Compensation Trust Subfunds

- **Medical:** For 2017, the City expects a 2.1% rate increase for the Aetna plans, and 0.1% increase for the GroupHealth plans relative to 2016.
- **Dental:** For 2017, the City anticipates a 1.5% rate decrease for the Delta Dental of Washington plan relative to 2016. There is no change for the Dental Health Service plan relative to 2016 based on historical City claims experience.
- **Vision:** For 2017, there is no rate change for the Vision Service Plan relative to 2016 due to a 2-year rate guarantee that ends at the end of 2017.

## *Health Care Enrollment Changes*

The total Citywide expected health care enrollment is 11,552 in 2017 and 11,618 in 2018, or an increase of 3% from the 2016 enrollment of 11,217. In addition to the health care trend which drives the average cost per member, this change in enrollment will impact the total expected claims costs for the City which is funded by its corresponding employee and employer contributions into the health care fund.

## *Health Care Reserves*

In addition to meeting the claims and administrative costs of the health care fund, the City maintains reserves in the Healthcare Subfund as mandated by the state and to help protect the City against large claims. The reserve amounts grow in proportion to claims costs. The contributions to fund balance shown in the 2016 revised, 2017 proposed, and 2018 proposed sections of the health care fund table reflect the contributions into these reserves.

**Industrial Insurance Subfund:** The 2017-2018 Proposed Budget assumes that the overall costs of the City's Industrial Insurance program will experience similar levels of annual growth as compared to the growth between the 2015 Adopted Budget and the 2016 Adopted Budget. Growth in medical costs and time-loss costs are the main drivers of the costs for this program. In 2017 and 2018, medical costs are expected to increase 3.5% annually above the expected claim levels during 2016, and time-loss costs are expected to increase 5.5% annually above the expected claim levels during 2016.

**Unemployment Subfund:** Unemployment costs increased significantly over the last 3 years related to upticks in the number of unemployment claims by the City's seasonal and temporary staff, particularly at Seattle Center and Seattle Department of Parks and Recreation. The 2016 claims costs over the first 9 months of the year have moderated downward significantly from 2015 levels. The claims costs are expected to decrease further in 2017 and 2018 driven by local economic factors that impact employment.

Unexpected large claims costs in 2014 and 2015 depleted the fund balance from \$1.8 million at the beginning of 2014 to only \$296,300 by the end of 2015. To protect against a deficit by the end of 2015, the 2015 3rd Quarter Supplemental Budget Ordinance transferred \$1.1 million of additional revenue from the General Fund into the Unemployment Subfund. This amount covered 2016 claims costs and replenished the policy reserve of \$500,000, established in 2002 by Resolution 30535. The 2017-2018 Proposed Budget includes a repayment to the General Fund each year using fund balance from the \$1.1 million transfer and department contributions to the subfund.

**Group Term Life Subfund:** The 2017-2018 Proposed Budget does not anticipate any substantive changes for the Group Term Life Subfund relative to 2016. The expenses related to providing Group Term Life and Long Term Disability optional benefits are projected to increase by 5.0% annually in 2017 and 2018. These expenses are fully supported by employee and department contributions.

**Special Employment Subfund:** The 2017-2018 Proposed Budget anticipates that the Special Employment Subfund expenses will remain flat compared to 2016 levels. Over the next biennium, the Special Employment Subfund is expected to change in light of changes associated with the City's Summit Re-Implementation Project which will allow departments to be billed directly for employees in the special employment program, rather than through the subfund.

**Transit Benefit Subfund:** The 2017-2018 Proposed Budget includes increases to the Transit Benefit Subfund in

## Personnel Compensation Trust Subfunds

2017 and 2018 to reflect the expected contract costs with King County for the ORCA Passport program. The increases reflect expected changes in the costs per ride and an increased use of the program as City employment grows.

### Incremental Budget Changes

#### Personnel Compensation Trust Subfunds

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 235,452,111</b>	<b>0.00</b>	<b>\$ 235,452,111</b>	<b>0.00</b>
<b>Proposed Changes</b>				
Transit Pass Increases	\$ 622,463	0.00	\$ 980,463	0.00
<b>Health Care Changes</b>				
Increase in Health Care Costs	\$ 8,780,525	0.00	\$ 21,797,241	0.00
<b>Unemployment Changes</b>				
Unemployment Cost Changes	-\$ 697,930	0.00	-\$ 634,591	0.00
Previous Deficit Balance	\$ 733,334	0.00	\$ 366,667	0.00
<b>Industrial Insurance Changes</b>				
Updated Workers' Compensation Claims Cost	\$ 431,346	0.00	\$ 879,894	0.00
Updated Administrative Costs	\$ 103,174	0.00	\$ 420,324	0.00
<b>Group Term Life Changes</b>				
Group Term Life and Long Term Disability Cost Changes	\$ 324,167	0.00	\$ 663,983	0.00
<b>Total Incremental Changes</b>	<b>\$ 10,297,079</b>	<b>0.00</b>	<b>\$ 24,473,981</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 245,749,190</b>	<b>0.00</b>	<b>\$ 259,926,092</b>	<b>0.00</b>



# Personnel Compensation Trust Subfunds

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Transit Pass Increases - \$622,463**

The anticipated costs for the ORCA Passport are expected to increase by \$622,463 in 2017 and \$980,463 in 2018, compared to the 2016 Adopted Budget. This adjustment is driven mainly by overall increases in City employment and other expected changes in usage. City employees receive an ORCA card, which allows unlimited access to bus, rail, water-taxi and Vanpool/Vans hare options in the region.

### Health Care Changes

#### **Increase in Health Care Costs - \$8,780,525**

The 2017-2018 Proposed Budget increases the cost of health care claims and premium expense levels by \$8.8 million in 2017 and \$21.8 million in 2018, as compared to the 2016 Adopted Budget. These increases are driven by two main drivers. First, the health care trend rate which impacts the average cost per member is an increase of 2% in 2017 over 2016, and an additional 5% in 2018. Second, the City's total health care enrollment is expected to increase by 3% in 2017 as a result of new Citywide positions in the 2017-2018 Proposed Budget. This compounds with the health care trend by impacting the total health care claims costs.

### Unemployment Changes

#### **Unemployment Cost Changes - (\$697,930)**

This adjustment reflects the Citywide decreases expected for 2017 and 2018 claims costs. The City's expected unemployment claims are driven by the City's actual claims history and applying local economic assumptions that impact employment.

#### **Previous Deficit Balance - \$733,334**

Unemployment claims costs were larger than expected in 2014 and 2015 and drew down the fund balance. The fund was expected to be in deficit by the end of 2015 and \$1,100,000 was transferred from the General Fund in the 2015 3rd Quarter Supplemental Budget Ordinance to temporarily protect the fund from deficit. This adjustment reflects the 2017 repayment to the General Fund, equal to two-thirds off \$1,100,000. The remaining one-third balance will be repaid in 2018. The repayments include fund balance from the \$1,100,000 General Fund transfer.

### Industrial Insurance Changes

#### **Updated Workers' Compensation Claims Cost - \$431,346**

This item reflects the expected increase of workers' compensation claim costs and number of claims in 2017 and 2018, driven by annual trend assumptions. The annual trend assumption in the 2017-2018 Proposed Budget is 3.5% for medical claims and 5.5% for time-loss claims. The rates are analyzed annually and adjusted based on a history of the City of Seattle actual claims over the most recent 3 years.

# Personnel Compensation Trust Subfunds

## Updated Administrative Costs - \$103,174

This adjustment assumes a 5% annual growth of costs associated with enhancing work safety, the insurance premium to cover excess claims costs, and fees the City of Seattle pays to the Washington Department of Labor and Industries for services provided. This item also increases the labor costs for the workers compensation division at the Seattle Department of Human Resources by 3.2% to reflect annual salary assumptions. This adjustment removes the one-time \$200,000 appropriation in the 2016 Adopted Budget to upgrade the workers' compensation system.

## Group Term Life Changes

### Group Term Life and Long Term Disability Cost Changes - \$324,167

This adjustment reflect a 5% annual growth in the 2017 and 2018 premiums for the City's group term life (GTL) and long term disability (LTD) insurance programs. GTL premiums are expected to increase by \$203,395 compared to the 2016 Adopted Budget. LTD premiums are expected to increase by \$120,772 compared to the 2016 Adopted Budget.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Group Term Life Budget Control Level	NA000	5,778,392	6,474,575	6,798,742	7,138,558
Health Care Budget Control Level	NM000	183,229,621	201,466,911	210,247,436	223,264,152
Industrial Insurance Budget Control Level	NR500	17,537,877	20,234,088	20,768,608	21,534,306
Special Employment Budget Control Level	NT000	8,420	100,000	100,000	100,000
Transit Benefit Budget Control Level	TRANSITB1	4,503,369	5,251,537	5,874,000	6,232,000
Unemployment Insurance Budget Control Level	NS000	1,647,591	1,925,000	1,960,404	1,657,076
<b>Department Total</b>		<b>212,705,270</b>	<b>235,452,111</b>	<b>245,749,190</b>	<b>259,926,092</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Personnel Compensation Trust Subfunds

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
569540	GTL & LTD - Department Contributions	657,647	829,959	871,498	915,066
569580	Health Care - Department Contributions	166,926,748	174,420,208	183,869,709	194,651,165
569550	Industrial Insurance - Dept Contributions	18,111,149	19,534,088	20,768,608	21,534,307
520670	Transit Benefit - Dept Contributions	4,503,369	5,251,537	5,874,000	6,232,000
569570	Unemployment - Department Contributions	1,706,878	2,217,021	1,593,737	1,657,076
<b>Total Dept. Contributions</b>		<b>191,905,791</b>	<b>202,252,813</b>	<b>212,977,552</b>	<b>224,989,614</b>
469640	GTL & LTD - Employee Contributions	5,148,886	5,644,616	5,927,244	6,223,492
569580	Health Care - Employee Contributions	23,920,703	25,182,431	27,504,016	28,879,217
<b>Total Employee Contributions</b>		<b>29,069,589</b>	<b>30,827,047</b>	<b>33,431,260</b>	<b>35,102,709</b>
461110	GTF & LTD - Other Funding	11,768	10,000	10,000	10,000
569990	Health Care - Other Funding	2,532,787	2,228,474	2,339,898	2,456,893
469990	Industrial Insurance - Miscellaneous	147,776	0	0	0
441960	Special Employment Program - Outside Funding	8,425	100,000	100,000	100,000
587001	2015 3rd Quarter Transfer from General Fund	1,100,000	0	0	0
<b>Total Miscellaneous</b>		<b>3,800,756</b>	<b>2,338,474</b>	<b>2,449,898</b>	<b>2,566,893</b>
<b>Total Revenues</b>		<b>224,776,136</b>	<b>235,418,334</b>	<b>248,858,710</b>	<b>262,659,216</b>
379100	Use of (Contribution to) Fund Balance - GTL & LTD	-39,909	-10,000	-10,000	-10,000
379100	Use of (Contribution to) Fund Balance - Health Care	-10,150,617	-364,202	-3,466,186	-2,723,122
379100	Use of (Contribution to) Fund Balance - Indus. Ins.	-721,048	700,000	0	0
379100	Use of (Contribution to) Fund Balance - SEP	-5	0	0	0
379100	Use of (Contribution to) Fund Balance - Unemployment	-1,159,287	-292,021	366,667	0
<b>Total Use of (Contribution to) Fund Balance</b>		<b>-12,070,866</b>	<b>33,777</b>	<b>-3,109,519</b>	<b>-2,733,122</b>
<b>Total Resources</b>		<b>212,705,270</b>	<b>235,452,111</b>	<b>245,749,191</b>	<b>259,926,094</b>

# Personnel Compensation Trust Subfunds

## Appropriations By Budget Control Level (BCL) and Program

### Group Term Life Budget Control Level

The purpose of the Group Term Life Budget Control Level is to provide appropriation authority for the City's group term life insurance, long-term disability insurance, and accidental death and dismemberment insurance.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Group Term Life Program	5,778,392	6,474,575	6,798,742	7,138,558
<b>Total</b>	<b>5,778,392</b>	<b>6,474,575</b>	<b>6,798,742</b>	<b>7,138,558</b>

### Health Care Budget Control Level

The purpose of the Health Care Budget Control Level is to provide for the City's medical, dental, and vision insurance programs; the Flexible Spending Account; the Employee Assistance Program; and COBRA continuation coverage costs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Health Care Program	183,229,621	201,466,911	210,247,436	223,264,152
<b>Total</b>	<b>183,229,621</b>	<b>201,466,911</b>	<b>210,247,436</b>	<b>223,264,152</b>

### Industrial Insurance Budget Control Level

The purpose of the Industrial Insurance Budget Control Level is to provide for medical, wage replacement, pension, and disability claims related to occupational injuries and illnesses, occupational medical monitoring, workplace safety programs, and related expenses.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Industrial Insurance Program	17,537,877	20,234,088	20,768,608	21,534,306
<b>Total</b>	<b>17,537,877</b>	<b>20,234,088</b>	<b>20,768,608</b>	<b>21,534,306</b>

### Special Employment Budget Control Level

The purpose of the Special Employment Budget Control Level is to capture the expenditures associated with outside agency use of the City's temporary, intern, and work study programs. Outside agencies reimburse the City for costs. Expenses related to employees hired by City departments through the Special Employment Program are charged directly to the departments.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Special Employment Program	8,420	100,000	100,000	100,000
<b>Total</b>	<b>8,420</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

## Personnel Compensation Trust Subfunds

### **Transit Benefit Budget Control Level**

The purpose of the Transit Benefit Budget Control Level is to pay for the transit benefits offered to City employees. The Transit Benefit Subfund receives payments from Finance General and fee supported departments to pay for reduced cost King County Metro and other regional transit passes and related administrative expenses.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Transit Benefit Program	4,503,369	5,251,537	5,874,000	6,232,000
<b>Total</b>	<b>4,503,369</b>	<b>5,251,537</b>	<b>5,874,000</b>	<b>6,232,000</b>

### **Unemployment Insurance Budget Control Level**

The purpose of the Unemployment Insurance Budget Control Level is to provide the budget authority for the City to pay unemployment compensation expenses.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Unemployment Insurance Program	1,647,591	1,925,000	1,960,404	1,657,076
<b>Total</b>	<b>1,647,591</b>	<b>1,925,000</b>	<b>1,960,404</b>	<b>1,657,076</b>

# Personnel Compensation Trust Subfunds

## Personnel Compensation Trust Subfunds Fund Table

### Industrial Insurance Subfund (00516)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	5,720,219	5,320,219	6,441,267	5,741,267	5,741,267
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	18,258,925	19,534,088	19,534,088	20,768,608	21,534,307
Less: Actual and Budgeted Expenditures	17,537,877	20,234,088	20,234,088	20,768,608	21,534,306
<b>Ending Fund Balance</b>	<b>6,441,267</b>	<b>4,620,219</b>	<b>5,741,267</b>	<b>5,741,267</b>	<b>5,741,268</b>
Policy Reserve	3,013,058	3,307,765	3,307,765	3,415,601	3,527,738
<b>Total Reserves</b>	<b>3,013,058</b>	<b>3,307,765</b>	<b>3,307,765</b>	<b>3,415,601</b>	<b>3,527,738</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,428,209</b>	<b>1,312,454</b>	<b>2,433,502</b>	<b>2,325,666</b>	<b>2,213,530</b>

### Unemployment Insurance Subfunds (00517)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	237,006	658,750	1,396,293	1,688,314	1,321,647
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	2,806,878	2,217,021	2,217,021	1,593,737	1,657,076
Less: Actual and Budgeted Expenditures	1,647,591	1,925,000	1,925,000	1,960,404	1,657,076
<b>Ending Fund Balance</b>	<b>1,396,293</b>	<b>950,771</b>	<b>1,688,314</b>	<b>1,321,647</b>	<b>1,321,647</b>
Policy Reserve	500,000	500,000	500,000	500,000	500,000
<b>Total Reserves</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>896,293</b>	<b>450,771</b>	<b>1,188,314</b>	<b>821,647</b>	<b>821,647</b>

## Personnel Compensation Trust Subfunds

### Health Care Subfund (00627)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>61,617,317</b>	<b>72,213,849</b>	<b>71,767,934</b>	<b>74,297,392</b>	<b>77,763,579</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	193,380,238	201,831,113	203,849,857	213,713,623	225,987,275
Less: Actual and Budgeted Expenditures	183,229,621	201,466,911	201,320,399	210,247,436	223,264,152
<b>Ending Fund Balance</b>	<b>71,767,934</b>	<b>72,578,051</b>	<b>74,297,392</b>	<b>77,763,579</b>	<b>80,486,702</b>
Forecast Variance Reserve	8,749,500	9,127,000	9,127,000	10,126,000	10,126,000
Reserve - Healthcare Purposes	48,133,434	48,752,607	49,810,440	51,510,504	53,283,968
State Mandated Reserve	14,885,000	14,698,444	15,359,952	16,127,075	17,076,734
<b>Total Reserves</b>	<b>71,767,934</b>	<b>72,578,051</b>	<b>74,297,392</b>	<b>77,763,579</b>	<b>80,486,702</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Special Employment Program Subfund (00515)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>124,566</b>	<b>124,566</b>	<b>124,571</b>	<b>124,571</b>	<b>124,571</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	8,425	100,000	100,000	100,000	100,000
Less: Actual and Budgeted Expenditures	8,420	100,000	100,000	100,000	100,000
<b>Ending Fund Balance</b>	<b>124,571</b>	<b>124,566</b>	<b>124,571</b>	<b>124,571</b>	<b>124,571</b>
<b>Ending Unreserved Fund Balance</b>	<b>124,571</b>	<b>124,566</b>	<b>124,571</b>	<b>124,571</b>	<b>124,571</b>

## Personnel Compensation Trust Subfunds

### Group Term Life Insurance Subfund (00628)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>426,217</b>	<b>436,217</b>	<b>466,126</b>	<b>481,432</b>	<b>491,432</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,818,301	6,484,575	5,963,742	6,808,742	7,148,558
Less: Actual and Budgeted Expenditures	5,778,392	6,474,575	5,948,436	6,798,742	7,138,558
<b>Ending Fund Balance</b>	<b>466,126</b>	<b>446,217</b>	<b>481,432</b>	<b>491,432</b>	<b>501,432</b>
<b>Ending Unreserved Fund Balance</b>	<b>466,126</b>	<b>446,217</b>	<b>481,432</b>	<b>491,432</b>	<b>501,432</b>

### Transit Benefit Subfund (00410)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,503,369	5,251,537	5,251,537	5,874,000	6,232,000
Less: Actual and Budgeted Expenditures	4,503,369	5,251,537	5,251,537	5,874,000	6,232,000
<b>Ending Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





# Office of Sustainability and Environment

Jessica Finn Coven, Director

(206) 684-9261

[www.seattle.gov/environment](http://www.seattle.gov/environment)

## Department Overview

The Office of Sustainability and Environment (OSE) partners with City departments, community organizations, nonprofits, and businesses to solve pressing environmental challenges. OSE develops policies and promotes green initiatives through three functional areas:

**Citywide Coordination:** Coordinates interdepartmental work on priority programs, policies, and outreach to advance the City's environmental goals. OSE's coordination work includes a focus on food systems, urban forestry, green infrastructure, energy efficiency in City buildings, equity and environment, and environmental performance measurement.

**Innovation & Research:** Conducts research and develops the City's next generation of environmental and sustainability policies and programs. OSE's innovation and research includes a special focus on building energy and transportation electrification, including implementing the Building Energy Benchmarking & Tune-Up program, and implementing the Drive Clean Seattle program.

**Climate Change Action Planning, Implementation and Measurement:** Coordinates implementation of the Seattle Climate Action Plan to reduce Seattle's greenhouse gas emissions, including goal assessment, action planning, community outreach, and performance measurement. OSE's climate change planning and measurement work also includes implementing a climate change adaptation strategy that minimizes the disproportionate impacts of a changing climate while making Seattle less vulnerable and more resilient.

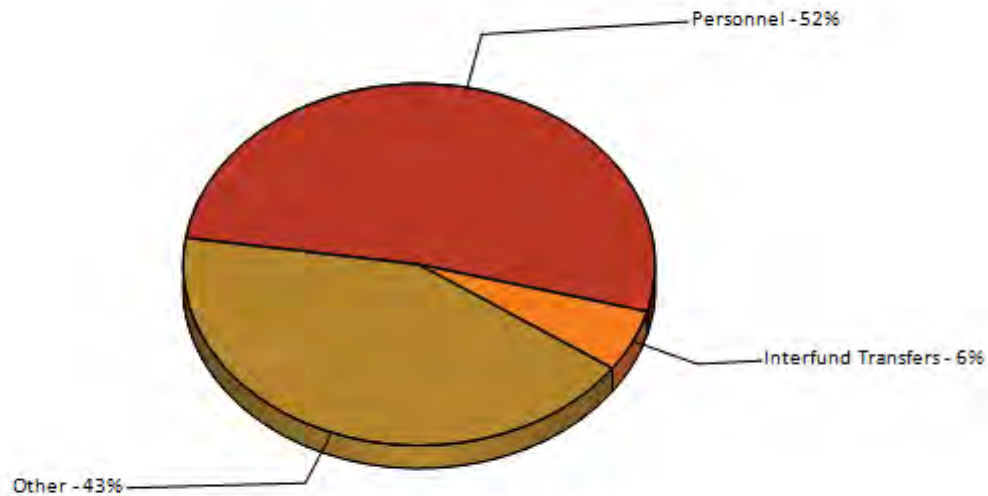
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
General Fund Support	\$3,757,296	\$3,374,826	\$4,223,639	\$4,175,668
<b>Total Operations</b>	<b>\$3,757,296</b>	<b>\$3,374,826</b>	<b>\$4,223,639</b>	<b>\$4,175,668</b>
<b>Total Appropriations</b>	<b>\$3,757,296</b>	<b>\$3,374,826</b>	<b>\$4,223,639</b>	<b>\$4,175,668</b>
Full-time Equivalent Total*	15.25	17.25	19.50	19.50

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Sustainability and Environment

## 2017 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of Sustainability and Environment 2017-2018 Proposed Budget includes a number of changes that fund new initiatives, enhance the department's existing initiatives, and support ongoing policy and administrative functions.

**New initiatives:** The Office of Sustainability and Environment will implement the following new initiatives.

**Drive Clean Seattle:** In 2016, the Mayor announced the Drive Clean Seattle Initiative, a multi-phased strategic initiative in moving Seattle toward greater vehicle electrification. As part of the initiative, the Office of Sustainability and Environment has outlined the following goals for 2017 and 2018:

- Increased investments in Seattle's fleet charging infrastructure, policies, and fuel reduction technologies.
- Collaboration with external organizations to promote equitable electric vehicle uptake.
- Continued deployment of electric transit options.
- Expanded charging infrastructure to grow electric vehicle networks across the city.

**Building Energy Efficiency Tune-up Program:** In February 2016, the City Council passed a new requirement that buildings conduct "tune-ups" (Ordinance [125002](#)) to increase energy efficiency. The 2017-2018 Proposed Budget includes new funding for the following activities to implement the law:

- Develop rules that apply equally to properties required to undergo tune-ups to allow for effective and consistent implementation.
- Resource staff and technical support to assist the public in meeting the new requirements.
- Build informational, reporting, and enforcement infrastructure to support streamlined and simple compliance and analysis.

# Office of Sustainability and Environment

The purpose of this initiative is to improve easily-remedied operations in buildings that will create savings or reductions in day-to-day energy use.

**Ongoing initiative support:** The 2017-2018 Proposed Budget funds implementation and ongoing activities of existing initiatives in the Office of Sustainability and Environment. For 2017, the department will direct resources toward implementing the first steps of the Equity and Environment Initiative agenda, leveraging philanthropic support to expand outreach and policy development. The agenda will ensure that:

- All people and communities benefit from Seattle's environmental progress.
- Communities most impacted by environmental injustice are engaged in setting environmental priorities, designing strategies, and tracking progress; and
- People of color, immigrants and refugees, people with low incomes, and limited-English proficiency individuals have opportunities to be part of, and leaders in, the mainstream environmental movement.

Other investments in the 2017-2018 Proposed Budget include increased support for the Fresh Bucks food program to leverage additional federal match grant funds, and a pilot of the Good Food Bags program that provides fresh fruit and vegetables to participants in the Seattle Preschool Program.

## Incremental Budget Changes

### Office of Sustainability and Environment

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 3,374,826</b>	<b>17.25</b>	<b>\$ 3,374,826</b>	<b>17.25</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Adds or Reductions	-\$ 20,000	0.00	-\$ 20,000	0.00
Supplemental Budget Changes	\$ 180,000	1.00	\$ 184,182	1.00
Citywide Adjustments for Standard Cost Changes	\$ 140,313	0.00	\$ 203,160	0.00
<b>Proposed Changes</b>				
Administrative Support Changes	\$ 0	1.00	\$ 0	1.00
Drive Clean Seattle Initiative	\$ 15,000	0.00	\$ 15,000	0.00
Building Energy Efficiency	\$ 460,000	0.25	\$ 405,000	0.25
Equity and the Environment Initiative	\$ 51,000	0.00	\$ 51,000	0.00
Food Access Expansion	\$ 110,000	0.00	\$ 50,000	0.00
General Fund Reductions	-\$ 87,500	0.00	-\$ 87,500	0.00
<b>Total Incremental Changes</b>	<b>\$ 848,813</b>	<b>2.25</b>	<b>\$ 800,842</b>	<b>2.25</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 4,223,639</b>	<b>19.50</b>	<b>\$ 4,175,668</b>	<b>19.50</b>

# Office of Sustainability and Environment

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Adds or Reductions - (\$20,000)**

This item includes budget reductions for one-time additions in the 2016 Adopted Budget. This change removes \$50,000 of one-time funding in the 2016-2017 Adopted Budget for Fresh Bucks, and restores \$30,000 for a one-time reduction in the 2016-2017 Adopted Budget for the Moving the Needle Report.

#### **Supplemental Budget Changes - \$180,000/1.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. This changes includes an increase in FTE and \$150,000 in funding for the Duwamish Coordinator position approved in the 4th Quarter Supplemental Budget legislation passed by Council in December 2015. It also includes an additional \$30,000 to support immediate implementation costs of the Building Energy Efficiency Tune-Up legislation passed in February 2016.

#### **Citywide Adjustments for Standard Cost Changes - \$140,313**

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs (excluding Seattle IT), health care, retirement contribution rate, and updates to unemployment and industrial insurance charges. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Additionally, this adjustment includes various wage adjustments for labor related costs, including the Annual Wage Increases (AWI) from 2015 through 2018 and a one-time 2015 3.5% Recruitment and Retention wage increase.

### Proposed Changes

#### **Administrative Support Changes/1.00 FTE**

This item reflects a net-zero increase in funding to add a 1.0 FTE Administrative Specialist position.

#### **Drive Clean Seattle Initiative - \$15,000**

This item reflects an increase in outreach funding to support the City's efforts to increase the amount of vehicle electrification in Seattle. This outreach will primarily focus on funding contracts to enable community participation in the planning process through informational interviews and focus groups representing highly impacted communities. These funds are part of the larger initiative with investments in the Finance and Administrative Services Department and Seattle City Light. Additional details are included in those department sections of the budget.

#### **Building Energy Efficiency - \$460,000/.25 FTE**

This item funds and increases staffing by .25 FTE to support policy development, technical compliance, database development, web platform development, and ongoing technical support to implement and enforce the Building Tune-up requirement (Ordinance [125002](#)) passed by City Council in February 2016. This law requires city buildings over a certain size to conduct periodic "tune-ups" to identify easily remedied energy efficiencies related to

# Office of Sustainability and Environment

building operations. This item also includes funding to modify the energy benchmarking database system to accommodate the new law.

## Equity and the Environment Initiative - \$51,000

This item includes funding to support additional outreach, interdepartmental coordination, and leverage external funding opportunities to boost community involvement in the Equity and Environment Initiative (EEI). A new Environmental Justice Steering Committee will guide implementation of EEI agenda actions.

## Food Access Expansion - \$110,000

This converts previous one-time funding of \$50,000 for the Fresh Buck's food program to ongoing funding. This represents a 25% increase in City funding to the Fresh Bucks program, and will allow the City to accept an equal match of \$50,000 from federal grants for direct benefits to food program recipients. It also includes a one-time, direct benefit expansion of \$60,000 to the Seattle Pre-School Program's Good Food Bags program, which provides fresh fruit and vegetable bags to program recipients who qualify at incomes 200% above the Federal poverty line or lower. This expansion allows participation for program recipients at incomes of 300% of the Federal poverty line or lower.

## General Fund Reductions - (\$87,500)

General Fund Reductions reflect changes to the 2017-2018 Proposed Budget that identify savings or reduction targets to specific programs. Reductions for OSE in 2017 reflect reductions in fuel switching and benchmarking analysis, the elimination of small grants and scaled-down outreach plan for building tune-ups.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Office of Sustainability and Environment Budget Control Level	X1000	3,757,296	3,374,826	4,223,639	4,175,668
<b>Department Total</b>		<b>3,757,296</b>	<b>3,374,826</b>	<b>4,223,639</b>	<b>4,175,668</b>
<b>Department Full-time Equivalents Total*</b>		<b>15.25</b>	<b>17.25</b>	<b>19.50</b>	<b>19.50</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Office of Sustainability and Environment

## Appropriations By Budget Control Level (BCL) and Program

### Office of Sustainability and Environment Budget Control Level

The purpose of the Office of Sustainability and Environment Budget Control Level is to coordinate interdepartmental environmental sustainability initiatives, identify and develop next generation policies and programs, and lead the City's climate change action planning to move towards carbon neutrality.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Office of Sustainability and Environment	3,757,296	3,374,826	4,223,639	4,175,668
<b>Total</b>	<b>3,757,296</b>	<b>3,374,826</b>	<b>4,223,639</b>	<b>4,175,668</b>
Full-time Equivalents Total*	15.25	17.25	19.50	19.50

*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

# General Subfund

## Department Overview

The General Subfund of the City's General Fund is the primary operating fund of the City. Appropriations and expenses for many of the services most commonly associated with the City, such as police and fire, are accounted for in the General Subfund. The Subfund is supported primarily by property, sales, business, and utility taxes.

The City's financial policies do not require a fund balance to be maintained in the General Subfund. Instead, the City reserves resources for unanticipated expenses or revenue shortfalls associated with general government in the Emergency Subfund of the General Fund and in the Revenue Stabilization Account of the Cumulative Reserve Subfund. As a result of this practice, General Subfund balances usually are spent in their entirety either in the current or next fiscal years.

## Revenue Overview

2017-2018 Proposed Revenues – in \$1,000s

Summit Code	Revenue	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
411100	Property Tax	229,567	236,821	236,540	244,284	255,019
411100	Property Tax-Medic One Levy	43,477	44,871	45,510	46,648	47,814
413100	Retail Sales Tax	203,116	211,972	218,567	224,435	229,085
413600	Use Tax - Brokered Natural Gas	1,799	1,036	1,183	1,257	1,401
413700	Retail Sales Tax - Criminal Justice	16,732	17,600	18,215	19,091	19,768
416100	Business & Occupation Tax (100%)	221,300	229,498	235,531	249,331	261,894
416200	Admission Tax	8,793	8,594	9,004	9,207	9,415
416430	Utilities Business Tax - Natural Gas (100%)	10,339	10,970	9,664	10,571	11,281
416450	Utilities Business Tax - Solid Waste (100%)	1,194	975	1,100	1,375	1,400
416457	Tonnage Tax (100%)	-	6,017	6,109	6,332	6,400
416460	Utilities Business Tax - Cable Television (100%)	17,827	18,428	18,272	18,773	19,350
416470	Utilities Business Tax - Telephone (100%)	19,407	23,847	22,448	22,254	22,412
416480	Utilities Business Tax - Steam (100%)	1,168	1,134	1,082	1,173	1,257
418200	Leasehold Excise Tax	6,608	4,200	5,200	5,200	4,800
418500	Gambling Tax	430	425	425	425	425
418600	Pleasure Boat Tax	134	120	120	120	120



## General Subfund

Summit Code	Revenue	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
	<b>Total External Taxes</b>	<b>781,890</b>	<b>816,508</b>	<b>828,971</b>	<b>860,477</b>	<b>891,840</b>
516410	Utilities Business Tax - City Light (100%)	45,779	51,655	49,351	54,241	56,427
516420	Utilities Business Tax - City Water (100%)	32,133	31,053	30,694	31,572	32,920
516440	Utilities Business Tax - Drainage/Waste Water (100%)	42,876	43,090	43,648	46,036	47,269
516450	Utilities Business Tax - City SWU (100%)	14,149	14,743	14,749	18,505	19,822
	<b>Total Interfund Taxes</b>	<b>134,937</b>	<b>140,541</b>	<b>138,442</b>	<b>150,355</b>	<b>156,438</b>
421920	Business License Fees (100%)	6,838	7,000	10,449	13,751	15,444
422190	Emergency Alarm Fees	3,106	2,800	3,100	3,100	3,100
422450	Vehicle Overload Permits	268	248	248	248	248
422490	Street Use Permits	960	840	925	875	825
422920	Fire Permits	5,354	5,200	5,191	6,419	6,526
422940	Meter Hood Service	3,916	3,970	3,620	3,620	3,620
422990	Gun Permits and Other	26	30	27	27	27
422990	Other Non Business Licenses	2,295	835	1,945	2,446	2,446
	<b>Total Licenses</b>	<b>22,763</b>	<b>20,923</b>	<b>25,505</b>	<b>30,486</b>	<b>32,236</b>
431010	Federal Grants - Other	6,306	216	216	216	216
433010	Federal Indirect Grants - Other	4,400	-	-	-	-
434010	State Grants - Other	(126)	-	-	-	-
	<b>Total Federal and State Grants</b>	<b>10,579</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>
436064	Marijuana Excise Tax	192	700	700	943	1,281
436129	Trial Court Improvement Account	152	150	150	150	150
436610	Criminal Justice Assistance (High Impact)	2,530	2,100	2,400	2,450	2,450
436621	Criminal Justice Assistance (Population)	835	1,025	825	825	825
436694	Liquor Excise Tax	2,127	2,800	2,865	2,940	2,940
436695	Liquor Board Profits	5,612	5,450	5,350	5,450	5,450
	<b>Total State Entitlements/Impact Programs</b>	<b>11,448</b>	<b>12,225</b>	<b>12,290</b>	<b>12,758</b>	<b>13,096</b>
439090	Benaroya Hall - Concession Payment	430	540	540	620	700
	<b>Total Grants from Private Sources</b>	<b>430</b>	<b>540</b>	<b>540</b>	<b>620</b>	<b>700</b>
441610	Copy Charges	67	102	75	75	75
441950	Legal Services	31	34	34	34	34

## General Subfund

Summit Code	Revenue	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
441960	Automated Fingerprint Information System (AFIS)	3,763	4,000	3,780	3,780	3,780
441960	Fire Special Events Services	1,191	990	1,060	1,094	1,117
441960	Personnel Services	266	586	504	540	554
441990	Hearing Examiner Fees	5	3	3	3	3
441990	Other Service Charges - General Government	774	95	290	426	533
441990	Vehicle Towing Revenues	513	250	500	500	500
442100	Law Enforcement Services	7,027	3,212	3,723	4,134	4,134
442100	Traffic Control Services	0	534	412	439	439
442330	Adult Probation and Parole (100%)	322	350	350	350	350
442500	E-911 Reimbursements & Cellular Tax Revenue	5,889	4,508	3,738	3,748	3,748
447400	Special Events Recovery	-	-	-	-	-
	<b>Total External Service Charges</b>	<b>19,849</b>	<b>14,663</b>	<b>14,470</b>	<b>15,122</b>	<b>15,266</b>
455900	Court Fines & Forfeitures (100%)	28,387	29,153	28,625	28,875	29,625
457300	Municipal Court Cost Recoveries (100%)	645	578	578	578	578
457400	Confiscated Funds	383	225	278	238	238
	<b>Total Fines and Forfeitures</b>	<b>29,414</b>	<b>29,956</b>	<b>29,481</b>	<b>29,691</b>	<b>30,441</b>
461110	Interest on Investments	2,604	2,916	2,762	3,040	4,323
462300	Parking Meters	37,761	39,585	38,814	42,377	44,864
469990	Other Miscellaneous Revenue	5,936	3,415	5,045	2,843	2,703
	<b>Total Miscellaneous Revenues</b>	<b>46,300</b>	<b>45,915</b>	<b>46,621</b>	<b>48,260</b>	<b>51,889</b>
541990	Interfund Revenue to City Budget Office	1,810	1,909	1,909	1,862	1,909
541990	Interfund Revenue to Personnel	7,852	8,163	7,511	8,040	8,306
541990	Miscellaneous Interfund Revenue	18,677	17,883	17,943	21,426	21,889
	<b>Total Interfund Charges</b>	<b>28,340</b>	<b>27,955</b>	<b>27,363</b>	<b>31,329</b>	<b>32,105</b>
587400	Transfer from - Utilities for Council Oversight	372	541	541	559	576
587900	Transfer from - Municipal Jail Subfund	194	-	-	-	-
587900	Transfer from - Transportation Subfund	-	-	4,200	612	630
587900	Transfer from - School Zone Camera Fund	-	1,586	3,171	1,586	1,586
587900	Transfer from - Seattle IT	-	-	3,400	1,950	1,007
587900	Transfer from - Cumulative Reserve Subfund	-	700	700	618	637

## General Subfund

Summit Code	Revenue	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
587900	Transfer from - Arts & Cultural Affairs	-	45	45	177	181
587900	Transfer from - FAS	-	-	10,000	-	-
	<b>Total Operating Transfers</b>	<b>566</b>	<b>2,872</b>	<b>22,057</b>	<b>5,502</b>	<b>4,616</b>
	<b>Total General Subfund</b>	<b>1,086,517</b>	<b>1,112,314</b>	<b>1,145,955</b>	<b>1,184,816</b>	<b>1,228,844</b>

## General Subfund

### General Subfund Fund Table (Fund 00100)

In \$1,000s

	2016 Revised	2017 Proposed	2018 Proposed
Beginning Fund Balance	63,481	64,680	57,582
Technical Adjustment	-	-	-
Beginning Unreserved Fund Balance	63,481	64,680	57,582
<b>REVENUES</b>			
Property Tax	282,050	290,932	302,833
Sales Tax	236,783	243,526	248,853
Business and Occupation Tax	235,531	249,331	261,894
Utility Tax	191,007	204,501	212,138
Other Taxes	24,906	25,482	25,501
Parking Meters	42,434	45,997	48,484
Court Fines and Forfeitures	28,625	28,875	29,625
Revenue from Other Public Entities	10,181	10,654	11,072
Service Charges & Reimbursements	47,982	50,358	51,138
Fund Balance Transfers (ERF, RSA, J&C, CRS-U)	22,057	5,502	4,616
Licenses, Permits, Interest Income and Other	24,399	29,658	32,690
<b>General Fund Revenues</b>	<b>1,145,955</b>	<b>1,184,816</b>	<b>1,228,844</b>
Resources from Bond Proceeds	4,487	4,326	2,014
<b>Total Resources</b>	<b>1,150,442</b>	<b>1,189,141</b>	<b>1,230,858</b>
<b>Expenditures</b>			
Arts, Culture & Recreation	(169,756)	(178,227)	(182,935)
Health and Human Services	(87,293)	(97,775)	(93,776)
Public Safety	(610,777)	(653,020)	(666,957)
Utilities and Transportation	(52,144)	(55,432)	(53,935)
Administration	(130,278)	(157,265)	(161,562)
Debt service	(10,469)	(15,718)	(16,811)
GF Subfunds	(10,072)	(4,476)	(3,390)
Subtotal Above Expenditures	(1,105,719)	(1,196,239)	(1,213,409)
First Quarter Supplemental	(2,566)		
Second Quarter Supplemental	(4,597)		
Third Quarter Supplemental	(1,810)		
Other Adjustments	(34,552)	-	540
<b>Total Expenditures</b>	<b>(1,149,243)</b>	<b>(1,196,239)</b>	<b>(1,212,869)</b>
Ending Fund Balance	64,680	57,582	75,571
End of year carry forward reserves	(10,915)	(9,665)	(9,665)
Planning Reserve	(15,148)	(35,816)	(64,706)
<b>Ending Unreserved Fund Balance</b>	<b>38,617</b>	<b>12,101</b>	<b>1,200</b>



# Central Waterfront Improvement Fund

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Marshall Foster, Director, Office of the Waterfront

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<http://waterfrontseattle.org>

## Department Overview

The Office of the Waterfront is responsible for coordinating the City's waterfront improvement efforts, including project management, design, construction, and financial management. Organizationally, it is a unit of the Seattle Department of Transportation (SDOT), although its director reports directly to the Mayor. The Office of the Waterfront is charged with administering the overall program and ensuring that it is managed efficiently and delivers on the Concept Design and Framework Plan for the Central Waterfront as adopted by the City in Resolution 31399.

The projects that make up the Central Waterfront program are included in SDOT's budget and in the budgets of two other City departments. Although there are multiple funding sources and multiple projects within the waterfront improvement program, the program itself includes all of the projects listed below.

### Seattle Department of Transportation

- Alaskan Way Main Corridor project (TC367330)
- Overlook Walk and East/West Connections (TC367620)

### Department of Parks and Recreation

- Parks Central Waterfront Piers Rehabilitation (K732493)
- Aquarium Expansion (K732492)

### Department of Finance and Administrative Services

- Pike Place Market PC-1 North Waterfront Entrance project
- Local Improvement District Administration

The Central Waterfront Improvement Fund is a single fund from which multiple departments draw funding resources. This section describes its use by the Office of the Waterfront. The fund supports certain costs associated with the design and construction of the waterfront improvement program, costs eligible for financing by a future Local Improvement District (LID), and related costs for City administration, including the Office of the Waterfront. Appropriations made from the Central Waterfront Improvement Fund are for these purposes.

The Office of the Waterfront is supported by a range of funding sources, including funds from state and private partners, the City's commercial parking tax and real estate excise taxes, fee revenue and bonds. As noted above, a portion of the Office of the Waterfront's current funding is supported by an interfund loan until the formation of a Local Improvement District (LID), anticipated for 2018 with revenues available beginning in 2019. A LID is a financing mechanism that, in this case, will allow the City to establish a geographically bounded area within which the construction of capital improvement projects will provide a special benefit to property owners. The formation of a LID will allow the City to assess property owners a fee that captures a percentage of the increase in property values created by the local improvements. The interfund loan will be repaid over the life of the waterfront

# Central Waterfront Improvement Fund

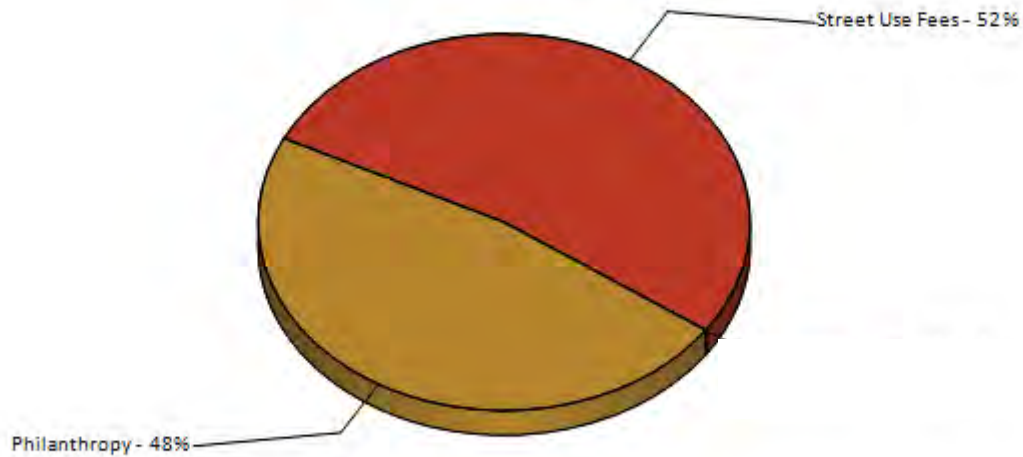
improvement program from the LID and other revenues. Philanthropic contributions to the design and construction of the waterfront improvement program will also be tracked against the balance of the interfund loan.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$1,877,501	\$416,555	\$1,701,155	\$1,878,881
<b>Total Operations</b>	<b>\$1,877,501</b>	<b>\$416,555</b>	<b>\$1,701,155</b>	<b>\$1,878,881</b>
<b>Total Appropriations</b>	<b>\$1,877,501</b>	<b>\$416,555</b>	<b>\$1,701,155</b>	<b>\$1,878,881</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2017 Proposed Budget - Revenue by Category



# Central Waterfront Improvement Fund

## Budget Overview

The estimated cost to complete the waterfront improvement program is approximately \$785 million across all relevant City departments. The 2017-18 Proposed Budget provides the program \$16.8 million and \$37.9 million in new appropriations in 2017 and 2018 respectively. Office of the Waterfront employees are housed organizationally in SDOT. This structure allows effective coordination between the Seawall project management team and the Office of the Waterfront and streamlines administration by making use of SDOT's existing organizational capacity.

The following paragraphs and tables summarize the multiple elements of the waterfront improvement program and their planned spending.

### City Projects

These are projects led by the City of Seattle and managed by City staff.

**Alaskan Way Main Corridor:** This project designs and constructs the rebuilt Alaskan Way/Elliott Way surface streets and the adjoining pedestrian promenade along the Seattle waterfront following the demolition of the Alaskan Way Viaduct and the opening of the new State Route (SR) 99 Bored Tunnel. The project also includes improvements to four key connections impacted by the viaduct removal, including Seneca Street, Columbia Street, and the Marion Street and Lenora Street pedestrian bridges. The Washington State Department of Transportation (WSDOT) is reimbursing the City of Seattle for the cost of replacing the surface streets and key connections that are part of this project. Local funds will help fund the improvements that are part of this project but not reimbursable by WSDOT. For details about this project, please see the SDOT CIP project for Alaskan Way Main Corridor (TC367330).

*For informational purposes only*

<b>Planned Spending</b>	2016 LTD	2017 Proposed	2018 Proposed	<b>Total Project Budget</b> (through 2022)
Central Waterfront Improvement Fund	15,116,395	0	0	<b>56,875,000</b>
Local Funds	40,455,023	8,268,569	7,265,966	<b>88,163,000</b>
State Funding	22,536,184	17,194,173	9,539,548	<b>220,834,000</b>
<b>Total Alaskan Way Main Corridor</b>	<b>78,107,602</b>	<b>25,462,742</b>	<b>16,805,514</b>	<b>365,872,000</b>



## Central Waterfront Improvement Fund

**Overlook Walk and East/West Connections:** Removing the viaduct provides the opportunity for the City to improve key connections between the downtown core and the waterfront. These east/west streets include Bell Street, Union Street, Pike Street and Pine Streets, Main Street, Washington Street and Railroad Way. In addition to these east/west street connections, the waterfront improvement program also includes the Overlook Walk, which will provide a major new pedestrian connection between the waterfront, the Aquarium and the Pike Place Market that will feature ADA access, views and public open spaces. For details about this project, please see the SDOT CIP project for Overlook Walk and East/West Connections (TC367620).

*For informational purposes only*

Planned Spending	2016 LTD	2017 Proposed	2018 Proposed	Total Project Budget (through 2022)
Central Waterfront Improvement Fund	1,000,000	1,501,000	1,410,000	<b>149,141,000</b>
Local Funds	2,984,000	4,821,000	3,665,000	<b>18,525,000</b>
State Funding	0	0	0	<b>0</b>
<b>Total Overlook Walk and E/W Connections</b>	<b>3,984,000</b>	<b>6,322,000</b>	<b>5,075,000</b>	<b>167,666,000</b>

**Parks - Central Waterfront Piers Rehabilitation:** Waterfront Park and Pier 62/63 are public park facilities owned by Seattle's Department of Parks and Recreation (DPR) that provide public access to Elliott Bay and have hosted a range of public events, markets and performances. Pier 62/63 is aged and can no longer bear heavy loads; its ability to support parks programming has been restricted since 2004. Both piers need a full seismic upgrade to meet current life safety codes, and Waterfront Park needs significant access improvements. In 2016, the City Council amended the 2016 Adopted Budget to allow Phase 1 of the rebuild of Pier 62/63 to move ahead. When Pier 62 is rebuilt, it will have a new floating dock providing water access to the public and it may again be actively programmed as a DPR-run facility. The vision for Waterfront Park is as a flexible public recreation and open space. The Central Waterfront Improvement Fund will provide funding for Phase 1 of the rebuild. For details about this project, please see the DPR CIP project for Parks Central Waterfront Piers Rehabilitation (K732493).

*For informational purposes only*

Planned Spending	2016 LTD	2017 Proposed	2018 Proposed	Total Project Budget (through 2022)
Central Waterfront Improvement Fund	2,147,000	1,050,000	2,700,000	<b>73,411,000</b>
Local Funds	2,900,000	2,223,000	12,000,000	<b>21,997,000</b>
State Funding	0	150,000	450,000	<b>600,000</b>
<b>Total Parks CWF Piers Rehabilitation</b>	<b>5,047,000</b>	<b>3,423,000</b>	<b>15,150,000</b>	<b>96,008,000</b>

# Central Waterfront Improvement Fund

**FAS - Local Improvement District Administration:** Because the Department of Finance and Administrative Services (FAS) is leading the development and administration of the planned Local Improvement District (LID), the FAS operating budget provides additional details.

*For informational purposes only*

<b>Planned Spending</b>	2016 LTD	2017 Proposed	2018 Proposed	<b>Total Project Budget</b> (through 2022)
Central Waterfront Improvement Fund	3,430,000	1,098,824	923,225	7,313,428

## **Partner Projects**

These are projects within the scope of the waterfront improvement program that are under the leadership of other partner organizations and involve some financial contribution from the City.

**Parks - Aquarium Expansion:** As part of the City's overall vision for the waterfront, the non-profit Seattle Aquarium Society (SEAS) is planning an expansion to its existing facilities to support increased visitor capacity and include a major new exhibit. The Department of Parks and Recreation (DPR) owns the Seattle Aquarium and SEAS operates it. The Seattle City Council approved a master plan for this expansion for the purpose of environmental review in August 2015. The master plan identifies an on-land site adjacent to the Overlook Walk as the preferred site for this expansion. For details about this project, please see the DPR CIP project for Aquarium Expansion (K-732492). Note that this table and the CIP project only address anticipated City costs for the Aquarium expansion. Total project costs are higher.

*For informational purposes only*

<b>Planned Spending</b>	2016 LTD	2017 Proposed	2018 Proposed	<b>Total Project Budget</b> (through 2022)
Central Waterfront Improvement Fund	250,000	0	0	<b>696,900</b>
Local Funds	1,090,000	2,480,000	2,370,600	<b>5,940,600</b>
State Funding	0	0	0	<b>27,362,500</b>
<b>Total Aquarium Expansion</b>	<b>1,340,000</b>	<b>2,480,000</b>	<b>2,370,600</b>	<b>34,000,000</b>

**Pike Place Market PC-1 North Waterfront Entrance project:** The City and the Pike Place Market Preservation and Development Authority (PPMPDA) are partnering to develop this project, which will provide a mixed-use development building on the north side of the Pike Place Market. This project is part of the waterfront improvement program, but there is no spending in 2017 or 2018 against the Central Waterfront Improvement Fund. The FAS operating budget details ongoing project work.

# Central Waterfront Improvement Fund

## Total Central Waterfront Improvement Fund Appropriations for 2017-2018 Proposed Budget By Department and Revenue Type

Department/Revenue Type (in \$ thousands)	2017 Proposed			2018 Proposed		
	CWIF Direct	Dept. Budget	CWIF Total	CWIF Direct	Dept. Budget	CWIF Total
<b>Transportation</b>	<b>1,410</b>	<b>0</b>	<b>1,410</b>	<b>1,410</b>	<b>0</b>	<b>1,410</b>
Interfund Loan	1,410	0	1,410	1,410	0	1,410
Philanthropy	0	0	0	0	0	0
<b>Parks and Recreation</b>	<b>0</b>	<b>1,050</b>	<b>1,050</b>	<b>0</b>	<b>2,700</b>	<b>2,700</b>
Interfund Loan	0	0	0	0	0	0
Philanthropy	0	500	500	0	2,700	2,700
Street Use Fees	0	550	550	0	0	0
<b>Finance and Administrative Services</b>	<b>291</b>	<b>1,099</b>	<b>1,390</b>	<b>469</b>	<b>924</b>	<b>1,393</b>
Interfund Loan – Interest Expense	291	0	291	469	0	469
Interfund Loan – LID Admin	0	1,099	1,099	0	924	924
<b>Total</b>	<b>1,701</b>	<b>2,149</b>	<b>3,850</b>	<b>1,879</b>	<b>3,624</b>	<b>5,503</b>

## Incremental Budget Changes

### Central Waterfront Improvement Fund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 416,555</b>	<b>0.00</b>	<b>\$ 416,555</b>	<b>0.00</b>
<b>Proposed Technical Changes</b>				
Technical Financial Adjustment	\$ 1,410,000	0.00	\$ 1,410,000	0.00
Technical Adjustment for Interest	-\$ 125,400	0.00	\$ 52,326	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,284,600</b>	<b>0.00</b>	<b>\$ 1,462,326</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 1,701,155</b>	<b>0.00</b>	<b>\$ 1,878,881</b>	<b>0.00</b>

# Central Waterfront Improvement Fund

## Descriptions of Incremental Budget Changes

### Proposed Technical Changes

#### Technical Financial Adjustment - \$1,410,000

The current Central Waterfront Improvement Fund (CWF) interfund loan limit is \$31.2 million. Spending through 2015 was about \$18.5 million (leaving a balance of about \$12.7 million). The 2016 Adopted budget assumed formation in 2017 of the local improvement district (LID) for financing waterfront improvements, but due to schedule changes with WSDOT's SR99 Bored Tunnel program, LID formation has been delayed until 2018, with revenues anticipated in 2019. This adjustment represents the incremental effect of these schedule changes on spending against the current interfund loan. It includes appropriations for the Department of Transportation, Department of Parks and Recreation and the Department of Finance and Administrative Services and reflects anticipated philanthropic contributions to support the design and construction of the waterfront improvement program.

#### Technical Adjustment for Interest - (\$125,400)

Because the schedule change in LID formation requires that the current interfund loan be extended, the 2017-2018 Proposed Budget includes an increase in expected interest expense. This technical adjustment reflects a shift in the Central Waterfront Fund interest expense from 2017 to 2018.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Central Waterfront Improvement Fund Interest Expense Budget Control Level	CWIF-INT	0	416,555	291,155	468,881
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	CWIF-CAP	1,877,501	0	1,410,000	1,410,000
<b>Department Total</b>		<b>1,877,501</b>	<b>416,555</b>	<b>1,701,155</b>	<b>1,878,881</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Central Waterfront Improvement Fund

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
544900	IF OTHER CHARGES - TRANSPORTAT	3,021,929	0	0	0
<b>Total Interfund</b>		<b>3,021,929</b>	<b>0</b>	<b>0</b>	<b>0</b>
439090	Other Private Contrib & Donatn	0	0	500,000	2,700,000
<b>Total Philanthropy</b>		<b>0</b>	<b>0</b>	<b>500,000</b>	<b>2,700,000</b>
587103	Oper TR IN-FR C-Tran Fund	0	0	550,000	0
<b>Total Street Use Fees</b>		<b>0</b>	<b>0</b>	<b>550,000</b>	<b>0</b>
<b>Total Revenues</b>		<b>3,021,929</b>	<b>0</b>	<b>1,050,000</b>	<b>2,700,000</b>
<b>Total Resources</b>		<b>3,021,929</b>	<b>0</b>	<b>1,050,000</b>	<b>2,700,000</b>

## Appropriations By Budget Control Level (BCL) and Program

### Central Waterfront Improvement Fund Interest Expense Budget Control Level

The purpose of the Central Waterfront Improvement Fund Interest Expense BCL is to appropriate interest expense allocated to the Fund.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Central Waterfront Improvement Fund Interest Expense	0	416,555	291,155	468,881
<b>Total</b>	<b>0</b>	<b>416,555</b>	<b>291,155</b>	<b>468,881</b>

### Central Waterfront Improvement Fund Support to Transportation Budget Control Level

The purpose of the Central Waterfront Improvement Fund Support to Transportation Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Waterfront Improvement Program.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	1,877,501	0	1,410,000	1,410,000
<b>Total</b>	<b>1,877,501</b>	<b>0</b>	<b>1,410,000</b>	<b>1,410,000</b>

# Central Waterfront Improvement Fund

## Central Waterfront Improvement Fund Table

### Central Waterfront Improvement Fund (35900)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>-19,370,959</b>	<b>-19,728,046</b>	<b>-18,478,490</b>	<b>-24,323,045</b>	<b>-27,132,200</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	3,021,929	0	0	1,050,000	2,700,000
Less: Actual and Budgeted Expenditures for Interest Expense	0	416,555	416,555	291,155	468,881
Less: Actual and Budgeted Expenditures for Transportation (SDOT)	1,877,501	0	0	1,410,000	1,410,000
Less: Actual and Budgeted Expenditures for Finance and Administrative Services (FAS)*	143,202	2,870,000	3,281,000	1,099,000	924,000
Less: Actual and Budgeted Expenditures for Parks and Recreation (Parks)**	108,757	2,247,000	2,147,000	1,050,000	2,700,000
<b>Ending Fund Balance</b>	<b>-18,478,490</b>	<b>-25,261,601</b>	<b>-24,323,045</b>	<b>-27,132,200</b>	<b>-29,926,081</b>
<b>Ending Unreserved Fund Balance</b>	<b>-18,478,490</b>	<b>-25,261,601</b>	<b>-24,323,045</b>	<b>-27,132,200</b>	<b>-29,926,081</b>

\* The Finance and Administrative Services expenditures are located in the FAS Proposed Budget pages.

\*\* The Parks and Recreation Department expenditures are located in the proposed Parks CIP.



# Cumulative Reserve Subfund

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Ben Noble, Director

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## Department Overview

The Cumulative Reserve Subfund (CRS) primarily funds maintenance and development of the City's general government capital facilities and infrastructure. The subfund is divided into two accounts: the Capital Projects Account and the Revenue Stabilization Account.

The Revenue Stabilization Account (Rainy Day Fund) provides a cushion for the impact of sudden, unanticipated shortfalls in revenue due to economic downturns that could undermine City's ability to maintain services. Please see the Revenue Stabilization Reserve Budget Control Level in the Fiscal Reserves section of the budget for more details.

The Capital Projects Account provides support for an array of capital projects, with a primary focus on maintaining and rehabilitating existing City facilities. The Capital Projects Account includes seven subaccounts described below.

- **Real Estate Excise Tax I (REET I) Subaccount** is supported by a 0.25% tax on real estate transactions. REET I is used for a variety of capital projects authorized by state law.
- **Real Estate Excise Tax II (REET II) Subaccount** is supported by an additional 0.25% tax on real estate transactions and is kept separate from REET I due to different state requirements regarding the use of these resources. State law limits the use of revenues from this additional tax to capital projects involving parks (except acquisition) and transportation.
- **Unrestricted Subaccount (CRS-U)** receives funding from a variety of sources, including a portion (50%) of street vacation revenues, transfers of General Subfund balances, property sales, investment earnings (net of investment earnings attributable to the South Lake Union Property Proceeds Subaccount and the Asset Preservation Subaccount - Fleets and Facilities), and other unrestricted contributions to the Cumulative Reserve Subfund.
- **Asset Preservation Subaccount** receives revenues from interest earnings on subaccount balances and from a portion of space rent charges paid by tenants of Department of Finance and Administrative Services (FAS) facilities. Resources in this subaccount are used to support asset preservation expenditures for certain FAS facilities. Unappropriated funds in this subaccount are designated as a Large Expense Project Reserve per [Resolution 30812](#), and are intended to pay for very costly asset preservation projects in future years.
- **Street Vacation Subaccount** receives funding from a portion (50%) of street vacation revenues. State law authorizes cities to charge a vacation fee equivalent to the full appraised value of the right-of-way. One half of the revenue from these fees must be dedicated to the acquisition, improvement, development, and related maintenance of public open space or transportation capital projects within the city. This subaccount tracks those funds.
- **South Lake Union Property Proceeds Subaccount** receives funding from sales of certain surplus City property located adjacent to South Lake Union and investment earnings attributable to the subaccount. The use of these funds is generally governed by [Resolution 30334](#).
- **Bluefields Holdings Subaccount** was established for financial monitoring and oversight of habitat on certain City-owned properties along the Duwamish River. Some parties with liability in the cleanup of the Lower Duwamish Superfund site have an obligation to fund mitigation efforts. Mitigation may include the creation of habitat. Bluefield Holdings established a unique program to build habitat areas and then sell



## Cumulative Reserve Subfund

the "credit" for creating the habitat to these liable parties. Liable parties can use the purchase of these credits to satisfy their liability instead of creating habitat restoration projects themselves. The City of Seattle supports this habitat development project and entered into an agreement with Bluefield Holdings, allowing the project to proceed. The agreement requires Bluefield Holdings to maintain the habitat for an initial term and provide the City with funds for continued maintenance after the term expires. These maintenance contributions are deposited in the Bluefield Holdings subaccount and will fund the long-term preservation of the developed habitat.

The accompanying Capital Improvement Program (CIP) document fully describes department capital projects listed in this section. Specific department sections in this document list appropriations for capital projects funded by CRS in most cases. The CRS section includes only CRS appropriations for the Seattle Department of Transportation and some special projects, such as debt service payments and the City's Tenant Relocation Assistance Program.

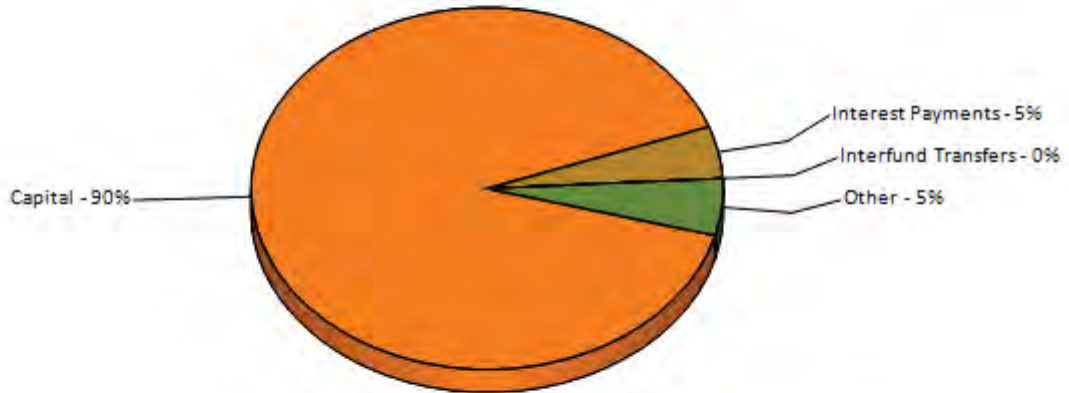
### Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$29,293,306	\$44,406,653	\$27,914,000	\$6,439,519
<b>Total Operations</b>	<b>\$29,293,306</b>	<b>\$44,406,653</b>	<b>\$27,914,000</b>	<b>\$6,439,519</b>
<b>Total Appropriations</b>	<b>\$29,293,306</b>	<b>\$44,406,653</b>	<b>\$27,914,000</b>	<b>\$6,439,519</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

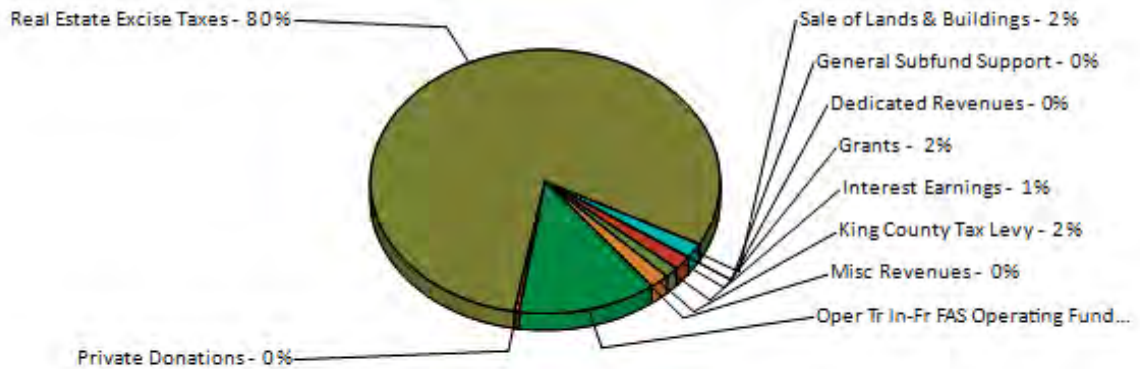
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Cumulative Reserve Subfund

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Cumulative Reserve Subfund

## Budget Overview

Spending from the Cumulative Reserve Subfund, used primarily in support of the City's general government capital programs, is largely supported by Real Estate Excise Taxes (REET) which are known to be extremely volatile. In 2007, the City collected \$71.8 million, compared to only \$22.8 million in 2009. Revenues have significantly recovered from the low point in 2009 and once again hit a record level of \$73.5 million in 2015. The recovery, which began in 2012, has largely been attributable to strong commercial real estate activity which included the sale of a large downtown office building and property acquisitions by Amazon. Although commercial activity has remained relatively strong over the past several years, including the peak in 2015, it is projected to steady at a reduced level in 2016 and through the biennium. Growth in the residential REET has lagged behind the commercial activity but with low financing rates and a growing economy, residential and condominium sales have been on the upswing. Single family home prices have surpassed their previous peak set in 2007 and are expected to continue to increase over the next few years while sales volume is expected to remain comparatively flat. Although REET revenues are subject to the local economic conditions, the increasing inventory of commercial and condominium buildings provides a stronger base for REET revenues than in the past. Total commercial square footage sold has been on the rise, increasing 49.7% in 2014 and 21.9% in 2015 to more than 20 million square feet. For additional information on REET revenue trends, please refer to the Revenue Overview section of this document.

The 2017-2018 Proposed Budget appropriates \$96.1 million from the Cumulative Reserve Subfund (CRS) in 2017 and \$80.6 million in 2018 with approximately 80% of those appropriations backed by the two REET funds. Individual projects and programs supported by CRS resources are described in the departmental sections of this document and in the 2017-2022 Proposed Capital Improvement Program (CIP). A supporting summary schedule provides the amounts for the various City departments utilizing these resources.

### Maintaining Support for Existing Programs and Major Maintenance

Cost pressures for basic major maintenance and other capital needs will likely always outpace REET revenues. CRS faces additional fiscal pressure from ongoing support provided to the 2003 Fire Facilities and Emergency Response Levy Program and the recent identification of additional budget needs for the Elliot Bay Seawall Replacement project. While voter approved levies supported a majority of the costs of these programs, rising cost projections required the City to commit additional REET resources to address the resulting budget shortfalls. The 2017-2022 Proposed CIP continues its commitment for the 2003 Fire Facilities and Emergency Response Levy program with \$13.3 million of REET-supported debt issuance. For the seawall replacement project, CRS will contribute an additional \$10 million to help fill the additional financing needs first identified in 2015. The 2017 amount brings the CRS support for this project to a total of \$23.1 million. Significant REET resources (\$16.5 million) are also allocated over the biennium to the replacement of the existing North Seattle Police Precinct. While a further review of the proposed project design is now planned, the facility does need to be replaced and the costs will be significant. In this context, it is prudent to begin reserving resources at this time.

The 2017-2018 Proposed Budget includes \$120 million for asset preservation for city infrastructure, transportation, parks, library, civic buildings, and Seattle Center over the two year biennium. This represents a significant increase above the previous two year amount of \$90 million and affirms that preserving the City's assets continues to be of primary importance. Voter approved financing for Seattle's Public Library and the Seattle Parks District add to the available resources necessary to keep the City's facilities properly maintained. For additional information on the Parks Districts supported programs, please refer to the Department of Parks and Recreation section of this document.

### Commitment to Neighborhoods

The 2017-2018 Proposed Budget reinforces the vision that the City's neighborhoods are safe, vibrant and healthy places to live by maintaining the increased REET support to the Neighborhood Projects Fund that was established in the 2015. The added REET support, which doubled previous levels, will provide neighborhoods a greater

# Cumulative Reserve Subfund

opportunity to fund community projects that preserve and enhance the character of their neighborhoods and make them a safer place for our residents.

## **REET-Supported Transportation Investments**

The 2017-2018 Proposed Budget continues to devote a significant amount of CRS resources to supporting transportation projects. With approximately \$26.5 million allocated to SDOT, the 2017-2018 Proposed Budget supports a broad array of transportation investments, with the goal of making the City's transportation system safe, reliable, efficient, and ready to meet future demand. Additional details are described below and in the Seattle Department of Transportation (SDOT) section of this document.

## **Energy Efficiency Investments**

The 2017-2018 Proposed Budget allocates \$2.5 million of REET funding to implement a package of energy efficiency projects across City facilities in support of the City's goal to achieve a 20% reduction in building energy use by the year 2020. The upgrades are expected to generate utility rebates paid by Seattle City Light. Oversight of the projects will be provided by the Office of Sustainability and Environment and the projects will be included as part of the Department of Finance and Administration Capital Budget.

## **REET Reserves**

In preparation to meet the City's future obligation to the Seattle Asian Art Museum (SAAM) for renovation work, CRS resources were set aside as a reserve over the past several years. The initial commitment was part of the 2008 Parks Levy but this was shifted to CRS to facilitate the use of Parks Levy resources for more immediate maintenance needs. In 2017, \$14 million of these reserves are being appropriated in the Department of Parks and Recreation's budget to meet the original obligation, which called for the City to pay half the cost of retrofit and renovation project. An additional \$5 million will be appropriated in 2018 to help fund the expanded scope of SAAM's currently proposed project, which includes a significant addition, as well as a basic retrofit and renovation.

The 2017-2018 Proposed Budget also maintains the City's \$10 million REET cash balance reserve at the Councils' prescribed level. Policy 12 of Resolution 31083 states that the City will maintain fund balances of \$5 million for the REET I and REET II subaccounts. This policy was relaxed in 2009 following a collapse in REET revenue streams, adjusting the minimum target balance to \$1 million for each account. Given the volatility of the real estate market, maintaining healthy reserves to protect against economic downturns is essential. Despite lingering impacts from the Great Recession early this decade, the City managed to set aside some funds each year into its REET reserve and is well-prepared for future economic uncertainty.

## **Cumulative Reserve Subfund - Unrestricted**

The CRS-Unrestricted Subaccount (CRS-U) remains in a negative unreserved fund balance position, supported by an interfund loan which was re-authorized in 2016 by ordinance 124926. The original loan allowed for the CRS-U to facilitate the purchase of the Seattle Fire Department's Joint Training Facility (JTF) land in 2003 but a related land sale that was to fund this purchase did not materialize. Over the past several years a number of strategies have been implemented to strengthen the fund's financial position. As a result of those strategies the fund has effectively reduced the interfund loan amount from the original \$10 million to just \$2 million. With the continuation of these strategies through the biennium the CRS-U fund is expected to return to a positive unreserved fund balance position by 2018.

# Cumulative Reserve Subfund

## Asset Preservation Subaccount

The Asset Preservation Subaccount preserves and extends the useful life and operational capacity of existing Finance and Administrative Services (FAS) managed facilities. City departments pay space rent to FAS in order to fund these projects. Examples of 2017 projects planned include:

- Seattle Municipal Tower (SMT) chiller plant replacement
- Seattle Municipal Tower (SMT) weatherization program, and exterior repairs
- SMT 14 demolition and structural repairs
- SMT sewer repairs
- SMT Intermediate Distribution Frame (IDF) room upgrades
- Roof replacements at Airport Way Center (AWC) maintenance complex, Building E
- Haller Lake Vehicle Maintenance Building A plumbing and HVAC repairs

## Street Vacation Subaccount

The Street Vacation Subaccount receives funding from a portion of street vacation revenues and provides additional funding support for the Department of Transportation overall efforts to meet the transportation needs of the City. The timing of street vacation revenues are difficult to predict so appropriating against this resource is often done following their collection. No significant street vacation revenues are expected in 2017 and although some fees are projected for 2018 these amounts are being reserved for future transportation projects until the fees have been collected.

## Incremental Budget Changes

### Cumulative Reserve Subfund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 44,406,653</b>	<b>0.00</b>	<b>\$ 44,406,653</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Resets Support to Transportation to Base Amount	-\$ 34,913,313	0.00	-\$ 34,913,313	0.00
Adjustment for One-Time Adds or Reductions	-\$ 7,989,524	0.00	-\$ 7,987,524	0.00
Citywide Adjustments for Standard Cost Changes	-\$ 89,816	0.00	-\$ 66,297	0.00
<b>Proposed Changes</b>				
CRS Supported Transportation Programs	\$ 26,500,000	0.00	\$ 5,000,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 16,492,653</b>	<b>0.00</b>	<b>-\$ 37,967,134</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 27,914,000</b>	<b>0.00</b>	<b>\$ 6,439,519</b>	<b>0.00</b>

# Cumulative Reserve Subfund

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Resets Support to Transportation to Base Amount - (\$34,913,313)**

CRS support to transportation projects changes with each budget cycle. This removes the previous capital project budget amounts from the proposed budget's baseline. The current level of support is reflected in the Proposed Changes section below.

#### **Adjustment for One-Time Adds or Reductions - (\$7,989,524)**

This item reflects the removal of one-time Council additions in the 2016 Adopted Budget to utilize higher revenues to pay existing General Fund debt service costs.

#### **Citywide Adjustments for Standard Cost Changes - (\$89,816)**

Citywide technical adjustments made in the initial planning phase reflect changes in ongoing costs due to inflationary factors. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **CRS Supported Transportation Programs - \$26,500,000**

The 2017-2018 Proposed Budget invests a total of \$26.5 million of Real Estate Excise Tax (REET) and Street Vacation revenues to support several transportation programs. CRS support for transportation programs are as follows:

- Alaska Way Viaduct/Seawall Replacement - \$10.0 million
- Bridges & Structures - \$2.8 million
- Roads - \$1.2 million
- Sidewalks, Trails & Pedestrian Facilities - \$1.0 million
- Neighborhood Enhancements - \$1.9 million
- Transit & HOV - \$3.0 million
- Freight Mobility - \$5.0 million
- Corridor Improvements - \$0.1 million
- Landslide Mitigation - \$0.2 million
- Debt Service - \$1.3 million

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
CRS Support for Operating & Maintenance Expenditures - South Lake Union Property Proceeds Budget Control Level	CGSF-167	0	100,000	0	0

# Cumulative Reserve Subfund

## CRS, REET I Subaccount Appropriations

<b>Artwork Conservation - OACA</b>	<b>V2ACGM-</b>	<b>64,651</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>- CRS REET I Budget Control Level</b>	<b>163</b>				
<b>CRS REET I Support to McCaw Hall Fund Budget Control Level</b>	<b>2SC10</b>	<b>258,000</b>	<b>265,000</b>	<b>273,000</b>	<b>282,000</b>
<b>CRS REET I Support to Transportation Budget Control</b>					
Corridor & Intersection Improvements - REET I		0	0	0	0
Roads - REET I		3,163,941	0	0	0
Sidewalks & Pedestrian Facilities - REET I		0	0	1,000,000	0
Trails and Bike Paths - REET I		0	0	0	0
Transit & HOV - REET I		0	0	3,000,000	0
<b>Total</b>	<b>2EC30</b>	<b>3,163,941</b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>
<b>CRS Support for Operating &amp; Maintenance Expenditures - REET I Budget Control Level</b>	<b>2CGSF-163</b>	<b>209,362</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>
<b>Debt Service for REET I - Eligible Projects Budget Control Level</b>	<b>2DBTSVC-163</b>	<b>0</b>	<b>3,239,762</b>	<b>0</b>	<b>0</b>
<b>Design Commission - CRS REET I Budget Control Level</b>	<b>2UU50-DC-163</b>	<b>590,552</b>	<b>610,816</b>	<b>502,000</b>	<b>505,519</b>
<b>Tenant Relocation Assistance Program REET I Budget Control Level</b>	<b>2UU51</b>	<b>317,910</b>	<b>360,000</b>	<b>371,000</b>	<b>382,000</b>

## CRS, REET II Subaccount Appropriations

### CRS REET II Support to Transportation Budget Control

Alaskan Way Viaduct/Seawall - REET II		897,209	14,940,000	10,000,000	0
Bridges & Structures - REET II		2,223,035	3,571,000	2,677,000	2,678,000
Corridor & Intersection Improvements - REET II		2,693,744	708,000	0	111,000
Debt Service (SDOT) - REET II		1,367,159	1,348,313	0	0
Freight Mobility - REET II		0	1,013,000	5,000,000	0
Intelligent Transportation System - REET II		1,046,020	800,000	0	0
Landslide Mitigation - REET II		-161,931	200,000	200,000	200,000
Magnolia Bridge Replacement - REET II		8,860	0	0	0
Neighborhood Enhancements - REET II		2,186,199	1,793,000	1,941,000	0
New Trails and Bike Paths - REET II		419,263	100,000	0	0
Roads - REET II		1,837,328	1,150,000	1,150,000	1,150,000
Sidewalk Maintenance - REET II		345,115	0	0	0
Sidewalks & Pedestrian Facilities - REET II		6,047,146	481,000	49,000	49,000
Trails and Bike Paths - REET II		38,422	0	0	0

## Cumulative Reserve Subfund

Transit & HOV - REET II		447,203	0	0	0
<b>Total</b>	<b>2ECM0</b>	<b>19,394,772</b>	<b>26,104,313</b>	<b>21,017,000</b>	<b>4,188,000</b>
<b>CRS Support for Operating &amp; Maintenance Expenditures - REET II Budget Control Level</b>	<b>2CGSF-161</b>	<b>999,999</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>
<b>Debt Service for REET II - Eligible Projects Budget Control Level</b>	<b>2DBTSVC-161</b>	<b>0</b>	<b>2,751,762</b>	<b>1,306,000</b>	<b>812,000</b>

### CRS, Street Vacation Subaccount Appropriations

#### CRS Street Vacation Support to Transportation Budget Control

Alaskan Way Viaduct - SV		0	1,543,000	0	0
Bridges & Structures - SV		0	2,660,000	177,000	0
Freight Mobility		949,674	0	0	0
Intelligent Transportation System - SV		19,585	0	0	0
Neighborhood Enhancements - CRS-SV		16,990	0	0	0
Roads - Street Vacations		0	795,000	0	0
Transit & HOV - SV		0	1,411,000	0	0
<b>Total</b>	<b>CRS-StVac-SDOT</b>	<b>986,249</b>	<b>6,409,000</b>	<b>177,000</b>	<b>0</b>

### CRS, Unrestricted Subaccount Appropriations

<b>Artwork Conservation - OACA - CRS-UR Budget Control Level</b>	<b>V2ACGM</b>	<b>156,209</b>	<b>187,000</b>	<b>187,000</b>	<b>187,000</b>
<b>CRS-U Support to Transportation Budget Control</b>					
CRS-U Support to Transportation		0	2,300,000	0	0
Debt Service (SDOT) - CRS-U		256,250	0	0	0
Mercer Corridor - CRSU		1,698,292	0	0	0
Transit & HOV - CRS-U		1,120,119	0	0	0
<b>Total</b>	<b>CRS-U-SDOT</b>	<b>3,074,661</b>	<b>2,300,000</b>	<b>0</b>	<b>0</b>
<b>Tenant Relocation Assistance Program - CRS-UR Budget Control Level</b>	<b>2UU50-TA</b>	<b>77,000</b>	<b>79,000</b>	<b>81,000</b>	<b>83,000</b>
<b>Department Total</b>		<b>29,293,306</b>	<b>44,406,653</b>	<b>27,914,000</b>	<b>6,439,519</b>

<b>Department Full-time Equivalent Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.



# Cumulative Reserve Subfund

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
461110	Interest Earnings -Bluefield	2,133	2,000	2,000	2,000
461110	Interest Earnings -SLU	3,296	3,500	3,500	3,500
461110	Interest Earnings - CRS-U	786,761	500,000	1,000,000	1,000,000
461110	Interest Earnings - AP	73,585	50,000	65,000	65,000
	<b>Total Interest Earnings</b>	<b>865,775</b>	<b>555,500</b>	<b>1,070,500</b>	<b>1,070,500</b>
417340	REET I	36,590,947	26,760,178	32,975,204	33,846,066
417340	REET II	36,590,754	26,760,178	32,975,204	33,846,066
	<b>Total Real Estate Excise Taxes</b>	<b>73,181,701</b>	<b>53,520,356</b>	<b>65,950,408</b>	<b>67,692,132</b>
485110	Street Vacation -SV	8,783,212	500,000	770,000	1,620,000
485110	Sale of Lands & Buildings- CRSU	707,931	0	0	0
485110	Street Vacation -CRS-U	8,783,212	500,000	770,000	1,620,000
	<b>Total Sale of Lands &amp; Buildings</b>	<b>18,274,355</b>	<b>1,000,000</b>	<b>1,540,000</b>	<b>3,240,000</b>
469990	Other Misc Revenues - CRS-U	4,632,398	0	0	400,000
	<b>Total Dedicated Revenues</b>	<b>4,632,398</b>	<b>0</b>	<b>0</b>	<b>400,000</b>
587001	Oper Tr In-Fr General Fund - CRS-U	0	2,700,000	0	0
	<b>Total General Subfund Support</b>	<b>0</b>	<b>2,700,000</b>	<b>0</b>	<b>0</b>
441990	Federal Grants - CRS-U	617,114	1,231,000	1,448,000	1,649,000
	<b>Total Grants</b>	<b>617,114</b>	<b>1,231,000</b>	<b>1,448,000</b>	<b>1,649,000</b>
437321	King County Tax Levy - CRSU	0	0	1,500,000	1,500,000
	<b>Total King County Tax Levy</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>1,500,000</b>
462300	Parking Fees - CRSU	245,820	100,000	50,000	0
	<b>Total Misc Revenues</b>	<b>245,820</b>	<b>100,000</b>	<b>50,000</b>	<b>0</b>
479010	Private Donations - CRSU	940,644	356,000	372,000	426,000
	<b>Total Private Donations</b>	<b>940,644</b>	<b>356,000</b>	<b>372,000</b>	<b>426,000</b>
485110	Oper Tr In-Fr FAS Oper Fund - AP	6,000,000	6,409,000	10,500,000	5,972,000
	<b>Total Oper Tr In-Fr FAS Operating Fund</b>	<b>6,000,000</b>	<b>6,409,000</b>	<b>10,500,000</b>	<b>5,972,000</b>
	<b>Total Revenues</b>	<b>104,757,807</b>	<b>65,871,856</b>	<b>82,430,908</b>	<b>81,949,632</b>
379100	Use of (Contribution to) Fund Balance - Bluefield	-2,133	-2,000	-2,000	-2,000
379100	Use of (Contributions to) Fund Balance - REET II	-13,180,747	6,499,400	7,140,262	560,989
379100	Use of (Contributions to) Fund Balance - REET I	-12,623,005	5,650,897	8,303,797	1,928,935
379100	Use of (Contributions to) Fund Balance - SLU	-3,295	94,500	-3,500	-3,500

## Cumulative Reserve Subfund

379100	Use of (Contributions to) Fund Balance - SV	-7,796,963	5,909,000	-593,000	-1,620,000
379100	Use of (Contributions to) Fund Balance - CRSU	-8,402,150	-251,608	-1,110,975	-2,157,325
379100	Use of (Contributions to) Fund Balance - AP	1,928,450	933,372	-65,000	-65,000
	<b>Total Use of Fund Balance</b>	<b>-40,079,843</b>	<b>18,833,561</b>	<b>13,669,584</b>	<b>-1,357,901</b>
	<b>Total Resources</b>	<b>64,677,964</b>	<b>84,705,417</b>	<b>96,100,492</b>	<b>80,591,731</b>

# Cumulative Reserve Subfund

## Appropriations By Budget Control Level (BCL) and Program

### CRS Support for Operating & Maintenance Expenditures - South Lake Union Property Proceeds Budget Control Level

The purpose of the CRS Support for Operating & Maintenance Expenditures - South Lake Union Property Proceeds Budget Control Level is to transfer funds from South Lake Union Property Proceeds to the General Fund.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
South Lake Union Transfer to GF	0	100,000	0	0
<b>Total</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>

### Artwork Conservation - OACA - CRS REET I Budget Control Level

The purpose of the Artwork Conservation - OACA - CRS REET I Budget Control Level is to support the Arts Conservation Program, which is administered by the Office of Arts & Cultural Affairs. This program provides professional assessment, conservation, repair, routine and major maintenance, and relocation of artwork for the City's approximately 400-piece permanently sited art collection and the approximately 2,700-piece portable artwork collection.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Artwork Conservation - OACA REET I	64,651	0	0	0
<b>Total</b>	<b>64,651</b>	<b>0</b>	<b>0</b>	<b>0</b>

### CRS REET I Support to McCaw Hall Fund Budget Control Level

The purpose of the CRS REET I Support to McCaw Hall Fund Budget Control Level is to appropriate resources from REET I to the McCaw Hall Fund to support major maintenance work on McCaw Hall. Any capital projects related to the expenditure of this reserve are listed in Seattle Center's Capital Improvement Program.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
CRS REET I Support to McCaw Hall Fund	258,000	265,000	273,000	282,000
<b>Total</b>	<b>258,000</b>	<b>265,000</b>	<b>273,000</b>	<b>282,000</b>

## Cumulative Reserve Subfund

### **CRS REET I Support to Transportation Budget Control Level**

The purpose of the CRS REET I Support to Transportation Budget Control Level is to appropriate funds from REET I to the Transportation Operating Fund to support specific capital programs. These capital programs are listed in the Seattle Department of Transportation's section of the Budget.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Corridor & Intersection Improvements - REET I	0	0	0	0
Roads - REET I	3,163,941	0	0	0
Sidewalks & Pedestrian Facilities - REET I	0	0	1,000,000	0
Trails and Bike Paths - REET I	0	0	0	0
Transit & HOV - REET I	0	0	3,000,000	0
<b>Total</b>	<b>3,163,941</b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>

### **CRS Support for Operating & Maintenance Expenditures - REET I Budget Control Level**

This BCL provides support for general operating and maintenance costs as temporarily allowed under RCW 86.46.010 through the end of 2016.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
CRS O&M Expenditures	209,362	1,000,000	0	0
<b>Total</b>	<b>209,362</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>

### **Debt Service for REET I - Eligible Projects Budget Control Level**

The purpose of the Debt Service for REET I-Eligible Projects budget control level is to make payments to the City's Bond Interest and Redemption Fund for principal repayment and interest obligations on bond financed REET-I eligible capital projects.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
CRS Debt SVC REET I	0	3,239,762	0	0
<b>Total</b>	<b>0</b>	<b>3,239,762</b>	<b>0</b>	<b>0</b>

## Cumulative Reserve Subfund

### **Design Commission - CRS REET I Budget Control Level**

The purpose of the Design Commission - CRS REET I Budget Control Level is to support the Design Commission, which advises the Mayor, City Council, and City departments on the design of capital improvements and other projects that shape Seattle's public realm. The goals of the Commission are to see that public facilities and projects within the city's right-of-way incorporate design excellence, that City projects achieve their goals in an economical manner, and that they fit the City's design goals.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Design Commission - CRS REET I	590,552	610,816	502,000	505,519
<b>Total</b>	<b>590,552</b>	<b>610,816</b>	<b>502,000</b>	<b>505,519</b>

### **Tenant Relocation Assistance Program REET I Budget Control Level**

The purpose of the Tenant Relocation Assistance Program REET I Budget Control Level is to allow the City to pay for relocation assistance to low income tenants displaced by development activity, as authorized by SMC 22.210 and RCW 59.18.440.

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Tenant Relocation Assistance Program REET I	317,910	360,000	371,000	382,000
<b>Total</b>	<b>317,910</b>	<b>360,000</b>	<b>371,000</b>	<b>382,000</b>

## Cumulative Reserve Subfund

### CRS REET II Support to Transportation Budget Control Level

The purpose of the CRS REET II Support to Transportation Budget Control Level is to appropriate funds from REET II to the Transportation Operating Fund to support specific capital programs, or in the case of the Debt Service Program, appropriate funds to pay debt service costs directly from the REET II Subaccount.

<b>Program Expenditures</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Alaskan Way Viaduct - REET II	897,209	14,940,000	10,000,000	0
Bridges & Structures - REET II	2,223,035	3,571,000	2,677,000	2,678,000
Corridor & Intersection Improvements - REET II	2,693,744	708,000	0	111,000
Debt Service (SDOT) - REET II	1,367,159	1,348,313	0	0
Freight Mobility - REET II	0	1,013,000	5,000,000	0
Intelligent Transportation System - REET II	1,046,020	800,000	0	0
Landslide Mitigation - REET II	-161,931	200,000	200,000	200,000
Magnolia Bridge Replacement - REET II	8,860	0	0	0
Neighborhood Enhancements - REET II	2,186,199	1,793,000	1,941,000	0
New Trails and Bike Paths - REET II	419,263	100,000	0	0
Roads - REET II	1,837,328	1,150,000	1,150,000	1,150,000
Sidewalk Maintenance - REET II	345,115	0	0	0
Sidewalks & Pedestrian Facilities - REET II	6,047,146	481,000	49,000	49,000
Trails and Bike Paths - REET II	38,422	0	0	0
Transit & HOV - REET II	447,203	0	0	0
<b>Total</b>	<b>19,394,772</b>	<b>26,104,313</b>	<b>21,017,000</b>	<b>4,188,000</b>

## Cumulative Reserve Subfund

### **CRS Support for Operating & Maintenance Expenditures - REET II Budget Control Level**

This BCL provides support for general operating and maintenance expenses as temporarily allowed under RCW 82.46.035 through the end of 2016.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
CRS O&M Support Program - REET II	999,999	1,000,000	0	0
<b>Total</b>	<b>999,999</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>

### **Debt Service for REET II - Eligible Projects Budget Control Level**

The purpose of the Debt Service for REET II-Eligible Projects budget control level is to make payments to the City's Bond Interest and Redemption Fund for principal repayment and interest obligations on bond financed REET-II eligible capital projects.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
CRS Debt Service REET II	0	2,751,762	1,306,000	812,000
<b>Total</b>	<b>0</b>	<b>2,751,762</b>	<b>1,306,000</b>	<b>812,000</b>

### **CRS Street Vacation Support to Transportation Budget Control Level**

The purpose of the CRS Street Vacation Support to Transportation Budget Control Level is to appropriate funds from the CRS Street Vacation Subaccount to support specific transportation capital programs.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Alaskan Way Viaduct - SV	0	1,543,000	0	0
Bridges & Structures - SV	0	2,660,000	177,000	0
Freight Mobility	949,674	0	0	0
Intelligent Transportation System - SV	19,585	0	0	0
Neighborhood Enhancements - CRS-SV	16,990	0	0	0
Roads - Street Vacations	0	795,000	0	0
Transit & HOV - SV	0	1,411,000	0	0
<b>Total</b>	<b>986,249</b>	<b>6,409,000</b>	<b>177,000</b>	<b>0</b>

## Cumulative Reserve Subfund

### **Artwork Conservation - OACA - CRS-UR Budget Control Level**

The purpose of the Artwork Conservation - OACA - CRS-UR Budget Control Level is to support the Arts Conservation Program, which is administered by the Office of Arts & Culture. This program provides professional assessment, conservation, repair, routine and major maintenance, and relocation of artwork for the City's approximately 400-piece permanently sited art collection and the approximately 2,700-piece portable artwork collection.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Artwork Conservation - OACA	156,209	187,000	187,000	187,000
<b>Total</b>	<b>156,209</b>	<b>187,000</b>	<b>187,000</b>	<b>187,000</b>

### **CRS-U Support to Transportation Budget Control Level**

The purpose of the CRS-U Support to Transportation Budget Control Level is to appropriate funds from CRS Unrestricted Sub-account to the Transportation Operating Fund to support specific capital programs and pay debt service on specified transportation projects.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
CRS-U Support to Transportation	0	2,300,000	0	0
Debt Service (SDOT) - CRS-U	256,250	0	0	0
Mercer Corridor - CRSU	1,698,292	0	0	0
Transit & HOV - CRS-U	1,120,119	0	0	0
<b>Total</b>	<b>3,074,661</b>	<b>2,300,000</b>	<b>0</b>	<b>0</b>

### **Tenant Relocation Assistance Program - CRS-UR Budget Control Level**

The purpose of the Tenant Relocation Assistance Program - CRS-UR Budget Control Level is to allow the City to pay for relocation assistance to low-income tenants displaced by development activity, as authorized by SMC 22.210 and RCW 59.18.440.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Tenant Relocation Assistance Program	77,000	79,000	81,000	83,000
<b>Total</b>	<b>77,000</b>	<b>79,000</b>	<b>81,000</b>	<b>83,000</b>



# Cumulative Reserve Subfund

*For Informational Purposes Only*

## Total CRS Appropriations for 2017 & 2018 Proposed Budget

### CRS Table 1 - Appropriations By Subfund and Department

Fund Department	2017 Proposed			2018 Proposed		
	CRS Direct	Dept Capital	CRS Total	CRS Direct	Dept Capital	CRS Total
<b>Cumulative Reserve Subfund –REET I (00163)</b>						
Seattle Center	\$0	\$5,532	\$5,532	\$0	\$4,883	\$4,883
Seattle Public Library	\$0	\$1,884	\$1,884	\$0	\$550	\$550
Department of Parks & Recreation	\$0	\$13,137	\$13,137	\$0	\$4,045	\$4,045
Finance & Administrative Services	\$0	\$14,416	\$14,416	\$0	\$23,760	\$23,760
Seattle Department of Transportation	\$4,000	\$0	\$4,000	\$0	\$0	\$0
Cumulative Reserve Subfund Direct Spending	\$1,146	\$0	\$1,146	\$1,170	\$0	\$1,170
<b>Subtotal</b>	<b>\$5,146</b>	<b>\$34,969</b>	<b>\$40,115</b>	<b>\$1,170</b>	<b>\$33,238</b>	<b>\$34,408</b>
<b>Cumulative Reserve Subfund –REET II (00161)</b>						
Seattle Department of Transportation	\$22,323	\$0	\$22,323	\$5,000	\$0	\$5,000
Department of Parks & Recreation		\$18,956	\$18,956		\$30,775	\$30,775
Finance & Administrative Services		\$0	\$0		\$0	\$0
Cumulative Reserve Subfund Direct Spending	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$22,323</b>	<b>\$18,956</b>	<b>\$41,279</b>	<b>\$5,000</b>	<b>\$30,775</b>	<b>\$35,775</b>
<b>Cumulative Reserve Subfund –Unrestricted (00164)</b>						
Seattle Center		\$1,685	\$1,685		\$1,385	\$1,385
Seattle Department of Transportation	\$0		\$0	\$0		\$0
Department of Parks & Recreation		\$2,049	\$2,049		\$2,755	\$2,755
Finance & Administrative Services		\$27	\$27		\$28	\$28
Cumulative Reserve Subfund Direct Spending	\$268	\$0	\$268	\$270	\$0	\$270
<b>Subtotal</b>	<b>\$268</b>	<b>\$3,761</b>	<b>\$4,029</b>	<b>\$270</b>	<b>\$4,168</b>	<b>\$4,438</b>
<b>Cumulative Reserve Subfund – Asset Preservation (00168)</b>						
Finance & Administrative Services		\$10,500	\$10,500		\$5,972	\$5,972
<b>Subtotal</b>	<b>\$0</b>	<b>\$10,500</b>	<b>\$10,500</b>	<b>\$0</b>	<b>\$5,972</b>	<b>\$5,972</b>
<b>Cumulative Reserve Subfund – Street Vacation (00169)</b>						
Seattle Department of Transportation	\$177	\$0	\$177	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$177</b>	<b>\$0</b>	<b>\$177</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total CRS Department</b>	<b>\$27,914</b>	<b>\$68,186</b>	<b>\$96,100</b>	<b>\$6,440</b>	<b>\$74,153</b>	<b>\$80,593</b>

# Cumulative Reserve Subfund

**CRS Table 2 - Appropriations By Department**

Department	2017 Proposed			2018 Proposed		
	CRS Direct	Dept Capital	CRS Total	CRS Direct	Dept Capital	CRS Total
<b>Subtotals by Department</b>						
Seattle Center	\$0	\$7,217	\$7,217	\$0	\$6,268	\$6,268
Seattle Public Library	\$0	\$1,884	\$1,884	\$0	\$550	\$550
Seattle Department of Transportation	\$26,500	\$0	\$26,500	\$5,000	\$0	\$5,000
Department of Parks & Recreation	\$0	\$34,142	\$34,142	\$0	\$37,575	\$37,575
Finance & Administrative Services	\$0	\$24,943	\$24,943	\$0	\$29,760	\$29,760
Cumulative Reserve Subfund Direct Spending	\$1,414	\$0	\$1,414	\$1,440	\$0	\$1,440
<b>Total</b>	<b>\$27,914</b>	<b>\$68,186</b>	<b>\$96,100</b>	<b>\$6,440</b>	<b>\$74,153</b>	<b>\$80,593</b>

## Cumulative Reserve Subfund

### CRS Fund Table

#### Cumulative Reserve Subfund - REET II Subaccount (00161)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>21,203,040</b>	<b>24,477,055</b>	<b>33,826,043</b>	<b>34,036,356</b>	<b>25,732,560</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	36,590,754	26,760,178	32,621,388	32,975,204	33,846,066
Less: Actual and Budgeted Expenditures	20,394,771	29,856,075	29,804,640	22,323,000	5,000,000
Less: Capital Improvements	3,572,980	2,555,000	2,606,435	18,956,000	30,775,000
<b>Ending Fund Balance</b>	<b>33,826,043</b>	<b>18,826,158</b>	<b>34,036,356</b>	<b>25,732,560</b>	<b>23,803,626</b>
Cash Balance Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Continuing Appropriations	16,775,659	9,324,728	16,775,659	16,775,659	16,775,659
Neighborhood Small Project Reserve	0	0	0	0	2,000,000
Reserve - Asian Art Museum	100,000	4,450,000	4,450,000	1,750,000	0
<b>Total Reserves</b>	<b>21,875,659</b>	<b>18,774,728</b>	<b>26,225,659</b>	<b>23,525,659</b>	<b>23,775,659</b>
<b>Ending Unreserved Fund Balance</b>	<b>11,950,384</b>	<b>51,430</b>	<b>7,810,697</b>	<b>2,206,901</b>	<b>27,967</b>

## Cumulative Reserve Subfund

### Cumulative Reserve Subfund - REET I Subaccount (00163)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>35,374,785</b>	<b>44,108,049</b>	<b>48,555,532</b>	<b>47,944,520</b>	<b>40,804,259</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	36,590,947	26,760,178	32,621,388	32,975,204	33,846,066
Less: Actual and Budgeted Expenditures	4,604,416	5,475,578	5,445,475	5,146,000	1,169,519
Less: Capital Improvements	18,805,784	27,784,000	27,786,925	34,969,465	33,237,535
<b>Ending Fund Balance</b>	<b>48,555,532</b>	<b>37,608,649</b>	<b>47,944,520</b>	<b>40,804,259</b>	<b>40,243,271</b>
Cash Balance Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Continuing Appropriations	28,093,579	26,311,857	28,093,579	28,093,579	28,093,579
Relocation Cost Reimbursement for Fire Station 5			4,100,000	4,100,000	4,100,000
Reserve - American Disability Act (ADA) Projects					3,000,000
Tenant Relocation Cost Reserve		100,000			
Reserve - Asian Art Museum	2,425,000	6,100,000	5,900,000	3,250,000	0
<b>Total Reserves</b>	<b>35,518,579</b>	<b>37,511,857</b>	<b>43,093,579</b>	<b>40,443,579</b>	<b>40,193,579</b>
<b>Ending Unreserved Fund Balance</b>	<b>13,036,953</b>	<b>96,792</b>	<b>4,850,941</b>	<b>360,680</b>	<b>49,692</b>

### Cumulative Reserve Subfund - South Lake Union Property Proceeds Subaccount (00167)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>321,081</b>	<b>324,581</b>	<b>324,377</b>	<b>227,877</b>	<b>231,377</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	3,296	3,500	3,500	3,500	3,500
Less: Actual and Budgeted Expenditures	0	100,000	100,000	0	0
<b>Ending Fund Balance</b>	<b>324,377</b>	<b>228,081</b>	<b>227,877</b>	<b>231,377</b>	<b>234,877</b>
Designated for Special Purpose	324,377	228,081	227,877	231,377	234,877
<b>Total Reserves</b>	<b>324,377</b>	<b>228,081</b>	<b>227,877</b>	<b>231,377</b>	<b>234,877</b>

## Cumulative Reserve Subfund

Ending Unreserved Fund Balance	0	0	0	0	0
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### Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>6,108,257</b>	<b>3,043,536</b>	<b>4,179,807</b>	<b>3,246,435</b>	<b>3,311,435</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	6,073,585	6,459,000	6,459,000	10,565,000	6,037,000
Less: Capital Improvements	8,002,035	7,392,372	7,392,372	10,500,000	5,972,000
<b>Ending Fund Balance</b>	<b>4,179,807</b>	<b>2,110,164</b>	<b>3,246,435</b>	<b>3,311,435</b>	<b>3,376,435</b>
Continuing Appropriations	3,172,190	2,110,164	3,172,190	3,172,190	3,172,190
Large Expense Project Reserve	1,007,617		74,245	139,245	204,245
<b>Total Reserves</b>	<b>4,179,807</b>	<b>2,110,164</b>	<b>3,246,435</b>	<b>3,311,435</b>	<b>3,376,435</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Cumulative Reserve Subfund - Street Vacation Subaccount (00169)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>490,193</b>	<b>6,232,393</b>	<b>8,287,156</b>	<b>2,409,656</b>	<b>3,002,656</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	8,783,212	500,000	531,500	770,000	1,620,000
Less: Actual and Budgeted Expenditures	986,249	6,409,000	6,409,000	177,000	0
<b>Ending Fund Balance</b>	<b>8,287,156</b>	<b>323,393</b>	<b>2,409,656</b>	<b>3,002,656</b>	<b>4,622,656</b>
Continuing Appropriations	1,994,063	0	1,994,063	1,994,063	1,994,063
Designated for Special Purposes	6,293,093	323,393	415,593	1,008,593	2,628,593
<b>Total Reserves</b>	<b>8,287,156</b>	<b>323,393</b>	<b>2,409,656</b>	<b>3,002,656</b>	<b>4,622,656</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Cumulative Reserve Subfund

### Cumulative Reserve Subfund - Unrestricted Subaccount (00164)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>3,298,267</b>	<b>6,710,576</b>	<b>11,700,418</b>	<b>12,333,526</b>	<b>13,444,501</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	16,713,880	5,387,000	6,068,500	5,140,000	6,595,000
Less: Actual and Budgeted Expenditures	3,307,870	2,566,000	2,566,000	268,000	270,000
Less: Capital Improvements	5,003,859	2,569,392	2,869,392	3,761,025	4,167,675
<b>Ending Fund Balance</b>	<b>11,700,418</b>	<b>6,962,184</b>	<b>12,333,526</b>	<b>13,444,501</b>	<b>15,601,826</b>
Continuing Appropriations	13,497,307	7,971,686	13,260,962	13,260,962	13,260,962
King County Parks Levy	1,800,000		1,800,000	1,800,000	1,800,000
Parks Street Vacation Reserve				495,000	495,000
<b>Total Reserves</b>	<b>15,297,307</b>	<b>7,971,686</b>	<b>15,060,962</b>	<b>15,555,962</b>	<b>15,555,962</b>
<b>Ending Unreserved Fund Balance</b>	<b>-3,596,889</b>	<b>-1,009,502</b>	<b>-2,727,436</b>	<b>-2,111,461</b>	<b>45,864</b>

### Cumulative Reserve Subfund - Bluefields Subaccount (00178)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>207,805</b>	<b>209,938</b>	<b>209,938</b>	<b>211,938</b>	<b>213,938</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	2,133	2,000	2,000	2,000	2,000
<b>Ending Fund Balance</b>	<b>209,938</b>	<b>211,938</b>	<b>211,938</b>	<b>213,938</b>	<b>215,938</b>
Designated for Special Purpose	209,938	211,938	211,938	213,938	215,938
<b>Total Reserves</b>	<b>209,938</b>	<b>211,938</b>	<b>211,938</b>	<b>213,938</b>	<b>215,938</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# Debt Service

Fred Podesta, Director

(206) 386-0041

<http://www.seattle.gov/FAS>

## Department Overview

The purpose of this Debt Service section is to provide appropriation authority for particular payments of debt service and associated costs of issuing debt that require legal appropriations. These appropriations include debt service payments to be made from the Bond Interest and Redemption Fund, Limited Tax General Obligation (LTGO) Issuance Costs, Unlimited Tax General Obligation (UTGO) Issuance Costs, and Unlimited Tax General Obligation (UTGO) (voter approved) debt service payments.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$32,033,589	\$37,456,347	\$38,036,601	\$34,917,048
<b>Total Operations</b>	<b>\$32,033,589</b>	<b>\$37,456,347</b>	<b>\$38,036,601</b>	<b>\$34,917,048</b>
<b>Total Appropriations</b>	<b>\$32,033,589</b>	<b>\$37,456,347</b>	<b>\$38,036,601</b>	<b>\$34,917,048</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Budget Overview

In addition to using a variety of revenues to support the regular operating budget, the City funds a variety of capital improvement projects primarily using bonds and property tax levies. The City's budget must include funds to pay interest and principal on outstanding bonds. The City has issued three types of debt to finance its capital improvement programs: unlimited tax general obligation bonds, limited tax general obligation bonds and revenue bonds.

### Unlimited Tax General Obligation Bonds

The City may issue Unlimited Tax General Obligation (UTGO) Bonds for capital purposes if a proposition authorizing their issuance is approved by 60% of the voters in an election in which the number of voters exceeds 40% of the voters in the most recent general election. Payment of principal and interest is backed by the "full faith and credit" of the City. This means that the City commits itself to include in its property tax levy an amount that is sufficient to pay principal and interest on the bonds. Property taxes levied to pay debt service on UTGO bonds are not subject to the statutory limits in state law on the taxing authority of local governments, which is why UTGO bonds are "unlimited" (see the "Property Tax" section of the "Revenue Overview" in the 2017-2018 Proposed Budget for a description of statutory limits on property tax rates and growth). However, state law does limit the amount of UTGO bonds that can be outstanding at any time to 7.5% of assessed valuation of property in the city: 2.5% for open space and park facilities, 2.5% for utility purposes, and 2.5% for general purposes. As of December 31, 2015,



# Debt Service

there were approximately \$289 million in UTGO bonds outstanding. In 2016, the City issued an additional \$37 million of UTGO bonds, the final in a series for the voter-approved Alaskan Way seawall replacement project.

## Limited Tax General Obligation Bonds

The City Council may authorize the issuance of Limited Tax General Obligation (LTGO) Bonds, also known as Councilmanic bonds, in an amount up to 1.5% of assessed valuation, without a vote of the people. The City pledges its full faith and credit to the payment of principal and interest on LTGO bonds, but this pledge must be fulfilled within the City's statutory property tax limitations. Thus, these are "limited" general obligation bonds. The combination of UTGO bonds issued for general purposes and LTGO bonds cannot exceed 2.5% of assessed property valuation. If LTGO bonds are issued up to the 1.5% ceiling, then UTGO bonds for general purposes are limited to 1% of assessed value.

The City also guarantees debt issued by the Pike Place Market Preservation and Development Authority, the Seattle Indian Services Commission, the Seattle Chinatown/International District Preservation and Development Authority, and the Museum Development Authority. As of December 31, 2015, the guarantees totaled \$51 million out of \$885 million outstanding LTGO debt. Guarantees count against the City's LTGO debt capacity.

## Revenue Bonds

Revenue bonds are used to provide financing for the capital programs of City Light and the three other utilities - Water, Drainage and Wastewater, and Solid Waste - which are grouped together in Seattle Public Utilities. The City does not pledge its full faith and credit to the payment of debt service on revenue bonds. Payment of principal and interest on the bonds issued by each utility is derived solely from the revenues generated by the issuing utility. No tax revenues are used to pay debt service.

When revenue bonds are sold, the City commits itself to set fees and charges for the issuing utility that will be sufficient to pay all costs of operations and maintenance, and all payments of principal and interest on the bonds. While the amount of revenue bonds is not subject to statutory limits, the utility's ability to repay debt with interest is a practical constraint.

## Forms of Debt Authorized by State Law

Table 1 below summarizes the conditions and limitations that apply to the issuance of the general obligation debt issued by the City.

**Table 1 - Summary of Conditions and Limitations for City Debt Issuances**

Form of Debt	Voter Approval Required	Source of Repayment	Statutory Limitation	Current Limit <sup>1</sup>	Outstanding 12-31-15 <sup>1</sup>
<b>Unlimited Tax General Obligation Bonds (UTGO)</b>					
Parks & Open Space	Yes	Property Tax	2.5% of AV	\$4.1 Billion	\$0
Utility	Yes	Property Tax	2.5% of AV	\$4.1 Billion	\$0
General Purposes	Yes	Property Tax	1.0 % of AV <sup>2</sup>	\$1.6 Billion	\$289 Million
<b>Limited Tax General Obligation Bonds (LTGO)</b>	No	Taxes and Other Revenues	1.5% of AV <sup>2</sup>	\$2.5 Billion	\$885 Million <sup>3</sup>

<sup>1</sup> As of 1/1/15, assuming the latest certified assessed value of \$163.9 billion, issued on February 11, 2016 for taxes payable in 2016.

<sup>2</sup> The sum of UTGO and LTGO debt for general purposes cannot exceed 2.5% of assessed valuation.

<sup>3</sup> Includes \$51 million of PDA debt guarantees.

# Debt Service

## City Debt Management Policies and Bond Ratings

The use of debt financing by the City is subject to federal and state laws as well as the City's own debt management policies (Resolution 31553).

The City has earned very high ratings on its bonds as a result of a strong economy and prudent financial practices. The City's UTGO debt is rated Aaa by Moody's Investors Service, AAA by Fitch IBCA, and AAA by Standard & Poor's (S&P), which are the highest possible ratings. The City's LTGO debt is rated Aa1 by Moody's, AAA by Fitch, and AAA by S&P. In addition, the City's utilities have very high ratings for revenue debt, reflecting sound finances and good management.

## 2017 and 2018 Projected Bond Issues

In 2017, the City expects to issue approximately \$107 million of limited tax general obligation (LTGO) bonds for a variety of purposes. Table 2 lists the financed projects and other details of the financing plan. Bond proceeds will be deposited into the 2017 Multipurpose Bond Fund. City departments responsible for all or portions of projects in Table 2 will then draw money from this fund as appropriated to implement the projects. The appropriations for those funds are in the respective departments' pages of this budget book. Table 3 shows a potential list of projects that may receive debt financing in 2018.

**Table 2 - 2017 Multipurpose GO Bond Issuance - Informational Only (\$1,000s)**

Project	Capital Cost	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Proposed 2017	Debt Service Estimated 2018	Debt Service Funding Source
Financial IT Upgrades Depts. (GF)	2,631	2,710	8	3.5%	71	394	General Fund
Financial IT Side Systems	1,721	1,773	8	3.5%	47	258	General Fund
Mercer Arena	4,800	4,944	20	4.5%	167	380	General Fund
Muni Court IT	2,500	2,575	8	3.5%	68	375	General Fund
Fire Station 5	4,300	4,429	20	4.5%	149	340	REET I
Fire Station 22	6,611	6,809	20	4.5%	230	523	REET I
Fire Station 32	2,000	2,060	20	4.5%	70	158	REET I
23rd Ave Corridor (CPT-10%)	1,651	1,700	20	4.5%	57	131	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-10%)	30,421	31,334	30	5.0%	1,175	2,038	SDOT (CPT-10%) (2)
Bridge Rehab (CPT-10%)	5,247	5,404	20	4.5%	182	415	SDOT (CPT-10%) (2)
Center City Streetcar (CPT-10%)	4,701	4,842	20	4.5%	163	372	SDOT (CPT-10%) (2)
Alaskan Way Corridor (CPT-2.5%)	5,975	6,154	20	4.75%	219	483	SDOT (CPT-2.5%) (3)
CWF Overlook (CPT-2.5%)	3,281	3,379	20	5.0%	127	271	SDOT (CPT-2.5%) (3)
Financial IT Upgrades (FAS)	16,345	16,835	8	3.5%	442	2,449	FAS
Seattle Municipal Tower TI	4,800	4,944	10	3.5%	130	594	SeaIT
King Street Station TI for Arts	1,800	1,854	10	3.5%	49	223	Arts
SCIDPDA Refunding	5,500	5,665	11	3.5%	149	629	PDA
<b>Total</b>	<b>104,283</b>	<b>107,412</b>			<b>3,494</b>	<b>10,036</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Proceeds from Bridging the Gap - commercial parking tax receipts (original 10%).

(3) Receipts from additional 2.5% commercial parking taxes.

# Debt Service

**Table 3 - 2018 Multipurpose GO Bond Issuance - Informational Only (\$1,000s)**

Project	Capital Cost	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Proposed 2018	Debt Service Estimated 2019	Debt Service Funding Source
Financial IT Upgrades (GF)	1,312	1,361	8	3.5%	36	198	General Fund
Financial IT Side Systems	686	706	8	3.5%	19	103	General Fund
Muni Court IT	6,600	6,798	8	3.5%	178	989	General Fund
Center City Streetcar (CPT-10%)	16,000	16,480	20	4.5%	556	1,267	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-10%)	8,579	8,836	30	5.0%	331	575	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-2.5%)	6,000	6,180	30	5.0%	232	402	SDOT (CPT-10%) (2)
Alaskan Way Corridor (CPT-2.5%)	6,966	7,175	20	4.5%	242	552	SDOT (CPT-2.5%) (3)
CWF Overlook (CPT-2.5%)	3,280	3,378	20	4.5%	114	260	SDOT (CPT-2.5%) (3)
Financial IT Upgrades (FAS)	4,903	5,050	8	3.5%	133	735	FAS
<b>Total</b>	<b>54,335</b>	<b>55,965</b>			<b>1,841</b>	<b>5,079</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Proceeds from Bridging the Gap - commercial parking tax receipts (original 10%).

(3) Receipts from additional 2.5% commercial parking taxes.

## Summary of Following Informational Tables on Debt Service

Table 4 includes the estimated \$3.1 million of costs of issuance and pricing adjustments for the 2017 LTGO bond issue.

Table 5 displays the funds used to pay outstanding LTGO debt service, listing issuance year and funding source.

Table 6 displays UTGO debt service.

All tables in this section are for informational purposes only; legal appropriations are included elsewhere in the budget.

**Table 4 - 2015 Multipurpose LTGO Fund Issuance Costs - Informational Only (\$1,000s)**

Approx. Par Amount	Issuance Costs & Pricing Adjustments	Issuance Cost Adopted 2015
\$107,412	3%	\$3,129

# Debt Service

**Table 5 - Limited Tax General Obligation Bonds Debt Service by Funding Source**

Funding Source	2016 Actual	2017 Proposed	2018 Proposed
<b>2008 LTGO Bond Fund</b>			
<b>2015A Bond Issue</b>			
Park 90/5 Police Support Acquisition	286,000		
<b>2008 LTGO Bond Fund Total</b>	<b>286,000</b>		
<b>2011 LTGO Bond Fund</b>			
<b>2011 Bond Issue</b>			
Facility Energy Retrofits-CTR	57,875		
Facility Energy Retrofits-DPR	52,050	55,150	
Facility Energy Retrofits-FAS	77,600	79,800	
Rainier Beach Community Center	322,319	145,487	
<b>2011 LTGO Bond Fund Total</b>	<b>509,844</b>	<b>280,437</b>	
<b>2012 LTGO Bond Fund</b>			
<b>2012 Bond Issue</b>			
Joint Training Facility	130,050		
Rainier Beach Community Center	449,150		
<b>2012 LTGO Bond Fund Total</b>	<b>579,200</b>		
<b>Arts</b>			
<b>2017 Bond Issue</b>			
King Street Station TI for Arts		48,668	222,927
<b>Arts Total</b>		<b>48,668</b>	<b>222,927</b>
<b>Bond Interest &amp; Redemption Fund - LTGO</b>			
<b>2008 Bond Issue</b>			
Bridge Rehab (BTG)		176,000	
<b>2009 Bond Issue</b>			
Market 96 Refunding	467,375	464,250	470,125
Northgate Park		182,700	
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall	114,417	114,294	114,294
Bridge Rehab (BTG)	394,661	394,238	394,238
Bridge Seismic (BTG)	157,492	157,323	157,323
Fire Station Projects	58,039	57,977	57,977
Golf	7,201	7,193	7,193
King Street Station (BTG)	6,852	6,845	6,845

## Debt Service

Mercer West (BTG)	156,691	156,523	156,523
Spokane (BTG)	87,921	87,826	87,826
<b>2010B Bond Issue</b>			
Training Facilities		126,890	
<b>2012 Bond Issue</b>			
Joint Training Facility		73,102	
<b>2013A Bond Issue</b>			
Rainier Beach Community Center		300,000	
<b>2014 Bond Issue</b>			
Benaroya Hall Equipment	120,800	121,675	122,300
SCIDPDA-A	179,038	174,538	174,913
SCIDPDA-B	84,894	84,894	138,519
South Park Bridge		650,000	
<b>2015B Bond Issue</b>			
Pike Market PCN		241,788	
<b>2017 Bond Issue</b>			
SCIDPDA Refunding		148,706	629,336
<b>Bond Interest &amp; Redemption Fund - LTGO Total</b>	<b>1,835,380</b>	<b>3,726,761</b>	<b>2,517,411</b>

### Cumulative Reserve Subfund - REET I

<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	658,151		
<b>2007 Bond Issue</b>			
Northgate Land Acquisition	148,750	147,000	
<b>2010A BAB Issue</b>			
Fire Station Projects	119,885	119,947	574,947
<b>2010B Bond Issue</b>			
Fire Station Projects	457,500	456,750	
Park 90/5 - 2001	246,432		
Police Training Facilities	216,050		
Southwest Precinct	836,200		
Training Facilities	385,433		
Westbridge	562,400	562,400	561,150
<b>2011 Bond Issue</b>			
Seattle Center House	380,875	382,300	382,975
<b>2013A Bond Issue</b>			
Fire Facilities	838,519	835,469	837,669
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	522,824		
<b>2015A Bond Issue</b>			
Fire Facilities	331,975	330,100	332,850
Northgate Land Acquisition	87,000	87,000	223,500

## Debt Service

South Precinct	292,625		
<b>2016A Bond Issue</b>			
Fire Station 5	26,583	129,575	126,825
Fire Stations	144,445	695,450	695,575
North Precinct	72,993	349,925	352,425
Park 90/5 Earthquake Repair	51,944		
<b>2017 Bond Issue</b>			
Fire Station 22		229,805	523,452
Fire Station 32		69,525	158,365
Fire Station 5		149,479	340,484
<b>Cumulative Reserve Subfund - REET I Total</b>	<b>6,380,582</b>	<b>4,544,725</b>	<b>5,110,217</b>
<b>Cumulative Reserve Subfund - REET II</b>			
<b>2006 Bond Issue</b>			
Alaskan Way Viaduct	255,313		
Aquarium Pier 59	97,019		
<b>2007 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	490,500	488,250	
<b>2009 Bond Issue</b>			
North Precinct	72,375		
Northgate Land Acquisition	378,625		
Northgate Park	207,428		
<b>2010B Bond Issue</b>			
Ballard Neighborhood Center	367,150		
<b>2012 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	356,750	355,750	354,250
Aquarium Pier 59	1,417,000	1,418,500	1,417,750
Fremont Bridge Approaches	105,500	107,250	103,750
<b>2013A Bond Issue</b>			
North Precinct	279,656		
<b>2014 Bond Issue</b>			
North Precinct	445,831		
<b>2015A Bond Issue</b>			
Alaskan Way Viaduct	140,250	354,750	353,500
Aquarium Pier 59	46,000	124,000	124,875
Sandpoint	694,875		
<b>2016A Bond Issue</b>			
Alaska Way Corridor (GF)	66,395		
North Precinct	14,683		
Northgate Land Acquisition	56,070		
<b>Cumulative Reserve Subfund - REET II Total</b>	<b>5,491,419</b>	<b>2,848,500</b>	<b>2,354,125</b>

## Debt Service

### Cumulative Reserve Subfund - Unrestricted

<b>2007 Bond Issue</b>			
Monorail	551,250	551,250	
<b>2012 Bond Issue</b>			
Aquarium Pier 59 Entry	170,750	170,500	175,000
<b>Cumulative Reserve Subfund - Unrestricted Total</b>	<b>722,000</b>	<b>721,750</b>	<b>175,000</b>

### Downtown Garage Fund

<b>2007 Bond Issue</b>			
Downtown Parking Garage	5,956,000		
<b>Downtown Garage Fund Total</b>	<b>5,956,000</b>		

### FAS

<b>2017 Bond Issue</b>			
Financial IT Upgrades (FAS)		441,928	2,449,150
<b>2018 Bond Issue</b>			
Financial IT Upgrades (FAS)			132,565
<b>FAS Total</b>		<b>441,928</b>	<b>2,581,715</b>

### Fleets & Facilities Fund

<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	211,638		
<b>2010B Bond Issue</b>			
City Hall	3,282,913	3,258,913	3,256,413
Civic Center Open Space	381,800	382,800	378,050
Justice Center	3,281,588	3,287,588	3,238,588
Park 90/5 - 2001	79,728	80,003	81,213
Seattle Municipal Tower TI	661,500	441,000	
<b>2012 Bond Issue</b>			
City Hall	374,200	374,200	374,200
Historic Buildings	1,626,250	1,627,500	
Justice Center	374,200	374,200	374,200
SMT Base	133,500	134,000	134,250
<b>2013A Bond Issue</b>			
Financial IT Upgrades	1,203,000	1,200,600	1,201,200
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	169,149	172,113	172,419
Seattle Municipal Tower Acquisition	5,784,632	5,804,035	5,805,851
<b>2014 Bond Issue</b>			
Financial IT Upgrades	1,417,500	1,421,375	1,417,125
IT Electronic Records	601,875	605,875	603,500
SMT Critical Infrastructure	464,500	464,500	463,500

## Debt Service

<b>2015A Bond Issue</b>			
City Hall	762,750	766,625	764,375
Civic Center Open Space	721,375	720,375	727,625
Electronic Records	306,625	304,125	306,000
Justice Center	1,941,875	1,948,125	1,946,500
SeaPark	405,500	408,000	409,500
Seattle Municipal Tower & Police Support	2,261,546	2,261,546	2,261,546
<b>2016A Bond Issue</b>			
Financial IT Upgrades (FAS)	270,113	2,341,500	2,339,000
Park 90/5 Earthquake Repair	16,805	217,470	217,360
SMT IDT Server Closets	38,063	367,125	368,500
<b>Fleets &amp; Facilities Fund Total</b>	<b>26,772,624</b>	<b>28,963,592</b>	<b>26,840,915</b>
<b>General Fund</b>			
<b>2006 Bond Issue</b>			
SLU Streetcar	107,231		
<b>2007 Bond Issue</b>			
Zoo Garage	92,785	92,978	
<b>2009 Bond Issue</b>			
Jail	69,781	45,250	44,469
North Precinct		45,250	43,250
Northgate Land Acquisition		283,500	285,625
Northgate Park		24,203	205,958
Rainier Beach Community Center	517,875	515,625	517,250
Rainier Beach Community Center (reallocated from NG)	286,448	285,723	284,418
<b>2010B Bond Issue</b>			
Ballard Neighborhood Center		363,150	363,650
McCaw Hall	799,250	798,000	
Park 90/5 - 2001		247,282	251,022
Police Training Facilities		212,800	214,300
Southwest Precinct		839,700	836,450
Training Facilities		260,880	385,008
<b>2011 Bond Issue</b>			
Facility Energy Retrofits-CTR		55,850	58,700
Facility Energy Retrofits-DPR			53,125
Facility Energy Retrofits-FAS			76,875
Rainier Beach Community Center		179,432	322,144
<b>2012 Bond Issue</b>			
Joint Training Facility		57,548	129,000
Rainier Beach Community Center		448,650	447,650
<b>2013A Bond Issue</b>			
B&O IT (Orig Proj)	982,422	981,162	979,524



## Debt Service

City Hall TI (from 2013 B&O)	109,158	109,018	108,836
Critical Infrastructure - WP/EOC (from 2013 B&O)	467,820	467,220	466,440
North Precinct		280,306	279,306
Rainier Beach Community Center	434,300	132,550	433,350
Video Mobile Data Terminals	913,600	914,000	915,200
<b>2013B Bond Issue</b>			
Concert Hall	1,772,919	470,734	469,592
Park 90/5 Police Support Acquisition		531,987	532,932
<b>2014 Bond Issue</b>			
North Precinct		450,456	449,456
South Park Bridge	674,525	23,900	672,525
<b>2015A Bond Issue</b>			
Convention Center	543,875	538,125	
Park 90/5 Police Support Acquisition		286,000	286,000
Sandpoint		691,875	
SLU Streetcar	27,750	125,250	125,125
South Park Bridge	336,025	339,025	336,650
South Precinct		295,000	296,625
Zoo Garage	54,250	54,250	137,125
<b>2015B Bond Issue</b>			
Pike Market PCN	1,943,004	1,705,524	1,946,347
<b>2016A Bond Issue</b>			
Alaska Way Corridor (GF)		321,325	319,450
Financial IT Upgrades (GF)	67,375	582,500	586,875
Jail	14,753	42,150	42,150
North Precinct		41,950	41,950
Northgate Land Acquisition		160,200	160,200
Park 90/5 Earthquake Repair		672,180	671,840
Parking Pay Stations	113,313	1,464,500	1,464,500
<b>2016B Bond Issue</b>			
Pike Market PCN	52,240	393,031	394,931
<b>2017 Bond Issue</b>			
Financial IT Side Systems		46,535	257,894
Financial IT Upgrades (GF)		71,138	394,243
Mercer Arena		166,860	380,076
Muni Court IT		67,594	374,602
<b>2018 Bond Issue</b>			
Financial IT Side Systems			18,545
Financial IT Upgrades (GF)			35,717
Muni Court IT			178,448
<b>General Fund Total</b>	<b>10,380,697</b>	<b>17,182,165</b>	<b>18,275,347</b>

# Debt Service

## Information Technology Fund

<b>2013A Bond Issue</b>			
Data Center	282,350	286,050	282,250
<b>2014 Bond Issue</b>			
Data Center Long	877,400	877,650	876,400
Data Center Short	3,673,625	3,670,500	3,674,250
IT Computing Architecture	202,500	203,750	204,500
IT Enterprise	440,000	436,125	436,375
<b>2015A Bond Issue</b>			
Data Center Short	1,053,000	1,059,750	1,059,125
IT Enterprise	238,250	238,500	238,250
IT Service Tools	507,875	512,000	510,000
<b>2016A Bond Issue</b>			
Data Center Long	30,800	224,500	222,375
<b>Information Technology Fund Total</b>	<b>7,305,800</b>	<b>7,508,825</b>	<b>7,503,525</b>

## Library Fund

<b>2012 Bond Issue</b>			
Library Garage	405,500	403,000	400,000
Library IT	154,250	152,250	
<b>Library Fund Total</b>	<b>559,750</b>	<b>555,250</b>	<b>400,000</b>

## Parks & Recreation Fund

<b>2010A BAB Issue</b>			
Golf	14,874	14,882	69,882
<b>2010B Bond Issue</b>			
Golf	55,250	57,750	
Interbay Golf Facilities	387,900	388,150	387,650
Westbridge	120,000	120,000	120,000
<b>2011 Bond Issue</b>			
Golf	159,600	160,450	161,050
<b>2012 Bond Issue</b>			
Golf	287,650	285,900	283,900
Magnuson Bldg 30	316,750	311,500	316,000
<b>2013A Bond Issue</b>			
Golf	117,413	120,613	118,013
<b>2013B Bond Issue</b>			
Magnuson Bldg 11	545,888	547,378	547,650
Magnuson Bldg 30	487,195	489,060	489,833
<b>2014 Bond Issue</b>			
Golf	375,613	376,863	372,738
<b>2015A Bond Issue</b>			

## Debt Service

Golf	135,425	137,550	134,550
<b>Parks &amp; Recreation Fund Total</b>	<b>3,003,557</b>	<b>3,010,094</b>	<b>3,001,264</b>

### SealT

<b>2017 Bond Issue</b>			
Sea Muni Twr TI		129,780	594,473
<b>SealT Total</b>		<b>129,780</b>	<b>594,473</b>

### Seattle Center Fund

<b>2012 Bond Issue</b>			
McCaw Hall (long)	124,500	125,250	125,750
<b>Seattle Center Fund Total</b>	<b>124,500</b>	<b>125,250</b>	<b>125,750</b>

### SPU Drainage & Wastewater Fund

<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	28,680		
<b>2010B Bond Issue</b>			
Park 90/5 - 2001	10,872	10,910	11,075
Training Facilities	20,405	20,529	20,383
<b>2012 Bond Issue</b>			
Joint Training Facility	7,400	7,150	7,900
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	23,066	23,470	23,512
<b>2015A Bond Issue</b>			
Seattle Municipal Tower & Police Support	11,515	11,515	11,515
<b>2016A Bond Issue</b>			
Park 90/5 Earthquake Repair	2,292	29,655	29,640
<b>SPU Drainage &amp; Wastewater Fund Total</b>	<b>104,229</b>	<b>103,229</b>	<b>104,024</b>

### SPU Solid Waste Fund

<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	15,774		
<b>2010B Bond Issue</b>			
Park 90/5 - 2001	5,980	6,000	6,091
Training Facilities	11,223	11,291	11,211
<b>2012 Bond Issue</b>			
Joint Training Facility	4,300	4,150	4,000
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	15,377	15,647	15,674
<b>2015A Bond Issue</b>			
Seattle Municipal Tower & Police Support	6,909	6,909	6,909
<b>2016A Bond Issue</b>			

## Debt Service

Park 90/5 Earthquake Repair	1,528	19,770	19,760
<b>SPU Solid Waste Fund Total</b>	<b>61,091</b>	<b>63,767</b>	<b>63,645</b>

### SPU Water Fund

<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	51,146		
<b>2010B Bond Issue</b>			
Park 90/5 - 2001	19,388	19,455	19,750
Training Facilities	36,389	36,610	36,349
<b>2012 Bond Issue</b>			
Joint Training Facility	13,250	12,800	13,350
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	38,443	39,117	39,186
<b>2015A Bond Issue</b>			
Seattle Municipal Tower & Police Support	23,030	23,030	23,030
<b>2016A Bond Issue</b>			
Park 90/5 Earthquake Repair	3,819	49,425	49,400
<b>SPU Water Fund Total</b>	<b>185,466</b>	<b>180,437</b>	<b>181,065</b>

### Transportation Fund

<b>2007 Bond Issue</b>			
Mercer (from Zoo bonds)	750,715	752,273	
<b>2008 Bond Issue</b>			
Arterial Asphalt and Concrete (from 2008 Mercer)	304,513	361,759	415,034
Bridge Rehab (BTG)	185,500	11,500	189,000
Bridge Seismic (BTG)	75,000	71,750	73,500
King Street Station (BTG)	156,000	154,250	152,250
Lander (BTG)	208,500	249,750	283,500
Mercer (BTG) (Orig Project)	2,934,987	3,486,741	4,000,217
Spokane (BTG)	685,250	816,500	939,750
<b>2009 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	202,750	204,000	204,750
Bridge Rehab (BTG)	858,625	645,750	646,500
King Street Station (BTG)	106,875	84,625	80,875
Spokane (BTG)	2,008,000	1,857,750	1,858,625
Spokane (BTG) (Redirected from Jail)	209,344	135,750	133,406
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall	236,340	236,463	716,463
Bridge Rehab (BTG)	815,214	815,637	2,515,637
Bridge Seismic (BTG)	325,316	325,485	1,005,485
King Street Station (BTG)	14,155	14,162	44,162

## Debt Service

Mercer (BTG) (Orig Proj)			
Mercer West (BTG)	240,848	240,974	740,974
Mercer West (BTG) (from 2010A BABS Mercer)	82,812	82,855	257,855
Spokane (BTG)	181,609	181,703	561,703
<b>2010B Bond Issue</b>			
23rd Ave (BTG) (from 2010B Mercer)	55,770	53,235	
Alaskan Way Tunnel / Seawall	479,750	483,000	
Bridge Rehab (BTG)	1,376,000	1,333,500	
Bridge Seismic (BTG)	550,500	535,500	
King Street Station (BTG)	22,250	26,250	
Mercer (BTG) (Orig Proj)	87,230	83,265	
Mercer West (BTG)	407,250	393,750	
Spokane (BTG)	308,250	299,250	
<b>2011 Bond Issue</b>			
23rd Ave (Rdcd for MW (BTG) (from 2011 Spokane))	399,310	400,103	399,192
AAC Northgate (BTG) (from 2011 Spokane)	322,310	322,950	322,215
Arterial Asphalt & Concrete (from 2011 Spokane (BTG))	31,925	31,988	31,915
Arterial Asphalt & Concrete (from Linden (BTG) (from 2011 Spokane))	19,081	19,119	19,075
AWV - Parking/Prgm Mgt (CPT)	283,275	283,175	282,575
Bridge Rehab (BTG)	117,211	116,935	116,539
Bridge Rehab (BTG) (from 2011 Spokane)	145,040	145,328	144,997
Bridge Seismic (BTG)	139,719	136,569	138,294
Bridge Seismic (BTG) (from 2011 Bridge Rehab)	417,564	416,581	415,170
Bridge Seismic (BTG) (from 2011 Spokane)	177,271	177,623	177,218
Chesiahud (BTG) (from 2011 Spokane)	80,578	80,738	80,554
King Street Station (BTG)	289,744	288,119	286,244
Linden (BTG) (Rdcd for AA - from 2011 Spokane)	109,843	110,061	109,811
Mercer West (CPT)	582,319	579,069	580,194
Mercer West (CPT) (from 2011 Bridge Rehab - BTG)	197,794	197,328	196,660
Mercer West (CPT) (from 2011 Spokane)	145,040	145,328	144,997
Mercer West (from 23rd (BTG) (from 2011 Spokane))	19,693	19,732	19,687
Seawall (CPT)	887,300	887,100	890,775
Sidewalks (BTG) (from 2011 Spokane)	80,578	80,738	80,554
Spokane (Rdcd for AAC (BTG) (Orig Proj))	80,884	81,044	80,860
<b>2012 Bond Issue</b>			
AWV - Parking/Prgm Mgt	323,750	322,250	325,250
Linden (BTG)	406,850	410,350	408,100
Mercer (BTG) (Orig Proj)			

## Debt Service

Mercer West (CPT) (from 2012 Mercer)	332,900	335,150	331,900
Seawall (CPT)	189,450	184,950	185,450
SR 519	192,250	190,750	194,000
<b>2015A Bond Issue</b>			
Alaska Way Corridor (CPT-2.5%)	281,975	281,100	279,975
Arterial Asphalt and Concrete (from 2008 Mercer)	88,250	88,250	88,250
Bridge Rehab (BTG)	111,250	111,250	111,250
Bridge Rehab (CPT10%)	345,250	343,125	345,625
Bridge Seismic (BTG)	44,000	44,000	44,000
CWF Overlook (CPT-2.5%)	95,550	93,550	91,550
King Street Station (BTG)	92,500	92,500	92,500
Lander (BTG)	62,250	62,250	62,250
Mercer (BTG) (Orig Project)	850,500	850,500	850,500
Mercer (from Zoo bonds)	440,250	440,250	1,117,875
Spokane (BTG)	201,500	201,500	201,500
<b>2016A Bond Issue</b>			
23rd Ave Corridor (CPT-10%)	105,175	505,250	504,500
Alaska Way Corridor (CPT-2.5%)	182,018	875,925	877,175
Bridge Rehab (BTG)	126,875	362,500	362,500
King Street Station (BTG)	14,438	41,250	41,250
Seawall (CPT-2.5%)	111,650	538,375	536,875
Spokane (BTG)	99,925	285,500	285,500
Spokane (BTG) (Redirected from Jail)	44,065	125,900	125,900
Transit Corridor	12,898	61,225	59,975
<b>2017 Bond Issue</b>			
23rd Ave Corridor (CPT-10%)		57,376	130,692
Alaska Way Corridor (CPT-2.5%)		219,245	483,419
Bridge Rehab (CPT-10%)		182,383	415,434
Center City Streetcar (CPT-10%)		163,419	372,237
CWF Overlook (CPT-2.5%)		126,729	271,174
Seawall LTGO (CPT-10%)		1,175,025	2,038,322
<b>2018 Bond Issue</b>			
Alaska Way Corridor (CPT-2.5%)			242,156
Center City Streetcar (CPT-10%)			556,200
CWF Overlook (CPT-2.5%)			114,021
Seawall LTGO (CPT-10%)			331,350
Seawall LTGO (CPT-2.5%)			231,750
<b>Transportation Fund Total</b>	<b>23,151,345</b>	<b>27,228,879</b>	<b>32,047,615</b>
<b>Grand Total</b>	<b>93,409,484</b>	<b>97,664,036</b>	<b>102,099,019</b>

# Debt Service

Table 6 - Unlimited Tax General Obligation Bonds Debt Service

	2016 Revised	2017 Proposed	2018 Proposed
<b>1998 A UTGO Bond Issue</b>	<b>286,919</b>	<b>292,481</b>	
Refunding	286,919	292,481	
<b>2007 UTGO Bond Issue</b>	<b>8,031,163</b>	<b>8,014,838</b>	<b>8,006,400</b>
Library	8,031,163	8,014,838	8,006,400
<b>2012 UTGO Bond Issue</b>	<b>6,452,000</b>	<b>6,446,250</b>	<b>6,448,750</b>
Library & Refunding	6,452,000	6,446,250	6,448,750
<b>2013 UTGO Bond Issue</b>	<b>2,989,400</b>	<b>2,991,000</b>	<b>2,991,000</b>
Seawall	2,989,400	2,991,000	2,991,000
<b>2014 UTGO Bond Issue</b>	<b>964,000</b>	<b>964,400</b>	<b>966,200</b>
Seawall	964,000	964,400	966,200
<b>2015 UTGO Bond Issue</b>	<b>10,129,250</b>	<b>10,129,500</b>	<b>10,132,500</b>
Seawall	10,129,250	10,129,500	10,132,500
<b>2016 UTGO Bond Issue</b>		<b>2,342,871</b>	<b>2,224,750</b>
Seawall		2,342,871	2,224,750
<b>Grand Total</b>	<b>28,852,731</b>	<b>31,181,340</b>	<b>30,769,600</b>

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Bond Interest and Redemption Budget Control Level	DEBTBIRF	2,223,747	1,835,380	3,726,761	2,517,411
Debt Issuance Costs - LTGO Budget Control Level	DEBTISSUE-L	1,826,848	3,908,696	3,128,500	1,630,037
Debt Issuance Costs - UTGO Budget Control Level	DEBTISSUE-U	4,041,000	1,250,072	0	0
<b>UTGO Debt Service Budget Control</b>					
UTGO - Bond Interest and Redemption		23,941,994	30,462,199	31,181,340	30,769,600
<b>Total</b>	<b>DEBTUTGO</b>	<b>23,941,994</b>	<b>30,462,199</b>	<b>31,181,340</b>	<b>30,769,600</b>
<b>Department Total</b>		<b>32,033,589</b>	<b>37,456,347</b>	<b>38,036,601</b>	<b>34,917,048</b>

**Department Full-time Equivalents Total\***                                 **0.00**                                 **0.00**                                 **0.00**                                 **0.00**

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Debt Service

## Appropriations By Budget Control Level (BCL) and Program

### Bond Interest and Redemption Budget Control Level

The purpose of the Bond Interest and Redemption Budget Control Level is to make certain debt service payments through the Bond Interest and Redemption Fund (BIRF).

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Bond Interest and Redemption	2,223,747	1,835,380	3,726,761	2,517,411
<b>Total</b>	<b>2,223,747</b>	<b>1,835,380</b>	<b>3,726,761</b>	<b>2,517,411</b>

### Debt Issuance Costs - LTGO Budget Control Level

The purpose of the Debt Issuance Costs - LTGO Budget Control Level is to pay debt issuance costs related to Multipurpose Limited Tax General Obligation (LTGO) Debt Issuance.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt Issuance Costs - LTGO	1,826,848	3,908,696	3,128,500	1,630,037
<b>Total</b>	<b>1,826,848</b>	<b>3,908,696</b>	<b>3,128,500</b>	<b>1,630,037</b>

### Debt Issuance Costs - UTGO Budget Control Level

The purpose of the Debt Issuance Costs - UTGO Budget Control Level is to pay debt issuance costs related to the Unlimited Tax General Obligation (UTGO) Debt Issuance.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt Issuance Costs -UTGO	4,041,000	1,250,072	0	0
<b>Total</b>	<b>4,041,000</b>	<b>1,250,072</b>	<b>0</b>	<b>0</b>

### UTGO Debt Service Budget Control Level

The purpose of the UTGO Debt Service Budget Control Level is to create the legal appropriations to pay debt service on outstanding Unlimited Tax General Obligation (UTGO) Bonds.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
UTGO - Bond Interest and Redemption	23,941,994	30,462,199	31,181,340	30,769,600
<b>Total</b>	<b>23,941,994</b>	<b>30,462,199</b>	<b>31,181,340</b>	<b>30,769,600</b>





# Fiber Leasing Fund

Michael Mattmiller, Director & Chief Technology Officer

(206) 684-0600

<http://www.seattle.gov/seattleIT>

## Department Overview

In 1995, the City Council passed Ordinance [117981](#), authorizing fiber installation project cost sharing agreements between City departments and other governmental and public educational agencies and institutions. Since then, approximately 20 government and public education agencies, known collectively as the "Fiber Partnership," have implemented more than 300 fiber optic projects to install more than 550 miles of fiber optic cable in the greater Seattle area. The Seattle Information Technology Department (Seattle IT) acts as the lead agency in the partnership and manages the program.

In 2012, the City passed Ordinance [123931](#), authorizing Seattle IT to lease excess capacity on the fiber optic network to private parties. The Fiber Leasing Fund was created to manage the operating, maintenance, and capital costs of those agreements.

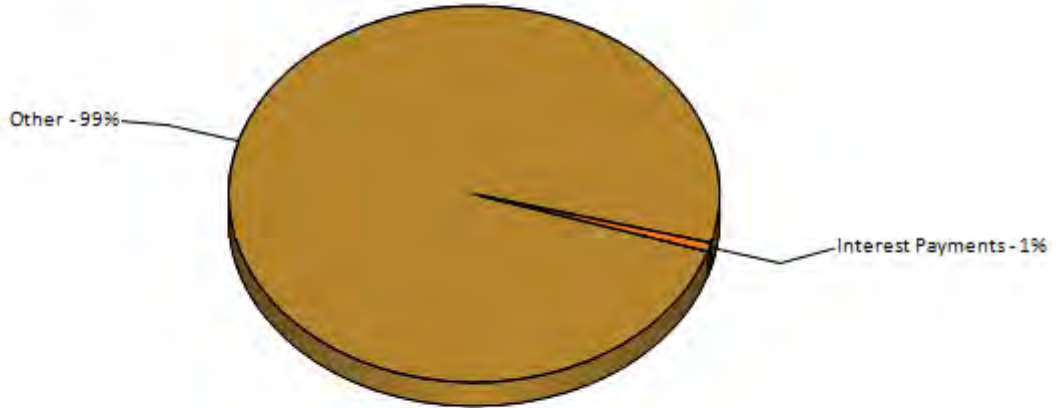
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$3,767	\$155,000	\$155,000	\$155,000
<b>Total Operations</b>	<b>\$3,767</b>	<b>\$155,000</b>	<b>\$155,000</b>	<b>\$155,000</b>
<b>Total Appropriations</b>	<b>\$3,767</b>	<b>\$155,000</b>	<b>\$155,000</b>	<b>\$155,000</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

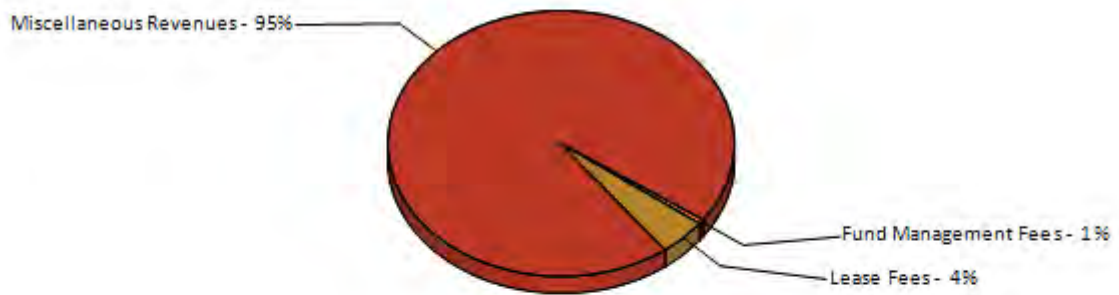
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Fiber Leasing Fund

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# Fiber Leasing Fund

## Budget Overview

The 2017-2018 Proposed Budget does not include any changes to the Fiber Leasing Fund.

## Incremental Budget Changes

### Fiber Leasing Fund

	2017		2018	
	Budget	FTE	Budget	FTE
Total 2016 Adopted Budget	\$ 155,000	0.00	\$ 155,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 0</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 155,000</b>	<b>0.00</b>	<b>\$ 155,000</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Technical Changes

#### Technical Adjustments

This item contains a technical adjustment to realign accounts.

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Fiber Leasing Fund Budget Control Level	FBRL100	3,767	155,000	155,000	155,000
<b>Department Total</b>		<b>3,767</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Fiber Leasing Fund

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
442810	Fund Management Fees	876	882	889	896
	<b>Total Fund Management Fees</b>	<b>876</b>	<b>882</b>	<b>889</b>	<b>896</b>
462900	Lease Fees	0	7,024	7,091	7,162
	<b>Total Lease Fees</b>	<b>0</b>	<b>7,024</b>	<b>7,091</b>	<b>7,162</b>
461110	Miscellaneous Revenues	4,000	146,476	150,000	150,000
	<b>Total Miscellaneous Revenues</b>	<b>4,000</b>	<b>146,476</b>	<b>150,000</b>	<b>150,000</b>
	<b>Total Revenues</b>	<b>4,876</b>	<b>154,382</b>	<b>157,980</b>	<b>158,058</b>
379100	Use of (Contributions to) Fund Balance	-1,109	618	-2,980	-3,058
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>-1,109</b>	<b>618</b>	<b>-2,980</b>	<b>-3,058</b>
	<b>Total Resources</b>	<b>3,767</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>

## Appropriations By Budget Control Level (BCL) and Program

### Fiber Leasing Fund Budget Control Level

The purpose of the Fiber Leasing Budget Control Level is to account for revenues, expenditures, assets, and liabilities associated with agreements with private parties for the use of the City's Excess Fiber and Fiber Infrastructure.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Program Expenditures</b>				
Fiber Leasing Fund	3,767	155,000	155,000	155,000
<b>Total</b>	<b>3,767</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>

# Fiber Leasing Fund

## REMS Fund Report

### Fiber Leasing Fund Table

#### Fiber Leasing Fund

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>11,604</b>	<b>10,979</b>	<b>12,713</b>	<b>11,619</b>	<b>14,599</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,876	154,382	153,906	157,980	158,058
Less: Actual and Budgeted Expenditures	3,767	155,000	155,000	155,000	155,000
<b>Ending Fund Balance</b>	<b>12,713</b>	<b>10,361</b>	<b>11,619</b>	<b>14,599</b>	<b>17,657</b>
<b>Ending Unreserved Fund Balance</b>	<b>12,713</b>	<b>10,361</b>	<b>11,619</b>	<b>14,599</b>	<b>17,657</b>



# Fiscal Reserves

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Ben Noble, Director

(206) 615-1962

## Department Overview

The State of Washington permits the City to maintain two financial reserves to draw upon in the event of certain unanticipated expenditure or revenue pressures. Under the authority of RCW 35.32A.060, the City maintains the Emergency Subfund (ESF) of the General Fund. The ESF is the principal reserve for the City to draw upon when certain unanticipated expenses occur during the fiscal year. Eligible expenses include costs related to storms or other natural disasters. State law limits the amount of money the City can set aside in this reserve to 37.5 cents per \$1,000 of assessed value of property within the city.

Under the authority of RCW 35.21.070, the City maintains a second financial reserve called the Revenue Stabilization Account (RSA) of the Cumulative Reserve Subfund, also known as the Rainy Day Fund. The RSA provides resources for the City to draw upon to maintain City services in the event of a sudden, unanticipated shortfall in revenue due to economic downturns or other factors. City code limits the amount set aside in this reserve to five percent of General Subfund tax receipts. Ordinance 123743 requires the City to deposit an amount equivalent to 0.5% of General Subfund tax revenues into the RSA, with some limited exceptions. In addition, City policy requires the deposit of 50% of any unplanned year-end fund balance in the General Subfund into the RSA. The RSA has a fund balance cap equal to five percent of total annual General Fund tax revenue.



# Fiscal Reserves

## Budget Overview

The 2017-2018 Proposed Budget continues to protect the City's fiscal reserves and embraces strong and prudent financial management practices. Maintaining healthy and appropriate reserve levels is critical in ensuring the City is financially well prepared to address unexpected revenue or expenditure pressures, especially as economic conditions have become more volatile.

### Emergency Subfund

State law allows the City to maintain an emergency reserve at a maximum statutory-authorized level of 37.5 cents per \$1,000 of assessed property value in the city. The City's practice has been to fully fund the emergency reserve to this maximum limit. However, over that past several years assessed values have undergone significant growth and are expected to continue at a rate that far outpaces the projected City's revenue growth rate. While perhaps good news from an economic standpoint, these increasing assessed values do not translate into a proportional increase in City property tax revenues. To the contrary, state law limits the growth of property tax revenues to 1% plus the value of new construction. In this context, and recognizing that the State of Emergency declared in response to the homelessness crisis has created the need for additional resources to be directed toward related social services, this budget includes a proposal to modify the existing financial policies for the ESF. The proposal would require that the City maintain a minimum balance of \$60 million, essentially the current level, and further require that purchasing power of this balance be maintained by increasing this minimum required balance at the rate of inflation. This implies that the ESF would continue to grow, but at somewhat lower rate than under existing policies. This proposal strikes a balance between ensuring that resources will be available to address unanticipated expenditures and making resources available to address current needs. Consistent with this new proposal, the proposed budget will increase the ESF balance by approximately 5% (\$3 million) over the biennium, the cumulative rate of inflation forecast for the next 2 years. This will result in a balance of \$63.2 million by 2018.

### Success of Rainy Day Funding Enhancements

The City adopted significant RSA funding enhancements in 2011 via Ordinance 123743. These changes enabled the City to rebuild the Rainy Day Fund reserves that had been spent down in 2009 and 2010 in the midst of the Great Recession. The new policies facilitated the rebuilding of this reserve fund from a low of \$10.5 million in 2010 to the proposed level of \$52.1 million by 2018. The \$52.1 million also represents an historical high for this fund. The 2017 and 2018 contributions are driven by General Fund revenue growth as the fund reached the policy cap in 2015.

# Fiscal Reserves

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
485110	Operating Tr In-Fr General Fund - RSA	3,810,000	2,223,941	2,777,744	1,868,939
485110	Oper Tr-In fr General Fund - EMF	5,646,198	5,148,309	1,697,861	1,521,358
<b>Total Oper Tr In Fr GF</b>		<b>9,456,198</b>	<b>7,372,250</b>	<b>4,475,605</b>	<b>3,390,297</b>
<b>Total Revenues</b>		<b>9,456,198</b>	<b>7,372,250</b>	<b>4,475,605</b>	<b>3,390,297</b>
379100	Use of (Contribution to) Fund Balance - RSA	-3,810,000	-2,223,941	-2,777,744	-1,868,939
379100	Use of (Contribution to) Fund Balance - EMF	-5,646,198	-5,148,309	-1,697,861	-1,521,358
<b>Total Use of Fund Balance</b>		<b>-9,456,198</b>	<b>-7,372,250</b>	<b>-4,475,605</b>	<b>-3,390,297</b>
<b>Total Resources</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Fiscal Reserves Fund Table

### Cumulative Reserve Subfund, Revenue Stabilization Account (00166)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>41,412,783</b>	<b>45,223,304</b>	<b>45,222,783</b>	<b>47,446,724</b>	<b>50,224,468</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	3,810,000	2,223,941	2,223,941	2,777,744	1,868,939
<b>Ending Fund Balance</b>	<b>45,222,783</b>	<b>47,447,245</b>	<b>47,446,724</b>	<b>50,224,468</b>	<b>52,093,407</b>
<b>Ending Unreserved Fund Balance</b>	<b>45,222,783</b>	<b>47,447,245</b>	<b>47,446,724</b>	<b>50,224,468</b>	<b>52,093,407</b>

## Fiscal Reserves

### Emergency Subfund (00185)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	48,546,526	54,192,724	54,192,724	60,000,000	61,697,861
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,646,198	5,148,309	5,807,276	1,697,861	1,521,358
<b>Ending Fund Balance</b>	<b>54,192,724</b>	<b>59,341,033</b>	<b>60,000,000</b>	<b>61,697,861</b>	<b>63,219,219</b>
<b>Ending Unreserved Fund Balance</b>	<b>54,192,724</b>	<b>59,341,033</b>	<b>60,000,000</b>	<b>61,697,861</b>	<b>63,219,219</b>

# Judgment/Claims

## Department Overview

The Judgment/Claims Subfund provides for the payment of legal claims and suits brought against the City government. The subfund receives revenues from the General Fund and the utilities (Seattle City Light and Seattle Public Utilities) to pay the judgments, settlements, claims and other eligible expenses. Unused balances, if any, remain in the fund and may reduce the contribution required in succeeding years.

The General Fund-supported departments with 2% or more of historical Judgment/Claims costs make premium payments to the subfund directly from their budgets. Finance General covers premiums for departments with less than 2% of historical Judgment/Claims costs. Revenues from the utilities are budgeted based on expected expenses, but they only pay actual expenses as they are incurred.

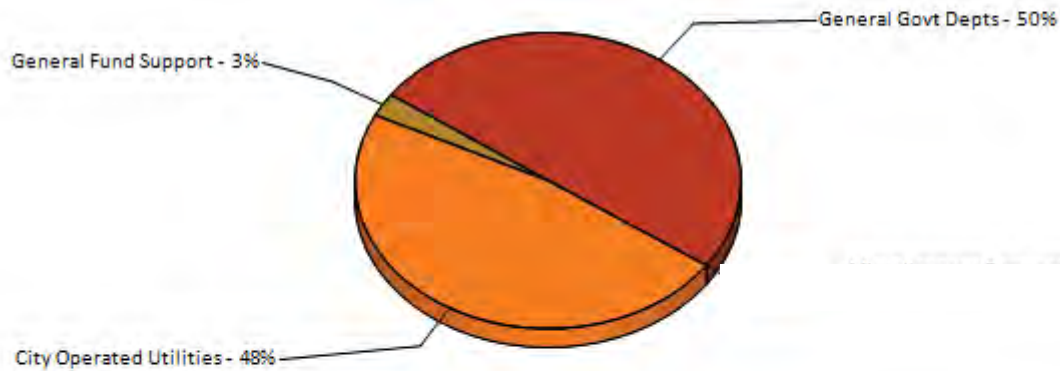
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$15,300,750	\$17,749,451	\$16,349,816	\$15,219,979
<b>Total Operations</b>	<b>\$15,300,750</b>	<b>\$17,749,451</b>	<b>\$16,349,816</b>	<b>\$15,219,979</b>
<b>Total Appropriations</b>	<b>\$15,300,750</b>	<b>\$17,749,451</b>	<b>\$16,349,816</b>	<b>\$15,219,979</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Judgement/Claims

## 2017 Proposed Budget - Revenue by Category



## Budget Overview

The Risk Management Division of the Department of Finance and Administrative Services, the City Budget Office, and the Law Department monitor the City's potential risk liabilities as well as the financial health of the Judgment/Claims (J/C) Subfund. The 2017-2018 Proposed Budget is based on the recommendations of these departments and ensures the financial health of the subfund.

The 2017 Proposed Budget is developed on a rolling five-year average of expenditures from 2011-2015. The 2018 Endorsed Budget uses a rolling average from 2012-2015 expenditures per Resolution 30386. The ongoing budgeted expenditures are reduced by \$150,000 in anticipated savings from the addition of a 0.5 FTE land use attorney. The Law Department expects to save this amount in reduced use of outside counsel. Per Resolution 30386, the J/C Subfund must maintain a fund balance equivalent to 50% of the expected annual expenditures. The 2016 ending fund balance is expected to be \$7.5 million. The fund must retain \$6.5 million in fund balance to meet a Washington state reserve related to contract indemnifications.

# Judgment/Claims

## Incremental Budget Changes

### Judgment/Claims

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 17,749,451</b>	<b>0.00</b>	<b>\$ 17,749,451</b>	<b>0.00</b>
<b>Proposed Changes</b>				
Reduce General Fund Expenditure to Five-Year Average Level	-\$ 1,399,635	0.00	-\$ 2,529,472	0.00
<b>Total Incremental Changes</b>	<b>-\$ 1,399,635</b>	<b>0.00</b>	<b>-\$ 2,529,472</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 16,349,816</b>	<b>0.00</b>	<b>\$ 15,219,979</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Reduce General Fund Expenditure to Five-Year Average Level - (\$1,399,635)**

This change reduces the budget for General Fund expenditures to match the average spending for the five prior years. The budgeted expenses are further reduced by \$150,000 to reflect anticipated savings with the addition of a 0.5 FTE land use attorney in the Law Department and the expected savings of outside counsel costs.

Expenditures on claims and litigation can be very volatile and difficult to forecast, therefore basing the budget on a rolling five-year average helps provide stability to the fund. Per Resolution 30386, this budget methodology meets the goal of having a predictable and consistent budget from year to year.

# Judgement/Claims

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Claim Expenses Budget Control Level	00126-CJ000	2,661,246	4,109,877	3,785,792	3,524,179
General Legal Expenses Budget Control Level	00126-JR010	102,543	103,000	94,878	88,321
Litigation Expenses Budget Control Level	00126-JR000	9,497,654	12,229,366	11,265,018	10,486,561
Police Action Expenses Budget Control Level	00126-JR020	3,039,307	1,307,208	1,204,128	1,120,918
<b>Department Total</b>		<b>15,300,750</b>	<b>17,749,451</b>	<b>16,349,816</b>	<b>15,219,979</b>

<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
544730	Payments from City-Operated Utilities	5,881,822	7,781,749	7,781,749	7,781,749
	<b>Total City Operated Utilities</b>	<b>5,881,822</b>	<b>7,781,749</b>	<b>7,781,749</b>	<b>7,781,749</b>
587001	General Subfund Support	337,906	620,842	416,820	361,854
	<b>Total General Fund Support</b>	<b>337,906</b>	<b>620,842</b>	<b>416,820</b>	<b>361,854</b>
544730	Payments from General Government Departments	4,439,525	8,156,607	8,151,247	7,076,376
	<b>Total General Govt Depts</b>	<b>4,439,525</b>	<b>8,156,607</b>	<b>8,151,247</b>	<b>7,076,376</b>
499999	Miscellaneous Revenue	-2,963	0	0	0
	<b>Total Miscellaneous Revenue</b>	<b>-2,963</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Revenues</b>		<b>10,656,290</b>	<b>16,559,198</b>	<b>16,349,816</b>	<b>15,219,979</b>
379100	Use of Fund Balance	4,644,460	1,190,253	0	0
	<b>Total Use of Fund Balance</b>	<b>4,644,460</b>	<b>1,190,253</b>	<b>0</b>	<b>0</b>
<b>Total Resources</b>		<b>15,300,750</b>	<b>17,749,451</b>	<b>16,349,816</b>	<b>15,219,979</b>

# Judgement/Claims

## Appropriations By Budget Control Level (BCL) and Program

### Claim Expenses Budget Control Level

The purpose of the Claim Expenses Budget Control Level is to provide the Director of the Department of Finance and Administrative Services with the resources to pay pending or actual claims and related costs against City government, as authorized by Chapter 5.24 of the Seattle Municipal Code. The Claims Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Claim Expenses	2,661,246	4,109,877	3,785,792	3,524,179
<b>Total</b>	<b>2,661,246</b>	<b>4,109,877</b>	<b>3,785,792</b>	<b>3,524,179</b>

### General Legal Expenses Budget Control Level

The purpose of the General Legal Expenses Budget Control Level is to provide the City Attorney with resources to pay legal costs associated with potential litigation against the City, where the City is a plaintiff or potential plaintiff in legal action, or other special projects. The General Legal Expenses Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General Litigation	102,543	103,000	94,878	88,321
<b>Total</b>	<b>102,543</b>	<b>103,000</b>	<b>94,878</b>	<b>88,321</b>

### Litigation Expenses Budget Control Level

The purpose of the Litigation Expenses Budget Control Level is to provide the City Attorney with the resources to pay anticipated, pending or actual judgments, claims payments, advance claims payments, and litigation expenses incurred while defending the City from judgments and claims. The Litigation Expenses Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Settlement and Judgment Expenses	9,497,654	12,229,366	11,265,018	10,486,561
<b>Total</b>	<b>9,497,654</b>	<b>12,229,366</b>	<b>11,265,018</b>	<b>10,486,561</b>



## Judgement/Claims

### **Police Action Expenses Budget Control Level**

The purpose of the Police Action Expenses Budget Control Level is to provide the City Attorney with the resources to pay pending or actual settlements and judgments against the City related to police action cases, or pay related costs to investigate and defend the City against claims and judgments related to police action cases. The Police Action Expenses Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Police Action Expenses	3,039,307	1,307,208	1,204,128	1,120,918
<b>Total</b>	<b>3,039,307</b>	<b>1,307,208</b>	<b>1,204,128</b>	<b>1,120,918</b>

### **Judgment/Claims Fund Table**

#### **Judgment/Claims Subfund (00126)**

	2015	2016	2016	2017	2018
	Actuals	Adopted	Revised	Proposed	Proposed
<b>Beginning Fund Balance</b>	<b>13,409,124</b>	<b>8,218,853</b>	<b>8,764,664</b>	<b>7,574,411</b>	<b>7,574,411</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	10,656,290	16,559,198	16,559,198	16,349,816	15,219,979
Less: Actual and Budgeted Expenditures	15,300,750	17,749,451	17,749,451	16,349,816	15,219,979
<b>Ending Fund Balance</b>	<b>8,764,664</b>	<b>7,028,600</b>	<b>7,574,411</b>	<b>7,574,411</b>	<b>7,574,411</b>
<b>Ending Unreserved Fund Balance</b>	<b>8,764,664</b>	<b>7,028,600</b>	<b>7,574,411</b>	<b>7,574,411</b>	<b>7,574,411</b>

# Parking Garage Operations Fund

Fred Podesta, Director

(206) 386-0041

<http://www.seattle.gov/fas>

## Department Overview

The Parking Garage Operations Fund pays the operating and debt service costs for the Pacific Place Garage with garage revenue receipts. The garage is located between Sixth and Seventh Avenues and Pike and Olive Streets in downtown Seattle. The City took over responsibility for the garage in November 1998.

In 2016, via Ordinance 125074, the City Council authorized the sale of the Pacific Place Garage. Proceeds from the sale will fund the defeasance of the outstanding debt for the garage in 2017, with the remainder of the proceeds deposited in the new Garage Disposition Proceeds Fund (37000) to be used for capital expenditures in accordance with Internal Revenue Service (IRS) rules.

## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$8,772,446	\$9,715,574	\$0	\$0
<b>Total Operations</b>	<b>\$8,772,446</b>	<b>\$9,715,574</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Appropriations</b>	<b>\$8,772,446</b>	<b>\$9,715,574</b>	<b>\$0</b>	<b>\$0</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# Parking Garage Operations Fund

## Budget Overview

The 2017-2018 Proposed Budget eliminates the budget in the Parking Garage Operations Fund to reflect the sale of the Pacific Place Garage in 2016. The proceeds from the sale will fund the defeasance of the outstanding debt in 2017 through the Bond Interest and Redemption Fund. The remaining proceeds will be deposited in the new Garage Disposition Proceeds Fund (37000) created pursuant to Ordinance 125075.

The proceeds from the garage sale are restricted by Section 148 of the IRS tax code to be used for qualified capital purchases, the same restrictions as tax-exempt bond-eligible purchases. The 2016 revised budget and the 2017-2018 Proposed Budget appropriate all net proceeds anticipated from the sale of the Pacific Place Garage out of the new Disposition Proceeds Fund. Proceeds must be spend within one year of the sale of the garage.

The 2016 revised budget includes \$10 million of appropriation pursuant to Ordinance 125076 for General Fund fleet purchases as part of a fund swap to repay the outstanding interfund loan associated with the garage operations. The 2016 revised budget also includes third quarter supplemental appropriations of \$3.4 million for the Seattle Police Department Data Analytics Platform project, and \$4.2 million for the Seattle Department of Transportation; including \$700,000 for the Seawall project and \$3.5 million for parking pay stations. The 2017-2018 Proposed Budget appropriates the remainder of the net proceeds, including \$8 million for the Lander Street Project and \$1.4 million for the Seawall project.

Additional detail on these projects can be found in the 2017-2022 Proposed Capital Improvement Program.

## Incremental Budget Changes

### Parking Garage Operations Fund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 9,715,574</b>	<b>0.00</b>	<b>\$ 9,715,574</b>	<b>0.00</b>
<b>Proposed Technical Changes</b>				
Remove Appropriation from Parking Garage Operations Fund to Reflect Sale	-\$ 9,715,574	0.00	-\$ 9,715,574	0.00
<b>Total Incremental Changes</b>	<b>-\$ 9,715,574</b>	<b>0.00</b>	<b>-\$ 9,715,574</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 0</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Technical Changes

#### **Remove Appropriation from Parking Garage Operations Fund to Reflect Sale - (\$9,715,574)**

This item eliminates appropriations out of the Parking Garage Operations Fund to reflect the sale of the Pacific Place Garage in 2016. The City no longer operates the garage and is no longer required to make debt service payments or incur operational expenditures.

# Parking Garage Operations Fund

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Pacific Place Garage Budget Control Level	46011	8,772,446	9,715,574	0	0
<b>Department Total</b>		<b>8,772,446</b>	<b>9,715,574</b>	<b>0</b>	<b>0</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
462300	Parking Garage Revenue	8,195,258	8,075,000	0	0
	<b>Total Parking Garage Revenue</b>	<b>8,195,258</b>	<b>8,075,000</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>8,195,258</b>	<b>8,075,000</b>	<b>0</b>	<b>0</b>
379100	Use of (Contribution to) Fund Balance	577,188	1,640,574	0	0
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>577,188</b>	<b>1,640,574</b>	<b>0</b>	<b>0</b>
	<b>Total Resources</b>	<b>8,772,446</b>	<b>9,715,574</b>	<b>0</b>	<b>0</b>

## Appropriations By Budget Control Level (BCL) and Program

### Pacific Place Garage Budget Control Level

The purpose of the Pacific Place Garage Budget Control Level is to pay for the City's expenses to operate the Pacific Place Garage, which is located between Sixth and Seventh Avenues and Pine and Olive Streets in downtown Seattle.

Program Expenditures	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Pacific Place Garage	8,772,446	9,715,574	0	0
<b>Total</b>	<b>8,772,446</b>	<b>9,715,574</b>	<b>0</b>	<b>0</b>

# Parking Garage Operations Fund

## Parking Garage Operations Fund Table

### Parking Garage Operations Fund (46010)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	-6,457,000	-8,174,614	-7,544,188	0	0
Accounting and Technical Adjustments	-510,000	13,400	0	0	0
Plus: Actual and Estimated Revenues	8,195,258	8,075,000	8,075,000	0	0
Less: Actual and Budgeted Expenditures	8,772,446	9,715,574	530,812	0	0
<b>Ending Fund Balance</b>	<b>-7,544,188</b>	<b>-9,801,788</b>	<b>0</b>	<b>0</b>	<b>0</b>
			0		
<b>Total Reserves</b>			<b>0</b>		
<b>Ending Unreserved Fund Balance</b>	<b>-7,544,188</b>	<b>-9,801,788</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Parking Garage Disposition Proceeds Fund Table

### Parking Garage Disposition Proceeds Fund (37000)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	-	-	-	9,400,000	-
Plus: Actual and Estimated Revenue		-	27,000,000	-	-
Less: Interfund Loan Repayment		-	10,000,000	-	-
Less: Capital Projects			3,400,000	8,000,000	
Less: Transfer to Operating funds for eligible capital expenditures			4,200,000	1,400,000	
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>9,400,000</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>-</b>	<b>-</b>	<b>9,400,000</b>	<b>-</b>	<b>-</b>

# School Safety Traffic and Pedestrian Improvement Fund

Scott Kubly, Director

(206) 684-5000

<http://www.seattle.gov/transportation>

## Department Overview

The School Safety Traffic and Pedestrian Improvement Fund (SSTPIF) is the new name of the School Zone Fixed Automated Camera Fund. The School Zone Fixed Automated Cameras Fund (SZFAC), which was created by Ordinance 124230, began in 2014 to separately account for revenues generated by the school zone fixed automated cameras. In November of 2015, Council passed Ordinance 124907, which dedicated ten percent of City revenues from automated traffic safety cameras (also known as red-light cameras) for pedestrian and traffic safety improvements in school zones and renamed the SZFAC to reflect this new revenue source.

The City uses fixed automated cameras to encourage reduced vehicle speeds and improved safety for school children and other pedestrians in school zones. Specific financial policies govern the use of revenues generated from either camera fines or civil penalties, as follows:

- school traffic and pedestrian safety and directly related infrastructure projects;
- pedestrian, bicyclist, and driver education campaigns; and
- installation, administrative, enforcement, operations and maintenance costs associated with the fixed automated cameras in and around school zones.

The Director of the Seattle Department of Transportation (SDOT) administers the fund. In 2012, SDOT worked with the Seattle Police Department to install eight fixed automated cameras on flashing beacons in four elementary school zones in Seattle. At the end of 2015, the City operated a total of 28 cameras in 14 school zones. SDOT did not install additional cameras in 2016. SDOT collected speed data at more than 130 schools in the first quarter of 2016, and, based on the preliminary findings of that study, the department will evaluate the feasibility of 11 locations for school camera siting. The department estimates that it will winnow the list of these candidate locations and may add up to 10 additional cameras, two per site, in late 2017.

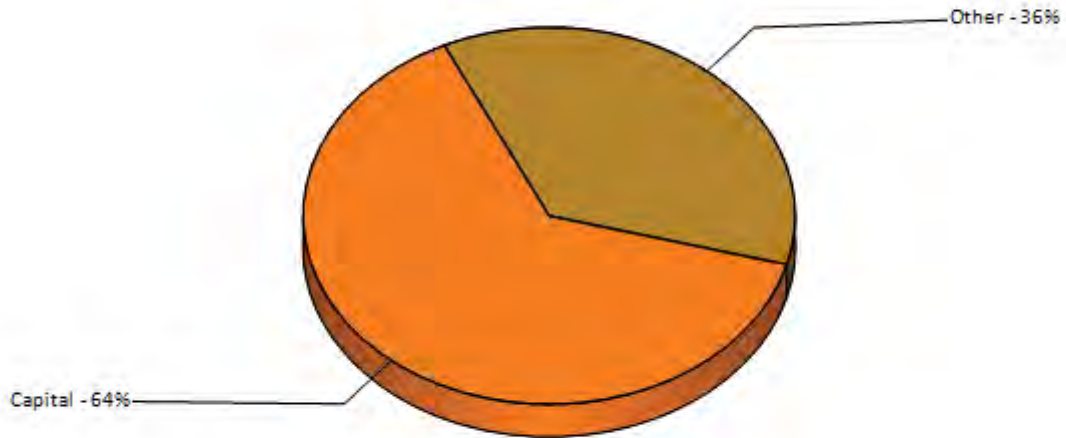
## Budget Snapshot

Department Support	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Other Funding - Operating	\$5,536,909	\$8,837,022	\$8,181,796	\$6,364,647
<b>Total Operations</b>	<b>\$5,536,909</b>	<b>\$8,837,022</b>	<b>\$8,181,796</b>	<b>\$6,364,647</b>
<b>Total Appropriations</b>	<b>\$5,536,909</b>	<b>\$8,837,022</b>	<b>\$8,181,796</b>	<b>\$6,364,647</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

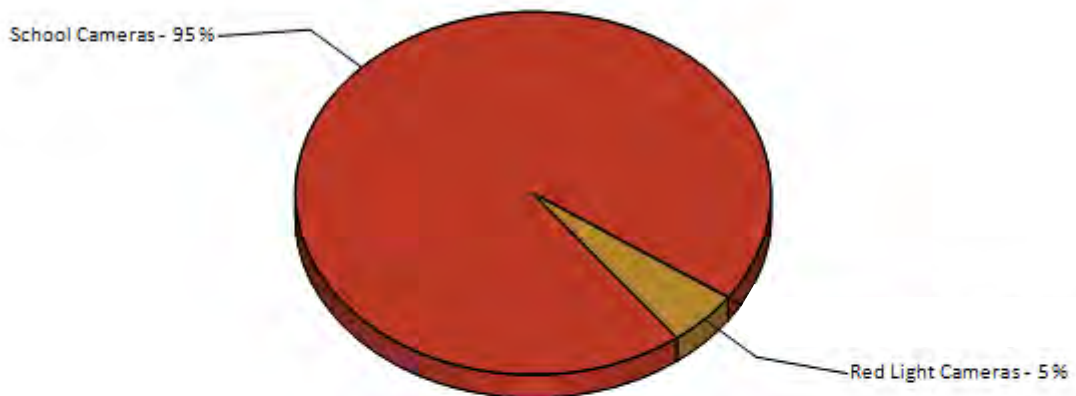
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

# School Safety Traffic and Pedestrian Improvement Fund

## 2017 Proposed Budget - Expenditure by Category



## 2017 Proposed Budget - Revenue by Category



# School Safety Traffic and Pedestrian Improvement Fund

## Budget Overview

The 2017-2018 Proposed Budget appropriates funding to the General Fund and Transportation Operating Fund for expenses related to:

- school traffic and pedestrian safety and directly related infrastructure projects;
- pedestrian, bicyclist, and driver education campaigns; and
- installation, administrative, enforcement, operations and maintenance costs associated with the fixed automated cameras in and around school zones.

In 2017 and 2018, SSTPIF funding will support the installation of crossing improvements at 9-12 schools per year. These improvements may include speed humps, flashing beacons, curb ramps, sidewalks, and marked crosswalks. This funding also supports annual education and enforcement activities near schools.

Descriptions of funding uses are located in the Seattle Department of Transportation's (SDOT) Proposed Budget and 2017-2022 Adopted Capital Improvement Program (CIP) pages, as well as in the Seattle Police Department and the Seattle Municipal Court budget pages. The SDOT CIP pages are Pedestrian Master Plan - School Safety (TC367170) and Pedestrian Master Plan - New Sidewalks (TC367600).

## Incremental Budget Changes

### School Safety Traffic and Pedestrian Improvement Fund

	2017		2018	
	Budget	FTE	Budget	FTE
<b>Total 2016 Adopted Budget</b>	<b>\$ 8,837,022</b>	<b>0.00</b>	<b>\$ 8,837,022</b>	<b>0.00</b>
<b>Proposed Changes</b>				
Adjustment to Beginning Fund Balance	-\$ 655,226	0.00	-\$ 2,472,375	0.00
<b>Total Incremental Changes</b>	<b>-\$ 655,226</b>	<b>0.00</b>	<b>-\$ 2,472,375</b>	<b>0.00</b>
<b>2017 - 2018 Proposed Budget</b>	<b>\$ 8,181,796</b>	<b>0.00</b>	<b>\$ 6,364,647</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Adjustment to Beginning Fund Balance - (\$655,226)**

This adjustment to the 2017 and 2018 beginning fund balances in the (SSTPIF) is necessary due to several factors: updated revenue forecasts for school-zone camera infractions from 2016-2018; the restoration of capital improvement program (CIP) funding that was cut in the 2016 budget; a reduction in expenditures due to the completion of a two-year ADA transition plan; and changes to planned expenditures that take the new revenue forecasts into account.



# School Safety Traffic and Pedestrian Improvement Fund

## Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Camera Operations, Administration, and Enforcement Budget Control Level	SZF100	0	2,237,557	2,237,557	2,237,557
<b>School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control</b>					
Capital Improvements		4,392,051	5,398,585	5,221,370	3,392,104
Non-Capital Operations and Maintenance		1,144,858	1,200,880	722,869	734,986
<b>Total</b>	<b>SZF200</b>	<b>5,536,909</b>	<b>6,599,465</b>	<b>5,944,239</b>	<b>4,127,090</b>
<b>Department Total</b>		<b>5,536,909</b>	<b>8,837,022</b>	<b>8,181,796</b>	<b>6,364,647</b>

<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

## Revenue Overview

### 2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
461110	Interest Earnings	35,416	0	0	0
	<b>Total Interest Earnings</b>	<b>35,416</b>	<b>0</b>	<b>0</b>	<b>0</b>
587001	Red Light Camera - 10% School	0	409,801	425,000	400,000
	<b>Total Red Light Cameras</b>	<b>0</b>	<b>409,801</b>	<b>425,000</b>	<b>400,000</b>
454100	School Camera Infraction Revenue	5,799,533	8,158,296	8,171,424	5,931,304
	<b>Total School Cameras</b>	<b>5,799,533</b>	<b>8,158,296</b>	<b>8,171,424</b>	<b>5,931,304</b>
<b>Total Revenues</b>		<b>5,834,949</b>	<b>8,568,097</b>	<b>8,596,424</b>	<b>6,331,304</b>
379100	Use of (Contribution to) Fund Balance	-298,040	268,925	-414,628	33,343
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-298,040</b>	<b>268,925</b>	<b>-414,628</b>	<b>33,343</b>
<b>Total Resources</b>		<b>5,536,909</b>	<b>8,837,022</b>	<b>8,181,796</b>	<b>6,364,647</b>

# School Safety Traffic and Pedestrian Improvement Fund

## Appropriations By Budget Control Level (BCL) and Program

### Camera Operations, Administration, and Enforcement Budget Control Level

The purpose of the Camera Operations, Administration, and Enforcement Budget Control Level is to appropriate funds from the School Safety Traffic and Pedestrian Improvement Fund to the General Fund to support operational expenditures made in the Seattle Police Department and the Seattle Municipal Court related to fixed automated cameras.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Camera Operations, Administration, and Enforcement	0	2,237,557	2,237,557	2,237,557
<b>Total</b>	<b>0</b>	<b>2,237,557</b>	<b>2,237,557</b>	<b>2,237,557</b>

### School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control Level

The purpose of the School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control Level is to appropriate funds from the School Safety Traffic and Pedestrian Improvement Fund to the Transportation Operating Fund for support of operational and capital expenditures related to school safety projects.

	2015	2016	2017	2018
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Capital Improvements	4,392,051	5,398,585	5,221,370	3,392,104
Non-Capital Operations and Maintenance	1,144,858	1,200,880	722,869	734,986
<b>Total</b>	<b>5,536,909</b>	<b>6,599,465</b>	<b>5,944,239</b>	<b>4,127,090</b>

*The following information summarizes the programs in School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control Level:*

#### **Capital Improvements Program**

The purpose of the Capital Improvements Program is to appropriate funding to the Transportation Operating Fund for the purpose of use in its Capital Improvement Program for projects related to pedestrian and bicycle safety near schools. Projects primarily fall within Seattle Department of Transportation's Pedestrian Master Plan - School Safety project, but may also be located in other capital projects.

	2015	2016	2017	2018
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Capital Improvements	4,392,051	5,398,585	5,221,370	3,392,104

# School Safety Traffic and Pedestrian Improvement Fund

## Non-Capital Operations and Maintenance Program

The purpose of the Non-Capital Operations and Maintenance Program is to appropriate funding to the Transportation Operating Fund for use on non-capital spending associated with school safety such as education and outreach, flashing warning beacon preventative maintenance and repair, and staff support to meet evaluation and reporting requirements of the school camera program as required by the State of Washington.

	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
<b>Expenditures</b>				
Non-Capital Operations and Maintenance	1,144,858	1,200,880	722,869	734,986

## School Safety Traffic & Ped Fund Table

### School Safety Traffic and Pedestrian Improvement Fund

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
<b>Beginning Fund Balance</b>	<b>1,544,529</b>	<b>460,639</b>	<b>1,842,569</b>	<b>1,117,965</b>	<b>1,532,593</b>
Accounting and Technical Adjustments	0	0	(2,651,083)	0	0
Plus: Actual and Estimated Revenues	5,834,949	8,568,097	13,488,447	8,596,424	6,331,304
Less: Actual and Budgeted Expenditures	5,536,909	8,837,022	11,561,968	8,181,796	6,364,647
<b>Ending Fund Balance</b>	<b>1,842,569</b>	<b>191,714</b>	<b>1,117,965</b>	<b>1,532,593</b>	<b>1,499,250</b>
Fund stabilization reserve				580,000	580,000
Planning reserve		191,714			
<b>Total Reserves</b>		<b>191,714</b>		<b>580,000</b>	<b>580,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,842,569</b>	<b>0</b>	<b>1,117,965</b>	<b>952,593</b>	<b>919,250</b>

## **Summary of Position and Full-Time Equivalent (FTE) Changes by Department**

The following tables provide a summary of total position and FTE changes by department for 2017. Position counts for a department may exceed FTE counts as position counts tally part-time positions as discrete items.



## Summary of Position Changes by Department

	(A)	(B)	(C)	(D) = (A) + (B) + (C)	(D)	(E)	(F) = (C) + (D) + (E)
Department	2016 Adopted	2017 Baseline Changes	2017 Proposed Changes	2017 Proposed Total	2018 Baseline Changes	2018 Proposed Changes	2018 Proposed Total
City Budget Office	35	-	-	35	-	-	35
Civil Service Commissions	3	-	-	3	-	-	3
Community Police Commission	4	-	-	4	-	-	4
Department of Construction and Inspections	391	(26)	26	391	-	(3)	388
Department of Education and Early Learning	54	1	4	59	-	1	60
Department of Neighborhoods	47	(2)	5	50	-	-	50
Department of Parks and Recreation	1,008	(12)	1	997	-	-	997
Employees' Retirement System	20	-	1	21	-	-	21
Ethics and Elections Commission	6	-	1	7	-	-	7
Finance and Administrative Services	651	(35)	16	632	(2)	(1)	629
Human Services Department	343	(11)	3	335	-	-	335
Law Department	180	(1)	5	184	-	-	184
Legislative Department	89	-	9	98	-	-	98
Neighborhood Matching Subfund	8	-	1	9	-	(1)	8
Office for Civil Rights	36	(2)	(7)	27	-	-	27
Office of Arts and Cultural Affairs	30	(1)	3	32	-	-	32
Office of Economic Development	31	-	5	36	-	-	36
Office of Hearing Examiner	5	-	-	5	-	-	5
Office of Housing	45	(1)	-	44	-	1	45
Office of Immigrant and Refugee Affairs	10	-	-	10	-	-	10
Office of Intergovernmental Relations	11	-	1	12	-	-	12
Office of Labor Standards	-	-	22	22	-	-	22
Office of Planning and Community Development	46	-	2	48	-	-	48
Office of Sustainability and Environment	23	1	1	25	-	-	25
Office of the City Auditor	10	-	-	10	-	-	10
Office of the Mayor	45	-	-	45	-	-	45
Seattle Center	260	(7)	2	255	-	-	255
Seattle City Light	1,875	(104)	15	1,786	-	15	1,801
Seattle Department of Human Resources	151	-	8	159	-	-	159
Seattle Department of Information and Technology	208	-	454	662	-	2	664
Seattle Department of Transportation	844	(24)	64	884	-	-	884
Seattle Fire Department	1,189	(19)	6	1,176	-	-	1,176
Seattle Municipal Court	225	-	(2)	223	-	-	223
Seattle Police Department	2,047	(19)	81	2,109	-	51	2,160
Seattle Public Utilities	1,467	(107)	8	1,368	-	-	1,368
<b>Total Budgeted Positions</b>	<b>11,397</b>	<b>(369)</b>	<b>735</b>	<b>11,763</b>	<b>(2)</b>	<b>65</b>	<b>11,826</b>
Seattle Firefighters' Pension Fund	4	-	-	4	-	-	4
Seattle Police Relief and Pension Fund	3	-	-	3	-	-	3
Seattle Public Library	664	-	-	664	-	-	664
<b>Total Citywide Positions</b>	<b>12,068</b>	<b>(369)</b>	<b>735</b>	<b>12,434</b>	<b>(2)</b>	<b>65</b>	<b>12,497</b>

### Notes

\* **Seattle Department of Information and Technology:** Most positions related to the IT consolidation transferred out from City departments and into the Seattle Department of Information and Technology (SEAIT) are included under 2017 Baseline Changes. Due to timing, the Seattle Police Department transferred an additional 20 Positions to SEAIT in the 2017 Proposed Phase. Additionally, SEAIT shows all the incoming transfers under the 2017 Proposed Changes column.

\* **Other 2017 Baseline Changes:** This may also include department provided baseline changes to abrogate unfunded, vacant positions and sunseting positions. This may also include corrections to the 2017 Proposed Budget.

\* **Supplemental Budget Ordinances:** Position changes approved by the City Council in the 2016 1st Quarter Supplemental Budget Ordinance and the 2016 2nd Quarter Supplemental Budget Ordinance are included under 2017 Proposed Changes. The Department of Education and Early Learning had a 2015 4th Quarter Supplemental Budget position change which is included under 2017 Baseline Changes.

\* **Firefighters' Pension Fund, Police Relief and Pension Fund, and Seattle Public Library positions:** Personnel figures are for informational purposes only. The Library's position list is established by the Library Board of Trustees, and positions for the Police and Firefighter Pension funds are set by their respective board members.

**Summary of Full-Time Equivalent (FTE) Changes by Department**

	(A)	(B)	(C)	(D) = (A) + (B) + (C)	(D)	(E)	(F) = (C) + (D) + (E)
<b>Department</b>	<b>2016 Adopted</b>	<b>2017 Baseline Changes</b>	<b>2017 Proposed Changes</b>	<b>2017 Proposed Total</b>	<b>2018 Baseline Changes</b>	<b>2018 Proposed Changes</b>	<b>2018 Proposed Total</b>
City Budget Office	35.00	-	-	35.00	-	-	35.00
Civil Service Commissions	2.60	-	-	2.60	-	-	2.60
Community Police Commission	4.00	-	-	4.00	-	-	4.00
Department of Construction and Inspections	404.30	(26.00)	26.00	404.30	-	(2.80)	401.50
Department of Education and Early Learning	54.00	1.00	3.50	58.50	-	1.00	59.50
Department of Neighborhoods	47.00	(1.50)	6.50	52.00	-	-	52.00
Department of Parks and Recreation	916.68	(12.00)	8.08	912.76	-	-	912.76
Employees' Retirement System	20.00	-	1.00	21.00	-	-	21.00
Ethics and Elections Commission	4.90	-	1.00	5.90	-	-	5.90
Finance and Administrative Services	641.50	(34.50)	15.50	622.50	(2.00)	(1.00)	619.50
Human Services Department	331.60	(10.10)	3.50	325.00	-	-	325.00
Law Department	177.10	(1.00)	5.50	181.60	-	-	181.60
Legislative Department	90.00	-	9.00	99.00	-	-	99.00
Neighborhood Matching Subfund	8.00	-	1.00	9.00	-	(1.00)	8.00
Office for Civil Rights	34.25	(1.00)	(7.00)	26.25	-	-	26.25
Office of Arts and Cultural Affairs	29.09	(1.00)	3.00	31.09	-	-	31.09
Office of Economic Development	31.00	-	4.50	35.50	-	-	35.50
Office of Hearing Examiner	4.63	-	-	4.63	-	-	4.63
Office of Housing	43.50	(1.00)	-	42.50	-	1.00	43.50
Office of Immigrant and Refugee Affairs	9.50	-	-	9.50	-	-	9.50
Office of Intergovernmental Relations	10.50	-	1.00	11.50	-	-	11.50
Office of Labor Standards	-	-	22.00	22.00	-	-	22.00
Office of Planning and Community Development	45.00	-	1.50	46.50	-	-	46.50
Office of Sustainability and Environment	17.25	1.00	1.25	19.50	-	-	19.50
Office of the City Auditor	9.50	-	-	9.50	-	-	9.50
Office of the Mayor	44.00	-	-	44.00	-	-	44.00
Seattle Center	241.13	(7.00)	7.60	241.73	-	-	241.73
Seattle City Light	1,868.30	(103.50)	15.00	1,779.80	-	15.00	1,794.80
Seattle Department of Human Resources	148.25	-	8.50	156.75	-	-	156.75
Seattle Department of Information and Technology	205.00	-	451.60	656.60	-	2.00	658.60
Seattle Department of Transportation	844.00	(24.00)	63.50	883.50	-	-	883.50
Seattle Fire Department	1,167.55	(19.00)	7.00	1,155.55	-	-	1,155.55
Seattle Municipal Court	214.10	-	(2.00)	212.10	-	-	212.10
Seattle Police Department	2,033.35	(19.00)	81.00	2,095.35	-	51.00	2,146.35
Seattle Public Utilities	1,460.05	(107.00)	8.00	1,361.05	-	-	1,361.05
<b>Total Budgeted FTEs</b>	<b>11,196.63</b>	<b>(365.60)</b>	<b>747.03</b>	<b>11,578.06</b>	<b>(2.00)</b>	<b>65.20</b>	<b>11,641.26</b>
Seattle Firefighters' Pension Fund	4.00	-	-	4.00	-	-	4.00
Seattle Police Relief and Pension Fund	3.00	-	-	3.00	-	-	3.00
Seattle Public Library	556.10	-	-	556.10	-	-	556.10
<b>Total Citywide FTEs</b>	<b>11,759.73</b>	<b>(365.60)</b>	<b>747.03</b>	<b>12,141.16</b>	<b>(2.00)</b>	<b>65.20</b>	<b>12,204.36</b>

**Notes**

\* **Seattle Department of Information and Technology:** Most positions transferred out from City departments and into the Seattle Department of Information and Technology (SEAIT) to support consolidation are shown under 2017 Baseline Changes. Due to timing, the Seattle Police Department transferred an additional 20 FTEs to SEAIT in the 2017 Proposed Phase. Additionally, SEAIT shows all the incoming transfers under the 2017 Proposed Changes column.

\* **Other 2017 Baseline Changes:** This may also include department provided baseline changes to abrogate unfunded, vacant positions and sunseting positions. This may also include corrections to the 2017 Proposed Budget.

\* **Supplemental Budget Ordinances:** FTE changes approved by the City Council in the 2016 1st Quarter Supplemental Budget Ordinance and the 2016 2nd Quarter Supplemental Budget Ordinance are included under 2017 Proposed Changes. The Department of Education and Early Learning had a 2015 4th Quarter Supplemental Budget FTE change which is included under

\* **Firefighters' Pension Fund, Police Relief and Pension Fund, and Seattle Public Library FTEs:** Personnel figures are for informational purposes only. The Library's position list is established by the Library Board of Trustees, and positions for the Police and Firefighter Pension funds are set by their respective board members.

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General Subfund (00100)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	53,588	57,050	63,481	64,680	57,582	75,571	96,375
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	53,588	57,050	63,481	64,680	57,582	75,571	96,375
<b>Revenues</b>							
Property Tax	273,044	281,692	282,050	290,932	302,833	307,036	313,805
Sales Tax	219,847	229,572	236,783	243,526	248,853	255,048	264,006
Business and Occupation Tax	221,300	229,498	235,531	249,331	261,894	272,388	284,481
Utility Tax	184,872	195,895	191,007	204,501	212,138	219,915	227,645
Other Taxes	19,891	23,192	24,906	25,482	25,501	25,997	26,342
Parking Meters	41,677	43,555	42,434	45,997	48,484	48,596	48,821
Court Fines and Forfeitures	28,387	29,153	28,625	28,875	29,625	29,625	29,625
Revenue from Other Public Entities	9,782	10,181	10,181	10,654	11,072	11,091	11,091
Service Charges & Reimbursements	55,420	47,084	47,982	50,358	51,138	51,938	52,639
Fund Balance Transfers (ERF, RSA, J&C, CRS-U)	566	2,872	22,057	5,502	4,616	3,647	3,661
Licenses, Permits, Interest Income and Other	20,885	19,621	24,399	29,658	32,690	33,448	33,836
Grants	10,579	-	-	-	-	-	-
<b>Total Revenues</b>	1,086,250	1,112,315	1,145,955	1,184,816	1,228,844	1,258,728	1,295,951
Resources from Bond Proceeds	-	4,487	4,487	4,326	2,014	-	-
<b>Total Resources</b>	1,086,250	1,116,802	1,150,442	1,189,141	1,230,858	1,258,728	1,295,951
<b>Expenditures</b>							
Arts, Culture & Recreation	(159,458)	(169,756)	(169,756)	(178,227)	(182,935)	(187,509)	(192,197)
Health and Human Services	(84,818)	(86,993)	(87,293)	(97,775)	(93,776)	(96,120)	(98,523)
Neighborhoods & Development	(27,325)	(34,930)	(34,930)	(34,326)	(34,042)	(34,893)	(35,765)
Public Safety	(615,837)	(611,077)	(610,777)	(653,263)	(667,214)	(679,129)	(691,342)
Utilities and Transportation	(59,099)	(52,144)	(52,144)	(55,432)	(53,935)	(55,284)	(56,666)
Administration	(105,168)	(130,651)	(130,278)	(157,023)	(161,305)	(165,337)	(169,471)
Debt service	(13,758)	(10,469)	(10,469)	(15,718)	(16,811)	(16,159)	(17,542)
GF Subfunds	(10,894)	(10,072)	(10,072)	(4,476)	(3,390)	(3,492)	(3,597)
First Quarter Supplemental	-	-	(2,566)	-	-	-	-
Second Quarter Supplemental	-	-	(4,597)	-	-	-	-
Third Quarter Supplemental	-	-	(1,810)	-	-	-	-
Stand-Alone Supplementals	-	-	(36,552)	-	-	-	-
Other Adjustments	-	-	2,000	-	540	-	-
	(1,076,357)	(1,106,092)	(1,149,243)	(1,196,239)	(1,212,869)	(1,237,924)	(1,265,103)
<b>Ending Fund Balance</b>	63,481	67,760	64,680	57,582	75,571	96,375	127,223
<b>Reserves</b>							
End of year carry forward reserves	(10,915)	(12,988)	(10,915)	(9,665)	(9,665)	(9,665)	(9,665)
Planning reserve	(2,540)	(53,811)	(15,148)	(35,816)	(64,706)	(97,621)	(137,330)
Reserves against fund balance	-	-	-	-	-	-	-
<b>Total Reserves</b>	(13,455)	(66,799)	(26,063)	(45,481)	(74,371)	(107,287)	(146,996)
<b>Ending Unreserved Fund Balance</b>	50,026	961	38,617	12,101	1,200	(10,911)	(19,772)

**Judgment and Claims Fund (00126)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	13,409	8,219	8,765	7,574	7,574	7,574	7,574
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	13,409	8,219	8,765	7,574	7,574	7,574	7,574
<b>Revenues</b>							
Miscellaneous Revenue	(3)						
Payments from Utilities	5,882	7,782	7,782	7,782	7,782	7,782	7,782
Payments from GF Depts	4,440	8,157	8,157	8,151	7,076	7,076	7,076
General Fund Support	338	621	621	417	362	362	362
<b>Total Revenues</b>	10,656	16,559	16,559	16,350	15,220	15,220	15,220
<b>Expenditures</b>							
<i>Utilities</i>							
FAS Claims	(1,678)	(1,732)	(1,732)	(1,732)	(1,732)	(1,732)	(1,732)
LAW Judgments	(1,155)	(3,581)	(3,581)	(3,581)	(3,581)	(3,581)	(3,581)
LAW Litigation	(2,363)	(2,469)	(2,469)	(2,469)	(2,469)	(2,469)	(2,469)
<b>Utilities Sub-total</b>	(5,197)	(7,782)	(7,782)	(7,782)	(7,782)	(7,782)	(7,782)
<i>General Fund</i>							
FAS Claims	(983)	(2,378)	(2,378)	(2,054)	(1,792)	(1,792)	(1,792)
LAW Judgments	(2,199)	(2,910)	(2,910)	(2,456)	(2,089)	(2,089)	(2,089)
LAW Litigation	(3,296)	(3,270)	(3,270)	(2,760)	(2,348)	(2,348)	(2,348)
LAW Police Action	(3,524)	(1,307)	(1,307)	(1,204)	(1,121)	(1,121)	(1,121)
LAW General	(103)	(103)	(103)	(95)	(88)	(88)	(88)
<b>General Fund Sub-total</b>	(10,104)	(9,968)	(9,968)	(8,568)	(7,438)	(7,438)	(7,438)
<b>Total Expenditures</b>	(15,301)	(17,749)	(17,749)	(16,350)	(15,220)	(15,220)	(15,220)
<b>Ending Fund Balance <sup>1</sup></b>	8,765	7,029	7,574	7,574	7,574	7,574	7,574

1) Per Resolution 30386, the fund retains a balance of 50% of expected annual expenditures, concurrent with a \$6.5 million reserve related to contract indemnification per Ordinance 124088.

**Arts Account Subfund (00140)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	1,149	530	1,517	445	419	431	492
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	<b>1,149</b>	<b>530</b>	<b>1,517</b>	<b>445</b>	<b>419</b>	<b>431</b>	<b>492</b>
<b>Revenues</b>							
Admissions Tax Allocation to OACA	5,953	6,493	6,493	7,914	9,004	9,208	9,415
General Fund	-	1,500	1,500	1,300	-	-	-
Interest Earnings	26	20	20	20	20	20	20
Interest Increase/Decrease	(2)	-	-	-	-	-	-
Langston Hughes Operating	31	32	32	32	32	32	32
Misc Income	1	-	-	-	-	-	-
Grants	-	-	86	-	-	-	-
Rental Income from LHPAI Non-Profit	-	-	-	40	40	40	40
<b>Total Revenues</b>	<b>6,009</b>	<b>8,045</b>	<b>8,131</b>	<b>9,306</b>	<b>9,096</b>	<b>9,300</b>	<b>9,507</b>
<b>Expenditures</b>							
Administrative Services	(646)	(598)	(598)	(1,607)	(1,556)	(1,568)	(1,599)
Community Development and Outreach	(568)	(611)	(611)	(503)	(517)	(528)	(538)
Cultural Partnerships	(3,556)	(4,117)	(4,117)	(4,427)	(4,732)	(4,826)	(4,921)
Cultural Partnerships: Langston Hughes Non-Profit Contract	-	(400)	(400)	(400)	(400)	(400)	(400)
Langston Hughes Operating	(872)	(428)	(428)	(473)	(487)	(497)	(507)
Capital Arts	-	(1,856)	(1,856)	(1,922)	(1,392)	(1,420)	(1,449)
Carry Forwards (inc. Encumbrances)	-	-	(977)	-	-	-	-
Annual Wage Increase Legislation	-	-	(129)	-	-	-	-
Grants	-	-	(86)	-	-	-	-
<b>Total Expenditures</b>	<b>(5,642)</b>	<b>(8,011)</b>	<b>(9,203)</b>	<b>(9,331)</b>	<b>(9,085)</b>	<b>(9,238)</b>	<b>(9,414)</b>
<b>Ending Fund Balance</b>	<b>1,517</b>	<b>564</b>	<b>445</b>	<b>419</b>	<b>431</b>	<b>492</b>	<b>585</b>
<b>Reserves</b>							
Encumbrances	-	-	-	-	-	-	-
Operating Reserve <sup>1</sup>	(42)	(139)	-	-	-	-	-
Planning Reserve	(400)	(409)	(409)	(419)	(429)	(439)	(449)
<b>Total Reserves</b>	<b>(442)</b>	<b>(548)</b>	<b>(409)</b>	<b>(419)</b>	<b>(429)</b>	<b>(439)</b>	<b>(449)</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,075</b>	<b>16</b>	<b>35</b>	<b>0</b>	<b>2</b>	<b>53</b>	<b>135</b>

<sup>1</sup> Resolution 31507, passed by Council in March 2014, established an operating reserve of \$400,000 for the Arts Account and annual CPI adjustment of the reserve balance beginning with the 2016 budget.

**Cable Television Franchise Subfund (00160)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	4,118	3,886	4,451	3,658	2,698	2,040	1,375
Accounting Adjustments	(7)	-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	<b>4,112</b>	<b>3,886</b>	<b>4,451</b>	<b>3,658</b>	<b>2,698</b>	<b>2,040</b>	<b>1,375</b>
<b>Revenues</b>							
Franchise Fees <sup>1</sup>	8,499	9,185	8,522	8,522	8,522	8,522	8,522
PEG Support Fees <sup>2</sup>	13	765	734	734	734	734	734
Misc. Revenues/Rebates <sup>3</sup>	570	50	100	100	100	100	-
Interest Earnings	33	49	47	37	27	20	11
<b>Total Revenues</b>	<b>9,115</b>	<b>10,048</b>	<b>9,403</b>	<b>9,393</b>	<b>9,384</b>	<b>9,376</b>	<b>9,267</b>
<b>Expenditures <sup>4</sup></b>							
Leadership, Planning, and Security	(408)	(734)	(734)	(68)	(70)	(71)	(72)
Engineering and Operations	(969)	(1,155)	(1,155)	(763)	(771)	(782)	(794)
Digital Engagement	(7,224)	(7,279)	(7,539)	(7,249)	(7,300)	(7,410)	(7,521)
Security & Privacy	-	-	-	(435)	(443)	(449)	(456)
Applications	-	-	-	(742)	(430)	(323)	(327)
Business Office	-	(238)	(238)	(457)	(386)	(363)	(369)
Other <sup>5</sup>	15	-	-	-	-	-	-
Support to Library	(190)	(530)	(530)	(640)	(642)	(642)	(642)
<b>Total Expenditures</b>	<b>(8,776)</b>	<b>(9,936)</b>	<b>(10,196)</b>	<b>(10,353)</b>	<b>(10,042)</b>	<b>(10,040)</b>	<b>(10,181)</b>
<b>Ending Fund Balance</b>	<b>4,451</b>	<b>3,998</b>	<b>3,658</b>	<b>2,698</b>	<b>2,040</b>	<b>1,375</b>	<b>461</b>
<b>Reserves</b>							
Designation for Cable Programs	-	-	-	-	-	-	-
Operating Expense & Revenue Projection Reserves <sup>6</sup>	(1,316)	(1,490)	(1,529)	(1,553)	(1,506)	(1,506)	(1,527)
Digital Equity Reserves	-	(500)	(500)	(284)	(98)	(38)	-
Rainy Day Fund	-	(301)	-	-	-	-	-
Equipment Replacement for Capital Acquisitions	(600)	(600)	(600)	(600)	(600)	(600)	(600)
<b>Total Reserves</b>	<b>(1,916)</b>	<b>(2,892)</b>	<b>(2,629)</b>	<b>(2,437)</b>	<b>(2,204)</b>	<b>(2,144)</b>	<b>(2,127)</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,535</b>	<b>1,107</b>	<b>1,029</b>	<b>261</b>	<b>(164)</b>	<b>(768)</b>	<b>(1,666)</b>

**Assumptions:**

<sup>1</sup> Annual revenue growth projections are as follows: 0.27% for 2016 Revised; and 0.0% for 2017-2020 Proposed/Projected.

<sup>2</sup> Beginning with the 2016 Adopted Budget, PEG fees are separated into their own revenue category.

<sup>3</sup> \$450K Comcast settlement in 2015, \$20K CentryLink contract negotiation payment in 2015, and \$100K Comcast Grants in 2015-2019.

<sup>4</sup> Estimated Expenditures based on Adopted Budget for 2016, Proposed Budgets for 2017-2018, and assume 1.5% inflation thereafter. Exceptions to this are: (a) annual \$640K Library contributions; (b) Office of Electronic Communication's budgeted CIP spending; (c) \$160K for Open Data and Digital Equity Program Funding in "Digital Engagement"; and (d) \$100K for Implementing Strategies of the Digital Equity Initiative Action Plan in "Digital Engagement".

<sup>5</sup> Seattle IT underspend rebate.

<sup>6</sup> Cash Float and Revenue Projections Reserve calculated as 15% of Expenditures.

Cumulative Reserve Subfund - REET II Subaccount (00161)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	21,203	24,477	33,827	34,037	25,734	23,805	37,307
Accounting Adjustments		-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	<b>21,203</b>	<b>24,477</b>	<b>33,827</b>	<b>34,037</b>	<b>25,734</b>	<b>23,805</b>	<b>37,307</b>
<b>Revenues</b>							
Real Estate Excise Taxes	36,591	26,760	32,621	32,975	33,846	32,133	33,109
<b>Total Revenues</b>	<b>36,591</b>	<b>26,760</b>	<b>32,621</b>	<b>32,975</b>	<b>33,846</b>	<b>32,133</b>	<b>33,109</b>
<b>Expenditures</b>							
Direct CRS Spending	(999)	(1,000)	(1,000)	-	-	-	-
CIP Supported Projects	(22,968)	(31,411)	(31,411)	(41,279)	(35,775)	(18,630)	(21,864)
<b>Total Expenditures</b>	<b>(23,967)</b>	<b>(32,411)</b>	<b>(32,411)</b>	<b>(41,279)</b>	<b>(35,775)</b>	<b>(18,630)</b>	<b>(21,864)</b>
<b>Ending Fund Balance</b>	<b>33,827</b>	<b>18,826</b>	<b>34,037</b>	<b>25,734</b>	<b>23,805</b>	<b>37,307</b>	<b>48,553</b>
<b>Reserves</b>							
Continuing Appropriation	(16,776)	(9,325)	(16,776)	(16,776)	(16,776)	(16,776)	(16,776)
Reserve for American Disabilities Act Projects					-	(3,000)	(5,000)
Reserve for Neighborhood (NSF) Projects					(2,000)	(4,000)	(6,000)
Reserve for Seattle Asian Art Museum	(100)	(4,450)	(4,450)	(1,750)	-	-	-
Reserve for Asset Preservation Projects					-	(8,500)	(15,700)
Fund Balance Target Reserve	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
<b>Total Reserves</b>	<b>(21,877)</b>	<b>(18,775)</b>	<b>(26,226)</b>	<b>(23,526)</b>	<b>(23,776)</b>	<b>(37,277)</b>	<b>(48,476)</b>
<b>Ending Unreserved Fund Balance</b>	<b>11,950</b>	<b>51</b>	<b>7,811</b>	<b>2,207</b>	<b>28</b>	<b>30</b>	<b>76</b>

Cumulative Reserve Subfund - REET I Subaccount (00163)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	35,375	44,108	48,556	47,945	40,804	40,243	59,001
Accounting Adjustments	-	-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	<b>35,375</b>	<b>44,108</b>	<b>48,556</b>	<b>47,945</b>	<b>40,804</b>	<b>40,243</b>	<b>59,001</b>
<b>Revenues</b>							
Real Estate Excise Taxes	36,591	26,760	32,621	32,975	33,846	32,133	31,287
<b>Total Revenues</b>	<b>36,591</b>	<b>26,760</b>	<b>32,621</b>	<b>32,975</b>	<b>33,846</b>	<b>32,133</b>	<b>31,287</b>
<b>Expenditures</b>							
Direct CRS Spending	(1,440)	(2,236)	(2,236)	(1,146)	(1,170)	(1,205)	(1,241)
CIP Supported Projects	(21,970)	(31,024)	(30,997)	(38,969)	(33,238)	(12,171)	(12,284)
<b>Total Expenditures</b>	<b>(23,410)</b>	<b>(33,260)</b>	<b>(33,232)</b>	<b>(40,115)</b>	<b>(34,407)</b>	<b>(13,375)</b>	<b>(13,525)</b>
<b>Ending Fund Balance</b>	<b>48,556</b>	<b>37,609</b>	<b>47,945</b>	<b>40,804</b>	<b>40,243</b>	<b>59,001</b>	<b>76,763</b>
<b>Reserves</b>							
Continuing Appropriation	(28,094)	(26,312)	(28,094)	(28,094)	(28,094)	(28,094)	(28,094)
Reserve for American Disabilities Act Projects					(3,000)	(3,000)	(4,000)
Reserve for Seattle Asian Art Museum	(2,425)	(6,100)	(5,900)	(3,250)	-	-	-
Reserve for Relocation Costs for Fire Station 5			(4,100)	(4,100)	(4,100)	(4,100)	(4,100)
Reserve for Asset Preservation Projects		(100)	-	-	-	(18,800)	(35,500)
Fund Balance Target Reserve	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
<b>Total Reserves</b>	<b>(35,519)</b>	<b>(37,512)</b>	<b>(43,094)</b>	<b>(40,444)</b>	<b>(40,194)</b>	<b>(58,994)</b>	<b>(76,694)</b>
<b>Ending Unreserved Fund Balance</b>	<b>13,037</b>	<b>97</b>	<b>4,851</b>	<b>361</b>	<b>50</b>	<b>7</b>	<b>69</b>

**Cumulative Reserve Subfund - Unrestricted (00164)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	3,298	6,711	11,700	12,334	13,445	15,602	16,352
Accounting Adjustments		-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	3,298	6,711	11,700	12,334	13,445	15,602	16,352
<b>Revenues</b>							
Grants/Levy/Donations/Other	3,284	1,587	1,587	3,320	3,975	3,729	2,228
Misc Revenues <sup>1</sup>	13,429	1,100	1,782	1,820	2,620	1,216	1,000
Property Sales	-	-	-	-	-	-	-
General Fund Support	-	2,700	2,700				
<b>Total Revenues</b>	16,714	5,387	6,069	5,140	6,595	4,945	3,228
<b>Expenditures</b>							
Direct CRS Spending	(233)	(266)	(266)	(268)	(270)	(272)	(274)
CIP Supported Projects	(8,079)	(4,869)	(5,169)	(3,761)	(4,168)	(3,923)	(2,422)
<b>Total Expenditures</b>	(8,312)	(5,135)	(5,435)	(4,029)	(4,438)	(4,195)	(2,696)
<b>Ending Fund Balance</b>	11,700	6,962	12,334	13,445	15,602	16,352	16,884
<b>Reserves</b>							
Continuing Appropriation	(13,497)	(7,972)	(13,261)	(13,261)	(13,261)	(13,261)	(13,261)
District Energy Investment Reserve				(495)	(495)	(495)	(495)
King County Park Levy Reserve	(1,800)	-	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)
<b>Total Reserves</b>	(15,297)	(7,972)	(15,061)	(15,556)	(15,556)	(15,556)	(15,556)
<b>Ending Unreserved Fund Balance<sup>2</sup></b>	(3,597)	(1,010)	(2,727)	(2,111)	46	796	1,328

1) Includes Interest Earnings, Street Vacations, Parking Fees

2) The negative ending fund balance position is supported by an interfund loan. Misc revenues, including anticipated Street Vacation revenues, will be retained within the fund over the next two years to bring the fund back into a positive position.



Neighborhood Matching Fund (00165)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	5,161	2,964	3,302	2,692	1,543	525	(336)
Accounting Adjustments	-	-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	5,161	2,964	3,302	2,692	1,543	525	(336)
<b>Revenues</b>							
Revenue Support from Finance General	1,577	3,164	3,164	3,044	3,070	3,289	3,388
Other revenues			54				
Underspend requirement	(16)						
Health Care premium holiday	(4)						
<b>Total Revenues</b>	1,557	3,164	3,218	3,044	3,070	3,289	3,388
<b>Expenditures</b>							
Large Projects Fund	(955)	(2,245)	(1,774)	(1,545)	(1,545)	(1,568)	(1,591)
Management and Project Development	(944)	(955)	(754)	(1,090)	(985)	(1,000)	(1,015)
Small and Simple Projects	(1,454)	(1,510)	(1,193)	(1,490)	(1,490)	(1,513)	(1,535)
Outreach Fund (Small Sparks Projects)	(62)	(68)	(54)	(68)	(68)	(69)	(70)
Supplemental			(54)				
<b>Total Expenditures</b>	(3,416)	(4,778)	(3,828)	(4,193)	(4,088)	(4,150)	(4,211)
<b>Ending Fund Balance</b>	3,302	1,350	2,692	1,543	525	(336)	(1,159)
<b>Reserves</b>							
Reserved for Continuing Appropriations	(1,976)	(1,356)					
<b>Total Reserves</b>	(1,976)	(1,356)	-	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	1,326	(6)	2,692	1,543	525	(336)	(1,159)

Revenue Stabilization Account (00166)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	41,413	45,223	45,223	47,447	50,224	52,093	53,667
Accounting Adjustments		-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	41,413	45,223	45,223	47,447	50,224	52,093	53,667
<b>Revenues</b>							
CY/Actual Budget Contribution	3,810	2,224	2,224	2,778	1,869	1,573	1,971
Additional Year-End Contribution			-				
<b>Total Revenues</b>	3,810	2,224	2,224	2,778	1,869	1,573	1,971
<b>Expenditures</b>							
<b>Total Expenditures</b>	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	45,223	47,447	47,447	50,224	52,093	53,667	55,638
<b>Reserves</b>							
<b>Total Reserves</b>	-	-	-	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	45,223	47,447	47,447	50,224	52,093	53,667	55,638

Cumulative Reserve Subfund - South Lake Union Property Fund (00167)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	321	325	324	228	231	235	238
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	321	325	324	228	231	235	238
<b>Revenues</b>							
Misc Revenue	3	4	4	4	4	4	4
<b>Total Revenues</b>	3	4	4	4	4	4	4
<b>Expenditures</b>							
CY/Actual Budget Appropriations	-	(100)	(100)	-	-	-	-
<b>Total Expenditures</b>	-	(100)	(100)	-	-	-	-
<b>Ending Fund Balance</b>	324	228	228	231	235	238	242
<b>Reserves</b>							
Designated for Special Purposes	(324)	(228)	(228)	(231)	(235)	(238)	(242)
<b>Total Reserves</b>	(324)	(228)	(228)	(231)	(235)	(238)	(242)
<b>Ending Unreserved Fund Balance</b>	-	-	-	-	-	-	-

Cumulative Reserve Subfund - Asset Preservation Fund (00168)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	6,108	3,044	4,180	3,246	3,311	3,376	3,441
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	6,108	3,044	4,180	3,246	3,311	3,376	3,441
<b>Revenues</b>							
Transfer from FAS Facilities subfund	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Misc Revenue	2,000	2,459	2,409	6,500	1,972	1,929	3,155
Interest Earnings	74		50	65	65	65	65
<b>Total Revenues</b>	6,074	6,459	6,459	10,565	6,037	5,994	7,220
<b>Expenditures</b>							
CY/Actual Budget Appropriations	(8,002)	(7,392)	(7,392)	(10,500)	(5,972)	(5,929)	(7,155)
<b>Total Expenditures</b>	(8,002)	(7,392)	(7,392)	(10,500)	(5,972)	(5,929)	(7,155)
<b>Ending Fund Balance</b>	4,180	2,111	3,246	3,311	3,376	3,441	3,506
<b>Reserves</b>							
Continuing Appropriations	(3,172)	(2,111)	(3,172)	(3,172)	(3,172)	(3,172)	(3,172)
Large Expense Project Reserve	(1,008)	-	(74)	(139)	(204)	(269)	(334)
<b>Total Reserves</b>	(4,180)	(2,111)	(3,246)	(3,311)	(3,376)	(3,441)	(3,506)
<b>Ending Unreserved Fund Balance</b>	(0)	-	(0)	(0)	(0)	(0)	(0)

Cumulative Reserve Subfund - Street Vacation Fund (00169)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	490	6,233	8,287	2,410	3,003	4,623	4,839
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	490	6,233	8,287	2,410	3,003	4,623	4,839
<b>Revenues</b>							
Misc Revenue	8,783	500	532	770	1,620	216	-
<b>Total Revenues</b>	8,783	500	532	770	1,620	216	-
<b>Expenditures</b>							
CY/Actual Budget Appropriations	(986)	(6,409)	(6,409)	(177)	-	-	-
<b>Total Expenditures</b>	(986)	(6,409)	(6,409)	(177)	-	-	-
<b>Ending Fund Balance</b>	8,287	324	2,410	3,003	4,623	4,839	4,839
<b>Reserves</b>							
Continuing Appropriations	(1,994)	-	(1,994)	(1,994)	(1,994)	(1,994)	(1,994)
Designated for Transportation Purposes	(6,293)	(323)	(416)	(1,009)	(2,629)	(2,844)	(2,844)
<b>Total Reserves</b>	(8,287)	(323)	(2,410)	(3,003)	(4,623)	(4,838)	(4,838)
<b>Ending Unreserved Fund Balance</b>	0	0	-	-	-	0	0

**Cumulative Reserve Subfund - BlueField Habitat Preservation Fund (00178)**

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	208	210	210	212	214	216	218
Accounting Adjustments	.						
<b>Beginning Unreserved Fund Balance</b>	208	210	210	212	214	216	218
<b>Revenues</b>							
Misc Revenue	2	2	2	2	2	2	2
<b>Total Revenues</b>	2	2	2	2	2	2	2
<b>Expenditures</b>							
CY/Actual Budget Appropriations	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	210	212	212	214	216	218	220
<b>Reserves</b>							
Continuing Appropriations	-	-	-	-	-	-	-
Designated for Special Purposes	(210)	(212)	(212)	(214)	(216)	(218)	(220)
<b>Total Reserves</b>	(210)	(212)	(212)	(214)	(216)	(218)	(220)
<b>Ending Unreserved Fund Balance</b>	(0)	0	-	-	-	-	-

**Emergency Fund (00185)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	48,547	54,193	54,193	60,000	61,698	63,219	64,751
<b>Beginning Unreserved Fund Balance</b>	48,547	54,193	54,193	60,000	61,698	63,219	64,751
<b>Revenues</b>							
CY/Actual Budget Contribution	5,646	5,148	5,807	1,698	1,521	1,532	1,534
Reimbursement from Departments		-	-	-			
<b>Total Revenues</b>	5,646	5,148	5,807	1,698	1,521	1,532	1,534
<b>Expenditures</b>							
CY/Actual Budget Appropriations		-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	54,193	59,341	60,000	61,698	63,219	64,751	66,284
<b>Reserves</b>							
Continuing Appropriations	-	-	-	-	-	-	-
<b>Total Reserves</b>	-	-	-	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	54,193	59,341	60,000	61,698	63,219	64,751	66,284

**Parks and Recreation Fund (10200)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	2,788	2,588	5,296	3,384	1,984	1,184	809
Carry forward	(4)		(54)				
<b>Beginning Unreserved Fund Balance</b>	<b>2,784</b>	<b>2,588</b>	<b>5,242</b>	<b>3,384</b>	<b>1,984</b>	<b>1,184</b>	<b>809</b>
<b>Revenues</b>							
Sales of Merchandise	217	27	27	27	27	27	27
Miscellaneous Charges and Fees	322	26	26	27	27	27	27
Resource Recover Revenues (1)	3,477	3,264	3,264	3,257	3,157	3,226	3,226
Recreational Activity Fees	11,418	12,613	12,613	12,832	13,082	13,082	13,082
Recreation Shared Revenues - ARC	533	852	852	852	852	852	852
Recreation admission fees	2,408	2,058	2,058	2,055	2,055	2,055	2,055
Exhibit Admission Fees	39	379	379	379	379	379	379
Athletic Facility Fees (2)	2,961	2,753	2,753	3,253	3,819	3,933	4,051
Program Fees	3,674	3,603	3,603	3,929	3,929	3,929	3,929
Parking Fees	70	45	45	69	69	69	69
Miscellaneous Revenue	140	126	126	777	888	888	888
Charges to Other City Departments	1,701	339	339	339	339	339	339
Miscellaneous Revenue	5,444	20	20	-	-	-	-
General Subfund Support (3)	91,757	96,479	100,529	103,218	106,758	110,761	114,084
State Grants	(26)	-	-	-	-	-	-
Private Contributions	116	452	452	452	452	452	452
ST Space Facilities Rentals (2)	5,345	4,472	4,472	4,429	4,566	4,703	4,844
LT Space/Facilities Leases (2)	743	1,345	1,345	1,345	1,345	1,386	1,427
Concession Proceeds	41	80	80	80	80	80	80
Rents and Use Charges	1,587	548	548	548	548	548	548
Salvage Sales	26	-	-	-	-	-	-
Judgments & Settlements	30	-	-	-	-	-	-
Telephone Commission Revenue	0	1	1	1	1	1	1
Seattle Parks District (4)	6,463	13,613	13,613	13,004	13,883	14,993	15,767
Transfers from CRS & Parks Levy	8,252	11,010	12,090	10,881	10,900	10,900	10,900
Interfund Building/Other Space Rental	72	72	72	72	72	72	72
Interfund Other Rent and Use	211	255	255	255	255	255	255
Federal Grants - Direct	80	-	-	-	-	-	-
<b>Total Revenues</b>	<b>147,101</b>	<b>154,432</b>	<b>159,562</b>	<b>162,081</b>	<b>167,483</b>	<b>172,956</b>	<b>177,354</b>
<b>Expenditures</b>							
Environmental Learning and Programs	(1,188)	(1,107)	(1,182)	(1,254)	(1,290)	(1,329)	(1,369)
Facility and Structure Maintenance	(16,345)	(17,598)	(18,388)	(17,703)	(18,156)	(18,701)	(19,262)
Finance and Administration	(8,698)	(14,295)	(15,235)	(16,728)	(17,812)	(18,346)	(18,897)
Golf	(11,401)	(11,904)	(11,904)	(12,112)	(12,350)	(12,721)	(13,102)
Judgment and Claims	(387)	(711)	(711)	(668)	(580)	(597)	(615)
Natural Resources Management	(8,402)	(9,125)	(9,428)	(9,528)	(9,792)	(10,086)	(10,388)
Park Cleaning, Landscaping, and Restoration	(31,628)	(32,703)	(33,394)	(34,351)	(35,606)	(36,674)	(37,774)
Planning, Development, Acquisition	(11,753)	(7,415)	(7,957)	(7,575)	(7,771)	(8,004)	(8,244)
Policy Direction and Leadership	(4,204)	(4,460)	(4,712)	(4,797)	(4,929)	(5,077)	(5,229)
Recreation Facilities and Programs	(26,231)	(28,001)	(29,167)	(30,550)	(31,236)	(32,173)	(33,138)
Regional Parks and Strategic Outreach	(4,532)	(6,147)	(6,294)	(6,379)	(6,508)	(6,703)	(6,904)
Seattle Aquarium	(300)	(1,080)	(1,080)	-	-	-	-
Seattle Conservation Corps	(3,197)	(4,080)	(4,884)	(4,708)	(4,830)	(4,975)	(5,124)
Swimming, Boating, and Aquatics	(9,479)	(9,537)	(10,007)	(10,040)	(10,330)	(10,640)	(10,959)
Woodland Park Zoo	(6,843)	(7,078)	(7,078)	(7,087)	(7,093)	(7,306)	(7,525)
<b>Total Expenditures</b>	<b>(144,588)</b>	<b>(155,241)</b>	<b>(161,421)</b>	<b>(163,480)</b>	<b>(168,283)</b>	<b>(173,331)</b>	<b>(178,531)</b>
<b>Ending Fund Balance</b>	<b>5,296</b>	<b>1,779</b>	<b>3,384</b>	<b>1,984</b>	<b>1,184</b>	<b>809</b>	<b>(369)</b>



Parks and Recreation Fund (10200) (con't)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
<b>Reserves</b>							
<i>Restricted Reserves (5)</i>							
None	-	-	-	-	-	-	-
<i>Committed Reserves</i>							
Planning Reserve	(1,500)	(1,612)	-	-	-	-	-
<i>Assigned Reserves</i>							
Donations Reserve (Alki)	(69)	(59)	(59)	(49)	(39)	(39)	(39)
SPU Reservoir Use Fees	(600)	(600)	(600)	(600)	(600)	(600)	(600)
Use of Fund Balance	(809)	-	(1,400)	(800)	-	-	-
<b>Total Reserves</b>	<b>(2,978)</b>	<b>(2,271)</b>	<b>(2,059)</b>	<b>(1,449)</b>	<b>(639)</b>	<b>(639)</b>	<b>(639)</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,318</b>	<b>(492)</b>	<b>1,325</b>	<b>535</b>	<b>545</b>	<b>170</b>	<b>(1,008)</b>

Notes:

(1) 2019-20 projection is the three-year average of prior years; remains flat.

(2) Assumes 3% revenue growth.

(3) Reflects Proposed 2017-2018 Budgets, adds back \$800,000 in 2019, and 3% growth thereafter.

(4) Assumes 2.5% revenue growth per Seattle Park District revenue assumptions. 2019 and 2020 includes the start of initiative "4.3 - Maintain Waterfront."

(5) Reserves:

*Restricted* – highest level of restriction – amounts held for specific purpose subject to external agreements (e.g. grants, formal agreements with external entities).

*Committed* – amounts required to be held in reserve by internal formal City action (e.g. ordinance, proviso).

*Assigned* – designated within the department for a planned purpose; set at the discretion of CBO or the department (e.g. planning reserves).

Transportation Master Fund (10300)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	86,348	78,163	104,629	181,459	183,289	183,126	77,304
Accounting Adjustments							
<b>Revised Beginning Fund Balance</b>	<b>86,348</b>	<b>78,163</b>	<b>104,629</b>	<b>181,459</b>	<b>183,289</b>	<b>183,126</b>	<b>77,304</b>
<b>Revenues</b>							
G.O. Bond Proceeds	4,508	70,120	45,120	53,075	40,825	-	-
Local Improvement District Bonds	-	-	-	1,501	1,410	35,513	71,480
Operating Transfer In-From ALASKA SEA	130,418	37,946	37,946	720	-	-	-
Permit Fees	5,663	3,201	3,251	3,250	3,266	3,261	3,359
Other Private Contributions & Donations	1,949	-	-	473	2,500	2,500	11,530
Street Maintenance & Repair Charges	2,359	899	899	1,177	1,177	1,177	1,177
Miscellaneous - Other Revenues	11	3	3	3	3	3	3
Other Charges - Transportation	35,394	56,984	60,034	47,426	39,828	77,457	102,983
Plan Review & Inspection SDOT	6,923	14,000	9,600	9,000	8,000	8,240	8,487
IF Permit Activities	447	54	54	-	-	-	-
IF Charges and Fees	215	654	654	1,268	1,322	1,362	1,403
IF Architecture/Engineering Services	-	204	454	3,825	2,222	-	-
Various Charges	(126)	-	-	-	-	-	-
IF Other Charges - Transportation	22,365	9,184	9,734	12,485	12,285	12,653	13,033
Operating Transfer In-From Transportation Benefit Distric Fund - \$20	7,212	7,668	7,824	7,961	7,896	7,930	7,964
Operating Transfer In-From Transportation Benefit Distric Fund Prop 1 - \$60	13,711	22,030	21,473	23,884	24,302	24,727	25,160
Operating Transfer In-From Transportation Benefit Distric Fund Prop 1 - 1% Sales Tax	17,543	22,864	22,557	25,216	25,738	26,347	27,258
Operating Transfer In-From General Fund	39,661	44,308	39,991	46,058	44,445	45,322	45,970
General Fund - Other	474	-	-	-	-	-	-
State Grants	5,502	1,900	2,365	6,400	4,227	6,170	681
Federal Grants	14,256	6,537	10,137	4,908	58,935	12,908	881
IF Capital Contributions & Grants	-	11,397	11,397	-	-	-	-
Interlocal Grants	45	-	346	-	-	-	-
Investment Earnings	452	-	-	-	-	-	-
Property Proceeds	-	3,909	8,109	9,400	26,300	-	-
School Safety Traffic and Pedestrian Improvement Fund	5,835	8,568	8,827	5,994	4,152	3,143	2,925
Commercial Parking Tax-AWV	8,123	7,666	7,920	8,210	8,509	8,820	9,142
Proceeds County-Wide Tax	22	-	-	-	-	-	-
BTG-Property Tax Levy	43,608	-	-	-	-	-	-
Move Seattle Property Tax Levy	-	94,959	95,000	96,984	99,009	101,076	103,186
Commercial Parking Tax	33,192	30,664	31,682	32,838	34,037	35,279	36,567
BTG-Employee Hours Tax	4	-	-	-	-	-	-
Motor Vehicle Fuel Tax	13,546	13,787	13,787	13,787	14,633	14,633	14,633
Operating Transfer In-From Cumulative Reserve Subfund - REET II	18,028	24,756	24,756	21,017	4,188	4,078	4,079
Operating Transfer In-From Cumulative Reserve Subfund - REET I	3,164	6,409	6,409	4,000	-	-	-
Operating Transfer In-From Cumulative Reserve Subfund - Street Vacations	3,075	2,300	2,300	177	-	-	-
Operating Transfer In-From Cumulative Reserve Subfund - Unrestricted	986	-	-	-	-	-	-
Operating Transfer In-From Emergency Subfund	-	-	-	-	-	-	-
Operating Transfer In-From 2000 Park Levy Fund	274	-	-	-	-	-	-
Operating Transfer In-From CEN WF IMP FUND	1,878	-	-	-	-	-	-
Operating Transfer In-From SCL Fund	-	1,420	3,473	1,438	10,199	3,226	1,350
To Be Determined	-	-	-	-	81,559	35,118	-
<b>Total Revenues</b>	<b>440,714</b>	<b>504,390</b>	<b>486,102</b>	<b>442,473</b>	<b>560,966</b>	<b>470,941</b>	<b>493,249</b>

Transportation Master Fund (10300) (con't)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
<b>Expenditures</b>							
Bridges & Structures	8,554	11,576	11,576	11,760	12,021	12,201	12,384
Department Management	(1,361)	2,867	2,867	386	951	965	980
Engineering Services	512	3,969	3,969	3,776	3,810	3,867	3,925
General Expense - Debt Service	24,311	27,113	25,089	31,058	32,297	37,768	39,826
General Expense - Other	2,825	3,251	3,251	7,408	7,519	7,632	7,746
Major Maintenance/Replacement (CIP)	38,052	76,575	69,720	69,282	75,047	64,360	60,914
Major Projects (CIP)	174,382	131,592	76,592	73,547	37,141	91,755	183,724
Mobility-Capital (CIP)	67,050	87,746	74,396	82,841	232,557	190,091	55,681
Mobility-Operations	45,563	40,570	40,570	43,761	40,998	41,613	42,237
Mobility-Operations-Transit	13,540	44,893	40,361	48,085	50,326	57,023	58,401
ROW Management	24,086	30,355	30,355	32,726	32,515	33,002	33,497
Street Maintenance	20,479	25,146	25,146	30,427	30,222	30,676	31,136
Urban Forestry	4,439	5,381	5,381	5,586	5,724	5,810	5,897
<b>Total Expenditures</b>	422,433	491,035	409,272	440,644	561,129	576,763	536,350
<b>Ending Fund Balance</b>	104,629	91,518	181,459	183,289	183,126	77,304	34,203
<b>Reserves</b>							
Continuing Appropriations			53,654	53,654	53,654	53,654	53,654
Interfund Loan-Streetcar Capital			(5,950)	(5,950)	(5,950)	(5,950)	(5,950)
Interfund Loan-Mercer West			(26,300)	-	-	-	-
Planning Reserve			-	(1,600)	(1,600)	(1,600)	(13,520)
<b>Total Reserves</b>	-	-	21,404	46,104	46,104	46,104	34,184
<b>Ending Unreserved Fund Balance</b>	104,629	91,518	160,054	137,184	137,022	31,200	19

Note: The financial plan includes "To Be Determined" (TBD) revenues in 2017, 2018 and 2019 primarily related to the Broadway Streetcar Extension and the Center City Connector projects. The Center City Connector project is entering the federal grant application process and the City is evaluating funding mechanisms for the Broadway Streetcar Extension project including the creation of a local improvement district. Further project development will be contingent on available resources including new and existing revenues.

The Seattle Public Library Fund (10410)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised <sup>2</sup>	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected <sup>3</sup>
Beginning Fund Balance	1,748	1,892	2,733	2,329	3,244	3,201	2,488
Accounting Adjustments/Use of Carryforward Authority					(938)	(805)	
<b>Beginning Fund Balance</b>	1,748	1,892	2,733	2,329	2,306	2,395	2,488
<b>Revenues</b>							
Copy and Print Services	241	205	221	230	235	235	235
Fines/Fees	1,441	1,512	1,410	1,336	1,288	1,242	1,200
Parking - Central Library	366	353	385	380	380	380	380
Space Rental	188	153	200	198	198	200	200
Salvage Sales/Materials	52	43	50	55	55	56	58
Misc Revenue	17	6	6	6	6	6	6
Cable Franchise Fees	190	530	530	640	642	530	530
2012 Library Levy - Operating Support	12,860	13,666	15,317	15,441	15,711	16,735	0
General Subfund Support	49,007	50,206	51,546	52,322	53,516	55,122	56,775
<b>Total Revenues</b>	64,361	66,673	69,664	70,607	72,031	74,505	59,384
<b>Expenditures</b>							
City Librarian's Office	(801)	(755)	(1,010)	(494)	(507)	(523)	(536)
Marketing and Online Services	(856)	(880)	(1,280)	0	0	0	0
Institutional and Strategic Advancement	0	0	0	(1,457)	(1,495)	(1,591)	(1,033)
Human Resources	(1,193)	(1,116)	(1,337)	(1,385)	(1,422)	(1,464)	(1,499)
Administrative Services	(10,164)	(11,417)	(11,463)	(10,881)	(11,019)	(11,350)	(9,772)
Information Technology	(4,472)	(5,417)	(5,313)	0	0	0	0
Library Programs and Services	(45,891)	(47,638)	(49,666)	(55,475)	(56,692)	(59,485)	(52,443)
<b>Total Expenditures</b>	(63,376)	(67,223)	(70,068)	(69,693)	(71,136)	(74,413)	(65,283)
<b>Ending Fund Balance</b>	2,733	1,342	2,329	3,244	3,201	2,488	(3,412)
<b>Use of Existing Levy Carryforward Authority</b>							
Institutional and Strategic Advancement				0	(50)		
Library Programs and Services				(938)	(755)		
<b>Reserves</b>							
Encumbrances	(69)			-			
Known Liability	(58)			-			
Planning Reserve <sup>1</sup>		(440)					
<b>Total Reserves</b>	(127)	(440)	0	(938)	(805)	0	0
<b>Ending Unreserved Fund Balance</b>	2,606	902	2,329	2,306	2,395	2,488	(3,412)

<sup>1</sup> Planning Reserve tracks Levy AWI.

<sup>2</sup> The 2016 Revised Budget includes existing levy carryforward authority for operating support.

<sup>3</sup> The Library levy is up for voter renewal in August of 2019.

**Seattle Streetcar Fund (10810)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	(3,582)	(2,764)	(3,188)	(2,934)	(2,915)	(2,232)	(1,441)
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	<b>(3,582)</b>	<b>(2,764)</b>	<b>(3,188)</b>	<b>(2,934)</b>	<b>(2,915)</b>	<b>(2,232)</b>	<b>(1,441)</b>
<b>Revenues</b>							
Sponsorships - South Lake Union	324	235	235	243	250	257	264
Farebox Revenue - South Lake Union*	96	103	103	106	109	112	116
Leases and Service Contributions - SLU	246	160	282	255	229	237	245
FTA Funds - South Lake Union	546	345	365	365	172	173	173
Sponsorships - First Hill	-	210	100	150	200	250	300
Farebox Revenue - First Hill*	-	118	118	121	124	127	130
FTA Funds - First Hill	-	-	-	-	258	258	258
Sound Transit Funds - First Hill	4,934	5,000	5,000	5,000	5,000	5,000	5,000
Misc. Revenue	(19)	68	-	-	-	-	-
<b>Total Revenues**</b>	<b>6,127</b>	<b>6,239</b>	<b>6,203</b>	<b>6,239</b>	<b>6,342</b>	<b>6,415</b>	<b>6,486</b>
<b>Expenditures</b>							
South Lake Union Operating Expense - City	(160)	(156)	(156)	(156)	(156)	(175)	(183)
SLU Net Operating Expense (King County Paym	(554)	(514)	(514)	(514)	(514)	(318)	(156)
South Lake Union Major Maintenance/Capital Expense	(85)	(75)	(75)	(75)	(75)	(75)	(75)
First Hill Operating Expense - City	(834)	(880)	(840)	(880)	(910)	(940)	(970)
First Hill Operating Expense (King County less ORCA Fare Revenue)	(4,100)	(4,210)	(4,210)	(4,330)	(3,740)	(3,850)	(4,000)
		-	(600)	(600)	(600)	(600)	(600)
First Hill Major Maintenance/Capital Expense							
Reconciliation from Metro			447	335	335	335	335
Interest Expense	-	(35)	-	-	-	-	-
<b>Total Expenditures</b>	<b>(5,733)</b>	<b>(5,870)</b>	<b>(5,948)</b>	<b>(6,220)</b>	<b>(5,660)</b>	<b>(5,623)</b>	<b>(5,649)</b>
<b>Ending Fund Balance</b>	<b>(3,188)</b>	<b>(2,395)</b>	<b>(2,934)</b>	<b>(2,915)</b>	<b>(2,232)</b>	<b>(1,441)</b>	<b>(604)</b>
<b>Reserves</b>							
<b>Total Reserves</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>(3,188)</b>	<b>(2,395)</b>	<b>(2,934)</b>	<b>(2,915)</b>	<b>(2,232)</b>	<b>(1,441)</b>	<b>(604)</b>

\*Farebox revenue does not include ORCA Passport revenues collected by King County.

\*\*ORCA Passport revenues are included in the Operating Expense.

Metro operating agreement currently ends in 2019.

Seattle Center Operating Fund (11410)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	2,947	3,699	4,537	4,175	3,741	3,591	3,825
Accounting Adjustments	(262)	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	<b>2,685</b>	<b>3,699</b>	<b>4,537</b>	<b>4,175</b>	<b>3,741</b>	<b>3,591</b>	<b>3,825</b>
<b>Revenues</b>							
Armory	1,002	1,030	1,030	1,230	1,265	1,265	1,265
CIP Reimbursement of Operating Fund	911	1,454	1,454	1,507	1,538	1,561	1,585
Concessions & Catering	1,361	1,522	1,522	1,261	1,501	1,422	1,444
General Fund	12,653	12,949	14,134	13,044	13,226	13,534	13,938
Leases	3,105	2,755	2,923	3,354	3,496	3,548	3,602
Parking	5,937	5,165	5,642	6,276	6,276	6,320	6,340
Reimbursables	5,768	5,475	5,745	6,200	6,585	6,598	6,697
Rent/Facility Surcharge	3,116	3,269	3,269	2,984	3,088	3,134	3,181
Tenant Use Fees	1,379	1,351	1,351	1,176	1,324	1,344	1,364
Ticketing	2,076	2,013	2,013	1,838	2,030	1,985	2,014
Other Revenue	3,192	2,518	2,144	3,570	3,476	3,472	3,524
<b>Total Revenues</b>	<b>40,501</b>	<b>39,500</b>	<b>41,227</b>	<b>42,440</b>	<b>43,806</b>	<b>44,185</b>	<b>44,954</b>
<b>Expenditures</b>							
Access	(1,236)	(1,137)	(1,137)	(1,194)	(1,225)	(1,244)	(1,263)
Administration	(7,570)	(8,021)	(8,021)	(8,960)	(8,789)	(8,662)	(8,792)
Campus Grounds	(12,288)	(12,305)	(12,305)	(13,493)	(13,773)	(13,980)	(14,190)
Campus Commercial Events	(1,286)	(1,016)	(1,016)	(1,668)	(1,710)	(1,736)	(1,762)
Community Programs	(2,220)	(2,155)	(2,155)	(2,275)	(2,329)	(2,465)	(2,502)
Cultural Facilities	(232)	(233)	(233)	(256)	(264)	(268)	(272)
Debt	(118)	(124)	(124)	(125)	(126)	(128)	(130)
Festivals	(1,342)	(1,300)	(1,300)	(1,486)	(1,531)	(1,554)	(1,577)
Judgment and Claims	-	-	-	(223)	(194)	(197)	(200)
KeyArena	(7,694)	(7,656)	(7,656)	(8,034)	(8,719)	(8,849)	(8,982)
McCaw Hall	(4,662)	(4,345)	(4,345)	(4,659)	(4,797)	(4,869)	(4,942)
Quarterly Supplementals	-	-	(952)	-	-	-	-
NE Quadrant Spending	-	-	(385)	(500)	(500)	-	-
Other Ordinances	-	-	(1,960)	-	-	-	-
<b>Total Expenditures</b>	<b>(38,648)</b>	<b>(38,292)</b>	<b>(41,589)</b>	<b>(42,875)</b>	<b>(43,956)</b>	<b>(43,951)</b>	<b>(44,610)</b>
<b>Ending Fund Balance</b>	<b>4,537</b>	<b>4,907</b>	<b>4,175</b>	<b>3,741</b>	<b>3,591</b>	<b>3,825</b>	<b>4,169</b>
<b>Reserves</b>							
Restricted	(1,822)	(2,514)	(1,742)	(1,742)	(1,742)	(1,742)	(1,742)
Long-Term Receivables	(1,301)	-	(1,176)	(1,051)	(926)	(801)	(676)
<b>Total Reserves</b>	<b>(3,123)</b>	<b>(2,514)</b>	<b>(2,918)</b>	<b>(2,793)</b>	<b>(2,668)</b>	<b>(2,543)</b>	<b>(2,418)</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,414</b>	<b>2,393</b>	<b>1,257</b>	<b>948</b>	<b>923</b>	<b>1,282</b>	<b>1,751</b>

**Elections Voucher Fund (12300)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance			-	1,933	651	2,943	673
Accounting Adjustments							
<b><i>Beginning Unreserved Fund Balance</i></b>	-	-	-	1,933	651	2,943	673
<b><u>Revenues</u></b>							
Elections Voucher Program Levy			3,000	3,000	3,000	3,000	3,000
<b><i>Total Revenues</i></b>	-	-	3,000	3,000	3,000	3,000	3,000
<b><u>Expenditures</u></b>							
Staffing and Administration				(349)	(358)	(413)	(424)
Voucher Printing, Mailing, and Processing				(736)	(220)	(596)	(170)
Technology				(197)	(130)	(61)	(46)
Candidate Voucher Expenditures				(3,000)	-	(4,200)	-
Quarterly Supplementals			(1,067)				
<b><i>Total Expenditures</i></b>	-	-	(1,067)	(4,282)	(708)	(5,270)	(640)
<b><i>Ending Fund Balance</i></b>	-	-	-	-	-	-	-
<b><i>Ending Unreserved Fund Balance</i></b>	-	-	1,933	651	2,943	673	3,033

Department of Education and Early Learning (Fund 14100)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	-	-	1,052	0	0	0	(9,806)
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	-	-	1,052	0	0	0	(9,806)
<b>Revenues</b>							
Levy - 2011 Families and Education	25,951	35,069	35,069	38,262	40,887	37,132	-
Levy - Seattle Preschool Program	2,077	8,355	8,355	12,516	18,048	14,355	-
Parent Tuition - Seattle Preschool Program	58	683	683	1,541	2,555	2,158	-
General Fund	12,893	6,985	6,985	8,629	7,308	7,527	7,753
State of Washington - ECEAP	3,265	3,919	3,919	3,919	3,919	3,919	3,919
<b>Total Revenues</b>	44,244	55,011	55,011	64,867	72,717	65,092	11,672
<b>Expenditures</b>							
Director's Office	(18,768)	(25,819)	(25,819)	(2,364)	(1,539)	(1,585)	(1,633)
Finance and Administration	(1,405)	(2,167)	(2,167)	(2,758)	(2,925)	(3,013)	(3,104)
K-12	-	-	-	(26,634)	(28,290)	(29,138)	(30,013)
Early Learning	(17,789)	(27,025)	(27,025)	(33,110)	(39,963)	(41,162)	(42,396)
Seattle Youth Violence Prevention	(5,230)	-	(1,052)	-	-	-	-
<b>Total Expenditures</b>	(43,192)	(55,012)	(56,064)	(64,867)	(72,717)	(74,898)	(77,145)
<b>Ending Fund Balance</b>	1,052	(0)	0	0	0	(9,806)	(75,279)
<b>Ending Unreserved Fund Balance</b>	1,052	(0)	0	0	0	(9,806)	(75,279)

\*Both the Families and Education Levy and the Seattle Preschool Program Levy end collections in 2018 and fully fund the 2018-19 school year. As a result, revenues from those sources are only for half a year in 2019 while expenses are for a full year. To maintain the same level of service, alternative revenue sources will be required.



Construction and Land Use Fund (15700)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	\$ 22,612	\$ 20,687	\$ 33,046	\$ 39,436	\$ 31,814	\$ 24,956	\$ 17,587
Accounting Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Revised Beginning Fund Balance</b>	<b>\$ 22,612</b>	<b>\$ 20,687</b>	<b>\$ 33,046</b>	<b>\$ 39,436</b>	<b>\$ 31,814</b>	<b>\$ 24,956</b>	<b>\$ 17,587</b>
<b>Revenues</b>							
Boiler	\$ 1,173	\$ 1,247	\$ 1,108	\$ 1,219	\$ 1,249	\$ 1,249	\$ 1,249
Building Development	\$ 34,006	\$ 30,668	\$ 40,000	\$ 36,092	\$ 33,814	\$ 33,814	\$ 33,814
Contingent Revenues - Unaccessed	\$ -	\$ 8,064	\$ 8,064	\$ 8,064	\$ 8,064	\$ 8,064	\$ 8,064
Cum. Reserve Subfund-REET I - TRAO	\$ 318	\$ 350	\$ 350	\$ 371	\$ 382	\$ 388	\$ 394
Cum. Reserve Subfund-REET I - Design Commission	\$ 591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cum. Reserve Subfund-Unrestricted - TRAO	\$ 77	\$ 79	\$ 79	\$ 81	\$ 83	\$ 84	\$ 86
Electrical	\$ 7,615	\$ 7,210	\$ 8,000	\$ 7,822	\$ 7,400	\$ 7,400	\$ 7,400
Elevator	\$ 3,510	\$ 3,231	\$ 3,580	\$ 3,741	\$ 3,682	\$ 3,682	\$ 3,682
General Fund	\$ 11,351	\$ 6,231	\$ 6,240	\$ 6,538	\$ 6,513	\$ 6,708	\$ 6,909
OPCD General Fund Overhead Payment 2016	\$ -	\$ 1,729	\$ 1,729	\$ -	\$ -	\$ -	\$ -
Grants/MOAs - All Else	\$ 148	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants/MOAs - SPU MOA for Side Sewer & Drainage	\$ 1,268	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Interest	\$ 519	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Land Use	\$ 8,082	\$ 6,678	\$ 8,500	\$ 8,213	\$ 7,896	\$ 7,896	\$ 7,896
Other	\$ 5,971	\$ 2,296	\$ 2,264	\$ 2,442	\$ 2,356	\$ 2,599	\$ 2,614
Rental Housing Registration	\$ 2,264	\$ 4,645	\$ 2,927	\$ 889	\$ 668	\$ 958	\$ 2,058
Site Review	\$ 2,797	\$ 2,342	\$ 2,342	\$ 2,696	\$ 2,794	\$ 2,794	\$ 2,794
<b>Total Revenues</b>	<b>\$ 79,690</b>	<b>\$ 76,071</b>	<b>\$ 86,483</b>	<b>\$ 79,468</b>	<b>\$ 76,201</b>	<b>\$ 76,936</b>	<b>\$ 78,259</b>
<b>Expenditures</b>							
Annual Certification and Inspection	\$ (3,927)	\$ (4,096)	\$ (4,707)	\$ (5,361)	\$ (5,466)	\$ (5,548)	\$ (5,631)
Code Compliance	\$ (10,017)	\$ (8,871)	\$ (9,631)	\$ (9,053)	\$ (8,953)	\$ (9,087)	\$ (9,224)
Construction Inspections	\$ (15,019)	\$ (18,462)	\$ (19,211)	\$ (21,725)	\$ (22,097)	\$ (22,429)	\$ (22,765)
	\$ (16,004)	\$ (21,127)	\$ (23,207)	\$ (26,181)	\$ (21,888)	\$ (22,217)	\$ (22,550)
Construction Permit Services	\$ (97)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land Use Services	\$ (13,564)	\$ (16,647)	\$ (17,616)	\$ (20,430)	\$ (20,922)	\$ (21,236)	\$ (21,554)
Planning	\$ (7,454)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Process Improvements and Technology	\$ (3,173)	\$ (3,742)	\$ (5,720)	\$ (4,341)	\$ (3,733)	\$ (3,789)	\$ (3,845)
<b>Total Expenditures</b>	<b>\$ (69,257)</b>	<b>\$ (72,945)</b>	<b>\$ (80,093)</b>	<b>\$ (87,090)</b>	<b>\$ (83,059)</b>	<b>\$ (84,305)</b>	<b>\$ (85,570)</b>
<b>Ending Fund Balance</b>	<b>\$ 33,046</b>	<b>\$ 23,813</b>	<b>\$ 39,436</b>	<b>\$ 31,814</b>	<b>\$ 24,956</b>	<b>\$ 17,587</b>	<b>\$ 10,277</b>
<b>Reserves</b>							
Core Staffing	\$ -	\$ 4,385	\$ -	\$ 16,000	\$ 16,440	\$ 16,769	\$ 17,104
Process Improvements and Technology	\$ -	\$ 2,116	\$ -	\$ 1,300	\$ 2,600	\$ 3,900	\$ 5,200
Tenant Improvements	\$ -	\$ -	\$ -	\$ -	\$ 1,040	\$ 2,080	\$ 3,120
Planning Reserve	\$ -	\$ 2,928	\$ 101	\$ 101	\$ 101	\$ 101	\$ 101
<b>Total Reserves</b>	<b>\$ -</b>	<b>\$ 9,429</b>	<b>\$ 101</b>	<b>\$ 17,401</b>	<b>\$ 20,181</b>	<b>\$ 22,850</b>	<b>\$ 25,525</b>
<b>Ending Unreserved Fund Balance</b>	<b>\$ 33,046</b>	<b>\$ 14,385</b>	<b>\$ 39,335</b>	<b>\$ 14,413</b>	<b>\$ 4,775</b>	<b>\$ (5,263)</b>	<b>\$ (15,249)</b>

Human Services Operating Fund (16200)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	9,715	7,440	18,750	11,110	9,590	10,488	10,614
Accounting Adjustments	-	-	-	-	-	-	-
<b>Beginning Fund Balance</b>	<b>9,715</b>	<b>7,440</b>	<b>18,750</b>	<b>11,110</b>	<b>9,590</b>	<b>10,488</b>	<b>10,614</b>
<b>Revenues</b>							
General Fund	71,810	77,492	79,792	88,875	86,298	88,024	89,784
Federal Grants	34,665	37,089	37,405	39,710	40,470	40,470	40,470
State Grants	15,591	15,203	15,202	15,997	16,673	16,673	16,673
Administrative Fees	2,270	2,630	3,153	3,815	3,854	3,873	3,893
Interlocal Grants	1,042	1,620	1,108	543	503	518	463
Zoning & Subdivision Fees	3,756	-	500	500	500	500	500
Contributions / Private Sources	956	626	93	693	93	93	93
Program Income/Misc	726	490	-	-	-	-	-
Investment Earnings	93	100	100	90	90	91	92
<b>Total Revenues</b>	<b>130,909</b>	<b>135,250</b>	<b>137,353</b>	<b>150,223</b>	<b>148,481</b>	<b>150,242</b>	<b>151,968</b>
<b>Expenditures</b>							
Aging and Disability Services	(36,074)	(37,440)	(37,440)	(39,803)	(41,170)	(41,788)	(42,414)
Leadership and Administration	(8,174)	(15,531)	(15,531)	(16,432)	(16,467)	(16,763)	(17,065)
Public Health Services	(11,895)	(12,327)	(12,327)	(12,477)	(12,718)	(12,947)	(13,180)
Division of Homelessness Strategy and Investment	(45,935)	(44,205)	(51,504)	(56,049)	(50,057)	(50,958)	(51,875)
Youth and Family Empowerment	(19,796)	(27,831)	(27,831)	(26,982)	(27,171)	(27,660)	(28,158)
Quarterly Supplementals			(360)				
<b>Total Expenditures</b>	<b>(121,874)</b>	<b>(137,334)</b>	<b>(144,993)</b>	<b>(151,743)</b>	<b>(147,583)</b>	<b>(150,116)</b>	<b>(152,693)</b>
<b>Ending Fund Balance</b>	<b>18,750</b>	<b>5,356</b>	<b>11,110</b>	<b>9,590</b>	<b>10,488</b>	<b>10,614</b>	<b>9,890</b>
<b>Reserves</b>							
Mandatory Reserve for Child Care Bonus Funds	10,149	2,764	8,399	6,399	6,399	6,399	6,399
Other Mandatory Restrictions	7,349	1,487	2,411	2,391	2,391	2,391	2,391
Reserve for Cash Flow and Benefits/Paid Leave	300	300	300	300	300	300	300
<b>Total Reserves</b>	<b>17,798</b>	<b>4,551</b>	<b>11,110</b>	<b>9,090</b>	<b>9,090</b>	<b>9,090</b>	<b>9,090</b>
<b>Ending Unreserved Fund Balance</b>	<b>952</b>	<b>805</b>	<b>-</b>	<b>500</b>	<b>1,398</b>	<b>1,524</b>	<b>800</b>

**Office of Housing Low-Income Housing Fund (16400)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	105,418	109,638	136,310	140,649	148,196	155,656	151,086
Accounting Adjustments	(460)	-	-	-	-	-	-
<b>Total Beginning Fund Balance</b>	<b>104,958</b>	<b>109,638</b>	<b>136,310</b>	<b>140,649</b>	<b>148,196</b>	<b>155,656</b>	<b>151,086</b>
<b>Revenues</b>							
Property Tax Levy	17,934	17,969	17,969	37,862	37,862	37,862	37,862
State/Federal Weatherization Grants	976	1,608	1,608	1,608	1,608	1,608	1,608
Local Grants - Weatherization	1,470	1,630	1,600	1,632	1,665	1,698	1,732
Federal Grants - HOME Program	6,028	2,262	3,422	2,262	2,262	2,262	2,262
Bonus/MHA Program	28,950	15,000	18,000	18,000	18,000	18,000	18,000
Interest Earnings	1,327	2,000	2,000	2,000	2,000	2,500	3,000
Program Income	4,967	4,000	4,000	4,000	4,000	4,000	4,000
Unrealized gains/losses	(154)						
<b>Total Revenues</b>	<b>61,498</b>	<b>44,469</b>	<b>48,599</b>	<b>67,364</b>	<b>67,397</b>	<b>67,930</b>	<b>68,464</b>
<b>Expenditures</b>							
Homeownership and Sustainability	(3,031)	(7,329)	(7,329)	(7,387)	(7,387)	(7,500)	(7,500)
Multi-Family Production/Preservation	(27,115)	(36,931)	(36,931)	(52,430)	(52,550)	(65,000)	(65,000)
<b>Total Expenditures</b>	<b>(30,146)</b>	<b>(44,260)</b>	<b>(44,260)</b>	<b>(59,817)</b>	<b>(59,937)</b>	<b>(72,500)</b>	<b>(72,500)</b>
<b>Ending Fund Balance</b>	<b>136,310</b>	<b>109,847</b>	<b>140,649</b>	<b>148,196</b>	<b>155,656</b>	<b>151,086</b>	<b>147,051</b>
<b>Reserved Fund Balances</b>							
Continuing appropriations	(106,140)	(79,809)	(110,611)	(112,196)	(113,656)	(103,086)	(93,051)
Reserves against FB (see Note 1)	(30,170)	(30,038)	(30,038)	(36,000)	(42,000)	(48,000)	(54,000)
<b>Total Reserves</b>	<b>(136,310)</b>	<b>(109,847)</b>	<b>(140,649)</b>	<b>(148,196)</b>	<b>(155,656)</b>	<b>(151,086)</b>	<b>(147,051)</b>
<b>Ending Unreserved Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(0)</b>

Notes:

1. This represents O&M Trust Funds, which are legally reserved, but not encumbered in Summit.

**Office of Housing Operating Fund (16600)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	1,614	1,319	1,882	1,733	2,970	4,057	4,962
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	<b>1,614</b>	<b>1,319</b>	<b>1,882</b>	<b>1,733</b>	<b>2,970</b>	<b>4,057</b>	<b>4,962</b>
<b>Revenues</b>							
Property Tax Levy Admin	1,810	1,810	1,810	3,566	3,566	3,566	3,566
State/Federal Weatherization Grants Admin	902	985	985	985	985	985	985
Local Grants - Weatherization Admin	704	715	745	760	775	791	806
Federal Grants - HOME Program Admin	316	226	226	226	226	226	226
Other Federal Grants (Challenge & Fort Lawtc	241	-	20	-	-	-	-
Bonus/MHA Program Admin	1,256	1,252	1,600	2,000	2,000	2,000	2,000
Multifamily Tax Exemption Fees	190	120	120	120	120	120	120
General Subfund	345	402	402	139	143	147	152
Miscellaneous	74	13	-	-	-	-	-
<b>Total Revenues</b>	<b>5,838</b>	<b>5,523</b>	<b>5,908</b>	<b>7,796</b>	<b>7,815</b>	<b>7,835</b>	<b>7,855</b>
<b>Expenditures</b>							
Multifamily Production and Preservation	(1,099)	(1,387)	(1,387)	(1,382)	(1,506)	(1,551)	(1,598)
Homeownership and Sustainability	(1,250)	(1,322)	(1,322)	(1,387)	(1,429)	(1,472)	(1,516)
Community Development	(560)	(759)	(759)	(911)	(1,048)	(1,079)	(1,112)
Administration and Management	(2,433)	(2,589)	(2,589)	(2,879)	(2,745)	(2,827)	(2,912)
Challenge Grant	(228)	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>(5,570)</b>	<b>(6,057)</b>	<b>(6,057)</b>	<b>(6,559)</b>	<b>(6,728)</b>	<b>(6,930)</b>	<b>(7,138)</b>
<b>Ending Fund Balance</b>	<b>1,882</b>	<b>785</b>	<b>1,733</b>	<b>2,970</b>	<b>4,057</b>	<b>4,962</b>	<b>5,679</b>
<b>Reserves</b>							
Continuing appropriations	(162)	-	-	-	-	-	-
Reserves against FB (see Note 1)	-	-	-	(378)	(660)	(884)	(926)
<b>Total Reserves</b>	<b>(162)</b>	<b>-</b>	<b>-</b>	<b>(378)</b>	<b>(660)</b>	<b>(884)</b>	<b>(926)</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,720</b>	<b>785</b>	<b>1,733</b>	<b>2,592</b>	<b>3,397</b>	<b>4,078</b>	<b>4,753</b>

**Notes:**

- OH will receive 1/7th of Levy admin revenue each year between 2017 and 2023. However, due to inflation, the related expenses will not be spent evenly over the seven years. In the first four years (2017-2020), levy admin revenue will be higher than levy admin expenses. This excess is reserved for the last three years of the levy (2021-2023) when the levy admin expenses will exceed levy admin revenue.
- The remaining unreserved fund balance is projected MHA/Bonus admin revenues. If these projections are accurate and we do end up with a sizable balance, we will shift excess admin funds to capital.

Families & Education Levy Financial Plan (Fund 17857)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	45,706	47,350	50,225	49,308	45,455	39,166	(0)
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	45,706	47,350	50,225	49,308	45,455	39,166	(0)
<b>Revenues</b>							
Property Tax	33,006	33,257	33,257	33,598	33,934	509	-
Investment Earnings	611	895	895	811	664	77	-
Unrealized gains/losses	(64)						
<b>Total Revenues</b>	33,553	34,152	34,152	34,409	34,598	586	-
<b>Expenditures</b>							
Early Learning	(7,433)	(9,154)	(9,154)	(10,173)	(11,084)	(12,000)	-
Elementary	(6,161)	(8,234)	(8,234)	(9,484)	(10,383)	(9,600)	-
Middle Schools	(5,097)	(6,694)	(6,694)	(7,185)	(7,564)	(6,900)	-
High Schools	(2,568)	(2,946)	(2,946)	(3,183)	(3,426)	(3,500)	-
Health	(6,278)	(6,494)	(6,494)	(6,657)	(6,816)	(6,400)	-
Administration	(1,497)	(1,546)	(1,546)	(1,580)	(1,613)	(1,352)	-
<b>Total Expenditures</b>	(29,035)	(35,069)	(35,069)	(38,262)	(40,887)	(39,752)	-
<b>Ending Fund Balance</b>							(0)
	50,225	46,433	49,308	45,455	39,166	(0)	
<b>Reserves</b>							
Reserve for out-year project spending	(50,225)	(46,433)	(49,308)	(45,455)	(39,166)	-	-
<b>Total Reserves</b>	(50,225)	(46,433)	(49,308)	(45,455)	(39,166)	-	-
<b>Ending Unreserved Fund Balance</b>	0	0	0	0	0	(0)	0

Seattle PreSchool Levy (Fund 17861)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	-	9,525	12,367	18,453	20,414	16,872	0
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	-	9,525	12,367	18,453	20,414	16,872	0
<b>Revenues</b>							
Property Taxes-Seattle PreSchool Levy	14,392	14,441	14,441	14,476	14,506	326	-
Investment Earnings	66						
Unrealized gains/losses	(14)						
Parent Tuition - Seattle Preschool Program		683	683	1,541	2,555	2,158	-
<b>Total Revenues</b>	14,444	15,124	15,124	16,017	17,060	2,484	-
<b>Expenditures</b>							
School Readiness	-	(2,651)	(2,651)	(6,404)	(11,606)	(10,221)	-
Program Support	(86)	(743)	(743)	(1,392)	(2,161)	(1,732)	-
Capacity Building	(31)	(2,598)	(2,598)	(2,807)	(2,913)	(1,964)	-
Research and Evaluation	(322)	(687)	(687)	(760)	(820)	(917)	-
Administration	(1,638)	(2,116)	(2,116)	(2,329)	(2,577)	(3,422)	-
Contingency	-	(243)	(243)	(365)	(526)	(1,108)	-
<b>Total Expenditures</b>	(2,077)	(9,038)	(9,038)	(14,057)	(20,602)	(19,355)	-
<b>Ending Fund Balance</b>	12,367	15,611	18,453	20,414	16,872	0	0
<b>Reserves</b>							
Reserve for out-year project spending	(12,367)	(15,611)	(18,453)	(20,414)	(16,872)	-	-
<b>Total Reserves</b>	(12,367)	(15,611)	(18,453)	(20,414)	(16,872)	-	-
<b>Ending Unreserved Fund Balance</b>	-	0	-	-	-	0	0

The 2012 Seattle Public Library Levy (18100)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	8,033	4,405	9,596	5,941	4,440	2,695	(0)
Accounting Adjustments	0	0	0	(938)	(805)		0
<b>Beginning Fund Balance</b>	<b>8,033</b>	<b>4,405</b>	<b>9,596</b>	<b>5,003</b>	<b>3,635</b>	<b>2,695</b>	<b>(0)</b>
<b>Revenues</b>							
Estimated property taxes to be collected	17,284	17,340	17,340	17,513	17,688	17,865	0
Investment Earnings	110	50	100	100	50	50	0
<b>Total Revenues</b>	<b>17,394</b>	<b>17,390</b>	<b>17,440</b>	<b>17,613</b>	<b>17,738</b>	<b>17,915</b>	<b>0</b>
<b>Expenditures</b>							
Maintain 2012 Levels	(4,425)	(4,591)	(4,591)	(4,695)	(4,828)	(4,973)	0
Open Hours and Related Services	(3,150)	(3,380)	(3,832)	(4,281)	(4,405)	(4,537)	0
Collections	(2,479)	(2,594)	(2,919)	(3,117)	(3,281)	(3,385)	0
Technology and Online Services	(1,271)	(1,183)	(2,271)	(1,617)	(1,423)	(2,011)	0
Facilities - Regular Maintenance	(1,356)	(1,260)	(1,344)	(1,433)	(1,464)	(1,507)	0
Facilities - Major Maintenance <sup>1</sup>	(2,972)	(2,242)	(5,843)	(3,673)	(3,772)	(3,876)	0
Administration	(180)	(280)	(295)	(299)	(312)	(321)	0
Ongoing Support for Library Operations	0	(378)	0	0	0	0	
Use of Existing Budget Authority <sup>2</sup>				938	805		
<b>Total Expenditures</b>	<b>(15,832)</b>	<b>(15,908)</b>	<b>(21,094)</b>	<b>(18,176)</b>	<b>(18,678)</b>	<b>(20,610)</b>	<b>0</b>
<b>Ending Fund Balance</b>	<b>9,596</b>	<b>5,887</b>	<b>5,941</b>	<b>4,440</b>	<b>2,695</b>	<b>(0)</b>	<b>(0)</b>
<b>Reserves</b>							
Levy Reserve for Future Use <sup>3</sup>		(2,677)	(1,743)	(805)			
Planning Reserve		(440)					
<b>Total Reserves</b>	<b>0</b>	<b>(3,117)</b>	<b>(1,743)</b>	<b>(805)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>9,596</b>	<b>2,770</b>	<b>4,198</b>	<b>3,635</b>	<b>2,695</b>	<b>(0)</b>	<b>(0)</b>

<sup>1</sup> 2016 Revised Major Maintenance includes prior year carryforward

<sup>2</sup> Offset to reflect use of prior period budget authority

<sup>3</sup> Prior period levy underspend for operations is reallocated in 2017 and 2018 and reflected in expenditure categories above

<sup>4</sup> The Library levy is up for voter renewal in August of 2019

School Safety Traffic and Pedestrian Improvement Fund (18500)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	1,545	461	1,843	1,118	1,532	1,499	1,731
Accounting Adjustments	0	0	(2,651)	0	0	0	0
<b>Revised Beginning Fund Balance</b>	1,545	461	(809)	1,118	1,532	1,499	1,731
<b>Revenues</b>							
School Camera Infraction Revenue	5,800	8,158	13,038	8,171	5,931	5,213	4,892
Red Light Cameras Revenue (10%)		410	450	425	400	400	400
Interest Earnings	35	0	0	0	0	0	0
<b>Total Revenues</b>	5,835	8,568	13,488	8,596	6,331	5,613	5,292
<b>Expenditures</b>							
Operations and Maintenance	(1,145)	(1,201)	(1,238)	(723)	(735)	(747)	(760)
Capital Improvement Program	(4,392)	(5,399)	(8,086)	(5,221)	(3,392)	(2,395)	(2,165)
Camera Operations, Administration, and Enforcement		(2,238)	(2,238)	(2,238)	(2,238)	(2,238)	(2,238)
<b>Total Expenditures</b>	(5,537)	(8,837)	(11,562)	(8,182)	(6,365)	(5,380)	(5,162)
<b>Ending Fund Balance</b>	1,843	192	1,118	1,532	1,499	1,731	1,861
<b>Reserves</b>							
Planning Reserve	0	192		580	580	580	580
<b>Total Reserves</b>	0	192	0	580	580	580	580
<b>Ending Unreserved Fund Balance</b>	1,843	0	1,118	952	919	1,151	1,281



**Parks Capital Fund (33140)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	-		447	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	-		447	-	-	-	-
<b>Revenues</b>							
Operating Transfer In	2,156.00	34,736	34,736	36,840	39,224	38,349	36,885
<b>Total Revenues</b>	<b>2,156</b>	<b>34,736</b>	<b>34,736</b>	<b>36,840</b>	<b>39,224</b>	<b>38,349</b>	<b>36,885</b>
<b>Expenditures</b>							
Community Center Rehabilitation & Development	(325)	(4,329)	(4,362)	(3,072)	(3,149)	(3,228)	(3,308)
Major Maintenance Backlog and Asset Management	(531)	(16,862)	(17,175)	(18,360)	(18,819)	(19,289)	(19,771)
Saving our City Forests	(353)	(2,197)	(2,198)	(2,251)	(2,308)	(2,365)	(2,425)
Zoo Major Maintenance	(476)	(1,800)	(1,824)	(1,845)	(1,891)	(1,938)	(1,987)
Rejuvenate Our P-Patches	(24)	(200)	(276)	(205)	(210)	(215)	(231)
Activating and Connecting to Greenways	-	(200)	(200)	(205)	(210)	(215)	(221)
Develop 14 New Parks at Land-Banked Sites	-	(4,998)	(4,998)	(5,299)	(4,805)	(2,892)	(407)
Major Projects Challenge Fund	-	(1,600)	(1,600)	(1,640)	(1,681)	(1,723)	(1,766)
Park Land Acquisition and Leverage Fund	-	(2,000)	(2,000)	(2,050)	(2,101)	(2,154)	(2,208)
Aquarium Major Maintenance	-	0	-	(1,107)	(1,135)	(1,163)	(1,192)
Improve Dog Off-Leash Areas	-	0	-	(109)	(112)	(115)	(117)
Waterfront Project	-	0	-	-	-	(1,102)	(3,252)
Smith Cove Park Development <sup>1</sup>	-	(550)	(550)	(697)	(2,803)	(1,950)	-
<b>Total Expenditures</b>	<b>(1,709)</b>	<b>(34,736)</b>	<b>(35,183)</b>	<b>(36,840)</b>	<b>(39,224)</b>	<b>(38,349)</b>	<b>(36,885)</b>
<b>Ending Fund Balance</b>	<b>447</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes**

<sup>1</sup> Note: Smith Cove Park Development is supported by revenues from the park district and from an interfund loan.

**2008 Parks Levy Fund (33860)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	46,511	28,390	39,018	18,548	18,588	18,609	18,620
Accounting Adjustment							
<b>Beginning Unreserved Fund Balance</b>	<b>46,511</b>	<b>28,390</b>	<b>39,018</b>	<b>18,548</b>	<b>18,588</b>	<b>18,609</b>	<b>18,620</b>
<b>Revenues</b>							
Taxes and Interest	683	130	130	40	21	11	-
Grants and Other Revenue <sup>1</sup>	5,638	-	2,175	-	-	-	-
<b>Total Revenues</b>	<b>6,320</b>	<b>130</b>	<b>2,305</b>	<b>40</b>	<b>21</b>	<b>11</b>	<b>-</b>
<b>Expenditures <sup>2</sup></b>							
2008 Levy-Neighborhood Pk Acq	(2,483)	-	(3,737)	-	-	-	-
2008 Levy-Green Space Acquisition	(1,720)	-	(809)	-	-	-	-
2008 Levy Neighborhood Pks & PG	(1,943)	-	(9,603)	-	-	-	-
2008 Levy-Cultural Facilities	(24)	-	(147)	-	-	-	-
2008 Levy- Major Parks	(100)	-	(108)	-	-	-	-
Forest & Stream Restoration	(703)	-	-	-	-	-	-
Comm Gardens & P-Patch	(37)	-	(17)	-	-	-	-
2008 Levy Shoreline Access	92	-	(43)	-	-	-	-
2008 Levy Opportunity Fund Dev	(6,693)	-	(7,777)	-	-	-	-
Trails-SDOT	(203)	-	(533)	-	-	-	-
<b>Total Expenditures</b>	<b>(13,814)</b>	<b>-</b>	<b>(22,775)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>39,018</b>	<b>28,520</b>	<b>18,548</b>	<b>18,588</b>	<b>18,609</b>	<b>18,620</b>	<b>18,620</b>
<b>Reserves</b>							
<i>Planned 2017, 18, 19 Spending</i>							
2008 Levy-Neighborhood Pk Acq		(4,555)		(1,687)	(1,687)	(1,687)	(1,687)
2008 Levy-Green Space Acq		(655)		(122)	(122)	(122)	(122)
2008 Levy Neighborhood Pks & Pg		(9,976)		(8,305)	(8,305)	(8,305)	(8,305)
2008 Levy-Cultural Facilities		(100)		-	-	-	-
2008 Levy- Major Parks		(186)		-	-	-	-
Forest & Stream Restoration		(40)		-	-	-	-
Comm Gardens & P-Patch		-		-	-	-	-
2008 Levy Shoreline Access		-		-	-	-	-
2008 Levy Opportunity Fund Dev		(5,434)		(5,390)	(5,390)	(5,390)	(5,390)
Parks Continuing Appropriations	(37,746)	(4,481)	(15,504)	-	-	-	-
SDOT Continuing Appropriations	(3,533)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
<b>Total Reserves</b>	<b>(41,279)</b>	<b>(28,427)</b>	<b>(18,504)</b>	<b>(18,504)</b>	<b>(18,504)</b>	<b>(18,504)</b>	<b>(18,504)</b>
<b>Ending Unreserved Fund Balance</b>	<b>(2,261)</b>	<b>93</b>	<b>44</b>	<b>84</b>	<b>105</b>	<b>116</b>	<b>116</b>

**Notes**

<sup>1</sup> Grants and Other Revenue is primarily KC County Conservation Futures funds.

<sup>2</sup> 2008 Parks Levy projects are appropriated as needed. 2017, 18, 19 expenditures are estimated and are either appropriated from a previous year or yet to be appropriated

**McCaw Hall Capital Reserve Fund (34070)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	545	654	686	818	411	-	-
Accounting Adjustments	0						
<b>Revised Beginning Fund Balance</b>	545	654	686	818	411	-	-
<b>Revenues</b>							
REET I	258	265	265	273	281	290	299
McCaw Hall Tenant Contributions	258	265	265	273	281	290	299
Interest Earnings	8	15	10	10	10	10	10
<b>Total Revenues</b>	524	545	540	556	572	590	608
<b>Expenditures</b>							
McCaw Hall Asset Preservation	(383)	(1199)	(408)	(963)	(983)	(590)	(608)
<b>Total Expenditures</b>	(383)	(1199)	(408)	(963)	(983)	(590)	(608)
<b>Ending Fund Balance</b>	686	0	818	411	0	0	0
<b>Reserves</b>							
	0	0	0	0	0	0	0
<b>Ending Unreserved Fund Balance</b>	686	0	818	411	0	0	0

**Fire Facilities Levy Fund (34440)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	10,888	2,292	5,375	3,283	-	-	-
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	10,888	2,292	5,375	3,283	-	-	-
<b>Revenues</b>							
Real & Personal Property Tax	17	-	2	-	-	-	-
Investment Earnings-Residual Cash	96	-	26	-	-	-	-
Unrealized Gains/Losses-Inv GASB31	(7)	-	6	-	-	-	-
Property Sales (anticipated)	912	-	-	-	-	-	-
Misc Revenue	20	-	-	-	-	-	-
<b>Total Revenues</b>	1,038	-	34	-	-	-	-
<b>Expenditures</b>							
Neighborhood Stations	(6,551)	(2,126)	(2,126)	(3,283)	-	-	-
<b>Total Expenditures</b>	(6,551)	(2,126)	(2,126)	(3,283)	-	-	-
<b>Ending Fund Balance</b>	5,375	166	3,283	-	-	-	-
<b>Reserves</b>							
Continuing appropriations	(5,375)	(166)	(3,283)	-	-	-	-
<b>Total Reserves</b>	(5,375)	(166)	(3,283)	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	-	-	-	-	-	-	-

**Parking Garage Disposition Proceeds Fund (37000)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	-	-	-	9,400	-	-	-
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	-	-	-	9,400	-	-	-
<b>Revenues</b>							
Parking Garage Disposition Proceeds <sup>1</sup>	-	-	27,000	-	-	-	-
<b>Total Revenues</b>	-	-	27,000	-	-	-	-
<b>Expenditures</b>							
Interfund Loan Repayment <sup>2</sup>	-	-	(10,000)	-	-	-	-
Capital Expenditures <sup>3</sup>	-	-	(3,400)	(8,000)	-	-	-
Transfers to Operating Funds for Capital Expenditures <sup>4</sup>	-	-	(4,200)	(1,400)	-	-	-
<b>Total Expenditures</b>	-	-	(17,600)	(9,400)	-	-	-
<b>Ending Fund Balance</b>	-	-	9,400	-	-	-	-
<b>Reserves</b>							
Continuing appropriations	-	-	-	-	-	-	-
<b>Total Reserves</b>	-	-	-	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	-	-	9,400	-	-	-	-

**Notes**

1) Proceeds from the sale of the Pacific Place Garage are only eligible for capital expenditures under the same restrictions as municipal bonds

2) Assuming a sale date of September 26, 2016, the projected interfund loan balance will be approximately \$10,000,000

3) Included in the Capital Expenditures for the 2016 revised budget is funding for the Seattle Police Department Data Analytics Platform included in the third quarter supplemental budget.

4) Included in the Transfers to Operating Funds for the 2016 revised budget is \$4.2 million to the Transportation Operating Fund; \$700,000 for the Seawall project and \$3.5 million for parking pay stations included in the third quarter supplemental budget.

## Seattle City Light (41000)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Cash Balance	426,732	386,637	417,618	386,559	365,124	358,300	400,460
<b>Revised Beginning Cash Balance</b>	<b>426,732</b>	<b>386,637</b>	<b>417,618</b>	<b>386,559</b>	<b>365,124</b>	<b>358,300</b>	<b>400,460</b>
<b>Revenues</b>	<b>1,173,475</b>	<b>1,242,128</b>	<b>1,240,288</b>	<b>1,278,564</b>	<b>1,292,130</b>	<b>1,313,681</b>	<b>1,398,521</b>
Retail Power Sales	732,858	813,715	777,989	851,666	901,891	951,566	992,771
Revenue from RSA Surcharge	-	-	2,251	-	-	-	-
Wholesale Power, Net	39,161	60,000	50,056	60,000	60,000	55,000	50,000
Power Contracts	15,059	14,753	13,411	13,204	12,955	11,487	7,158
Power Marketing, Net	12,443	10,042	8,243	7,445	6,679	6,684	8,189
Other Outside Sources	34,757	28,795	47,710	27,948	28,269	28,602	29,405
Interest on Cash Accounts	6,746	7,426	7,682	7,986	7,834	7,897	8,636
Cash from (to) Rate Stabilization Account	23,363	-	6,811	-	-	-	-
Cash from Contributions	31,473	45,356	55,059	42,740	31,251	33,518	34,786
Cash from Bond Proceeds	277,617	262,040	271,077	267,575	243,250	218,925	267,575
<b>Expenditures</b>	<b>(1,182,590)</b>	<b>(1,260,878)</b>	<b>(1,271,347)</b>	<b>(1,299,999)</b>	<b>(1,298,955)</b>	<b>(1,271,521)</b>	<b>(1,314,985)</b>
Power Contracts	(265,947)	(276,688)	(275,067)	(283,582)	(289,325)	(293,335)	(301,198)
Production	(43,947)	(50,069)	(45,789)	(49,465)	(53,415)	(60,628)	(62,497)
Transmission	(12,227)	(11,876)	(12,580)	(12,028)	(12,678)	(11,237)	(11,486)
Distribution	(65,052)	(64,308)	(66,657)	(66,513)	(70,324)	(87,525)	(86,013)
Conservation	(8,712)	(6,883)	(8,218)	(8,908)	(9,419)	(5,893)	(6,152)
Customer Accounting	(34,825)	(37,506)	(34,657)	(35,607)	(37,647)	(44,338)	(46,302)
Administration	(89,243)	(75,319)	(85,720)	(92,238)	(97,180)	(92,528)	(94,929)
Uncollectable Accounts	(3,478)	(7,355)	(5,095)	(6,417)	(6,794)	(7,166)	(7,479)
Taxes and Franchise Payments	(81,114)	(91,260)	(87,449)	(94,821)	(99,251)	(104,701)	(112,115)
Debt Service	(189,577)	(198,857)	(197,214)	(206,227)	(220,297)	(228,786)	(238,034)
Capital Expenditures	(365,465)	(450,187)	(414,350)	(441,260)	(399,329)	(331,869)	(351,158)
Technical and Accounting Adjustments	(23,004)	9,431	(38,550)	(2,933)	(3,296)	(3,515)	2,378
<b>Ending Cash Balance</b>	<b>417,618</b>	<b>367,887</b>	<b>386,559</b>	<b>365,124</b>	<b>358,300</b>	<b>400,460</b>	<b>483,996</b>
<i>Revenues minus expenditures</i>	<i>(9,114)</i>	<i>(18,750)</i>	<i>(31,059)</i>	<i>(21,435)</i>	<i>(6,825)</i>	<i>42,160</i>	<i>83,536</i>
<b>Reserves</b>	<b>(265,130)</b>	<b>(281,212)</b>	<b>(267,163)</b>	<b>(320,044)</b>	<b>(328,940)</b>	<b>(354,908)</b>	<b>(419,784)</b>
<b>Construction Account</b>	<b>(88,672)</b>	<b>(70,069)</b>	<b>(74,095)</b>	<b>(99,093)</b>	<b>(85,472)</b>	<b>(90,154)</b>	<b>(131,546)</b>
Other Restricted Accounts	(85,466)	(115,867)	(108,887)	(127,187)	(148,288)	(168,135)	(190,159)
Operating Contingency Reserve	-	-	-	-	-	-	-
Rate Stabilization Account	(90,993)	(95,276)	(84,182)	(93,764)	(95,181)	(96,619)	(98,080)
<b>Unreserved Ending Cash Balance</b>	<b>152,488</b>	<b>86,675</b>	<b>119,396</b>	<b>45,080</b>	<b>29,359</b>	<b>45,551</b>	<b>64,212</b>

**Notes:** The amounts in this Financial Plan represent forecasted cash flows in the utility's Financial Planning Model used to evaluate City Light rate impacts, potential bond offerings, and the financial performance of the utility. They differ from the revenue and expenses shown in the Budget in several ways, including:

- 1) The Financial Plan shows Wholesale Revenue and Power Marketing Revenue as net of expenses, while the budget reflects the gross revenues and expenses of these functions.
- 2) The Financial Plan explicitly shows bond proceeds as a source of funds, while bond proceeds are embedded within the transfer line of the budget's Revenue Table.
- 3) The Financial Plan shows revenue from the Rate Stabilization Account (RSA) surcharge and transfer from/to the RSA, while the budget's Revenue Table shows revenues from the RSA surcharge only.
- 4) The Proposed 2017 Financial Plan projected net wholesale revenue to be \$60.0 million, the RSA Baseline amount used in the 2016 Adopted Budget, therefore the Proposed 2017 Financial Plan assumed that there would be no RSA surcharges or transfers from/to the RSA in 2017.
- 5) Revised 2016 net wholesale revenue is the currently forecast amount, which is less than the RSA Baseline. Therefore, the Revised 2016 Financial Plan assumes that there will be RSA surcharges and a transfer from the RSA to Operating Cash in 2016.
- 6) Proposed 2017-2018 and Projected 2019-2020 net wholesale revenues are the RSA Baseline amounts. Therefore, this Financial Plan assumes that there will be no RSA surcharges or transfers from/to the RSA in
- 7) The growth in the balance of the RSA in 2017-2020 reflects interest earned on the balance, based on a projected annual interest rate of 1.5%.

Seattle City Light (41000) (con't)

Financial Performance	2014 Actuals	2015 Adopted	2015 Revised	2016 Proposed	2017 Projected	2018 Projected	2019 Projected
Average System Rate (\$/MWh)	\$78.87	\$85.43	\$84.15	\$90.71	\$95.79	\$100.57	\$104.25
Rate Change from Prior Year (Systemwide)	4.0%	8.7%	6.7%	7.8%	5.6%	5.0%	3.7%
Retail Market Information							
Average Residential Monthly Bill	\$61.94	\$65.82	\$65.55	\$71.02	\$75.00	\$78.74	\$81.62
Percentage Change	3.4%	6.3%	5.8%	8.3%	5.6%	5.0%	3.7%
Cash Financing of CIP							
In-Year Percentage	21%	31%	29%	31%	33%	42%	43%
2016-2021 Average Percentage	n/a	38%	37%	36%	36%	36%	36%
Debt Service Coverage	1.62	1.83	1.64	1.80	1.80	1.80	1.80

**Notes:** 1) The data source for 2015 Actuals and 2016 Revised for all Financial Performance indicators is the Revised version of the financial forecast, forecast version Final\_2016\_05\_27

2) The Average Residential Monthly bill is calculated in the same manner as that used in the Rate Design Study for the 2017-2018 rate proposal, which uses the standard residential rate for customers within the Seattle city limits and assumes that average residential consumption is 700 kWh/month.

Water Fund (43000)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
<b>OPERATING CASH</b>							
<b>Beginning Operating Cash Balance</b>	43,516	25,293	42,116	27,000	27,000	27,000	25,000
<b>Sources</b>							
<b>Income Statement Items (in order of IS)</b>							
Other Non-Operating Revenue	845	2,478	1,359	1,776	1,360	1,448	1,362
Reimbursement for NS activities	461	0	74	68	70	72	74
Operating Grants	217	0	75	0	0	0	0
Retail Water Sales	187,059	181,875	179,499	186,256	194,139	203,770	215,430
Water Service for Fire Protection	8,439	8,890	9,000	9,338	9,734	10,217	10,801
Wholesale Water Sales	51,173	48,934	50,624	48,429	60,654	50,130	51,292
Facilities Charges	1,042	911	911	911	450	450	450
Tap Fees	8,774	6,581	6,581	6,664	6,747	6,831	6,917
Build America Bond Interest Income	1,984	2,135	1,984	1,984	1,984	1,984	2,080
Rentals--Non-City	633	606	606	601	616	631	647
Other Operating Revenues	2,490	2,478	2,436	2,497	2,559	2,623	2,689
Capital Grants and Contributions	10,394	8,295	12,422	4,840	4,901	5,070	5,096
Public Works Loan Proceeds	7,364	0	7,400	3,000	0	0	0
Transfers from Construction Fund	23,713	39,217	38,778	70,595	76,500	79,969	42,955
Inventory Purchased by SDOT	0	0	0	0	0	0	0
Op Transfer In - Rev Stab Subfund	(7,000)	4,500	2,500	5,800	(3,700)	1,800	1,800
Op Transfer In - Rev Stab Subfund - BPA Acct	0	200	200	200	0	0	0
Call Center Reimbursement from SCL	2,010	2,160	1,784	1,694	1,754	1,807	1,861
<b>Total Sources</b>	<b>299,597</b>	<b>309,259</b>	<b>316,233</b>	<b>344,652</b>	<b>357,769</b>	<b>366,802</b>	<b>343,455</b>
<b>Uses</b>							
<b>CIP</b>							
Distribution	(19,809)	(21,514)	(27,483)	(28,545)	(28,145)	(30,058)	(29,441)
Transmission	(1,862)	(3,788)	(4,638)	(5,529)	(22,431)	(23,925)	(6,361)
Watershed Stewardship	(236)	(841)	(841)	(66)	(977)	(84)	(165)
Water Quality & Treatment	(9,535)	(1,846)	(3,815)	(8,444)	(385)	(1,430)	(3,470)
Water Resources	(14,879)	(7,713)	(15,003)	(8,266)	(8,776)	(3,754)	(3,731)
Habitat Conservation Program	(1,349)	(2,116)	(2,857)	(2,106)	(2,606)	(2,599)	(2,036)
Shared Cost Projects	(29,079)	(21,702)	(28,951)	(35,634)	(38,399)	(39,352)	(23,476)
Technology	(6,798)	(13,314)	(17,496)	(11,734)	(7,410)	(5,109)	(4,165)
<b>CIP Subtotal</b>	<b>(83,546)</b>	<b>(72,835)</b>	<b>(101,084)</b>	<b>(100,325)</b>	<b>(109,131)</b>	<b>(106,312)</b>	<b>(72,844)</b>
<b>Accomplishment Rate Adjustment</b>							
<b>O&amp;M</b>							
General Expense	(154,662)	(153,680)	(153,691)	(159,375)	(164,192)	(169,118)	(174,191)
Administration	(7,481)	(11,527)	(12,215)	(7,705)	(8,542)	(8,798)	(9,062)
Customer Service	(9,727)	(11,550)	(11,930)	(12,343)	(12,681)	(13,061)	(13,453)
Other Operating	(55,608)	(58,222)	(59,805)	(61,663)	(62,197)	(64,063)	(65,985)
<b>O&amp;M subtotal</b>	<b>(227,478)</b>	<b>(234,979)</b>	<b>(237,640)</b>	<b>(241,086)</b>	<b>(247,612)</b>	<b>(255,040)</b>	<b>(262,691)</b>
<b>Total Uses</b>	<b>(311,024)</b>	<b>(307,814)</b>	<b>(338,724)</b>	<b>(341,410)</b>	<b>(356,743)</b>	<b>(361,352)</b>	<b>(335,536)</b>
<b>Adjustments</b>	<b>10,027</b>	<b>(11,738)</b>	<b>7,375</b>	<b>(3,241)</b>	<b>(1,026)</b>	<b>(7,450)</b>	<b>(7,920)</b>
<b>Ending Operating Cash Balance</b>	<b>42,116</b>	<b>15,000</b>	<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	<b>25,000</b>	<b>25,000</b>



Water Fund (43000) (cont'd.)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
<b>CONSTRUCTION FUND</b>							
<b>Beginning Construction Fund Balance</b>	11,629	40,967	39,499	942	44,950	36,276	29,197
Bond Proceeds	51,382	42,502	0	118,099	71,738	76,783	54,312
Transfer to Bond Reserve Account	0	(4,200)	0	(4,212)	(4,212)	(4,212)	(4,212)
Transfers to Operating Fund	(23,713)	(39,217)	(38,778)	(70,595)	(76,500)	(79,969)	(42,955)
Interest	200	263	221	716	301	319	209
<b>Ending Construction Fund Balance</b>	<b>39,499</b>	<b>40,316</b>	<b>942</b>	<b>44,950</b>	<b>36,276</b>	<b>29,197</b>	<b>36,550</b>
<b>RESERVES</b>							
Bond Reserve Account	(16,696)	(21,237)	(16,863)	(21,242)	(25,454)	(29,666)	(33,878)
Revenue Stabilization Fund	(35,167)	(28,419)	(33,018)	(27,548)	(31,524)	(30,039)	(28,540)
BPA Account	(450)	(450)	(250)	(50)	(50)	(50)	(50)
Planning Reserve	(3,326)	(3,979)	0	0	0	0	0
<b>Total Reserves</b>	<b>(55,639)</b>	<b>(54,086)</b>	<b>(50,131)</b>	<b>(48,840)</b>	<b>(57,028)</b>	<b>(59,755)</b>	<b>(62,468)</b>

FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD (2017)

Percent Increase (SYSTEM)

Wholesale	-7.2%	0.0%	0.0%	0.0%
Retail	0.0%	0.017	1.7%	2.7%

Typical Retail Single Family Residential

Average Monthly Bill (5 ccf / mo) *	\$38.93	39.68	\$39.68	\$41.13
Percent Increase	0.0%	0.019	1.9%	3.7%

Target

Net Income	Generally positive	\$38,149	\$20,100	\$35,334	\$23,037
Year End Cash Balance	1/12 Oper Exp	\$42,349	\$15,000	\$27,000	\$27,000
	Target	\$8,439	\$9,508	\$9,264	\$9,707
Cash Financing of CIP					
-Single Year	Min 15%	62.8%	47.7%	49.2%	28.6%
-Avg of Rate Period	Min 20%	45.7%	42.1%	45.7%	45.7%
Debt Service Coverage	1.70	1.87	1.7	1.72	1.73

\* The typical customer's water use as measured per 100 cubic feet (ccf) has fallen due to conservation from 5.5 ccf in the 2009-2011 rate proposal to 5.0 ccf in the 2012-2014 rate proposal. The typical bills displayed above have been calculated using the 5.0 ccf figure.

Drainage and Wastewater Fund (44010)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
<b>OPERATING CASH</b>							
<b>Beginning Operating Cash Balance</b>	101,299	82,658	100,918	86,893	68,209	49,063	36,293
<b>Sources</b>							
Capital Grants and Contributions (excluding donated assets)	5,084	1,506	2,000	1,815	1,382	981	2,520
Other Reimbursement for NS activities	1,001	1,501	1,047	847	860	886	912
Call Center Reimbursement from SCL	1,951	2,096	1,732	1,644	1,702	1,753	1,806
Wastewater Utility Services	257,092	252,901	260,272	271,128	273,070	295,665	335,498
Drainage Utility Services	101,712	107,150	107,736	118,197	126,968	139,336	156,712
Side Sewer Permit Fees	1,704	1,030	1,704	1,704	1,704	1,704	1,704
Drainage Permit Fees	286	286	286	286	286	286	286
Build America Bond Interest Income	1,754	2,146	1,748	1,748	1,748	1,748	1,748
Other Operating Revenues	408	99	418	422	427	431	436
Transfer from Construction Fund	72,713	89,718	95,643	98,868	124,705	149,477	109,627
Operating Grants	1,482	1,598	1,000	500	500	500	500
CGDB Reimbursements (N2418)	1,490	1,659	1,599	0	0	0	0
GIS (N2419)	349	158	423	0	0	0	0
Parks & Other City Depts. (N4405)	30	1,126	69	71	74	77	79
SCL Fund (N4403)	948	235	784	796	821	846	871
SDOT Fund (N4404)	1,660	3,693	2,415	2,471	2,556	2,633	2,712
ReLeaf reimbursement - SCL	72	83	88	90	92	95	98
ReLeaf reimbursement - GF	221	0	197	244	249	256	264
Technical services reimbursement (N4331, N4601)	693	0	952	725	735	758	780
Development services reimbursement (N4371)	3	0	6	0	0	0	0
<b>Total Sources</b>	<b>450,651</b>	<b>466,986</b>	<b>480,118</b>	<b>501,557</b>	<b>537,879</b>	<b>597,431</b>	<b>616,553</b>
<b>Uses</b>							
<b>CIP</b>							
Protection of Beneficial Uses	(4,917)	(4,820)	(4,820)	(9,897)	(10,284)	(17,532)	(13,204)
Sediments	(3,347)	(4,762)	(4,963)	(6,855)	(6,553)	(7,337)	(8,757)
Combined Sewer Overflows	(60,736)	(56,597)	(60,177)	(37,291)	(39,483)	(61,451)	(93,062)
Rehabilitation	(14,759)	(19,758)	(19,919)	(29,775)	(36,603)	(31,567)	(31,242)
Flooding, Sewer Backup & Lndsl	(11,534)	(13,390)	(14,094)	(18,646)	(32,179)	(21,372)	(24,353)
Shared Cost Projects	(18,839)	(17,845)	(25,336)	(23,446)	(33,005)	(49,181)	(17,676)
Technology	(6,731)	(12,797)	(16,483)	(11,185)	(6,161)	(4,255)	(3,908)
<b>CIP Subtotal</b>	<b>(120,864)</b>	<b>(129,969)</b>	<b>(145,791)</b>	<b>(137,095)</b>	<b>(164,267)</b>	<b>(192,697)</b>	<b>(192,202)</b>
<b>Accomplishment Rate Adjustment</b>							
<b>O&amp;M</b>							
General Expense	(265,549)	(272,224)	(272,229)	(314,274)	(330,509)	(340,424)	(350,637)
Administration	(1,552)	(7,048)	(7,691)	(1,416)	(1,538)	(1,584)	(1,631)
Customer Service	(8,003)	(9,650)	(9,946)	(10,499)	(10,758)	(11,081)	(11,413)
Other Operating	(55,798)	(64,987)	(66,816)	(66,729)	(68,247)	(70,294)	(72,403)
<b>O&amp;M Subtotal</b>	<b>(330,902)</b>	<b>(353,908)</b>	<b>(356,683)</b>	<b>(392,919)</b>	<b>(411,052)</b>	<b>(423,383)</b>	<b>(436,085)</b>
<b>Total Uses</b>	<b>(451,766)</b>	<b>(483,877)</b>	<b>(502,474)</b>	<b>(530,014)</b>	<b>(575,319)</b>	<b>(616,080)</b>	<b>(628,286)</b>
<b>Adjustments</b>	<b>734</b>	<b>(13,266)</b>	<b>8,331</b>	<b>9,773</b>	<b>18,294</b>	<b>5,878</b>	<b>12,823</b>
<b>Ending Operating Cash Balance</b>	<b>100,918</b>	<b>52,500</b>	<b>86,893</b>	<b>68,209</b>	<b>49,063</b>	<b>36,293</b>	<b>37,383</b>

Drainage and Wastewater Fund (44010) (cont'd.)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
<b>CONSTRUCTION FUND</b>							
<b>Beginning Construction Fund Balance</b>	78,676	4,036	118,973	131,198	198,567	283,465	134,187
Bond Proceeds	113,000	89,718	107,816	166,066	209,462		152,702
Transfers to Operating Fund	(72,713)	(89,718)	(95,643)	(98,868)	(124,705)	(149,477)	(109,627)
Interest	10		51	171	141	199	1,834
<b>Ending Construction Fund Balance</b>	118,973	4,036	131,198	198,567	283,465	134,187	179,097
<b>RESERVES</b>							
Bond Reserve Account	(18,643)	(34,984)	(21,468)	(22,486)	(23,504)	(24,522)	(25,540)
Bond Parity Fund	0	0	0	0	0	0	0
Vendor Deposits	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)
Planning Reserve	0	(4,103)	0	0	0	0	0
<b>Total Reserves</b>	(19,661)	(40,105)	(22,486)	(23,504)	(24,522)	(25,540)	(26,558)

FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD (2018)

<b>Percent Increase</b>							
Wastewater		0.8%	3.6%	3.6%	4.5%	0.8%	
Drainage		9.9%	9.9%	9.9%	9.7%	7.4%	
<b>Typical Retail Single Family Residential</b>							
<b>Wastewater</b>							
Average Monthly Bill (4.3 ccf) <sup>1</sup>		\$50.91	\$52.76	\$52.76	\$55.16	\$55.62	
Percent Increase		0.8%	3.6%	3.6%	4.5%	0.8%	
<b>Drainage</b>							
Average Monthly Bill		\$29.20	\$32.50	\$29.20	\$32.04	\$34.41	
Percent Increase		9.9%	11.3%	9.9%	9.7%	7.4%	
		<u>Target</u>					
Net Income	Generally positive	\$52,090	\$16,476	\$30,770	\$18,019	\$16,578	
Year End Cash Balance	1/12 Treatment Cost	\$100,918	\$52,500	\$86,893	\$68,209	\$49,063	
	Target	\$12,423	\$12,688	\$12,688	\$13,474	\$13,591	
Cash Financing of CIP	25% (4 year rolling avg)	31%	33%	25%	25%	25%	
Debt Service Coverage	1.80	2.83	2.31	2.26	2.10	1.97	
Debt to Asset Ratio	Less than 70%	61%	60%	57%	62%	67%	

**NOTES:**

1. The typical customer's sewer usage as measured per 100 cubic feet (ccf) has fallen commensurate with reductions in water usage, and has been adjusted downward in this presentation from 5.2 ccf to 4.3 ccf. The typical bills displayed above have been calculated using the 4.3 ccf figure.

Solid Waste Fund (45010)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
<b>OPERATING CASH</b>							
<b>Beginning Operating Cash Balance</b>	30,518	34,371	42,220	43,498	43,498	22,774	23,583
<b>Sources</b>							
Other Nonoperating Revenue	0	410	109	3	25	50	45
Operating Fees, Contributions and grants	584	750	750	750	750	750	750
Recycling Processing Revenues	342	0	5,227	7,062	7,155	7,248	7,341
Commercial Services	54,046	52,711	55,179	58,559	60,168	62,106	63,335
Residential Services	112,667	119,256	118,626	125,649	129,879	134,298	138,233
Recycling and Disposal Station Charges	8,112	8,981	8,983	10,008	10,225	10,413	10,502
Comm'l Disposal (Longhaul) Charges	1,160	488	652	709	780	808	803
Other Operating Revenue	221	144	4	46	27	27	34
Transfers from Construction Fund	48,328	25,970	25,038	9,567	0	0	0
Op Transfer In - Rev Stab Subfund	(2,500)	4,000	(900)	0	0	4,500	0
GF - Various Clean City Prgrms	439	265	6,535	6,419	6,454	6,647	6,847
Tonnage Tax Transfer Fee - In City	4,113	2,032	0	0	0	0	0
Tonnage Tax Transfer Fee - Out City	2,014	4,039	0	0	0	0	0
Call Center Reimbursement from SCL	1,951	2,096	1,732	1,644	1,702	1,753	1,806
KC Reimb for Local Hzrd Waste Mgt Prgm	2,445	2,617	2,665	2,834	2,837	2,912	2,990
<b>Total Sources</b>	<b>233,923</b>	<b>223,757</b>	<b>224,600</b>	<b>223,251</b>	<b>220,002</b>	<b>231,514</b>	<b>232,686</b>
<b>Uses</b>							
<b>CIP</b>							
New Facilities	(46,660)	(30,552)	(30,552)	(7,824)	(19,673)	(8,527)	(4,529)
Rehabilitation and Heavy Equipment	(10)	(430)	(430)	(400)	(120)	(75)	(40)
Shared Cost Projects	(1,828)	(1,147)	(6,620)	(2,922)	(2,344)	(2,002)	(3,219)
Technology	(5,201)	(7,235)	(9,753)	(5,864)	(2,751)	(1,336)	(1,078)
<b>CIP Subtotal</b>	<b>(53,698)</b>	<b>(39,364)</b>	<b>(47,355)</b>	<b>(17,010)</b>	<b>(24,887)</b>	<b>(11,940)</b>	<b>(8,866)</b>
<b>Accomplishment Adjustment</b>							
<b>O&amp;M</b>							
General Expense	(142,807)	(156,023)	(156,026)	(165,660)	(171,079)	(176,211)	(181,497)
Administration	(3,761)	(5,317)	(5,571)	(4,567)	(4,661)	(4,801)	(4,945)
Customer Service	(12,692)	(12,695)	(12,974)	(11,819)	(12,000)	(12,360)	(12,731)
Other Operating	(15,790)	(18,447)	(18,938)	(23,731)	(24,292)	(25,021)	(25,771)
<b>O&amp;M Subtotal</b>	<b>(175,051)</b>	<b>(192,483)</b>	<b>(193,510)</b>	<b>(205,776)</b>	<b>(212,032)</b>	<b>(218,393)</b>	<b>(224,945)</b>
<b>Total Uses</b>	<b>(228,749)</b>	<b>(231,846)</b>	<b>(240,865)</b>	<b>(222,786)</b>	<b>(236,920)</b>	<b>(230,333)</b>	<b>(233,811)</b>
<b>Adjustments</b>	<b>6,528</b>	<b>4,769</b>	<b>17,543</b>	<b>(465)</b>	<b>(3,806)</b>	<b>(372)</b>	<b>5,067</b>
<b>Ending Operating Cash Balance</b>	<b>42,220</b>	<b>31,051</b>	<b>43,498</b>	<b>43,498</b>	<b>22,774</b>	<b>23,583</b>	<b>27,525</b>

Solid Waste Fund (Fund 45010) (cont'd.)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
<b>CONSTRUCTION FUND</b>							
<b>Beginning Construction Fund Balance</b>	26,607	10,625	15,501	9,696	128	128	128
Bond Proceeds	36,574	21,269	19,233	-	0	0	0
Transfers to Operating Fund	(48,328)	(25,970)	(25,038)	(9,567)	-	0	0
Interest	648	-	0	0	0	0	0
<b>Ending Construction Fund Balance</b>	15,501	5,923	9,696	128	128	128	128

**RESERVES**

Bond Reserve Account	(9,179)	(6,774)	(9,942)	(9,942)	(9,942)	(9,942)	(9,942)
Revenue Stabilization Fund	(18,446)	(10,291)	(19,346)	(19,346)	(19,346)	(14,846)	(14,846)
Planning Reserve	0	(1,475)	-	-	-	-	-
<b>Total Reserves</b>	(27,626)	(18,540)	(29,289)	(29,289)	(29,289)	(24,789)	(24,789)

**FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD (2016)**

<b>Percent Increase (SYSTEM)</b>		5.9%	3.4%	3.4%
<b>Typical Retail Single Family Residential</b>				
<b>Average Monthly Bill (Apr 1)</b>		\$43.00	\$44.45	\$44.45
<b>Percent Increase</b>		5.9%	3.4%	3.4%
	<u>Target</u>			
<b>Net Income</b>	Generally positive	\$1,384	\$9,657	\$4,559
<b>Year End Cash Balance</b>	20 days contract costs	\$42,220	\$31,051	\$43,498
	<u>Target</u>	\$5,482	\$5,368	\$5,799
<b>Cash Financing of CIP</b>	\$2.5M (in 2003 \$) or 10%	\$5,370	\$13,393	\$8,338
	<u>Target</u>	\$5,370	\$3,997	\$3,337
<b>Debt Service Coverage</b>	1.70	3.29	2.65	2.92

**Parking Garage Operations Fund (46010)**

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	(6,457)	(8,175)	(7,544)	-	-	-	-
Accounting Adjustments	(510)	13					
<b>Revised Beginning Fund Balance</b>	<b>(6,967)</b>	<b>(8,161)</b>	<b>(7,544)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenues</b>							
Parking Revenue	9,625	9,852	9,852	-	-	-	-
City Parking Tax	(986)	(1,009)	(1,009)	-	-	-	-
Sales Tax	(755)	(767)	(767)	-	-	-	-
Interest Earning & Other	311		-	-	-	-	-
<b>Total Revenues</b>	<b>8,195</b>	<b>8,075</b>	<b>8,075</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>							
Operations	(2,049)	(2,264.450)	(2,264)	-	-	-	-
B&O Tax	(54)	(37.132)	(37)	-	-	-	-
Condominium Fees	(481)	(573.453)	(573)	-	-	-	-
Other	(379)	(643.966)	(644)	-	-	-	-
Interfund Loan Interest	(72)	(240.727)	(241)	-	-	-	-
Debt Service <sup>1</sup>	(5,737)	(5,956.000)	(5,956)	-	-	-	-
Interfund Loan to Close Fund <sup>2</sup>			9,185				
<b>Total Expenditures</b>	<b>(8,772)</b>	<b>(9,716)</b>	<b>(531)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>(6,457)</b>	<b>(9,802)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Reserves</b>							
<b>Total Reserves</b>	<b>(7,544)</b>	<b>(9,802)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>(7,544)</b>	<b>(9,802)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> If the Parking Garage is sold prior to October 1, 2016, only the April interest payment will need to be made in 2016. If the sale extends beyond October 1, the larger principle payment comes due. Deferring the principal payment does not change the net proceed amount from the sale, as the principal amount still needs to be repaid as part of the bond defeasance, along with all remaining outstanding debt.

<sup>2</sup> The interfund loan supporting Parking Garage operations is anticipated to be repaid prior to closure of the Parking Garage Operations Fund.

**Fiber Leasing Fund (47010)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	12	11	13	12	15	18	18
Accounting Adjustments	-	-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	<b>12</b>	<b>11</b>	<b>13</b>	<b>12</b>	<b>15</b>	<b>18</b>	<b>18</b>
<b>Revenues</b>							
Lease Revenues	-	7	7	7	7	7	7
Management Fees	1	1	1	1	1	1	1
Project Revenues	4	146	146	150	150	150	150
Miscellaneous Revenues	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>5</b>	<b>154</b>	<b>154</b>	<b>158</b>	<b>158</b>	<b>158</b>	<b>158</b>
<b>Expenditures</b>							
Lease Expenditures	-	(7)	(7)	(7)	(7)	(7)	(7)
Project Expenditures <sup>1</sup>	(3)	(142)	(142)	(142)	(142)	(145)	(145)
Debt Service	(1)	(6)	(6)	(6)	(6)	(6)	(6)
<b>Total Expenditures</b>	<b>(4)</b>	<b>(155)</b>	<b>(155)</b>	<b>(155)</b>	<b>(155)</b>	<b>(158)</b>	<b>(158)</b>
<b>Ending Fund Balance</b>	<b>13</b>	<b>10</b>	<b>12</b>	<b>15</b>	<b>18</b>	<b>18</b>	<b>18</b>
<b>Reserves</b>							
<b>Total Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>13</b>	<b>10</b>	<b>12</b>	<b>15</b>	<b>18</b>	<b>18</b>	<b>18</b>

<sup>1</sup> Initial seed loan from SEAIT's operating fund (50410) authorized in 2012 by Ordinance 123931.

Finance and Administrative Services Fund (Fund 50300\*)

Amounts in \$1,000s	2015	2016	2016	2017	2018	2019	2020
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	113,130	27,169	34,808	28,533	18,966	18,341	18,096
Accounting Adjustments in 2015 and excess appropriation and underspend 2016-2020	(75,346)		7,297	7,003	7,042	7,042	7,042
<b>Revised Beginning Fund Balance</b>	<b>37,784</b>	<b>27,169</b>	<b>42,106</b>	<b>35,536</b>	<b>26,008</b>	<b>25,383</b>	<b>25,138</b>
<b>Revenues</b>							
Interfund - Capital Improvements (CIP subfund 5039)	6,182	16,135	16,135	10,862	10,397	3,500	3,500
General Fund Support	26,488	29,051	29,051	27,945	29,121	30,240	31,147
Services to City Depts	134,238	143,638	143,638	142,654	145,715	147,901	150,119
External Revenues	12,891	11,698	11,698	12,427	12,526	12,526	12,526
<b>Total Revenues</b>	<b>179,799</b>	<b>200,522</b>	<b>200,522</b>	<b>193,887</b>	<b>197,759</b>	<b>194,167</b>	<b>197,293</b>
<b>Expenditures</b>							
Budget and Central Services***	(4,947)	(6,945)	(7,464)	(15,211)	(12,138)	(12,320)	(12,504)
Fleet Services	(52,132)	(54,286)	(33,117)	(33,386)	(33,825)	(34,332)	(34,847)
Fleet Services Capital	-	-	(21,831)	(21,830)	(21,830)	(22,157)	(22,490)
Facility Services	(67,419)	(71,970)	(72,534)	(78,706)	(72,714)	(73,804)	(74,912)
Capital Development and Construction Mgmt	(4,051)	(4,519)	(4,786)	(4,547)	(4,673)	(4,743)	(4,814)
Financial Services	(13,867)	(14,304)	(14,990)	(22,125)	(24,543)	(24,911)	(25,285)
Business Technology	(18,427)	(19,584)	(19,697)	-	-	-	-
Revenue and Consumer Protection	(4,276)	(7,252)	(7,695)	(7,562)	(9,276)	(9,415)	(9,556)
City Purchasing and Contracting Services	(4,920)	(6,255)	(6,567)	(6,805)	(6,978)	(7,083)	(7,189)
Seattle Animal Shelter	(3,802)	(4,032)	(4,254)	(4,290)	(4,404)	(4,470)	(4,537)
Office of Constituent Services	(2,993)	(3,776)	(3,924)	(4,633)	(4,650)	(4,720)	(4,791)
Capital Improvements**	(5,940)	(17,235)	(17,235)	(11,362)	(10,397)	(3,500)	(3,500)
<b>Total Expenditures</b>	<b>(182,774)</b>	<b>(210,158)</b>	<b>(214,095)</b>	<b>(210,458)</b>	<b>(205,426)</b>	<b>(201,455)</b>	<b>(204,424)</b>
<b>Ending Fund Balance</b>	<b>34,808</b>	<b>17,534</b>	<b>28,533</b>	<b>18,966</b>	<b>18,341</b>	<b>18,096</b>	<b>18,007</b>
<b>Reserves</b>							
Continuing Appropriations	11,011						
Fleets Acquisition Capital Reserve, including Contingency	7,352	9,618	12,307	9,920	12,339	14,429	16,381
Planning Reserve (for AWI)	0	3,832	0	0	0	0	0
<b>Total Reserves</b>	<b>18,363</b>	<b>13,450</b>	<b>12,307</b>	<b>9,920</b>	<b>12,339</b>	<b>14,429</b>	<b>16,381</b>
<b>Ending Unreserved Fund Balance</b>	<b>16,445</b>	<b>4,084</b>	<b>16,226</b>	<b>9,046</b>	<b>6,002</b>	<b>3,667</b>	<b>1,626</b>

Notes:

\*Includes Subfunds 50310, 50320, 50321, 50330, 50345, 50355 and 50365.

\*\*Budget authority is appropriated in the CIP (BCLs A1GM1, A1IT and A1MSY). 2017 Proposed expenditures include \$7.362 million for Summit Re-Implementation CIP project, \$3.5 million for Customer Requested Tenant Improvements (Subfund 50390), and \$500,000 for Haller Lake Improvements with revenues collected in Facilities.



Information Technology Fund (50410)

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected <sup>1</sup>	2020 Projected <sup>1</sup>
Beginning Budgetary Fund Balance	46,405	13,011	43,658	14,334	17,843	20,563	27,360
Accounting Adjustments <sup>2</sup>	14,917	0	0	0	0	0	0
<b>Beginning Unreserved Fund Balance</b>	<b>61,322</b>	<b>13,011</b>	<b>43,658</b>	<b>14,334</b>	<b>17,843</b>	<b>20,563</b>	<b>27,360</b>
<b>Revenues<sup>1</sup></b>							
Grant Revenues	88	0	0	0	0	0	0
Cable Fund Revenues	8,586	9,406	9,666	9,713	9,400	9,398	9,539
Non-City Agency Revenues	831	398	398	361	364	369	1,608
City Agency Revenues (non GF)	23,107	28,524	30,473	145,475	131,340	126,935	127,452
City Agency Revenues (GF)	32,202	28,290	28,790	73,254	73,121	65,077	67,893
Sources to be Specified/Projects/Rate Billings	0	6,323	6,016	9,803	16,178	12,931	11,602
Seattle IT Budget for IT Initiatives	0	50,754	50,754	0	0	0	0
Interest Earnings	28	0	0	0	0	0	0
Other <sup>5</sup>	0	(2,100)	0	0	0	0	0
Bond Proceeds	0	2,100	2,100	7,319	6,600	14,368	36,029
Anticipated Revenue <sup>6</sup>	0	0	0	3,075	3,149	3,212	3,276
<b>Total Revenues</b>	<b>64,842</b>	<b>123,695</b>	<b>128,198</b>	<b>249,000</b>	<b>240,152</b>	<b>232,289</b>	<b>257,398</b>
<b>Expenditures<sup>1</sup></b>							
Business Office BCL	(36,797)	(10,650)	(36,304)	(24,714)	(23,352)	(17,044)	(38,845)
Strategy and Planning BCL	(3,395)	(7,164)	(7,816)	(7,093)	(7,184)	(7,292)	(7,401)
Engineering and Operations BCL	(34,059)	(47,112)	(54,026)	(65,856)	(69,317)	(70,822)	(71,843)
Digital Engagement BCL	(8,253)	(8,182)	(9,135)	(9,823)	(9,913)	(10,068)	(10,223)
Security, Privacy, and Compliance BCL	0	0	0	(5,076)	(5,144)	(5,323)	(5,450)
Application Services BCL	0	0	0	(36,474)	(36,281)	(30,969)	(30,860)
Citywide IT Initiatives BCL	0	(49,100)	(50,241)	(96,456)	(86,241)	(83,975)	(85,201)
<b>Total Expenditures</b>	<b>(82,505)</b>	<b>(122,208)</b>	<b>(157,522)</b>	<b>(245,491)</b>	<b>(237,432)</b>	<b>(225,492)</b>	<b>(249,823)</b>
<b>Ending Fund Balance</b>	<b>43,658</b>	<b>14,498</b>	<b>14,334</b>	<b>17,843</b>	<b>20,563</b>	<b>27,360</b>	<b>34,936</b>
<b>Reserves</b>							
Continuing Appropriation and Encumbrances	(30,916)	0	0	0	0	0	0
Radio and Video Reserves	(9,026)	(9,108)	(8,037)	(7,827)	(5,109)	(5,436)	(7,102)
Operating Expense Reserve <sup>4</sup>	(2,787)	(1,940)	(2,161)	(2,841)	(2,956)	(2,506)	(2,953)
SDOT PACT Sinking Fund	0	0	0	(767)	(1,533)	(2,300)	(2,300)
Other Rebates <sup>3</sup>	(412)	0	(308)	0	0	0	0
Planning Reserve	(230)	(3,757)	(1,417)	(6,439)	(11,424)	(16,499)	(21,667)
<b>Total Reserves</b>	<b>(43,371)</b>	<b>(14,806)</b>	<b>(11,925)</b>	<b>(17,874)</b>	<b>(21,022)</b>	<b>(26,742)</b>	<b>(34,021)</b>
<b>Ending Unreserved Fund Balance</b>	<b>288</b>	<b>-307</b>	<b>2,409</b>	<b>-31</b>	<b>-459</b>	<b>618</b>	<b>914</b>

Assumptions:

1 2019-2020 assumes 1.5% inflation and revenue growth adjusted for one-time items.

2 The net 2015 adjustments include \$29.0 million of bond liabilities, \$1.5 million of miscellaneous other technical adjustments less \$15.6 million of capital assets.

3 2015 targeted underspending to be applied to 2016 revenue collections.

4 Internal Seattle IT policy establishes a cash float of approximately 90 days of reimbursable expenses.

5 Short term loan from the City's cash pool until Bonds are sold in 2016.

6 Reserve for adjustments from the 2017 CBO wage study.

**Fire Pension Fund (60200)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	14,742	15,605	14,923	15,556	16,197	16,873	17,586
Accounting Adjustments							
<b>Revised Beginning Fund Balance</b>	14,742	15,605	14,923	15,556	16,197	16,873	17,586
<b>Revenues</b>							
General Subfund	17,312	17,164	17,164	18,787	19,481	19,796	20,470
Fire Insurance Premium Tax	976	944	944	950	969	988	1,008
Medicare Rx Subsidy Refund	445	350	350	350	350	350	350
Return on Actuarial Account Investments	73	634	634	641	676	713	752
<b>Total Revenues</b>	18,806	19,091	19,091	20,728	21,476	21,847	22,580
<b>Expenditures</b>							
Death Benefits	(10)	(17)	(17)	(17)	(17)	(17)	(17)
Medical Benefits Paid	(11,108)	(11,000)	(11,000)	(11,400)	(12,000)	(12,520)	(13,200)
Pension Benefits Paid	(6,892)	(6,800)	(6,800)	(8,000)	(8,100)	(7,900)	(7,900)
Administration	(615)	(640)	(640)	(670)	(683)	(697)	(711)
<b>Total Expenditures</b>	(18,626)	(18,457)	(18,457)	(20,087)	(20,800)	(21,134)	(21,828)
<b>Ending Fund Balance</b>	14,922	16,239	15,556	16,197	16,873	17,586	18,338
<b>Reserves</b>							
Contingency Reserve	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Actuarial Account	(11,016)	(12,158)	(11,650)	(12,291)	(12,967)	(13,680)	(14,432)
Rate Stabilization Reserve	(3,406)	(3,581)	(3,406)	(3,406)	(3,406)	(3,406)	(3,406)
<b>Total Reserves</b>	(14,923)	(16,239)	(15,556)	(16,197)	(16,873)	(17,586)	(18,338)
<b>Ending Unreserved Fund Balance</b>	-	-	-	-	-	-	-

**Police Pension Fund (60400)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	5,101	3,280	4,672	5,172	4,929	4,672	4,672
<b>Beginning Unreserved Fund Balance</b>	5,101	3,280	4,672	5,172	4,929	4,672	4,672
<b>Revenues</b>							
General Subfund	20,278	21,313	21,313	21,313	21,770	22,151	23,604
Police Auction Proceeds	258	117	117	117	117	117	117
Miscellaneous	445	400	400	400	400	400	400
<b>Total Revenues</b>	20,981	21,830	21,830	21,830	22,287	22,668	24,121
<b>Expenditures</b>							
Death Benefits	(12)	(18)	(18)	(18)	(18)	(18)	(18)
Medical Benefits Paid	(12,552)	(14,000)	(14,000)	(14,820)	(15,380)	(15,590)	(17,130)
Pension Benefits Paid	(8,314)	(7,200)	(6,700)	(6,600)	(6,500)	(6,400)	(6,300)
Administration	(533)	(612)	(612)	(635)	(647)	(660)	(673)
<b>Total Expenditures</b>	(21,411)	(21,830)	(21,330)	(22,073)	(22,545)	(22,668)	(24,121)
<b>Ending Fund Balance</b>	4,672	3,280	5,172	4,929	4,672	4,672	4,672
<b>Reserves</b>							
Contingency Reserve	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Rate Stabilization Reserve	(4,172)	(2,780)	(4,672)	(4,429)	(4,172)	(4,172)	(4,172)
<b>Total Reserves</b>	(4,672)	(3,280)	(5,172)	(4,929)	(4,672)	(4,672)	(4,672)
<b>Ending Unreserved Fund Balance</b>	0	0	0	0	0	0	0

**Municipal Arts Fund (62600)**

Amounts in \$1,000s	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed	2019 Projected	2020 Projected
Beginning Fund Balance	6,734	6,910	8,519	8,605	9,765	9,933	10,066
Accounting Adjustments	-	-	-	-	-	-	-
<b>Revised Beginning Fund Balance</b>	6,734	6,910	8,519	8,605	9,765	9,933	10,066
<b>Revenues</b>							
1% for Art Revenues	4,100	3,120	3,922	3,972	3,000	3,000	3,000
Interest Earnings	89	75	75	77	80	82	84
Interest Increase/Decrease	(10)	-	-	-	-	-	-
Miscellaneous Revenues	23	10	10	10	10	11	11
Miscellaneous Revenues (from CRS)	-	187	187	193	198	204	210
Public Art Management Fees	228	235	235	264	270	278	287
State Grant	-	-	-	-	-	-	-
<b>Total Revenues</b>	4,430	3,626	4,429	4,516	3,558	3,575	3,592
<b>Expenditures</b>							
Public Art Program	(2,645)	(3,099)	(3,099)	(3,163)	(3,195)	(3,243)	(3,292)
Artwork Conservation	-	(187)	(187)	(193)	(195)	(198)	(201)
Carry Forwards (inc. Encumbrances)	-	-	(1,005)	-	-	-	-
AWI Legislation	-	-	(51)	-	-	-	-
<b>Total Expenditures</b>	(2,645)	(3,286)	(4,343)	(3,356)	(3,391)	(3,442)	(3,493)
<b>Ending Fund Balance</b>	8,519	7,249	8,605	9,765	9,933	10,066	10,165
<b>Reserves</b>							
Encumbrances	(1,012)	-	-	-	-	-	-
Committed: Planning Reserve	(18)	(56)	-	-	-	-	-
<b>Total Reserves</b>	(1,029)	(56)	-	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	7,490	7,193	8,605	9,765	9,933	10,066	10,165



### **Cost Allocation Tables:**

These tables provide information about how the City allocates internal service costs (i.e. overhead provided by City agencies to other City agencies) to customer agencies.

# Cost Allocation

## Central Service Departments and Commissions - Cost Allocation Factors

Central Service Department	Cost Allocation Factor
Office of Arts and Culture	Negotiated MOA*
City Auditor	audit hours attributed to departments
Civil Service Commission	number of cases attributed to departments
City Budget Office	staff time and assignments by departments
Office of Civil Rights	cases filed by departments
Office of Intergovernmental Relations	staff time and assignments by departments
Office of Sustainability and Environment	work program and assignments attributed to departments
Department of Finance and Administrative Services	Various factors and allocations. See Appendix B(1) for details on services, rates, and methodologies.
Seattle Information Technology	Various factors and allocations. See Appendix B(2) for details on services, rates, and methodologies.
Law Department	Hours by department for Civil Division; Public and Community Safety Division is charged 100% to the General Fund. Administration BCL is split between Civil and Criminal and allocated accordingly.
Legislative Department	City Clerk's Office based on number of Legislative items; Central Staff and Legislative Assistants on assignments; City Council 100% General Fund or by MOA.*
Seattle Department of Human Resources	Various factors and allocations. See Appendix B(3) for details on services, factors, and methodologies.
State Examiner (State Auditor)	75% by Summit rows of data; 25% by authorized FTEs
Emergency Management	Actual expenditure dollar spread

\*Memorandum of Agreement (MOA) on charges

# Cost Allocation

## Department of Finance and Administrative Services Billing Methodologies – B(1)

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
<b>Fleet Management Division</b>				
Vehicle Leasing	A2212	<ul style="list-style-type: none"> <li>Vehicles owned by, and leased from, Fleet Services</li> <li>Vehicles owned directly by Utility Departments</li> </ul>	<ul style="list-style-type: none"> <li>Calculated rate per month per vehicle based on three lease-rate components: 1) vehicle replacement; 2) routine maintenance; and 3) overhead.</li> <li>Charge for overhead only as outlined in MOUs with Utilities.</li> </ul>	Fleets rates.
Motor Pool	A2213	Daily or hourly rental of City Motor Pool vehicles.	Actual vehicle usage by department per published rates. Rates vary by vehicle type and are based on time usage, with a set minimum and maximum daily charge.	Direct bill.
Vehicle Maintenance	A2221	<ul style="list-style-type: none"> <li>Vehicle Maintenance labor.</li> <li>Vehicle parts and supplies.</li> </ul>	<ul style="list-style-type: none"> <li>Actual maintenance service hours, not included in the routine maintenance component of the Lease Rate (above). Billed at an hourly rate.</li> <li>Actual vehicle parts and supplies, used in vehicle maintenance services, and not included in the routine maintenance component of the Lease Rate (above). Billed at cost plus a percentage mark-up.</li> </ul>	Direct bill.
Vehicle Fuel	A2232	Vehicle fuel from City-operated fuel sites or private vendor sites through the Voyager Fuel Card program.	Actual gallons of fuel pumped, billed at cost plus per-gallon mark-up.	Direct bill.
<b>Facility Services</b>				
Property Management Services	A3322	Office & other building space.	Property Management Services for City-owned buildings.	Space rent rates.
Property Management Services	A3322	Leased spaces.	Service agreements with commercial tenants, building owners and/or affected departments.	Direct bill.
Real Estate Services	A3322	Real estate transactions including acquisitions, dispositions, appraisals, etc.	Applicable operating costs based on staff time per customer department.	Cost Allocation to Relevant Funds.
Facilities Maintenance	A3323	Crafts Services: Plumbing, carpentry, HVAC, electrical, painting.	<ul style="list-style-type: none"> <li>Regular maintenance costs included in office space rent and provided as part of space rent.</li> <li>Non-routine services charged directly to service user(s) at an hourly rate.</li> </ul>	Space rent rates; direct bill.
Janitorial Services	A3324	Janitorial services.	Janitorial services included in rate charges for the downtown core campus buildings.	Space rent rates.
Parking Services	A3340	Parking services.	Monthly parking costs for City vehicles are charged to department based on actual use. Hourly parking vouchers are sold to departments in advance of use, as requested. Vouchers for private tenants and personal vehicles of City staff are sold on monthly and hourly bases, as requested.	Direct bill; direct purchase
Warehousing Services	A3342	<ul style="list-style-type: none"> <li>Surplus service</li> <li>Records storage</li> </ul>	<ul style="list-style-type: none"> <li>Commodity type, weighting by effort and time</li> </ul>	Cost Allocation to all City



# Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
		<ul style="list-style-type: none"> <li>Material storage</li> <li>Paper procurement</li> </ul>	<ul style="list-style-type: none"> <li>Cubic feet and retrieval requests</li> <li>Number of pallets used/stored</li> <li>Paper usage by weight</li> </ul>	Departments
Distribution Services	A3343	<ul style="list-style-type: none"> <li>U.S. Mail delivery</li> <li>Interoffice mail, special deliveries</li> </ul>	<ul style="list-style-type: none"> <li>Sampling of pieces of mail delivered to client.</li> <li>Volume, frequency, and distance of deliveries</li> </ul>	Cost Allocation to Departments and the General Fund
<b>Technical Services</b>				
Capital Development and Construction Management	A3311	<ul style="list-style-type: none"> <li>Project management</li> <li>Space planning and design</li> <li>Move coordination</li> </ul>	<ul style="list-style-type: none"> <li>Project management hours billed at prevailing hourly rate, determined by dividing division revenue requirement by annual forecast of project management billable hours.</li> </ul>	Direct bill
<b>Financial Services</b>				
Economics and Forecasting	A4501	City economic forecasting	Allocation to General Fund and Health Care Subfund.	Interfund transfer
Fiscal and Policy Management	A4502	City financial policy and planning	Allocation to General Fund and other applicable funds.	Interfund transfer
Debt Management	A4503	Debt financing for the City	Allocation based on historical number of bond sales	Cost Allocation to General Fund, SCL, SPU
Citywide Accounting/Payroll	A4511 A4512 A4513	<ul style="list-style-type: none"> <li>Citywide accounting services.</li> <li>Citywide payroll</li> </ul>	<ul style="list-style-type: none"> <li>Percent of staff time by department</li> <li>Percent of staff time per department, with Payroll and Pension time allocated to departments based on FTEs and retirement checks, respectively.</li> </ul>	Cost Allocation to Six Funds
Applications	A4522	Maintain and develop City business applications	Project and staff assignments.	Cost Allocation to Six Funds, DoIT and FAS.
Summit	A4523	Maintain and develop the City-wide financial management system	System data rows used by customer department.	Cost Allocation to Six Funds.
Human Resource Information System (HRIS)	A4524	Maintain and develop the City's personnel management system	Department share of total number of regular paychecks and retirement checks.	Cost Allocation to Six Funds
Consumer Protection	A4531	<ul style="list-style-type: none"> <li>Verify accuracy of commercial weighing and measuring devices</li> <li>Enforcement of taxicab, for-hire vehicle and limousine industries.</li> </ul>	External fee revenue; General Fund support	External fees.
Regulatory Enforcement	A4536	Collection and enforcement of City taxes and license fees.	External fee revenue; General Fund support.	Interfund transfer
Business Licensing and Tax Administration	A4537 A4538	Administration, audit, and customer service for City tax codes and regulatory licenses	100% General Fund.	Interfund transfer
Contracting Services	A4541	<ul style="list-style-type: none"> <li>Provide contracting support and administration.</li> <li>Women and minority business development.</li> <li>Social equity monitoring and contract compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Percent share based on total number of awarded public works contracts Contract Awards (50%) and dollar amount of Contract Awards (50%).</li> <li>General Fund support.</li> </ul>	Cost Allocation to CIP Departments and General Fund
Purchasing Services	A4542	Provide centralized procurement services and	Percent share by department based on total number of Purchase Orders issued (50%) and Blanket Contract and Purchase Order	Cost Allocation to Six Funds

# Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
		coordination	spending (50%).	
Treasury Operations	A4581	Bank reconciliation, Warrant issuance	Percent share by department based on staff time.	Cost Allocation to Six Funds
Investments	A4582	Investment of City funds	Percent share by department of annual investment earnings through the Citywide Investment Pool.	Cost Allocation to Six Funds
Remittance Processing	A4583	Processing of mail and electronic payments to Cash Receipt System	Percent share by department based on total number of weighted transactions.	Cost Allocation to General Fund, SCL, SPU
Risk Management and Claims Processing	A4591 A4592	Claims processing; liability claims and property/casualty program management; loss prevention/ control and contract review	Percent share by department based on number of claims filed (50%) and amount of claims/settlements paid (50%) (five-year period).	Cost Allocation to Six Funds
<b>Seattle Animal Shelter</b>				
Seattle Animal Shelter	A5511 A5512	Animal care and animal control enforcement; spay and neuter services to the public.	External fees; General Fund.	Interfund transfer.
<b>Office of Constituent Services</b>				
Constituent Services	A6511	Service delivery and policy analysis, public disclosure response	Number of constituent contacts (inquiries, complaints, requests for service)	Cost Allocation to Six Funds
Customer Service Bureau	A6512	Provide information to constituents in response to inquiry or complaint	Number of constituent contacts (inquiries, complaints, requests for service)	Cost Allocation to Six Funds
Neighborhood Payment and Information Services	A6513	Payment and information services to residents (utility bills, pet licenses, traffic tickets, passports, City employment)	Percentage share by department of transaction type.	Cost Allocation to General Fund, SCL, SPU

# Cost Allocation

## Seattle Information Technology (SeaIT) Cost Allocation Methodologies – B(2)

SERVICES	COST POOL NAME	RATE & ALLOCATION BASIS
<b>SERVICES ALLOCATED TO DEPARTMENT BUDGETS</b>		
<b>Application Services</b>	Accela Enterprise	Accela Chargeback of Previous Expenses
	Applications Support (FAS)	Allocations based on Staff Time
	NCIS Support	NCIS Chargeback
	SRI	Billed SRI
<b>Central GIS Service</b>	Central GIS Service – Allocated	Central GIS Allocated
<b>City Department Specific Initiatives</b>	ARTS IT Service	Allocated to Departments
	CEN IT Service	
	DON IT Service	
	SDCI Accela	
	SDCI IT Service	
	DPR IT Service	
	FAS IT Service	
	HSD IT Service	
	OCR IT Service	
	OH IT Service	
	SCL IT Service	
	SDOT IT Service	
	SFD E911	
	SFD IT Service	
	SPD IT Service	
SPU IT Service		
DEEL IT Service		
OPCD IT Service		
<b>Citywide IT Initiatives</b>	Office 365	Number of Devices
<b>Compliance Office</b>	Compliance Services	Number of Transactions and Devices
<b>Consolidated Telecommunication Charge (CTC)</b>	Consolidated Telecommunications Charge	Number of Landline Extensions
<b>Data Center Services</b>	24x7 Batch Processing	Number of NSM Jobs
	Backup & Recovery	Number of Gigabytes
	CoS Data Center Network	Number of Ports
	Data Center Facilities Management	Number of RUs
	Database Support	Number of Databases
	NGDC Customer Specific Support	Cost of Support
	Physical Hosting & Support-AIX	vCPU Physical Hosting and Support
	Physical Hosting & Support-Win/Linux	Number of Physical Servers
	Print Services Tier 1 (Large Scale Printing)	Number of Printed Pages
	Release Management	Number of Web Application
	Storage-SAN	Number of Gigabytes
	Virtual Hosting & Support-AIX	vCPU Physical Hosting and Support
Virtual Hosting & Support-Win/Linux	vCPU Physical Hosting and Support	
<b>Device Replacements</b>	Device Replacements – Desktops and Laptops	Number of Desktops and Laptops
<b>End User Support</b>	End User Support Services	Number of Desktop & Printer Devices
<b>Enterprise Software Licensing</b>	Enterprise Software Licensing	Office 365 Licenses for City Staff
<b>IVR &amp; Call Center Elements</b>	IVR & Call Center Elements	Percent of Usage

# Cost Allocation

SERVICES	COST POOL NAME	RATE & ALLOCATION BASIS
<b>Messaging Support &amp; Identity Management</b>	Messaging Support & Identity Management	Number of Email Accounts
<b>Radio Network Services</b>	Network Access & Infrastructure Reserves	Number of Radios
	Public Safety Radio Administration	Number of Public Safety Radios
	Public Safety Radio Reserves	
	Support Radio Leasing Program for SFD-SPD	2015 SFD-SPD Leasing Program Actuals
<b>Seattle Channel</b>	Seattle Channel - SPU/SCL	50% SPU and 50% SCL
<b>Service Desk</b>	Service Desk Support	Number of Email Accounts
	Technology Management Tools - HEAT	
<b>UDS &amp; WiFi</b>	Uniform Data Service (UDS) & WiFi	Number of UDS-WiFi Ports
<b>DIRECT BILLED SERVICES: ESTIMATED</b>		
<b>Circuits, Long Distance, MACs, Other Billed</b>	Miscellaneous Use Charges-All but MACS	Direct Billed Pass Through Costs Based on Usage
	Miscellaneous Use Charges-MACS	
<b>Communication Shop Services</b>	Pager Leasing	Based on 2015 Pager Actuals
	Radio Program Installation and Maintenance	Based on 2015 Radio Program Install and Maintenance Actuals
<b>GIS Services</b>	Central GIS Service - Billed	Billed Central GIS
<b>Major Projects</b>	Project Billed Services	Project Billing
<b>Mobile Device Management</b>	Mobile Device Management	Number of Mobile Devices
<b>Programmatic Initiatives</b>	Programmatic Initiatives Billable	Project Billing
<b>Project Resources</b>	Project Billed Services	Project Billing
<b>Supply Room</b>	Supply Room Allocation to Seattle IT	Supply Room Allocations
	Supply Room Budgeted to Seattle IT	Supply Room Budgeted Billing
<b>Wireless Modems, Blackberry and Cell Phones</b>	Wireless	Based on 2015 Wireless Actuals
<b>SERVICES ALLOCATED DIRECT TO FUNDS</b>		
<b>Alert Seattle</b>	Seattle Alert	Six Fund based on % of 2015 Actuals
<b>Application Services</b>	Application Services-6-Fund	Six Fund based on % of 2015 Actuals
	Application Services-General Fund	Allocated 100% to the General Fund
	CRM	Six Fund modified based on % of 2015 Actuals
	HRIS	Six Fund modified based on the Number of Paycheck/Pension Checks
	Municipal Court Information System	Municipal Court Billed
	SharePoint Online	Six Fund based on % of 2015 Actuals
	SUMMIT	Six Fund modified based on the Number of the Number of LTD Rows
<b>Backbone &amp; Internet</b>	Backbone	Six Fund based on % of 2015 Actuals
	Internet	Seven Fund based on % of 2015 Actuals
<b>Cable Fund</b>	Office of Cable Communications Services	Allocated 100% to the Cable Fund
	Community Technology Services	
	Seattle Channel Services	Allocated 96.56% to the Cable Fund
<b>Citywide Web Team</b>	Citywide Web Team Services	Six Fund modified based on % of 2015 Actuals
	MEAP	Cable Fund
<b>Information Security Office</b>	Security Services	Seven Fund based on % of 2015 Actuals
<b>Open Data</b>	Open Data Services	Six Fund modified based on % of 2015 Actuals
<b>Privacy Office</b>	Privacy Services	Six Fund modified based on % of 2015 Actuals
<b>Programmatic Initiatives</b>	CTO Initiatives	Six Fund based on % of 2015 Actuals
	Municipal Court Information System	Municipal Court
	Summit Re-implementation Project	Seven Fund based on % of 2015 actuals

# Cost Allocation

SERVICES	COST POOL NAME	RATE & ALLOCATION BASIS
	Seattle IT Space Planning - 6 Fund	Six Fund based on % of 2015 Actuals
<b>Rates True-up from 2016 Programmatic Initiatives</b>		
<b>Strategy and Planning Office</b>	IT Governance Services	Seven Fund based on % of 2015 Actuals
	Citywide PMO Services	Six Fund based on % of 2015 Actuals
	Service management Office Services	
	Enterprise Architecture Services	

# Cost Allocation

## Seattle Department of Human Resources Cost Allocation Methodologies – B(3)

Service Provider	Org	Service Provided	Billing Methodology
Alternative Dispute Resolution	N1145	Mediation and facilitation Conflict resolution training	2015 Adopted Budget FTEs
Police and Fire Examinations	N1150	Administer Police and Fire entry and promotional exams	General Fund allocation
Training Development and Organizational Effectiveness	N1160	Administer Citywide employee training and development opportunities, Consulting and employee recognition programs	2015 Adopted Budget FTEs
Management and Leadership Development	N1160	Citywide management leadership development and City Leadership Academy	Number of Supervisors and Managers
Recruitment and Retention	N1190	Provide recruitment and staffing services, policy guidance on personnel issues, technical assistance and other hiring needs	2015 Adopted Budget FTEs
Recruitment and Retention	N1190	Talent Management System	Number of Users
Deferred Compensation	N1220	Administer deferred compensation (457 Retirement Plan) for City employees.	Service fee charged to Deferred Compensation program participants.
Commercial Driver's Licenses	N1230	CDL administration	Number of CDLs by Department
Benefit Administration	N1240	Administer Citywide health care benefits program	2015 Adopted Budget FTEs
Director's Office	N1315	Provide Citywide Human Resources organizational support and policy guidance	2015 Adopted Budget FTEs
Information Management	N1360	Maintain Citywide Human Resource information	2015 Adopted Budget FTEs
Financial Services	N1350	Provide finance, budget, and accounting and other internal services	2015 Adopted Budget FTEs
Classification and Compensation	N1430	Administer the City Classification and Compensation programs	Number of Job Classifications
Labor Relations	N1440	Negotiate collective bargaining agreements and administer the personnel system for represented and non-represented employees	Number of Represented Positions
Workers' Compensation, Safety, Finance	N1230, N1250, and N1350	Administer the City Workers Compensation and workplace safety programs.	Supported by the Industrial Insurance Subfund, billing is based on actual usage and pooled costs are based on three years of historical usage/data.

# Cost Allocation

## Central Service Cost Allocations by paying funds – Informational Only

These transfers reflect reimbursements for general government work performed on behalf of certain revenue generating departments.

	2016	2017 Proposed	2018 Proposed
City Budget Office	1,909,083	1,861,968	1,909,380
Personnel	5,456,940	5,872,368	6,077,900
MISC	17,081,772	20,250,114	20,707,640
<b>Total Interfund Transfers</b>	<b>24,447,795</b>	<b>27,984,450</b>	<b>28,694,920</b>
<b>Interfund Transfers to City Budget Office (CBO)</b>			
Seattle City Light	449,395	434,459	445,522
Seattle Public Utilities	449,395	434,459	445,522
Seattle Department of Transportation	621,719	682,722	700,106
Department of Planning Development	202,734	195,997	200,987
Retirement	185,840	114,331	117,243
<b>Total Interfund Transfers to CBO</b>	<b>1,909,083</b>	<b>1,861,968</b>	<b>1,909,380</b>
<b>Intefund Transfers to Personnel</b>			
Seattle City Light	2,266,941	2,342,615	2,424,607
Seattle Public Utilities	1,791,839	1,930,363	1,997,925
Seattle Department of Transportation	977,635	1,081,330	1,119,177
Department of Planning Development	385,895	491,452	508,653
Retirement	34,630	26,607	27,539
<b>Total Interfund Transfers to Personnel</b>	<b>5,456,940</b>	<b>5,872,368</b>	<b>6,077,900</b>
<b>Miscellaneous Interfund Transfers</b>			
Seattle City Light	4,426,578	5,183,754	5,296,092
Seattle Public Utilities	4,758,677	5,910,188	6,048,435
Seattle Department of Transportation	4,466,903	5,528,338	5,652,343
Department of Planning Development	3,252,356	3,369,960	3,447,457
Retirement	177,258	257,874	263,312
<b>Total Miscellaneous Interfund Transfers</b>	<b>17,081,772</b>	<b>20,250,114</b>	<b>20,707,640</b>

## Glossary

**Appropriation:** A legal authorization granted by the City Council, the City's legislative authority, to make expenditures and incur obligations for specific purposes.

**Biennial Budget:** A budget covering a two-year period. Under state law, a biennium begins with an odd-numbered year.

**Budget - Adopted and Proposed:** The Mayor submits to the City Council a recommended expenditure and revenue level for all City operations for the coming fiscal year as the Proposed Budget. When the City Council agrees upon the revenue and expenditure levels, the Proposed Budget becomes the Adopted Budget, funds are appropriated, and legal expenditure limits are established.

**Budget - Endorsed:** The City of Seattle implements biennial budgeting through the sequential adoption of two one-year budgets. When adopting the budget for the first year of the biennium, the Council endorses a budget for the second year. The Endorsed Budget is the basis for a Proposed Budget for the second year of the biennium, and is reviewed and adopted in the fall of the first year of the biennium.

**Budget Control Level:** The level at which expenditures are controlled to meet State and City budget law provisions.

**Capital Improvement Program (CIP):** Annual appropriations from specific funding sources are shown in the City's budget for certain capital purposes such as street improvements, building construction, and some kinds of facility maintenance. These appropriations are supported by a six-year allocation plan detailing all projects, fund sources, and expenditure amounts, including many multi-year projects that require funding beyond the one-year period of the annual budget. The allocation plan covers a six-year period and is produced as a separate document from the budget document.

**Chart of Accounts:** A list of expenditure, revenue, and other accounts describing and categorizing financial transactions.

**Community Development Block Grant (CDBG):** A U.S. Department of Housing and Urban Development (HUD) annual grant to Seattle and other local governments to support economic development projects, human services, low-income housing, and services in low-income neighborhoods.

**Comprehensive Annual Financial Report of the City (CAFR):** The City's annual financial statement prepared by the Department of Executive Administration.

**Cost Allocation:** Distribution of costs based on some proxy for costs incurred or benefits received.

**Cumulative Reserve Subfund (CRS):** A significant source of ongoing local funding to support capital projects in general government departments. The CRS consists of two accounts: the Capital Projects Account and the Revenue Stabilization Account. The Capital Projects Account has six subaccounts: REET I, REET II, Unrestricted, South Lake Union Property Proceeds, Asset Preservation Subaccount - Fleets and Facilities, and the Street Vacation Subaccount. The Real Estate Excise Tax (REET) is levied on all sales of real estate, with the first .25% of the locally imposed tax going to REET I and the second .25% to REET II. State law specifies how each REET can be spent.

**Debt Service:** Annual principal and interest payments the City owes on money it has borrowed.

**Errata:** Adjustments, corrections, and new information sent by departments through the Department of Finance to the City Council during the Council's budget review as an adjunct to the Mayor's Proposed Budget. The purpose is to adjust the Proposed Budget to reflect information not available upon submittal and to correct inadvertent errors.



# Glossary

**Full-Time Equivalent (FTE):** A term expressing the amount of time for which a position has been budgeted in relation to the amount of time a regular, full-time employee normally works in a year. Most full-time employees (1.00 FTE) are paid for 2,088 hours in a year (or 2,096 in a leap year). A position budgeted to work half-time for a full year, or full-time for only six months, is 0.50 FTE.

**Fund:** An accounting entity with a set of self-balancing revenue and expenditure accounts used to record the financial affairs of a governmental organization.

**Fund Balance:** The difference between the assets and liabilities of a particular fund. This incorporates the accumulated difference between the revenues and expenditures each year.

**General Fund:** A central fund into which most of the City's general tax revenues and discretionary resources are pooled, and which is allocated to support many of the operations of City government. Beginning with the 1997 Adopted Budget, the General Fund was restructured to encompass a number of subfunds, including the General Fund Subfund (comparable to the "General Fund" in prior years) and other subfunds designated for a variety of specific purposes. These subfunds are listed and explained in more detail in department chapters, as well as in the Funds, Subfunds, and Other section of the budget document.

**Grant-Funded Position:** A position funded 50% or more by a categorical grant to carry out a specific project or goal. Seattle Municipal Code 4.04.030 specifies that "categorical grant" does not include Community Development Block Grant funds, nor any funds provided under a statutory entitlement or distribution on the basis of a fixed formula including, but not limited to, relative population.

**Neighborhood Matching Subfund (NMF):** A fund supporting partnerships between the City and neighborhood groups to produce neighborhood-initiated planning, organizing, and improvement projects. The City provides a cash match to the community's contribution of volunteer labor, materials, professional services, or cash. The NMF is administered by the Department of Neighborhoods.

**Operating Budget:** That portion of a budget dealing with recurring expenditures such as salaries, electric bills, postage, printing, paper supplies, and gasoline.

**Position/Pocket Number:** A term referring to the title and unique position identification number assigned to each position authorized by the City Council through the budget or other ordinances. Positions may have a common title name, but each position has its own unique identification number assigned by the Records Information Management Unit of the Personnel Department at the time position authority is approved by the City Council. Only one person at a time can fill a regularly budgeted position. An exception is in the case of job-sharing, where two people work part-time in one full-time position.

**Program:** A group of services within a department, aligned by common purpose.

**Reclassification Request:** A request to change the job title or classification for an existing position. Reclassifications are subject to review and approval by the Classification/Compensation Unit of the Personnel Department and are implemented upon the signature of the Personnel Director, as long as position authority has been established by ordinance.

**Reorganization:** Reorganization refers to changes in the budget and reporting structure within departments.

**SUMMIT:** The City's central accounting system managed by the Department of Executive Administration.

**Sunsetting Position:** A position funded for only a specified length of time by the budget or enabling ordinance.

**TES (Temporary Employment Service):** A program managed by the Personnel Department. TES places temporary workers in departments for purposes of filling unanticipated, short-term staffing needs, such as vacation coverage, positions vacant until a regularly-appointed hire is made, and special projects.

**Type of Position:** There are two types of budgeted positions. They are identified by one of the following characters: **F** for Full-Time or **P** for Part-Time.

# Glossary

- **Regular Full-Time** is defined as a position budgeted for 2,088 compensated hours per year, 40 hours per week, 80 hours per pay period, and is also known as one full-time equivalent (FTE).
- **Regular Part-Time** is defined as a position designated as part time, and requiring an average of 20 hours or more, but less than 40 hours of work per week during the year. This equates to an FTE value of at least 0.50 and no more than 0.99.