

Seattle Public Utilities

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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.

Seattle Public Utilities

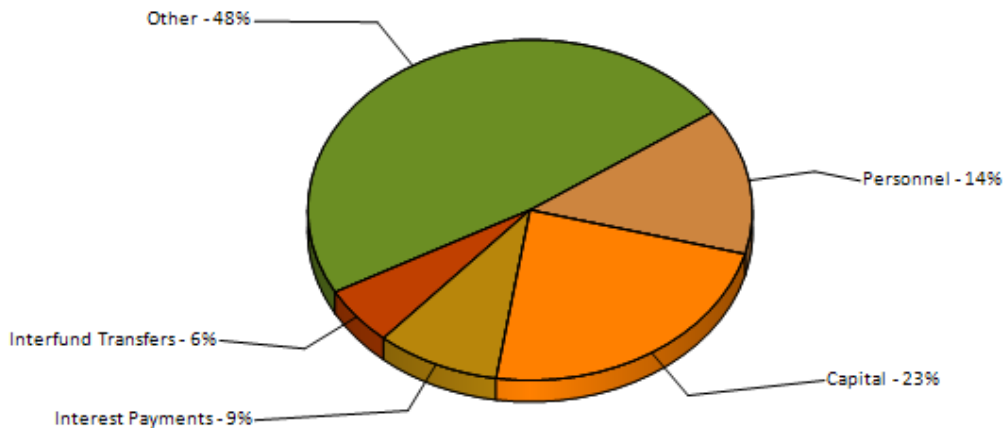
Financial performance metrics include net income; year-end cash balance; the amount of cash versus debt dedicated to the CIP; debt service coverage, which is the amount of cash available to pay annual debt service after day-to-day system expenses are paid; and, for the Drainage and Wastewater Fund, the 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 Adopted	2018 Endorsed
General Fund Support	\$1,978,906	\$7,836,133	\$9,433,982	\$9,550,015
Other Funding - Operating	\$731,452,789	\$773,533,390	\$830,294,555	\$861,086,109
Total Operations	\$733,431,695	\$781,369,523	\$839,728,537	\$870,636,124
Other funding - Capital	\$258,107,591	\$242,167,797	\$254,430,086	\$298,285,405
Total Appropriations	\$991,539,286	\$1,023,537,320	\$1,094,158,623	\$1,168,921,529
Full-time Equivalent Total*	1,438.05	1,460.05	1,359.05	1,359.05

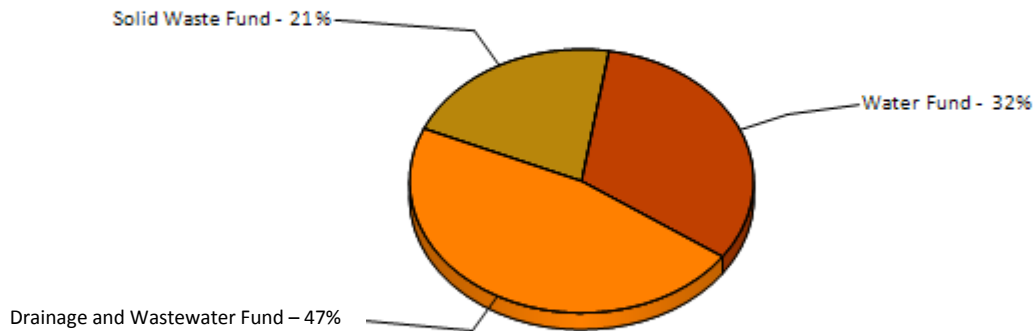
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2017 Adopted Budget - Expenditure by Category



Seattle Public Utilities

2017 Adopted Budget - Revenue by Category



Budget Overview

The 2017 Adopted and 2018 Endorsed 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

Seattle Public Utilities

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 Adopted 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 \$355,000 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 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 Adopted and 2018 Endorsed 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 1, 2017. The Council adopted rates with an increase of 7.2% in 2017, 1.9% in 2018, and 4.0% in 2019.

Seattle Public Utilities

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 Adopted 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.

City Council Changes to the Proposed Budget

The City Council modified the SPU budget in the following ways:

- transferred \$1,000,000 from the Watermain Rehabilitation CIP Project to the Bitter Lake Reservoir Covering CIP Project;
- increased funding for the Clean City Program--the citywide public garbage clean-up program--by adding \$60,000 in 2017 and \$60,000 in 2018; and
- removed 1.0 Digital Strategist position originally proposed in the 2017-2018 Proposed Budget.

Please see the Incremental Budget Changes and Council Changes sections below for more detail on each item.

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Incremental Budget Changes

Seattle Public Utilities

	2017		2018	
	Budget	FTE	Budget	FTE
Total 2016 Adopted Budget	\$ 1,023,537,320	1,460.05	\$ 1,023,537,320	1,460.05
Baseline Changes				
Adjustment for Information Technology Changes	-\$ 17,963,525	-108.00	-\$ 17,966,487	-108.00
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
Proposed Changes				
Regulatory Changes	\$ 354,780	0.00	\$ 360,144	0.00
Clean City Expansion	\$ 1,986,475	2.00	\$ 2,052,114	2.00

Seattle Public Utilities

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
Proposed Technical Changes				
Technical Adjustments	\$ 70,553,258	0.00	\$ 101,618,960	0.00
Council Changes				
Accelerate Bitter Lake Reservoir Covering Project	\$ 0	0.00	\$ 0	0.00
Increase Funding for Clean City Program	\$ 60,000	0.00	\$ 60,000	0.00
Remove Digital Strategist	-\$ 153,237	-1.00	-\$ 157,782	-1.00
Total Incremental Changes	\$ 70,621,303	-101.00	\$ 145,384,209	-101.00
2017 Adopted/2018 Endorsed Budget	\$ 1,094,158,623	1,359.05	\$ 1,168,921,529	1,359.05

Descriptions of Incremental Budget Changes

Baseline Changes

Adjustment for Information Technology Changes - (\$17,963,525)/(108.00) 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 - (\$1,348,990)

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)

Seattle Public Utilities

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

The Council altered this proposal in the adopted budget. Refer to the Council Phase Changes section below. The proposed budget description follows:

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.

Information Technology Investments - \$1,932,685/1.00 FTE

The Council altered this proposal in the adopted budget. Refer to the Council Phase Changes section below. The proposed budget description follows:

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.

Seattle Public Utilities

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 of \$2,061,000, taxes of \$7,500,000, debt service of \$8,494,000, and \$2,833,000 of miscellaneous technical changes.

Council Changes

Seattle Public Utilities

Accelerate Bitter Lake Reservoir Covering Project

This item accelerates \$1,000,000 in the Bitter Lake Reservoir Covering CIP Project, and delays the Watermain Rehabilitation CIP Project by the same amount over the 2017-2022 period. This accelerates \$250,000 in 2017 and \$250,000 in 2018 in the Reservoir Covering project and delays \$250,000 in 2017 and \$250,000 in 2018 for the Watermain Rehabilitation project. The remaining \$500,000 shift occurs in the 2019-2021 period for both CIP projects. Please see the 2017-2022 Adopted CIP for more details.

Increase Funding for Clean City Program - \$60,000

This item expands the Clean City program by \$60,000 in 2017 and \$60,000 in 2018 to increase the encampment bag program to serve additional encampment locations.

Remove Digital Strategist - (\$153,237)/(1.00) FTE

This item reduces SPU's 2017-2018 Proposed Budget by 1.0 FTE, \$153,237 in 2017 and \$157,782 in 2018. This funding was initially proposed to add a Digital Strategist position.

City Council Provisos

There are no Council provisos.

Seattle Public Utilities

Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
Drainage & Wastewater Utility					
Administration Budget Control					
Administration		1,552,240	19,296,673	12,922,523	13,364,541
General and Administrative Credit		0	-12,248,965	-11,600,414	-11,923,708
Total	N100B-DW	1,552,240	7,047,708	1,322,109	1,440,833
Combined Sewer Overflows Budget Control Level	C360B	60,736,249	56,597,377	37,290,884	39,482,646
Customer Service Budget Control Level	N300B-DW	8,002,537	9,649,850	10,498,664	10,758,098
Flooding, Sewer Back-up, and Landslides Budget Control Level	C380B	11,534,355	13,390,009	18,646,186	32,178,536
General Expense Budget Control					
Debt Service		0	52,991,823	63,679,631	73,251,121
Other General Expenses		265,549,393	171,164,501	199,388,021	204,670,535
Taxes		0	48,067,298	51,274,136	52,654,747
Total	N000B-DW	265,549,393	272,223,622	314,341,788	330,576,403
Other Operating Budget Control					
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
Total	N400B-DW	55,798,101	64,986,833	66,729,273	68,246,903
Protection of Beneficial Uses Budget Control Level	C333B	4,917,051	4,820,211	9,897,378	10,283,913
Rehabilitation Budget Control Level	C370B	14,759,126	19,758,185	29,774,678	36,603,112
Sediments Budget Control Level	C350B	3,346,542	4,761,538	6,854,789	6,552,998
Shared Cost Projects Budget Control Level	C410B-DW	18,839,478	17,845,078	23,446,404	33,004,611
Technology Budget Control Level	C510B-DW	6,730,712	12,796,754	11,185,051	6,161,485

Solid Waste Utility

Seattle Public Utilities

Administration Budget Control

Administration		3,761,497	7,761,293	5,984,704	6,075,861
General and Administrative Credit		0	-2,444,057	-1,492,226	-1,490,876
Total	N100B-SW	3,761,497	5,317,236	4,492,478	4,584,985

Customer Service Budget Control Level	N300B-SW	12,692,444	12,695,274	11,879,025	12,060,301
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General Expense Budget Control

Debt Service		0	16,508,007	16,376,671	16,306,288
Other General Expenses		142,807,178	117,083,681	123,338,864	127,360,361
Taxes		0	22,431,755	25,967,732	27,435,605
Total	N000B-SW	142,807,178	156,023,443	165,683,267	171,102,254

New Facilities Budget Control Level	C230B	46,659,697	30,551,733	7,823,757	19,672,816
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Other Operating Budget Control

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
Total	N400B-SW	15,790,318	18,446,615	23,731,196	24,292,015

Rehabilitation and Heavy Equipment Budget Control Level	C240B	9,539	430,000	400,000	120,000
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Shared Cost Projects Budget Control Level	C410B-SW	1,827,961	1,146,963	2,921,977	2,343,914
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Technology Budget Control Level	C510B-SW	5,200,533	7,234,937	5,864,014	2,750,610
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Water Utility

Administration Budget Control

Administration		7,481,273	20,396,225	14,802,695	15,197,278
General and Administrative Credit		0	-8,869,247	-7,198,867	-6,758,941
Total	N100B-WU	7,481,273	11,526,978	7,603,828	8,438,337

Customer Service Budget Control Level	N300B-WU	9,726,727	11,549,731	12,343,177	12,680,694
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Distribution Budget Control Level	C110B	19,808,547	21,514,429	28,295,498	27,895,207
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General Expense Budget Control

Seattle Public Utilities

Debt Service		0	85,534,987	83,472,461	85,612,088
Other General Expenses		154,661,716	26,608,339	33,674,599	34,555,663
Taxes		0	41,536,667	42,293,582	44,090,410
Total	N000B-WU	154,661,716	153,679,993	159,440,642	164,258,161
Habitat Conservation Program Budget Control Level	C160B	1,348,701	2,116,292	2,105,933	2,606,331
Other Operating Budget Control					
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
Total	N400B-WU	55,608,271	58,222,240	61,663,090	62,197,140
Shared Cost Projects Budget Control Level	C410B-WU	29,079,309	21,701,948	35,633,742	38,399,445
Technology Budget Control Level	C510B-WU	6,797,585	13,314,128	11,733,604	7,409,884
Transmission Budget Control Level	C120B	1,862,016	3,788,015	5,529,397	22,430,952
Water Quality & Treatment Budget Control Level	C140B	9,535,406	1,846,000	8,694,366	635,000
Water Resources Budget Control Level	C150B	14,879,061	7,713,200	8,265,947	8,776,459
Watershed Stewardship Budget Control Level	C130B	235,722	841,000	66,481	977,486
Department Total		991,539,286	1,023,537,320	1,094,158,623	1,168,921,529
Department Full-time Equivalent Total*		1,438.05	1,460.05	1,359.05	1,359.05

* 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

Revenue Overview

2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
408000	Capital Grants and Contributions (excluding donated assets)	5,083,609	1,506,000	1,815,257	1,382,322
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	GF - Various GIS & Eng Svcs (N4303)	1,473,026	1,500,730	1,815,122	1,844,221
543210	GIS (N2419)	348,959	157,619	0	0
543210	GIS CGDB Corporate Support (N2408 and N2418)	1,489,839	1,658,992	0	0
543210	Parks & Other City Depts. (N4405)	29,645	1,126,276	71,363	74,440
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
	Total Drainage and Wastewater Fund	450,206,130	466,985,560	501,556,642	537,879,310
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
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	8,465,612	8,565,669
587001	Tonnage Tax Transfer Fee - In City	4,113,258	4,038,849	0	0

Seattle Public Utilities

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
	Total Solid Waste Fund	233,904,341	223,757,369	225,297,366	222,114,099
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
	Total Water Fund	299,597,054	309,259,561	344,651,692	357,769,138
	Total Revenues	983,707,525	1,000,002,490	1,071,505,700	1,117,762,547
379100	Decrease (Increase) in Working Capital	1,559,654	16,891,605	28,430,562	37,410,228
	Total Drainage and Wastewater Fund	1,559,654	16,891,605	28,430,562	37,410,228
379100	Decrease (Increase) in Working Capital	-5,155,174	8,088,832	-2,501,651	14,812,795
	Total Solid Waste Fund	-5,155,174	8,088,832	-2,501,651	14,812,795
379100	Decrease (Increase) in Working Capital	11,427,280	-1,445,607	-3,275,988	-1,064,041
	Total Water Fund	11,427,280	-1,445,607	-3,275,988	-1,064,041
	Total Resources	991,539,285	1,023,537,320	1,094,158,623	1,168,921,529

Seattle Public Utilities

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
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Administration	1,552,240	19,296,673	12,922,523	13,364,541
General and Administrative Credit	0	-12,248,965	-11,600,414	-11,923,708
Total	1,552,240	7,047,708	1,322,109	1,440,833
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
Expenditures/FTE	Actual	Adopted	Adopted	Endorsed
Administration	1,552,240	19,296,673	12,922,523	13,364,541
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
Expenditures	Actual	Adopted	Adopted	Endorsed
General and Administrative Credit	0	-12,248,965	-11,600,414	-11,923,708

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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Combined Sewer Overflows	60,736,249	56,597,377	37,290,884	39,482,646
Total	60,736,249	56,597,377	37,290,884	39,482,646
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Customer Service	8,002,537	9,649,850	10,498,664	10,758,098
Total	8,002,537	9,649,850	10,498,664	10,758,098
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Flooding, Sewer Back-up, and Landslides	11,534,355	13,390,009	18,646,186	32,178,536
Total	11,534,355	13,390,009	18,646,186	32,178,536
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	Adopted	Endorsed
Debt Service	0	52,991,823	63,679,631	73,251,121
Other General Expenses	265,549,393	171,164,501	199,388,021	204,670,535
Taxes	0	48,067,298	51,274,136	52,654,747
Total	265,549,393	272,223,622	314,341,788	330,576,403
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	Adopted	Endorsed
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	Adopted	Endorsed
Other General Expenses	265,549,393	171,164,501	199,388,021	204,670,535
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	Adopted	Endorsed
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	Adopted	Endorsed
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
Total	55,798,101	64,986,833	66,729,273	68,246,903
Full-time Equivalents Total*	286.05	294.05	292.05	292.05

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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 Adopted	2018 Endorsed
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 Adopted	2018 Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Protection of Beneficial Uses	4,917,051	4,820,211	9,897,378	10,283,913
Total	4,917,051	4,820,211	9,897,378	10,283,913
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

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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.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Rehabilitation	14,759,126	19,758,185	29,774,678	36,603,112
Total	14,759,126	19,758,185	29,774,678	36,603,112
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

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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.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Sediments	3,346,542	4,761,538	6,854,789	6,552,998
Total	3,346,542	4,761,538	6,854,789	6,552,998
Full-time Equivalents Total*	7.00	7.00	7.00	7.00

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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	Adopted	Endorsed
Shared Cost Projects	18,839,478	17,845,078	23,446,404	33,004,611
Total	18,839,478	17,845,078	23,446,404	33,004,611
Full-time Equivalents Total*	39.00	39.00	39.00	39.00

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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	Adopted	Endorsed
Technology	6,730,712	12,796,754	11,185,051	6,161,485
Total	6,730,712	12,796,754	11,185,051	6,161,485
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	Adopted	Endorsed
Administration	3,761,497	7,761,293	5,984,704	6,075,861
General and Administrative Credit	0	-2,444,057	-1,492,226	-1,490,876
Total	3,761,497	5,317,236	4,492,478	4,584,985
Full-time Equivalents Total*	28.50	28.50	15.50	15.50

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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 Adopted	2018 Endorsed
Expenditures/FTE				
Administration	3,761,497	7,761,293	5,984,704	6,075,861
Full-time Equivalents Total	28.50	28.50	15.50	15.50

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 Adopted	2018 Endorsed
Expenditures				
General and Administrative Credit	0	-2,444,057	-1,492,226	-1,490,876

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 Adopted	2018 Endorsed
Program Expenditures				
Customer Service	12,692,444	12,695,274	11,879,025	12,060,301
Total	12,692,444	12,695,274	11,879,025	12,060,301
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 Adopted	2018 Endorsed
Program Expenditures				
Debt Service	0	16,508,007	16,376,671	16,306,288
Other General Expenses	142,807,178	117,083,681	123,338,864	127,360,361
Taxes	0	22,431,755	25,967,732	27,435,605
Total	142,807,178	156,023,443	165,683,267	171,102,254

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	Adopted	Endorsed
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	Adopted	Endorsed
Other General Expenses	142,807,178	117,083,681	123,338,864	127,360,361

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	Adopted	Endorsed
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	Adopted	Endorsed
New Facilities	46,659,697	30,551,733	7,823,757	19,672,816
Total	46,659,697	30,551,733	7,823,757	19,672,816
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	Adopted	Endorsed
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
Total	15,790,318	18,446,615	23,731,196	24,292,015
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 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
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 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	2016	2017	2018
Expenditures	Actual	Adopted	Adopted	Endorsed
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	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Rehabilitation and Heavy Equipment	9,539	430,000	400,000	120,000
Total	9,539	430,000	400,000	120,000

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	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Shared Cost Projects	1,827,961	1,146,963	2,921,977	2,343,914
Total	1,827,961	1,146,963	2,921,977	2,343,914

Seattle Public Utilities

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	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Technology	5,200,533	7,234,937	5,864,014	2,750,610
Total	5,200,533	7,234,937	5,864,014	2,750,610
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.*

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.

	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Administration	7,481,273	20,396,225	14,802,695	15,197,278
General and Administrative Credit	0	-8,869,247	-7,198,867	-6,758,941
Total	7,481,273	11,526,978	7,603,828	8,438,337
Full-time Equivalents Total*	98.10	99.10	61.10	61.10

** 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.

	2015	2016	2017	2018
Expenditures/FTE	Actual	Adopted	Adopted	Endorsed
Administration	7,481,273	20,396,225	14,802,695	15,197,278
Full-time Equivalents Total	98.10	99.10	61.10	61.10

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.

	2015	2016	2017	2018
Expenditures	Actual	Adopted	Adopted	Endorsed
General and Administrative Credit	0	-8,869,247	-7,198,867	-6,758,941

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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Customer Service	9,726,727	11,549,731	12,343,177	12,680,694
Total	9,726,727	11,549,731	12,343,177	12,680,694
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Distribution	19,808,547	21,514,429	28,295,498	27,895,207
Total	19,808,547	21,514,429	28,295,498	27,895,207
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Debt Service	0	85,534,987	83,472,461	85,612,088
Other General Expenses	154,661,716	26,608,339	33,674,599	34,555,663
Taxes	0	41,536,667	42,293,582	44,090,410
Total	154,661,716	153,679,993	159,440,642	164,258,161

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	Adopted	Endorsed
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	Adopted	Endorsed
Other General Expenses	154,661,716	26,608,339	33,674,599	34,555,663

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	Adopted	Endorsed
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	Adopted	Endorsed
Habitat Conservation Program	1,348,701	2,116,292	2,105,933	2,606,331
Total	1,348,701	2,116,292	2,105,933	2,606,331
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
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
Total	55,608,271	58,222,240	61,663,090	62,197,140
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.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
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.

Expenditures/FTE	2015 Actual	2016 Adopted	2017 Adopted	2018 Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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	Adopted	Endorsed
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Shared Cost Projects	29,079,309	21,701,948	35,633,742	38,399,445
Total	29,079,309	21,701,948	35,633,742	38,399,445
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Technology	6,797,585	13,314,128	11,733,604	7,409,884
Total	6,797,585	13,314,128	11,733,604	7,409,884
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.

Program Expenditures	2015	2016	2017	2018
	Actual	Adopted	Adopted	Endorsed
Transmission	1,862,016	3,788,015	5,529,397	22,430,952
Total	1,862,016	3,788,015	5,529,397	22,430,952
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
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Water Quality & Treatment	9,535,406	1,846,000	8,694,366	635,000
Total	9,535,406	1,846,000	8,694,366	635,000
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
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Water Resources	14,879,061	7,713,200	8,265,947	8,776,459
Total	14,879,061	7,713,200	8,265,947	8,776,459
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
Program Expenditures	Actual	Adopted	Adopted	Endorsed
Watershed Stewardship	235,722	841,000	66,481	977,486
Total	235,722	841,000	66,481	977,486
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 Adopted	2018 Endorsed
Operating Cash at End of Previous Year	101,299,000	82,658,000	100,918,000	86,893,000	68,208,949
Plus: Actual and Estimated Revenues	450,206,130	466,985,560	479,071,313	501,556,642	537,879,310
Less: Actual and Budgeted Expenditures	451,765,784	483,877,165	502,474,031	529,987,204	575,289,538
Plus: Accounting and Technical Adjustments	1,178,654	(13,266,395)	9,377,718	9,746,511	18,264,704
Ending Operating Cash	100,918,000	52,500,000	86,893,000	68,208,949	49,063,425
Planning Reserve	0	(4,102,843)	0	0	0
Ending Unreserved Operating Cash	100,918,000	48,397,157	86,893,000	68,208,949	49,063,425

Solid Waste Utility Fund (45010)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
Operating Cash at End of Previous Year	30,518,000	34,371,000	42,220,000	43,498,000	43,498,000
Plus: Actual and Estimated Revenues	233,904,341	223,757,369	224,600,174	225,297,366	222,114,099
Less: Actual and Budgeted Expenditures	228,749,167	231,846,201	240,865,015	222,795,712	236,926,888
Plus: Accounting and Technical Adjustments	6,546,826	4,768,832	17,542,841	(2,501,654)	(5,911,211)
Ending Operating Cash	42,220,000	31,051,000	43,498,000	43,498,000	22,774,000
Planning Reserve	0	(1,474,711)	0	0	0
Ending Unreserved Operating Cash	42,220,000	29,576,289	43,498,000	43,498,000	22,774,000

Seattle Public Utilities

Water Utility Fund (43000)

	2015 Actuals	2016 Adopted	2016 Revised	2017 Proposed	2018 Proposed
Operating Cash at End of Previous Year	43,516,000	25,293,000	42,116,000	27,000,000	27,000,000
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	341,375,705	356,705,096
Plus: Accounting and Technical Adjustments	(11,738,607)	7,374,668	(3,275,987)	(1,064,042)	(7,449,789)
Ending Operating Cash	42,116,000	15,000,000	27,000,000	27,000,000	27,000,000
Planning Reserve	(3,325,640)	(3,979,475)	0	0	0
Ending Unreserved Operating Cash	38,790,360	11,020,525	27,000,000	27,000,000	27,000,000