

# City Budget Office

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## Department Overview

The City Budget Office (CBO) is responsible for developing and monitoring the City's annual budget, carrying out budget-related functions, overseeing fiscal policy and financial planning activities, policy analysis, and preparing legislation for City Council review. CBO provides strategic analysis relating to the use of revenues, debt, long-term issues, and special events. The office also provides technical assistance, training, and support to City departments in performing financial functions. The Innovation and Performance team is also in CBO, supporting and advancing initiatives by using data and design to solve problems.

## Budget Snapshot

	2021 Actuals	2022 Adopted	2023 Proposed	2024 Proposed
<b>Department Support</b>				
General Fund Support	7,302,904	7,612,906	8,725,269	9,221,266
Other Funding - Operating	124,330	3,823,019	289,710	464,922
<b>Total Operations</b>	<b>7,427,233</b>	<b>11,435,925</b>	<b>9,014,979</b>	<b>9,686,187</b>
<b>Total Appropriations</b>	<b>7,427,233</b>	<b>11,435,925</b>	<b>9,014,979</b>	<b>9,686,187</b>
Full-Time Equivalents Total*	36.00	43.00	48.00	48.00

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

## Budget Overview

The 2023-2024 Proposed Budget for the City Budget Office (CBO) has several changes, including three technical items increasing for standard costs, adjusting for wage inflation, and backing out \$3.8 million in Coronavirus Local Fiscal Relief Fund (CLFR) work that was budgeted like grant funding, a one-time resource to be used over three years.

### Affordable Seattle Expansion

The proposed budget increases JumpStart Payroll Expense Tax (payroll tax) funding for the Affordable Seattle program, which includes the CiviForm application. Affordable Seattle reduces barriers for low-income residents to access programs such as utilities, childcare, transportation, and food. CiviForm is a common application across multiple departments that decreases the time and effort for residents and their trusted intermediaries (e.g., Community Based Organizations) to apply for City of Seattle programs. Affordable Seattle and the CiviForm application increase access to programs by translating applications into multiple languages, highlighting programs for which an applicant is eligible, automatically reusing information provided on one application to complete new applications, enables community-based organizations to submit applications on behalf of clients, and continuously gathering feedback from the people served to improve the tool and business processes. Investments for the

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Affordable Seattle Expansion are across three departments:

- Within CBO’s Innovation and Performance Team, this program adds payroll tax funding of \$100,000 for community outreach and \$189,000 to the City Budget Office Innovation & Performance Team to add one FTE Strategic Advisor, to manage the Affordable Seattle program, provide program analytics, lead the interdepartmental CiviForm feature roadmap, and drive internal business process improvements. One existing position currently funded with \$175,000 of CLFR funding will also be moved to payroll tax funding in 2024.
- In the Office of Economic Development’s (OED’s) budget, this program adds \$312,026 in ongoing funding backed by the payroll tax to OED’s Leadership and Administration BSL for two new positions to increase awareness and adoption of CiviForm including user testing, design, and working with Innovation & Performance and Seattle IT to prioritize feature roadmap based on community response.
- In the Information Technology Department (ITD), \$525,998 is included for ITD’s Applications Team to add three positions. Two Database Engineers will be dedicated to integrating CiviForm across technology platforms. One manager will be dedicated to overseeing the staff in ITD related to the program. The three current staff in ITD working on Affordable Seattle would also be moved from CLFR funding to payroll tax funding in 2024.

### Increased Capacity and Evaluation Staffing for the JumpStart Payroll Expense Tax Fund

With the creation of the JumpStart Payroll Expense Tax Fund, there has been an increased workload for CBO as the fund was implemented, requiring both program evaluation and monitoring, tracking and budgeting over \$300 million. This budget adds two staff to conduct evaluation of payroll tax programs required by the Seattle Municipal Code, as well as moves two existing staff to the payroll tax fund in 2024 to transition their evaluation work from CLFR programs to payroll tax programs. In addition to program evaluation workload, two additional staff are added for monitoring, tracking and budgeting this new resource. These two positions will provide fiscal and policy analyst capacity, as well as work with the increased data complexity in our budget and accounting systems.

## Incremental Budget Changes

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	Dollars	FTE
<b>2022 Adopted Budget</b>	<b>11,435,925</b>	<b>43.00</b>
<b>Baseline</b>		
Citywide Adjustments for Standard Cost Changes	70,309	-
Removal of One-Time Budget Adds	(3,823,019)	-
Ongoing Adjustment to Reflect the 2022 Annual Wage Increase	223,080	-
<b>Proposed Operating</b>		
Expansion of the Affordable Seattle Program	289,710	1.00
Increased Staffing Capacity with Creation of New Funds	309,550	2.00
Payroll Expense Tax Evaluation Staff and Capacity	509,424	2.00
Fund Evaluation Staff Transition to JumpStart Payroll Expense Tax Funding	-	-
<b>Total Incremental Changes</b>	<b>\$(2,420,946)</b>	<b>5.00</b>
<b>Total 2023 Proposed Budget</b>	<b>\$9,014,979</b>	<b>48.00</b>

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## Description of Incremental Budget Changes

### Baseline

#### **Citywide Adjustments for Standard Cost Changes**

Expenditures \$70,309

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including rates from the Department of Finance & Administrative Services, Seattle Information Technology Department, Seattle Department of Human Resources, and for healthcare, retirement, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Removal of One-Time Budget Adds**

Expenditures \$(3,823,019)

This item removes one-time federal funding added in the 2022 Adopted Budget, which for the City Budget Office is the removal of one-time Coronavirus Local Fiscal Recovery (CLFR) funding. These one-time resources provide support to CLFR activities such as reporting, monitoring and evaluation through 2024.

#### **Ongoing Adjustment to Reflect the 2022 Annual Wage Increase**

Expenditures \$223,080

This centrally administered change adjusts appropriations to reflect an annual wage increase in 2022, as outlined in the agreements between certain City unions, for personnel costs included in this department. These agreements were not finalized until after the 2022 budget had been adopted. This change includes ongoing cost increases to salary, FICA, Medicare, retirement, overtime and temporary labor. There is no increase assumed from 2022 to 2023.

### Proposed Operating

#### **Expansion of the Affordable Seattle Program**

Expenditures \$289,710

Position Allocation 1.00

This item increases funding for the Affordable Seattle program, which includes the CiviForm application. Affordable Seattle reduces barriers for low-income residents to access programs such as utilities, childcare, transportation, and food. CiviForm is a common application across multiple departments that decreases the time and effort for residents and their trusted intermediaries (e.g., Community Based Organizations) to apply for City of Seattle programs. Affordable Seattle and the CiviForm application increase access to programs by translating applications into multiple languages, highlighting programs for which an applicant is eligible, automatically reusing information provided on one application to complete new applications, enables community-based organizations to submit applications on behalf of clients, and continuously gathering feedback from the people served to improve the tool and business processes.

The City's 2023 Proposed Budget spends approximately \$294 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$33 million is allocated to investments promoting economic revitalization and workforce development. This item adds JumpStart Payroll Expense Tax funding of \$100,000 for community outreach, and \$189,000 to the City Budget Office Innovation & Performance Team to add one FTE Strategic Advisor, 3 positions to manage the Affordable Seattle program, provide program analytics, lead the interdepartmental CiviForm feature roadmap, and drive internal business process improvements. One existing position currently funded with \$175,000 of Coronavirus Local Fiscal Recovery funding will also be moved to JumpStart Payroll Expense Tax funding in 2024.

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### Increased Staffing Capacity with Creation of New Funds

Expenditures	\$309,550
Position Allocation	2.00

The City’s 2023 Proposed Budget spends approximately \$294 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$11 million is allocated to administration and evaluation. This item adds \$309,550 and 1 FTE Strategic Advisor, 2 and 1 FTE Management Systems Analyst funding to increase capacity within the City Budget Office. With the creation of the JumpStart Payroll Expense Tax Fund, as well as other funds in recent years, the complexity of budgeting has grown considerably, as each fund requires monitoring, balancing and tracking. The two additional staff will add fiscal and policy analyst capacity, as well as staff to work with the increased data complexity in our budget and accounting systems.

### Payroll Expense Tax Evaluation Staff and Capacity

Expenditures	\$509,424
Position Allocation	2.00

The City’s 2023 Proposed Budget spends approximately \$294 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$11 million is allocated to administration and evaluation. This item adds \$509,424 and two FTE Strategic Advisor, 2 evaluation advisors and services needed to conduct evaluation and reporting on the effectiveness of Payroll Expense Tax programs starting in 2023. This item also provides funding to increase administrative staffing capacity to support evaluation and administration in Innovation & Performance (IP) needed due to the increase in IP staffing related to Payroll Expense Tax.

### Fund Evaluation Staff Transition to JumpStart Payroll Expense Tax Funding

Expenditures	-
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This item provides \$350,000 in JumpStart Payroll Expense Tax (PET) funding for two FTE evaluation advisors starting in 2024. The evaluation advisors will shift from CLFR funding, to the PET fund to evaluate the effectiveness of Payroll Expense Tax programs.

## Expenditure Overview

	2021 Actuals	2022 Adopted	2023 Proposed	2024 Proposed
<b>Appropriations</b>				
<b>CBO - BO-CB-CZ000 - City Budget Office</b>				
00100 - General Fund	7,302,904	7,612,906	8,725,269	9,221,266
14000 - Coronavirus Local Fiscal Recovery Fund	124,330	3,823,019	-	-
14500 - Payroll Expense Tax	-	-	289,710	464,922
<b>Total for BSL: BO-CB-CZ000</b>	<b>7,427,233</b>	<b>11,435,925</b>	<b>9,014,979</b>	<b>9,686,187</b>
<b>Department Total</b>	<b>7,427,233</b>	<b>11,435,925</b>	<b>9,014,979</b>	<b>9,686,187</b>
<b>Department Full-Time Equivalents Total*</b>	<b>36.00</b>	<b>43.00</b>	<b>48.00</b>	<b>48.00</b>

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### Budget Summary by Fund City Budget Office

	2021 Actuals	2022 Adopted	2023 Proposed	2024 Proposed
00100 - General Fund	7,302,904	7,612,906	8,725,269	9,221,266
14000 - Coronavirus Local Fiscal Recovery Fund	124,330	3,823,019	-	-
14500 - Payroll Expense Tax	-	-	289,710	464,922
<b>Budget Totals for CBO</b>	<b>7,427,233</b>	<b>11,435,925</b>	<b>9,014,979</b>	<b>9,686,187</b>

### Appropriations by Budget Summary Level and Program

#### CBO - BO-CB-CZ000 - City Budget Office

The purpose of the City Budget Office Budget Summary Level is to develop and monitor the budget, carry out budget-related functions, oversee financial policies and plans, support and advance Citywide innovation and performance measurement, and provide financial and other strategic analysis.

<b>Program Expenditures</b>	<b>2021 Actuals</b>	<b>2022 Adopted</b>	<b>2023 Proposed</b>	<b>2024 Proposed</b>
City Budget Office	7,427,233	11,435,925	9,014,979	9,686,187
<b>Total</b>	<b>7,427,233</b>	<b>11,435,925</b>	<b>9,014,979</b>	<b>9,686,187</b>
Full-time Equivalents Total*	36.00	43.00	48.00	48.00

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