

Finance General

Beth Goldberg, Director

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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	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
General Fund Support	\$374,920,452	\$389,305,380	\$406,252,542	\$416,513,413
Total Operations	\$374,920,452	\$389,305,380	\$406,252,542	\$416,513,413
Total Appropriations	\$374,920,452	\$389,305,380	\$406,252,542	\$416,513,413
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 Personnel 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.

The 2014 Proposed Budget modifies existing programs to reflect different funding approaches, adds new programs to support outside organizations, and adjusts recurring appropriations with updated cost information.

Investments in Public Safety, Neighborhoods and Human Services

The 2014 Proposed Budget allocates funds to Finance General to serve several needs in the areas of public safety, neighborhoods and human services. For additional information in these items, please refer to the department-specific sections of the 2014 Proposed Budget materials.

Public Safety Investments - Finance General includes funds for the following public safety activities in 2014:

- Overhaul the Seattle Police Department's business intelligence systems and additional police overtime
- Enhance the Seattle Fire Department's Emergency Medical Services (EMS) program
- Replace the Office of Emergency Management's Emergency Notification Alert System

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Neighborhood Investments - Finance General includes funds to support the following neighborhood investments:

- Duwamish River area quality-of-life enhancements through partnership with the City (via Seattle Public Utilities), King County, the Port of Seattle and community stakeholders
- Contingency funding for a public restroom facility in Pioneer Square
- Repairs to the Moore and Egyptian historic theaters (Office for Arts and Culture)
- Enhanced outreach and coordination with housing providers in diverse communities to promote decent and safe housing for all. The Department of Planning and Development will oversee this funding which will focus on issues around unreinforced masonry buildings and the City's Rental Registration Inspection Ordinance program.

Human Service Investments

- Funding for the Interbay Housing Project serving homeless individuals with mental health and addiction issues
- Backfill for potential state and federal funding reductions to human services programs such as long-term care case management for seniors, or shower and restroom facilities for homeless individuals.

Strengthening Financial Management Capabilities

The 2014 Proposed Budget allocates funds to purchase a new budgeting system that will allow the City Budget Office and Legislative Department staff to more easily input, manage and access data for budget analysis, decision making and reporting. The existing budget systems are nearing the end of their useful life. Replacing the budget systems is the next step of a joint effort that began in 2013.

Supporting City Employees

The 2014 Proposed Budget establishes a \$1.5 million reserve to address gender pay inequities in the City workforce and other recommendations that may emerge from the Gender Equity Task Force. The City continues to promote equality and strive for just and equal treatment of all people, both in the provision of public services, as well as through City employment practices.

In 2013, the City modified its employee transit pass subsidy program, providing expanded coverage from one zone to multiple zones, while saving the City money by only paying for trips taken.

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Incremental Budget Changes

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	2014	
	Budget	FTE
Total 2014 Endorsed Budget	\$ 406,252,542	0.00
Baseline Changes		
Baseline Technical Adjustments	\$ 1,255,203	0.00
Proposed Changes		
Police Business Intelligence and Overtime Reserve	\$ 3,000,000	0.00
EMS Enhancements	\$ 1,000,000	0.00
Emergency Notification Alert System	\$ 345,000	0.00
Duwamish River Opportunity Fund	\$ 250,000	0.00
Pioneer Square Public Toilet	\$ 225,000	0.00
Interbay Housing Project	\$ 150,000	0.00
Human Services Funding Backfill	\$ 525,000	0.00
Historic Theater Improvement Support	\$ 155,000	0.00
Unreinforced Masonry & Rental Registration Inspection Ordinance Outreach	\$ 150,000	0.00
Budget System Implementation	\$ 500,000	0.00
Gender Wage Equity Reserve	\$ 1,500,000	0.00
Transit Pass Subsidy	-\$ 1,494,413	0.00
Pacific Place Garage General Fund Reduction	-\$ 2,031,760	0.00
Proposed Technical Changes		
Citywide Adjustments for Standard Cost Changes	\$ 5,997,501	0.00
Transfer budget to departments	-\$ 2,019,678	0.00
Updated Costs for Recurring Expenses	\$ 754,018	0.00
Total Incremental Changes	\$ 10,260,871	0.00
2014 Proposed Budget	\$ 416,513,413	0.00

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Descriptions of Incremental Budget Changes

Baseline Changes

Baseline Technical Adjustments - \$1,255,203

Baseline technical adjustments include updated cost estimates and budget corrections.

Proposed Changes

Police Business Intelligence and Overtime Reserve - \$3,000,000

This item reserves funding for the Seattle Police Department (SPD) to implement an enhanced information technology data collection and reporting system based the recommendations of the court-appointed Department of Justice Settlement Agreement monitor. In July 2013, the Seattle Police Department (SPD) hired a consultant to review existing SPD data systems, the Settlement Agreement and input from the monitor to recommend a data gathering and reporting information system. This 'Business Intelligence System' will enable SPD staff to access and interpret real-time data from various resources at multiple levels of the department. The City will hold the funding in Finance General until it determines final costs of the new system. SPD may also use this reserve to address unexpected increases in overtime use that may be needed to meet evolving public safety needs.

EMS Enhancements - \$1,000,000

Despite a growing reliance on the General Fund to support the City's Emergency Medical Services (EMS) program, the 2014 Proposed Budget establishes this reserve for the City to potentially use if it decides to add additional aid cars. This is in recognition of a growing demand for basic and advanced life-support services throughout the city, particularly the downtown and Northgate neighborhoods. The City will evaluate whether to add aid cars and how to deploy them in early 2014 based on workload drivers.

Emergency Notification Alert System - \$345,000

The 2014 Proposed Budget upgrades the City's current emergency notification and alert system. The service improvements will include:

- Easier and more efficient management of contact data
- Reduced risk of the system failing while emergency alerts are being distributed to the public
- An additional method to contact and coordinate first responders during emergencies

Duwamish River Opportunity Fund - \$250,000

The Duwamish River Opportunity Fund will enhance existing programs and or support new programs focused on addressing challenges faced by communities in the Duwamish River area. Supported programs may be run by the City or through partnership with other jurisdictions and community organizations. The community recently identified a broad set of challenges including environmental, economic and health issues that need to be addressed. This fund is one component of a broader City effort to improve the quality of life and restore the health of Duwamish River communities. The City partners with King County and the Port of Seattle in this effort. The specific process and criteria for the disbursement of these funds will be developed in early 2014.

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Pioneer Square Public Toilet - \$225,000

The lack of a safe, accessible public restroom facility has long been a concern in Pioneer Square. The Pioneer Square community worked with the City to locate a public restroom in the area. This contingency funding is for procuring and installing a public toilet in Pioneer Square patterned after the "Portland Loo" model. The community chose a site that has been approved by Seattle Department of Transportation and the Pioneer Square Preservation Board. City departments will be responsible for purchasing, transporting, and installing the public restroom. This is contingency funding in the event that private funding for this project does not materialize.

Interbay Housing Project - \$150,000

This action provides funding for operations for the Interbay Housing Project, which is a project serving more than 100 residents. This development will provide integrated housing and services for homeless individuals with mentally ill and drug and alcohol addictions. The City anticipates this funding, in conjunction with other resources the project has already secured from a variety of sources, will complete the funding requirements for this project.

Human Services Funding Backfill - \$525,000

The 2014 Proposed Budget reserves funding to backfill potential reductions in federal and state support for local critical human services programs. Specific backfill needs will be identified in 2014 and may include services such as long-term care case management for seniors, or shower and restroom facilities for homeless individuals.

Historic Theater Improvement Support - \$155,000

The 2014 Proposed Budget supports historic theater improvements for the Egyptian and Moore theaters. These landmark theaters have significant maintenance and repair issues and this funding will help preserve the facilities and allow for continued public access in future years.

Unreinforced Masonry & Rental Registration Inspection Ordinance Outreach - \$150,000

The 2014 Proposed Budget funds enhanced outreach and coordination with diverse communities on two housing related City Code changes. The City is in the process of developing seismic retrofit requirements for unreinforced masonry (URM) buildings, and also created a Rental Registration Inspection Ordinance (RRIO) program. These actions are designed to help ensure decent and safe housing for all. The Department of Planning and Development (DPD) oversees these rules and will provide outreach to impacted landlords and communities. This funding allows DPD to fund enhanced and targeted outreach and other activities for diverse communities that may require more tailored and culturally-specific interactions. DPD will work with community partners to allocate these funds.

Budget System Implementation - \$500,000

The 2014 Proposed Budget increases the Budget System Replacement Reserve to \$700,000 in Finance General and separately allocates approximately \$500,000 of existing bond funds for this project in 2014. This project will require an additional \$300,000 in 2015. This is a joint project of the City Budget Office and the Legislative Department which began in 2013. More detail on this project can be found in the City Budget Office section.

Gender Wage Equity Reserve - \$1,500,000

The 2014 Proposed Budget creates a reserve to fund recommendations that the Gender Equity In Pay Task Force will develop, including salary changes that may be necessary to ensure equal pay among City employees. Mayor McGinn convened the Gender Equity Task Force to assist the City in the area of gender equity in pay. See the Office of Civil Rights budget section for additional details on this issue.

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Transit Pass Subsidy - (\$1,494,413)

The City modified the transit pass program for City employees resulting in savings to the General Fund while providing an enhanced employee benefit. Under the old approach, the City paid for one-zone, unlimited trip passes. The City paid a fixed rate per pass regardless of how many trips were taken. Under the new approach, the City is only obligated to pay for trips actually taken. This provides an enhanced benefit because the pass will also cover two-zone trips and will save the City for not incurring costs for unused trips.

Pacific Place Garage General Fund Reduction - (\$2,031,760)

The Pacific Place Garage Fund is currently running a cash deficit. The 2013 Adopted and 2014 Endorsed budgets assumed the General Fund would provide funding to cover the operating shortfalls to keep the fund from creating a larger negative balance. In lieu of General Fund support, the 2014 Proposed Budget provides an increased loan to the Pacific Place Garage Fund. The loan will be repaid when the City sells the facility, pursuant to an option in the original financing agreement.

Proposed Technical Changes

Citywide Adjustments for Standard Cost Changes - \$5,997,501

Citywide technical adjustments reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the 2014 Endorsed Budget.

Transfer budget to departments - (\$2,019,678)

This action moves existing budget held in Finance General to department budgets, including the Office of Economic Development, Community Police Commission and the Seattle Police Department. Additional detail can be found in these department budget sections.

Updated Costs for Recurring Expenses - \$754,018

Updated cost projections include non-programmatic changes that reflect latest cost estimates for recurring expenses or different financing plans to fund ongoing services. Examples of adjustments include increases in funding to the City's Emergency Subfund to maintain target balances, reductions in debt service costs, and a partial shift in streetlight costs from the General Fund to the Cumulative Reserve Subfund.

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Expenditure Overview

Appropriations	Summit Code	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Appropriation to General Fund Subfunds and Special Funds Budget Control					
Arts Account		4,967,327	4,693,229	4,639,449	5,689,702
Cumulative Reserve Subfund - Capital Projects Account		500,000	500,000	500,000	400,000
Cumulative Reserve Subfund - Revenue Stabilization Account		9,715,000	4,058,000	4,226,000	4,292,950
Emergency Subfund		0	0	889,000	4,623,121
Finance and Administrative Services Fund		22,484,571	22,003,273	22,803,276	24,150,914
Garage Fund Loan Repayment		0	2,813,058	2,031,760	0
General Bond Interest/Redemption Fund		12,953,351	13,946,500	18,100,712	16,999,279
Information Technology Fund		4,149,718	4,609,011	4,977,292	3,974,939
Insurance		4,422,259	5,172,338	5,430,955	5,100,000
Judgment/Claims Subfund		1,191,062	632,690	755,901	755,901
Total	2QA00	60,383,288	58,428,099	64,354,345	65,986,806
Reserves Budget Control					
Budget System Reserve		0	200,000	200,000	700,000
Building Code Impact Support		0	0	0	150,000
Department of Justice Settlement Agreement Public Safety Reserve		127,822	4,587,500	4,591,200	5,821,522
District Energy Feasibility Study		0	175,000	0	0
Duwamish Opportunity Fund Support		0	0	0	250,000
Emergency Notification Alert System		0	0	0	345,000
EMS Enhancements		0	0	0	1,000,000
Fire Station 39 Housing Services		0	0	950,000	950,000
Gender Wage Equity Reserve		0	0	0	1,500,000
Get Engaged: City Boards and Commissions		31,960	32,696	33,416	33,416
Human Services Funding Backfill		0	0	0	525,000
Interbay Housing Project		0	0	0	150,000
License and Tax Portal Reserve		621,572	0	0	0
Neighborhood Business District Capital Projects		0	500,000	500,000	250,000
Paid Sick Leave Reserve		50,000	150,000	150,000	0
Police Patrol Reserve		0	1,000,000	0	0
Public Toilet Project		0	0	0	225,000
Recurring Reserve for Portable Art Rental		97,806	275,536	283,802	283,802

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and Maintenance

Recurring Reserve-Election Expense	1,225,000	950,000	700,000	700,000
Recurring Reserve-Fire Hydrants	6,996,110	7,531,213	8,142,525	8,142,525
Recurring Reserve-Industrial Insurance Pensions Payout	153,208	2,000,000	2,000,000	2,000,000
Recurring Reserve-Office of Professional Accountability Auditor	135,031	153,090	160,745	160,745
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Puget Sound Clean Air Agency	408,493	420,000	430,000	430,000
Recurring Reserve-Shooting Review Board Civilian	0	5,000	5,000	5,000
Recurring Reserve-State Examiner	660,264	750,000	768,750	768,750
Recurring Reserve-Street Lighting	11,334,712	12,363,223	11,486,259	9,686,259
Recurring Reserve-Transit Pass Subsidy	2,924,649	3,225,000	3,555,000	2,060,587
Recurring Reserve-Voter Registration	988,380	995,000	995,000	1,295,000
Retirement Benefit Study	134,497	0	0	0
Same-Sex Marriage Inequitable Tax Treatment Reserve	0	185,000	185,000	0
SDOT Efficiency Study	59,690	0	0	0
Seattle Arts and Culture Capital Award	12,000	0	0	0
Seattle Indian Services Commission	54,213	50,000	0	0
SODO Arena Proposal	0	1,000,000	0	0
Sound Transit - Sales Tax Offset	696,168	0	0	0
Tax Refund Interest Reserve	377,870	500,000	500,000	500,000
University of Washington Reserve	500,000	500,000	500,000	500,000
Wing Luke Museum	21,079	0	0	0
Yesler Terrace Project Support	0	150,000	0	0
Total	2QD00	27,730,523	37,818,258	36,256,696
Support to Operating Funds Budget Control				
Drainage and Wastewater Fund	1,193,307	1,139,072	1,166,569	1,213,287
Firefighters Pension Fund	18,874,972	18,272,657	18,060,245	18,047,538
Housing Operating Fund-Supp to Op Fund	39,472	0	0	0
Human Services Operating Fund	54,317,473	59,176,360	61,833,747	67,438,561
Library Fund	48,471,630	48,044,387	50,131,066	48,002,760
Low Income Housing Fund	46,462	0	0	0
Neighborhood Matching Subfund	2,779,022	2,891,284	2,966,138	3,529,677
Parks and Recreation Fund	80,553,584	85,229,626	90,654,698	89,013,950

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Planning and Development Fund		9,659,111	9,651,050	9,831,256	10,409,914
Police Relief and Pension Fund		20,187,236	18,987,071	18,557,893	20,716,054
Seattle Center Fund		12,747,002	12,966,348	13,463,862	13,177,592
Transportation Fund		37,937,369	36,701,169	38,976,028	40,424,670
Total	2QE00	286,806,640	293,059,023	305,641,501	311,974,002
Department Total		374,920,452	389,305,380	406,252,542	416,513,413

Department Full-time Equivalents Total*		0.00	0.00	0.00	0.00
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

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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.

Program Expenditures	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Arts Account	4,967,327	4,693,229	4,639,449	5,689,702
Cumulative Reserve Subfund - Capital Projects Account	500,000	500,000	500,000	400,000
Cumulative Reserve Subfund - Revenue Stabilization Account	9,715,000	4,058,000	4,226,000	4,292,950
Emergency Subfund	0	0	889,000	4,623,121
Finance and Administrative Services Fund	22,484,571	22,003,273	22,803,276	24,150,914
Garage Fund Loan Repayment	0	2,813,058	2,031,760	0
General Bond Interest/Redemption Fund	12,953,351	13,946,500	18,100,712	16,999,279
Information Technology Fund	4,149,718	4,609,011	4,977,292	3,974,939
Insurance	4,422,259	5,172,338	5,430,955	5,100,000
Judgment/Claims Subfund	1,191,062	632,690	755,901	755,901
Total	60,383,288	58,428,099	64,354,345	65,986,806

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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.

Program Expenditures	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Budget System Reserve	0	200,000	200,000	700,000
Building Code Impact Support	0	0	0	150,000
Department of Justice Settlement Agreement Public Safety Reserve	127,822	4,587,500	4,591,200	5,821,522
District Energy Feasibility Study	0	175,000	0	0
Duwamish Opportunity Fund Support	0	0	0	250,000
Emergency Notification Alert System	0	0	0	345,000
EMS Enhancements	0	0	0	1,000,000
Fire Station 39 Housing Services	0	0	950,000	950,000
Gender Wage Equity Reserve	0	0	0	1,500,000
Get Engaged: City Boards and Commissions	31,960	32,696	33,416	33,416
Human Services Funding Backfill	0	0	0	525,000
Interbay Housing Project	0	0	0	150,000
License and Tax Portal Reserve	621,572	0	0	0
Neighborhood Business District Capital Projects	0	500,000	500,000	250,000
Paid Sick Leave Reserve	50,000	150,000	150,000	0
Police Patrol Reserve	0	1,000,000	0	0
Public Toilet Project	0	0	0	225,000
Recurring Reserve for Portable Art Rental and Maintenance	97,806	275,536	283,802	283,802
Recurring Reserve-Election Expense	1,225,000	950,000	700,000	700,000
Recurring Reserve-Fire Hydrants	6,996,110	7,531,213	8,142,525	8,142,525
Recurring Reserve-Industrial Insurance Pensions Payout	153,208	2,000,000	2,000,000	2,000,000
Recurring Reserve-Office of Professional Accountability Auditor	135,031	153,090	160,745	160,745
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Puget Sound Clean Air Agency	408,493	420,000	430,000	430,000
Recurring Reserve-Shooting Review Board Civilian	0	5,000	5,000	5,000

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Recurring Reserve-State Examiner	660,264	750,000	768,750	768,750
Recurring Reserve-Street Lighting	11,334,712	12,363,223	11,486,259	9,686,259
Recurring Reserve-Transit Pass Subsidy	2,924,649	3,225,000	3,555,000	2,060,587
Recurring Reserve-Voter Registration	988,380	995,000	995,000	1,295,000
Retirement Benefit Study	134,497	0	0	0
Same-Sex Marriage Inequitable Tax Treatment Reserve	0	185,000	185,000	0
SDOT Efficiency Study	59,690	0	0	0
Seattle Arts and Culture Capital Award	12,000	0	0	0
Seattle Indian Services Commission	54,213	50,000	0	0
SODO Arena Proposal	0	1,000,000	0	0
Sound Transit - Sales Tax Offset	696,168	0	0	0
Tax Refund Interest Reserve	377,870	500,000	500,000	500,000
University of Washington Reserve	500,000	500,000	500,000	500,000
Wing Luke Museum	21,079	0	0	0
Yesler Terrace Project Support	0	150,000	0	0
Total	27,730,523	37,818,258	36,256,696	38,552,605

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.

Program Expenditures	2012 Actuals	2013 Adopted	2014 Endorsed	2014 Proposed
Drainage and Wastewater Fund	1,193,307	1,139,072	1,166,569	1,213,287
Firefighters Pension Fund	18,874,972	18,272,657	18,060,245	18,047,538
Housing Operating Fund-Supp to Op Fund	39,472	0	0	0
Human Services Operating Fund	54,317,473	59,176,360	61,833,747	67,438,561
Library Fund	48,471,630	48,044,387	50,131,066	48,002,760
Low Income Housing Fund	46,462	0	0	0
Neighborhood Matching Subfund	2,779,022	2,891,284	2,966,138	3,529,677
Parks and Recreation Fund	80,553,584	85,229,626	90,654,698	89,013,950
Planning and Development Fund	9,659,111	9,651,050	9,831,256	10,409,914
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Transportation Fund	37,937,369	36,701,169	38,976,028	40,424,670
Total	286,806,640	293,059,023	305,641,501	311,974,002