

CITY OF  
**Seattle, Washington**  
**2019-2020 Proposed Budget**



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**CITY OF SEATTLE**  
**2019-2020 Proposed Budget**

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**City of Seattle**  
**2019-2020 Proposed Budget**

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## Introduction

The City of Seattle and its more than 12,000 employees build and maintain infrastructure, provide utility service, support the needs of the city's residents, and create recreational, cultural, and other enriching opportunities. In providing excellent service, these employees use and maintain dozens of city-owned properties, a fleet of vehicles ranging from fire trucks to golf carts, and equipment and facilities necessary to complete the City's mission.

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

This book is designed to provide clear and accurate information on the budgetary process, estimated revenue streams, and a basic description of departmental needs and spending. The State of Washington allows cities to adopt biennial budgets. The City Council and Mayor adopted a budget for 2019-2020 in late 2018.

## City of Seattle Budget Process

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

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

### Budget Preparation

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

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

# Introduction & Budget Process

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

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

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

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

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

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



## Reader's Guide

This reader's guide describes the structure of the 2019-2020 Proposed Budget book and outlines its content. The budget book is designed to present budget information in an accessible and transparent manner – the way decision-makers consider the various proposals. It is designed to help residents, media, and City officials more easily understand and participate in the budget deliberations.

A companion document, the 2019-2024 Proposed Capital Improvement Program (CIP), identifies expenditures and fund sources associated with the development and rehabilitation of major City facilities, such as streets, parks, utilities, and buildings over the next six years. The CIP also shows the City's financial contribution to projects owned and operated by other jurisdictions or institutions. The CIP fulfills the budgeting and financial requirements of the Capital Facilities Element of Seattle's Comprehensive Plan by providing detailed information on the capacity impact of new and improved capital facilities.

The 2019-2020 Proposed Budget and 2019-2024 Proposed CIP can also be found online at the City Budget Office's webpage. In addition to PDF files containing the Proposed Budget and Proposed CIP, the site contains department-customized expenditures and revenues.

### The 2019-2020 Proposed Budget

This document is a description of the proposed spending plan for 2019-2020. It contains the following elements:

- **Proposed Budget Executive Summary** – A narrative describing the current economy, highlighting key factors relevant in developing the budget document, and how the document addresses the Mayor's priorities;
- **Summary Tables** – a set of tables that inventory and summarize expected revenues and spending for 2019-2020;
- **General Fund Revenue Overview** – a narrative describing the City's General Fund revenues, or those revenues available to support general government purposes, and the factors affecting the level of resources available to support City spending;
- **Selected Financial Policies** – a description of the policies that govern the City's approach to revenue estimation, debt management, expenditure projections, maintenance of fund balances, and other financial responsibilities;
- **Departmental Budgets** – City department-level descriptions of significant policy and program changes from the 2018 Adopted Budget, the services provided, and the spending levels proposed to attain these results;
- **Appendix** – an array of supporting documents including Cost Allocation, a summary of cost allocation factors for internal City services; a summary of position changes by department contained in the 2019-2020 Proposed Budget; and a glossary.

## Reader's Guide

### Departmental Budget Pages: A Closer Look

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

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

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

The cluster "Funds and Funding Sources" is comprised of sections that do not appear in the context of department chapters, including the General Fund Revenue Table, Cumulative Reserve Funds, Fiscal Reserve Funds, Community Development Block Grant Funding Source, and other administrative funds. A summary of the City's general obligation debt is also included in this section.

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

# Reader's Guide

## Budget Presentations

Most department-level budget presentations begin with information on how to contact the department. The department-level budget presentation then goes on to provide a general overview of the department's responsibilities and functions within City government, as well as a summary of the department's overall budget. A narrative description of the issues impacting the department's 2019-2020 Proposed Budget then follows. The next section of the department-level budget presentation provides a numerical and descriptive summary of all of the incremental budget changes included in the 2019-2020 Proposed Budget, along with a discussion of the anticipated operational and service-level changes that will result. The department-level budget presentation concludes with summary level tables that describe the department's overall expenditures and revenues by type as well as by budget control level and program. All department, budget control, and program level budget presentations include a table summarizing historical and adopted expenditures, as well as proposed appropriations for 2019-2020.

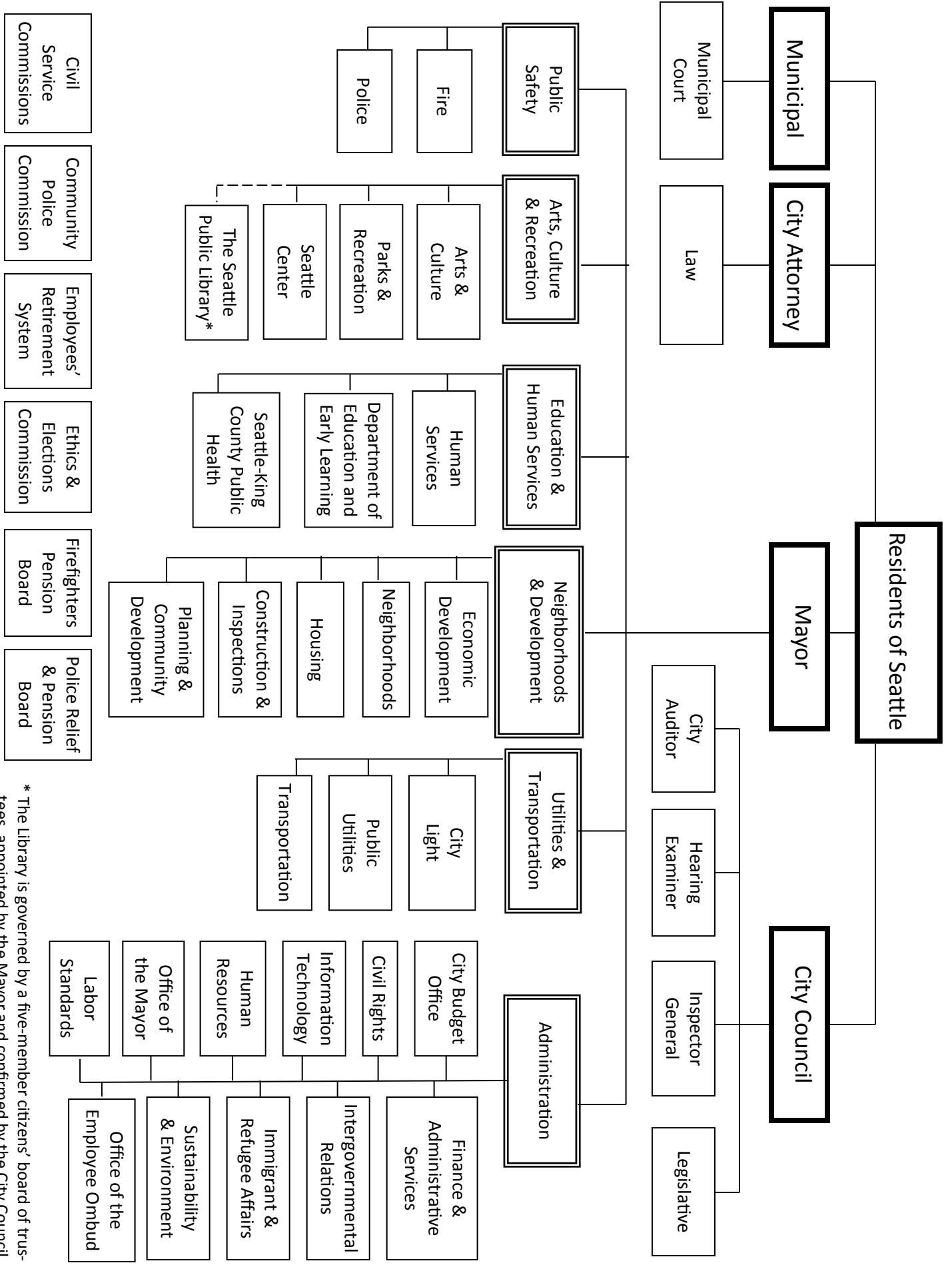
A list of all position changes proposed in the budget has been compiled in the appendix. Position modifications include eliminations, additions, reclassifications, and status changes (such as a change from part-time to full-time status), as well as adjustments to departmental head counts that result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

For information purposes only, an estimate of the number of staff positions to be funded under the 2019-2020 Proposed Budget appears in the departmental sections of the document at each of the three levels of detail: department, budget control, and program. These figures refer to regular, permanent staff positions (as opposed to temporary or intermittent positions) and are expressed in terms of full-time equivalent employees (FTEs). In addition to changes that occur as part of the budget document, changes may be authorized by the City Council or the Human Resources Director throughout the year, and these changes may not be reflected in the estimate of staff positions presented for 2017. These changes are summarized in the appendix.

Where relevant, departmental sections include a statement of projected revenues for the years 2018 through 2020.

Actual historical expenditures and fund tables are also usually displayed, but are not included in this budget. The City underwent a major accounting system and structure reorganization in 2018, making aligning current budget to 2017 actuals not meaningful in many budgets. Actuals and fund tables will be added back in the 2020 Proposed Budget.

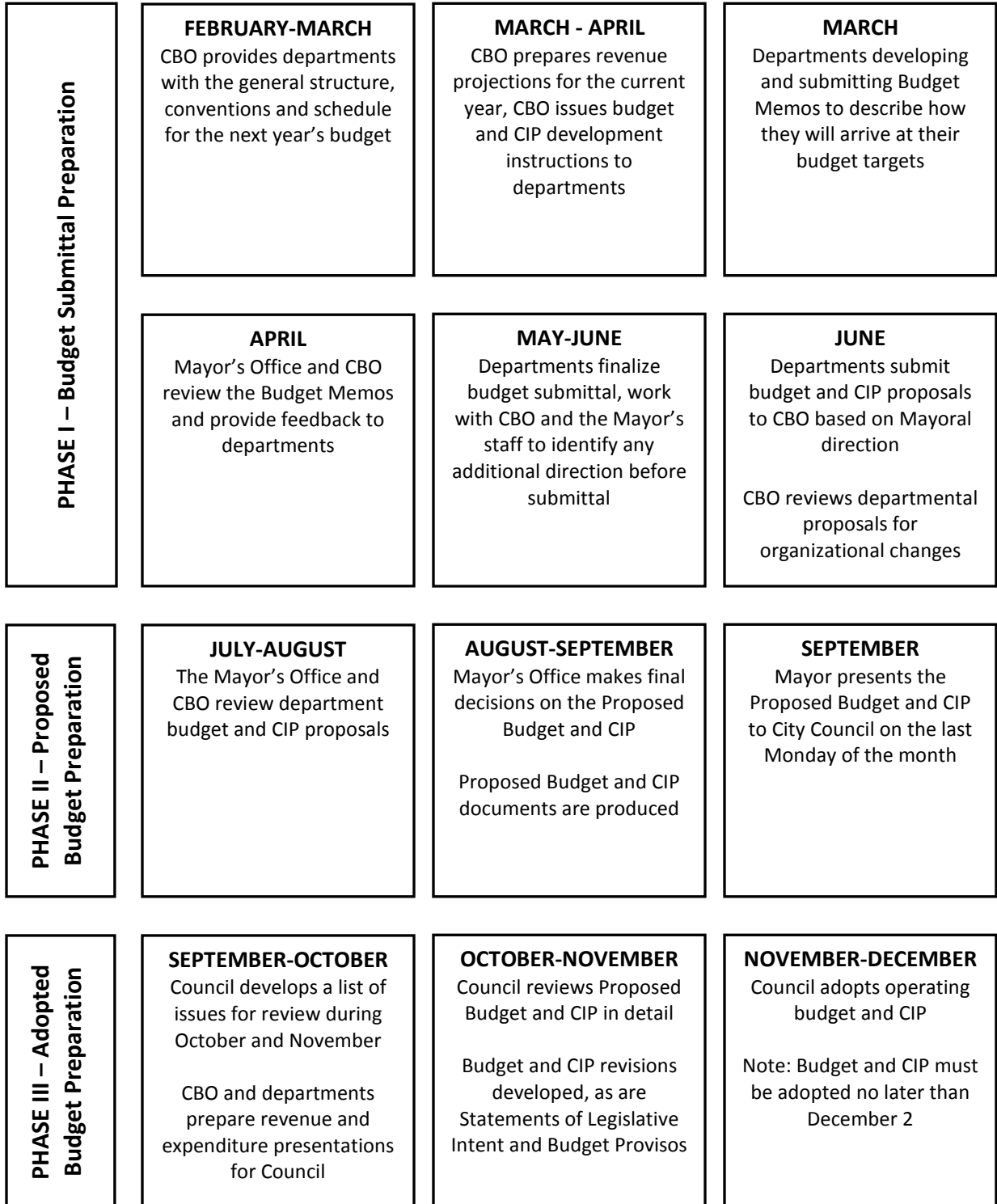




\* The Library is governed by a five-member citizens' board of trustees, appointed by the Mayor and confirmed by the City Council.



# Budget Process Diagram







## 2019-2020 Proposed Budget Executive Summary

### Introduction

The City of Seattle's 2019-2020 Proposed Budget is the first of Mayor Jenny A. Durkan's administration. The total proposed appropriations are approximately \$5.9 billion per year, including about \$1.3 billion in General Fund spending per year. The City operates on a biennial budget, with a two-year spending proposal developed every other year. Following a brief review of projected revenues, and a summary of the economic forecasts that underlie these projections, this section provides a high-level description of the proposed budget's key initiatives. As highlighted below, Seattle continues to enjoy a period of significant economic vitality and growth. This economic strength has helped grow City resources, but also created challenges in both managing the pace of growth and addressing the disparities in opportunity that have characterized recovery from the Great Recession at a national and regional level.

### Understanding the Local Economy and its Impact on City Revenues

The City's revenues are highly dependent on the health of the local economy. Growth in revenues from retail sales, Business and Occupation (B&O), property, and utility taxes are directly linked to increased economic activity in the city. Driven by expansions in the technology, online sales and construction sectors, Seattle has led the region's economic growth through the post-recession recovery that began in 2009. During that period, total employment in King and Snohomish County has grown by 25%, compared to just under 18% statewide, and 15% nationally.

Looking forward, our forecasts anticipate further growth in the local economy, but that the rate of growth will slow. The region's employment growth peaked in first of half 2016 and the pace of job growth has been gradually declining since then. With Amazon now searching for a second headquarters location and no indication that Boeing will significantly increase employment, there is no reason to anticipate a near-term return to the employment growth peaks in 2015 and 2016. In turn, without rapid growth in the demand for new homes and new office space, we anticipate that the City's booming construction sector will cool over the next few years. These expectations about local economic conditions are reinforced by the consensus forecasts for the performance of the overall national economy. The stimulus provided by federal tax cuts has increased Gross Domestic Product (GDP) growth in the first part of this year and is expected to boost growth somewhat in 2019. However, by 2020, most forecasters expect to see a slowing of growth at the national level as that stimulus effect wears off. This will be accompanied by an increased risk of recession.

Given the link between local economic conditions and City revenues, the revenue forecast for the upcoming 2019-2020 biennium mirrors the overall economic forecast. In particular, the growth for overall General Fund revenues is projected to be just 3.5% in 2019, if we set aside the impacts of the new short-term rental tax. With the local inflation rate now pushing past 3%, this implies that without the new short-term rental tax, there would be almost no net increase in the real purchasing power of the City's underlying tax revenues for 2019. For 2020, the forecast is comparable. We are anticipating a policy-driven increase in revenues from the county-wide Emergency Services Levy. However, if revenue growth were restricted to just economic-driven increases, General Fund revenues would increase by just 3.7%. These modest levels of growth highlight the budgetary challenges ahead. While there are clear

## Proposed Budget Executive Summary

pressures to increase City services on a number of fronts, the City's revenues are not likely to increase at a rate that will allow us to meet these demands for new services without reprioritizing current spending. Moreover, as highlighted in the section below, we face the very real risk that a downturn in the local economy will lead to declining revenues and force cuts in City spending. In this context, the proposed budget takes steps to reduce expenditures across the City and offers only modest expansion of the services that rely directly on General Fund resources.

### Building a Sustainable Budget

**Reducing Expenditures.** Recognizing that the City's tax and fee resources are vulnerable to the inevitable downturn in construction-related revenues or a more general economy-wide recession, the Mayor has developed the 2019-2020 Proposed Budget with goal of putting the City's finances on a long-term sustainable path. Rather than expanding City services beyond the level that can be reliably sustained by current revenues and projected growth, the Mayor has taken steps to reduce the resources spent in support of current services, while also identifying how existing revenue streams can be used to close the gap between the cost of sustaining current services and the revenues available in the upcoming biennium.

This has led to a centralized effort to reduce discretionary spending in areas including consultant contracts, City vehicles, and unnecessary positions, with an emphasis on long-standing vacancies. Annual spending on discretionary consultant contracts is targeted for a \$10.9 million reduction, with more than half of the reduction coming from Seattle City Light, and more than 156 positions will be abrogated over the 2019-2020 biennium.

Mayor Durkan has taken a two-pronged approach on reducing fleet costs. This month the Mayor issued an Executive Order imposing a moratorium on the acquisition of new sedans and directing the Department of Finance and Administrative Services (FAS) to complete an assessment of how the City can reduce its fleet of specialized vehicles, such as trucks and heavy machinery. The proposed budget also reduces individual department allocations for the purchase of fuel by a total of more than \$1 million Citywide. This reduction will better align budgeted resources to the actual spending seen in recent years. The push to reduce the size of the fleet and its use of fuel is driven not only by financial considerations, but also by the Mayor's commitment to addressing climate change and reducing the emissions associated with transportation.

**Prioritizing the Use of Available Funding Sources.** The push toward building a sustainable budget is not limited to the spending side. In developing the proposed budget, the City Budget Office (CBO) evaluated how the City's existing revenue streams might be directed to support activities that were funded for 2018, but for which ongoing, sustained funding had *not* been identified. For example, in 2017, the City's budget included authorization for \$30 million in long-term debt to finance an expansion of the City's investments in affordable housing. Funding was identified for repaying these bonds for the initial two-years of the obligation, but not the remaining 28 years. Additionally, as part of its final actions in approving the 2018 budget, the City Council authorized a \$4.3 million interfund loan to support additional ongoing spending on services for people experiencing homelessness. This loan was authorized in anticipation of adopting a new, dedicated revenue source. However, no new revenue source was ultimately approved. Recognizing that additional investments in the City's response to

## Proposed Budget Executive Summary

homelessness were indeed necessary, Mayor Durkan proposed, and Council authorized, the use of roughly \$10 million in one-time resources to support further spending in 2018.

To sustain these commitments in 2019, the budget needed additional resources. CBO identified a number of existing sources that can be used directly or indirectly to support these investments in the proposed budget:

*Sweetened Beverage Tax (SBT).* In 2018 the City began collection of an excise on the distribution of sugar-sweetened beverages. Original estimates projected total revenues of approximately \$15 million per year, with an expectation that these revenues could decline significantly over time. Based on actual receipts from the first half of this year and the trends observed in cities that have imposed such a tax for a longer time, these estimates have been increased to roughly \$21 million annually, and significant decline is no longer expected. The proposed budget maintains the spending planned under the original revenue estimates but directs roughly \$5 million of the previously unanticipated funding to support existing food distribution programs. Support of such programs is consistent with permissible uses of Sweetened Beverage Tax (SBT) revenues, which include access to healthy food. Using this new funding source to cover the costs of food distribution programs means that the General Fund resources now supporting these programs can be redirected to sustain other priorities, including the additional homelessness services funding described above. At the same time, the proposed budget will sustain funding for the programs now supported by SBT revenues, including the allocations of 2018 revenues recommended by the SBT Community Advisory Board. In addition, the proposed budget uses \$1.4 million per year of the newly forecast revenues to increase spending on programs consistent with the recommendations received from the SBT Community Advisory Board. This includes establishing a \$500,000 low-barrier “opportunity fund,” which will be awarded to community-driven projects designed to discourage the consumption of sugar-sweetened beverages.

*Short-term Rental Tax.* During the 2018 legislative session, the Washington State Legislature imposed a tax on short-term housing rentals, such as Airbnb and VRBO. Recent revenue estimates indicate that the City will receive about \$10.5 million per year from this source, considerably more than had been anticipated when the City first considered imposing such a tax itself. Per state law, this revenue stream can only be used to support equitable development or affordable housing. Consistent with Council’s policy direction regarding the use of these revenues, the proposed budget directs \$5 million of the new revenues to the City’s Equitable Development Initiative. The remaining resources are directed towards existing commitments for affordable housing, including more than \$3.5 million for permanent supportive housing, homelessness prevention services, and debt service on a portion of the \$30 million in long-term debt referenced above.

*Real Estate Excise Tax (REET).* The City imposes two 0.25% taxes, REET I and REET II, on all real estate transactions within Seattle. Per state law, the associated revenue can only be spent on capital projects, with slightly different restrictions limiting the types of capital projects that can be funded with each tax. Revenue projections indicate that total REET revenues will exceed \$80 million per year over the coming biennium. While these revenues cannot be directly used to support homelessness services or other General Fund operational costs, there are opportunities for indirect funding.

By investing REET dollars in the major maintenance activities at the Department of Parks and Recreation (Parks), now funded by the Seattle Metropolitan Park District (MPD), the City can repurpose the MPD dollars which had been committed to capital projects to instead fund Parks operations and maintenance

## Proposed Budget Executive Summary

(O&M). In turn, this reduces the General Fund resources need to support Parks and allows those General Fund dollars to pay for other priorities. The proposed budget allocates \$10 million in REET per year to Parks in this fashion, and thus effectively provides an additional \$10 million per year for other General Fund priorities.

REET revenues can be volatile and will decline during an economic downturn, as was experienced during the Great Recession. However, with annual REET revenues now expected to exceed \$80 million per year, this annual \$10 million will be sustainable going forward and will still allow the City to direct significant REET revenues toward other basic major maintenance and infrastructure needs.

Furthermore, sufficient resources are available not only to sustain current Parks operations, but also to significantly increase capital investments in recreational facilities across the City. As detailed later in this section, the proposed budget provides additional funding for facilities in a number of targeted areas, including Bitter Lake, Lake City, North Rainier, and South Park.

### **Sustaining and Expanding Funding for Those Most in Need**

The first funding priority for these newly identified resources was the continuation and expansion of services targeting the City's growing population of people experiencing homelessness. The City of Seattle is entering its fourth year in a state of emergency due to the homelessness crisis. The City's investments in homelessness services have increased over this period, but the number of people experiencing homelessness has continued to grow. In 2017, City departments spent approximately \$71.3 million directly addressing homelessness, with resources dedicated to shelters, sanctioned encampments, outreach, case workers, meals, sanitation and clean-up. The 2018 Adopted Budget included approximately \$77 million for homelessness investments across all City and added approximately \$10 million midyear for two new programs, the Seattle Rental Housing Assistance Pilot and the Path to 500 Bridge Housing Strategy. The Seattle Rental Housing Assistance Pilot focuses on preventing households from falling into homelessness while on the waitlist for longer-term assistance from the Seattle Housing Authority. The Path to 500 Bridge Housing Strategy will establish over 500 new shelter spaces – a 25% increase over 2017 City-supported shelter capacity. In addition, a one-time \$500,000 contribution from King County will allow the City to expand the Navigation Team, which helps match people experiencing homelessness with shelter and services. As described in greater detail immediately below, the 2019-2020 Proposed Budget sustains these new programs, continues existing programs which had one-time funding in the 2018 Adopted Budget, and adds several new programs, including a vehicular resident program and outreach services.

***Safer Spaces: Shelter and Encampments.*** In the summer of 2018, the Human Services Department (HSD) was supporting approximately 1,854 shelter beds. These include 681 “basic” beds, of which 52 are winter-only, and 1,109 “enhanced” beds, of which 64 are winter-only. The underlying goal of City investments in shelter spaces (and other homelessness service investments) is to move people to permanent housing. With case management services and extended hours, individuals have more success in accessing needed assistance to get out of homelessness in enhanced shelters. Performance results from the second quarter of 2018 demonstrate this: 21% of exits from enhanced shelter were to permanent housing while only 4% of exits from basic shelter were to permanent housing.

## Proposed Budget Executive Summary

HSD also invests in alternative shelter spaces, including sanctioned encampments and tiny home villages, as part of the City's unsheltered emergency response strategy. The City's Navigation Team and partner service providers report that these kinds of lower barrier options are in high demand by people who are living unsheltered. In the summer of 2018, there were approximately 272 tiny homes or tent spaces available in City-funded encampments, which can serve approximately 345 people at once.

The 2019-2020 Proposed Budget includes approximately \$9.3 million of additional ongoing funding to sustain services at 163 existing basic shelter spaces, for which ongoing funding was not identified in the 2018 budget, and over 500 new shelter beds and tiny homes at ten shelter sites and three new encampment sites. The majority of the new beds and tiny homes are enhanced with case management services and extended hours. In addition to new beds, there is also an incremental addition of \$460,000 in the proposed budget for contracted case management and behavioral health positions to enhance several of the City's sanctioned encampment sites.

***Vehicular Response.*** The 2019-2020 Proposed Budget includes \$250,000 each year for a new program to assist some of the nearly 2,300 vehicular residents who were counted in the 2018 Point-in-Time (PIT) Count. This incremental increase in funding will support a pilot overnight safe parking program, which will aid individuals living in vehicles who are largely self-sufficient and require a relatively low level of services.

***Navigation Team Transfer and Expansion.*** The Navigation Team is comprised of human services outreach workers paired with specially trained Seattle Police Department (SPD) personnel. The team works to connect unsheltered people to housing and critical resources, while helping address pervasive challenges around the issue of homelessness in Seattle. In 2017, the Navigation Team's first year of operations, the team made 1,842 unique contacts with people living unsheltered, and 64% accepted some kind of service. With the additional shelter and tiny house village capacity funded as part of the Path to 500 Bridge Housing Strategy, HSD anticipates that the Navigation Team will have continued success in referral acceptance.

In July 2018, the City's Navigation Team was transferred to the Human Services Department from the Department of Finance and Administrative Services (FAS). HSD, as the City department holding the vast majority of contracts with homelessness service providers, is well situated to ensure that the Navigation Team work is embedded into the entire network of services.

The 2019-2020 Proposed Budget annualizes the transfer of funding for the existing Navigation Team from FAS to HSD. In addition, the 2019-2020 Proposed Budget annualizes the expansion of the Navigation Team, which began in 2018 with a one-time \$500,000 contribution from King County. The goal of the Navigation Team expansion is to increase outreach to people living unsheltered and help to connect them with safer living alternatives such as the 500 new shelter beds and tiny houses.

The proposed budget also includes \$200,000 for additional neighborhood-based outreach to people experiencing homelessness. This funding will support three full-time outreach workers in Chinatown International District (CID)/Little Saigon, Capitol Hill, and First Hill, as part of the Downtown Seattle Association (DSA) homelessness outreach program. DSA's homeless outreach team meets unsheltered individuals where they are and provides case management to connect them with services, housing, treatment and employment options. Furthermore, the budget also sustains funding for the Court

## Proposed Budget Executive Summary

Resource Center (CRC) operated by the Seattle Municipal Court (SMC). The CRC provides on-site resources to court defendants, persons re-entering the community from either jail or prison, and individuals who are experiencing homelessness or at risk for homelessness.

### Protecting Other Vulnerable Residents

In recent years, the City's policy priorities have an increased emphasis on providing regulatory protections and direct resources in support of those who are at risk of being exploited in the workplace and/or who face threats from shifting national policy on immigration and deportation. For example, the City's Office of Labor Standards (OLS), which started as a small division with the Office for Civil Rights, now has a staff of 23 and a budget of more than \$5.6 million. These staff educate employees and employers about their rights and responsibilities under the City's workplace regulatory standards. OLS staff take the lead role in investigating and enforcing workplace standards. The proposed budget includes funding to sustain three new positions needed to effectively enforce existing regulations, as well as two additional staff to enforce the recently approved domestic worker protection ordinance. These additions will bring the total staff to 28, and the overall OLS budget to more than \$6.5 million per year. Funding is also proposed in the City Attorney's Office to hire an additional staff attorney to assist in policy development and enforcement for OLS.

Legal protections are also the focus of funding proposed for the Office of Immigrant and Refugee Affairs. In response to increased federal enforcement against immigrants, regardless of legal status, the City stands with King County to protect those in need. In 2017, the City provided \$1 million in one-time funding and the County added \$550,000 in one-time funds to create the Seattle-King County Immigrant Legal Defense Network (LDN) and provide free legal services to qualifying immigrants in Seattle and the County. The proposed budget continues the City's commitment to LDN, in partnership with King County. The City and County will contribute equally to the Network: \$795,000 in 2019 and \$810,000 in 2020, for a total of more than \$1.5 million per year. The City will continue to review its funding level to ensure its share of total funding matches the share of Seattle residents using LDN.

Increased protections for the City's own employees are also a focus of the proposed budget. Earlier this year, at Mayor Durkan's direction, the City formed an Anti-Harassment Inter-Department Team (AH IDT) to provide recommendations on training, reporting mechanisms, and personnel rules dealing with discrimination and workplace harassment. The proposed budget allocates funding to implement a number of its recommendations. This includes additional resources within the Seattle Department of Human Resources (SDHR) to centralize investigations of workplace harassment and develop appropriate mandatory trainings. The budget also includes funding to establish an Office of the Employee Ombud, another of the IDT's recommendations. The Ombud will be wholly independent of SDHR. The office will help employees who have experienced workplace harassment, or other comparable workplace issues, navigate the City's human resources and other processes for resolution.

### Investing in Equity

The Mayor's proposed budget also takes a proactive approach to investing in communities that have not shared in the prosperity experienced in many of the City's neighborhoods. The current boom in the

## Proposed Budget Executive Summary

local economy has both highlighted these disparities and placed the pressure of displacement on the residents of these traditionally affordable neighborhoods. To help these residents take a lead role in the shaping the future of their own communities, the budget takes advantage of the new tax on short-term rentals to expand the City's Equitable Development Initiative (EDI). EDI provides direct funding for community-led groups to pursue development projects designed to serve existing residents. Some involve developing facilities such as community centers, while others are focused more directly on economic opportunity and employment. To date, the EDI program has relied heavily on \$16 million in one-time funding. Under the proposed budget, EDI will now receive consistent funding of \$5 million per year, which will provide resources to directly fund specific projects and support the staff needed to implement what will now be a sustainable ongoing program.

Recognizing that parks and recreation facilities are examples of the basic public infrastructure that can also help build community, the proposed budget also includes new investments in neighborhoods that lack such facilities or where existing facilities have been neglected. This includes funding to support the future development of a community center in Lake City, additional resources to develop a land-banked site in North Rainier into a park, funding to support a comprehensive park site plan in South Park, and funding for a play area renovation in Bitter Lake.

However, neighborhood investments are not limited to recreational facilities or EDI. For example, the budget includes funding to support neighborhood-led planning efforts in the Chinatown/International District and continues ongoing funding in support of the Duwamish Valley Action Plan, which has been developed in conjunction with the South Park and Georgetown neighborhoods. The budget also includes funding to advance two significant civic projects that will provide benefits to all Seattle residents: the redevelopment of the Waterfront in alignment with the upcoming demolition of the Alaskan Way Viaduct, and the restoration of the Arena at Seattle Center. The latter will be funded by private dollars, but the proposed budget addresses the financial challenges that Seattle Center will face during the period of construction.

### **Continued Commitment to Public Safety**

The Mayor's proposed budget grows the City's considerable investments in basic public safety, including increased funding for both the Seattle Police Department (SPD) and the Seattle Fire Department (SFD). The proposed budget reserves the resources needed to meet the City's commitment under the tentative contract recently negotiated with the Seattle Police Officer's Guild (SPOG). At the time of this writing, the contract has not received final approval, but the budget anticipates that it will, and provides the funding needed both to make retroactive salary payments back to 2015 and to address personnel costs in 2019 and 2020. The proposed agreement marks a significant milestone in the overall efforts toward increased police accountability, as the new contract will allow the City to follow through with those elements of the accountability reforms that were subject to collective bargaining.

The budget also provides the resources needed to continue growth in the overall police force. Since 2014, the police force has grown by approximately 100 officers. To date, 2018 staffing has been steady, with the department challenged by a larger than anticipated number of separations and the difficulty of recruiting when pay had been frozen at 2014 levels. With the compensation increases provided in the proposed contract and a renewed focus on recruitment at SPD, the budget anticipates a shift back to net

## Proposed Budget Executive Summary

growth in the force and provides funding for a net addition of 40 officers over the next two years. The budget also provides the resources needed to expand non-sworn staff, and, most significantly, to implement a Community Service Officer (CSO) Program. Twelve CSOs, including two supervisors, will be brought on board to initiate the program, which will support the department's community-oriented policing and expand the outreach of current community engagement efforts. Finally, the proposed budget provides the resources needed for some essential technology upgrades, including replacement of SPD officers' in-car computer terminals and video systems.

Increasing recruitment is also a focus at the Seattle Fire Department. The focus is not on expanding the number of firefighters on duty at any given time, as all stations must be fully staffed 24/7, but rather to reduce the number of overtime hours needed to meet these fixed staffing levels. As the number of retirements at SFD has grown, so has the demand for overtime hours and current work loads are not sustainable. To ensure that available staffing will grow to a more sustainable level, the proposed budget includes funding for an additional recruit class in both 2019 and 2020. The department has recently retooled some of its recruitment and interview practices and anticipates that the additional hiring will provide an opportunity to increase firefighter diversity, in terms of both race and gender. Staffing additions are also proposed for the Fire Marshall's Office, where the City's construction boom has increased demand for the review of construction-related documents. The budget also addresses civilian staffing needs that SFD had related to ongoing management and oversight of payroll and firefighter scheduling.

### **Transportation – Managing Growth in the Near-Term and Building Capacity for Long-term**

The budget for the Seattle Department of Transportation (SDOT) reflects a renewed focus on the near-term challenges created by the region's booming economy and major upcoming changes to the City's transportation infrastructure. While construction activity is limiting roadway capacity downtown, and buses are being added to City streets as the Downtown Seattle Transit Tunnel shifts to exclusive light rail use, the Washington State Department of Transportation (WSDOT) is preparing to open the State Route 99 tunnel and demolish the Alaskan Way Viaduct. To help mitigate the anticipated impacts to mobility, the budget includes funding for expanded transit service, additional investments in technology such as traffic light timing and enhanced hours at the Transportation Operations Center, and increased staffing at the Project Construction and Coordination Office. The SDOT budget also takes a long-run view toward increasing capacity in the overall transportation network, with an emphasis on transit. In particular, funding is included for the City to prepare for Sound Transit's upcoming investments, including light rail service for West Seattle and Ballard. The budget also reflects a renewed focus on delivering the commitments made under the Move Seattle Transportation Levy, including basics such as paving, bridge maintenance, sidewalk repair, curb ramps and greenways.

### **Conclusion**

The balance between addressing near-term needs, while maintaining a vision for the City's longer-run future is not only reflected in SDOT's funding, but across the budget more generally. The focus on building a sustainable budget has led for a push toward efficiency and limited any significant expansion



## **Proposed Budget Executive Summary**

in City services. However, these short-term pressures have not precluded investments aimed at longer run returns that look toward the City's more distant future. For example, the proposed Families, Education, Preschool and Promise Plan Levy would make significant investments in the education of Seattle's next generation, funding programs from pre-K through college. At the same time, generational investments in capital projects such as the Seattle Waterfront and the Arena at the Seattle Center will move forward, setting the stage for the City's future growth and development.



## Race and Social Justice Initiative (RSJI)

### Introduction

This chapter provides background and context for [Race and Social Justice Initiative \(RSJI\)](#)-related budget additions throughout the 2019-2020 Proposed Budget.

RSJI is a Citywide effort to end institutionalized racism and race-based gaps in City government. A key component of achieving this goal is the examination of City policies, projects, initiatives and budget decisions to determine how each item impacts different demographic groups in Seattle. Launched in 2004, Seattle was the first U.S. city to undertake an effort that focused explicitly on institutional racism. Since then, King County, and other cities – including Minneapolis, Madison, and Portland – have all established their own equity initiatives. RSJI’s long-term goals are to change the underlying system that creates race-based disparities and to achieve racial equity, as well as to:

- End racial disparities within City government so there is fairness in hiring and promotions, greater opportunities in contracting, and equitable services to all residents;
- Strengthen outreach and public engagement, changing existing services using Race and Social Justice best practices, and improving immigrant and refugee access to City services; and
- Lead a collaborative, community-wide effort to eliminate racial inequity in education, criminal justice, environmental justice, health and economic success.

RSJI works to eliminate racial and social disparities across key indicators of success in Seattle, including: arts and culture, criminal justice, education, environment, equitable development, health, housing, jobs, and service equity.

### Mayoral Direction

Soon after her inauguration, Mayor Jenny A. Durkan signed an [Executive Order](#) reaffirming the City's commitment to RSJI and a focus to apply a racial equity lens on actions relating to: 1) affordability, 2) education, 3) criminal justice, 4) environmental justice, 5) transportation equity, 6) labor equity, 7) women and minority business contracting equity, 8) removing internal structural and institutional barriers for City employees, and 9) arts and culture equity. The Executive Order also charged the Mayor’s Office to oversee and coordinate a review of the City’s current implementation of the RSJI and directed department directors, personnel within the Mayor’s Office, as well as the Mayor herself, to participate in implicit bias training.

### Consideration of Race and Social Justice in the Mayor’s Office

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

## **Race and Social Justice Initiative (RSJI)**

Consistent with established practice since the launch of RSJI, all 2019 budget adjustments were screened for RSJ impacts. Departments used the City's Racial Equity Toolkit (RET) or other tools to assess direct and indirect results of their proposals, and this analysis was then utilized in the decision-making process within CBO and the Mayor's Office.

### **Race and Social Justice Impacts in the 2019 Proposed Budget**

This section highlights specific examples of RSJI considerations in the 2019-2020 Proposed Budget and budget decision-making processes.

#### **Seattle Fire Department Workforce Diversity and Professional Development**

The Seattle Fire Department (SFD) embraces the goal of full participation in the workplace by a diverse workforce. Toward that end, SFD will have a dedicated staff member who will help the department first identify areas of improvement in the recruitment of those from underrepresented groups and the professional development of group members at SFD, and then develop strategies that improve equity and help build a workforce that better reflects the City it serves.

The proposed budget also adds ongoing funding for the translation of key fire prevention documents. SFD will use the RSJ Toolkit or a similar analytical tool to prioritize the documents to be translated. The department anticipates translating five documents into five languages annually, for a total of 25 new translations beginning in 2019.

#### **Equitable Development Initiative (EDI)**

The Equitable Development Initiative is coordinated by the Office of Planning and Community Development (OPCD) and guided by an interdepartmental working group from the Office of Housing (OH), Department of Neighborhoods (DON), Office of Economic Development (OED), Mayor's Office (MO), and City Budget Office (CBO). It is also informed by an external community advisory board representing impacted communities. Under the existing funding structure, approximately \$15 million of one-time resource will pay for capital and capacity building grants that will be distributed to 15 projects over the next several years. The 2019-2020 Proposed Budget expands this commitment by providing \$5 million per year of ongoing support for EDI, including approximately \$1 million per year to fund the staff needed to implement what will now be a sustainable, long-term program. EDI staff is anticipating releasing another RFP in 2020, the specifics of which will be worked out during 2019 in partnership with community stakeholders. This process will be encapsulated into a formal equity analysis that will help distill priorities for the initiative.

#### **Domestic Workers Ordinance**

The proposed budget adds resources to support implementation of the Domestic Workers Ordinance which provides protections for domestic workers and establishes a domestic workers standards board. The ordinance also requires outreach and enforcement related to the new rights it extends to domestic workers. A portion of this investment will be utilized to design an outreach plan; engage in business and worker outreach, including meeting with new parent groups; respond to questions from the community; and design educational materials such as pamphlets, posters, and handouts in multiple

## **Race and Social Justice Initiative (RSJI)**

languages. Translation and interpretation support for board and stakeholder meetings will also be supported.

### **Housing Levy and Mandatory Housing Affordability Outreach, Engagement and Training**

To help the Office of Housing (OH) deliver on its capital investments, additional resources from the Housing Levy and Mandatory Housing Affordability will provide outreach and engagement efforts for the office's direct service programs, especially in underserved communities to better align with the City's Race and Social Justice Initiative (RSJI) and efforts to improve access to the City's services for those with limited English skills. In addition, funding will be provided for OH staff training with subject-matter experts on topics such as loan underwriting for affordable housing projects and creating housing-specific learning opportunities for RSJI.

### **Arts Equity**

The Office for Civil Rights and Office of Arts and Culture (ARTS) will partner and collaborate on racial equity arts and culture projects including RSJI Speaker Series, RSJI Summit and other special projects. The 2019-2020 Proposed Budget also deepens ARTS' commitment to protect and support cultural spaces throughout Seattle, particularly in communities experiencing high growth, unaffordability, and displacement. Since 2014, four Arts & Cultural Districts have been added (the Central Area, Uptown, Columbia City/Hillman City, and Capitol Hill) through a cooperative partnership across various City departments. These districts help to stabilize cultural communities in flux and increase affordable housing opportunities in the neighborhood. ARTS' Cultural Spaces program also brings equity to the current wave of property development. It has connected over 25 cultural organizations and developers to build incentives that have resulted in new and preserved cultural spaces. The proposed budget adds funding to bolster initiatives within the existing cultural districts to ensure their long-term impacts on the community.

### **Wheelchair Accessible Services Fund**

The Department of Finance & Administrative Services (FAS) administers the Wheelchair Accessible Services (WAS) fund. This fund distributes its proceeds to taxi and for-hire drivers to equip their vehicles for the ease and comfort of those requiring wheelchairs. The proposed budget adds support to review, process, coordinate, report and monitor the disbursement requests and payments of WAS funds as the number of reimbursements have increased since this fund was created in 2014.

### **Seattle Police Department Diverse Police Officer Recruitment and Hiring**

The budget supports the Seattle Police Department's ongoing efforts to recruit and hire quality, diverse police officers in 2019 and 2020 above current staffing levels. It is important to Chief Best and the Mayor to focus on building a department that represents the community it serves. Recognizing the importance of hiring diverse police officers, the proposed budget includes continued funding in support of robust recruiting efforts, initiated in the 2017 and 2018 Adopted budgets.

### **Sidewalk Accessibility and Safety**

As part of an Americans with Disabilities Act consent decree, the City will invest in constructing 1,250 curb ramps annually, increasing accessibility to sidewalks and streets. In addition to curb ramps, the

## **Race and Social Justice Initiative (RSJI)**

proposed budget includes funding to address sidewalk defects across the City, which will make the sidewalks safer and more accessible. The budget also adds funding for design and construction of pedestrian street lighting on S King Street under I-5 as a part of the S King St Neighborhood Greenway project in the Chinatown/International District.

### **Safe, Harassment-and Discrimination-Free Workplace**

In January 2018, Mayor Durkan launched a review of the City's harassment and discrimination policies. She convened an Anti-Harassment Inter-Departmental Team (AH IDT) that provided recommendations to transform the City's workplace culture to promote a safe, harassment- and discrimination-free workplace for all employees. The proposed budget will implement a central hub in the Seattle Department of Human Resources to coordinate employee investigations and develop a consistent approach to investigations across the City.

The proposed budget also establishes a budget for the new Office of the Employee Ombud (OEO), which supports individual employees in executive departments who are experiencing a workplace that conflicts with the City of Seattle's workplace expectations. The OEO provides independent, impartial, and informal navigation to City employees in executive departments through the City's processes related to harassment and discrimination. The OEO also provides recommendations to the Mayor and City Council on Citywide policies and procedures related to harassment, discrimination, and creating an inclusive workplace environment.

### **Expand South Park Late Night Hours**

This proposed budget enhances services at the South Park Community Center by adding ongoing Late-Night programming on Saturday evenings and adding public operating hours on Sundays. These expanded hours were piloted in the summer of 2018 based on strong community interest.

### **Dedicated Support for Departmentwide RSJI Efforts at Seattle Parks and Recreation**

The proposed budget funds a new Strategic Advisor 1 position to staff the Seattle Parks and Recreation Department's Race and Social Justice Initiative (RSJI) change team, support the RSJI Outcomes, Strategies, and Actions work plan, and contribute to other efforts build capacity for this work throughout the department.

### **Legal Assistance for Immigrants and Families**

The proposed budget maintains and strengthens legal assistance for Seattle and King County's immigrants and their families. The Legal Defense Network (LDN) began in the fall of 2017 as a response to the federal government's increasingly aggressive immigration-related actions, affecting immigrants regardless of legal status. The proposed budget increases the overall funding of this program and provides equal levels of ongoing funding by both the City and County, which includes increasing levels of funding for legal services for immigrants and refugees in its Veterans, Seniors and Human Services Levy (VSHSL) to run from 2019-2023.

## **Race and Social Justice Initiative (RSJI)**

### **Families, Education, Preschool and Promise Levy**

The Families, Education, Preschool, and Promise (FEPP) Levy will be presented to voters for approval on November 6, 2018. FEPP combines and continues the City's two previous education-related levies: 1) 2014 Seattle Preschool Services and 2) 2011 Families and Education Levies. The preschool, K-12, school health, and Seattle Promise investments contained in the package are intended to address opportunity gaps for historically underserved and highest need students, schools, and communities with a focus on college access and job readiness.

### **Expanded Nutrition, Food Access, and Education Programs**

The 2019-2020 Proposed Budget includes both continuation of the \$14 million added in 2018 and \$1.5 million of new and expanded programs to begin in 2019 supported by the Sweetened Beverage Tax. These include healthy food and beverage access programs, community-based meal providers and programs, community-based food, nutrition education and physical activity programs, birth-to-three services, and marketing campaigns led by community-based organizations, focused on people who have traditionally not had access to fresh, healthy food and access to early education services. The new and expanded programs in the 2019-2020 Proposed Budget include a Food Access Opportunity Fund, an expansion of the Fresh Bucks to Go program, physical activity incentives, and direct outreach support to connect difficult-to-reach populations with these important programs.

### **Facilitate Reentry and Coordinate with King County**

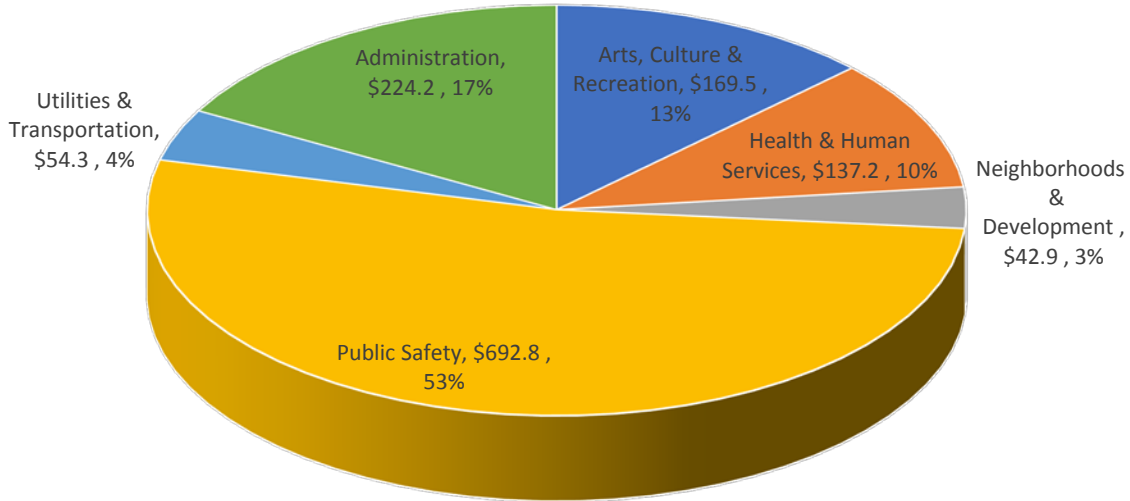
The budget includes \$250,000 to assess and pilot strategies to facilitate reentry and coordinate with King County. In 2015, the City Council passed [Resolution 31637](#), establishing a workgroup to strengthen the City's efforts to assist reentry, reduce recidivism, and alleviate the negative impact of incarceration on individuals, who are disproportionately people of color. The workgroup's final report is expected to be completed before the end of 2018. It is anticipated that the report will identify service gaps and potential new strategies and approaches to better facilitate reentry. Continuation of this work will require coordination and assessment of King County's existing portfolio of reentry services as well as deep alignment with multiple entities within the region's criminal justice system as the scope of this policy area reaches far beyond the direct authority of the City of Seattle. This funding will support further analysis and assessment of the region's approach and strategies for reentry, strengthen coordination and collaboration efforts with other criminal justice agencies, and pilot new and innovative strategies to help facilitate reentry for individuals with criminal history. The Mayor will work with the City Council to propose a spending plan in the first quarter of 2019 to appropriate these funds.



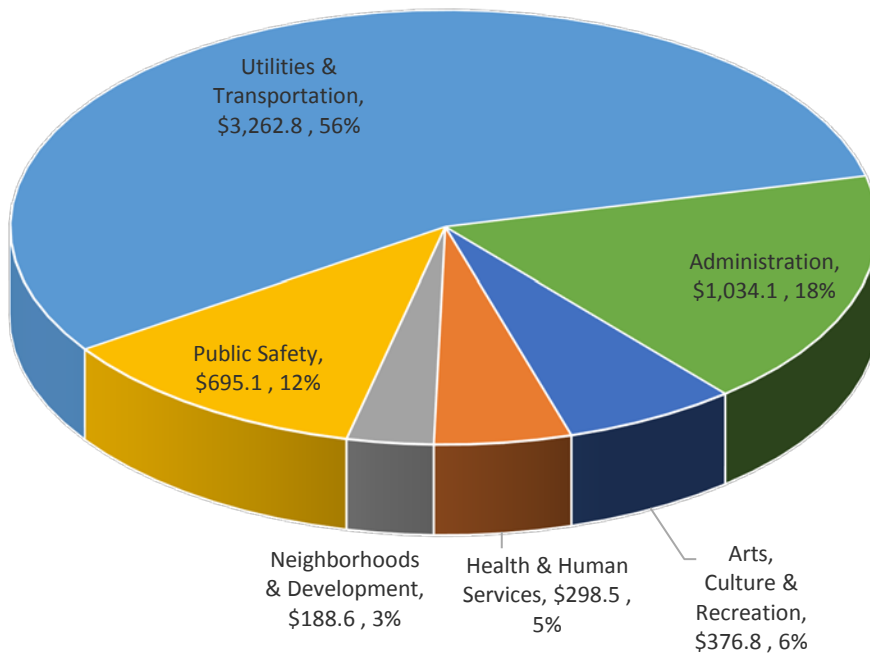


## Summary Charts and Tables

**2019 Proposed General Fund Appropriations - \$1.3 Billion**  
(in millions of dollars)



**2019 Proposed All Funds Appropriations - \$5.9 Billion**  
(in millions of dollars)





# EXPENDITURE SUMMARY

(In thousands of dollars)

Department	2018 Adopted*		2019 Proposed		2020 Proposed	
	General	Total	General	Total	General	Total
	Subfund	Funds	Subfund	Funds	Subfund	Funds
<b>Arts, Culture &amp; Recreation</b>						
Arts and Culture, Office of	-	13,766	-	14,682	-	14,710
Parks and Recreation, Department of	107,163	253,900	101,532	234,710	100,648	248,513
Seattle Center	12,732	50,759	13,038	49,160	13,020	46,423
The Seattle Public Library	53,912	81,305	54,966	78,210	55,042	63,365
<b>SubTotal</b>	<b>173,807</b>	<b>399,730</b>	<b>169,535</b>	<b>376,761</b>	<b>168,710</b>	<b>373,010</b>
<b>Health &amp; Human Services</b>						
Education and Early Learning, Department of	18,740	80,229	18,238	103,556	18,092	99,164
Human Services Department	103,554	176,513	118,997	194,922	120,910	195,993
<b>SubTotal</b>	<b>122,294</b>	<b>256,742</b>	<b>137,235</b>	<b>298,478</b>	<b>139,002</b>	<b>295,157</b>
<b>Neighborhoods &amp; Development</b>						
Construction and Inspections, Seattle Department of	6,709	85,062	6,449	83,136	6,538	84,041
Economic Development, Office of	10,875	10,875	10,867	10,867	10,438	10,438
Housing, Office of	469	69,048	576	69,133	555	69,149
Neighborhoods, Department of	12,542	12,542	13,198	13,198	12,837	12,837
Planning and Community Developmt, Office of	7,534	8,038	11,767	12,313	11,692	12,232
<b>SubTotal</b>	<b>38,129</b>	<b>185,566</b>	<b>42,857</b>	<b>188,648</b>	<b>42,060</b>	<b>188,696</b>
<b>Public Safety</b>						
Community Police Commission, Office of the	1,413	1,413	1,501	1,501	1,470	1,470
Seattle Fire Department	212,164	212,164	219,779	219,779	221,325	221,325
Firefighters Pension	18,840	20,747	19,079	20,688	19,059	21,168
Inspector General, Office of the	1,455	1,455	1,814	1,814	1,966	1,966
Law Department	29,064	29,064	30,430	30,430	30,065	30,065
Seattle Municipal Court	32,976	32,976	34,859	34,859	34,342	34,342
Seattle Police Department	331,322	331,322	363,366	363,366	357,212	357,212
Police Relief and Pension	21,771	22,545	21,937	22,712	21,937	22,711
<b>SubTotal</b>	<b>649,004</b>	<b>651,686</b>	<b>692,766</b>	<b>695,149</b>	<b>687,377</b>	<b>690,261</b>
<b>Utilities &amp; Transportation</b>						
Seattle City Light	-	1,409,511	-	1,374,524	-	1,421,575
Seattle Public Utilities	9,008	1,167,669	10,170	1,263,996	10,623	1,396,188
Seattle Streetcar	-	5,660	-	14,863	-	11,717
Transportation, Seattle Department of	41,904	481,092	44,161	609,406	45,283	679,105
<b>SubTotal</b>	<b>50,912</b>	<b>3,063,932</b>	<b>54,331</b>	<b>3,262,789</b>	<b>55,907</b>	<b>3,508,584</b>

Department	2018 Adopted*		2019 Proposed		2020 Proposed	
	General	Total	General	Total	General	Total
	Subfund	Funds	Subfund	Funds	Subfund	Funds
<b>Administration</b>						
City Auditor, Office of	2,633	2,633	2,613	2,613	2,614	2,614
City Budget Office	6,553	6,553	6,795	6,795	6,760	6,760
Civil Rights, Office for	5,093	5,093	4,677	4,677	4,663	4,663
Civil Service Commissions	487	487	493	493	492	492
Employees' Retirement System	-	19,231	-	20,948	-	20,766
Ethics and Elections Commission	759	1,467	1,011	6,467	1,026	1,740
Finance and Administrative Services	69,978	305,460	62,130	298,992	61,038	294,772
Finance General	86,096	86,096	77,505	77,505	82,441	82,441
Hearing Examiner, Office of	750	750	961	961	966	966
Human Resources, Seattle Department of	19,114	276,671	18,906	290,872	19,028	302,392
Immigrant and Refugee Affairs, Office of	3,212	3,212	5,056	5,056	4,902	4,902
Seattle Information Technology Department	20,666	253,008	3,149	277,811	3,168	258,511
Intergovernmental Relations, Office of	2,926	2,926	2,766	2,766	2,747	2,747
Labor Standards, Office of	5,698	5,698	6,599	6,599	6,657	6,657
Legislative Department	15,878	15,878	16,330	16,330	16,210	16,210
Mayor, Office of the	5,990	5,990	7,091	7,091	7,119	7,119
Sustainability and Environment, Office of	6,972	6,972	7,541	7,541	7,616	7,616
Office of Employee Ombud	-	-	564	564	562	562
<b>SubTotal</b>	<b>252,806</b>	<b>998,127</b>	<b>224,187</b>	<b>1,034,080</b>	<b>228,010</b>	<b>1,021,931</b>
<b>Grand Total**</b>	<b>1,286,951</b>	<b>5,555,783</b>	<b>1,320,911</b>	<b>5,855,906</b>	<b>1,321,066</b>	<b>6,077,639</b>

\*2018 Adopted revised in 2019-2020 project structure

\*\*Totals may not add up due to rounding

## General Fund Revenue Overview

### City Revenue Sources and Fund Accounting System

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

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

The City’s primary fund is the General Fund. The majority of resources for services typically associated with the City, such as police and fire or libraries and parks are received into and spent from one of two funds of the City’s general government operation: the General Fund for operating resources and the Cumulative Reserve Fund for capital resources.

All City revenue sources are directly or indirectly affected by the performance of the local, regional, national, and even international economies. For example, revenue collections from sales, business and occupation, and utility taxes, which together account for 56.7% of General Fund revenue, fluctuate significantly as economic conditions affecting personal income, construction, wholesale and retail sales, and other factors in the Puget Sound region change. The following sections describe the current outlook for the local and national economies, and present greater detail on forecasts for revenues supporting the General Fund and the Cumulative Reserve Fund.

### The National and Local Economies, September 2018

#### National Economic Conditions and Outlook

***Federal tax cuts and spending increases have boosted economic growth.*** The recovery from the Great Recession, the country’s worst economic downturn since the Great Depression, is now in its tenth year, making it the second longest expansion of the post-World War II period. It is also the weakest, with real

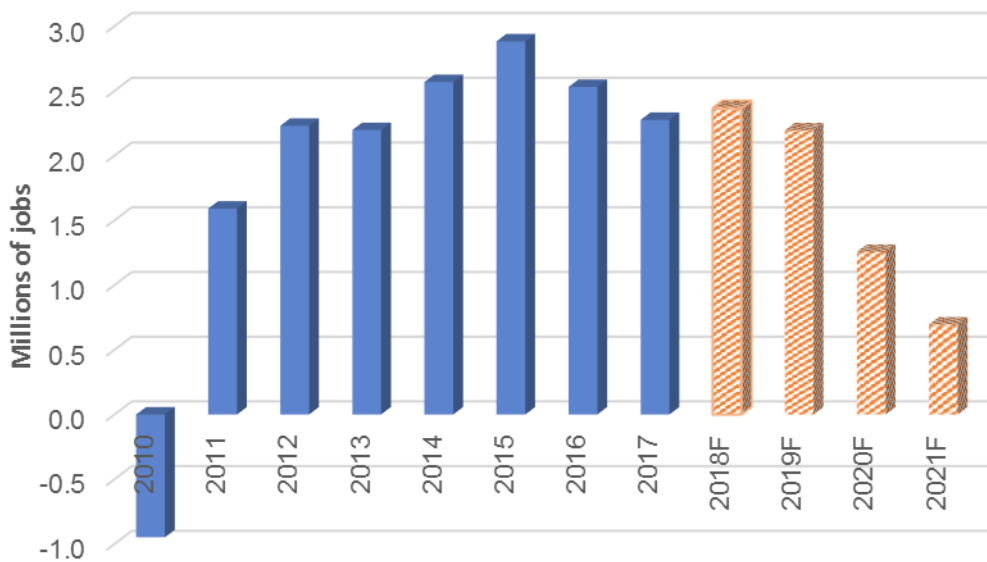
## Revenue Overview

gross domestic product (GDP) growth averaging 2.2% per year. However, the pace of growth has picked up in 2018 due to the stimulus from recent federal tax cuts and spending increases. In December 2017, Congress passed the Tax Cuts and Jobs Act, which reduces federal tax revenue from individual and corporate taxes by roughly \$1.5 trillion over ten years. In early 2018, Congress passed the Bipartisan Budget Act, which boosts federal spending in 2018 and 2019 by \$300 billion, an increase of about ten percent. Both the tax cuts and spending increase are deficit financed.

Real gross domestic product (GDP) increased at a 2.2% rate in the first quarter of 2018, but then picked up to 4.2% in the second quarter, to average 3.2% for the first half of the year. Second quarter growth was driven by gains in consumer spending, fixed investment, government spending, and net exports. The pick-up in growth is reflected in the job market. For the first seven months of 2018, employment has increased by an average of 215,000 jobs each month, up from 184,000 jobs per month for the same period in 2017. Over the course of the recovery, the unemployment rate has fallen from 10.0% in October 2009 to 3.9% in July 2018. Wage growth, which has been disappointing, is rising slowly. The Employment Cost Index, considered by many to be the best gauge of labor market inflation, increased by 2.8% on a year-over-year basis in second quarter 2018, the strongest reading since the third quarter of 2008. Consumer price inflation in the second quarter averaged 2.7%.

**The forecast calls for healthy growth through 2019, followed by a slowdown in 2020.** Forecasts of the U.S. economy expect GDP growth to remain above trend through the end of 2019, as the federal stimulus continues to boost the economy. However, 2020 will see a slowing of growth and a rising risk of recession. National forecaster IHS Markit predicts GDP growth will slow to 1.9% in 2020, while Moody's Economy.com expects a steeper drop to 0.9%. Recession risk rises in 2020 because the boost from the federal stimulus will be fading at the same time higher interest rates are restraining growth. The Federal Reserve has been raising short-term interest rates since December 2015. The Fed Funds Rate, which is currently 1.75% - 2.00%, is expected to rise to the 3.5% range in 2020.

**Figure 1. Annual Growth of U.S. Employment**



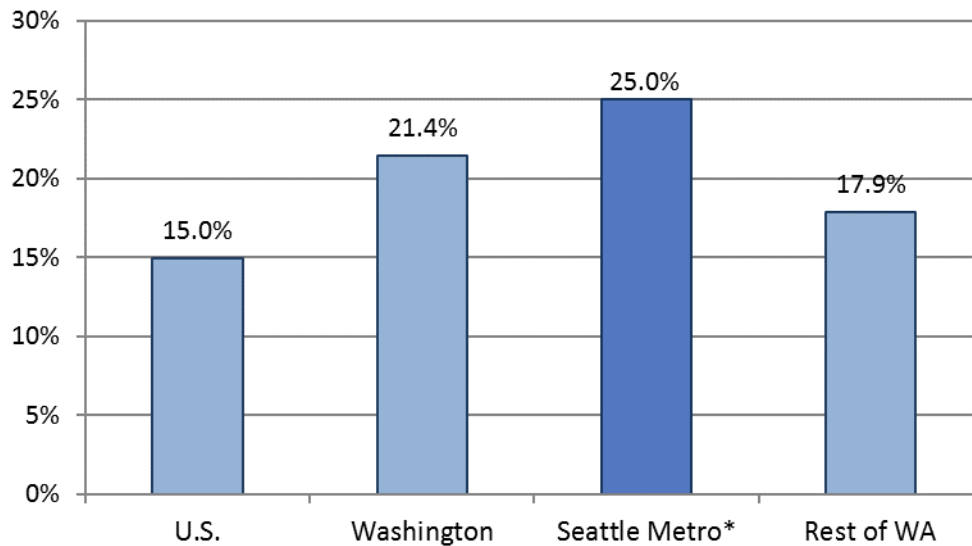
Source: U.S. Bureau of Labor Statistics, IHS Markit.

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## Seattle Metropolitan Area Economic Conditions and Outlook

**Despite a weak national recovery, the Seattle area economy has grown rapidly.** Since the Great Recession ended in June 2009, the region's economy has outperformed the national economy by a considerable margin. This is reflected in the region's robust job growth and low unemployment rate. Seattle Metro Area (King and Snohomish Counties) employment increased by 25.0% from its post-recession low in February 2010 through July 2018. This compares to a 15.0% gain for the U.S. and a 17.9% gain for the rest of Washington state (see Figure 2). In July 2018, the unemployment rate for the Seattle metro area was 3.6%, compared to 4.6% for Washington state and 3.9% for the U.S. The region has also outpaced the nation and the state in both income and wage growth during the recovery.

**Figure 2. Employment Growth: February 2010 to July 2018**



\*King & Snohomish Counties.

Source: WA Employment Security Dept., U.S. Bureau of Labor Statistics.

Although virtually all sectors of the economy have seen employment increase during the recovery, the principal driver of growth has been high-technology business. Foremost is Amazon, which has increased its Seattle area employment from less than 10,000 in 2010 to approximately 45,000 in early 2018. Both Google and Facebook have added more than 2,000 employees, and other Silicon Valley firms have opened or expanded Seattle area offices. In addition, local firms, including Microsoft, Tableau, and Zillow, have been growing, and new firms have emerged. Strong growth in the technology sector and other basic industries has spurred growth in construction, real estate, and business and professional services.

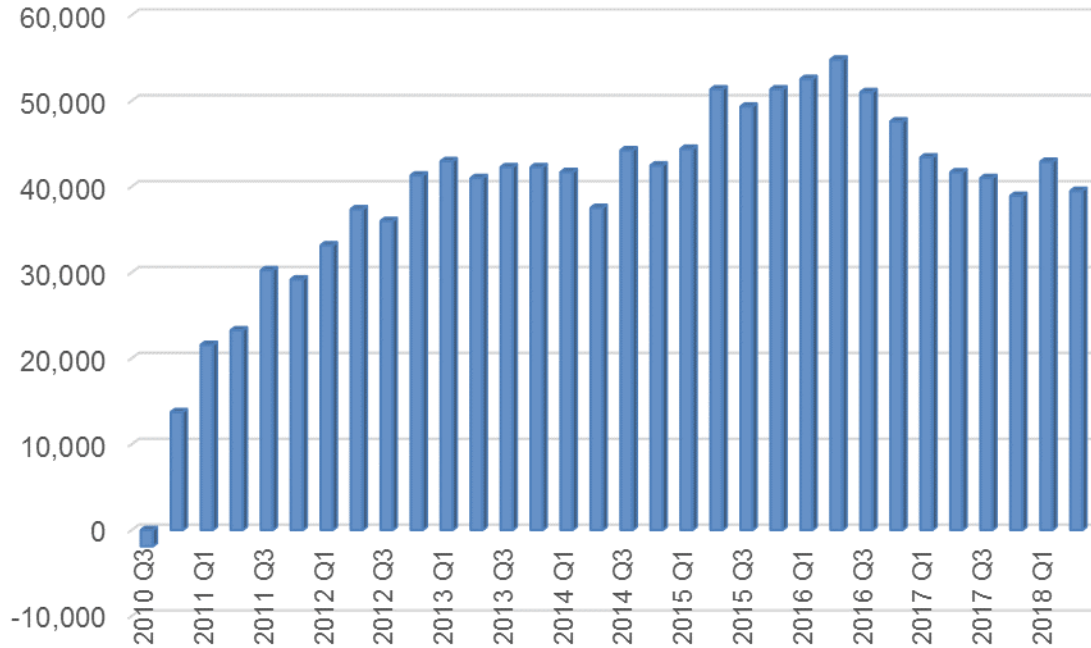
Strong employment growth has drawn workers and job seekers to the region, causing a surge in immigration. Between 2010 and 2018, the population of King and Snohomish Counties increased by 351,000. Slightly more than a third of that increase took place in Seattle. Strong population growth has stimulated employment in the local serving sectors of the economy, including retailing, eating and drinking places, and health care.

Employment growth peaked in the first half of 2016 and has been slowing gradually since then (see Figure 3). One cause of the slowing has been job reductions at Boeing. Between December 2015 and

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September 2017, Boeing reduced its Washington employment by 12,600. In addition, there are signs that Amazon’s pace of growth has cooled significantly in the past year.

**Figure 3. Seattle Metro Area\* Year-over-Year Employment Change**



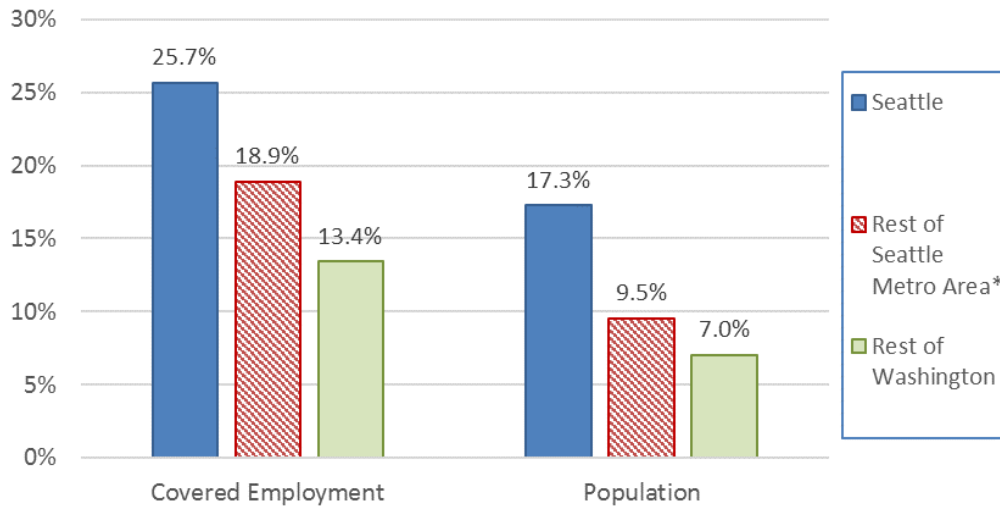
\*King and Snohomish Counties. Source: WA Employment Security Dept.

**Seattle has been home to an outsized share of metro area growth during the recovery.** Economic growth during the current recovery has been concentrated in the Seattle Metro Area, and within the metro area in the city of Seattle. The Seattle Metro Area (King and Snohomish Counties), with 50.2% of the state’s employment and 40.3% of the state’s population, accounted for 59.8% of state employment growth and 51.0% of state population growth between 2010 and 2017 (see Figure 4). During this period Seattle’s employment increased by 25.7%, compared to a 18.9% increase for the rest of the metro area and 13.4% for the rest of the state (i.e., outside of the metro area). Population growth was even more skewed toward Seattle, which saw a 17.3% increase from 2010 to 2017, nearly double the 9.5% rate for the rest of the metro area, and more than double the 7.0% rate for the rest of the state.



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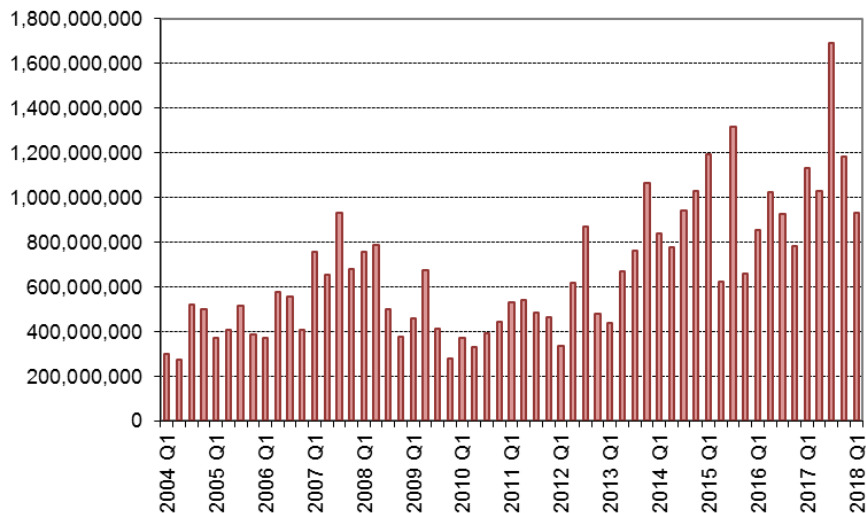
**Figure 4. Employment and Population Growth, 2010 - 2017**



\*King & Snohomish Counties less Seattle. Source: WA Employment Security Dept., WA Office of Financial Management, Puget Sound Regional Council.

Seattle’s strong rebound from the recession has been supported by the growth of Amazon, other technology businesses, and business and professional service firms. Employment growth at these businesses, along with the current popularity of in-city living, has boosted the demand for office space and housing in the city, spurring a construction boom. Initial construction was focused in new apartments and public construction, but over time activity has broadened to include more office projects and condominiums. In 2017, the City issued building permits valued at a record \$5.0 billion. The value of permits issued has dropped after peaking in the third quarter of 2017 (see Figure 5).

**Figure 5. Value of Building Permits Issued, Seattle**



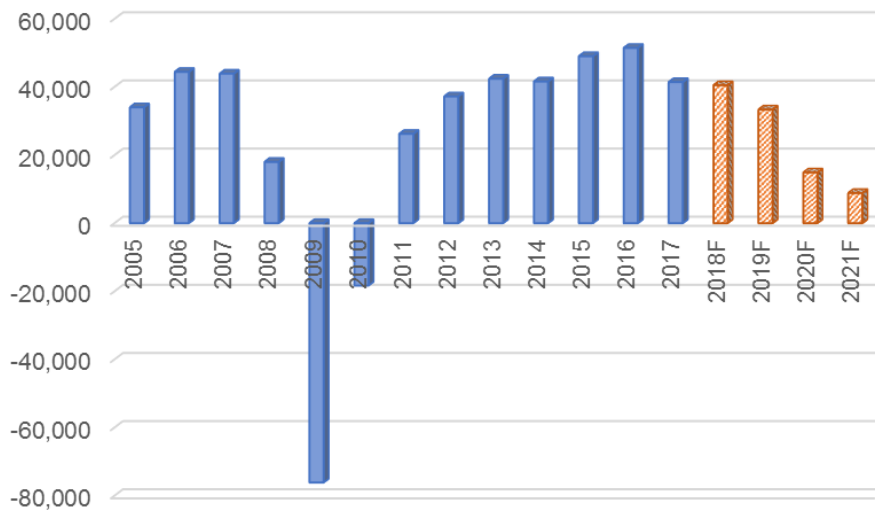
Source: Seattle Department of Construction and Inspections.

**The Seattle metro area’s economy is expected to slow.** The economic forecast for the metro area assumes that 2016 will be the peak year for employment and population growth during the current

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cycle, and that the slowing seen in 2017 will continue going forward (see Figure 6). The forecast assumes the region will continue to grow faster than the nation, but that the gap between regional and national growth will narrow as the recovery moves forward. The slowdown in 2018 and 2019 will be modest because of support from the federal fiscal stimulus. In 2020, the slowdown will accelerate as support from the stimulus wanes. Also contributing to the slowdown are the assumptions that Amazon's growth will slow and that there will be a modest construction downturn beginning in 2019.

**Figure 6. Annual Growth of Seattle Metro Area\* Employment**



\*King and Snohomish Counties. Source: WA ESD, City of Seattle Budget Office.

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

Sources of uncertainty in the local economy include the outlook for the current construction cycle as well as the fortunes of the region's technology sector, including major employers Boeing, Amazon, and Microsoft. Boeing set a production record in 2017 with 763 jets and has a healthy order book. Boeing employment, which had been declining gradually for five years, turned around in 2018 to post a modest increase for the first seven months of the year. As the nation's biggest exporter, Boeing is vulnerable to the federal government's expanding trade war.

Microsoft has been successful in shifting its focus from one-time sales of software licenses to providing cloud computing services and selling subscription services on the cloud. Microsoft has added over 6,000 employees since 2015. Amazon poses the greatest risk to the forecast. In the past year, Amazon has announced plans for a second headquarters and scaled back its local hiring.

A major source of risk and uncertainty for the City of Seattle is construction. Construction activity is highly cyclical, with periods of strong growth often followed by steep downturns. The city is currently well into a boom period, with the value of building permits issued having more than tripled since 2010.

## Consumer Price Inflation

***Inflation, which has been mild during the recovery, is rising.*** The Great Recession, the worst economic downturn in 80 years, pushed inflation into negative territory in 2009, the first time in 54 years that

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consumer prices had declined on an annual basis. During the subsequent recovery, inflation has remained subdued, with the U.S. Consumer Price Index for All Urban Consumers (CPI-U) averaging 1.7% per year over the period 2010-2017. During the past year inflation has picked up in part due to rising energy prices. For the 12-month period ending in July 2018, the U.S. CPI-U increased by 2.4%.

Local inflation tends to track national inflation because commodity prices and national economic conditions are key drivers of local prices. Significant local deviations from national inflation are typically due to differences in housing price inflation. Seattle inflation has generally tracked national inflation during the recovery, though Seattle inflation has been running higher recently due to the region's high housing price inflation. For the first half of 2018, the Seattle CPI-U has grown at a 3.3% rate, compared to 2.5% for the U.S. CPI-U. Housing inflation for this period was 5.1% for Seattle and 2.9% for the U.S.

Nationally Inflation is expected to average near 2.5% over the next several years, though it could deviate from this if energy or food prices rise or fall steeply. Seattle area inflation will continue to track higher than national inflation in the short-run, though the gap will narrow as the region's housing price inflation slows.

### ***Annual Wage Increase adjustments for City of Seattle employees are based on the Seattle CPI-W.***

Annually, the City of Seattle adjusts employee salaries for changes in the cost-of-living. Most wage adjustments are based on the Seattle CPI-W, which measures price changes for urban wage earners and clerical workers (the CPI-U measures price changes for all urban consumers). In recent years, some adjustments have been based on negotiated fixed rate increases. The two CPI measures that the City uses for annual wage increase adjustments are:

- June-to-June change in Seattle CPI-W
- Change in Seattle CPI-W averaged for 12 months ending in June

## City Revenues

The following sections describe forecasts for revenue supporting the City's primary operating fund, the General Fund, and its primary capital funds – the Cumulative Reserve Funds.

### **General Fund Revenue Forecast**

Expenses paid from the General Fund are supported primarily by taxes. As Figure 7 illustrates, the most significant revenue source is the property tax, which accounts for approximately 23%, followed by sales tax, the Business and Occupation (B&O) tax, and utility taxes.

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**Figure 7. 2019 Proposed General Fund Revenue Forecast by Source - \$1,385.6 Million**

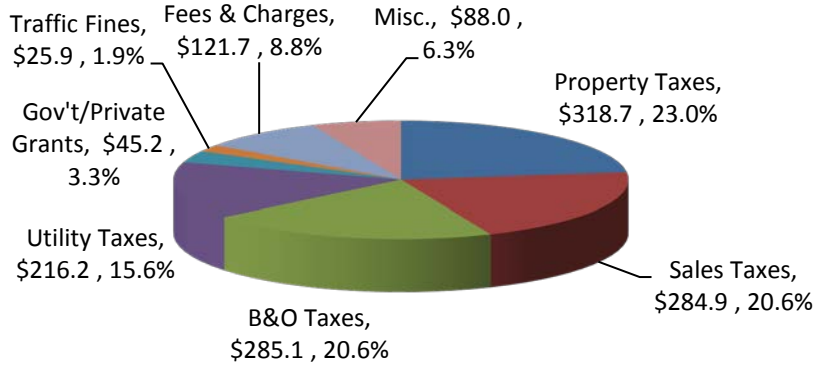
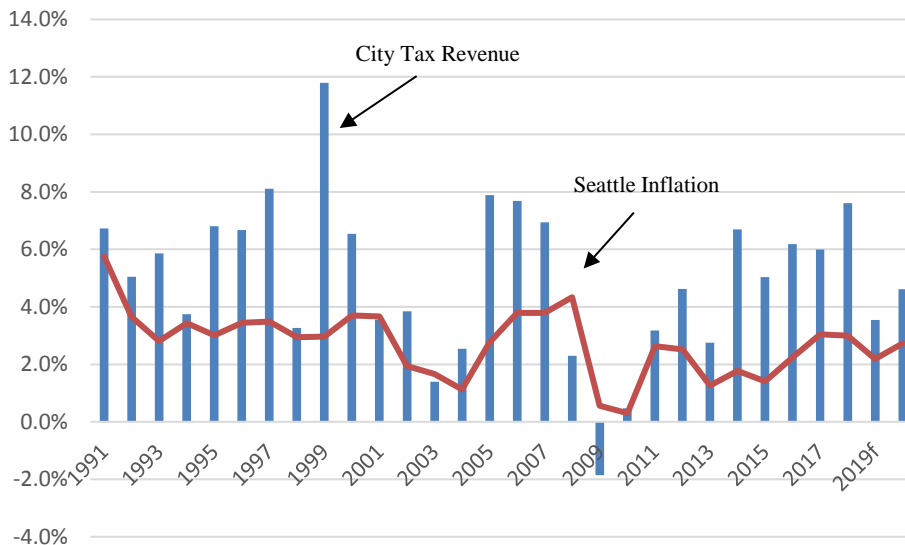


Figure 8 illustrates tax revenue growth continuing to outpace inflation for almost all of the economic expansion since the Global Financial Crisis. Inflation is forecast to be stable and low. Tax revenue growth is forecast to be positive and above inflation, with an average annual growth rate of over 5.3%, 2018 through 2020. Inflation for the same period will average 2.6%.

**Figure 8. City of Seattle Tax Revenue Growth, 1991-2020**



## Revenue Overview

**Figure 9. General Fund Revenue, 2017 – 2020\***  
(in thousands of dollars)

Revenue Source	2017 Actuals	2018 Adopted	2018 Revised	2019 Proposed	2020 Proposed
General Property Tax <sup>(1)</sup>	246,336	260,938	260,189	266,490	276,997
Property Tax - Medic One Levy	48,395	49,881	50,422	52,187	71,212
Retail Sales Tax	233,601	239,736	253,931	262,806	268,078
Retail Sales Tax - Criminal Justice Levy	19,434	20,045	21,232	22,058	22,500
B&O Tax (100%)	252,610	268,004	271,226	285,067	294,592
Utilities Business Tax - Telephone (100%)	20,640	21,094	21,193	20,133	19,482
Utilities Business Tax - City Light (100%)	53,460	54,724	55,711	58,010	60,148
Utilities Business Tax - SWU & private garbage (100%)	21,731	21,385	21,856	22,272	23,302
Utilities Business Tax - City Water (100%)	32,924	32,966	33,187	33,925	35,043
Utilities Business Tax - DWU (100%)	47,054	49,603	47,059	51,115	55,420
Utilities Business Tax - Natural Gas (100%)	12,575	12,546	12,120	13,268	13,630
Utilities Business Tax - Other Private (100%)	19,221	20,026	17,722	17,481	17,020
Admission Tax	11,573	10,465	11,315	11,302	11,661
Other Tax <sup>(2)</sup>	12,332	28,412	33,245	44,125	44,855
<b>Total Taxes</b>	<b>1,031,887</b>	<b>1,089,823</b>	<b>1,110,407</b>	<b>1,160,239</b>	<b>1,213,940</b>
Licenses and Permits	28,540	34,110	34,641	37,969	38,483
Parking Meters/Meter Hoods	42,374	43,982	43,473	45,118	44,599
Court Fines (100%)	26,258	27,915	25,984	25,864	25,793
Interest Income	4,286	6,135	6,947	8,857	9,612
Revenue from Other Public Entities <sup>(3)</sup>	44,084	35,404	41,623	45,186	44,601
Service Charges & Reimbursements	32,113	30,495	30,832	38,659	38,997
<b>Total: Revenue and Other Financing Sources</b>	<b>1,209,540</b>	<b>1,267,864</b>	<b>1,293,906</b>	<b>1,361,891</b>	<b>1,416,025</b>
All Else	4,162	3,829	3,828	5,132	5,213
Interfund Transfers	5,586	7,792	8,049	18,557	3,491
<b>Total, General Fund</b>	<b>1,219,288</b>	<b>1,279,485</b>	<b>1,305,784</b>	<b>1,385,580</b>	<b>1,424,728</b>

**NOTES:**

- (1) Includes property tax levied for the Firemen's Pension Fund per RCW 41.16.060.
- (2) Other Tax includes the new Sweetened Beverage Tax and Short-term Rental Tax.
- (3) Included in 2017 Actual figures are the pass-through revenues that are not appropriated in adopted budgets.

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\* In the past, 10% of certain tax and fee revenues were shown as revenue to the Parks and Recreation Fund and 90% as General Fund. As of 2009, 100% of these revenues (depicted as "100%" in the table) are deposited into the General Fund. General Fund support to the Department of Parks and Recreation is well above the value of 10% of these revenues.

# Revenue Overview

## Property Tax

Property tax is levied primarily on real property owned by individuals and businesses. Real property consists of land and permanent structures, such as houses, offices, and other buildings. In addition, property tax is levied on various types of personal property, primarily business machinery and equipment. Under Washington State law, property taxes are levied by governmental jurisdictions in accordance with annual growth and total rate limitations.

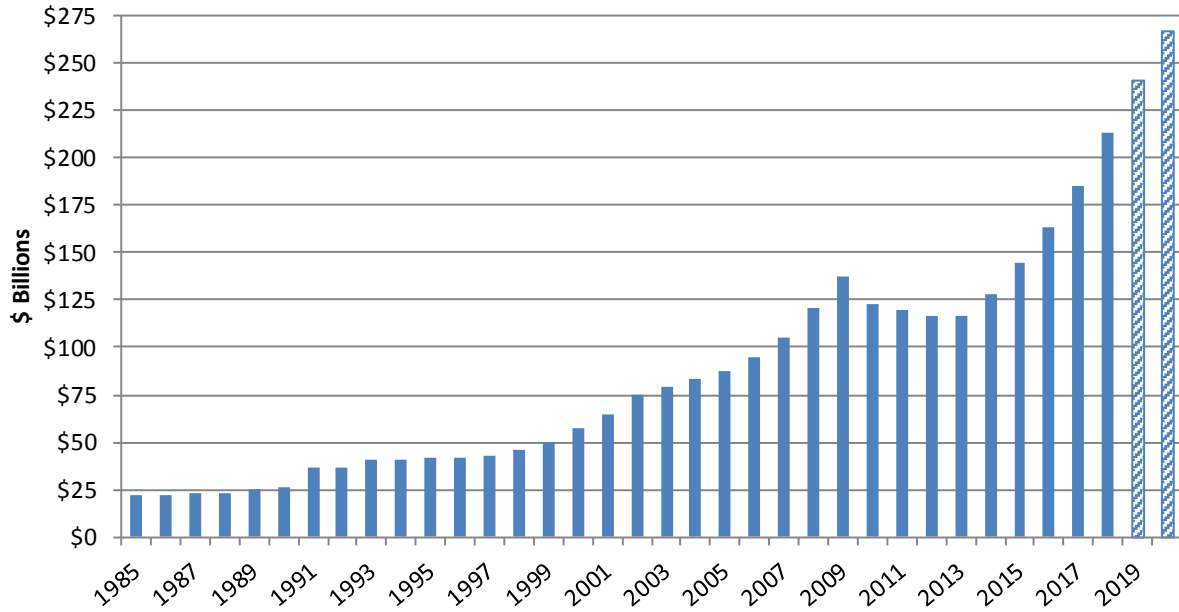
***Statutory growth limits, assessed value and new construction.*** State statute restricts the annual growth in property tax revenue in two ways. First, state law limits growth in the amount of tax revenue a jurisdiction can levy to the lesser of 1% or the national measure of the Implicit Price Deflator. Previously, beginning in 1973, state law limited the annual growth of the City's regular levy (i.e., General Purpose plus voted lid lifts) to 6%. In November 2001, voters statewide approved Initiative 747, which changed the 6% limit to the lesser of 1% or the Implicit Price Deflator, effective for the 2002 collection year. On November 8, 2007, Initiative 747 was found unconstitutional by the state Supreme Court. However, the Governor and state legislature, in a special session on November 29, 2007, reenacted Initiative 747, thus preserving the 1% growth limit. The second growth restriction is that state law caps the maximum tax rate a jurisdiction can impose. For the City of Seattle, this cap is \$3.60 per \$1,000 of assessed value and covers the City's general purpose levy, including Fire Pension, and lid lifts.

The City of Seattle's 2018 tax rate at \$2.36 per \$1,000 AV was roughly 25% of the total \$9.56 rate paid by Seattle property owners for all taxing jurisdictions. The 2018 total tax and City of Seattle-only portion for a home of median assessed value in Seattle increased 16.9% and 1.8% respectively from \$4,883 to \$5,709 for the total tax bill and \$1,385 to \$1,410 for the City's levy only. The increase is largely due to the legislated increase in the State's levy for public school funding. For the median valued Seattle residence this was a 62.4% and \$669 increase from \$1,073 in 2017 to \$1,742 in 2018. As part of the State Legislature's solution on school funding, the Seattle Public School District's (SPS) levy is capped beginning in the 2019 tax collection year. The SPS levy for the median valued residence increased 5.7% from \$1,136 in 2017 to \$1,201 in 2018.

*Assessed Value (AV)* -- Prior to 2010, the last significant decrease in Seattle's total assessed value (AV) was in 1984 when AV decreased 3.6%. As Figure 10 illustrates, total assessed value in the City of Seattle fell in 2010 by approximately 10.3 percent. AV fell again in 2011 and 2012 by 2.9 percent and 2.2 percent respectively. AV growth has clearly reversed since then as Seattle AV (commercial and residential combined) has grown an annual average of approximately 12.7% from 2014 to 2018. The 2019-2020 Proposed Budget assumes AV growth of 12.76% and 10.82% for the 2019 and 2020 tax collection years.

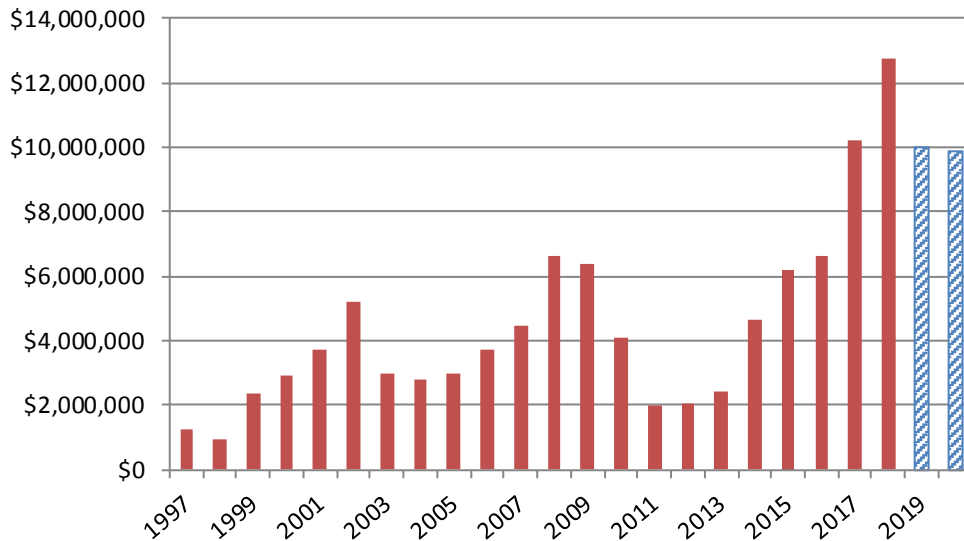
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Figure 10. Seattle Total Assessed Value



*New Construction* -- In addition to the allowed maximum 1% levy growth, state law permits the City to increase its regular levy in the current year by an amount equivalent to the previous year’s tax rate times the value of property constructed or remodeled within the last year, as determined by the assessor. The City is receiving \$12.7 million in additional levy revenues from new construction in 2018 based on \$5.13 billion in new construction added to the tax roll. The 2019-2020 Proposed Budget assumes a moderate decrease in new construction value to \$5.02 billion in 2019 and \$4.75 billion in 2020. These new construction volumes are projected to generate \$9.98 million in 2019 and \$9.90 million in 2020 revenue.

Figure 11. Seattle New Construction Property Tax Revenue



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**The 2019-2020 Proposed Budget assumes 1% growth plus new construction.** The forecast for the 2019-2020 Proposed Budget's General Fund (General Purpose) portion of the City's property tax is \$260.2 million in 2018, \$266.5 million in 2019 and \$276.9 million in 2020. Additionally, the City is levying approximately \$209.9 million for voter-approved lid lifts in 2018, \$249.4 million in 2019 and \$234.4 million in 2020. The amount for 2019 assumes passage of the Families, Education, Pre-school and Promise Levy and the expiration of the Families & Education Services Levy and the Seattle Pre-School Levy. All levy lid lift proceeds are accounted for in other funds than the City's General Fund. Finally, the City is levying \$30.4 million in 2018 and \$22.8 million in 2019 to pay debt service on voter-approved bond measures.

**Seattle Parks District.** In August 2014, voters approved creation of a Metropolitan Park District (MPD). Pursuant to RCW 35.61, the MPD is a legally separate taxing jurisdiction from the City of Seattle, whose property tax levy authority of \$0.75 per \$1,000 assessed value is outside of the City's statutory rate limit of \$3.60 per \$1,000 assessed value and whose revenues will not be accounted for in the City's General Fund. The MPD, per its 6-year spending plan (2015-2020), is levying approximately \$51.0 million for collection in the 2018 tax collection year, \$52.1 million in 2019 and \$53.3 million in 2020.

**Medic 1/Emergency Medical Services.** Voters in November 2013 approved a renewal of the Medic 1/EMS levy at \$0.335 per \$1,000 of AV. At this rate King County projected revenues over the 6-year life of the levy of \$678 million, approximately \$256 million of which will come to the City of Seattle. The 2019-2020 Proposed Budget projects revenues of \$50.4 million in 2018, and \$52.2 million in 2019, the final year of the current levy. The 2019-2020 Proposed Budget assumes renewal of this levy in 2019 at the proposed \$0.27 per \$1,000 assessed value. This generates approximately \$71.2 million in revenue in 2020.

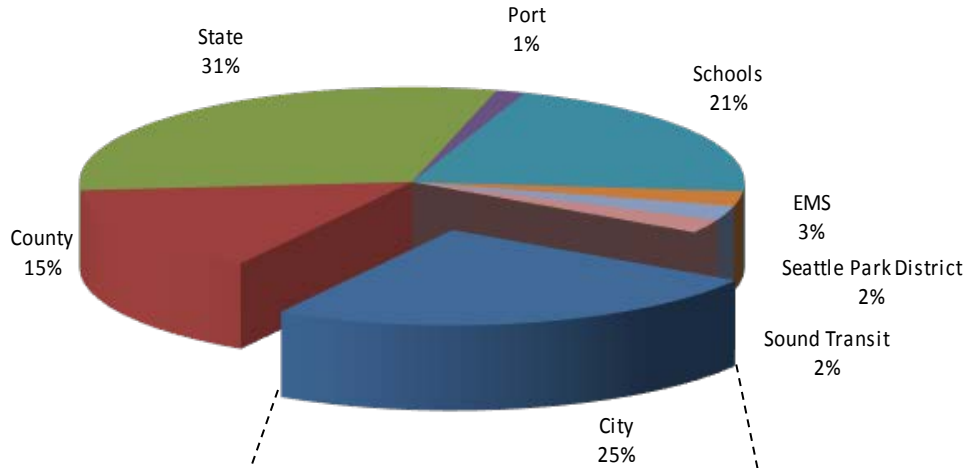
Figure 12 shows the different jurisdictions whose rates make up the total property tax rate imposed on Seattle property owners, as well as the components of the City's 2018 property tax.



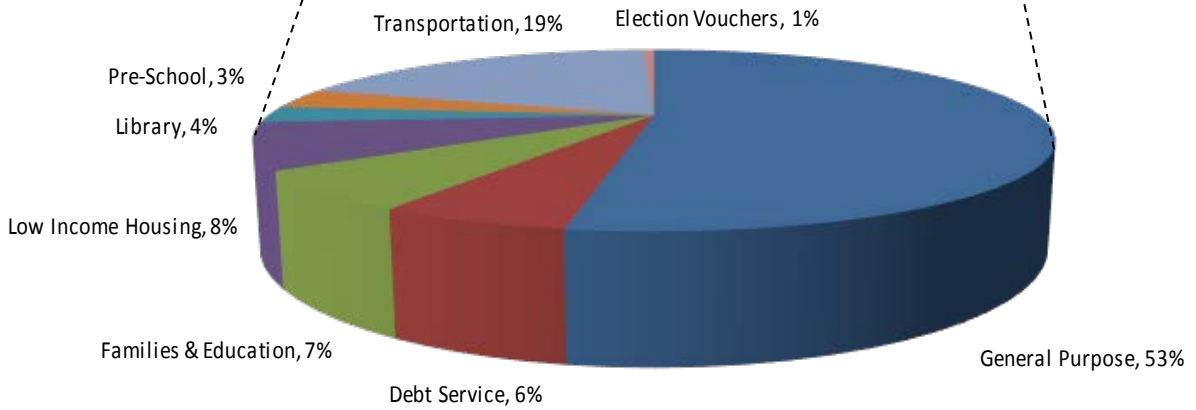
# Revenue Overview

Figure 12.

**Components of Total Property Tax Levy for 2018**  
 (tax rate = \$9.56 per \$1,000 assessed value)



**Components of City's Property Tax Levy for 2018**  
 (tax rate = \$2.36 per \$1,000 assessed value)



# Revenue Overview

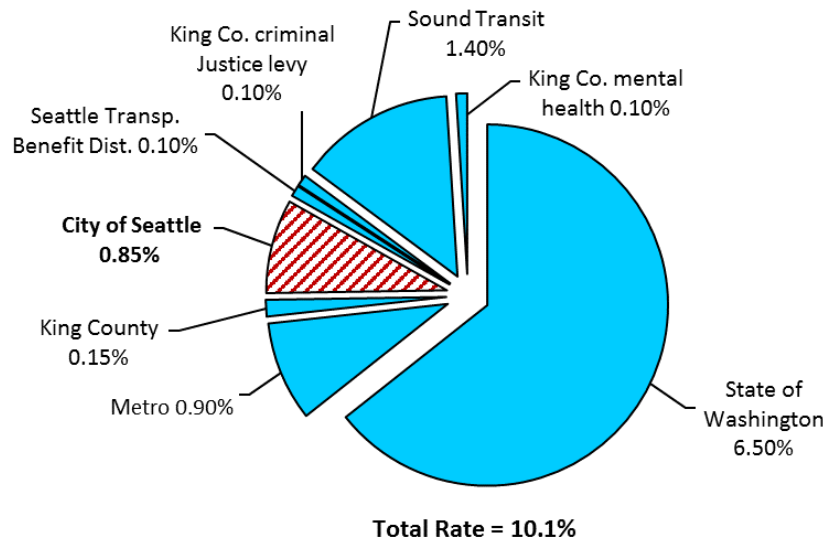
## Retail Sales and Use Tax

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

The current sales tax rate in Seattle is 10.1%. The rate was increased to 10.1% on April 1, 2017 by the addition of a voted increase of 0.5% for the Regional Transit Authority (Sound Transit). This followed an increase from 9.5% to 9.6% on April 1, 2015, when a 0.1% sales tax levy for the Seattle Transportation Benefit District was added. Seattle voters approved that increase in November 2014.

The basic sales tax rate of 10.1% is a composite of separate rates for several jurisdictions as shown in Figure 13. The City of Seattle's portion of the overall rate is 0.85%. In addition, Seattle receives a share of the revenue collected by the 0.1% King County Criminal Justice Levy. Revenue collected by the Seattle Transportation Benefit District is used to make transportation improvements in Seattle.

**Figure 13. Sales and Use Tax Rates in Seattle, 2018**



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

Seattle's sales tax base grew rapidly in the late 1990s, driven by a strong national economy, expansion at Boeing in 1996-1997, and the stock market and technology booms. The recession that followed the bursting of the stock market bubble and the September 11, 2001 terrorist attacks ushered in three successive years of declining revenue. This was followed by four years of healthy growth, 2004–2007, led by a surge in construction activity. That expansion ended in 2008 with the onset of the Great Recession, which caused the largest contraction in the sales tax base in more than 40 years. In a period of five quarters beginning with the third quarter 2008, the sales tax base shrunk by 18.2%. The decline was led by a steep drop in construction along with falling sales in almost every industry.

After hitting bottom in 2010, Seattle's sales tax base has rebounded strongly, with construction leading the way. Other fast-growing industries include motor vehicle and parts retailing, e-commerce retailing,

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professional, scientific and technical services, accommodation, and food services. Over the seven-year period 2010-2017 sales tax revenue increased at an average rate of 8.3% per year.

***Sales tax revenue growth has picked up in 2018 but is expected to slow in 2019 and 2020.*** Sales tax revenue has grown by 10.9% in the first six months of 2018 compared to the same period in 2017. Growth has been led by construction and retail trade, which have posted revenue increases of 15.7% and 15.0%, respectively. The strong growth of retail trade is due in large part to expanded taxation of online retail sales, which is expected to yield \$4.6 million in 2018 and rise to \$9.0 million in 2020 as compliance increases over time.

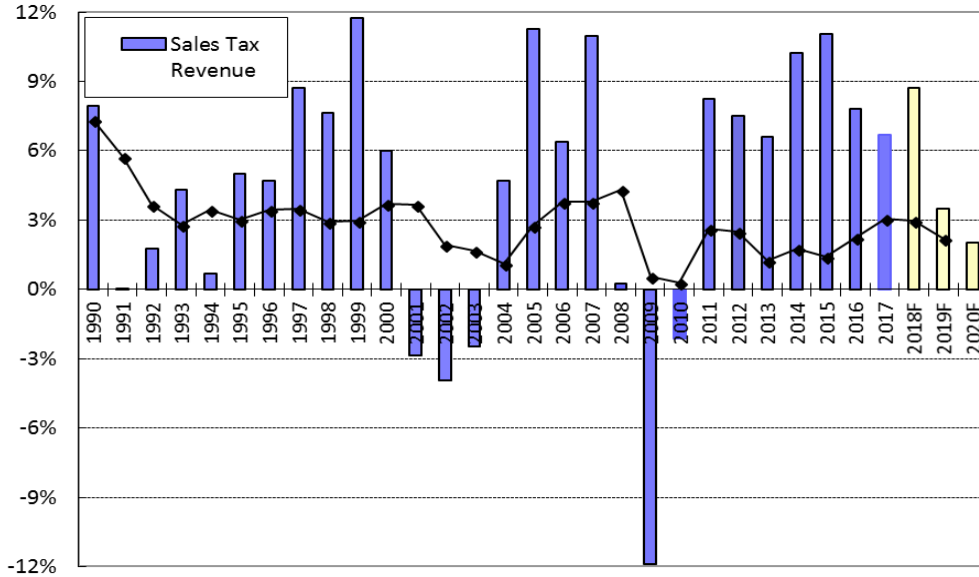
The first element in expanding the taxation of online sales is the Washington Marketplace Fairness Act, which took effect on January 1, 2018. The Act requires remote sellers and marketplace facilitators whose sales in Washington exceeds \$10,000 to either collect sales tax or comply with a series reporting requirements. These include providing an annual report to both Washington customers and the Department of Revenue (DOR) detailing all sales on which sales tax was not collected. The report to DOR must include names, addresses, and total sales to each Washington customer.

The second element is a June 2018 U.S. Supreme Court decision, the Wayfair decision, which upheld a South Dakota law that requires any seller with more than \$100,000 in annual sales in the state to collect sales tax on those sales. Prior to this decision, only retailers with a physical presence in a state were required to collect sales tax. Washington will require all remote sellers with sales of more than \$100,000 in Washington to begin collecting sales tax on all sales in the state beginning October 1, 2018.

Sales tax revenue is expected to increase by 8.7% in 2018, 3.5% in 2019, and 2.0% in 2020 (see Figure 14). The relatively weak growth in 2019 and 2020 reflects the expected slowing of the metro area economy and the assumption of a modest 10.7% drop in construction activity over the three-year period 2019-2021.

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

## Revenue Overview



Note: All revenue figures reflect current accrual methods. 2018-20 are forecasts.

## Business and Occupation Tax

Seattle’s principal business tax is the business and occupation (B&O) tax, which is levied on the gross receipts of most business activity that takes place in the city. The B&O tax has a small business threshold of \$100,000, which means businesses with taxable gross receipts below \$100,000 are exempt from the tax. Between January 1, 2008 and January 1, 2016, the City’s B&O tax also included a square footage tax that was complementary to the gross receipts tax. The square footage tax was implemented to offset an expected revenue loss from state mandated changes in the allocation and apportionment of B&O income. Included in B&O tax revenue are tax refunds, audit payments, and penalty and interest payments for past-due tax obligations.

The City levies the gross receipts tax at different rates on different types of business activity, as indicated in Figure 15. Most types of business activity, including manufacturing, retailing, wholesaling, and printing and publishing, are subject to a tax of 0.222% on taxable gross receipts in 2018. Services and transporting freight for hire are taxed at a rate of 0.427%. In 2017 and 2018, the City increased B&O tax rates to the maximum allowed under state law. The increase took place in two steps, a roughly two percent increase on January 1, 2017 and an increase of approximately one percent on January 1, 2018. In addition, the special 0.15% rate for international investment management services was eliminated on January 1, 2017.

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

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

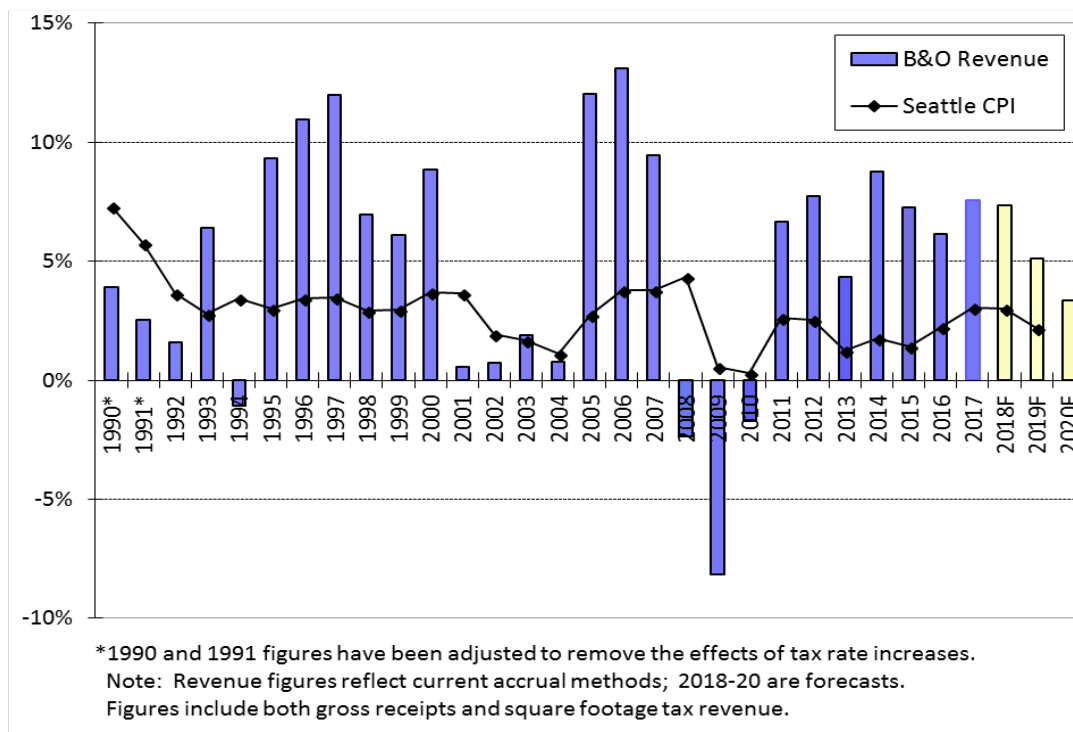
## Revenue Overview

Other things being equal, the B&O tax base is more stable than the retail sales tax base. The B&O base is broader than the sales tax base, which does not cover most services. In addition, the B&O tax is less reliant than the sales tax on the relatively volatile construction and retail trade sectors, and it is more dependent upon the relatively stable service sector.

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

Since the mid-1990s, B&O receipts have fluctuated with the economy’s ups-and-downs, rising rapidly during the late-1990s stock market and dot-com boom and the housing bubble of the mid-2000s, going flat from 2001–2004 during the previous decade’s first recession, and falling sharply during the Great Recession (see Figure 16). During the Great Recession the B&O tax base lost 16.8% of its value between first quarter 2008 and second quarter 2010.

**Figure 16. Annual Growth of B&O Tax Revenue**



B&O tax revenue has grown at a healthy pace during the recovery from the Great Recession. Over the seven-year period 2010-2017, revenue increased at a 6.9% annual rate. Growth was weak in 2013 because of a drop in revenue from audit activity and an increase in refund payments, not because of a weakening of tax base growth. Industries growing rapidly during the recovery have been construction, information, real estate, management of companies and enterprises, food services, and accommodation.

**Robust B&O tax revenue growth will continue in 2018, then growth will slow in 2019 and 2020.** The B&O revenue forecast has been shaped by five factors:

## Revenue Overview

- The economic forecast for the metro area, which is anticipating a slowdown.
- An updated forecast for construction, which assumes that revenue from construction will decline by 10.7% over a three-year period beginning in 2019.
- A B&O tax rate increase of approximately 1% in 2018. This adds about \$3.0 million to the 2018 forecast.
- Elimination of the special tax rate for international investment management services. These services are taxed at the regular service rate beginning January 1, 2017. This change adds \$2.0 million to the forecast in 2017 and \$2.1 million in 2018.
- A modest revenue gain in 2018 from the elimination of the B&O life sciences deduction in mid-2017 and a comparable revenue loss beginning in 2019 resulting from the proposed reauthorization of the deduction.

Boosted by a construction rebound and a tax rate increase, 2018 B&O revenue is forecast to grow at a 7.4% rate. The forecast weakens in 2019 and 2020 due to an expected slowing of economic growth and a downturn in construction. Growth is forecast to drop to 5.1% in 2019 and 3.3% in 2020.

### Utility Business Tax - Private Utilities

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

**Natural gas prices remain low.** The City levies a 6% utility business tax on gross sales of natural gas and on sales of steam which has natural gas as an energy source. The bulk of revenue from the natural gas tax is received from Puget Sound Energy (PSE). PSE's natural gas rates are approved by the Washington Utilities and Transportation Commission (WUTC). Another tax is levied on consumers of gas delivered by private brokers. It is also assessed at 6% on gross sales. Spot prices, those paid for delivery in the following month, continue to be low. Temperatures play a key role in gas related revenues and are inversely related to natural gas usage and subsequent tax receipts.

**Court decisions may put revenues from the Telecommunications Tax at risk.** The utility business tax is levied on the gross income of telecommunication firms at a rate of 6%. Revenue from traditional land-line services has been on a steady decline. This was counteracted by the increasing prevalence of mobile/wireless phones. While new smartphone users have added to the wireless tax revenue base, the increased use of data and internet services which are not taxable have caused declines in the revenue streams.

As more and more wireless phone users are using the devices for data transmission instead of voice or text applications, and telecom companies change their rate plans to respond to this consumer behavior, the City may continue to see tax revenue declines. Some recent court decisions have altered what types of wireless phone calls the City can tax; the City may no longer assess a tax on interstate and international phone calls. There are continued pressures on this revenue stream.

**Cable tax revenues are declining.** The City has franchise agreements with cable television companies operating in Seattle. Under the current agreements, the City levies a 10% utility tax on the gross subscriber revenues of cable TV operators, which accounts for about 90% of the operators' total revenue. The City also collects B&O taxes on miscellaneous revenues not subject to the utility tax. The

## Revenue Overview

imposition of a 4.4% franchise fee makes funds available for cable-related public access purposes. This franchise fee is deposited into the City's Cable Television Franchise Fund. Cable revenues have begun to decline year over year. Increased competition from satellite and streaming services appear to be taking customers away from traditional cable providers. That is expected to continue and will be a drag on revenues.

### Utility Business Tax - Public Utilities

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

**Revenue Stabilization Account Surcharge is in effect.** City Light sells excess power on the wholesale energy market. City Light energy production, almost exclusively hydro power, competes with natural gas in the wholesale market. For the 2010 fiscal year, the City Council authorized the creation of a rate stabilization account (RSA) for the utility funded with an as needed surcharge based on funding levels of the RSA. The rate stabilization surcharge was triggered in 2016 because the RSA funding level has dropped below \$90 million, the account's minimum required balance set by the Council. This forecast expects the surcharge to remain in effect into the first quarter of 2020.

**New rate path for Water for 2018-2023.** For the six-year period rates will average 3.7% growth a year. Tax revenue growth is expected to average 2.1% for 2018 through 2020.

**Drainage and Wastewater rate path has changed.** Drainage and wastewater tax revenues will average 5.9% 2018 through 2020.

**Slight increases in Solid Waste rates.** Solid waste tax revenues will average 2.5% 2018 through 2020.

**Tonnage taxes remain stable.** The City imposes a \$13.27 per ton tax on solid waste hauled within the city limits. Historically these tax revenues, which apply to both public and private haulers, was collected by Seattle Public Utilities and used to pay for Clean City programs. These programs support public garbage collection, graffiti removal, illegal dumping, and other activities. In 2016 the tonnage tax began accruing to the General Fund which continues to support Clean City programs.

### Other Notable Taxes

**Admission Tax.** The City imposes a 5% tax on admission charges to most Seattle entertainment events, the maximum allowed by state statute. This revenue source is highly sensitive to swings in attendance at athletic events. It is also dependent on economic conditions, as people's ability and desire to spend money on entertainment is influenced by the general prosperity in the region. Recently, entertainment venues have opened around the City, increasing the size of the tax base. Revenues are forecast to grow by an average annual rate of 2.4% for 2018 through 2020.

Of admission tax revenues, excluding men's professional basketball, 20% were dedicated to programs supported by the Office of Arts and Culture (Arts) before 2010. In 2010 this contribution increased to 75% based on the actual admission tax receipts from two years prior, this was increased to 80% for 2016. In 2017 funding was increased to 90% and then 100% of actual receipts in 2018. As a result, Arts is fully funded by the admission tax, except for money received from the 1% for Arts program. The forecasts in Figure 9 for admission taxes reflect the full amount of tax revenue. The Office of Arts and

## Revenue Overview

Culture section of this document provides further detail on the office’s use of Arts Account revenue from the admission tax and the implementation of this change.

**Sweetened Beverage Tax.** On June 5, 2017, the City Council approved the Sweetened Beverage Tax (SBT) effective January 1, 2018. Distributors of sweetened beverages are liable for the tax of \$0.0175 per fluid ounce of sweetened beverage distributed into the city of Seattle for final sale to the consumer. The 2018 Adopted Budget includes \$14.8 million in SBT revenues. Based on actual revenues from the first half of 2018, the 2019-2020 Proposed Budget revises the 2018 revenues to \$20.6 million and projects \$21.4 million in 2019 and \$21.9 million in 2020. Sweetened beverages include sodas, energy drinks, sweetened juices and teas, sports drinks and ready-to-drink coffee drinks. Revenues will be used to fund educational and food access programs primarily through the Department of Education and Early Learning (DEEL), Human Services Department (HSD) and the Office of Sustainability and Environment (OSE).

### Licenses and Permits

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

In 2005 the City instituted a two-tier business license fee structure. The cost of a license, which had been \$80 per year for all businesses, was raised to \$90 for businesses with worldwide revenues of more than \$20,000 per year and lowered to \$45 for businesses with worldwide revenues less than \$20,000 per year. The City increased the fees for 2015 license renewals to \$110 and \$55, respectively.

To provide funding for additional police officers, the City implemented a new business license fee structure that took effect for 2017 licenses. Fees are increased for businesses that have a taxable income (reported for B&O tax purposes) greater than \$500,000. Fees for all other businesses remain at 2016 levels (See Figure 17). Fee increases are being phased in over a three-year period, 2017–2019, and will increase with inflation annually thereafter. The fee increases were projected to generate \$3.5 million in 2016, \$6.9 million in 2017, and \$8.5 million in 2018.

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

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

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

### Parking Meters/Traffic Permits

In spring 2004, the City of Seattle began replacing traditional individual space parking meters with pay stations in various areas throughout the City. In addition to offering the public more convenient



## Revenue Overview

payment options, including credit cards and debit cards, for hourly on-street parking, pay station technology has allowed the City to more actively manage the street right-of-way by adopting different pricing, time limit and other management parameters on different blocks throughout the city and at different times of day. The City currently has around 1,700 pay stations controlling approximately 12,000 parking spaces. The overall objective of the parking management program is to provide a more data-driven, outcome-based management and price-setting approach in pursuit of the adopted policy goals of one to two open spaces per block-face, reduced congestion, support of business districts, and reduced vehicle emissions and improved air quality.

Based on collected occupancy data, the 2019-2020 Proposed Budget assumes the implementation in Fall 2018 of planned changes to parking rates, which are reviewed and adjusted annually by SDOT based on parking availability targets. Also assumed are projected space additions and removals for coming years, as planned by SDOT. The net effect of rate, space and timing changes leads to a forecast for 4.4% revenue growth in on-street parking revenue between 2018 and 2019, from \$39.4 million to \$41.1 million. Growth from 2019 to 2020 is projected to be flat with revenues of \$41.0 million.

**Street Use and Traffic Permits.** Traffic-related permit fees, such as meter hood service, commercial vehicle load zone, truck overload, gross weight and other permits, including revenues from the City's car sharing program with Car2Go and ReachNow, are projected to generate revenues of approximately \$6.6 million in 2018, remain flat in 2019 at \$6.5 million, and decline in 2020 to \$6.0 million. The decline reflects expectations for slowing construction activity.

### Court Fines

Although shifting with the introduction of photo enforcement cameras, between 50% and 60% of court fine revenues collected by the Seattle Municipal Court are from parking citations written by Seattle Police Department parking enforcement (PEOs) and traffic officers. Fines from photo enforcement in selected intersections and school zones now comprise approximately 35-45% of revenues and 5-10% comes from traffic and other non-parking related citations.

2017 school zone speed camera revenues came in at \$11.3 million, down 14.6% from the 2016 high of \$13.2 million, but higher than previously projected. The 2019-2020 Proposed Budget adjusts 2018 revenues upwards to \$9.8 million to reflect actual performance in 2017 and assumes a more gradual decline to \$8.5 million in 2019 and \$7.9 million in 2020. Red light camera revenues (i.e., non-school zone cameras) in 2019 and 2020 are projected to remain relatively flat at about \$3.5 million in each year, but absolutely less in General Fund revenues than previously due to the required transfer of 20% of the revenues to the School Zone Camera Fund. Non-camera fine revenues are projected to remain level across 2018 to 2020 at approximately \$22.3 million. Total fines revenue (excluding school zone speed camera revenue) is projected at approximately \$25.8 million in 2019 and 2020.

### Interest Income

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

## Revenue Overview

As a result of the financial crisis in 2008 and the Federal Reserve Bank's (Fed) unprecedented purchasing of assets through quantitative easing, borrowing rates fell to historic lows. These rates have remained relatively low, but the Fed has ended their purchasing programs as well as begun to target higher short-term interest rates. This will lead to higher interest earnings on the City's cash pool. The annual earnings yield for the cash pool is expected to be 2.67% in 2018 rising to 3.74% by 2020. Should the economy suffer any setbacks, these rates would be expected to fall.

### Revenue from Other Public Entities

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

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

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

**State budget restores liquor related revenues to cities.** Cities in the state of Washington typically receive two liquor related revenues from the State. One is related to the liquor excise tax on sales of spirits and the other is a share in the State Liquor Board's profits accrued from the operation from their monopoly on spirits sales. The State no longer holds the monopoly in liquor sales in the state due to the passing of Initiative 1183 in November of 2011. The initiative guaranteed the cities would continue to receive distributions in an amount equal to or greater than what they received from liquor board profits prior to the implementation of the initiative as well as an additional \$10 million to be shared annually. There was no guarantee concerning liquor excise taxes. In recent budgets the State has eliminated, on a temporary basis, the sharing of liquor excise taxes. The most recent State budget has restored fully the excise tax funding to cities.

**Short-Term Rental Tax.** Effective January 2019, the State legislature authorizes the public facilities district that is the Washington State Trade and Convention Center to impose a 7% tax on the sale of or charge made for the furnishing of lodging (including but not limited to any short-term rental). The proceeds generated from short-term rental charges in Seattle are distributed to the City of Seattle to support community-initiated equitable development and affordable housing programs. The 2019-2020 Proposed Budget assumes \$10.5 million in each of 2019 and 2020.

# Revenue Overview

## Service Charges and Reimbursements

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

## Interfund Transfers

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

In adopting the 2019 Budget, it is the intent of the City Council and the Mayor to authorize the transfer of unencumbered, unreserved fund balances from the funds listed in the General Fund revenue table to the General Fund.

## Cumulative Reserve Fund – Real Estate Excise Tax

The Cumulative Reserve Fund resources are used primarily for the maintenance and development of City general government capital facilities. These purposes are supported mainly by revenues from the Real Estate Excise Tax (REET), but also, to a lesser degree, by the proceeds from certain property sales and rents, street vacation revenues, General Fund transfers, and interest earnings on fund balances.

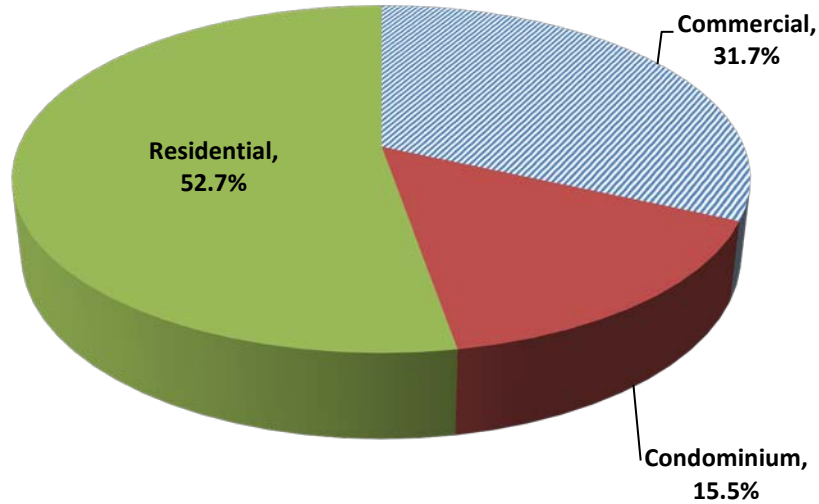
The REET is levied by the City at a rate of 0.5% on sales of real estate measured by the full selling price. Because the tax is levied on transactions, the amount of revenue that the City receives from REET is determined by both the volume and value of transactions.

Over time, 52.7% of the City's REET tax base has come from the sale of residential properties, which include single-family homes, duplexes, and triplexes. Commercial sales, which include apartments with

## Revenue Overview

four units or more, account for 31.7% of the tax base, and condominiums constitute the remaining 15.5% (see Figure 18).

**Figure 18. Value of Seattle Real Estate Transactions by Property Type, 1982 - 2017**

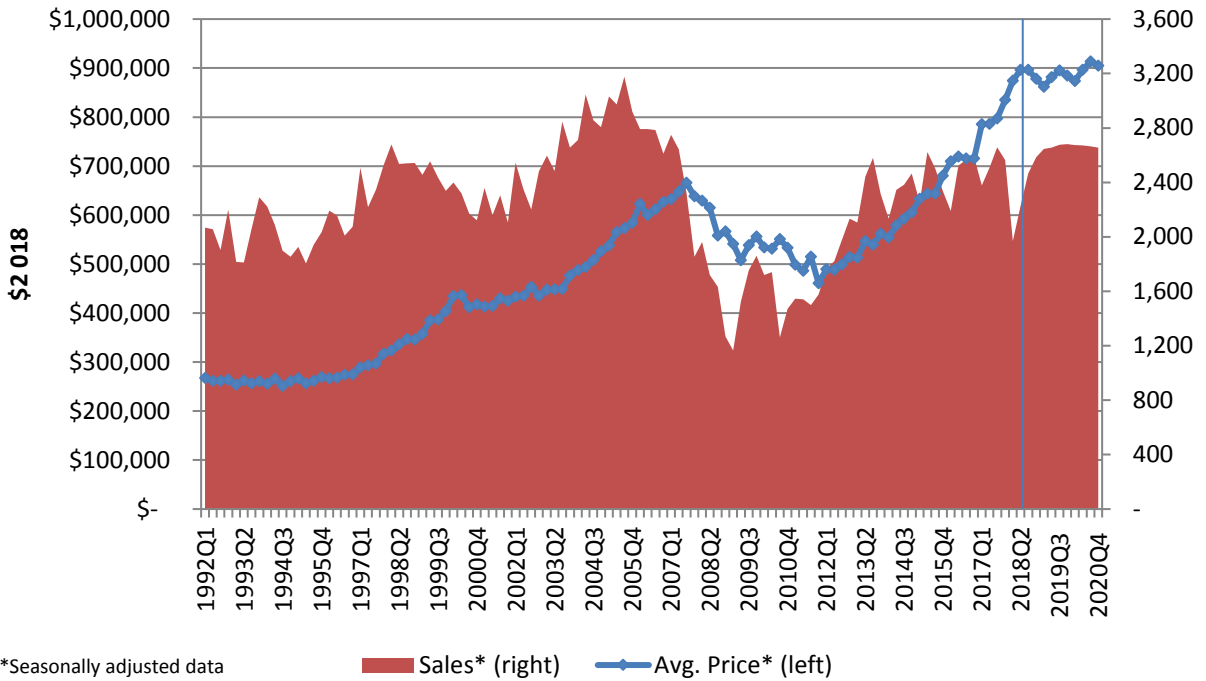


***The residential market showing signs of calming.*** The value of Seattle real estate transactions (the REET tax base) increased at an average annual rate of 13.1% between 1982 and 2007, a period when Seattle area inflation averaged only 3.4% per year. Growth was particularly strong during the recent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

# Revenue Overview

Figure 19. Seattle Single-family Market

## Seattle Single-family Market

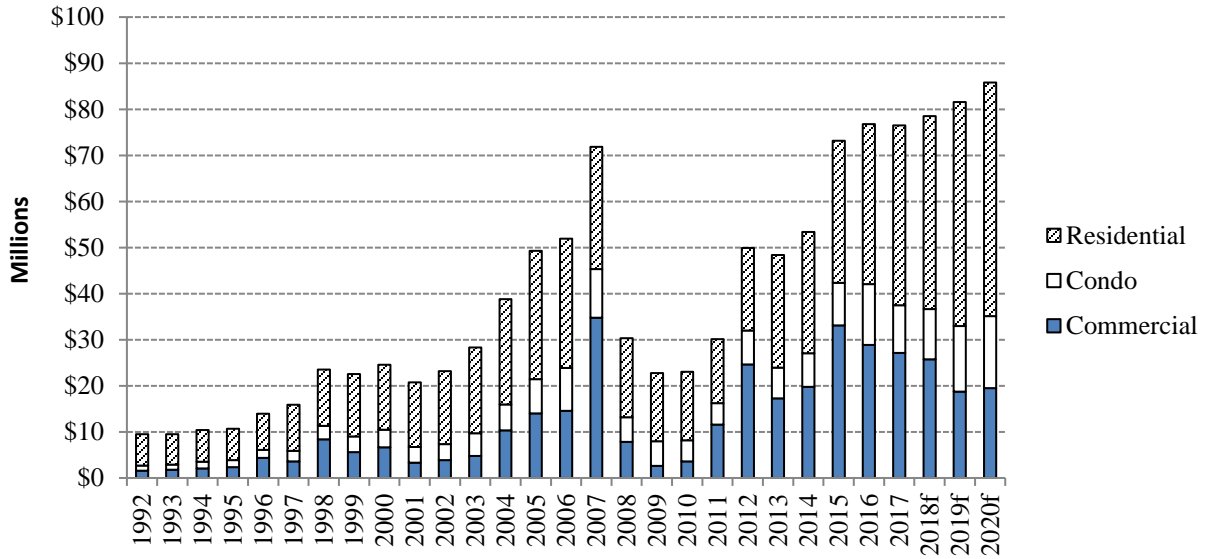


The volatility of REET is reflected by the fact that despite a 8.7% compounded average annual growth rate, the REET tax base declined in eleven years during the period 1982–2017. This volatility is largely the result of changes in sales volumes, which are sensitive to shifts in economic conditions and movements in interest rates; average prices tend to be more stable over time. Commercial activity tends to be more volatile than the residential market, in part because the sale of a handful of expensive properties can result in significant swings in the value of commercial sales from one year to the next, as was seen in 2007, 2012, and 2015 (see Figure 20). Those years saw significant commercial activity with many large buildings in the downtown core changing hands.

# Revenue Overview

Figure 20. REET Revenues

## Real Estate Excise Tax Receipts



## Revenue Overview

**Figure 21. Seattle City Tax Rates**

	2014	2015	2016	2017	2018
<b>Property Taxes (Dollars per \$1,000 of Assessed Value)</b>					
General Property Tax	\$1.80	\$1.63	\$1.47	\$1.35	\$1.25
Families & Education	0.25	0.23	0.20	0.18	0.16
Parks and Open Space	0.19				
Low Income Housing	0.16	0.14	0.12	0.22	0.19
Transportation	0.31	0.27	0.58	0.52	0.45
Pike Place Market	0.06				
Library	0.13	0.12	0.11	0.09	0.08
Pre-School For All		0.10	0.09	0.08	0.07
Election Vouchers			0.02	0.02	0.01
City Excess GO Bond	0.14	0.13	0.18	0.16	0.14
<b>Other Property Taxes related to the City</b>					
Seattle Park District	-	-	0.29	0.28	0.23
Emergency Medical Services	0.33	0.30	0.28	0.26	0.24
<b>Retail Sales and Use Tax</b>					
	0.85%	0.85%	0.85%	0.85%	0.85%
<b>Transportation Benefit District Sales and Use Tax</b>					
	-	-	0.10%	0.10%	0.10%
<b>Business and Occupation Tax</b>					
Retail/Wholesale	0.215%	0.215%	0.215%	0.219%	0.222%
Manufacturing/Extracting	0.215%	0.215%	0.215%	0.219%	0.222%
Printing/Publishing	0.215%	0.215%	0.215%	0.219%	0.222%
Service, other	0.415%	0.415%	0.415%	0.423%	0.427%
International Finance	0.150%	0.150%	0.150%	0.423%	0.427%
<b>City of Seattle Public Utility Business Taxes</b>					
City Light	6.00%	6.00%	6.00%	6.00%	6.00%
City Water	15.54%	15.54%	15.54%	15.54%	15.54%
City Drainage	11.50%	11.50%	11.50%	11.50%	11.50%
City Wastewater	12.00%	12.00%	12.00%	12.00%	12.00%
City Solid Waste*	11.50%	11.50%	11.50%	14.20%	14.20%
<b>City of Seattle Private Utility B&amp;O Tax Rates</b>					
Cable Communications (not franchise fee)	10.00%	10.00%	10.00%	10.00%	10.00%
Telephone	6.00%	6.00%	6.00%	6.00%	6.00%
Natural Gas	6.00%	6.00%	6.00%	6.00%	6.00%
Steam	6.00%	6.00%	6.00%	6.00%	6.00%
Commercial Solid Waste*	11.50%	11.50%	11.50%	14.20%	14.20%
<b>Other Taxes</b>					
Admissions	5.00%	5.00%	5.00%	5.00%	5.00%
Amusement Games (less prizes)	2.00%	2.00%	2.00%	2.00%	2.00%
Bingo (less prizes)	10.00%	10.00%	10.00%	10.00%	10.00%
Punchcards/Pulltabs	5.00%	5.00%	5.00%	5.00%	5.00%
Cable Franchise Fee	4.40%	4.40%	4.40%	4.40%	4.40%
Fire Arms Tax (Dollars per weapon)	-	-	\$25.00	\$25.00	\$25.00
Ammunition Tax (Dollars per round)	-	-	\$0.05	\$0.05	\$0.05
Sweetened Beverage Tax (Dollars per fluid ounce)					\$0.0175

\*Increase effective April 1, 2017





## Selected Financial Policies

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

### Budgetary Basis

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

### Appropriations and Execution

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

### Budget Transfers

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

## Selected Financial Policies

### Debt Policies

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

### General Fund Fund Balance and Reserve Policies

- State law allows the City to maintain an emergency reserve at a maximum statutory-authorized level of 37.5 cents per \$1,000 of assessed property value in the city. The City's previous practice had been to fully fund the emergency reserve to this maximum limit. However, over the past several years assessed values have undergone significant growth and are expected to continue at a rate that far outpaces the projected City's revenue growth rate. In 2017 the City modified the existing financial policies for the Emergency Subfund (ESF) to establish a minimum balance of \$60 million, and to adjust that level each year with the rate of inflation. This implies that the ESF would continue to grow, but at somewhat lower rate than under the previous policy. This policy change strikes a balance between ensuring that resources will be available to address unanticipated expenditures and making resources available to address current needs.
- Annual contributions of 0.50% of forecasted tax revenues are automatically made to the Revenue Stabilization Account of the Cumulative Reserve Subfund (commonly referred to as the "Rainy Day Fund").<sup>1</sup> In addition, 50% of any unanticipated excess General Subfund fund balance at year's end is automatically contributed to the Rainy Day Fund. These automatic contributions are temporarily suspended when the forecasted nominal tax growth rate is negative or when the total value of the Rainy Day Fund exceeds 5% of total tax revenues. In addition to the automatic contributions, the City may also make contributions to the Rainy Day Fund via ordinance. Expenditures from the Rainy Day Fund require the approval of a majority of the members of the Seattle City Council and must be informed by the evaluation of out-year financial projections.

### Other Citywide Policies

- As part of the Mayor's budget proposal, the Executive develops a revenue estimate that is based on the best available economic data and forecasts.
- The City intends to adopt rates, fees, and cost allocation charges no more often than biennially. The rate, fee, or allocation charge structures may include changes to take effect at

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

## Selected Financial Policies

specified dates during or beyond the biennium. Other changes may still be needed in the case of emergencies or other unanticipated events.

- In general, the City will strive to pay for general government current operating expenditures with current revenues, but may use fund balance or other resources to meet these expenditures. Revenues and expenditures will be monitored throughout the year.
- In compliance with State law, no City fund whose purpose is restricted by state or local law shall be used for purposes outside of these restrictions.
- Working capital for the General Fund and operating funds should be maintained at sufficient levels so that timing lags between revenues and expenditures are normally covered without any fund incurring negative cash balances for greater than 90 days. Exceptions to this policy are permitted with prior approval by the City Council.



# Office of Arts and Culture

Randy Engstrom, Director

(206) 684-7171

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

## Department Overview

The Office of Arts and Culture (ARTS) envisions a city driven by creativity that provides the opportunity for everyone to engage in diverse arts and cultural experiences. In alignment with the City's Race and Social Justice Initiative, ARTS works to eliminate institutional racism in our programs, policies and practices. ARTS includes eight programs: Funding Programs and Partnerships, Community Development and Outreach, Cultural Facilities Operations, Public Art, Artwork Conservation, Leadership and Administration, Activations, Equity and Youth and Cultural Space. These programs are supported by two funding sources: the Arts and Culture Fund, which is funded through an allocation of the City's admission tax revenues, and the Municipal Arts Fund, which is supported by the 1% for Arts contributions from City capital projects.

The **Funding Programs and Partnerships** Program invests in cultural organizations, youth arts programs, individual artists and community groups to increase residents' access to arts and culture, and to promote a healthy cultural sector in the city. The Cultural Partnerships program offers technical assistance and provides grants to arts and cultural organizations throughout the city.

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

The **Activations, Equity and Youth** Program includes projects related to racial equity, The Creative Advantage, and other youth interventions that have expanded in funding and scope over the past few years.

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

The **Cultural Facilities Operations** Program provides for the operation of two spaces:

- The [Langston Hughes Performing Arts Institute](#), a cultural facility that provides rental spaces and technical assistance, and that works in partnership with LANGSTON, a non-profit organization, to present classes, performing arts academies, programs and events, with the goal of providing quality cultural programs with educational components that meet the needs of the community.
- The [King Street Station](#) that houses the Office of Arts and Culture. This program supports the operations and programming at King Street Station, including a rotating gallery and public event space for cultural engagement.

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

## Office of Arts and Culture

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

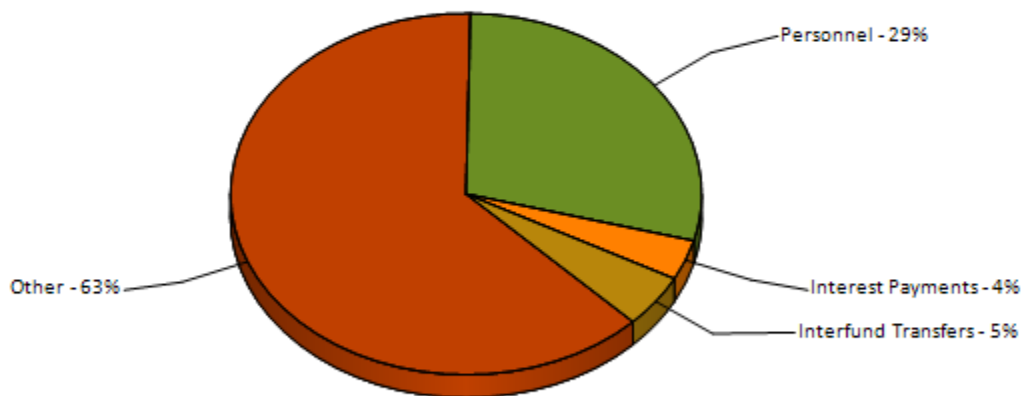
The **Administrative Services** Program provides executive management and support services for the office; supports the Seattle Arts Commission, a 16-member advisory board that advises the office, Mayor and City Council on arts programs and policy; and promotes the role of the arts in economic development,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

### Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$0	\$0	\$0
Other Funding - Operating	\$13,766,040	\$14,681,514	\$14,709,892
<b>Total Operations</b>	<b>\$13,766,040</b>	<b>\$14,681,514</b>	<b>\$14,709,892</b>
<b>Total Appropriations</b>	<b>\$13,766,040</b>	<b>\$14,681,514</b>	<b>\$14,709,892</b>
Full-time Equivalent Total*	34.59	35.09	35.09

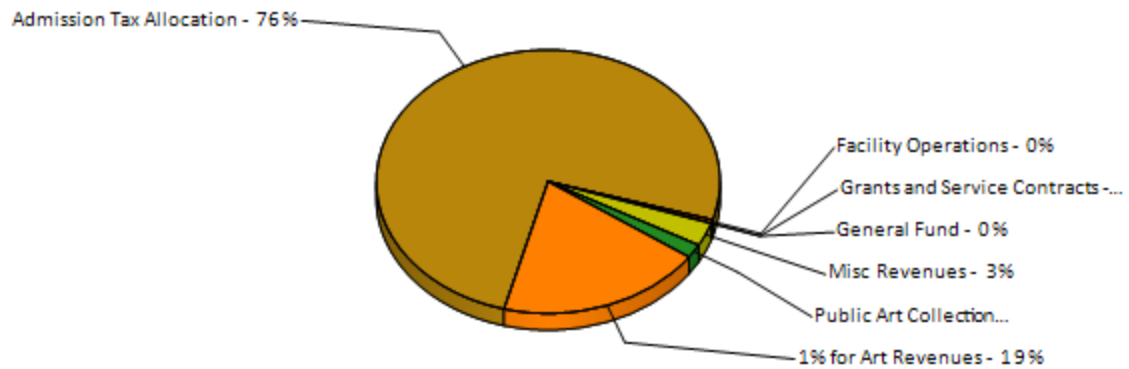
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

### 2019 Proposed Budget - Expenditure by Category



# Office of Arts and Culture

## 2019 Proposed Budget - Revenue by Category



### Budget Overview

The Office of Arts and Culture (ARTS) is funded primarily by the revenue derived from admission taxes and the 1% for Art Program. This funding supports arts-related programs and capital expenditures to keep artists living and working in Seattle, builds community through arts and cultural events and the placement of public art, and increases arts opportunities for youth. Over the last several years, the allocation of admission tax for arts increased from 70% to 80% in 2016, 90% in 2017, and in 2018, ARTS began receiving 100% of admission tax revenue.

The 2019-2020 Proposed Budget deepens ARTS' commitment to protect and support cultural spaces throughout Seattle, particularly in communities experiencing high growth, unaffordability, and displacement. Since 2014, four Arts & Cultural Districts have been added (the Central Area, Uptown, Columbia City/Hillman City, and Capitol Hill) through a cooperative partnership across various City departments. These districts help to stabilize cultural communities in flux and increase affordable housing opportunities in the neighborhood. ARTS' Cultural Spaces program also brings equity to the current wave of property development. It has connected over 25 cultural organizations and developers to build incentives that have resulted in new and preserved cultural spaces. The proposed budget adds funding to bolster initiatives within the existing cultural districts to ensure their long-term impacts on the community.

In 2019, ARTS continues implementation of The Creative Advantage, an arts-education youth initiative led by a public-private partnership that includes ARTS, Seattle Public Schools (SPS), and The Seattle Foundation. The Creative Advantage initiative began with 13 schools in 2016 and by the end of 2019 will be operating in 63 schools. The goal is to provide arts education to all K-12 students in all 100 schools within Seattle Public Schools by the 2022/2023 school year.

## Office of Arts and Culture

Beginning in 2019, the proposed budget transfers the funding for Seattle Center's Festál cultural programming series from Seattle Center (Center) to ARTS. Festál manages the free, weekend-long public festivals hosted by Center for over 20 ethnic communities that share their experiences and cultures through the annual festivals. The cultural festivals help unite communities, educate the public and dispel stereotypes.

In 2019, the ARTS offices will be located at the King Street Station. ARTS will operate a cultural hub space on the third floor to host arts programming. This move will help preserve culturally significant and affordable space in the heart of the city for arts. Programming at King Street Station will activate the historical facility and will increase opportunities for artists to create and share their work; ARTS will ensure communities of color are represented. The 2019-2020 Proposed Budget adds resources to support the operation of King Street Station and the Langston Hughes Performing Arts Institute which has experienced an increased booking rate by the Seattle community. These items preserve affordability to allow artists and communities the ability to thrive amid the current affordability crisis.

The 2019-2020 Proposed Budget highlights the Creative Strategies Initiative (CSI) which piloted in 2018 and partners ARTS with City departments to use artist-led, participatory approaches within government processes to increase inclusion, improve outcomes, and broaden access. CSI supports an overall shift in the City's culture towards one that is equitable both in the outcomes the City co-creates with community and in the ways to get to those outcomes. In 2018, ARTS partnered with the Office of Planning and Community Development and the Department of Neighborhoods to integrate creative elements into the large-scale Racial Equity Toolkit on the Chinatown International District Framework. In 2019, ARTS builds on community feedback to integrate more City access for people with disabilities and immigrant, refugee, indigenous and people of color communities.

The 2019-2020 Proposed Budget for the Municipal Arts Fund includes only technical changes. In 2018, the City Council removed the limit of time ARTS can use funds from the 1% for Art program ([Ordinance 125636](#)). This will help maintain the funding for public art in City projects that may take longer than five years such as the Seattle waterfront by the Seattle Department of Transportation and the Denny Substation by Seattle City Light. The proposed budget also allocates additional resources from the Arts and Culture Fund to provide artwork conservation of the public art collection.



# Office of Arts and Culture

## Incremental Budget Changes

### Office of Arts and Culture

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 13,766,040</b>	<b>34.59</b>	<b>\$ 13,766,040</b>	<b>34.59</b>
<b>Baseline Changes</b>				
Annualize Ongoing 2018 Adopted Budget Items	\$ 189,390	0.00	\$ 182,876	0.00
Citywide Adjustments for Standard Cost Changes	\$ 201,996	0.00	\$ 240,667	0.00
Adjustment for One-Time Budget Additions	-\$ 524,000	0.00	-\$ 524,000	0.00
<b>Proposed Changes</b>				
Cultural Spaces & Districts	\$ 110,000	0.00	\$ 110,000	0.00
Expansion of Cultural Facilities	\$ 126,097	0.50	\$ 127,119	0.50
Arts and Culture Strategies in City Policy Making	\$ 150,000	0.00	\$ 150,000	0.00
Festál Cultural Programming at Seattle Center	\$ 460,000	0.00	\$ 460,000	0.00
Technical Adjustments	\$ 201,991	0.00	\$ 197,190	0.00
<b>Total Incremental Changes</b>	<b>\$ 915,474</b>	<b>0.50</b>	<b>\$ 943,852</b>	<b>0.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 14,681,514</b>	<b>35.09</b>	<b>\$ 14,709,892</b>	<b>35.09</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Annualize Ongoing 2018 Adopted Budget Items - \$189,390**

This adjustment annualizes costs associated with the operation and debt service of King Street Station and continuation of a cultural space permit liaison which were partially funded in the 2018 Adopted Budget.

#### **Citywide Adjustments for Standard Cost Changes - \$201,996**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also adds internal services costs for Human Resources provided by SDHR that is new in the 2019-2020 Proposed Budget and covered by ARTS funding.

#### **Adjustment for One-Time Budget Additions - (\$524,000)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget: Summit Re-Implementation Costs (\$19,000), at-risk youth pilot and employment (\$160,000); cultural district and cultural space grant support (\$200,000); and race and social justice program support (\$145,000).

# Office of Arts and Culture

## Proposed Changes

### **Cultural Spaces & Districts - \$110,000**

This item increases support to several programs that stabilize communities and access to art in a fast-changing city. These programs include an ARTS permit liaison at SDCl; Build ArtSpace Equitably; a conference that convenes cultural space thinkers and practitioners; and Spacefinder Seattle, a database that identifies cultural spaces available to artists and projects in need of space. This item also continues one-time funding added in 2018 for the Arts & Cultural Districts Program to support new and existing cultural districts.

### **Expansion of Cultural Facilities - \$126,097/.50 FTE**

Additional resources for ARTS-operated cultural facilities includes a 0.5 FTE facilities manager to provide maintenance assistance at the Langston Hughes Performing Arts Institute, where bookings have increased and the new King Street Station cultural hub that serves to preserve programming space to support artists and cultural communities. This adjustment also adds two term-limited temporary (TLT) administrative positions at King Street Station to supervise and manage the public gallery space.

### **Arts and Culture Strategies in City Policy Making - \$150,000**

This adjustment adds \$150,000 for the Cultural Strategies Initiatives to expand ARTS' partnership with City departments to deepen arts and culture-based strategies to build racial equity in the community. This will support the Creative Strategies Series of workshops, training, and talks by national and local leaders who use creative work to advance racial justice. Funding will also be used to improve the City's access for people with disabilities and translation services to reach immigrant, refugee, indigenous and people of color communities.

### **Festál Cultural Programming at Seattle Center - \$460,000**

This proposal transfers the funding for Seattle Center's Festál cultural programming series from Seattle Center (Center) to ARTS. Festál manages free, public festivals hosted by Center for over 20 ethnic communities that share their experiences and cultures through the annual festivals. The festivals serve to unite communities, educate the public, and dispel stereotypes.

### **Technical Adjustments - \$201,991**

This item increases appropriation by \$235,000 to align spending with revenues that ARTS manages for the Department of Parks and Recreation for the Art in the Parks program (supported with Seattle Park District funds). This item was included in the 2018 First Quarter Supplemental Ordinance. This item also includes a reduction of \$37,660 as a debt service adjustment related to King Street Station, the future Office of Arts and Culture office location, \$5,000 for artwork conservation increases, and a fuel use reduction of \$349.

## Office of Arts and Culture

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Public Art Budget Summary Level</b>			
Arts and Culture Fund (12400)	184,988	190,039	190,132
Municipal Arts Fund (12010)	2,550,416	2,550,869	2,551,610
<b>Total for BSL: BO-AR-2VMA0</b>	<b>2,735,404</b>	<b>2,740,908</b>	<b>2,741,742</b>
<b>Leadership and Administration Budget Summary Level</b>			
Arts and Culture Fund (12400)	2,626,473	3,060,764	3,081,082
Municipal Arts Fund (12010)	856,290	896,723	906,914
<b>Total for BSL: BO-AR-VA150</b>	<b>3,482,763</b>	<b>3,957,487</b>	<b>3,987,996</b>
<b>Arts and Cultural Programs Budget Summary Level</b>			
Arts and Culture Fund (12400)	6,203,062	6,715,255	6,712,131
<b>Total for BSL: BO-AR-VA160</b>	<b>6,203,062</b>	<b>6,715,255</b>	<b>6,712,131</b>
<b>Cultural Space Budget Summary Level</b>			
Arts and Culture Fund (12400)	1,344,811	1,267,864	1,268,023
<b>Total for BSL: BO-AR-VA170</b>	<b>1,344,811</b>	<b>1,267,864</b>	<b>1,268,023</b>
<b>Department Total</b>	<b>13,766,040</b>	<b>14,681,514</b>	<b>14,709,892</b>
<b>Department Full-time Equivalent Total*</b>	<b>34.59</b>	<b>35.09</b>	<b>35.09</b>

\* 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 Summary by Fund for Arts and Culture

	2018 Adopted	2019 Proposed	2020 Proposed
12400 - Arts and Culture Fund (12400)	10,359,334	11,233,922	11,251,368
12010 - Municipal Arts Fund (12010)	3,406,706	3,447,592	3,458,524
<b>Budget Totals for ARTS</b>	<b>13,766,040</b>	<b>14,681,514</b>	<b>14,709,892</b>

# Office of Arts and Culture

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
397000	Operating Transfers In - Admission Tax Allocation	10,328,191	11,550,000	11,314,590
	<b>Total Admission Tax Allocation</b>	<b>10,328,191</b>	<b>11,550,000</b>	<b>11,314,590</b>
397000	Operating Transfers In - LHPAI Rent	72,000	72,000	72,000
	<b>Total Facility Operations</b>	<b>72,000</b>	<b>72,000</b>	<b>72,000</b>
397000	Operating Transfers In - General Fund	61,294	0	0
	<b>Total General Fund</b>	<b>61,294</b>	<b>0</b>	<b>0</b>
331000	Direct Fed Grants	115,000	0	0
360900	Mellow Fellowship Payment	0	0	0
	<b>Total Grants and Service Contracts</b>	<b>115,000</b>	<b>0</b>	<b>0</b>
360210	Interest Earnings	50,000	50,000	50,000
360210	Interest Increase/Decrease	0	0	0
360900	Art in Parks Support from DPR	0	235,000	235,000
360210	Interest Earnings	133,900	130,000	105,500
360210	Interest Increase/Decrease	0	0	0
360900	Miscellaneous Other Revenue	24,000	25,000	25,000
360900	Operating Transfers In - CRS	0	0	0
	<b>Total Misc Revenues</b>	<b>207,900</b>	<b>440,000</b>	<b>415,500</b>
360900	1% Contribution - City Light	569,131	550,000	550,000
360900	1% Contribution - Finance and Admin. Services	72,600	70,000	70,000
360900	1% Contribution - Parks	140,880	145,000	145,000
360900	1% Contribution - Public Utilities	921,546	900,000	900,000
360900	1% Contribution - Seattle Center	2,250	2,000	2,000
360900	1% Contribution - Transportation	1,302,928	1,300,000	1,300,000
	<b>Total 1% for Art Revenues</b>	<b>3,009,335</b>	<b>2,967,000</b>	<b>2,967,000</b>
360900	Collection Management Fees - City Light	85,843	96,839	99,234
360900	Collection Management Fees - General Fund	106,324	119,943	122,757
360900	Collection Management Fees - Public Utilities	38,620	43,567	44,644
	<b>Total Public Art Collection Management Fees</b>	<b>230,787</b>	<b>260,349</b>	<b>266,635</b>
	<b>Total Revenues</b>	<b>14,024,507</b>	<b>15,289,349</b>	<b>15,035,725</b>

## Office of Arts and Culture

379100	Use of/(Contribution to) Fund Balance - Arts and Culture Fund	-3,216,604	690,731	438,765
379100	Use of/(Contribution to) Fund Balance - Municipal Arts Fund	748,701	1,862,221	2,881,693
<b>Total Total Use of/(Contribution to) Fund Balance</b>		<b>-2,467,903</b>	<b>2,552,952</b>	<b>3,320,458</b>

<b>Total Resources</b>	<b>11,556,604</b>	<b>17,842,301</b>	<b>18,356,183</b>
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### Appropriations By Budget Summary Level (BSL) and Program

<u>Public Art Budget Summary Level</u>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Artwork Conservation	184,988	190,039	190,132
Public Art	2,550,416	2,550,869	2,551,610
<b>Total</b>	<b>2,735,404</b>	<b>2,740,908</b>	<b>2,741,742</b>
Full-time Equivalents Total*	11.75	11.75	11.75

\* 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.

*The following information summarizes the programs in Public Art Budget Summary Level:*

#### Artwork Conservation Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Artwork Conservation	184,988	190,039	190,132
Full-time Equivalents Total	1.00	1.00	1.00

#### Public Art Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Public Art	2,550,416	2,550,869	2,551,610
Full-time Equivalents Total	10.75	10.75	10.75

## Office of Arts and Culture

<b><u>Leadership and Administration Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	886,449	954,496	951,357
Departmental Indirect Costs	1,527,562	1,886,988	1,885,004
Pooled Benefits and PTO	1,068,752	1,116,003	1,151,635
<b>Total</b>	<b>3,482,763</b>	<b>3,957,487</b>	<b>3,987,996</b>
Full-time Equivalents Total*	8.00	8.00	8.00

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**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### **Citywide Indirect Costs Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	886,449	954,496	951,357
Full-time Equivalents Total	0.00	0.00	0.00

### **Departmental Indirect Costs Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	1,527,562	1,886,988	1,885,004
Full-time Equivalents Total	8.00	8.00	8.00

### **Pooled Benefits and PTO Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits and PTO	1,068,752	1,116,003	1,151,635
Full-time Equivalents Total	0.00	0.00	0.00

## Office of Arts and Culture

### Arts and Cultural Programs Budget Summary Level

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Activations Equity and Youth Development	2,370,497	2,215,715	2,216,106
Communication Outreach and Eve	231,280	231,359	231,503
Cultural Facilities Operations	870,269	842,008	838,065
Funding Programs & Partnership	2,731,016	3,426,173	3,426,457
<b>Total</b>	<b>6,203,062</b>	<b>6,715,255</b>	<b>6,712,131</b>
Full-time Equivalents Total*	13.34	13.84	13.84

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**The following information summarizes the programs in Arts and Cultural Programs Budget Summary Level:**

#### **Activations Equity and Youth Development Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Activations Equity and Youth Development	2,370,497	2,215,715	2,216,106
Full-time Equivalents Total	3.00	3.00	3.00

#### **Communication Outreach and Eve Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Communication Outreach and Eve	231,280	231,359	231,503
Full-time Equivalents Total	2.00	2.00	2.00

#### **Cultural Facilities Operations Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Cultural Facilities Operations	870,269	842,008	838,065
Full-time Equivalents Total	5.59	6.09	6.09

#### **Funding Programs & Partnership Program**

## Office of Arts and Culture

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Funding Programs & Partnership	2,731,016	3,426,173	3,426,457
Full-time Equivalents Total	2.75	2.75	2.75

### **Cultural Space Budget Summary Level**

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Cultural Space	1,344,811	1,267,864	1,268,023
<b>Total</b>	<b>1,344,811</b>	<b>1,267,864</b>	<b>1,268,023</b>
Full-time Equivalents Total*	1.50	1.50	1.50

*\* 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.*



# Department of Parks and Recreation

Christopher Williams, Interim Superintendent

(206) 684-4075

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

## Department Overview

The Department of Parks and Recreation (Parks) works with all residents to be good stewards of the environment and to provide safe, welcoming opportunities to play, learn, contemplate, and build community. Parks manages a [6,400-acre park system of over 485 parks](#) and extensive natural areas. Parks provides athletic fields, tennis courts, play areas, specialty gardens, and more than 25 miles of boulevards and 120 miles of trails. The system comprises about 12% of the city's land area. SPR also manages many facilities, including 27 [community centers](#), eight [indoor swimming pools](#), two [outdoor \(summer\) swimming pools](#), three [environmental education centers](#), two [small craft centers](#), four [golf courses](#), an outdoor stadium, and much more. The Woodland Park Zoological Society operates the zoo with City financial support, and the Seattle Aquarium Society operates the City-owned Seattle Aquarium.

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

Parks' funding is a combination of tax dollars from the City's General Fund, Seattle Park District funds, Real Estate Excise Tax and revenue from a variety of other sources including grants, user fees and rental charges. Funding for new parks facilities historically came from voter-approved levies. In 2014, Seattle voters approved the formation of a new taxing district known as the Seattle Park District. Property taxes collected by the Seattle Park District provide funding for City parks and recreation including maintaining parklands and facilities, operating community centers and recreation programs, and developing new neighborhood parks on previously acquired sites.

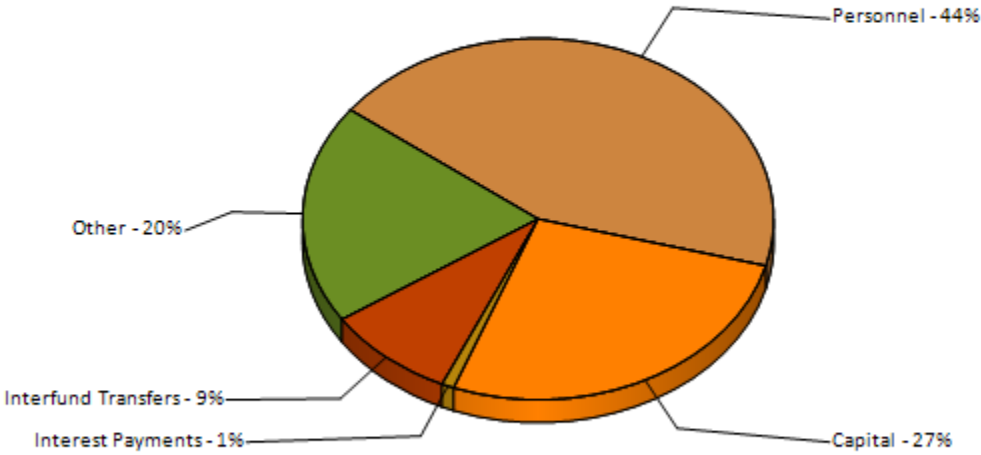
# Department of Parks and Recreation

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support - Operating	\$107,162,958	\$99,524,711	\$99,438,435
Other Funding - Operating	\$54,398,153	\$63,522,122	\$66,335,112
<b>Total Operations</b>	<b>\$161,156,111</b>	<b>\$163,046,833</b>	<b>\$165,773,547</b>
General Fund Support - Capital (Debt Service)	\$0	\$2,007,000	\$1,210,000
Other Funding - Capital	\$92,339,000	\$69,656,565	\$81,529,000
<b>Total Capital</b>	<b>\$92,339,000</b>	<b>\$71,663,565</b>	<b>\$82,739,000</b>
<b>Total Appropriations</b>	<b>\$253,900,111</b>	<b>\$234,710,398</b>	<b>\$248,512,547</b>
Full-time Equivalent Total*	922.24	925.90	927.88

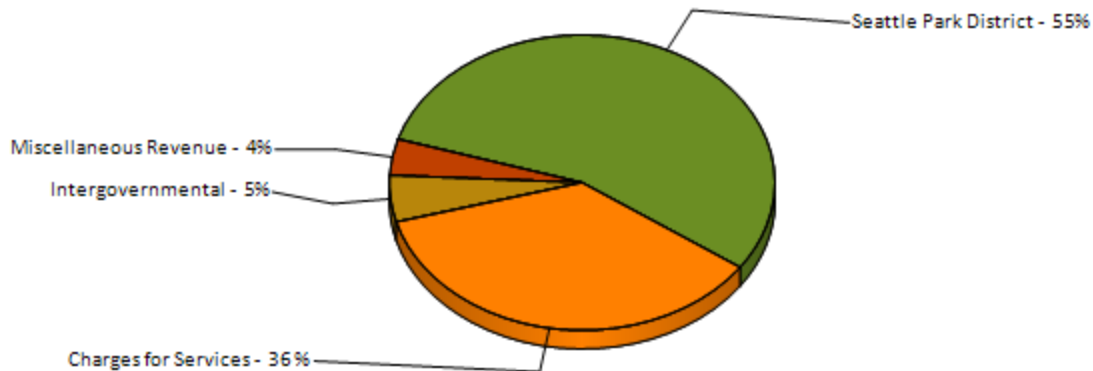
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### 2019 Proposed Budget - Expenditure by Category



# Department of Parks and Recreation

## 2019 Proposed Budget - Revenue by Category



### Budget Overview

In August 2014, the voters of Seattle passed a ballot measure creating the Seattle Park District (Park District). The Park District has the same boundaries as the City of Seattle. The City Council members, acting *ex officio* and independently, comprise the governing board (the District Board). The goal of the Park District is to provide long-term, stable funding to support recreation programming, parks projects and the critical needs for investment in major and ongoing maintenance. Park District funding has enabled the Department of Parks and Recreation (Parks) to address the major maintenance backlog it had previously incurred and to increase recreation opportunities throughout the City. Since the Park District went into full effect in 2016, Parks has accomplished a range of important projects, including renovating and restoring buildings and other facilities, increasing athletic field capacity and quality, conducting preventive maintenance activities, and many others. In developing the 2019-2020 Proposed Budget, Parks examined how to leverage Park District resources to realize efficiencies in other funding sources. The proposed budget reflects several realignments to make the best use of this resource while maintaining focus on the provision of core services.

In the Interlocal Agreement establishing the Park District, the City pledged to maintain a base level of General Fund support for Parks inflated annually with the Consumer Price Index (CPI) to reflect the City's ongoing commitment to core park and recreation services. In the past three years, Parks' General Fund support has grown more quickly than CPI. Given this, the 2019-2020 Proposed Budget reflects a realignment of General Fund and Park District resources to right-size the department's General Fund revenues while retaining core services and prioritizing Parks' major maintenance backlog and capital improvements. The proposed budget shifts \$10 million in General Fund operating costs to the Park District and adds \$10 million of Real Estate Excise Tax (REET) support to fund those formerly Park District-funded capital projects. Given Seattle's strong residential and commercial activity that generates REET, the City can commit to this higher level of ongoing REET support while continuing to invest in other high-priority capital projects.

## Department of Parks and Recreation

This shift in the source of funding for Parks' major maintenance backlog is part of a broader budget strategy to redirect more flexible funding sources to other General Fund priorities. The use of REET funds rather than Parks District resources will allow the Parks District resources to be redirected toward Parks' operational costs that are currently supported by the General Fund. In turn, this will allow those General Fund resources to be used for other City priorities, including the response to homelessness.

While developing the 2019-2020 Proposed Budget, Parks closely examined departmental operations to identify opportunities for efficiencies and streamlining while minimizing impacts to services. Based on direction from the Mayor's Office, the department identified opportunities to eliminate 14 vacant positions, reduce its discretionary contracting service budget by 20%, and reduce its fuel budget by 15%. Parks also identified a range of administrative and management efficiencies at recreation facilities, nonlabor maintenance expense reductions, opportunities to realign staffing costs among operating and capital resources, and technical adjustments to realize further savings. Parks also identified efficiencies related to the Greenways program, encroachment removals, and urban canopy restoration and maintenance. The proposed budget also includes two service-level reductions: the closure of the Belltown Community Center at the end of 2018 and a reduction to Parks' Volunteer Coordination Unit.

In addition to these ongoing reductions and realignments, Parks recalibrated Park District project timelines and projected cash flow spending and as a result, was able to leverage cash flow efficiencies. This allowed the department to shift \$1.5 million of utility expenses from the General Fund to the Park District. However, this is a one-time shift that will only be funded through the biennium and will create a bow-wave of expenses beginning in 2021 that will need to be considered as part of the next Park District funding cycle.

The proposed budget adds ongoing funding for Late Night programming on Saturdays and public operating hours on Sundays at the South Park Community Center, which was piloted in the summer of 2018, and also adds Sweetened Beverage Tax revenue to increase Parks' budget for youth recreation scholarships. The proposed budget also includes ongoing resources to maintain a new Portland Loo-style restroom which will be installed at the Ballard Commons in 2019. Other budget additions include dedicated support for departmentwide Race and Social Justice Initiative efforts, additional funding for irrigation and utility expenses, and funding to operate and maintain new or expanded park properties. The proposed budget also shifts debt service expense from the operating budget to the capital budget to address part of the anticipated revenue shortfall for the Seattle golf program in 2019.

The proposed budget also reflects fee increases at a range of Parks facilities to help offset increased labor costs. Fees include athletic fields, pools, indoor and outdoor event facilities, community center room rentals, the Amy Yee Tennis Center, Magnuson Park facilities, and the Japanese Garden. The pool revenue fee increase will generate an additional \$15,000 that will be used to offer free swim lessons to low-income youth.

Finally, the 2019-2024 Capital Improvement Program (CIP) includes several key investments in 2019 and 2020 that reflect Parks' continued focus on asset preservation, facility maintenance, and investing through an RSJI lens. Key changes include additional resources to develop a land-banked site in North Rainier into a park, funding to support a comprehensive park site plan in South Park, and funding for a play area renovation in Bitter Lake. Other significant investments include planning and design in Yesler Crescent (City Hall Park and Prefontaine Plaza), additional support for the Lake City Community Center renovation, resources for schematic design at Greenlake Community Center, and use of unallocated funding for a planned relocation and space buildout for over 100 Parks staff. The proposed CIP also includes significant allocations for turf field renovations and conversions, including replacing synthetic turf at Queen Anne Bowl and Georgetown Playfield, and adding funds to convert West Queen Anne Playfield from grass to turf (full funding will be identified in future years). Other priorities for the upcoming biennium include American with Disabilities Act (ADA) project improvements, and continued support for Parks' ongoing maintenance programs. Finally, the CIP includes additional funding for the Seattle Aquarium Expansion project as well as cash flow adjustment and funding increase for the Parks Central Waterfront Piers Rehabilitation project.

# Department of Parks and Recreation

## Incremental Budget Changes

### Department of Parks and Recreation

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 253,900,111</b>	<b>922.24</b>	<b>\$ 253,900,111</b>	<b>922.24</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 7,618,346	0.00	\$ 6,968,914	0.00
Supplemental Budget Changes	-\$ 580,004	0.80	-\$ 580,004	0.80
Adjustment for One-Time Budget Additions	-\$ 3,726,168	-1.50	-\$ 3,726,168	-1.50
Technical Adjustment	\$ 0	0.00	\$ 0	0.00
CIP Adjustment	-\$ 28,363,000	0.00	-\$ 31,569,000	0.00
<b>Proposed Changes</b>				
Sweetened Beverage Tax Funding for Youth Scholarships	\$ 150,000	0.00	\$ 150,000	0.00
Expand South Park Late Night Hours	\$ 91,376	0.00	\$ 91,376	0.00
Portland Loo Maintenance	\$ 99,000	0.00	\$ 44,000	0.00
Add Funding to Operate New Parks	\$ 610,377	0.00	\$ 615,400	0.00
Irrigation and Utility Expenses	\$ 580,000	0.00	\$ 1,218,000	0.00
Dedicated Support for Departmentwide RSJI Efforts	\$ 67,400	0.50	\$ 88,599	0.50
Increase Technical and Financial Capacity	\$ 0	2.50	-\$ 1	2.50
Pool Fee Increase	\$ 14,693	0.00	\$ 14,840	0.00
Athletic Field Fee Increase	\$ 0	0.00	\$ 0	0.00
Other Fee Increases	\$ 0	0.00	\$ 0	0.00
Recognize Operational Revenue Increases	\$ 150,000	0.00	\$ 150,000	0.00
People Counter Upgrade	\$ 0	0.00	\$ 0	0.00
Irrigation System Upgrade	\$ 0	0.00	\$ 0	0.00
Remove Vacant Positions	-\$ 576,485	-8.50	-\$ 577,003	-8.50
Reduce Discretionary Contracting Resources	-\$ 200,000	0.00	-\$ 200,000	0.00
Park Maintenance Non-Labor Efficiencies	-\$ 421,707	0.00	-\$ 421,707	0.00
Reduce Fuel Budget	-\$ 169,102	0.00	-\$ 169,485	0.00
Urban Parks Partnership Efficiency	-\$ 110,000	0.00	-\$ 110,000	0.00
Administrative Efficiencies	-\$ 109,976	-0.80	-\$ 110,036	-0.80
Community Center Management Efficiency	-\$ 204,159	-1.50	-\$ 204,354	-1.50
Increase CIP Hours for Planning and Development Work	-\$ 117,005	0.00	-\$ 117,424	0.00
Redirect Preventative Maintenance to Ongoing CIP Programs	-\$ 383,115	0.00	-\$ 397,983	0.00

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Move to Mid-Step Position Budgeting	-\$ 967,994	0.00	-\$ 989,642	0.00
Encroachment Program Realignment	\$ 0	0.00	\$ 0	0.00
Tree Maintenance Realignment	-\$ 881,718	7.00	-\$ 892,240	7.00
Greenways Program Efficiency	-\$ 112,230	-1.00	-\$ 112,321	-1.00
Volunteer Program Coordination Reduction	-\$ 191,222	-2.00	-\$ 191,418	-2.00
Belltown Community Center Closure	-\$ 134,941	-1.00	-\$ 135,984	-1.00
Realign Utility Expenses	\$ 0	0.00	\$ 0	0.00
Realign General Fund and Park District Expenditures	\$ 0	0.00	\$ 0	0.00
 <b>Capital Changes</b>				
CIP Adjustment	\$ 10,480,721	0.00	\$ 24,426,328	0.00
 <b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 563,361	1.83	-\$ 562,787	1.83
Golf Adjustment	-\$ 490,955	0.00	\$ 1,342,451	0.00
Park District Balancing	-\$ 748,484	7.33	\$ 570,085	9.31
 <b>Total Incremental Changes</b>	 <b>-\$ 19,189,713</b>	 <b>3.66</b>	 <b>-\$ 5,387,564</b>	 <b>5.64</b>
 <b>2019 - 2020 Proposed Budget</b>	 <b>\$ 234,710,398</b>	 <b>925.90</b>	 <b>\$ 248,512,547</b>	 <b>927.88</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$7,618,346**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

##### **Supplemental Budget Changes - (\$580,004)/.80 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. Parks' changes include technical adjustments to remove double appropriation and align to the department's budget conversion, and a new .8 FTE Management Systems analyst to support data integration among multiple systems added in the 2018 2nd Quarter Budget Supplemental Ordinance.

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## **Adjustment for One-Time Budget Additions - (\$3,726,168)/(1.50) FTE**

This item includes budget reductions to remove one-time items added in the 2018 Adopted Budget. These additions included funds for planning at Hubbard Homestead park, adding hours for seven wading pools, purchasing emergency preparedness boxes, hiring additional staff at Magnuson Community Center, equipment purchases for Emergency Operations Center (EOC) activation, Summit Reimplementation Initiative project funding, and moving debt service from the operating budget to the golf capital improvement program. On the revenue side, this adjustment also replaced a one-time use of fund balance with General Fund. This adjustment also removes three positions that were supported with one-time funding, including one 0.5 FTE Recreation Attendant, one 0.5 FTE Recreation Center Coordinator, and one 0.5 FTE Recreation Leader.

## **Technical Adjustment**

This item includes budget-neutral technical adjustments to align project coding and account categories.

## **CIP Adjustment - (\$28,363,000)**

The one-time Capital Improvement Program technical adjustment aligns the capital budget with the planned expenditures for 2019 and 2020 identified in the 2018-2023 Adopted CIP.

## **Proposed Changes**

### **Sweetened Beverage Tax Funding for Youth Scholarships - \$150,000**

This adjustment adds \$150,000 of Sweetened Beverage Tax funding for youth recreation scholarships. These scholarships will help make a range of Parks programs and activities more accessible to low-income youth and families. This addition supplements the \$400,000 budget for scholarships currently provided by the Park District.

### **Expand South Park Late Night Hours - \$91,376**

This item enhances services at the South Park Community Center by adding ongoing Late Night programming on Saturday evenings and adding public operating hours on Sundays. These expanded hours were piloted in the summer of 2018 based on strong community interest.

### **Portland Loo Maintenance - \$99,000**

This adjustment adds incremental funding to maintain a new Portland Loo-style restroom planned for installation at the Ballard Commons in 2019. This maintenance level assumes three daily cleanings, seven days a week. This proposal includes ongoing maintenance costs and a one-time vehicle purchase in 2019 and supplements the \$36,000 of ongoing maintenance costs added in the 2017 Adopted Budget.

### **Add Funding to Operate New Parks - \$610,377**

This adjustment adds funding for new maintenance costs associated with the development of new or expanded park properties. These costs support the East Duwamish Greenbelt, West Duwamish Greenbelt, Lakeridge Park, Madrona Ravine, Orchard Street Ravine, Burke Gilman Trail, Washington Park Arboretum Trail, and Fort Lawton.

### **Irrigation and Utility Expenses - \$580,000**

This item includes funding to cover utility rate increases. Utility expenses are a significant cost driver in the department's budget, costing an estimated \$12.5 million in 2018. Utilities include sewer, drainage, water, electricity, gas, and recycling. Parks works to manage consumption through strategies like irrigation and water

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efficiencies and energy efficiency improvements. However, in 2019-2020, the department will not be able to lower consumption enough to offset the rate increases.

## **Dedicated Support for Departmentwide RSJI Efforts - \$67,400/.50 FTE**

This adjustment funds a new Strategic Advisor 1 position to staff the department's Race and Social Justice Initiative (RSJI) change team, support the RSJI Outcomes, Strategies, and Actions work plan, and contribute to other efforts build capacity for this work throughout the department. This adjustment reclassifies an existing 0.5 FTE position and brings the position to full-time. The revenue to support this position will be generated by fee increases at Magnuson Park, which are described in "Other Fee Increases."

## **Increase Technical and Financial Capacity/2.50 FTE**

This item reconfigures existing departmental resources to expand needed technical and financial expertise within the department to support systems integration and analysis. It permanently establishes a Strategic Advisor 2 position added in 2018 to support the increased financial work related to the stabilization of PeopleSoft 9.2, financial forecasts, and rate structure and analysis. It also transitions Park District funding provided for the Customer Service Technology Initiative from system implementation in 2018 to ongoing operations in 2019 and beyond. This will support a 1.0 FTE Manager 2, a 0.8 FTE Management Systems Analyst, and a 0.5 FTE Assistant Management Systems Analyst to oversee ongoing data governance and integration among City systems.

## **Pool Fee Increase - \$14,693**

This adjustment, which corresponds to fee legislation proposed with the budget, increases fees at Parks' aquatics facilities for swim lessons, recreational swimming for adults, pool rentals, staff fees, and summer swim league fees to help offset anticipated increased labor costs. These changes are expected to result in \$265,000 of revenue in 2019 and \$515,000 of revenue in 2020. Almost \$15,000 of this revenue will be used to offer free swim lessons to low-income youth at select pools.

## **Athletic Field Fee Increase**

This change, which corresponds to fee legislation proposed with the budget, increases athletic field fees by 2.5% each in 2019 and 2020. This fee increase, which will be implemented in July 2019, is expected to result in \$60,000 of revenue in 2019 and \$240,000 of revenue in 2020 to help Parks offset anticipated increased labor costs.

## **Other Fee Increases**

This item, which corresponds to fee legislation proposed with the budget, increases user fees at several Parks facilities to help fund increased labor costs, including:

- increased fees from \$6 to \$8 for non-Seattle residents at the Seattle Japanese Garden (anticipated to generate \$190,000 in 2019 and 2020);
- event-scheduling fees at indoor facility rentals, picnic reservations, and use permits (anticipated to generate \$88,000 in 2019 and \$110,000 in 2020);
- room rental fees (anticipated to generate \$115,000 in 2019 and 2020 to help offset increased labor costs and \$90,000 in 2019 and 2020 to offset General Fund expenses);
- Amy Yee Tennis Center youth, adult, and court-rental fees (anticipated to generate \$50,000 in 2019 and \$244,000 in 2020); and
- facility rentals at Magnuson Park (anticipated to generate \$67,00 in 2019 and \$88,000 in 2020).



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## **Recognize Operational Revenue Increases - \$150,000**

This item aligns revenue goals for eight community centers, including Ballard, Laurelhurst, Magnolia, Miller, Montlake, Northgate, Ravenna Eckstein and Queen Anne, with historical actual revenues. The associated revenue will be used to support labor costs at community centers. It also recognizes an additional \$12,000 in revenue from artists renting space at Magnuson Park, and offsets General Fund expenditures by \$12,000.

## **People Counter Upgrade**

This item replaces the 65 people counter devices installed in community centers which are obsolete and failing. Parks will use \$226,000 of existing Park District resources to install new people counters at existing and 18 new locations. People counter devices provide important community center usage metrics that help the Recreation Division evaluate and refine programming at Parks facilities.

## **Irrigation System Upgrade**

This item replaces cellular modems for the current Parks irrigation system which are obsolete and need replacement to manage water usage. Parks will use \$107,000 of existing Park District resources to update 116 modems across the City.

## **Remove Vacant Positions - (\$576,485)/(8.50) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and identified 11 positions (8.5 FTE) which can be eliminated in the Park and Environment Division, Facility Maintenance Division, Natural Resources Unit, and Recreation Division. These reductions will not impact delivery of core services.

The vacant positions eliminated in this proposal include:

- Administrative Specialist II (1.0 FTE)
- Gardener (0.5 FTE)
- Senior Gardener (1.0 FTE)
- Utility Laborer (1.0 FTE)
- Installation Maintenance Worker (1.0 FTE)
- Park Maintenance Aide (3.0 FTE)
- Recreation Attendant (1.0 FTE)

## **Reduce Discretionary Contracting Resources - (\$200,000)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$200,000 in discretionary contracting reductions, a 20% reduction in its discretionary contract budget. This reduction achieves efficiency in budgeting without service reductions.

## **Park Maintenance Non-Labor Efficiencies - (\$421,707)**

The Parks and Environment Division achieves savings through reductions in operating supplies and temporary labor. The reduction is shared among the six maintenance districts to minimize impacts in any particular area. The combined reductions represent a 3% across the board reduction in non-labor costs in this division.

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## **Reduce Fuel Budget - (\$169,102)**

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was a \$169,000 (15%) reduction in Parks' fuel budget. This reduction will not affect the department's ability to maintain business operations.

## **Urban Parks Partnership Efficiency - (\$110,000)**

In 2019 and 2020, the Park District financial commitment to the Downtown Seattle Association to activate Westlake and Occidental Squares decreases by \$100,000. Parks will redirect these Park District resources to fund costs previously supported by the General Fund. This item also reduces the Freeway Blues and Jazz Series from eight to four events per year.

## **Administrative Efficiencies - (\$109,976)/(.80) FTE**

This item implements several administrative efficiencies across the department, including reducing non-personnel expenses at Magnuson Park, reconfiguring the Amy Yee Tennis Center Cashier staffing model, and consolidating the administration of two grant programs.

## **Community Center Management Efficiency - (\$204,159)/(1.50) FTE**

The item restructures some aspects of Recreation Division management and reduces some staffing support to promote greater integration of community centers and teen programs and identify efficiencies. This restructuring resulted in a consolidation of management responsibilities, enabling the reduction of one Manager 1 position (1.0 FTE). It also eliminates a floating Recreation Attendant position who provided additional coverage during peak times or if staff were on leave.

## **Increase CIP Hours for Planning and Development Work - (\$117,005)**

This item offsets General Fund expenses by more accurately budgeting positions working on capital projects in the capital budget.

## **Redirect Preventative Maintenance to Ongoing CIP Programs - (\$383,115)**

This item redirects almost \$385,000 of major maintenance work currently supported by General Fund to the Capital Improvement Program including Pavement Restoration and Irrigation Upgrades. Replacement of paths and sidewalks is a priority for the department and will improve safe and accessible routes within City parks. Irrigation repairs and upgrades will enhance the department's ability to maintain specialty gardens and other assets. This change may decrease the department's flexibility to respond to unplanned maintenance requests.

## **Move to Mid-Step Position Budgeting - (\$967,994)**

This item adjusts the approach to budgeting for position costs to a mid-step salary level.

## **Encroachment Program Realignment**

This efficiency proposal achieves General Fund savings by more accurately aligning staff time with Park District Major Maintenance Backlog and Asset Management Initiative work related to removing property encroachments. This change is reflected on the revenue side of the budget.

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## **Tree Maintenance Realignment - (\$881,718)/7.00 FTE**

This item realigns operating and capital spending given significant progress toward the goal restoring 2,500 acres of the urban forest by 2025. Approximately 1,500 acres are in active restoration to date. As more of the City's urban canopy is restored, the need for capital dollars for restoration is waning, and the need for preventive maintenance is increasing. This adjustment transfers two currently General-Funded maintenance crews (a Tree Crew and a Natural Area Crew) to Park District resources to provide ongoing maintenance of restored urban forest. It also adds approximately \$520,000 of additional operating funds to support increased staffing to maintain the restored canopy. These new positions include Maintenance Laborers (4.0 FTE) and Tree Trimmers (3.0 FTE). In total, this item reduces capital restoration spending by \$1.4 million and increases preventive maintenance by \$520,000 for a net reduction of approximately \$880,000.

## **Greenways Program Efficiency - (\$112,230)/(1.00) FTE**

This adjustment eliminates a Park District-funded position that works with the Seattle Department of Transportation to activate new locations made accessible for walking or biking. This position is underutilized and does not have sufficient projects for full-time work. These funds are redirected in the proposed budget to support recreation programming for older adults (Parks' Lifelong Recreation program). No changes have been made to the capital side of the budget; the 2019 budget includes \$219,000 of Park District funding for Greenways capital projects.

## **Volunteer Program Coordination Reduction - (\$191,222)/(2.00) FTE**

This item eliminates two full-time Volunteer Coordinator Positions, reducing the unit from five staff to three. This unit provides volunteer recruitment and management support for the department. This change reflects a decrease in large, corporate party volunteer efforts and volunteer hours. This change will refocus the unit to a compliance and support function (e.g., doing background checks on volunteers) rather than recruitment and program development.

## **Belltown Community Center Closure - (\$134,941)/(1.00) FTE**

The Belltown Community Center had the least amount of structured programming and the lowest visitation and usage rates of all the community centers citywide. In addition, over 90% of the operational costs (about \$100,000) were absorbed by the Associated Recreation Council which is unable to continue this funding after 2018. Given these challenges, Parks did not renew the Belltown Community Center lease. This reduction will eliminate two vacant part-time positions, a 0.5 FTE Recreation Center Coordinator and a 0.5 FTE Recreation Attendant.

## **Realign Utility Expenses**

This item shifts \$1.5 million of utility expenses, historically General Funded, to the Park District. This is a two-year change leveraging cash flow efficiencies from capital Park District resources. This change is reflected on the revenue side of the budget.

## **Realign General Fund and Park District Expenditures**

This budget-neutral item realigns Parks' General Fund support to better match the commitment outlined in the Interlocal Agreement establishing the Seattle Park District ([Ordinance 124468](#)). Since the establishment of the Park District, Parks' General Fund support has increased more quickly than inflation. To right-size the department's General Fund support, this item shifts \$10 million in operating costs to the Park District. This change also includes a \$10 million shift from Park District capital to operating expenses, and the capital funding will be backfilled by Real Estate Excise Tax. This change is reflected in Parks' 2019-2024 Proposed CIP. Total Parks spending is unchanged by this adjustment.

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Transitions of operating programming include the following shifts from General Fund to the Park District:

- \$1.9 million of support for the Woodland Park Zoo shifting to Park District Initiative 1.5: Zoo Major Maintenance;
- \$1.8 million of recreation and community center staffing costs shifts to Initiative 3.1: Restore Community Center Operations;
- \$1.5 million for job readiness and mentorship programming, youth athletics, recreation support and teen programming, and outdoor opportunities shifts to Park District Initiative 3.3: Better Programs for Young People;
- \$1 million for programming for people with disabilities shifts to Park District Initiative 3.4: Meeting the Needs of People with Disabilities;
- \$766,000 for programming for older adults shifts to Park District Initiative 3.5: More Programs for Older Adults;
- \$150,000 for city center activation programming shifts to Park District Initiative 4.11: Urban Parks Partnerships;
- \$1.2 million for National Pollutant Discharge Elimination System programming, pool restoration, and floor restoration shifts to Park District Initiative 2.1: Increase Preventive Maintenance; and
- \$1.6 million for the Installation Maintenance Worker program, equipment repair, and turf maintenance shifts to Park District Initiative 2.2: Provide Clean, Safe, Welcoming Parks.

## Capital Changes

### **CIP Adjustment - \$10,480,721**

The one-time Capital Improvement Program (CIP) technical adjustment aligns the budget with the 2019-2024 CIP. Key changes in the proposed CIP for 2019 and 2020 include:

- \$1.8 million in 2019 to support the South Park comprehensive site plan;
- \$1.3 million in 2020 to develop the North Rainier land-banked site;
- \$1 million in 2020 to renovate the Bitter Lake Play Area;
- \$3 million in 2020 to start a fund to convert the West Queen Anne Playfield from grass to synthetic turf (this funds 50% of the estimated cost; additional funding will be identified in future years);
- \$1.1 million in 2019 for synthetic turf replacement at Queen Anne Bowl and \$2.1 million in 2020 for synthetic turf replacement at Georgetown Playfield;
- \$500,000 in 2019 for planning in Yesler Crescent, including City Hall Park and Prefontaine Plaza;
- \$500,000 in both 2019 and 2020 for design work at Greenlake Community Center;
- \$3 million in 2020 for the Lake City Community Center renovation project
- \$1 million in 2019 and \$2 million in 2020 for Americans with Disabilities Act improvements; and
- \$2.3 million in 2019 and \$12 million in 2020 for the Aquarium expansion.

More information can be found in the 2019-2024 Capital Improvement Program.

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## Proposed Technical Changes

### **Technical Adjustments - (\$563,361)/1.83 FTE**

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

- align positions with projects based on actual workload and Parks' 2017 reorganization;
- more accurately reflect the division of labor among divisions;
- shift supply budgets, temporary staffing, and FTE among recreation sites to reflect actual spending and staffing needs; and
- remove double appropriation for athletic field fees.

### **Golf Adjustment - (\$490,955)**

This adjustment addresses an estimated shortfall in golf revenues in 2019 by moving approximately \$1.5 million of golf debt service costs out of the operating budget and into the CIP and using King County Park Levy funding to support the debt service costs. This shift is a bridge solution to address the anticipated shortfall for 2019. The department has hired a consultant to evaluate the golf program and identify longer-term financial strategies to address golf's ongoing revenue shortfalls.

This technical adjustment also aligns revenues related to the Golden Gardens Bathhouse, the athletic scheduling office, Amy Yee Tennis Center, and Magnuson Park leases to match actual and contractual revenues. These adjustments are anticipated to generate \$175,000 in 2019 and \$225,000 in 2020 to help offset a reduction of golf program contribution to Park Fund from 5% to 3.5%.

### **Park District Balancing - (\$748,484)/7.33 FTE**

This item adjusts revenue and budgets within Park District Initiatives to correctly align the 2019 and 2020 Park District Fund to the 6-year Park District Financial Plan. These changes include:

- moving one-time Park District funding for activation activities in neighborhood parks back to the community center capital initiative (per GS-79-1-B-4-2017);
- add funding for the maintenance of the Waterfront;
- add funding for maintaining land-banked sites that will be developed in 2019 and 2020;
- move the 2019 maintenance funding for Smith Cove to the Smith Cove CIP project as the development of the park is occurring later than planned; and
- add 2.5% inflation across initiatives.

# Department of Parks and Recreation

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>2008 Parks Levy Budget Summary Level</b>			
REET I Capital Projects Fund	5,000,000	0	0
<b>Total for BSL: BC-PR-10000</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>
<b>Building For The Future Budget Summary Level</b>			
Alaskan Way Seawall Construction Fund	1,850,000	0	0
Central Waterfront Improvement Fund	2,700,000	4,800,000	1,500,000
Park and Recreation Fund (10200)	2,250,000	3,300,000	8,650,000
REET I Capital Projects Fund	0	2,325,000	12,000,000
REET II Capital Projects Fund	14,086,000	3,030,000	3,287,000
Seattle Park District Fund	12,040,000	11,934,000	7,854,000
<b>Total for BSL: BC-PR-20000</b>	<b>32,926,000</b>	<b>25,389,000</b>	<b>33,291,000</b>
<b>Debt and Special Funding Budget Summary Level</b>			
2013 King County Parks Levy	892,000	1,537,000	123,000
General Fund	0	2,007,000	1,210,000
Park and Recreation Fund (10200)	175,000	169,000	168,000
REET I Capital Projects Fund	785,000	781,000	779,000
REET II Capital Projects Fund	2,333,000	1,545,000	1,540,000
<b>Total for BSL: BC-PR-30000</b>	<b>4,185,000</b>	<b>6,039,000</b>	<b>3,820,000</b>
<b>Fix It First Budget Summary Level</b>			
2013 King County Parks Levy	1,660,000	0	0
Beach Maintenance Fund	25,000	25,000	25,000
Park and Recreation Fund (10200)	2,003,001	913,001	913,001
REET I Capital Projects Fund	1,600,000	1,500,000	2,660,000
REET II Capital Projects Fund	16,846,000	20,498,000	24,091,000
Seattle Park District Fund	27,637,000	16,457,565	17,566,000
Unrestricted Cumulative Reserve Fund	35,000	512,000	35,000
<b>Total for BSL: BC-PR-40000</b>	<b>49,806,000</b>	<b>39,905,565</b>	<b>45,290,000</b>
<b>Maintaining Parks and Facilities Budget Summary Level</b>			
REET II Capital Projects Fund	100,000	0	0

## Department of Parks and Recreation

Seattle Park District Fund	322,000	330,000	338,000
<b>Total for BSL: BC-PR-50000</b>	<b>422,000</b>	<b>330,000</b>	<b>338,000</b>

### Cost Center Maintenance and Repairs Budget Summary Level

General Fund	22,619,659	21,669,256	22,542,713
Park and Recreation Fund (10200)	7,182,301	4,834,296	4,703,386
Seattle Park District Fund	4,490,437	11,564,577	12,422,088
<b>Total for BSL: BO-PR-10000</b>	<b>34,292,397</b>	<b>38,068,129</b>	<b>39,668,187</b>

### Leadership and Administration Budget Summary Level

General Fund	23,974,741	28,220,668	26,743,626
Park and Recreation Fund (10200)	3,275,876	1,598,151	1,506,202
Seattle Park District Fund	3,239,509	2,267,981	1,981,951
<b>Total for BSL: BO-PR-20000</b>	<b>30,490,126</b>	<b>32,086,800</b>	<b>30,231,779</b>

### Departmentwide Programs Budget Summary Level

General Fund	3,401,758	3,428,257	3,448,114
Park and Recreation Fund (10200)	2,889,596	2,333,777	2,331,906
Seattle Park District Fund	857,246	959,990	997,364
<b>Total for BSL: BO-PR-30000</b>	<b>7,148,600</b>	<b>6,722,024</b>	<b>6,777,384</b>

### Parks and Open Space Budget Summary Level

General Fund	23,732,983	21,198,686	21,468,086
Park and Recreation Fund (10200)	2,782,699	3,129,229	3,280,025
<b>Total for BSL: BO-PR-40000</b>	<b>26,515,682</b>	<b>24,327,915</b>	<b>24,748,111</b>

### Recreation Facility Programs Budget Summary Level

General Fund	26,315,604	19,716,431	19,930,215
Park and Recreation Fund (10200)	11,393,257	10,845,617	10,838,157
Seattle Park District Fund	4,082,341	8,665,786	9,113,752
<b>Total for BSL: BO-PR-50000</b>	<b>41,791,202</b>	<b>39,227,834</b>	<b>39,882,124</b>

### Golf Programs Budget Summary Level

General Fund	0	5,082	2,932
Park and Recreation Fund (10200)	11,253,666	11,597,352	13,430,758
<b>Total for BSL: BO-PR-60000</b>	<b>11,253,666</b>	<b>11,602,434</b>	<b>13,433,690</b>

## Department of Parks and Recreation

### Seattle Conservation Corps Budget Summary Level

General Fund	128,851	219,396	223,384
Park and Recreation Fund (10200)	2,410,232	3,244,978	3,244,978
Seattle Park District Fund	437,342	438,334	442,491
<b>Total for BSL: BO-PR-70000</b>	<b>2,976,425</b>	<b>3,902,708</b>	<b>3,910,853</b>

### Zoo and Aquarium Programs Budget Summary Level

General Fund	6,989,362	5,066,935	5,079,365
Park and Recreation Fund (10200)	103,651	103,651	103,651
Seattle Park District Fund	0	1,938,403	1,938,403
<b>Total for BSL: BO-PR-80000</b>	<b>7,093,013</b>	<b>7,108,989</b>	<b>7,121,419</b>

<b>Department Total</b>	<b>253,900,111</b>	<b>234,710,398</b>	<b>248,512,547</b>
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<b>Department Full-time Equivalent Total*</b>	<b>922.24</b>	<b>925.90</b>	<b>927.88</b>
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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.

### Budget Summary by Fund for Parks and Recreation

	2018 Adopted	2019 Proposed	2020 Proposed
36000 - 2013 King County Parks Levy	2,552,000	1,537,000	123,000
35800 - Alaskan Way Seawall Construction Fund	1,850,000	0	0
70200 - Beach Maintenance Fund	25,000	25,000	25,000
35900 - Central Waterfront Improvement Fund	2,700,000	4,800,000	1,500,000
00100 - General Fund	107,162,958	101,531,711	100,648,435
10200 - Park and Recreation Fund (10200)	45,719,279	42,069,052	49,170,064
30010 - REET I Capital Projects Fund	7,385,000	4,606,000	15,439,000
30020 - REET II Capital Projects Fund	33,365,000	25,073,000	28,918,000
19710 - Seattle Park District Fund	53,105,874	54,556,635	52,654,048
00164 - Unrestricted Cumulative Reserve Fund	35,000	512,000	35,000
<b>Budget Totals for DPR</b>	<b>253,900,111</b>	<b>234,710,398</b>	<b>248,512,547</b>



# Department of Parks and Recreation

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
341090	Sales Of Merchandise	27,284	27,284	27,284
343270	Resource Recovery Rev	3,416,658	3,313,947	3,313,947
343310	Recoveries	1,575,670	1,075,670	1,075,670
347010	Recreation Activities Fees	11,979,817	12,115,654	13,949,060
347020	Recreation Shared Revs Arc	844,832	855,004	855,392
347040	Recreation Admission Fees	2,083,858	2,237,644	2,487,305
347050	Exhibit Admission Charges	378,972	568,972	568,972
347060	Athletic Facility Fees	3,718,043	3,858,043	4,038,043
347070	Recreation Education Fees	3,953,819	4,121,591	4,295,262
360290	Parking Fees	68,892	79,192	79,192
360300	St Space Facilities Rentals	4,420,943	4,913,833	4,956,849
360310	Lt Space/Facilities Leases	820,285	934,685	1,005,885
<b>Total Charges for Services</b>		<b>33,289,073</b>	<b>34,101,519</b>	<b>36,652,861</b>
331110	Direct Fed Grants	0	0	0
333110	CDBG - Current Year	808,000	808,000	808,000
334010	State Grants	0	0	0
341900	General Government-Other Rev	5,484,432	4,024,132	2,524,132
<b>Total Intergovernmental</b>		<b>6,292,432</b>	<b>4,832,132</b>	<b>3,332,132</b>
337010	Interlocal Grants	0	0	0
337080	Other Private Contrib & Dons	822,400	1,926,400	8,775,400
360340	Concession Proceeds	80,000	80,000	80,000
360350	Other Rents & Use Charges	797,629	797,629	797,629
360420	Other Judgments & Settlements	0	0	0
360690	Building/Oth Space Rent	72,000	72,000	72,000
360900	Miscellaneous Revs-Other Rev	890,687	890,687	890,687
391040	Capital Leases & Installment	0	0	0
395030	Sales of Other Fixed Assets	0	0	0
<b>Total Miscellaneous Revenue</b>		<b>2,662,716</b>	<b>3,766,716</b>	<b>10,615,716</b>
343310	Seattle Park Distict Revenue	51,000,332	52,091,227	53,338,893
<b>Total Seattle Park District</b>		<b>51,000,332</b>	<b>52,091,227</b>	<b>53,338,893</b>
<b>Total Revenues</b>		<b>93,244,553</b>	<b>94,791,594</b>	<b>103,939,602</b>
379100	Park Fund Use of/Contribution to Fund Balance	3,475,058	-631,315	-1,430,645
<b>Total Use of/Contribution to Fund Balance</b>		<b>3,475,058</b>	<b>-631,315</b>	<b>-1,430,645</b>
379100	Park District Use of/Contribution to Fund Balance	2,105,542	2,465,408	-684,592
<b>Total Seattle Park District</b>		<b>2,105,542</b>	<b>2,465,408</b>	<b>-684,592</b>
<b>Total Resources</b>		<b>98,825,153</b>	<b>96,625,687</b>	<b>101,824,365</b>

## Department of Parks and Recreation

### Appropriations By Budget Summary Level (BSL) and Program

#### 2008 Parks Levy Budget Summary Level

The purpose of the 2008 Parks Levy Budget Summary Level is to provide the projects identified in the 2008 Parks and Green Spaces Levy including: neighborhood park and green space park acquisitions; development or restoration of major neighborhood parks, cultural facilities, playgrounds, and playfields; restoration of urban forests; and Opportunity Fund projects proposed by neighborhood and community groups.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
08 Levy Cultural Facilities	5,000,000	0	0
<b>Total</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	1.59	0.00	0.00

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#### Building For The Future Budget Summary Level

The purpose of the Building for the Future Budget Summary Level is to develop new parks and facilities, to acquire new park land, and to improve existing parks and facilities.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Building For The Future - CIP	32,926,000	25,389,000	33,291,000
<b>Total</b>	<b>32,926,000</b>	<b>25,389,000</b>	<b>33,291,000</b>
Full-time Equivalents Total*	10.45	10.45	0.00

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**The following information summarizes the programs in Building For The Future Budget Summary Level:**

#### **Building For The Future - CIP Program**

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Building For The Future - CIP	32,926,000	25,389,000	33,291,000
Full-time Equivalents Total	10.45	10.45	0.00

## Department of Parks and Recreation

### Debt and Special Funding Budget Summary Level

The purpose of the Debt and Special Funding Budget Summary Level is to meet debt service obligations on funds borrowed to meet the Department of Parks and Recreation’s capital expenditure requirements and to accomplish unique projects with special funding sources.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Debt and Special Funding	4,185,000	6,039,000	3,820,000
<b>Total</b>	<b>4,185,000</b>	<b>6,039,000</b>	<b>3,820,000</b>
Full-time Equivalents Total*	1.33	1.33	1.33

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**The following information summarizes the programs in Debt and Special Funding Budget Summary Level:**

#### **Debt and Special Funding Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Debt and Special Funding	4,185,000	6,039,000	3,820,000
Full-time Equivalents Total	1.33	1.33	1.33

### Fix It First Budget Summary Level

The purpose of the Fix It First Budget Summary Level is to provide for major maintenance, rehabilitation, and preservation of parks, forests, facilities, and related infrastructure.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Fix It First - CIP	49,806,000	39,905,565	45,290,000
<b>Total</b>	<b>49,806,000</b>	<b>39,905,565</b>	<b>45,290,000</b>
Full-time Equivalents Total*	15.82	17.41	27.86

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# Department of Parks and Recreation

*The following information summarizes the programs in Fix It First Budget Summary Level:*

**Fix It First - CIP Program**

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Fix It First - CIP	49,806,000	39,905,565	45,290,000
Full-time Equivalents Total	15.82	17.41	27.86

**Maintaining Parks and Facilities Budget Summary Level**

The purpose of the Maintaining Parks and Facilities Budget Summary Level is to improve existing P-Patches and dog off-leash areas as set forth in the first six-year planning cycle of the Seattle Park District.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Maintaining Parks & Facilities	422,000	330,000	338,000
<b>Total</b>	<b>422,000</b>	<b>330,000</b>	<b>338,000</b>
Full-time Equivalents Total*	0.13	0.13	0.13

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*The following information summarizes the programs in Maintaining Parks and Facilities Budget Summary Level:*

**Maintaining Parks & Facilities Program**

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Maintaining Parks & Facilities	422,000	330,000	338,000
Full-time Equivalents Total	0.13	0.13	0.13

# Department of Parks and Recreation

## Cost Center Maintenance and Repairs Budget Summary Level

The purpose of the Cost Center Maintenance and Repairs Budget Summary Level is to repair and maintain parks, park buildings, and park infrastructure.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
M&R Grounds Crews	20,146,397	23,377,015	24,686,710
M&R Shops Crews	10,371,636	10,187,256	10,406,671
M&R Specialty Crews	3,774,364	4,503,858	4,574,806
<b>Total</b>	<b>34,292,397</b>	<b>38,068,129</b>	<b>39,668,187</b>
Full-time Equivalents Total*	153.78	163.44	165.42

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**The following information summarizes the programs in Cost Center Maintenance and Repairs Budget Summary Level:**

### **M&R Grounds Crews Program**

The purpose of the M&R Grounds Crews Budget Program Level is to provide custodial, landscape, and forest maintenance and restoration services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
M&R Grounds Crews	20,146,397	23,377,015	24,686,710
Full-time Equivalents Total	72.87	76.53	78.51

### **M&R Shops Crews Program**

The purpose of the M&R Shops Crews Budget Program Level is to repair and maintain park buildings and infrastructure so that park users can have safe, structurally sound, and attractive parks and recreational facilities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
M&R Shops Crews	10,371,636	10,187,256	10,406,671
Full-time Equivalents Total	54.86	55.86	55.86

# Department of Parks and Recreation

## M&R Specialty Crews Program

The purpose of the M&R Specialty Crews Budget Program Level is to provide centralized management of natural areas and developed parks including forest restoration, urban forestry, wildlife management, trails, and grass and turf management.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
M&R Specialty Crews	3,774,364	4,503,858	4,574,806
Full-time Equivalents Total	26.05	31.05	31.05

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology, and business support to the department.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	7,662,170	15,442,853	13,240,226
Departmental Indirect Costs	15,085,506	9,342,942	9,537,821
Divisional Indirect Costs	8,365,528	8,097,621	8,134,640
Indirect Cost Recovery Offset	-3,560,144	-3,743,690	-3,743,777
Pooled Benefits	2,937,066	2,947,074	3,062,869
<b>Total</b>	<b>30,490,126</b>	<b>32,086,800</b>	<b>30,231,779</b>
Full-time Equivalents Total*	114.74	118.54	118.54

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**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### Citywide Indirect Costs Program

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services, Seattle Information Technology Department, and the Department of Human Resources.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	7,662,170	15,442,853	13,240,226
Full-time Equivalents Total	0.00	0.00	0.00

# Department of Parks and Recreation

## Departmental Indirect Costs Program

The purpose of the Departmental Indirect Costs Budget Program Level is to provide executive, financial, communications, human resources and business support and strategic planning an analysis to the departments.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	15,085,506	9,342,942	9,537,821
Full-time Equivalents Total	73.25	77.05	77.05

## Divisional Indirect Costs Program

The purpose of the Divisional Indirect Costs Budget Program Level is to provide managerial and administrative support for operating divisions. The Budget Program also provides planning and development support to develop new park facilities, and make improvements to existing park facilities to benefit the public.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect Costs	8,365,528	8,097,621	8,134,640
Full-time Equivalents Total	41.49	41.49	41.49

## Indirect Cost Recovery Offset Program

The purpose of the Indirect Cost Recovery program is to recover costs associated with indirect programs within Leadership and Administrative BSL from the department's direct cost programs. This program does not fully recover Leadership and Administration BSL costs.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Indirect Cost Recovery Offset	-3,560,144	-3,743,690	-3,743,777
Full-time Equivalents Total	0.00	0.00	0.00

## Pooled Benefits Program

The purpose of the Pooled Benefits program is to fund department costs associated with health and dental insurance, workers compensation, and unemployment insurance contributions.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits	2,937,066	2,947,074	3,062,869
Full-time Equivalents Total	0.00	0.00	0.00

# Department of Parks and Recreation

## Departmentwide Programs Budget Summary Level

The purpose of the Department-Wide Programs Budget Summary Level is to provide management and operations of services that span across multiple lines of business within Seattle Parks and Recreation such as partner relationship management, emergency operations, and security services.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmentwide Other	1,995,101	1,743,067	1,761,197
Partnerships - Departmentwide	5,153,499	4,978,957	5,016,187
<b>Total</b>	<b>7,148,600</b>	<b>6,722,024</b>	<b>6,777,384</b>
Full-time Equivalents Total*	31.19	28.69	28.69

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**The following information summarizes the programs in Departmentwide Programs Budget Summary Level:**

### **Departmentwide Other Program**

The purpose of the Departmentwide-Other Budget Program Level is to provide emergency management and safety services at park facilities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmentwide Other	1,995,101	1,743,067	1,761,197
Full-time Equivalents Total	14.19	13.69	13.69

### **Partnerships - Departmentwide Program**

The purpose of the Partnerships-Departmentwide Budget Program Level is to provide centralized management for regional parks and major partners.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Partnerships - Departmentwide	5,153,499	4,978,957	5,016,187
Full-time Equivalents Total	17.00	15.00	15.00



# Department of Parks and Recreation

## **Parks and Open Space Budget Summary Level**

The purpose of the Parks and Open Space Budget Summary Level is to provide management and operations of the City's developed and undeveloped parkland.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Programs	1,949,218	1,910,095	1,910,611
M&R - Parks & Open Space	24,566,464	22,417,820	22,837,500
<b>Total</b>	<b>26,515,682</b>	<b>24,327,915</b>	<b>24,748,111</b>
Full-time Equivalents Total*	271.88	271.88	271.88

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**The following information summarizes the programs in Parks and Open Space Budget Summary Level:**

### **Citywide Programs Program**

The purpose of the Citywide Programs Budget Program Level is to provide management and operations of services that span multiple lines of business with Seattle Parks and Recreation such as athletic scheduling and event scheduling.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Programs	1,949,218	1,910,095	1,910,611
Full-time Equivalents Total	15.42	15.42	15.42

### **M&R - Parks & Open Space Program**

The purpose of the Parks and Open Space Budget Program Level is to provide management and operations of the City's developed and undeveloped parkland.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
M&R - Parks & Open Space	24,566,464	22,417,820	22,837,500
Full-time Equivalents Total	256.46	256.46	256.46

# Department of Parks and Recreation

## Recreation Facility Programs Budget Summary Level

The purpose of the Recreation Facility Programs Budget Summary Level is to provide active and passive recreation services to Seattle residents through the direct management, maintenance, and operation of programs and facilities and by leveraging partnerships.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Aquatic & Swimming Programs	8,480,842	8,315,407	8,364,078
M&R - Recreation Facilities	6,052,828	4,466,928	4,515,461
Partnerships - Recreation	1,119,771	1,060,586	1,059,380
Rec Programs & Facility Ops	26,137,762	25,384,914	25,943,206
<b>Total</b>	<b>41,791,202</b>	<b>39,227,834</b>	<b>39,882,124</b>
Full-time Equivalents Total*	280.81	273.51	273.51

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**The following information summarizes the programs in Recreation Facility Programs Budget Summary Level:**

### **Aquatic & Swimming Programs Program**

The purpose of the Aquatic & Swimming Programs Budget Program Level is to provide a variety of structured and unstructured water-related programs and classes so participants can enjoy and develop skills in a range of aquatic activities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Aquatic & Swimming Programs	8,480,842	8,315,407	8,364,078
Full-time Equivalents Total	48.05	48.05	48.05

### **M&R - Recreation Facilities Program**

The purpose of the M&R-Recreation Facilities Budget Program Level is to manage and staff the City's neighborhood community centers and citywide recreation facilities and programs, which allow users to enjoy a variety of social, athletic, cultural, and recreational activities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
M&R - Recreation Facilities	6,052,828	4,466,928	4,515,461
Full-time Equivalents Total	46.59	46.59	46.59

# Department of Parks and Recreation

## Partnerships - Recreation Program

The purpose of the Partnerships-Recreation Budget Program Level is to manage the Amy Yee Tennis Center, the largest public tennis center facility in the Puget Sound area.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Partnerships - Recreation	1,119,771	1,060,586	1,059,380
Full-time Equivalents Total	9.00	8.70	8.70

## Rec Programs & Facility Ops Program

The purpose of the Rec Programs & Facility Ops Budget Program Level is to manage and staff the City's neighborhood community centers and citywide recreation facilities and programs, which allow users to enjoy a variety of social, athletic, cultural, and recreational activities.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Rec Programs & Facility Ops	26,137,762	25,384,914	25,943,206
Full-time Equivalents Total	177.17	170.17	170.17

### Golf Programs Budget Summary Level

The purpose of the Golf Budget Summary Level is to manage the City's four golf courses at Jackson, Jefferson, West Seattle, and Interbay to provide public golf courses and related programs.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Golf Course Programs	11,253,666	11,602,434	13,433,690
<b>Total</b>	<b>11,253,666</b>	<b>11,602,434</b>	<b>13,433,690</b>
Full-time Equivalents Total*	24.00	24.00	24.00

*\* 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.*

**The following information summarizes the programs in Golf Programs Budget Summary Level:**

### Golf Course Programs Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Golf Course Programs	11,253,666	11,602,434	13,433,690
Full-time Equivalents Total	24.00	24.00	24.00

## Department of Parks and Recreation

### Seattle Conservation Corps Budget Summary Level

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

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Seattle Conservation Corps	2,976,425	3,902,708	3,910,853
<b>Total</b>	<b>2,976,425</b>	<b>3,902,708</b>	<b>3,910,853</b>
Full-time Equivalents Total*	16.52	16.52	16.52

*\* 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.*

**The following information summarizes the programs in Seattle Conservation Corps Budget Summary Level:**

#### **Seattle Conservation Corps Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Seattle Conservation Corps	2,976,425	3,902,708	3,910,853
Full-time Equivalents Total	16.52	16.52	16.52

### Zoo and Aquarium Programs Budget Summary Level

The purpose of the Zoo and Aquarium Budget Summary Level is to support contracted non-profit partners ability to provide services to the community through operations of the Woodland Park Zoo and the Seattle Aquarium.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Zoo and Aquarium Programs	7,093,013	7,108,989	7,121,419
<b>Total</b>	<b>7,093,013</b>	<b>7,108,989</b>	<b>7,121,419</b>

**The following information summarizes the programs in Zoo and Aquarium Programs Budget Summary Level:**

#### **Zoo and Aquarium Programs Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Zoo and Aquarium Programs	7,093,013	7,108,989	7,121,419
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Center

Robert Nellams, Director

(206) 684-7200

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

## Department Overview

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

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

Seattle Center will see major changes beginning in 2019 with the renovation of KeyArena. Following an RFP process, the City selected Oak View Group (OVG) to renovate the Arena using private funding. When the building reopens in 2021, OVG will operate the building. The new building will be capable of hosting both NHL hockey and NBA basketball, and will continue to house the WNBA's Seattle Storm as well as a variety of concerts, family shows and other events.

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

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

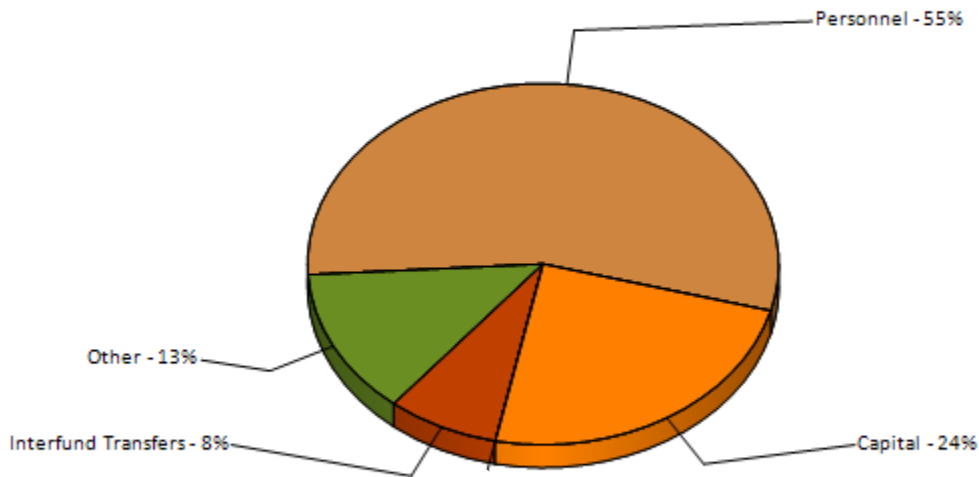
# Seattle Center

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$12,731,851	\$13,037,522	\$13,020,019
Other Funding - Operating	\$29,787,211	\$22,693,124	\$22,343,485
<b>Total Operations</b>	<b>\$42,519,062</b>	<b>\$35,730,646</b>	<b>\$35,363,504</b>
Other Funding - Capital	\$8,240,000	\$13,429,000	\$11,059,000
<b>Total Capital</b>	<b>\$8,240,000</b>	<b>\$13,429,000</b>	<b>\$11,059,000</b>
<b>Total Appropriations</b>	<b>\$50,759,062</b>	<b>\$49,159,646</b>	<b>\$46,422,506</b>
Full-time Equivalent Total*	242.73	228.73	227.73

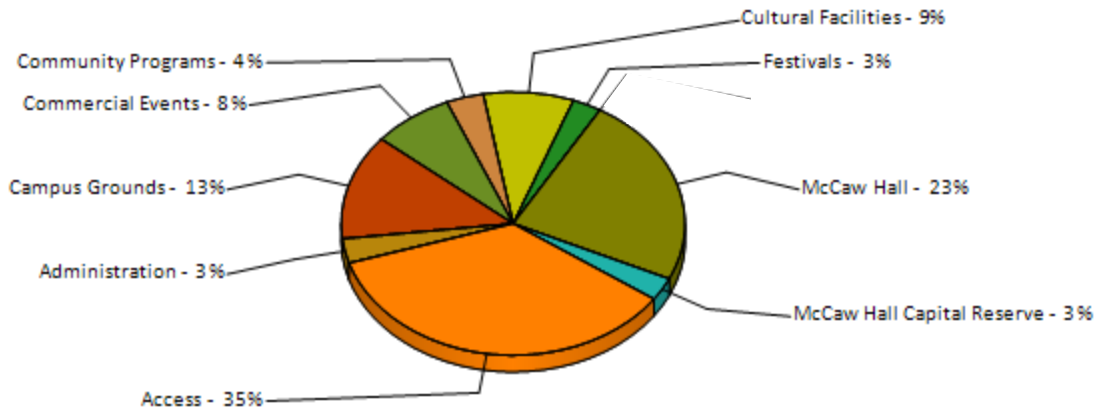
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## 2019 Proposed Budget - Expenditure by Category



# Seattle Center

## 2019 Proposed Budget - Revenue by Category



## Budget Overview

Over the next biennium, Seattle Center is embarking on one of the largest transformations to touch the campus since the 1962 Seattle World's Fair. In late 2017, the City signed a Memorandum of Understanding (MOU) with the Oak View Group (OVG) to invest over \$600 million of private resources to redevelop Seattle Center's largest venue, KeyArena, into a state-of-the-art, world-class sports and entertainment facility capable of hosting a range of events from sold-out touring concerts to NBA/WNBA basketball and NHL hockey. Throughout 2018, Seattle Center staff and other City staff worked closely with OVG to develop a series of detailed "Transaction Documents," including a Development Agreement, a Lease Agreement, and a Seattle Center Integration Agreement consistent with the terms, conditions, and limitations of the MOU. Once these Transaction Documents are signed, KeyArena will close for a two-year redevelopment (2019-20). When the Arena reopens, Seattle Center will no longer operate the revitalized venue.

The redevelopment and shift in management of KeyArena will fundamentally change Seattle Center's operating model. The department has operated KeyArena profitably for eight consecutive years, and that profit has helped mitigate costs for maintenance and programming across Seattle Center's campus. While the Arena is closed during the renovation, it will not generate any revenue. Accordingly, the 2019-2020 Proposed Budget anticipates the department will accumulate a deficit during this period. In response, the department is requesting legislative authority for a temporary interfund loan of up to \$4.6 million to cover this operating deficit, to be repaid in full by 2026. Per the MOU with OVG, when the Arena reopens, OVG will make annual rent payments to the City using a historical average of revenues attributable to Arena operations, parking, and sponsorships. The MOU also specifies that Seattle Center will receive a share of any increased revenue associated with sponsorships and parking receipts above the established historical averages. Seattle Center is confident these increased revenue streams will provide sufficient cash flow to repay the interfund loan within five years of Arena reopening.

## Seattle Center

KeyArena closure will have a substantial impact on Seattle Center's budget in 2019 and 2020. The 2019-2020 Proposed Budget removes all funding for Arena operations and reflects the fiscal impacts of the department's plan to transition some staff currently working full- or part-time on KeyArena. These staff are being moved into current vacancies, shifted to other campus work responsibilities, and reassigned to work previously done by intermittent staff. This transition plan will also result in the elimination of 12 vacant positions (11.0 FTE) in 2019 and an additional five vacant positions in 2020, which Seattle Center plans to remove in the 2020 budget process.

While the Arena is being redeveloped, Seattle Center will maintain robust programming in its other facilities. Over the next biennium, the department expects an increase in concerts and festivals on the campus grounds and more third-party events at McCaw Hall in addition to events hosted by its resident tenants, the Seattle Opera and the Pacific Northwest Ballet. Anticipated revenue increases from these events are reflected in this budget. The department is also implementing a parking rate increase to better reflect market rates and increasing facility rental fee ranges at several campus venues to recover departmental costs and maximize commercial revenues when possible. Facilities affected include McCaw Hall, the Armory Loft, the Exhibition Hall, and Fisher Pavilion.

Seattle Center is reducing its reliance on the General Fund over the coming biennium by eliminating unneeded positions and reducing nonlabor maintenance and marketing expenses. The department will also shift funding for Festál, Seattle Center's series of 23 cultural festivals produced in partnership with numerous community organizations, from the General Fund to Admissions Tax revenue from the Office of Arts and Culture. In the interest of minimizing the magnitude of the department's interfund loan, Seattle Center also identified efficiencies in its own funds by realigning funding for maintenance, event work, and planning between operating and capital funds. The department identified eight positions that could be partially funded with capital resources through this budget process, reducing Seattle Center Fund expenditures.

Center's Capital Improvement Program (CIP) includes several major investments to address deferred maintenance needs across the campus. In addition to the continuation of critical asset preservation work, major planned outlays include maintenance, seismic upgrades, and elevator renovations in Mercer Garage; relocating Seattle Center's skatepark; and replacing the Cornish Playhouse roof. The proposed CIP also includes a reduction in resources allocated to update the Seattle Center Century 21 Master Plan to reflect the latest anticipated project spending needs.



# Seattle Center

## Incremental Budget Changes

### Seattle Center

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 50,759,062</b>	<b>242.73</b>	<b>\$ 50,759,062</b>	<b>242.73</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,115,139	0.00	\$ 975,400	0.00
Adjustment for One-Time Budget Additions	-\$ 256,154	-1.00	-\$ 362,573	-2.00
CIP Adjustment	-\$ 1,146,000	0.00	-\$ 1,406,000	0.00
<b>Proposed Changes</b>				
Remove Vacant Positions	-\$ 87,556	-2.00	-\$ 88,593	-2.00
KeyArena Closure Operating Reduction	-\$ 8,069,644	0.00	-\$ 8,069,704	0.00
KeyArena Staffing Transition	\$ 676,286	-11.00	\$ 676,286	-11.00
Shift Maintenance and Planning Staff to Capital Work	-\$ 371,125	0.00	-\$ 374,285	0.00
Reduce Marketing, Maintenance, and Winterfest Expenses	-\$ 350,002	0.00	-\$ 350,002	0.00
Alternative Funding for Festál	\$ 0	0.00	\$ 0	0.00
Parking Rate Increase	\$ 0	0.00	\$ 0	0.00
Facility Rental Increase	\$ 0	0.00	\$ 0	0.00
Seattle Center Event Adjustments	\$ 394,745	0.00	\$ 269,209	0.00
Miscellaneous Adjustments	\$ 79,941	0.00	\$ 80,035	0.00
CIP Adjustment	\$ 6,432,502	0.00	\$ 4,322,219	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 17,548	0.00	-\$ 8,548	0.00
<b>Total Incremental Changes</b>	<b>-\$ 1,599,416</b>	<b>-14.00</b>	<b>-\$ 4,336,556</b>	<b>-15.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 49,159,646</b>	<b>228.73</b>	<b>\$ 46,422,506</b>	<b>227.73</b>

# Seattle Center

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,115,139**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Adjustment for One-Time Budget Additions - (\$256,154)/(1.00) FTE**

This item removes one-time funding for Summit Reimplementation Initiative (SRI) implementation, including a 1.0 FTE Accounting Technician II, and restores funding for a one-time General Fund reduction. This item also includes the 2020 reduction of a 1.0 FTE Public/Cultural Programs Specialist, Sr for the Seattle/King County Clinic.

#### **CIP Adjustment - (\$1,146,000)**

The one-time Capital Improvement Program (CIP) technical adjustment aligns the capital budget with the planned expenditures for 2019 and 2020 identified in the 2018-2023 Adopted CIP.

### Proposed Changes

#### **Remove Vacant Positions - (\$87,556)/(2.00) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed two positions: a Janitor (1.0 FTE, unfunded) and an Installation Maintenance Worker (1.0 FTE). These reductions will not impact delivery of core services.

#### **KeyArena Closure Operating Reduction - (\$8,069,644)**

This item eliminates all funding for KeyArena operations and other facilities within the redevelopment footprint, including the Seattle Center Pavilion, Seattle Center Skatepark, Blue Spruce building, and Restroom Pavilion. The Arena will be closed in 2019-2020 for renovations and the Oak View Group will operate it when it reopens. As a result, Seattle Center no longer needs funding to staff or maintain these facilities.

#### **KeyArena Staffing Transition - \$676,286/(11.00) FTE**

This item reflects a multi-pronged strategy to reallocate the permanent staff displaced by the closure of KeyArena, including moving employees into current vacancies, absorbing some positions into other campus work, and reallocating intermittent funding to support permanent positions. The majority of the costs associated with this proposal are from reallocating a portion of staff time for several employees whose work was split among KeyArena and other campus efforts. In addition, Center is eliminating 12 vacant positions (11.0 FTE) in 2019, including:

- Operations Crew Chief, Sr. (1.0 FTE)
- Laborers (2.0 FTE)
- Administrative Specialist II (1.0 FTE)
- Event Services Representative, Sr. (1.0 FTE)

## Seattle Center

- Maintenance Laborer (1.0 FTE)
- Management Systems Analyst, Sr (1.0 FTE)
- Admissions Employees (1.0 FTE)
- Security Officers (2.0 FTE)
- Metal Fabricator (1.0 FTE)

Center will eliminate another five positions in 2020, including a Strategic Advisor 1, two Utility Laborers, and two Laborers.

### **Shift Maintenance and Planning Staff to Capital Work - (\$371,125)**

This proposal realigns funding for maintenance and planning between the operating and capital budgets. It funds half (0.5 FTE) of six positions with capital resources, including a Plumber, Electrician, Carpenter, Painter, Gardener, and Laborer. It also shifts 0.25 FTE each of two additional positions to capital work on ADA improvements, transportation planning around the new Arena, and the Seattle Center skatepark relocation.

### **Reduce Marketing, Maintenance, and Winterfest Expenses - (\$350,002)**

This item reduces the department's discretionary nonlabor budget by 13%, including reducing marketing support for Festál and Winterfest, reducing supply budgets in every work unit, reducing maintenance supplies, and delaying the replacement of certain equipment. This item also eliminates all paid programming in the Armory at Winterfest between Thanksgiving and New Year's.

### **Alternative Funding for Festál**

This item funds Festál, Seattle Center's series of 23 cultural festivals produced in partnership with numerous community organizations, with \$460,000 of unprogrammed Admissions Tax revenue from the Office of Arts and Culture. This change will not affect festival programming but achieves General Fund savings. The revenue side of the budget reflects this change.

### **Parking Rate Increase**

This item, which corresponds to fee legislation proposed with the budget, increases the maximum allowable range of rates for daily parking from \$30 to \$45 and the maximum allowable range of rates for monthly parking from \$140 to \$225 to better reflect market rates. Center estimates this change will increase revenue by \$268,000. This increase is informed by a 2016 parking study and market analysis. Actual pricing will vary from day to day based on demand, and the department will charge parking rates within a range of price points with the goal of maximizing overall revenue and keeping the campus accessible. The revenue impacts of these fee increases are reflected in the revenue table.

### **Facility Rental Increase**

This item increases Seattle Center's facility rental rates at McCaw Hall, the Armory Loft, the Exhibition Hall, and Fisher Pavilion and removes facilities which will no longer be available due to the redevelopment of KeyArena: KeyArena, the Seattle Center Pavilion, and the Next 50 Pavilion. The net effect of these changes is \$40,000. The revenue impacts of these fee increases are reflected in the revenue table.

### **Seattle Center Event Adjustments - \$394,745**

This adjustment adjusts expense authority to align with the event levels assumed in the 2019-2020 Proposed Budget. It reflects an anticipated increase in concerts and festivals on the campus grounds, more third-party events at McCaw Hall, and other technical adjustments. The corresponding revenue increases are reflected in Seattle Center's revenue table.

# Seattle Center

## **Miscellaneous Adjustments - \$79,941**

This item realigns resources between budgeted expenses and projected expenses. The majority of this increase results from additional rent required for the relocation of the tenants of the Blue Spruce to accommodate KeyArena development. These tenants are being housed at the KCTS building and the Seattle Children's Museum on the Center campus.

## **CIP Adjustment - \$6,432,502**

The one-time Capital Improvement Program technical adjustment aligns the budget with the 2019-2024 Capital Improvement Program (CIP). Key changes in the proposed CIP for 2019 and 2020 include:

- \$1.7 million of Real Estate Excise Tax (REET) in 2019 for the relocation of the Seattle Center skatepark;
- \$6.5 million of REET in 2019 and \$2.4 million in 2020 to conduct maintenance, seismic upgrades, and an elevator renovation in the Mercer Garage;
- \$2.9 million of REET in 2020 to replace the Cornish Playhouse Roof; and
- a \$242,000 reduction in 2019 and \$115,000 reduction in 2020 to align funding for the Seattle Center Master Plan with projected spending.

More information can be found in the 2019-2024 Capital Improvement Program.

## **Proposed Technical Changes**

### **Technical Adjustments - (\$17,548)**

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

- redistribute the department's indirect cost allocations;
- move all appropriation authority from KeyArena Fund to Seattle Center Fund, as the KeyArena fund will be closed in the 2019-2020 budget process; and
- reduce the department's fuel budget by 15% in 2019 and 2020.

# Seattle Center

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>McCaw Hall Capital Reserve Budget Summary Level</b>			
McCaw Hall Capital Reserve	572,000	634,000	614,000
<b>Total for BSL: BC-SC-S0303</b>	<b>572,000</b>	<b>634,000</b>	<b>614,000</b>
<b>Building and Campus Improvements Budget Summary Level</b>			
REET I Capital Projects Fund	4,883,000	11,152,000	9,060,000
Seattle Center Fund (11410)	0	258,000	0
Seattle Center KeyArena Fund	750,000	0	0
Unrestricted Cumulative Reserve Fund	130,000	130,000	130,000
<b>Total for BSL: BC-SC-S03P01</b>	<b>5,763,000</b>	<b>11,540,000</b>	<b>9,190,000</b>
<b>Monorail Rehabilitation Budget Summary Level</b>			
Seattle Center Fund (11410)	1,905,000	1,255,000	1,255,000
<b>Total for BSL: BC-SC-S9403</b>	<b>1,905,000</b>	<b>1,255,000</b>	<b>1,255,000</b>
<b>Campus Budget Summary Level</b>			
General Fund	10,517,103	7,121,191	7,144,981
Seattle Center Fund (11410)	14,454,392	12,455,459	12,596,507
Seattle Center KeyArena Fund	250,000	0	0
<b>Total for BSL: BO-SC-60000</b>	<b>25,221,495</b>	<b>19,576,650</b>	<b>19,741,488</b>
<b>McCaw Hall Budget Summary Level</b>			
General Fund	1,241,233	676,430	676,706
REET I Capital Projects Fund	282,000	290,000	299,000
Seattle Center Fund (11410)	613,573	3,686	3,651
Seattle Center McCaw Hall Fund	4,254,488	4,777,419	4,653,760
<b>Total for BSL: BO-SC-65000</b>	<b>6,391,295</b>	<b>5,747,536</b>	<b>5,633,118</b>
<b>KeyArena Budget Summary Level</b>			
General Fund	947,576	0	0
Seattle Center Fund (11410)	1,026,574	0	0
Seattle Center KeyArena Fund	8,906,184	0	0
<b>Total for BSL: BO-SC-66000</b>	<b>10,880,334</b>	<b>0</b>	<b>0</b>

## Seattle Center

### Leadership and Administration Budget Summary Level

General Fund	25,939	5,239,901	5,198,332
Seattle Center Fund (11410)	0	5,166,560	4,790,569
<b>Total for BSL: BO-SC-69000</b>	<b>25,939</b>	<b>10,406,461</b>	<b>9,988,901</b>

<b>Department Total</b>	<b>50,759,062</b>	<b>49,159,646</b>	<b>46,422,506</b>
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<b>Department Full-time Equivalents Total*</b>	<b>242.73</b>	<b>228.73</b>	<b>227.73</b>
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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.*

### Budget Summary by Fund for Seattle Center

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	12,731,851	13,037,522	13,020,019
34070 - McCaw Hall Capital Reserve	572,000	634,000	614,000
30010 - REET I Capital Projects Fund	5,165,000	11,442,000	9,359,000
11410 - Seattle Center Fund (11410)	17,999,539	19,138,705	18,645,727
11420 - Seattle Center KeyArena Fund	9,906,184	0	0
11430 - Seattle Center McCaw Hall Fund	4,254,488	4,777,419	4,653,760
00164 - Unrestricted Cumulative Reserve Fund	130,000	130,000	130,000
<b>Budget Totals for CEN</b>	<b>50,759,062</b>	<b>49,159,646</b>	<b>46,422,506</b>

# Seattle Center

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
360020	Interest Earnings	0	54,000	16,000
379010	McCaw Hall Tenant Contributions	0	290,000	299,000
397010	REET Funding for McCaw Hall Capital Reserve	0	290,000	299,000
	<b>Total McCaw Hall Capital Reserve</b>	<b>0</b>	<b>634,000</b>	<b>614,000</b>
341190	Parking	1,419	0	0
360290	Parking	3,621	4,624	4,735
360290	Parking	4,865,437	3,889,746	3,758,087
360290	Parking	1,405,314	1,892,091	2,076,091
360300	Monorail	62,424	61,800	63,530
360340	Monorail	950,000	801,000	801,000
374030	FTA Grant for Monorail	0	1,004,000	1,004,000
379020	Local Match for Monorail Grant	0	251,000	251,000
397999	Interfund Loan	0	0	1,517,817
	<b>Total Access</b>	<b>7,288,215</b>	<b>7,904,261</b>	<b>9,476,260</b>
337080	Campus Sponsorships	0	580,000	680,000
341190	Seattle Center Fund	145,000	45,000	45,000
341300	CIP	1,533,226	0	0
341300	CIP	5,000	0	0
341300	Monorail	0	5,000	5,000
360350	Administration	30,000	40,000	40,000
360350	Administration	700	0	0
	<b>Total Administration</b>	<b>1,713,926</b>	<b>670,000</b>	<b>770,000</b>
360300	Leases - Campus Grounds	6,630	31,500	32,340
360310	Armory Concessions	341,121	407,019	415,110
360310	Armory Concessions	19,800	19,800	19,800
360310	Leases - Campus Grounds	110,920	82,764	84,196
360310	Leases - Campus Grounds	119,233	147,736	150,623
360310	Leases - Campus Grounds	1,311,606	1,070,942	1,106,949
360310	Leases - Campus Grounds	55,058	47,102	47,102
360340	Armory Concessions	672,754	633,118	633,118
360340	Armory Concessions	231,405	241,236	249,516
360340	Leases - Campus Grounds	191,608	203,375	203,375
	<b>Total Campus Grounds</b>	<b>3,060,135</b>	<b>2,884,592</b>	<b>2,942,129</b>
341190	Campus Commercial Events	2,500	0	0
341190	Campus Commercial Events	1,040	0	0
360300	Campus Commercial Events	598,347	618,113	632,631
360300	Campus Commercial Events	1,015,525	1,004,382	1,062,266

## Seattle Center

360300	Campus Commercial Events	60,000	74,833	74,985
360300	Campus Commercial Events	1,000	0	0
	<b>Total Commercial Events</b>	<b>1,678,412</b>	<b>1,697,328</b>	<b>1,769,882</b>
337080	Campus Sponsorships	450,000	0	0
341190	Seattle Center Productions	64,500	722,900	622,900
341190	Seattle Center Productions	17,500	12,000	12,000
341190	Seattle Center Productions	33,000	52,000	52,000
	<b>Total Community Programs</b>	<b>565,000</b>	<b>786,900</b>	<b>686,900</b>
341190	Leases - Cultural Facilities	11,000	12,011	12,347
360300	Leases - Cultural Facilities	13,770	15,655	16,094
360310	Leases - Cultural Facilities	95,121	124,762	128,256
360310	Leases - Cultural Facilities	1,580,928	1,745,007	1,775,235
	<b>Total Cultural Facilities</b>	<b>1,700,819</b>	<b>1,897,435</b>	<b>1,931,932</b>
341190	Festivals	545,843	359,000	360,000
341190	Festivals	238,748	248,096	248,096
	<b>Total Festivals</b>	<b>784,591</b>	<b>607,096</b>	<b>608,096</b>
341090	KeyArena Miscellaneous	654,675	0	0
341090	KeyArena Miscellaneous	50,000	0	0
341090	KeyArena Reimbursables	66,411	0	0
341190	KeyArena Miscellaneous	16,000	0	0
341190	KeyArena Reimbursables	45,365	0	0
341190	KeyArena Reimbursables	3,824,842	0	0
341190	KeyArena Reimbursables	20,000	0	0
360300	KeyArena Premium Seating	825,000	0	0
360300	KeyArena Rent	2,002,153	0	0
360300	KeyArena Rent	-1,143,350	0	0
360310	KeyArena Rent	0	0	0
360340	KeyArena Concessions	1,166,253	0	0
360340	KeyArena Ticketing	1,966,478	0	0
	<b>Total KeyArena</b>	<b>9,493,827</b>	<b>0</b>	<b>0</b>
341190	McCaw Hall Miscellaneous	5,500	5,000	5,000
341190	McCaw Hall Miscellaneous	23,000	42,000	42,000
341190	McCaw Hall Reimbursables	2,032,002	2,207,578	2,276,808
360300	McCaw Hall Rent	310,329	537,263	535,292
360310	McCaw Hall Tenant Use Fees	1,324,383	1,475,079	1,504,581
360310	McCaw Hall Tenant Use Fees - Debt	62,875	60,500	58,125
360340	McCaw Hall Catering & Concessions	280,166	530,000	550,000
360340	McCaw Hall Miscellaneous	96,998	227,585	229,585
360340	McCaw Hall Miscellaneous	13,600	34,000	34,000
360340	McCaw Hall Miscellaneous	0	0	0
360340	McCaw Hall Miscellaneous	139,000	105,000	75,000
360340	McCaw Hall Miscellaneous	7,000	6,000	6,000
	<b>Total McCaw Hall</b>	<b>4,294,853</b>	<b>5,230,005</b>	<b>5,316,391</b>



## Seattle Center

<b>Total Revenues</b>		<b>30,579,778</b>	<b>22,311,617</b>	<b>24,115,590</b>
379100	Use of Fund Balance - Seattle Center Fund (11410)	857,240	2,692,765	461,200
<b>Total Use of Fund Balance (Seattle Center Fund)</b>		<b>857,240</b>	<b>2,692,765</b>	<b>461,200</b>
379100	Contribution to Fund Balance - McCaw Hall Fund (11430)	0	-452,586	-662,631
<b>Total Contribution to Fund Balance - McCaw Hall Fund</b>		<b>0</b>	<b>-452,586</b>	<b>-662,631</b>
<b>Total Resources</b>		<b>31,437,018</b>	<b>24,551,796</b>	<b>23,914,159</b>

## Seattle Center

### Appropriations By Budget Summary Level (BSL) and Program

#### McCaw Hall Capital Reserve Budget Summary Level

The purpose of the McCaw Hall Capital Reserve Fund Budget Summary Level is to maintain and enhance the McCaw Hall facility.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
McCaw Hall Asset Preservation	572,000	634,000	614,000
<b>Total</b>	<b>572,000</b>	<b>634,000</b>	<b>614,000</b>
Full-time Equivalents Total*	0.38	0.38	0.38

*\* 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.*

#### Building and Campus Improvements Budget Summary Level

The purpose of the Building and Campus Improvements Budget Summary Level is to provide for improvements throughout the Seattle Center campus, including buildings and building systems, open spaces, public gathering places, utility infrastructure, and long-range planning.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Armory Rehabilitation	1,185,000	1,047,000	1,100,000
Campuswide Improvements and Re	2,205,000	2,888,000	1,505,000
Facility Infrastructure Renova	712,000	0	3,445,000
Parking Repairs & Improvements	286,000	6,500,000	2,400,000
Public Gathering Space Improve	450,000	400,000	100,000
Utility Infrstr MP and Repairs	925,000	705,000	640,000
<b>Total</b>	<b>5,763,000</b>	<b>11,540,000</b>	<b>9,190,000</b>
Full-time Equivalents Total*	7.26	7.26	7.26

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# Seattle Center

*The following information summarizes the programs in Building and Campus Improvements Budget Summary Level:*

## Armory Rehabilitation Program

The purpose of the Armory Rehabilitation Program is to provide for renovation, repairs and improvements to the Seattle Center Armory facility.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Armory Rehabilitation	1,185,000	1,047,000	1,100,000
Full-time Equivalents Total	0.57	0.57	0.57

## Campuswide Improvements and Repairs Program

The purpose of the Campuswide Improvements and Repairs Program is to provide for improvements and repairs throughout the Seattle Center campus, including open spaces, public artworks, signage, campus access for those with disabilities, and long-range planning.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Campuswide Improvements and Repairs	2,205,000	2,888,000	1,505,000
Full-time Equivalents Total	4.20	4.20	4.20

## Facility Infrastructure Renovations Program

The purpose of the Facility Infrastructure Renovation and Repair Program is to provide for roof and building envelope renovation and replacement, structural and seismic evaluations and upgrades, and other building infrastructure improvements throughout the campus.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Facility Infrastructure Renovations	712,000	0	3,445,000
Full-time Equivalents Total	0.48	0.48	0.48

## Parking Repairs & Improvements Program

The purpose of the Parking Repairs and Improvements Program is to provide for repairs and improvements to Seattle Center parking facilities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Parking Repairs & Improvements	286,000	6,500,000	2,400,000
Full-time Equivalents Total	0.38	0.38	0.38

# Seattle Center

## Public Gathering Space Improvements Program

The purpose of the Public Gathering Space Improvements Program is to provide for major maintenance and improvements to meeting rooms, exhibition spaces, public assembly and performance spaces, and indoor and outdoor gathering spaces throughout the Seattle Center campus.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Public Gathering Space Improve	450,000	400,000	100,000
Full-time Equivalents Total	0.96	0.96	0.96

## Utility Infrastructure Master Plan and Repairs Program

The purpose of the Utility Infrastructure Master Plan and Repairs Program is to provide for renovation, repair, replacement, and energy efficiency improvements to utility infrastructure on the Seattle Center campus, including heating and cooling systems, sewer lines, electrical equipment, communications lines, fire alarms and other systems.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Utility Infrastructure Master Plan and Repairs	925,000	705,000	640,000
Full-time Equivalents Total	0.67	0.67	0.67

## Monorail Rehabilitation Budget Summary Level

The purpose of the Monorail Rehabilitation Budget Summary Level is to provide for the renovation and maintenance of the Seattle Center Monorail, including the two trains, the two stations, and the guideways that run in between.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Monorail Rehabilitation	1,905,000	1,255,000	1,255,000
<b>Total</b>	<b>1,905,000</b>	<b>1,255,000</b>	<b>1,255,000</b>
Full-time Equivalents Total*	0.96	0.96	0.96

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# Seattle Center

## Campus Budget Summary Level

The purpose of the Campus Budget Summary Level is to manage and operate Seattle Center's Campus events, grounds and facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Access	1,645,426	1,239,189	1,253,938
Campus Grounds	15,706,739	12,301,446	12,488,022
Commercial Events	2,250,049	1,933,677	1,960,324
Community Programs	3,102,433	2,536,565	2,450,130
Cultural Facilities	375,310	276,071	280,316
Festivals	2,141,538	1,289,702	1,308,758
<b>Total</b>	<b>25,221,495</b>	<b>19,576,650</b>	<b>19,741,488</b>
Full-time Equivalents Total*	130.03	179.88	178.88

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**The following information summarizes the programs in Campus Budget Summary Level:**

### **Access Program**

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

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Access	1,645,426	1,239,189	1,253,938
Full-time Equivalents Total	9.71	9.71	9.71

### **Campus Grounds Program**

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

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Campus Grounds	15,706,739	12,301,446	12,488,022
Full-time Equivalents Total	82.15	125.00	125.00

# Seattle Center

## Commercial Events Program

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

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Commercial Events	2,250,049	1,933,677	1,960,324
Full-time Equivalents Total	11.38	11.38	11.38

## Community Programs Program

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

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Community Programs	3,102,433	2,536,565	2,450,130
Full-time Equivalents Total	14.38	17.38	16.38

## Cultural Facilities Program

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

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Cultural Facilities	375,310	276,071	280,316
Full-time Equivalents Total	3.38	3.38	3.38

## Festivals Program

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

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Festivals	2,141,538	1,289,702	1,308,758
Full-time Equivalents Total	9.03	13.03	13.03

# Seattle Center

## McCaw Hall Budget Summary Level

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

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Debt Service	125,750	121,000	121,000
McCaw Hall	6,265,545	5,626,536	5,512,118
<b>Total</b>	<b>6,391,295</b>	<b>5,747,536</b>	<b>5,633,118</b>
Full-time Equivalents Total*	36.25	36.25	36.25

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**The following information summarizes the programs in McCaw Hall Budget Summary Level:**

### **Debt Service Program**

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

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Debt Service	125,750	121,000	121,000
Full-time Equivalents Total	0.00	0.00	0.00

### **McCaw Hall Program**

The purpose of the McCaw Hall Program is to operate and maintain McCaw Hall.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
McCaw Hall	6,265,545	5,626,536	5,512,118
Full-time Equivalents Total	36.25	36.25	36.25

## Seattle Center

### KeyArena Budget Summary Level

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

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
KeyArena	10,880,334	0	0
<b>Total</b>	<b>10,880,334</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	67.85	5.00	5.00

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**The following information summarizes the programs in KeyArena Budget Summary Level:**

#### KeyArena Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
KeyArena	10,880,334	0	0
Full-time Equivalents Total	67.85	5.00	5.00

### Leadership and Administration Budget Summary Level

The purpose of the Leadership & Administration Budget Summary Level is to provide executive, community, financial, human resource, technology and business support to the department.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CIP Indirect Costs	20,611	0	0
Citywide Indirect Costs	1,925,456	3,448,375	3,107,395
Departmental Indirect Costs	5,685,147	6,249,808	6,162,222
Divisional Indirect	2,096,612	1,799,819	1,800,775
Employee Benefits	4,768,874	4,562,799	4,799,331
Indirect Cost Recovery Offset	-14,470,762	-5,654,341	-5,880,823
<b>Total</b>	<b>25,939</b>	<b>10,406,461</b>	<b>9,988,901</b>
Full-time Equivalents Total*	0.00	-1.00	-1.00

*\* 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.*



# Seattle Center

*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

## **CIP Indirect Costs Program**

The purpose of the CIP Indirect Costs Program is to provide the management, oversight and support of Seattle Center's Capital Improvement Program.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CIP Indirect Costs	20,611	0	0
Full-time Equivalents Total	0.00	0.00	0.00

## **Citywide Indirect Costs Program**

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	1,925,456	3,448,375	3,107,395
Full-time Equivalents Total	0.00	0.00	0.00

## **Departmental Indirect Costs Program**

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This includes financial, human resource, technology, and business support necessary to provide effective delivery of the Department's services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	5,685,147	6,249,808	6,162,222
Full-time Equivalents Total	0.00	-1.00	-1.00

## **Divisional Indirect Program**

The purpose of the Divisional Indirect Costs Indirect program is to fund administrative costs generated by sub-departmental units, including the management and oversight of Seattle Center's maintenance operations which span multiple work units and budget programs.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect	2,096,612	1,799,819	1,800,775
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Center

## Employee Benefits Program

The purpose of the Employee Benefits program is to fund salary and benefit costs associated with city provided leave benefits such as holiday pay, sick time, vacation time, executive leave or other leave benefits, including termination payouts for vacation and sick leave, health and dental insurance, workers compensation, and unemployment insurance contributions.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Employee Benefits	4,768,874	4,562,799	4,799,331
Full-time Equivalents Total	0.00	0.00	0.00

## Indirect Cost Recovery Offset Program

The purpose of the Indirect Cost Recovery program is to recover costs associated with indirect programs within Leadership and Administrative BSL from the department's direct cost programs.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Indirect Cost Recovery Offset	-14,470,762	-5,654,341	-5,880,823
Full-time Equivalents Total	0.00	0.00	0.00

# The Seattle Public Library

Marcellus Turner, Executive Director and Chief Librarian

(206) 386-4636

<http://www.spl.org>

## Department Overview

The Seattle Public Library, founded in 1891, includes the Central Library, 26 neighborhood libraries, and a robust "virtual library" available on a 24/7 basis through the Library's website. The Central Library provides library services and programs for downtown residents and workers. It is also the hub for planning and developing system-wide programs and services and provides critical computer and Wi-Fi availability for people without internet access, in addition to many Seattle visitors. The 26 neighborhood libraries provide services and programs close to where people live, go to school and work, and serve as neighborhood anchors for lifelong learning, civic engagement, and economic vitality.

The Library system had more than 5.2 million physical visits in 2017 plus 5.7 million virtual visits through the Library's catalog and website. The Library held 10,300 programs for children, teens and adults with annual attendance of 328,000. Every day nearly 2,500 people used Library public computers and by the end of 2017 patrons had checked out 11.6 million items (physical and digital materials). Libraries are points of contact for governmental services and partnerships such as citizenship, emergency preparedness, tax help and health care, among various other resources.

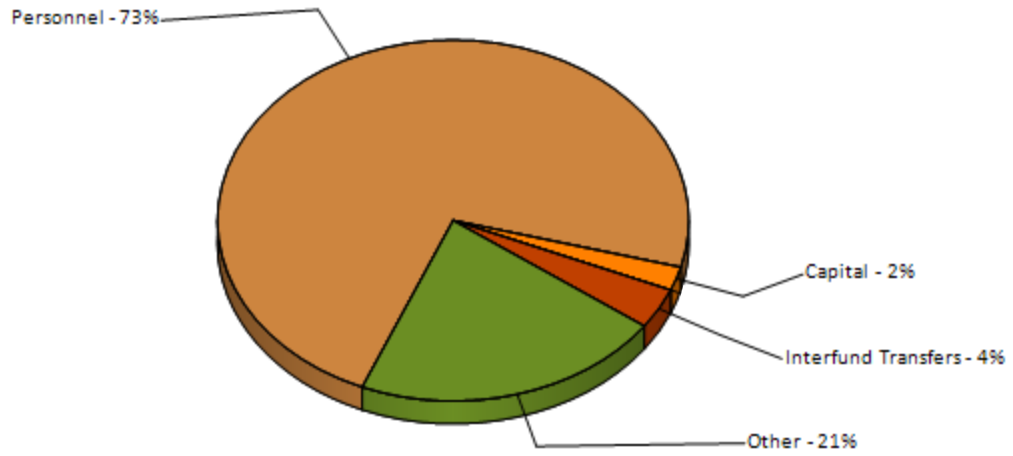
The Library is governed by a five-member Board of Trustees, who are appointed by the Mayor and confirmed by the City Council. Board members are eligible to serve two five-year terms. The Revised Code of Washington (RCW 27.12.240) and the City Charter (Article XII, Section 5) grant the Board of Trustees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

## Budget Snapshot

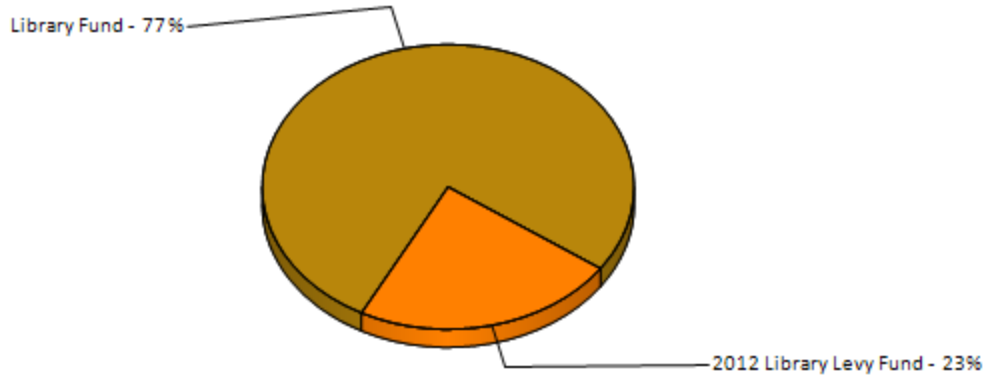
Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$53,912,040	\$54,966,045	\$55,041,816
Other Funding	\$27,393,217	\$23,243,826	\$8,323,065
<b>Total Operations</b>	<b>\$81,305,257</b>	<b>\$78,209,871</b>	<b>\$63,364,881</b>

# The Seattle Public Library

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category



# The Seattle Public Library

## Budget Overview

With more than 5.2 million visits annually, the Seattle Public Library's 27 locations are among the most heavily used public spaces in the city. Open and welcoming, libraries serve as a haven for some of the city's most vulnerable residents. For individuals experiencing homelessness, libraries provide safe, comfortable, quiet spaces during daytime hours when many shelters are closed; they are often the only daytime shelter individuals have during inclement weather. Also, libraries are frequently the only source of internet access for many patrons, providing the means to search for employment and connect with friends and family through email and social media. With Seattle's growing homelessness crisis, pressure on library resources has intensified along with the need to serve patrons whose immediate needs go well beyond traditional library services.

Keeping libraries safe and clean ensures everyone in the city has a welcoming and attractive place to learn, to access the internet, or simply a place to be. The 2019-2020 Proposed Budget maintains resources to support the Library. In addition, it adds one-time funding for two additional security officer positions, which will help provide continuous staffing of a minimum of four officers on duty at any given time at the Central Library and increase support to library branches.

At the Mayor's direction, the Library identified some operational efficiencies in 2019 to save General Fund resources. These efficiencies include discontinuing some database subscriptions, moving some staff costs to levy funding, and identification of additional salary savings.

### Library Levy

In August 2012, Seattle voters approved a seven-year, \$123 million levy to support, maintain and improve core Library services. The levy supports four priority areas: open hours, the books and materials collection, computers and online services, and building maintenance. Without the approved levy, the Library would have had to delay important maintenance and public technology investments and make additional ongoing reductions to collections and open hours as the result of budget cuts taken during the Great Recession. Each year, the Library Board of Trustees allocates available levy funds through the annual Operations Plan and reports to the Mayor and City Council on how levy proceeds were spent in the prior year.

The 2012 Library Levy will conclude at the end of 2019. The Library is currently engaged in preliminary levy renewal planning. In the spring of 2018, the Library conducted a community survey to assess public satisfaction with Library programs and services, and gauge interest in potential new service offerings. The Library received over 26,000 survey responses and the public re-affirmed the existing priorities for levy investment. This public input will help guide next steps. In preparing the 2012 levy for the ballot, the Library formulated a seven-year asset management plan to guide the capital element of the levy proposal; it is in the midst of a similar effort for levy renewal in 2019.

### Other Revenues

The Library continues to respond to the public's growing preference for digital media rather than print media. Since digital materials do not have fines or fees associated with their use, this shift toward digital materials has created a growing gap in the Library's baseline operating revenues. Compounding the loss of this revenue to support Library operations, the cost of e-books and e-audiobooks places additional pressure on the Library's collection budget. The Library incurs strikingly different materials costs based on the format purchased; a digital item can carry a cost per copy that is almost five or six times higher than its physical counterpart. The Library has addressed some of these pressures in the past with one-time funding from fund balance and library levy resources but lacks an ongoing mechanism to address the price discrepancy.

# The Seattle Public Library

## Capital Improvement Projects

The Library's Capital Improvement Program (CIP) projects generally fall into one or more categories: asset preservation, operational efficiency, environmental stability, public service improvements, and safety and security.

The overriding priority of the Library's capital program is to extend the useful life of its buildings as long as possible. As the Library's buildings have all surpassed the ten-year mark since the completion of the capital improvements associated with the 1998 "Library's for All" bond measure that upgraded The Seattle Public Library's system with new facilities, technology, and books, they require attention to flooring, casework, finishes and restroom fixtures. Some examples of asset preservation items funded through the Library's CIP budget include: major repairs and replacement to roofs, building envelopes, HVAC and other critical building systems, doors, windows, flooring and casework. A varying combination of roof, building envelope and window planning and/or restoration is scheduled at Queen Anne, Columbia, West Seattle and Green Lake, contingent upon which projects begin in late 2018.

The Library Levy provides funding of approximately \$2.7 million in 2019, which is the current levy's final year. The first year of the Library's 2019-2024 CIP provides a base level of support for asset management. Planning has begun for Library Levy renewal; however, to maintain conservative projections, Levy renewal is not assumed for the final five years of the 2019-2024 CIP.

Please see the capital improvement budget for detailed information on Library's current capital improvement projects.

# The Seattle Public Library

## Incremental Budget Changes

### The Seattle Public Library

	2019 Budget	2020 Budget
<b>2018 Adopted Budget</b>	<b>\$ 81,305,257</b>	<b>\$ 81,305,257</b>
<b>Baseline Changes</b>		
Citywide Adjustments for Standard Cost Changes	\$ 1,372,272	\$ 1,776,717
<b>Proposed Changes</b>		
Operational Efficiencies for General Fund Savings	-\$ 448,750	-\$ 459,450
Reduce Fuel Budget	-\$ 9,325	-\$ 9,346
Enhance Library Security	\$ 194,500	\$ 0
<b>Proposed Technical Changes</b>		
Technical Adjustment	-\$ 4,204,083	-\$ 19,248,297
<b>Total Incremental Changes</b>	<b>-\$ 3,095,386</b>	<b>-\$ 17,940,376</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 78,209,871</b>	<b>\$ 63,364,881</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,372,272**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

### Proposed Changes

#### **Operational Efficiencies for General Fund Savings - (\$448,750)**

The Mayor requested the Library find some operating efficiencies to achieve General Fund savings. The Library identified \$450,000 of savings that do not affect library operations. These changes involve discontinuing some database subscriptions (focusing on the least used/most expensive), moving some staff costs to levy funding, the elimination of a training position, and the identification of additional salary savings.

# The Seattle Public Library

## **Reduce Fuel Budget - (\$9,325)**

Responsive to a request from the Mayor, the Library analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was identified savings of \$9,325, a 15% reduction in Library's fuel budget. This reduction will not affect the department's ability to maintain business operations.

## **Enhance Library Security - \$194,500**

This adjustment adds funding for two additional security officer positions to increase security coverage. In comparing 2017 data against the previous four years, the Library experienced more than a 50% increase in exclusions for drug and alcohol related behavior, an 11% increase in verbal harassment of staff and non-compliance with Library Rules of Conduct, and a 39% increase in trespassing after being excluded for other behaviors. This increase in staffing will also enable the team to undergo more targeted training, including training in Implicit Bias, to improve how the officers work engage with individuals. The security officers will be funded by General Fund in 2019 with the expectation that they will be considered for funding in the next Library Levy.

## **Proposed Technical Changes**

### **Technical Adjustment - (\$4,204,083)**

This adjustment contains two small technical adjustments and one larger correction:

- Inflation of Library's Real Estate Excise Tax (REET) funding in the Capital Improvement Program. Library will receive \$562,000 of REET in 2019 and \$578,000 in 2020.
- Increase budget authority for inter-department expenditures. Citywide Accounting has provided guidance that all departments should begin recording inter-department transactions as an expense with a corresponding revenue. Several Neighborhood Services Centers are co-located in library branches and pay lease costs. This is a revenue backed increase in budget authority within the Library Fund (10410).
- Finally, the larger technical adjustment trues up for three items that had carried forward in Library's budget but should have been reflected as one time or capital items. This includes \$1.7 million for the automated materials handling replacement, which was a one-time expense but appeared in the operating budget as an ongoing item, and \$2.85 million for the multi-use facility acquisition, which is a one-time expense in the Capital Improvement Program, rather than an ongoing budget appropriation. It also removes a one-time expense of \$500,000 for a cabling project.

For 2020, a larger technical adjustment zeroes out any assumed baseline expenditures associated with the library levy. The 2012 Library Levy concludes at the end of 2019 and the proposed budget does not assume levy revenues beyond 2019.



# The Seattle Public Library

## Expenditure Overview

<b>Appropriations</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
<b>Capital Improvements Division</b>			
2012 Library Levy Fund (18100)	4,072,000	2,659,000	0
Library Fund (10410)	2,855,000	0	0
REET I Capital Projects Fund	550,000	562,000	578,000
<b>Total: BC-PL-B3000</b>	<b>7,477,000</b>	<b>3,221,000</b>	<b>578,000</b>
<b>Administrative/Support Service Division</b>			
2012 Library Levy Fund (18100)	2,307,402	2,582,451	0
Library Fund (10410)	9,764,326	9,026,542	8,901,645
<b>Total: BO-PL-B1ADM</b>	<b>12,071,728</b>	<b>11,608,993</b>	<b>8,901,645</b>
<b>Chief Librarians Office Division</b>			
2012 Library Levy Fund (18100)	6,839	8,150	0
Library Fund (10410)	501,635	471,635	473,817
<b>Total: BO-PL-B2CTL</b>	<b>508,474</b>	<b>479,785</b>	<b>473,817</b>
<b>Library Program and Services Division</b>			
2012 Library Levy Fund (18100)	7,219,060	9,120,340	0
Library Fund (10410)	51,076,480	50,208,610	50,454,453
<b>Total: BO-PL-B4PUB</b>	<b>58,295,540</b>	<b>59,328,950</b>	<b>50,454,453</b>
<b>Human Resources Division</b>			
2012 Library Levy Fund (18100)	7,042	21,281	0
Library Fund (10410)	1,446,662	2,017,522	2,021,663
<b>Total: BO-PL-B5HRS</b>	<b>1,453,704</b>	<b>2,038,803</b>	<b>2,021,663</b>
<b>Institutional &amp; Strategic Advancement Division</b>			
2012 Library Levy Fund (18100)	536,739	603,503	0
Library Fund (10410)	962,072	928,837	935,303
<b>Total: BO-PL-B7STR</b>	<b>1,498,811</b>	<b>1,532,340</b>	<b>935,303</b>
<b>Department Total</b>	<b>81,305,257</b>	<b>78,209,871</b>	<b>63,364,881</b>

# The Seattle Public Library

## Budget Summary by Fund for Library

	2018 Adopted	2019 Proposed	2020 Proposed
18100 - 2012 Library Levy Fund (18100)	14,149,082	14,994,725	0
10410 - Library Fund (10410)	66,606,175	62,653,146	62,786,881
30010 - REET I Capital Projects Fund	550,000	562,000	578,000
<b>Budget Totals for SPL</b>	<b>81,305,257</b>	<b>78,209,871</b>	<b>63,364,881</b>

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
311010	2012 Library Levy	13,616,208	15,989,000	0
360020	Interest Earnings	100,000	47,000	0
311010	2012 Library Levy Major Maintenance	4,072,000	2,658,907	0
	<b>Total 2012 Library Levy Fund</b>	<b>17,788,208</b>	<b>18,694,907</b>	<b>0</b>
360340	Coffee Cart	4,000	4,000	4,500
341050	Copy and Pay for Print	235,000	235,000	235,000
350130	Fines and Fees	1,288,000	1,242,000	1,200,000
360990	Misc. Revenue	2,000	2,000	2,500
330020	Operating Transfer In (2012 Library Levy)	4,827,960	4,972,799	0
360290	Parking Revenue	365,000	350,000	350,000
	Proceeds from Property Sale	2,855,000	0	0
360380	Sale of Fixed Assets	55,000	0	0
360300	Space Rentals	185,000	185,000	187,000
397010	Cable Franchise Fees	642,000	645,000	647,500
397010	General Subfund Support	53,912,040	54,966,045	55,041,816
330020	Neighborhood Service Center Co-Location (DON)	0	3,500	3,575
330020	Neighborhood Service Center Co-Location (FAS)	0	22,050	22,475
	<b>Total Library Fund</b>	<b>64,371,000</b>	<b>62,627,394</b>	<b>57,694,366</b>
	<b>Total Revenues</b>	<b>82,159,208</b>	<b>81,322,301</b>	<b>57,694,366</b>
	Use of (Contribution To) Fund Balance	-3,639,126	-3,700,182	0
	<b>Total 2012 Library Levy Fund</b>	<b>-3,639,126</b>	<b>-3,700,182</b>	<b>0</b>
	Use of (Contribution To) Fund Balance	2,235,175	25,752	5,092,515
	<b>Total Library Fund</b>	<b>2,235,175</b>	<b>25,752</b>	<b>5,092,515</b>
	<b>Total Resources</b>	<b>80,755,257</b>	<b>77,647,871</b>	<b>62,786,881</b>

# The Seattle Public Library

## Appropriations By Division and Program

<b><u>Capital Improvements Division by Program</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Capital Improvements	7,477,000	3,221,000	578,000
<b>Total</b>	<b>7,477,000</b>	<b>3,221,000</b>	<b>578,000</b>

<b><u>Administrative/Support Division by Program</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Administrative Services	1,842,647	558,009	276,166
Business Office	725,683	1,330,648	1,325,556
Event Services	559,782	479,853	422,555
FAC Services	8,943,616	9,240,483	6,877,368
<b>Total</b>	<b>12,071,728</b>	<b>11,608,993</b>	<b>8,901,645</b>

*The following information summarizes the programs in Administrative/Support Service Division:*

### **Administrative Services Program**

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

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Administrative Services	1,842,647	558,009	276,166

### **Business Office Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Business Office	725,683	1,330,648	1,325,556

### **Event Services Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Event Services	559,782	479,853	422,555

# The Seattle Public Library

## FAC Services Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
FAC Services	8,943,616	9,240,483	6,877,368

### Chief Librarians Office Division by Program

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Chief Librarians Office	508,474	479,785	473,817
<b>Total</b>	<b>508,474</b>	<b>479,785</b>	<b>473,817</b>

### Library Program and Services Division by Program

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Collections and Access	17,851,332	17,896,872	14,432,207
Information Technology	4,438,309	6,265,843	4,473,893
Public Services	36,005,899	35,166,235	31,548,353
<b>Total</b>	<b>58,295,540</b>	<b>59,328,950</b>	<b>50,454,453</b>

*The following information summarizes the programs in Library Program and Services Budget Summary Level:*

#### Collections and Access Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Collections and Access	17,851,332	17,896,872	14,432,207

#### Information Technology Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Information Technology	4,438,309	6,265,843	4,473,893

#### Public Services Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Public Services	36,005,899	35,166,235	31,548,353

# The Seattle Public Library

<b><u>Human Resources Division by Program</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Human Resources	1,453,704	2,038,803	2,021,663
<b>Total</b>	<b>1,453,704</b>	<b>2,038,803</b>	<b>2,021,663</b>

<b><u>Institutional &amp; Strategic Advancement Division by Program</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Institutional & Strategic Advancement	1,498,811	1,532,340	935,303
<b>Total</b>	<b>1,498,811</b>	<b>1,532,340</b>	<b>935,303</b>



# Department of Education and Early Learning

Dwane Chappelle, Director

(206) 233-5118

[www.seattle.gov/education](http://www.seattle.gov/education)

## Department Overview

The mission of the Department of Education and Early Learning (DEEL) is to transform the lives of Seattle's children, youth, and families through strategic investments in education. DEEL achieves this goal by investing in high-quality early learning services and programs that help children succeed in school, increasing capacity for such programs in underserved communities and strengthening school-community connections.

DEEL is responsible for weaving together early learning programs in the City to provide families with the opportunity to prepare their children to enter school ready to succeed. By braiding and blending resources from the expiring Families and Education and the Seattle Preschool Program Levies; the proposed Families, Education, Preschool, and Promise Levy; the state Early Childhood Education and Assistance Program; and City General Fund, the department seeks to ensure families in the city have access to high quality early learning.

DEEL administers the Seattle Preschool Services Levy, which was approved by the voters in 2014 and expires in 2018. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-olds so they enter school prepared to succeed and the academic opportunity gap for children is eliminated. The levy funded a demonstration phase of the Seattle Preschool Program, which began in 2015 and plans to serve 1,500 children by the 2018-19 school year.

DEEL also administers the Education-Support Services Levy, otherwise known as the Families and Education Levy, which was approved by the voters in 2011 and expires in 2018. DEEL is responsible for developing the City's education policy and investment strategy for levy funds to help children succeed in school by increasing access to high-quality programs supporting academic achievement. DEEL builds linkages between the City of Seattle, the Seattle Public School District, and other organizations to ensure successful levy implementation. Levy investments are made in programs that improve academic achievement. To that end, each program undergoes ongoing program evaluation to ensure it delivers on specific targeted outcomes intended to improve academic achievement. The department provides annual reports detailing program targets and results to policy makers and the community.

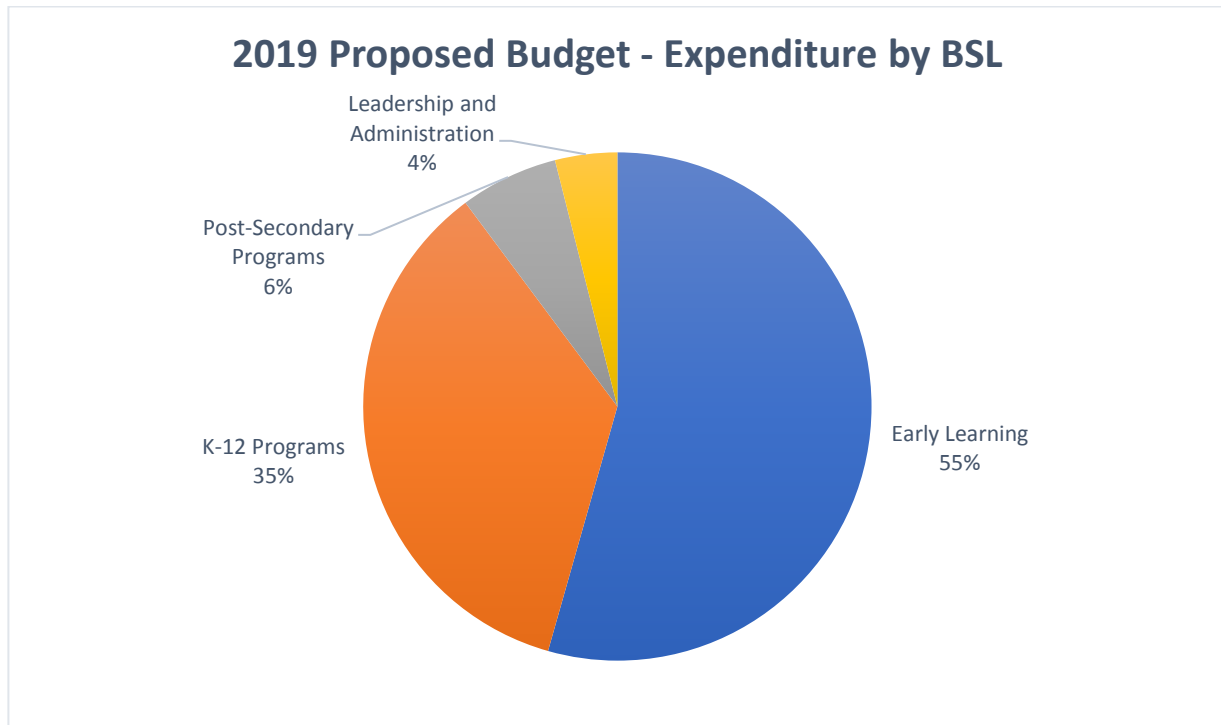
DEEL serves as the liaison between the City and the higher education community on education issues of joint concern. The department builds partnerships with, and facilitates collaboration between, local higher education representatives to increase academic, economic and social advancement. DEEL aligns City investments with institutions' priorities, initiatives and goals to increase student success and higher levels of educational attainment. Part of this work includes implementation of the Seattle Promise College Tuition Program. When fully implemented, the Seattle Promise will provide two years of free college for Seattle public high school graduates, removing financial barriers to higher education facing many Seattle public school students. Seattle Promise students will have the opportunity to obtain up to 90 credits of instruction towards a degree, credential, certificate or pre-apprenticeship program.

# Department of Education & Early Learning

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$18,739,546	\$18,238,025	\$18,092,025
Other Funding - Operating	\$61,489,382	\$85,318,031	\$81,072,335
<b>Total Operations</b>	<b>\$80,228,928</b>	<b>\$103,556,056</b>	<b>\$99,164,360</b>
<b>Total Appropriations</b>	<b>\$80,228,928</b>	<b>\$103,556,056</b>	<b>\$99,164,360</b>
Full-time Equivalent Total*	75.00	98.00	98.00

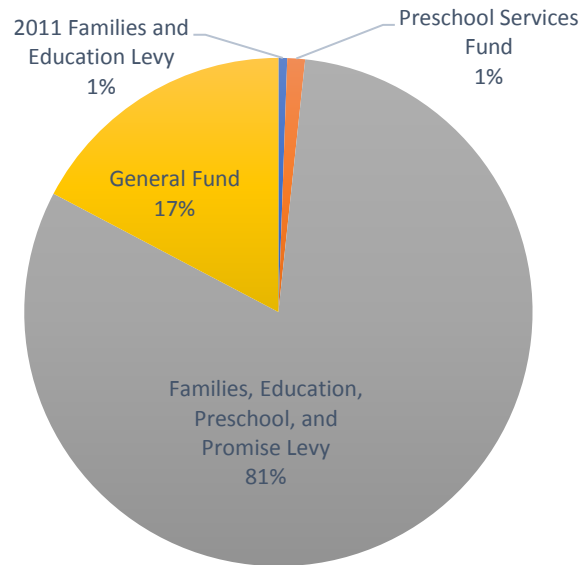
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.





# Department of Education & Early Learning

## 2019 Proposed Budget - Revenue by Fund



## Budget Overview

DEEL implements its mission with funding from two current levies, both expiring in 2018; City General Fund dollars; state grants; and partnerships with other City departments.

### Family and Education Support Services Levy

In November 2011, Seattle voters approved a \$231 million renewal of the Education-Support Services Levy, otherwise known as the Families and Education Levy (FEL), for the period of 2012-2018. The levy expires and ceases to collect property taxes at the end of 2018. DEEL issued its last cycle of grants from the 2011 FEL for the 2018-2019 school year. Many components of this levy are included in the proposed Families, Education, Preschool, and Promise (FEPP) Levy, which, if passed by the voters, would be effective in January 2019. The 2019-2020 Proposed Budget assumes a partial ramp down of the 2011 FEL budget authority in 2019 and a full elimination of FEL budget authority in 2020.

The 2011 FEL invests in early learning, elementary school, middle school, high school, and health programs to achieve three goals:

- improve children's readiness for school;
- enhance students' academic achievement and reduce the academic achievement gap; and
- decrease students' dropout rate and increase graduation from high school and prepare students for college and/or careers after high school.

2011 FEL investments are aligned with the goals of Seattle Public Schools to double the number of students who enroll in post-secondary programs after high school and/or achieve a career credential. The 2011 Families and Education Levy substantially increases the overall funding available to support children and their families, both in-

# Department of Education & Early Learning

and out-of-school, to help all Seattle's children succeed academically. The following are the six key program areas that were recommended by the 2011 Families and Education Levy Advisory Committee and funded in the levy:

- **Early Learning and School Readiness**
  - 228 children in levy-funded preschool slots for the 2018-2019 school year
  - 42 child care subsidies for levy-funded children
  - 228 health assessments and consultations for preschool children
  - Home visitations for 250 families annually
  - Professional development for 400 early learning educators
  
- **Elementary School Academic Achievement**
  - Extended learning time and out-of-school time at 21 schools
  - Summer learning for up to 1,200 students
  - Family support for high-risk elementary students and refugee/immigrant and Native American families and students
  
- **Middle School Academic Achievement and College/Career Preparation**
  - extended learning time and out-of-school time
  - social, emotional, and behavioral support, college and career planning at four schools, case management for college and career planning for up to 600 students
  - summer learning for up to 1,300 students
  - out-of-school time transportation and sports
  
- **High School Academic Achievement and College/Career Preparation**
  - extended learning time & social, emotional, and behavioral support for ninth graders at five schools
  - college and career planning at five schools
  - case management for college and career planning for up to 400 students
  - summer learning for up to 500 students
  
- **Student Health**
  - school-based health centers (SBHCs) and nursing services at five middle schools and 10 high schools
  - SBHC, nursing, and family engagement services at the Seattle World School
  - SBHC services for students at the Interagency Academy
  - health care, mental health interventions and community referrals for elementary school students at eight sites
  - a quality control system for mental health providers
  - oral health services for 10 schools
  
- **Administration and Evaluation**
  - The levy provides funding for staff in the Department of Education and Early Learning (DEEL) to provide oversight, administration, and strategic guidance for levy-funded programs throughout the life of the levy. These staff members are responsible for building strong partnerships with Seattle Public Schools, community funders, and community providers to ensure successful program development and implementation. As part of this program, the levy funds ongoing research and evaluation and staff use this data to make continuous program improvements. This data-based evaluation provides a strong accountability structure for levy programs,

# Department of Education & Early Learning

including a data-sharing agreement with Seattle Public Schools and performance-based contracts tied to achieving specific indicator and outcome goals.

## Seattle Preschool Services Levy

In November 2014, Seattle voters approved a four-year, \$58 million Seattle Preschool Services Levy to fund the Seattle Preschool Program (SPP) Action Plan. The SPP levy expires and ceases to collect property taxes at the end of 2018. The SPP levy has issued its last cycle of grants for the 2018-2019 school year. An expanded preschool program is included in the proposed Families, Education, Preschool, and Promise (FEPP) Levy which, if passed by the voters, would be effective in January 2019. The 2019-2020 Proposed Budget assumes a partial ramp down of the 2014 SPP budget authority in 2019 and a full elimination of SPP budget authority in 2020.

The SPP is an evidence-based program which builds on community partnerships and the existing network of preschool providers. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-old children so they enter school prepared to succeed and eliminate the academic opportunity gap in later years.

The SPP levy funded a demonstration phase of the Seattle Preschool Program that began in 2015 with 280 students and grew to serve about 1,500 children by the 2018-19 school year. Program services include the following:

- **School Readiness** funds preschool classrooms and support for Special Populations. In 2015-16, SPP served approximately 280 children in 15 classrooms. In 2018-19, the final school year, SPP expects to serve about 1,500 children in 75 to 85 classrooms.
- **Program Support** funds professional development and training for preschool directors, lead teachers, and assistants to ensure quality teaching.
- **Capacity Building** funds facility construction, renovation, and improvements to increase access to quality classrooms. Capacity building funds were used to support the redevelopment of the Parks and Recreation Miller Community Center Annex with space to serve 80 children in four classrooms. Levy investments also include funding the conversion of Seattle Parks and Recreation community center spaces to SPP classrooms and the addition of four preschool classrooms in the Lake City Family Housing project. The capacity building funds also provide scholarships to teachers seeking degree completion. To date, 19 SPP teachers have received scholarship funds to continue their education.
- **Research and Evaluation** funds evaluation and data system development, including:
  - External evaluators to assess classroom environments and teacher/child interactions.
  - Training for teachers on how to appropriately assess child development;
  - External evaluators to develop and begin a comprehensive evaluation strategy; and
  - Data system development to support quality improvement and evaluation.
- **Contingency** funds provide flexibility for this new investment. SPP relies on resources from state and federal funds, as well as parent tuition based on a sliding fee scale. While estimates of these resources were based on demographic data and information collected from existing providers and funders, the City included contingency funds in case actual recoveries or contributions fall short of expectations.
- **Administration** funds DEEL staff to provide oversight, administration and leadership for the development of the investments identified above. The levy requires continuous quality improvement, strong community partnerships, and transparency in the program's development.

## Proposed Families, Education, Preschool, and Promise (FEPP) Levy

The 2019-2020 Proposed Budget includes budget authority for the first year of spending property tax revenues generated from the proposed \$619.6 million, seven-year Families, Education, Preschool, and Promise (FEPP) Levy. The levy will begin collecting revenues in 2019 and the first expenditures, if voters approve the levy, will be in the 2019-2020 school year. The FEPP Levy is designed to invest in a continuum of services from preschool through post-secondary, to ensure that students are ready to take advantage of the Seattle Promise program and post-

# Department of Education & Early Learning

secondary opportunities. The 2019-2020 Proposed Budget includes budget authority for the first year of the proposed FEPP levy. The proposed budget reflects all the programs that were included in [Ordinance 125604](#).

The FEPP levy focuses on the core connections of investments across a continuum of ages and needs. The objectives of the FEPP levy include the following:

- increase the number of children in quality preschool;
- maintain support for K-12 and community investments, including school-based health services and supports for students most in need; and
- expand access to college for Seattle public school graduates through support for the Seattle Promise College Tuition Program (Seattle Promise).

This continuum of investments is comprised of four building blocks:

- **Preschool and Early Learning**  
This funds preschool for Seattle's three- and four-year-old children. Over the next seven years, the number of children served by SPP is expected to increase from approximately 1,500 per year to approximately 2,500 per year. It also includes funding for child care vouchers to homeless Seattle families so they can complete housing and stabilization activities and a mentorship program for prospective child care providers.
- **K-12 School and Community-Based Investments**  
This area includes supplemental services focused on closing opportunity gaps for students, schools, and communities with a focus on college access and job readiness. It includes funding for the family support program as well as investments in elementary, middle and high schools and summer learning.
- **K-12 School Health**  
This funds school-based health centers, oral health and mental health and will add funding for three more school-based health centers plus partial funding for a fourth school-based health center.
- **Seattle Promise**  
This provides college and career readiness supports at the high school level, and tuition assistance and program persistence and advising supports at the three Seattle Colleges for students who graduate from a public Seattle high school.

## Sweetened Beverage Tax Investments

Beginning Jan. 1, 2018, the City of Seattle imposed a sweetened beverage tax via [Ordinance 125324](#). The sweetened beverage tax (SBT) is a tax on the distribution of sweetened beverages in the city of Seattle. Services funded by the proceeds of the beverage tax are intended to expand access to healthy and affordable food, close the food security gap, promote healthy nutrition choices, reduce disparities in social, developmental, and education readiness and learning for children, assist high school graduates to enter college, and expand services for the birth-to-five population and their families.

The Sweetened Beverage Tax Community Advisory Board has made final recommendations to expand food access programs in the Human Services Department and the Office of Sustainability and Environment, as well as education programs in DEEL, and public health programs in Seattle-King County Public Health. The 2019-2020 Proposed Budget includes continuation of the funding added to DEEL's budget in the 2018 2nd Quarter Supplemental Budget Ordinance; a one-time incremental increase for the Seattle Promise program to help support the College foundation; and a transfer of \$588,000, previously funded by the Families and Education Levy, so the Parent Child Home Partnership Program is fully funded by the SBT funding source.

During the FEPP Levy planning process, several programs that were previously funded by SBT were moved to the new FEPP Levy funding source: the Our Best program manager position; the summer melt program; innovation high school enhancement funding; and culturally-specific summer learning programs will be funded by the new FEPP Levy going forward.

## Department of Education & Early Learning

Finally, the City determined in 2018 that it has collected greater than anticipated revenues from the sweetened beverage tax. As a result, the City will use these revenues to pay for certain programs in various departments that currently receive unrestricted General Fund. The proposed budget shifts DEEL's Child Care Assistance Program and a portion of the Nurse Family Partnership Program to the sweetened beverage tax fund source. This change does not affect the operations of either program.

### Incremental Budget Changes

#### Department of Education and Early Learning

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 80,228,928</b>	<b>75.00</b>	<b>\$ 80,228,928</b>	<b>75.00</b>
<b>Baseline Changes</b>				
Adjustment for Sunset Positions	-\$ 273,254	-3.00	-\$ 274,021	-3.00
Citywide Adjustments for Standard Cost Changes	\$ 750,335	0.00	\$ 445,930	0.00
Supplemental Budget Changes	\$ 555,031	1.00	\$ 555,031	1.00
Adjustment for One-Time Budget Additions	-\$ 200,000	0.00	-\$ 200,000	0.00
<b>Proposed Changes</b>				
Add Inflation to Nurse Family Partnership Contract	\$ 46,072	0.00	\$ 46,993	0.00
Sweetened Beverage Tax (SBT) Budget Realignment	\$ 369,201	0.00	\$ 263,344	0.00
Families and Education Levy (FEL) and Seattle Preschool Program (SPP) Levies Ramp Down	-\$ 17,033,739	0.00	-\$ 62,095,625	0.00
Families, Education, Preschool and Promise (FEPP) Levy	\$ 39,113,482	25.00	\$ 80,193,780	25.00
<b>Total Incremental Changes</b>	<b>\$ 23,327,128</b>	<b>23.00</b>	<b>\$ 18,935,432</b>	<b>23.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 103,556,056</b>	<b>98.00</b>	<b>\$ 99,164,360</b>	<b>98.00</b>

# Department of Education & Early Learning

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for Sunset Positions - (\$273,254)/(3.00) FTE**

This adjustment resets DEEL's baseline budget by removing three positions and related costs that were originally added to support the Education Summit and had a sunset date of December 31, 2018.

The sunset positions removed in the baseline process were restored during the levy planning process and are included in the 26 new positions that are added as part of the renewed and expanded education levy.

#### **Citywide Adjustments for Standard Cost Changes - \$750,335**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Supplemental Budget Changes - \$555,031/1.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities.

In 2018 the Sweetened Beverage Tax (SBT) Community Advisory Board made its final recommendations for programming. Accordingly, the 2018 2nd Quarter Supplemental Budget Ordinance transferred \$555,031 from Finance General to the Early Learning program in DEEL for investments that will enhance and increase the impact of existing programs that did not have sufficient resources to meet all intended goals. These investments will provide the following enhancements:

- DEEL Birth-to-3 Instructional Coach (\$114,000): DEEL will hire an additional 1.0 FTE Early Education Specialist, Sr. to serve as a birth-to-three instructional coach to support providers that serve infants and toddlers. By adding another coach, the caseload will approximate the current preschool coach to teacher ratio of 1:12 and provide at least 4 hours of coaching each month
- Birth-to-3 Health Supports (\$175,000): Public Health will hire an additional nurse, which will increase its capacity to provide infant nurse consultation and a more comprehensive and prevention focused approach to serving centers with children from ages zero to 5.
- Development Supports (\$166,000): King County Developmental Disabilities Division will expand the Developmental Bridge Pilot Program and increase their reach from serving 50 children per year for a maximum of 6 months to serving 80 children per year without a limit on the length of services.
- Home Visiting (PCHP and Family Child Care) (\$100,000): Additional funds will be used to expand the Parent Child Home Program, both for families and the pilot for Family Child Care providers.

#### **Adjustment for One-Time Budget Additions - (\$200,000)**

This item removes a one-time budget addition in the 2018 Adopted Budget of \$200,000 for a contract to improve educator workforce diversity and a bilingual teacher pipeline. The work to increase teacher diversity will continue and be funded in the proposed Families, Education, Preschool, and Promise Levy.

# Department of Education & Early Learning

## Proposed Changes

### **Add Inflation to Nurse Family Partnership Contract - \$46,072**

This adjustment applies 2% inflation to the Nurse Family Partnership contract with Seattle-King County Public Health, consistent with other public health contracts managed by the Human Services Department. In the 2019 Proposed Budget, the Nurse Family Partnership contract totals \$2.3 million.

### **Sweetened Beverage Tax (SBT) Budget Realignment - \$369,201**

The Sweetened Beverage Tax is a tax on the distribution of sweetened beverages in the city of Seattle. The Mayor has proposed proceeds be dedicated toward the programs that include early learning, Seattle Promise, food access, and other programs recommended by the community advisory board. This adjustment includes the following changes.

Programming shifted to the sweetened beverage tax funding source:

- Parent Child Home Program (\$588,000): DEEL is proposing to fully fund the Parent-Child Home Program (PCHP) using the SBT funding source. The PCHP is an evidence-based, two-year home-visitation literacy program for two- and three-year old children. The program is administered by United Way of King County and reaches approximately 590 Seattle children from families below the federal poverty line. The total PCHP budget will be approximately \$1.2 million in 2019.
- 13th Year Program (\$785,697): Starting in 2018 as part of DEEL's SBT budget, the City has committed to providing \$5 million towards the 13th Year Promise Scholarship, a partnership run by the Seattle College Foundation. In 2018, DEEL budgeted \$1,381,885 towards this commitment. In 2019, this amount will increase to \$2,167,582, with the City's final contribution to this scholarship fund in 2020 with \$1,450,533.

Funding for the following programs will shift from Sweetened Beverage Tax to the proposed FEPP Levy:

- Summer Melt (-\$102,500)
- Innovation High School Enhancement (-\$440,750)
- Culturally-Specific Summer Learning (-\$461,250)
- Our Best Initiative (-\$189,000)

Finally, as part of the 2019-2020 Proposed Budget, \$3.4 million of early education and birth to three services that were previously funded by unrestricted General Fund will now be funded by SBT revenue. This is a dollar neutral adjustment.

- Child Care Assistance Program (CCAP) & Comprehensive Child Care Program (CCCP) (\$2,480,000): This adjustment fully replaces the General Fund portion of the Childcare Assistance Program (CCAP) budget (\$2.3 million) in 2019 and partially replaces a portion of the Comprehensive Childcare Program (CCCP) budget (\$180,000) in 2019. Neither of these funding source replacements will have service level impacts as the funding level is maintained.
- Birth to Three Programs (\$921,000): This fund change replaces unrestricted General Fund for the Nurse Family Partnership program.

### **Families and Education Levy (FEL) and Seattle Preschool Program (SPP) Levies Ramp Down - (\$17,033,739)**

The Department of Education and Early Learning (DEEL) is supported through a variety of funding sources, including the 2011 Families and Education Levy (FEL) and the 2014 Seattle Preschool Services (SPP) Levy. Both these levies expire at the end of 2018. Since DEEL administers most of its contracts by school year, the last school year receiving funding from the FEL and SPP levies will be the 2018-2019 school year. This adjustment reflects a decrease of six months of FEL and SPP related expenditures in 2019 and removes all FEL and SPP related budget

# Department of Education & Early Learning

authority in 2020. Programs from both levies are rolled into the proposed Families, Education, Preschool, and Promise (FEPP) levy that is on the 2018 November ballot.

## **Families, Education, Preschool and Promise (FEPP) Levy - \$39,113,482/25.00 FTE**

The Families, Education, Preschool, and Promise (FEPP) levy will be presented to voters for approval on November 6, 2018. FEPP combines and continues the City's two previous education-related levies: 1) 2014 Seattle Preschool Services and 2) 2011 Families and Education Levies. If voters approve the levy, the proposed FEPP program will cost \$636.5 million over the 7-year period. These costs will be funded by a combination of levy proceeds, prior levy underspend, and delinquent payments. This item establishes funding for each of the four investments areas:

- **Preschool:** This program area represents 54% of the entire FEPP package, totaling \$341 million over seven years, and includes funding for preschool to Seattle's three- and four-year-old children.
- **K-12 School and Community-Based Investments:** This program area represents about 29% of the overall levy, totaling \$188 million over seven years, and includes funding for supplemental services focused on closing opportunity gaps for students, schools, and communities with a focus on college access and job readiness.
- **School Health:** This program area comprises about 11% of the overall FEPP Levy package, totaling \$67 million over seven years, and provides funding for programs and services including school-based health centers, oral health and mental health, among other activities. The proposed levy will add funding for three more school-based health centers plus partial funding for a fourth school-based health center.
- **Post-Secondary:** This program area comprises 6% of the overall FEPP Levy, totaling \$41 million over seven years, and provides funding for tuition support in addition to college and career readiness supports at the high school level and program persistence and advising supports at the college level for students who graduate from a Seattle public school high school and attend any of the three Seattle Colleges.

The adjustment includes several intradepartmental position transfers to realign certain policy and leadership positions within DEEL. Through the FEPP Levy, both the K-12 and Early Learning Division Director positions will transfer into the Leadership & Administration BSL, centralizing the costs associated with the department's executive team. Additionally, policy advisors and specialists from the Early Learning division will transfer into the Leadership & Administration BSL as part of a larger effort to centralize strategy and policy functions across the department.

The adjustment also includes new positions.

- **New accounting unit (4.0 FTE):** Previously DEEL contracted out accounting services to the Department of Neighborhoods (DON). In the proposed budget, DON transfers 2.0 FTE Accounting Tech III positions to DEEL and adds 1.0 FTE Accounting Tech II and 1.0 FTE Financial Analyst, Sr. to supervise the accounting unit.
- **Restore sunset positions (3.0 FTE):** The adjustment restores 1.0 FTE Strategic Advisor 1 that will serve as the department's Outreach Specialist and 2.0 FTE Strategic Advisor 2 positions that will support K-12 programs.
- **New data analyst (1.0 FTE):** This adjustment creates 1.0 FTE Strategic Advisor 1 to serve as a Data Analyst that will support the department in research and evaluation.
- **Coaching and monitoring (4.0 FTE):** The FEPP Levy brings in house coaching and monitoring services that were formerly contracted out.

**Early Learning coaches (13.0 FTE):** The levy increases the number of coaches and intake staff to support the additional classrooms, agencies, teachers, and students that will participate in the Preschool Program.



# Department of Education & Early Learning

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Early Learning Budget Summary Level</b>			
2011 Families and Education Levy (17857)	9,931,772	7,310,928	0
FEPP Levy	0	18,654,703	38,408,911
General Fund	13,677,441	14,493,699	15,127,698
Preschool Services Fund (17861)	19,391,935	15,876,007	0
<b>Total for BSL: BO-EE-IL100</b>	<b>43,001,148</b>	<b>56,335,337</b>	<b>53,536,609</b>
<b>K-12 Programs Budget Summary Level</b>			
2011 Families and Education Levy (17857)	28,189,280	19,465,708	0
FEPP Levy	0	17,058,687	32,656,757
General Fund	1,611,966	135,000	135,000
<b>Total for BSL: BO-EE-IL200</b>	<b>29,801,246</b>	<b>36,659,395</b>	<b>32,791,757</b>
<b>Post-Secondary Programs Budget Summary Level</b>			
FEPP Levy	0	1,926,288	4,410,978
General Fund	2,667,005	2,167,582	1,450,533
<b>Total for BSL: BO-EE-IL300</b>	<b>2,667,005</b>	<b>4,093,870</b>	<b>5,861,511</b>
<b>Leadership and Administration Budget Summary Level</b>			
2011 Families and Education Levy (17857)	2,765,994	1,526,967	0
FEPP Levy	0	2,861,421	5,595,689
General Fund	783,134	1,441,744	1,378,794
Preschool Services Fund (17861)	1,210,401	637,322	0
<b>Total for BSL: BO-EE-IL700</b>	<b>4,759,529</b>	<b>6,467,454</b>	<b>6,974,483</b>
<b>Department Total</b>	<b>80,228,928</b>	<b>103,556,056</b>	<b>99,164,360</b>
<b>Department Full-time Equivalents Total*</b>	<b>75.00</b>	<b>98.00</b>	<b>98.00</b>

*\* 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.*

# Department of Education & Early Learning

## Budget Summary by Fund for Education

	2018 Adopted	2019 Proposed	2020 Proposed
17857 - 2011 Families and Education Levy (17857)	40,887,046	28,303,603	0
17871 - FEPP Levy	0	40,501,099	81,072,335
00100 - General Fund	18,739,546	18,238,025	18,092,025
17861 - Preschool Services Fund (17861)	20,602,336	16,513,329	0
<b>Budget Totals for DEEL</b>	<b>80,228,928</b>	<b>103,556,056</b>	<b>99,164,360</b>

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
411100	Real & Personal Property Taxes	33,934,150	508,897	0
461110	Inv Earn-Residual Cash	663,642	77,213	0
461320	Unreald Gns/Losses-Inv GASB31	0	0	0
<b>Total Levy Programs - FEL</b>		<b>34,597,792</b>	<b>586,110</b>	<b>0</b>
411100	Real & Personal Property Taxes	0	84,783,300	86,325,205
461110	Inv Earn-Residual Cash	0	680,529	888,434
<b>Total Levy Programs - FEPP</b>		<b>0</b>	<b>85,463,829</b>	<b>87,213,639</b>
411100	Real & Personal Property Taxes	14,505,565	325,543	0
441930	Parent Tuition	2,554,823	863,208	0
461110	Inv Earn-Residual Cash	0	0	0
461320	Unrealized Gains (Losses)	0	0	0
<b>Total Levy Programs - SPP</b>		<b>17,060,388</b>	<b>1,188,751</b>	<b>0</b>
<b>Total Revenues</b>		<b>51,658,180</b>	<b>87,238,690</b>	<b>87,213,639</b>
379100	Use of (Contribution to) Fund Balance	6,289,254	27,717,493	0
<b>Total Levy Programs - FEL</b>		<b>6,289,254</b>	<b>27,717,493</b>	<b>0</b>
379100	Use of (Contribution to) Fund Balance	0	-44,962,730	-6,141,304
<b>Total Levy Programs - FEPP</b>		<b>0</b>	<b>-44,962,730</b>	<b>-6,141,304</b>
379100	Use of (Contribution to) Fund Balance	3,541,948	15,324,578	0
<b>Total Levy Programs - SPP</b>		<b>3,541,948</b>	<b>15,324,578</b>	<b>0</b>
<b>Total Resources</b>		<b>61,489,382</b>	<b>85,318,031</b>	<b>81,072,335</b>

# Department of Education & Early Learning

## Appropriations By Budget Summary Level (BSL) and Program

### Early Learning Budget Summary Level

The purpose of the Early Learning Budget Summary Level is to help children enter school ready to succeed, provide preschool teachers with resources and training, and assist Seattle families with gaining access to early learning resources.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Early Learning	43,001,148	56,335,337	53,536,609
<b>Total</b>	<b>43,001,148</b>	<b>56,335,337</b>	<b>53,536,609</b>
Full-time Equivalents Total*	43.00	54.00	54.00

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*The following information summarizes the programs in Early Learning Budget Summary Level:*

### Early Learning Program

The purpose of the Early Learning Program is to help children enter school ready to succeed, providing preschool teachers with resources and training, and assist Seattle families with gaining access to early learning resources.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Early Learning	43,001,148	56,335,337	53,536,609
Full-time Equivalents Total	43.00	54.00	54.00

### K-12 Programs Budget Summary Level

The purpose of the K-12 Division Budget Summary Level is to manage K-12 investments.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
K-12 Programs	29,801,246	36,659,395	32,791,757
<b>Total</b>	<b>29,801,246</b>	<b>36,659,395</b>	<b>32,791,757</b>
Full-time Equivalents Total*	8.00	13.00	13.00

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# Department of Education & Early Learning

**The following information summarizes the programs in K-12 Programs Budget Summary Level:**

## K-12 Programs Program

The purpose of the K-12 Programs Program is to manage K-12 investments.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
K-12 Programs	29,801,246	36,659,395	32,791,757
Full-time Equivalents Total	8.00	13.00	13.00

## **Post-Secondary Programs Budget Summary Level**

The purpose of the Post-Secondary Budget Summary Level is to help achieve the goal of the City's Education Action Plan that 70% of all student groups in Seattle Public Schools will go on to attain a post-secondary credential by the year 2030.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Post-Secondary Programs	2,667,005	4,093,870	5,861,511
<b>Total</b>	<b>2,667,005</b>	<b>4,093,870</b>	<b>5,861,511</b>
Full-time Equivalents Total*	2.00	1.00	1.00

*\* 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.*

**The following information summarizes the programs in Post-Secondary Programs Budget Summary Level:**

## Post-Secondary Programs Program

The purpose of the Post-Secondary Programs Program is to help achieve the goal of the City's Education Action Plan that 70% of all student groups in Seattle Public Schools will go on to attain a post-secondary credential by the year 2030.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Post-Secondary Programs	2,667,005	4,093,870	5,861,511
Full-time Equivalents Total	2.00	1.00	1.00

## Department of Education & Early Learning

<b><u>Leadership and Administration Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	1,360,561	2,003,756	1,640,068
Departmental Indirect Costs	3,071,809	4,463,698	5,334,415
Divisional Indirect Costs	327,159	0	0
<b>Total</b>	<b>4,759,529</b>	<b>6,467,454</b>	<b>6,974,483</b>
Full-time Equivalents Total*	22.00	30.00	30.00

*\* 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.*

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### **Citywide Indirect Costs Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	1,360,561	2,003,756	1,640,068
Full-time Equivalents Total	0.00	0.00	0.00

### **Departmental Indirect Costs Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	3,071,809	4,463,698	5,334,415
Full-time Equivalents Total	22.00	30.00	30.00

### **Divisional Indirect Costs Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect Costs	327,159	0	0
Full-time Equivalents Total	0.00	0.00	0.00



# Human Services Department

Jason Johnson, Interim Director

(206) 386-1001

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

## Department Overview

The mission of the Human Services Department (HSD) is to connect people with resources and solutions during times of need, so all Seattle residents can live, learn, work, and take part in strong and healthy communities. HSD contracts with more than 170 community-based human service providers and administers programs to ensure Seattle residents have food and shelter, education and job opportunities, access to health care, opportunities to gain social and economic independence and success, and many more of life's basic necessities. HSD is committed to working with the community to provide appropriate and culturally-relevant services.

HSD's Strategic Plan, "Healthy Communities, Healthy Families" identifies six key results:

- All youth in Seattle successfully transition to adulthood.
- All people living in Seattle are able to meet their basic needs.
- All people living in Seattle are housed.
- All people living in Seattle experience moderate to optimum health conditions.
- All people living in Seattle are free from gender-based violence.
- All older adults experience stable health and are able to age in place.

HSD's work is funded by a variety of revenue sources, including federal, state and inter-local grants, and the City's General Fund. General Fund contributions leverage significant grant revenues to benefit Seattle residents. As a result, external grants represent approximately 39% of HSD's revenue, while General Fund represents 61% in the 2019-2020 Proposed Budget.

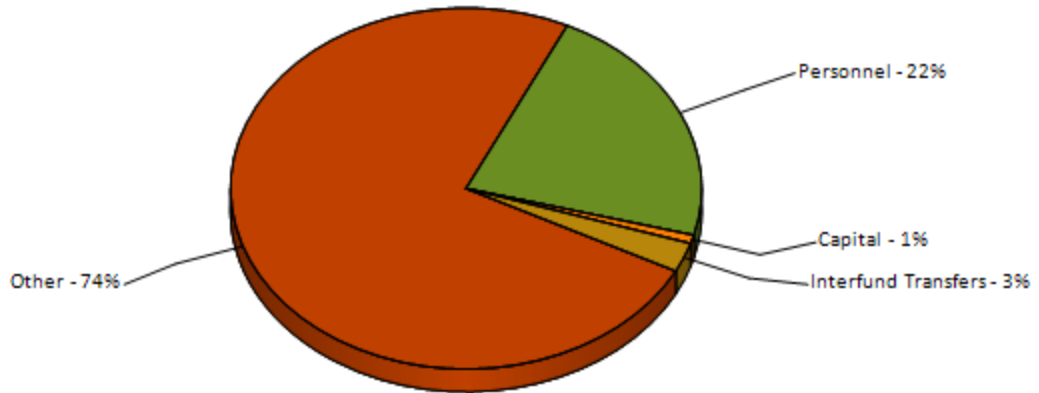
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$103,554,025	\$118,996,917	\$120,909,998
Other Funding - Operating	\$72,958,875	\$75,925,103	\$75,082,895
<b>Total Operations</b>	<b>\$176,512,900</b>	<b>\$194,922,020</b>	<b>\$195,992,893</b>
<b>Total Appropriations</b>	<b>\$176,512,900</b>	<b>\$194,922,020</b>	<b>\$195,992,893</b>
Full-time Equivalent Total*	366.25	381.75	381.75

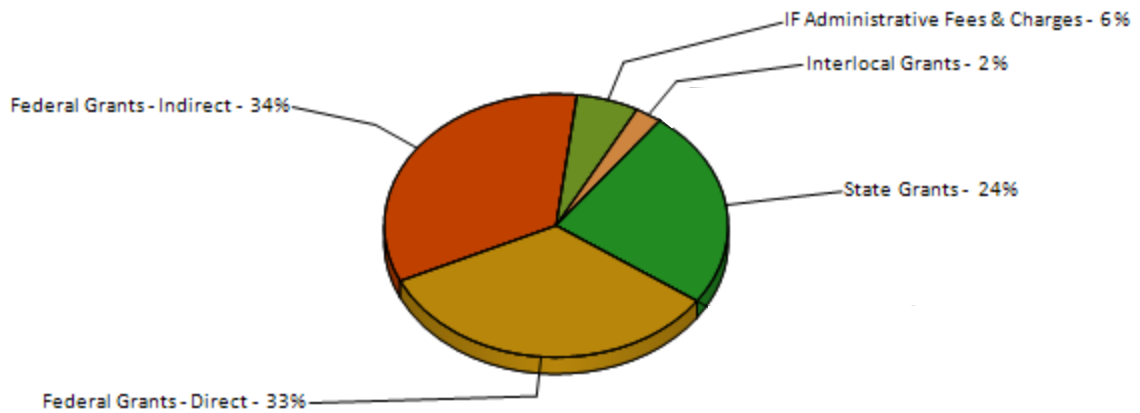
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

# Human Services Department

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category





# Human Services Department

## Budget Overview

The Human Service Department's 2019-2020 Proposed Budget focuses on support for existing human service provider partners, strategic enhancements to the City's homelessness services system and emergency response, strategic one-time additions for opioid treatment and Domestic Violence prevention, department-wide administrative support for HSD, maximization of available funding sources to limit disruptions to the critical services that HSD funds and, like other departments, a review for cost and personnel efficiencies.

### Enhancements to Homelessness Response and Services

The City of Seattle is entering its fourth year in a state of emergency due to the homelessness crisis. The City's investments in homelessness services have increased over this period of time, but the number of people entering homelessness has outpaced movement into permanent housing. In 2017, HSD competitively bid \$34 million of homelessness services and focused investments on those which lead to exits out of homelessness and into permanent housing. Services that were not competitively bid included two new shelters which had just been competitively bid, sanctioned encampments and projects receiving federal McKinney-Vento grant funding which is part of a different competitive process.

In 2017, City departments spent approximately \$71.3 million addressing homelessness, of which HSD spent \$58.6 million, with the majority going towards emergency services like shelters. The 2018 Adopted Budget included approximately \$77 million for homelessness investments across all City Departments, with \$67.9 million in HSD. Mid-year in 2018, approximately \$9.6 million was added to the budget for two new programs, the Seattle Rental Housing Assistance Pilot and the Path to 500 Bridge Housing Strategy. The Seattle Rental Housing Assistance Pilot focuses on preventing households from falling into homelessness while on the waitlist for longer-term assistance from the Seattle Housing Authority. The Path to 500 Bridge Housing strategy will establish over 500 new shelter spaces – a 25% increase over 2017 City-supported shelter capacity. In addition, a one-time \$500,000 contribution from King County will allow the City to expand the Navigation Team.

The 2019-2020 Proposed Budget sustains these new programs, continues existing programs which had one-time funding in the 2018 Adopted Budget and adds several new programs, including a vehicular resident program and outreach services.

### Safer Spaces: Shelter and Encampments

In the summer of 2018, the Human Services Department was supporting approximately 1,854 shelter beds. These include 681 "basic" beds, of which 52 are winter-only, and 1,109 "enhanced" beds, of which 64 are winter-only. Basic beds are typically overnight facilities with limited services while enhanced beds are in extended-hour facilities with some form of case management services. In 2018, the Human Services Department shifted investments from basic beds to additional enhanced beds in order to improve the quality and capacity of the shelter system. The underlying goal of city investments in shelter spaces (and other homelessness service investments) is to move people to permanent housing. With case management services and extended hours, individuals have more success in accessing needed assistance to get out of homelessness. Performance results from the second quarter of 2018 show that enhanced shelter is more effective at moving people to permanent housing: 21% of exits from enhanced shelter were exits to permanent housing while only 4% of exits from basic shelter were exits to permanent housing.

The Human Services Department also invests in alternative shelter spaces including sanctioned encampments and tiny house villages, as part of the City's unsheltered emergency response strategy. The City's Navigation Team and partner service providers report that these kinds of lower barrier options are in high demand by people who are living unsheltered. Sanctioned encampments allow individuals to have private space and residents are provided with case management services that help them exit to permanent housing. In the summer of 2018, there were

# Human Services Department

approximately 272 tiny homes or tent spaces available in City-funded encampments, which can serve approximately 345 people at once.

The 2019-2020 Proposed Budget includes approximately \$9.3 million of additional ongoing funding to sustain services at 163 existing basic shelter spaces and over 500 new shelter beds and tiny homes at 10 shelter sites and three new encampments sites. The majority of the new beds and tiny homes are enhanced with case management services and extended hours. In addition to new beds, there is also an incremental addition of \$460,000 in the proposed budget for contracted case management and behavioral health positions to enhance several of the City's sanctioned encampments sites.

The proposed budget also includes funding for continuation of four positions in the HSD Homelessness Strategy and Investment Division to implement the additional shelter contracts, assist with tiny house village development and other administrative needs. These positions were added in 2018 in the Bridge Housing Strategy Ordinance (Ordinance 125601).

## **Vehicular Response**

The 2019-2020 Proposed Budget includes \$250,000 each year for a new program which targets some of the 2,279 vehicular residents who were counted in the 2018 Point-in-Time (PIT) Count. Vehicular residents make up approximately 51% of the total individuals without shelter in the City of Seattle in 2018, up from 40% in 2017. The program is still under development and will be informed by a workgroup made up of people with lived experience, a racial equity analysis using the Race and Social Justice Initiative (RSJI) strategy chart, as well as service providers, the City's Navigation Team, other outreach workers, the Seattle Police Department and Parking Enforcement Officers, and officials working on similar programs in other jurisdictions. This incremental increase in funding will also support a pilot overnight safe parking program which will target individuals living in vehicles who are largely self-sufficient and require a relatively low level of services.

## **Navigation Team Transfer and Expansion:**

The Navigation Team is comprised of outreach workers paired with specially trained Seattle Police Department (SPD) personnel. The team works to connect unsheltered people to housing and critical resources, while helping address pervasive challenges around the issue of homelessness in Seattle. The Navigation Team has become an essential part of Seattle's unsheltered emergency response strategy.

In 2017, the Navigation Team's first year of operations, the team made 1,842 unique contacts with people living unsheltered. Of these contacts individuals, 64% accepted some kind of service, including 675 who relocated to alternative living arrangements. Acceptance to referrals for a safer location is correlated with the availability of spaces that respond to the needs of people being contacted. With the additional shelter and tiny house village capacity funded as part of the Path to 500, HSD anticipates that the Navigation Team will have continued success in referral acceptance.

In July 2018, the City's Navigation Team was transferred to HSD from the Department of Finance and Administrative Services (FAS). HSD, as the City department holding the vast majority of contracts with homelessness service providers, and as the department with the closest relationship to providers, is well situated to ensure that the Navigation Team work is embedded into the entire network of services.

The 2019-2020 Proposed Budget annualizes the transfer of funding for the existing Navigation Team from FAS to HSD. The existing Navigation Team is comprised of:

- SPD: 8 Patrol Officers, 1 Sergeant
- HSD: Navigation Team Lead, Encampment Response Manager, two Field Coordinators, Communications Manager, Data Analyst, Outreach Supervisor, Administrative Specialist III
- HSD: Outreach services contract of \$728,000
- FAS/Department of Parks and Recreation: Clean-up Contracts, Personnel and Equipment

# Human Services Department

In addition, the 2019-2020 Proposed Budget annualizes the expansion of the Navigation Team, which began in 2018 with a one-time \$500,000 contribution from King County. The goal of the Navigation Team expansion is to increase outreach to people living unsheltered and help to connect them with safer living alternatives such as the 500 new shelter beds and tiny houses. The expanded Navigation Team will provide outreach to people in coordination with the City-wide effort to remove garbage and debris from roads, sidewalks, and the public right-of-way adjacent to RVs.

The incremental additions for the expanded Navigation Team include:

- SPD: 3 Patrol Officers, 1 Sergeant (existing patrol capacity)
- HSD: Operations Manager, two additional Field Coordinators, two additional Data Analysts
- HSD: Outreach services contract of \$171,000
- FAS: Clean-up Contract

## Outreach Expansion

The 2019-2020 Proposed Budget includes \$200,000 each year to support three full-time, neighborhood-based homeless outreach workers to serve three neighborhoods: Chinatown International District (CID)/Little Saigon, Capitol Hill, and First Hill, as part of the Downtown Seattle Association (DSA) homelessness outreach program. DSA's homeless outreach team meets unsheltered individuals where they are and provides case management to connect them with services, housing, treatment and employment options. Members of the homeless outreach team are trained to assist mentally ill populations. Workers will be on the ground in communities, serve as a single point of contact for community members, and have a regular schedule to connect with businesses, residents, and the ever-changing homeless populations in these three neighborhoods.

## Continuation of existing services

Several critical homelessness services were included in the 2018 Adopted Budget and 2018 Amended Budget using one-time funding sources, including an interfund loan, sale of City property and HSD underspend from prior years. The 2019-2020 Proposed Budget includes ongoing funding to continue these services. Specifically, this includes hygiene services at six sites around the City, a women's referral center, the Navigation Center enhanced shelter and other basic shelters for which there is not sufficient funding in the baseline budget for full operations in 2019.

In addition to strategic investments in HSD for homelessness services, the 2019-2020 Proposed Budget also includes \$570,000 per year to support the RV Remediation Pilot in Seattle Public Utilities (SPU), the Seattle Department of Transportation (SDOT) and the Department of Finance and Administrative Services (FAS), which involves inter-departmental coordination to reduce the trash around clusters of RVs that are illegally parked in the right-of-way or on Department of Parks and Recreation property.

## New and Expanded Nutrition and Food Access Programs

The Sweetened Beverage Tax Advisory Board has made final recommendations to expand and create new nutrition and food access programs, some of which are administered by HSD. The 2019-2020 Proposed Budget includes both continuation of the \$1 million added in the 2018 2nd Quarter Supplemental Budget Ordinance, and \$1.1 million of new and expanded programs to begin in 2019. The supplemental budget included funding for community-based meal providers and programs, community-based food and nutrition education, and marketing campaigns led by community-based organizations. The new and expanded programs in the 2019-2020 Proposed Budget include a Food Access Opportunity Fund, an expansion of the Fresh Bucks to Go program, and additional expansions of community-based meal providers and programs and community-based food and nutrition education.

# Human Services Department

## Domestic Violence Prevention Services

The Seattle Domestic Violence Intervention Project is a pilot which offers services to offenders with the goal of reducing recidivism amongst those convicted of domestic violence. The two-year pilot has resulted in a unique program which involves collaboration between multiple departments and jurisdictions, including law enforcement and courts, as well as service providers. Unlike many domestic violence programs, this pilot addresses prevention, instead of treatment after domestic violence or sexual assault has already occurred. The 2019-2020 Proposed Budget includes one-time funding for a Therapist/Assessor to provide risk and needs assessment of domestic violence offenders and partial funding for a Domestic Violence Advocate position to provide consultation on the project.

## Supporting Existing Service Provider Partners

To address some of the cost of living pressures that partner service agencies face, the proposed budget includes a 2% inflationary increase adjustment for all General Fund support of service provider contracts in 2019 and an additional 2% in 2020.

## Administrative Support

The Human Services Department's increasing budget and workload has outpaced its infrastructure. HSD has seen a 37% budget increase in the last five years with only an 8% increase in staffing. This puts HSD at substantial risk for audit findings and limits HSD's capacity to execute, monitor and invoice for over 450 service contracts each year. In 2017, HSD only executed 17% of its contracts on time and was late paying more than 30% of invoices for providers.

The 2019-2020 Proposed Budget includes three additional positions in the Leadership and Administration Division of HSD to assist with department-wide administration. Two of the positions comprise a new work group in HSD: the Risk Management Unit. Currently, HSD has a decentralized approach to contracting in different divisions. The Risk Management Unit aims to increase standardization, minimize audit risk and findings and ensure that contract execution is timely and as efficient as possible. The unit provides central departmental management of contract compliance, auditing, training and emergency preparedness.

The third administrative position in the proposed budget is a grant writer position who will act on behalf of the entire department in pursuit of external funding opportunities, including grants and philanthropy.

Resources to support administrative positions are embedded in HSD's direct service budget proposals in recognition that new or expanded programs generate a corresponding incremental administrative or overhead workload. The administrative rate in the 2019-2020 Proposed Budget is 5.3%, which was calculated based on the current ratio of department-wide administration budget to divisional budget.

## Seeking Efficiencies

Like other City departments, HSD reviewed existing budget and personnel for efficiencies. The 2019-2020 Proposed Budget includes a \$880,000 technical adjustment to recognize General Fund underspend across all lines of business. Historically, HSD used underspend to fund unforeseen activities (Pathways Home RFP Transition Funding, for example). Budgeting an underspend assumption will require HSD to more carefully monitor expenditures throughout the year. In addition, following a review of vacant positions, the proposed budget also removes position authority for a position which is no longer needed and has been vacant since 2015.

In the future, HSD will analyze contracts that are underperforming, underspending, and outside of core business lines to inform upcoming competitive funding processes. With this analysis, HSD can right-size programs and defund strategies that are not aligned with essential services. This will ensure that HSD remains efficient and focused in future budgets.

# Human Services Department

## Maximizing Available Funding Sources

The 2019-2020 Proposed Budget maximizes funding sources which are suitable for HSD's programs, including technical adjustments for Short-Term Rental Tax, Sweetened Beverage Tax, the proposed Department of Education and Early Learning (DEEL) Families, Education, Preschool and Promise (FEPP) Levy and Community Development Block Grant (CDBG) funds.

In the 2018 Adopted Budget, the City Council added \$2.75 million in HSD for Permanent Supportive Housing backed with an interfund loan, a one-time funding source. Funding to continue the investment in Permanent Supportive Housing in 2019 was intended to come from a "progressive revenue source." As no specific source has been identified, the proposed budget includes a \$4.7 million funding source change to use Short Term Rental Tax for Permanent Supportive Housing and Homelessness Prevention programs instead of unrestricted General Fund. Permanent Supportive Housing and Homelessness Prevention programs are a form of "affordable housing" which makes them eligible for support from the Short-Term Rental Tax, pursuant to the [Revised Code of Washington Section 36.100.040](#).

The proposed budget also includes a technical adjustment to use \$2 million of Sweetened Beverage Tax proceeds instead of unrestricted General Fund to support food-related programs in HSD, some of which are already partially supported by Sweetened Beverage Tax.

There is also a change to the funding source supporting the Project M.I.S.T.E.R. program in HSD. This program supports African-American boys in Seattle Public Schools and is currently funded with unrestricted General Fund. However, the program is uniquely aligned with the Our Best program in the proposed DEEL FEPP Levy, which city voters will have on November 2018 ballots. This proposed budget uses the proposed FEPP Levy to sustain the program in 2019 and 2020.

## Community Development Block Grant (CDBG) Funding

HSD acts on behalf of all City departments as the custodian and grantee for funding from the U.S. Department of Housing and Urban Development (HUD). As part of the budget conversion process in 2017, the CDBG fund was dissolved and the appropriations are now spread across multiple funds and departments. The 2019-2020 Proposed Budget includes \$2.7 million in appropriations for unspent entitlements from prior periods (carryforward) and changes to the 2019 and 2020 projected allocations. All projects are subject to federal CDBG eligibility requirements and, for some projects included in the budget, final eligibility has not yet been determined:

- Opioid Treatment Clinic Capital Project: \$1,000,000
- Food Bank Relocation: \$500,000
- Affordable Housing/Youth Center: \$1,000,000
- Roof replacement project: \$433,449, of which \$216,449 is carryforward CDBG and \$217,000 is 2019 CDBG.

If any of the detailed projects above cannot meet the timeliness requirements for CDBG carryforward, demonstrate that they have secured funding for their projects by the end of 2019, or otherwise demonstrate that they are eligible for CDBG support, the remaining balance will go towards a Community Facilities Request for Proposals, to be facilitated by HSD.

There are also a number of 2019 CDBG technical adjustments included in the proposed budget which transfer administrative budget to HSD from the Office of Housing and continue homelessness service contracts funded with CDBG.

# Human Services Department

## Incremental Budget Changes

### Human Services Department

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 176,512,900</b>	<b>366.25</b>	<b>\$ 176,512,900</b>	<b>366.25</b>
<b>Baseline Changes</b>				
Removal of One-Time Items from Baseline	-\$ 5,519,506	-4.00	-\$ 5,519,506	-4.00
Supplemental Budget Changes	\$ 1,080,000	3.00	\$ 1,080,000	3.00
<b>Proposed Changes</b>				
Path to 500 Shelter Spaces	\$ 9,346,131	4.00	\$ 9,350,422	4.00
Enhancements at Sanctioned Encampments	\$ 459,392	0.00	\$ 459,392	0.00
Vehicular Response	\$ 250,000	0.00	\$ 250,000	0.00
Navigation Team Expansion and Transfer from FAS to HSD	\$ 1,588,661	6.50	\$ 1,588,661	6.50
Homelessness Outreach Service Expansion	\$ 200,000	0.00	\$ 200,000	0.00
Continuation of Existing Homelessness Services	\$ 1,830,378	0.00	\$ 1,452,378	0.00
CDBG Carryforward Projects	\$ 2,933,449	0.00	\$ 0	0.00
New and Expanded Nutrition Programs	\$ 2,149,892	0.00	\$ 2,149,892	0.00
Domestic Violence Batterer Intervention Project Support	\$ 120,000	0.00	\$ 0	0.00
Inflationary Adjustment for Service Providers	\$ 1,694,692	0.00	\$ 3,623,277	0.00
HSD Critical Administrative Support	\$ 0	3.00	\$ 0	3.00
Adjustment for Increased Grant Appropriation, Central Service Costs and Indirect Cost Budgeting	\$ 3,181,116	4.00	\$ 5,533,562	4.00
Reduce Discretionary Contracting Resources	-\$ 980,000	0.00	-\$ 980,000	0.00
Remove Vacant Positions	\$ 0	-1.00	\$ 0	-1.00
<b>Proposed Technical Changes</b>				
Maximize Restricted Funding Source Utilization	\$ 0	0.00	\$ 0	0.00
CDBG Technical Adjustment	\$ 74,915	0.00	\$ 291,915	0.00
<b>Total Incremental Changes</b>	<b>\$ 18,409,120</b>	<b>15.50</b>	<b>\$ 19,479,993</b>	<b>15.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 194,922,020</b>	<b>381.75</b>	<b>\$ 195,992,893</b>	<b>381.75</b>

# Human Services Department

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Removal of One-Time Items from Baseline - (\$5,519,506)/(4.00) FTE**

This item removes one-time funding from the Human Services Department's baseline budget. Specific items include:

- One-time add for legal representation of DV survivors
- Four positions and partial funding for HSD administrative needs
- Capital funding for improvements to a homeless shelter
- Summit Re-Implementation consultants
- Childcare bonus funds which were appropriated for a large project
- Funding for a Bupe First Prescriber at the Downtown Public Health facility
- Pilot projects regarding alternatives to youth detention
- Support for parents in overcoming barriers to regaining custody of their children

#### **Supplemental Budget Changes - \$1,080,000/3.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. For the Human Services Department, this includes continuation of three positions and a transfer of \$80,000 from the Office of Sustainability and Environment to HSD for the Fresh Bucks program authorized in the 2017 4th Quarter Supplemental Budget Ordinance, and \$1 million of ongoing appropriation from the King County Vets, Seniors and Human Services Levy for Navigation Center operations authorized in the 2018 2nd Quarter Supplemental Budget Ordinance.

### Proposed Changes

#### **Path to 500 Shelter Spaces - \$9,346,131/4.00 FTE**

Included in the adjustment is the 2019 annual cost to continue approximately 516 new shelter beds and tiny houses and sustain funding for 163 existing shelter beds, a 25% increase in City-supported shelter capacity over 2017.

Of the 516 new beds:

- 443 are expanded capacity in existing or new shelters;
- 73 are in new sanctioned encampments being developed in 2018; and
- 436 of the beds and tiny houses are enhanced with extended hours, case management, a meal service and other services.

Depending on the turnover rate and rate of exits to permanent housing, these 516 new beds and tiny houses can be used by multiple individuals throughout the course of the year which further increases the shelter system capacity.

# Human Services Department

Also included in this adjustment is continuation of four new positions added in the Homelessness Strategy and Investments Division of HSD, including a Human Service Program Supervisor, Planning and Development Specialist II, a Strategic Advisor I and a Senior Grants and Contracts Specialist. These positions were authorized in 2018 in Council Ordinance 125601, which appropriated funds from the sale of City property.

## **Enhancements at Sanctioned Encampments - \$459,392**

Additional contracted positions will assist at several of the City's sanctioned encampments sites, including 2.5 FTE additional case managers, 1.0 FTE additional behavioral health specialist and 1.0 FTE additional on-site staff. These services were funded for a portion of 2018 and this item would support an entire year of enhanced services in 2019 at sites with the highest needs.

## **Vehicular Response - \$250,000**

This program will provide outreach to individuals living in vehicles, a safe space for people to park their vehicles, and connections to other services (like diversion and rapid re-housing) that HSD funds. The 2018 Point in Time count highlighted the ongoing need for a program targeted to the unique needs of this population, with approximately 51% of unsheltered individuals in Seattle live in vehicles.

## **Navigation Team Expansion and Transfer from FAS to HSD - \$1,588,661/6.50 FTE**

This adjustment annualizes budget for the 6.5 FTE which were transferred from the Department of Finance and Administrative Services (FAS) to HSD for Navigation Team operations on June 30, 2018. In addition, this item moves remaining budget and positions from FAS to HSD for the existing 2018 Navigation Team not included in the original transfer. The existing Navigation Team is comprised of:

- Seattle Police Department: 8 Patrol Officers, 1 Sergeant
- HSD: Navigation Team Lead, Encampment Response Manager, two Field Coordinators, Communications Manager, Data Analyst, Outreach Supervisor, Administrative Specialist III
- HSD: Outreach services contract of \$728,000
- FAS/Department of Parks and Recreation: Clean-up Contracts, Personnel and Equipment

This item also annualizes the expanded Navigation Team which is planned to begin work in October 2018. The expanded team includes an additional 5.0 FTE (2 field coordinators, 2 data analysts and one manager) and additional contracted outreach services. The Navigation Team expansion will increase outreach to people living unsheltered and help to connect them with safer living alternatives such as the 500 new shelter beds and tiny houses. The expanded Navigation Team will also provide outreach to people in coordination with the City-wide effort to remove garbage and debris from roads, sidewalks, and the public right-of-way adjacent to RVs. The incremental additions for the expanded Navigation Team include:

- SPD: 3 Patrol Officers, 1 Sergeant (redeployed, existing Patrol Officers)
- HSD: Operations Manager, two additional Field Coordinators, two additional Data Analysts
- HSD: Outreach services contract of \$171,000
- FAS: Clean-up Contract



# Human Services Department

## Homelessness Outreach Service Expansion - \$200,000

City funding will support three full-time, neighborhood-based homeless outreach workers in Chinatown/International District (CID)/Little Saigon, Capitol Hill and First Hill. Workers will be on the ground in communities, serve as a single point of contact for community members, and have a regular schedule to connect with businesses, residents, and the ever-changing homeless populations in CID/Little Saigon, Capitol Hill/First Hill.

In addition to \$200,000 of City funding, each of the three Business Improvement Areas for these neighborhoods have committed to fundraising \$25,000, for a total annual program budget of \$275,000.

## Continuation of Existing Homelessness Services - \$1,830,378

In the 2018 budget, many homelessness related programs were funded using one-time sources. This adjustment adds ongoing funding for these services, detailed below:

1. **Hygiene services at four agencies across six physical sites: \$640,000.** Hygiene services, which include access to shower, toilet, and laundry facilities are important resources for the over 5,000 households living unsheltered in King County. This funding continues the 2018 level of service and funds four agencies operating six hygiene center sites across the city.
2. **Referral center: \$335,000.** This is a central referral source, day shelter and meal program for single adult women experiencing homelessness which is staffed by people who are knowledgeable about the shelter inventory and skilled at establishing relationships with women who have experienced trauma, physical and mental health challenges, and chronic homelessness. This program was recommended for funding in Pathways Home Request for Proposals, but funds were not available. It is funded in 2018 with one-time savings from another shelter (with the same operator) that has limited operations in 2018 due to a capital project.
3. **Navigation Center: \$400,000:** This amount fully funds operations at the City's 75-bed Navigation Center, which provides shelter, hygiene, food and meals, secure and accessible storage and supportive services/case management to support moving people into housing. Total operating costs for the Navigation Center are \$2.2 million annually, of which \$800,000 is currently in the HSD base budget, \$1 million is from the King County Vets, Seniors and Human Services Levy and \$400,000 was funded with HSD underspend from prior years. This budget adjustment adds funding to HSD's budget to continue operations.
4. **City Hall Shelter (basement): \$77,000:** This amount fully funds existing basic service level at the 75-bed shelter in the basement of the City Hall building. This increment was funded in 2018 with one-time Pathways Home Transition funding with HSD underspend from prior years.
5. **Basic Shelter: \$378,000:** Investment to maintain 217 basic shelter beds through June 2019. Funding for these shelter beds is scheduled to end December 31, 2018. This shelter was not funded in the 2017 Homeless Investments Request for Proposals process conducted by the Human Services Department, in part due to its low exit rates from shelters into permanent housing. The City identified bridge funding to continue the shelters throughout 2018 recognizing that temporarily keeping existing shelter beds online is necessary while working to make progress in addressing the homelessness crisis. This funding continues operations throughout the winter so that the operator can identify additional funding and/or transition shelter-stayers to other shelter options.

# Human Services Department

## **CDBG Carryforward Projects - \$2,933,449**

In 2018, the Human Services Department reviewed all CDBG projects dating back twenty years and accumulated unspent CDBG entitlements from a variety of projects for a carryforward balance of \$2.7 million. Carryforward funds must be spent on project costs by 2021. The 2019-2020 Proposed Budget includes a variety of projects to expend the carryforward on community facilities. Below are detailed descriptions of each project. However, all projects are subject to federal CDBG eligibility requirements, and for some projects included in the budget, eligibility has not yet been finalized.

The largest provider of Medication Assisted Treatment in Seattle, who had over 1300 clients enrolled in service in 2017, has an opportunity to purchase the building in which they operate in the SODO neighborhood. The agency has already secured \$3 million funding from the Washington State Department of Commerce, will receive \$1 million from the City of Seattle to finance the remainder of the purchase price.

In addition, \$500,000 of CDBG carryforward is proposed to assist a large and active food bank in relocating to a new site in the SODO neighborhood. This will contribute to capital costs associated with the relocation.

One million of the CDBG carryforward is proposed for a land purchase in Capitol Hill for development of an affordable housing and youth center project. However, in order to receive the funds, agencies must demonstrate that they have secured funding to purchase and develop the site and a plan for funding operations by the end of 2019, as well as eligibility for CDBG. If a full plan is not developed by that time, the remaining balance will go towards a competitive Community Facilities Request for Proposals (RFP).

The remaining balance of \$433,449 (of which \$233,449 is CDBG carryforward and \$217,000 is projected 2019 CDBG entitlement) is for a portion of a roof replacement project for a community facility.

If any of the detailed projects above cannot meet the timeliness requirements for CDBG carryforward, or are not otherwise eligible for CDBG funding, the funds can instead be used as part of a competitive RFP process for other capital improvements to community facilities.

## **New and Expanded Nutrition Programs - \$2,149,892**

The Sweetened Beverage Tax Community Advisory Board has made final recommendations to expand and create new nutrition and food access programs, some of which are administered by HSD. The 2019-2020 Proposed Budget includes both continuation of the \$1 million added in the 2018 2nd Quarter Supplemental Budget Ordinance, and \$1.1 million of new programs to begin in 2019. Amounts for new and expanded programs are listed below (incremental increases):

- Community-Based Meal Providers and Programs: \$718,863
- Community-Based Food and Nutrition Education: \$120,000
- Marketing Campaigns led by Community-Based Organizations: \$249,765
- Food Access Opportunity Fund: \$500,000
- Fresh Bucks to Go expansion: \$366,500
- Provision of Healthy Foods to People with Diabetes: \$140,000
- Community-Based Education and Support: \$54,764

## **Domestic Violence Batterer Intervention Project Support - \$120,000**

This item adds one-time funding in 2019 to provide resources to the Seattle Domestic Violence Intervention Project which has been piloted by an interdepartmental team and aims to offer services to offenders with the goal of reducing recidivism amongst those convicted of domestic violence. The funding will support a

# Human Services Department

Therapist/Assessor to provide risk and needs assessment of domestic violence offenders and a portion of a Domestic Violence Advocate position to provide consultation to the Domestic Violence Intervention Project. Funding in 2019 will support the pilot Batterer Intervention Project, while grant funding is secured for 2020.

## **Inflationary Adjustment for Service Providers - \$1,694,692**

This adjustment increases all General Fund amounts in contracts that HSD administers by 2% in 2019 and an additional 2% in 2020. Inflationary increases give contracted service additional funding to address the increasing cost of living and continue to offer the same level of service.

## **HSD Critical Administrative Support/3.00 FTE**

This includes continuation and permanency for two new positions in the Risk Management Unit of HSD which were added in the 2018 budget with one-time funding, including the Risk Manager and a Grants and Contracts Specialist. These positions support central oversight and standardization of processes for the over 450 service contracts administered by HSD. This change also includes an additional Senior Planning and Development Specialist, Sr. to assist HSD in pursuing external funding opportunities as a grant-writer. Funding to support these positions is embedded in budget proposals for new and expanded HSD services which now include budgeted assumptions for administrative costs.

## **Adjustment for Increased Grant Appropriation, Central Service Costs and Indirect Cost Budgeting - \$3,181,116/4.00 FTE**

There are a variety of shifts to reverse the allocation of indirect cost budget to direct service Budget Summary Levels, to increase budget for central rates, and an increase in grant appropriations for projected grant revenue collections. Below are the largest grant adjustments, grouped by Budget Summary Level (BSL):

### Addressing Homelessness

- McKinney Grant: Additional \$114,000 expected in 2019, and \$117,000 expected in 2020.
- Technical Change: (-\$175,000) to reverse Council action in the 2018 Budget which transferred Housing Levy interest from the Housing Fund to HSD.

### Affordability & Livability

- Senior Nutrition: \$396,000 increase in 2019 and 2020 in Older American's Act Title IIIC and Washington State Senior Nutrition. This funding provides congregate and home delivered meals to older adults through contracted services.
- Childcare Nutrition Funds: \$179,000 increase in 2019 and 2020 in Washington State OSPI Childcare Nutrition funds providing nutritious food to children in childcare centers.
- Childcare Bonus Funds: \$500,000 increase in 2019 and 2020 from \$0 base budget used to support capital projects for new childcare centers.

### Promoting Healthy Aging

- Medicaid Transformation Demonstration Project: \$1.2 million increase in 2019 and \$2.1 million increase in 2020. This program provides services to caregivers to assist them with caring for a loved one and

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provides in home services to individuals with functional disabilities. Services are provided directly by HSD case managers and contracted to community-based agencies.

- Title XIX Medicaid Case Management: \$1.5 million increase in 2019 and \$2.5 million increase in 2020 for case management and associated activities.
- NW Geriatric Enhancement Program: \$50,000 increase in 2019 and 2020 to connect older adults to health promotion and other supportive programs through their primary care provider.
- Health Home: \$600,000 decrease in 2019 and 2020 due to lower than anticipated client enrollment. This program supports adults with chronic health conditions to meet health goals through the support of a case manager. HSD provides this program directly through case manager staff.

## Supporting Safe Communities

- Grants to Encourage Arrest Program: \$384,000 decrease in 2019 and 2020 because the City did not receive this grant award in 2019. HSD will reapply for the grant again in 2019.

This item also adds 4.0 FTE in the Aging and Disabilities Division including 2.0 Counselors, 1.0 Grants & Contracts Supervisor and 1.0 Senior Grants and Contracts Specialist to administer programs identified above.

In addition, this adjustment includes transfers of several contracts and programs to the most appropriate BSL and transfers the budget for administrative costs to the Leadership and Administration BSL instead of distributing these costs across direct service BSLs.

## **Reduce Discretionary Contracting Resources - (\$980,000)**

At the direction of the Mayor, HSD pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$100,000 in discretionary contracting reductions. This reduction achieves efficiency in budgeting without service reductions. This adjustment also includes a budgeted underspend assumption of \$880,000 of General Fund. Each year, HSD has underspent contracts, vacancy savings and other savings which result in a positive fund balance. Beginning in 2018, HSD is spending General Fund resources directly out of the General Fund and will no longer have unspent General Fund resources as fund balance. HSD will need to manage this underspend budget assumption throughout the year and will have more limited capacity for backfill and transitional funding as unknown circumstances arise during the year.

## **Remove Vacant Positions/(1.00) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, HSD reviewed vacant positions and has removed one Strategic Advisor 2 position which has been vacant since 2015. This reduction will not impact delivery of core services.

## Proposed Technical Changes

### **Maximize Restricted Funding Source Utilization**

This item includes a technical adjustment to use an additional \$2 million of Sweetened Beverage Tax (SBT) proceeds instead of unrestricted General Fund to support food-related programs in HSD, some of which are already partially supported by SBT. This technical adjustment was completed in 2018, and factored into the 2019

## Human Services Department

baseline. The specific programs, incremental net-zero replacement from the 2018 Adopted Budget and total amount of SBT in the proposed budget are listed below:

- \$23,000 for Farm to Table (total SBT of \$447,000)
- \$1,155,000 for Food Banks (total SBT of \$1,525,000)
- \$55,000 for Out of School Time Nutrition (total SBT of \$250,000)
- \$372,000 for Senior Congregate Meals (total SBT of \$372,000)
- \$346,000 for Senior Home Delivered Meals (total SBT of \$346,000)

This item also includes \$4.7 million of support from the Short-Term Rental Tax to maintain funding for a Council increase of \$2.75 million for Permanent Supportive Housing in the 2018 budget, which was backed with an interfund loan and slated to be sustained with a "progressive revenue source," and Homelessness Prevention programs. Using Short-Term Rental tax resources for Permanent Supportive Housing and Homelessness Prevention programs is consistent with State requirements, which specify that Short-Term Rental tax revenue be used for affordable housing and community driven equitable development initiatives.

Finally, there is also a change to the funding source support the Project M.I.S.T.E.R. program in HSD. This program supports African American boys in Seattle Public Schools and is currently funded with \$178,500 of General Fund. However, the program is uniquely aligned with the Our Best program in the Department of Education and Early Learning and the Families, Education, Preschool and Promise (FEPP) Levy which will be on Seattle voters' ballots in November 2018. This item proposes using the FEPP Levy to sustain the program in 2019 and 2020.

### **CDBG Technical Adjustment - \$74,915**

To maximize the public service cap based on the projected Community Development Block Grant (CDBG) revenue in 2019, acknowledge changes to U.S. Department of Housing and Urban Development (HUD) guidance for programs in other departments and ensure that existing services continue, a series of technical changes are proposed which add \$160,000 of General Fund to HSD. In addition, there is \$74,915 in CDBG administrative funding which was reallocated from the Office of Housing (OH) to HSD as OH has alternate administrative funding from higher than budgeted allocations from the HOME grant.

Finally, this adjustment moves \$1,048,000 in CDBG administrative funding and the \$450,000 Minor Home Repair CDBG budget from the Addressing Homelessness Budget Summary Level to the Affordability and Livability Budget Summary Level to more accurately represent the nature of the work being performed.

# Human Services Department

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Supporting Affordability and Livability Budget Summary Level</b>			
General Fund	9,664,862	11,997,159	12,253,441
Human Services Fund (16200)	6,479,090	11,234,117	9,483,862
<b>Total for BSL: BO-HS-H1000</b>	<b>16,143,952</b>	<b>23,231,276</b>	<b>21,737,303</b>
<b>Preparing Youth for Success Budget Summary Level</b>			
General Fund	18,802,510	18,762,349	19,002,322
Human Services Fund (16200)	436,329	760,772	795,084
<b>Total for BSL: BO-HS-H2000</b>	<b>19,238,839</b>	<b>19,523,121</b>	<b>19,797,406</b>
<b>Addressing Homelessness Budget Summary Level</b>			
General Fund	47,606,950	56,860,555	57,584,297
Human Services Fund (16200)	27,625,952	22,609,560	22,615,434
<b>Total for BSL: BO-HS-H3000</b>	<b>75,232,902</b>	<b>79,470,115</b>	<b>80,199,731</b>
<b>Supporting Safe Communities Budget Summary Level</b>			
General Fund	9,021,592	8,746,080	8,793,425
Human Services Fund (16200)	846,432	495,255	495,480
<b>Total for BSL: BO-HS-H4000</b>	<b>9,868,024</b>	<b>9,241,335</b>	<b>9,288,905</b>
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	436,408	7,991,370	8,330,354
Human Services Fund (16200)	0	2,761,537	2,879,843
<b>Total for BSL: BO-HS-H5000</b>	<b>436,408</b>	<b>10,752,907</b>	<b>11,210,197</b>
<b>Promoting Healthy Aging Budget Summary Level</b>			
General Fund	6,368,579	4,701,742	4,782,296
Human Services Fund (16200)	37,412,020	37,027,813	38,777,143
<b>Total for BSL: BO-HS-H6000</b>	<b>43,780,599</b>	<b>41,729,555</b>	<b>43,559,439</b>
<b>Promoting Public Health Budget Summary Level</b>			
General Fund	11,335,497	9,937,662	10,163,863
Human Services Fund (16200)	38,998	1,036,049	36,049

## Human Services Department

<b>Total for BSL: BO-HS-H7000</b>	<b>11,374,495</b>	<b>10,973,711</b>	<b>10,199,912</b>
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<b>Emergency Preparedness and Provider Support Budget Summary Level</b>			
General Fund	317,627	0	0
Human Services Fund (16200)	120,054	0	0
<b>Total for BSL: BO-HS-H8000</b>	<b>437,681</b>	<b>0</b>	<b>0</b>

<b>Department Total</b>	<b>176,512,900</b>	<b>194,922,020</b>	<b>195,992,893</b>
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<b>Department Full-time Equivalents Total*</b>	<b>366.25</b>	<b>381.75</b>	<b>381.75</b>
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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.*

### Budget Summary by Fund for Human Services

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	103,554,025	118,996,917	120,909,998
16200 - Human Services Fund (16200)	72,958,875	75,925,103	75,082,895
<b>Budget Totals for HSD</b>	<b>176,512,900</b>	<b>194,922,020</b>	<b>195,992,893</b>

# Human Services Department

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
337080	City of Seattle / Citizen Kao Private Donation	0	0	0
337080	City of Seattle / Ordinance #120907 / Sex Industry Victims Fund - Care and Treatment for Sex Industry Workers	92,662	0	0
<b>Total Contrib/Priv Sources</b>		<b>92,662</b>	<b>0</b>	<b>0</b>
331110	US Department of Education (DOE) / Upward Bound	460,141	460,140	460,140
331110	US Department of Homeland Security (FEMA) / Urban Area Security Initiative	120,000	120,000	120,000
331110	US Dept of Housing & Urban Development (HUD) / Community Development Block Grant (CDBG)	0	7,657,615	4,941,166
331110	US Dept of Housing & Urban Development (HUD) / Emergency Shelter Grants Program (ESGP)	778,857	778,857	778,857
331110	US Dept of Housing & Urban Development (HUD) / Housing Opportunities for People with AIDS (HOPWA) Grant	2,012,100	2,012,100	2,012,100
331110	US Dept of Housing & Urban Development (HUD) / McKinney Grant	14,123,537	14,237,917	14,240,927
331110	US Dept of Justice (DOJ) / Grants to Encourage Arrest Policies (GEAP)	398,682	0	0
331110	US Dept of Justice (DOJ) / Office of Justice / DOJ National Forum on Youth Violence	0	0	0
<b>Total Federal Grants - Direct</b>		<b>17,893,317</b>	<b>25,266,629</b>	<b>22,553,190</b>
333110	US Dept of Housing & Urban Development (HUD) / Community Development Block Grant (CDBG)	4,809,251	0	0
333110	US Dept of Housing & Urban Development (HUD) / King County / McKinney Grant	50,000	0	0
333110	US Dept of Housing & Urban Development (HUD) / Seattle Housing Authority (SHA) Client Case Management	385,000	393,500	396,400
333110	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Nutritional Services Incentive Program (NSIP)	647,308	640,135	640,135



## Human Services Department

333110	WA Dept of Social & Health Services (DSHS) / ADRC Enhanced Options Cnslng	0	0	0
333110	WA Dept of Social & Health Services (DSHS) / Chronic Disease Self-Mgmt	45,079	51,002	51,002
333110	WA Dept of Social & Health Services (DSHS) / Federal-for Medicare beneficiary outreach and assistance	30,938	0	0
333110	WA Dept of Social & Health Services (DSHS) / Health Home Community Health Promotion	0	65,000	65,000
333110	WA Dept of Social & Health Services (DSHS) / Health Home Full Life Care	524,817	300,000	300,000
333110	WA Dept of Social & Health Services (DSHS) / Health Homes	0	0	0
333110	WA Dept of Social & Health Services (DSHS) / Health Homes Amerigroup	591,815	150,000	150,000
333110	WA Dept of Social & Health Services (DSHS) / Medicaid Transformation Demonstration	1,057,921	1,980,095	2,849,523
333110	WA Dept of Social & Health Services (DSHS) / Older Americans Act (OAA) - Elder Abuse Prevention	17,886	17,886	17,886
333110	WA Dept of Social & Health Services (DSHS) / State Portion- Title XIX New FD	289,879	298,575	307,533
333110	WA Dept of Social & Health Services (DSHS) / Title III-B - Older Americans Act (OAA) Supportive Services	2,258,212	2,150,913	2,150,913
333110	WA Dept of Social & Health Services (DSHS) / Title III-C-1 - Older Americans Act (OAA) Congregate meals	1,750,476	1,902,331	1,902,331
333110	WA Dept of Social & Health Services (DSHS) / Title III-C-2 - Older Americans Act (OAA) Home delivered meals	869,337	947,958	947,958
333110	WA Dept of Social & Health Services (DSHS) / Title III-D - Older Americans Act (OAA) Health promotion	100,509	102,866	102,866
333110	WA Dept of Social & Health Services (DSHS) / Title III-E - Older Americans Act (OAA) National Family Caregiver	762,154	770,466	770,466
333110	WA Dept of Social & Health Services (DSHS) / Title XIX	716,310	737,798	759,932

## Human Services Department

333110	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Administrative Claiming	976,135	976,135	976,135
333110	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Case Mgmt	9,999,999	10,300,000	10,609,001
333110	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Orientation for IP	125,000	166,497	189,807
333110	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Training Wages	1,277,682	1,798,820	2,050,655
333110	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Nurse Delegation	11,831	9,232	10,524
333110	WA Dept of Social & Health Services (DSHS) / US Dept of Agriculture (USDA) / Senior Farmers Market Nutrition	5,701	4,762	4,794
333110	WA Office of Superintendent of Public Instruction (OSPI) / Child and Adult Care Food Program	1,201,650	1,380,720	1,380,720
333110	WA Office of Superintendent of Public Instruction (OSPI) / Summer Food Service Program	517,000	517,000	517,000
333110	WA State Dept. of Social and Health Services (DSHS)/Dementia Capable Systems Grant	0	0	0
	<b>Total Federal Grants - Indirect</b>	<b>29,021,890</b>	<b>25,661,691</b>	<b>27,150,581</b>
314300	City of Seattle / Department of Education and Early Learning / FEPP Levy	0	178,500	178,500
314300	City of Seattle / Emergency Assistance Program	42,410	42,410	42,410
314300	City of Seattle / Office of Housing (OH) / Housing Levy	1,965,714	1,790,714	1,790,714
314300	City of Seattle / Ordinance #120443 / Transfer Development Rights - Child Care Bonus	0	500,771	501,245
314300	City of Seattle / Ordinance #120907 / Sex Industry Victims Fund - Care and Treatment for Sex Industry Workers	0	92,662	92,662
314300	City of Seattle / RCW 9A.88.14 / Sexual Abuse for Minors	32,500	32,500	32,500
314300	City of Seattle / Utility Discount Program	1,602,045	1,602,045	1,602,045
314300	Seattle Department of Transportation / Vehicle Licensing Fee & ORCA LIFT	207,000	207,000	207,000

## Human Services Department

	<b>Total IF Administrative Fees &amp; Charges</b>	<b>3,849,669</b>	<b>4,446,602</b>	<b>4,447,076</b>
337010	City of Seattle / Seattle Fire Department / Low Acuity Alarm Program	96,933	96,933	96,933
337010	King County / Community Shuttle Transportation	304,480	304,480	304,480
337010	King County / Human Services Levy - Age Friendly Housing Initiative	0	0	0
337010	King County / Human Services Levy - Navigation Center	0	1,000,000	1,000,000
337010	King County / Human Services Levy - Program to Encourage Active Rewarding Lives for Seniors (PEARLS)	178,000	356,000	356,000
337010	King County / Human Services Levy - Veteran Case Management	178,000	0	0
337010	King County / Vulnerable Population Init	0	0	0
337010	Public Health Seattle & King County/ Partnerships to Improve Community Health (PICH)	0	0	0
337010	University of Washington, School of Washington / NW Geriatrics Workforce Enhance	45,051	95,367	95,367
337010	Western Health Providence / Western Health Connect	0	32,244	32,244
	<b>Total Interlocal Grants</b>	<b>802,464</b>	<b>1,885,024</b>	<b>1,885,024</b>
334010	WA Dept of Social & Health Services (DSHS) / Interest - State Cash Advance	19,000	19,000	19,000
	<b>Total Investment Income</b>	<b>19,000</b>	<b>19,000</b>	<b>19,000</b>
334010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Care Consultation Svcs for Veteran Directed Home Svcs	25,000	25,000	25,000
334010	WA Dept of Social & Health Services (DSHS) / Kinship Care Navigator	84,785	86,518	86,518
334010	WA Dept of Social & Health Services (DSHS) / Kinship Care Support	182,031	185,704	185,704
334010	WA Dept of Social & Health Services (DSHS) / Medicaid Transformation Demonstration - Carryforward	0	300,000	300,000
334010	WA Dept of Social & Health Services (DSHS) / Office of Refugee & Immigrant	0	0	0

## Human Services Department

	Administration (ORIA) - New Citizenship Initiative (NCI)			
334010	WA Dept of Social & Health Services (DSHS) / Prescription Drugs Information & Assistance	17,560	17,560	17,560
334010	WA Dept of Social & Health Services (DSHS) / Respite Home Care Workers' Health Care Insurance & Training	28,382	38,436	43,817
334010	WA Dept of Social & Health Services (DSHS) / Respite-AWHI	177,849	231,795	264,246
334010	WA Dept of Social & Health Services (DSHS) / Senior Citizens Service Act (SCSA)	2,136,051	2,184,045	2,184,045
334010	WA Dept of Social & Health Services (DSHS) / Senior Farmers Market Nutrition - State Portion	21,367	22,391	22,408
334010	WA Dept of Social & Health Services (DSHS) / Senior Nutrition	0	165,279	165,279
334010	WA Dept of Social & Health Services (DSHS) / State Family Caregivers	3,104,460	3,161,869	3,161,869
334010	WA Dept of Social & Health Services (DSHS) / Title XIX - Carryforward	252,658	500,000	500,000
334010	WA Dept of Social & Health Services (DSHS) / Title XIX - New Freedom	289,879	298,575	307,533
334010	WA Dept of Social & Health Services (DSHS) / Title XIX Core Services - State Portion	716,309	737,798	759,932
334010	WA Dept of Social & Health Services (DSHS) / Title XIX Medicaid Case Mgmt - State Portion	10,000,000	10,300,001	10,609,000
334010	WA Dept of Transportation (WSDOT) / Community Shuttle Transportation	245,520	245,520	245,520
334010	WA Dept of Transportation / WSDOT Funds	0	0	0
	<b>Total State Grants</b>	<b>17,281,851</b>	<b>18,500,491</b>	<b>18,878,430</b>
	<b>Total Revenues</b>	<b>68,960,853</b>	<b>75,779,437</b>	<b>74,933,301</b>
379100	Fund Balance	3,998,023	145,666	149,594
	<b>Total Fund Balance</b>	<b>3,998,023</b>	<b>145,666</b>	<b>149,594</b>
	<b>Total Resources</b>	<b>72,958,876</b>	<b>75,925,103</b>	<b>75,082,895</b>

# Human Services Department

## Appropriations By Budget Summary Level (BSL) and Program

### Supporting Affordability and Livability Budget Summary Level

The purpose of the Supporting Affordability & Livability Budget Summary Level is to support children, families, and individuals, particularly those with low incomes, in accessing community resources, food programs, and other supports that help make Seattle a livable city.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Access to Services	2,057,632	3,836,000	3,816,986
Community Facilities	0	3,512,451	1,808,845
Emergency Preparedness and Program Administration	0	943,876	949,197
Food & Nutrition	14,086,320	14,938,949	15,162,275
<b>Total</b>	<b>16,143,952</b>	<b>23,231,276</b>	<b>21,737,303</b>
Full-time Equivalents Total*	25.00	28.00	28.00

\* 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.

**The following information summarizes the programs in Supporting Affordability and Livability Budget Summary Level:**

#### **Access to Services Program**

The purpose of the Access to Services Program is to provide information and access to community resources that support affordability and livability, including utility payment assistance and vehicle license rebates to low income residents in the City of Seattle.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Access to Services	2,057,632	3,836,000	3,816,986
Full-time Equivalents Total	14.00	14.00	14.00

#### **Community Facilities Program**

The purpose of the Community Facilities Program is to support the construction of facilities that are primarily for the benefit of low-income people in Seattle, including childcare facilities.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Community Facilities	0	3,512,451	1,808,845
Full-time Equivalents Total	0.00	0.00	0.00

# Human Services Department

## Emergency Preparedness and Program Administration Program

The purpose of the Emergency Preparedness and Program Administration Program is to support emergency preparedness and response activities and other program development and capacity needs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Emergency Preparedness and Program Administration	0	943,876	949,197
Full-time Equivalents Total	0.00	3.00	3.00

## Food & Nutrition Program

The purpose of the Food & Nutrition Program is to provide access to nutritious, affordable, and culturally relevant food and education to children in childcare programs and other settings, older adults, and individuals with low incomes.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Food & Nutrition	14,086,320	14,938,949	15,162,275
Full-time Equivalents Total	11.00	11.00	11.00

## Preparing Youth for Success Budget Summary Level

The purpose of the Preparing Youth for Success Budget Summary Level is to support programs that help youth succeed academically; learn job and life skills; and develop alternatives to criminal activity, violence, and homelessness.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Family Support	5,506,243	5,320,032	5,430,907
Safety	3,555,246	6,711,832	6,850,511
Youth Development	10,177,350	7,491,257	7,515,988
<b>Total</b>	<b>19,238,839</b>	<b>19,523,121</b>	<b>19,797,406</b>
Full-time Equivalents Total*	34.00	34.00	34.00

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# Human Services Department

*The following information summarizes the programs in Preparing Youth for Success Budget Summary Level:*

## Family Support Program

The purpose of the Family Support Program is to focus on strengthening and empowering families, through systems navigation support and family management, so that youth in Seattle successfully transition into adulthood.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Family Support	5,506,243	5,320,032	5,430,907
Full-time Equivalents Total	11.00	11.00	11.00

## Safety Program

The purpose of the Safety Program is to support youth and adults at risk of involvement with the criminal justice system through violence prevention, intervention and re-entry supports to foster successful transitions to adulthood and safe communities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Safety	3,555,246	6,711,832	6,850,511
Full-time Equivalents Total	4.00	4.00	4.00

## Youth Development Program

The purpose of the Youth Development Program is to provide youth with strength-based experiences and employment and training which helps them to become more socially, culturally, emotionally, physically, cognitively and academically competent.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Youth Development	10,177,350	7,491,257	7,515,988
Full-time Equivalents Total	19.00	19.00	19.00

# Human Services Department

## Addressing Homelessness Budget Summary Level

The purpose of the Addressing Homelessness Budget Summary Level is to support a range of programs that provide resources and services to Seattle's low-income and homeless residents to reduce homelessness.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Homelessness Prevention and Support	31,962,673	19,101,755	19,432,786
Navigation Team	0	1,980,357	1,980,357
Shelters & Housing	43,270,229	58,388,003	58,786,588
<b>Total</b>	<b>75,232,902</b>	<b>79,470,115</b>	<b>80,199,731</b>
Full-time Equivalents Total*	41.75	52.25	52.25

\* 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.

**The following information summarizes the programs in Addressing Homelessness Budget Summary Level:**

### **Homelessness Prevention and Support Program**

The purpose of the Homelessness Prevention and Support Program is to provide outreach and support services to homeless individuals and prevention programs which assist those at risk of homelessness so they remain housed.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Homelessness Prevention and Support	31,962,673	19,101,755	19,432,786
Full-time Equivalents Total	27.00	20.50	20.50

### **Navigation Team Program**

The purpose of the Navigation Team Program is to coordinate a response to unauthorized homeless encampments by referring individuals to safe sleeping programs and addressing the environmental issues in the encampment areas.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Navigation Team	0	1,980,357	1,980,357
Full-time Equivalents Total	0.00	13.00	13.00

### **Shelters & Housing Program**

The purpose of the Shelters and Housing Program is to support homeless individuals in moving to permanent housing through temporary safe sleeping spaces and supportive housing programs.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Shelters & Housing	43,270,229	58,388,003	58,786,588
Full-time Equivalents Total	14.75	18.75	18.75



# Human Services Department

## Supporting Safe Communities Budget Summary Level

The purpose of the Supporting Safe Communities Budget Summary Level is to support programs that help reduce violence in Seattle.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Advocacy	5,805,543	5,201,137	5,300,196
Prevention and Intervention	1,381,823	1,570,192	1,590,059
Supportive Services	2,680,658	2,470,006	2,398,650
<b>Total</b>	<b>9,868,024</b>	<b>9,241,335</b>	<b>9,288,905</b>
Full-time Equivalents Total*	7.00	7.00	7.00

\* 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.

**The following information summarizes the programs in Supporting Safe Communities Budget Summary Level:**

### **Advocacy Program**

The purpose of the Advocacy Program is to provide survivors of domestic violence and sexual assault with client-centered services to support their safety.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Advocacy	5,805,543	5,201,137	5,300,196
Full-time Equivalents Total	2.50	2.50	2.50

### **Prevention and Intervention Program**

The purpose of the Prevention and Intervention Program is to support survivors and those at risk of domestic violence and sexual assault with education and therapeutic services to maintain their safety.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Prevention and Intervention	1,381,823	1,570,192	1,590,059
Full-time Equivalents Total	2.00	2.00	2.00

### **Supportive Services Program**

The purpose of the Supportive Services Program is to provide services to survivors of domestic violence and sexual assault including shelter, housing, support groups, and legal services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Supportive Services	2,680,658	2,470,006	2,398,650
Full-time Equivalents Total	2.50	2.50	2.50

# Human Services Department

## Leadership and Administration Budget Summary Level

The purpose of the Leadership & Administration Budget Summary Level is to provide executive, community, financial, human resource, technology, and business support to the Human Services Department.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	2,529,575	3,040,637	3,429,731
Departmental Indirect Costs	7,959,728	7,712,270	7,780,466
Divisional Indirect Costs	362,415	0	0
Indirect Cost Recovery	-10,415,310	0	0
<b>Total</b>	<b>436,408</b>	<b>10,752,907</b>	<b>11,210,197</b>
Full-time Equivalents Total*	61.00	59.00	59.00

*\* 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.*

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### Citywide Indirect Costs Program

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	2,529,575	3,040,637	3,429,731
Full-time Equivalents Total	0.00	0.00	0.00

### Departmental Indirect Costs Program

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	7,959,728	7,712,270	7,780,466
Full-time Equivalents Total	61.00	59.00	59.00

# Human Services Department

## Divisional Indirect Costs Program

The purpose of the Divisional Indirect Costs Indirect program is to fund administrative costs generated by sub-departmental units such as costs related to divisional management or training. The Human Services Department budgets all divisional indirect costs within the direct service Budget Summary Level beginning in the 2019 budget.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Divisional Indirect Costs	362,415	0	0
Full-time Equivalents Total	0.00	0.00	0.00

## Indirect Cost Recovery Program

The purpose of the Indirect Cost Recovery program is to recover costs associated with indirect programs within Leadership and Administrative BSL from the department's direct cost programs. The Human Services Department will be discontinuing allocation of indirect costs to direct services in the 2019 budget.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery	-10,415,310	0	0
Full-time Equivalents Total	0.00	0.00	0.00

## Promoting Healthy Aging Budget Summary Level

The purpose of the Promoting Healthy Aging Budget Summary Level is to give older adults the ability to age in place and experience stable health. Programs provide a network of community support that improves choice, promotes independence, and enhances the quality of life for older people and adults with disabilities.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Care Coordination	2,451,429	2,339,238	2,356,059
Case Management	28,230,618	29,054,377	30,732,873
Healthy Aging	13,098,552	10,335,940	10,470,507
<b>Total</b>	<b>43,780,599</b>	<b>41,729,555</b>	<b>43,559,439</b>
Full-time Equivalents Total*	194.50	201.50	201.50

\* 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.

# Human Services Department

*The following information summarizes the programs in Promoting Healthy Aging Budget Summary Level:*

## Care Coordination Program

The purpose of the Care Coordination Program is to support unpaid family caregivers with respite care and other services to enable them to continue caregiving.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Care Coordination	2,451,429	2,339,238	2,356,059
Full-time Equivalents Total	3.00	3.00	3.00

## Case Management Program

The purpose of the Case Management Program is to support older adults and adults with disabilities with in-home services to enable them to live independently in the community.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Case Management	28,230,618	29,054,377	30,732,873
Full-time Equivalents Total	159.50	166.50	166.50

## Healthy Aging Program

The purpose of the Healthy Aging Program is to provide older adults with resources and activities that promote social engagement and good health.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Healthy Aging	13,098,552	10,335,940	10,470,507
Full-time Equivalents Total	32.00	32.00	32.00

## **Promoting Public Health Budget Summary Level**

The purpose of the Promoting Public Health Budget Summary Level is to provide funds for public health services and programs, including primary care, medical, dental, and specialty services, and access to health insurance for at-risk and vulnerable populations; programs to provide access to chemical and dependency services; and programs to reduce the disparities in health among the Seattle population.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
HIV Management	1,038,065	1,039,923	1,060,721
Physical Health Care	10,336,430	9,933,788	9,139,191
<b>Total</b>	<b>11,374,495</b>	<b>10,973,711</b>	<b>10,199,912</b>

# Human Services Department

*The following information summarizes the programs in Promoting Public Health Budget Summary Level:*

## HIV Management Program

The purpose of the HIV Management Program is to support low-income individuals living with HIV with case management services to improve their quality of life and to provide education to prevent HIV transmission.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
HIV Management	1,038,065	1,039,923	1,060,721
Full-time Equivalents Total	0.00	0.00	0.00

## Physical Health Care Program

The purpose of the Physical Health Care Program is to improve access to medical care and other health resources to vulnerable populations in Seattle including homeless individuals, families, and adults.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Physical Health Care	10,336,430	9,933,788	9,139,191
Full-time Equivalents Total	0.00	0.00	0.00

## **Emergency Preparedness and Provider Support Budget Summary Level**

The purpose of the Emergency Preparedness and Provider Support Budget Summary Level is to provide planning and coordination around emergency preparedness for the department, other departments, and the community; and to provide innovation and strategic support to human services providers.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Emergency Preparedness and Provider Support	437,681	0	0
<b>Total</b>	<b>437,681</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	3.00	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.*

# Human Services Department

*The following information summarizes the programs in Emergency Preparedness and Provider Support Budget Summary Level:*

## **Emergency Preparedness and Provider Support Program**

This Budget Summary Level is being combined with the Affordability and Livability Budget Summary Level in the 2019 Budget.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Emergency Preparedness and Provider Support	437,681	0	0
Full-time Equivalents Total	3.00	0.00	0.00

# Seattle Department of Construction and Inspections

Nathan Torgelson, Director

(206) 684-8600

[www.seattle.gov/dpd](http://www.seattle.gov/dpd)

## Department Overview

The Seattle Department of Construction and Inspections (SDCI) administers City ordinances regulating building construction, the use of land, and housing. It supports Mayor Durkan's priority of delivering essential City services and building safer, more just communities.

SDCI is responsible for developing policies and codes related to public safety, environmental protection, land use, construction and rental housing, including:

- Environmentally Critical Areas Ordinance (ECA)
- Housing and Building Maintenance Code (HBMC)
- Just Cause Eviction Ordinance
- Rental Registration and Inspection Ordinance (RRIO)
- Seattle Building and Residential Codes
- Seattle Condominium and Cooperative Conversion Ordinances
- Seattle Electrical Code
- Seattle Energy Code
- Seattle Grading Code
- Seattle Land Use Code
- Seattle Mechanical Code
- Seattle Noise Ordinance
- Seattle Rental Agreement Regulation Ordinance
- Seattle Shoreline Master Program (SSMP)
- Seattle Tenant Relocation Assistance Ordinance (TRAO)
- Seattle Tree Protection Ordinance
- State Environmental Policy Act (SEPA)
- Stormwater Code

SDCI reviews land use and construction-related permits, annually approving more than 53,000 permits and performing approximately 205,000 on-site inspections. SDCI's work includes permit review and community involvement with Master Use Permits (MUPs); shoreline permits and design review; review and approval of permits for construction, mechanical systems, site development, elevators, electrical installation, boilers, furnaces, refrigeration, signs and billboards; field inspections for all construction and trade-related permits; annual maintenance inspections of boilers, elevators, and refrigeration equipment; and home seismic retrofits.

SDCI also enforces compliance with the codes and handles more than 30,000 contacts per year at the Code Compliance Complaint Center.

SDCI operations are funded by a variety of fees and General Fund resources. SDCI must demonstrate that its fees are set to recover no more than the cost of related services. To provide this accountability, SDCI uses cost

# Seattle Department of Construction and Inspections

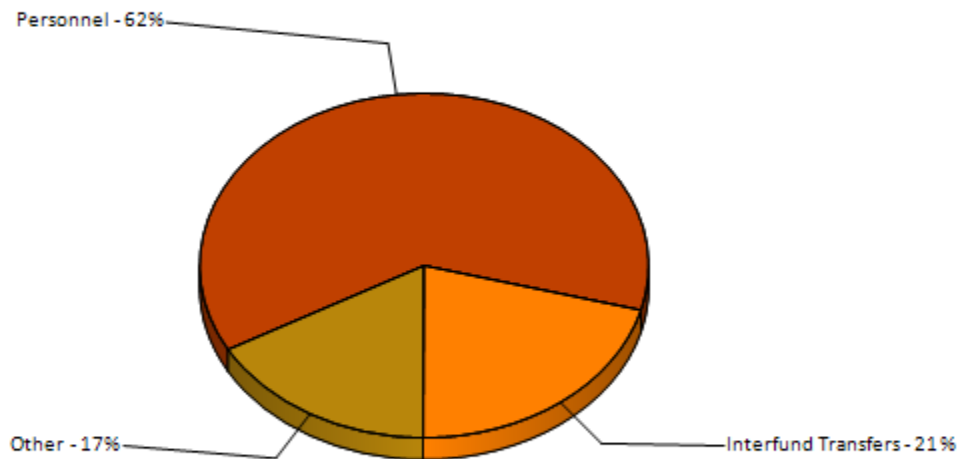
accounting to measure the full cost of its programs. Each program is allocated a share of departmental administration and other overhead costs to calculate the revenue requirements of the program.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$6,708,777	\$6,448,820	\$6,537,961
Other Funding - Operating	\$78,352,782	\$76,686,791	\$77,502,738
<b>Total Operations</b>	<b>\$85,061,559</b>	<b>\$83,135,611</b>	<b>\$84,040,699</b>
<b>Total Appropriations</b>	<b>\$85,061,559</b>	<b>\$83,135,611</b>	<b>\$84,040,699</b>
Full-time Equivalent Total*	405.50	401.50	401.50

\* 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.

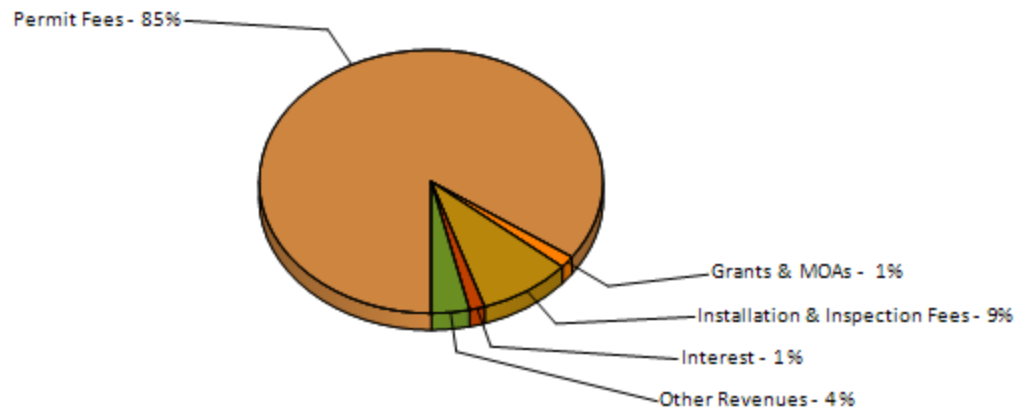
## 2019 Proposed Budget - Expenditure by Category





# Seattle Department of Construction and Inspections

## 2019 Proposed Budget - Revenue by Category



### Budget Overview

The City of Seattle continues to see very high levels of development activity. In 2017, SDCI processed more construction permits, conducted more building and electrical inspections, and responded to more housing, zoning and construction complaints than in any previous year. High permit levels continue in 2018; however, SDCI economists project the pace of development will start to decrease in 2019.

Because the development cycle continues to be strong, the 2019-2020 Proposed Budget extends 21 positions that were due to sunset in 2018 for an additional two years. These positions support and perform building permit reviews, land use permit reviews, and permit inspections. All of these positions were created in 2015 and 2016 and all are backed by permit fees and other building and land use revenues.

The 2019-2020 Proposed Budget advances Mayor Durkan's goal of seizing opportunities to build a more vibrant city for the future by continuing to invest in the Accela permitting initiative and committing to process improvements. Accela is the City's new enterprise-wide permitting system. The system allows greater sharing between departments who are using the system, including SDCI, SDOT, and the Seattle Fire Department. It will also provide a more streamlined process for applicants. In May 2018, SDCI completed phase two and embarked on phase three of the new permit, complaint, and land use tracking and permitting system upgrade. The department experienced many challenges associated with the implementation; some of these challenges were anticipated and some were not. During the third and fourth quarters of 2018, SDCI will work in partnership with the Seattle Information Technology Department (Seattle IT) to address outstanding issues and make further enhancements to the system. Ongoing improvements are expected to be made throughout 2019 and beyond as the department continues to enhance the new system. The department is also planning for the future by participating in environmental review work for Sound Transit 3, a \$54 billion public transit expansion across the Puget Sound region.

## Seattle Department of Construction and Inspections

In addition, the proposed budget updates the fees for the City's Rental Registration and Inspection Ordinance (RRIO) program. The City established RRIO in 2012 to help ensure rental housing in Seattle is safe and meets basic maintenance standards. This program also supports the Mayor's goal of advancing Seattle's progressive values. RRIO requires all rental properties (with a few narrow exceptions) to register with the City, pay a registration fee, and submit to periodic inspections. RRIO fees have not changed since the City began collecting them in 2014. However, the 2019-2020 Proposed Budget includes legislation to modify the fee structure to better align fees with the work performed, create a more equitable fee structure, and keep up with rising costs. Key changes of the proposed legislation are:

- changing the registration cycle from a 5-year cycle to a 2-year cycle;
- increasing unit fees for renewals to account for the extra work required for multi-unit properties;
- adding a new fee to recoup the cost of processing inspections performed by private inspectors; and
- adding a late inspection fee and increasing the late registration/renewal fee to recoup the extra costs associated with late submittals.

The RRIO fee bill will provide an estimated \$940,000 of additional revenue in 2019; however, revenue in 2020 will be \$678,000 less because the base fee is lower due to the move from a five-year cycle to a two-year cycle. For further information, please consult the proposed RRIO fee bill and associated summary and fiscal note.

Except for Code Compliance and Land Use Code Development, SDCI is primarily fee-supported and its fees and charges are necessary to fund its permitting and inspections operations. Per state law and Seattle Municipal Code, all fees collected by SDCI for processing and inspecting permits are used for that purpose, and the fee structure is established accordingly. The 2019-2020 Proposed Budget includes legislation that revises most of SDCI's 2019 fees and charges by 3% to align with the Consumer Price Index (CPI). The legislation also revises the calculation of the development fee index, adjusts the land use hourly fee from \$324 to \$365, and corrects several permit sign fees. In 2017, SDCI conducted a review of its financial model and analyzed staffing requirements for permit review and inspection staff in changing market conditions. SDCI engaged with a consultant to provide a comprehensive staffing requirement study and provide recommendations for a staffing structure responsive to variability in development volumes. The outcome of this work has informed the proposed fee change legislation and the proposed fees support higher permit volumes, a core staffing reserve, and quality management. Please see the legislation for more detail.

# Seattle Department of Construction and Inspections

## Incremental Budget Changes

### Seattle Department of Construction and Inspections

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 85,061,559</b>	<b>405.50</b>	<b>\$ 85,061,559</b>	<b>405.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	-\$ 1,266,460	0.00	-\$ 359,373	0.00
Adjustment for One-Time Budget Additions	-\$ 1,010,615	-2.50	-\$ 1,013,855	-2.50
Intradepartmental Transfers	\$ 0	0.00	\$ 0	0.00
<b>Proposed Changes</b>				
Enhance Quality Management	\$ 459,200	3.00	\$ 460,846	3.00
Add Budget Authority for Credit Card Fees	\$ 875,000	0.00	\$ 875,000	0.00
Reduce General Fund Resources	-\$ 8,000	0.00	-\$ 8,000	0.00
Remove Vacant Positions	-\$ 402,023	-5.50	-\$ 402,515	-5.50
Reduce Discretionary Contacting Resources	-\$ 630,000	0.00	-\$ 630,000	0.00
Reduce Fuel Budget	-\$ 12,000	0.00	-\$ 12,000	0.00
Reallocate Resources within SDCI to Advance Priorities	\$ 0	0.00	\$ 0	0.00
Reclassify Positions	\$ 68,951	0.00	\$ 69,037	0.00
Overhead Technical Adjustment	\$ 0	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Technical Position Correction	\$ 0	1.00	\$ 0	1.00
<b>Total Incremental Changes</b>	<b>-\$ 1,925,948</b>	<b>-4.00</b>	<b>-\$ 1,020,860</b>	<b>-4.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 83,135,611</b>	<b>401.50</b>	<b>\$ 84,040,699</b>	<b>401.50</b>

# Seattle Department of Construction and Inspections

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - (\$1,266,460)**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Adjustment for One-Time Budget Additions - (\$1,010,615)/(2.50) FTE**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget, including items related to the permitting project, the Tenant Landlord Resource Center and space renovation.

#### **Intradepartmental Transfers**

This budget-neutral adjustment includes a \$35,000 transfer between account groups to align the budget with anticipated spending and a \$1,000 transfer from the Land Use Services program to the Permit Services program.

### Proposed Changes

#### **Enhance Quality Management - \$459,200/3.00 FTE**

The 2016 Adopted Budget provided two Strategic Advisor 2 positions to improve consistency and reliability of plan review and inspections services. These positions, which are the only positions fully dedicated to quality management and process improvement in SDCI's Permit Services and Inspection Services, are scheduled to sunset at the end of 2018. This action makes these positions ongoing and restores the corresponding budget authority. This item also adds a new Strategic Advisor 2 position that will create a sustainable building program to develop training and performance measures for the Inspections Services work groups. This position will oversee quality review and inspection audits, oversee quality review and inspection training, and resolve quality problems through ongoing process improvement. Together, these three positions will be dedicated to the continuous improvement of building permit review, land use review, and inspections services by identifying root causes of quality (technical or process) problems and facilitating resolution in those areas through ongoing audits, training, and process improvement. All three positions are supported by permit fees.

#### **Add Budget Authority for Credit Card Fees - \$875,000**

SDCI's base budget does not include a discrete allocation for credit card transaction fees. SDCI has used other departmental savings to absorb these costs in the past and has occasionally requested additional budget authority. The 2019-2020 Proposed Budget uses permit fees to provide a direct allocation for credit card fees in SDCI's budget in recognition of the fact that credit card fees are a cost of doing business and that these costs have increased 63% since 2014.

# Seattle Department of Construction and Inspections

## **Reduce General Fund Resources - (\$8,000)**

The 2019-2020 Proposed Budget reduces General Fund support by \$349,000 through the following actions:

- An ongoing \$79,000 General Fund reduction from SDCI's Compliance program. SDCI has an existing position that is partially funded by General Fund and partially funded by the Rental Housing program. The proposed budget transfers the full cost of this position to the Rental Housing program which needs this position full-time as it transitions from a five-year renewal cycle to a two-year renewal cycle.
- An ongoing \$8,000 General Fund reduction in the Land Use Code Development project's non-labor budget. This is a 0.7% reduction to the total code development budget.
- An ongoing General Fund reduction of \$262,000 that results from converting the budget from Summit 8.8 to PeopleSoft 9.2.

## **Remove Vacant Positions - (\$402,023)/(5.50) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed six positions. Three of these positions are Administrative Specialist IIs, one is a Permit Specialist I, one is a Permit Process Leader, and one is an unfunded half-time Housing Ordinance Specialist. These reductions are not expected to adversely affect the delivery of core services. SDCI will continue to monitor permit processing times and pursue processing efficiencies to ensure maintenance of effort with respect to customer service and processing times. This item is a reduction from the Construction and Inspections Fund.

## **Reduce Discretionary Contracting Resources - (\$630,000)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$630,000 in discretionary contracting reductions. This reduction is intended to achieve efficiency in budgeting and maintain service levels. \$15,000 of this item is a General Fund reduction and \$615,000 is a reduction from the Construction and Inspections Fund.

## **Reduce Fuel Budget - (\$12,000)**

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. This reduction will not affect the department's ability to maintain business operations. \$1,846 of this item is a General Fund reduction and \$10,154 is a reduction from the Construction and Inspections Fund.

## **Reallocate Resources within SDCI to Advance Priorities**

The 2019-2020 Proposed Budget reallocates \$422,000 of existing budget authority from the Government Policy, Safety & Support Program to the Land Use Services Program and the Permit Services Program. This shift supports SDCI initiatives to provide and improve upon basic service delivery in geotechnical, energy and tree code permit reviews. This budget-neutral allocation of permit fees supports the following items:

- Funds 1.0 FTE Civil Engineer Senior in the Permit Services Program's geotechnical review group. This group is a bottleneck for permit services reviews and staff are currently running four to five weeks behind assigned target dates for many reviews.
- Funds ongoing consultant services to perform energy code review for the Total Building Performance method. This action should reduce review times for these complex reviews. This action also supports new requirements for energy modeling and substantial alterations.
- Funds 1.0 FTE Environmental Analyst Senior in the Land Use Services program to strengthen and improve enforcement of existing tree regulations and help protect the urban forest.
- Aligns staff within the organizational structure of SDCI to better reflect how actual work is occurring.

# Seattle Department of Construction and Inspections

## **Reclassify Positions - \$68,951**

SDCI occasionally reclassifies positions to better align them with the work performed, to fulfill business needs, to increase customer response levels, and improve employee safety. This item provides support for two positions that were reclassified in 2017 and four positions that are undergoing reclassification in 2018. These reclassifications are as follows:

- one Permit Specialist I to Permit Specialist Supervisor
- one Permit Specialist I to Permit Specialist II
- one Administrative Support Supervisor to Administrative Staff Assistant
- two Accountants to Accountant Senior
- one Administrative Staff Assistant to Administrative Staff Analyst

## **Overhead Technical Adjustment**

This item adjusts the distribution of overhead expenses across programs to account for proposed changes in the following budget programs: Compliance; Government Policy Safety & Support; Indirect Cost Recovery Offset; Inspections; Land Use Services; Permit Services; and Rental Housing. This adjustment also redistributes indirect overhead across SDCI programs in response to proposed labor changes throughout the department. This budget-neutral adjustment represents a \$30,627 General Fund decrease and a corresponding increase from the Construction and Inspections Fund.

## **Proposed Technical Changes**

### **Technical Position Correction/1.00 FTE**

The 2018 First Quarter Supplemental Budget Ordinance created a 1.0 FTE Planning & Development Specialist Senior position in the Government, Policy, Safety & Support BSL (BO-CI-U2600) Code Development Project (U2474) to correct an error in the 2018 Adopted Budget. This technical correction in the 2019-2020 Proposed Budget makes this position (10005893) ongoing.

# Seattle Department of Construction and Inspections

## Expenditure Overview

<b>Appropriations</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
<b>Land Use Services Budget Summary Level</b>			
Construction and Inspections Fund	19,451,731	19,523,006	19,714,762
General Fund	416,240	402,557	407,266
<b>Total for BSL: BO-CI-U2200</b>	<b>19,867,971</b>	<b>19,925,563</b>	<b>20,122,028</b>
<b>Permit Services Budget Summary Level</b>			
Construction and Inspections Fund	26,073,481	26,239,409	26,480,232
General Fund	0	0	0
<b>Total for BSL: BO-CI-U2300</b>	<b>26,073,481</b>	<b>26,239,409</b>	<b>26,480,232</b>
<b>Inspections Budget Summary Level</b>			
Construction and Inspections Fund	23,892,547	23,851,532	24,174,508
General Fund	142,598	139,227	140,681
<b>Total for BSL: BO-CI-U23A0</b>	<b>24,035,146</b>	<b>23,990,760</b>	<b>24,315,190</b>
<b>Compliance Budget Summary Level</b>			
Construction and Inspections Fund	3,188,775	2,955,051	2,991,179
General Fund	4,906,019	4,667,608	4,736,881
REET I Capital Projects Fund	360,000	360,000	360,000
Unrestricted Cumulative Reserve Fund	133,000	132,670	131,613
<b>Total for BSL: BO-CI-U2400</b>	<b>8,587,794</b>	<b>8,115,329</b>	<b>8,219,673</b>
<b>Leadership and Administration Budget Summary Level</b>			
Construction and Inspections Fund	0	0	0
<b>Total for BSL: BO-CI-U2500</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Government Policy, Safety &amp; Support Budget Summary Level</b>			
Construction and Inspections Fund	2,133,843	1,373,179	1,387,344
General Fund	1,243,919	1,239,427	1,253,132
<b>Total for BSL: BO-CI-U2600</b>	<b>3,377,763</b>	<b>2,612,607</b>	<b>2,640,477</b>
<b>Process Improvements &amp; Technology Budget Summary Level</b>			
Construction and Inspections Fund	3,119,404	2,251,943	2,263,099

## Seattle Department of Construction and Inspections

<b>Total for BSL: BO-CI-U2800</b>	<b>3,119,404</b>	<b>2,251,943</b>	<b>2,263,099</b>
<b>Department Total</b>	<b>85,061,559</b>	<b>83,135,611</b>	<b>84,040,699</b>
<b>Department Full-time Equivalents Total*</b>	<b>405.50</b>	<b>401.50</b>	<b>401.50</b>

*\* 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 Summary by Fund for Construction and Inspections

	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
48100 - Construction and Inspections Fund	77,859,782	76,194,121	77,011,125
00100 - General Fund	6,708,777	6,448,820	6,537,961
30010 - REET I Capital Projects Fund	360,000	360,000	360,000
00164 - Unrestricted Cumulative Reserve Fund	133,000	132,670	131,613
<b>Budget Totals for SDCI</b>	<b>85,061,559</b>	<b>83,135,611</b>	<b>84,040,699</b>



# Seattle Department of Construction and Inspections

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
337010	Grant Revenues	0	0	0
397010	SPU MOA for Side Sewer & Drainage	1,200,000	1,200,000	1,200,000
	<b>Total Grants &amp; MOAs</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
322020	Refrigeration & Furnace	0	1,245,975	1,263,003
322070	Boiler	1,252,000	1,415,099	1,443,401
322080	Elevator	3,844,000	4,500,275	4,635,284
	<b>Total Installation &amp; Inspection Fees</b>	<b>5,096,000</b>	<b>7,161,349</b>	<b>7,341,688</b>
360020	Interest	343,382	1,176,338	1,176,338
	<b>Total Interest</b>	<b>343,382</b>	<b>1,176,338</b>	<b>1,176,338</b>
342100	Rental Registration & Inspection Ordinance	544,000	1,979,777	1,837,222
360900	Other Miscellaneous Revenues	2,083,692	935,947	946,508
	<b>Total Other Revenues</b>	<b>2,627,692</b>	<b>2,915,724</b>	<b>2,783,730</b>
322010	Building Development	36,260,000	37,882,492	37,877,885
322030	Land Use	9,063,000	10,730,522	10,899,914
322050	Electrical	7,940,000	7,675,307	7,725,266
322060	Signs	0	567,289	584,307
343180	Site Review & Development	2,803,000	3,817,510	3,891,329
344900	Noise	0	327,642	332,463
360900	Contingent Revenues-Unaccessed	8,064,477	8,064,477	8,064,477
	<b>Total Permit Fees</b>	<b>64,130,477</b>	<b>69,065,239</b>	<b>69,375,640</b>
	<b>Total Revenues</b>	<b>73,397,551</b>	<b>81,518,650</b>	<b>81,877,396</b>
379100	Use of (Contribution To) Fund Balance	6,728,700	-5,324,529	-4,866,271
	<b>Total Use of Fund Balance</b>	<b>6,728,700</b>	<b>-5,324,529</b>	<b>-4,866,271</b>
	<b>Total Resources</b>	<b>80,126,251</b>	<b>76,194,121</b>	<b>77,011,125</b>

# Seattle Department of Construction and Inspections

## Appropriations By Budget Summary Level (BSL) and Program

### Land Use Services Budget Summary Level

The purpose of the Land Use Services Budget Summary Level is to provide information to the public about permit processes and regulations that prescribe the way land can be used and developed in Seattle, and to review permit applications for compliance with these regulations.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Land Use Services	18,195,730	18,253,322	18,449,787
Land Use Services CBA	1,672,241	1,672,241	1,672,241
<b>Total</b>	<b>19,867,971</b>	<b>19,925,563</b>	<b>20,122,028</b>
Full-time Equivalents Total*	86.00	85.00	85.00

\* 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.

**The following information summarizes the programs in Land Use Services Budget Summary Level:**

#### **Land Use Services Program**

The purpose of the Land Use Services Program is to provide land use permitting services to project applicants, City of Seattle departments, public agencies, and residents. Land Use staff provide permit process information and regulatory expertise to inform pre-application construction project design. Land Use staff also review development concepts as part of a developer's permit application. The Land Use review process includes eliciting public input and facilitating public meetings and design review board meetings. It may also include coordination with various city and county agencies, defending project decisions during appeal to the Hearing Examiner or coordinating the department recommendation for a development application through the City Council approval process. These services are intended to ensure that development proposals are reviewed in a fair, reasonable, efficient, and predictable manner, and to ensure that the plans substantially comply with applicable codes, legal requirements, policies, and community design standards.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Land Use Services	18,195,730	18,253,322	18,449,787
Full-time Equivalents Total	86.00	85.00	85.00

#### **Land Use Services CBA Program**

The purpose of the Land Use Services CBA Program is to display the amount of unallocated Contingent Budget Authority (CBA) in the Land Use Services BSL that has not been accessed. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Land Use Services CBA	1,672,241	1,672,241	1,672,241
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Department of Construction and Inspections

## Permit Services Budget Summary Level

The purpose of the Permit Services Budget Summary Level is to facilitate the review of development plans and processing of permits.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Permit Services	22,407,345	22,573,273	22,814,096
Permit Services CBA	3,666,136	3,666,136	3,666,136
<b>Total</b>	<b>26,073,481</b>	<b>26,239,409</b>	<b>26,480,232</b>
Full-time Equivalents Total*	103.00	101.00	101.00

*\* 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.*

**The following information summarizes the programs in Permit Services Budget Summary Level:**

### **Permit Services Program**

The purpose of the Permit Services Program is to facilitate the review of development plans and processing of permits.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Permit Services	22,407,345	22,573,273	22,814,096
Full-time Equivalents Total	103.00	101.00	101.00

### **Permit Services CBA Program**

The purpose of the Permit Services CBA Program is to display the amount of unallocated Contingent Budget Authority (CBA) in the Permit Services BSL that has not been accessed for construction plan review and peer review contracts. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Permit Services CBA	3,666,136	3,666,136	3,666,136
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Department of Construction and Inspections

## Inspections Budget Summary Level

The purpose of the Inspections Budget Summary Level is to provide on-site inspections of property under development, inspections of mechanical equipment at installation and on an annual or biennial cycle, and certification of installers and mechanics.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Inspections	21,309,045	21,264,659	21,589,089
Inspections Services CBA	2,726,100	2,726,100	2,726,100
<b>Total</b>	<b>24,035,146</b>	<b>23,990,760</b>	<b>24,315,190</b>
Full-time Equivalents Total*	102.00	103.00	103.00

*\* 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.*

**The following information summarizes the programs in Inspections Budget Summary Level:**

### **Inspections Program**

The purpose of the Inspections Program is to provide timely on-site inspections of property under development at predetermined stages of construction; work closely with project architects, engineers, developers, contractors, and other City of Seattle departments to approve projects as substantially complying with applicable City codes, ordinances, and approved plans; and to issue final approvals for occupancy.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Inspections	21,309,045	21,264,659	21,589,089
Full-time Equivalents Total	102.00	103.00	103.00

### **Inspections Services CBA Program**

The purpose of the Inspections Services CBA Program is to display the amount of Contingent Budget Authority (CBA) that has not been accessed within the Inspections BCL for construction inspections and electrical inspections with plan review. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Inspections Services CBA	2,726,100	2,726,100	2,726,100
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Department of Construction and Inspections

## Compliance Budget Summary Level

The purpose of the Compliance Budget Summary Level is to ensure properties and buildings are used and maintained according to code standards, reduce deterioration of structures and properties, and enforce tenant protections.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Compliance	6,400,587	6,101,194	6,181,445
Rental Housing	2,187,207	2,014,135	2,038,228
<b>Total</b>	<b>8,587,794</b>	<b>8,115,329</b>	<b>8,219,673</b>
Full-time Equivalents Total*	47.00	46.50	46.50

\* 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.

**The following information summarizes the programs in Compliance Budget Summary Level:**

### **Compliance Program**

The purpose of the Compliance Program is to investigate and respond to violations of code standards for the use, maintenance, management and development of real properties and buildings, facilitate compliance by property owners and other responsible parties, pursue enforcement actions against violators through the legal system, reduce the deterioration of structures and properties to reduce blight, and manage the adoption of administrative rules and response to claims.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Compliance	6,400,587	6,101,194	6,181,445
Full-time Equivalents Total	35.00	33.50	33.50

### **Rental Housing Program**

The purpose of the Rental Housing Program is to improve the quality of the rental housing stock in Seattle and investigate and respond to violations of tenant relocation and eviction regulations. By registering and inspecting all rental housing properties the program helps ensure key life, health and safety standards are met. The program provides assistance to property owners and tenants regarding relocation assistance, just cause eviction, and other duties and responsibilities of owners and tenants.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Rental Housing	2,187,207	2,014,135	2,038,228
Full-time Equivalents Total	12.00	13.00	13.00

# Seattle Department of Construction and Inspections

## Leadership and Administration Budget Summary Level

The purpose of the Leadership & Administration Budget Summary Level is to lead and direct department employees; provide policy guidance, financial stewardship, and employee support; and oversee relationships with the community, government agencies, and the media.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	21,564,400	21,226,694	21,978,020
Departmental Indirect Costs	3,429,826	3,467,073	3,470,413
Divisional Indirect Costs	1,862,507	2,653,001	2,654,107
Indirect Cost Recovery Offset	-26,856,733	-27,346,768	-28,102,540
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	58.00	56.00	56.00

\* 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.

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### **Citywide Indirect Costs Program**

The purpose of the Citywide Indirect Costs Program is to collect and allocate departmental central costs such as pooled costs, paid-time-off, and other City central costs. The costs in this program are allocated to all department programs except the Contingent Budget Authority (CBA) Programs, the Process Improvements & Technology (PI&T) Program, and other programs in Leadership and Administration.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	21,564,400	21,226,694	21,978,020
Full-time Equivalents Total	0.00	0.00	0.00

### **Departmental Indirect Costs Program**

The purpose of the Departmental Indirect Costs Program is to lead department employees; provide policy guidance, financial stewardship, and employee support; and oversee relationships with the community, government agencies, and the media. The costs in this program are allocated to all department programs except the Contingent Budget Authority (CBA) Programs, the Process Improvements & Technology (PI&T) Program, and other programs in Leadership and Administration.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	3,429,826	3,467,073	3,470,413
Full-time Equivalents Total	32.00	32.00	32.00

### **Divisional Indirect Costs Program**

The purpose of the Divisional Indirect Costs Program is to provide support functions for SDCI's primarily fee funded programs: Land Use Services, Permit Services, Inspections; and for the fee-funded portion of the Government Policy, Safety and Support Program. The costs in this program are allocated only to the programs described above.

# Seattle Department of Construction and Inspections

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Divisional Indirect Costs	1,862,507	2,653,001	2,654,107
Full-time Equivalents Total	26.00	24.00	24.00

## Indirect Cost Recovery Offset Program

The purpose of the Indirect Cost Recovery Offset Program is to offset the proportionate share of Citywide Indirect Costs, Departmental Indirect Costs, and Divisional Indirect Costs that allocate to the department's other Budget Summary Level programs as overhead. It is necessary to offset the full cost of indirect cost programs to calculate the budget appropriation and revenue requirements of the related programs.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery Offset	-26,856,733	-27,346,768	-28,102,540
Full-time Equivalents Total	0.00	0.00	0.00

## **Government Policy, Safety & Support Budget Summary Level**

The purpose of the Government Policy, Safety & Support Budget Summary Level is to develop and update land use code and technical code regulations, manage the public disclosure of documents, and provide appropriate support for disaster preparation, mitigation, response, and recovery services.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Govt Policy, Safety & Support	3,377,763	2,612,607	2,640,477
<b>Total</b>	<b>3,377,763</b>	<b>2,612,607</b>	<b>2,640,477</b>
Full-time Equivalents Total*	9.50	10.00	10.00

*\* 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.*

**The following information summarizes the programs in Government Policy, Safety & Support Budget Summary Level:**

### Govt Policy, Safety & Support Program

The purpose of the Government Policy, Safety & Support Program is to develop and update land use code and technical code regulations, manage the public disclosure of documents, and provide appropriate support for disaster preparation, mitigation, response, and recovery services.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Govt Policy, Safety & Support	3,377,763	2,612,607	2,640,477
Full-time Equivalents Total	9.50	10.00	10.00

# Seattle Department of Construction and Inspections

## Process Improvements & Technology Budget Summary Level

The purpose of the Process Improvements and Technology Budget Summary Level is to allow the department to plan and implement continuous improvements to its business processes, including related staff training and equipment purchases. The purpose includes ensuring the Department's major technology investments are maintained, upgraded, or replaced when necessary.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Process Improvements and Tech	3,119,404	2,251,943	2,263,099
<b>Total</b>	<b>3,119,404</b>	<b>2,251,943</b>	<b>2,263,099</b>

*The following information summarizes the programs in Process Improvements & Technology Budget Summary Level:*

### **Process Improvements and Tech Program**

The purpose of the Process Improvements and Technology Program is to allow the department to plan and implement continuous improvements to its business processes, including related staff training and equipment purchases. The purpose includes ensuring the Department's major technology investments are maintained, upgraded, or replaced when necessary.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Process Improvements and Tech	3,119,404	2,251,943	2,263,099
Full-time Equivalent Total	0.00	0.00	0.00



# Office of Economic Development

Rebecca Lovell, Acting Director

(206) 733-9196

[www.seattle.gov/economicdevelopment](http://www.seattle.gov/economicdevelopment)

## Department Overview

The Office of Economic Development (OED) seeks to foster an economy of sustained growth and productivity of businesses, shared prosperity and enhanced standards of living for all Seattle residents, a growth that is equitable, robust, and enduring. OED supports a healthy business environment, empowers entrepreneurs to innovate, grow and compete, while at the same time supporting low-income Seattle residents to develop their talent towards viable career paths. OED invests in four primary program areas: supporting entrepreneurs; building healthy and vibrant neighborhood business districts; developing the talent of youth and adults; and investing in key industry sectors, including both international investment and the work of the Office of Film and Music. The core services OED provides capitalize on Seattle's economic strengths, particularly in the industry areas of manufacturing and maritime, technology, startups, restaurants, health care, life sciences and global health, clean technology, and the creative economy. To accomplish this mission, the office delivers services designed to:

- support the retention and growth of existing businesses;
- increase the number of low-income youth and adults who obtain the skills necessary to meet industry's needs for qualified workers;
- support small businesses and neighborhood business districts through direct funding, technical support and Business Improvement Area (BIA) formation;
- streamline and advance policies and practices and develop partnerships that lead to sustainable economic growth with shared prosperity;
- attract and establish new business via domestic and international investments; and
- coordinate the permitting of film and special events in a way that minimizes business impacts while ensuring public safety

In addition to these services, OED manages many financing programs to increase access to capital for projects from micro-loans to major capital lending. Among these financing tools are three federal programs: 1) Individual Development Accounts (IDAs), a matched savings program in which the City provides Community Development Block Grant funds to low-income owned businesses that demonstrate savings and take business training courses; 2) New Markets Tax Credits (NMTC) which leverage private investment in low-income communities through federal tax incentives; and 3) U.S. Department of Housing and Urban Development (HUD) Section 108 loans which provide financing for economic development projects benefiting low and middle-income individuals.

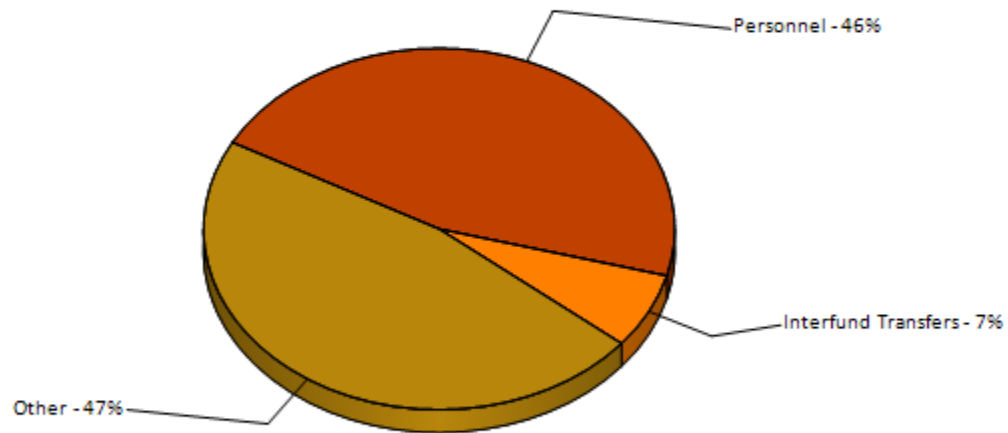
# Office of Economic Development

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$10,875,100	\$10,867,358	\$10,437,656
Other Funding - Operating	\$0	\$0	\$0
<b>Total Operations</b>	<b>\$10,875,100</b>	<b>\$10,867,358</b>	<b>\$10,437,656</b>
<b>Total Appropriations</b>	<b>\$10,875,100</b>	<b>\$10,867,358</b>	<b>\$10,437,656</b>
Full-time Equivalent Total*	35.50	35.50	35.50

*\* 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.*

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget continues to invest in the mission of the Office of Economic Development (OED), which is striving for a more equitable economy for the working families of Seattle. The Mayor's vision for a more affordable, inclusive future also requires that the City invest wisely.

### Seattle Colleges Apprenticeship Pilot and Feasibility Study

In 2015, the office partnered with the Seattle College District to launch the Center for Working Adults (CWA), a program that helps low-income workers continue with and complete their studies to earn better pay. CWA

# Office of Economic Development

provides working adult students with case management support to help students navigate the curriculum and financial aid application process. CWA also strengthens the ability of the Seattle Colleges to form new employer partnerships to help advance the careers of low-wage working adults, including partnerships with Kaiser Permanente, Swedish Hospital, and Amazon. Over 200 prospective students have benefited from this program since its launch. The proposed budget builds upon this success by adding one-time funding for a pilot and feasibility study to develop a program to increase apprenticeships in the building trades, a growing sector with well-paying jobs. This is timely considering the construction industry expects a regional annual labor shortage of 10% from 2018-2022.

## General Fund Reductions

Building a city of the future requires difficult trade-offs. Overall, OED seeks to minimize the impact of budget reductions in any one program area. The proposed budget includes two categories of reductions: improvements to internal-OED operations and changes to enhance the efficiency of external contracts or consultants. Some reductions would be recommended in any fiscal climate. Looking internally, the proposed budget:

- Moves the Mayor's Youth Employment (MYEI) Initiative work in-house through two Term-Limited Temporary staff, achieving the same level of service as an external contract more efficiently.
- Repurposes existing funding for internships to maintain accounting support. The 2018 Adopted Budget included temporary accounting capacity to help OED transition to the new PeopleSoft 9.2 accounting system. This change allows OED to support daily operations using the new accounting system.
- Realigns to support small business, one of the Mayor's top priorities, by repurposing its current International Business position as a Small Business Advocate position. The international business work will be absorbed by existing staff capacity both within OED's Key Sector team, and the Office of Intergovernmental Relations.
- Decreases expenses on professional development opportunities, community events, the development of new materials, and various office equipment and supplies.

The second set of reductions focus on external contracts with community-based organizations and consultants. Specifically, the proposed budget:

- Reduces the discretionary contract budget.
- Right-sizes the green business outreach contract with the Environmental Coalition of South Seattle, which will be offset by a King County grant and funding by the Seattle Public Utilities.
- Targets efficiencies within the Seattle Jobs Initiative contract while avoiding reductions to staff or service delivery.
- Eliminates the Seattle Region Partnership contract for MYEI.

## Community Development Block Grant (CDBG) Funding

The Human Services Department acts on behalf of all City departments as the custodian and grantee for funding from the U.S. Department of Housing and Urban Development (HUD). As part of the Citywide transition to the new accounting system in 2017, the CDBG fund was dissolved and the appropriations are now spread across multiple funds and departments where the actual costs are incurred. The 2019-2020 Proposed Budget includes \$2.9 million in appropriations for unspent entitlements from prior periods (carryforward) and changes to the 2019 and 2020 allocations.

The proposed budget for OED will include CDBG funding in the amounts of \$1,629,955 in 2019 and \$1,367,455 in 2020. The change from the 2018 Adopted Budget is a reduction of \$74,597 for annual Alpha Cine Loan payments which is being made in a lump sum in 2018, and an additional one-time \$262,500 for the King Street Station redevelopment project. The base CDBG budget continues to fund:

- Only in Seattle, which provides grants and services to foster inclusive neighborhood business districts that allow small businesses to thrive;

## Office of Economic Development

- The Neighborhood Business District Planning, Technical Assistance & Staff Support Program, which provides staffing, technical assistance, planning and administration to support the Only in Seattle Initiative;
- The Small Business Support Program, which provides financial and technical assistance to qualifying small businesses and microenterprises; and
- If eligible, the development of a commercial affordability project at King Street Station as determined by the feasibility analysis and community.

### Incremental Budget Changes

#### Office of Economic Development

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 10,875,100</b>	<b>35.50</b>	<b>\$ 10,875,100</b>	<b>35.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 475,441	0.00	\$ 436,239	0.00
Adjustment for One-Time Budget Additions	-\$ 301,783	0.00	-\$ 301,783	0.00
Technical Changes	\$ 17,197	0.00	\$ 17,197	0.00
<b>Proposed Changes</b>				
Seattle Colleges Apprenticeship Pilot and Feasibility Study	\$ 128,000	0.00	\$ 0	0.00
Citywide General Fund Efficiencies	-\$ 83,300	0.00	-\$ 83,300	0.00
Reduce Discretionary Contracting Resources	-\$ 431,200	0.00	-\$ 431,200	0.00
Community Development Block Grant (CDBG) Adjustments	\$ 187,903	0.00	-\$ 74,597	0.00
<b>Total Incremental Changes</b>	<b>-\$ 7,742</b>	<b>0.00</b>	<b>-\$ 437,444</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 10,867,358</b>	<b>35.50</b>	<b>\$ 10,437,656</b>	<b>35.50</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$475,441**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

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## **Adjustment for One-Time Budget Additions - (\$301,783)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget: (\$100,000) for a transgender economic empowerment program; (\$100,000) in admissions tax funding for added capacity to support the local film and media industry; (\$75,000) for a Legacy Business Designation program and to provide resources for legacy and small business economic development programs; and (\$26,783) for backfill during Summit Re-Implementation.

## **Technical Changes - \$17,197**

This item includes several minor technical changes: a net-zero transfer of health care costs from the Business Services budget program to Leadership and Administration; increases in personnel compensation due to reclassifications approved by the Seattle Department of Human Resources and a promotion (\$20,380); and a minor reduction of Community Development Block Grant funding to match available resources (\$3,183).

## **Proposed Changes**

### **Seattle Colleges Apprenticeship Pilot and Feasibility Study - \$128,000**

This is one-time funding for a pilot and feasibility study to develop a plan to increase building trades apprenticeships for low-wage students enrolled in the College for Working Adults program, a partnership between the office and the Seattle College District. The study will assess the need for new apprenticeships across the Seattle Colleges, especially for women, ethnic minorities, and Seattle Promise students. Considering the growth of construction activity in Seattle, especially North Seattle, the pilot is intended to prepare Seattle residents to land these construction jobs. There is interest in evaluating whether apprenticeship programs should be expanded beyond South Seattle to reach students in North Seattle where major construction projects are planned. This funding adds to the existing base contract funding of \$100,000 with the Seattle Colleges.

### **Citywide General Fund Efficiencies - (\$83,300)**

This item includes three reductions to help the office meet its General Fund reduction target. Requests by the department were met with offsetting reductions:

This includes changes to the following contracts:

- Reduce the \$60,000 operations budget by \$13,300. This reduces general office support for professional development opportunities, community events, and information technology and supplies purchases.
- Repurpose the international business position, a Strategic Advisor 3, to support the addition of a similarly classed FTE to OED's Small Business Development team. In addition, reducing funding for the cost of the position by \$30,000 and eliminate the \$40,000 international business programming budget, which would no longer be necessary.
- Repurpose the full \$30,000 budget for communications internships to maintain existing accounting support. This support is necessary for the office to manage an increased volume and complexity of accounting transactions in PeopleSoft 9.2, an accounting system the City switched to in 2018.

### **Reduce Discretionary Contracting Resources - (\$431,200)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$431,200 in discretionary contracting reductions, a 10% reduction in its discretionary contract budget from the office's 2019 baseline. This reduction achieves efficiency in budgeting without service reductions.

# Office of Economic Development

This includes changes to the following contracts:

- Reduce the office's \$50,000 discretionary contracting budget by \$35,000.
- Reduce the Office of Film and Music's \$30,000 discretionary contracting budget by \$3,700.
- Repurpose the \$600,000 contract with City's Mayor's Youth Employment Initiative employer intermediary, Educurious, to add City capacity to handle more of the intermediary scope of work and improve efficiency. This reduces the contract by \$130,000 while maintaining the same level of service delivery by adding two Term-Limited Temporary positions to OED that expire on December 31, 2020.
- Reduce the \$40,000 contract with Environmental Coalition of South Seattle (ECOSS) by \$27,500. This contract offered direct support for women and minority-owned businesses to comply with best green practices. This reduction will largely be offset by a King County grant that offers ECOSS funding from 2018-2020 to continue their work and from funding received via contracts with Seattle Public Utilities.
- Right-size the \$2 million Seattle Jobs Initiative (SJI) contract by reducing it by \$185,000 or 9%. Further, this reduction is aimed at the research, advocacy, and policy advancements aspects of the contract, leaving untouched direct service delivery for clients.
- Eliminate the \$50,000 Seattle Region Partnership (SRP) contract to work with the Mayor's Office to engage employers to take part in the Mayor's Youth Employment Initiative (MYEI). The office first began a contractual partnership with SRP in 2018. The contract first began in June 2018, mitigating any negative impacts.

## **Community Development Block Grant (CDBG) Adjustments - \$187,903**

This item includes the following adjustments:

- One-time funding of King Street Station (KSS) for \$262,500. The King Street Station project received \$362,500 of CDBG funding in the 2017 Adopted Budget but the initial project scope turned out to cost beyond available resources. To continue work at KSS under the existing budget, OED used \$100,000 of these funds in 2018 for a feasibility study and initial predevelopment of improvements for the KSS plaza to create commercially affordable space for small businesses. The implementation of this project will not begin until 2019 and, thus, requires use of the remaining balance.
- Elimination of the \$74,597 in annual Alpha Cine loan repayments as the City repaid the loan in 2018. Alpha Cine took on a HUD Section 108 loan from the City but defaulted in 2013. Since then the City has paid principal and interest payments on this loan. In 2018, the City used \$790,000 of CDBG carryforward funding from previous years to pay off the loan in its entirety instead of paying principal and interest costs until 2028.
- A net-zero technical adjustment to change the category of CDBG-eligible activities from "projects" to "planning and administration." This is to help address a recent U.S. Housing and Urban Development audit finding that showed the current use of these dollars in the Only in Seattle program best matches up with "planning and administration" activities, which has a separate list of requirements. The Office of Economic Development (OED) will increase its proportion of "planning and administration" allocation from \$172,000 to \$192,000 out of a total of \$852,000 of from 20% to 22%.

# Office of Economic Development

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	1,527,936	2,358,833	2,315,999
<b>Total for BSL: BO-ED-ADMIN</b>	<b>1,527,936</b>	<b>2,358,833</b>	<b>2,315,999</b>
<b>Business Services Budget Summary Level</b>			
General Fund	9,347,164	8,508,525	8,121,657
<b>Total for BSL: BO-ED-X1D00</b>	<b>9,347,164</b>	<b>8,508,525</b>	<b>8,121,657</b>
<b>Department Total</b>	<b>10,875,100</b>	<b>10,867,358</b>	<b>10,437,656</b>
<b>Department Full-time Equivalents Total*</b>	<b>35.50</b>	<b>35.50</b>	<b>35.50</b>

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

## Budget Summary by Fund for Economic Development

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	10,875,100	10,867,358	10,437,656
<b>Budget Totals for OED</b>	<b>10,875,100</b>	<b>10,867,358</b>	<b>10,437,656</b>

# Office of Economic Development

## Appropriations By Budget Summary Level (BSL) and Program

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology and business support to the Office of Economic Development.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	299,976	714,135	636,098
Departmental Indirect Costs	1,227,960	1,164,632	1,171,684
Pooled Benefits	0	480,066	508,217
<b>Total</b>	<b>1,527,936</b>	<b>2,358,833</b>	<b>2,315,999</b>
Full-time Equivalents Total*	7.50	7.50	7.50

*\* 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.*

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

#### **Citywide Indirect Costs Program**

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	299,976	714,135	636,098
Full-time Equivalents Total	0.00	0.00	0.00

#### **Departmental Indirect Costs Program**

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	1,227,960	1,164,632	1,171,684
Full-time Equivalents Total	7.50	7.50	7.50

#### **Pooled Benefits Program**

The purpose of the Pooled Benefits program is to fund department costs associated with health and dental insurance, workers compensation, and unemployment insurance contributions.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits	0	480,066	508,217
Full-time Equivalents Total	0.00	0.00	0.00



# Office of Economic Development

## **Business Services Budget Summary Level**

The purpose of the Business Services Budget Summary Level is promote economic development in the City.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Business Services Budget Program	9,347,164	8,508,525	8,121,657
<b>Total</b>	<b>9,347,164</b>	<b>8,508,525</b>	<b>8,121,657</b>
Full-time Equivalents Total*	28.00	28.00	28.00

*\* 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.*



# Office of Housing

Steve Walker, Director

(206) 684-0721

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

## Department Overview

The mission of the Office of Housing (OH) is to build strong healthy communities and increase opportunities for people of all income levels to live in our city. To accomplish this mission, OH has four program areas:

- Multi-Family Production and Preservation;
- Homeownership and Sustainability;
- Policy and Program Development; and
- Administration and Management.

The **Multi-Family Production and Preservation Program** employs the Housing Levy and other federal and local funding to make low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the housing portfolio to ensure that the policy objectives of the City are achieved and the units remain in good condition. The portfolio now includes over 300 buildings with more than 13,000 units, representing a significant investment of City and other funding in affordable housing over 35 years.

The **Homeownership and Sustainability Program** includes three sub-programs to assist low-income households:

- The **Homeownership Assistance Program** supports first-time homebuyers and existing low-income homeowners through down payment assistance loans, subsidies for permanently affordable homes, and foreclosure prevention loans.
- The **Home Repair Program** provides grants or no- to low-interest loans to assist with critical home repairs.
- The **HomeWise Weatherization Program** provides grants to increase energy efficiency and lower utility costs for low-income residents in both single-family and multifamily properties.

The **Policy and Program Development Program** establishes long-term strategic plans, develops and implements policy-based tools, and addresses housing-related aspects of citywide land use and community development planning. Key components of this program include expanding resources for affordable housing and homelessness programs, creating and administering incentive programs to advance housing affordability goals, and coordinating disposition of vacant land for redevelopment purposes to increase housing opportunities for Seattle residents.

The **Administration and Management Program** provides centralized leadership, coordination, technology, contracting, and financial management services to OH programs and capital projects.

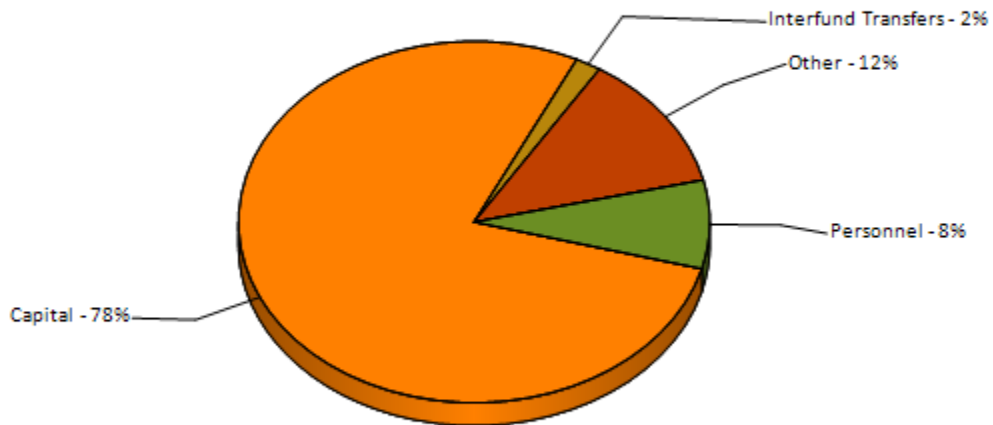
# Office of Housing

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$468,770	\$576,068	\$555,025
Other Funding - Operating	\$68,579,480	\$68,557,360	\$68,594,049
<b>Total Operations</b>	<b>\$69,048,250</b>	<b>\$69,133,428</b>	<b>\$69,149,074</b>
<b>Total Appropriations</b>	<b>\$69,048,250</b>	<b>\$69,133,428</b>	<b>\$69,149,074</b>
Full-time Equivalent Total*	44.50	45.00	45.00

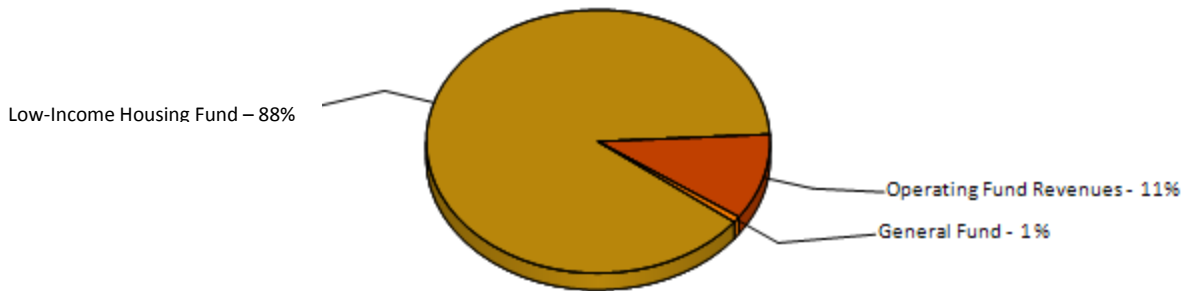
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## 2019 Proposed Budget - Expenditure by Category



# Office of Housing

## 2019 Proposed Budget - Revenue by Category



### Budget Overview

Mayor Durkan wants to create economic opportunity for all in Seattle and one way to achieve that goal is through affordable housing. The lack of housing affordability threatens to displace many underserved communities and makes it increasingly difficult for working families to continue to live and work here. It also contributes to homelessness. To address the affordable housing and homelessness crises, the Mayor has made her top priority the building of affordable housing for low- and middle-income families as quickly as possible.

The Office of Housing (OH) plays a central role in the Mayor's plans to improve accountability, effectiveness, and flexibility in tackling Seattle's affordable housing problem. In 2018, the City opened its books to external reviewers, including the office's portfolio of various housing investments to assess the efficacy of the City's investments. These include transitional housing that help people transition out of homelessness, permanent supportive housing that provides case-management services to those with physical or mental health needs, and long-term affordable housing for those whose incomes generally are at or below 60% of the area median income.

The office also helps lead the Housing Investment Fund, a new, innovative model that will leverage the City's resources to incentivize philanthropic investment in affordable housing and supporting homeless services. This effort will help investors, public and private, achieve a greater impact together than by acting alone. The fund will focus on financing affordable housing for moderate-income families, those that are unable to or barely can afford market-rate housing but are largely not eligible for City-funded long-term affordable housing. For rental housing, these are families with incomes at 50-80% the area median income; and for ownership housing, families between 60%-100% of the area median income.

The office uses two main sources of revenue to support the City's affordable housing efforts: proceeds generated by the Mandatory Housing Affordability program and the Seattle Housing Levy. The Levy, the main source of OH funds, was passed in August 2016 at double the size of the previous levy. Voters approved a seven-year, \$290

## Office of Housing

million levy to provide affordable housing for seniors, people with disabilities, low-wage workers, and people experiencing homelessness. The levy also provides funding for homelessness prevention and home ownership assistance. The following programs are funded under the levy:

Program	Program Description	Total Funding (7 Years)	Estimated Housing Produced/Households Assisted
Rental Production and Preservation	Funds new construction or preservation of rental housing for low-income households, including people with disabilities, the elderly, homeless individuals and families, low-wage working people, and families with children.	\$201,000,000	2,150 units produced or preserved  350 units reinvested
Operating and Maintenance	Operating support for levy-funding buildings. Supplements rent paid by residents at or below 30% of median income.	\$42,000,000	510 units supported
Homelessness Prevention and Housing Stability Services	Short-term rent assistance and stability services for low-income individuals and families.	\$11,500,000	4,500 households assisted
Homeownership	Down payment assistance loans, one-time loans to prevent foreclosure and emergency home repair grants.	\$9,500,000	280 households assisted
Acquisition and Preservation	Short-term acquisition loans for purchases of building or land for rental or homeownership development.	<i>Up to \$30,000,000 (Loans will be made with Levy proceeds not yet needed for other Levy programs.)</i>	
Administration	Supports staff and operations at the Office of Housing and the Human Services Department.	\$26,000,000	N/A
<b>Total</b>		\$290,000,000	

The 2019-2020 Proposed Budget continues to improve affordable housing in Seattle while also being in alignment with the Mayor's vision to maximize effectiveness of public dollars. Largely, the proposed budget consists of technical or routine changes in the office's use of Community Development Block Grant (CDBG) funding and Housing Levy and Mandatory Housing Affordability administrative resources. Additionally, the proposed budget includes the use of existing resources for security and maintenance at Fort Lawton.

### Fort Lawton Security and Maintenance Costs

In 2008, OH and the City Council approved the Fort Lawton Redevelopment Plan. This plan included market-rate housing, various types of affordable housing, the preservation of the existing wildlife habitat, and the creation of a new neighborhood park.

The City renewed its efforts in recent years and updated the previous redevelopment plan. The current proposal now includes:

- 85 units of supportive housing for formerly homeless seniors, including veterans;
- 100 units of affordable rental housing for low-wage workers and their families;
- 52 units of affordable homeownership; and

# Office of Housing

- Over 21 acres for parks and recreation uses including active and passive park space, as well as repurposing of an existing structure for a park maintenance facility.

In 2017, OH and the Department of Parks and Recreation agreed to lease Fort Lawton and split the security and maintenance costs. In 2018, these costs significantly increased due to unforeseen circumstances requiring additional use of resources by both departments.

## General Fund Target Reduction

The 2016 Adopted Budget used General Fund to add a position to the Office of Housing (OH) to support the implementation of the Housing Affordability and Livability Agenda recommendations. This position worked with the Office of Intergovernmental Relations (OIR) to lobby the State for new and expanded resources for affordable housing including enacting a Real Estate Excise Tax for affordable housing. The position also worked to create a preservation property tax exemption. To meet its General Fund reduction target, OH reduced the lobbying role of the position and added policy to the scope of work. This shift makes a portion of the position's costs eligible for funding by the Housing Levy or the Mandatory Housing Affordability administrative resources. OH does not anticipate that this minor shift will impact service delivery.

## Operations and Miscellaneous Needs

The adopted budget also provides the Office of Housing with additional appropriation authority to spend existing resources to fund various items for its day-to-day operations and to improve outreach and engagement to underserved communities.

## Incremental Budget Changes

### Office of Housing

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 69,048,250</b>	<b>44.50</b>	<b>\$ 69,048,250</b>	<b>44.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 723,431	0.00	\$ 731,427	0.00
Supplemental Budget Changes	\$ 0	0.50	\$ 0	0.50
Adjustment for One-Time Budget Additions	-\$ 893,253	0.00	-\$ 893,253	0.00
<b>Proposed Changes</b>				
Fort Lawton Security and Maintenance Costs	\$ 0	0.00	\$ 0	0.00
Recognizing Efficiencies Citywide	\$ 0	0.00	\$ 0	0.00
Operating and Miscellaneous Costs	\$ 255,000	0.00	\$ 262,650	0.00
<b>Proposed Technical Changes</b>				
Community Development Block Grant Reduction	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 85,178</b>	<b>0.50</b>	<b>\$ 100,824</b>	<b>0.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 69,133,428</b>	<b>45.00</b>	<b>\$ 69,149,074</b>	<b>45.00</b>

# Office of Housing

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$723,431**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Supplemental Budget Changes/.50 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 2017 4th Quarter Supplemental Budget Ordinance changed a 0.5 FTE part-time position to a 1.0 FTE full-time position to handle to scope of work in the Homeownership and Sustainability Program.

#### **Adjustment for One-Time Budget Additions - (\$893,253)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget: Duwamish weatherization and health improvements (\$50,000); technological assessments and improvements (\$208,000); transferring consulting funds from Finance General to the Office of Housing (OH) (\$125,000); a Community Ownership Housing Model (\$150,000); use of OH's operating fund balance to support a Home and Hope program (\$75,000); use of OH's operating fund balance to pay for the pre-development costs of a mixed-use project in Pioneer Square assisting American Indian and Alaskan Native people (\$100,000); and a Seattle-Department-Mandatory Housing Affordability systems update (\$185,000).

### Proposed Changes

#### **Fort Lawton Security and Maintenance Costs**

This item uses existing funding, \$167,432 in 2019 and \$172,455 in 2020, for security and grounds maintenance services at Fort Lawton. The Office of Housing (OH) and Department of Parks and Recreation (DPR) jointly leased this property in 2017. OH plans to help finance the building of long-term affordable housing on the site. In 2018, the costs significantly increased from the initial estimate, requiring additional funding. OH and DPR agreed to split the costs. To read more about this incremental change please read the Finance and Administrative Services and DPR sections in the budget.

#### **Recognizing Efficiencies Citywide**

This item shifts \$25,000 of the General Fund support of a lobbying position, a Strategic Advisor 1, to Office of Housing operating fund. This lobbying position was added in the 2016 Adopted Budget to support the City's efforts to pursue new and expanded State resources for affordable housing. This shift in costs is necessary to meet Citywide targets to improve efficiencies and reduce use of General Fund. To be eligible for funding either by



## Office of Housing

the Housing Levy of the Mandatory Housing Affordability administrative funding available in the operating fund, the position will have a reduced lobbying role and an increased share of policy work.

### **Operating and Miscellaneous Costs - \$255,000**

This item increases additional appropriation authority but not additional funding to help the office deliver on its capital investments. Administrative resources from the Housing Levy and Mandatory Housing Affordability will cover various items:

- \$120,000 for additional legal counsel to handle the increased volume and complexity of OH's financial transactions legal costs;
- \$20,000 for customized Seattle housing market data to inform the office's planning and policy analyses
- \$20,000 to host four community events annually: two focused on housing-related policy issues such as affordable housing workshops for community-based organizations, and the other two focused on specific projects such as Fort Lawton outreach;
- \$20,000 to provide outreach and engagement efforts for the office's direct service programs, especially in underserved communities to better align with the City's Race and Social Justice Initiative (RSJI) and efforts to improve access to the City's services for those with limited English skills as stated in Executive Order 2017-10
- \$10,000 for staff training with subject-matter experts on topics such as loan underwriting for affordable housing projects, and creating housing-specific learning opportunities for RSJI; and
- \$65,000 for position reclassifications and subsequent cost adjustments approved by the Department of Human Resources.

### **Proposed Technical Changes**

#### **Community Development Block Grant Reduction**

This item is a technical adjustment to the Community Development Block Grant (CDBG) allocations in the department. The \$74,915 reduction in the CDBG administrative funding will be replaced with more than \$80,000 in additional HOME Investment Partnerships Program (HOME) administrative funding. In 2018, the department received an incremental increase of \$809,944 in total HOME funding from the previous year and it's expected to continue in 2019 and 2020. Ten percent of this amount is eligible for administrative funding.

# Office of Housing

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	418,770	576,068	555,025
Office of Housing Fund (16600)	5,376,518	5,319,898	5,353,214
<b>Total for BSL: BO-HU-1000</b>	<b>5,795,288</b>	<b>5,895,966</b>	<b>5,908,239</b>
<b>Homeownership &amp; Sustainability Budget Summary Level</b>			
General Fund	50,000	0	0
Low-Income Housing Fund (16400)	5,226,234	5,226,234	5,226,234
Office of Housing Fund (16600)	1,206,882	1,241,382	1,243,328
<b>Total for BSL: BO-HU-2000</b>	<b>6,483,116</b>	<b>6,467,616</b>	<b>6,469,562</b>
<b>Multifamily Housing Budget Summary Level</b>			
Low-Income Housing Fund (16400)	55,419,060	55,419,060	55,419,060
Office of Housing Fund (16600)	1,350,786	1,350,786	1,352,213
<b>Total for BSL: BO-HU-3000</b>	<b>56,769,846</b>	<b>56,769,846</b>	<b>56,771,273</b>
<b>Department Total</b>	<b>69,048,250</b>	<b>69,133,428</b>	<b>69,149,074</b>
<b>Department Full-time Equivalent Total*</b>	<b>44.50</b>	<b>45.00</b>	<b>45.00</b>

\* 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 Summary by Fund for Housing

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	468,770	576,068	555,025
16400 - Low-Income Housing Fund (16400)	60,645,294	60,645,294	60,645,294
16600 - Office of Housing Fund (16600)	7,934,186	7,912,066	7,948,755
<b>Budget Totals for OH</b>	<b>69,048,250</b>	<b>69,133,428</b>	<b>69,149,074</b>

# Office of Housing

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
411100	Property Tax Levy	37,862,143	37,862,143	37,862,143
433010	Federal grants - CDBG	1,057,278	1,057,278	1,057,278
433010	Federal Grants - Weatherization	632,734	1,000,000	1,000,000
434010	State Grants - Weatherization	975,000	600,000	600,000
445810	Bonus/MHA Capital	18,000,000	18,000,000	18,000,000
461110	Investment Earnings	2,000,000	2,000,000	2,000,000
469930	Program Income	4,000,000	4,000,000	4,000,000
471010	Federal Grants-HOME Program	2,262,246	2,968,574	2,968,574
569990	Local Grants-Weatherization	1,665,000	1,707,000	1,750,000
	<b>Total Low-Income Housing Fund Revenues</b>	<b>68,454,401</b>	<b>69,194,995</b>	<b>69,237,995</b>
587001	General Subfund	468,740	576,068	555,025
	<b>Total General Fund</b>	<b>468,740</b>	<b>576,068</b>	<b>555,025</b>
411100	Levy Administration	3,566,429	3,566,429	3,566,429
433010	Federal grants - CDBG	491,349	387,731	387,731
433010	Federal Grants-Weatherization	753,226	750,000	750,000
434010	State Grants-Weatherization	232,000	250,000	250,000
445800	MFTE application fees	160,000	200,000	200,000
445810	Bonus/MHA Administration	2,000,000	2,000,000	2,000,000
469990	Miscellaneous Revenue	0	0	0
471010	HOME Administration	226,224	329,842	329,842
541490	City Light Administration	775,000	795,000	815,000
	<b>Total Operating Fund Revenues</b>	<b>8,204,228</b>	<b>8,279,002</b>	<b>8,299,002</b>
	<b>Total Revenues</b>	<b>77,127,369</b>	<b>78,050,065</b>	<b>78,092,022</b>
379100	Use of (Contribution To) Fund Balance	-7,459,077	-8,549,701	-8,592,701
	<b>Total Low-Income Housing Fund Revenues</b>	<b>-7,459,077</b>	<b>-8,549,701</b>	<b>-8,592,701</b>
379100	Use of (Contribution To) Fund Balance	-620,042	-366,936	-350,247
	<b>Total Operating Fund Revenues</b>	<b>-620,042</b>	<b>-366,936</b>	<b>-350,247</b>
	<b>Total Resources</b>	<b>69,048,250</b>	<b>69,133,428</b>	<b>69,149,074</b>

# Office of Housing

## Appropriations By Budget Summary Level (BSL) and Program

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide centralized leadership, strategic planning, program development, and financial management support services to the office.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	751,817	764,478	747,159
Departmental Indirect Costs	3,420,550	3,629,311	3,615,363
Policy & Planning	950,541	801,541	803,325
Pooled Benefits	672,380	700,636	742,392
<b>Total</b>	<b>5,795,288</b>	<b>5,895,966</b>	<b>5,908,239</b>
Full-time Equivalents Total*	17.50	17.50	17.50

*\* 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.*

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

#### **Citywide Indirect Costs Program**

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	751,817	764,478	747,159
Full-time Equivalents Total	0.00	0.00	0.00

#### **Departmental Indirect Costs Program**

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	3,420,550	3,629,311	3,615,363
Full-time Equivalents Total	9.50	9.50	9.50

# Office of Housing

## Policy & Planning Program

The purpose of the Policy & Planning program is to provide strategic planning, program development, and vacant land redevelopment services to increase housing opportunities for Seattle residents.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Policy & Planning	950,541	801,541	803,325
Full-time Equivalents Total	8.00	8.00	8.00

## Pooled Benefits Program

The purpose of the Pooled Benefits program is to fund department costs associated with health and dental insurance, workers compensation, and unemployment insurance contributions.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Pooled Benefits	672,380	700,636	742,392
Full-time Equivalents Total	0.00	0.00	0.00

## Homeownership & Sustainability Budget Summary Level

The purpose of the Homeownership & Sustainability Budget Summary Level is to provide loans and grants to low-income Seattle residents to support first-time home-buyers, health and safety home repair needs, and energy efficiency improvements.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Home Ownership	1,680,078	1,680,078	1,680,317
Home Repair	727,469	727,469	727,722
Weatherization	4,075,569	4,060,069	4,061,523
<b>Total</b>	<b>6,483,116</b>	<b>6,467,616</b>	<b>6,469,562</b>
Full-time Equivalents Total*	14.50	15.00	15.00

*\* 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.*

# Office of Housing

**The following information summarizes the programs in Homeownership & Sustainability Budget Summary Level:**

## Home Ownership Program

The purpose of the Home Ownership program is to support first-time homebuyers and existing low-income homeowners through down payment assistance loans, subsidies for permanently affordable homes, and foreclosure prevention loans.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Home Ownership	1,680,078	1,680,078	1,680,317
Full-time Equivalents Total	1.50	1.50	1.50

## Home Repair Program

The purpose of the Home Repair program is to provide grants or no- to low-interest loans to assist low-income homeowners with critical home repairs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Home Repair	727,469	727,469	727,722
Full-time Equivalents Total	2.00	2.00	2.00

## Weatherization Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Weatherization	4,075,569	4,060,069	4,061,523
Full-time Equivalents Total	11.00	11.50	11.50

## **Multifamily Housing Budget Summary Level**

The purpose of the Multifamily Lending Budget Summary Level is to make long-term, low-interest loans to develop or preserve affordable multifamily rental housing; and to monitor the affordable housing portfolio.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Asset Management	7,148,861	7,148,861	7,149,536
Multifamily Lending	49,620,985	49,620,985	49,621,737
<b>Total</b>	<b>56,769,846</b>	<b>56,769,846</b>	<b>56,771,273</b>
Full-time Equivalents Total*	12.50	12.50	12.50

*\* 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.*

# Office of Housing

*The following information summarizes the programs in Multifamily Housing Budget Summary Level:*

## **Asset Management Program**

The purpose of the Asset Management program is to monitor the housing portfolio to ensure that the policy objectives of the City are achieved and the units remain in good condition.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Asset Management	7,148,861	7,148,861	7,149,536
Full-time Equivalents Total	6.50	6.50	6.50

## **Multifamily Lending Program**

The purpose of the Multifamily Lending program is to employ the Housing Levy and other federal and local funding to make low-interest loans to developers to develop or preserve affordable multifamily rental housing.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Multifamily Lending	49,620,985	49,620,985	49,621,737
Full-time Equivalents Total	6.00	6.00	6.00





# Department of Neighborhoods

Andrés Mantilla, Director

206-684-0535

[www.seattle.gov/neighborhoods](http://www.seattle.gov/neighborhoods)

## Department Overview

The Department of Neighborhoods (DON) strives to strengthen Seattle by engaging all communities. DON serves residents of Seattle by providing programmatic support and building inclusive partnerships to help ensure that they receive equitable access to government and opportunities to build community. This is accomplished by fostering community partnerships, cultivating emerging leadership and facilitating community inclusiveness. Outreach and engagement is the core of DON's mission, with equity serving as a guiding principle.

By establishing and implementing equitable outreach and engagement practices, DON is creating opportunities, promoting community building and broadening accessibility, which are important components to any community involvement process and reflected in the programs DON administers.

DON has three lines of business:

The **Community Building Division** delivers technical assistance, supports services, grants, commissions, and programs in neighborhoods to strengthen local communities, engages residents in community improvement, leverages resources and completes neighborhood-initiated projects. The programs that support this work include:

- Community Engagement Coordinators
- Community Liaisons
- Duwamish River Opportunity Fund
- Find It Fix It Walks
- Historic Preservation
- Housing Affordability and Livability Agenda
- Major Institutions and Schools
- P-Patch
- Participatory Budgeting
- People's Academy for Community Engagement (PACE)

The **Executive Leadership and Administration Division** provides executive leadership, communications, and internal operations and administration support for the entire department. These support functions include financial, human resources, information technology, facility, and administrative.

The **Neighborhood Matching Fund Division** provides support to local grassroots projects within neighborhoods and communities by providing funding to match community contributions of volunteer labor, donated professional services and materials, or cash, to implement community-based self-help projects.

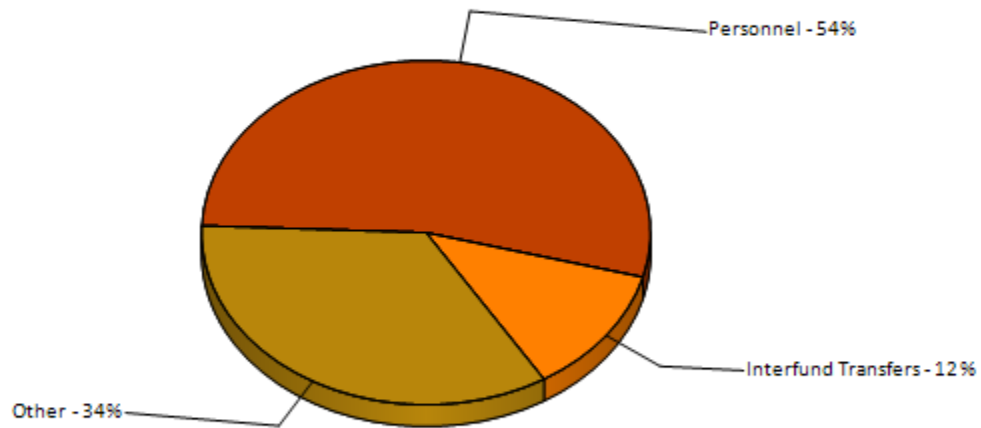
# Department of Neighborhoods

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$12,542,399	\$13,198,004	\$12,837,061
<b>Total Operations</b>	<b>\$12,542,399</b>	<b>\$13,198,004</b>	<b>\$12,837,061</b>
<b>Total Appropriations</b>	<b>\$12,542,399</b>	<b>\$13,198,004</b>	<b>\$12,837,061</b>
Full-time Equivalent Total*	62.50	56.50	56.50

\* 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.

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget lays the groundwork for DON to further improve upon recent efforts to centralize and coordinate City outreach and engagement and make these efforts more equitable and accessible to communities. DON will continue to play a central role in the Mayor's commitment to bringing City Hall directly to communities and reaching underserved residents. The proposed budget supports outreach and engagement in the Chinatown-International District, finds efficiencies in operations, improves Historic Preservation cost recovery, and includes certain technical adjustments to improve overall department operations.

# Department of Neighborhoods

## **Chinatown-International District (CID) Community Outreach and Engagement**

The City began the CID Framework and Implementation Plan in 2018 to address longstanding needs in this historically underserved community. This Citywide effort uses work groups consisting of City staff and community members to discuss major concerns such as public safety and affordable housing, and make recommendations. To ensure the community's needs are heard, the proposed budget includes funding for a more people-centered community planning process.

## **Citywide General Fund Efficiencies**

The Mayor is committed to a budget that works best for the people of Seattle, one that focuses on improving affordability and lays the groundwork for a better future for all. The proposed budget recognizes efficiencies Citywide. The department met its General Fund reduction target by reorganizing programs to better serve community, realigning staff capacity within the department, and reducing the operations budget.

With these program and staff changes, all staff will perform outreach and engagement either directly or indirectly. The realignments allow for removing three vacant positions affecting the Duwamish River Opportunity Fund, Community Liaison, and Community Engagement Coordinators programs.

The operating budget reductions consist of items that are no longer necessary or are efficiencies, which includes eliminating the budgets for database maintenance, training and travel, and a City survey; and repurposing a fellowship fund for Census 2020 community grants and engagement.

## **Improving Historic Preservation Cost Recovery**

In 2018, Council asked the department's Historic Preservation Program for options to improve cost recovery. Currently, all construction projects involving a landmark or in a historic district are charged the same minimum fee. The department proposes charging new construction projects a higher maximum fee as these projects often require significantly more staff time due the complexity of projects with higher construction costs. This will help the City recover some of its program staff expenses.

## **Technical Appropriations Adjustment**

This technical adjustment increases budget authority to accept revenues for costs from inter- and intra-department transfers that previously were not reflected in the budget. This is in line with the City's best practices in accounting.

## Department of Neighborhoods

### Incremental Budget Changes

#### Department of Neighborhoods

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 12,542,399</b>	<b>62.50</b>	<b>\$ 12,542,399</b>	<b>62.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 741,236	0.00	\$ 583,255	0.00
Adjustment for One-Time Budget Additions	-\$ 327,150	-1.00	-\$ 327,150	-1.00
Net-Zero Intra-Department Transfers	\$ 0	0.00	\$ 0	0.00
Fully Fund Design Review Position	\$ 24,049	0.00	\$ 24,049	0.00
<b>Proposed Changes</b>				
Chinatown-International District (CID) Community Outreach and Engagement	\$ 200,000	0.00	\$ 0	0.00
Citywide General Fund Efficiencies	-\$ 98,596	0.00	-\$ 98,596	0.00
Improving Historic Preservation Cost Recovery	\$ 0	0.00	\$ 0	0.00
Internal Capacity Efficiencies	-\$ 353,934	-3.00	-\$ 356,896	-3.00
Transfer Accounting Support to the Department of Education and Early Learning	\$ 0	-2.00	\$ 0	-2.00
<b>Proposed Technical Changes</b>				
Appropriation Authority Transparency	\$ 470,000	0.00	\$ 470,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 655,605</b>	<b>-6.00</b>	<b>\$ 294,662</b>	<b>-6.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 13,198,004</b>	<b>56.50</b>	<b>\$ 12,837,061</b>	<b>56.50</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$741,236**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

# Department of Neighborhoods

## **Adjustment for One-Time Budget Additions - (\$327,150)/(1.00) FTE**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget: Duwamish Valley outreach and engagement (\$25,000); Historic Preservation technological process improvement (\$17,102); Housing Affordability and Livability Agenda outreach and engagement (\$39,000); Summit Re-Implementation capacity (\$77,492); a public safety survey (\$20,000); and a Participatory Budgeting (Your Voice, Your Choice) position and related program expenses (\$148,556).

## **Net-Zero Intra-Department Transfers**

This item includes two net-zero transfers to realign positions and funding between budget programs: one moves a Strategic Advisor 2 and funding from Departmental Indirect Costs to Community Engagement Coordinators and the other moves an Administrative Specialist III-BU from Community Engagement Coordinators to Departmental Indirect Costs.

## **Fully Fund Design Review Position - \$24,049**

This item adjusts the funding for the Design Review community outreach position, one added by Council in the 2018 Adopted Budget. Council provided funding for three-quarters of 2018, requiring this adjustment to be fully funded in ongoing years.

## **Proposed Changes**

### **Chinatown-International District (CID) Community Outreach and Engagement - \$200,000**

This adjustment adds one-time funding to provide the City's CID Framework and Implementation Plan with a more people-centered community planning process. This is in response to the community's request for better outreach and engagement. This funding will focus on supporting community planning for the activation at King Street under I-5. The funding will provide project management, technical assistance for the activation plans, two in-language Community Liaisons, and compensation for community members or organizations involved in the planning process.

### **Citywide General Fund Efficiencies - (\$98,596)**

As part of a Citywide effort to recognize efficiencies, the department has three reductions and is repurposing funding. The first reduction eliminates \$14,000 for an external vendor to provide maintenance for a P-Patch database. This funding is not necessary as the department's central cost allocations for Information Technology include maintenance services. The second reduction eliminates the \$4,596 budget for training and travel expenses. The department will instead use the free City training programs provided by the Seattle Department of Human Resources and the Employee Assistance Program. The third reduction eliminates funding for the Community Satisfaction Survey. Council added \$80,000 for this survey in the 2017 Adopted Budget, but the department was unable to conduct a survey until 2018. Instead of a survey run by one department, the Mayor wants a true Citywide effort including the major public-facing departments such as Seattle City Light and Seattle Public Utilities. This will ensure a better snapshot at how Seattle residents experience the full range of City services. The Department of Neighborhoods will set aside \$20,000 of 2018 funding to be carried forward to 2019 to set the groundwork for this Citywide effort.

The department proposes a repurposing of existing funding for fellowships at community-based organizations to provide outreach and engagement grants for the 2020 Census. Recent federal actions threaten to undermine the ability of the Census to fully count all of Seattle's residents so additional help to counter this effect is needed. The City Council added \$150,000 in funding for fellowships at community-based organizations that provide leadership development opportunities and increase organizational capacity. The department will use a matching

## Department of Neighborhoods

fund model to encourage community-based participation and build capacity. Any other programmatic impacts caused by this change will be absorbed either by existing Neighborhood Matching Fund grants or through the People's Academy for Community Engagement (PACE) program. PACE provides training for emerging leaders in civic engagement and outreach. This program can be adjusted to allow for similar non-profit skills development and organizational capacity. The funding's purpose should be reassessed following the completion of the 2020 Census work.

### **Improving Historic Preservation Cost Recovery**

In the 2018, the City Council issued Statement of Legislative Intent 183-1-A-1 that requested the department's historic preservation program propose a way to improve cost recovery. The proposal included in this adjustment will increase the maximum fees for new construction projects in historic districts. Previously, all projects, whether a rehabilitation or new construction, paid the same \$4,000 maximum fee. Now, a new maximum fee of \$20,000 will apply to new construction projects. These are projects that completely start from scratch by either building on an empty lot or by tearing down a building. Any other project involving a historic structure, whether a landmark building or in a historic district, will be considered a rehabilitation project and only pay the \$4,000 maximum fee. This fee change will not have any negative impact on housing affordability. Generally, historic areas are considered more affordable due to the preservation of older buildings which are less expensive. Further, the new fee will not apply to new affordable housing projects receiving some public financing. This recommendation is projected to increase revenues to the General Fund by \$114,970 annually in 2019 and 2020.

### **Internal Capacity Efficiencies - (\$353,934)/(3.00) FTE**

This item recognizes the removal of three vacant positions: a Grants and Contracts Specialist (\$97,000), a Strategic Advisor 1, Exempt (\$117,595), and a Planning and Development Specialist, Supervising (\$139,339). The Grants and Contract Specialist managed contracts and Memorandums of Agreement for the Duwamish River Opportunity Fund (DROF), the Summer Opportunity Fund, and other department community investment programs. With the Human Services Department assuming full responsibility of the Summer Opportunity Fund and the department's existing capacity to absorb DROF and other work areas, this position is no longer necessary. The Strategic Advisor 1, Exempt supervised the Community Liaisons program. Two other Community Liaisons supervisors will be able to absorb the supervisory work and support staff will handle the rest of the additional workload. The Planning and Development Specialist, Supervising position supervised the Community Engagement Coordinators. After an internal shuffling of capacity and roles, another lead in the department's Outreach and Engagement Division will be able to absorb the workload.

### **Transfer Accounting Support to the Department of Education and Early Learning/(2.00) FTE**

This item recognizes the end of a Memorandum of Understanding between the Department of Education and Early Learning (DEEL) and the Department of Neighborhoods for accounting services. DEEL is a relatively new department having been created in 2015, and, whereas it needed external support before, it doesn't now as it has its own accounting unit. No budget transfer is necessary as the positions were paid for via contra expenditures, and the two Accounting Tech III-BU positions will now reside in DEEL.

## **Proposed Technical Changes**

### **Appropriation Authority Transparency - \$470,000**

This technical adjustment increases budget authority for costs from inter- and intra-department transfers that previously were not reflected in the budget. Two programs within the department are affected and will require additional appropriation authority: the Community Liaisons program needs an additional \$460,000 in appropriation authority, and the People's Academy for Community Engagement needs an additional \$10,000 in appropriation authority to accurately reflect revenue supporting these activities.

## Department of Neighborhoods

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	3,266,825	3,736,461	3,549,409
<b>Total for BSL: BO-DN-I3100</b>	<b>3,266,825</b>	<b>3,736,461</b>	<b>3,549,409</b>
<b>Community Building Budget Summary Level</b>			
General Fund	5,045,528	5,369,731	5,187,398
<b>Total for BSL: BO-DN-I3300</b>	<b>5,045,528</b>	<b>5,369,731</b>	<b>5,187,398</b>
<b>Neighborhood Matching Fund Budget Summary Level</b>			
General Fund	4,230,046	4,091,812	4,100,254
<b>Total for BSL: BO-DN-I3400</b>	<b>4,230,046</b>	<b>4,091,812</b>	<b>4,100,254</b>
<b>Department Total</b>	<b>12,542,399</b>	<b>13,198,004</b>	<b>12,837,061</b>
<b>Department Full-time Equivalents Total*</b>	<b>62.50</b>	<b>56.50</b>	<b>56.50</b>

\* 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 Summary by Fund for Neighborhoods

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	12,542,399	13,198,004	12,837,061
<b>Budget Totals for DON</b>	<b>12,542,399</b>	<b>13,198,004</b>	<b>12,837,061</b>

# Department of Neighborhoods

## Appropriations By Budget Summary Level (BSL) and Program

### **Leadership and Administration Budget Summary Level**

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology and business support to the Department of Neighborhoods.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	821,514	1,499,640	1,295,204
Departmental Indirect Costs	2,445,311	2,236,821	2,254,205
<b>Total</b>	<b>3,266,825</b>	<b>3,736,461</b>	<b>3,549,409</b>
Full-time Equivalents Total*	17.75	15.75	15.75

*\* 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.*

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

#### **Citywide Indirect Costs Program**

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	821,514	1,499,640	1,295,204
Full-time Equivalents Total	0.00	0.00	0.00

#### **Departmental Indirect Costs Program**

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	2,445,311	2,236,821	2,254,205
Full-time Equivalents Total	17.75	15.75	15.75



# Department of Neighborhoods

## **Community Building Budget Summary Level**

The purpose of the Community Building Budget Summary Level is to deliver technical assistance, support services, and programs in neighborhoods to strengthen local communities, engage residents in neighborhood improvement, leverage resources, and complete neighborhood-initiated projects.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Community Engagement Coordinators	1,760,948	1,895,322	1,707,299
Community Liaisons	492,402	836,317	840,359
Duwamish River Opportunity Fund	371,774	250,000	250,000
FIFI	30,000	30,000	30,000
HALA	175,846	137,148	138,225
Historic Preservation	880,601	865,613	873,054
Major Institutions and Schools	223,849	224,453	226,553
P-Patch	863,676	881,748	870,667
PACE	130,952	141,254	142,309
Participatory Budgeting	115,480	107,876	108,932
<b>Total</b>	<b>5,045,528</b>	<b>5,369,731</b>	<b>5,187,398</b>
Full-time Equivalents Total*	35.75	32.75	32.75

*\* 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.*

**The following information summarizes the programs in Community Building Budget Summary Level:**

### **Community Engagement Coordinators Program**

The purpose of the Community Engagement Coordinators Program is to provide a range of technical assistance and support services for residents and neighborhood groups to develop a sense of partnership among neighborhood residents, businesses, and City government.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Community Engagement Coordinators	1,760,948	1,895,322	1,707,299
Full-time Equivalents Total	12.00	11.00	11.00

### **Community Liaisons Program**

The purpose of the Community Liaisons Program is to provide equitable outreach and engagement in a culturally competent manner to historically underserved communities. This is done for City departments through independent contractors who serve as resources and liaisons for community members, provide quality translations and interpretations and advise on best practices for engaging with their communities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Community Liaisons	492,402	836,317	840,359
Full-time Equivalents Total	4.75	3.75	3.75

# Department of Neighborhoods

## Duwamish River Opportunity Fund Program

The purpose of the Duwamish River Opportunity Fund Program is to support new and existing small-scale programs focused on the challenges faced by communities in the Duwamish River area.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Duwamish River Opportunity Fund	371,774	250,000	250,000
Full-time Equivalents Total	1.00	0.00	0.00

## FIFI Program

The purpose of the Find It Fix It (FIFI) Program is provide funds for grassroots projects to improve neighborhood infrastructure.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FIFI	30,000	30,000	30,000
Full-time Equivalents Total	0.00	0.00	0.00

## HALA Program

The purpose of the Housing Affordability Livability Agenda (HALA) Program is to address affordable housing and livability within the City through outreach and engagement efforts.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
HALA	175,846	137,148	138,225
Full-time Equivalents Total	1.00	1.00	1.00

## Historic Preservation Program

The purpose of the Historic Preservation Program is to provide technical assistance, outreach, and education to the general public, owners of historic properties, government agencies, and elected officials to identify, protect, rehabilitate, and re-use historic properties

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Historic Preservation	880,601	865,613	873,054
Full-time Equivalents Total	7.00	7.00	7.00

## Major Institutions and Schools Program

The purpose of the Major Institutions and Schools Program is to coordinate community involvement in the development, adoption, and implementation of Major Institution Master Plans, and to facilitate community involvement in school re-use and development.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Major Institutions and Schools	223,849	224,453	226,553
Full-time Equivalents Total	2.00	2.00	2.00

## PACE Program

## Department of Neighborhoods

The purpose of the People's Academy for Community Engagement (PACE) Program is to provide leadership development and skill building of emerging leaders in a multicultural, participatory adult learning environment where participants learn hands-on strategies for community building, inclusive engagement, and accessing governments form experts in the field

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
PACE	130,952	141,254	142,309
Full-time Equivalent Total	1.00	1.00	1.00

### Participatory Budgeting Program

The purpose of the Participatory Budgeting (Your Voice Your Choice) Program is to provide a process in which Seattle residents democratically decide how to spend a portion of the City's budget.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Participatory Budgeting	115,480	107,876	108,932
Full-time Equivalent Total	1.00	1.00	1.00

### P-Patch Program

The purpose of the P-Patch Program is to provide community gardens, gardening space, and related support to Seattle residents while preserving open space for productive purposes, particularly in high-density communities

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
P-Patch	863,676	881,748	870,667
Full-time Equivalent Total	6.00	6.00	6.00

### **Neighborhood Matching Fund Budget Summary Level**

The purpose of the Neighborhood Matching Fund Budget Summary Level is to support local grassroots projects within neighborhoods and communities. The Neighborhood Matching Fund provides funding to match community contributions of volunteer labor, donated professional services and materials, or cash, to implement community-based self-help projects.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Neighborhood Matching	4,230,046	4,091,812	4,100,254
<b>Total</b>	<b>4,230,046</b>	<b>4,091,812</b>	<b>4,100,254</b>
Full-time Equivalent Total*	9.00	8.00	8.00

*\* 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.*



# Office of Planning and Community Development

Sam Assefa, Director

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

## Department Overview

The Office of Planning and Community Development (OPCD) engages in citywide and neighborhood planning efforts to ensure Seattle supports thriving communities with a mix of amenities, open space, transportation, affordable housing, and educational and economic opportunity. OPCD manages a coordinated vision for development to inform decisions about equitable growth consistent with Seattle's Comprehensive Plan.

The director of OPCD co-chairs the Capital Subcabinet with the director of the City Budget Office (CBO) to facilitate a coordinated decision-making structure to guide planning and implementation of infrastructure investments. The Capital Cabinet is comprised of key staff from the Mayor's Office, department directors who have responsibility for major capital projects, as well as directors of departments that support neighborhoods and businesses where these infrastructure investments are made. OPCD works with members of the cabinet to ensure the City's capital investments support community development objectives, and that department priorities are aligned and reflected in policies and budget resources.

OPCD is organized to support four organizational areas: Leadership and Administration, Planning, Design Commission, and Planning Commission.

### Leadership and Administration

OPCD's Leadership and Administration program provides policy and planning leadership within OPCD and in the organization's work coordinating departments across the City. The program also provides support in the areas of finance, community engagement, administrative assistance, and communications with the Mayor, Councilmembers, staff, and constituents.

### Planning

OPCD's Planning work program is undertaken at a variety of scales, including citywide initiatives and programs, neighborhood-based projects, and local actions at the block or individual property level. OPCD works with local residents, businesses, non-profits, property owners, institutions, governments and other City departments. Priorities are informed by data on population and job growth, environment and open space, race and social justice, and other topics. OPCD's Planning program:

- anticipates future growth and trends to inform City policies;
- works with partners to craft plans and strategies for public spaces and neighborhood amenities;
- creates new partnerships to encourage equitable, transit-oriented development;
- coordinates across departments to undertake strategies that advance opportunities for affordable housing;
- supports community-based investments to address displacement pressures and support equitable development;
- undertakes intensive community engagement in coordination and partnership with the Department of Neighborhoods; and
- convenes citywide conversations around urban design, growth, planning and other urban issues.

# Office of Planning and Community Development

## Design Commission

The Seattle Design Commission promotes civic design excellence in capital improvement projects that are located on City land, in the City right-of-way, or constructed with City funds. The Seattle Design Commission consists of 3.5 FTE staff and 10 commissioners that meet twice a month and review City-funded capital projects such as community centers, park facilities, fire stations and police stations. The commission advises the Mayor, the City Council and City departments on the design of capital improvements and other projects and policies that shape Seattle's public realm. The commission provides recommendations on aesthetic, environmental and design principles and policies, and promotes interdepartmental and interagency coordination.

## Planning Commission

The Seattle Planning Commission advises the Mayor, the City Council and City departments on broad planning goals, policies and plans for the physical development of the city. Comprised of 3.5 FTE staff and 16 volunteers, the commission's work is framed by the Comprehensive Plan and seeks public comment and participation as a part of the process to achieve the plan's vision. The commission provides independent analysis and promotes issues vital to livability.

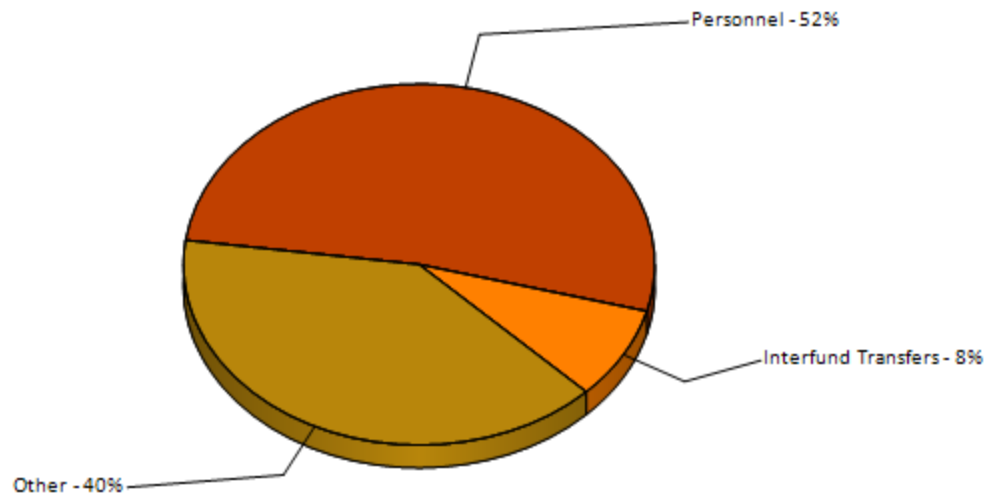
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$7,533,755	\$11,767,114	\$11,691,831
Other Funding - Operating	\$504,736	\$546,136	\$539,950
<b>Total Operations</b>	<b>\$8,038,491</b>	<b>\$12,313,250</b>	<b>\$12,231,781</b>
<b>Total Appropriations</b>	<b>\$8,038,491</b>	<b>\$12,313,250</b>	<b>\$12,231,781</b>
Full-time Equivalent Total*	45.50	44.00	44.00

\* 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.

# Office of Planning and Community Development

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of Planning and Community Development (OPCD) was established via [Ordinance 124919](#) in December 2015. OPCD continues with a robust planning and community development program through a variety of planning initiatives described below.

#### Comprehensive Planning

OPCD is the steward of the City's Comprehensive Plan, a 20-year vision and roadmap for Seattle's future. The Comprehensive Plan guides City decisions on where to create new jobs and residences, how to improve the transportation system, and where to make capital investments such as utilities, sidewalks, and libraries. It provides a framework to guide most of Seattle's big-picture decisions on how to manage growth while preserving and improving our neighborhoods.

The Comprehensive Plan identifies the need for investment in anti-displacement strategies in certain areas of the City characterized by high levels of chronic and recent displacement and significant populations of marginalized communities. Anti-displacement strategies are intended to help maintain affordability, anchor cultural communities, and provide education and economic opportunities for current residents. This work is supported by OPCD's demographer and other staff who conduct research and identify development and growth trends, and report on the City's progress toward specific indicators for growth, investments and community health.

#### Equitable Development Initiative (EDI)

The Equitable Development Initiative is coordinated by OPCD and is guided by an interdepartmental working group from the Office of Housing (OH), Department of Neighborhoods (DON), Office of Economic Development (OED),

# Office of Planning and Community Development

Mayor's Office (MO), and City Budget Office (CBO). It is also informed by an external community advisory board representing impacted communities.

In 2018, OPCD completed a Request For Proposal (RFP) to provide funding to ten projects added to the initial five identified by the Seattle City Council in 2017. Staff are now working on capital and capacity building grants for fifteen projects, which include:

- Rainier Beach Food Innovation District
- Multicultural Community Center
- Southeast Economic Opportunity Center
- William Grose Cultural Innovation Hub
- Little Saigon Landmark Project
- African Women Business Alliance
- Black and Tan Hall
- Chief Seattle Club
- Duwamish Valley Affordable Housing Coalition
- Ethiopian Community Center
- Filipino Community Village
- Midtown Plaza
- Refugee and Immigrant Family Center
- Daybreak Star Center
- West African Community Center

The anticipated commitments for these projects is approximately \$15 million with funds distributed over the next several years based on the particular circumstances of the projects. Several of the projects are applying for funding from the Office of Housing and their timelines will be dependent on when they secure financing from their additional sources.

The EDI project funding program was initially funded with the one-time \$16 million in proceeds from the sale of surplus property known as the Civic Square Block, as well as a small amount of Community Development Block Grant dollars. The 2019-2020 Proposed Budget includes \$5 million per year for the EDI program from dedicated Short-Term Rental (STR) tax revenues. A portion of this ongoing resource will support the staff needed to implement what can now be an ongoing program, with the remainder fully dedicated to funding EDI projects. The Washington state legislature passed a Short -Term Rental tax in the 2018 legislative session. The City Council repealed the City's similar tax on short-term rentals in 2018 in order to collect revenue from the State's version of the tax. Using the STR tax resources for the Equitable Development Initiative is consistent with the State requirements, which specify that the STR tax revenue be used for affordable housing and community driven equitable development initiatives. Using STR tax revenue for EDI is also consistent with the intent of the City's version of the recently repealed tax.

EDI is also funded with \$430,000 of Community Development Block Grant (CDBG) dollars in both 2019 and 2020. CDBG dollars will support construction or site development work. CDBG dollars are received as part of a grant from the federal government.

EDI staff is anticipating releasing another RFP in 2020, the specifics of which will be worked out during 2019 in partnership with community stakeholders. This process will be encapsulated into a formal Equity Analysis that will help distill priorities for the initiative.

## **Affordable Housing**

OPCD works closely with OH and other City departments to conduct housing policy analysis, and implement policies that increase housing choices, including the amount of housing that is affordable and available to Seattle's current and future residents. In 2018 OPCD continues its work to implement the Housing Affordability and



# Office of Planning and Community Development

Livability Agenda (HALA) recommendations. A recent report from OPCD and OH shows that average rents in unsubsidized rentals in Seattle are too high to be affordable to many renter households. Over 45,000 Seattle households pay more than half their income for housing. OPCD reports that 8,742 housing units were built during 2017, and an additional 1,500 units were built during the first quarter of 2018. Approximately 22,000 new housing units were in the development pipeline as of March 2018. This additional housing supply is expected to moderate housing price increases in the coming years by helping to meet growing demand.

## *Mandatory Housing Affordability*

Mandatory Housing Affordability (MHA) is a policy to ensure that growth brings affordability. MHA will require that new development projects either include affordable homes or contribute to a City fund for building affordable housing. In 2018, OPCD continued working to implement Mandatory Housing Affordability (MHA) in 27 urban villages throughout the City. The Mayor and City Council adopted the MHA requirements for the University District, Downtown, South Lake Union, the Chinatown-International District, Central Area, and Uptown in 2017.

The MHA program, through payments to the City and affordable units built on site, is expected to produce more than 6,000 net new income and rent-restricted housing units over 10 years. OPCD completed an Environmental Impact Statement (EIS) evaluating alternatives for implementing MHA in all urban villages throughout the city, and transmitted legislation to City Council to implement MHA in those urban villages in the fourth quarter of 2017. Amendments to expand several urban villages near high-performing transit hubs, as envisioned in the Seattle 2035 Comprehensive Plan, will be made in parallel with implementation of MHA. In 2018, OPCD worked with the City Council to perform additional community outreach and conducted a series of public hearings and Council select committee briefings on the MHA citywide implementation. Several community groups filed an appeal of the EIS in 2018 and OPCD continues to work with the Law Department to resolve the appeal. Following an expected decision from the Hearing Examiner in late 2018, OPCD will support the City Council to pass legislation to implement MHA in urban villages and commercial and multi-family zoned areas during the first half of 2019.

## *Accessory Dwelling Units*

OPCD advanced work to facilitate construction of Accessory Dwelling Units (ADUs) in 2018. OPCD released a Draft EIS evaluating potential code changes to boost ADU construction. OPCD also worked with the Seattle Department of Construction and Inspections to explore and develop an approach for pre-approved plans for ADUs. OPCD expects to continue work on these ADU initiatives in 2019, including publishing a Final EIS, transmittal of Land Use Code amendments to the City Council, and formalization of a pre-approved plans process.

## **Community Planning and Placemaking**

OPCD's community planning work program includes a variety of approaches, geographic scales and areas of focus.

### *Practice and Priorities*

In July of 2018, OPCD published and transmitted a report to City Council titled *Community Planning: Practice and Prioritization*. The report outlines the department's community planning approaches, presents priorities based on growth and equity considerations, and identifies neighborhoods with whom the department expects to work in the coming years, which include Westwood/Highland Park, Aurora/Licton Springs, Columbia City/Hillman City, and the Graham Street station area.

### *New Initiatives*

OPCD is currently scoping community planning projects in two neighborhoods in north Seattle. In the Crown Hill Urban Village, OPCD has begun to engage with members of the community and is refining the scope of work with the Seattle Department of Transportation (SDOT), Seattle Public Utilities, the Office of Economic Development and other departments. This work will focus on changes to the public realm such as design guidance, pedestrian amenities, business district vitality and drainage. In the NE 130th station area neighborhood, OPCD is in the early

# Office of Planning and Community Development

phases of scoping a visioning process. OPCD is engaging with residents of these neighborhoods as well as SDOT, the Department of Parks and Recreation, Sound Transit and many other agencies and expects to wrap-up both processes at the end of 2019. In 2018, OPCD also launched *Imagine Greater Downtown* to identify transformative ideas for the center city and expect this work to result in additional projects in subsequent years.

## Sound Transit 3

OPCD is co-leading an interdepartmental team with SDOT on Alternatives Development for the Sound Transit 3 West Seattle and Ballard Link Extension (WSBLT) project. This phase of work will conclude in the Spring of 2019. In 2019-2020 OPCD will continue to partner with SDOT to coordinate with other city departments in advising Sound Transit on station location and alignment decisions. OPCD will also continue to coordinate with our elected leaders (Mayor Durkan and six Councilmembers) who are members of the [West Seattle and Ballard Link Extension Project Elected Leadership Group](#), and actively participate in four working groups for the Alternatives Development phase of ST3 work (Engineering, Station Planning, Permitting, External Engagement).

In 2019, OPCD will kick-off the City's Station Area Planning for the fourteen-station alignment, and strategy development and implementation for Transit Oriented Development (TOD), Equitable Development, and Anti-Displacement. OPCD is also the lead department on developing station design guidelines, incentive zoning for station access, and the Alternatives Development Racial Equity Toolkit (RET). This work began in 2018 and will continue in 2019-2020. Internally, OPCD continues to participate in discussions around value capture, financing strategy, and cost negotiation for the city and will advise SDOT on station access and intermodal strategies. Externally, OPCD advises Sound Transit on developing TOD processes and procedures for a new Equitable TOD policy. In addition to these tasks, OPCD expects to be significantly involved in Sound Transit's work on the WSBLT post-Alternative Development, which include development of a permitting plan, Sound Transit's environmental phase (2019-2022), and the station design and permitting phases (2022-2026).

## Incremental Budget Changes

### Office of Planning and Community Development

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 8,038,491</b>	<b>45.50</b>	<b>\$ 8,038,491</b>	<b>45.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 537,989	0.00	\$ 461,224	0.00
Abrogate Vacant Unfunded Position	\$ 0	-0.50	\$ 0	-0.50
Adjustment for One-Time Budget Additions	-\$ 125,000	0.00	-\$ 125,000	0.00
Technical Adjustment	\$ 28,589	0.00	\$ 28,624	0.00
<b>Proposed Changes</b>				
Increase General Fund Support for the Equitable Development Initiative	\$ 3,934,948	0.00	\$ 3,931,302	0.00
General Fund Reduction: Unfund and abrogate two Land Use Planner, III positions	-\$ 263,940	-2.00	-\$ 266,122	-2.00
General Fund Increases: Add EDI Project Manager and support for the Language Access Plan	\$ 162,173	1.00	\$ 163,262	1.00

# Office of Planning and Community Development

Restricted Funding Adjustment - Short-Term Rental tax (STR)	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 4,274,759</b>	<b>-1.50</b>	<b>\$ 4,193,290</b>	<b>-1.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 12,313,250</b>	<b>44.00</b>	<b>\$ 12,231,781</b>	<b>44.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$537,989**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Abrogate Vacant Unfunded Position/(.50) FTE**

Abrogation of vacant position that is also unfunded.

#### **Adjustment for One-Time Budget Additions - (\$125,000)**

This item includes budget reductions for one-time consultant services additions in the 2018 Adopted Budget: Duwamish Community Capacity Building (\$75,000) and an Industrial Lands Environmental Impact Statement (\$50,000).

#### **Technical Adjustment - \$28,589**

This is a technical adjustment to annualize costs associated with Council increases in the 2018 budget process.

### Proposed Changes

#### **Increase General Fund Support for the Equitable Development Initiative - \$3,934,948**

This item increases appropriation for community-initiated projects managed by the Equitable Development Initiative (EDI) program in the in the Office of Planning and Community Development (OPCD) Budget Summary Level. This item is funded by Short-Term Rental tax revenue.

#### **General Fund Reduction: Unfund and abrogate two Land Use Planner, III positions - (\$263,940)/(2.00) FTE**

This adjustment decreases General Fund support to OPCD's Planning and Community Development BSL by eliminating two Land Use Planner positions, one of which works as a project manager in the Equitable Development Initiative. OPCD will replace the Land Use Planner, III position with a Planning and Development

# Office of Planning and Community Development

Specialist, Sr. position to continue the work for the Equitable Development Initiative. The need for specialized regulatory work has decreased since the Office of Planning and Community Development (OPCD) separated from the Seattle Department of Construction and Inspections (SDCI).

## **General Fund Increases: Add EDI Project Manager and support for the Language Access Plan - \$162,173/1.00 FTE**

This adjustment adds an Equitable Development Initiative Project Manager (Planning and Development Specialist, Sr.) This is one of three EDI Project Manager positions responsible for supporting specific EDI-funded projects, including project scoping, planning, financing, capacity building and negotiations to establish Memorandums of Agreement. This body of work also includes community planning and community engagement along with traditional analytical planning tasks and managing EDI fund contracts and providing technical support from the City. The equitable development projects are prioritized in neighborhoods with high levels of chronic and recent displacement risk as well as a history of disinvestment. They are community-driven priorities to mitigate further displacement and increase access to opportunity. Replacing the current Land Use Planner, III position with the Planning and Development Specialist, Sr. position provides a classification consistent with the EDI's program body of work. This position is funded by the Short-Term Rental tax.

This adjustment also increases General Fund in OPCD's Planning and Community Development program to support the Language Access Plan. OPCD executes memorandum agreements with the Department of Neighborhoods (DON) to provide Community Liaisons for translation and interpretations services for community meetings and publications. The requested increase provides dedicated resources to continue these services towards meeting a key element of our Language Access Plan. This request also includes day care provider costs to support our goal of more inclusive engagement. With community meetings often scheduled between 5:00 pm and 9:00 pm, providing activities or care for younger children is necessary so that parents can attend and participate.

## **Restricted Funding Adjustment - Short-Term Rental tax (STR)**

This item includes a budget adjustment to use Short-Term Rental tax to support the Equitable Development Initiative. Using Short-Term Rental tax resources for the EDI programs is consistent with State requirements, which specify that Short-Term Rental tax revenue be used for affordable housing and community driven equitable development initiatives.

- EDI project management and program support (\$865,052)
- Consultant and professional services support for equitable development projects (\$200,000)

# Office of Planning and Community Development

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Planning and Community Development Budget Summary Level</b>			
General Fund	7,533,755	11,767,114	11,691,831
<b>Total for BSL: BO-PC-X2P00</b>	<b>7,533,755</b>	<b>11,767,114</b>	<b>11,691,831</b>
<b>Design Commission Budget Summary Level</b>			
REET I Capital Projects Fund	504,736	546,136	539,950
<b>Total for BSL: BO-PC-X2P10</b>	<b>504,736</b>	<b>546,136</b>	<b>539,950</b>
<b>Department Total</b>	<b>8,038,491</b>	<b>12,313,250</b>	<b>12,231,781</b>
<b>Department Full-time Equivalents Total*</b>	<b>45.50</b>	<b>44.00</b>	<b>44.00</b>

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

## Budget Summary by Fund for Planning and Community Development

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	7,533,755	11,767,114	11,691,831
30010 - REET I Capital Projects Fund	504,736	546,136	539,950
<b>Budget Totals for OPCD</b>	<b>8,038,491</b>	<b>12,313,250</b>	<b>12,231,781</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Planning and Community Development Budget Summary Level

The purpose of the Planning and Community Development Budget Summary Level is to manage a collaborative vision for planning that advances equitable development and creates great places in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Planning	7,006,613	11,201,444	11,131,280
Planning Commission Management	527,142	565,670	560,551
<b>Total</b>	<b>7,533,755</b>	<b>11,767,114</b>	<b>11,691,831</b>
Full-time Equivalents Total*	42.00	40.50	40.50

*\* 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.*

# Office of Planning and Community Development

**The following information summarizes the programs in Planning and Community Development Budget Summary Level:**

## Planning Program

The purpose of the Planning Program is to manage a coordinated vision for growth and development in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Planning	7,006,613	11,201,444	11,131,280
Full-time Equivalents Total	39.00	37.50	37.50

## Planning Commission Management Program

The purpose of the Planning Commission is to advise the Mayor, the City Council and City departments on broad planning goals, policies and plans for the physical development of the city. The commission also provides independent analysis and promotes issues vital to livability.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Planning Commission Management	527,142	565,670	560,551
Full-time Equivalents Total	3.00	3.00	3.00

## Design Commission Budget Summary Level

The purpose of the Design Commission Budget Summary Level is to provide advice to the Mayor, City Council, and City Departments, concerning City-funded Capital Improvement Projects, projects that seek long-term use of the right-of-way, or major transportation projects.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Design Commission	504,736	546,136	539,950
<b>Total</b>	<b>504,736</b>	<b>546,136</b>	<b>539,950</b>
Full-time Equivalents Total*	3.50	3.50	3.50

*\* 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.*

# Office of the Community Police Commission

Fé Lopez, Executive Director

(206) 684-5175

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

## Department Overview

The Office of the Community Police Commission (CPC) is the administrative and policy support entity of the Community Police Commission. The CPC is charged with providing community oversight and input on the police reform efforts that are the subject of a Settlement Agreement between the City and the U.S. Department of Justice regarding police practices. Membership of the CPC was modified in 2017 through legislation addressing changes in civilian oversight of the police ([Ordinance 125315](#)). A 21-member board appointed by the Mayor, the City Council and the Community Police Commission governs the CPC. Each commissioner serves a three-year term.

The CPC provides an independent forum for dialogue and widespread input on the reform efforts embodied in the Settlement Agreement and Memorandum of Understanding established by the Department of Justice. Ongoing community input is a critical component of achieving and maintaining effective and constitutional policing.

The CPC leverages the ideas, talent, experience and expertise of the people of Seattle to ensure police services:

- fully comply with the Constitution of the United States;
- ensure public and officer safety; and
- promote public confidence in the Seattle Police Department and its officers.

In 2017, the CPC's role was further refined through legislation addressing changes in the civilian oversight of the police ([Ordinance 125315](#)). The CPC is still charged with fulfilling and prioritizing the responsibilities as specified under the Consent Decree and Memorandum of Understanding and its role now includes:

- reviewing and providing input to many city partners on the police accountability system, police services and the Seattle Police Department's policies and practices;
- engaging in community outreach to obtain the perspectives of the community on police-community relations, the police accountability system, police services, policies and practices and providing that input to other City departments;
- maintaining connections with representatives of disenfranchised communities and community groups; and
- advocating for reforms to state law that will enhance public trust and confidence in policing and the criminal justice system.

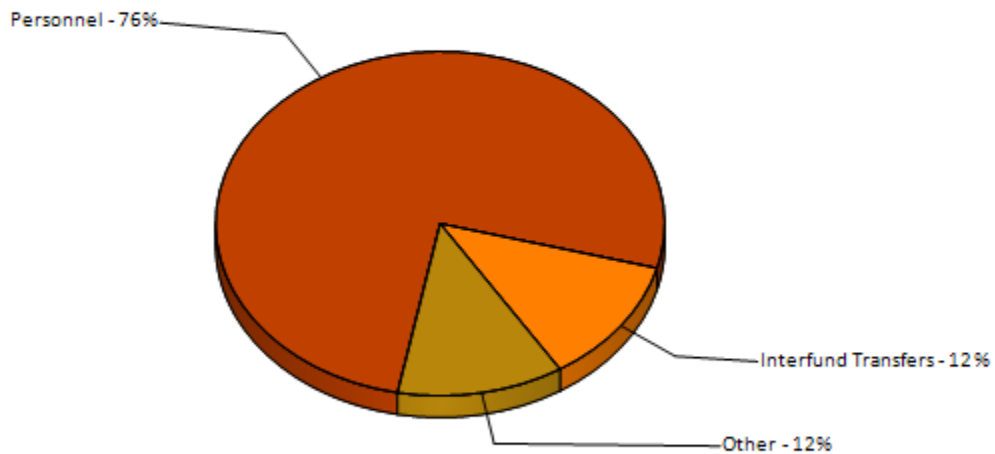
# Office of the Community Police Commission

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$1,413,258	\$1,500,735	\$1,470,130
<b>Total Operations</b>	<b>\$1,413,258</b>	<b>\$1,500,735</b>	<b>\$1,470,130</b>
<b>Total Appropriations</b>	<b>\$1,413,258</b>	<b>\$1,500,735</b>	<b>\$1,470,130</b>
Full-time Equivalent Total*	9.00	9.00	9.00

\* 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.

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget for the Community Police Commission (CPC) reduces funding for discretionary contracts and consultants to achieve the Mayor's goal of increasing budget efficiencies without compromising service delivery. In addition, budget allocations for services from both Seattle Information Technology Department and Seattle Department of Human Resources have been added to the CPC budget.



# Office of the Community Police Commission

## Incremental Budget Changes

### Office of the Community Police Commission

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 1,413,258</b>	<b>9.00</b>	<b>\$ 1,413,258</b>	<b>9.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 135,477	0.00	\$ 104,872	0.00
Adjustment for One-Time Budget Additions	-\$ 10,000	0.00	-\$ 10,000	0.00
<b>Proposed Changes</b>				
Reduce Discretionary Contracting Resources	-\$ 38,000	0.00	-\$ 38,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 87,477</b>	<b>0.00</b>	<b>\$ 56,872</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 1,500,735</b>	<b>9.00</b>	<b>\$ 1,470,130</b>	<b>9.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$135,477**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Adjustment for One-Time Budget Additions - (\$10,000)**

This item removes one-time funding added in the 2018 Adopted Budget for equipment needs of new CPC staff.

### Proposed Changes

#### **Reduce Discretionary Contracting Resources - (\$38,000)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. This item reduces discretionary funding for contracting services in the CPC budget by \$38,000. This reduction achieves efficiency in budgeting without service reductions.

# Office of the Community Police Commission

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of the Community Police Commission Budget Summary Level</b>			
General Fund	1,413,258	1,500,735	1,470,130
<b>Total for BSL: BO-CP-X1P00</b>	<b>1,413,258</b>	<b>1,500,735</b>	<b>1,470,130</b>

<b>Department Total</b>	<b>1,413,258</b>	<b>1,500,735</b>	<b>1,470,130</b>
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<b>Department Full-time Equivalents Total*</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>
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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.*

## Budget Summary by Fund for Community Police Commission

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	1,413,258	1,500,735	1,470,130
<b>Budget Totals for CPC</b>	<b>1,413,258</b>	<b>1,500,735</b>	<b>1,470,130</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Office of the Community Police Commission Budget Summary Level

The purpose of the Office of the Community Police Commission Budget Summary Level is to leverage the ideas, talents, experience, and expertise of the community to provide ongoing community input into the development of Seattle Police Department reforms, the establishment of police priorities, and facilitation of police/community relationships necessary to promote public safety.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Office of the Community Police	1,413,258	1,500,735	1,470,130
<b>Total</b>	<b>1,413,258</b>	<b>1,500,735</b>	<b>1,470,130</b>
Full-time Equivalents Total*	9.00	9.00	9.00

*\* 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.*

# Seattle Fire Department

Harold D Scoggins, Fire Chief

(206) 386-1400

[www.seattle.gov/fire](http://www.seattle.gov/fire)

## Department Overview

The Seattle Fire Department (SFD) provides fire protection and prevention, technical rescue and emergency medical services for the City of Seattle. It deploys engine companies, ladder companies, aid and medic units and fireboats to mitigate the loss of life and property resulting from fires, medical emergencies and other disasters. SFD maintains 33 fire stations that are strategically located within six battalions to provide optimal response times to emergencies. Each battalion serves specific geographic areas in the city: the downtown/Central Area, north and northeast Seattle, northwest Seattle, south and southeast Seattle and West Seattle.

SFD has a strong record on prevention of fires and property loss from fires. Seattle has fewer fires than the national average and of other cities with similar population size. Dollar loss and civilian deaths are also below the national and regional averages. Seattle averages 0.8 fires annually per 1,000 residents, which is lower than the regional average of 3.4 and national average of 4.6. Over the past five years, the average number of total structure fires per year in Seattle has been 571. Total fire dollar loss averaged \$21 million per year.

SFD provides emergency medical responses, which account for approximately 82% of all fire emergency calls in Seattle. In order to respond to the emergency medical demand, all Seattle firefighters are trained as emergency medical technicians (EMTs) to provide basic emergency medical care, or basic life support. SFD staffs seven medic units each with two firefighter-trained paramedics to provide more advanced medical care or advanced life support. Additionally, the department has five full-time and two peak-time aid units staffed by firefighters to provide basic life support citywide.

In 2016, SFD implemented the Low Acuity Alarm Program to reduce non-emergency calls to the 911 system and to provide improved service and care to individuals with non-emergent needs. Currently, core activities are high utilizer intervention (individuals and locations), low acuity data and trend analysis, establishment of referral partnerships and alternate treatment/transportation development.

The department also has marine, hazardous materials, high-angle, tunnel and confined-space rescue teams. In addition, SFD officers and firefighters are members of local and national disaster response teams such as the Federal Emergency Management Agency (FEMA)'s Urban Search and Rescue Task Force and wild land firefighting. SFD's fire prevention efforts include fire code enforcement, building inspections, plan reviews of fire and life safety systems, public education and fire safety programs, regulation of hazardous materials storage and processes and regulation of places of public assembly and public events to ensure life safety.

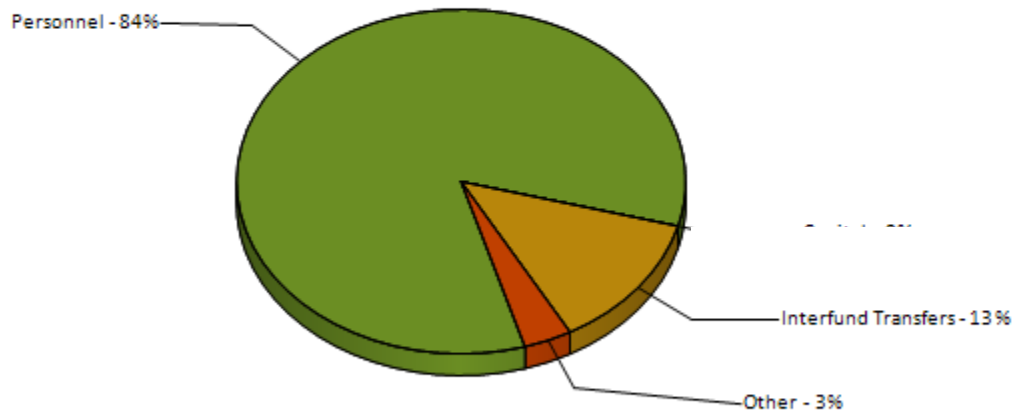
# Seattle Fire Department

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$212,163,673	\$219,779,247	\$221,325,113
<b>Total Operations</b>	<b>\$212,163,673</b>	<b>\$219,779,247</b>	<b>\$221,325,113</b>
<b>Total Appropriations</b>	<b>\$212,163,673</b>	<b>\$219,779,247</b>	<b>\$221,325,113</b>
Full-time Equivalent Total*	1,158.55	1,167.05	1,167.05

\* 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.

## 2019 Proposed Budget - Expenditure by Category



# Seattle Fire Department

## Budget Overview

The Seattle Fire Department's (SFD) 2019-2020 Proposed Budget reflects the City's commitment to maintaining public safety and supporting the work of those who directly meet the community's emergency-response needs. The budget includes funding that will allow SFD to address firefighter vacancies, new positions that reflect department priorities and a key information technology investment.

The budget also reflects Mayor Durkan's request of departments to seek out ways to operate more efficiently with existing resources. Five new positions will be funded by reallocating temporary or overtime budget. SFD also found opportunities to reduce its overtime and fuel budgets, making incremental General Fund available to support other City initiatives.

### Prioritizing Staffing and Strategic Recruitment

Because SFD has a minimum daily staffing requirement of 214 firefighters, which includes two peak-time aid units, any absences of scheduled uniformed staff must be filled by other staff who are working on an overtime basis. When uniformed staff retire and new recruits have not yet completed their training, SFD must pay overtime wages until a new recruit can be hired as a full-time member of the department. Relying on staff for additional 24-hour shifts also puts them at risk for additional stressors and time loss due to injury. The adopted budget adds funding for 35 additional recruits, for a total of 60 new recruits, in both 2019 and 2020. After approximately 16 weeks of recruit school scheduled to begin in February 2019, the first class of new recruits will become probationary firefighters in June 2019.

It has been a goal of both Chief Scoggins and the City to build a diverse Fire Department that better reflects the community it serves, and Mayor Durkan supports SFD's efforts as well. As an affirmation of these commitments, the 2019-2020 Proposed Budget adds a position in the SFD Human Resources unit that will be dedicated to recruitment and development. Many SFD firefighters participate in outreach and recruitment events every year, and SFD Human Resources connects them with professional development opportunities. However, SFD recognizes that a full-time resource will enable the department to link these initiatives strategically in the specific context of increasing diversity. It is anticipated that the new position will engage in networking and relationship-building in Seattle communities that have not historically been well represented among SFD recruit classes. When young men and women know more about firefighting as a career and understand that they can aspire to it, they are more likely to take steps to pursue it. The new position will also ensure that all current SFD staff have equitable access to meaningful professional development opportunities.

The new position will build on work already taking place at SFD. Starting in 2016, the funding for an additional recruit class included funding for SFD to provide an Emergency Medical Technician (EMT) course to firefighter candidates who did not already have EMT certification. New SFD firefighters are required to have this certification, and an International Association of Fire Fighters study identified this requirement as a possible barrier to entry. An early analysis suggests that the SFD-provided course has the desired result of diversifying the firefighter workforce, and the funding will remain in place for the 2019 and 2020 recruit classes. SFD will continue to monitor the success of the program.

### Supporting Key Work Processes

The 2019-2020 Proposed Budget also includes funding and positions that support efficient and accurate payroll processing at SFD. Over time, both the number and the complexity of these transactions have grown due to the implementation of new work rules and policies and of programs like Citywide Paid Parental Leave. The new PeopleSoft 9.2 system also added new requirements for SFD payroll staff. The department has been meeting the processing need with temporary labor, but the budget recognizes the ongoing current volume of work and it adds two new permanent positions and reallocates SFD's temporary-services budget accordingly. Funding is also included for SFD to work with Seattle IT on the identification and implementation of an automated staffing and scheduling system that will integrate with both payroll processing and the City's HR systems. The new system will

# Seattle Fire Department

support more centralized business-process management, significantly improved reporting and the department's ability to make data-informed decisions.

SFD's Fire Marshal's Office (FMO) provides fire prevention services to help provide the standard of life safety expected by those who work or live in Seattle and by visitors to our city. The FMO's work includes reviewing plans for new buildings and inspecting newly constructed buildings to ensure their compliance with the City fire code. Due to the strong local economy, this workload has grown steadily since 2010. As an example, the number of plan reviews completed by the FMO increased by 59% from 2010 to 2017, and the number of compliance inspections more than doubled. The FMO added staff in 2017 to support two new fee-based programs that promote fire and life safety, both of which are now established and meeting SFD and customer expectations. Administrative staffing levels at the FMO, however, have remained at or below their 2010 level despite the increased workload, and the 2019-2020 Proposed Budget adds positions that will support inspections, plan reviews, systems testing and the provision of timely and accurate information to FMO customers. Along with these staff adds, the FMO will also add funding for the translation of key fire-prevention documents, an initiative it intends to be ongoing. The budget also adds a position to the FMO's plan review unit, which will satisfy customer demand for improved turnaround times for this work. All of the new position costs in the FMO will be supported by increases in the fees that the Office charges for its work. Across various fees, the average increase will be approximately 4%.

SFD will add an additional fee-supported two-year temporary position in its Medic One program to coordinate a growing workload related to the provision of medical staffing at special events permitted by the City. The number of special events with SFD responders present increased by 39% from 2016 to 2017, and SFD has been staffing the coordination, procurement, billing and data-processing needs with temporary labor. This body of work supports critical department operations and will be better served by a designated resource who can operate more independently. SFD will monitor the ongoing rate of growth in special events that it staffs. Position costs will be funded by fees charged to event venues and/or promoters.

## **Reallocating Budgets to Fund Departmental Priorities**

As noted above, SFD's Operations Division will reallocate existing budget to fund the addition of two payroll staff and a specialist in recruitment and professional development. Two more new positions will be funded in the same way. The 2019-2020 Proposed Budget adds a second Public Information Officer to respond to the high volume of information requests SFD receives from traditional and social media as well as to fulfill ongoing outreach and education needs. It also adds a Lieutenant position who will be permanently assigned to coordinate, schedule, supervise and report on the driver training that the department provides to over 800 uniformed personnel. Regional and national certification bodies have been increasing their training standards for many years, and a dedicated resource will enable SFD's standard to keep pace.

## **Other Budget Highlights**

In 2018, SFD negotiated an agreement with Seattle City Light that created the new Vault Response Team (VRT). Funding provided by City Light on an ongoing basis will enable SFD to train, equip and provide premium pay for VRT members tasked with responding to and mitigating facility damage caused by fire inside electrical-network vaults.

The 2019-2020 budget also includes two reductions. Due to a new approach at the Seattle Department of Human Resources to the processing of worker's compensation claims, the claims are being processed more quickly and injured workers are returning from leave sooner, so SFD can reduce its budget for filling their positions on an overtime basis. SFD also determined that its historical fuel budget was in excess of the amount it has needed for all departmental operations.

# Seattle Fire Department

## Incremental Budget Changes

### Seattle Fire Department

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 212,163,673</b>	<b>1,158.55</b>	<b>\$ 212,163,673</b>	<b>1,158.55</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 7,131,932	0.00	\$ 9,225,075	0.00
Adjustment for One-Time Budget Additions	-\$ 2,840,245	0.00	-\$ 2,840,245	0.00
<b>Proposed Changes</b>				
Additional Firefighter Recruit Classes	\$ 2,355,200	0.00	\$ 2,355,200	0.00
Dedicated Recruitment and Professional Development Resource	\$ 0	1.00	\$ 0	1.00
Alignment of Fire Marshal's Office Staffing with Workload	\$ 485,077	3.50	\$ 485,077	3.50
Update to Payroll Systems and Staffing	\$ 546,883	2.00	\$ 0	2.00
Reallocation of Resources to Meet Staffing Needs	\$ 0	2.00	\$ 0	2.00
Support from Seattle City Light for Vault Response Team	\$ 283,000	0.00	\$ 283,000	0.00
Administrative Support for Special Events Staffing	\$ 83,586	0.00	\$ 83,665	0.00
Improved Management of Occupational Injuries and Illnesses	-\$ 200,000	0.00	-\$ 200,000	0.00
Reduce Discretionary Contracting Resources	-\$ 15,000	0.00	-\$ 15,000	0.00
<b>Proposed Technical Changes</b>				
Reduce Fuel Budget	-\$ 214,859	0.00	-\$ 215,332	0.00
Technical Adjustments for Staffing Alignment	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 7,615,574</b>	<b>8.50</b>	<b>\$ 9,161,440</b>	<b>8.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 219,779,247</b>	<b>1,167.05</b>	<b>\$ 221,325,113</b>	<b>1,167.05</b>

# Seattle Fire Department

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$7,131,932**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. An increment of \$2,021,000 was added for internal-services costs and an increment of \$1,675,000 was added for health-care costs. A total of \$843,000 was added for firefighter wage rates and workers' compensation costs. In 2019, this adjustment also includes a one-time true-up of Seattle Department of Information Technology (Seattle IT) rates charged to SFD to reconcile the rates in the 2018 Endorsed Budget with the higher rates in the 2018 Adopted Budget. The amount of the true-up is \$1,060,000.

This technical adjustment also adds a new internal services cost. A human resources (HR) allocation is assigned to all City departments starting with the 2019-2020 Proposed Budget. The HR allocation supports central HR services from the Seattle Department of Human Resources (SDHR). The General Fund previously was charged directly for HR services for most departments. In 2019 and 2020, the General Fund will transfer in the amount equal to the HR allocation to cover this new department expense, and at SFD that amount will be \$1,534,000.

#### **Adjustment for One-Time Budget Additions - (\$2,840,245)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget. It removes the funding for an additional firefighter recruit class that SFD held in 2018. It also removes one-time funding to train five firefighters as paramedics and to replace an outdated software system.

### Proposed Changes

#### **Additional Firefighter Recruit Classes - \$2,355,200**

SFD currently has a high number of vacancies, due mostly to retirements from an aging workforce. Mandatory minimum staffing levels require SFD to maintain service to the city around the clock and the department increasingly relies on overtime hours to staff the City's fire stations. This adjustment provides funding to SFD to supplement its regularly held spring recruit class with an additional class in both 2019 and 2020, allowing a total of 60 new firefighter recruits per year. A portion of the funding for recruitment and training will support efforts to increase the diversity of the workforce.

#### **Dedicated Recruitment and Professional Development Resource/1.00 FTE**

SFD embraces the goal of full participation in the workplace by a diverse workforce. This adjustment adds a Strategic Advisor 1 to SFD's Human Resources work unit who will help the department first identify areas of improvement in the recruitment of those from underrepresented groups and the professional development of group members at SFD and then develop strategies that improve equity and help build a workforce that reflects the City it serves. The City will have to meet any obligations related to this work with the appropriate bargaining unit. SFD will fund the new position by reallocating existing budget from other areas, in line with Mayor Durkan's challenge to find efficiency opportunities.



# Seattle Fire Department

## **Alignment of Fire Marshal's Office Staffing with Workload - \$485,077/3.50 FTE**

This adjustment adds staff in the Fire Prevention Division (FPD) to meet current workload and support fire and life safety codes and inspections by improving the City's fire prevention and code compliance initiatives. The new Administrative Specialist (1.5 FTE) and Senior Management Systems Analyst (1.0 FTE) resources will support what has been a growing work volume for plan reviewers and engineers. Also in response to work volume, the adjustment adds a Fire Prevention Engineer to the plan review unit, which will improve turnaround time for plan review and construction inspections. Finally, the adjustment includes ongoing funding for the translation of key fire prevention documents into multiple languages for the diverse community that SFD serves. This investment is supported by fees charged by the FPD for the services it provides.

## **Update to Payroll Systems and Staffing - \$546,883/2.00 FTE**

This adjustment provides staff to the Seattle Fire Department (SFD)'s Payroll Unit, adding two Accountant Tech II positions who will review and reconcile payroll transactions for more than 1100 employees. SFD is reallocating \$164,000 of existing budget to fund these permanent positions. The adjustment also includes funding to implement a new staffing system that integrates with the City payroll system, which will automate a set of processes that are currently done manually. Together, the new positions and system will help SFD be more proactive in identifying opportunities for payroll process improvement.

## **Reallocation of Resources to Meet Staffing Needs/2.00 FTE**

This adjustment adds an additional Public Information Officer (PIO) in the Public Affairs Division and an additional Fire Lieutenant who will work in the Driver's Training Program. The Public Affairs position will support increasing demand for outreach and education and provide an additional PIO to respond to around-the-clock inquiries regarding over 100,000 responses per year. The new Lieutenant position will manage driver training standards that have grown in number and specificity over the past several years. SFD is able to reallocate \$246,000 of existing budget to meet both of these needs.

## **Support from Seattle City Light for Vault Response Team - \$283,000**

This adjustment funds the ongoing costs associated with creating a new Vault Response Team (VRT) to respond to electrical fires in Seattle City Light (SCL) electrical vaults. Funding is provided by SCL for the training and equipment of VRT members, including a salary increment that reflects premium pay for their specialized skills. The VRT responds to and mitigates facility damage caused by fire inside electrical-network vaults, and the SFD team will train jointly with the utility's staff in effective emergency response at SCL facilities.

## **Administrative Support for Special Events Staffing - \$83,586**

This item adds funding for a two-year term-limited Administrative Specialist II in Battalion 3's Medic One program. The funding will allow SFD to provide coordination for the increasing number of special events at which it provides on-site medical staffing. Special events include organized road races, sporting events, and annual festivals like Seafair and the Bite of Seattle. The resource will provide dedicated administrative support to SFD medical personnel, including the timely processing of required records. Costs for the new position will be funded by fees charged to the event venues and/or promoters.

## **Improved Management of Occupational Injuries and Illnesses - (\$200,000)**

This item recognizes a savings due to the Seattle Department of Human Resources (SDHR) having implemented a more efficient way to process occupational medical claims filed by SFD employees, which led to improved turnaround times of these claims and a faster return to work of employees who received treatment. When firefighters return to work more quickly, SFD does not need to backfill their positions on an overtime basis, and the department is able to reduce its overtime budget in line with SDHR's operational efficiency.

# Seattle Fire Department

## **Reduce Discretionary Contracting Resources - (\$15,000)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$15,000 in discretionary contracting reductions. This reduction achieves efficiency in budgeting without service reductions.

## **Proposed Technical Changes**

### **Reduce Fuel Budget - (\$214,859)**

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was \$214,859, a 20% reduction in its fuel budget to more closely align with anticipated costs. This reduction will not affect the department's ability to maintain business operations.

### **Technical Adjustments for Staffing Alignment**

This budget-neutral adjustment moves positions and their funding between SFD divisions to align with actual supervisory oversight and business practices.

# Seattle Fire Department

## Expenditure Overview

<b>Appropriations</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	33,567,990	40,091,067	39,183,734
<b>Total for BSL: BO-FD-F1000</b>	<b>33,567,990</b>	<b>40,091,067</b>	<b>39,183,734</b>
<b>Operations Budget Summary Level</b>			
General Fund	169,484,345	169,706,476	172,050,225
<b>Total for BSL: BO-FD-F3000</b>	<b>169,484,345</b>	<b>169,706,476</b>	<b>172,050,225</b>
<b>Fire Prevention Budget Summary Level</b>			
General Fund	9,111,338	9,981,704	10,091,154
<b>Total for BSL: BO-FD-F5000</b>	<b>9,111,338</b>	<b>9,981,704</b>	<b>10,091,154</b>
<b>Department Total</b>	<b>212,163,673</b>	<b>219,779,247</b>	<b>221,325,113</b>
<b>Department Full-time Equivalent Total*</b>	<b>1,158.55</b>	<b>1,167.05</b>	<b>1,167.05</b>

\* 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 Summary by Fund for Fire

	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
00100 - General Fund	212,163,673	219,779,247	221,325,113
<b>Budget Totals for SFD</b>	<b>212,163,673</b>	<b>219,779,247</b>	<b>221,325,113</b>

# Seattle Fire Department

## Appropriations By Budget Summary Level (BSL) and Program

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide strategy and policy, public outreach and education, information and personnel management, recruitment and training of uniformed staff; allocate and manage available resources; and provide logistical support needed to achieve the Department's mission.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	22,705,293	27,437,733	26,459,847
Departmental Indirect Costs	10,862,697	12,653,334	12,723,887
<b>Total</b>	<b>33,567,990</b>	<b>40,091,067</b>	<b>39,183,734</b>
Full-time Equivalents Total*	54.00	60.00	60.00

\* 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.

*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

#### Citywide Indirect Costs Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	22,705,293	27,437,733	26,459,847
Full-time Equivalents Total	0.00	0.00	0.00

#### Departmental Indirect Costs Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	10,862,697	12,653,334	12,723,887
Full-time Equivalents Total	54.00	60.00	60.00

# Seattle Fire Department

## Operations Budget Summary Level

The purpose of the Operations Budget Summary Level is to provide emergency and disaster response capabilities for fire suppression, emergency medical needs, hazardous materials, weapons of mass destruction, and search and rescue. In addition, reduce injuries by identifying and changing practices that place firefighters at greater risk and provide communication services.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 2	27,412,586	28,128,703	28,608,916
Battalion 3 Medic One	14,322,405	13,665,927	13,772,972
Battalion 4	26,496,213	27,270,907	27,775,962
Battalion 5	25,195,853	25,752,466	26,203,426
Battalion 6	23,498,229	24,159,793	24,562,788
Battalion 7	20,893,476	21,576,587	21,925,193
Communications	6,043,390	5,151,374	5,182,727
Office of the Operations Chief	7,172,227	7,214,065	7,310,627
Operations Activities	17,107,385	15,421,284	15,334,076
Safety and Risk Management	1,342,581	1,365,370	1,373,538
<b>Total</b>	<b>169,484,345</b>	<b>169,706,476</b>	<b>172,050,225</b>
Full-time Equivalents Total*	1,043.05	1,043.05	1,043.05

\* 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.

**The following information summarizes the programs in Operations Budget Summary Level:**

### **Battalion 2 Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 2	27,412,586	28,128,703	28,608,916
Full-time Equivalents Total	205.45	205.45	205.45

### **Battalion 3 Medic One Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 3 Medic One	14,322,405	13,665,927	13,772,972
Full-time Equivalents Total	82.00	82.00	82.00

# Seattle Fire Department

## Battalion 4 Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 4	26,496,213	27,270,907	27,775,962
Full-time Equivalents Total	199.45	199.45	199.45

## Battalion 5 Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 5	25,195,853	25,752,466	26,203,426
Full-time Equivalents Total	185.45	185.45	185.45

## Battalion 6 Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 6	23,498,229	24,159,793	24,562,788
Full-time Equivalents Total	169.45	169.45	169.45

## Battalion 7 Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Battalion 7	20,893,476	21,576,587	21,925,193
Full-time Equivalents Total	148.45	148.45	148.45

## Communications Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Communications	6,043,390	5,151,374	5,182,727
Full-time Equivalents Total	35.80	35.80	35.80

## Office of the Operations Chief Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of the Operations Chief	7,172,227	7,214,065	7,310,627
Full-time Equivalents Total	11.00	11.00	11.00

# Seattle Fire Department

## Operations Activities Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Operations Activities	17,107,385	15,421,284	15,334,076
Full-time Equivalents Total	0.00	0.00	0.00

## Safety and Risk Management Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Safety and Risk Management	1,342,581	1,365,370	1,373,538
Full-time Equivalents Total	6.00	6.00	6.00

### Fire Prevention Budget Summary Level

The purpose of the Fire Prevention Budget Summary Level is to provide Fire Code enforcement to help prevent injury and loss from fire and other hazards.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Code Compliance	529,952	542,368	547,224
Fire Investigations	1,392,731	1,436,857	1,454,636
Office of the Fire Marshall	1,406,118	1,561,693	1,578,482
Regulating Construction	2,935,145	3,452,735	3,488,354
Special Events	601,414	619,796	623,320
Special Hazards	2,245,978	2,368,255	2,399,138
<b>Total</b>	<b>9,111,338</b>	<b>9,981,704</b>	<b>10,091,154</b>
Full-time Equivalents Total*	61.50	64.00	64.00

\* 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.

# Seattle Fire Department

*The following information summarizes the programs in Fire Prevention Budget Summary Level:*

## Code Compliance Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Code Compliance	529,952	542,368	547,224
Full-time Equivalents Total	4.00	4.00	4.00

## Fire Investigations Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Fire Investigations	1,392,731	1,436,857	1,454,636
Full-time Equivalents Total	9.00	9.00	9.00

## Office of the Fire Marshall Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of the Fire Marshall	1,406,118	1,561,693	1,578,482
Full-time Equivalents Total	8.50	8.50	8.50

## Regulating Construction Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Regulating Construction	2,935,145	3,452,735	3,488,354
Full-time Equivalents Total	19.50	22.00	22.00

## Special Events Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Special Events	601,414	619,796	623,320
Full-time Equivalents Total	3.00	3.00	3.00

## Special Hazards Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Special Hazards	2,245,978	2,368,255	2,399,138
Full-time Equivalents Total	17.50	17.50	17.50



# Firefighters' Pension

Steve Brown, Executive Secretary

(206) 625-4355

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

## Department Overview

The Firefighters' Pension Fund (FPEN) provides pension and medical benefit services to eligible firefighters, active and retired, and their beneficiaries. FPEN is a closed plan that only covers firefighters who were hired before October 1, 1977. Retiree benefits for firefighters hired more recently are primarily covered through a separate state-managed plan.

Management of firefighter benefits funds transitioned in the 1970s from local to state control. Prior to that time, the City paid into FPEN to provide for firefighter retiree benefits. In March 1970, the state created the Law Enforcement Officers and Fire Fighters Retirement System Plan 1 (LEOFF 1). Seattle firefighters hired between March 1970 and October 1977 enrolled in LEOFF 1, but also received additional benefit coverage through FPEN. As a result, this group of firefighters receives retiree benefits primarily from the state's LEOFF 1 plan, but also any earned increment from the City's FPEN that exceeds LEOFF 1 coverage. Both FPEN and LEOFF 1 closed to new enrollees in October 1977. Firefighters hired after that date enroll in the state's LEOFF 2 plan and do not receive benefits from FPEN.

The Seattle Firefighters' Pension Board is a five-member quasi-judicial body chaired by the Mayor or his/her designee, which formulates policy, rules on disability applications, and provides oversight of the Firefighters' Pension Fund. Four staff employees of the board handle all of its operational functions. Staff positions associated with Firefighters' Pension Fund are not reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise about 97% of the total annual FPEN budget, are based on the forecasts of an independent actuary. The Firefighters' Pension Fund has two statutory funding sources:

- The first is a component of the City's property tax levy. These revenues are placed in the City's General Fund, which funds the Fire Pension Fund's annual budget.
- The second is the state fire insurance premium tax.

These statutory funding sources are in addition to other smaller funding sources that support the Firefighters' Pension Fund obligations.

The Firefighters' Pension Fund includes two funds: the Fire Pension Fund, which pays current pension, medical, and death benefits; and the Actuarial Account, which was established by [Ordinance 117216](#) in 1994 to accumulate a balance sufficient to pay all future pension liabilities of the fund by 2028.

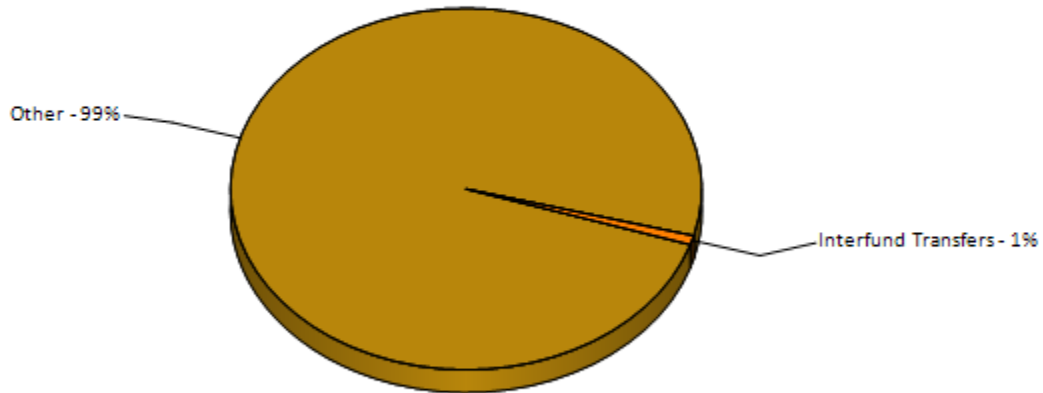
# Firefighters' Pension

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$18,840,000	\$19,079,309	\$19,059,375
Other Funding - Operating	\$1,907,000	\$1,609,000	\$2,109,000
<b>Total Operations</b>	<b>\$20,747,000</b>	<b>\$20,688,309</b>	<b>\$21,168,375</b>
<b>Total Appropriations</b>	<b>\$20,747,000</b>	<b>\$20,688,309</b>	<b>\$21,168,375</b>
Full-time Equivalent Total*	4.00	4.00	4.00

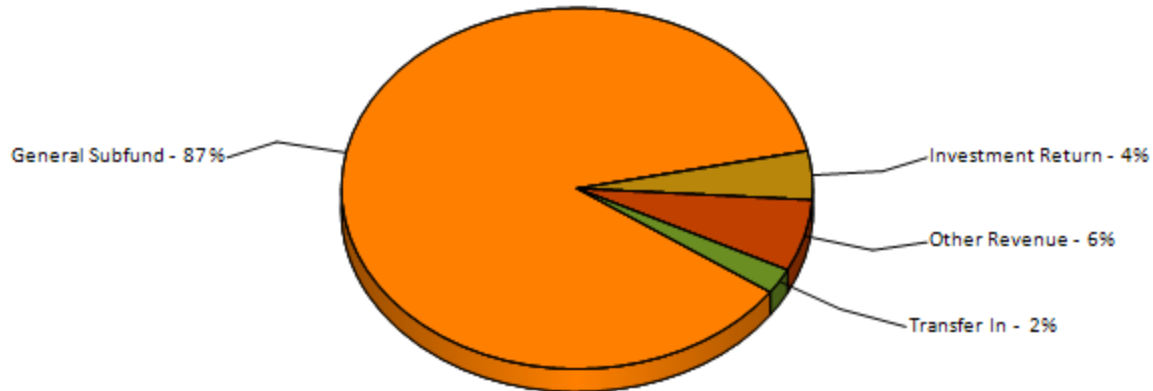
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## 2019 Proposed Budget - Expenditure by Category



# Firefighters' Pension

## 2019 Proposed Budget - Revenue by Category



### Budget Overview

The Firefighters' Pension Fund (FPEN) receives almost all of its revenue from the City's General Fund. FPEN's expenditures pay the legally-mandated pension and medical benefits, including long-term care, to eligible retired firefighters and qualified beneficiaries. Most of FPEN's retirees are represented by either Local 27 (firefighters' union) or Local 2898 (fire chiefs' union) and their total pension benefits are increased annually with a cost of living adjustment (COLA) equal to the negotiated annual wage increases (AWI) for the active union members at the Seattle Fire Department and then offset by benefits paid by the state's LEOFF 1 pension plan which has its own annual growth rate.

In November 2016, Council passed [Ordinance 125190](#) which requires an actuarially determined level payment amount from the City to the FPEN Fund each year to cover pension benefit costs. Any remaining difference between the payment amount and actual pension benefit costs is transferred to the Actuarial Account for FPEN's future pension obligations. The account is invested in a portfolio managed by the Department of Finance and Administrative Services (FAS). The 2019-2020 Proposed Budget assumes an annual rate of return of 6% on the investment portfolio and that the returns are continuously reinvested.

The 2019-2020 Proposed Budget includes several benefit appropriation changes. First, pension payments decrease \$300,000 from \$8.1 million in the 2018 Adopted Budget to \$7.8 million, the level payment amount. Local 27 and Local 2898 union contracts each expire on December 31, 2018. After 2019 and 2020 COLA rates are determined in the next contract, a corresponding appropriation increase will be requested to fund the new level of benefit payments to retirees, plus, any retroactive benefit payments for missed payments, should that be necessary. The level payment amount may also be adjusted in response to new contractual terms.

Second, the 2019 retiree medical and long-term care costs assume no change in 2019 compared to the 2018 Adopted Budget. However, the 2020 costs are expected to increase by \$500,000 in accordance with the actuarial

# Firefighters' Pension

valuation which expects increases over the next 15 to 20 years due to FPEN's aging membership and annual trend rates for medical and long-term care costs. Finally, appropriations for the annual death benefit increases by \$2,000 in 2019 and 2020 in response to growing use of this benefit.

The 2019-2020 Proposed Budget increases FPEN's budget to pay the costs allocations from the Seattle Department of Information and Technology (ITD) and the Department of Finance and Administrative Services (FAS). Previously, the General Fund was charged directly from ITD and FAS for their services supporting certain small departments such as FPEN. Starting in 2019, ITD and FAS will be charged directly to each small department, funded by revenue distributions from the General Fund. The 2019-2020 Proposed Budget increases the administration appropriations by \$169,000 in 2019 and \$149,000 in 2020 for these new administrative costs.

## Incremental Budget Changes

### Firefighters' Pension

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 20,747,000</b>	<b>4.00</b>	<b>\$ 20,747,000</b>	<b>4.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 169,309	0.00	\$ 149,375	0.00
<b>Proposed Changes</b>				
Changes in Benefits Costs and Administration	-\$ 228,000	0.00	\$ 272,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 58,691</b>	<b>0.00</b>	<b>\$ 421,375</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 20,688,309</b>	<b>4.00</b>	<b>\$ 21,168,375</b>	<b>4.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$169,309**

Citywide technical adjustments made in the baseline phase reflect changes to pay the costs allocations from the Seattle Information Technology Department (ITD) and the Department of Finance and Administrative Services (FAS). Previously, the General Fund was charged directly from ITD and FAS for their services supporting certain small departments such as FPEN. Starting in 2019, ITD and FAS will be charged directly to each small department, funded by revenue distributions from the General Fund.

# Firefighters' Pension

## Proposed Changes

### Changes in Benefits Costs and Administration - (\$228,000)

The 2019-2020 Proposed Budget includes several benefits-related appropriation changes. Pension payments are decreased by \$300,000 to reflect the December 31, 2018 expiration of the Local 27 and Local 2898 union contracts. The 2020 retiree medical and long-term care costs are increased by \$500,000. Finally, death benefits increase by \$2,000 in 2019 and 2020 in response to growing use of this benefit. Additionally, this adjustment increases FPEN's administrative costs by \$70,000 in 2019 and 2020 to meet actual costs.

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Firefighters Pension Budget Summary Level</b>			
Fireman's Pension Fund	20,747,000	20,688,309	21,168,375
<b>Total for BSL: BO-FP-R2F01</b>	<b>20,747,000</b>	<b>20,688,309</b>	<b>21,168,375</b>

<b>Department Total</b>	<b>20,747,000</b>	<b>20,688,309</b>	<b>21,168,375</b>
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<b>Department Full-time Equivalent Total*</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Budget Summary by Fund for Firefighters Pension

	2018 Adopted	2019 Proposed	2020 Proposed
61040 - Fireman's Pension Fund	20,747,000	20,688,309	21,168,375
<b>Budget Totals for FPEN</b>	<b>20,747,000</b>	<b>20,688,309</b>	<b>21,168,375</b>

# Firefighters' Pension

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
360100	Return on Actuarial Account	676,005	960,000	1,010,000
	<b>Total Investment Return</b>	<b>676,005</b>	<b>960,000</b>	<b>1,010,000</b>
397010	Transfer In from Fund 61040	0	500,000	500,000
	<b>Total Transfer In</b>	<b>0</b>	<b>500,000</b>	<b>500,000</b>
360430	General Subfund	18,840,000	19,079,309	19,059,375
	<b>Total General Subfund</b>	<b>18,840,000</b>	<b>19,079,309</b>	<b>19,059,375</b>
335130	Fire Insurance Premium Tax	982,000	989,000	996,000
397010	Medicare Rx Subsidy	425,000	425,000	425,000
	<b>Total Other Revenue</b>	<b>1,407,000</b>	<b>1,414,000</b>	<b>1,421,000</b>
	<b>Total Revenues</b>	<b>20,923,005</b>	<b>21,953,309</b>	<b>21,990,375</b>
379100	Use of (Contribution to) Fund Balance - Fund 61050	-676,005	-1,460,000	-1,510,000
379100	Use of (Contribution to) Fund Balance - Fund 61040	500,000	195,000	688,000
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-176,005</b>	<b>-1,265,000</b>	<b>-822,000</b>
	<b>Total Resources</b>	<b>20,747,000</b>	<b>20,688,309</b>	<b>21,168,375</b>

## Appropriations By Budget Summary Level (BSL) and Program

<b><u>Firefighters Pension Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Death Benefits	17,000	19,000	19,000
Leadership and Administration	630,000	869,309	849,375
Medical Benefits	12,000,000	12,000,000	12,500,000
Pensions	8,100,000	7,800,000	7,800,000
<b>Total</b>	<b>20,747,000</b>	<b>20,688,309</b>	<b>21,168,375</b>
Full-time Equivalents Total*	4.00	4.00	4.00

*\* 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.*

# Firefighters' Pension

*The following information summarizes the programs in Firefighters Pension Budget Summary Level:*

## Death Benefits Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Death Benefits	17,000	19,000	19,000
Full-time Equivalents Total	0.00	0.00	0.00

## Leadership and Administration Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Leadership and Administration	630,000	869,309	849,375
Full-time Equivalents Total	4.00	4.00	4.00

## Medical Benefits Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Medical Benefits	12,000,000	12,000,000	12,500,000
Full-time Equivalents Total	0.00	0.00	0.00

## Pensions Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pensions	8,100,000	7,800,000	7,800,000
Full-time Equivalents Total	0.00	0.00	0.00





# Office of Inspector General for Public Safety

Lisa Judge, Inspector General

(206) 684-3663

## Department Overview

The Office of Inspector General for Public Safety (OIG) was established in 2017 via [Ordinance 125315](#). OIG provides oversight of management, practices, and policies of the Seattle Police Department (SPD) and Office of Police Accountability (OPA), monitoring of ongoing fidelity to organizational reforms implemented pursuant to the goals of the 2012 Federal Consent Decree and Memorandum of Understanding, and auditing and review of criminal justice system policies and practices related to policing and other criminal justice matters.

OIG is empowered to help ensure the fairness and integrity of the delivery of law enforcement services and the investigation of allegations of police misconduct. OIG has been established to make systemic recommendations for lasting reform that are intended to reflect the values of Seattle’s diverse communities.

Responsibilities of OIG include:

- performing oversight activities that ensure the ongoing integrity of SPD processes and operations;
- ensuring SPD is meeting its mission to address crime and improve quality of life through the delivery of Constitutional, professional, and effective police services that retain the trust, respect, and support of the community;
- conducting risk management reviews and performance audits;
- reviewing misconduct complaint-handling and investigations by the OPA;
- evaluating SPD’s response to incidents involving death, serious injury, serious use of force, mass demonstrations, serious property or vehicle damage, or other issues of significant public concern to assess the integrity of the process; and
- making recommendations to policymakers for increasing the effectiveness of SPD and related criminal justice system processes.

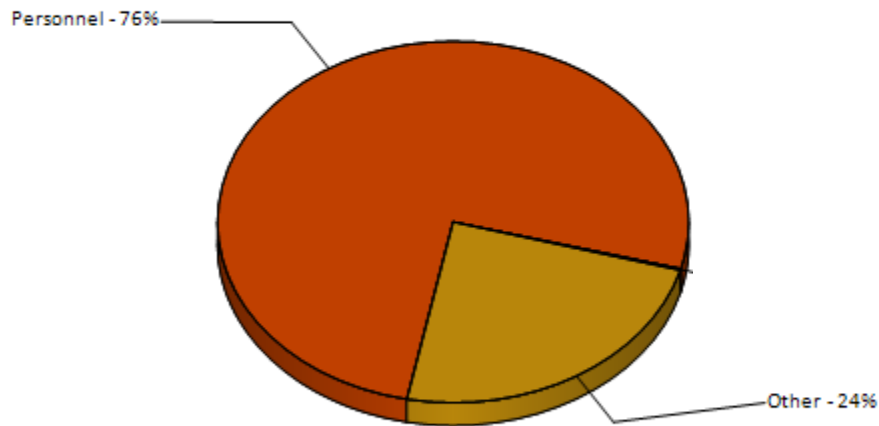
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$1,454,802	\$1,814,087	\$1,966,203
<b>Total Operations</b>	<b>\$1,454,802</b>	<b>\$1,814,087</b>	<b>\$1,966,203</b>
<b>Total Appropriations</b>	<b>\$1,454,802</b>	<b>\$1,814,087</b>	<b>\$1,966,203</b>
Full-time Equivalent Total*	4.00	10.00	10.00

\* 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.

# Office of Inspector General for Public Safety

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

The 2019-2020 Proposed Budget focuses on strengthening the capacity of the newly formed Office of the Inspector General for Public Safety (OIG) by expanding the department's staffing and annual operating budget. The 2018 Adopted Budget was created in advance of the selection of the Inspector General and, as such, relied on a number of preliminary assumptions regarding workload and staffing needs. The 2019-2020 Proposed Budget is informed by the needs and vision of the City's first Inspector General.

The Proposed Budget for 2019 and 2020 makes three significant adjustments to the OIG. First, the budget adds position authority for four positions that were funded in the 2018 Adopted Budget, but for which exact position classifications were left undetermined pending the start of the new Inspector General. Second, the budget adds funding for reclassifications of some of the OIG's existing positions. Lastly, the budget adds two auditors to the office, doubling the auditing staff capacity of the department to fulfill its mandate to provide civilian auditing of the management, practices, and policies of the Seattle Police Department and Office of Police Accountability, as established under the 2017 Police Accountability legislation ([Ordinance 125315](#)).

# Office of Inspector General for Public Safety

## Incremental Budget Changes

### Office of Inspector General for Public Safety

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 1,454,802</b>	<b>4.00</b>	<b>\$ 1,454,802</b>	<b>4.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 132,715	0.00	\$ 141,447	0.00
Technical Adjustment	\$ 0	4.00	\$ 0	4.00
<b>Proposed Changes</b>				
Expand Auditing Capacity	\$ 142,340	2.00	\$ 277,964	2.00
Funding for Position Reclassifications	\$ 84,230	0.00	\$ 91,990	0.00
<b>Total Incremental Changes</b>	<b>\$ 359,285</b>	<b>6.00</b>	<b>\$ 511,401</b>	<b>6.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 1,814,087</b>	<b>10.00</b>	<b>\$ 1,966,203</b>	<b>10.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$132,715

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### Technical Adjustment/4.00 FTE

This technical adjustment provides position authority for four positions that were funded in the 2018 Adopted budget. In 2018, funding was provided for four positions, but not position authority, to allow the new Inspector General the opportunity to evaluate the department's workload needs and determine position classifications. This adjustment provides position authority for one Strategic Advisor 2 position and three Strategic Advisor 1 positions. The Strategic Advisor 2 will serve the department as Chief of Staff and two of the Strategic Advisor 1 positions will serve as auditors. The third Strategic Advisor 1 position will work on policy analysis, research and communications.

# Office of Inspector General for Public Safety

## Proposed Changes

### Expand Auditing Capacity - \$142,340/2.00 FTE

This adjustment adds two permanent full-time positions to the OIG to support the work of the department under the 2017 Police Accountability legislation ([Ordinance 125315](#)). The two Strategic Advisor 1 positions will perform auditing functions for the department. These positions are necessary to fulfilling the OIG's purpose, as outlined in the Ordinance, of performing civilian auditing of management, policies, and practices of the Seattle Police Department and Office of Police Accountability.

### Funding for Position Reclassifications - \$84,230

This adjustment adds funding to align the budget to support the reclassification of positions in the OIG. While the 2018 Adopted Budget made reasonable assumptions for the department, the specific departmental staffing has taken shape under the direction of the new Inspector General. This adjustment adds funding to support reclassifications for positions within the OIG budget.

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of Inspector General for Public Safety Budget Summary Level</b>			
General Fund	1,454,802	1,814,087	1,966,203
<b>Total for BSL: BO-IG-1000</b>	<b>1,454,802</b>	<b>1,814,087</b>	<b>1,966,203</b>
<b>Department Total</b>	<b>1,454,802</b>	<b>1,814,087</b>	<b>1,966,203</b>
<b>Department Full-time Equivalents Total*</b>	<b>4.00</b>	<b>10.00</b>	<b>10.00</b>

*\* 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 Summary by Fund for Inspector General

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	1,454,802	1,814,087	1,966,203
<b>Budget Totals for OIG</b>	<b>1,454,802</b>	<b>1,814,087</b>	<b>1,966,203</b>

# Office of Inspector General for Public Safety

## Appropriations By Budget Summary Level (BSL) and Program

**Office of Inspector General for Public Safety Budget Summary Level**

The purpose of the Office of Inspector General for Public Safety Budget Summary Level is to provide civilian oversight of management, practices, and policies of the Seattle Police Department (SPD) and Office of Police Accountability (OPA), monitoring of ongoing fidelity to consent decree reforms, and auditing and review of criminal justice system policies and practices related to policing and other criminal justice matters.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Inspctr Gen for Public Safety	1,454,802	1,814,087	1,966,203
<b>Total</b>	<b>1,454,802</b>	<b>1,814,087</b>	<b>1,966,203</b>
Full-time Equivalents Total*	4.00	10.00	10.00

*\* 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.*



# Law Department

Peter S. Holmes, City Attorney

Civil Division, (206) 684-8200; Criminal Division, (206) 684-7757

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

## Department Overview

The Law Department serves as counsel to the City's elected officials and agencies, and as the prosecutor in Seattle Municipal Court. The Seattle City Attorney, Peter S. Holmes, is a nonpartisan elected official.

The purpose of the department is to provide legal advice to City officials, represent the City in litigation, and protect the public health, safety, and welfare of the community by prosecuting violations of City criminal and civil ordinances and state law. The four department divisions are described below.

The purpose of the **Administration Division** is to provide executive leadership, communications, and operational support for the entire department. It is comprised of the executive leadership team, human resources, finance, media relations, and information technology staff.

The **Civil Division** provides legal counsel and representation to the City's elected and appointed policymakers in litigation at all levels of county, state, federal courts, and administrative agencies. The Civil Division is organized into the following seven specialized areas of practice: Employment, Environmental Protection, Land Use, Government Affairs, Torts, Regulatory Enforcement & Economic Justice, and Utilities & Contracts.

The **Criminal Division** prosecutes misdemeanor crimes in Seattle Municipal Court, provides legal advice to City clients on criminal justice matters, monitors state criminal justice legislation of interest to the City, and participates in criminal justice policy development and management of the criminal justice system. The Criminal Division is comprised of a Prosecution Support Unit, Case Preparation Unit, Domestic Violence Negotiation and Trial Unit, Domestic Violence Victim Advocates, Appeals, Review and Filing Unit, Specialty Courts Unit (Mental Health, Veterans' Court, LEAD, and Pre-filing Diversion), Infractions Unit, and Trial Team Unit.

The **Precinct Liaison Division** funds attorneys to work in each of the City's five police precincts, providing legal advice to police and other City departments, and solving issues of concern to the community.

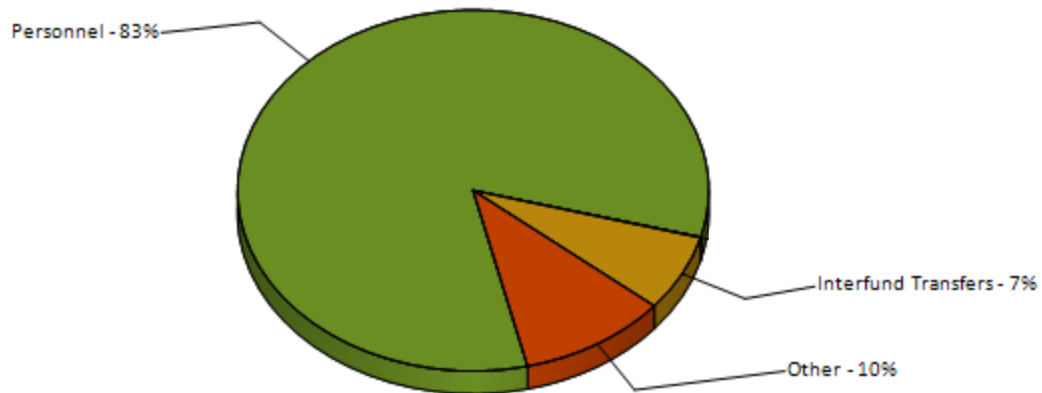
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$29,063,566	\$30,429,886	\$30,065,305
<b>Total Operations</b>	<b>\$29,063,566</b>	<b>\$30,429,886</b>	<b>\$30,065,305</b>
<b>Total Appropriations</b>	<b>\$29,063,566</b>	<b>\$30,429,886</b>	<b>\$30,065,305</b>
Full-time Equivalent Total*	191.60	196.10	195.60

\* 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.

# Law Department

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

The 2019-2020 Proposed Budget provides additional resources to the Law Department to increase staffing to address special projects and meet increased workload.

A new attorney will be added to provide the Office of Labor Standards (OLS) with subject matter expertise on wage and hour issues, legal advice, representation for appeals filed with the Hearing Examiner, and support with collections. OLS was created in 2015 to implement the City's current and future labor standards that advance workplace equity for employees working in Seattle, especially the most vulnerable employees. In the past three years, OLS has grown significantly from seven FTEs in 2015 to an office with 26 FTEs. The enforcement unit, in particular, has grown from four FTEs to 14 FTEs proposed in 2019. In 2018, there is only one FTE in the Law Department that is a dedicated resource for OLS. In 2019, OLS will shift from complaint-based investigation to a more proactive enforcement strategy with a focus on large employers and industry wide investigations which requires more specialized expertise in the Law Department.

In 2018 the Seattle Police Department (SPD) increased efforts to seek forfeitures of real and personal property in civil forfeiture cases. This increase is expected to continue in 2019. The Law Department has one attorney assigned to handle this workload. In 2019, SPD will provide funding for a part-time paralegal to assist in case management, discovery, legal research, draft and file pleadings, and trial preparation. Forfeiture cases provide revenue to SPD and support for this position is available from these funds.



## Law Department

The Law Department has agreed to implement a 1% salary savings reduction of \$250,000 to free up General Fund resources for other city priorities. The department expects to capture this salary savings from attrition and other personnel factors.

The introduction of Body Worn Video (BWV) has increased the volume of discovery for review by the Criminal Division as well as complexity in responding to public disclosure requests. A new Video Specialist II will address the technical video handling requirements associated with discovery, redaction, public disclosure, and evidence collection.

The current Criminal Division case management application, DAMION, was implemented in 1998 to track all aspects of prosecution including police reports, charging files, victims, witnesses, defendants, court dates and disposition and relies upon significant data exchanges with SPD and the Seattle Municipal Court. The system is at the end of its lifecycle and the vendor is no longer fully supporting the application for updates and maintenance. In 2018, the Seattle Department of Information Technology (Seattle IT) has \$325,000 in the Criminal Justice Information System Replacement Project to upgrade the existing system. The Law Department, City Budget Office and Seattle IT are working collaboratively to identify a path forward, which takes into consideration the timing and budget of the larger Criminal Justice information System Replacement Project process.

### Incremental Budget Changes

#### Law Department

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 29,063,566</b>	<b>191.60</b>	<b>\$ 29,063,566</b>	<b>191.60</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,428,722	0.00	\$ 1,005,417	0.00
Supplemental Budget Changes	\$ 0	2.00	\$ 0	2.00
Adjustment for One-Time Budget Additions	-\$ 197,000	0.00	-\$ 197,000	0.00
<b>Proposed Changes</b>				
Office for Labor Standards Attorney	\$ 140,402	1.00	\$ 183,291	1.00
Civil Forfeiture Staffing	\$ 58,731	0.50	\$ 0	0.00
Vacancy Rate Assumption Reduction	-\$ 250,000	0.00	-\$ 250,000	0.00
Evidence and Discovery Unit Staffing	\$ 112,265	1.00	\$ 113,331	1.00
<b>Proposed Technical Changes</b>				
Columbia Center Lease Increase and Account Realignment	\$ 73,200	0.00	\$ 146,700	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,366,320</b>	<b>4.50</b>	<b>\$ 1,001,739</b>	<b>4.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 30,429,886</b>	<b>196.10</b>	<b>\$ 30,065,305</b>	<b>195.60</b>

# Law Department

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,428,722**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Supplemental Budget Changes/2.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs.

- **Position Transfer from the Seattle Police Department (SPD) to Law Department.** In the 2017 4th Quarter Supplemental Budget Ordinance, the Council approved transferring a Management Systems Analyst position from SPD to the Law Department to support the Precinct Liaison program. The Law Department reclassified this position to an Assistant City Attorney in line with current workload. The position is funded through 2019 by SPD with existing resources via a Memorandum of Agreement.
- **Pooled Benefits and Central Cost Changes.** In the 2018 1st Quarter Supplemental Budget Ordinance, the Council approved these net zero changes to align pooled benefits and central cost changes to comply with PeopleSoft 9.2 guidance.
- **Attorney Position Add.** In the 2018 3rd Quarter Supplemental Budget Ordinance, one full-time City Attorney position FTE is added to serve as one of two Deputy City Attorneys to provide high level policy and litigation support for the City Attorney. The department previously operated under a dual Deputy structure, however, one of the Deputy positions was reprioritized to Regulatory Enforcement and Economic Justice work in 2017. The new position is funded by internal management of current resources and savings from Civil Division is transferred to Leadership and Administration.

#### **Adjustment for One-Time Budget Additions - (\$197,000)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget:

- **Trace Data Community Report.** \$15,000 was approved by Council in the 2018 Adopted Budget for a contract to communicate and promote the findings of a Trace data report.
- **Summit Re-Implementation Project.** \$182,000 for SRI project staffing was approved as part of the 2017-2018 Adopted Budget a one-time funding for PeopleSoft 9.2 stabilization.

### Proposed Changes

#### **Office for Labor Standards Attorney - \$140,402/1.00 FTE**

The Office of Labor Standards (OLS) was created in 2015 to enforce four labor standards ordinances for employees working within Seattle city limits. Since that time, an additional three labor standards have been passed. The OLS enforcement division grew from four FTEs in 2015 to a division with 14 FTEs in 2018. Currently,

## Law Department

one FTE attorney in the Law Department provides legal advice to OLS. An additional attorney will provide subject matter expertise on wage and hour issues, legal advice, representation in Hearing Examiner proceedings, assistance with collections, and address complex legal issues and litigation of proactive investigation enforcement strategies with a focus on large employers and industry wide investigations. The growth of the OLS enforcement unit and shift from complaint-based investigation to proactive investigations requires additional staffing in the Law Department to support this effort. Funding for 2019 is for nine months and annualized for 2020.

### **Civil Forfeiture Staffing - \$58,731/.50 FTE**

This new half-time paralegal position will provide litigation assistance on civil forfeiture cases referred by the Seattle Police Department (SPD). The Law Department has one full-time attorney assigned to handle over 60 current cases per year. SPD has been providing funding for a temporary paralegal in 2018 to assist with the dramatic increase in real property, personal property narcotics and felony forfeiture cases. This add continues support through 2019 and will be reevaluated annually. The paralegal will handle case management, discovery, legal research, draft and file pleadings, and trial preparation. Forfeiture cases provide revenue to SPD which support for this position. SPD and the Law Department will negotiate an MOA to fund this position from forfeiture case proceeds.

### **Vacancy Rate Assumption Reduction - (\$250,000)**

The Law Department agrees to a vacancy rate reduction of 1% of salary and benefits funding. This frees up \$250,000 of General Fund resources to meet other city priorities.

### **Evidence and Discovery Unit Staffing - \$112,265/1.00 FTE**

Currently the Criminal Division has one Discovery Clerk (Administrative Specialist II) to manage and produce SPD evidence for defense counsel. This evidence includes video clips, documentation, 911 calls and materials associated with public disclosure requests (PDR) and criminal proceedings. It is expected that body worn video (BWV) will double the amount of video evidence available for discovery and the subsequent privacy requirements. This new position will address complex technical requirements for video evidence due to the full deployment of BWV in SPD.

## **Proposed Technical Changes**

### **Columbia Center Lease Increase and Account Realignment - \$73,200**

The Law Department entered into a 12-year lease agreement with Columbia Center Property, LLC in April of 2015. The lease stipulates an annual increase of \$1.00 per square foot. This increase fully funds the Law Department for rent, common area maintenance, FAS fees, and storage costs through 2020. This item also realigns the existing budget in the Leadership and Administration Budget Summary Level to streamline invoice processing.

# Law Department

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	2,663,425	7,537,144	7,156,301
<b>Total for BSL: BO-LW-J1100</b>	<b>2,663,425</b>	<b>7,537,144</b>	<b>7,156,301</b>
<b>Civil Budget Summary Level</b>			
General Fund	16,413,642	14,227,912	14,238,086
<b>Total for BSL: BO-LW-J1300</b>	<b>16,413,642</b>	<b>14,227,912</b>	<b>14,238,086</b>
<b>Criminal Budget Summary Level</b>			
General Fund	9,095,114	7,876,048	7,881,478
<b>Total for BSL: BO-LW-J1500</b>	<b>9,095,114</b>	<b>7,876,048</b>	<b>7,881,478</b>
<b>Precinct Liaison Budget Summary Level</b>			
General Fund	891,385	788,782	789,440
<b>Total for BSL: BO-LW-J1700</b>	<b>891,385</b>	<b>788,782</b>	<b>789,440</b>
<b>Department Total</b>	<b>29,063,566</b>	<b>30,429,886</b>	<b>30,065,305</b>
<b>Department Full-time Equivalents Total*</b>	<b>191.60</b>	<b>196.10</b>	<b>195.60</b>

*\* 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 Summary by Fund for Law

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	29,063,566	30,429,886	30,065,305
<b>Budget Totals for LAW</b>	<b>29,063,566</b>	<b>30,429,886</b>	<b>30,065,305</b>

# Law Department

## Appropriations By Budget Summary Level (BSL) and Program

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, financial, technological, administrative and managerial support to the Department.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	49,329	2,114,873	1,493,455
Departmental Indirect Costs	2,328,022	2,362,438	2,437,564
Pooled Benefits	286,074	3,059,833	3,225,282
<b>Total</b>	<b>2,663,425</b>	<b>7,537,144</b>	<b>7,156,301</b>
Full-time Equivalents Total*	17.30	17.30	17.30

\* 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.

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

#### **Citywide Indirect Costs Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	49,329	2,114,873	1,493,455
Full-time Equivalents Total	0.00	0.00	0.00

#### **Departmental Indirect Costs Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	2,328,022	2,362,438	2,437,564
Full-time Equivalents Total	17.30	17.30	17.30

#### **Pooled Benefits Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits	286,074	3,059,833	3,225,282
Full-time Equivalents Total	0.00	0.00	0.00

# Law Department

## Civil Budget Summary Level

The purpose of the Civil Budget Summary Level is to provide legal advice to the City's policy-makers, and to defend and represent the City, its employees, and officials before a variety of county, state, federal courts, and administrative bodies.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Civil	16,413,642	14,227,912	14,238,086
<b>Total</b>	<b>16,413,642</b>	<b>14,227,912</b>	<b>14,238,086</b>
Full-time Equivalents Total*	100.80	103.30	102.80

*\* 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.*

## Criminal Budget Summary Level

The purpose of the Criminal Budget Summary Level includes prosecuting ordinance violations and misdemeanor crimes, maintaining case information and preparing effective case files for the court appearances of prosecuting attorneys, and assisting and advocating for victims of domestic violence throughout the court process.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Criminal	9,095,114	7,876,048	7,881,478
<b>Total</b>	<b>9,095,114</b>	<b>7,876,048</b>	<b>7,881,478</b>
Full-time Equivalents Total*	68.50	69.50	69.50

*\* 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.*

## Law Department

### Precinct Liaison Budget Summary Level

The purpose of the Precinct Liaison Budget Summary Level is to support a program where attorneys work in each of the City's five precincts, providing legal advice to police and other City departments. In helping to address a variety of neighborhood and community problems, the precinct liaison attorneys coordinate with the Civil and Criminal divisions with the goal of providing a consistent, thorough and effective approach.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Precinct Liaison	891,385	788,782	789,440
<b>Total</b>	<b>891,385</b>	<b>788,782</b>	<b>789,440</b>
Full-time Equivalents Total*	5.00	6.00	6.00

*\* 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.*





# Seattle Municipal Court

## The Honorable Ed McKenna, Presiding Judge

(206) 684-5600

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

### Judicial Branch Overview

The Seattle Municipal Court (Court) is authorized by the State of Washington and the Seattle Municipal Code to adjudicate misdemeanors, gross misdemeanors, infractions (e.g., traffic infractions, parking violations, and other infractions), and civil violations including those related to building and zoning offenses. The Judicial Branch of Seattle government has seven elected judges and six appointed magistrates (5.5 FTEs). There are more cases processed here than any other municipal court in the State of Washington.

The Court is committed to excellence in providing fair, accessible and timely resolution of alleged violations of the Seattle Municipal Code in an atmosphere of respect for the public, Court employees and other government entities. The Court works closely with the Seattle Police Department, the City Attorney and the defense bar toward a safe and vital community. The Court also partners with community organizations to increase access to services for residents and enhance compliance with court-ordered conditions. The employees and volunteers of the Court are recognized as a valued part of the organization with many of them working directly with the defendants. Court staff involvement with defendants includes monitoring adherence to court orders for probation and day reporting, assessing treatment needs, and directing them to social service resources. Probation Officers and volunteer staff are in contact with defendants at the Court Resource Center offering services that include, but are not limited to:

- GED preparation classes;
- Self Awareness Workshop;
- Life skills classes;
- Re-entry assistance;
- assistance in voicemail, cell phone, as well as reduced fare ORCA cards;
- emergency food bags;
- hygiene kits and weather appropriate clothing bank items;
- employment readiness classes;
- chemical dependency evaluations;
- housing assistance;
- identification replacement assistance;
- assistance in applying for state Department of Social and Health Service benefits;
- veterans services;
- mental health treatment referrals; and
- direct computer connections to the Seattle Public Library.

Alternatives to jail have substantially reduced the City's jail expenditures and created opportunities for defendants to address underlying problems which lead to criminal behavior. Some of these alternatives include:

- work crew;
- community service;
- day reporting included in an overall pre-trial strategy;
- random breath testing and urine analysis;

# Seattle Municipal Court

- Electronic Home Monitoring (EHM) and Secure Remote Alcohol Monitoring (SCRAM);
- ignition interlock devices; and
- pre-trial diversion as well as partnering with the City Attorney's Office Pre-filing Diversion Program.

SMC has provided **Interpreter Services** in 138 languages since 2005. A Court priority is ensuring access to justice for Limited English Proficiency (LEP) and deaf, hard-of-hearing, or deaf-blind (D/HH/DV) individuals. Free of charge interpreter services are provided for criminal and civil matters, including court hearings, trials, attorney-client interviews, probation and EHM appointments, prosecution witnesses, mental health evaluations, customer service, and translation of court forms and letters. In 2017, about 6,000 interpreted events were conducted with the help of 168 freelance interpreters in 80 languages, including American Sign Language. Approximately 40% of the requests are for Spanish language interpreters. Other frequent requests for interpretation include the Vietnamese, Somali, Amharic, Tigrinya, Cantonese, Mandarin, Russian, Punjabi, and Arabic languages. In 2017 SMC Interpreter Services designed and successfully implemented the first in the state Mentoring Program for non-credentialed court interpreters.

In addition to the three general trial courts, the jail arraignment calendar and the master jury trial calendar, the Court serves defendants and the community through four specialty court calendars:

The **Mental Health Court Calendar (MHC)**, established in 1999, is nationally recognized for serving misdemeanor offenders who are mentally ill or developmentally disabled. Defendants are expected to maintain treatment compliance, contact social service providers and adhere to other conditions of release. Once defendants opt into the court, frequent reviews are held. Judges become familiar with defendants, obtain input from dedicated probation staff, and make informed decisions while holding defendants responsible for their actions. The court holds contested competency and contested restoration hearings. Defendants may elect to opt out or enter into a disposition and remain under MHC supervision. Defendants can also be referred for supervision from mainstream courtrooms.

**Seattle Community Court Needs Based Sentencing (NBS) Program** implemented on January 9, 2017, is a similar model to the Seattle Community Court, which operated from 2005-2016. The new NBS program aims to build upon the success of Community Court by widening the diversion offer of community service and mandated social service contacts to all mainstream SMC courtrooms. The NBS sentence for individuals admitting to low level, quality of life crimes is in lieu of jail time. The program hopes to expand eligibility criteria and ultimately increase participation for individuals who may benefit from a need based rather than traditional sentence. The target population is individuals charged with non-domestic violence, non-driving under the influence low-level crimes including theft and criminal trespass, who may have some past criminal history. The City Attorney's Office may make an initial NBS offer for program entry or a judge may impose a NBS at time of sentencing later in the case. The defendant receives the opportunity to have his or her charges dismissed upon successful completion of the NBS conditions.

**Seattle Veterans Treatment Court Calendar** was established in 2012 to meet the needs of defendants who previously served in the military and were generally discharged. The Court works closely with the King County Department of Community and Human Services, the Washington State Department of Veterans Affairs and the U.S. Department of Veterans Affairs to access agency resources available to veterans. Typically, the veterans come before the court with substance abuse and/or serious mental health issues. Treatment incorporates core values of military life including integrity, initiative and accountability.

The **Domestic Violence Calendars** were established in 2004 and are staffed by designated judges and specialized probation counselors. These courts preside over dedicated pretrial, trial, review and revocation court hearings each week. The Court addresses no contact order violations swiftly. Victim safety is a primary concern in these cases and special emphasis is placed on accountability for offender actions. Intensive court supervision increases compliance with court conditions and scheduling more immediate violation reviews provide greater assurance of public safety. The Court has also been integral in piloting a collaborative treatment modality known as Domestic

# Seattle Municipal Court

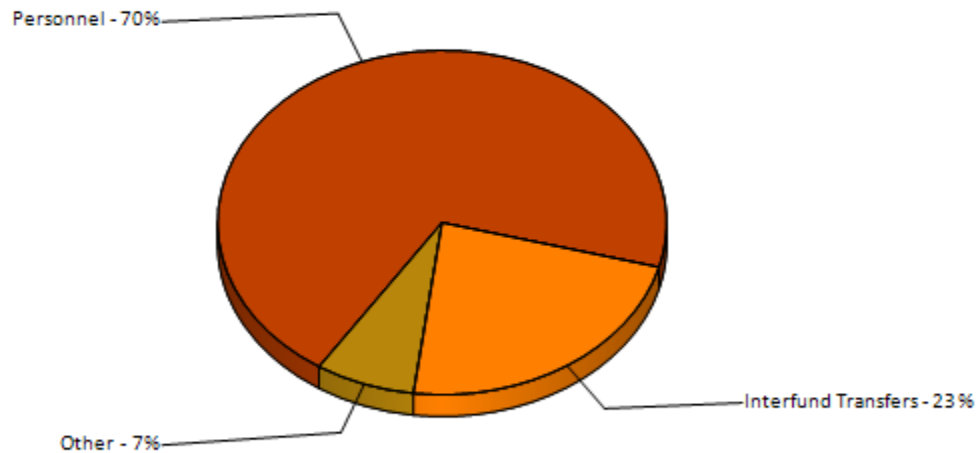
Violence Intervention Project. This pilot with state-wide implications as a possible replacement for batterer's intervention treatment. The pilot began in June 2018 and will begin reporting out in the first quarter of 2019.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$32,976,070	\$34,859,056	\$34,342,370
<b>Total Operations</b>	<b>\$32,976,070</b>	<b>\$34,859,056</b>	<b>\$34,342,370</b>
<b>Total Appropriations</b>	<b>\$32,976,070</b>	<b>\$34,859,056</b>	<b>\$34,342,370</b>
Full-time Equivalent Total*	215.10	215.10	215.10

\* 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.

## 2019 Proposed Budget - Expenditure by Category



# Seattle Municipal Court

## Budget Overview

The 2019-2020 Proposed Budget provides resources to enable the Court to continue to adjudicate criminal cases, citations and infractions.

A priority for the Court is to continue preparing for the replacement of the Municipal Court Information System (MCIS). MCIS is over 27 years old and was developed internally using the legacy IBM Informix platform to capture key court case events and meet the reporting requirements of the state's Administrative Office of the Courts (AOC). Over time, the Court has enhanced this system to provide important case management information, increased application functionality and improved data exchanges and public access. The Court and the City are highly dependent on MCIS to provide a continuing, permanent record of court case events, dates, hearings and outcomes. MCIS also tracks defendant compliance with court ordered sanctions and tracks all related fines and fees. Data related to the collection of \$47 million in fines and fees from the Seattle Police Department's parking and traffic ticket devices are highly dependent on MCIS. Daily data exchanges with the City of Seattle departments, King County and the State of Washington agencies rely on MCIS fully functioning with modern technology capabilities.

This project is included in the Seattle Department of Information Technology (Seattle IT) Capital Improvement Program, as part of the Criminal Justice Information System Replacement Project, with an estimated total cost of \$41 million over six years.

### Schedule and Milestones:

- 2017: \$2.5 million appropriated to Seattle IT to conduct an options analysis comparing available options as well as hold vendor demonstrations and conduct research for information on technology capabilities, while concurrently documenting MCIS current business practices and requirements.
- 2018: \$5 million appropriated to develop an RFP, evaluate proposals, specific vendor demonstrations and interviews fit gap analysis and contract negotiations.
- 2019: \$3 million appropriated with the vendor on board in January and implementation kick off.

Implementation will continue through 2020-2021 with a go-live date in January 2022. Costs for 2020 through 2021 will be refined after vendor procurement.

In the 2018 Adopted Budget, Council provided partial, one-time funding for staff at the Court Resource Center (CRC). The 2019-2020 Proposed Budget appropriates full, ongoing funding for the positions and will allow SMC to meet one of the recommendations of a 2017 audit conducted by the Office of the City Auditor. The CRC provides on-site social services to the Court's pre-trial defendants, people released from jail and on probation, clients with unstable housing and individuals who are homeless or at risk for homelessness.

Elected state, superior and district court judicial salaries are set by the Washington Citizen's Commission on Salaries for Elected Officials. By City Ordinance 122112, SMC judicial salaries are set at 95% of the district court. A final salary schedule and wage increase was mandated effective September 2018 and the budget will fund this increase. Additionally, setting SMC judicial salaries at this level qualifies the City to receive a contribution from the state for technology improvements at SMC per the aforementioned ordinance.

A Real Estate Excise Tax funded-Asset Preservation project proposed for the Court is a vestibule retrofit of the Seattle Justice Center lobby. The project will address temperature and air volume controls for the staff that work on the first floor.

# Seattle Municipal Court

## Incremental Budget Changes

### Seattle Municipal Court

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 32,976,070</b>	<b>215.10</b>	<b>\$ 32,976,070</b>	<b>215.10</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,799,161	0.00	\$ 1,280,253	0.00
Adjustment for One-Time Budget Additions	-\$ 250,000	-2.00	-\$ 250,000	-2.00
<b>Proposed Changes</b>				
Court Resource Center Staffing	\$ 299,325	2.00	\$ 301,547	2.00
Judicial Salary Adjustment	\$ 34,500	0.00	\$ 34,500	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,882,986</b>	<b>0.00</b>	<b>\$ 1,366,300</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 34,859,056</b>	<b>215.10</b>	<b>\$ 34,342,370</b>	<b>215.10</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,799,161**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Adjustment for One-Time Budget Additions - (\$250,000)/(2.00) FTE**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget:

- **Court Resource Center Staffing.** This reduces the Court's baseline budget by 2.0 FTE and \$250,000. This Council add in the 2018 Adopted Budget was funded with one-time funding.

# Seattle Municipal Court

## Proposed Changes

### **Court Resource Center Staffing - \$299,325/2.00 FTE**

The 2019-2020 Proposed Budget continues staffing of the Court Resource Center (CRC). In 2018, Council appropriated \$250,000 in one-time funding covering most of the cost of a Manager 1 and Strategic Advisor 1 in the CRC. The CRC provides on-site resources to court defendants, persons re-entering the community from either jail or prison and individuals who are homeless or at risk for homelessness. Services range from basic immediate needs for food and clothing to substance use disorder assessment and referrals, GED preparation and public benefit application assistance. All services are open to the public. The positions will continue to build partnerships with community groups and other city departments, collect data and measure program outcomes, provide insight to race, social justice and equity needs of clients relative to operations. This staffing follows the recommendations of a 2017 audit conducted by the Office of the City Auditor.

### **Judicial Salary Adjustment - \$34,500**

In Washington state, elected state, superior and district court judicial salaries are set by the Washington Citizen's Commission on Salaries for Elected Officials. As directed in Ordinance 122112, Seattle Municipal Court judicial salaries are set at 95% of the district court. A final salary schedule and wage increase was mandated effective September 2018 which the Court will absorb within their 2018 budget. The proposed budget funds the 2018 ongoing increase. Additionally, setting SMC judicial salaries at this level qualifies the City to receive a contribution from the state for technology improvements at SMC. The state contribution is generally \$150,000 annually and is applied to the Trial Court Improvement Account in Finance General. The Court uses this account to fund one-time technology improvements such as the Electronic Court Filing Project completed in 2016.

## **Expenditure Overview**

<b>Appropriations</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
<b>Court Operations Budget Summary Level</b>			
General Fund	15,370,648	15,452,451	15,598,203
<b>Total for BSL: BO-MC-2000</b>	<b>15,370,648</b>	<b>15,452,451</b>	<b>15,598,203</b>
<b>Administration Budget Summary Level</b>			
General Fund	12,001,572	13,740,001	13,032,003
<b>Total for BSL: BO-MC-3000</b>	<b>12,001,572</b>	<b>13,740,001</b>	<b>13,032,003</b>
<b>Court Compliance Budget Summary Level</b>			
General Fund	5,603,850	5,666,604	5,712,164
<b>Total for BSL: BO-MC-4000</b>	<b>5,603,850</b>	<b>5,666,604</b>	<b>5,712,164</b>
<b>Department Total</b>	<b>32,976,070</b>	<b>34,859,056</b>	<b>34,342,370</b>
<b>Department Full-time Equivalent Total*</b>	<b>215.10</b>	<b>215.10</b>	<b>215.10</b>

\* 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.

# Seattle Municipal Court

## Budget Summary by Fund for Municipal Court

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	32,976,070	34,859,056	34,342,370
<b>Budget Totals for SMC</b>	<b>32,976,070</b>	<b>34,859,056</b>	<b>34,342,370</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Court Operations Budget Summary Level

The purpose of the Court Operations Budget Summary Level is to hold hearings and address legal requirements for defendants and others who come before the Court. Some proceedings are held in formal courtrooms and others in magistrate offices, with the goal of providing timely resolution of alleged violations of City ordinances and misdemeanor crimes committed within the Seattle city limits.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Court Operations	15,370,648	15,452,451	15,598,203
<b>Total</b>	<b>15,370,648</b>	<b>15,452,451</b>	<b>15,598,203</b>
Full-time Equivalents Total*	136.25	136.25	136.25

\* 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.

### Administration Budget Summary Level

The purpose of the Administration Budget Summary Level is to provide administrative controls, develop and provide strategic direction, and provide policy and program development.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	12,001,572	13,740,001	13,032,003
<b>Total</b>	<b>12,001,572</b>	<b>13,740,001</b>	<b>13,032,003</b>
Full-time Equivalents Total*	34.00	34.00	34.00

\* 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.

# Seattle Municipal Court

## Court Compliance Budget Summary Level

The purpose of the Court Compliance Budget Summary Level is to help defendants understand the Court's expectations and to assist them in successfully complying with court orders.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Court Compliance	5,603,850	5,666,604	5,712,164
<b>Total</b>	<b>5,603,850</b>	<b>5,666,604</b>	<b>5,712,164</b>
Full-time Equivalents Total*	44.85	44.85	44.85

*\* 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.*



# Seattle Police Department

Carmen Y. Best, Chief of Police

(206) 684-5577

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

## Department Overview

The Seattle Police Department (SPD) prevents crime, enforces laws, and enhances public safety by delivering respectful, professional, and dependable police services. SPD divides operations into five precincts. These precincts define east, west, north, south, and southwest patrol areas, with a police station in each area. The department's organizational model places neighborhood-based emergency response services at its core, allowing SPD the greatest flexibility in managing public safety. Under this model, neighborhood-based personnel in each precinct assume responsibility for public safety management, primary crime prevention and law enforcement. Precinct-based detectives investigate property crimes and crimes involving juveniles, whereas detectives in centralized units located at SPD headquarters downtown and elsewhere conduct follow-up investigations into other types of crimes. SPD also has citywide responsibility for enhancing the City's capacity to plan for, respond to, recover from, and reduce the impacts of a wide range of emergencies and disasters, under the auspices of the Office of Emergency Management. Other parts of the department function to train, equip, and provide policy guidance, human resources, communications, and technology support to those delivering direct services to the public.

Newly-appointed Police Chief Carmen Best has adopted a set of priorities that will guide the department through the next phase of the Consent Decree and establish a culture of continuous improvement and innovation:

- **Reduce Crime and Disorder** - Improve public safety by effectively addressing crime and disorder.
- **Excellence in Service** - Strive for excellence in service, to better foster trust, support and understanding in the communities we serve.
- **Honor and Professionalism** - Serve with honor, professionalism and pride.
- **Business Efficiency** - Increase business efficiency through better utilization of the resources we have, effective management of the budget and process improvements.
- **Data-Driven Policies and Practices** - Use data-driven policies and best practices to improve deployments, and monitor and respond to emerging crime trends.

In 2018, SPD was found to be in “full and effective compliance” with court-ordered reforms set forth in the 2012 US Department of Justice Settlement Agreement. Following this announcement, the department immediately entered into a two-year review period, wherein SPD must demonstrate its dedication to providing constitutional and effective police services through the continued development and refinement of policies and procedures.

SPD is committed to recruiting, hiring and training police officers that are representative of the communities it serves. With higher than average attrition and increasing competition for qualified police candidates, the department is implementing new strategies to attract and retain a quality, diverse candidate pool to achieve its hiring goals in 2019 and beyond.

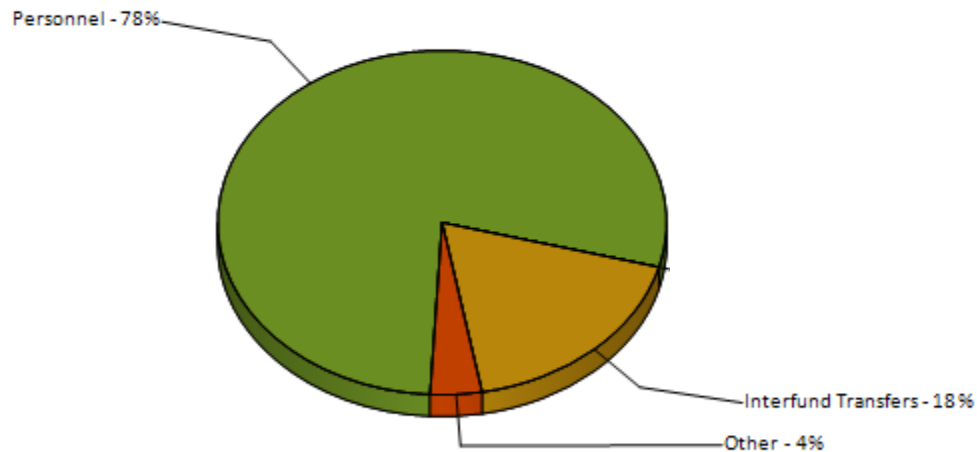
# Seattle Police Department

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$331,321,865	\$363,366,248	\$357,212,111
<b>Total Operations</b>	<b>\$331,321,865</b>	<b>\$363,366,248</b>	<b>\$357,212,111</b>
<b>Total Appropriations</b>	<b>\$331,321,865</b>	<b>\$363,366,248</b>	<b>\$357,212,111</b>
Full-time Equivalent Total*	2,156.85	2,172.35	2,175.35

\* 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.

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget for the Seattle Police Department (SPD) reflects the City's commitment to protecting public safety and strengthening community trust. Over the last year, the department and the City have undergone several significant changes with profound impacts on the department.

Since 2012, SPD has been under a federal consent decree with the U.S. Department of Justice (DOJ) and has been working with the federal monitor to meet the requirements and adopt reforms. In January 2018, the U.S. District judge overseeing the decree ruled that the SPD had fully complied with the first phase of the agreement. That

# Seattle Police Department

ruling initiated a second phase of the agreement, which requires SPD to sustain compliance for a two-year monitoring period before the consent decree can be terminated.

In August, the Mayor appointed, and the City Council unanimously confirmed, new police chief Carmen Best. This followed a nationwide search by the 25-member search committee and extensive community input. The Mayor and Chief share a common vision for the City's police – to protect public safety, advance reform, and build public trust with the community it serves.

In developing the 2019-2020 Proposed Budget, the Mayor worked closely with SPD to identify budget efficiencies and reductions without compromising SPD's public safety service delivery goals. Identifying those efficiencies has allowed the Mayor's budget to make targeted investments in priority areas, including:

- supporting the expansion in size of the current police force;
- replacing outdated technology systems;
- reaffirming ongoing commitment to the goals of the U.S. Department of Justice Settlement Agreement; and
- supporting the department's community engagement and collaborative policing initiatives.

## **Restore Public Trust: Ongoing Support of Department of Justice Consent Decree Goals and Reforms**

In January 2018, the department was found to be in "full and effective" compliance with the DOJ Settlement Agreement, initiating the two-year sustainment period. The agreement achievements to date, systematic assessments, semi-annual reports, annual monitoring plans, approved policies and procedures, court proceedings, results of community perception surveys, and expenditures can be found on the [Seattle Police Monitor's](#) webpage.

The 2019-2020 Proposed Budget will set out a roadmap of funding for activities pertaining to sustainment, reinforcing implemented reforms and investing in accountability structures within the department. The budget permanently adds capacity to the Data Driven Unit in support of their work in crime analytics and data-driven policing, adoption of which was a core tenant of Consent Decree reforms. The budget also expands capacity of the SPD Human Resources section in leadership and organizational development for sworn and civilian leaders and managers alike.

## **Address Crime and Quality of Life Issues**

### *Ongoing Police Officer Recruiting and Hiring*

The budget supports the department's ongoing efforts to recruit and hire quality diverse police officers in 2019 and 2020 above current staffing levels. It is important to Chief Best and the Mayor to focus on building a department that represents the community it serves. Recognizing the importance of hiring diverse police officers and understanding that the current hiring plan is aggressive, the proposed budget includes continued funding in support of robust recruiting efforts, initiated in the 2017 and 2018 Adopted budgets.

While the department continued to recruit and hire throughout 2018, higher-than-expected attrition levels resulted in delays in the progress towards the hiring goals set under a previous administration. With the support of Mayor Durkan, SPD is engaging in a variety of recruitment strategies to attract quality, diverse candidates to its force. To date, the department has hired 98 fully trained officers above 2014 staffing levels.

The proposed budget commits to expanding hiring above 2018 staffing levels, adding money to hire 10 new officers in 2019 and 30 new officers in 2020. The department's ability to hire will be closely tracked by the department and the Executive throughout the coming years, as many unknown variables will impact the ability to achieve hiring goals. The 2020 Budget process will evaluate the department's ability to make progress on those goals and will adjust accordingly.

# Seattle Police Department

## *Focus on Community Engagement and Community-Centered Policing*

Under Chief Best, SPD is strengthening its community outreach and community-based policing efforts. Previous budgets included funding for the development of a community liaison program and extensive community outreach work was completed by the department. The proposed budget includes funding for implementation of an updated Community Service Officer (CSO) program to reflect the current needs of the City. Under the leadership of Chief Best, the new program will dovetail with the department's existing community engagement and expand their reach in Seattle's diverse communities.

Chief Best has already identified community outreach and engagement as a core tenet of her department. She will be given the opportunity to shape the future of the community liaison program. In addition to the CSO program, the Chief is in the process of making strategic changes to leadership and operational structures which will further strengthen the department's ability to collaborate and partner with the community on public safety issues including the creation of a new Collaborative Policing Bureau. The new bureau will combine the department's community engagement and outreach elements and house the new CSO program, allowing for more effective dialogue and partnership with people throughout the city.

## **Invest Wisely in SPD's Future**

The Mayor's focus in the 2019-2020 budget process was for departments to identify and propose sustainable reductions while mitigating any impacts to service delivery to the public. The department identified several areas where budget reductions were possible without impacting service delivery. This included capturing salary savings associated with natural turnover in staffing, reducing the department's fuel budget, and reducing the overtime budget for the Office of Police Accountability. These changes are sustainable and ongoing. Additionally, the department identified an additional reduction they would take from their professional services budget.

This budget includes investment in two critical pieces of department infrastructure that were due for replacement: the mobile data terminal (MDT) and the in-car video (ICV) system. The MDT is the computer that operates inside SPD patrol cars and provides critical information to officers in the field. The current systems for the MDT and ICV are integrated such that replacement of one necessitates concurrent replacement of the other. The current systems are eight years old and are end of service and end of life. Investing in these system replacements is important for officer safety and for visibility into officer-public interactions. The video provided through the ICV provides an important and objective lens into officer-community interactions. Under the proposed budget, both systems will be replaced in 2019, with ongoing O&M beginning in 2020. These system replacements will support the department's ongoing commitment to transparency and accountability to the city.

# Seattle Police Department

## Incremental Budget Changes

### Seattle Police Department

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 331,321,865</b>	<b>2,156.85</b>	<b>\$ 331,321,865</b>	<b>2,156.85</b>
<b>Baseline Changes</b>				
Budget Realignment with Actual Costs	-\$ 3,506,397	0.00	-\$ 3,506,397	0.00
Citywide Adjustments for Standard Cost Changes	\$ 38,452,450	0.00	\$ 28,569,430	0.00
Supplemental Budget Changes	\$ 933,935	5.00	\$ 941,985	5.00
Adjustment for One-Time Budget Additions	-\$ 1,561,452	0.00	-\$ 1,561,452	0.00
<b>Proposed Changes</b>				
General Fund Reduction	-\$ 3,678,000	0.00	-\$ 3,678,000	0.00
Sworn Hiring	\$ 728,982	0.00	\$ 4,086,004	3.00
Community Service Officer Program	\$ 1,305,720	12.00	\$ 1,671,356	12.00
Replace Mobile Data Terminal and In-Car Video Systems	\$ 0	0.00	\$ 0	0.00
Add Staff for Data Driven Policing	\$ 0	1.00	\$ 0	1.00
Add Leadership & Organizational Development Capacity	\$ 0	1.00	\$ 0	1.00
Reduce Discretionary Contacting Resources	-\$ 300,000	0.00	-\$ 300,000	0.00
Remove Vacant Position	-\$ 60,855	-0.50	-\$ 62,680	-0.50
AFIS Levy Program Adjustments	\$ 0	-3.00	\$ 0	-3.00
Technical Adjustment	-\$ 270,000	0.00	-\$ 270,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 32,044,383</b>	<b>15.50</b>	<b>\$ 25,890,246</b>	<b>18.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 363,366,248</b>	<b>2,172.35</b>	<b>\$ 357,212,111</b>	<b>2,175.35</b>

# Seattle Police Department

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Budget Realignment with Actual Costs - (\$3,506,397)**

This is a technical adjustment to realign the 2019 and 2020 SPD salary and benefit budget appropriation to account for delays in hiring that occurred in 2018.

#### **Citywide Adjustments for Standard Cost Changes - \$38,452,450**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. An increment of \$3,810,000 was added for internal services costs and an increment of \$1,089,000 was added for healthcare costs. This adjustment also includes \$7,000,000 in baseline changes for salary and benefit costs.

This technical adjustment also adds new ongoing internal services costs to the SPD budget. These costs were previously included in the Finance General budget. With this change, department budgets will better reflect support costs.

- *Human Resources:* A human resources (HR) allocation is assigned to all City departments starting with the 2019-2020 Proposed Budget. The HR allocation supports central HR services provided by the Seattle Department of Human Resources (SDHR) to the department. In 2019 and 2020, Finance General will transfer the amount equal to the HR allocation to cover this new department expenses, and at SPD, that amount will be \$2,445,000 in 2019.
- *Information Technology:* In 2019, SPD's rate from Seattle IT increased by \$24,814,012. Of that amount, \$12,791,000 amount reflects a one-time adjustment to reconcile 2018 rates and the remaining \$12,023,000 amount reflects Seattle IT's updated central costs, including a shift from appropriating funds out of Finance General to departments. The one-time adjustment and ongoing increase to SPD's rate is offset by a substantial reduction to the IT rate for Finance General.

#### **Supplemental Budget Changes - \$933,935/5.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. Included in this adjustment are changes in salary and benefit costs associated with the Seattle Police Management Association (SPMA) contract settlement, a reduction in appropriations for IT projects, a transfer of a position between SPD and the City Attorney's Office, funding and staffing adjustments for Office of Police Accountability (OPA) civilianization (4 FTEs), and position additions for the Body-Worn Video program (2 FTEs).

# Seattle Police Department

## **Adjustment for One-Time Budget Additions - (\$1,561,452)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget. This adjustment removes one-time costs for new vehicles, temporary position funding, and one-time costs for new positions adds.

### Proposed Changes

#### **General Fund Reduction - (\$3,678,000)**

This adjustment reduces the SPD budget in line with the Mayor's vision of imposing greater fiscal responsibility and identifying and maximizing budget efficiencies. This total adjustment includes the following pieces:

- *Salary Savings*: Reduces the overall SPD budget annually by \$3.1 million by capturing salary savings associated with turnover of sworn staffing in the department. There are no service impacts associated with this reduction.
- *Overtime*: Reduces the Office of Police Accountability (OPA) budget for overtime. This is due to the investment in additional administrative support for OPA through the civilianization efforts in the 2018 Q1 Supplemental budget.
- *Fuel Budget*: Reduces the overall department's fuel budget by \$500,000. This reduction supports the Mayor's goal of reducing greenhouse gas emissions in the City. This reduction will not impact service delivery.

#### **Sworn Hiring - \$728,982**

Expanding sworn hiring is a priority of the Mayor and Police Chief and they will be collaborating closely throughout the biennium to ensure SPD recruits, attracts and trains quality, diverse sworn hires. This adjustment adds funding to hire and train 10 new officers in 2019 and 30 in 2020, above 2018 staffing levels. These additions will be above and beyond the recruiting and training required to replace the 75 officers that are anticipated to retire or otherwise leave SPD's ranks in both 2019 and 2020. This adjustment in sworn hiring allows SPD to engage in diverse recruiting techniques to expand its ranks through the biennium.

#### **Community Service Officer Program - \$1,305,720/12.00 FTE**

This adjustment funds the rollout and ramp-up of SPD's new Community Service Officer program. This funding supports the hiring and training of up to ten CSOs and two supervisors in 2019, with sustainment beginning in 2020. The new program will support the department's community-oriented policing and expand the reach of current community engagement efforts.

#### **Replace Mobile Data Terminal and In-Car Video Systems**

SPD's existing mobile data terminal (MDT) and in-car video (ICV) systems, which operate in all patrol cars, are at the end of their useful life and need to be replaced. Existing resources within SPD's budget are reallocated to fund

# Seattle Police Department

the \$4.8 million MDT and \$2.3 million ICV replacement projects. Seattle IT includes appropriation for these projects.

The MDT provides access to a variety of critical information including silent dispatch, incident updates, previous incidents and premise hazards. The system gives field personnel maximum situational awareness and enables safer, faster, and better incident resolution.

ICV system is an important piece of equipment to document incidents between officers and the public. It serves as an important accountability tool, helping protect officers from false allegations and hold them accountable in instances of excessive force or unprofessional behavior. Both the current and anticipated future solution have the capability to capture footage both inside the police car, as well as, directly in front of it. This is different from the body-worn video camera footage, which only captures the officer's viewpoint. The new solution will also allow for the upload of information into the cloud and integrate with the department's current online video evidence solution.

The current system is one unit with both ICV and the MDT together. The replacement system will separate the two, allowing for better maintenance and system support going forward.

## **Add Staff for Data Driven Policing/1.00 FTE**

This adjustment will add position authority for one Strategic Advisor 2 position in SPD's Data Driven Unit. This adjustment will support the department's ongoing commitment to and investment in data-driven policing. The full-time civilian staff with specialization in data analytics, criminal justice research methods and statistics and technology, will help to solidify the program and advance SPD's analytical capabilities. This position will contribute to the existing priorities and furtherance of evidenced-based best practices and compliance with the consent decree through the growth and expansion of analytics systems and measurable data points.

## **Add Leadership & Organizational Development Capacity/1.00 FTE**

This adjustment will add position authority for one Strategic Advisor 1 position to SPD's Human Resources section in support of the department's leadership and organizational development work. This position will continue the Seattle Police Management Association (SPMA) leadership program, designing and delivering specialized leadership training for SPD civilian supervisors and managers, onboarding the department to the E3 performance management system and working as a liaison between the Department and the Seattle Department of Human Resources to create alignment with city processes and initiatives. The SPMA leadership program is a component of the City of Seattle Settlement Agreement with the Seattle Police Management Association.

## **Reduce Discretionary Contracting Resources - (\$300,000)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$300,000 in discretionary contracting reductions. This reduction achieves efficiency in budgeting without service reductions.



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## **Remove Vacant Position - (\$60,855)/(.50) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed one part-time (0.5 FTE) position. This reduction will not impact delivery of core services.

## **AFIS Levy Program Adjustments/(3.00) FTE**

In August 2018, King County voters approved the \$126 million 6-year Regional Automated Fingerprint Identification System (AFIS) Operations and Levy Plan for 2019-2024. This vote renews the existing levy which has been in effect in King County for over thirty years. The AFIS levy funds fingerprint identification services and technology to criminal justice agencies throughout King County. Adjustments to SPD's AFIS Program under the new levy include the proposed removal of three long-term vacancies: one Latent Print Examiner, one Identification Tech, and one Identification Data Specialist. This adjustment will align existing funding to reflect current spending needs of the program, including funding for equipment, professional services, overtime, training and travel.

## **Technical Adjustment - (\$270,000)**

Changes reflected in this category include: adjustments within or between budget control levels that align funding with spending requirements, corrections to baseline adjustments and other technical changes to staffing and program funding requirements. These changes are considered technical in nature because they do not significantly affect approved departments service delivery or require new or additional policy decisions.

# Seattle Police Department

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## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Chief of Police Budget Summary Level</b>			
General Fund	10,412,368	9,946,215	10,428,178
<b>Total for BSL: BO-SP-P1000</b>	<b>10,412,368</b>	<b>9,946,215</b>	<b>10,428,178</b>
<b>Office of Police Accountability Budget Summary Level</b>			
General Fund	3,924,718	3,947,291	4,003,326
<b>Total for BSL: BO-SP-P1300</b>	<b>3,924,718</b>	<b>3,947,291</b>	<b>4,003,326</b>
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	58,377,568	72,526,874	68,913,185
<b>Total for BSL: BO-SP-P1600</b>	<b>58,377,568</b>	<b>72,526,874</b>	<b>68,913,185</b>
<b>Patrol Operations Budget Summary Level</b>			
General Fund	13,383,831	12,976,429	14,730,881
<b>Total for BSL: BO-SP-P1800</b>	<b>13,383,831</b>	<b>12,976,429</b>	<b>14,730,881</b>
<b>Compliance and Professional Standards Bureau Budget Summary Level</b>			
General Fund	3,164,525	3,335,863	3,383,279
<b>Total for BSL: BO-SP-P2000</b>	<b>3,164,525</b>	<b>3,335,863</b>	<b>3,383,279</b>
<b>Special Operations Budget Summary Level</b>			
General Fund	52,870,089	53,204,368	53,778,969
<b>Total for BSL: BO-SP-P3400</b>	<b>52,870,089</b>	<b>53,204,368</b>	<b>53,778,969</b>
<b>West Precinct Budget Summary Level</b>			
General Fund	30,404,001	31,146,870	31,695,717
<b>Total for BSL: BO-SP-P6100</b>	<b>30,404,001</b>	<b>31,146,870</b>	<b>31,695,717</b>
<b>North Precinct Budget Summary Level</b>			
General Fund	33,119,811	33,475,478	34,173,906
<b>Total for BSL: BO-SP-P6200</b>	<b>33,119,811</b>	<b>33,475,478</b>	<b>34,173,906</b>

# Seattle Police Department

## South Precinct Budget Summary Level

General Fund	18,234,636	18,018,615	18,317,618
<b>Total for BSL: BO-SP-P6500</b>	<b>18,234,636</b>	<b>18,018,615</b>	<b>18,317,618</b>

## East Precinct Budget Summary Level

General Fund	23,814,024	24,491,836	25,000,992
<b>Total for BSL: BO-SP-P6600</b>	<b>23,814,024</b>	<b>24,491,836</b>	<b>25,000,992</b>

## Southwest Precinct Budget Summary Level

General Fund	15,920,824	15,889,699	16,192,989
<b>Total for BSL: BO-SP-P6700</b>	<b>15,920,824</b>	<b>15,889,699</b>	<b>16,192,989</b>

## Criminal Investigations Budget Summary Level

General Fund	11,966,849	12,397,184	12,605,276
<b>Total for BSL: BO-SP-P7000</b>	<b>11,966,849</b>	<b>12,397,184</b>	<b>12,605,276</b>

## Violent Crimes Budget Summary Level

General Fund	8,253,580	8,443,069	8,544,070
<b>Total for BSL: BO-SP-P7100</b>	<b>8,253,580</b>	<b>8,443,069</b>	<b>8,544,070</b>

## Narcotics Investigations Budget Summary Level

General Fund	5,240,330	5,330,173	5,382,325
<b>Total for BSL: BO-SP-P7700</b>	<b>5,240,330</b>	<b>5,330,173</b>	<b>5,382,325</b>

## Special Investigations Budget Summary Level

General Fund	9,260,741	8,398,426	8,509,992
<b>Total for BSL: BO-SP-P7800</b>	<b>9,260,741</b>	<b>8,398,426</b>	<b>8,509,992</b>

## Special Victims Budget Summary Level

General Fund	6,865,966	6,954,301	7,053,512
<b>Total for BSL: BO-SP-P7900</b>	<b>6,865,966</b>	<b>6,954,301</b>	<b>7,053,512</b>

## Administrative Operations Budget Summary Level

General Fund	26,108,004	42,883,557	34,497,896
<b>Total for BSL: BO-SP-P8000</b>	<b>26,108,004</b>	<b>42,883,557</b>	<b>34,497,896</b>

# Seattle Police Department

<b>Department Total</b>	<b>331,321,865</b>	<b>363,366,248</b>	<b>357,212,111</b>
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<b>Department Full-time Equivalents Total*</b>	<b>2,156.85</b>	<b>2,172.35</b>	<b>2,175.35</b>
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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.*

## Budget Summary by Fund for Police

	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
00100 - General Fund	331,321,865	363,366,248	357,212,111
<b>Budget Totals for SPD</b>	<b>331,321,865</b>	<b>363,366,248</b>	<b>357,212,111</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Chief of Police Budget Summary Level

The purpose of the Chief of Police Budget Summary Level is to lead and direct department employees and to provide policy guidance and oversee relationships with the community, with the goal that the department provides the City with professional, dependable, and respectful public safety services.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Chief of Police	10,412,368	9,946,215	10,428,178
<b>Total</b>	<b>10,412,368</b>	<b>9,946,215</b>	<b>10,428,178</b>
Full-time Equivalents Total*	60.50	71.50	71.50

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## Office of Police Accountability Budget Summary Level

The purpose of the Office of Police Accountability Budget Summary Level is to investigate and process complaints involving officers in the Seattle Police Department.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Police Accountability	3,924,718	3,947,291	4,003,326
<b>Total</b>	<b>3,924,718</b>	<b>3,947,291</b>	<b>4,003,326</b>
Full-time Equivalents Total*	23.00	27.00	27.00

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## Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology, and business support to the Seattle Police Department. It includes the Finance and Planning unit; Grants and Contracts unit; Fleet and Facilities Management; and the Administrative Services, Information Technology, and Human Resources programs. The Audit, Policy and Research Program and Education and Training Program are also included in this Budget Summary Level.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	13,619,550	27,386,845	22,055,792
Departmental Indirect Costs	29,295,010	29,320,417	29,880,903
Divisional Indirect Costs	15,463,008	15,819,612	16,976,490
<b>Total</b>	<b>58,377,568</b>	<b>72,526,874</b>	<b>68,913,185</b>
Full-time Equivalents Total*	379.35	381.85	384.85

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*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

## Citywide Indirect Costs Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	13,619,550	27,386,845	22,055,792
Full-time Equivalents Total	0.00	0.00	0.00

## Departmental Indirect Costs Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	29,295,010	29,320,417	29,880,903
Full-time Equivalents Total	290.35	292.85	295.85

## Divisional Indirect Costs Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect Costs	15,463,008	15,819,612	16,976,490
Full-time Equivalents Total	89.00	89.00	89.00

## **Patrol Operations Budget Summary Level**

The purpose of the Patrol Operations Budget Summary Level is to oversee the operational functions of the Department with the goal that the public receives public safety services that are dependable, professional, and respectful. The Patrol Operations Budget Summary Level oversees the five Precincts and associated personnel.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Patrol Operations	13,383,831	12,976,429	14,730,881
<b>Total</b>	<b>13,383,831</b>	<b>12,976,429</b>	<b>14,730,881</b>
Full-time Equivalents Total*	29.00	29.00	29.00

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# Seattle Police Department

## Compliance and Professional Standards Bureau Budget Summary Level

The purpose of the Compliance and Professional Standards Bureau Budget Summary Level is to investigate and review use of force issues. It includes the Department's Force Investigation Team and Use of Force Review Board as well as Compliance and Professional Standards Administration.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Compliance & Prof. Standards	3,164,525	3,335,863	3,383,279
<b>Total</b>	<b>3,164,525</b>	<b>3,335,863</b>	<b>3,383,279</b>
Full-time Equivalents Total*	18.00	18.00	18.00

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## Special Operations Budget Summary Level

The purpose of the Special Operations Budget Summary Level is to deploy specialized response units in emergencies and disasters. The Bureau provides crowd control, special event, search, hostage, crisis, and marine-related support to monitor and protect critical infrastructure to protect lives and property, aid the work of uniformed officers and detectives, and promote the safety of the public.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Special Operations	52,870,089	53,204,368	53,778,969
<b>Total</b>	<b>52,870,089</b>	<b>53,204,368</b>	<b>53,778,969</b>
Full-time Equivalents Total*	282.00	282.00	282.00

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# Seattle Police Department

## West Precinct Budget Summary Level

The purpose of the West Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the West Precinct, to promote safety in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
West Precinct	30,404,001	31,146,870	31,695,717
<b>Total</b>	<b>30,404,001</b>	<b>31,146,870</b>	<b>31,695,717</b>
Full-time Equivalents Total*	228.00	228.00	228.00

*\* 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.*

## North Precinct Budget Summary Level

The purpose of the North Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the North Precinct, to promote safety in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
North Precinct	33,119,811	33,475,478	34,173,906
<b>Total</b>	<b>33,119,811</b>	<b>33,475,478</b>	<b>34,173,906</b>
Full-time Equivalents Total*	245.00	245.00	245.00

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# Seattle Police Department

## South Precinct Budget Summary Level

The purpose of the South Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services with the goal of keeping residents of, and visitors to, the South Precinct, safe in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
South Precinct	18,234,636	18,018,615	18,317,618
<b>Total</b>	<b>18,234,636</b>	<b>18,018,615</b>	<b>18,317,618</b>
Full-time Equivalents Total*	133.00	133.00	133.00

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## East Precinct Budget Summary Level

The purpose of the East Precinct Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the East Precinct, to promote safety in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
East Precinct	23,814,024	24,491,836	25,000,992
<b>Total</b>	<b>23,814,024</b>	<b>24,491,836</b>	<b>25,000,992</b>
Full-time Equivalents Total*	178.00	178.00	178.00

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# Seattle Police Department

## Southwest Precinct Budget Summary Level

The purpose of the Southwest Precinct Patrol Budget Summary Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the Southwest Precinct, to promote safety in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Southwest Precinct	15,920,824	15,889,699	16,192,989
<b>Total</b>	<b>15,920,824</b>	<b>15,889,699</b>	<b>16,192,989</b>
Full-time Equivalents Total*	124.00	124.00	124.00

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## Criminal Investigations Budget Summary Level

The purpose of the Criminal Investigations Administration Budget Summary Level is to direct and support the work of employees in the Criminal Investigations Bureau by providing oversight and policy guidance, and technical support. The program includes the Internet Crimes against Children, Human Trafficking section, and the Crime Gun Initiative analyst.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Criminal Investigations	11,966,849	12,397,184	12,605,276
<b>Total</b>	<b>11,966,849</b>	<b>12,397,184</b>	<b>12,605,276</b>
Full-time Equivalents Total*	94.00	91.00	91.00

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# Seattle Police Department

## Violent Crimes Budget Summary Level

The purpose of the Violent Crimes Investigations Budget Summary Level is to apply a broad range of professional investigative skills and crime scene investigation techniques to homicide, assault, robbery, bias crimes, missing persons, extortion, threat and harassment, and gang-related cases, in order to hold offenders accountable, help prevent further harm to victims, and promote public safety.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Violent Crimes	8,253,580	8,443,069	8,544,070
<b>Total</b>	<b>8,253,580</b>	<b>8,443,069</b>	<b>8,544,070</b>
Full-time Equivalents Total*	52.00	52.00	52.00

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## Narcotics Investigations Budget Summary Level

The purpose of the Narcotics Investigations Budget Summary Level is to apply a broad range of professional investigative skills to interdict narcotics activities affecting the community and region to hold offenders involved in these activities accountable and to promote public safety.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Narcotics Investigations	5,240,330	5,330,173	5,382,325
<b>Total</b>	<b>5,240,330</b>	<b>5,330,173</b>	<b>5,382,325</b>
Full-time Equivalents Total*	32.00	32.00	32.00

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# Seattle Police Department

## Special Investigations Budget Summary Level

The purpose of the Special Investigations Budget Summary Level is to apply a broad range of professional investigative and analytical skills toward investigating and interdicting vehicle theft, fraud, forgery, and financial exploitation cases; vice crimes and organized crime activities in the community; and toward identifying and describing crime patterns and trends with the goals of holding offenders involved in these activities accountable and to promote public safety.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Special Investigations	9,260,741	8,398,426	8,509,992
<b>Total</b>	<b>9,260,741</b>	<b>8,398,426</b>	<b>8,509,992</b>
Full-time Equivalents Total*	65.00	65.00	65.00

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## Special Victims Budget Summary Level

The purpose of the Special Victims Budget Summary Level is to apply a broad range of professional investigative skills to cases involving family violence, sexual assault, child, and elder abuse, and custodial interference with the goals of holding offenders accountable, preventing additional harm to victims, and promoting public safety.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Special Victims	6,865,966	6,954,301	7,053,512
<b>Total</b>	<b>6,865,966</b>	<b>6,954,301</b>	<b>7,053,512</b>
Full-time Equivalents Total*	52.00	52.00	52.00

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# Seattle Police Department

## Administrative Operations Budget Summary Level

The purpose of the Administrative Operations Budget Summary Level is to provide operational support for E-911 services as well as data collection, analysis, and reporting for data-informed management and policing. The Administrative Operations Budget Summary Level includes the Communications and Data Driven Policing Programs.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Administrative Operations	26,108,004	42,883,557	34,497,896
<b>Total</b>	<b>26,108,004</b>	<b>42,883,557</b>	<b>34,497,896</b>
Full-time Equivalents Total*	162.00	163.00	163.00

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# Police Relief and Pension

Dan Oliver, Executive Secretary

(206) 386-1286

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

## Department Overview

The Police Relief and Pension Fund (PPEN) provides pension and medical benefit services to eligible police officers, active and retired, and their beneficiaries. PPEN is a closed plan which only covers police officers who were hired before October 1, 1977. Retiree benefits for police officers hired more recently are primarily covered through a separate state-managed plan.

The management of police benefits funds transitioned in the 1970s from local to state control. Prior to that time, the City paid into PPEN to provide for police officer retiree benefits. In March 1970, the State of Washington took over the provision of certain police pensions through Revised Code of Washington (RCW) Section 41.26, the Law Enforcement Officers and Fire Fighters (LEOFF) Plan 1. Seattle police officers hired between March 1970 and October 1977 enrolled in LEOFF 1, but also received additional benefit coverage through PPEN. As a result, this group of police officers receives retiree benefits primarily from the state's LEOFF 1 plan, but also any earned increment from the City's PPEN that exceeds LEOFF 1 coverage. Both PPEN and LEOFF 1 closed to new enrollees in October 1977. Police officers hired after that date enroll in the state's LEOFF 2 plan and do not receive benefits from PPEN.

The Seattle Police Pension Board is a seven-member quasi-judicial body chaired by the Mayor or his/her designee, which formulates policy, rules on disability applications, and provides oversight of the Police Pension Fund. Three staff employees of the board handle all of its operational functions. Staff positions associated with Police Relief and Pension are reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise about 97% of the total annual PPEN budget, are based on the forecasts of an independent actuary. The City's General Fund provides funding for nearly all of PPEN's annual budget that supports the Police Relief and Pension Fund obligations. The Police Pension Fund also has a statutory funding source from police auction proceeds, which contribute a small amount towards the annual budget.

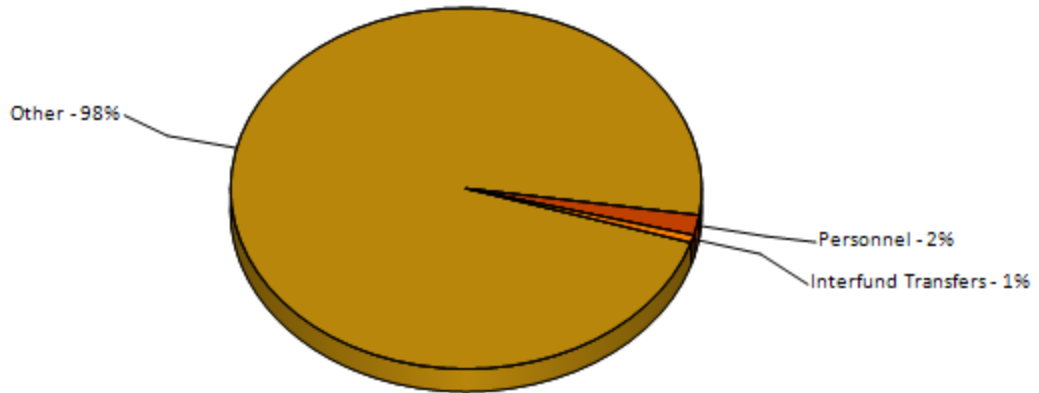
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$21,771,140	\$21,937,218	\$21,936,724
Other Funding - Operating	\$774,288	\$774,288	\$774,288
<b>Total Operations</b>	<b>\$22,545,428</b>	<b>\$22,711,506</b>	<b>\$22,711,012</b>
<b>Total Appropriations</b>	<b>\$22,545,428</b>	<b>\$22,711,506</b>	<b>\$22,711,012</b>
Full-time Equivalent Total*	3.00	3.00	3.00

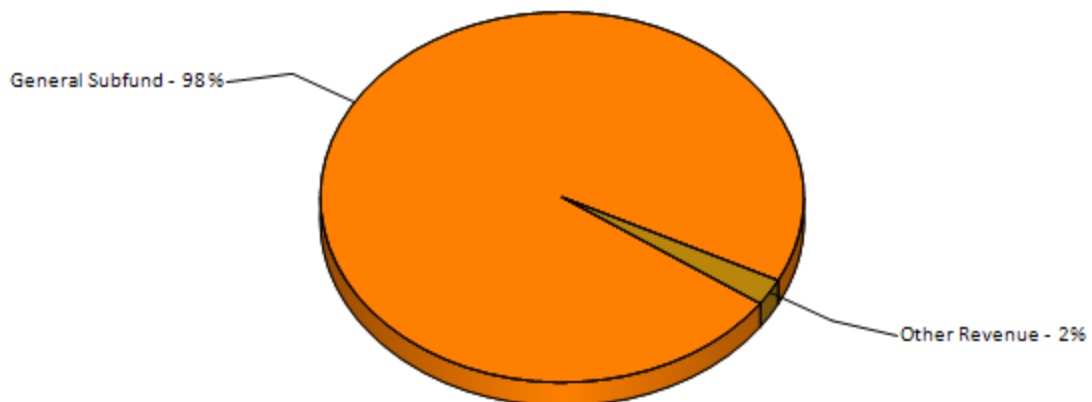
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# Police Relief and Pension

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category





# Police Relief and Pension

## Budget Overview

The Police Relief and Pension Fund's (PPEN) expenditures pay legally mandated pension and medical benefits, including long-term care, to eligible retired police officers and qualified beneficiaries. The total pension benefits for PPEN members are increased annually through locally negotiated cost of living adjustments (COLA) and local inflation. These increases are then offset by the benefits paid by the state's LEOFF 1 pension plan which has its own annual growth rate.

Most of PPEN's retirees are represented by either the Seattle Police Management Association (SPMA) or the Seattle Police Officer's Guild (SPOG).

The 2019-2020 Proposed Budget does not assume a COLA on SPMA's pension payments in 2020 because SPMA's current contract expires on December 31, 2019. The proposed budget also does not increase SPOG's pension payments by COLA because the contract expired on December 31, 2014. When SPMA's 2020 and SPOG's 2015-2020 COLAs are determined in their next contracts, a corresponding appropriation increase will be requested to fund the new level of benefit payments to retirees, plus, any missed payments retroactive to the start of the contract.

The proposed retiree medical and long-term care costs are \$15.38 million each year, unchanged from the 2018 Adopted Budget. The actuarial report anticipates medical and long-term care costs will increase over the next 15 to 20 years due to PPEN's aging membership and annual trend rates for medical and long-term care costs.

Previously, the General Fund was charged directly from the City's Information Technology Department (ITD) and Department of Finance and Administrative Services (FAS) for their services supporting certain small departments such as PPEN. Starting in 2019, ITD and FAS will be charged directly to each small department, funded by revenue distributions from the General Fund. The 2019-2020 Proposed Budget includes appropriation increases of \$166,000 in 2019 and \$166,000 in 2020 for these new administrative costs.

## Police Relief and Pension

### Incremental Budget Changes

#### Police Relief and Pension

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 22,545,428</b>	<b>3.00</b>	<b>\$ 22,545,428</b>	<b>3.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 153,129	0.00	\$ 139,428	0.00
<b>Proposed Changes</b>				
Administrative Costs Changes	\$ 12,949	0.00	\$ 26,156	0.00
<b>Total Incremental Changes</b>	<b>\$ 166,078</b>	<b>0.00</b>	<b>\$ 165,584</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 22,711,506</b>	<b>3.00</b>	<b>\$ 22,711,012</b>	<b>3.00</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$153,129**

Citywide technical adjustments made in the baseline phase reflect changes to health care and retirement charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Additionally, this adjustment increases PPEN's appropriation for cost allocations by the City's Seattle Information Technology Department (ITD) and Department of Finance and Administrative Services (FAS). Their services were previously charged directly to the General Fund for small departments, including PPEN. Starting in 2019, ITD and FAS will be charged directly to each small department, funded by revenue distributions from the General Fund.

#### Proposed Changes

##### **Administrative Costs Changes - \$12,949**

This adjustment increases PPEN's administrative costs to reflect their expected operating costs in 2019 and 2020.

## Police Relief and Pension

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Police Relief and Pension Budget Summary Level</b>			
Police Relief & Pension Fund	22,545,428	22,711,506	22,711,012
<b>Total for BSL: BO-PP-RP604</b>	<b>22,545,428</b>	<b>22,711,506</b>	<b>22,711,012</b>

<b>Department Total</b>	<b>22,545,428</b>	<b>22,711,506</b>	<b>22,711,012</b>
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<b>Department Full-time Equivalents Total*</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

### Budget Summary by Fund for Police Pension

	2018 Adopted	2019 Proposed	2020 Proposed
61060 - Police Relief & Pension Fund	22,545,428	22,711,506	22,711,012
<b>Budget Totals for PPEN</b>	<b>22,545,428</b>	<b>22,711,506</b>	<b>22,711,012</b>

### Revenue Overview

#### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
360430	General Subfund	21,771,140	21,937,218	21,936,724
	<b>Total General Subfund</b>	<b>21,771,140</b>	<b>21,937,218</b>	<b>21,936,724</b>
360400	Police Auction Proceeds	117,000	117,000	117,000
397010	Medicare Rx Subsidy	400,000	400,000	400,000
	<b>Total Other Revenue</b>	<b>517,000</b>	<b>517,000</b>	<b>517,000</b>

<b>Total Revenues</b>		<b>22,288,140</b>	<b>22,454,218</b>	<b>22,453,724</b>
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379100	Use of (Contribution to) Fund Balance	257,288	257,288	257,288
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>257,288</b>	<b>257,288</b>	<b>257,288</b>

<b>Total Resources</b>		<b>22,545,428</b>	<b>22,711,506</b>	<b>22,711,012</b>
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## Police Relief and Pension

### Appropriations By Budget Summary Level (BSL) and Program

<b><u>Police Relief and Pension Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Death Benefits	18,000	18,000	18,000
Leadership and Administration	647,428	813,506	813,012
Medical Benefits	15,380,000	15,380,000	15,380,000
Pensions	6,500,000	6,500,000	6,500,000
<b>Total</b>	<b>22,545,428</b>	<b>22,711,506</b>	<b>22,711,012</b>
Full-time Equivalents Total*	3.00	3.00	3.00
<i>* 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.</i>			

**The following information summarizes the programs in Police Relief and Pension Budget Summary Level:**

#### **Death Benefits Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Death Benefits	18,000	18,000	18,000
Full-time Equivalents Total	0.00	0.00	0.00

#### **Leadership and Administration Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Leadership and Administration	647,428	813,506	813,012
Full-time Equivalents Total	3.00	3.00	3.00

#### **Medical Benefits Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Medical Benefits	15,380,000	15,380,000	15,380,000
Full-time Equivalents Total	0.00	0.00	0.00

# Police Relief and Pension

## Pensions Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pensions	6,500,000	6,500,000	6,500,000
Full-time Equivalents Total	0.00	0.00	0.00



# Seattle City Light

Jim Baggs, Interim General Manager & CEO

(206) 684-3500

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

## Department Overview

Seattle City Light was created by the residents of Seattle in 1902 to provide affordable, reliable, and environmentally sound electric power to the City of Seattle and neighboring suburbs. Owned by the community it serves, City Light is a nationally recognized leader in energy efficiency, renewable resource development, and environmental stewardship.

City Light provides electric power to approximately 454,000 residential, business, and industrial customers within a 131-square-mile service area. City Light provides power to the City of Seattle and surrounding jurisdictions, including parts of Shoreline, Burien, Tukwila, SeaTac, Lake Forest Park, Renton, Normandy Park, and areas of unincorporated King County.

City Light owns about 2,000 megawatts of very low-cost, environmentally-responsible, hydroelectric generation capacity. In an average year, City Light meets about 50% of its load with hydroelectric facilities that it owns directly and obtains the remainder primarily through the Bonneville Power Administration (BPA). City Light is the nation's ninth largest publicly-owned electric utility in terms of customers served.

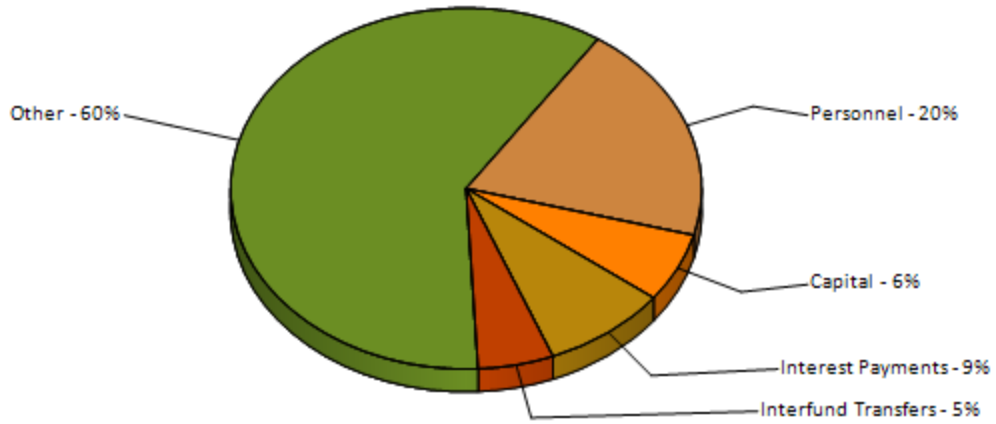
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$1,020,610,711	\$1,023,130,257	\$1,053,358,255
<b>Total Operations</b>	<b>\$1,020,610,711</b>	<b>\$1,023,130,257</b>	<b>\$1,053,358,255</b>
Other funding - Capital	\$388,900,281	\$351,393,594	\$368,216,282
<b>Total Appropriations</b>	<b>\$1,409,510,992</b>	<b>\$1,374,523,851</b>	<b>\$1,421,574,537</b>
Full-time Equivalent Total*	1,816.80	1,791.30	1,784.80

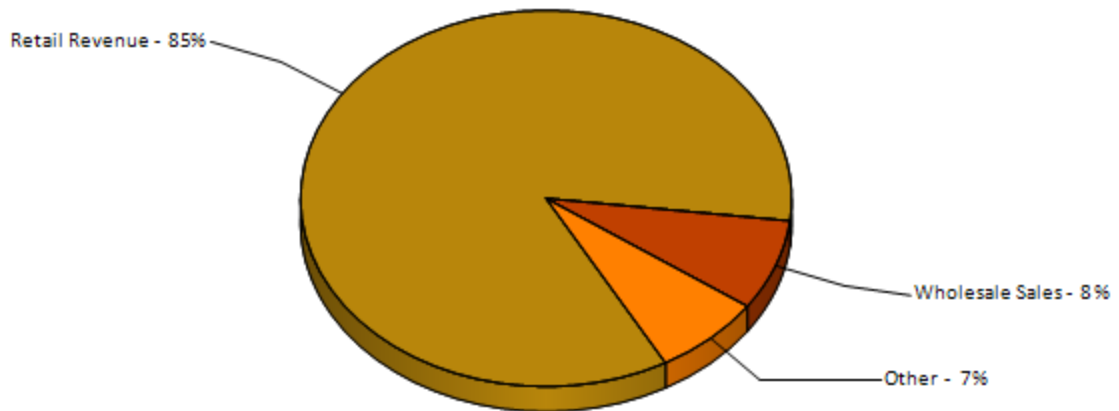
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# Seattle City Light

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category





# Seattle City Light

## Budget Overview

Seattle City Light completed its 2019-2024 Strategic Plan and rate path in July 2018. The 2019-2020 Proposed Budget reflects the priorities outlined in the plan.

The most significant development in the plan, which informs changes to the proposed budget, is that Seattle City Light - and the utility industry as a whole - are entering a new era where the relied-upon annual increases in electricity consumption and the associated revenues are not materializing. Due to conservation efforts and advances in technology like LED lighting and energy efficient appliances, electricity consumption is now expected to decline by approximately 1% annually over the next six years. Furthermore, these declines are occurring at a time of unprecedented growth and economic development in the region.

To compensate for the decline in consumption, City Light projected rate increases as high as 10% early in 2018. Rather than fund status quo operations with rate increases, the Mayor directed City Light to review their operating and capital budgets to find cost savings without jeopardizing essential services and safety, with the goal of bringing increases more in line with inflation. The 2019-2020 Proposed Budget incorporates ongoing reductions of \$18 million (6%) to City Light's O&M budget, and \$241 million (9%) to their six-year capital budget. City Light is confident that the reductions will not adversely impact core functions. The department will monitor operations and prioritize spending to ensure that current customer service levels are maintained.

The ongoing reductions noted above were achieved primarily by eliminating 22 vacant positions; reducing the travel and training budget; cutting the use of temporary employees in half (from 81 to 40); and increasing the vacancy rate assumption from 4% to 5.5%. In addition to these reductions, the Mayor directed departments to eliminate positions that have been vacant for a significant period of time, and to reduce the historic underspend from fuel budgets. This resulted in an ongoing reduction of \$250,000 in the fuel budget and the elimination of an additional 11 vacant FTEs, bringing the total FTE reduction for City Light in the 2019-2020 Proposed Budget to 33.

The department's capital program is approximately \$360 million in both 2017 and 2018. Two significant projects, the Denny Substation and the Advanced Metering Initiative, will be completed in late 2018 and early 2019 respectively. The two most costly projects, forecast to spend just over \$20 million each in 2019, are the Alaskan Way Viaduct and Seawall Replacement project, and the Boundary License Mitigation project. For more detailed information on the capital program, please see the 2019-2024 Proposed Capital Improvement Program.

To support the capital program and other eligible City Light costs, the 2019-2020 Proposed Budget anticipates a 2019 bond issue of approximately \$255 million.

# Seattle City Light

## Incremental Budget Changes

### Seattle City Light

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 1,409,510,992</b>	<b>1,816.80</b>	<b>\$ 1,409,510,992</b>	<b>1,816.80</b>
<b>Baseline Changes</b>				
Baseline Technical Adjustments - O&M Budget	\$ 24,361,537	0.00	\$ 52,239,641	0.00
Baseline Technical Adjustments - Capital Budget	-\$ 34,490,263	0.00	-\$ 28,867,229	0.00
<b>Proposed Changes</b>				
Remove Vacant Positions	-\$ 895,726	-11.00	-\$ 895,726	-11.00
O&M Reductions	-\$ 20,846,266	-14.50	-\$ 19,696,372	-22.00
Infrastructure Maintenance	\$ 5,136,000	0.00	\$ 10,665,000	0.00
Capital Program Adjustments	-\$ 8,002,423	0.00	-\$ 1,131,769	1.00
<b>Proposed Technical Changes</b>				
Reduce Fuel Budget	-\$ 250,000	0.00	-\$ 250,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 34,987,141</b>	<b>-25.50</b>	<b>\$ 12,063,545</b>	<b>-32.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 1,374,523,851</b>	<b>1,791.30</b>	<b>\$ 1,421,574,537</b>	<b>1,784.80</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Baseline Technical Adjustments - O&M Budget - \$24,361,537**

This annual update funds increases for inflation, debt service payments, taxes, and salary and wage adjustments. It also aligns the base budget with the initiatives outlined in the 2017-2022 Strategic Plan in preparation for any proposed budget adjustments that incorporate new initiatives and adjustments through the 2019-2024 Strategic Plan.

#### **Baseline Technical Adjustments - Capital Budget - (\$34,490,263)**

This adjustment establishes the base capital budget by taking the 2019 and 2020 capital project dollars that were approved in the 2017-2022 Adopted Capital Improvement Program (CIP) and replacing the 2018 amounts that were used as the starting point. The reduction of \$34.5 million reflects an overall decrease in project spending as several large projects - the Advanced Metering Initiative and the Denny Substation - will be completed in late 2018 and early 2019.

# Seattle City Light

## Proposed Changes

### **Remove Vacant Positions - (\$895,726)/(11.00) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed 11 positions. These reductions will not impact delivery of core services.

### **O&M Reductions - (\$20,846,266)/(14.50) FTE**

When City Light developed its draft Strategic Plan rate path, a rate increase of 10% was projected for 2019. To keep rates more affordable for customers, the Mayor directed City Light to find cost savings in both operating and capital budgets without jeopardizing essential services and safety. The 2019-2020 Proposed Budget implements \$18 million in permanent, ongoing reductions to the Operating & Maintenance (O&M) budget, and \$241 million in reductions to the six-year capital budget. These reductions brought the rate increases down to 5.8% for 2019 and 5.4% for 2020.

This budget adjustment incorporates the majority of the \$18 million in O&M reductions into the budget.

Reductions include:

- \$2.7 million by eliminating 22 vacant positions by 2020;
- \$2.6 million by changing the vacancy rate assumption from 4% to 5.5%, (approximately \$900,000 of this original reduction is now taken out of the citywide "Remove Vacant Positions" reduction along with an additional 11 FTEs);
- \$2.6 million by eliminating 40 of the department's 81 temporary positions;
- \$1.5 million by reducing 27% of the travel and training budget; and
- \$7.7 million by reducing general O&M budgets. The primary reductions are:
  - \$6 million from a \$25 million consulting budget; and
  - \$700,000 from an approximately \$6 million tree trimming budget by going to a five-year rather than four-year tree trimming cycle.

In addition to the \$18 million in O&M reductions, this adjustment removes \$3 million in deferred O&M expenditures for conservation incentives. The conservation incentives budget is typically underspent by approximately \$4 million annually from a \$30 million budget. City Light regularly exceeds their conservation targets as set by state law through I-937, and is confident that it will continue to do so in the future despite this reduction.

### **Infrastructure Maintenance - \$5,136,000**

This action funds five items related to the maintenance or replacement of City Light assets. Funding will go towards the development of a long-term plan for Cedar Falls hydro plant assets; renovations or new construction for the facilities at the Boundary, Skagit and Diablo sites; and the replacement of aging underground cables throughout the service territory.

# Seattle City Light

Informed by the recently-completed 20-year facilities master plan, \$250,000 (\$5 million over six years), is budgeted to fund improvements at the Boundary Hydro facility. Improvements include a new administration facility, a consolidated workshop, a new warehouse, and the renovation of the fleet maintenance building.

Funding of \$386,000 (\$15.7 million over six years), will be used to implement the most critical improvements called for in Phase 2 of the Skagit Facility Master plan. Improvements include a new fire hall, new security offices, and renovations to the community hall and bunkhouses.

To refurbish and replace the powerhouse systems at the Diablo and Boundary facilities, \$2.5 million is budgeted in 2019 (the total project cost is \$3.0 million). The main repair is a roof replacement at the Diablo Powerhouse; additional items include fire suppression systems, sump pump drives, and powerhouse air exhaust headers.

This adjustment also accelerates the spending of previously-budgeted funds for the Cedar Falls hydro project maintenance planning by adding \$1.2 million in 2020 (\$0 in 2019) to fund a long-term plan which will inform future capital investments. This is a multi-purpose facility that provides hydropower, drinking water, and the local fire system water supply.

Lastly, approximately 200 miles of City Light's 1,000 miles of underground, direct-buried cables are at or near the end of their useful life of 40 years. This adjustment adds \$2.0 million in 2019 to the project, and adds a total of \$132 million to the full six-year CIP budget. This is a long-term project, and it will take approximately 20 years to replace all 200 miles of cable.

## **Capital Program Adjustments - (\$8,002,423)**

This annual adjustment reprioritizes funding in the capital program and funds several new projects. New projects include Sound Transit Preliminary Work, funded at \$500,000 in 2019, and University of Washington Capacity Additions, with no funding in 2019 but \$2.0 million in 2020.

The net reduction in 2019 to the remaining projects is \$8,502,423. Most of this reduction is due to the removal of the Technical Training Center project, which reduces the budget by \$9.7 million. There is also a 1.0 FTE added to the budget, however no dollars are associated with the add as it is already funded in the budget. The position will staff the salmonid hatchery as part of the Boundary License agreement. For additional information on City Light's capital program please see the 2019-2024 Proposed CIP.

## **Proposed Technical Changes**

### **Reduce Fuel Budget - (\$250,000)**

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was a \$250,000, or 12.6% reduction in its fuel budget. This reduction will not affect the department's ability to maintain business operations.

# Seattle City Light

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Financial Services - CIP Budget Summary Level</b>			
Light Fund	4,924,603	2,722,195	2,785,614
<b>Total for BSL: BC-CL-W</b>	<b>4,924,603</b>	<b>2,722,195</b>	<b>2,785,614</b>
<b>Power Supply &amp; Environ Affairs - CIP Budget Summary Level</b>			
Light Fund	111,576,132	107,172,492	116,428,560
<b>Total for BSL: BC-CL-X</b>	<b>111,576,132</b>	<b>107,172,492</b>	<b>116,428,560</b>
<b>Transmission and Distribution - CIP Budget Summary Level</b>			
Light Fund	154,772,680	145,931,243	149,867,071
<b>Total for BSL: BC-CL-Y</b>	<b>154,772,680</b>	<b>145,931,243</b>	<b>149,867,071</b>
<b>Customer Focused - CIP Budget Summary Level</b>			
Light Fund	117,626,866	95,567,664	99,135,037
<b>Total for BSL: BC-CL-Z</b>	<b>117,626,866</b>	<b>95,567,664</b>	<b>99,135,037</b>
<b>Leadership and Administration Budget Summary Level</b>			
Light Fund	12,236,500	12,377,739	11,632,235
<b>Total for BSL: BO-CL-A</b>	<b>12,236,500</b>	<b>12,377,739</b>	<b>11,632,235</b>
<b>Customer Service, Communications and Regulatory Affairs Budget Summary Level</b>			
Light Fund	106,041,339	92,257,839	95,694,565
<b>Total for BSL: BO-CL-C</b>	<b>106,041,339</b>	<b>92,257,839</b>	<b>95,694,565</b>
<b>Debt Services Budget Summary Level</b>			
Light Fund	219,031,585	230,449,286	240,913,370
<b>Total for BSL: BO-CL-D</b>	<b>219,031,585</b>	<b>230,449,286</b>	<b>240,913,370</b>
<b>Engineering and Technology Innovation O&amp;M Budget Summary Level</b>			
Light Fund	29,543,492	39,598,248	40,822,288
<b>Total for BSL: BO-CL-E</b>	<b>29,543,492</b>	<b>39,598,248</b>	<b>40,822,288</b>
<b>Leadership and Administration - Financial Services O&amp;M Budget Summary Level</b>			
Light Fund	13,421,314	15,947,022	17,695,343
<b>Total for BSL: BO-CL-F</b>	<b>13,421,314</b>	<b>15,947,022</b>	<b>17,695,343</b>

# Seattle City Light

Generation Operations and Engineering O&M Budget Summary Level			
Light Fund	29,282,378	27,902,392	29,715,893
<b>Total for BSL: BO-CL-G</b>	<b>29,282,378</b>	<b>27,902,392</b>	<b>29,715,893</b>

Long-Term Purchased Power Budget Summary Level			
Light Fund	311,102,350	298,051,673	307,722,319
<b>Total for BSL: BO-CL-L</b>	<b>311,102,350</b>	<b>298,051,673</b>	<b>307,722,319</b>

Leadership and Administration - General Expense Budget Summary Level			
Light Fund	38,218,706	54,686,758	52,253,255
<b>Total for BSL: BO-CL-N</b>	<b>38,218,706</b>	<b>54,686,758</b>	<b>52,253,255</b>

Power Management and Strategic Planning O&M Budget Summary Level			
Light Fund	17,778,478	16,230,545	16,611,074
<b>Total for BSL: BO-CL-P</b>	<b>17,778,478</b>	<b>16,230,545</b>	<b>16,611,074</b>

Taxes Budget Summary Level			
Light Fund	98,774,281	104,834,481	108,556,535
<b>Total for BSL: BO-CL-Q</b>	<b>98,774,281</b>	<b>104,834,481</b>	<b>108,556,535</b>

Short-Term Purchased Power Budget Summary Level			
Light Fund	40,406,121	40,406,121	40,408,243
<b>Total for BSL: BO-CL-S</b>	<b>40,406,121</b>	<b>40,406,121</b>	<b>40,408,243</b>

Transmission and Distribution O&M Budget Summary Level			
Light Fund	88,029,779	74,024,259	74,675,180
<b>Total for BSL: BO-CL-T</b>	<b>88,029,779</b>	<b>74,024,259</b>	<b>74,675,180</b>

Environmental Affairs O&M Budget Summary Level			
Light Fund	16,744,388	16,363,894	16,657,955
<b>Total for BSL: BO-CL-V</b>	<b>16,744,388</b>	<b>16,363,894</b>	<b>16,657,955</b>

<b>Department Total</b>	<b>1,409,510,992</b>	<b>1,374,523,851</b>	<b>1,421,574,537</b>
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<b>Department Full-time Equivalent Total*</b>	<b>1,816.80</b>	<b>1,791.30</b>	<b>1,784.80</b>
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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.

# Seattle City Light

## Budget Summary by Fund for City Light

	2018 Adopted	2019 Proposed	2020 Proposed
41000 - Light Fund	1,409,510,992	1,374,523,851	1,421,574,537
<b>Budget Totals for SCL</b>	<b>1,409,510,992</b>	<b>1,374,523,851</b>	<b>1,421,574,537</b>

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
431010	Operating Grants	0	0	0
431200	BPA Payments for Conservation Deferred	10,000,000	2,000,000	9,000,000
443250	Other O&M Revenue	7,904,025	6,805,689	6,839,717
443250	Revenue From Damage	1,693,214	984,681	989,605
443345	BPA Credit for South Fork Tolt	3,163,145	3,106,613	3,051,490
443380	Account Change Fees	1,584,317	1,886,791	1,896,225
443380	Construction & Miscellaneous Charges	197,897	43,729	43,948
443380	Late Payment Fees	3,925,515	2,898,842	2,913,337
443380	Pole Attachments	2,406,454	2,672,070	2,685,430
443380	Property Rentals	2,655,072	2,550,946	2,563,700
443380	Reconnect Charges	1,144,971	128,962	129,607
443380	Transmission Attach. & Cell Sites	1,482,240	1,694,680	1,703,154
443380	Water Heater & Miscellaneous Rentals	162,350	162,018	162,828
461100	Federal Subsidies of Interest Payments on Debt	5,970,262	5,970,262	5,970,262
461100	Interest Earnings	8,425,449	8,327,667	9,400,619
461100	Sale of Property, Material & Equip.	0	0	0
462900	North Mountain Substation (Snohomish PUD)	416,386	423,961	432,137
462900	Transmission Sales	3,000,000	3,000,000	3,000,000
473010	Capital Fees and Grants	110,600	112,782	115,660
482000	Contributions in Aid of Construction	36,882,215	33,846,476	35,535,749
482000	Suburban Undergrounding	1,503,262	1,580,171	1,661,016
	<b>Total Other</b>	<b>92,627,374</b>	<b>78,196,339</b>	<b>88,094,483</b>
443310	Energy Sales to Customers	879,759,171	920,004,829	966,735,309
443310	Seattle Green Power/GreenUp/Community Solar	1,571,420	1,606,779	2,106,869
	<b>Total Retail Revenue</b>	<b>881,330,591</b>	<b>921,611,608</b>	<b>968,842,179</b>
443310	Sales from Priest Rapids	1,989,728	1,603,000	1,508,454

## Seattle City Light

443345	Article 49 Sale to Pend Oreille Country	2,124,725	2,175,169	2,224,056
443345	Basis Sales	1,000,000	1,000,000	1,000,000
443345	Other Power Related Services	5,557,500	7,204,156	4,557,500
443345	Surplus Energy Sales	84,456,686	72,776,182	67,776,182
	<b>Total Wholesale Sales</b>	<b>95,128,639</b>	<b>84,758,508</b>	<b>77,066,192</b>
	<b>Total Revenues</b>	<b>1,069,086,604</b>	<b>1,084,566,454</b>	<b>1,134,002,853</b>
379100	Use of (contribution to) Fund Balance	340,424,386	289,957,397	287,571,684
	<b>Total Transfers</b>	<b>340,424,386</b>	<b>289,957,397</b>	<b>287,571,684</b>
	<b>Total Resources</b>	<b>1,409,510,990</b>	<b>1,374,523,851</b>	<b>1,421,574,537</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Financial Services - CIP Budget Summary Level

The purpose of the Financial Services - CIP Budget Summary Level is to provide for the capital costs of rehabilitation and replacement of the utility's financial systems and information technology infrastructure, and the development and implementation of large software applications. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FINANCE AND IT SYSTEMS	4,924,603	2,722,195	2,785,614
<b>Total</b>	<b>4,924,603</b>	<b>2,722,195</b>	<b>2,785,614</b>
Full-time Equivalents Total*	10.71	10.71	10.71

*\* 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.*



# Seattle City Light

## **Power Supply & Environ Affairs - CIP Budget Summary Level**

The purpose of the Power Supply & Environmental Affairs - CIP Budget Summary Level is to provide for the capital costs of maintaining the physical generating plant and associated power license and regulatory requirements. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
BOUNDARY	51,512,495	48,479,995	57,785,510
CEDAR FALLS - TOLT	2,737,126	4,856,152	4,764,146
FLEETS AND FACILITIES	21,240,473	18,530,346	24,072,513
POWER SUPPLY OTHER	13,022,596	6,160,897	4,983,540
SKAGIT	23,063,442	29,145,102	24,822,851
<b>Total</b>	<b>111,576,132</b>	<b>107,172,492</b>	<b>116,428,560</b>
Full-time Equivalents Total*	73.26	73.26	74.26

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**The following information summarizes the programs in Power Supply & Environ Affairs - CIP Budget Summary Level:**

### **BOUNDARY Program**

The Boundary program funds the capital costs for the Boundary physical generating plant and associated regulatory requirements.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
BOUNDARY	51,512,495	48,479,995	57,785,510
Full-time Equivalents Total	22.04	22.04	23.04

### **CEDAR FALLS - TOLT Program**

The Cedar Falls - Tolt program funds the capital costs for the Cedar Falls - Tolt physical generating plant and associated regulatory requirements.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CEDAR FALLS - TOLT	2,737,126	4,856,152	4,764,146
Full-time Equivalents Total	5.72	5.72	5.72

### **FLEETS AND FACILITIES Program**

The Fleets And Facilities program funds the capital costs for the fleet replacement program and facility improvements.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FLEETS AND FACILITIES	21,240,473	18,530,346	24,072,513
Full-time Equivalents Total	11.36	11.36	11.36

# Seattle City Light

## POWER SUPPLY OTHER Program

The Power Supply Other program funds the capital costs for the generating plant and regulatory requirements of facilities not included in the other programs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
POWER SUPPLY OTHER	13,022,596	6,160,897	4,983,540
Full-time Equivalents Total	8.56	8.56	8.56

## SKAGIT Program

The Skagit program funds the capital costs for the Skagit physical generating plant and associated regulatory requirements.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
SKAGIT	23,063,442	29,145,102	24,822,851
Full-time Equivalents Total	25.57	25.57	25.57

### **Transmission and Distribution - CIP Budget Summary Level**

The purpose of the Transmission and Distribution - CIP Budget Summary Level is to provide for the capital costs of installation, major maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, and other elements of the utility's transmission and distribution systems. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DISTRIBUTION OTHER	11,531,936	19,895,338	17,708,293
NETWORK	21,918,147	24,493,579	29,526,220
RADIAL	68,846,292	60,718,640	63,688,524
SUBSTATIONS	34,281,189	29,573,335	28,140,203
TRANSMISSION	18,195,116	11,250,351	10,803,831
<b>Total</b>	<b>154,772,680</b>	<b>145,931,243</b>	<b>149,867,071</b>
Full-time Equivalents Total*	158.06	158.06	158.06

\* 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.

# Seattle City Light

*The following information summarizes the programs in Transmission and Distribution - CIP Budget Summary Level:*

## **DISTRIBUTION OTHER Program**

The Distribution Other program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of other elements of the utility's transmission and distribution systems not included in other programs.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
DISTRIBUTION OTHER	11,531,936	19,895,338	17,708,293
Full-time Equivalents Total	10.09	10.09	10.09

## **NETWORK Program**

The Network program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of network system equipment.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
NETWORK	21,918,147	24,493,579	29,526,220
Full-time Equivalents Total	29.30	29.30	29.30

## **RADIAL Program**

The Radial program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of radial system equipment.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
RADIAL	68,846,292	60,718,640	63,688,524
Full-time Equivalents Total	69.57	69.57	69.57

## **SUBSTATIONS Program**

The Substation program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of substation equipment.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
SUBSTATIONS	34,281,189	29,573,335	28,140,203
Full-time Equivalents Total	39.04	39.04	39.04

## **TRANSMISSION Program**

The Transmission program funds the capital costs for the installation, major maintenance, rehabilitation, and replacement of transmission lines and other elements of the utility's transmission system.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
TRANSMISSION	18,195,116	11,250,351	10,803,831
Full-time Equivalents Total	10.06	10.06	10.06

# Seattle City Light

## **Customer Focused - CIP Budget Summary Level**

The purpose of the Customer Focused - CIP Budget Summary Level is to provide for the capital costs of customer service connections, meters, and other customer-driven projects, including large inter-agency projects requiring utility services or relocations. This Budget Summary Level supports capital projects identified in the department's Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CUSTOMER AND BILLING	502,562	64,153	209,435
CUSTOMER OTHER	441,102	1,192,905	336,134
LOCAL JURISDICTIONS	16,637,984	13,777,159	22,349,850
SERVICE CONNECTIONS	72,524,708	50,458,459	47,620,857
TRANSPORTATION RELOCATIONS	27,520,510	30,074,988	28,618,761
<b>Total</b>	<b>117,626,866</b>	<b>95,567,664</b>	<b>99,135,037</b>
Full-time Equivalents Total*	56.82	56.82	56.82

\* 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.

**The following information summarizes the programs in Customer Focused - CIP Budget Summary Level:**

### **CUSTOMER AND BILLING Program**

The Customer and Billing program provides the funding to support some of the customer billing functions at the utility and to fund City Light's customer call center improvement program.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CUSTOMER AND BILLING	502,562	64,153	209,435
Full-time Equivalents Total	0.00	0.00	0.00

### **CUSTOMER OTHER Program**

The Customer Other program provides funding to support the customer service engineering program and the Neighborhood Voluntary Undergrounding program.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CUSTOMER OTHER	441,102	1,192,905	336,134
Full-time Equivalents Total	0.13	0.13	0.13

### **LOCAL JURISDICTIONS Program**

The Local Jurisdictions program funds the capital costs for projects in local jurisdictions requiring utility services or relocations.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
LOCAL JURISDICTIONS	16,637,984	13,777,159	22,349,850
Full-time Equivalents Total	5.32	5.32	5.32

# Seattle City Light

## SERVICE CONNECTIONS Program

The Service Connections program funds the capital costs of customer service connections and meters.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
SERVICE CONNECTIONS	72,524,708	50,458,459	47,620,857
Full-time Equivalents Total	42.66	42.66	42.66

## TRANSPORTATION RELOCATIONS Program

The Transportation Relocations program funds the capital costs for large inter-agency transportation projects requiring utility services or relocations.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
TRANSPORTATION RELOCATIONS	27,520,510	30,074,988	28,618,761
Full-time Equivalents Total	8.71	8.71	8.71

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide employee and management support services, including safety programs, organizational development, training, personnel, and labor relations to the department.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
ADMIN SVS ADMIN O&M	18,766,422	18,727,644	17,756,531
Indirect Cost Recovery Offset	-6,529,922	-6,349,905	-6,124,296
<b>Total</b>	<b>12,236,500</b>	<b>12,377,739</b>	<b>11,632,235</b>
Full-time Equivalents Total*	91.17	90.17	90.17

\* 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.

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### ADMIN SVS ADMIN O&M Program

The Administrative Services O&M program funds the O&M costs for employee and management support services. These including safety programs, organizational development, training, administrative support, and labor relations.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
ADMIN SVS ADMIN O&M	18,766,422	18,727,644	17,756,531
Full-time Equivalents Total	91.17	90.17	90.17

# Seattle City Light

## Indirect Cost Recovery Offset Program

The purpose of the Indirect Cost Recovery Offset program is to offset the overhead costs applied to the capital programs from the Leadership & Administration BSL.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery Offset	-6,529,922	-6,349,905	-6,124,296
Full-time Equivalents Total	0.00	0.00	0.00

## **Customer Service, Communications and Regulatory Affairs Budget Summary Level**

The purpose of the Customer Service, Communications, and Regulatory Affairs Budget Summary Level is to provide customer services and communications, to implement demand-side conservation measures that offset the need for additional generation resources, and to monitor compliance with federal electric reliability standards and secure critical utility infrastructure. Customer services include metering, billing, account management, and support for customer information systems. The utility's General Manager and government affairs functions are also included in this Budget Summary Level.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG ADMIN O&M	8,826,112	8,826,112	8,826,112
CUST COMM REG OPS O&M	97,956,369	83,431,727	86,868,453
CUST COMM REG SECRTY G&A O&M	-741,142	0	0
<b>Total</b>	<b>106,041,339</b>	<b>92,257,839</b>	<b>95,694,565</b>
Full-time Equivalents Total*	294.15	273.65	266.15

\* 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.

**The following information summarizes the programs in Customer Service, Communications and Regulatory Affairs Budget Summary Level:**

### **CUST COMM REG ADMIN O&M Program**

The Customer Service, Communications, and Regulatory Affairs Administration O&M program provides administrative support to carry out the following functions: customer services and communications, the implementation of demand-side conservation measures that offset the need for additional generation resources, the monitoring of compliance with federal electric reliability standards, and the securing of critical utility infrastructure.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG ADMIN O&M	8,826,112	8,826,112	8,826,112
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle City Light

## CUST COMM REG OPS O&M Program

The Customer Service, Communications, and Regulatory Affairs Operations O&M program provides the operational support to carry out the following functions: customer services and communications, the implementation of demand-side conservation measures that offset the need for additional generation resources, the monitoring of compliance with federal electric reliability standards, and the securing of critical utility infrastructure.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG OPS O&M	97,956,369	83,431,727	86,868,453
Full-time Equivalents Total	294.15	273.65	266.15

## CUST COMM REG SECRTY G&A O&M Program

The Customer Service, Communications, and Regulatory Affairs G&A O&M program previously provided general and administrative support for the regulatory, security and compliance program. This funding has been moved in 2019 to the Customer Service, Communications and Regulatory Affairs Administration O&M program.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
CUST COMM REG SECRTY G&A O&M	-741,142	0	0
Full-time Equivalents Total	0.00	0.00	0.00

### Debt Services Budget Summary Level

The purpose of the Debt Service Budget Summary Level is to meet principal repayment and interest obligations on funds borrowed to meet City Light's capital expenditure requirements.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DEBT SVS OPS	219,031,585	230,449,286	240,913,370
<b>Total</b>	<b>219,031,585</b>	<b>230,449,286</b>	<b>240,913,370</b>

### Engineering and Technology Innovation O&M Budget Summary Level

The purpose of the Engineering and Technology Innovation Budget Summary Level is to provide engineering and leadership on emerging utility technology, asset management, transportation electrification, solar, and other technologies. The energy delivery engineering and asset management functions are also included in this Budget Summary Level.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
ENG & TECH INNOVTN ADMIN O&M	14,058,011	17,521,733	17,683,162
ENG AND TECH INNOVTN OPS O&M	15,485,481	22,076,515	23,139,126
<b>Total</b>	<b>29,543,492</b>	<b>39,598,248</b>	<b>40,822,288</b>
Full-time Equivalents Total*	219.00	219.00	219.00

\* 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.

# Seattle City Light

**The following information summarizes the programs in Engineering and Technology Innovation O&M Budget Summary Level:**

## **ENG & TECH INNOVTN ADMIN O&M Program**

The Engineering & Technology Innovation Administration O&M program funds the administrative work associated with engineering and leadership on emerging utility technologies, engineering of energy delivery, asset management, transportation electrification, and solar and other technologies.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
ENG & TECH INNOVTN ADMIN O&M	14,058,011	17,521,733	17,683,162
Full-time Equivalents Total	117.66	117.66	117.66

## **ENG AND TECH INNOVTN OPS O&M Program**

The Engineering & Technology Innovation Operations O&M program funds the operational work associated with engineering and leadership on emerging utility technologies, engineering of energy delivery, asset management, transportation electrification, and solar and other technologies.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
ENG AND TECH INNOVTN OPS O&M	15,485,481	22,076,515	23,139,126
Full-time Equivalents Total	101.34	101.34	101.34

## **Leadership and Administration - Financial Services O&M Budget Summary Level**

The purpose of the Leadership and Administration - Financial Services Budget Summary Level is to manage the utility's financial health through planning, risk mitigation, and provision of information to make financial decisions. Information technology services are also provided through this Budget Summary Level to support systems and applications used throughout the utility.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FINANCIAL SERVICES ADMIN O&M	0	3,193,417	3,212,428
FINANCIAL SERVICES O&M	20,111,689	18,567,907	19,021,685
Indirect Cost Recovery	-6,690,375	-5,814,302	-4,538,770
<b>Total</b>	<b>13,421,314</b>	<b>15,947,022</b>	<b>17,695,343</b>
Full-time Equivalents Total*	128.33	127.33	127.33

*\* 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.*



# Seattle City Light

**The following information summarizes the programs in Leadership and Administration - Financial Services O&M Budget Summary Level:**

## **FINANCIAL SERVICES ADMIN O&M Program**

The Customer Service, Communications, and Regulatory Affairs Administration O&M program provides administrative support for staff working in the areas of financial planning, risk mitigation, and information technology.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FINANCIAL SERVICES ADMIN O&M	0	3,193,417	3,212,428
Full-time Equivalents Total	47.24	46.24	46.24

## **FINANCIAL SERVICES O&M Program**

The Financial Services O&M program funds the O&M work required to manage the utility's financial planning, financial reporting, risk mitigation, and information technology systems and applications.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FINANCIAL SERVICES O&M	20,111,689	18,567,907	19,021,685
Full-time Equivalents Total	81.09	81.09	81.09

## **Indirect Cost Recovery Program**

The purpose of the Indirect Cost Recovery program is to offset the overhead costs applied to the capital programs in the Leadership & Administration - Financial Services O&M BSL.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Indirect Cost Recovery	-6,690,375	-5,814,302	-4,538,770
Full-time Equivalents Total	0.00	0.00	0.00

## **Generation Operations and Engineering O&M Budget Summary Level**

The purpose of the Generation Operations and Engineering Budget Summary Level is to provide power to City Light customers by engineering and operating the power production facilities in a clean, safe, efficient, and reliable manner. The utility's power production engineering and generation operations are included in this Budget Summary Level.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GENERATION OPS & ENG ADMIN O&M	29,282,378	27,902,392	29,715,893
<b>Total</b>	<b>29,282,378</b>	<b>27,902,392</b>	<b>29,715,893</b>
Full-time Equivalents Total*	177.89	177.89	177.89

*\* 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.*

# Seattle City Light

## Long-Term Purchased Power Budget Summary Level

The purpose of the Long-Term Purchased Power Budget Summary Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to meet the utility's long-term demand for power. This Budget Summary Level provides appropriations for planned transactions beyond 24 months in advance.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
LONG TERM PURCH PWR OPS O&M	311,102,350	298,051,673	307,722,319
<b>Total</b>	<b>311,102,350</b>	<b>298,051,673</b>	<b>307,722,319</b>

## Leadership and Administration - General Expense Budget Summary Level

The purpose of the Leadership and Administration - General Expense Budget Summary Level is to provide for the general expenses of the utility that, for the most part, are not directly attributable to a specific organizational unit. These expenditures include insurance, bond issue costs, bond maintenance fees, audit costs, Law Department legal fees, external legal fees, employee benefits (medical and retirement costs), industrial insurance costs, general claims costs, and services provided by the City's internal services departments through the central cost allocation mechanism.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CITY ALLOCATIONS	57,155,771	60,802,457	58,236,200
DEPARTMENT WIDE COSTS	11,157,498	20,536,687	20,675,794
Indirect Cost Recovery	-30,094,563	-30,094,563	-30,094,563
Pooled Benefits and PTO	1	3,442,178	3,435,825
<b>Total</b>	<b>38,218,706</b>	<b>54,686,758</b>	<b>52,253,255</b>

***The following information summarizes the programs in Leadership and Administration - General Expense Budget Summary Level:***

### **CITY ALLOCATIONS Program**

The City Allocations program funds the costs for city services that are provided to the utility.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CITY ALLOCATIONS	57,155,771	60,802,457	58,236,200
Full-time Equivalents Total	0.00	0.00	0.00

### **DEPARTMENT WIDE COSTS Program**

The Departmentwide Costs program funds departmentwide O&M services that support other programs.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
DEPARTMENT WIDE COSTS	11,157,498	20,536,687	20,675,794
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle City Light

## Indirect Cost Recovery Program

The purpose of the Indirect Cost Recovery program is to offset the overhead costs applied to the capital programs from the Leadership & Administration - General Expense BSL.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery	-30,094,563	-30,094,563	-30,094,563
Full-time Equivalents Total	0.00	0.00	0.00

## Pooled Benefits and PTO Program

The Pooled Benefits program funds costs for health and dental insurance, workers compensation, and unemployment insurance contributions.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Pooled Benefits and PTO	1	3,442,178	3,435,825
Full-time Equivalents Total	0.00	0.00	0.00

## Power Management and Strategic Planning O&M Budget Summary Level

The purpose of the Power Management and Strategic Planning O&M Budget Summary Level is to provide electric power for City Light customers; to support the power marketing operations of the utility; and to provide utility-wide support services such as shops, real estate, fleet, and facility management services.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
PWR MGT & STRATEGIC PLAN O&M	17,778,478	16,230,545	16,611,074
<b>Total</b>	<b>17,778,478</b>	<b>16,230,545</b>	<b>16,611,074</b>
Full-time Equivalents Total*	44.66	44.66	44.66

\* 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.

## Taxes Budget Summary Level

The purpose of the Taxes Budget Summary Level is to pay City Light's legally required tax payments for state, city, and local jurisdictions. This Budget Summary Level includes funding for franchise contract payments negotiated with local jurisdictions in City Light's service territory.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
TAXES OPS O&M	98,774,281	104,834,481	108,556,535
<b>Total</b>	<b>98,774,281</b>	<b>104,834,481</b>	<b>108,556,535</b>

# Seattle City Light

## Short-Term Purchased Power Budget Summary Level

The purpose of the Short-Term Purchased Power Budget Summary Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to manage the utility's short-term demand given the variability of hydroelectric power. This Budget Summary Level provides appropriations for planned transactions up to 24 months in advance.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
SHORT TERM PURCH PWR OPS O&M	40,406,121	40,406,121	40,408,243
<b>Total</b>	<b>40,406,121</b>	<b>40,406,121</b>	<b>40,408,243</b>

## Transmission and Distribution O&M Budget Summary Level

The purpose of the Transmission and Distribution O&M Budget Summary Level is to provide reliable electricity to customers through operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
TRANSMISSION & DIST ADMIN O&M	31,108,300	5,949,982	6,105,595
XSMN & DIST DEFERRED O&M	34,111	0	0
XSMN & DIST FLEET O&M	-778,996	16,067,349	15,883,355
XSMN & DIST PWR DIST OPS O&M	57,666,363	52,006,927	52,686,229
<b>Total</b>	<b>88,029,779</b>	<b>74,024,259</b>	<b>74,675,180</b>
Full-time Equivalents Total*	511.75	508.75	508.75

\* 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.

**The following information summarizes the programs in Transmission and Distribution O&M Budget Summary Level:**

### **TRANSMISSION & DIST ADMIN O&M Program**

The Transmission & Distribution Administration O&M program funds the operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
TRANSMISSION & DIST ADMIN O&M	31,108,300	5,949,982	6,105,595
Full-time Equivalents Total	106.65	103.65	103.65

# Seattle City Light

## XSMN & DIST DEFERRED O&M Program

The Transmission & Distribution Deferred O&M program funds the deferred O&M costs of City Light's overhead and underground distribution systems, substations, and transmission systems.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
XSMN & DIST DEFERRED O&M	34,111	0	0
Full-time Equivalents Total	0.00	0.00	0.00

## XSMN & DIST FLEET O&M Program

The Transmission & Distribution Fleet program funds fleet management and support for distribution, transmission and generation programs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
XSMN & DIST FLEET O&M	-778,996	16,067,349	15,883,355
Full-time Equivalents Total	81.94	81.94	81.94

## XSMN & DIST PWR DIST OPS O&M Program

The Transmission & Distribution Operations O&M program funds the operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
XSMN & DIST PWR DIST OPS O&M	57,666,363	52,006,927	52,686,229
Full-time Equivalents Total	323.16	323.16	323.16

## Environmental Affairs O&M Budget Summary Level

The purpose of the Environmental Affairs O&M Budget Summary Level is to help the utility generate and deliver energy in an environmentally responsible manner. This Budget Summary Level also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
ENVIRO AFFAIRS ADMIN O&M	9,306,430	8,792,526	8,929,413
ENVIRO AFFAIRS DEFERRED O&M	2,623,505	2,606,019	2,663,434
ENVIRO AFFAIRS OPS O&M	4,814,454	4,965,350	5,065,109
<b>Total</b>	<b>16,744,388</b>	<b>16,363,894</b>	<b>16,657,955</b>
Full-time Equivalents Total*	51.00	51.00	51.00

\* 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.

# Seattle City Light

*The following information summarizes the programs in Environmental Affairs O&M Budget Summary Level:*

## **ENVIRO AFFAIRS ADMIN O&M Program**

The Environmental Affairs Administration O&M program performs the administrative work associated with utility generation and the delivery of energy in an environmentally responsible manner. This program also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
ENVIRO AFFAIRS ADMIN O&M	9,306,430	8,792,526	8,929,413
Full-time Equivalents Total	19.03	19.03	19.03

## **ENVIRO AFFAIRS DEFERRED O&M Program**

The Environmental Affairs Deferred O&M program funds the deferred O&M costs related to the utility's generation and the delivery of energy in an environmentally responsible manner. This program also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
ENVIRO AFFAIRS DEFERRED O&M	2,623,505	2,606,019	2,663,434
Full-time Equivalents Total	4.90	4.90	4.90

## **ENVIRO AFFAIRS OPS O&M Program**

The Environmental Affairs Operations O&M program performs operational work associated with utility generation and the delivery of energy in an environmentally responsible manner. This program also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
ENVIRO AFFAIRS OPS O&M	4,814,454	4,965,350	5,065,109
Full-time Equivalents Total	27.08	27.08	27.08

# Seattle Public Utilities

Mami Hara, General Manager & CEO

(206) 684-3000

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

## Department Overview

Seattle Public Utilities (SPU) provides reliable, efficient and environmentally conscious utility services to enhance the quality of life and livability in all communities SPU serves. SPU operates three distinct utilities: Drainage and Wastewater, Solid Waste and Water. The three utilities each have unique revenue sources and capital improvement projects but share many operations and administration activities within SPU and the City.

**Drainage and Wastewater:** The Drainage and Wastewater Utility collects and disposes or discharges storm runoff and wastewater from residences, businesses, institutions and public properties within the City. In addition to handling sewage and storm water runoff, Drainage and Wastewater works with other government agencies and private parties to address Federal EPA-mandated sediment cleanup projects where contamination is linked to storm water or sewage, such as Gas Works Park and the Lower Duwamish Waterway. The drainage and wastewater systems include approximately 448 miles of separated sanitary sewers, 968 miles of combined sewers, 481 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 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 City Council, Seattle residents and businesses, and the bond rating agencies. Financial performance metrics include net income; year-end cash balance; the amount of cash versus debt dedicated to the CIP; debt service coverage, which is the amount of cash available to pay annual debt service

## Seattle Public Utilities

after day-to-day system expenses are paid; and, for the Drainage and Wastewater Fund, the debt to asset ratio. Due to 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 riskier 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

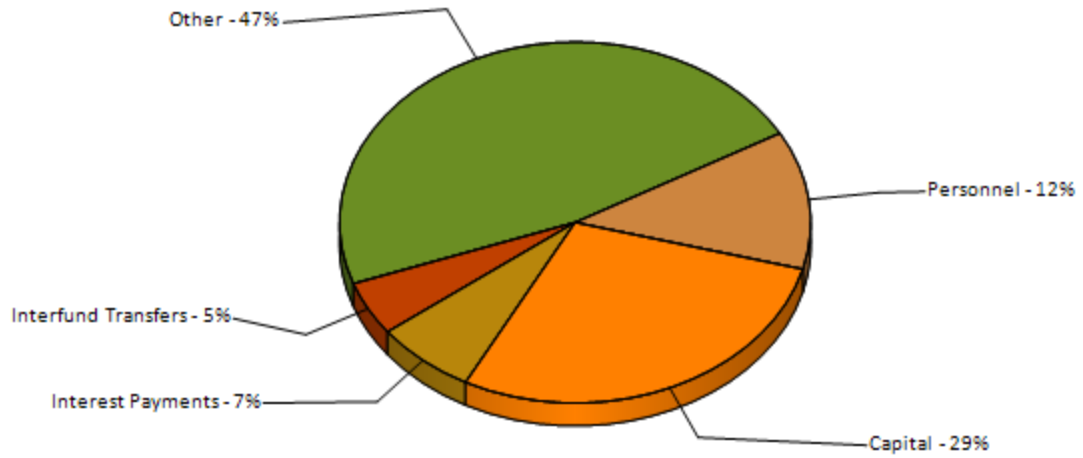
Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$9,007,689	\$10,170,047	\$10,623,277
Other Funding - Operating	\$863,845,539	\$893,596,162	\$945,555,177
<b>Total Operations</b>	<b>\$872,853,228</b>	<b>\$903,766,209</b>	<b>\$956,178,454</b>
Other Funding - Capital	\$294,815,866	\$360,229,871	\$440,009,298
<b>Total Capital</b>	<b>\$294,815,866</b>	<b>\$360,229,871</b>	<b>\$440,009,298</b>
<b>Total Appropriations</b>	<b>\$1,167,669,094</b>	<b>\$1,263,996,080</b>	<b>\$1,396,187,752</b>
Full-time Equivalent Total*	1,398.55	1,414.55	1,421.55

*\* 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.*

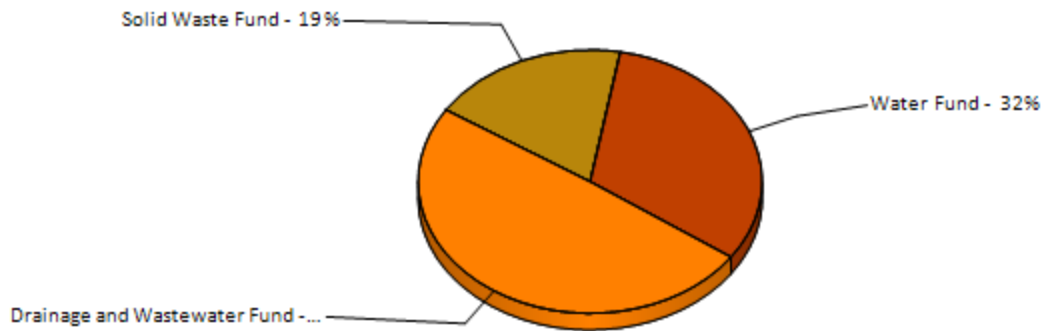


# Seattle Public Utilities

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category



# Seattle Public Utilities

## Budget Overview

The 2019-2020 Proposed Budget for Seattle Public Utilities includes some modifications from the 2018 Adopted Budget that reflect:

- ongoing efforts to implement the updated 2018-2023 Strategic Business Plan;
- new investments customer service and in public blight issues related to homelessness in Seattle; and
- efficiencies, reductions, and deferrals to both the operating and capital budgets.

### Strategic Business Plan Overview

In 2017, the City adopted the updated SPU Strategic Business Plan, which guides the department's operations and investments for the period of 2018-2023. 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 projected six-year rate paths for water, drainage, wastewater, and solid waste lines of business. The adopted rate of growth across all lines of business is 5.2% annually.

In 2019 and 2020, SPU will continue with programmatic reprioritization, efficiency improvements, and refinement of the CIP and operating budgets outlined in the plan to streamline utility services and deliver on regulatory requirements. SPU will create 11 new positions (11.0 FTE) in order to maintain drainage and wastewater infrastructure, process permit requests for new developments, and to support the department's integrated security system. All of these conversions and bodies of work were assumed in the Strategic Business Plan.

### Drainage and Wastewater Highlights

The Drainage and Wastewater Utility provides wastewater and stormwater management services to residences and businesses in 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 fees to Seattle property owners 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. SPU submitted proposed drainage and wastewater rates to the City Council in August 2018. Under the proposed rates, for the 2019-2021 period, Drainage rates will grow by 8.0% each year. Wastewater rates will grow 7.5%, 7.4%, and 7.3% in 2019, 2020, and 2021 respectively. These rates include King County treatment rates, which are typically added to rates charged by SPU to cover wastewater and drainage treatment costs. These rate increases are lower than what was initially assumed in the 2018-2023 Strategic Business Plan. Further, these lower rates will reduce the overall rate of increase by 0.1 percentage points from an annual rate of 5.2% assumed in the Strategic Business Plan to a revised rate of 5.1% annually.

Efficiencies, Reductions, and Deferrals: For the 2019-2020 Proposed Budget, the Drainage and Wastewater budget will be reduced by \$16.4 million and includes:

- delaying, by one year, hiring an additional resource for the SPU work on the environmental compliance around stormwater infrastructure;
- delaying, by one year, hiring positions to operate and maintain the Drainage and Wastewater-owned dewatering facility. This delay is driven by a revised CIP timeline for that project that rendered the positions unnecessary in 2019;
- deferring certain CIP projects;
- implementing various efficiencies for travel, training, supplies, and professional services; and
- delaying filling certain vacancies and abrogating long-term vacant positions.

## Seattle Public Utilities

None of the efficiencies, reductions, or deferrals are expected to impact services provided to customers and SPU will monitor to assure maintenance of service levels.

The 2019-2024 Proposed CIP revises and adds projects based on Combined Sewer Overflow (CSO) and clean-up efforts, the largest of which is the Ship Canal Water Quality Project. This project will construct a CSO tunnel between Ballard and Wallingford and is a joint project with King County. Please see the accompanying 2019-2024 Proposed CIP document for more information on SPU CIP projects.

### **Water Highlights:**

The Water Utility 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 2019. The remaining revenue is generated by non-rate fees and other sources, including 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 2019-2024 Proposed CIP.

The City Council adopted Water Rates for retail customers in 2017 for the 2018, 2019 and 2020 rate period. Adopted Water rate increases for 2019 and for 2020 are 2.5% in 2019 and 3.7% in 2020 under the 2018-2023 updated Strategic Business Plan.

Efficiencies, Reductions, and Deferrals: For the 2019-2020 Proposed Budget, the Water budget will be reduced by \$5.9 million and includes:

- reducing funding for commissioned studies;
- implementing various efficiencies for travel, training, supplies, and professional services;
- delaying filling certain vacancies and abrogating long-term vacant positions; and
- deferring capital purchases for heavy equipment.

None of the efficiencies, reductions, or deferrals are expected to impact services provided to customers and SPU will monitor to assure maintenance of service levels.

### **Solid Waste Highlights:**

The Solid Waste Utility provides collection services to residents and businesses within 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 expects long-term demand to remain stable, with a small decline in some sectors through 2019.

Efficiencies, Reductions, and Deferrals: For the 2019-2020 Proposed Budget, the Solid Waste budget will be reduced by \$1.3 million and includes:

- delaying, by one year, funding for a pet waste and diaper study;
- implementing various efficiencies for travel, training, supplies, and professional services; and
- delaying filling certain vacancies and abrogating long-term vacant positions.

## Seattle Public Utilities

None of the efficiencies, reductions, or deferrals are expected to impact services provided to customers and SPU will monitor to assure maintenance of service levels.

### **Shared Across All Enterprise Funds:**

SPU corporate functions including leadership and administration, project delivery, and customer service are shared across all three enterprise funds and allocated proportionally. These functions are included individually by fund and each line of business collects sufficient rate revenues to pay for these costs.

Investment in Customer Services: The 2019-2020 Proposed Budget includes an additional 14.0 FTE and 10.0 temporary employees in the SPU contact center, which handles customer service issues on behalf of both SPU and Seattle City Light (SCL). Various changes including the new customer billing system have slowed response times and have significantly increased call wait times for customers. This investment will help the joint Contact Center improve performance so that customer calls are answered quickly. All of the permanent positions will sunset in 2022, at which point SPU and SCL will be able to submit a proposal for any permanent solutions.

### **General Fund:**

Previously, the General Fund would reimburse the Water Fund, the Drainage and Wastewater Fund, and the Solid Waste Fund for services provided on behalf of the General Fund. Starting in 2018, after implementing the City's new PeopleSoft financial system, SPU receives General Fund appropriations and spends directly out of the General Fund. The General Fund portion of the SPU budget provides resources for:

- The Clean City Program, which addresses public blight issues in Seattle including public litter, illegal dumping, graffiti on public property, and litter issues related to unsanctioned homeless encampments;
- the Trees for Seattle Program (previously called ReLeaf), which works to maintain and increase the urban tree canopy in Seattle; and
- general government functions like maintaining standardized survey markers throughout Seattle.

Efficiencies, Reductions, and Deferrals: The 2019-2020 Proposed Budget includes approximately \$133,000 in reductions to the SPU General Fund budget to reflect holding a currently vacant manager position vacant for all of 2019. This delay is not expected to affect services provided to customers.

Homeless Investments: The 2019-2020 Proposed Budget will:

- maintain existing programs that address litter issues arising from unsanctioned homeless encampments;
- create new positions (3.0 FTE) where a portion of the costs will be offset by reductions to temporary labor; and
- pilot a new program to reduce trash and litter from illegally parked recreational vehicles (RVs) in the public right-of-way or on Department of Parks and Recreation property.

*Existing Homeless Programs:* The 2017 and 2018 Adopted Budgets included funding for SPU to pilot three programs related to homeless issues in Seattle. The pilot programs included the Encampment Bag Pilot, the Litter Abatement Pilot, and the Needle Pilot. Under these pilot programs, SPU provided trash removal from encampments, removed litter from the public right of way in neighborhoods that have been affected by unsanctioned homeless encampments, and removed used needles from the public right of way and installed and serviced public needle disposal boxes throughout Seattle. Since first implementing the pilots in 2017, service levels have expanded, and the proposed budget maintains the expanded service levels. This change includes converting two temporary positions to permanent positions starting in 2019.

*New Executive Leadership:* The Clean City suite of programs has been operating without a formal program manager for approximately two years. Currently, SPU is providing senior level guidance through the Solid Waste line of business under the guidance of the SPU Chief Administrative Officer. This is an unsustainable structure

## Seattle Public Utilities

given the size of the Clean City program and the time required coordinating with the Mayor's Office, the City Council, affected stakeholders, and other City Departments. In order to address this, SPU will be adding a new Executive 2 position that will provide leadership and coordination on this work across the utility.

*RV Remediation Pilot:* Starting in 2018 and continuing into 2019 and 2020, SPU will pilot a new program to address litter and trash coming from RVs that are illegally parked in the right of way or on Parks property. SPU will lead coordination between the Seattle Police Department, Department of Finance and Administration Services, the Seattle Department of Transportation, and the Department of Parks and Recreation to clear the RVs from the right of way and remove the trash.

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### Incremental Budget Changes

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	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 1,167,669,095</b>	<b>1,398.55</b>	<b>\$ 1,167,669,095</b>	<b>1,398.55</b>
<b>Baseline Changes</b>				
Supplemental Budget Changes	\$ 0	1.00	\$ 0	1.00
<b>Proposed Changes</b>				
Clean City Investments	\$ 702,854	3.00	\$ 727,445	3.00
RV Remediation Pilot	\$ 175,309	0.00	\$ 180,568	0.00
Contact Center Investments	\$ 0	7.00	\$ 0	14.00
Sewer Cleaning Crew Conversion	\$ 0	8.00	\$ 0	8.00
Development Services Office Conversion	\$ 0	2.00	\$ 0	2.00
Security System Maintenance Conversion	\$ 47,834	1.00	\$ 49,974	1.00
O&M Efficiencies, Reductions, and Deferrals	-\$ 5,136,028	-6.00	-\$ 4,793,104	-6.00
<b>Capital Changes</b>				
Water Fund Capital Projects	\$ 4,567,420	0.00	-\$ 600,931	0.00
Drainage and Wastewater Capital Projects	\$ 16,058,889	0.00	\$ 72,651,863	0.00
Solid Waste Fund Capital Projects	-\$ 13,630,811	0.00	\$ 1,435,503	0.00
Technology Capital Projects	\$ 1,273,000	0.00	\$ 1,950,000	0.00
CIP Efficiencies, Reductions, and Deferrals	\$ 0	0.00	-\$ 13,840,000	0.00
<b>Proposed Technical Changes</b>				
O&M Technical Adjustments	\$ 35,707,816	0.00	\$ 87,500,042	0.00
CIP Technical Adjustments	\$ 56,899,654	0.00	\$ 83,596,997	0.00
Reduce Fuel Budget	-\$ 338,952	0.00	-\$ 339,700	0.00
<b>Total Incremental Changes</b>	<b>\$ 96,326,985</b>	<b>16.00</b>	<b>\$ 228,518,657</b>	<b>23.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 1,263,996,080</b>	<b>1,414.55</b>	<b>\$ 1,396,187,752</b>	<b>1,421.55</b>

# Seattle Public Utilities

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Supplemental Budget Changes/1.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The first quarter supplemental transferred one position from the Office of Sustainability and Environment to SPU.

### Proposed Changes

#### **Clean City Investments - \$702,854/3.00 FTE**

This item increases the General Fund budget for the Clean City programs that address public blight in Seattle and includes: maintaining the Encampment Bag Pilot, the Litter Abatement Pilot, and the Needle Pilot as permanent and ongoing programs, adding 1.0 FTE leadership position that will coordinate the increasingly complicated and expanded Clean City programs, and convert two temporary positions to permanent and ongoing positions.

#### **RV Remediation Pilot - \$175,309**

This item continues an RV Remediation pilot. In 2018, SPU became the lead on a multidepartmental effort that addresses illegally parked RVs, trash and litter in the public right-of-way and on Department of Parks and Recreation properties. The utility portion of the costs of the pilot in 2019 and 2020 will be, in large part, reimbursed from the Seattle Department of Transportation, which will use proceeds from the sale of the Brickyard Property to pay for the portion of this body of work that is in the public right-of-way.

#### **Contact Center Investments/7.00 FTE**

This item adds 7.0 FTE Utility Account Representatives (UARs) and 5.0 FTE temporary UARs in 2019 and would add the same amount in 2020 for a combined total of 14.0 FTE permanent UARs and 10.0 FTE temporary UARs. These additional resources will bring down call wait times at the Contact Center, which have increased significantly since implementing the Customer Information System in 2017.

#### **Sewer Cleaning Crew Conversion/8.00 FTE**

This item converts 12 term-limited positions into 8.0 FTE drainage and wastewater collection workers who would provide the same body of work. These positions clean sewer pipes in order to prevent sanitary sewer overflows and to stay within the limits required under SPU's consent decree. These positions will, in the near-term, focus on pipe segments that have not been cleaned in ten years or more, which have the highest likelihood of overflowing.

#### **Development Services Office Conversion/2.00 FTE**

This item converts two temporary employees who work on water permits and plan review. This body of work tends to follow the overall development trends in Seattle. As development increases, so do permit requests. These positions will sunset at the end of 2024, at which time there may be revised forecasts about development in Seattle.

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### **Security System Maintenance Conversion - \$47,834/1.00 FTE**

This item converts a temporary position to a permanent position at SPU that would maintain the components of SPU's integrated security system – approximately 2,200 components. Previously, SPU used a private vendor to respond to service requests on system components. A large portion of the cost of this position is offset by a companion reduction to the professional services budget.

### **O&M Efficiencies, Reductions, and Deferrals - (\$5,136,028)/(6.00) FTE**

This item reduces the 2019-2020 Proposed Budget across all lines of business and funds and includes: deferring or eliminating certain professional services for studies, various reductions to training and travel, reductions to temporary employees, reductions to supplies, delaying hiring on long-term vacancies, and abrogating 6.0 FTE currently vacant positions.

### **Capital Changes**

#### **Water Fund Capital Projects - \$4,567,420**

Changes to the Water Fund Capital Improvement Plan (CIP) reflect increases and decreases of capital projects for the 2019-2020 Proposed Budget. Increases include higher cost estimates for feeder mains, new cathodic protection system investments, new land acquisition for the Habitat Conservation Program, additional costs for a power upgrade at the Cedar Falls watershed, and Move Seattle Levy projects. Decreases include a more cost effective design for the Lake Forest Park Reservoir Covering Project and a revised scope and timeline for certain hatchery projects. Please refer to the 2019-2024 Proposed CIP for more detail.

#### **Drainage and Wastewater Capital Projects - \$16,058,889**

Changes to the Drainage and Wastewater Fund Capital Improvement Plan (CIP) reflect increases, deferrals and accelerations of capital projects in the 2019-2020 Proposed Budget. Increases are primarily driven by revised project cost estimates for the Ship Canal Water Quality Project, which recently finished a review of costs assumptions and associated risks. Please refer to the 2019-2024 Proposed CIP for more detail.

#### **Solid Waste Fund Capital Projects - (\$13,630,811)**

Changes to the Technology Capital Improvement Plan (CIP) reflect increases related to the New Customer Information System, which was implemented in 2017. The increases includes developing the customer portal and analytic tools for the Solid Waste utility. Please refer to the 2018-2023 Adopted CIP for more detail.

#### **Technology Capital Projects - \$1,273,000**

Changes to the Technology Capital Improvement Plan (CIP) reflect increases related to the New Customer Information System, which was implemented in 2017. The increases includes developing the customer portal and analytic tools for the Solid Waste Line of Business. Please refer to the 2018-2023 Adopted CIP for more detail.

#### **CIP Efficiencies, Reductions, and Deferrals**

This item reduces the 2019-2020 Proposed Budget across drainage and wastewater fund and the water fund and includes deferring sewer and drainage improvements along Dayton Avenue and deferring heavy equipment purchases for the water line of business.



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## Proposed Technical Changes

### **O&M Technical Adjustments - \$35,707,816**

This item includes technical adjustments reflecting increases for taxes, debt service, major service contracts, and labor-related increases as well as the companion indirect costs offsets (decreases) in the Leadership and Administration BSL.

### **CIP Technical Adjustments - \$56,899,654**

This item includes technical adjustments to the 2019-2024 Proposed CIP Budget and reflects changes to various capital projects that align the proposed capital project budgets with the 2018-2023 Strategic Business Plan update that was approved in 2017.

### **Reduce Fuel Budget - (\$338,952)**

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was approximately \$340,000 annually, or 15%, reduction in its fuel budget. This reduction will not affect the department's ability to maintain business operations.

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### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Distribution Budget Summary Level</b>			
Water Fund	35,130,769	36,177,685	35,328,077
<b>Total for BSL: BC-SU-C110B</b>	<b>35,130,769</b>	<b>36,177,685</b>	<b>35,328,077</b>
<b>Transmission Budget Summary Level</b>			
Water Fund	9,661,995	11,897,836	15,408,573
<b>Total for BSL: BC-SU-C120B</b>	<b>9,661,995</b>	<b>11,897,836</b>	<b>15,408,573</b>
<b>Watershed Stewardship Budget Summary Level</b>			
Water Fund	977,486	1,192,633	173,878
<b>Total for BSL: BC-SU-C130B</b>	<b>977,486</b>	<b>1,192,633</b>	<b>173,878</b>
<b>Water Quality &amp; Treatment Budget Summary Level</b>			
Water Fund	2,431,046	1,660,000	8,830,000
<b>Total for BSL: BC-SU-C140B</b>	<b>2,431,046</b>	<b>1,660,000</b>	<b>8,830,000</b>
<b>Water Resources Budget Summary Level</b>			
Water Fund	8,553,244	8,372,108	7,271,497
<b>Total for BSL: BC-SU-C150B</b>	<b>8,553,244</b>	<b>8,372,108</b>	<b>7,271,497</b>
<b>Habitat Conservation Program Budget Summary Level</b>			
Water Fund	1,959,331	3,023,995	1,953,846
<b>Total for BSL: BC-SU-C160B</b>	<b>1,959,331</b>	<b>3,023,995</b>	<b>1,953,846</b>
<b>New Facilities Budget Summary Level</b>			
Solid Waste Fund	3,626,774	3,540,947	21,894,979
<b>Total for BSL: BC-SU-C230B</b>	<b>3,626,774</b>	<b>3,540,947</b>	<b>21,894,979</b>
<b>Rehabilitation &amp; Heavy Equipment Budget Summary Level</b>			
Solid Waste Fund	270,000	325,000	320,000
<b>Total for BSL: BC-SU-C240B</b>	<b>270,000</b>	<b>325,000</b>	<b>320,000</b>

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<b>Protection of Beneficial Uses Budget Summary Level</b>			
Drainage and Wastewater Fund	11,730,529	15,564,660	25,835,358
<b>Total for BSL: BC-SU-C333B</b>	<b>11,730,529</b>	<b>15,564,660</b>	<b>25,835,358</b>

<b>Sediments Budget Summary Level</b>			
Drainage and Wastewater Fund	6,489,059	3,636,224	4,202,353
<b>Total for BSL: BC-SU-C350B</b>	<b>6,489,059</b>	<b>3,636,224</b>	<b>4,202,353</b>

<b>Combined Sewer Overflows Budget Summary Level</b>			
Drainage and Wastewater Fund	33,329,106	71,316,167	138,590,582
<b>Total for BSL: BC-SU-C360B</b>	<b>33,329,106</b>	<b>71,316,167</b>	<b>138,590,582</b>

<b>Rehabilitation Budget Summary Level</b>			
Drainage and Wastewater Fund	39,088,532	45,274,241	36,496,483
<b>Total for BSL: BC-SU-C370B</b>	<b>39,088,532</b>	<b>45,274,241</b>	<b>36,496,483</b>

<b>Flooding, Sewer Backup &amp; Landslide Budget Summary Level</b>			
Drainage and Wastewater Fund	16,565,889	16,029,911	42,734,349
<b>Total for BSL: BC-SU-C380B</b>	<b>16,565,889</b>	<b>16,029,911</b>	<b>42,734,349</b>

<b>Shared Cost Projects Budget Summary Level</b>			
Drainage and Wastewater Fund	55,645,916	77,651,485	58,123,535
Solid Waste Fund	1,898,321	2,565,757	2,679,057
Water Fund	51,040,422	49,128,223	28,966,732
<b>Total for BSL: BC-SU-C410B</b>	<b>108,584,659</b>	<b>129,345,465</b>	<b>89,769,324</b>

<b>Technology Budget Summary Level</b>			
Drainage and Wastewater Fund	6,198,383	5,257,430	4,950,900
Solid Waste Fund	3,219,967	2,083,200	1,567,750
Water Fund	6,999,097	5,532,369	4,681,349
<b>Total for BSL: BC-SU-C510B</b>	<b>16,417,447</b>	<b>12,872,999</b>	<b>11,199,999</b>

<b>General Expense Budget Summary Level</b>			
Drainage and Wastewater Fund	294,540,994	302,522,465	330,765,702
General Fund	1,846,477	1,993,001	2,067,398

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Solid Waste Fund	156,739,615	160,344,641	165,175,096
Water Fund	137,590,407	146,007,754	154,721,117
<b>Total for BSL: BO-SU-N000B</b>	<b>590,717,493</b>	<b>610,867,861</b>	<b>652,729,313</b>

### Leadership and Administration Budget Summary Level

Drainage and Wastewater Fund	52,940,960	54,721,266	56,264,731
Solid Waste Fund	20,478,104	19,266,008	19,612,059
Water Fund	54,356,797	56,245,307	57,601,643
<b>Total for BSL: BO-SU-N100B</b>	<b>127,775,860</b>	<b>130,232,581</b>	<b>133,478,433</b>

### Utility Service and Operations Budget Summary Level

Drainage and Wastewater Fund	59,671,374	65,978,850	68,455,850
General Fund	7,161,212	8,177,046	8,555,879
Solid Waste Fund	28,446,700	29,601,714	31,094,614
Water Fund	59,080,589	58,908,157	61,864,365
<b>Total for BSL: BO-SU-N200B</b>	<b>154,359,875</b>	<b>162,665,767</b>	<b>169,970,708</b>

<b>Department Total</b>	<b>1,167,669,094</b>	<b>1,263,996,080</b>	<b>1,396,187,752</b>
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<b>Department Full-time Equivalents Total*</b>	<b>1,398.55</b>	<b>1,414.55</b>	<b>1,421.55</b>
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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.*

## Seattle Public Utilities

### Budget Summary by Fund for SPU

	2018 Adopted	2019 Proposed	2020 Proposed
44010 - Drainage and Wastewater Fund	576,200,741	657,952,698	766,419,842
00100 - General Fund	9,007,689	10,170,047	10,623,277
45010 - Solid Waste Fund	214,679,481	217,727,268	242,343,556
43000 - Water Fund	367,781,183	378,146,067	376,801,077
<b>Budget Totals for SPU</b>	<b>1,167,669,094</b>	<b>1,263,996,080</b>	<b>1,396,187,752</b>

### Revenue Overview

#### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
360900	CGDB Reimbursements (N2418)	2,159,788	0	0
408000	Capital Grants and Contributions (excluding donated assets)	1,932,018	1,736,000	1,736,000
432212	Build America Bond Interest Income	1,747,993	1,749,474	1,749,474
443210	GIS (N2419)	0	2,869,592	2,948,228
443510	Wastewater Utility Services	273,069,847	290,223,971	315,295,715
443610	Drainage Utility Services	126,968,005	141,449,337	152,715,507
443691	Side Sewer Permit Fees	1,703,946	1,312,891	1,317,507
443694	Drainage Permit Fees	285,645	526,683	526,683
469990	King County Reimbursement	0	15,339,134	39,380,969
469990	Other Operating Revenues	426,607	2,446,743	2,451,359
479010	Operating Grants	500,000	1,598,155	1,598,155
481200	Transfer from Construction Fund	131,432,394	142,484,389	169,466,891
543210	Parks & Other City Depts. (N4405)	74,440	128,465	128,465
543210	ReLeaf reimbursement - SCL	99,602	244,599	244,599
543210	SCL Fund (N4403)	821,265	810,074	810,074
543210	SDOT Fund (N4404)	2,555,941	3,552,370	13,552,370
705000	Call Center Reimbursement from SCL	1,702,341	2,157,193	2,243,481
	<b>Total Drainage and Wastewater Fund</b>	<b>545,479,832</b>	<b>608,629,069</b>	<b>706,165,477</b>
408000	Other Non-Operating Revenue	25,154	650,855	628,383
437010	Operating Fees, Contributions and grants	750,000	750,000	750,000
443450	Recycling Processing Revenues	7,154,782	5,828,808	5,967,320
443710	Commercial Services	60,168,172	63,157,449	65,300,978
443710	Residential Services	129,878,917	130,420,544	136,185,611
443741	Recycling and Disposal Station Charges	10,224,741	11,790,402	11,822,363

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443745	Comm'l Disposal (Longhaul) Charges	780,267	993,145	1,021,170
469990	Other Operating Revenue	27,177	0	0
481200	Transfers from Construction Fund	0	8,845,643	25,800,241
543210	Revenue Stabilization Subfund	0	1,568,914	-121,513
705000	Call Center Reimbursement from SCL	1,702,341	2,096,801	2,149,221
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	2,836,879	3,212,965	3,379,138
	<b>Total Solid Waste Fund</b>	<b>213,548,429</b>	<b>229,315,527</b>	<b>252,882,913</b>
408000	Other Non-Operating Revenue	448,438	309,213	311,267
432212	Build America Bond Interest Income	1,983,904	1,983,904	2,080,414
443410	Retail Water Sales	197,274,056	198,315,776	205,027,737
443420	GF - Public Fire Hydrant Reimbursement	9,660,773	9,707,088	10,035,622
443420	Wholesale Water Sales	62,639,423	56,939,501	58,467,553
443450	Facilities Charges	450,000	347,400	347,400
443450	Tap Fees	6,746,810	7,777,020	7,874,232
462500	Rentals--Non-City	615,738	631,132	646,910
469990	Other Operating Revenues	2,445,232	2,381,682	2,441,224
469990	Reimbursements for Services for Other Departments	70,050	0	0
479010	Capital Grants and Contributions	12,907,729	15,747,358	15,993,658
481200	Transfers from Construction Fund	65,298,497	81,649,183	86,191,501
587000	Revenue Stabilization Subfund	3,000,000	14,800,000	1,200,000
587000	Revenue Stabilization Subfund - BPA Acct	200,000	100,000	100,000
705000	Call Center Reimbursement from SCL	1,753,928	2,164,361	2,218,470
	<b>Total Water Fund</b>	<b>365,494,578</b>	<b>392,853,618</b>	<b>392,935,988</b>
	<b>Total Revenues</b>	<b>1,124,522,839</b>	<b>1,230,798,214</b>	<b>1,351,984,378</b>
379100	Decrease (Increase) in Working Capital	34,487,102	49,323,629	60,254,365
	<b>Total Drainage and Wastewater Fund</b>	<b>34,487,102</b>	<b>49,323,629</b>	<b>60,254,365</b>
379100	Decrease (Increase) in Working Capital	480,663	-11,588,259	-10,539,357
	<b>Total Solid Waste Fund</b>	<b>480,663</b>	<b>-11,588,259</b>	<b>-10,539,357</b>
379100	Decrease (Increase) in Working Capital	-464,069	-14,707,551	-16,134,911
	<b>Total Water Fund</b>	<b>-464,069</b>	<b>-14,707,551</b>	<b>-16,134,911</b>
	<b>Total Resources</b>	<b>1,159,026,535</b>	<b>1,253,826,033</b>	<b>1,385,564,475</b>

## Seattle Public Utilities

### Appropriations By Budget Summary Level (BSL) and Program

#### Distribution Budget Summary Level

The purpose of the Distribution Budget Summary Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's water lines, pump stations, and other facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Distribution	35,130,769	36,177,685	35,328,077
<b>Total</b>	<b>35,130,769</b>	<b>36,177,685</b>	<b>35,328,077</b>
Full-time Equivalents Total*	79.00	79.00	79.00

*\* 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.*

#### Transmission Budget Summary Level

The purpose of the Transmission Budget Summary 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.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Transmission	9,661,995	11,897,836	15,408,573
<b>Total</b>	<b>9,661,995</b>	<b>11,897,836</b>	<b>15,408,573</b>
Full-time Equivalents Total*	5.00	5.00	5.00

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## Seattle Public Utilities

### Watershed Stewardship Budget Summary Level

The purpose of the Watershed Stewardship Budget Summary 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.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Watershed Stewardship	977,486	1,192,633	173,878
<b>Total</b>	<b>977,486</b>	<b>1,192,633</b>	<b>173,878</b>
Full-time Equivalents Total*	8.00	8.00	8.00

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### Water Quality & Treatment Budget Summary Level

The purpose of the Water Quality & Treatment Budget Summary Level, a Capital Improvement Program funded by water revenues, is to design, construct, and repair water treatment facilities and remaining open-water reservoirs.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Water Quality & Treatment	2,431,046	1,660,000	8,830,000
<b>Total</b>	<b>2,431,046</b>	<b>1,660,000</b>	<b>8,830,000</b>
Full-time Equivalents Total*	14.00	14.00	14.00

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### Water Resources Budget Summary Level

The purpose of the Water Resources Budget Summary Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade water transmission pipelines and promote residential and commercial water conservation.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Water Resources	8,553,244	8,372,108	7,271,497
<b>Total</b>	<b>8,553,244</b>	<b>8,372,108</b>	<b>7,271,497</b>
Full-time Equivalents Total*	12.00	12.00	12.00

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## Seattle Public Utilities

### Habitat Conservation Program Budget Summary Level

The purpose of the Habitat Conservation Budget Summary Level, a Capital Improvement Program funded by water revenues, is to manage projects directly related to the Cedar River Watershed Habitat Conservation Plan.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Habitat Conservation Program	1,959,331	3,023,995	1,953,846
<b>Total</b>	<b>1,959,331</b>	<b>3,023,995</b>	<b>1,953,846</b>
Full-time Equivalents Total*	15.00	15.00	15.00

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### New Facilities Budget Summary Level

The purpose of the New Facilities Budget Summary Level, a Capital Improvement Program funded by solid waste revenues, is to design and construct new facilities to enhance solid waste operations.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
New Facilities	3,626,774	3,540,947	21,894,979
<b>Total</b>	<b>3,626,774</b>	<b>3,540,947</b>	<b>21,894,979</b>
Full-time Equivalents Total*	9.00	9.00	9.00

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### Rehabilitation & Heavy Equipment Budget Summary Level

The purpose of the Rehabilitation and Heavy Equipment Budget Summary 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.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Rehabilitation & Heavy Eqpt	270,000	325,000	320,000
<b>Total</b>	<b>270,000</b>	<b>325,000</b>	<b>320,000</b>

## Seattle Public Utilities

### Protection of Beneficial Uses Budget Summary Level

The purpose of the Protection of Beneficial Uses Budget Summary 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 storm water runoff on creeks and receiving waters by improving water quality and protecting or enhancing habitat.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Protection of Beneficial Uses	11,730,529	15,564,660	25,835,358
<b>Total</b>	<b>11,730,529</b>	<b>15,564,660</b>	<b>25,835,358</b>
Full-time Equivalents Total*	15.00	14.00	14.00

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### Sediments Budget Summary Level

The purpose of the Sediments Budget Summary Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to restore and rehabilitate natural resources in or along Seattle's waterways.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Sediments	6,489,059	3,636,224	4,202,353
<b>Total</b>	<b>6,489,059</b>	<b>3,636,224</b>	<b>4,202,353</b>
Full-time Equivalents Total*	7.00	7.00	7.00

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### Combined Sewer Overflows Budget Summary Level

The purpose of the Combined Sewer Overflow (CSO) Budget Summary 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 Summary.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Combined Sewer Overflows	33,329,106	71,316,167	138,590,582
<b>Total</b>	<b>33,329,106</b>	<b>71,316,167</b>	<b>138,590,582</b>
Full-time Equivalents Total*	30.00	30.00	30.00

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## Seattle Public Utilities

### **Rehabilitation Budget Summary Level**

The purpose of the Rehabilitation Budget Summary 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.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Rehabilitation	39,088,532	45,274,241	36,496,483
<b>Total</b>	<b>39,088,532</b>	<b>45,274,241</b>	<b>36,496,483</b>
Full-time Equivalents Total*	30.00	30.00	30.00

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### **Flooding, Sewer Backup & Landslide Budget Summary Level**

The purpose of the Flooding, Sewer Back-up, and Landslides Budget Summary 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.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Flooding, Sewer Backup & Lndsl	16,565,889	16,029,911	42,734,349
<b>Total</b>	<b>16,565,889</b>	<b>16,029,911</b>	<b>42,734,349</b>
Full-time Equivalents Total*	25.00	25.00	25.00

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## Seattle Public Utilities

### Shared Cost Projects Budget Summary Level

The purpose of the Shared Cost Projects Budget Summary Level, which is a Capital Improvement Program, is to implement the Water, Drainage and Wastewater, and Solid Waste Utility's share of capital improvement projects that receive funding from multiple SPU funds.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Shared Cost Projects	108,584,659	129,345,465	89,769,324
<b>Total</b>	<b>108,584,659</b>	<b>129,345,465</b>	<b>89,769,324</b>
Full-time Equivalents Total*	95.00	95.00	95.00

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### Technology Budget Summary Level

The purpose of the Technology Budget Summary Level, a Capital Improvement Program, is to make use of technology to increase the Water, Drainage and Wastewater, and Solid Waste Utility's efficiency and productivity.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Technology	16,417,447	12,872,999	11,199,999
<b>Total</b>	<b>16,417,447</b>	<b>12,872,999</b>	<b>11,199,999</b>
Full-time Equivalents Total*	41.00	41.00	41.00

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## Seattle Public Utilities

### General Expense Budget Summary Level

The purpose of the General Expense Budget Summary Level is to provide for the Utility's general expenses such as debt service, taxes and major contracts.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Budget Reserves	2,815,146	4,806,065	8,100,908
Capital Purchases	220,668	225,082	229,583
Debt Service	173,597,214	179,931,914	199,496,319
Major Contracts	287,464,335	288,635,714	294,038,901
Taxes and Fees	126,620,130	137,269,086	150,863,602
<b>Total</b>	<b>590,717,493</b>	<b>610,867,861</b>	<b>652,729,313</b>

*The following information summarizes the programs in General Expense Budget Summary Level:*

#### **Budget Reserves Program**

The purpose of the Budget Reserves Program is to appropriate funds to maintain a necessary working reserve for unanticipated expenditures that may develop during the fiscal year. These are important due to the utility need to plan revenue on a six-year horizon.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Budget Reserves	2,815,146	4,806,065	8,100,908
Full-time Equivalent Total	0.00	0.00	0.00

#### **Capital Purchases Program**

The purpose of the Capital Purchases Program is to provide appropriation for the utility to purchase equipment that cannot be purchased using bond proceeds.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Capital Purchases	220,668	225,082	229,583
Full-time Equivalent Total	0.00	0.00	0.00

#### **Debt Service Program**

The purpose of the Debt Service Program is to provide appropriation for new bond issuance costs as well as principal and interest payments on previously issued bonds and loans.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Debt Service	173,597,214	179,931,914	199,496,319
Full-time Equivalent Total	0.00	0.00	0.00

## Seattle Public Utilities

### Major Contracts Program

The purpose of the Major Contracts Program is to provide appropriation for large service contracts that SPU has with solid waste contractors and for water and wastewater treatment costs.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Major Contracts	287,464,335	288,635,714	294,038,901
Full-time Equivalents Total	0.00	0.00	0.00

### Taxes and Fees Program

The purpose of the Taxes Program is to provide appropriation for payment of city and state taxes.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Taxes and Fees	126,620,130	137,269,086	150,863,602
Full-time Equivalents Total	0.00	0.00	0.00

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration Budget Summary Level is to provide overall management and policy direction for Seattle Public Utilities and to provide core management and administrative services like finance, human resources, and facility management.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	57,941,302	60,458,561	59,244,799
Departmental Indirect Costs	79,615,222	80,190,847	84,358,929
Divisional Indirect Costs	1,330,785	1,556,254	1,723,529
Indirect Cost Offsets	0	-19,218,594	-20,123,647
Paid Time Off Indirect Costs	4,394,978	5,051,238	5,149,340
Pooled Benefits Indirect Costs	-15,506,427	2,194,274	3,125,482
<b>Total</b>	<b>127,775,860</b>	<b>130,232,581</b>	<b>133,478,433</b>
Full-time Equivalents Total*	109.35	108.35	108.35

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## Seattle Public Utilities

*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

### Citywide Indirect Costs Program

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	57,941,302	60,458,561	59,244,799
Full-time Equivalents Total	0.00	0.00	0.00

### Departmental Indirect Costs Program

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Departmental Indirect Costs	79,615,222	80,190,847	84,358,929
Full-time Equivalents Total	109.35	108.35	108.35

### Divisional Indirect Costs Program

The purpose of the Divisional Indirect Costs program is to fund administrative costs generated by sub-departmental units.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Divisional Indirect Costs	1,330,785	1,556,254	1,723,529
Full-time Equivalents Total	0.00	0.00	0.00

### Indirect Cost Offsets Program

The purpose of the Indirect Cost Recovery program is to recover costs associated with indirect programs within Leadership and Administration BSL from certain direct cost programs. This program does not fully recover Leadership and Administration BSL costs.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Offsets	0	-19,218,594	-20,123,647
Full-time Equivalents Total	0.00	0.00	0.00

## Seattle Public Utilities

### Paid Time Off Indirect Costs Program

The purpose of the Paid Time Off program is to fund salary and benefit costs associated with City-provided leave benefits such as holiday pay, sick time, vacation time, executive leave or other leave benefits, including termination payouts for vacation and sick leave.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Paid Time Off Indirect Costs	4,394,978	5,051,238	5,149,340
Full-time Equivalents Total	0.00	0.00	0.00

### Pooled Benefits Indirect Costs Program

The purpose of the Pooled Benefits program is to fund department costs associated with health and dental insurance, workers compensation, and unemployment insurance contributions.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits Indirect Costs	-15,506,427	2,194,274	3,125,482
Full-time Equivalents Total	0.00	0.00	0.00



## Seattle Public Utilities

### Utility Service and Operations Budget Summary Level

The purpose of the Utility Service and Operations Budget Summary Level is to fund the direct delivery of essential Customer Service programs and the operating expenses for Pre-Capital Planning & Development, Project Delivery, Drainage and Wastewater, Solid Waste, Water and General Fund programs.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Customer Service	26,566,534	26,099,067	27,231,824
Drainage System	9,310,248	10,102,720	11,209,604
DWW Facilities & Equip	242,107	255,601	266,111
DWW System Operations	21,457,298	22,674,958	23,374,575
Emergency Response	2,708,896	2,087,076	2,213,980
Engineering	6,912,270	7,045,537	7,307,862
Pre-Capital Planning	3,352,443	4,670,026	4,720,155
Solid Waste Facilities & Equip	5,024,550	5,529,176	5,756,408
Solid Waste Operations	23,714,591	25,487,168	26,815,866
Wastewater System	12,926,725	15,075,018	15,106,844
Water Distribution System	14,719,489	15,908,405	16,699,148
Water Facilities & Equip	2,919,215	3,257,662	3,377,931
Water Supply & Transmssn Systm	5,527,805	5,710,232	6,058,522
Water System Operations	18,977,705	18,763,120	19,831,877
<b>Total</b>	<b>154,359,875</b>	<b>162,665,767</b>	<b>169,970,708</b>
Full-time Equivalents Total*	904.20	922.20	929.20

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**The following information summarizes the programs in Utility Service and Operations Budget Summary Level:**

#### **Customer Service Program**

The purpose of the Customer Service Program is to provide appropriation to manage and provide customer service support for the direct delivery of programs and services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Customer Service	26,566,534	26,099,067	27,231,824
Full-time Equivalents Total	234.00	242.00	249.00

## Seattle Public Utilities

### Drainage System Program

The purpose of the Drainage System Program is to provide appropriation for maintaining the drainage system, drainage conveyance, stormwater detention and green stormwater infrastructure.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Drainage System	9,310,248	10,102,720	11,209,604
Full-time Equivalents Total	0.00	0.00	0.00

### DWW Facilities & Equip Program

The purpose of the DWW Facilities and Equipment Program is to provide appropriation for drainage and wastewater operating and decant facilities.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DWW Facilities & Equip	242,107	255,601	266,111
Full-time Equivalents Total	0.00	0.00	0.00

### DWW System Operations Program

The purpose of the DWW System Operations Program is to provide appropriation for drainage and wastewater overall system planning, system modeling and analysis, source control, compliance and outreach and education.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
DWW System Operations	21,457,298	22,674,958	23,374,575
Full-time Equivalents Total	0.00	0.00	0.00

### Emergency Response Program

The Emergency Response Program provides appropriation to procure necessary equipment and provide maintenance and support services in case of emergencies.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Emergency Response	2,708,896	2,087,076	2,213,980
Full-time Equivalents Total	0.00	0.00	0.00

### Engineering Program

The purpose of the Engineering Program is to provide engineering design and support services, construction inspection, and project management services to capital improvement projects and to the managers of facilities.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Engineering	6,912,270	7,045,537	7,307,862
Full-time Equivalents Total	107.50	106.50	106.50

## Seattle Public Utilities

### Pre-Capital Planning Program

The purpose of the Pre-Capital Planning Program is to support business case development, project plans, and options analysis. 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.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pre-Capital Planning	3,352,443	4,670,026	4,720,155
Full-time Equivalents Total	0.00	0.00	0.00

### Solid Waste Facilities & Equip Program

The purpose of the Solid Waste Facilities & Equipment Program provides appropriation to maintain and support the solid waste facilities and landfills.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Solid Waste Facilities & Equip	5,024,550	5,529,176	5,756,408
Full-time Equivalents Total	0.00	0.00	0.00

### Solid Waste Operations Program

The purpose of the Solid Waste Operations Program provides appropriation for overall solid waste system planning, operations of the transfer stations, solid waste outreach and management of the Local Hazardous Waste Mitigation Program (LHWMP).

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Solid Waste Operations	23,714,591	25,487,168	26,815,866
Full-time Equivalents Total	85.56	88.56	88.56

### Wastewater System Program

The Wastewater System Program provides appropriation to maintain wastewater conveyance, pump stations and storage.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Wastewater System	12,926,725	15,075,018	15,106,844
Full-time Equivalents Total	225.05	233.05	233.05

## Seattle Public Utilities

### Water Distribution System Program

The Water Distribution System Program provides appropriation to maintain water distribution conveyance, pump stations and reservoirs.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Water Distribution System	14,719,489	15,908,405	16,699,148
Full-time Equivalents Total	120.09	120.09	120.09

### Water Facilities & Equip Program

The Water Distribution System Program provides appropriation to maintain water distribution conveyance, pump stations and reservoirs.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Water Facilities & Equip	2,919,215	3,257,662	3,377,931
Full-time Equivalents Total	0.00	0.00	0.00

### Water Supply & Transmssn System Program

The Water Supply and Transmission System Program provides appropriation to operate and maintain the water pipelines, reservoirs and water sheds.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Water Supply & Transmssn Systm	5,527,805	5,710,232	6,058,522
Full-time Equivalents Total	0.00	0.00	0.00

### Water System Operations Program

The Water System Operations Program provides appropriation to plan and monitor the overall water system and water quality lab, and includes the work for the Cedar River Habitat conservation.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Water System Operations	18,977,705	18,763,120	19,831,877
Full-time Equivalents Total	132.00	132.00	132.00

# Seattle Streetcar

Linea Laird, Interim Director

(206) 684-5000

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

## Department Overview

The Seattle Streetcar is part of the Seattle Department of Transportation (SDOT), which operates and maintains the lines of the Seattle Streetcar. The South Lake Union line began operations in late 2007, and the First Hill line began operations in 2016.

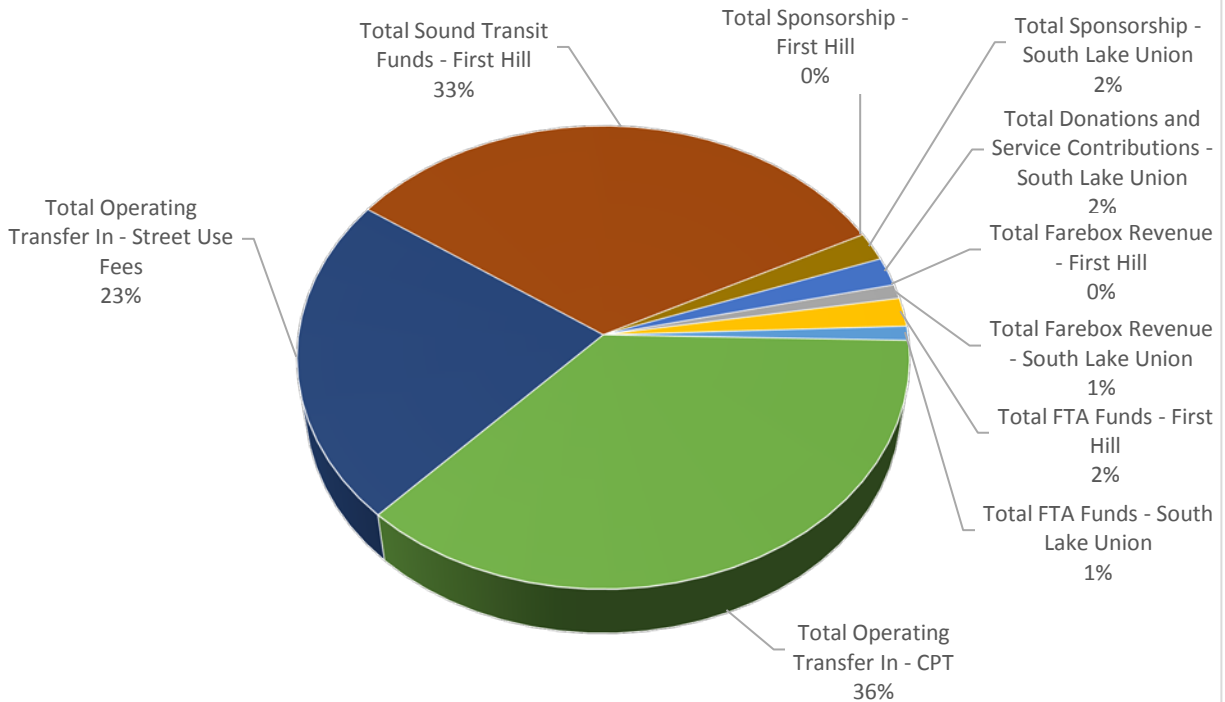
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$5,660,000	\$14,863,429	\$11,717,227
<b>Total Operations</b>	<b>\$5,660,000</b>	<b>\$14,863,429</b>	<b>\$11,717,227</b>
<b>Total Appropriations</b>	<b>\$5,660,000</b>	<b>\$14,863,429</b>	<b>\$11,717,227</b>
Full-time Equivalent Total*	0.00	0.00	0.00

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# Seattle Streetcar

## 2019 Proposed Budget - Revenue by Category



## Budget Overview

The Seattle Streetcar consists of two lines - the South Lake Union line and the First Hill line. King County Metro operates the South Lake Union and First Hill streetcars on behalf of the City. The County keeps most of the fare revenues collected and the City pays the County the difference between estimated costs and estimated fare revenues. During 2018, a reconciliation process revealed a gap between the estimated and actual operating costs and revenues. The 2019-2020 Proposed Budget includes budget authority to pay Metro for the projected difference between the estimated and actual costs from 2017 through 2020.

Pursuant to interlocal agreements, King County contributes about \$1.5 million annually for South Lake Union operating line costs through 2019 and Sound Transit contributes \$5 million annually for First Hill line operating costs through 2023. The City pays the remaining costs to operate the streetcars. The City's share of the costs is covered by the following: streetcar fares, Federal Transit Administration funds, sponsorships, leases, contributions and transfers from the Transportation Fund.

The South Lake Union Streetcar is supported by a \$3.6 million interfund operating loan authorized by the City Council in June 2007 and amended in September 2009. The current loan expires in December 2018 and proposed budget legislation extends the loan for an additional year. SDOT plans to use proceeds from the sale of the department's real estate assets (Megablock) in South Lake Union to retire the loan in 2020.

Note the use of property proceeds does *not* necessarily imply that the City will sell the underlying property to a third party, only that SDOT is repaid for the transportation-restricted funds that were used to purchase a portion of the property. If the City determines that there are non-transportation uses for the property and wants to retain the property, non-transportation funding sources could be used to repay SDOT. The City is currently conducting a competitive process to determine the value of the property and to evaluate potential uses. The results of that process will help inform the appropriate path forward in terms of final property disposition. Some additional

# Seattle Streetcar

details, including information about the Center City Connector Streetcar, are provided in the Seattle Department of Transportation section of the proposed budget book.

## Incremental Budget Changes

### Seattle Streetcar

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 5,660,000</b>	<b>0.00</b>	<b>\$ 5,660,000</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 0	0.00	\$ 209	0.00
<b>Proposed Changes</b>				
South Lake Union Streetcar Reconciliation	\$ 938,394	0.00	\$ 0	0.00
First Hill Streetcar Reconciliation	\$ 4,207,201	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
South Lake Union Streetcar	\$ 1,110,561	0.00	\$ 2,683,802	0.00
First Hill Streetcar	\$ 2,947,273	0.00	\$ 3,373,216	0.00
<b>Total Incremental Changes</b>	<b>\$ 9,203,429</b>	<b>0.00</b>	<b>\$ 6,057,227</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 14,863,429</b>	<b>0.00</b>	<b>\$ 11,717,227</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### South Lake Union Streetcar Reconciliation - \$938,394

King County Metro operates the South Lake Union Streetcar for the City. The City has made payments to Metro based on estimated costs and revenues. During 2018 the City and King County engaged in a reconciliation process that highlighted the gap in payment resulting from the difference between estimated and actual costs incurred.

# Seattle Streetcar

This one-time item pays King County for the amount owed for 2017 operations (\$316,992) and a projected reconciliation for 2018 operations (\$621,402). The source of funding is the City's Commercial Parking Tax (CPT) (10%).

## **First Hill Streetcar Reconciliation - \$4,207,201**

King County Metro operates the First Hill Streetcar for the City. The City has made payments to Metro based on estimated costs and revenues. During 2018 the City and King County engaged in a reconciliation process. This one-time item pays King County for the amount owed for 2017 operations (\$1,528,146) and a projected reconciliation for 2018 operations (\$2,679,055). The source of funding is the City's Commercial Parking Tax (CPT) (10%).

## **Proposed Technical Changes**

### **South Lake Union Streetcar - \$1,110,561**

This ongoing technical correction is needed to adjust the budget for current estimates of costs and revenues for the South Lake Union Streetcar and reflects anticipated expiration of King County's \$1.5 million annual contribution after 2019. The 2019 amount is supported by street use fees. The 2020 amount of \$2,683,802 is supported by Commercial Parking Tax 10%.

### **First Hill Streetcar - \$2,947,273**

This ongoing technical correction is needed to adjust the budget for current estimates of costs and revenues for the First Hill Streetcar. The 2019 amount is supported as follows: \$2,389,439 Street Use Fees; \$465,942 Commercial Parking Tax (CPT); \$91,892 Other Operating Revenue. The 2020 amount of \$3,373,216 is supported by CPT 10%.



# Seattle Streetcar

## Expenditure Overview

<b>Appropriations</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
<b>South Lake Union Streetcar Operations Budget Summary Level</b>			
Seattle Streetcar Operations Fund (10800)	745,000	2,793,955	3,428,841
<b>Total for BSL: BO-TR-12001</b>	<b>745,000</b>	<b>2,793,955</b>	<b>3,428,841</b>
<b>First Hill Streetcar Operations Budget Summary Level</b>			
Seattle Streetcar Operations Fund (10800)	4,915,000	12,069,474	8,288,386
<b>Total for BSL: BO-TR-12002</b>	<b>4,915,000</b>	<b>12,069,474</b>	<b>8,288,386</b>
<b>Department Total</b>	<b>5,660,000</b>	<b>14,863,429</b>	<b>11,717,227</b>
<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Budget Summary by Fund for Streetcar

	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
10800 - Seattle Streetcar Operations Fund (10800)	5,660,000	14,863,429	11,717,227
<b>Budget Totals for STCAR</b>	<b>5,660,000</b>	<b>14,863,429</b>	<b>11,717,227</b>

# Seattle Streetcar

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
344900	Transportation-Other Rev	229,000	237,000	245,000
	<b>Total Donations and Service Contributions - South Lake Union</b>	<b>229,000</b>	<b>237,000</b>	<b>245,000</b>
344900	Transportation-Other Rev	124,630	63,197	65,093
	<b>Total Farebox Revenue - First Hill</b>	<b>124,630</b>	<b>63,197</b>	<b>65,093</b>
344900	Transportation-Other Rev	150,346	106,931	110,139
	<b>Total Farebox Revenue - South Lake Union</b>	<b>150,346</b>	<b>106,931</b>	<b>110,139</b>
374030	Capital Contr-Fed Dir Grants	258,185	258,064	258,064
	<b>Total FTA Funds - First Hill</b>	<b>258,185</b>	<b>258,064</b>	<b>258,064</b>
374030	Capital Contr-Fed Dir Grants	172,123	172,042	172,123
	<b>Total FTA Funds - South Lake Union</b>	<b>172,123</b>	<b>172,042</b>	<b>172,123</b>
397010	Operating Transfer In - CPT	0	5,611,537	6,150,000
	<b>Total Operating Transfer In - CPT</b>	<b>0</b>	<b>5,611,537</b>	<b>6,150,000</b>
485110	Transfers In - Property Proceeds	0	0	3,602,138
	<b>Total Operating Transfer In - Property Proceeds</b>	<b>0</b>	<b>0</b>	<b>3,602,138</b>
397010	Transfers In - Street Use Fees	0	3,500,000	0
	<b>Total Operating Transfer In - Street Use Fees</b>	<b>0</b>	<b>3,500,000</b>	<b>0</b>
344900	Transportation-Other Rev	5,000,000	5,000,000	5,000,000
	<b>Total Sound Transit Funds - First Hill</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
337080	Other Private Contrib & Donations	200,000	58,500	60,255
	<b>Total Sponsorship - First Hill</b>	<b>200,000</b>	<b>58,500</b>	<b>60,255</b>
337080	Other Private Contrib & Donations	317,440	255,500	263,165
	<b>Total Sponsorship - South Lake Union</b>	<b>317,440</b>	<b>255,500</b>	<b>263,165</b>
	<b>Total Revenues</b>	<b>6,451,724</b>	<b>15,262,771</b>	<b>15,925,977</b>
379100	Use of Fund Balance	-791,724	-399,342	-4,208,750
	<b>Total Use of Fund Balance</b>	<b>-791,724</b>	<b>-399,342</b>	<b>-4,208,750</b>
	<b>Total Resources</b>	<b>5,660,000</b>	<b>14,863,429</b>	<b>11,717,227</b>

# Seattle Streetcar

## Appropriations By Budget Summary Level (BSL) and Program

### South Lake Union Streetcar Operations Budget Summary Level

The purpose of the South Lake Union Streetcar Operations Budget Summary Level is to operate and maintain the South Lake Union Seattle Streetcar.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
S Lake Union Streetcar Ops	745,000	2,793,955	3,428,841
<b>Total</b>	<b>745,000</b>	<b>2,793,955</b>	<b>3,428,841</b>

### First Hill Streetcar Operations Budget Summary Level

The purpose of the First Hill Streetcar Operations Budget Summary Level is to operate and maintain the First Hill Seattle Streetcar.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
First Hill Streetcar Ops	4,915,000	12,069,474	8,288,386
<b>Total</b>	<b>4,915,000</b>	<b>12,069,474</b>	<b>8,288,386</b>



# Seattle Department of Transportation

Linea Laird, Interim Director

(206) 684-5000

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

## Department Overview

The Seattle Department of Transportation (SDOT) develops, maintains, and operates a transportation system that promotes the safe and efficient mobility of people and goods, and enhances the quality of life, environment, and economy of Seattle and the surrounding region. The City's transportation infrastructure is estimated to be worth approximately \$20 billion, including:

- 1,548 lane-miles of arterial streets;
- 2,396 lane-miles of non-arterial streets;
- 2,323 miles of sidewalks;
- 118 bridges;
- 497 stairways;
- 593 retaining walls;
- 22 miles of seawalls;
- 257 traffic cameras;
- 1,098 signalized intersections;
- 356 miles of on-street bicycle facilities;
- 40,000 street trees;
- 1,602 pay stations;
- 30,534 curb ramps;
- more than 189,000 signs; and
- 110 acres of SDOT managed landscape areas.

The SDOT budget covers three major lines of business:

The **Transportation Capital Improvement Program** includes the major maintenance and replacement of SDOT's capital assets; the program also develops and constructs additions to the City's transportation infrastructure. The program includes the Major Maintenance/Replacement, Major Projects, and Mobility-Capital Budget Summary Levels (BSLs).

# Seattle Department of Transportation

**Operations and Maintenance** covers day-to-day operations and routine maintenance that keep people and goods moving throughout the City, which includes operating the City's movable bridges and traffic signals, cleaning streets, repairing potholes, issuing permits, maintaining trees, and planning and engineering transportation. The four BSLs in this area are: Bridges and Structures; Maintenance Operations; Mobility-Operations; and Right-of-Way Management.

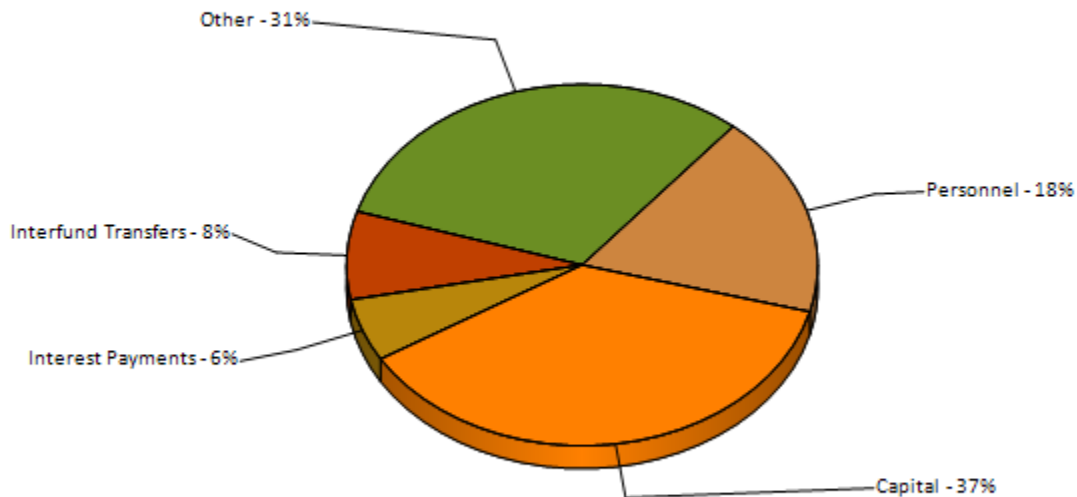
**Business Management and Support** provides overall policy direction and business support for SDOT and includes the Leadership and Administration and General Expense BSLs.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$41,903,978	\$44,161,095	\$45,283,284
Other Funding - Operating	\$439,188,136	\$565,244,872	\$633,821,567
<b>Total Operations</b>	<b>\$481,092,114</b>	<b>\$609,405,967</b>	<b>\$679,104,851</b>
<b>Total Appropriations</b>	<b>\$481,092,114</b>	<b>\$609,405,967</b>	<b>\$679,104,851</b>
Full-time Equivalent Total*	918.50	931.50	931.50

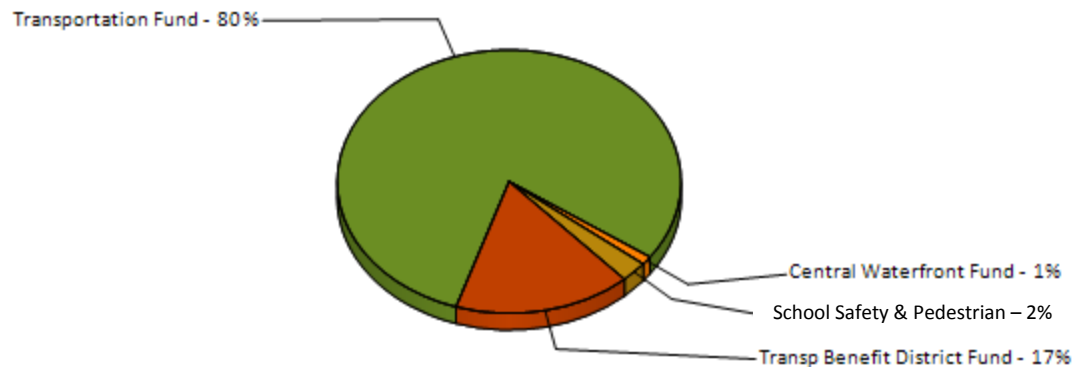
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## 2019 Proposed Budget - Expenditure by Category



# Seattle Department of Transportation

## 2019 Proposed Budget - Revenue by Category



## Budget Overview

The City of Seattle is one of the fastest growing large cities in the United States. While this growth provides great opportunities for economic development, it also places significant pressure on the transportation system. Within this context of growth and increasing density the 2019-2020 Proposed Budget supports investments that enhance environments for walking, biking, riding transit, driving and moving freight based on geographic equity and community need. All proposed budget investments are intended to further integrate the Seattle Department of Transportation's (SDOT) master plans and continue to implement a comprehensive Move Seattle strategy that maintains and expands the City's transportation infrastructure. All investments are prioritized based on safety, need, regulatory requirements and policies established by the City.

For 2019-2020, resources are focused on:

- maintaining existing assets;
- improving mobility of people and goods; and
- engaging in effective management of the right-of-way (ROW) through technological improvements and performance

**Maintaining existing assets** includes funding for sidewalk repair, paving of roads, bridge rehabilitation, and maintenance of the Seawall as well as a major assessment and reset of the Move Seattle Levy. The Move Seattle assessment, done in consultation with the Levy Oversight Committee and the modal boards, included a review of levy commitments; an evaluation of the scope, schedule, cost, and funding assumptions for each levy

## Seattle Department of Transportation

commitment; evaluation of external factors that impact project delivery, including federal leverage assumptions; and considerations of program management strategies to improve project delivery. The assessment found that:

- In several levy sub-programs, cost estimates included in the original budget were insufficient to meet the levy commitment.
- Certain project costs have increased due to rising construction costs, higher inflation than forecasted, and more detailed project scope and schedule information.
- Additional citywide transportation needs have been realized since the development of the levy and present challenges and coordination constraints to delivering on the original levy commitments.
- The federal administration change has created uncertainty and limited the feasibility of receiving some federal grants.

The table below summarizes the Move Seattle Levy capital and operations investments in the 2019-20 Proposed Budget.

<b>Move Seattle Category</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>	<b>Original Total 9-year levy</b>
<b>Safe Routes</b>	<b>\$26,769,451</b>	<b>\$21,794,024</b>	<b>\$207,000,000</b>
Vision Zero	\$9,487,611	\$8,240,042	\$71,000,000
Pedestrian and Bike Safety	\$14,109,019	\$11,515,976	\$110,000,000
Neighborhood Projects	\$3,172,820	\$2,038,007	\$26,000,000
<b>Maintenance and Repair</b>	<b>\$64,323,363</b>	<b>\$53,366,554</b>	<b>\$420,000,000</b>
Maintain Streets	\$35,175,405	\$30,335,885	\$250,000,000
Bridges and Structures	\$25,772,482	\$15,853,582	\$140,000,000
Urban Forestry and Drainage	\$3,375,477	\$7,177,087	\$30,000,000
<b>Congestion Relief</b>	<b>\$56,689,214</b>	<b>\$47,806,234</b>	<b>\$303,000,000</b>
Corridor Mobility Improvements	\$29,656,649	\$25,507,774	\$169,000,000
Light Rail Partnership Improvements	\$7,142,873	\$6,615,798	\$27,000,000
Pedestrian and Bike Improvements	\$11,449,696	\$9,376,728	\$68,000,000
Freight Mobility Improvements	\$8,439,996	\$6,305,934	\$39,000,000
<b>Grand Total</b>	<b>\$147,782,028</b>	<b>\$122,966,812</b>	<b>\$930,000,000</b>

**Improving mobility of people and goods through investments in Center City Mobility, Sound Transit 3, and expanded transit/microtransit service.** Downtown Seattle is experiencing an unprecedented period of growth, and public and private construction projects are making mobility challenging. Between 2018 and 2023, several large development projects including the demolition of the viaduct, the expansion of the Washington State Convention Center, Colman Dock renovation, and the removal of bus traffic from the downtown transit tunnel will result in significant traffic impacts. The proposed budget provides additional resources that are aimed at minimizing the adverse effects of significant downtown construction on movement of people and vehicles.



# Seattle Department of Transportation

In 2016 SDOT began working on the plan known as One Center City to create both a near-term action plan and a long-term vision. The Near-Term Action Plan includes \$30 million in projects with the costs evenly shared between SDOT, King County Metro, and Sound Transit.

In addition to the short-term actions on enhancing mobility in the center city, SDOT has started work to assess the potential benefits of establishing a congestion pricing program. Congestion pricing can be an effective strategy for reducing greenhouse gas emissions and improving mobility. Other cities around the world including London, Stockholm, Milan, and Singapore have successfully implemented congestion pricing programs. In addition, New York City, Vancouver, Los Angeles, San Francisco, and Portland, are in various stages of studying the approach. To date, congestion pricing has not been implemented in a U.S. city. The 2019-2020 Proposed Budget adds funding in 2019 to support the second phase of this work.

In November 2016, voters passed Sound Transit 3 (ST3) – a \$54 billion public transit expansion across the Puget Sound region including 62 new miles of light rail, additional bus rapid transit service, expanded commuter rail, and improved access to transit systems. Light rail service will be extended to Ballard and West Seattle, with existing lines also reaching farther into the suburban cities. The City is committed to actively collaborating with Sound Transit early in the environmental assessment and design phases of ST3 projects to refine and provide certainty around project scope and cost estimates, and to plan for streamlined and expedited permitting and project delivery. This collaboration will be critical to maintaining City policy initiatives, major transit hub development, and additional land use and station access planning to maximize the benefit of Sound Transit's investment to the City of Seattle.

Additional measures that the City is pursuing to deal with congestion include addressing block-the-box and transit lane violations, which are a growing concern in and around downtown Seattle. Block-the-box describes an incident in which a motor vehicle fails to properly clear an intersection, preventing other vehicles from making their intended maneuver. Block-the-box incidents create public safety and mobility issues that:

- impact the speed and response time of emergency responders, including emergency medical services, Seattle Fire Department, and Seattle Police Department;
- exacerbate traffic delays and congestion, particularly during rush hour conditions;
- reduce the speed and reliability of transit; and
- negatively affect pedestrian and bicycle safety and mobility.

Currently automated enforcement of block-the-box and transit lane violations is not permitted under state law. The City will be pursuing, as part of its state legislative agenda, a change in state law to allow for implementation of automated enforcement.

The proposed budget's investments in increased transit service hours and adding microtransit will support and increase mobility in areas where there are service gaps. Using different modes of transit should help reduce single occupancy vehicle trips downtown thus addressing a major contributor to traffic congestion. In addition, the proposed budget promotes affordability and accessibility of transportation options through the ORCA Opportunity program, which provides bus passes to students.

**Engaging in effective management of the right-of-way (ROW) through technological improvements and performance.** The proposed budget supports implementation of the Accela software platform for better permitting and more robust project coordination in the Project Construction & Coordination Office to more effectively manage construction downtown and to reduce traffic impacts. This budget also updates street use fees to incentivize good practices so that projects that slow down traffic or block transit lanes and/or sidewalks pay a higher rate than projects that do not.

# Seattle Department of Transportation

## Transportation Revenues

The 2019-2020 Proposed Budget uses several funding sources and increased revenues to support transportation infrastructure maintenance. Sources include federal, state and local grants; bonds; Move Seattle Levy proceeds; commercial parking tax; vehicle license fees; fees for service; real estate excise taxes; street vacations; gas tax; multimodal funds, property sale proceeds; school zone camera tickets; red light camera tickets; and an annual allocation from the City's General Fund.

Commercial parking tax revenues have been adjusted to reflect recent and forecast growth in this revenue stream. These revenues are leveraged to back bond financing of both Seawall/Waterfront program items and general transportation needs. Continued investments of Real Estate Excise Tax (REET) support SDOT's Capital Improvement Program (CIP), allowing for increased funding in 2019-20 for infrastructure maintenance, preservation and expansion primarily focused on the Central Waterfront and general transportation projects including ADA curb ramps.

The proposed budget provides SDOT with \$44.2 million of General Fund appropriations and \$565.2 million from other funding sources in 2019. The total appropriations represent a \$128.3 million (26.7%) increase relative to the 2018 Adopted Budget and the General Fund amount keeps SDOT above the legal minimum required by the Move Seattle Levy.

# Seattle Department of Transportation

## Incremental Budget Changes

### Seattle Department of Transportation

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 481,092,114</b>	<b>918.50</b>	<b>\$ 481,092,114</b>	<b>918.50</b>
<b>Baseline Changes</b>				
Align CIP with 2019 CIP Plan	\$ 127,631,307	0.00	\$ 40,375,347	0.00
Baseline Technical Changes	-\$ 19,067,189	0.00	-\$ 19,067,189	0.00
Citywide Adjustments for Standard Cost Changes	\$ 753,401	0.00	\$ 843,321	0.00
Supplemental Budget Changes	\$ 0	4.00	\$ 0	4.00
Adjustment for One-Time Budget Additions	-\$ 3,445,416	0.00	-\$ 3,675,416	0.00
<b>Proposed Changes</b>				
Support Move Seattle Deliverables	\$ 15,369,656	20.00	\$ 10,182,344	20.00
Enhance Basic Services	\$ 4,083,516	1.00	\$ 4,194,393	1.00
Enhance Center City Mobility	\$ 3,723,262	2.00	\$ 1,523,959	2.00
Support Sound Transit 3	\$ 2,339,520	0.00	\$ 1,610,591	0.00
Finding Efficiencies	-\$ 1,832,107	0.00	-\$ 1,832,107	0.00
Streetcar Support	\$ 9,111,536	0.00	\$ 6,150,000	0.00
Enhancing the Seattle Waterfront	-\$ 4,441,283	0.00	-\$ 7,644,725	0.00
Invest in IT and Financial Systems Capacity	\$ 6,632,000	0.00	\$ 4,525,000	0.00
Reduce Discretionary Contracting Resources	-\$ 749,999	0.00	-\$ 749,999	0.00
Remove Vacant Positions	-\$ 400,000	-14.00	-\$ 408,000	-14.00
<b>Proposed Technical Changes</b>				
Seattle Transportation Benefit District (STBD)	\$ 2,134,420	0.00	\$ 6,596,957	0.00
Street Use Technical Adjustment	\$ 4,089,471	0.00	\$ 4,089,471	0.00
Move Seattle Technical and Policy Adjustments	\$ 74,788,748	0.00	-\$ 18,758,889	0.00
Operating and Maintenance Adjustments	\$ 32,261,461	0.00	\$ 38,693,064	0.00
CIP Technical Adjustment	-\$ 124,668,451	0.00	\$ 131,364,615	0.00
<b>Total Incremental Changes</b>	<b>\$ 128,313,853</b>	<b>13.00</b>	<b>\$ 198,012,737</b>	<b>13.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 609,405,967</b>	<b>931.50</b>	<b>\$ 679,104,851</b>	<b>931.50</b>

# Seattle Department of Transportation

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Align CIP with 2019 CIP Plan - \$127,631,307**

This adjustment aligns the base budget with the 2019 planned Capital Improvement Program (CIP).

#### **Baseline Technical Changes - (\$19,067,189)**

This adjustment reflects removing one-time technical adjustments from the baseline.

#### **Citywide Adjustments for Standard Cost Changes - \$753,401**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Supplemental Budget Changes/4.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs.

#### **Adjustment for One-Time Budget Additions - (\$3,445,416)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget.

### Proposed Changes

#### **Support Move Seattle Deliverables - \$15,369,656/20.00 FTE**

The 2019-2020 Proposed Budget increases funding for the following programs and projects to support Move Seattle Levy deliverables:

- **Signal crew (\$360,000; 4 FTEs)** – The 2019-2020 Proposed Budget adds 4 FTEs and \$360,000 for equipment costs. This will increase delivery capacity for traffic signal work for Move Seattle Projects. The equipment costs are funded from the equipment cost center.
- **Curb Ramp Construction Crew (12 FTEs)** – The budget adds 12 FTEs for an additional concrete paving crew for the construction of Move Seattle projects, and Move Seattle and ADA curb ramps. The crew will be funded by the projects that have curb ramp deliverables and the SDOT ADA Program and will assist the department in meeting the curb ramp delivery requirements.

## Seattle Department of Transportation

- **Capital Project Management Staffing Support (4 FTEs)**- This item converts four limited term positions to permanent positions. Three of the four FTEs are within the department's real property team. Move Seattle projects require extensive real property and right-of-way (ROW) services. These services include real property acquisition, supporting the temporary construction easement process as well as appraisal work. Currently more than 40 projects require ROW services. The fourth position will support the ADA program to assist the department in meeting the curb ramp delivery requirements.
- **Sidewalk Safety Repair Program (\$4.1 million)** – The 2019-2020 Proposed Budget adds \$2.1 million in REET and \$2.0 million from the School Safety Traffic and Pedestrian Improvement Fund (SSTPI) to increase capacity in this program. The SSTPI funding will be used to repair sidewalks within a quarter mile of schools. SDOT completed a comprehensive sidewalk assessment in 2017 and found that there are more than 150,000 sidewalk defects across the city. The base budget for this program is \$1.6 million. The Move Seattle Levy includes a goal to repair up to 225 blocks of damaged sidewalks in our urban centers and villages over the life of the levy.
- **Curb Ramp Construction (\$5.0 million)** – The budget adds \$2.3 million in REET and \$1.8 million from SSTPI for the construction of curb ramps. This item also includes \$900,000 for one-time equipment costs. The City is required to construct 1,250 curb ramps annually as part of an ADA consent decree. The base budget for the construction of curb ramps is \$4.3 million.
- **New Sidewalks (\$2.8 million)** – The 2019-2020 Proposed Budget adds SSTPI funding for the construction of new sidewalks near school zones. This program has a base budget of approximately \$5 million. Traditional concrete, curb, and gutter sidewalks cost around \$350,000 per block to construct. As SDOT works to meet Move Seattle Levy deliverables, and to provide sidewalks to more streets, the department is shifting to the use of lower-cost pathways where feasible. Lower-cost pathways can often be installed for less than one-half the cost of traditional sidewalks. The Move Seattle Levy has a target of completing approximately 250 blocks of new sidewalks.
- **Neighborhood Greenways (\$1.4 million)** – The Neighborhood Greenways program creates routes on residential streets that are optimized for safer and more comfortable walking and biking for people of all ages and abilities. Typical improvements include curb ramps, speed humps, crosswalks, median islands, shared lane markings, stop signs, traffic signals, pavement and sidewalk repair, and wayfinding signs. The ongoing capital program is funded by the Move Seattle Levy. The 2019-2020 Proposed Budget adds \$1.4 million in SSTPI funding for the construction of neighborhood greenways near school zones.
- **Northgate Bridge and Cycle Track (\$1.1 million)** -This capital project includes construction of pedestrian and bike bridge over I-5 and a multi-use path along 1<sup>st</sup> Avenue NE. The project will enhance access to the planned Northgate Sound Transit Station. The 2019-2020 Proposed Budget increases funding for this project due to changes in project scope and a technical correction. The total project budget is \$44.6 million.
- **CID Lighting (\$550,000)** – This item adds REET funding for design and construction of pedestrian street lighting on S King Street under I-5 as a part of the S King St Neighborhood Greenway project and as a commitment to install additional pedestrian lighting on S King St under I-5 in response to the opening of the Navigation Center at 12 Ave S and S Weller St.

# Seattle Department of Transportation

## Enhance Basic Services - \$4,083,516/1.00 FTE

- **Paving (\$2 million)** – This item adds new REET funding and reprioritizes existing funding to support the Arterial Major Maintenance (AMM) Program. The AMM program repairs and/or replaces deteriorated pavement on arterial streets and associated curb ramps. SDOT performs an assessment of pavement types and conditions of the City’s streets every three years. The most recent assessment found that approximately 47% of the arterial streets are in an unsatisfactory condition. As the City continues to grow, and there is increased demand on the transportation system, it becomes more challenging to maintain the City’s streets. The base budget for this program is \$3.7 million.
- **Bridge Rehabilitation and Staffing (\$1.1 million;)** – The 2019-2020 Proposed Budget adds a staffing to assist with bridge inspections, and to support large-scale projects. This item also adds \$820,000 in capital funding for the Spokane Street Swing Bridge, piers protection, and the 4<sup>th</sup> Avenue Bridge.
- **Seawall Operations and Maintenance (\$406,000; 1 FTE)**-The 2019-2020 Proposed Budget adds funding and one FTE to support the ongoing maintenance of the Elliott Bay Seawall, including meeting permitting requirements related to habitat monitoring. During the development of the Seawall project, SDOT worked closely with local, state and federal regulatory agencies and tribal governments to approve the design of the seawall’s Northshore habitat features. To ensure success of the habitat enhancements, SDOT developed a post-construction monitoring and adaptive management plan. The plan identifies monitoring requirements necessary to evaluate the effectiveness of habitat features constructed as part of the project. The base budget does not include funding for this ongoing work. The budget includes \$206,000 for an FTE, and \$200,000 for the permit monitoring costs. The fund source for this item is CPT 2.5%.
- **Recreational Vehicle Response (\$169,800)** – This item continues the multi-departmental Recreational Vehicle (RV) Response Pilot Program that removes trash in the right-of-way that is generated from illegally parked RVs. Of this amount, \$150,000 will support Seattle Public Utilities’ work in coordinating and cleaning up trash while \$19,800 will support SDOT’s efforts to remove debris from large, inoperable RVs as well as traffic control activities. This item is funded by proceeds from the sale of SDOT’s Brickyard property and the RV response effort is funded for 2019 and 2020 only.

## Enhance Center City Mobility - \$3,723,262/2.00 FTE

The 2019-2020 Proposed Budget includes the following investments to support enhanced mobility:

- **Congestion Pricing (\$1 million):** The City of Seattle is currently studying congestion pricing as a potential tool to reduce greenhouse gas emissions, address congestion, and support alternatives to driving alone, with a special focus on understanding potential equity impacts and benefits. The 2018 Adopted Budget included \$200,000 to begin this work and the 2019-2020 Proposed Budget adds CPT funding in 2019 to support the second phase of this work, which will include extensive community engagement and further development of a program proposal including the following:
  - continued work to identify and address potential equity impacts and benefits;
  - evaluation of pricing tools and options;
  - an in-depth assessment of technology options;
  - an evaluation of potential impacts to businesses and different types of roadway users; and
  - financial and transportation modeling to test scenarios.

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- **Managing the Period of Maximum Constraint (POMC) (\$2 million):** This item is for efforts to mitigate the impact of several overlapping traffic and construction projects, which are collectively referred to as the period of maximum constraint. Several transportation and construction projects that will adversely affect traffic in the downtown Seattle area overlap during the timespan of fall 2018 to the end of 2021. Projects include construction on the Washington State Convention Center, the Downtown Seattle Transit Tunnel closing to buses, the closure and demolition of the Alaskan Way Viaduct, opening of the new SR 99 tolled tunnel, and construction of the newly configured Alaskan Way. Given the timeline of these projects, SDOT will incur some mitigation costs in 2018 as well within existing budget. To mitigate the multimodal traffic impacts of these projects, SDOT is proposing to implement several interrelated counter-measures:
  - Central Business District (CBD) Traffic Signal Timing Adjustments to mitigate impacts of anticipated Tunnel Diversion (including from tolling);
  - Integrated traffic management for Responsive Traffic Signal Timing;
  - Stadium Event Traffic Signal Timing;
  - Enhanced 24x7 operational Transportation Operations Center; and
  - Implementing a data-driven performance monitoring platform to evaluate traffic impacts and provide guidance for corridor improvements.

Taken together, these measures will help to ensure reliability of the CBD multimodal transportation network despite the added pressures during the period of maximum constraint.

- **Center City Mobility – (\$1 million):** This proposal will advance SDOT’s strategy to keep Seattle moving between 2018 and 2023, when Seattle will experience several major projects –viaduct demolition and opening of the SR-99 tunnel, expansion of the Washington State Convention Center, Colman Dock renovation, closure of the Downtown Seattle Transit Tunnel to buses, and a multitude of private utility and construction projects.

This work includes overall project management, community outreach and engagement, and technical analysis. This will have a high level of incidental expenses including traffic analysis and outreach. This includes adding staffing capacity, which is needed to manage this work and deliver on continuation of SDOTs strategy. In addition to the added staffing capacity, this program will leverage existing employees across SDOT’s divisions.

- **Project and Construction Coordination Office (\$23,000; 2 FTEs):** The 2019-2020 Proposed Budget also adds two Associate Civil Engineers to support work in the Project Construction and Coordination Office. These permanent positions will replace two term-limited employees who coordinate work in the right-of-way to minimize impacts to City infrastructure, maintain mobility for the traveling public, and reduce restoration work costs. The \$23,000 budget increase is for the incremental cost of changing the two positions from term-limited employees to permanent positions. These positions are funded by permit fees.

## **Support Sound Transit 3 - \$2,339,520**

In May 2016, the City Council adopted [Resolution 31668](#) which committed the City to early collaboration with Sound Transit to refine and provide certainty around project scope and cost estimates and to streamline and expedite the permitting process. The 2019-2020 Proposed Budget supports these efforts by using transportation resources to provide funding for consultants and work done by City staff in SDOT, the Office of Planning and

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Community Development (OPCD), the Department of Neighborhoods (DON), and the Seattle Department of Construction and Inspections (SDCI).

- SDOT: \$1.3 million
- OPCD: \$131,000
- DON: \$69,000
- SDCI: land use review; \$94,000
- Funding for consultant work in areas where the City lacks technical expertise or staff capacity; \$729,000

This item includes \$275,000 to begin project planning to advance work on Graham Street Station.

This item is supported by Street Use Fees (\$1,339,520 in 2019; \$1.61 million in 2020) and Street Vacation revenues (\$1 million in 2019). \$729,000 of the amount, which is for consultant work, is one-time.

## Finding Efficiencies - (\$1,832,107)

- **Reduce Paid Parking Maintenance (-\$542,000 General Fund)** – The 2019-2020 Proposed Budget reduces the paid parking budget for supplies such as receipt paper, temporary no parking posts, tools, discretionary professional services and direct purchases.
- **Discontinue E-Park (-\$318,670 General Fund)**– The proposed budget eliminates operations and maintenance funding for the E-Park program. E-park provides people with real-time garage parking availability at 16 downtown private garages. SDOT plans to work with the Downtown Seattle Association (DSA) and private garages on a separate strategy, which would transfer operations of the E-Park program and system to the DSA. Some funding support will be needed to ramp down the program during 2019.
- **Discontinue Summer Parkways/Open Streets/Play Street Pilot (-\$183,975 Commercial Parking Tax)** – The Summer Parkways program (also called “Open Streets”) was initially funded in 2015, creating a series of events that turns active roadways into temporary active spaces for people of all ages and abilities to enjoy. Unlike block parties, these events typically seek to close major streets where active traffic control (police officers directing traffic) is needed to ensure a safe event.

The Play Street Pilot was created as part of the 2018 budget process. The program funded permanent installations of play streets using signage, right-of-way restrictions and physical improvements. These reductions will not impact road closures along Lake Washington Boulevard or small road closure activities that only require a street use permit.

- **Pavement to Parks Reduction (-\$285,600 Street Use Fees)** – Pavement to Parks is an SDOT program that takes underused streets and creates public spaces for community use on a year-round, daily basis. The proposed budget will discontinue implementation of new pavement to parks projects. This program will continue to be supported by 0.5 FTE who will manage the pavement to parks locations for decommissioning or transfer and evaluate other SDOT projects for pavement-to-parks opportunities that can be funded within existing project budgets. The position will also support other urban design projects.
- **Area and TOD Planning Elimination (-\$251,862 Vehicle License Fee)** – Operations & Maintenance funding is reduced for area planning and transit-oriented development staffing; these staff costs are now supported by Mobility-Capital CIP projects with the Transit & HOV program.
- **Travel Options Reduction (-\$100,000 General Fund)** - The proposed budget reduces Travel Options funds and reallocates funding to Downtown Mobility. This reduction would eliminate the program’s



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funding available for professional services, consulting and outreach related to Transportation Demand Management strategies citywide. This reduction will eliminate the ability to implement studies and surveys to better understand transportation behavior and a portion (\$25,000) would reduce SDOT's annual contribution to the Downtown Transportation Alliance partnership.

- **Engineering Services (-\$150,000 General Fund)**- The proposed budget reduces Engineering Support Services to fund Downtown Mobility. This reduction would eliminate the program funding available for SDOT engineers to develop, update and review the Standard Plan and Specs as well as participation in City Standards Committee/General Conditions Committee. This reduction also reduces support in the SDOT Unit Cost Analysis Tool and Engineer's Estimate spreadsheet that is used to accurately estimate construction costs of Capital Projects in 30-100% design phases.

## **Streetcar Support - \$9,111,536**

The Mayor has not reached a final decision regarding the future implementation of the Center City Connector streetcar, and the proposed budget makes no commitment as to whether to move forward with the project or not. The City is currently conducting an independent financial analysis and engineering review of the project and this work is not complete. The budget includes \$500,000 of one-time Commercial Parking Tax (10%) that will be used either to work toward implementation of the connector or to evaluate and initiate design of transit alternatives for this corridor. SDOT's CIP anticipates capital funding in later years, in the form of long-term debt, for either the Center City Connector or a transit alternative in the same corridor.

At the same time, the 2019-2020 Proposed Budget addresses the long-standing shortfall in funding for operations of the two existing streetcar lines. King County Metro operates the streetcar lines on behalf of the City. The County keeps most of the fare revenues collected and the City pays the County the difference between estimated costs and estimated fare revenues. During 2018, a reconciliation process revealed a gap between the estimated and actual operating costs and revenues. The proposed budget includes funding to pay Metro for the projected difference. In 2019, the City will make a one-time payment consisting of \$5.1 million Commercial Parking Tax (CPT) (10%) for the 2017 and 2018 funding gap. In addition, the proposed budget includes an ongoing increase of \$4 million; during 2019, \$2.4 million is street use fees and \$1.6 million is CPT 10%.

The proposed budget also includes legislation to extend the term of a long-standing interfund loan that was first authorized in 2007 to pay for the operations of the South Lake Union Streetcar. The \$3.6 million loan will be extended for only one year. SDOT plans to use proceeds from the sale of the department's real estate assets (Megablock) in South Lake Union to retire the loan in 2020.

Note the use of property proceeds does *not* necessarily imply that the City will sell the underlying property to a third party, only that SDOT is repaid for the transportation-restricted funds that were used to purchase a portion of the property. If the City determines that there are non-transportation uses for the property and wants to retain the property, non-transportation funding sources could be used to repay SDOT. The City is currently conducting a competitive process to determine the value of the property and to evaluate potential uses. The results of that process will help inform the appropriate path forward in terms of final property disposition. Some additional details are provided in the Streetcar section of the proposed budget book.

## **Enhancing the Seattle Waterfront - (\$4,441,283)**

The Office of the Waterfront and Civic Projects is responsible for coordinating the City's waterfront improvement efforts, including project management, design, construction, and financial management. The projects that make up the Central Waterfront program are included in SDOT's budget and in the budgets of two other City

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departments. The two capital projects that are in the SDOT budget include the Alaskan Way Main Corridor and the Overlook Walk and East/West Connections project:

- **Alaskan Way Main Corridor** – The total project budget for the Alaskan Way Main Corridor project is increasing by \$26 million from \$344 million to \$370 million. The increase reflects updated costs estimates based on 90% design plans. The cost increase is driven in part by higher than expected costs for remediating contaminated soil, and higher costs due to the competitive construction environment. The increase also reflects updating project contingencies.
- **Overlook Walk and East/West Connections** – The total project budget for the Overlook Walk and East-West Connections project is increasing by approximately \$4 million from \$170 million to \$174 million. This change reflects an increase in the programmatic contingency, and small cost increases in the Railroad Way improvements and the Union Street Bridge due to inflation. The 2019-2020 budget is reduced, and costs are shifted to future years to align the budget with the updated construction schedule.

## **Invest in IT and Financial Systems Capacity - \$6,632,000**

The 2019-2020 Proposed Budget invests in SDOT's information technology in three ways:

- \$5.5 million of street use fees is added to SDOT's Accela Permitting System CIP project to continue the department's efforts to transition to this new, City-wide permitting platform. The new system will allow greater sharing between departments and provide a more streamlined process for applicants. For more information, please consult the 2019-2024 Proposed CIP.
- \$749,000 is added for a new budget and forecasting system. SDOT's current systems are outdated and are not capable of handling the new granularity driven by the Summit Re-implementation (SRI) project. The current systems require extensive manual intervention which is not sustainable with the new level of detail required for the accounting system. The new system will replace four existing budgeting components with a new system. The consolidation of existing budget tools will improve data quality control and will create efficiencies, allowing staff to perform additional analysis.
- \$350,000 is provided to continue the transition to the new Peoplesoft 9.2 system. This funding will support consultant work to provide assistance on PeopleSoft issues, SDOT's first year-end and financial audit with 9.2 software, provide technical support, reporting requirements, and user training. The fund source for this item is indirect.

## **Reduce Discretionary Contracting Resources - (\$749,999)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified a reduction of \$749,000 in its discretionary contract budget. This reduction achieves efficiency in budgeting without service reductions.

## **Remove Vacant Positions - (\$400,000)/(14.00) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and propose removing 14 positions. These reductions will not measurably impact delivery of core services. However, this reduction will allow the department to reallocate funding toward priority programs such as paving.

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## Proposed Technical Changes

### **Seattle Transportation Benefit District (STBD) - \$2,134,420**

This adjustment aligns the 2019-2020 Proposed Budget with the material scope changes to STBD Proposition One that were authorized by the City Council in June 2018. The increased funding provides \$4 million annually for the ORCA Opportunity program which provides bus passes to students. It also provides \$9 million in 2019 and \$2.6 million in 2020 for capital improvements and “first/last mile” transit. These increases are partially offset by rightsizing the vehicle license fee rebate program, service purchases and regional partnerships.

### **Street Use Technical Adjustment - \$4,089,471**

This adjustment aligns the 2019-2020 Proposed Budget with anticipated expenditures in SDOT's street use budget. The largest increases are \$3 million for street use operations review and \$2.7 million for operations inspections; the largest decrease is a \$5.3 million reduction in the revenue center due to changes in project structure and the transition from Summit to PeopleSoft 9.2. This adjustment is \$3 million less than the corresponding 2018 technical adjustment of \$7 million which was removed from baseline.

### **Move Seattle Technical and Policy Adjustments - \$74,788,748**

This adjustment reflects the abandonment and re-appropriation of 2018 appropriations supporting Move Seattle Levy projects. The 2018 3rd Quarter Supplemental Budget Ordinance abandons \$126 million in appropriation authority to more closely align the 2018 budget with anticipated spending. The appropriations that are abandoned in 2018 are re-appropriated in future years. The Move Seattle Levy assessment included an analysis of project deliverables, project timelines, and leverage assumptions. Due to this assessment, some projects delivery is adjusted.

### **Operating and Maintenance Adjustments - \$32,261,461**

The most significant changes in this one-time operations and maintenance adjustment are in aligning the 2019-2020 Proposed Budget for reimbursable work. The largest increase is \$31.2 million in 2019 for reimbursable work for Pier 62/63. This item also includes adjustments for indirect costs, central rates, and inflationary increases.

### **CIP Technical Adjustment - (\$124,668,451)**

This one-time Capital Improvement Program technical adjustment aligns the budget with the 2019-2024 Capital Improvement Program.

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## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Major Maintenance/Replacement Budget Summary Level</b>			
Move Seattle Levy Fund	30,042,132	62,642,925	51,821,901
REET I Capital Projects Fund	1,185,000	607,719	0
REET II Capital Projects Fund	8,027,999	9,028,999	8,672,000
School Safety Traffic and Pedestrian Improvement Fund	0	2,000,000	0
Transportation Benefit District Fund	750,000	770,001	789,000
Transportation Fund	3,648,697	26,642,840	21,400,999
<b>Total for BSL: BC-TR-19001</b>	<b>43,653,828</b>	<b>101,692,484</b>	<b>82,683,900</b>
<b>Major Projects Budget Summary Level</b>			
2018 Multipurpose LTGO Bond Fund	24,824,608	1	1
2019 Multipurpose LTGO Bond Fund	0	21,191,924	0
2020 Multipurpose LTGO Bond Fund	0	0	10,779,000
2020 Multipurpose LTGO Taxable Bond Fund	0	0	1,725,000
Central Waterfront Improvement Fund	1,410,000	5,040,000	29,146,421
Transportation Fund	14,756,479	32,521,792	73,688,854
<b>Total for BSL: BC-TR-19002</b>	<b>40,991,087</b>	<b>58,753,717</b>	<b>115,339,276</b>
<b>Mobility-Capital Budget Summary Level</b>			
2018 Multipurpose LTGO Bond Fund	11,370,000	0	0
2019 Multipurpose LTGO Bond Fund	0	0	0
2020 Multipurpose LTGO Bond Fund	0	0	20,000,000
General Fund	54,400	0	0
Move Seattle Levy Fund	75,277,828	74,430,478	60,427,897
REET I Capital Projects Fund	1,000,000	1,572,716	0
REET II Capital Projects Fund	2,459,000	7,532,038	7,857,513
School Safety Traffic and Pedestrian Improvement Fund	3,792,000	12,016,322	6,166,150
Transportation Benefit District Fund	4,278,001	4,733,570	4,037,681
Transportation Fund	54,079,080	76,642,975	105,392,089
Unrestricted Cumulative Reserve Fund	0	94,856	0
<b>Total for BSL: BC-TR-19003</b>	<b>152,310,309</b>	<b>177,022,955</b>	<b>203,881,330</b>

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<b>Bridges &amp; Structures Budget Summary Level</b>			
General Fund	4,773,076	4,718,535	4,815,909
Move Seattle Levy Fund	2,646,777	2,687,109	2,689,192
Transportation Fund	21,081,299	39,603,059	40,234,479
<b>Total for BSL: BO-TR-17001</b>	<b>28,501,152</b>	<b>47,008,703</b>	<b>47,739,580</b>
<b>Mobility Operations Budget Summary Level</b>			
General Fund	23,125,632	23,579,362	23,917,907
Move Seattle Levy Fund	5,731,410	5,846,038	5,850,735
School Safety Traffic and Pedestrian Improvement Fund	2,972,646	2,962,668	2,990,370
Transportation Benefit District Fund	53,167,465	52,711,554	58,147,915
Transportation Fund	15,612,539	28,635,619	22,931,633
<b>Total for BSL: BO-TR-17003</b>	<b>100,609,692</b>	<b>113,735,241</b>	<b>113,838,560</b>
<b>ROW Management Budget Summary Level</b>			
Transportation Fund	39,414,106	36,347,438	36,363,829
<b>Total for BSL: BO-TR-17004</b>	<b>39,414,106</b>	<b>36,347,438</b>	<b>36,363,829</b>
<b>Maintenance Operations Budget Summary Level</b>			
General Fund	10,491,808	10,701,644	11,169,730
Move Seattle Levy Fund	2,132,820	2,175,478	2,177,087
Transportation Benefit District Fund	2,624,974	2,677,474	2,679,546
Transportation Fund	23,111,377	21,672,198	21,679,583
<b>Total for BSL: BO-TR-17005</b>	<b>38,360,979</b>	<b>37,226,794</b>	<b>37,705,946</b>
<b>Leadership and Administration Budget Summary Level</b>			
Transportation Fund	0	0	0
<b>Total for BSL: BO-TR-18001</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General Expense Budget Summary Level</b>			
General Fund	3,459,062	5,161,554	5,379,738
REET I Capital Projects Fund	1,900,000	0	0
REET II Capital Projects Fund	812,000	814,125	815,375
Transportation Fund	31,079,899	31,642,956	35,357,317
<b>Total for BSL: BO-TR-18002</b>	<b>37,250,961</b>	<b>37,618,635</b>	<b>41,552,430</b>
<b>Department Total</b>	<b>481,092,114</b>	<b>609,405,967</b>	<b>679,104,851</b>
<b>Department Full-time Equivalent Total*</b>	<b>918.50</b>	<b>931.50</b>	<b>931.50</b>

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### Budget Summary by Fund for Transportation

	2018 Adopted	2019 Proposed	2020 Proposed
36500 - 2018 Multipurpose LTGO Bond Fund	36,194,608	1	1
36600 - 2019 Multipurpose LTGO Bond Fund	0	21,191,924	0
36700 - 2020 Multipurpose LTGO Bond Fund	0	0	30,779,000
36710 - 2020 Multipurpose LTGO Taxable Bond Fund	0	0	1,725,000
35900 - Central Waterfront Improvement Fund	1,410,000	5,040,000	29,146,421
00100 - General Fund	41,903,978	44,161,095	45,283,284
10398 - Move Seattle Levy Fund	115,830,967	147,782,028	122,966,812
30010 - REET I Capital Projects Fund	4,085,000	2,180,435	0
30020 - REET II Capital Projects Fund	11,298,999	17,375,162	17,344,888
18500 - School Safety Traffic and Pedestrian Improvement Fund	6,764,646	16,978,990	9,156,520
19900 - Transportation Benefit District Fund	60,820,440	60,892,599	65,654,142
13000 - Transportation Fund	202,783,476	293,708,877	357,048,783
00164 - Unrestricted Cumulative Reserve Fund	0	94,856	0
<b>Budget Totals for SDOT</b>	<b>481,092,114</b>	<b>609,405,967</b>	<b>679,104,851</b>

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## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
337080	Other Private Contrib & Dons	0	125,000	10,455,221
391030	Lid Bond Proceeds	1,410,000	3,780,000	18,691,200
	<b>Total Central Waterfront Fund</b>	<b>1,410,000</b>	<b>3,905,000</b>	<b>29,146,421</b>
350030	Parking Infraction Penalties	8,518,000	9,422,689	8,838,522
	<b>Total School Safety and Pedestrian Improvements</b>	<b>8,518,000</b>	<b>9,422,689</b>	<b>8,838,522</b>
313020	Sales & Use Tax	27,070,380	29,032,415	29,785,466
317030	Trans Ben Dist. Vehicle Fee \$20	8,479,647	8,242,287	8,386,527
317030	Trans Ben Dist. Vehicle Fee \$60	24,301,583	24,726,861	25,159,581
	<b>Total Transp Benefit District Fund</b>	<b>59,851,610</b>	<b>62,001,563</b>	<b>63,331,574</b>
316060	B&O Tax-Commercial Parking	44,990,919	47,010,380	48,771,979
322150	Nonbus Lic&Perm-Issuance	6,241,000	3,664,790	3,475,900
322160	Nonbus Lic&Perm-Renewal	744,300	957,844	908,475
322180	Nonbus Lic&Perm-Oth Street Use	1,902,197	1,958,691	1,863,056
322190	Nonbus Lic&Perm-Penalties	336,000	17,726	16,812
322900	Nonbus Lic&Perm-Other	2,274,170	2,971,014	3,060,144
333110	Ind Fed Grants	36,892,194	32,978,330	62,498,042
334010	State Grants	10,560,974	17,210,295	13,587,717
335011	Multimodal Transportation Dist	677,791	1,007,952	1,007,952
335050	Mtr Veh Fuel Tx-St Improvement	12,964,909	14,333,081	14,476,412
337050	Proceeds-Countywide Tax Levy	1,667,912	1,684,591	1,701,437
337080	Other Private Contrib & Dons	250,000	250,000	0
341300	Administrative Fees & Charges	3,951,149	2,487,045	3,085,577
343010	Architect/Engineering Svc Chrg	17,222,000	10,840,364	13,449,203
344010	Street Maintenance & Repair	1,974,993	1,243,156	1,542,334
344070	Street Occupation Rev	997,600	2,117,779	1,978,069
344080	Street Use Rev	16,351,200	24,438,080	23,178,495
344090	Annual Fees Rev	1,946,000	1,054,270	999,931
344100	Transportation Admin Svcs Rev	115,400	72,638	90,119
344130	Plan Review & Inspection	10,425,000	10,824,111	10,266,215
344900	Partnership - BNSF	0	0	2,500,000
344900	Partnership - Port of Seattle	0	6,000,000	2,000,000
344900	Partnership - Sound Transit	0	4,252,866	3,569,062
344900	Partnership - WSDOT	0	32,186,793	72,850,000
344900	Partnership-King County	0	200,000	0
344900	Transportation-Other Rev	33,166,399	50,239,729	21,346,259
391060	Long-Term Intergovtl Loan Proc	0	5,197,894	3,802,106
395010	Sales Of Land & Buildings	0	20,911,272	9,700,000

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<b>Total Transportation Fund</b>		<b>205,652,107</b>	<b>296,110,691</b>	<b>321,725,295</b>
<b>Total Revenues</b>		<b>275,431,717</b>	<b>371,439,943</b>	<b>423,041,811</b>
311010	Move Seattle Levy	97,721,508	99,761,935	101,844,966
<b>Total Move Seattle Fund</b>		<b>97,721,508</b>	<b>99,761,935</b>	<b>101,844,966</b>
379100	Move Seattle Levy	18,109,459	48,020,093	21,121,846
379100	Use of Fund Balance	-1,753,354	7,556,301	317,998
379000	Use of Fund Balance	968,830	-1,108,964	2,322,568
379100	Use of Fund Balance	-2,868,631	-2,401,814	35,323,488
<b>Total Use of Fund Balance</b>		<b>14,456,304</b>	<b>52,065,616</b>	<b>59,085,900</b>
<b>Total Resources</b>		<b>387,609,529</b>	<b>523,267,494</b>	<b>583,972,677</b>



# Seattle Department of Transportation

## Appropriations By Budget Summary Level (BSL) and Program

### Major Maintenance/Replacement Budget Summary Level

The purpose of the Major Maintenance/Replacement Budget Summary Level is to provide maintenance and replacement of roads, trails, bike paths, bridges and structures.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Bridges & Structures	18,773,045	42,492,825	26,691,222
Landslide Mitigation	1,440,002	453,000	466,000
Roads	17,354,499	50,402,123	48,966,885
Sidewalk Maintenance	3,560,600	5,692,001	3,765,648
Signs, Signals and Markings	1,525,683	1,552,534	1,594,145
Trails and Bike Paths	999,999	1,100,001	1,200,000
<b>Total</b>	<b>43,653,828</b>	<b>101,692,484</b>	<b>82,683,900</b>
Full-time Equivalents Total*	96.25	98.25	98.25

\* 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.

**The following information summarizes the programs in Major Maintenance/Replacement Budget Summary Level:**

#### **Bridges & Structures Program**

The purpose of Bridges and Structures Program is to provide for safe and efficient use of the city's bridges and structures to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Bridges & Structures	18,773,045	42,492,825	26,691,222
Full-time Equivalents Total	12.75	13.75	13.75

#### **Landslide Mitigation Program**

The purpose of the Landslide Mitigation Program is to proactively identify and address potential areas of landslide concerns that affect the right-of-way.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Landslide Mitigation	1,440,002	453,000	466,000
Full-time Equivalents Total	2.00	2.00	2.00

# Seattle Department of Transportation

## Roads Program

The purpose of the Roads program is to provide for the safe and efficient use of the city's roadways to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Roads	17,354,499	50,402,123	48,966,885
Full-time Equivalents Total	46.00	47.00	47.00

## Sidewalk Maintenance Program

The purpose of Sidewalk Maintenance Program is to maintain and provide for safe and efficient use of the city's sidewalks to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Sidewalk Maintenance	3,560,600	5,692,001	3,765,648
Full-time Equivalents Total	6.00	6.00	6.00

## Signs, Signals and Markings Program

The purpose of Signs, Signals and Markings Program is to design, plan and maintain the city's signs, signals, and street, sidewalk markings

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Signs, Signals and Markings	1,525,683	1,552,534	1,594,145
Full-time Equivalents Total	0.00	0.00	0.00

## Trails and Bike Paths Program

The purpose of Trails and Bike Paths Program is to maintain and provide for safe and efficient use of the city's trails and bike paths to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Trails and Bike Paths	999,999	1,100,001	1,200,000
Full-time Equivalents Total	27.75	27.75	27.75

# Seattle Department of Transportation

## Major Projects Budget Summary Level

The purpose of the Major Projects Budget Summary Level is to design, manage and construct improvements to the transportation infrastructure for the benefit of the traveling public including freight, transit, other public agencies, pedestrians, bicyclists and motorists.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Alaskan Way Viaduct	36,459,641	57,469,718	114,051,276
Mercer West	3,600,000	0	0
SR-520	931,446	1,283,999	1,288,000
<b>Total</b>	<b>40,991,087</b>	<b>58,753,717</b>	<b>115,339,276</b>
Full-time Equivalents Total*	23.50	24.50	24.50

\* 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.

**The following information summarizes the programs in Major Projects Budget Summary Level:**

### **Alaskan Way Viaduct Program**

The purpose of the Alaskan Way Viaduct and Seawall Replacement Program is to fund the City's involvement in the replacement of the seismically-vulnerable viaduct and seawall. The Alaskan Way Viaduct is part of State Route 99, which carries one-quarter of the north-south traffic through downtown Seattle and is a major truck route serving the city's industrial areas

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Alaskan Way Viaduct	36,459,641	57,469,718	114,051,276
Full-time Equivalents Total	22.00	23.00	23.00

### **Mercer West Program**

The purpose of the Mercer West Program is to use existing street capacity along the west portion of Mercer Street more efficiently and enhance all modes of travel, including pedestrian mobility, and provide an east/west connection between I-5, State Route 99, and Elliott Ave W.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Mercer West	3,600,000	0	0
Full-time Equivalents Total	0.00	0.00	0.00

### **SR-520 Program**

The purpose of the SR-520 Program is to provide policy, planning and technical analysis support and to act as the City's representative in a multi-agency group working on the replacement of the State Route 520 bridge.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
SR-520	931,446	1,283,999	1,288,000
Full-time Equivalents Total	1.50	1.50	1.50

# Seattle Department of Transportation

## **Mobility-Capital Budget Summary Level**

The purpose of the Mobility-Capital Budget Summary Level is to help maximize the movement of traffic throughout the city by enhancing all modes of transportation including corridor and intersection improvements, transit and HOV improvements, and sidewalk and pedestrian facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Corridor & Intersection Improvements	19,771,979	23,076,244	23,550,393
Freight Mobility	23,499,999	38,267,051	33,819,822
Intelligent Transportation System	2,800,001	4,516,945	6,833,055
Neighborhood Enhancements	23,128,498	7,469,534	4,038,726
New Trails and Bike Paths	17,710,730	20,619,830	12,482,045
Sidewalks & Ped Facilities	17,499,329	34,735,728	25,607,632
Transit & HOV	47,899,773	48,337,623	97,549,657
<b>Total</b>	<b>152,310,309</b>	<b>177,022,955</b>	<b>203,881,330</b>
Full-time Equivalents Total*	121.50	134.50	134.50

*\* 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.*

**The following information summarizes the programs in Mobility-Capital Budget Summary Level:**

### **Corridor & Intersection Improvements Program**

The purpose of the Corridor & Intersection Improvements Program is to analyze and make improvements to corridors and intersections to move traffic more efficiently. Examples of projects include signal timing, left turn signals and street improvements.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Corridor & Intersection Improvements	19,771,979	23,076,244	23,550,393
Full-time Equivalents Total	37.50	37.50	37.50

### **Freight Mobility Program**

The purpose of the Freight Mobility Program is to help move freight throughout the city in a safe and efficient manner.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Freight Mobility	23,499,999	38,267,051	33,819,822
Full-time Equivalents Total	4.50	4.50	4.50

# Seattle Department of Transportation

## Intelligent Transportation System Program

The purpose of the Intelligent Transportation System (ITS) Program is to fund projects identified in the City's ITS Strategic Plan and ITS Master Plan. Examples of projects include implementation of transit signal priority strategies; installation of closed-circuit television (CCTV) cameras to monitor traffic in key corridors; and development of parking guidance, traveler information and real-time traffic control systems.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Intelligent Transportation System	2,800,001	4,516,945	6,833,055
Full-time Equivalents Total	8.25	9.25	9.25

## Neighborhood Enhancements Program

The purpose of the Neighborhood Enhancements Program is to plan and forecast the needs of specific neighborhoods including neighborhood and corridor planning, development of the coordinated transportation plans, traffic control spot improvements and travel forecasting. The program also constructs minor improvements in neighborhoods based on these assessments.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Neighborhood Enhancements	23,128,498	7,469,534	4,038,726
Full-time Equivalents Total	19.75	19.75	19.75

## New Trails and Bike Paths Program

The purpose of the New Trails and Bike Paths Program is to construct new trails and bike paths that connect with existing facilities to let users transverse the city on a dedicated network of trails and paths.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
New Trails and Bike Paths	17,710,730	20,619,830	12,482,045
Full-time Equivalents Total	0.00	0.00	0.00

## Sidewalks & Ped Facilities Program

The purpose of the Sidewalks & Pedestrian Facilities Program is to install new facilities that help pedestrians move safely along the city's sidewalks by installing or replacing sidewalks, modifying existing sidewalks for elderly and handicapped accessibility, and increasing pedestrian lighting.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Sidewalks & Ped Facilities	17,499,329	34,735,728	25,607,632
Full-time Equivalents Total	37.50	50.50	50.50

## Transit & HOV Program

The purpose of the Transit & HOV Program is to move more people in less time throughout the city.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Transit & HOV	47,899,773	48,337,623	97,549,657
Full-time Equivalents Total	14.00	13.00	13.00

# Seattle Department of Transportation

## **Bridges & Structures Budget Summary Level**

The purpose of the Bridges and Structures Budget Summary Level is to maintain the City's bridges and structures which helps provide for the safe and efficient movement of people, goods, and services throughout the City. Additionally, the BSL provides general construction management, engineering support for street vacations, scoping of neighborhood projects, and other transportation activities requiring engineering oversight.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Bridge Operations	3,666,440	3,739,772	3,760,570
Engineering & Ops Support	17,031,663	35,010,748	35,653,270
Structures Engineering	938,384	957,145	975,609
Structures Maintenance	6,864,665	7,301,038	7,350,131
<b>Total</b>	<b>28,501,152</b>	<b>47,008,703</b>	<b>47,739,580</b>
Full-time Equivalents Total*	56.00	56.00	56.00

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**The following information summarizes the programs in Bridges & Structures Budget Summary Level:**

### **Bridge Operations Program**

The purpose of Bridge Operations is to ensure the safe and efficient operations and preventive maintenance for over 180 bridges throughout the city.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Bridge Operations	3,666,440	3,739,772	3,760,570
Full-time Equivalents Total	18.50	17.50	17.50

### **Engineering & Ops Support Program**

The purpose of the Engineering Ops & Support program is to provide engineering support services to other SDOT projects, perform engineering related to bridges and structures, and manage stormwater pollution control.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Engineering & Ops Support	17,031,663	35,010,748	35,653,270
Full-time Equivalents Total	3.00	3.00	3.00

### **Structures Engineering Program**

The purpose of the Structures Engineering Program is to provide engineering services on all the bridges and structures within the city to ensure the safety of transportation users as they use or move in proximity to these transportation facilities.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Structures Engineering	938,384	957,145	975,609
Full-time Equivalents Total	3.50	3.50	3.50

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## Structures Maintenance Program

The purpose of the Structures Maintenance Program is to provide for the maintenance of the city's bridges, roadside structures and stairways.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Structures Maintenance	6,864,665	7,301,038	7,350,131
Full-time Equivalents Total	31.00	32.00	32.00

## Mobility Operations Budget Summary Level

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Commuter Mobility	17,375,652	29,487,981	25,116,933
Neighborhoods	1,435,641	1,115,891	1,117,623
Parking & Curbspace	15,062,025	13,670,815	13,869,926
Signs & Markings	3,391,176	3,990,598	4,042,233
Traffic Signals	8,879,313	9,289,651	8,999,599
Transit Operations	50,985,791	52,120,211	57,583,057
Urban Planning	3,480,094	4,060,094	3,109,189
<b>Total</b>	<b>100,609,692</b>	<b>113,735,241</b>	<b>113,838,560</b>
Full-time Equivalents Total*	133.75	134.75	134.75

\* 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.

**The following information summarizes the programs in Mobility Operations Budget Summary Level:**

### Commuter Mobility Program

The purpose of the Commuter Mobility Program is to provide a variety of services, including enforcement of City commercial vehicle limits, transit coordination, and planning, to increase mobility and transportation options to the residents of Seattle.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Commuter Mobility	17,375,652	29,487,981	25,116,933
Full-time Equivalents Total	45.25	44.25	44.25

### Neighborhoods Program

The purpose of the Neighborhoods Program is to plan and forecast the needs of specific neighborhoods including neighborhood and corridor planning, development of the coordinated transportation plans, traffic control spot improvements and travel forecasting. The program also constructs minor improvements in neighborhoods based on these assessments.

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Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Neighborhoods	1,435,641	1,115,891	1,117,623
Full-time Equivalents Total	2.50	2.50	2.50

## Parking & Curbspace Program

The purpose of Parking and Curb Ramp Program is to manage the City's parking resources, maintain and operate pay stations and parking meters for on-street parking, manage curbspace, develop and manage the City's carpool program and Residential Parking Zones.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Parking & Curbspace	15,062,025	13,670,815	13,869,926
Full-time Equivalents Total	32.00	31.00	31.00

## Signs & Markings Program

The purpose of the Signs & Markings Program is to design, fabricate and install signage, as well as provide pavement, curb and crosswalk markings to facilitate the safe movement of vehicles, pedestrians and bicyclists throughout the city.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Signs & Markings	3,391,176	3,990,598	4,042,233
Full-time Equivalents Total	19.50	19.50	19.50

## Traffic Signals Program

The purpose of the Traffic Signals Program is to operate the Traffic Management Center that monitors traffic movement within the city and to maintain and improve signals and other electrical transportation management infrastructure.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Traffic Signals	8,879,313	9,289,651	8,999,599
Full-time Equivalents Total	21.25	24.25	24.25

## Transit Operations Program

The Purpose of the Transit Operations Program is to purchase Metro Transit service hours on routes with at least 65% of the stops within the city of Seattle and to support regional transit service in conjunction with other cities, transit agencies, and transportation benefit districts who contribute to the cost of providing regional transit service. The program also funds ORCA Opportunity which provides youth ORCA cards for Seattle Public Schools Students, Seattle Promise scholarship students or similar programs. The program also funds and administers a \$20 low-income VLF rebate to qualified individuals and supports access to transit service for low-income riders. The Transit Operations program revenues support the implementation of City-wide improvements to maximize transit operations.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Transit Operations	50,985,791	52,120,211	57,583,057
Full-time Equivalents Total	2.75	2.75	2.75



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## Urban Planning Program

The Urban Planning Program is comprised of Adaptive Streets, Citywide & Community Planning, GIS, Urban Design, and the Center City Mobility Plan.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Urban Planning	3,480,094	4,060,094	3,109,189
Full-time Equivalents Total	10.50	10.50	10.50

## ROW Management Budget Summary Level

The purpose of the (Right-of-Way) ROW Management Budget Summary Level is to review projects throughout the city for code compliance for uses of the right-of-way and to provide plan review, utility permit and street use permit issuance, and utility inspection and mapping services.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
St Use Permit & Enforcement	39,414,106	36,347,438	36,363,829
<b>Total</b>	<b>39,414,106</b>	<b>36,347,438</b>	<b>36,363,829</b>
Full-time Equivalents Total*	133.25	134.25	134.25

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**The following information summarizes the programs in ROW Management Budget Summary Level:**

## St Use Permit & Enforcement Program

The purpose of the Street Use Permitting and Enforcement is to review projects throughout the city for code compliance for uses of right-of-way and to provide plan review, utility permit and street use permit issuance, and utility inspection and mapping services.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
St Use Permit & Enforcement	39,414,106	36,347,438	36,363,829
Full-time Equivalents Total	133.25	134.25	134.25

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## Maintenance Operations Budget Summary Level

The purpose of the Maintenance Operations Budget Summary Level is to maintain the City's roadways and sidewalks, as well as to maintain, protect and expand the City's urban landscape in the street right-of-way through the maintenance and planting of new trees and landscaping to enhance the environment and aesthetics of the city.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Emergency Response	4,879,372	4,636,759	4,698,139
Operations Support	5,118,251	4,804,480	4,805,338
Pavement Management/Repair	15,124,603	14,321,050	14,408,768
Street Cleaning	7,485,704	7,616,728	7,686,439
Tree & Landscape Maintenance	5,753,049	5,847,777	6,107,262
<b>Total</b>	<b>38,360,979</b>	<b>37,226,794</b>	<b>37,705,946</b>
Full-time Equivalents Total*	146.00	144.00	144.00

\* 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.

**The following information summarizes the programs in Maintenance Operations Budget Summary Level:**

### **Emergency Response Program**

The purpose of the Emergency Response Program is to respond to safety and mobility issues such as pavement collapses, severe weather, landslides and other emergencies to make the right-of-way safe for moving people and goods. This program proactively addresses landslide hazards to keep the right-of-way open and safe.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Emergency Response	4,879,372	4,636,759	4,698,139
Full-time Equivalents Total	19.00	19.00	19.00

### **Operations Support Program**

The purpose of the Operations Support Program is to provide essential operating support services necessary for the daily operation of SDOT's equipment and field workers dispatched from three field locations in support of street maintenance activities. These functions include warehousing, bulk material supply and management, tool cleaning and repair, equipment maintenance and repair, project accounting and technical support, and crew supervision.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Operations Support	5,118,251	4,804,480	4,805,338
Full-time Equivalents Total	22.50	22.50	22.50

### **Pavement Management/Repair Program**

The purpose of the Pavement Management and Repair Program is to assess the condition of asphalt and concrete pavements and establish citywide paving priorities for annual resurfacing, preservation and maintenance of all

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streets and adjacent areas such as sidewalks and road shoulders by making spot repairs and conducting annual major maintenance paving and rehabilitation.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Pavement Management/Repair	15,124,603	14,321,050	14,408,768
Full-time Equivalents Total	57.25	57.25	57.25

## Street Cleaning Program

The purpose of the Street Cleaning Program is to keep Seattle's streets, improved alleys, stairways and pathways clean, safe and environmentally friendly by conducting sweeping, hand-cleaning, flushing and mowing on a regular schedule.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Street Cleaning	7,485,704	7,616,728	7,686,439
Full-time Equivalents Total	22.50	22.50	22.50

## Tree & Landscape Maintenance Program

The purpose of the Landscape & Tree Maintenance Program is to provide planning, design, construction and construction inspection services for landscape elements of transportation capital projects, as well as guidance to developers on the preservation of city street trees and landscaped sites during construction.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Tree & Landscape Maintenance	5,753,049	5,847,777	6,107,262
Full-time Equivalents Total	24.75	22.75	22.75

## Leadership and Administration Budget Summary Level

The purpose of the Leadership & Administration Budget Summary Level is to provide executive, community, financial, human resource, technology and business support to the Seattle Department of Transportation.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	35,709,706	40,837,629	39,766,387
Departmental Indirect Costs	15,004,786	15,265,079	14,905,528
Divisional Indirect Costs	13,341,150	14,381,362	14,497,112
Indirect Cost Recovery Offset	-93,076,618	-100,768,396	-100,320,047
Pooled Benefits and PTO	29,020,976	30,284,326	31,151,020
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	208.25	205.25	205.25

\* 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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*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

## Citywide Indirect Costs Program

The Purpose of Citywide Indirect Cost Program is to allocate the City's general service costs to SDOT in a way that benefits the delivery of transportation services to the public.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	35,709,706	40,837,629	39,766,387
Full-time Equivalent Total	0.00	0.00	0.00

## Departmental Indirect Costs Program

The purpose of Departmental Indirect Cost Program is to recover and allocate indirect costs associated with the Directors Office, Public information, resource management and Human resource.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	15,004,786	15,265,079	14,905,528
Full-time Equivalent Total	114.00	112.00	112.00

## Divisional Indirect Costs Program

The purpose of the Divisional Indirect Costs Program is to provide division leadership and unique transportation technical expertise to accomplish the division's goals and objectives in support of the department's mission.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect Costs	13,341,150	14,381,362	14,497,112
Full-time Equivalent Total	94.25	93.25	93.25

## Indirect Cost Recovery Offset Program

Indirect Cost Recovery Offset Program includes Department Management Indirect cost recovery and General Expense Indirect Cost Recovery. This program equitably recovers and allocates departmental and general expense indirect cost from all transportation activities and capital projects to fund departmental management and support services essential for delivery of transportation service to the public.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Indirect Cost Recovery Offset	-93,076,618	-100,768,396	-100,320,047
Full-time Equivalent Total	0.00	0.00	0.00

## Pooled Benefits and PTO Program

This budget program contains the funding associated with employee leave, time off, and benefit-related costs for Workers' Compensation, healthcare and other centrally distributed benefit costs.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits and PTO	29,020,976	30,284,326	31,151,020
Full-time Equivalent Total	0.00	0.00	0.00

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## General Expense Budget Summary Level

The purpose of the General Expense Budget Summary Level is to pay for general business expenses necessary to the overall delivery of transportation services, such as Judgment and Claims contributions and debt service payments.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Initiatives	215,262	0	-4,305
Debt Service	34,445,612	35,028,548	38,966,648
Judgment & Claims	2,590,087	2,590,087	2,590,087
<b>Total</b>	<b>37,250,961</b>	<b>37,618,635</b>	<b>41,552,430</b>

*The following information summarizes the programs in General Expense Budget Summary Level:*

### **Citywide Initiatives Program**

The purpose of the Citywide Initiatives program is to support citywide or multi-departmental system or process improvement initiatives.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Initiatives	215,262	0	-4,305
Full-time Equivalent Total	0.00	0.00	0.00

### **Debt Service Program**

The purpose of Debt Service Program is to meet principal repayment and interest obligations on debt proceeds that are appropriated in SDOT's Budget

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Debt Service	34,445,612	35,028,548	38,966,648
Full-time Equivalent Total	0.00	0.00	0.00

### **Judgment & Claims Program**

The purpose of the Judgment & Claims Program is to represent SDOT's annual contribution to the City's centralized self-insurance pool from which court judgements and claims against the city are paid.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Judgment & Claims	2,590,087	2,590,087	2,590,087
Full-time Equivalent Total	0.00	0.00	0.00



# Cable Television Franchise Fund

Tracye Cantrell, Interim Director & Chief Technology Officer

(206) 386-0026

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

## Department Overview

Beginning in 1996, the City of Seattle entered into cable franchise agreements that included a franchise fee as compensation for cable television providers locating in the public right-of-way. The City has approved franchises with CenturyLink, Comcast and Wave Division I.

The Cable Television Franchise Fund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Seattle Information Technology Department (Seattle IT). Resolution 30379 establishes usage policies for the fund. The fund pays for the following services:

- administration of the Cable Customer Bill of Rights as well as the public, education, and government access costs the City is obligated to fund under the terms of its cable franchise agreements;
- support of the Seattle Channel, including both operations and capital equipment;
- programs and projects promoting technology literacy and access, including related research, analysis, and evaluation; and
- use of innovative and interactive technology, including television and online content, to provide ways for residents to access City services.

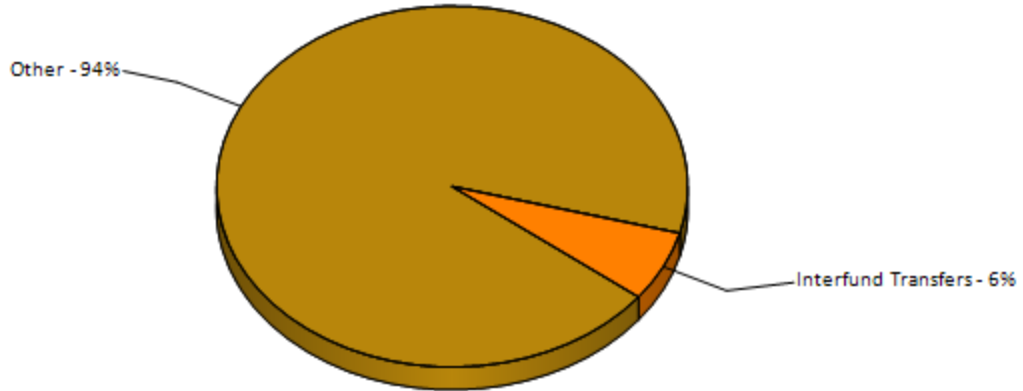
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$10,201,960	\$10,159,379	\$9,784,543
<b>Total Operations</b>	<b>\$10,201,960</b>	<b>\$10,159,379</b>	<b>\$9,784,543</b>
<b>Total Appropriations</b>	<b>\$10,201,960</b>	<b>\$10,159,379</b>	<b>\$9,784,543</b>
Full-time Equivalent Total*	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.

# Cable Television Franchise Fund

## 2019 Proposed Budget - Expenditure by Category



### **Budget Overview**

The Cable Television Franchise Fund (Cable Fund) receives revenues from cable television provider franchise fees. The 2019-2020 Proposed Budget continues previous uses of the Cable Fund for programs such as the Seattle Channel, the Cable Customer Bill of Rights, initiatives that promote technology literacy and access, and technology that provides ways for residents to access City services.

Cable franchise fee revenues are projected to flatten or decline in future years as Seattle residents increasingly discontinue their cable television service from regulated providers in favor of internet-based streaming video services that are not subject to the City's regulatory structure. The Seattle Information Technology Department is closely monitoring quarterly franchise payments to determine if future reductions are necessary to some programming that has historically been supported by the Cable Fund.



# Cable Television Franchise Fund

## Incremental Budget Changes

### Cable Television Franchise Fund

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 10,201,960</b>	<b>0.00</b>	<b>\$ 10,201,960</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Technical Adjustments	\$ 0	0.00	\$ 0	0.00
<b>Proposed Changes</b>				
Align with Information Technology Fund	-\$ 42,581	0.00	-\$ 417,417	0.00
<b>Total Incremental Changes</b>	<b>-\$ 42,581</b>	<b>0.00</b>	<b>-\$ 417,417</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 10,159,379</b>	<b>0.00</b>	<b>\$ 9,784,543</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Technical Adjustments

This item makes net zero budgetary transfers between accounts within the Cable Television Franchise Fund to better align budget with actual expenditures.

### Proposed Changes

#### **Align with Information Technology Fund - (\$42,581)**

This adjustment aligns the Cable Fund with changes made in the Seattle Information Technology Department (Seattle IT ) budget. In 2018, Seattle IT updated many of its cost recovery methodologies; these changes resulted in a net reduction of costs allocated to the Cable Fund in the 2019-2020 Proposed Budget.

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# Cable Television Franchise Fund

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Cable Television Franchise Fund Budget Summary Level</b>			
Cable Television Franchise Fund	10,201,960	10,159,379	9,784,543
<b>Total for BSL: BO-IT-C1000</b>	<b>10,201,960</b>	<b>10,159,379</b>	<b>9,784,543</b>

<b>Department Total</b>	<b>10,201,960</b>	<b>10,159,379</b>	<b>9,784,543</b>
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<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Budget Summary by Fund for Cable TV

	2018 Adopted	2019 Proposed	2020 Proposed
10101 - Cable Television Franchise Fund	10,201,960	10,159,379	9,784,543
<b>Budget Totals for CBLFEE</b>	<b>10,201,960</b>	<b>10,159,379</b>	<b>9,784,543</b>

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
321090	Franchise Fee Revenues, Licenses, Permits, and Fines	9,351,090	8,705,429	8,433,321
	<b>Total Franchise Fees, Licenses, Permits, and Fines</b>	<b>9,351,090</b>	<b>8,705,429</b>	<b>8,433,321</b>
360020	Interest Earnings	57,024	25,390	0
	<b>Total Interest Earnings/Investment Earnings</b>	<b>57,024</b>	<b>25,390</b>	<b>0</b>
<b>Total Revenues</b>		<b>9,408,114</b>	<b>8,730,819</b>	<b>8,433,321</b>
379100	Use of (Contributions to) Fund Balance	793,846	1,428,560	1,351,222
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>793,846</b>	<b>1,428,560</b>	<b>1,351,222</b>
<b>Total Resources</b>		<b>10,201,960</b>	<b>10,159,379</b>	<b>9,784,543</b>

# Cable Television Franchise Fund

## Appropriations By Budget Summary Level (BSL) and Program

### Cable Television Franchise Fund Budget Summary Level

The purpose of the Cable Television Franchise Fund Budget Summary Level is to fund programs and projects promoting citizen technological literacy and access, innovative and interactive technology, and the Seattle Channel. The Cable TV Franchise Fund also administers the Cable Customer Bill of Rights and the Public, Education, and Government access costs that the City is obligated to fund under the terms of its cable franchise agreements.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Cable Franchise for Information Technology	9,559,960	9,517,379	9,142,543
Cable Franchise for Library	642,000	642,000	642,000
<b>Total</b>	<b>10,201,960</b>	<b>10,159,379</b>	<b>9,784,543</b>



# Office of City Auditor

David G. Jones, City Auditor

(206) 233-3801

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

## Department Overview

The Office of City Auditor was established by City Charter and serves as Seattle's independent performance audit function. The City Auditor is appointed by the City Council to a four-year term of office.

The Office of City Auditor seeks to promote honest, efficient management and full accountability throughout City government. It serves the public interest by providing the City Council, the Mayor and City employees with accurate information, unbiased analyses and objective recommendations on how best to use public resources.

The Office of City Auditor conducts audits of City departments, programs, grantees and contracts, as well as some nonaudit projects. Most of the office's work is performed in response to specific concerns or requests from City Councilmembers, but the City Auditor also independently initiates work to fulfill the office's mission. If resources are available, the City Auditor responds to requests from the Mayor, City departments and the public.

Through its work, the Office of City Auditor answers the following types of questions:

- Are City of Seattle programs being carried out in compliance with applicable laws and regulations, and is accurate information furnished to the City Council and Mayor on these programs?
- Do opportunities exist to eliminate inefficient use of public funds and waste?
- Are programs achieving desired results?
- Are there better ways to achieve program objectives at lower costs?
- Are there ways to improve the quality of service without increasing costs?
- What emerging or key issues should the City Council and Mayor consider?

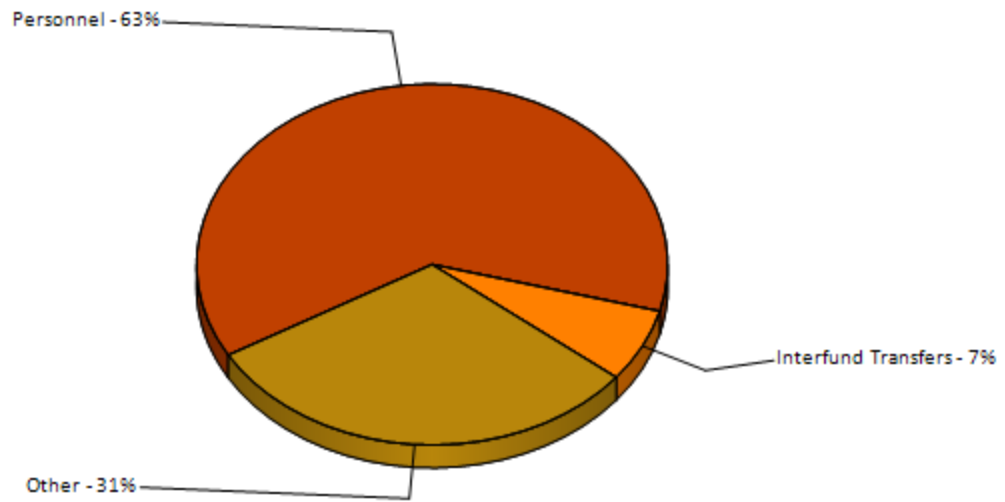
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$2,633,093	\$2,612,742	\$2,614,029
<b>Total Operations</b>	<b>\$2,633,093</b>	<b>\$2,612,742</b>	<b>\$2,614,029</b>
<b>Total Appropriations</b>	<b>\$2,633,093</b>	<b>\$2,612,742</b>	<b>\$2,614,029</b>
Full-time Equivalent Total*	10.00	10.00	10.00

\* 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.

# Office of City Auditor

## 2019 Proposed Budget - Expenditure by Category



### **Budget Overview**

The 2019-2020 Proposed Budget maintains resources to support the Office of City Auditor and includes technical adjustments to update internal service costs and remove one-time funding added in the 2018 Adopted Budget.

# Office of City Auditor

## Incremental Budget Changes

### Office of City Auditor

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 2,633,093</b>	<b>10.00</b>	<b>\$ 2,633,093</b>	<b>10.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 23,241	0.00	\$ 24,528	0.00
Adjustment for One-Time Budget Changes	-\$ 293,356	0.00	-\$ 293,356	0.00
<b>Proposed Changes</b>				
Sweetened Beverage Tax Evaluation	\$ 249,764	0.00	\$ 249,764	0.00
<b>Total Incremental Changes</b>	<b>-\$ 20,351</b>	<b>0.00</b>	<b>-\$ 19,064</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 2,612,742</b>	<b>10.00</b>	<b>\$ 2,614,029</b>	<b>10.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$23,241

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### Adjustment for One-Time Budget Changes - (\$293,356)

This adjustment includes budget changes for one-time items in the 2018 Adopted Budget including the removal of funding for resources to assist with work related to the Surveillance Ordinance (\$100,000) and evaluations of the Sweetened Beverage Tax (\$20,000) and Secure Scheduling Ordinances (\$173,000). Funding of \$500,000 for the evaluation of the Sweetened Beverage Tax remains in the Auditor's budget for both 2019 and 2020.

# Office of City Auditor

## Proposed Changes

### Sweetened Beverage Tax Evaluation - \$249,764

This item adds ongoing funding for the Office of City Auditor to contract with Public Health King County for an evaluation of community-based activities funded by the Sweetened Beverage Tax. Evaluation methods should be pragmatic, low-barrier, use community-based participatory research methods, and be developed with the support of experts with experience in the evaluation of community-based activities.

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of the City Auditor Budget Summary Level</b>			
General Fund	2,633,093	2,612,742	2,614,029
<b>Total for BSL: BO-AD-VG000</b>	<b>2,633,093</b>	<b>2,612,742</b>	<b>2,614,029</b>

<b>Department Total</b>	<b>2,633,093</b>	<b>2,612,742</b>	<b>2,614,029</b>
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<b>Department Full-time Equivalents Total*</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>
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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.*

## Budget Summary by Fund for City Auditor

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	2,633,093	2,612,742	2,614,029
<b>Budget Totals for AUD</b>	<b>2,633,093</b>	<b>2,612,742</b>	<b>2,614,029</b>



# Office of City Auditor

## Appropriations By Budget Summary Level (BSL) and Program

### Office of the City Auditor Budget Summary Level

The purpose of the Office of City Auditor Budget Summary Level is to provide unbiased analyses and objective recommendations to assist the City in using public resources more equitably, efficiently and effectively in delivering services to the public.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of the City Auditor	2,633,093	2,612,742	2,614,029
<b>Total</b>	<b>2,633,093</b>	<b>2,612,742</b>	<b>2,614,029</b>
Full-time Equivalents Total*	10.00	10.00	10.00

*\* 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.*



# City Budget Office

Ben Noble, Director

(206) 615-1962

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

## Department Overview

The City Budget Office (CBO) is responsible for developing and monitoring the City's annual budget, carrying out budget-related functions, 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 Mayor's Performance and Innovation Team is also in CBO. The team supports and advances Mayoral initiatives by using data and design to solve problems.

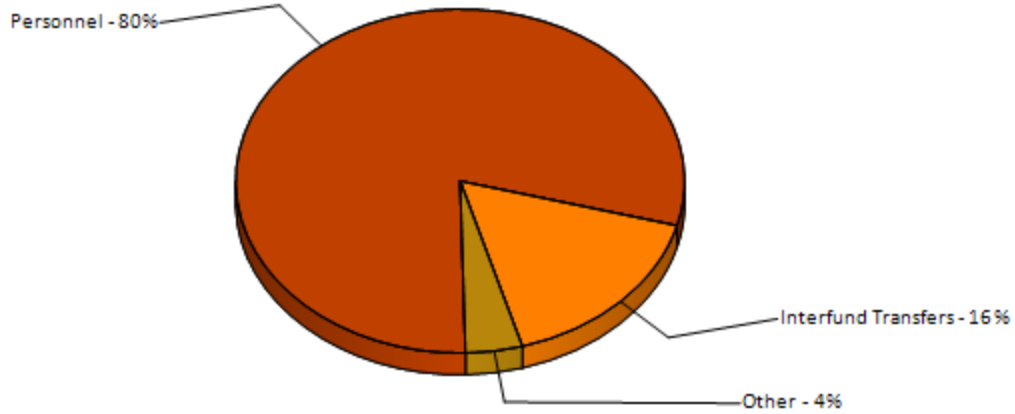
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$6,552,710	\$6,795,423	\$6,759,790
<b>Total Operations</b>	<b>\$6,552,710</b>	<b>\$6,795,423</b>	<b>\$6,759,790</b>
<b>Total Appropriations</b>	<b>\$6,552,710</b>	<b>\$6,795,423</b>	<b>\$6,759,790</b>
Full-time Equivalent Total*	40.50	36.00	36.00

*\* 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.*

# City Budget Office

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

The 2019-2020 Proposed Budget reduces the City Budget Office's budget by \$164,000, a 2.5% reduction. The office transferred in a grant-funded program, the Innovation Team, from the Office of the Mayor in the 2017 3rd Quarter Supplemental Budget. The grant funding ends in 2018, so the associated 4.5 FTEs are eliminated in this budget.

### Incremental Budget Changes

#### City Budget Office

	2019 Budget	FTE	2020 Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 6,552,710</b>	<b>40.50</b>	<b>\$ 6,552,710</b>	<b>40.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 406,531	0.00	\$ 370,898	0.00
<b>Proposed Changes</b>				
Reduction to Fund City Priorities	-\$ 163,818	0.00	-\$ 163,818	0.00

## City Budget Office

Remove Grant-Funded Positions	\$ 0	-4.50	\$ 0	-4.50
<b>Total Incremental Changes</b>	<b>\$ 242,713</b>	<b>-4.50</b>	<b>\$ 207,080</b>	<b>-4.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 6,795,423</b>	<b>36.00</b>	<b>\$ 6,759,790</b>	<b>36.00</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$406,531**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources to the department, which were previously not charged to all departments.

#### Proposed Changes

##### **Reduction to Fund City Priorities - (\$163,818)**

The City Budget Office is reducing its budget by 2.5%, responding to the Mayor's request for General Fund savings to fund other City priorities. The reduction will reduce the office's professional services and personnel budgets, but is not expected to impact core services.

##### **Remove Grant-Funded Positions/(4.50) FTE**

In the 2017 3rd Quarter Supplemental Budget, 4.5 FTEs funded by a grant from the Bloomberg Family Foundation were transferred from the Office of the Mayor to the City Budget Office. The grant-funded positions are due to sunset after the expiration of the grant funding, and this adjustment eliminates the positions.

# City Budget Office

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>City Budget Office Budget Summary Level</b>			
General Fund	6,552,710	6,795,423	6,759,790
<b>Total for BSL: BO-CB-CZ000</b>	<b>6,552,710</b>	<b>6,795,423</b>	<b>6,759,790</b>

<b>Department Total</b>	<b>6,552,710</b>	<b>6,795,423</b>	<b>6,759,790</b>
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<b>Department Full-time Equivalents Total*</b>	<b>40.50</b>	<b>36.00</b>	<b>36.00</b>
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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.

## Budget Summary by Fund for City Budget Office

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	6,552,710	6,795,423	6,759,790
<b>Budget Totals for CBO</b>	<b>6,552,710</b>	<b>6,795,423</b>	<b>6,759,790</b>

## Appropriations By Budget Summary Level (BSL) and Program

### City Budget Office Budget Summary Level

The purpose of the City Budget Office Budget Summary Level is to develop and monitor the budget, carrying out budget-related functions, oversee financial policies and plans, and provide financial and other strategic analysis.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
City Budget Office	6,552,710	6,795,423	6,759,790
<b>Total</b>	<b>6,552,710</b>	<b>6,795,423</b>	<b>6,759,790</b>
Full-time Equivalents Total*	40.50	36.00	36.00

\* 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.

# Office for Civil Rights

Mariko Lockhart, Interim Director

(206) 684-4500

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

## Department Overview

The Office for Civil Rights (OCR) works to achieve equity and advance opportunity in Seattle by:

- developing policies and promoting partnerships to achieve racial equity and social justice;
- enforcing City, state and federal anti-discrimination laws that guarantee equal access to housing, employment, public accommodations, contracting, lending and protection against conversion therapy provided to minors;
- developing and conducting testing for discrimination in employment hiring and housing based on race, national origin, sexual orientation, gender identity and disability;
- staffing the Seattle Human Rights Commission, Seattle Women's Commission, Seattle Lesbian Gay Bisexual Transgender Commission, and the Seattle Commission for People with disAbilities;
- administering the Title VI program of the 1964 Civil Rights Act, which relates to physical access to governmental facilities, projects, and programs, and Title II complaints alleging discrimination on the basis of disability in the provision of services, activities, programs or benefits by the City;
- offering free civil rights technical assistance and outreach to businesses, community groups, and the general public, including immigrants, people of color, women, people with disabilities, and lesbian, gay, bisexual, transgender and queer communities; and
- making available a wide array of civil rights information, including translations into other languages.

OCR leads the City's Race and Social Justice Initiative. The goals of the initiative are to end institutional racism in City government; promote inclusion and full participation of all residents in civic life; and partner with the community to achieve racial equity across Seattle. In working to achieve these goals, OCR conducts Race and Social Justice trainings, including Racial Equity Toolkit training, for all City staff and/or departments, community organizations and educational institutions.

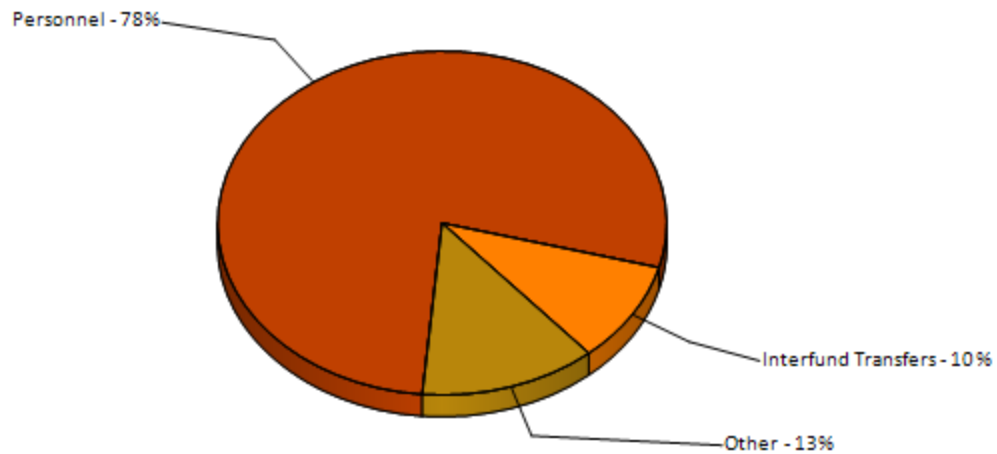
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$5,093,114	\$4,676,620	\$4,663,327
<b>Total Operations</b>	<b>\$5,093,114</b>	<b>\$4,676,620</b>	<b>\$4,663,327</b>
<b>Total Appropriations</b>	<b>\$5,093,114</b>	<b>\$4,676,620</b>	<b>\$4,663,327</b>
Full-time Equivalent Total*	28.00	29.00	29.00

\* 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.

# Office for Civil Rights

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

The 2019-2020 Proposed Budget largely maintains the Office for Civil Rights' (OCR's) existing functions and budget with a few small enhancements. The budget removes one-time funding that was added in 2016 for a three-year initiative on gender-pay equity and in 2018 for grants for youth diversion and community-led alternatives to youth detention. The proposed budget extends a temporary staff position to administer the grants since the grants will not be fully closed out until mid-2019.

The proposed budget responds to two high priority needs in OCR: aligning the RSJI staff team and position classifications, and creating a deputy director position for the office. The RSJI staff had different position classifications within a division where staff perform similar bodies of work. RSJI staff provide citywide and department specific trainings, provide technical assistance to other departments on Racial Equity Toolkits, help advise and support department Change Teams, participate on interdepartmental work teams, engage with community groups and individuals within the racial justice organizing community, and apply racial justice analysis to policies, programs, services, and budget related decisions. The proposed budget reclassifies most of the RSJI staff to the same position classification. The RSJI division retains a manager position and a trainer position at different position classifications. In addition, the proposed budget creates a deputy director position which was identified as high priority for the office.

Finally, through careful review of its programs and use of discretionary budget, the Mayor's proposed budget reduces OCR's operating budget by \$30,000. This change does not affect staffing or programming.



## Office for Civil Rights

### Incremental Budget Changes

#### Office for Civil Rights

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 5,093,114</b>	<b>28.00</b>	<b>\$ 5,093,114</b>	<b>28.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 272,391	0.00	\$ 296,265	0.00
Adjust Budget and Staffing After Expiration of Seattle City Light and Arts Contracts	-\$ 115,009	-0.50	-\$ 115,009	-0.50
Adjustment for One-Time Budget Additions	-\$ 828,000	0.00	-\$ 828,000	0.00
<b>Proposed Changes</b>				
Operational Efficiencies	-\$ 30,000	0.00	-\$ 30,000	0.00
Finalize Administering Community Grants	\$ 76,861	0.00	\$ 0	0.00
Reclassify RSJI Positions	\$ 91,642	0.00	\$ 91,761	0.00
Add back 0.5 FTE of an RSJI position formerly funded by Seattle City Light	\$ 52,664	0.50	\$ 52,792	0.50
Add Deputy Director Position	\$ 133,401	1.00	\$ 162,564	1.00
<b>Proposed Technical Changes</b>				
Space Rent Adjustment	-\$ 90,444	0.00	-\$ 80,160	0.00
Interdepartmental Revenue from Arts	\$ 20,000	0.00	\$ 20,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 416,494</b>	<b>1.00</b>	<b>-\$ 429,787</b>	<b>1.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 4,676,620</b>	<b>29.00</b>	<b>\$ 4,663,327</b>	<b>29.00</b>

# Office for Civil Rights

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$272,391**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Adjust Budget and Staffing After Expiration of Seattle City Light and Arts Contracts - (\$115,009)/(1.50) FTE**

This adjustment resets a full-time position back to half time after contracts with Seattle City Light (City Light) and the Office of Arts and Culture expired at the end of 2018. For the past several years City Light provided funding to help support Office for Civil Rights (OCR) programs and services and activities that benefit the utility, its RSJI program and goals, and its ratepayers. In 2019, City Light will incorporate this work into its existing RSJI programming and will no longer provide funding to OCR. This baseline adjustment removes the 0.5 FTE that City Light was funding, although the position is restored in the proposed changes section of the 2019 budget.

#### **Adjustment for One-Time Budget Additions - (\$828,000)**

This item includes budget reductions for one-time additions in the 2018 Adopted Budget:

- \$500,000 to contract with organizations that provide community-led alternatives to youth detention; and
- \$100,000 to fund a youth diversion program that has been developed by a consortium of community organizations, community members, and youth directly involved with and impacted by the criminal justice system.
- \$150,000 to support a Racial Equity Toolkit (RET) regarding the structure and design of the Office for Civil Rights.
- \$50,000 to conduct outreach and education to landlords and tenants to prevent landlords from screening applicants based on criminal convictions, and prohibit the use of advertising language that categorically excludes people with arrests or conviction records.
- \$28,000 for a three-year initiative provided to OCR in the 2016 Adopted Budget work on a citywide gender pay equity initiative known as 100% Talent, the goal of which is to engage the private sector in actions to address gender pay equity.

# Office for Civil Rights

## Proposed Changes

### **Operational Efficiencies - (\$30,000)**

At the direction of the Mayor, the office pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The office identified \$30,000 in discretionary budget reductions. This reduction achieves efficiency in budgeting without service reductions.

### **Finalize Administering Community Grants - \$76,861**

This adjustment extends a temporary Strategic Advisor position that was added in 2018 supplemental legislation to manage and administer \$600,000 in one-time grants for organizations that provide youth diversion programs and community-led alternatives to youth detention. The City Council provided one-time funding for these grants in the 2018 Adopted Budget. OCR began administering these grants in 2018, but because there was a delay in beginning and close-out paperwork, the office requires an extension of the position managing the grants through mid-2019.

### **Reclassify RSJI Positions - \$91,642**

OCR's RSJI team is comprised of five different position classifications for a group of employees that performs similar work functions. This resulted in internal disparities in the group charged with upholding racial justice throughout the City. All the RSJI positions deliver trainings, liaise with executive departments, provide technical assistance, and work closely with communities most impacted by structural racism. This adjustment reclassifies the positions to the same Strategic Advisor I title.

### **Add back 0.5 FTE of an RSJI position formerly funded by Seattle City Light - \$52,664/.50 FTE**

This adjustment increases the RSJI program budget to restore a Strategic Advisor I position to full time. The position was reduced to half time in the baseline budget due to the expiration of an MOU with Seattle City Light, which funded a portion of the position's costs. Restoring this position to full time status improves OCR's capacity to perform the RSJI work identified in the Mayor's [Executive Order 2017-13](#), as well as provides additional resources to the City-wide RSJI Summit, RSJI Speakers Series and citywide and community trainings.

### **Add Deputy Director Position - \$133,401/1.00 FTE**

The Office for Civil Rights (OCR) and the Mayor have identified a deputy director position as a high priority need in OCR. The proposed budget adds a Strategic Advisor 3 position to take on the role of supporting OCR's director in overseeing operations of all four OCR programs: policy, civil rights enforcement, RSJI, and leadership and administration.

# Office for Civil Rights

## Proposed Technical Changes

### Space Rent Adjustment - (\$90,444)

In 2015, the Office of Labor Standards (OLS) was introduced as a division of the Office for Civil Rights (OCR). In 2017, OLS became a separate office and moved into its own leased office space in the Central Building in downtown Seattle. For the 2019-2020 biennial budget, the Department of Finance and Administrative Services recalculated space usage and determined there would be a space rent increase attributable to OLS and an offsetting space rent decrease for OCR.

### Interdepartmental Revenue from Arts - \$20,000

This adjustment adds budget authority for OCR to spend \$20,000 of revenue from the Office of Arts and Culture (Arts). This revenue will be used to continue to partner and collaborate with Arts on racial equity arts and culture projects including RSJI Speaker Series, RSJI Summit and other special projects.

## Expenditure Overview

<b>Appropriations</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
<b>Civil Rights Budget Summary Level</b>			
General Fund	5,093,114	4,676,620	4,663,327
<b>Total for BSL: BO-CR-X1R00</b>	<b>5,093,114</b>	<b>4,676,620</b>	<b>4,663,327</b>
<b>Department Total</b>	<b>5,093,114</b>	<b>4,676,620</b>	<b>4,663,327</b>
<b>Department Full-time Equivalent Total*</b>	<b>28.00</b>	<b>29.00</b>	<b>29.00</b>

\* 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 Summary by Fund for Civil Rights

	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
00100 - General Fund	5,093,114	4,676,620	4,663,327
<b>Budget Totals for OCR</b>	<b>5,093,114</b>	<b>4,676,620</b>	<b>4,663,327</b>

# Office for Civil Rights

## Appropriations By Budget Summary Level (BSL) and Program

### Civil Rights Budget Summary Level

The purpose of the Civil Rights Budget Control Level is to encourage and promote equal access and opportunity, diverse participation, and social and economic equity in Seattle. OCR works to eliminate discrimination in employment, housing, public accommodations, contracting, and lending in Seattle through enforcement, and policy and outreach activities. In addition, OCR is responsible for directing the Race and Social Justice Initiative, which leads other City departments to design and implement programs that help eliminate institutionalized racism.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Civil Rights Enforcement	1,121,210	1,124,586	1,135,313
Leadership and Administration	2,385,359	1,883,070	1,922,068
Policy	635,243	608,906	614,206
RSJI	951,302	1,060,058	991,740
<b>Total</b>	<b>5,093,114</b>	<b>4,676,620</b>	<b>4,663,327</b>
Full-time Equivalents Total*	28.00	29.00	29.00

\* 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.

*The following information summarizes the programs in Civil Rights Budget Summary Level:*

#### **Civil Rights Enforcement Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Civil Rights Enforcement	1,121,210	1,124,586	1,135,313
Full-time Equivalents Total	12.00	12.00	12.00

#### **Leadership and Administration Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Leadership and Administration	2,385,359	1,883,070	1,922,068
Full-time Equivalents Total	4.00	5.00	5.00

#### **Policy Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Policy	635,243	608,906	614,206
Full-time Equivalents Total	5.00	5.00	5.00

# Office for Civil Rights

## RSJI Program

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
RSJI	951,302	1,060,058	991,740
Full-time Equivalents Total	7.00	7.00	7.00

# Civil Service Commissions

Jennifer A. Greenlee, Executive Director

(206) 233-7118

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

## Department Overview

The **Civil Service Commissions** is the administrative entity serving both the Civil Service Commission and the Public Safety Civil Service Commission. The Commissions are quasi-judicial bodies charged with providing fair and impartial hearings on disciplinary actions and other employment related issues. Each commission is governed by a separate three-member board, with one member appointed by the Mayor, one appointed by the City Council, and one elected by, and representing, the employees. The term of each commissioner is three years.

The **Civil Service Commission (CSC)** provides fair and impartial hearings of alleged violations of the City's personnel rules. Employees may file appeals with the CSC regarding all final disciplinary actions and alleged violations of the Personnel Ordinance, as well as related rules and policies. The CSC may issue orders to remedy violations and may also make recommendations to the Mayor and the City Council regarding the administration of the personnel system.

In addition, the CSC investigates allegations of political patronage to ensure the City's hiring practices are established and carried out in accordance with the merit principles set forth in the City Charter. The CSC conducts public hearings on personnel related issues and may propose changes to personnel rules, policies, and laws to the Mayor and the City Council.

The purpose of the **Public Safety Civil Service Commission (PSCSC)** is to implement, administer, and direct a civil service system for sworn personnel of the Seattle Police Department and uniformed personnel of the Seattle Fire Department. The PSCSC provides sworn police and uniformed fire employees with a quasi-judicial process for hearings on appeals concerning disciplinary actions, examination and testing, and other related issues.

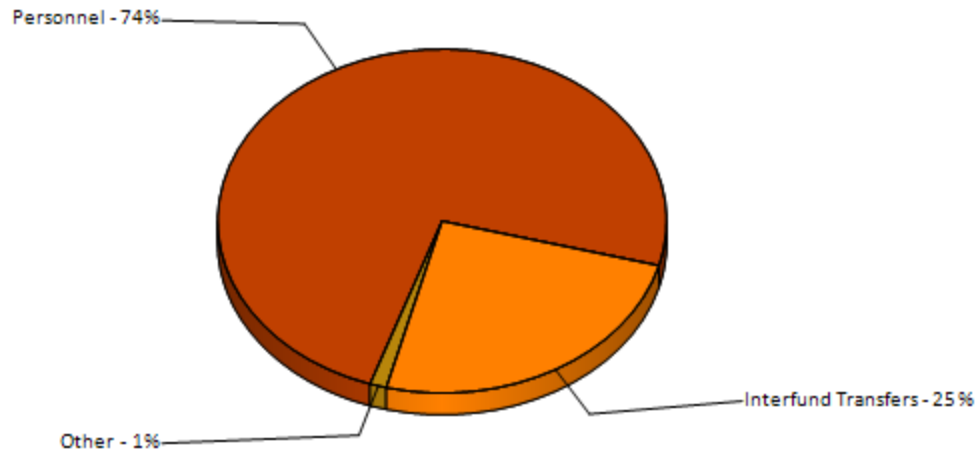
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$487,369	\$493,186	\$492,324
<b>Total Operations</b>	<b>\$487,369</b>	<b>\$493,186</b>	<b>\$492,324</b>
<b>Total Appropriations</b>	<b>\$487,369</b>	<b>\$493,186</b>	<b>\$492,324</b>
Full-time Equivalent Total*	2.60	2.00	2.00

\* 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.

# Civil Service Commissions

## 2019 Proposed Budget - Expenditure by Category



### **Budget Overview**

The 2019-2020 Proposed Budget maintains the Civil Service Commissions' (CIV) funding level while removing a long-term vacancy. Removing this vacancy will not impact the department's ability to maintain the same service levels to the Commissions. There are also minor Citywide technical changes proposed to the CIV budget as described below.



## Civil Service Commissions

### Incremental Budget Changes

#### Civil Service Commissions

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 487,369</b>	<b>2.60</b>	<b>\$ 487,369</b>	<b>2.60</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 5,817	0.00	\$ 4,955	0.00
<b>Proposed Changes</b>				
Remove Vacant Position	\$ 0	-0.60	\$ 0	-0.60
<b>Total Incremental Changes</b>	<b>\$ 5,817</b>	<b>-0.60</b>	<b>\$ 4,955</b>	<b>-0.60</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 493,186</b>	<b>2.00</b>	<b>\$ 492,324</b>	<b>2.00</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### Citywide Adjustments for Standard Cost Changes - \$5,817

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### Proposed Changes

##### Remove Vacant Position/ (.60) FTE

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed a vacant Administrative Staff Assistant position while retaining the funding. Removing this vacancy will not impact delivery of core services and allows the department to align the budget with actuals for ongoing operational costs.

## Civil Service Commissions

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Civil Service Commissions Budget Summary Level</b>			
General Fund	487,369	493,186	492,324
<b>Total for BSL: BO-VC-V1CIV</b>	<b>487,369</b>	<b>493,186</b>	<b>492,324</b>

<b>Department Total</b>	<b>487,369</b>	<b>493,186</b>	<b>492,324</b>
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<b>Department Full-time Equivalents Total*</b>	<b>2.60</b>	<b>2.00</b>	<b>2.00</b>
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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.*

### Budget Summary by Fund for Civil Service Commissions

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	487,369	493,186	492,324
<b>Budget Totals for CIV</b>	<b>487,369</b>	<b>493,186</b>	<b>492,324</b>

### Appropriations By Budget Summary Level (BSL) and Program

#### Civil Service Commissions Budget Summary Level

The purpose of the Civil Service Commissions Budget Summary Level is to provide administrative support to the Public Safety Civil Service Commission (PSCSC) and the Civil Service Commission (CSC). The PSCSC provides sworn police and uniformed fire employees with a quasi-judicial process for hearings on appeals concerning disciplinary actions, examination and testing, and other related issues. The CSC directs the civil service system for all other employees of the City.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Civil Service Commissions	487,369	493,186	492,324
<b>Total</b>	<b>487,369</b>	<b>493,186</b>	<b>492,324</b>
Full-time Equivalents Total*	2.60	2.00	2.00

*\* 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.*

# Office of the Employee Ombud

## Department Overview

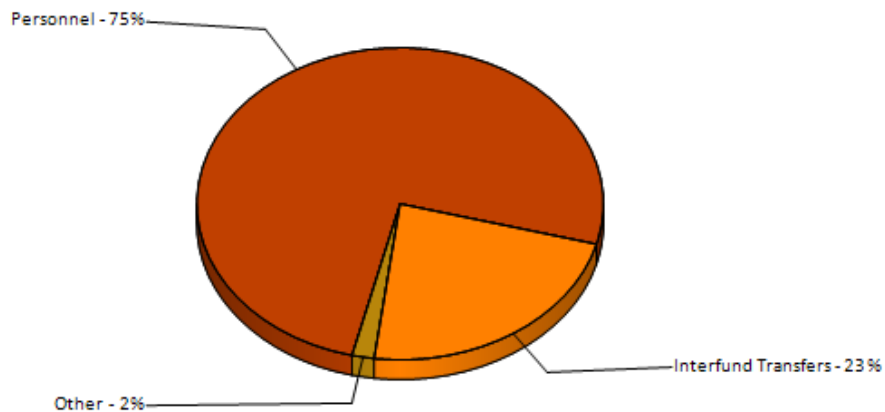
The Office of the Employee Ombud (OEO) supports individual employees in executive departments who are experiencing a workplace that conflicts with the City of Seattle's workplace expectations. The OEO provides independent, impartial, and informal navigation to City employees in executive departments through the City's processes related to harassment and discrimination. The OEO does not investigate or process claims itself, nor does it set City policy, but acts as a voluntary resource for City employees. The OEO also provides recommendations to the Mayor and City Council on Citywide policies and procedures related to harassment, discrimination, and creating an inclusive workplace environment.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$0	\$563,598	\$561,905
<b>Total Operations</b>	<b>\$0</b>	<b>\$563,598</b>	<b>\$561,905</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$563,598</b>	<b>\$561,905</b>
Full-time Equivalent Total*	0.00	3.00	3.00

\* 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.

## 2019 Proposed Budget - Expenditure by Category



# Office of the Employee Ombud

## Budget Overview

The 2019-2020 Proposed Budget establishes a budget for the new Office of the Employee Ombud's first and second years of operation. The budget provides the foundation for the staff and resources to carry out the office's mission. The proposed budget adds three full-time positions in the newly created office: one position to serve as the Ombud to manage the new office and two positions to provide support to executive department employees in navigating the City's processes when experiencing a workplace that conflicts with the City's workplace expectations.

The proposed budget also includes internal services costs, including Human Resources, Finance and Administrative Services, and Information Technology, as well as health care, and industrial insurance charges for the department, as well as a small budget for professional consulting services.

The creation of the Office of the Employee Ombud is a direct outcome of the work of the Anti-Harassment Inter-departmental Team Mayor Durkan convened in early 2018 to examine and provide recommendations on the City's workplace culture. For more information on the Anti-Harassment Inter-Departmental Team and its recommendations, see the section on the Seattle Department of Human Resources.

## Incremental Budget Changes

### Office of the Employee Ombud

	2019		2020	
	Budget	FTE	Budget	FTE
<b>Proposed Changes</b>				
Create Office of the Ombud	\$ 563,598	3.00	\$ 561,905	3.00
<b>Total Incremental Changes</b>	<b>\$ 563,598</b>	<b>3.00</b>	<b>\$ 561,905</b>	<b>3.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 563,598</b>	<b>3.00</b>	<b>\$ 561,905</b>	<b>3.00</b>

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Create Office of the Ombud - \$563,598/3.00 FTE**

This item funds the first year of operations for the new Office of the Employee Ombud (OEO). This includes funding for three positions:

- 1.0 FTE Manager 2 Ombud position, to direct the office's work and supervise the other staff; and
- 2.0 FTE Strategic Advisor 1 positions that will assist executive department employees in navigating the City's processes when experiencing a workplace that conflicts with the City's workplace expectations.

This adjustment includes \$128,900, annually, for Citywide cost allocations for Finance & Administrative Services, Human Resources services, and Information Technology services. The proposed budget also includes \$10,000 in 2019 and \$5000 in 2020 for professional consulting services to aid the department in its launch and early operations.

# Office of the Employee Ombud

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of the Employee Ombud Budget Summary Level</b>			
General Fund	0	563,598	561,905
<b>Total for BSL: PO-OM-V1OMB</b>	<b>0</b>	<b>563,598</b>	<b>561,905</b>

<b>Department Total</b>	<b>0</b>	<b>563,598</b>	<b>561,905</b>
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<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>3.00</b>	<b>3.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## Budget Summary by Fund for Ombud

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	0	563,598	561,905
<b>Budget Totals for OEO</b>	<b>0</b>	<b>563,598</b>	<b>561,905</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Office of the Employee Ombud Budget Summary Level

The purpose of the Office of Employee Ombud Budget Summary Level is to assist executive department employees in navigating the City's human resource and other processes relating to harassment or discrimination, and to provide recommendations to the Mayor and City Council on the City's policies and procedures relating to harassment, discrimination, and creating an inclusive workplace environment.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Office of the Employee Ombud	0	563,598	561,905
<b>Total</b>	<b>0</b>	<b>563,598</b>	<b>561,905</b>
Full-time Equivalents Total*	0.00	3.00	3.00

*\* 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.*



# Employees' Retirement System

Jeff Davis, Executive Director

(206) 386-1293

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

## Department Overview

The Seattle City Employees' Retirement System has two major functions: administration of retirement benefits and management of the assets of the Retirement Fund. Employee and employer contributions, as well as investment earnings, provide funding for the system. Approximately 9,150 active employee members, 2,350 terminated employee members and 6,400 retired employee members participate in the plan.

The provisions of the plan are set forth in [Chapter 4.36](#) of the Seattle Municipal Code. The plan is a "defined benefit plan" which means an employee's salary, years of service, and age at the time of retirement are used to determine the amount of retirement benefits. At retirement, members are given a choice of several payment options to collect their retirement benefit. The Retirement System is led by a seven-member Board of Administration and an Executive Director appointed by the Board.

Please note that the appropriations detailed in the following tables reflect only the costs to administer the system and do not reflect payment of retiree benefits. For additional details on retiree benefit payments, please visit the Retirement website: <http://www.seattle.gov/retirement/>

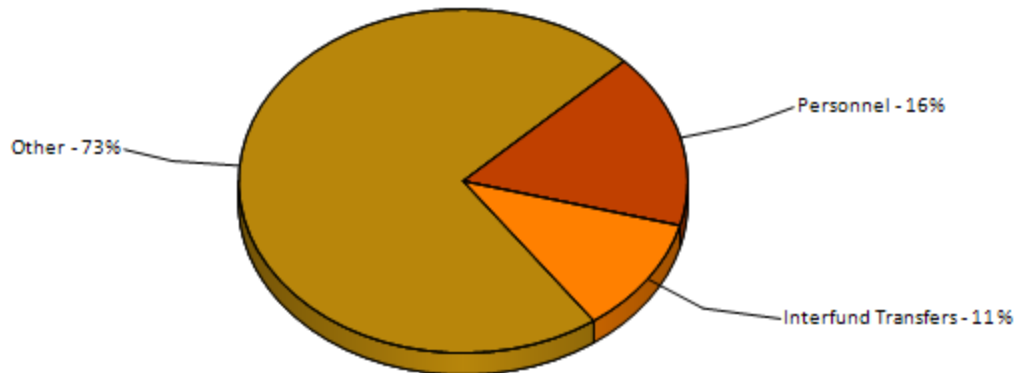
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$19,231,409	\$20,947,908	\$20,765,506
<b>Total Operations</b>	<b>\$19,231,409</b>	<b>\$20,947,908</b>	<b>\$20,765,506</b>
<b>Total Appropriations</b>	<b>\$19,231,409</b>	<b>\$20,947,908</b>	<b>\$20,765,506</b>
Full-time Equivalent Total*	21.00	23.00	23.00

*\* 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.*

# Employees' Retirement System

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The Seattle City Employees' Retirement System (SCERS) relies on the long-term health of its assets to sustain its long-term financial obligations to SCERS members. The long-term health of SCERS is measured by the annual January 1 funding status, a percentage that represents the value of the asset portfolio over the reserves needed to pay retirement benefits to employees.

In 2018, SCERS net assets are worth \$2.76 billion with a 69.9% funded status, an increase from 68.1% in 2017 and a low of 62% in 2010. Although significantly lower than the pre-recession (2008) peak funding percentage of 92%, SCERS funding status has increased steadily since 2010 due to changes SCERS has made to positively impact the funding status over the long-term.

### **Pension Plan for New Employees Hired On or After January 1, 2017**

The City began evaluating plan changes in 2012 to reduce the cost of the plan for employees and the City and thereby enhance SCERS' fiscal stability over the long run, while still maintaining an adequate retirement benefit for employees. In 2016, the City and labor unions agreed, and the Council approved, a new defined benefit plan (SCERS II) for new employees hired on or after January 1, 2017. SCERS II has a similar structure to the existing plan (SCERS I).

Under SCERS II, there is an estimated 3.8% combined savings for annual employer and employee contributions. Members of the new plan will contribute 7% of their salary toward their retirement benefit, compared to 10.03% under SCERS I. Given the lower contributions into the plan, the new SCERS II plan will provide a retirement benefit



# Employees' Retirement System

lower than the SCERS I plan, but consistent with the design of the current SCERS I plan. The SCERS II benefit will still provide City retirees with an adequate retirement income when combined with Social Security.

SCERS I and SCERS II have the following key differences:

## Monthly Pension Benefit Calculation

- SCERS I: 2.00% multiplied by total years of service multiplied by the final average salary during 24 consecutive months
- SCERS II: 1.75% multiplied by total years of service multiplied by the final average salary during 60 consecutive months

## Employee Contribution Rate

- SCERS I: 10.03% of salary
- SCERS II: 7.00% of salary

## 2019 Employer Contribution Rate

- SCERS I: 15.23% of salary
- SCERS II: 14.42% of salary

## Normal Retirement Age

- SCERS I: "Rule of 80" - lesser of 65 or when an employee's age plus service equals 80
- SCERS II: "Rule of 85" - lesser of 65 or when an employee's age plus service equals 85

## Minimum Retirement Age

- SCERS I: 52 years
- SCERS II: 55 years

## Additional Information

Employee Contributions: The plan's actuaries determine an "annual required contribution" (ARC) into SCERS so its assets grow in tandem with the pension costs rising as new employees join SCERS, wages increase, and retirees live longer. SCERS enhanced the plan in 2013 by revising its ARC calculation so SCERS will be fully funded after a fixed 30-year period beginning January 1, 2013 and ending January 1, 2043.

- SCERS I members (employees hired before January 1, 2017) contribute 10.03% of their salary into SCERS I, per City labor contract agreements. The City agrees to pay the remaining ARC beyond 10.03% for SCERS I members.
- SCERS II members (employees hired on or after January 1, 2017) contribute 7% of their salary into SCERS II, per City labor contract agreements. The City agrees to pay the remaining ARC beyond 7% for SCERS II members.

## 2019 Employer Contributions:

- SCERS I: The City will contribute 15.23% of salary for SCERS I members.
- SCERS II: The City will contribute 14.42% of salary for SCERS II members.

In 2020, the SCERS I contribution rate is expected to increase to 15.46%.

Investment Return Assumption: In January 2014, SCERS decreased its long-term investment return assumption from 7.75% to 7.50%. Effective January 2020, SCERS will decrease this assumption to 7.25% in anticipation

# Employees' Retirement System

of slower asset growth over the next 30 years. This assumption raises the ARC so the plan relies more on employee and employer contributions that are based on salaries, which are less volatile than the investment returns affected by portfolio experience and the economy.

Asset Smoothing: SCERS implemented an asset smoothing policy in 2011 to protect the funded status from volatile year-to-year swings by recognizing annual investment return gains and losses evenly over five years. This policy results in gradual changes in the ARC so the City's contribution is more stable.

## 2019-2020 Proposed Budget Changes

The proposed budget includes appropriation changes due to the following operational adjustments approved by the SCERS Board of Administration.

Investment Manager Fees: Investment manager fees are generally charged as a percentage of the size of the total investment portfolio. Recent strong performance increased the portfolio size. The 2018-2020 fees are expected to surpass \$10.3 million, the previous flat budgeted amount through 2018. Therefore, the \$1.63 million increase in 2019 represents two years of cumulative fee increases for 2018 (\$950,000) and 2019 (\$675,000). The \$2.34 million increase in the 2020 fees adds the expected 2020 incremental change (\$716,000).

The fee increases in 2019 and 2020 assume a 6% annual increase, tied directly to the assumed 6% return on the investment portfolio. If returns are lower than 6%, the fees paid will be proportionately lower. Likewise, if the returns are higher than 6%, the fees will be proportionately higher.

Staffing Changes and PAS: The proposed budget adds three new positions starting in 2019. Two positions are member services representatives in the SCERS office to enhance the overall customer service experience for members. The third position is an in-house systems technical expert to manage and maintain the new Pension Administrative System (PAS) which is complete in early 2019. The \$101,000 appropriation increase in 2019 and 2020 reflects only the last position since the customer service positions were piloted using temporary staffing in 2018 using existing budget authority.

The proposed budget also includes a reduction of \$427,000 in 2019 and \$997,000 in 2020 for PAS development costs as the PAS project reaches completion.

Technical Adjustments: The 2019-2020 Proposed Budget adds \$343,000 in 2019 and \$312,000 in 2020 to cover operational costs such as rent, supplies, and consulting fees.

Citywide Costs Allocations: Finally, the 2019-2020 Proposed Budget includes an increase of \$74,000 in 2019 and a decrease of \$222,000 in 2020 due to net allocation changes from the City's central services that support the Retirement Department. The 2020 decrease is driven primarily by costs allocated by the Seattle Department of Information and Technology (ITD) following the completion of PAS.

## Incremental Budget Changes

# Employees' Retirement System

## Employees' Retirement System

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 19,231,409</b>	<b>21.00</b>	<b>\$ 19,231,409</b>	<b>21.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 417,600	0.00	\$ 90,000	0.00
<b>Proposed Changes</b>				
Added Staff and Pension Administration System Adjustments	-\$ 326,316	2.00	-\$ 896,935	2.00
Investment Manager Fees	\$ 1,625,215	0.00	\$ 2,341,032	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,716,499</b>	<b>2.00</b>	<b>\$ 1,534,097</b>	<b>2.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 20,947,908</b>	<b>23.00</b>	<b>\$ 20,765,506</b>	<b>23.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$417,600

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process, plus, decrease in 2020 due to net allocation changes from the City's central services that support the Retirement Department. The 2020 decrease is driven primarily by costs allocated by the Seattle Department of Information and Technology (ITD) following the completion of the Pension Administration System.

### Proposed Changes

#### Added Staff and Pension Administration System Adjustments - (\$326,316)/2.00 FTE

The proposed budget adds two new positions starting in 2019. This adds one Member Services Representative in the SCERS office to enhance the overall customer service experience for members. The second position is an in-house systems technical expert to manage and maintain the new Pension Administrative System (PAS) which is complete in early 2019. The \$101,000 appropriation increase in 2019 and 2020 reflects only the last position since the customer service position were piloted using temporary staffing in 2018 using existing budget authority.

# Employees' Retirement System

The proposed budget also includes a reduction of \$427,000 in 2019 and \$997,000 in 2020 for PAS development costs as the PAS project reaches completion.

## Investment Manager Fees - \$1,625,215

This adjustment increases the budget for investment manager fees. The \$1.63 million increase in 2019 represents two years of cumulative fee increases for 2018 (\$950,000) and 2019 (\$675,000), and the \$2.34 million increase in the 2020 fees adds the expected 2020 incremental change (\$716,000).

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Employee Benefit Management Budget Summary Level</b>			
Employees' Retirement Fund	19,231,409	20,947,908	20,765,506
<b>Total for BSL: BO-RE-R1E00</b>	<b>19,231,409</b>	<b>20,947,908</b>	<b>20,765,506</b>

<b>Department Total</b>	<b>19,231,409</b>	<b>20,947,908</b>	<b>20,765,506</b>
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<b>Department Full-time Equivalents Total*</b>	<b>21.00</b>	<b>23.00</b>	<b>23.00</b>
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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.

## Budget Summary by Fund for Employees' Retirement

	2018 Adopted	2019 Proposed	2020 Proposed
61030 - Employees' Retirement Fund	19,231,409	20,947,908	20,765,506
<b>Budget Totals for RET</b>	<b>19,231,409</b>	<b>20,947,908</b>	<b>20,765,506</b>

# Employees' Retirement System

## Appropriations By Budget Summary Level (BSL) and Program

<b><u>Employee Benefit Management Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Employee Benefit Management	19,231,409	20,947,908	20,765,506
<b>Total</b>	<b>19,231,409</b>	<b>20,947,908</b>	<b>20,765,506</b>
Full-time Equivalents Total*	21.00	23.00	23.00

*\* 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.*



# Ethics and Elections Commission

Wayne Barnett, Executive Director

(206) 684-8500

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

## Department Overview

The Seattle Ethics and Elections Commission (SEEC) helps foster public confidence in the integrity of Seattle city government by providing education, training, and enforcement of the City's Ethics Code, Whistleblower Code, and lobbying regulations. It also promotes informed elections through education, training, and enforcement of the City's Elections Code and Election Pamphlet Code. With the passage of [Initiative 122](#) in November 2015, the Commission now administers and funds the Democracy Voucher Program.

The Commission's work on behalf of the City of Seattle centers around five main lines of business:

**Ethics Code:** The Commission conducts ethics training for all City of Seattle employees upon request and through the City's New Employee and New Supervisor Orientation programs. It also provides ethics training information for City employees via the City's intranet site. The Commission issues advisory opinions regarding interpretations of the Code of Ethics and also investigates and rules upon alleged violations of the Code. More than thirty years of formal advisory opinions, organized and searchable by topic, are available on the Commission's website.

**Whistleblower Code:** The Commission helps to protect an employee's right to report improper governmental action and to be free from retaliation as a result of such reporting. The Commission either investigates allegations of improper governmental actions itself or refers allegations to the appropriate agency.

**Elections Code and Election Pamphlets Code:** The Commission fulfills the public's mandate of full campaign disclosure by:

- training organizations required to report campaign contributions and expenditures in proper reporting procedures;
- auditing campaign reports;
- working with organizations to correct errors; and
- making all campaign finance information available to the public.

Since 1993, the Commission has made summary reports of campaign financing information available to the public, and since 1995, the Commission has published campaign financing information on its website. The Commission also produces voters' pamphlets for City elections and ballot measures. It makes these pamphlets available in several languages and produces a video voters' guide with King County.

**Lobbying Regulations:** The Commission is charged with administering the City's lobbying regulations. The Commission collects and posts information so that residents know who is lobbying and how much they are being paid to lobby. The Commission also enforces compliance with the lobbying regulations.

**Democracy Voucher Program:** The Commission administers the Democracy Voucher Program which was approved with the passage of I-122 in November 2015. The primary goal of the program is to provide \$100 in vouchers to eligible Seattle residents so that they can contribute to candidates for City office who qualify to participate in the program.

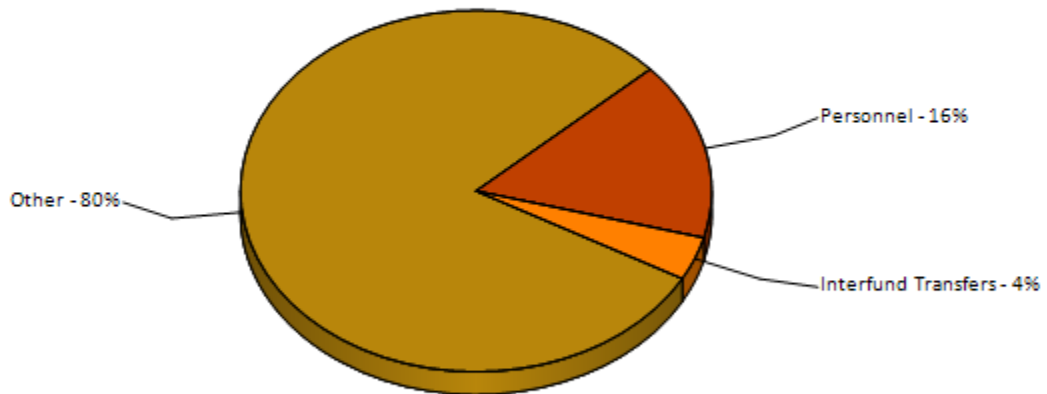
# Ethics and Elections Commission

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$758,669	\$1,010,671	\$1,025,770
Other Funding - Operating	\$708,503	\$5,456,062	\$714,172
<b>Total Operations</b>	<b>\$1,467,172</b>	<b>\$6,466,733</b>	<b>\$1,739,942</b>
<b>Total Appropriations</b>	<b>\$1,467,172</b>	<b>\$6,466,733</b>	<b>\$1,739,942</b>
Full-time Equivalent Total*	5.90	5.90	5.90

\* 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.

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The Seattle Ethics and Elections Commission's 2019-2020 Proposed Budget contains no changes, however a technical adjustment was made in the baseline phase of the budget to fund the bi-annual democracy voucher payments and mailings required for the 2019 elections.



# Ethics and Elections Commission

## Incremental Budget Changes

### Ethics and Elections Commission

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 1,467,172</b>	<b>5.90</b>	<b>\$ 1,467,172</b>	<b>5.90</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 256,561	0.00	\$ 272,770	0.00
Bi-Annual Adjustment for the Democracy Voucher Program	\$ 4,743,000	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 4,999,561</b>	<b>0.00</b>	<b>\$ 272,770</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 6,466,733</b>	<b>5.90</b>	<b>\$ 1,739,942</b>	<b>5.90</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$256,561**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Bi-Annual Adjustment for the Democracy Voucher Program - \$4,743,000**

This bi-annual adjustment funds the Democracy Voucher Program. The increases are for voucher payments to eligible candidates participating in the program, printing and mailing costs, and temporary labor costs. Most of this increase, \$4.2 million, is for the voucher payments. This budget varies significantly from year to year due to the fact that elections occur only in odd years. All seven city council districts positions will be on the ballot in 2019. The Democracy Voucher Program receives annual revenues of \$3 million and therefore will also use the fund balance accumulated in non-election years to fund a portion of the 2019 voucher payments.

## Ethics and Elections Commission

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Ethics and Elections Budget Summary Level</b>			
General Fund	758,669	1,010,671	1,025,770
<b>Total for BSL: BO-ET-V1T00</b>	<b>758,669</b>	<b>1,010,671</b>	<b>1,025,770</b>
<b>Democracy Vouchers Budget Summary Level</b>			
Election Vouchers Fund	708,503	5,456,062	714,172
<b>Total for BSL: BO-ET-VT123</b>	<b>708,503</b>	<b>5,456,062</b>	<b>714,172</b>
<b>Department Total</b>	<b>1,467,172</b>	<b>6,466,733</b>	<b>1,739,942</b>
<b>Department Full-time Equivalents Total*</b>	<b>5.90</b>	<b>5.90</b>	<b>5.90</b>

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

### Budget Summary by Fund for Ethics and Elections

	2018 Adopted	2019 Proposed	2020 Proposed
12300 - Election Vouchers Fund	708,503	5,456,062	714,172
00100 - General Fund	758,669	1,010,671	1,025,770
<b>Budget Totals for ETH</b>	<b>1,467,172</b>	<b>6,466,733</b>	<b>1,739,942</b>

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### Revenue Overview

#### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
411100	Real and Personal Property Tax	3,000,000	3,000,000	3,000,000
	<b>Total Taxes</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
379100	Real and Personal Property Tax	0	2,456,062	-2,285,828
	<b>Total Use of (contribution to) Fund Balance</b>	<b>0</b>	<b>2,456,062</b>	<b>-2,285,828</b>
<b>Total Resources</b>		<b>3,000,000</b>	<b>5,456,062</b>	<b>714,172</b>

# Ethics and Elections Commission

## Appropriations By Budget Summary Level (BSL) and Program

### Ethics and Elections Budget Summary Level

The purpose of the Ethics and Elections Budget Summary Level is to: 1) audit, investigate, and conduct hearings regarding non-compliance with, or violations of, Commission-administered ordinances; 2) advise all City officials and employees of their obligations under Commission-administered ordinances; and 3) publish and broadly distribute information about the City's ethical standards, City election campaigns, campaign financial disclosure statements, and lobbyist disclosure statements.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Ethics and Elections	758,669	1,010,671	1,025,770
<b>Total</b>	<b>758,669</b>	<b>1,010,671</b>	<b>1,025,770</b>
Full-time Equivalents Total*	4.90	4.90	4.90

\* 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.

### Democracy Vouchers Budget Summary Level

The purpose of the Democracy Vouchers Budget Summary Level is to pay costs associated with implementing, maintaining and funding a program for providing one hundred dollars in vouchers to eligible Seattle residents that they can contribute to candidates for City office who qualify to participate in the Democracy Voucher Program enacted by voters in November 2015.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Democracy Vouchers	708,503	5,456,062	714,172
<b>Total</b>	<b>708,503</b>	<b>5,456,062</b>	<b>714,172</b>
Full-time Equivalents Total*	1.00	1.00	1.00

\* 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.



# Department of Finance & Administrative Services

Calvin Goings, Director

(206) 386-0041

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

## Department Overview

The Department of Finance and Administrative Services (FAS), with approximately 600 employees represented by 16 different unions, has the most diverse set of responsibilities of any City department. In addition to the services FAS provides directly to its external customers, FAS also provides behind-the-scenes services to internal customers (all City departments), which support the work City departments do on the public's behalf. FAS's work can be broken into four categories, though there is much overlap among them.

### Customer Service

FAS is often the first stop for the public to interact with City government. This contact may come through the City's Customer Service Bureau, the Downtown Customer Service Center or the six customer service centers located throughout the city, or the Mobile Customer Service Center which launched in late 2016. Over the phone, online and in person, customers can get information, request services, pay bills, resolve problems and voice opinions. FAS supports the City's compliance with the Washington state Public Records Act by providing Citywide coordination and guidance on public disclosure and by helping customers clarify requests so they receive the information they are seeking from FAS or from other departments. These functions support transparency in City work. In addition, FAS oversees the City's efforts to comply with Title II of the Americans with Disabilities Act. Finally, through the Seattle Animal Shelter, FAS advocates for animal welfare, reunites lost animals with their owners and finds suitable owners to adopt homeless animals.

### Regulation and Oversight

FAS ensures that all businesses operating in Seattle are properly licensed and paying required business and occupation taxes. FAS issues regulatory licenses for certain businesses types - including taxis, transportation network company and for-hire vehicles, adult entertainment venues, door-to-door salespeople, recreational marijuana establishments and trade shows - and enforces requirements related to those licenses. FAS also monitors certain types of businesses to increase consumer safety and ensure proper charges for services. This includes setting rate caps for private property tows, as well as ensuring that consumers are not overcharged due to an inaccurate device, such as a gas pump or a supermarket scanner or scale. As the central coordinator for City contracting, FAS establishes policies and procedures to ensure fair competition for City-funded construction projects and oversees programs to ensure everyone in the community has equal access to jobs and opportunities involving those projects. As part of these efforts, FAS administers the City's Priority Hire program to increase employment within the construction trades among women, people of color and/or those living in economically distressed ZIP codes. FAS also enforces animal-related ordinances, including the investigation of animal cruelty, neglect and abuse.

### Financial Services

FAS's City Finance Division (CFD) prioritizes sustained fiscal health for the City in balance with the goals set forth by the Mayor and the City Council. CFD accomplishes this by providing Citywide financial direction and cohesive

## Department of Finance & Administrative Services

policies to City departments. In addition, CFD manages the City's bond issuance and internal loan programs, administers City-levied taxes, oversees the City's retirement boards, invests City funds and issues reports on City financial activity. CFD ensures that City revenues are collected and that vendors and City employees are paid properly in a timely manner. As a partner with the City's Law Department, CFD administers the payment of claims and judgments for damages against the City. CFD oversees City financial systems and partners with the Seattle Department of Human Resources to oversee the City's human resources system.

### Operational Services

FAS designs, builds and maintains most City-owned buildings, including Seattle City Hall, the Seattle Municipal Tower, the Justice Center, the Joint Training Facility, 33 neighborhood fire stations and five police stations. When departments need to acquire property or when the City no longer has a purpose for property, FAS is responsible for managing the acquisition or disposition of the property. FAS also maintains the City's vehicle fleet, which includes police patrol cars, fire engines and heavy equipment. FAS also negotiates purchasing contracts on behalf of all City departments and establishes purchasing guidelines for departments.

FAS's budget is split into the following eight functional areas:

- Capital Development and Construction Management (CDCM), which plans, designs and constructs accessible City facilities and spaces that are fiscally responsible, operationally sound and environmentally sustainable. CDCM's services include master use and facilities planning, new facility design and construction, building infrastructure, office buildout and renovations, ADA compliance and space planning.
- Purchasing and Contracting, which manages rules, bids and contracts for products, supplies, equipment and services; maintains guidelines and procedures for consultant contracting; and administers public works contracting to ensure that all City departments adhere to the City's policy goals related to social equity and environmental stewardship.
- Facility Operations, which manages more than 105 public buildings and facilities covering 3 million square feet, including office space, parking garages, police and fire stations, community facilities and maintenance shops; procures leased space for City tenants when needed; plans and acquires new and expanded City facilities; and disposes of surplus City property.
- City Finance, which receives City revenue and provides Citywide financial services such as debt management, treasury, City investments, Citywide accounting, business licensing and tax administration, and risk management, which includes claims settlements. City Finance also provides financial oversight of the Central Waterfront Improvement Fund, which funds the approximately \$700 million Waterfront Seattle project.
- Fleet Management, which buys and provides maintenance, motor pool and fueling services for more than 4,150 vehicles and heavy equipment while supporting environmentally sustainable fleet goals and practices as well as City climate goals.
- Regulatory Compliance and Consumer Protection, which provides a variety of regulatory services, such as overseeing Seattle's taxicab, transportation network company and for-hire vehicle industry, and consumer protection services, such as the Weights and Measures program.
- Seattle Animal Shelter, which promotes public safety and animal welfare, enforces Seattle's laws regarding animals, runs animal sheltering and adoption programs, and manages a spay and neuter clinic, caring for more than 5,500 animals a year, from dogs and cats to chickens and goats.
- Office of Constituent Services, which provides the customer service interface for the City's constituents through the Customer Service Bureau and at seven customer service centers, responding to more than 230,000 constituent contacts each year in addition to overseeing ADA Title II and Washington state Public Records Act compliance.

Internal service operations in FAS are primarily supported through charges to City departments and, in some cases, such as when the City leases space, by private businesses or individuals. FAS also collects certain fees specifically to pay for its services, such as the Seattle Animal Shelter Spay and Neuter Clinic, pet licensing, the Weights and

# Department of Finance & Administrative Services

Measures program and for-hire driver licenses. Finally, the General Fund supports certain FAS services, including administration of the City's taxes and business licensing services.

## Organizational Structure

In 2018 the City transitioned to a new financial-management system, PeopleSoft 9.2. One of the financial-policy updates under the new system is that every City function must be assigned to a department and a fund. Beginning in 2018, several budgetary units are housed within the FAS organizational structure, although this change does not affect department organization, staffing or service provision. Those units are:

- Judgment and Claims, which provides for the payment of legal claims and suits brought against the City government.
- Jail Services, which provides for the booking, housing, transporting and guarding of City inmates (these inmates are adults charged with or convicted of misdemeanor crimes alleged to have been committed within city limits).
- Indigent Defense Services, which secures legal defense services, as required by state law, for indigent people facing criminal charges in Seattle Municipal Court.
- Transit Benefits, which pays for the transit benefits offered to City employees.

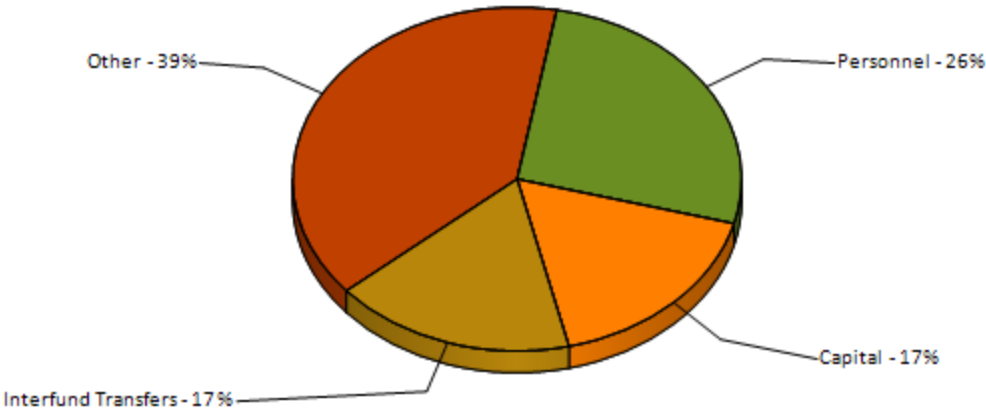
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$36,169,460	\$13,893,672	\$12,906,646
Other Funding - Operating	\$170,316,808	\$256,275,752	\$262,749,443
<b>Total Operations</b>	<b>\$206,486,268</b>	<b>\$270,169,424</b>	<b>\$275,656,089</b>
Other funding - Capital	\$52,456,929	\$28,822,361	\$19,116,131
<b>Total Appropriations</b>	<b>\$258,943,196</b>	<b>\$298,991,785</b>	<b>\$294,772,220</b>
Full-time Equivalent Total*	632.50	595.00	595.00

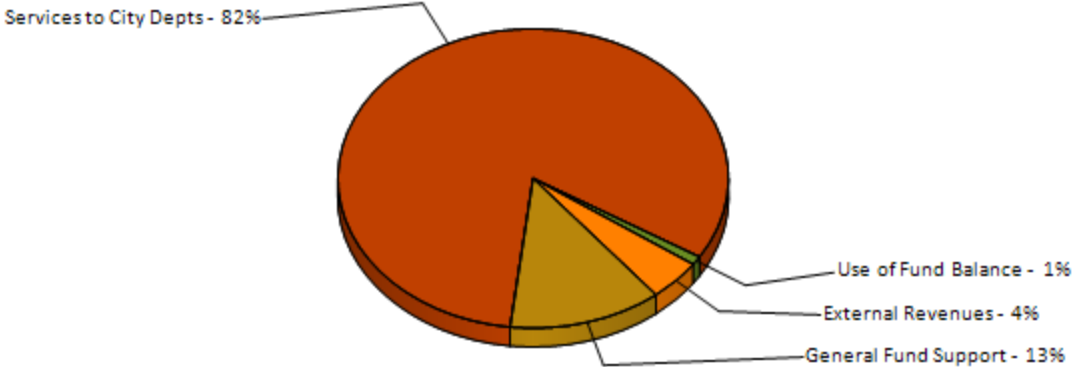
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

**Department of Finance & Administrative Services**

**2019 Proposed Budget - Expenditure by Category**



**2019 Proposed Budget - Revenue by Category**





# Department of Finance & Administrative Services

## Budget Overview

As an internal services department, the Department of Finance and Administrative Services (FAS) bills many of its functions to other City departments through central rates and allocations in exchange for services provided. For example, FAS supports all City departments through its fleets, facilities, customer service, finance, contracting and purchasing functions. FAS also performs general government functions, like business licensing and tax collection, consumer protection, parking meter collections, and operation of the Seattle Animal Shelter, which are supported by the General Fund. With the implementation of the PeopleSoft 9.2 financial management system in 2018, these General Fund expenditures are now funded directly in the General Fund instead of going through the FAS Fund.

With Mayor Durkan's guidance, FAS sought to find efficiencies wherever possible in the 2019-2020 Proposed Budget while limiting new investments to those that would support more streamlined and cost-effective business processes in the future. When FAS can constrain the costs it incurs, other City departments benefit through lower central rates and the City as an entity has incremental resources for initiatives and programs that benefit the public. Revenue increases to FAS have the same effect of lowering central rates. One benefit of PeopleSoft 9.2 is that it enables FAS to better analyze the fees it charges, ensuring that they are in alignment with services provided. FAS's proposed budget includes both cost reductions and revenue increases. It also adds funding for key information technology investments and for increased use of biodiesel by the City fleet, which supports both City climate goals and Mayor Durkan's goal of a fossil fuel-free fleet by 2030.

The budget eliminates positions that FAS has determined are no longer needed due to updated City priorities and it adds positions to support critical functions. For instance, new resources will help fulfill PeopleSoft 9.2's capacity both to transform the Citywide financial management services FAS provides and to improve direct support of departments' budgetary needs. The budget also recognizes FAS's role in supporting important public-facing initiatives like the Citywide response to homelessness and the development of Waterfront Seattle.

Some of the budget additions listed above are offset by a combination of operating efficiencies and increased revenues to avoid unnecessary rate increases to departments and to minimize General Fund impacts. For instance, the proposed budget increases fees for some regulatory licenses based on an analysis of the City's cost of staffing and performing the regulatory function.

### **Reducing the City Fleet to Support Climate Goals and Save Taxpayers Money**

In April 2018, Mayor Durkan issued [Executive Order 2018-02](#), directing City departments to accelerate a transition to a clean and green City Fleet and committing the City to a goal of achieving a fossil-fuel-free fleet by 2030. The City had previously set a goal of halving the aggregate greenhouse gas emissions of City vehicles by 2030. Mayor Durkan's most recent climate-focused Executive Order, issued in September 2018 along with the budget, directs FAS to work with other City departments to reduce both the number of fleet vehicles they own and maintain and the level of workday travel they conduct in single-occupancy vehicles. Vehicles that directly support emergency-response functions will be exempt from any cut targets. In addition, the Mayor directed departments to look for new ways of doing business that would support fleet reductions, such as building cross-divisional partnerships in which vehicles could be a shared resource. FAS Fleet Management will coordinate departments' work and lend technical and analytical support where needed, including working closely with departments in early 2019 to reevaluate the fuel budgets that result from a leaner fleet. Fleet Management will deliver an update to the City Green Fleet Action Plan at the end of 2018, and this report will include each department's operational plan for carrying out its initial fleet reduction. Budget reductions, both one-time and ongoing, will be included in the 2020 Proposed Budget.

For diesel vehicles that must remain in service to support necessary City operations, the use of renewable biodiesel fuel is a cost-effective way to significantly reduce greenhouse gas emissions, as biodiesel reduces these emissions by 50% compared to diesel. The 2019-2020 Proposed Budget includes funding for FAS to transition to increased use of this fuel type across City vehicles.

## Department of Finance & Administrative Services

The 2019-2024 Proposed Capital Improvement Program includes funding in FAS for accelerated investment in electric-vehicle (EV) infrastructure. More types of EVs are anticipated to become available over the next few years, and the City will evaluate their feasibility for inclusion in the City fleet. Biodiesel is already available and has known benefits. FAS will continue to balance current opportunities with a longer strategic perspective as it makes progress towards meeting climate goals.

### **Setting Staffing Levels that Align with Needs**

New City regulations for the rapidly growing short-term rental (STR) market, which were developed to ensure the safety of customers while protecting the availability of housing units for long-term residents, will take effect on January 1, 2019. FAS's Regulatory Compliance and Consumer Protection Division (RCCP), which will administer the regulations and investigate any reported violations, will add resources for a new License and Standards Inspector position to perform this body of work. The costs for the position will be funded by a per-night fee charged to the software platforms that connect STR hosts with STR customers. Organizationally, RCCP will implement a new reporting structure that will result in a budget reduction while improving supervisory span of control. FAS will eliminate vacant positions and funding in RCCP that are no longer needed for current and planned regulatory programs. Because legislation passed by the state in 2018 limited the scope of the City STR program, FAS's City Finance Division is also able to eliminate vacant positions and related funding. These positions and the associated funding had been approved for the 2018 budget, but will no longer be needed. Tax administration and business licensing needs are responsive to new City priorities and opportunities as well as to events that take place on the state and federal level, and FAS's budget reflects the current resource needs.

### **Working Efficiently and Effectively**

In the proposed budget, FAS has found ways to creatively share resources across its divisions, recognizing opportunities to do work more efficiently as a department. Two new term-limited temporary positions will respond to the department's needs for coordinated outreach to taxpayers and those subject to City-administered fees and for a dedicated rulemaking and policy development resource. Rulemaking is the process of making specific, clear and public what requirements apply to whom when legislation is passed or updated, and due to the many City functions that FAS administers, a dedicated resource will have broad benefit. Because this approach to resource-sharing is new, these positions are added as two-year term-limited temporary positions while FAS monitors the ongoing workload across divisions and work units.

In July 2018, FAS's Emergency Homelessness Response responsibilities, and the positions and related funding that support them, were transferred to the Human Services Department (HSD). Because many City departments have a role in this work, their approach to operations and strategy is collaborative and prioritizes efficiency, and the funding for contracted work done in support of the Citywide Navigation Team remains in FAS. (Please see the HSD section of this proposed budget for a description of the Navigation Team.) Another element of the City's response to homelessness is the removal and disposal of dilapidated and unsafe abandoned vehicles that are obstructing City rights-of-way, and the proposed budget adds additional funding to meet the identified need.

### **Committing to a Powerful New Financial-Management System**

As the complexity of the City's operations increases, it needs to add resources to maintain operations. The same is true of the complexity of its systems. Due to the requirements of the PeopleSoft 9.2 implementation, FAS analyzed its ongoing needs to support the financial, budgetary, and transactional needs of City departments, and this budget adds positions and funding to meet the new work standard. The proposed budget adds accounting support resources to FAS's internal accounting group and to the group that provides accounting support to small departments to respond to more complex data reconciliation, financial management and reporting requirements.

The precision of revenue and expenditure tracking requirements in PeopleSoft 9.2 also has ramifications for FAS staff in City Purchasing and Contracting Services (CPCS). To support the additional workload associated with the

## Department of Finance & Administrative Services

change, the proposed budget adds a position in CPCS to support City staff in meeting expanded purchasing requirements in PeopleSoft 9.2 related to requisitions, purchase orders, suppliers and procurement contracts.

Small City departments rely on FAS Accounting and Budget Services (ABS) for technical budget and accounting assistance, research, reporting, policy and compliance guidance and other functions. The 2019-2020 Proposed Budget adds accounting staff who will directly perform work in PeopleSoft 9.2 on behalf of small departments and a position who will partner with staff in small departments to develop and execute programs and training that build their capacity and serve as a technical resource to them as they build, change and monitor their budgets. An alternate approach to the staffing level proposed here would have been to add resources in each small department that needed them, but keeping this staff in FAS ABS has benefits in terms of both its lower cost and the ability for the City to develop and maintain an institutional knowledge base.

### **Making Meaningful Information Technology Investments**

The 2016 centralization of City information technology resources in the Seattle Department of Information Technology has led to the identification of systems throughout the City that are inefficient, out of date, or that do not share information with other related systems. FAS, like all departments, worked with Seattle IT to identify critical needs as a part of its budget-development process, and these are funded in the 2019-2020 Proposed Budget. Those needs include a new budget system that is compatible with PeopleSoft 9.2 and a new system to support information-management needs at the Seattle Animal Shelter, which will improve customer-facing functionality and is anticipated to generate incremental revenues. In 2019, FAS will also evaluate the City's needs related to the processing of credit card payments for City fees and services and implement a new systems interface in the City Contracting and Purchasing Services (CPCS) Division that will lead to an efficiency gain, freeing CPCS staff time to focus on other work priorities. Seattle IT and FAS will also work together to assess FAS's current capital projects information management system and recommend whether to replace it in 2020 with a new system. In 2020, FAS will replace the system that City Risk Management uses to track the status of claims against the City with one that has improved tracking and reporting abilities. FAS expects that Risk Management will recognize an efficiency benefit from the new system.

### **Supporting Facilities and Services that Benefit Seattle**

As it has in the past, FAS is using the budget process to adjust expenses for the Waterfront Seattle project via the Central Waterfront Improvement Fund. In May 2018, a special benefit study was completed and City Council passed [Resolution 31812](#) declaring its intent to form the Waterfront Local Improvement District (LID). Following public hearings held in July 2018, the Council will consider an ordinance to form the LID. If the ordinance is passed by Council, an independent real estate appraiser will develop the final special benefit study and determine final assessment amounts in 2019.

FAS also administers the Wheelchair Accessible Services (WAS) fund, a special revenue fund created by the City Council in 2015. This fund is funded by a per-ride surcharge on taxi and for-hire trips. It disburses proceeds to taxi and for-hire drivers to equip their vehicles for the ease and comfort of those requiring wheelchairs. The proposed budget adds a position to review, process, coordinate, report and monitor the disbursement requests and payments of WAS funds.

In addition, the proposed budget includes funding for ongoing maintenance expenses at Fort Lawton. In 2016 the City executed a five-year lease agreement with the Secretary of the Army while the City explores options to redevelop Fort Lawton. While the City holds the lease, it incurs costs related to grounds maintenance, utilities, security and building maintenance. FAS administers the lease and pays these costs, which are reimbursed by the Office of Housing and the Department of Parks and Recreation.

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## Meeting the Obligations of a Growing City

As with the Fort Lawton agreement, FAS administers other leases of non-City owned properties on behalf of City departments that have space requirements beyond what City-owned facilities can provide. Costs for these leases typically increase on an annual basis.

In recent years, costs to the City for outside legal expertise and for the costs of settling claims have been increasing. Included with the proposed budget is proposed legislation that outlines a new approach for forecasting the cost of these claims. The proposed budget includes a funding increment for Judgment and Claims that is in line with the legislation.

## Incremental Budget Changes

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	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 305,460,135</b>	<b>632.50</b>	<b>\$ 305,460,135</b>	<b>632.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,590,561	1.00	-\$ 321,368	1.00
<b>Proposed Changes</b>				
Remove Vacant Positions	\$ 0	-2.00	\$ 0	-2.00
Staffing that Supports Operational Efficiencies	-\$ 451,422	-1.00	-\$ 451,423	-1.00
Strategic Reorganization in City Finance Division	-\$ 930,702	-4.00	-\$ 930,702	-4.00
Support for Outreach and Rulemaking Needs	\$ 296,008	0.00	\$ 394,080	0.00
Alignment of Staffing with Accounting-Support Needs	\$ 867,813	5.00	\$ 850,319	5.00
Short Term Rental Regulatory Program	\$ 115,000	0.00	\$ 115,001	0.00
Administration of Wheelchair Accessible Services Fund	\$ 99,367	1.00	\$ 96,396	1.00
Advancement of Green Fleet Seattle Initiatives	\$ 225,000	0.00	\$ 905,000	0.00
Information Technology System Investments	\$ 836,360	0.00	\$ 319,836	0.00
Funding that Supports Interdepartmental Work for a Clean and Safe City	\$ 855,000	0.00	\$ 946,000	0.00
Increased Costs for Judgment and Claims Settlements	\$ 5,000,000	0.00	\$ 6,600,000	0.00
Increased Costs in Facility Operations Division	\$ 2,873,804	0.00	\$ 3,046,774	0.00
Administration of Waterfront Redevelopment Local Improvement District	\$ 80,415	0.00	-\$ 1,529,585	0.00
Transfer of Funding from Jail Services to Indigent Defense	\$ 0	0.00	\$ 0	0.00
Technical Adjustment for Staffing Realignment	-\$ 490,389	-31.00	-\$ 519,808	-31.00
Technical Adjustment for Redistribution of Indirect Costs	-\$ 393,303	0.00	\$ 145,318	0.00

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Transfer of Navigation Team Positions to Human Services Department	\$ 0	-6.50	\$ 0	-6.50
Other Technical Adjustments	\$ 306,574	0.00	\$ 522,017	0.00
Debt Service Adjustments	-\$ 120,921	0.00	-\$ 3,478,963	0.00
<b>Capital Changes</b>				
Technical Adjustment for Alignment with 2019-2024 Capital Improvement Program	-\$ 17,201,568	0.00	-\$ 17,370,798	0.00
<b>Proposed Technical Changes</b>				
Reduce Fuel Budget	-\$ 25,947	0.00	-\$ 26,009	0.00
<b>Total Incremental Changes</b>	<b>-\$ 6,468,350</b>	<b>-37.50</b>	<b>-\$ 10,687,915</b>	<b>-37.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 298,991,785</b>	<b>595.00</b>	<b>\$ 294,772,220</b>	<b>595.00</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$1,590,561/1.00 FTE**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. In 2019, this adjustment also includes a one-time true-up of Seattle Department of Information Technology rates charged to FAS to reconcile the rates in the 2018 Endorsed Budget with the higher rates in the 2018 Adopted Budget.

This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget. This item also includes a Strategic Advisor 3 position that was added to FAS's Citywide Accounting unit during the baseline process. The new position will work on policies and business processes that relate to Citywide financial management.

#### Proposed Changes

##### **Remove Vacant Positions/(2.00) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, the department reviewed vacant positions and has removed three unfunded positions (2.0 FTE), in addition to the reductions it had previously identified as having budgetary impact and which are described below. The positions are an 0.5 FTE Licenses and Standards Inspector, an 0.5 FTE Management Systems Analyst, and a 1.0 FTE Senior Contract Analyst. These vacancy reductions will not impact delivery of core services.

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### **Staffing that Supports Operational Efficiencies - (\$451,422)/(1.00) FTE**

This adjustment incorporates various efficiency measures in the Regulatory Compliance and Consumer Protection (RCCP) division, which are anticipated to have minimal service impact to customers. RCCP will underfill a manager position with a supervisory position and will remove funding for a Licenses and Standards position, with that work to be absorbed across the division's other inspectors. FAS will retain the position for flexibility in case regulatory revenues increase. It also removes funding for a Strategic Advisor 2 rulemaking position based on the department's determination that RCCP and the City Finance Division can share a rulemaking resource, as described below. Finally, the adjustment includes the elimination of an Assistant Capital Planning Coordinator position in Capital Development and Construction Management.

### **Strategic Reorganization in City Finance Division - (\$930,702)/(4.00) FTE**

FAS's City Finance Division periodically reevaluates its staffing needs based on the City's priorities and goals with respect to revenue collection and tax administration, and it is able to abrogate a Management Systems Analyst position and remove funding for a Tax Auditor and a Senior Tax Auditor position in the Tax Administration unit with limited anticipated impact to its audit capability. Both positions are currently vacant. This adjustment also includes the abrogation of three positions and funding for a system, all of which were included in the 2018 Adopted Budget for the administration of a then-planned City tax on short term rental units. That tax was not implemented, so the positions are not needed, and the 2018 3rd Quarter Supplemental Budget Ordinance abandoned the 2018 appropriation associated with them.

### **Support for Outreach and Rulemaking Needs - \$296,008**

This adjustment adds funding for two bodies of work, outreach and rulemaking, that exist in both in FAS's City Finance Division and in its Regulatory Compliance and Consumer Protection (RCCP) Division. Outreach encompasses communication with those who are subject to a revenue initiative or regulation, and rulemaking is the process of developing guidelines that delineate the City's specific execution of the initiative or regulation. Currently, various staff across the two divisions collectively perform the work, and it is anticipated that FAS will achieve efficiencies with the new approach. This adjustment adds funding to support two two-year term-limited temporary positions. FAS will monitor its divisions' ongoing staffing requirements.

### **Alignment of Staffing with Accounting-Support Needs - \$867,813/5.00 FTE**

This adjustment adds the staff and funding that FAS needs to meet the requirements of the new PeopleSoft 9.2 financial management system, which is more robust and more complex than its predecessor. It includes a Senior Accountant, a Principal Accountant and a Strategic Advisor 2 in Accounting and Budgeting Services; a Strategic Advisor 1 in City Purchasing and Contracting Services (CPCS); and a Senior Accountant in Citywide Accounting. It also includes funding for a two-year term-limited Assistant Capital Projects Coordinator in CPCS. This will allow FAS to meet the increased workload and reporting needs for the new standardized financial and accounting practices.

### **Short Term Rental Regulatory Program - \$115,000**

In the 2018 Adopted Budget, the City Council added positions to support City regulation of short-term rentals. These regulations will be effective on January 1, 2019. Funding for a Licenses and Standards Inspector position will support work with other City departments and FAS work units, ensuring that short-term rental operators are in compliance with regulations and to investigate any reports to the contrary.

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### **Administration of Wheelchair Accessible Services Fund - \$99,367/1.00 FTE**

This adjustment adds an Accounting Technician III position dedicated to the management and disbursement of Wheelchair Accessible Services funds to drivers of these vehicles, ensuring that they have resources to provision their vehicles for riders who use wheelchairs. The number of reimbursements has increased since this fund was created in 2014, and FAS did not receive staffing to manage the workload.

### **Advancement of Green Fleet Seattle Initiatives - \$225,000**

This funding will support increased incremental per-gallon costs for renewable biodiesel fuel compared to traditional biodiesel. More use of biodiesel by City Fleet vehicles is consistent with established City emissions-reduction and fleet-electrification goals, which are detailed in [Executive Order 2018-02](#). A progress report towards those goals, and implementation plans for departments to reduce the number of fleet vehicles they own, will be included in the updated Green Fleet Action Plan in late 2018.

### **Information Technology System Investments - \$836,360**

The City of Seattle centralized information technology management in 2016 in a new department called the Seattle Department of Information Technology (Seattle IT). Seattle IT supports departments through strategic support and prioritization of their information technology projects, and it also provides project management and ongoing maintenance. This adjustment includes several IT projects the budgets and scopes for which Seattle IT worked with FAS to develop. Among FAS's 2019 projects are the implementation of a new budget system, an updated system to support the operations of the Seattle Animal Shelter, custom software development that will lead to more efficient data management in City Purchasing and Contracting Services and an assessment of FAS' current capital projects information management system.

### **Funding that Supports Interdepartmental Work for a Clean and Safe City - \$855,000**

The Human Services Department (HSD) houses the positions and related funding for homelessness services, including the Citywide Navigation Team. FAS manages two contracts that are related to HSD's work, and this adjustment includes cost increases for those contracts. The City's RV Remediation Pilot addresses the need for disposal of an increasing number of abandoned recreational vehicles that are too contaminated to be auctioned, and FAS contracts with a towing service that performs that work. In addition, the adjustment provides the funding for contracted encampment cleanup services that the expansion of the Navigation Team will require. (Please see the HSD section of this proposed budget for information about the expansion of the Navigation Team.)

### **Increased Costs for Judgment and Claims Settlements - \$5,000,000**

Starting in 2016, the Judgment and Claims (JC) fund expenditures have been showing a higher trend in the settlement and judgments in tort cases and the use of outside counsel. This trend continues through 2018 and is expected to remain high in 2019 and 2020. A Statement of Legislative Intent for the 2018 Adopted Budget requested the City Budget Office to convene a work group to review the JC policies adopted in Resolution 30386. A new Resolution with revised policies is part of the 2019-2020 Proposed Budget legislation package. The increase in budget for JC in 2019 and 2020 ramps up the appropriation based on the actuarial reports beginning with a 50% confidence level of meeting actual expenditures in 2019, a 60% confidence level in 2020 and increases of 10% each year that achieve 90% by 2023.

### **Increased Costs in Facility Operations Division - \$2,873,804**

This adjustment includes cost increases for various leased spaces, external to City-owned property, that City departments use to conduct business operations. FAS manages and pays these lease costs on behalf of departments that do not themselves have dedicated real estate staff. One such leased facility is the Fort Lawton

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Army Reserve Center, and the adjustment also includes ongoing maintenance costs for that property. The adjustment also includes calculated 2019 and 2020 utility-cost increases across FAS-managed facilities.

### **Administration of Waterfront Redevelopment Local Improvement District - \$80,415**

The 2019-2020 Proposed Budget adjusts administrative expenses associated with the implementation of the Central Waterfront Local Improvement District (LID). Overall the amount of funding dedicated to administering the LID remains the same at \$8.3 million, but the budget shifts expenses between years. The 2019 budget increases funding for the independent real estate appraiser to develop the final assessments in the final special benefit study. The 2019 budget also increases funding for consultant support to manage the constituent engagement and public hearing process, notifications and mailings, hearing examiner costs and legal and other administration expenses. The 2020 budget reflects a reduced need for administrative staffing.

### **Transfer of Funding from Jail Services to Indigent Defense**

The 2019-2020 budget proposed by King County Department of Public Defense (KC DPD), covering the City's contract for public defense of the indigent population, increases more than inflation due to higher retirement costs and an increase in central services. An additional \$1.2 million is needed to fund the KC DPD increase.

At the same time, the City's jail population has declined by nearly 40% from 2015 through the second quarter of 2018. Inflationary increases were not appropriated to the Jail Services baseline in 2018 or 2019 given the declining population. The average daily population (ADP) assumption is at or below the ADP bed floor of 200 in 2019 and 187 in 2020. This is the minimum Seattle will need to pay King County whether the beds are used or not.

To fund the increased cost of indigent defense services, the proposed budget transfers \$1.2 million from jail services to indigent defense.

### **Technical Adjustment for Staffing Realignment - (\$490,389)/(31.00) FTE**

This adjustment removes 31 sunset positions that had been supporting FAS staff through the transition from the PeopleSoft 8.8 accounting system to the new 9.2 version of this software. The transition had significant impacts on the FAS budget and how it is managed and monitored. This work will be completed in 2018 and the positions and their remaining funding are not needed. Also included here are budget-neutral adjustments that move positions and their funding between FAS divisions and the removal of the sunset date of three positions loaned to the FileLocal Agency, making them permanent.

### **Technical Adjustment for Redistribution of Indirect Costs - (\$393,303)**

This adjustment redistributes FAS indirect costs and cost recovery based on the net changes in the 2019-2020 Proposed budget.

### **Transfer of Navigation Team Positions to Human Services Department/(6.50) FTE**

This adjustment permanently transfers to the Human Services Department the positions that moved to that department, along with their funding, earlier in 2018.

### **Other Technical Adjustments - \$306,574**

In proposing their budgets, City departments make assumptions about the average percentage of the year any given position is vacant, for instance when an employee retires or resigns and a recruitment process must take place. FAS found that its historical vacancy assumption was, on average, lower than actual position vacancy rates.



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Increasing the assumption allows FAS to make this incremental budget reduction on an ongoing basis and advances the Mayor's interest in achieving efficiencies by aligning budgets with projected costs.

### **Debt Service Adjustments - (\$120,921)**

FAS pays the debt service costs for several Citywide projects and facilities. This adjustment reflects debt service changes in multiple programs within FAS. Debt service changes for new information technology projects are included in the aggregate cost for those projects, which is referenced above.

### **Capital Changes**

#### **Technical Adjustment for Alignment with 2019-2024 Capital Improvement Program - (\$17,201,568)**

This one-time Capital Improvement Program (CIP) technical adjustment aligns the budget with the 2019-2024 CIP. Funding is from various sources, generally from Real Estate Excise Tax (REET 1) revenues and bond proceeds. Key changes in the proposed CIP for 2019 and 2020 address climate and energy-conservation goals and asset-preservation priorities, particularly those that concern health and safety. This adjustment also includes funding for a new project in FAS to replace the chiller plant, which cools the Seattle Municipal Tower and, at 30 years old, has reached the end of its useful life expectancy. The total project cost for this multi-year project will be \$18.5 million, excluding \$1 million of Asset Preservation funding that will be expended in 2018. For information about all of the components of this adjustment, please see the 2019-2024 Proposed Capital Improvement Plan.

### **Proposed Technical Changes**

#### **Reduce Fuel Budget - (\$25,947)**

Responsive to a request from the Mayor, the department analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was \$25,947, a 15% reduction in its fuel budget to better align with projected costs. This reduction will not affect the department's ability to maintain business operations.

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## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>FAS Project Delivery Services Budget Summary Level</b>			
Finance and Administrative Services Fund (50300)	3,500,000	3,500,000	3,500,000
<b>Total for BSL: BC-FA-A1GMPDS</b>	<b>3,500,000</b>	<b>3,500,000</b>	<b>3,500,000</b>
<b>Information Technology Budget Summary Level</b>			
2018 Multipurpose LTGO Bond Fund	8,248,001	0	0
2019 Multipurpose LTGO Bond Fund	0	1,333,000	0
2020 Multipurpose LTGO Bond Fund	0	0	1,970,000
Finance and Administrative Services Fund (50300)	6,897,000	0	0
<b>Total for BSL: BC-FA-A1IT</b>	<b>15,145,001</b>	<b>1,333,000</b>	<b>1,970,000</b>
<b>Summit Re-Implementation Department Capital Needs Budget Summary Level</b>			
2018 Multipurpose LTGO Bond Fund	1,238,884	0	0
<b>Total for BSL: BC-FA-A1IT1</b>	<b>1,238,884</b>	<b>0</b>	<b>0</b>
<b>Garden of Remembrance Budget Summary Level</b>			
Unrestricted Cumulative Reserve Fund	27,675	28,394	29,218
<b>Total for BSL: BC-FA-A51647</b>	<b>27,675</b>	<b>28,394</b>	<b>29,218</b>
<b>ADA Improvements Budget Summary Level</b>			
REET I Capital Projects Fund	200,000	750,000	750,000
<b>Total for BSL: BC-FA-ADAIMPR</b>	<b>200,000</b>	<b>750,000</b>	<b>750,000</b>
<b>Asset Preservation - Schedule 1 Facilities Budget Summary Level</b>			
2020 Multipurpose LTGO Bond Fund	0	0	11,000,000
Facility Asset Preservation Fund	2,152,000	2,152,000	2,152,000
REET I Capital Projects Fund	2,000,000	6,100,000	1,400,000
<b>Total for BSL: BC-FA-APSCH1FAC</b>	<b>4,152,000</b>	<b>8,252,000</b>	<b>14,552,000</b>
<b>Asset Preservation - Schedule 2 Facilities Budget Summary Level</b>			
2019 Multipurpose LTGO Bond Fund	0	3,500,000	0

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Facility Asset Preservation Fund	1,848,000	1,848,000	1,848,000
REET I Capital Projects Fund	0	1,600,000	3,000,000
<b>Total for BSL: BC-FA-APSCH2FAC</b>	<b>1,848,000</b>	<b>6,948,000</b>	<b>4,848,000</b>

### FAS Oversight-External Projects Budget Summary Level

REET I Capital Projects Fund	2,500,000	2,500,000	2,500,000
<b>Total for BSL: BC-FA-EXTPROJ</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>

### General Government Facilities - General Budget Summary Level

REET I Capital Projects Fund	4,959,535	8,550,000	3,550,000
<b>Total for BSL: BC-FA-GOVTFAC</b>	<b>4,959,535</b>	<b>8,550,000</b>	<b>3,550,000</b>

### Neighborhood Fire Stations Budget Summary Level

2018 Multipurpose LTGO Bond Fund	1,400,000	0	0
REET I Capital Projects Fund	3,342,834	3,393,967	3,386,913
<b>Total for BSL: BC-FA-NBHFIRES</b>	<b>4,742,834</b>	<b>3,393,967</b>	<b>3,386,913</b>

### Public Safety Facilities - Fire Budget Summary Level

REET I Capital Projects Fund	1,043,000	0	0
<b>Total for BSL: BC-FA-PSFACFIRES</b>	<b>1,043,000</b>	<b>0</b>	<b>0</b>

### Public Safety Facilities - Police Budget Summary Level

REET I Capital Projects Fund	13,100,000	0	0
<b>Total for BSL: BC-FA-PSFACPOL</b>	<b>13,100,000</b>	<b>0</b>	<b>0</b>

### Capital Development and Construction Management Budget Summary Level

Finance and Administrative Services Fund (50300)	0	0	0
<b>Total for BSL: BO-FA-CDCM</b>	<b>0</b>	<b>0</b>	<b>0</b>

### City Finance Budget Summary Level

Finance and Administrative Services Fund (50300)	22,767,486	24,191,050	22,393,305
General Fund	8,384,808	5,800,581	5,837,420
<b>Total for BSL: BO-FA-CITYFINANCE</b>	<b>31,152,294</b>	<b>29,991,631</b>	<b>28,230,725</b>

### City Services Budget Summary Level

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Finance and Administrative Services Fund (50300)	4,658,804	3,886,890	3,239,913
<b>Total for BSL: BO-FA-CITYSVCS</b>	<b>4,658,804</b>	<b>3,886,890</b>	<b>3,239,913</b>

<b>Judgment &amp; Claims Claims Budget Summary Level</b>			
Judgment/Claims Fund (00126)	3,524,179	3,524,179	3,524,179
<b>Total for BSL: BO-FA-CJ000</b>	<b>3,524,179</b>	<b>3,524,179</b>	<b>3,524,179</b>

<b>City Purchasing and Contracting Services Budget Summary Level</b>			
Finance and Administrative Services Fund (50300)	8,882,136	10,666,457	9,826,275
<b>Total for BSL: BO-FA-CPCS</b>	<b>8,882,136</b>	<b>10,666,457</b>	<b>9,826,275</b>

<b>Facilities Services Budget Summary Level</b>			
Finance and Administrative Services Fund (50300)	76,295,518	81,590,548	80,281,887
<b>Total for BSL: BO-FA-FACILITY</b>	<b>76,295,518</b>	<b>81,590,548</b>	<b>80,281,887</b>

<b>FileLocal Agency Budget Summary Level</b>			
FileLocal Agency Fund	446,082	404,913	410,358
<b>Total for BSL: BO-FA-FILELOC</b>	<b>446,082</b>	<b>404,913</b>	<b>410,358</b>

<b>Fleet Capital Program Budget Summary Level</b>			
Fleet Capital Fund	21,829,848	21,829,848	21,829,848
<b>Total for BSL: BO-FA-FLEETCAP</b>	<b>21,829,848</b>	<b>21,829,848</b>	<b>21,829,848</b>

<b>Fleet Services Budget Summary Level</b>			
Finance and Administrative Services Fund (50300)	38,622,908	40,907,772	41,570,561
<b>Total for BSL: BO-FA-FLEETS</b>	<b>38,622,908</b>	<b>40,907,772</b>	<b>41,570,561</b>

<b>Indigent Defense Services Budget Summary Level</b>			
General Fund	8,196,647	9,396,647	9,396,647
<b>Total for BSL: BO-FA-INDGTDEF</b>	<b>8,196,647</b>	<b>9,396,647</b>	<b>9,396,647</b>

<b>Jail Services Budget Summary Level</b>			
General Fund	19,818,878	18,618,878	18,618,878
<b>Total for BSL: BO-FA-JAILSVCS</b>	<b>19,818,878</b>	<b>18,618,878</b>	<b>18,618,878</b>

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### Judgment & Claims Litigation Budget Summary Level

Judgment/Claims Fund (00126)	11,886,561	16,886,561	18,486,561
<b>Total for BSL: BO-FA-JR000</b>	<b>11,886,561</b>	<b>16,886,561</b>	<b>18,486,561</b>

### Judgment & Claims General Legal Budget Summary Level

Judgment/Claims Fund (00126)	88,321	88,321	88,321
<b>Total for BSL: BO-FA-JR010</b>	<b>88,321</b>	<b>88,321</b>	<b>88,321</b>

### Judgment & Claims Police Action Budget Summary Level

Judgment/Claims Fund (00126)	1,120,918	1,120,918	1,120,918
<b>Total for BSL: BO-FA-JR020</b>	<b>1,120,918</b>	<b>1,120,918</b>	<b>1,120,918</b>

### Leadership and Administration Budget Summary Level

Finance and Administrative Services Fund (50300)	0	0	0
<b>Total for BSL: BO-FA-LEADADMIN</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Office of Constituent Services Budget Summary Level

Finance and Administrative Services Fund (50300)	6,113,641	6,728,148	6,718,176
<b>Total for BSL: BO-FA-OCS</b>	<b>6,113,641</b>	<b>6,728,148</b>	<b>6,718,176</b>

### Regulatory Compliance and Consumer Protection Budget Summary Level

Finance and Administrative Services Fund (50300)	3,012,000	0	0
General Fund	8,690,329	8,509,586	8,559,094
<b>Total for BSL: BO-FA-RCCP</b>	<b>11,702,329</b>	<b>8,509,586</b>	<b>8,559,094</b>

### Seattle Animal Shelter Budget Summary Level

General Fund	5,216,749	5,910,611	5,719,524
<b>Total for BSL: BO-FA-SAS</b>	<b>5,216,749</b>	<b>5,910,611</b>	<b>5,719,524</b>

### Central Waterfront Improvement Program Financial Support Budget Summary Level

Central Waterfront Improvement Fund	1,959,585	2,049,092	443,919
<b>Total for BSL: BO-FA-WATERFRNT</b>	<b>1,959,585</b>	<b>2,049,092</b>	<b>443,919</b>

### Wheelchair Accessible Services Budget Summary Level

## Department of Finance & Administrative Services

Wheelchair Accessible Fund	1,487,808	1,625,424	1,620,305
<b>Total for BSL: BO-FA-WHLCHR</b>	<b>1,487,808</b>	<b>1,625,424</b>	<b>1,620,305</b>

<b>Department Total</b>	<b>305,460,135</b>	<b>298,991,785</b>	<b>294,772,220</b>
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<b>Department Full-time Equivalents Total*</b>	<b>632.50</b>	<b>595.00</b>	<b>595.00</b>
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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.*

### Budget Summary by Fund for Finance and Administrative Services

	2018 Adopted	2019 Proposed	2020 Proposed
36500 - 2018 Multipurpose LTGO Bond Fund	10,886,885	0	0
36600 - 2019 Multipurpose LTGO Bond Fund	0	4,833,000	0
36700 - 2020 Multipurpose LTGO Bond Fund	0	0	12,970,000
35900 - Central Waterfront Improvement Fund	1,959,585	2,049,092	443,919
50322 - Facility Asset Preservation Fund	4,000,000	4,000,000	4,000,000
67600 - FileLocal Agency Fund	446,082	404,913	410,358
50300 - Finance and Administrative Services Fund (50300)	170,749,493	171,470,865	167,530,117
50321 - Fleet Capital Fund	21,829,848	21,829,848	21,829,848
00100 - General Fund	50,307,411	48,236,303	48,131,563
00126 - Judgment/Claims Fund (00126)	16,619,979	21,619,979	23,219,979
30010 - REET I Capital Projects Fund	27,145,369	22,893,967	14,586,913
00164 - Unrestricted Cumulative Reserve Fund	27,675	28,394	29,218
12100 - Wheelchair Accessible Fund	1,487,808	1,625,424	1,620,305
<b>Budget Totals for FAS</b>	<b>305,460,135</b>	<b>298,991,785</b>	<b>294,772,220</b>

# Department of Finance & Administrative Services

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
379100	Use of Fund Balance	1,880,000	2,038,263	428,531
379100	Use of Fund Balance	0	0	0
<b>Total Use of Fund Balance</b>		<b>1,880,000</b>	<b>2,038,263</b>	<b>428,531</b>
397010	Asset Preservation	2,152,000	2,152,000	2,152,000
397010	Asset Preservation	1,848,000	1,848,000	1,848,000
344900	Labor Reimbursement	385,961	444,635	444,878
341010	Warehousing Services	285,643	237,342	239,788
341010	Warehousing Services	720,790	842,798	845,704
341010	Warehousing Services	371,488	193,853	196,300
341270	Real Estate Services	412,187	467,877	473,201
341300	ADA Program Access Compliance	0	680,575	685,483
341300	City Payroll	872,198	2,732,951	2,756,088
341300	Citywide Accounting	918,021	982,457	992,409
341300	Citywide Accounting Director	251,783	882,304	891,682
341300	Citywide IT Services	1,253,468	0	0
341300	Citywide Public Records	1,086,487	616,629	622,885
341300	Citywide Summit	4,440,283	4,381,564	3,402,557
341300	Claims Processing	500,422	786,372	793,674
341300	CPCS Contracting Operations	5,039,949	5,541,614	5,189,721
341300	CPCS Purchasing Operations	1,965,016	3,217,356	2,912,915
341300	Customer Service Bureau	594,570	2,110,488	2,135,176
341300	Debt Management	248,624	292,156	294,042
341300	Economics and Forecasting	97,509	120,069	121,011
341300	Electronic Records	445,929	451,563	152,275
341300	Facility Lease Management	290,000	292,900	292,900
341300	Fiscal Policy and Management	641,813	975,286	981,702
341300	Human Resources (CPI Charges)	97,815	0	0
341300	Investments	273,395	419,728	423,089
341300	NPIS Operations	2,177,328	1,723,914	1,763,673
341300	Remittance Processing	752,281	887,551	896,531
341300	Risk Management	715,510	1,079,693	1,102,428
341300	Treasury Operations	2,372,359	3,959,127	3,693,807
341330	Property Management Services	103,000	104,030	104,030
342140	Distribution Services	549,900	768,747	777,091
342140	Distribution Services	0	517,809	520,467
343010	Customer requested tenant improvements	3,500,000	3,500,000	3,500,000
344020	Vehicle Leasing	18,945,202	19,007,406	19,255,633
344030	Fuel Services	10,864,774	10,492,404	10,516,392
344140	Vehicle Warehouse	6,736,978	7,315,173	7,490,738

## Department of Finance & Administrative Services

348120	CIP Support	0	259,669	262,827
348120	Citywide Summit	0	12,059	11,568
348120	CPCS Contracting Operations	0	814,457	765,298
348120	Distribution Services	0	0	0
348120	Economics and Forecasting	0	563	579
348120	Fiscal Policy and Management	0	4,571	4,695
348120	Treasury Operations	0	67,099	67,356
348120	Warehousing Services	184,780	246,410	247,260
348120	Warehousing Services	66,164	56,677	57,392
348120	Warehousing Services	73,231	69,392	70,107
348150	Motor Pool	121,797	0	0
360270	Fleet Administration	1,618,166	1,286,481	1,304,325
360270	Vehicle Leasing	0	162,798	164,461
360290	Parking Fees	786,015	1,136,419	1,136,419
360680	Motor Pool	912,934	902,590	911,196
360690	Facility Lease Management	11,012,083	11,122,204	11,122,204
360690	Space Rent	3,727,041	0	0
360690	Space Rent	1,038,996	0	0
360700	Space Rent	38,928,859	41,994,327	41,252,570
360700	Space Rent	10,855,149	14,421,538	14,595,483
360900	Citywide Accounting	247,570	163,646	165,303
360900	Citywide IT Services	29,110	0	0
360900	Citywide Summit	9,066	0	0
360900	Department Director	12,402	0	0
360900	FAS Accounting	6,737	0	0
360900	Fiscal Policy and Management	176,344	0	0
360900	Human Resources (CPI Charges)	7,099	0	0
360900	Policy & Budget	7,856	0	0
360900	Space Rent	545,000	550,450	550,450
360270	Capital Replacement Program	17,869,112	17,717,579	18,708,019
360420	Payments from City-Operated Utilities	7,781,749	7,781,749	7,781,749
	<b>Total Services to City Depts</b>	<b>167,927,944</b>	<b>178,797,050</b>	<b>177,647,531</b>
341090	Warehousing Services	90,000	90,000	90,000
341150	Space Rent	20,000	20,000	20,000
343320	Treasury Operations	200,000	200,000	200,000
344900	Treasury Operations	200,000	200,000	200,000
360020	Investment Earning	223,500	223,500	223,500
360290	Parking Fees	2,400,000	3,469,917	3,469,917
360310	Space Rent	899,000	196,415	158,469
360310	Space Rent	105,723	126,693	126,693
360310	Space Rent	855,393	1,018,191	1,018,191
360350	Warehousing Services	11,000	11,000	11,000
360900	CPCS Purchasing Operations	400,000	500,000	500,000
360900	Fuel Services	41,000	41,000	41,000



## Department of Finance & Administrative Services

360900	NPIS Operations	557,627	915,627	915,627
360900	Property Management Services	126,718	126,718	126,718
360900	Property Management Services	139,000	0	0
321050	Transportation Network Company Fees	1,531,000	2,615,900	2,615,900
	<b>Total External Revenues</b>	<b>7,799,961</b>	<b>9,754,961</b>	<b>9,717,015</b>
397010	Benaroya	580,146	594,071	608,328
397010	City Payroll	999,151	976	984
397010	City Policy and Labor Support	551,581	415,713	416,955
397010	Citywide Accounting	1,187,532	1,410,861	1,425,151
397010	Citywide Accounting Director	306,248	216,239	218,539
397010	Citywide IT Services	844,321	0	0
397010	Citywide Public Records	611,335	0	0
397010	Citywide Summit	4,559,368	3,901,195	3,232,776
397010	Claims Processing	156,624	0	0
397010	CPCS Contracting Operations	867,132	579,272	583,860
397010	CPCS Purchasing Operations	604,919	2,148	1,945
397010	Customer Service Bureau	334,542	0	0
397010	Debt Management	95,635	112,368	113,093
397010	Department Director	0	282,800	282,800
397010	Distribution Services	440,103	0	0
397010	Economics and Forecasting	75,569	77,432	78,560
397010	Electronic Records	463,572	469,431	158,300
397010	Encampment Clean-up	1,386,392	1,324,697	1,324,306
397010	Event Management	198,161	143,386	145,298
397010	FAS Accounting	76,725	0	0
397010	FAS Accounting	76,473	198,801	200,945
397010	Fiscal Policy and Management	902,575	628,946	637,338
397010	Human Resources (CPI Charges)	51,567	0	0
397010	Investments	207,073	137,807	138,911
397010	NPIS Operations	341,853	396,999	406,154
397010	Property Management Services	165,000	146,250	90,000
397010	Real Estate Services	274,791	251,397	254,257
397010	Regulatory Compliance and Consumer Protection	0	1,000,000	1,000,000
397010	Regulatory Compliance and Consumer Protection	750,000	0	0
397010	Remittance Processing	236,262	142,819	144,264
397010	Risk Management	222,519	0	0
397010	SDHR Charges	0	659,177	647,344
397010	Small Department Support	0	750,000	750,000
397010	Space Rent	678,638	0	0
397010	Space Rent	188,964	0	0
397010	Sweetened Beverage Tax	1,082,000	0	0
397010	Treasury Operations	895,940	50,886	46,537

## Department of Finance & Administrative Services

397010	Warehousing Services	2,074	0	0
397010	Warehousing Services	4,025	0	0
397010	Warehousing Services	1,595	0	0
360420	Payments from General Government Departments	7,076,376	7,076,376	7,076,376
397010	General Fund Support	1,761,854	6,761,854	8,361,854
<b>Total General Fund Support</b>		<b>29,258,635</b>	<b>27,731,900</b>	<b>28,344,875</b>
<b>Total Revenues</b>		<b>206,866,540</b>	<b>218,322,175</b>	<b>216,137,953</b>
<b>Total Resources</b>		<b>206,866,540</b>	<b>218,322,175</b>	<b>216,137,953</b>

## Department of Finance & Administrative Services

### Appropriations By Budget Summary Level (BSL) and Program

#### **FAS Project Delivery Services Budget Summary Level**

The purpose of the FAS Project Delivery Services Budget Summary Level is to provide design and construction management services, as requested by City departments, within FAS-owned and leased facilities and at facilities that are neither owned, managed, nor leased by FAS.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FAS Project Delivery Services	3,500,000	3,500,000	3,500,000
<b>Total</b>	<b>3,500,000</b>	<b>3,500,000</b>	<b>3,500,000</b>

#### **Information Technology Budget Summary Level**

The purpose of the Information Technology Budget Summary Level is to replace, upgrade or maintain FAS information technology systems to meet the evolving enterprise activities of the City.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Information Technology	15,145,001	1,333,000	1,970,000
<b>Total</b>	<b>15,145,001</b>	<b>1,333,000</b>	<b>1,970,000</b>

*The following information summarizes the programs in Information Technology Budget Summary Level:*

#### **Information Technology Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Information Technology	15,145,001	1,333,000	1,970,000
Full-time Equivalents Total	0.00	0.00	0.00

#### **Summit Re-Implementation Department Capital Needs Budget Summary Level**

The purpose of the Information Technology Budget Summary Level is to replace, upgrade or maintain FAS information technology systems to meet the evolving enterprise activities of the City.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Summit Re-Implementation Department Capital Needs	1,238,884	0	0
<b>Total</b>	<b>1,238,884</b>	<b>0</b>	<b>0</b>

## Department of Finance & Administrative Services

### **Garden of Remembrance Budget Summary Level**

The purpose of the Garden of Remembrance Budget Summary Level is to provide City support for replacing components of the memorial located at the Benaroya Concert Hall.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Garden of Remembrance	27,675	28,394	29,218
<b>Total</b>	<b>27,675</b>	<b>28,394</b>	<b>29,218</b>

### **ADA Improvements Budget Summary Level**

The purpose of the ADA Improvements - FAS Budget Summary Level is to update or modify facilities for compliance with the standards contained in the American with Disabilities Act.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
ADA Improvements	200,000	750,000	750,000
<b>Total</b>	<b>200,000</b>	<b>750,000</b>	<b>750,000</b>

### **Asset Preservation - Schedule 1 Facilities Budget Summary Level**

This purpose of the Asset Preservation - Schedule 1 Facilities Budget Summary Level is to provide for long term preservation and major maintenance to the Department of Finance and Administration's schedule 1 facilities. Schedule 1 facilities consist of existing and future office buildings located in downtown Seattle, including but not limited to City Hall, the Seattle Municipal Tower and the Justice Center. Typical improvements may include, but are not limited to, energy efficiency enhancements through equipment replacement, upgrades/repairs to heating/ventilation/air conditioning systems, upgrades/repairs to electrical systems, upgrades/repairs to fire suppression systems, roof repairs or replacement, and structural assessments and repairs. This work ensures the long-term preservation of the operational use of the facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Asset Preserv_Sch 1 Facilities	4,152,000	8,252,000	14,552,000
<b>Total</b>	<b>4,152,000</b>	<b>4,752,000</b>	<b>14,552,000</b>

## Department of Finance & Administrative Services

### **Asset Preservation - Schedule 2 Facilities Budget Summary Level**

This purpose of the Asset Preservation - Schedule 2 Facilities Budget Summary Level is to provide for long term preservation and major maintenance to the Department of Finance and Administration's schedule 2 facilities. Schedule 2 facilities comprise existing and future structures, shops and yard located throughout Seattle, including but not limited to City vehicle maintenance facilities at Haller Lake and Charles Street, Finance and Administrative Services shops located at Airport Way S., fire stations, police precincts including the animal shelter, and other FAS managed facilities used for City Services. Typical improvements may include, but are not limited to, energy efficiency enhancements through equipment replacement, upgrades/repairs to heating/ventilation/air conditioning systems, upgrades/repairs to electrical systems, upgrades/repairs to fire suppression systems, roof repairs or replacement, and structural assessments and repairs. This work ensures the long-term preservation of the operational use of the facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Asset Preserv_Sch 2 Facilities	1,848,000	10,448,000	4,848,000
<b>Total</b>	<b>1,848,000</b>	<b>10,448,000</b>	<b>4,848,000</b>

### **FAS Oversight-External Projects Budget Summary Level**

The purpose of the FAS Oversight-External Projects Budget Summary Level is to provide a structure for managing capital projects for City departments that lack their own capital program.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
FAS Oversight - External Proj	2,500,000	2,500,000	2,500,000
<b>Total</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>

### **General Government Facilities - General Budget Summary Level**

The purpose of the General Government Facilities - General Budget Summary Level is to execute capital projects in general government facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
General Govt Facilities	4,959,535	8,550,000	3,550,000
<b>Total</b>	<b>4,959,535</b>	<b>8,550,000</b>	<b>3,550,000</b>

## Department of Finance & Administrative Services

### Neighborhood Fire Stations Budget Summary Level

The purpose of the Neighborhood Fire Stations Budget Summary Level is to replace and renovate fire stations and other emergency response facilities as part of the Fire Facilities and Emergency Response Levy program.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Neighborhood Fire Stations	4,742,834	3,393,967	3,386,913
<b>Total</b>	<b>4,742,834</b>	<b>3,393,967</b>	<b>3,386,913</b>

*The following information summarizes the programs in Neighborhood Fire Stations Budget Summary Level:*

#### Neighborhood Fire Stations Program

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Neighborhood Fire Stations	4,742,834	3,393,967	3,386,913
Full-time Equivalents Total	0.00	0.00	0.00

### Public Safety Facilities - Fire Budget Summary Level

The purpose of the Public Safety Facilities - Fire Budget Summary Level is to renovate, expand, replace, or build fire facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Public Safety Facilities_Fire	1,043,000	0	0
<b>Total</b>	<b>1,043,000</b>	<b>0</b>	<b>0</b>

### Public Safety Facilities - Police Budget Summary Level

The purpose of the Public Safety Facilities - Police Budget Summary Level is to renovate, expand, replace, or build police facilities.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Publ Safety Facilities_Police	13,100,000	0	0
<b>Total</b>	<b>13,100,000</b>	<b>0</b>	<b>0</b>

## Department of Finance & Administrative Services

### Capital Development and Construction Management Budget Summary Level

The purpose of the Capital Development and Construction Management Budget Summary Level is to provide staffing resources to plan and administer FAS's Capital Improvement Program. Costs are budgeted in FAS's capital project Budget Control Levels.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Capital Dev and Const Mgmt	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	28.00	27.00	27.00

*\* 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.*

### City Finance Budget Summary Level

The purpose of the City Finance Division Budget Summary Level (BSL) is to oversee and provide technical support to the financial affairs of the City. This BSL performs a wide range of technical and operating functions, such as debt issuance and management, Citywide payroll processing, investments, risk management and payment processing services and support to the City Budget Office economic forecasting efforts. In addition, this BSL develops and implements a variety of City financial policies related to the City's revenues, accounting procedures, and risk mitigation. Finally, the BSL provides oversight and guidance to financial reporting, City retirement programs, and public corporations established by the City.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
City Financial Management	2,238,748	2,270,205	2,251,895
Citywide Accounting Services	13,563,167	14,110,010	12,651,651
Revenue Administration	8,384,808	5,800,581	5,837,420
Risk Management Services	1,708,698	1,842,456	1,845,990
Treasury Services	5,256,873	5,968,379	5,643,769
<b>Total</b>	<b>31,152,294</b>	<b>29,991,631</b>	<b>28,230,725</b>
Full-time Equivalents Total*	151.00	116.50	116.50

*\* 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.*

**The following information summarizes the programs in City Finance Budget Summary Level:**

#### **City Financial Management Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
City Financial Management	2,238,748	2,270,205	2,251,895
Full-time Equivalents Total	9.00	9.00	9.00

# Department of Finance & Administrative Services

## Citywide Accounting Services Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Accounting Services	13,563,167	14,110,010	12,651,651
Full-time Equivalents Total	67.50	37.00	37.00

## Revenue Administration Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Revenue Administration	8,384,808	5,800,581	5,837,420
Full-time Equivalents Total	38.00	34.00	34.00

## Risk Management Services Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Risk Management Services	1,708,698	1,842,456	1,845,990
Full-time Equivalents Total	8.50	8.50	8.50

## Treasury Services Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Treasury Services	5,256,873	5,968,379	5,643,769
Full-time Equivalents Total	28.00	28.00	28.00

### **City Services Budget Summary Level**

The purpose of the City Services budget summary level is to provide accounting support to Finance General, small departments, and executive offices, as well as to the FAS Capital Improvement Program. This BSL also provides other FAS financial and policy support, including labor union policy analysis and support for the for-hire industry.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
City Services	4,658,804	3,886,890	3,239,913
<b>Total</b>	<b>4,658,804</b>	<b>3,886,890</b>	<b>3,239,913</b>
Full-time Equivalents Total*	0.00	1.00	1.00

*\* 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.*



## Department of Finance & Administrative Services

### Judgment & Claims Claims Budget Summary Level

The purpose of the Claim Expenses Budget Summary Level is to pay pending or actual claims and related costs against City government, as authorized by Chapter 5.24 of the Seattle Municipal Code. The Claims Budget Summary Level is supported by the Judgment/Claims Fund.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GF Claims	1,792,109	1,792,109	1,792,109
Utility Claims Reimbursable	1,732,070	1,732,070	1,732,070
<b>Total</b>	<b>3,524,179</b>	<b>3,524,179</b>	<b>3,524,179</b>

*The following information summarizes the programs in Judgment & Claims Claims Budget Summary Level:*

#### **GF Claims Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GF Claims	1,792,109	1,792,109	1,792,109
Full-time Equivalent Total	0.00	0.00	0.00

#### **Utility Claims Reimbursable Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Utility Claims Reimbursable	1,732,070	1,732,070	1,732,070
Full-time Equivalent Total	0.00	0.00	0.00

### City Purchasing and Contracting Services Budget Summary Level

The purpose of the City Purchasing and Contracting Services Budget Summary Level is to conduct and administer all bids and contracts for public works and purchases (products, supplies, equipment, and services) on behalf of City departments.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Contracting Services	5,804,986	6,820,277	6,351,482
Purchasing Services	3,077,150	3,846,180	3,474,793
<b>Total</b>	<b>8,882,136</b>	<b>10,666,457</b>	<b>9,826,275</b>
Full-time Equivalent Total*	47.00	46.00	46.00

*\* 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.*

# Department of Finance & Administrative Services

*The following information summarizes the programs in City Purchasing and Contracting Services Budget Summary Level:*

**Contracting Services Program**

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Contracting Services	5,804,986	6,820,277	6,351,482
Full-time Equivalents Total	28.00	27.00	27.00

**Purchasing Services Program**

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Purchasing Services	3,077,150	3,846,180	3,474,793
Full-time Equivalents Total	19.00	19.00	19.00

**Facilities Services Budget Summary Level**

The purpose of the Facilities Services Budget Summary Level is to manage most of the City's general government facilities, including the downtown civic campus, police precincts, fire stations, shops and yards, and several parking facilities. Functions include property management, environmental analysis, implementation of environmentally sustainable facility investments, facility maintenance and repair, janitorial services, security services, and event scheduling. The Facility Operations team is also responsible for warehouse, real estate, and mail services throughout the City. These functions promote well-managed, clean, safe, and highly efficient buildings and grounds that house City employees and serve the public.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Other Facilities Services	16,962,107	19,766,644	19,936,800
Space Rent	59,333,411	61,823,904	60,345,087
<b>Total</b>	<b>76,295,518</b>	<b>81,590,548</b>	<b>80,281,887</b>
Full-time Equivalents Total*	99.50	94.00	94.00

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# Department of Finance & Administrative Services

*The following information summarizes the programs in Facilities Services Budget Summary Level:*

## Other Facilities Services Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Other Facilities Services	16,962,107	19,766,644	19,936,800
Full-time Equivalents Total	27.50	21.00	21.00

## Space Rent Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Space Rent	59,333,411	61,823,904	60,345,087
Full-time Equivalents Total	72.00	73.00	73.00

## FileLocal Agency Budget Summary Level

The purpose of the FileLocal Agency Budget Summary Level is to execute the City's response to the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement. The City of Seattle will be reimbursed by the agency for all costs.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Prog-FileLocal Agency Fund	446,082	404,913	410,358
<b>Total</b>	<b>446,082</b>	<b>404,913</b>	<b>410,358</b>
Full-time Equivalents Total*	2.50	2.50	2.50

*\* 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.*

## Fleet Capital Program Budget Summary Level

The purpose of the Fleet Capital Program Budget Summary Level is to manage City of Seattle Fleet Replacement, including the purchase and disposal of vehicles owned by the Department of Finance and Administrative Services (FAS) and the administration of the Fleet Replacement Capital Reserve.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Fleet Capital Program	21,829,848	21,829,848	21,829,848
<b>Total</b>	<b>21,829,848</b>	<b>21,829,848</b>	<b>21,829,848</b>

## Department of Finance & Administrative Services

### Fleet Services Budget Summary Level

The purpose of the Fleet Services Budget Summary Level is to provide fleet vehicles to City departments, assess and implement environmental initiatives related to both the composition of the City's fleet and the fuels that power it, actively manage and maintain the fleet, procure and distribute fuel, and operate a centralized motor pool. The goal of these functions is to create and support an environmentally responsible and cost-effective Citywide fleet that helps all City departments carry out their work as efficiently as possible.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Motorpool	880,331	856,824	861,366
Vehicle Fueling	10,935,548	11,176,071	11,856,596
Vehicle Leasing	1,145,141	1,204,332	1,198,508
Vehicle Maintenance	25,661,888	27,670,545	27,654,091
<b>Total</b>	<b>38,622,908</b>	<b>40,907,772</b>	<b>41,570,561</b>
Full-time Equivalents Total*	131.00	130.00	130.00

*\* 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.*

**The following information summarizes the programs in Fleet Services Budget Summary Level:**

#### **Motorpool Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Motorpool	880,331	856,824	861,366
Full-time Equivalents Total	0.00	0.00	0.00

#### **Vehicle Fueling Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Vehicle Fueling	10,935,548	11,176,071	11,856,596
Full-time Equivalents Total	1.00	1.00	1.00

#### **Vehicle Leasing Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Vehicle Leasing	1,145,141	1,204,332	1,198,508
Full-time Equivalents Total	15.00	14.00	14.00

# Department of Finance & Administrative Services

## Vehicle Maintenance Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Vehicle Maintenance	25,661,888	27,670,545	27,654,091
Full-time Equivalents Total	115.00	115.00	115.00

### Indigent Defense Services Budget Summary Level

The purpose of the Indigent Defense Services Budget Summary Level is to secure legal defense services, as required by State law, for indigent people facing criminal charges in Seattle Municipal Court.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indigent Defense Services	8,196,647	9,396,647	9,396,647
<b>Total</b>	<b>8,196,647</b>	<b>9,396,647</b>	<b>9,396,647</b>

### Jail Services Budget Summary Level

The purpose of the Jail Services Budget Summary Level is to provide for the booking, housing, transporting, and guarding of City inmates. The jail population, for which the City pays, are adults charged with or convicted of misdemeanor crimes alleged to have been committed within the Seattle city limits.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Jail Services	19,818,878	18,618,878	18,618,878
<b>Total</b>	<b>19,818,878</b>	<b>18,618,878</b>	<b>18,618,878</b>

### Judgment & Claims Litigation Budget Summary Level

The purpose of the Litigation Expenses Budget Summary Level is to pay anticipated, pending or actual judgments, claims payments, advance claims payments, and litigation expenses incurred while defending the City from judgments and claims. The Litigation Expenses Budget Summary Level is supported by the Judgment/Claims Fund.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
GF Expenses	2,347,863	2,347,863	2,347,863
GF Judgments	3,489,019	8,489,019	10,089,019
Utility Expenses Reimbursable	2,468,932	2,468,932	2,468,932
Utility Judgments Reimbursable	3,580,747	3,580,747	3,580,747
<b>Total</b>	<b>11,886,561</b>	<b>16,886,561</b>	<b>18,486,561</b>

# Department of Finance & Administrative Services

*The following information summarizes the programs in Judgment & Claims Litigation Budget Summary Level:*

**GF Expenses Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GF Expenses	2,347,863	2,347,863	2,347,863
Full-time Equivalents Total	0.00	0.00	0.00

**GF Judgments Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GF Judgments	3,489,019	8,489,019	10,089,019
Full-time Equivalents Total	0.00	0.00	0.00

**Utility Expenses Reimbursable Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Utility Expenses Reimbursable	2,468,932	2,468,932	2,468,932
Full-time Equivalents Total	0.00	0.00	0.00

**Utility Judgments Reimbursable Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Utility Judgments Reimbursable	3,580,747	3,580,747	3,580,747
Full-time Equivalents Total	0.00	0.00	0.00

**Judgment & Claims General Legal Budget Summary Level**

The purpose of the General Legal Expenses Budget Summary Level is to pay legal costs associated with litigation or potential litigation involving the City, where the City is a party or potential party in a legal action, or other special projects that need legal review. The General Legal Expenses Budget Summary Level is supported by the Judgment/Claims Fund.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GF General Legal	88,321	88,321	88,321
<b>Total</b>	<b>88,321</b>	<b>88,321</b>	<b>88,321</b>

## Department of Finance & Administrative Services

### Judgment & Claims Police Action Budget Summary Level

The purpose of the Police Action Expenses Budget Summary Level is to pay pending or actual settlements and judgments against the City related to police action cases, or pay related costs to investigate and defend the City against claims and judgments related to police action cases. The Police Action Expenses Budget Summary Level is supported by the Judgment/Claims Fund.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GF Police Action	1,120,918	1,120,918	1,120,918
<b>Total</b>	<b>1,120,918</b>	<b>1,120,918</b>	<b>1,120,918</b>

### Leadership and Administration Budget Summary Level

The purpose of the Leadership and Administration budget summary level is to provide executive, communications, financial, human resource, and business support and strategic planning and analysis to the department. This BSL also supports FAS Citywide, department-wide, and divisional indirect costs, as well as indirect costs related to paid time off and pooled benefits, to meet the City's standard indirect cost model.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	4,323,357	9,384,257	7,653,137
Departmental Indirect Costs	4,415,363	5,433,491	5,838,605
Divisional Indirect Costs	6,703,741	6,850,815	5,940,365
Indirect Cost Recovery Offset	-35,557,672	-41,699,634	-40,371,503
Paid Time Off	10,384,009	10,259,948	10,595,023
Pooled Benefits	9,731,202	9,771,123	10,344,373
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	43.00	47.00	47.00

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# Department of Finance & Administrative Services

*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

## Citywide Indirect Costs Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	4,323,357	9,384,257	7,653,137
Full-time Equivalents Total	0.00	0.00	0.00

## Departmental Indirect Costs Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Departmental Indirect Costs	4,415,363	5,433,491	5,838,605
Full-time Equivalents Total	43.00	47.00	47.00

## Divisional Indirect Costs Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Divisional Indirect Costs	6,703,741	6,850,815	5,940,365
Full-time Equivalents Total	0.00	0.00	0.00

## Indirect Cost Recovery Offset Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery Offset	-35,557,672	-41,699,634	-40,371,503
Full-time Equivalents Total	0.00	0.00	0.00

## Paid Time Off Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Paid Time Off	10,384,009	10,259,948	10,595,023
Full-time Equivalents Total	0.00	0.00	0.00

## Pooled Benefits Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Pooled Benefits	9,731,202	9,771,123	10,344,373
Full-time Equivalents Total	0.00	0.00	0.00



## Department of Finance & Administrative Services

### **Office of Constituent Services Budget Summary Level**

The purpose of the Office of Constituent Services Budget Summary Level is to lead City departments to improve on consistently providing services that are easily accessible, responsive and fair. This includes assistance with a broad range of City services, such as transactions, information requests and complaint investigations. This BSL includes the City's Customer Service Bureau, the Neighborhood Payment and Information Service centers, Citywide public disclosure responsibilities and service-delivery analysts.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of Constituent Services	6,113,641	6,728,148	6,718,176
<b>Total</b>	<b>6,113,641</b>	<b>6,728,148</b>	<b>6,718,176</b>
Full-time Equivalents Total*	39.00	39.00	39.00

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### **Regulatory Compliance and Consumer Protection Budget Summary Level**

The purpose of the Regulatory Compliance and Consumer Protection Budget Summary Level is to support City services and regulations that attempt to provide Seattle consumers with a fair and well-regulated marketplace. Expenditures from this BSL include support for taxicab inspections and licensing, the weights and measures inspection program, vehicle impound and consumer complaint investigation.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Reg Compl & Consumr Protection	11,702,329	8,509,586	8,559,094
<b>Total</b>	<b>11,702,329</b>	<b>8,509,586</b>	<b>8,559,094</b>
Full-time Equivalents Total*	48.50	48.00	48.00

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***The following information summarizes the programs in Regulatory Compliance and Consumer Protection Budget Summary Level:***

#### **Reg Compl & Consumr Protection Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Reg Compl & Consumr Protection	11,702,329	8,509,586	8,559,094
Full-time Equivalents Total	48.50	48.00	48.00

## Department of Finance & Administrative Services

### Seattle Animal Shelter Budget Summary Level

The purpose of the Seattle Animal Shelter Budget Summary Level is to provide animal care, enforcement, and spay and neuter services in Seattle to control pet overpopulation and foster public safety. The shelter also provides volunteer and foster care programs which enables the citizens of Seattle to donate both time and resources and engage in activities which promote animal welfare in Seattle.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Seattle Animal Shelter	5,216,749	5,910,611	5,719,524
<b>Total</b>	<b>5,216,749</b>	<b>5,910,611</b>	<b>5,719,524</b>
Full-time Equivalents Total*	40.00	40.00	40.00

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### Central Waterfront Improvement Program Financial Support Budget Summary Level

The purpose of the Central Waterfront Improvement Program Financial Support Budget Summary Level is to provide resources to the City Finance Division for the development of funding mechanisms for the Central Waterfront Improvement Program. This BSL is funded by the Central Waterfront Improvement Fund (Fund 35900).

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Prog-Central Waterfront Improv	1,959,585	2,049,092	443,919
<b>Total</b>	<b>1,959,585</b>	<b>2,049,092</b>	<b>443,919</b>
Full-time Equivalents Total*	3.00	3.00	3.00

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### Wheelchair Accessible Services Budget Summary Level

The purpose of the Wheelchair Accessible Services Budget Summary Level is to disburse monies collected on every taxi, for hire and Transportation Network Company (TNC) trip that originates in the city of Seattle. This BSL is funded by the Wheelchair Accessibility Disbursement Fund.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Wheelchair Accessible Svcs	1,487,808	1,625,424	1,620,305
<b>Total</b>	<b>1,487,808</b>	<b>1,625,424</b>	<b>1,620,305</b>
Full-time Equivalents Total*	0.00	1.00	1.00

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# Finance General

Ben Noble, Director

(206) 615-1962

## Department Overview

Finance General provides a mechanism for allocating General Fund resources to reserve and bond redemption funds, City department operating funds, and certain programs where the City Council, Mayor, or City Budget Office needs additional oversight.

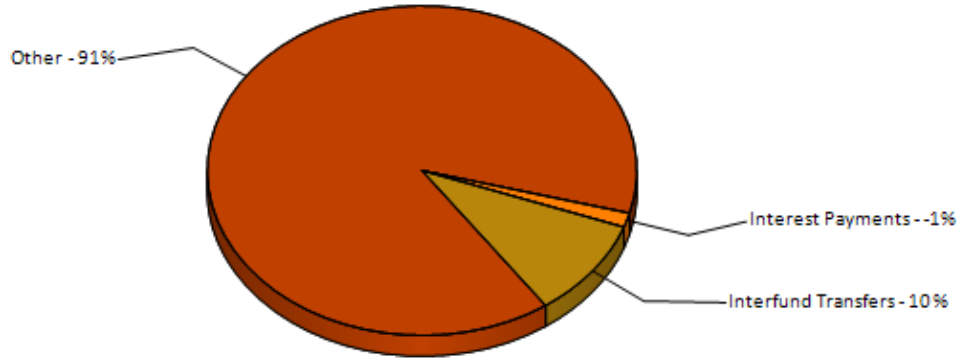
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$226,654,485	\$197,129,446	\$201,210,391
Other Funding - Operating	\$0	\$6,157,174	\$4,631,074
<b>Total Operations</b>	<b>\$226,654,485</b>	<b>\$203,286,620</b>	<b>\$205,841,465</b>
<b>Total Appropriations</b>	<b>\$226,654,485</b>	<b>\$203,286,620</b>	<b>\$205,841,465</b>
Full-time Equivalent Total*	0.00	0.00	0.00

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# Finance General

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

Finance General serves as a central repository to pay for ongoing City costs, General Fund contributions to the operations of City departments, and contributions to outside organizations. It also provides a mechanism to hold appropriations temporarily until the City determines the appropriate managing department; to act as a contingency reserve to respond to unpredictable situations; and, to cover costs that vary with economic conditions.

To meet the objectives of the direct funding model of the City's financial system reimplementation, the Support to Operating Funds Budget Control Level, which previously provided General Fund cash transfers to operating funds, was eliminated in 2018. Instead, operating fund departments receive General Fund support by appropriating directly out of the General Fund. Finance General appropriations will continue to provide General Fund support via cash transfers to several departments in the Appropriation to Special Funds Budget Control Level. For additional information on department-specific items, please refer to the department budget book sections.

# Finance General

## Incremental Budget Changes

### Finance General

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 226,654,485</b>	<b>0.00</b>	<b>\$ 226,654,485</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Internal Service Cost Changes	-\$ 24,442,210	0.00	-\$ 25,410,274	0.00
Adjustment for One-Time Budget Additions	-\$ 3,092,000	0.00	-\$ 3,092,000	0.00
<b>Proposed Changes</b>				
Debt Service Changes to Realign Costs	-\$ 417,782	0.00	-\$ 823,461	0.00
Judgment and Claims Increase	\$ 5,000,000	0.00	\$ 6,600,000	0.00
Assess and Pilot Strategies to Facilitate Reentry and Coordinate with King County	\$ 250,000	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Update Reserves for Recurring Expenses	-\$ 5,109,995	0.00	-\$ 2,372,166	0.00
Provide General Fund Support to Department Programs	\$ 4,444,122	0.00	\$ 4,284,881	0.00
<b>Total Incremental Changes</b>	<b>-\$ 23,367,865</b>	<b>0.00</b>	<b>-\$ 20,813,020</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 203,286,620</b>	<b>0.00</b>	<b>\$ 205,841,465</b>	<b>0.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Internal Service Cost Changes - (\$24,442,210)**

Citywide technical adjustments made in the baseline phase reflect changes in how Finance and Administrative Services costs were distributed to department budgets. Formerly, Finance General (FG) covered many internal service costs associated with departments to simplify department budgeting; however, this was not consistent with the City's financial policy of showing true department costs. Therefore, \$7 million was redistributed to departments. Additionally, \$18 million was removed from Finance General (FG) transfer to Seattle Information Technology Department (ITD). This change returns FG's biennial transfer to ITD to its normal ongoing level. The 2018 Adopted Budget reflected a one-time increase to pay for costs that ITD was not able to distribute to department budgets by the time 2018 budget was adopted. The one-time transfer made in 2018 will be recouped via a 2019 revenue to the General Fund based on a one-time surcharge to departments in 2019.

#### **Adjustment for One-Time Budget Additions - (\$3,092,000)**

## Finance General

This item includes budget reductions for one-time additions in the 2018 Adopted Budget: Seattle retirement savings plan reserve (\$200,000); Seattle Leadership, Intervention, and Change Summit reserve (10,000); youth opportunity center and housing project (\$500,000); and, repayment of Finance and Administrative Services for set up of the Sweetened Beverage Tax collection structure (\$1,082,000); and community health engagement location reserve (\$1,300,000), which remains unspent in reserves.

### Proposed Changes

#### **Debt Service Changes to Realign Costs - (\$417,782)**

Finance General's debt service budget was restructured to better align appropriations with attributable costs of department projects. Specifically, debt service costs were moved to the Department of Parks and Recreation and to Seattle Department of Transportation; thereby, allowing these departments to direct charge the General Fund for debt service costs. Also, to facilitate use of resources of the Unrestrictive Cumulative Reserve Fund, Real Estate Excise Tax I Fund and Real Estate Excise Tax II Fund, three Finance General programs were created to directly charge to these funds.

#### **Judgment and Claims Increase - \$5,000,000**

Contributions to Judgment and Claims Fund (JC) was increased by \$5 million each year to accommodate a higher trend in settlement and judgments in tort cases and use of outside counsel. The increase in budget for JC in 2019 and 2020 ramps up the appropriation based on the actuarial reports beginning with a 50% confidence level of meeting actual expenditures in 2019, a 60% confidence level in 2020 and increases of 10% each year that achieve 90% by 2023.

#### **Assess and Pilot Strategies to Facilitate Reentry and Coordinate with King County - \$250,000**

In 2015, the City Council passed Resolution 31637 establishing a workgroup to strengthen the City's efforts to assist reentry, reduce recidivism, and alleviate the negative impact of incarceration on individuals. The workgroup's final report is expected to be completed before the end of 2018. It is anticipated that the report will identify service gaps and potential new strategies and approaches to better facilitate reentry. Continuation of this work will require coordination and assessment of King County's existing portfolio of reentry services as well as deep alignment with multiple entities within the region's criminal justice system as the scope of this policy area reaches far beyond the direct authority of the City of Seattle. This funding will support further analysis and assessment of the region's approach and strategies for reentry, strengthen coordination and collaboration efforts with other criminal justice agencies, and pilot new and innovative strategies to help facilitate reentry for individuals with criminal history. The Executive will work with the Council President's Office to propose a spending plan in the first quarter of 2019 to appropriate these funds.

### Proposed Technical Changes

#### **Update Reserves for Recurring Expenses - (\$5,109,995)**

This item makes changes for updated cost projections and includes non-programmatic changes that represent the latest cost estimates for recurring expenses or different financing plans to fund ongoing services.

#### **Provide General Fund Support to Department Programs - \$4,444,122**

This adjustment provides the resources needed to support department operations which receive General Fund through operating transfers. Please refer to department sections for specific program descriptions and changes.

# Finance General

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Appropriation to Special Funds Budget Summary Level</b>			
General Fund	181,469,845	158,434,574	161,240,679
REET I Capital Projects Fund	0	2,302,763	1,996,588
REET II Capital Projects Fund	0	1,000,000	0
Unrestricted Cumulative Reserve Fund	0	2,854,411	2,634,486
<b>Total for BSL: BO-FG-2QA00</b>	<b>181,469,845</b>	<b>164,591,748</b>	<b>165,871,753</b>

<b>Reserves Budget Summary Level</b>			
General Fund	45,184,640	38,694,872	39,969,712
<b>Total for BSL: BO-FG-2QD00</b>	<b>45,184,640</b>	<b>38,694,872</b>	<b>39,969,712</b>

<b>Department Total</b>	<b>226,654,485</b>	<b>203,286,620</b>	<b>205,841,465</b>
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<b>Department Full-time Equivalent Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## Budget Summary by Fund for Finance General

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	226,654,485	197,129,446	201,210,391
30010 - REET I Capital Projects Fund	0	2,302,763	1,996,588
30020 - REET II Capital Projects Fund	0	1,000,000	0
00164 - Unrestricted Cumulative Reserve Fund	0	2,854,411	2,634,486
<b>Budget Totals for FG</b>	<b>226,654,485</b>	<b>203,286,620</b>	<b>205,841,465</b>

## Finance General

### Appropriations By Budget Summary Level (BSL) and Program

<b><u>Appropriation to Special Funds Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Arts and Culture Fund	10,389,485	11,549,602	11,314,590
Cumulative Reserve Subfund - Revenue Stabilization Account	3,850,594	3,688,857	2,667,960
Emergency Subfund	1,542,358	1,706,916	1,753,708
Finance and Administrative Services Fund	19,670,404	13,893,672	12,906,646
Firefighters Pension Fund	18,840,000	19,079,309	19,059,375
General Bond Interest/Redemption Fund	17,750,434	15,222,025	16,512,827
Information Technology Fund	20,666,319	3,148,841	3,167,803
Insurance	5,617,000	6,038,275	6,491,146
Judgment/Claims Fund	1,761,855	6,761,855	8,361,855
Library Fund	53,912,040	54,966,045	55,041,816
Office of Labor Standards Fund	5,698,216	6,599,133	6,657,303
Police Relief and Pension Fund	21,771,140	21,937,218	21,936,724
<b>Total</b>	<b>181,469,845</b>	<b>164,591,748</b>	<b>165,871,753</b>



## Finance General

<b><u>Reserves Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Community Health Engagement Location	1,300,000	0	0
Department of Justice Settlement Agreement/Police Accountability	1,968,400	2,259,609	2,322,241
Get Engaged: City Boards and Commissions	34,937	34,937	34,937
Police Civilian Community Liaison Services	1,800,000	0	0
Police Domestic Violence Detectives	24,000	24,000	24,000
Recurring Reserve-Election Expense	1,599,765	850,000	1,700,000
Recurring Reserve-Family Leave Program	2,000,000	2,000,000	2,000,000
Recurring Reserve-Fire Hydrants	9,540,000	9,540,000	9,540,000
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000
Recurring Reserve-Portable Art Rental and Maintenance	332,966	332,966	332,966
Recurring Reserve-Puget Sound Clean Air Agency	718,000	754,000	758,000
Recurring Reserve-State Examiner	878,416	878,416	878,416
Recurring Reserve-Street Lighting	13,200,000	12,800,000	13,100,000
Recurring Reserve-Tax Refund Interest	775,000	775,000	775,000
Recurring Reserve-Transit Pass Subsidy	4,454,000	4,731,826	5,043,564
Recurring Reserve-Voter Registration and Pamphlet	1,500,000	1,900,000	1,900,000
Recurring Reserve-Workers Compensation Total Disability Claims	500,000	500,000	500,000
Reentry Workforce Strategies	0	250,000	0
Seattle Indian Services Commission Debt Service Payment	454,000	444,118	440,588
Seattle Leadership, Intervention, and Change Summit	10,000	0	0
Seattle Retirement Savings Plan	200,000	0	0
Sweetened Beverage Tax Community Advisory Board Recommendation	2,775,156	0	0
Sweetened Beverage Tax Related Job Retraining	500,000	500,000	500,000
Youth Opportunity Center and Housing Project	500,000	0	0
<b>Total</b>	<b>45,184,640</b>	<b>38,694,872</b>	<b>39,969,712</b>



# Office of Hearing Examiner

Ryan Vancil, Hearing Examiner

(206) 684-0521

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

## Department Overview

The Office of Hearing Examiner is Seattle's quasi-judicial forum for reviewing factual and legal issues raised by the application of City Code requirements to specific people or property. As authorized by the Seattle Municipal Code, the office conducts hearings and decides appeals in cases where citizens disagree with a decision made by a City agency. Many of the matters appealed to the Hearing Examiner relate to land use and environmental permit decisions and interpretations made by the Seattle Department of Construction and Inspections. The Hearing Examiner also hears appeals in many other subject areas and makes recommendations to the City Council on rezone petitions, major institution master plans, and other Council land-use actions. Pursuant to authority granted in 2004, the Hearing Examiner also provides contract hearing examiner services to other local governments.

The Hearing Examiner is appointed by the City Council, and Deputy Hearing Examiners are appointed by the Hearing Examiner. Examiners handle all pre-hearing matters, regulate the conduct of hearings, and prepare decisions and recommendations based upon the hearing record and applicable law. The Seattle Municipal Code requires all examiners to be attorneys with training and experience in administrative hearings. The Hearing Examiner also manages an executive assistant to oversee the administrative areas of the office, a legal assistant to assist with hearings and decision preparation, and an administrative specialist to support all other office positions and provide information to the public.

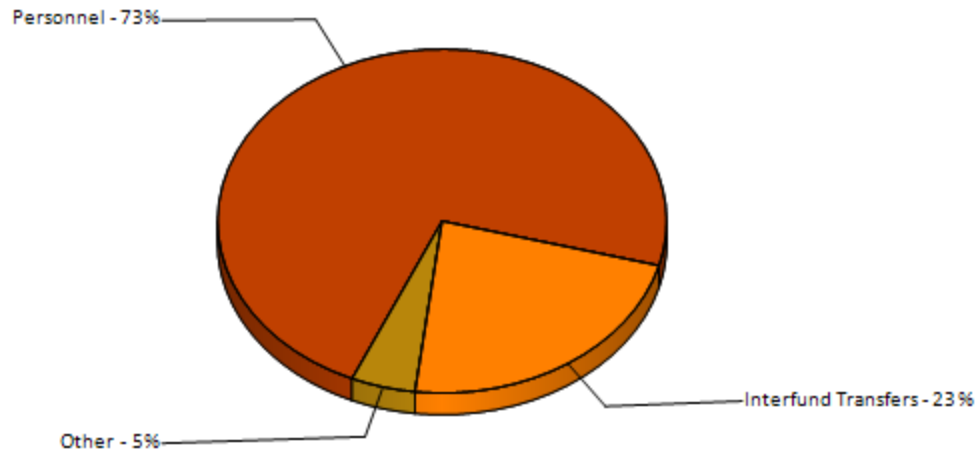
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$749,984	\$960,513	\$966,084
<b>Total Operations</b>	<b>\$749,984</b>	<b>\$960,513</b>	<b>\$966,084</b>
<b>Total Appropriations</b>	<b>\$749,984</b>	<b>\$960,513</b>	<b>\$966,084</b>
Full-time Equivalent Total*	4.63	4.63	4.63

\* 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.

# Office of Hearing Examiner

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

The Hearing Examiner 2019-2020 Proposed Budget does not include significant changes. There are two technical adjustments to the budget which are described in the incremental budget changes section below.

### Incremental Budget Changes

#### Office of Hearing Examiner

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 749,984</b>	<b>4.63</b>	<b>\$ 749,984</b>	<b>4.63</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 221,529	0.00	\$ 227,100	0.00
Adjustment for One-Time Budget Additions	-\$ 11,000	0.00	-\$ 11,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 210,529</b>	<b>0.00</b>	<b>\$ 216,100</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 960,513</b>	<b>4.63</b>	<b>\$ 966,084</b>	<b>4.63</b>

# Office of Hearing Examiner

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$221,529

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### Adjustment for One-Time Budget Additions - (\$11,000)

This item includes budget reductions for one-time additions in the 2018 Adopted Budget. The 2018 Adopted Budget included one-time funding for IT development work on the Files and Records Information Tracking System (FRITS). This adjustment removes that one-time funding from the 2019-2020 Proposed Budget.

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of the Hearing Examiner Budget Summary Level</b>			
General Fund	749,984	960,513	966,084
<b>Total for BSL: BO-HX-V1X00</b>	<b>749,984</b>	<b>960,513</b>	<b>966,084</b>
<b>Department Total</b>	<b>749,984</b>	<b>960,513</b>	<b>966,084</b>
<b>Department Full-time Equivalents Total*</b>	<b>4.63</b>	<b>4.63</b>	<b>4.63</b>

\* 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 Summary by Fund for Hearing Examiner

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	749,984	960,513	966,084
<b>Budget Totals for HXM</b>	<b>749,984</b>	<b>960,513</b>	<b>966,084</b>

# Office of Hearing Examiner

## Appropriations By Budget Summary Level (BSL) and Program

### Office of the Hearing Examiner Budget Summary Level

The purpose of the Office of Hearing Examiner Budget Control Level is to conduct fair and impartial hearings in all subject areas where the Seattle Municipal Code grants authority to do so (there are currently more than 75 subject areas) and to issue decisions and recommendations consistent with applicable law.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of the Hearing Examiner	749,984	960,513	966,084
<b>Total</b>	<b>749,984</b>	<b>960,513</b>	<b>966,084</b>
Full-time Equivalents Total*	4.63	4.63	4.63

*\* 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.*

# Seattle Department of Human Resources

Susan McNab, Director

(206) 684-7999

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

## Department Overview

### SEATTLE DEPARTMENT OF HUMAN RESOURCES - OPERATING DEPARTMENT OVERVIEW

The Seattle Department of Human Resources' goal is to promote an equitable, respectful and engaging work environment so employees can do their best work and make a difference for the people and communities we serve.

The Seattle Department of Human Resources (SDHR) is responsible for centrally setting the strategic direction for human resources services: identifying, hiring, and retaining the City's dynamic, diverse workforce as well as developing and administering a compensation and benefits program to create a quality employee experience. SDHR also provides core human resources (HR) support services to all City employees. SDHR operations:

- create greater HR accountability and collaboration citywide so that consistent, cost-effective services are provided to all employees;
- provide full-service HR to 17 supported departments;
- manage the evolving OneHR strategic plan;
- ensure a culture of respect and dignity for all employees;
- develop consistent policies, improved services, and programs that enhance the workforce;
- develop proactive workforce equity through our Workforce Equity Strategic Action Plan; and
- provide executive recruitment and succession planning services.

SDHR establishes Citywide personnel rules; offers strategic consultative assistance to departments, policymakers and employees; and ensures department staff and managers receive information and resources required to meet business needs and legal requirements such as leave administration and the Janus decision on union fees and dues.

The **Director's Office** establishes Citywide personnel rules; offers strategic consultative assistance to departments, policymakers and employees; and spearheads Citywide programs and efforts such as the Human Resources Strategic Plan and the Workforce Equity Initiative.

**Shared Administrative Services** administers Citywide quality and cost-effective employee benefits, including health care and workers' compensation; provides Citywide safety, classification/compensation and Human Resource Information System (HRIS) Management services; manages the City's voluntary deferred compensation plan; provides internal fiscal management and budget development; and handles absence management.

**Workforce Equity** leads the Workforce Equity Strategic Plan and proactively addresses policies, processes and practices that advance the City's ability to maintain consistent and equitable treatment of employees Citywide. Partners include the Office for Civil Rights and the community to end racial disparities and create fair and equitable City career pathways.

# Seattle Department of Human Resources

**Service Delivery and Labor Relations** provides human resources support to executive offices; strategic alignment with department HR leaders and staff; and collective bargaining agreement negotiation and implementation.

**Organizational Development** includes people strategy and employer brand; OneHR implementation; training; recruitment and retention; and performance management.

## PERSONNEL COMPENSATION TRUST FUNDS - FUNDS OVERVIEW

The Seattle Department of Human Services (SDHR) administers four Personnel Compensation Trust Funds related to employee benefits. These funds serve as a means to manage certain Citywide contractual obligations on behalf of employees and City departments. The administering department collects funds from other City departments, which are then paid out to various insurance companies, service providers, and individuals.

**The following funds are administered by the Seattle Department of Human Resources:**

- **Health Care Fund:** Contains the revenues and expenses related to the City's medical, dental and vision insurance programs; Flexible Spending Account program; Employee Assistance Program; and COBRA continuation coverage. The City is self-insured for both the Aetna and Kaiser medical plans and one dental plan, and carries insurance for the remainder of the dental and vision plans.
- **Industrial Insurance Fund:** Captures the revenues and expenditures associated with the City's Workers' Compensation and Safety programs. Since 1972, the City of Seattle has been a self-insured employer as authorized under state law. The Industrial Insurance Fund receives payments from City departments to pay for these costs and related administrative expenses. Overall costs include fees levied by the Washington State Department of Labor and Industries, reinsurance premiums, and administrative costs to manage the program.
- **Unemployment Insurance Fund:** Contains the revenues and expenditures associated with the City's unemployment benefit and administration costs. The City is a self-insured employer with respect to unemployment insurance.
- **Group Term Life Insurance Fund:** Contains the revenues and expenses related to the City's group term life insurance, long-term disability insurance, and accidental death and dismemberment insurance plans.

## Budget Snapshot

<u>SDHR DEPARTMENT SUPPORT</u>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
General Fund Support	\$19,114,017	\$18,906,061	\$19,028,372
Other Funding - Operating	\$0	\$0	\$0
<b>Total Operations</b>	<b>\$19,114,017</b>	<b>\$18,906,061</b>	<b>\$19,028,372</b>
<b>Total Appropriations</b>	<b>\$19,114,017</b>	<b>\$18,906,061</b>	<b>\$19,028,372</b>
Full-time Equivalent Total*	112.50	108.00	108.00
<u>PCTF SUPPORT</u>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
General Fund Support	\$0	\$0	\$0
Other Funding - Operating	\$257,557,349	\$271,965,675	\$283,364,010
<b>Total Operations</b>	<b>\$257,557,349</b>	<b>\$271,965,675</b>	<b>\$283,364,010</b>

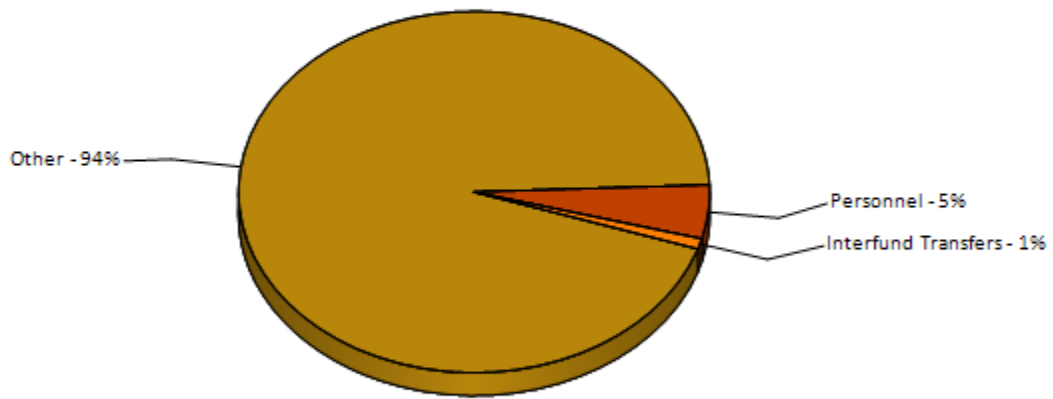


# Seattle Department of Human Resources

<b>Total Appropriations</b>	<b>\$257,557,349</b>	<b>\$271,965,675</b>	<b>\$283,364,010</b>
Full-time Equivalent Total*	0.00	0.00	0.00

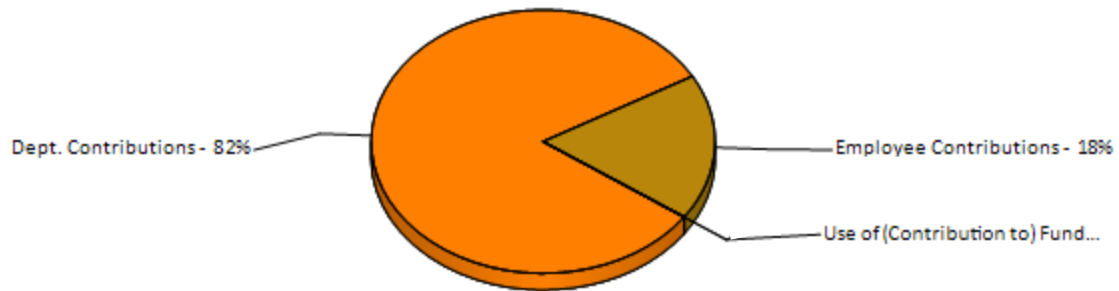
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

## 2019 Proposed Budget - Expenditure by Category



# Seattle Department of Human Resources

## 2019 Proposed Budget - Revenue by Category



## Budget Overview

### SEATTLE DEPARTMENT OF HUMAN RESOURCES - DEPARTMENT BUDGET OVERVIEW

The Seattle Department of Human Resources (SDHR) strives for a consistent, equitable employee experience at the City so that employees can do their best work. SDHR supports employee resources such as benefits and professional development, and department services such as employee relations and job classifications. SDHR provides full HR services to executive and some small departments. The City's larger departments employ their own HR staff. This structure creates the potential for varying levels of HR services and employee experiences across the City. Citywide alignment of HR policies and programs is essential to support City efforts towards workforce equity and consistent policy interpretation.

In 2014, SDHR developed a "OneHR" strategic plan to create the path towards Citywide HR alignment. In 2016, they followed with the Workforce Equity Plan which highlighted how improved training and development was critical to shift the workplace culture at the City. It also recommended the need for the City to proactively develop HR policies that shape and support the workforce. SDHR has been fully committed to create strategic changes in workplace culture that will lead to the deepest impacts on workforce equity.

The list below describes a few policy areas where SDHR has made significant progress in the past year to move the City's HR practices towards OneHR.

E3 – Performance Management - SDHR launched E3 in 2015, which provides the City with a single platform and uniform process to support employee performance management. By the end of 2018, E3 will be implemented in 15 departments which cover about 3,500 employees.

# Seattle Department of Human Resources

Workforce Development – SDHR added an Employee Pathways and Green Jobs Specialist in 2017 to help the City shape the opportunities for its workforce and facilitate the City’s Employment Pathways IDT. A forthcoming report will detail the City’s inventory of entry-level jobs and jobs that support the City’s commitment to environmental justice. The report will also recommend the areas where the City can support employees’ career growth such as skills and leadership trainings and creating more clearly defined career pathways within the City.

Workforce Equity Accountability Report – The City’s first [Workforce Equity Accountability Report](#) was shared in summer 2018. The report provided a summary of several strategies that were implemented as a result of the 2014 OneHR strategic plan and 2016 Workforce Equity Action Plan. These strategies include developing training to reduce bias in employment decisions, implementing leadership development programs like Emerging Leaders and City Leadership Academy, and collecting workforce data strategically to measure the City’s progress.

HR Allocations to All City Departments – The 2019-2020 Proposed Budget includes a new HR allocation that will charge SDHR’s operating costs to each City department. Previously, SDHR’s operational costs were allocated to only five departments (Seattle Department of Transportation, Seattle City Light, Seattle Public Utilities, Seattle City Employees’ Retirement System, and Seattle Department of Construction and Inspections) and the General Fund covered all other departments. SDHR and the City Budget Office partnered to implement an allocation in the budget process to help engage departments with the services SDHR provides to support departments and employees and lay the budgetary foundation for OneHR.

Public Safety Exam Administration – In 2018, SDHR implemented several program changes for entry-level firefighter exams in coordination with the Seattle Fire Department and the Public Safety Civil Service Commission. The City previously held written entry-level testing on one weekend every other year at a single Seattle location. The new exam process allows candidates a two-month window to take a video exam at locations across the state with a partnered exam vendor. The next step, an oral board process, now includes a non-firefighter panelist to broaden the City’s perspective in evaluating firefighter candidates.

SDHR is also working with the Mayor’s Office and the City Council to use preference points in entry-level police recruitment to recognize broader skillsets that contribute to a City’s public safety workforce that can engage the community’s trust respectfully.

## **Anti-Harassment and Misconduct Policies**

In January 2018, Mayor Durkan launched a review of the City’s harassment and discrimination policies. She convened an Anti-Harassment Interdepartmental team (AH IDT) co-led by SDHR and the Office for Civil Rights (OCR) to analyze the current policies and processes that address employee conflicts and misconduct. The IDT provided recommendations to transform the City’s workplace culture to promote a safe, harassment- and discrimination-free workplace for all employees.

The 2019-2020 Proposed Budget adds two anti-harassment resources at SDHR.

First, the proposed budget retains a training and development position (Strategic Advisor 1) that was scheduled to sunset on December 31, 2018 to provide ongoing policy, process, support, and tracking and monitoring functions for E3 performance management. The existing E3 scoring structure will be enhanced to improve data collection and the system configured to allow 360-degree review so that employees’ feedback on their supervisors and peers can also be included in the performance assessment process. In addition, core competencies will be assessed for accountability in how supervisors support an inclusive and safe workplace. This position will also coordinate implementing E3 at City departments that currently use another system.

Second, the proposed budget adds a City Investigator (Executive 1) to implement a central hub at SDHR to coordinate employee investigations and develop a consistent approach to investigations across the City. The central hub resources will be responsible for Citywide tracking of investigations and decisions, as requested by the City employee focus groups conducted by the AH IDT. Additional staffing for the central hub will be provided through the City’s existing investigation staff resources. An assessment to identify which staff should be

# Seattle Department of Human Resources

transferred to SDHR will be completed by December 31, 2018 and the Executive will develop legislation needed for the transfers.

Separately, the 2019-2020 Proposed Budget also provides funding to establish an Office of the Employee Ombud in the Executive to assist and advise employees who have experienced workplace harassment. This resource was also recommended by the AH IDT.

- **Other 2019-2020 Proposed Budget Items**

The proposed budget includes several reductions to meet Mayor Durkan's goal of using the City resources efficiently and effectively for core functions. These reductions:

- abrogates 3.0 FTEs from SDHR's leadership and 1.0 FTE administrative staff. The department is currently assessing the most efficient strategies to align Citywide services and policies for equitable and consistent HR services to all employees. For now, responsibilities have been reorganized among the remaining management positions;
- adjusts a Workforce Equity Advisor position (Strategic Advisor 1) from full-time to half-time; and
- eliminates the City's \$150,000 Career Quest scholarship fund to preserve core services while reducing expenses.

The 2019-2020 Proposed Budget adds resources for the operating costs of the public safety exam administration at SDHR and to fund the changes to the entry-level firefighter recruiting process described above. Even and odd years are budgeted at different levels because some entry-level, lateral, and promotional exams operate on a biennial schedule.

Finally, the proposed budget includes one-time resources in 2020 to implement a new customer service system that will allow the benefits unit to streamline their management of employee questions and responses and improve overall customer service. This project will be funded by existing fund balance in the City's healthcare fund and through the 2020 HR allocation to City departments.

## **PERSONNEL COMPENSATION TRUST FUNDS - BUDGET OVERVIEW**

The following provides a summary of each of the four individual funds that comprise the Personnel Compensation Trust Funds and are administered by SDHR.

**Health Care Fund:** Total City health care costs including medical, dental and vision care are expected to reach \$240 million in 2019. The City of Seattle experienced slow growth in average cost increases from 2014 through 2016. However, health care costs are generally cyclical in nature. In 2017, the City of Seattle experienced a health care deficit, and health care costs during the first half of 2018 are higher than expected. Costs are expected to increase with a 7% annual trend in 2019 and an additional 6.5% trend in 2020.

The 2019-2020 Proposed Budget expects health care enrollments will be 11,874 employees in 2019 and 11,896 in 2020 which are relatively flat increases compared to the 11,856 enrollees in the 2018 Adopted Budget.

**Industrial Insurance Fund:** The 2019-2020 Proposed Budget assumes increases that reflect actual operating costs of the fund as well as an uptick in the City's claims costs for time-loss.

The budget in 2019 includes \$547,000, the second of a two-year payment for the purchase and implementation of a new workers' compensation system expected to be completed in 2019. The budget does not reflect any costs towards this project in 2020.

**Unemployment Fund:** The 2019-2020 Proposed Budget reflects a sharp increase in unemployment claims costs expected in 2019 and 2020, compared to the levels in the 2018 Adopted Budget. This increase reflects the City's levels of actual claims costs in 2017 and the first half of 2018.

# Seattle Department of Human Resources

**Group Term Life Fund:** The 2019-2020 Proposed Budget shows a 2% increase in the rates per participant. However, the expected number of participants in 2019 and 2020 is lower than the levels in the 2018 Adopted Budget, and this decrease more than offsets the per-participant rates increase.

## Incremental Budget Changes

### Seattle Department of Human Resources

#### SDHR DEPARTMENT BUDGET

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 19,114,017</b>	<b>112.50</b>	<b>\$ 19,114,017</b>	<b>112.50</b>
<b>Baseline SDHR Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 801,113	0.00	\$ 610,690	0.00
Adjustment for One-Time Budget Additions	-\$ 776,942	-2.00	-\$ 776,941	-2.00
Technical Adjustments	\$ 0	0.00	\$ 0	0.00
<b>Proposed SDHR Changes</b>				
Anti-Harassment Action Plan	\$ 291,814	2.00	\$ 292,023	2.00
Police and Fire Exam Administration	\$ 300,344	0.00	\$ 213,411	0.00
Efficiency Reductions	-\$ 824,285	-4.50	-\$ 828,828	-4.50
Benefits Division - Customer Service System	\$ 0	0.00	\$ 404,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 207,956</b>	<b>-4.50</b>	<b>-\$ 85,645</b>	<b>-4.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 18,906,061</b>	<b>108.00</b>	<b>\$ 19,028,372</b>	<b>108.00</b>

#### PCTF BUDGET

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 257,557,349</b>	<b>0.00</b>	<b>\$ 257,557,349</b>	<b>0.00</b>
<b>Technical PCTF Changes</b>				
Healthcare Changes	\$ 13,223,689	0.00	\$ 23,963,341	0.00
Industrial Insurance Claims and Operating Costs	\$ 1,187,755	0.00	\$ 1,716,128	0.00
Unemployment Claims	\$ 472,924	0.00	\$ 472,924	0.00
Group Term Life/Long Term Disability Changes	-\$ 476,042	0.00	-\$ 345,732	0.00
<b>Total Incremental Changes</b>	<b>\$ 14,408,326</b>	<b>0.00</b>	<b>\$ 25,806,661</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 271,965,675</b>	<b>0.00</b>	<b>\$ 283,364,010</b>	<b>0.00</b>

# Seattle Department of Human Resources

## Descriptions of Incremental Budget Changes

### SDHR DEPARTMENT BUDGET

#### Baseline SDHR Changes

##### **Citywide Adjustments for Standard Cost Changes - \$801,113**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Adjustment for One-Time Budget Additions - (\$776,942)/(2.00) FTE**

This item includes budget reductions for two regular positions and two term-limited positions that are set to sunset at the end of 2018. One of these positions (Strategic Advisor 1) is restored in the 2019-2020 Proposed Budget to staff the City's performance management system as part of the City's anti-harassment action plan.

##### **Technical Adjustments**

This adjustment includes several net-zero changes in the 2019-2020 Proposed Budget to realign costs among programs internally.

#### Proposed SDHR Changes

##### **Anti-Harassment Action Plan - \$291,814/2.00 FTE**

This adjustment adds two positions to support anti-harassment policies and procedures at the City. A 1.0 FTE City Investigator (Executive 1) will coordinate employee investigations from a central hub at SDHR and develop a consistent approach to investigations across the City. Additional staffing for the central hub will be provided through the City's existing investigation staff resources. An assessment to determine which staff should be transferred to SDHR will be completed by December 31, 2018. The Executive will develop the legislation needed to authorize the transfers.

A 1.0 FTE training and development specialist (Strategic Advisor 1) who supports E3, the City's performance management system, was scheduled to sunset on December 31, 2018. This adjustment removes the sunset date to retain the position. The position will enable E3 to allow employees to review supervisors and peers, and increase department leadership's accountability to support an inclusive, safe workplace. This position will also coordinate implementing E3 across the City and provide ongoing support for E3 performance management functions.

##### **Police and Fire Exam Administration - \$300,344**

The recruiting process for entry-level firefighters was updated in 2018 to increase the application window. Additionally, a partnered exam vendor provides testing locations across the state making it more accessible for interested candidates from diverse communities in the region.

This appropriation increase includes two adjustments. First, \$165,900 in 2019 to fund the \$50 exam fee subsidy for all candidates to take the exam without cost. Second, this adjustment appropriates \$134,444 in 2019 and \$213,411 in 2020 to align the actual costs of public safety exam administration which were under-budgeted in

# Seattle Department of Human Resources

previous years. Even and odd years are budgeted at different levels because some entry-level, lateral, and promotional exams operate on a biennial schedule.

## **Efficiency Reductions - (\$824,285)/(4.50) FTE**

This adjustment includes several reductions that help ensure the City's resources are used effectively and efficiently for core services. This abrogates four positions, 1.0 FTE Executive 2 position in the Recruitment and Retention unit, 1.0 FTE Chief of Staff (Executive 2), 1.0 FTE Training and Development Manager (Manager 2), and a 1.0 FTE Administrative Staff Assistant.

These positions were assembled in anticipation of a plan to immediately consolidate HR professionals across the City into a single department. The department is currently assessing the most efficient strategies to align Citywide services and policies for equitable and consistent HR services to all employees. The consolidation is on hold for 2019-2020 and these positions, which anticipated a large increase in direct SDHR staff, are reduced. In addition, a Workforce Equity Advisor position will be reduced from full-time to half-time and the City's \$150,000 Career Quest scholarship fund will be eliminated to preserve core services while reducing overall expenses.

## **Benefits Division - Customer Service System**

This adds \$404,000 as one-time resources in 2020 to develop and implement a customer service system that will allow the employee benefits unit streamline questions from employees. This system will ensure Citywide employees receive consistent and timely customer service to understand and access their benefits. This project will be funded by existing fund balance in the City's healthcare fund and through the 2020 HR allocation to City departments.

## **PCTF BUDGET**

### **Technical PCTF Changes**

#### **Healthcare Changes - \$13,223,689**

This adjustment to the health care fund reflects a trend rate of 7% in 2019 and an additional 6.5% in 2020. The City's total health care enrollment is expected to be relatively flat in 2019 and 2020, compared to the 2018 Adopted Budget.

#### **Industrial Insurance Claims and Operating Costs - \$1,187,755**

The 2019-2020 Proposed Budget includes several changes in the Industrial Insurance Fund. First, the City's expected claims costs increase by \$641,805, from \$12.3 million in the 2018 Adopted Budget to \$13.0 million in 2019. This increase is driven primarily by time-loss claims which have experienced an uptick in recent years of the number of employees on extended leave from work due to workplace injuries or illnesses.

Second, this adjustment increases operating costs by \$545,950, from \$4.2 million in the 2018 Adopted Budget to \$4.8 million in 2019. This includes a \$238,750 increase for the new workers' compensation system that will be completed in 2019, \$145,500 reduction that provided labor backfill to develop the new system, \$80,000 reduction to insurance premiums paid to the Washington State Department of Labor and Industries, and \$531,700 transfer of indirect operating costs for the industrial insurance division from SDHR's departmental budget into this fund to align with the City's updated accounting policies.

#### **Unemployment Claims - \$472,924**

The 2019-2020 Proposed Budget includes an increase in expected claims costs for the Unemployment Insurance Fund. This increase reflects the recent trends of actual claims costs, particularly in the first two quarters of 2018, and ensures department contributions are able to meet them.

# Seattle Department of Human Resources

## Group Term Life/Long Term Disability Changes - (\$476,042)

The per-participant rates for group term life and long-term disability are expected to increase by 2% in 2019 and 2020. However, this increase is offset by a reduced level of expected City participants compared to the 2018 Adopted Budget in order to reflect recent, actual participation. This results in an overall reduction in the 2019-2020 Proposed Budget.

## Expenditure Overview

### Appropriations

	2018 Adopted	2019 Proposed	2020 Proposed
<b><u>SDHR DEPARTMENT BUDGET</u></b>			
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	0	0	0
<b>Total for BSL: BO-HR-N5000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>HR Services Budget Summary Level</b>			
General Fund	19,114,017	18,906,061	19,028,372
<b>Total for BSL: BO-HR-N6000</b>	<b>19,114,017</b>	<b>18,906,061</b>	<b>19,028,372</b>
<b>Department Total</b>	<b>19,114,017</b>	<b>18,906,061</b>	<b>19,028,372</b>
<b>Department Full-time Equivalents Total*</b>	<b>112.50</b>	<b>108.00</b>	<b>108.00</b>

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

	2018 Adopted	2019 Proposed	2020 Proposed
<b><u>PCTF BUDGET</u></b>			
<b>Health Care Services Budget Summary Level</b>			
Health Care Fund (10112)	226,829,859	240,053,548	250,793,200
<b>Total for BSL: BO-HR-HEALTH</b>	<b>226,829,859</b>	<b>240,053,548</b>	<b>250,793,200</b>
<b>Industrial Insurance Services Budget Summary Level</b>			
Industrial Insurance Fund (10110)	22,078,899	23,266,654	23,795,027



## Seattle Department of Human Resources

<b>Total for BSL: BO-HR-INDINS</b>	<b>22,078,899</b>	<b>23,266,654</b>	<b>23,795,027</b>
<b>Unemployment Services Budget Summary Level</b>			
Unemployment Insurance Fund (10111)	1,657,076	2,130,000	2,130,000
<b>Total for BSL: BO-HR-UNEMP</b>	<b>1,657,076</b>	<b>2,130,000</b>	<b>2,130,000</b>
<b>GTL/LTD/AD&amp;D Insurance Service Budget Summary Level</b>			
Group Term Life Fund (10113)	6,991,515	6,515,473	6,645,783
<b>Total for BSL: BO-HR-GTL</b>	<b>6,991,515</b>	<b>6,515,473</b>	<b>6,645,783</b>
<b>Department Total</b>	<b>257,557,349</b>	<b>271,965,675</b>	<b>283,364,010</b>
<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

### Budget Summary by Fund for Human Resources

	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
00100 - General Fund	19,114,017	18,906,061	19,028,372
10112 - Health Care Fund (10112)	226,829,859	240,053,548	250,793,200
10110 - Industrial Insurance Fund (10110)	22,078,899	23,266,654	23,795,027
10111 - Unemployment Insurance Fund (10111)	1,657,076	2,130,000	2,130,000
10113 - Group Term Life Fund (10113)	6,991,515	6,515,473	6,645,783
<b>Budget Totals for SDHR and PCTF</b>	<b>276,671,366</b>	<b>290,871,736</b>	<b>302,392,382</b>

# Seattle Department of Human Resources

## Appropriations By Budget Summary Level (BSL) and Program

<u>GTL/LTD/AD&amp;D Insurance Service Budget Summary Level</u>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
GTL/LTD/AD&D Insurance	6,991,515	6,515,473	6,645,783
<b>Total</b>	<b>6,991,515</b>	<b>6,515,473</b>	<b>6,645,783</b>

<u>Health Care Services Budget Summary Level</u>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Health Care Services	226,829,859	240,053,548	250,793,200
<b>Total</b>	<b>226,829,859</b>	<b>240,053,548</b>	<b>250,793,200</b>

<u>Industrial Insurance Services Budget Summary Level</u>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Industrial Insurance Services	22,078,899	23,266,654	23,795,027
<b>Total</b>	<b>22,078,899</b>	<b>23,266,654</b>	<b>23,795,027</b>

# Seattle Department of Human Resources

<b><u>Leadership and Administration Budget Summary Level</u></b>			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	0	0	0
Departmental Indirect Costs	2,669,034	2,690,360	2,709,404
Divisional Indirect Costs	4,629,254	5,093,661	5,129,656
Indirect Cost Recovery	-7,298,288	-7,784,021	-7,839,060
Pooled Benefits	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	38.00	35.00	35.00
<i>* 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.</i>			

***The following information summarizes the programs in Leadership and Administration Budget Summary Level:***

### **Citywide Indirect Costs Program**

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	0	0	0
Full-time Equivalents Total	0.00	0.00	0.00

### **Departmental Indirect Costs Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	2,669,034	2,690,360	2,709,404
Full-time Equivalents Total	17.00	17.00	17.00

### **Divisional Indirect Costs Program**

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect Costs	4,629,254	5,093,661	5,129,656
Full-time Equivalents Total	21.00	18.00	18.00

# Seattle Department of Human Resources

## Indirect Cost Recovery Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Indirect Cost Recovery	-7,298,288	-7,784,021	-7,839,060
Full-time Equivalents Total	0.00	0.00	0.00

## Pooled Benefits Program

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Pooled Benefits	0	0	0
Full-time Equivalents Total	0.00	0.00	0.00

## HR Services Budget Summary Level

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
HR Service Delivery	1,888,992	1,634,106	1,617,064
HR Shared/Admin Services	7,395,295	7,709,109	8,012,116
HR Work Force Equity	1,943,911	3,272,760	3,172,461
Labor Relations	2,038,089	2,349,056	2,316,620
Recruit Retent	2,633,631	1,647,849	1,633,396
Training/Org Effectiveness	3,214,099	2,293,181	2,276,715
<b>Total</b>	<b>19,114,017</b>	<b>18,906,061</b>	<b>19,028,372</b>
Full-time Equivalents Total*	74.50	73.00	73.00

\* 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.

**The following information summarizes the programs in HR Services Budget Summary Level:**

## HR Service Delivery Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
HR Service Delivery	1,888,992	1,634,106	1,617,064
Full-time Equivalents Total	5.00	5.00	5.00

# Seattle Department of Human Resources

## HR Shared/Admin Services Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
HR Shared/Admin Services	7,395,295	7,709,109	8,012,116
Full-time Equivalents Total	39.00	39.00	39.00

## HR Work Force Equity Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
HR Work Force Equity	1,943,911	3,272,760	3,172,461
Full-time Equivalents Total	8.50	11.00	11.00

## Labor Relations Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Labor Relations	2,038,089	2,349,056	2,316,620
Full-time Equivalents Total	5.00	5.00	5.00

## Recruit Retent Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Recruit Retent	2,633,631	1,647,849	1,633,396
Full-time Equivalents Total	8.00	5.00	5.00

## Training/Org Effectiveness Program

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Training/Org Effectiveness	3,214,099	2,293,181	2,276,715
Full-time Equivalents Total	9.00	8.00	8.00

### **Unemployment Services Budget Summary Level**

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Unemployment Services	1,657,076	2,130,000	2,130,000
<b>Total</b>	<b>1,657,076</b>	<b>2,130,000</b>	<b>2,130,000</b>



# Immigrant and Refugee Affairs

Cuc Vu, Director

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## Department Overview

The mission of the Office of Immigrant and Refugee Affairs (OIRA) is to improve the lives of Seattle's immigrant and refugee families. OIRA works to strengthen immigrant and refugee communities by engaging them in decisions about the City of Seattle's future and improving the City's programs and services to meet the needs of all constituents.

OIRA collaborates with the Immigrant and Refugee Commission, community partners, government agencies, faith-based institutions, the private sector, and City departments to define and achieve desired outcomes for City investments for immigrants and refugees. According to the 2014 American Community Survey, immigrants and refugees comprise approximately 18% of Seattle's population. OIRA helps ensure that these residents can understand and access City services.

OIRA is dedicated to supporting the City's Race and Social Justice Initiative by consistently using the racial equity toolkit analysis, operationalizing racial equity in our workplans, and engaging directly with immigrant and refugee communities. Our racial equity analyses and discussions help us both evaluate our workplans and inform how we enhance strategy and service delivery each new cycle.

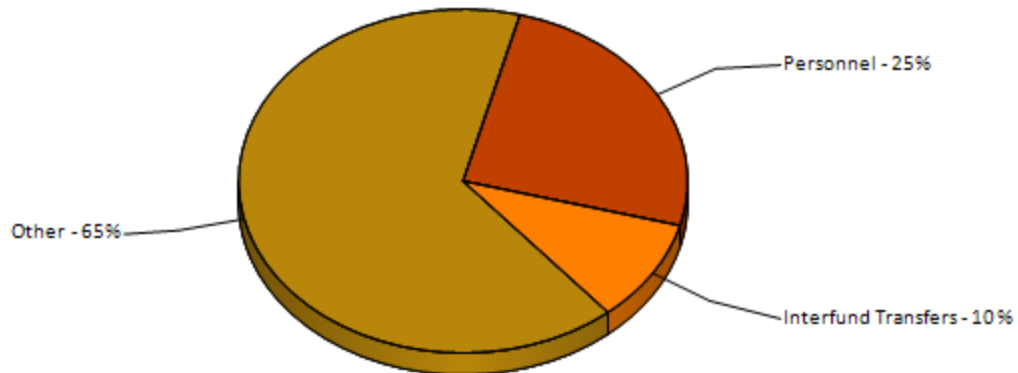
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$3,212,009	\$5,056,318	\$4,902,341
<b>Total Operations</b>	<b>\$3,212,009</b>	<b>\$5,056,318</b>	<b>\$4,902,341</b>
<b>Total Appropriations</b>	<b>\$3,212,009</b>	<b>\$5,056,318</b>	<b>\$4,902,341</b>
Full-time Equivalent Total*	9.00	9.50	9.50

\* 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.

# Immigrant and Refugee Affairs

## 2019 Proposed Budget - Expenditure by Category



### Budget Overview

Mayor Durkan is strongly committed to protecting Seattle immigrants and their families from threats to their well-being and safety. The Mayor envisions a city that is both safe and welcoming for immigrants. The 2019-2020 Proposed Budget reflects our shared values to help deliver on the promise of America to our immigrant friends and neighbors.

#### Legal Defense Network

In response to increased federal immigration enforcement against immigrants, regardless of legal status, the City stands with King County to protect those in need. In 2017, the City provided \$1 million in one-time funding and the County added \$550,000 in one-time funds to create the Seattle-King County Immigrant Legal Defense Network (LDN) and provide free legal services to qualifying immigrants in Seattle and the County. This program was to run from October 2017 through December 2018.

There continues to be a significant need for legal services for people in immigration proceedings. According to the American Immigration Council, immigrants in court proceedings with legal representation are up to ten times more likely to obtain relief than those without a lawyer. However, 35% of immigrants in proceedings at the Seattle immigration court and 92% of detained immigrants at the Tacoma immigration court do not have lawyers. Beyond immigration proceedings, lawyers can help immigrants who fail to realize their legal options simply due to a lack of information and resources. The Legal Defense Network includes various services to help remedy the problem including consultations with immigration lawyers, and legal representation for those facing deportation.

The proposed budget continues the City's commitment to LDN, in partnership with King County, which included increasing levels of funding for legal services for immigrants and refugees in its Veterans, Seniors and Human Services Levy (VSHSL) to run from 2019-2023. Contingent on the availability of VSHSL funds for LDN, the proposed



# Immigrant and Refugee Affairs

budget assumes the City and County will contribute equally to the Network: \$795,000 in 2019 and \$810,000 in 2020. This even split reflects the current split between Seattle residents and workers and County residents using the LDN. The City will continue to review its funding level to ensure its share of total funding matches the share of Seattle residents using LDN.

## **New Citizen Program Database**

The proposed budget includes funding for a new database for the New Citizen Program (NCP). NCP is a means-tested program within the New Citizen Campaign that provides free naturalization legal assistance, citizenship classes, and related case management services to low-income immigrants and refugees, many of whom are elderly, illiterate, have limited English proficiency, or are individuals with disabilities. The City receives reimbursement from the State for assisting NCP-eligible clients who receive state Department of Social and Health Services (DSHS) benefits. This current database is at the end of its life cycle and will no longer be supported by Seattle Information Technology.

## **Citywide General Fund Efficiencies**

The Mayor called for City departments to meet General Fund reduction targets to prioritize funding for the delivery of essential services. The proposed budget includes efficiencies found because of reductions to consultant contracts and program realignment. The Office of Immigrant and Refugee Affairs (OIRA) intends to reprioritize or otherwise absorb these functions in-house.

The proposed budget also reallocates funding for the New Citizen Campaign (NCC) mega workshop in favor of more monthly clinics to improve service delivery. NCC is an effort to help naturalize Seattle immigrants who are eligible to become U.S. citizens. The citizenship clinics offers immigrants access to volunteer attorneys, interpreters, and others to assist them in completing their naturalization application through a step-by-step process. This shift helps to better prepare people to complete their naturalization applications.

## **Community Development Block Grant Funding**

The Human Services Department acts on behalf of all City departments as the custodian and grantee for funding from the United States Department of Housing and Urban Development (HUD). As part of the budget conversion process in 2017, the CDBG fund was dissolved and the appropriations are now spread across multiple funds and departments. The proposed budget for OIRA includes a continuation of the base level of CDBG funding in the amounts of \$400,000 in 2019 and \$400,000 in 2020 for the Ready to Work program, which helps immigrant job-seekers improve their English language skills to earn a better living.

## **Technical Compensation Adjustments**

The office initiated two compensation adjustments and will offset these costs with reductions in their existing budget. Generally, department-initiated compensation adjustments are absorbed within the base budget or requested in the budget process.

# Immigrant and Refugee Affairs

## Incremental Budget Changes

### Immigrant and Refugee Affairs

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 3,212,009</b>	<b>9.00</b>	<b>\$ 3,212,009</b>	<b>9.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 311,769	0.00	\$ 229,482	0.00
<b>Proposed Changes</b>				
Legal Defense Network	\$ 1,590,000	0.50	\$ 1,620,000	0.50
New Citizen Program Database Replacement	\$ 109,795	0.00	\$ 8,105	0.00
Citywide General Fund Efficiencies	-\$ 41,000	0.00	-\$ 41,000	0.00
Reduce Discretionary Contracting Resources	-\$ 126,255	0.00	-\$ 126,255	0.00
<b>Proposed Technical Changes</b>				
Compensation Adjustments	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,844,309</b>	<b>0.50</b>	<b>\$ 1,690,332</b>	<b>0.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 5,056,318</b>	<b>9.50</b>	<b>\$ 4,902,341</b>	<b>9.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$311,769**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

### Proposed Changes

#### **Legal Defense Network - \$1,590,000/.50 FTE**

This item maintains and strengthens legal assistance for Seattle and King County's immigrants and their families. The Legal Defense Network (LDN) began in the fall of 2017 as a response to the federal government's increasingly

## Immigrant and Refugee Affairs

aggressive immigration-related actions, affecting immigrants regardless of legal status. In 2017, the City contributed \$1 million in one-time funding and the County added \$550,000 in one-time funding. By the end of 2018, LDN partners are expected to meet or exceed their target results of 762 screenings and intakes and 318 individuals with legal representation in immigration proceedings. As of July 2018, there were 569 intakes and of those intakes 261 were accepted for legal representation for help with applications for legal status or help in removal proceedings.

The 2019-2020 Proposed Budget increases the overall funding of this program and provides equal levels of ongoing funding by both the City and County, which included increasing levels of funding for legal services for immigrants and refugees in its Veterans, Seniors and Human Services Levy (VSHSL) to run from 2019-2023. Contingent on the availability of VSHSL funds for LDN, the budget includes \$795,000 each in 2019 and \$810,000 in 2020. This is to reflect the equal level of participation in the program by City residents and workers and County residents outside of Seattle. The funding also supports a part-time Grants and Contracts analyst position to oversee the grants to various partner agencies. Funding for this position will be three-quarters of the full costs in 2019, at \$44,836, and \$57,395 in 2020. The City will regularly review its funding level to ensure it matches the participation rate of Seattle residents in the program. Revenues anticipated from King County support half of this total appropriation increase.

### **New Citizen Program Database Replacement - \$109,795**

To receive reimbursements from the state for serving eligible immigrant participants, the office must provide confirmation that these immigrants meet the state requirements for eligibility, such as being low-income. Verification requires that the office submit unique identifying information to match against the records of the state database. The database is no longer supported by Seattle Information Technology and must be replaced. This general fund support for a database replacement is one-time but there will be \$8,105 in ongoing general fund for licensing.

### **Citywide General Fund Efficiencies - (\$41,000)**

This item includes two reductions to help the office meet its General Fund reduction target:

- The office proposed a service model change to the New Citizen Campaign (NCC) that will improve service delivery for naturalization assistance. The previous annual model included eight monthly clinics, each serving about 30-50 people, and a large mega workshop typically serving between 500 and 1,000 people. Data shows that people who attended the clinics have had a higher rate of completing their naturalization application than those who attended the workshop, on average 75% versus 50%. This is likely due to various factors, including pre-screening that allows partnering agencies to prepare in advance for the language needs of participants, clinics taking place in familiar settings for participants and often led by community partners they know and trust, and a lower ratio of participants to staff so there is typically more consideration and oversight in each case. Further, clinics are relatively cost-effective since workshops require 10 months of preparation to manage various arrangements, including the venue, increased staffing, marketing, and more than 1,000 volunteers. Eliminating the funding for the workshop, \$31,000, and shifting the program model to providing 12 monthly clinics provides more regular access to participants, more staff time with participants, and improves the readiness of participants to complete their naturalization application due to better preparation and screening.
- Also included is the elimination of unnecessary funding for administrative support in the Legal Defense Network program. When the City Council added one-time funding of in 2017 to create the Legal Defense Network it also provided ongoing funding of \$10,000 for administrative support. The proposed budget includes sufficient staffing.

# Immigrant and Refugee Affairs

## **Reduce Discretionary Contracting Resources - (\$126,255)**

At the direction of the Mayor, the department pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The office identified \$126,255 in discretionary contracting reductions. This reduction achieves efficiency in budgeting without service reductions. The reductions include:

- Elimination of \$78,750 for a consultant to provide general support for the office as a whole, including program support, organizational development, project management, and community engagement since this work can be done by existing staff and with remaining resources.
- Elimination of \$17,505 for a consultant to provide general support for the office and some support for specific programs, including the Immigrant Family Institute and the New Citizen Campaign since this work can be done by existing staff and with remaining resources.
- Elimination of \$10,000 for a consultant to provide community outreach and engagement and program support for the office's programs. This work can be done in partnership with the Community Liaisons program in the Department of Neighborhoods using existing resources.
- Elimination of \$5,000 for a consultant to provide girls' programming for the Immigrant Family Institute (IFI) and plan the sessions. This is no longer necessary as OIRA now has the content it needs to run the program.
- Elimination of \$10,000 for Language Access data analysis. This work can be done by existing capacity.
- Elimination of \$5,000 for software access to help immigrants applying for naturalization, but applicants are rarely using this software.

## **Proposed Technical Changes**

### **Compensation Adjustments**

This item includes two office-initiated compensation adjustments and will be offset by reductions to the professional services budget:

- \$25,253 for a Strategic Advisor 3, Exempt, the finance and operations manager
- \$6,928 for a Strategic Advisor 1, Exempt, a New Citizen Campaign program specialist

# Immigrant and Refugee Affairs

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of Immigrant and Refugee Affairs Budget Summary Level</b>			
General Fund	3,212,009	5,056,318	4,902,341
<b>Total for BSL: BO-IA-X1N00</b>	<b>3,212,009</b>	<b>5,056,318</b>	<b>4,902,341</b>

<b>Department Total</b>	<b>3,212,009</b>	<b>5,056,318</b>	<b>4,902,341</b>
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<b>Department Full-time Equivalents Total*</b>	<b>9.00</b>	<b>9.50</b>	<b>9.50</b>
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*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

## Budget Summary by Fund for Immigrant and Refugee Affairs

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	3,212,009	5,056,318	4,902,341
<b>Budget Totals for OIRA</b>	<b>3,212,009</b>	<b>5,056,318</b>	<b>4,902,341</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Office of Immigrant and Refugee Affairs Budget Summary Level

The purpose of the Office of Immigrant and Refugee Affairs Budget Summary Level is to facilitate the successful integration of immigrants and refugees into Seattle's civic, economic, and cultural life, and to advocate on behalf of immigrant and refugee communities so that the City's programs and services better meet the unique needs of these constituents.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Office of Immigrant and Refugee	3,212,009	5,056,318	4,902,341
<b>Total</b>	<b>3,212,009</b>	<b>5,056,318</b>	<b>4,902,341</b>
Full-time Equivalents Total*	9.00	9.50	9.50

*\* 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.*



# Seattle Information Technology Department

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

## Department Overview

The Seattle Information Technology Department (Seattle IT) provides strategic direction for and management of the City's information technology resources. These include telecommunications, data, and supporting physical infrastructure; applications and application infrastructure; computer engineering and operations; data centers, servers, storage, and backup equipment; desktop, mobile, and printing devices; cloud services; digital engagement services; and the services to provide, maintain, and support the above for the City.

Seattle IT is a relatively new department, created in April 2016, comprised of information technology staff and resources previously located throughout City departments and in the City's previous IT department, the Department of Information Technology. With a full view of the City's IT needs, Seattle IT looks for opportunities to consolidate multi-department IT requests into one Citywide project, identifies similar programs that can share a common platform, and considers where a department may already have a solution that another department could utilize.

Seattle IT is organized into seven divisions: Engineering and Operations; Strategy and Planning; Digital Engagement; Business Office; Security, Privacy, and Compliance; Application Services; and Client Services.

The **Engineering and Operations** Division develops, maintains, and manages core IT services including communications and data networks, data center and computer infrastructure, and end user-equipment and support.

The **Strategy and Planning** Division facilitates development of the City's technology architecture, standards, and strategy and manages the City's portfolio of IT projects.

The **Digital Engagement** Division provides technology to connect the public to the City and promotes digital equity across Seattle. The division provides Citywide web services and the City's Open Data portal, oversees cable television franchises, produces the Seattle Channel and manages the City's data privacy program.

The **Business Office** Division provides the services that enable the successful operation of the department including executive management, finance, budget, accounting, human resources, performance management, administrative, contracting and purchasing services.

The **Security, Privacy, and Compliance** Division provides secure and compliant computing environments through the development of appropriate policies and application of enforcement measures.

The **Application Services** Division designs, develops, integrates, implements and supports application solutions in accordance with citywide architecture and governance.

## Seattle Information Technology Department

The **Client Services** Division provides account management and support for Seattle IT customers to ensure that services provided to departments are well planned and executed, aligned with the City's technology strategies and standards, and meeting customer business needs.

As an internal service department, Seattle IT provides services to other City departments that in turn pay Seattle IT for those services they purchase. As such, Seattle IT receives revenue from most of the major fund sources within the City, including the General Fund, Seattle City Light, Seattle Public Utilities, Seattle Department of Transportation, Seattle Department of Construction and Inspections and the Retirement Fund. Seattle IT also receives funds from the City's Cable Television Fund, grants and other government agencies external to the City (e.g., the Seattle School District, the Port of Seattle) that buy Seattle IT services for special projects.

### Budget Snapshot

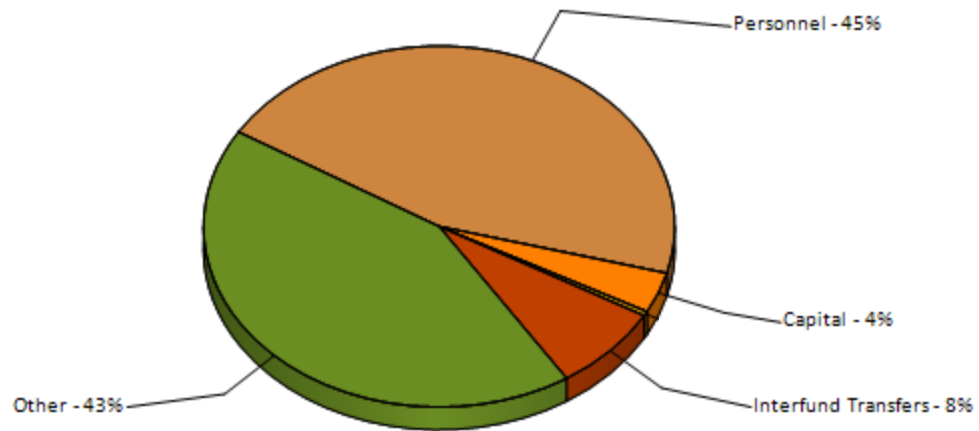
Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$213,048,103	\$240,828,841	\$224,156,690
<b>Total Operations</b>	<b>\$213,048,103</b>	<b>\$240,828,841</b>	<b>\$224,156,690</b>
Other Funding – Capital	\$39,960,346	\$36,981,797	\$34,354,352
<b>Total Capital</b>	<b>\$39,960,346</b>	<b>\$36,981,797</b>	<b>\$34,354,352</b>
<b>Total Appropriations</b>	<b>\$253,008,449</b>	<b>\$277,810,638</b>	<b>\$258,511,042</b>
Full-time Equivalent Total*	667.60	680.60	680.60

*\* 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.*

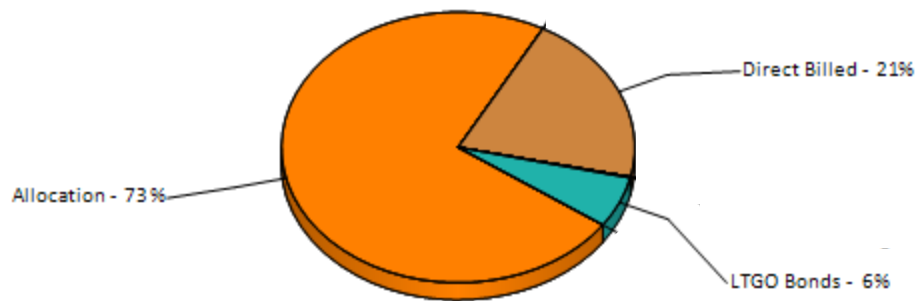


# Seattle Information Technology Department

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category



# Seattle Information Technology Department

## Budget Overview

To develop the 2019-2020 Proposed Budget, the Seattle Information Technology Department (Seattle IT) solicited new information technology (IT) project proposals from departments; evaluated proposals based on need, security, compliance and cost; looked for opportunities to create efficiencies and invest in common platforms; and approved individual department IT requests. The proposed budget reflects Seattle IT's vision of being "One City, connected by technology" and follows three primary objectives: to connect people to their government, enable an effective and productive workforce, and build a digitally-equitable community.

### Technical Changes

The proposed budget includes technical adjustments to implement a 2018 rate reconciliation and to double-appropriate costs in accordance with policies developed under the Financial Management and Accountability Program.

#### *2018 Rate Reconciliation*

- As the 2018 Adopted Budget was being developed last year, Seattle IT was also converting its budget to a new project structure for the Summit Re-Implementation (SRI) project and developing new cost allocation methodologies based on a review of best practices in other cities and counties. Given the timing of the 2018 budget cycle, a decision was made to keep 2018 rates from Seattle IT at the level set in the 2018 Endorsed Budget, plus adjustments for department-specific projects; this provided rate predictability for departments as they prepared their own budget submittals. As such, revenue to fund some items approved in the 2018 Adopted Budget was not collected by Seattle IT in 2018, requiring a one-time budgetary true-up. This one-time true-up is built into department rates and will result in a net increase in revenue to Seattle IT totaling \$7,105,374 in 2019; rates for 2020 and beyond will not include this adjustment. The 2018 true-up also reflects a shift in costs from Finance General to departments, as costs previously appropriated out of Finance General are now directly appropriated in department budgets. While this increases IT allocations across City departments, it is offset by a substantial reduction to the IT allocation for Finance General. Consequently, the true-up for Finance General in 2018 amounts to a one-time credit of \$15,716,883. Rather than incorporating this credit into the 2019 rate for Finance General, a decision was made to issue a one-time transfer at the start of the fiscal year. Appropriation authority has been added to the proposed budget for Seattle IT to issue this transfer.

#### *Double-Appropriated Costs*

- The proposed budget adds \$6,605,425 for Seattle IT to double-appropriate costs for technology services used within the department, consistent with policies developed under the Financial Management and Accountability Program (FinMAP).

The proposed budget also includes adjustments to remove one-time project costs, align funding with planned spending in the 6-year Capital Improvement Program (CIP), reflect changes made through supplemental budget legislation, and update internal service costs.

### Budget Efficiencies

As part of the Mayor's initiative to improve efficiencies across City agencies, Seattle IT reviewed its budget to find reductions that would not impact the delivery of core services. The 2019-2020 Proposed Budget includes:

- an 18% reduction of discretionary contracting resources;
- the removal of 3 vacant positions;
- budget reductions for labor and maintenance costs across the department; and
- modifications to the Capital Improvement Program to reduce planned spending in 2019 and 2020.

# Seattle Information Technology Department

Seattle IT also reduced annual charges to departments by decreasing revenue collected each year for public safety radio equipment reserves.

## Seattle IT Initiatives

The 2019-2020 Proposed Budget includes funding for Seattle IT to enhance its service delivery and implement new projects on behalf of the City. Key changes to improve the delivery of IT services include additional staffing to increase capacity for Seattle IT's Accounting team; funding to purchase larger monitors for the Citywide PC Replacement Program; and new billable FTE positions to transition temporary project staff into permanent employees.

In addition, the proposed budget provides appropriation authority for critical system upgrades and other Citywide projects:

- Seattle IT will upgrade all City devices to Windows 10 to ensure continued functionality and security of the software.
- The current version of the Human Resources Information System (HRIS) is no longer supported by the City's payroll system and will be upgraded to ensure the City can continue to deliver payroll and HR services to City staff and customers.
- Additional funding has been provided for the selection and implementation of a new Citywide Contract Management System to replace multiple applications currently in use by departments.

The 2019-2020 Proposed Budget also merges all assets and liabilities in the Fiber Leasing Fund (40701) with the Seattle Information Technology Department's internal operating fund (50410).

## Department Initiatives

Finally, Seattle IT's proposed budget includes funding for 16 department-specific IT projects for which Seattle IT will do the work and collect revenues from the respective departments. These project funds are appropriated in both Seattle IT and in department budgets. These projects are shown in the Seattle IT budget book pages, however, the detail for these projects are included in the budget book sections for the individual departments. Please see the individual department's budget book sections for more details.

# Seattle Information Technology Department

## Incremental Budget Changes

### Seattle Information Technology Department

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 253,008,449</b>	<b>667.60</b>	<b>\$ 253,008,449</b>	<b>667.60</b>
<b>Baseline Changes</b>				
Adjustment for One-Time Budget Changes	-\$ 19,649,231	0.00	-\$ 876,156	0.00
2018 Technical Rate True-Up	\$ 15,716,883	0.00	\$ 0	0.00
Citywide Adjustments for Standard Cost Changes	\$ 7,907,861	0.00	\$ 12,835,102	0.00
Baseline Technical Adjustments	\$ 6,619,821	0.00	\$ 7,004,005	0.00
Supplemental Budget Changes	\$ 302,384	1.00	\$ 312,349	1.00
<b>Proposed Changes</b>				
Cable Office Reorganization	\$ 0	0.00	\$ 0	0.00
Add Position Authority for Supported Employee	\$ 0	1.00	\$ 0	1.00
Reduce Radio Reserve Revenues	\$ 0	0.00	\$ 0	0.00
Merge Two Part-Time Positions	-\$ 12,158	0.00	-\$ 14,697	0.00
Remove Vacant Positions	-\$ 319,472	-2.50	-\$ 330,168	-2.50
Reduce Discretionary Contracting Resources	-\$ 300,000	0.00	-\$ 300,000	0.00
Modify Funding for Existing Capital Improvement Programs	-\$ 4,362,549	0.00	-\$ 16,004,198	0.00
Other Budget Efficiencies	-\$ 1,938,343	0.00	-\$ 1,970,167	0.00
Enhance the Citywide PC Replacement Program	\$ 246,500	0.00	\$ 246,500	0.00
Increase Accounting Support	\$ 93,897	1.50	\$ 97,030	1.50
Billable Resources for Project Management and Quality Assurance	\$ 1,831,928	12.00	\$ 1,892,278	12.00
Upgrade Devices to Windows 10	\$ 1,564,230	0.00	\$ 582,084	0.00
Upgrade Human Resources Information System (HRIS)	\$ 2,064,996	0.00	\$ 510,738	0.00
Funding for Citywide Contract Management System	\$ 2,756,760	0.00	\$ 629,780	0.00
Department Technology Initiatives	\$ 12,278,682	0.00	\$ 888,113	0.00
<b>Total Incremental Changes</b>	<b>\$ 24,802,189</b>	<b>13.00</b>	<b>\$ 5,502,593</b>	<b>13.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 277,810,638</b>	<b>680.60</b>	<b>\$ 258,511,042</b>	<b>680.60</b>

# Seattle Information Technology Department

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Adjustment for One-Time Budget Changes - (\$19,649,231)**

This adjustment includes budget changes for one-time items in the 2018 Adopted Budget, including CIP changes. Each year the Seattle Information Technology Department (Seattle IT) receives one-time funding for various IT projects, including department-led information technology (IT) initiatives. These costs are removed from the baseline budget and deducted from central rate charges. Seattle IT also updates its capital budget each year to align funding with the 6-year Capital Improvement Program (CIP).

#### **2018 Technical Rate True-Up - \$15,716,883**

This adjustment provides the appropriation authority needed for Seattle IT to issue a one-time transfer to Finance General related to a 2018 rate reconciliation.

Last year, Seattle IT was not able to do a full re-run of rates developed in the 2018 Endorsed Budget to align revenues charged to departments with the 2018 Adopted Budget. At the time, the entire City including Seattle IT was in the midst of making significant technical changes to their accounting structure and cost recovery methodologies associated with Summit Re-Implementation and IT Consolidation. To provide stability to customers, rates were kept at 2018 Endorsed Budget levels plus changes for department-specific IT initiatives. As a result, rates for the 2019 Proposed Budget include a one-time adjustment to reconcile revenues collected from departments in 2018 with the 2018 Adopted Budget. Seattle IT will collect an additional \$7,105,374 in revenue associated with this one-time alignment across departments.

Moving forward, most costs previously appropriated out of Finance General are now directly appropriated in department budgets. While this increases IT allocations in City department budgets, it is offset by a substantial reduction to the IT allocation for Finance General. In 2019, Finance General's baseline rates are set at \$3,148,841 and Seattle IT will transfer a one-time credit totaling \$15,716,883 for a net credit of \$12,568,042 to Finance General in 2019.

#### **Citywide Adjustments for Standard Cost Changes - \$7,907,861**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, inflation, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

This technical adjustment also transfers internal services costs for Human Resources from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

# Seattle Information Technology Department

## **Baseline Technical Adjustments - \$6,619,821**

This technical adjustment includes \$6,605,425 of appropriation authority to pay for Seattle IT's own use of technology services, resulting in a double-appropriation of funds within the department; this is consistent with cost accounting policies under the Financial Management and Accountability Program. There are no impacts to the rates Seattle IT charges departments associated with this change.

This item also increases Seattle IT's ongoing budget by \$14,396 to pay increased salary costs associated with the reclassification of a Civil Engineer Specialist to a Strategic Advisor 2.

## **Supplemental Budget Changes - \$302,384/1.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs.

The 2018 2nd Quarter Supplemental Budget Ordinance added two positions, one full time and one term limited, to create an Office 365 Data Governance team who will export data from these applications to assist with timely and accurate responses to public disclosure requests. This item adds the ongoing position and budget authority associated with this change to the 2019-2020 Proposed Budget. Seattle IT will evaluate workload over the next two years to make a data-informed decision pertaining to the team's long-term staffing needs.

## **Proposed Changes**

### **Cable Office Reorganization**

This item establishes a Broadband and Community Technology program by reorganizing the Cable Office under the Community Technology program within the Digital Engagement Division.

### **Add Position Authority for Supported Employee/1.00 FTE**

This change provides position authority for Seattle IT to hire 1.0 FTE from the City's Supported Employment Program to provide customer support within the Engineering and Operations Division. Per the Supported Employment Guidelines, this position has no job description associated with it to allow for maximum adaptation based on the needs of the employee and division. Seattle IT will use existing budget authority to fund this position.

### **Reduce Radio Reserve Revenues**

This item reduces Seattle IT's revenue collected through central rates for the replacement of public safety radios and associated equipment, including radio communications infrastructure. The City's public safety departments will now receive equipment replacements through the regional Puget Sound Emergency Radio Network (PSERN).

# Seattle Information Technology Department

The reduced collection level will still fund a smaller reserve for unplanned replacements or for the acquisition and replacement of peripheral equipment not included in the standard PSERN rates.

## **Merge Two Part-Time Positions - (\$12,158)**

This change combines two part-time positions into one full-time position resulting in cost efficiencies related to salary and benefits.

## **Remove Vacant Positions - (\$319,472)/(2.50) FTE**

As part of the Mayor's initiative to improve efficiencies across City agencies, Seattle IT reviewed vacant positions and has removed 3 positions. These reductions will not impact delivery of core services.

## **Reduce Discretionary Contracting Resources - (\$300,000)**

At the direction of the Mayor, Seattle IT pursued budget efficiencies by reviewing resources for discretionary contracts and consultants. The department identified \$300,000 in discretionary contracting reductions, an 18% reduction in its discretionary contract budget. This reduction achieves efficiency in budgeting without impacting delivery of core IT services.

## **Modify Funding for Existing Capital Improvement Programs - (\$4,362,549)**

This adjustment modifies spending for the following projects in Seattle IT's 6-year Capital Improvement Program (CIP):

- **Criminal Justice Information System:** Revises funding for replacement of the Municipal Court Information System to reflect updates to the timing and cost of the project in 2019. The 2018-2023 Capital Improvement Program planned for a \$10 million bond in 2019; this item reduces that amount to \$3.5 million. The total estimated project cost has not changed. Seattle IT will receive the bond proceeds; interest and principal payments will be made by Finance General.
- **Engineering and Operations:** Adjusts funding across several CIP projects including the Next Generation Data Center (NGDC), Computing Services Architecture, Data and Telephone Infrastructure, and Enterprise Computing. These adjustments will restructure funding to support the replacement of servers, storage, and network equipment purchased in the 2014-2015 biennium, and allow Seattle IT to procure and implement a Unified Communication System to replace the City's 30-year-old telephone system. This change also significantly reduces planned spending in 2020 to replace equipment purchased as part of the 2013 NGDC project; those funds have been spread across CIP programs and over multiple years to more accurately reflect Seattle IT's spending plan. In sum, this adjustment increases planned spending by \$2,062,451 in 2019 and reduces planned spending by \$16,300,707 in 2020.
- **Seattle Municipal Tower (SMT) Remodel:** Planned one-time rate increases for project costs in 2019 and 2020 will instead be spread over multiple years by issuing bonds to cover costs related to tenant improvements and construction resulting in a 2019 decrease of \$2 million and a 2020 decrease of \$1 million. Budget appropriation of \$75,000 in 2019 and \$296,509 in 2020 has been added to Seattle IT's operating budget for the interest and principal payments.

# Seattle Information Technology Department

## **Other Budget Efficiencies - (\$1,938,343)**

In the 2017 Adopted and 2018 Endorsed Budget, budgets from 16 different departments were merged with the former Department of Information Technology to create a consolidated Seattle Information Technology Department (Seattle IT). In the 2018 Adopted Budget, Seattle IT transferred staff to their new teams within the organization and updated the budget to align with a new accounting structure developed under Summit Re-Implementation (SRI).

Now that Seattle IT has begun to stabilize, and supervisors have become more familiar with their new teams and budgets, efficiencies are being identified and captured. Seattle IT compared its budget to projected spending and was able to identify savings related to labor and maintenance costs. The 2019-2020 Proposed Budget reflects these efficiencies resulting in an ongoing budget reduction of \$1,938,843. These reductions will not have direct service impacts.

## **Enhance the Citywide PC Replacement Program - \$246,500**

Seattle IT's PC replacement program was initiated in 2017 to provide City customers a five-year life-cycle replacement program to keep computers up-to-date. Based on customer feedback provided at Seattle IT's Business Steering Committee, Seattle IT will upgrade the program by supplying a 24-inch monitor rather than a 22-inch monitor. This item adds budget to implement this change and is funded through central rates.

## **Increase Accounting Support - \$93,897/1.50 FTE**

This adjustment adds two new positions to the Finance and Accounting team for Seattle IT to meet increased demands associated with a consolidated IT department and Summit Re-Implementation. Adding capacity to Seattle IT will relieve pressure on existing accounting staff who must now manage a larger volume of more complex transactions.

When Seattle IT was consolidated, the number of IT staff increased by 222% (from 205 FTE to 660 FTE in 2016); however, the Finance and Accounting team only increased by 58% (from 13 FTE to 20.5 FTE). In addition, many transactions have become more complex due to changes resulting from the SRI project.

Specifically, this item adds:

- 0.5 FTE (position authority only) to bring an existing half-time position to full time. This position will provide additional support and oversight to Payroll and Billing/Accounts Receivable as an Accounting Manager. Seattle IT will use existing funds to cover the position costs.
- 1.0 FTE and budget authority for a new Payroll Accountant.

These new positions will help Seattle IT be more responsive to customer requests for interdepartmental billing data and improve the accuracy of timekeeping and financial data.



# Seattle Information Technology Department

## **Billable Resources for Project Management and Quality Assurance - \$1,831,928/12.00 FTE**

This item adds position authority and funding for 12 permanent, billable positions to staff projects on the City's IT Portfolio:

- 10 FTE to support the Project Management Office as Business Analysts
- 2 FTE to support the Applications Division with software testing and quality assurance

While temporary employees can help provide flexibility in supporting one-time and time-limited initiatives, the continual effort to conduct hiring for similar skill sets can lead to increased inefficiencies and overhead. This adjustment transitions temporary project staff into permanent roles which will allow Seattle IT to retain highly skilled staff and invest in skill development. The revenue to cover these individuals is already included in the planned and funded IT projects on the City's portfolio, so there will be no central rate increases for these positions.

In addition, Seattle IT will transfer five existing FTE from allocated shared service teams to billable projects, resulting in a net increase of three billable resources for the Project Management Office and two billable resources for the Applications Division. This transfer is a net zero budgetary change.

## **Upgrade Devices to Windows 10 - \$1,564,230**

Microsoft ends its extended support for Windows 7 in January 2020 and will stop providing essential security updates to the product. This item adds funding to upgrade all City devices to Windows 10 to ensure continued functionality and security when operating on the software. Due to a significant upgrade to the user interface from Windows 7 to 10, Seattle IT expects training and change management will be required to orient City employees to the new operating system. The department will also test over 1,000 City applications to ensure compatibility with Windows 10 and will likely need to isolate some incompatible applications for individual upgrade. This item will be funded through Seattle IT central rates.

## **Upgrade Human Resources Information System (HRIS) - \$2,064,996**

The Human Resources Information System (HRIS) supports the City's payroll processing, human resources, benefits administration and retirement payroll. The system was implemented in 1995 and has been upgraded six times between 1997 and 2010. The current version of HRIS is no longer supported by the City's payroll system and an upgrade or replacement is needed to continue to deliver payroll and HR services to City staff and customers.

Planning for HRIS began in 2016. The 2018 Adopted Budget added funding for an assessment to evaluate how long the City can operate the current system before it must be replaced. It has now been determined that an upgrade to the system will provide stability for at least three more years, at which time a full replacement will likely be necessary. This item adds budget appropriation to Seattle IT's Capital Improvement Program to implement the HRIS upgrade. Seattle IT will use fund balance to cover these additional costs.

## **Funding for Citywide Contract Management System - \$2,756,760**

This item adds funding in Seattle IT's Capital Improvement Program (CIP) to continue work developing a single, comprehensive contract management system as a replacement for the various contract management applications deployed across the City. With its Citywide perspective, Seattle IT recognized a common need shared by several departments that requested replacements or significant upgrades to their contract management systems. Most

# Seattle Information Technology Department

departments have a patchwork of custom inhouse developed or vendor-provided solutions to support the various contract management processes. A Citywide solution would enable standardization of the contract lifecycle (i.e. development, management, administration and termination) for the various types of contracts.

The 2017 Adopted and 2018 Endorsed Budget provided funding for the initial planning stages of this effort. This adjustment funds the selection and implementation of a new system. Please see Seattle IT's CIP for more details.

## **Department Technology Initiatives - \$12,278,682**

The 2019-2020 Proposed Budget includes funding for 16 department-specific IT projects for which Seattle IT will do the work and collect revenues from the respective departments. These project funds are appropriated in both Seattle IT and in department budgets. Note that the appropriation shown in Seattle IT may not match the appropriation shown in departments as projects may be financed in several ways including use of existing funds or by issuing bonds to spread costs.

### ***Department of Parks and Recreation (DPR)***

Seattle IT will implement two projects on behalf of DPR:

- People Counter Replacement (\$106,588 one-time)
- Irrigation System Upgrade (\$226,062 one-time)

Please see DPR's budget section for more details on these projects.

### ***Finance and Administrative Services (FAS)***

Seattle IT will implement six projects on behalf of FAS:

- Replace PetPoint at Seattle Animal Shelter (\$208,000 in 2019 and \$500,000 in 2020)
- Interface between B2GNow and Summit Systems (\$51,062 one-time)
- Budget System Replacement (\$875,928 in 2019 and \$103,494 in 2020)
- Capital Project Information Management System Assessment (\$248,160 in 2019 and \$860,790 in 2020)
- Replace Credit Card Payment Processing System (\$300,000 one-time)
- Risk Management System (\$504,678 in 2020)

Please see FAS' budget section for more details on these projects.

### ***Office of the Hearing Examiner (HXM)***

Seattle IT will implement one project on behalf of HXM:

- Replacement of FRITS System (\$0)

Seattle IT's CIP includes a multi-year project to replace case management systems for the Seattle Municipal Court and Law Department. This CIP project will absorb costs associated with a new case management system for the Hearing Examiner to replace its current system, FRITS. Seattle IT estimates this work will cost approximately \$42,196 in 2019. Please see Seattle IT's CIP for more details.

### ***Office of Immigrant and Refugee Affairs (OIRA)***

Seattle IT will implement one project on behalf of OIRA:

- New Citizen Program Database Replacement (\$109,795 in 2019 and \$8,105 in 2020)

# Seattle Information Technology Department

Please see OIRA's budget section for more details on this project.

## ***Seattle Department of Human Resources (SDHR)***

Seattle IT will implement one project on behalf of SDHR:

- Benefits Customer Service System (\$404,044 in 2020)

Please see SDHR's budget section for more details on this project.

## ***Seattle Department of Transportation (SDOT)***

Seattle IT will implement two projects on behalf of SDOT:

- Budget and Forecasting System Replacement (\$748,840 in 2019 and \$228,610 in 2020)
- Street Use Permitting, Phase 2 (\$6,532,925 in 2019 and \$5,295,342 in 2020)

Seattle IT will include the Budget and Forecasting System Replacement project in its CIP within the existing Applications Development – SDOT project. Please see SDOT's budget section and Seattle IT's CIP for more details on these projects.

## ***Seattle Fire Department (SFD)***

Seattle IT will implement one project on behalf of SFD:

- Integration and Automation of Payroll Systems (\$543,293 one-time)

This project includes \$55,050 of increased operations and maintenance costs for Seattle IT and will be allocated through central rates in Seattle IT's 2020 baseline budget.

Please see SFD's budget section for more details on this project.

## ***Seattle Police Department (SPD)***

Seattle IT will implement two projects on behalf of SPD:

- Replace Mobile Data Terminal (\$4,760,329 one-time)
- Replace In-Car Video System (\$2,289,700 one-time)

These projects are budgeted together in Seattle IT's Capital Improvement Program as Public Safety Technology Equipment. Please see SPD's budget section and Seattle IT's CIP for more details on these projects.

## ***Seattle Police Utilities (SPU)***

Seattle IT will reduce its budget to align with planned spending on SPU's IT Initiatives in 2019 and 2020.

- Align with SPU Budget (-\$4,722,000 in 2019 and -\$7,072,000 in 2020)

Please see SPU's budget section for more details on this change.

# Seattle Information Technology Department

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Capital Improvement Projects Budget Summary Level</b>			
Information Technology Fund (50410)	39,960,346	36,981,797	34,354,352
<b>Total for BSL: BC-IT-C7000</b>	<b>39,960,346</b>	<b>36,981,797</b>	<b>34,354,352</b>
<b>Leadership and Administration Budget Summary Level</b>			
Information Technology Fund (50410)	20,262,489	36,045,668	21,146,729
<b>Total for BSL: BO-IT-D1000</b>	<b>20,262,489</b>	<b>36,045,668</b>	<b>21,146,729</b>
<b>Engineering and Operations Budget Summary Level</b>			
Information Technology Fund (50410)	63,015,448	72,069,199	71,225,785
<b>Total for BSL: BO-IT-D3000</b>	<b>63,015,448</b>	<b>72,069,199</b>	<b>71,225,785</b>
<b>Digital Engagement Budget Summary Level</b>			
Information Technology Fund (50410)	11,331,431	11,234,634	11,539,039
<b>Total for BSL: BO-IT-D4000</b>	<b>11,331,431</b>	<b>11,234,634</b>	<b>11,539,039</b>
<b>Security, Risk &amp; Compliance Budget Summary Level</b>			
Information Technology Fund (50410)	3,744,478	4,353,752	4,450,980
<b>Total for BSL: BO-IT-D5000</b>	<b>3,744,478</b>	<b>4,353,752</b>	<b>4,450,980</b>
<b>Applications Services Budget Summary Level</b>			
Information Technology Fund (50410)	52,016,882	56,167,675	58,346,278
<b>Total for BSL: BO-IT-D6000</b>	<b>52,016,882</b>	<b>56,167,675</b>	<b>58,346,278</b>
<b>Client Services Management Budget Summary Level</b>			
Information Technology Fund (50410)	4,273,993	3,899,388	4,046,706
<b>Total for BSL: BO-IT-D8000</b>	<b>4,273,993</b>	<b>3,899,388</b>	<b>4,046,706</b>
<b>IT Initiatives Budget Summary Level</b>			
Information Technology Fund (50410)	58,403,382	57,058,525	53,401,173
<b>Total for BSL: BO-IT-D9000</b>	<b>58,403,382</b>	<b>57,058,525</b>	<b>53,401,173</b>
<b>Department Total</b>	<b>253,008,449</b>	<b>277,810,638</b>	<b>258,511,042</b>
<b>Department Full-time Equivalent Total*</b>	<b>667.60</b>	<b>680.60</b>	<b>680.60</b>

\* 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.

# Seattle Information Technology Department

## Budget Summary by Fund for Seattle IT

	2018 Adopted	2019 Proposed	2020 Proposed
50410 - Information Technology Fund (50410)	253,008,449	277,810,638	258,511,042
<b>Budget Totals for ITD</b>	<b>253,008,449</b>	<b>277,810,638</b>	<b>258,511,042</b>

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
348170	Rates: Allocated	0	206,269,924	179,347,516
	<b>Total Allocation</b>	<b>0</b>	<b>206,269,924</b>	<b>179,347,516</b>
542810	Cable Fund Allocation	9,559,960	0	0
	<b>Total Cable Fund</b>	<b>9,559,960</b>	<b>0</b>	<b>0</b>
541490	Technology Allocation (GF Depts)	47,064,943	0	0
541810	Rates (GF Depts)	3,370,152	0	0
541810	Rates (GF Depts) - Citywide	3,536,818	0	0
	Department Specific Initiatives			
	<b>Total City Agency - GF</b>	<b>53,971,913</b>	<b>0</b>	<b>0</b>
541490	Technology Allocation	96,671,202	0	0
541810	Rates	3,766,776	0	0
541810	Rates - Citywide Department Specific Initiatives	33,498,372	0	0
	<b>Total City Agency - Non-GF</b>	<b>133,936,350</b>	<b>0</b>	<b>0</b>
348180	Rates: Direct Billed	0	57,864,194	54,545,230
	<b>Total Direct Billed</b>	<b>0</b>	<b>57,864,194</b>	<b>54,545,230</b>
442810	Rates	363,869	0	0
485400	Other Miscellaneous Revenues	0	0	0
	<b>Total External Revenues</b>	<b>363,869</b>	<b>0</b>	<b>0</b>
461110	Interest Earnings	278,994	0	0
	<b>Total Finance-External</b>	<b>278,994</b>	<b>0</b>	<b>0</b>
587001	Technology Allocation (pure GF)	21,206,182	0	0
	<b>Total General Subfund Support</b>	<b>21,206,182</b>	<b>0</b>	<b>0</b>
360020	Interest Earnings	0	366,105	464,492
	<b>Total Interest Earnings</b>	<b>0</b>	<b>366,105</b>	<b>464,492</b>
391010	LTGO Bonds	0	17,166,031	22,978,141
569990	Long-Term General Obligation (LTGO) Bonds - App Dev SPD	1,094,249	0	0
569990	Long-Term General Obligation (LTGO) Bonds - MCIS	5,349,000	0	0

## Seattle Information Technology Department

569990	Long-Term General Obligation (LTGO) Bonds - SRI Side Systems	727,000	0	0
	<b>Total LTGO Bonds</b>	<b>7,170,249</b>	<b>17,166,031</b>	<b>22,978,141</b>
542810	Special Project Billings	23,348,448	0	1,504,532
	<b>Total Special Project Billings</b>	<b>23,348,448</b>	<b>0</b>	<b>1,504,532</b>
	<b>Total Revenues</b>	<b>249,835,965</b>	<b>281,666,253</b>	<b>258,839,910</b>
379100	Use of (Contributions to) Fund Balance	3,172,484	-3,855,615	-328,868
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>3,172,484</b>	<b>-3,855,615</b>	<b>-328,868</b>
	<b>Total Resources</b>	<b>253,008,449</b>	<b>277,810,638</b>	<b>258,511,042</b>

# Seattle Information Technology Department

## Appropriations By Budget Summary Level (BSL) and Program

### Capital Improvement Projects Budget Summary Level

The Capital Improvement Projects Budget Control Level provides support for citywide or department-specific IT projects and initiatives within Seattle IT's Capital Improvement Program (CIP).

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Application Services CIP	23,605,531	10,077,064	10,682,229
Citywide IT Initiatives CIP	1,747,324	7,050,029	0
Customer Support Services CIP	368,404	68,779	2,976,615
Enterprise Computing Services CIP	940,489	2,832,011	2,797,617
Programmatic Initiatives CIP	1,552,641	4,500,000	2,300,000
Radio Communications CIP	4,649,500	668,921	686,981
Seattle Channel CIP	381,135	392,531	403,129
Security CIP	746,773	860,454	919,803
Technology Engineering & Project Management CIP	4,013,252	4,133,248	4,244,846
Telecommunications CIP	1,955,297	6,398,760	9,343,132
<b>Total</b>	<b>39,960,346</b>	<b>36,981,797</b>	<b>34,354,352</b>

*The following information summarizes the programs in Capital Improvement Projects Budget Summary Level:*

#### **Application Services CIP Program**

This budget program contains the Capital Improvement Program (CIP) funding associated with developing, implementing and enhancing various software applications used by City departments.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Application Services CIP	23,605,531	10,077,064	10,682,229
Full-time Equivalent Total	0.00	0.00	0.00

#### **Citywide IT Initiatives CIP Program**

This budget program contains the funding associated with a portfolio of capital IT initiatives. Projects in this program may support multiple different departments.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide IT Initiatives CIP	1,747,324	7,050,029	0
Full-time Equivalent Total	0.00	0.00	0.00

# Seattle Information Technology Department

## Customer Support Services CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the acquiring, replacing and upgrading of software and hardware in the computing and customer support environments.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Customer Support Services CIP	368,404	68,779	2,976,615
Full-time Equivalents Total	0.00	0.00	0.00

## Enterprise Computing Services CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement, and upgrading of server and storage systems.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Enterprise Computing Services CIP	940,489	2,832,011	2,797,617
Full-time Equivalents Total	0.00	0.00	0.00

## Programmatic Initiatives CIP Program

This budget program contains the Capital Improvement Program (CIP) funding one-time Seattle IT Programmatic Initiatives including the acquisition and development of a new data center environment, the remodeling of Seattle IT space in Seattle Municipal Tower, and acquisition of new technology management tools.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Programmatic Initiatives CIP	1,552,641	4,500,000	2,300,000
Full-time Equivalents Total	0.00	0.00	0.00

## Radio Communications CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement and upgrading of software and hardware for the City of Seattle's portion of the King County Regional 800MHz radio system.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Radio Communications CIP	4,649,500	668,921	686,981
Full-time Equivalents Total	0.00	0.00	0.00



# Seattle Information Technology Department

## Seattle Channel CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement and upgrading of the cablecasting and production systems for the Seattle Channel.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Seattle Channel CIP	381,135	392,531	403,129
Full-time Equivalents Total	0.00	0.00	0.00

## Security CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement and upgrading of software and hardware for the City's IT security systems.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Security CIP	746,773	860,454	919,803
Full-time Equivalents Total	0.00	0.00	0.00

## Technology Engineering & Project Management CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with major maintenance and installation of a high-speed fiber-optic communication network for the City and its external fiber partners.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Technology Engineering & Project Management CIP	4,013,252	4,133,248	4,244,846
Full-time Equivalents Total	0.00	0.00	0.00

## Telecommunications CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with ongoing acquisition, replacement and upgrading of software and major hardware for the City's data and telephone switching systems.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Telecommunications CIP	1,955,297	6,398,760	9,343,132
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Information Technology Department

## Leadership and Administration Budget Summary Level

The Leadership and Administration Budget Summary Level provides executive management, strategic planning, governance, finance, budget, accounting, human resources, performance management, administrative, contracting, and project oversight services.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Business Office	10,379,150	7,874,538	8,288,948
Citywide Indirect Costs	3,932,331	21,576,529	5,978,819
CTO / Executive Team	2,867,364	4,392,770	4,510,470
Pooled Benefits and PTO	0	75,734	178,982
Strategy & Planning	3,083,644	2,126,097	2,189,510
<b>Total</b>	<b>20,262,489</b>	<b>36,045,668</b>	<b>21,146,729</b>
Full-time Equivalents Total*	71.00	70.50	70.50

\* 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.

**The following information summarizes the programs in Leadership and Administration Budget Summary Level:**

### **Business Office Program**

This budget program contains the funding associated with the core finance and administrative functions of Seattle IT, including human resources, accounting, budget, finance, communications, performance management, contracting and purchasing services in support of Seattle IT.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Business Office	10,379,150	7,874,538	8,288,948
Full-time Equivalents Total	45.00	41.50	41.50

### **Citywide Indirect Costs Program**

This budget program contains the funding associated with the various overhead costs charged to Seattle IT, including budget and expenses that have been allocated from other City departments.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	3,932,331	21,576,529	5,978,819
Full-time Equivalents Total	0.00	0.00	0.00

# Seattle Information Technology Department

## CTO / Executive Team Program

This budget program contains the funding associated with the Chief Technology Officer (CTO) and the Seattle IT Executive Team. The CTO sets technology standards and strategies to ensure the City's technology investments are used efficiently and effectively.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
CTO / Executive Team	2,867,364	4,392,770	4,510,470
Full-time Equivalents Total	10.00	18.00	18.00

## Pooled Benefits and PTO Program

This budget program contains the funding associated with employee leave, time off, and benefit-related costs for Workers' Compensation, healthcare and other centrally distributed benefit costs.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Pooled Benefits and PTO	0	75,734	178,982
Full-time Equivalents Total	0.00	0.00	0.00

## Strategy & Planning Program

This budget program contains the funding associated with the City's IT enterprise planning efforts, including establishing strategic directions and policies, enterprise-level architecture design, and defining and managing service management frameworks.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Strategy & Planning	3,083,644	2,126,097	2,189,510
Full-time Equivalents Total	16.00	11.00	11.00

# Seattle Information Technology Department

## Engineering and Operations Budget Summary Level

The Engineering and Operations Budget Summary Level develops, maintains, and manages core IT services including communications and data networks, data center and computer infrastructure, and end-user equipment and support.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Customer Support Services	20,700,170	22,437,775	23,438,209
Divisional Indirect - Engineering & Operations	119,303	-15,613	-11,591
Engineering and Operations Maintenance	730,031	1,578,808	1,602,688
Enterprise Computing	17,018,979	21,645,031	19,865,304
Network and Communications Technology	18,544,451	19,009,130	20,138,827
Operations Support	5,902,514	7,414,068	6,192,348
<b>Total</b>	<b>63,015,448</b>	<b>72,069,199</b>	<b>71,225,785</b>
Full-time Equivalents Total*	204.00	205.50	205.50

\* 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.

**The following information summarizes the programs in Engineering and Operations Budget Summary Level:**

### **Customer Support Services Program**

This budget program contains the funding associated with Seattle IT's Customer Support Operations. This team is responsible for providing support for end user software and devices, including planned and unplanned maintenance. The team also provides telephone and in person support.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Customer Support Services	20,700,170	22,437,775	23,438,209
Full-time Equivalents Total	74.50	77.00	77.00

### **Divisional Indirect - Engineering & Operations Program**

This budget program contains the funding associated with the managerial and administrative costs of overseeing and managing the Engineering and Operations Division, including asset management and infrastructure tooling support.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect - Engineering & Operations	119,303	-15,613	-11,591
Full-time Equivalents Total	20.00	20.00	20.00

# Seattle Information Technology Department

## Engineering and Operations Maintenance Program

This budget program contains the funding associated with Engineering and Operations maintenance support. This support is department specific and is not attached to a single application or type of service.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Engineering and Operations Maintenance	730,031	1,578,808	1,602,688
Full-time Equivalents Total	0.00	0.00	0.00

## Enterprise Computing Program

This budget program contains the funding associated with the core computing services Seattle IT provides its customers, including data backup, recovery, and storage; server development and maintenance; and messaging functionality.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Enterprise Computing	17,018,979	21,645,031	19,865,304
Full-time Equivalents Total	49.00	50.00	50.00

## Network and Communications Technology Program

This budget program contains the funding associated with Seattle IT's radio and telecommunications services, including installing, operating, and maintaining radio, voice and network infrastructure for City departments and other regional agencies.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Network and Communications Technology	18,544,451	19,009,130	20,138,827
Full-time Equivalents Total	47.50	45.50	45.50

## Operations Support Program

This budget program contains the funding associated with Seattle IT Support Operations, including batch processing support, data center facility management and large-scale printing.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Operations Support	5,902,514	7,414,068	6,192,348
Full-time Equivalents Total	13.00	13.00	13.00

# Seattle Information Technology Department

## Digital Engagement Budget Summary Level

The Digital Engagement Budget Summary Level provides technology to connect the public to the City and promotes digital equity across Seattle. The Digital Engagement Budget Control Level provides Citywide web services and the City's Open Data portal, oversees cable television franchises, produces the Seattle Channel, and manages the City's data privacy program.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Broadband & Community Technology	1,815,195	2,318,604	2,357,114
Cable Communications	713,079	0	0
Digital Services	3,966,122	3,857,494	3,976,824
Open Data	1,072,288	1,155,765	1,211,133
Privacy	748,286	787,145	808,775
Seattle Channel	3,016,461	3,115,626	3,185,193
<b>Total</b>	<b>11,331,431</b>	<b>11,234,634</b>	<b>11,539,039</b>
Full-time Equivalents Total*	54.00	52.50	52.50

\* 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.

**The following information summarizes the programs in Digital Engagement Budget Summary Level:**

### **Broadband & Community Technology Program**

This budget program contains the funding associated with the Community Technology Services team and the Technology Matching Fund. Community Technology ensures that residents have the information technology training and access needed to ensure civic and cultural participation, employment and lifelong learning. The Technology Matching Fund provides grants to community-based organizations for projects centered on improving digital equity.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Broadband & Community Technology	1,815,195	2,318,604	2,357,114
Full-time Equivalents Total	6.00	7.50	7.50

### **Cable Communications Program**

This budget program contains the funding associated with the Office of Cable Communications. The Office is responsible for negotiating cable franchise agreements, transfers, and renewals; as well as ensuring the City's cable operators comply with all franchise terms, the Seattle Municipal Code, and state and federal law.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Cable Communications	713,079	0	0
Full-time Equivalents Total	2.50	0.00	0.00

# Seattle Information Technology Department

## Digital Services Program

This budget program contains the funding associated with the Digital Services team. This team provides leadership in using Web technology and develops the City's Web presence so that residents, businesses, visitors and employees have 24-hour access to relevant information and services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Digital Services	3,966,122	3,857,494	3,976,824
Full-time Equivalents Total	24.00	23.50	23.50

## Open Data Program

This budget program contains the funding associated with the publication and management of the City's Open Data platform. The Open Data program makes the data generated by the City openly available to improve public understanding of City operations and encourage the development of innovative technology solutions that improve quality of life.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Open Data	1,072,288	1,155,765	1,211,133
Full-time Equivalents Total	4.00	4.00	4.00

## Privacy Program

This budget program contains the funding associated with the Privacy Services team. Privacy Services is responsible for developing and implementing Citywide standards and policies designed to protect personal and sensitive information collected from the public.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Privacy	748,286	787,145	808,775
Full-time Equivalents Total	3.00	3.00	3.00

## Seattle Channel Program

This budget program contains the funding associated with managing and operating the Seattle Channel. The Seattle Channel is an award-winning municipal television station with programming that highlights the diverse civic and cultural landscape of Seattle.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Seattle Channel	3,016,461	3,115,626	3,185,193
Full-time Equivalents Total	14.50	14.50	14.50

# Seattle Information Technology Department

## Security, Risk & Compliance Budget Summary Level

The Security, Risk, and Compliance Budget Summary Level provides security and risk mitigation services for the City's computing environments and develops, applies and monitors compliance with technology policies and procedures.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Security, Risk & Compliance	3,744,478	4,353,752	4,450,980
<b>Total</b>	<b>3,744,478</b>	<b>4,353,752</b>	<b>4,450,980</b>
Full-time Equivalents Total*	15.00	15.50	15.50

\* 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.

## Applications Services Budget Summary Level

The Applications Services Budget Control Level designs, develops, and supports application solutions in accordance with Citywide architecture and governance.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Applications	29,228,922	29,759,810	31,203,602
Applications Maintenance	62,509	3,058,407	3,155,457
Cross Platform Services	8,152,285	6,699,217	6,900,428
Divisional Indirect - Applications Services	-16,381	-515,866	-515,785
Shared Platforms	14,589,547	17,166,107	17,602,576
<b>Total</b>	<b>52,016,882</b>	<b>56,167,675</b>	<b>58,346,278</b>
Full-time Equivalents Total*	223.60	233.60	233.60

\* 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.

**The following information summarizes the programs in Applications Services Budget Summary Level:**

### **Applications Program**

This budget program contains the funding associated with the Applications team which designs, develops, integrates and supports solutions in accordance with Citywide architecture and governance.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Applications	29,228,922	29,759,810	31,203,602
Full-time Equivalents Total	94.40	89.10	89.10



# Seattle Information Technology Department

## Applications Maintenance Program

This budget program contains the funding associated with annual maintenance tied to specific departmental applications and managed by Seattle IT.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Applications Maintenance	62,509	3,058,407	3,155,457
Full-time Equivalents Total	0.00	0.00	0.00

## Cross Platform Services Program

This budget program contains the funding associated with Seattle IT functions that serve multiple application platforms, including database administration and quality assurance.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Cross Platform Services	8,152,285	6,699,217	6,900,428
Full-time Equivalents Total	51.00	53.00	53.00

## Divisional Indirect - Applications Services Program

This budget program contains the funding associated with the managerial and administrative costs of overseeing and managing the Applications Division.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Divisional Indirect - Applications Services	-16,381	-515,866	-515,785
Full-time Equivalents Total	3.00	4.00	4.00

## Shared Platforms Program

This budget program contains the funding associated with the Shared Platforms team which develops, maintains and provides user support for technology platforms shared across City departments, including, GIS, Sharepoint and Business Intelligence platforms.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Shared Platforms	14,589,547	17,166,107	17,602,576
Full-time Equivalents Total	75.20	87.50	87.50

# Seattle Information Technology Department

## Client Services Management Budget Summary Level

The Client Services Management Budget Summary Level provides account management and support for Seattle IT customers.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Client Services Management	4,273,993	3,899,388	4,046,706
<b>Total</b>	<b>4,273,993</b>	<b>3,899,388</b>	<b>4,046,706</b>
Full-time Equivalents Total*	25.00	20.00	20.00

*\* 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.*

## IT Initiatives Budget Summary Level

The IT Initiatives Budget Control Level provides support for citywide or department-specific IT projects and initiatives that are outside the scope of Seattle IT's Capital Improvement Program (CIP).

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Budget for Billed Services	13,160,426	15,228,621	15,703,875
Citywide IT Initiatives	500,000	1,564,230	582,084
Department Operational Projects	38,507,692	25,726,752	23,474,679
Project Services	6,235,264	14,538,922	13,640,535
<b>Total</b>	<b>58,403,382</b>	<b>57,058,525</b>	<b>53,401,173</b>
Full-time Equivalents Total*	75.00	83.00	83.00

*\* 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.*

# Seattle Information Technology Department

*The following information summarizes the programs in IT Initiatives Budget Summary Level:*

## **Budget for Billed Services Program**

This budget program contains the funding associated with Seattle IT services that are billed directly to customers on an hourly basis. These include PMO Services, Application Services and Engineering and Operations Services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Budget for Billed Services	13,160,426	15,228,621	15,703,875
Full-time Equivalents Total	39.50	50.50	50.50

## **Citywide IT Initiatives Program**

This budget program contains the funding associated with a portfolio of non-capital IT operating initiatives. Each project in this program supports multiple different departments.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide IT Initiatives	500,000	1,564,230	582,084
Full-time Equivalents Total	0.00	0.00	0.00

## **Department Operational Projects Program**

This budget program contains the funding associated with a portfolio of non-capital Seattle IT operating initiatives. The projects in this portfolio are supported by and developed for an individual City department.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Department Operational Projects	38,507,692	25,726,752	23,474,679
Full-time Equivalents Total	1.00	1.00	1.00

## **Project Services Program**

This budget program contains the funding associated with the Project Management Office (PMO) which provides project resources for IT projects.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Project Services	6,235,264	14,538,922	13,640,535
Full-time Equivalents Total	34.50	31.50	31.50



# Office of Intergovernmental Relations

Lily Wilson-Codega, Director

(206) 684-0213

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

## Department Overview

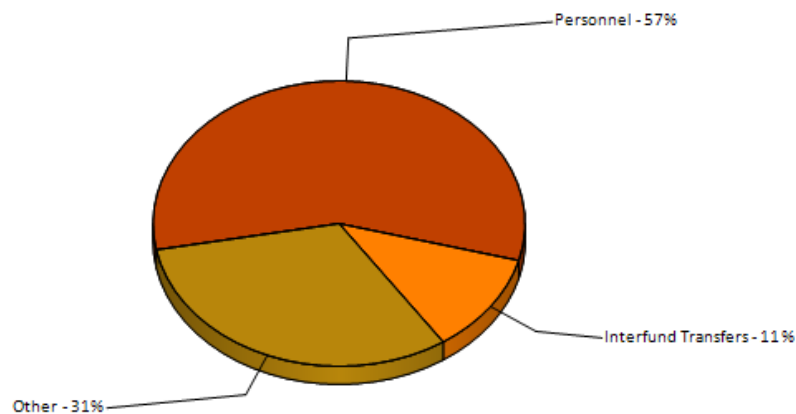
The Office of Intergovernmental Relations (OIR) provides advice and information to, and on behalf of, City elected officials, City departments, and external partners. The primary goal of these efforts is to ensure the City's interests are advanced with regional, state, federal, tribal, and international entities to enable the City to better serve the Seattle community.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$2,926,096	\$2,765,677	\$2,747,011
<b>Total Operations</b>	<b>\$2,926,096</b>	<b>\$2,765,677</b>	<b>\$2,747,011</b>
<b>Total Appropriations</b>	<b>\$2,926,096</b>	<b>\$2,765,677</b>	<b>\$2,747,011</b>
Full-time Equivalent Total*	10.50	10.00	10.00

*\* 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.*

## 2019 Proposed Budget - Expenditure by Category



# Office of Intergovernmental Relations

## Budget Overview

The Office of Intergovernmental Relations (OIR) is responsible for engaging with other jurisdictions and governmental entities to collaborate and advocate for outcomes that are in the interest of the City and region. OIR implements and manages lobbying contracts and ensures the City's lobbying resources align with the City's strategic advocacy priorities.

Responding to the Mayor's request for reductions to fund City priorities, OIR is reducing its budget by \$222,000, a 7.6% cut. This includes reducing the state contract lobbyists budget by \$100,000, reducing the dues paid to the Association of Washington Cities by \$50,000, eliminating the funding for a legislation session aide, and eliminating a vacant 0.5 FTE position.

## Incremental Budget Changes

### Office of Intergovernmental Relations

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 2,926,096</b>	<b>10.50</b>	<b>\$ 2,926,096</b>	<b>10.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 61,548	0.00	\$ 44,322	0.00
<b>Proposed Changes</b>				
Reductions to Fund City Priorities	-\$ 221,967	-0.50	-\$ 223,407	-0.50
<b>Total Incremental Changes</b>	<b>-\$ 160,419</b>	<b>-0.50</b>	<b>-\$ 179,085</b>	<b>-0.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 2,765,677</b>	<b>10.00</b>	<b>\$ 2,747,011</b>	<b>10.00</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$61,548**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources to the department, which were previously not charged to all departments.

# Office of Intergovernmental Relations

## Proposed Changes

### Reductions to Fund City Priorities - (\$221,967)/(.50) FTE

The Office of Intergovernmental Relations (OIR) is reducing its budget at the request of the Mayor, by 7.6% in order to fund City priorities. Three reductions in the 2019-2020 Proposed Budget relate to the City's state lobbying budget:

- A \$100,000 reduction to the City's state lobbying contracts budget from \$500,000 to \$400,000, will reduce the number of lobbyists hired for the legislative session and interim agenda planning.
- A \$71,967 cut will eliminate the funding for a temporary administrative assistant hired to manage communication during the legislative session.
- A \$50,000 reduction in the City's budget for dues to the Association of Washington Cities (AWC) will reduce the advocacy, information and coordination services and support AWC provides.

Responding to the Mayor's request to eliminate vacant positions in the City, OIR is eliminating a 0.5 FTE Administrative Staff Assistant position.

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of Intergovernmental Relations Budget Summary Level</b>			
General Fund	2,926,096	2,765,677	2,747,011
<b>Total for BSL: BO-IR-X1G00</b>	<b>2,926,096</b>	<b>2,765,677</b>	<b>2,747,011</b>
<b>Department Total</b>	<b>2,926,096</b>	<b>2,765,677</b>	<b>2,747,011</b>
<b>Department Full-time Equivalents Total*</b>	<b>10.50</b>	<b>10.00</b>	<b>10.00</b>

\* 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 Summary by Fund for Intergovernmental Relations

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	2,926,096	2,765,677	2,747,011
<b>Budget Totals for OIR</b>	<b>2,926,096</b>	<b>2,765,677</b>	<b>2,747,011</b>

# Office of Intergovernmental Relations

## Appropriations By Budget Summary Level (BSL) and Program

### Office of Intergovernmental Relations Budget Summary Level

The purpose of the Intergovernmental Relations Budget Control Level is to promote and protect the City's federal, state, regional, tribal, and international interests by providing strategic advice, representation, and advocacy to, and on behalf of, City elected officials on a variety of issues. These include: federal and state executive and legislative actions; issues and events relating to the City's tribal and international relations; and jurisdictional issues involving King County, suburban cities, and regional governmental organizations.

<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of Intergovernmental Relations	2,926,096	2,765,677	2,747,011
<b>Total</b>	<b>2,926,096</b>	<b>2,765,677</b>	<b>2,747,011</b>
Full-time Equivalents Total*	10.50	10.00	10.00

*\* 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.*







# Office of Labor Standards

Martin S. Garfinkel, Director

(206) 256-5297

[www.seattle.gov/laborstandards](http://www.seattle.gov/laborstandards)

## Department Overview

The mission of the Office of Labor Standards (OLS) is to advance labor standards through thoughtful community and business engagement, strategic enforcement, and innovative policy development, with a commitment to race and social justice. OLS's main work program focuses on the implementation of labor standards for employees working within Seattle city limits. These standards, established through City ordinances and a City initiative, include the:

- **Paid Sick and Safe Time Ordinance**, requiring employers with more than four full-time equivalent employees to provide paid sick and safe time;
- **Fair Chance Employment Ordinance**, restricting how employers can use conviction and arrest records during the hiring process and course of employment;
- **Minimum Wage Ordinance**, establishing a minimum hourly wage that will rise to \$15/hour over several years;
- **Wage Theft Ordinance**, requiring employers to provide written notice of employment information and pay all compensation due by reason of employment (including wages and tips) on a regular pay day;
- **Secure Scheduling Ordinance**, establishing scheduling requirements for covered retail and food service establishments to provide schedule predictability and increased access to hours;
- **Hotel Employees Health and Safety Initiative**, establishing protections for the health and safety of hotel employees working in Seattle; and
- **Domestic Workers Ordinance**, which provides protections for domestic workers and establishes a Domestic Workers Standards Board.

OLS provides education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Labor Standards Community Outreach and Education Fund** to foster collaboration between OLS and the community with funds to develop awareness and understanding of the worker rights provided by Seattle's labor standards. The office also manages the **Labor Standards Business Outreach and Education Fund** which provides technical assistance to small businesses to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities who typically are not served by traditional outreach methods.

OLS also provides technical and administrative support for the Labor Standards Advisory Commission, a 15-member commission who advises on matters related to labor standards laws, as well as wages, working conditions, safety, and the health of Seattle workers.

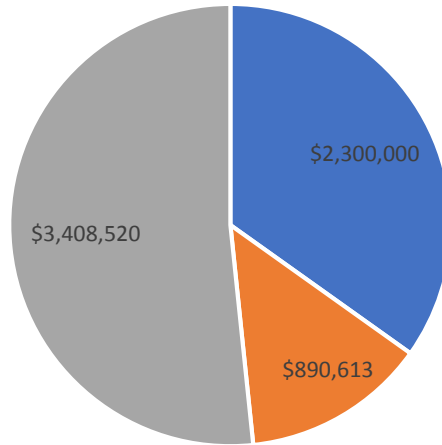
# Office of Labor Standards

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$5,698,216	\$6,599,133	\$6,657,303
<b>Total Operations</b>	<b>\$5,698,216</b>	<b>\$6,599,133</b>	<b>\$6,657,303</b>
<b>Total Appropriations</b>	<b>\$5,698,216</b>	<b>\$6,599,133</b>	<b>\$6,657,303</b>
Full-time Equivalent Total*	23.00	28.00	28.00

*\* 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.*

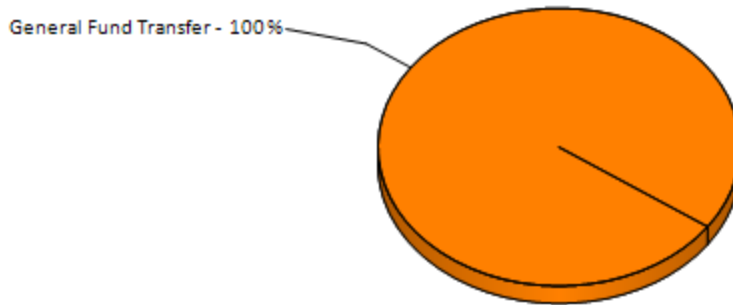
## 2019 Proposed Budget - Expenditure by Category



- Contracts to Community and Business Groups for Outreach and Education
- City Central Costs (Space, IT, HR)
- Staffing

# Office of Labor Standards

## 2019 Proposed Budget - Revenue by Category



### Budget Overview

In April 2015, the Office of Labor Standards (OLS) began as a small division of the Office for Civil Rights and was tasked with enforcing four labor standards: Paid Sick and Safe Time; Fair Chance Employment; Minimum Wage; and Wage Theft. Since that time, an additional three labor standards have been passed. In 2017, the office more than doubled its resources and became a stand-alone department. In 2017, OLS hired 13 new full-time employees and received additional funding for operating expenses, staff training and outreach. Also in 2017, the City Council established an Office of Labor Standards Fund to guarantee annual funding from the City's existing business license tax revenues.

As of Sept. 1, 2018, OLS is supporting seven citywide labor laws. The 2019-2020 Proposed Budget includes a 22% increase in OLS staff to support the increased scope of work for this office. This includes a data position to support the investigators, manage the dashboard and produce statistics; a policy analyst position to develop rules and legislation and lead special projects initiated by the Mayor and the City Council; and a senior investigator position to help with the large caseload carried by the office.

The proposed budget also adds resources to support implementation of the Domestic Workers Ordinance that the City Council passed in July 2018. The ordinance provides protections for workers who provide domestic services as a nanny, house cleaner, home care worker, gardener, cook, or household manager. It establishes a Domestic Workers Standards Board and directs the Board to develop a work plan and recommendations for future legislation. The ordinance also requires OLS to provide outreach and enforcement on the rights of domestic workers and obligations of hiring entities. The proposed budget adds two positions to OLS to implement the domestic workers ordinance. One of the positions will provide policy support for the board, engage stakeholders and prepare proposed rules. The other position will provide education and outreach support to workers, community groups, and hiring entities (e.g., employers, private households, and families) affected by this law.

## Office of Labor Standards

Finally, the proposed budget adds funding to support the development of educational materials in multiple languages and to provide translation and interpretation for the required board meetings and other stakeholder engagement.

### Incremental Budget Changes

#### Office of Labor Standards

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 5,698,216</b>	<b>23.00</b>	<b>\$ 5,698,216</b>	<b>23.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 61,170	0.00	\$ 66,205	0.00
Supplemental Budget Changes	\$ 371,831	3.00	\$ 375,073	3.00
<b>Proposed Changes</b>				
Resources to Implement Domestic Workers Ordinance	\$ 275,991	2.00	\$ 312,964	2.00
Space Rent Adjustment	\$ 191,925	0.00	\$ 204,845	0.00
<b>Proposed Technical Changes</b>				
Create Budget Programs for Community and Business Outreach Contracts	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 900,917</b>	<b>5.00</b>	<b>\$ 959,087</b>	<b>5.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 6,599,133</b>	<b>28.00</b>	<b>\$ 6,657,303</b>	<b>28.00</b>

# Office of Labor Standards

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$61,170**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Supplemental Budget Changes - \$371,831/3.00 FTE**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs.

This adjustment adds in to the annual budget three positions that were added in the 2018 2nd Quarter Supplemental Budget Ordinance.

- **Investigator Position (Civil Rights Analyst, Senior)** to work on the enforcement team's large caseload of investigations, bringing the total number of enforcement staff to fourteen.
- **Data Position (Research and Evaluation Assistant II)** to support the enforcement team, produce statistics and to manage the dashboard.
- **Policy Analyst Position (Strategic Advisor I)** to develop rules, legislation and lead special projects.

### Proposed Changes

#### **Resources to Implement Domestic Workers Ordinance - \$275,991/2.00 FTE**

On July 23, 2018, the Seattle City Council passed a [Domestic Workers Ordinance](#) that provides protections for domestic workers and establishes a Domestic Workers Standards Board. This budget adjustment adds two positions and funding for translation and interpretation.

- **Policy Analyst Position (Strategic Advisor I):** This position will support the newly established Domestic Workers Standards Board, work on rule making, and put together a workplan for the board as required by the ordinance. The policy analyst will staff the process to identify and appoint members; staff and attend board meetings; produce agendas and work items for the board, including research on issues to be considered by the board; support the board in developing and presenting a work plan to the Council; draft legislation or policy changes as per board recommendations; and handle all related administrative duties.
- **Outreach/Education Position (Strategic Advisor I):** Outreach and education work is a priority for successfully implementing the Domestic Workers Ordinance. This position will design an outreach plan;

# Office of Labor Standards

engage in outreach with domestic workers and hiring entities (e.g., employers and private households), including meeting with new parent groups; responding to questions from the community; and designing educational materials such as pamphlets, posters, and handouts.

- **Additional Support for Domestic Worker Board:** This budget of \$35,000 will support translation and interpretation for board meetings and other stakeholder engagement; and printing and graphic design for outreach purposes.

## Space Rent Adjustment - \$191,925

In April 2015, the Office of Labor Standards (OLS) began as a small division of the Office for Civil Rights. In 2017, OLS became a stand-alone office and moved into its own leased office space in the Central Building in downtown Seattle. For the 2019-2020 biennial budget, the Department of Finance and Administrative Services recalculated space usage by City departments. As a result, the rent for the OLS office space increased.

## Proposed Technical Changes

### Create Budget Programs for Community and Business Outreach Contracts

The Office of Labor Standards administers two funds for business and community outreach:

- The **Community Outreach and Education Fund (COEF)** fosters collaboration between OLS and the community to develop awareness and understanding of worker rights and facilitate resolution of labor standards violations. The annual budget for community outreach is \$1,500,000, which has been awarded for a two-year contract cycle with the selected organizations.
- The **Business Outreach and Education Fund (BOEF)** facilitates assistance to small businesses to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities, who typically are not served by traditional outreach methods. The annual budget for business outreach is \$800,000, which has been awarded for a two-year contract cycle with the selected organizations.

To add additional transparency about the OLS outreach contracts, this budget change creates two new budget programs and moves the associated professional services budget to each program.



# Office of Labor Standards

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of Labor Standards Budget Summary Level</b>			
Office of Labor Standards Fund (00190)	5,698,216	6,599,133	6,657,303
<b>Total for BSL: BO-LS-1000</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>

<b>Department Total</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>
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<b>Department Full-time Equivalents Total*</b>	<b>23.00</b>	<b>28.00</b>	<b>28.00</b>
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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.*

## Budget Summary by Fund for Labor Standards

	2018 Adopted	2019 Proposed	2020 Proposed
00190 - Office of Labor Standards Fund (00190)	5,698,216	6,599,133	6,657,303
<b>Budget Totals for OLS</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
397010	General Fund Transfer	5,698,216	6,599,133	6,657,303
	<b>Total General Fund Transfer</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>
	<b>Total Revenues</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>
	<b>Total Resources</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>

# Office of Labor Standards

## Appropriations By Budget Summary Level (BSL) and Program

### Office of Labor Standards Budget Summary Level

The purpose of the Office of Labor Standards Budget Control Level is to implement labor standards for employees working inside Seattle's city limits. This includes enforcement, outreach and education, and policy work for labor standards regarding Paid Sick and Safe Time, Fair Chance Employment, Minimum Wage, Wage Theft, Secure Scheduling, Hotel Employees Health and Safety, Domestic Worker protections, and other labor standards the City may enact in the future.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Business Outreach and Education Fund Contracts	0	800,000	800,000
Community Outreach and Education Fund Contracts	0	1,500,000	1,500,000
Office of Labor Standards	5,698,216	4,299,133	4,357,303
<b>Total</b>	<b>5,698,216</b>	<b>6,599,133</b>	<b>6,657,303</b>
Full-time Equivalents Total*	23.00	28.00	28.00

*\* 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.*

**The following information summarizes the programs in Office of Labor Standards Budget Summary Level:**

#### **Business Outreach and Education Fund Contracts Program**

The purpose of the Business Outreach and Education Contracts Program is to support small business compliance with Seattle's labor standards. The fund emphasizes outreach to small businesses owned by low-income and historically disenfranchised communities, who typically are not served by traditional outreach methods.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Business Outreach and Education Fund Contracts	0	800,000	800,000
Full-time Equivalents Total	0.00	0.00	0.00

#### **Community Outreach and Education Fund Contracts Program**

The purpose of the Community Outreach and Education Fund Contracts Program is to support and foster collaboration between OLS and the community by developing awareness and understanding of worker rights and facilitating resolution of labor standards violations.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Community Outreach and Education Fund Contracts	0	1,500,000	1,500,000
Full-time Equivalents Total	0.00	0.00	0.00

# Office of Labor Standards

## Office of Labor Standards Program

The purpose of the Office of Labor Standards Program is to develop and implement labor standards that advance workplace equity for employees working inside Seattle's city limits. This includes enforcement outreach and education, and policy work.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Office of Labor Standards	5,698,216	4,299,133	4,357,303
Full-time Equivalents Total	23.00	28.00	28.00



# Legislative Department

**Bruce Harrell, Council President**

(206) 684-8888 TTY: (206) 233-0025

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

## Department Overview

The Legislative Department is comprised of the Seattle City Council, as well as two primary divisions: Central Staff and the Office of the City Clerk. Each division supports various aspects of the Council and works with members of the public and City departments to facilitate and develop effective and responsive public policy. The Council and Legislative Department are part of the legislative branch of government, which also includes the Office of City Auditor, the Office of Hearing Examiner, and the Office of Inspector General.

The Council is composed of two at-large and seven district-elected seats for a total of nine, nonpartisan, elected Councilmembers. In November 2015, seven district Councilmembers were elected to a four-year term beginning in 2016. Two at-large Councilmembers were elected to an initial two-year term to align with the election for a four-year term with the Mayor and City Attorney election in 2017. This approach staggers the district and at-large elections two years apart in future years.

The City Council establishes city laws; creates, evaluates and approves policies, legislation, and regulations; approves the City's annual operating and capital improvement budgets; and provides oversight to the City's executive departments. Each Councilmember has a staff of legislative assistants who assist in this work.

Central Staff provides policy and budget analysis for Councilmembers and their staffs, as well as consultant contract services for the Legislative Department. The Office of the City Clerk advances principles of open government and inclusive access through effective facilitation of the legislative process and transparent, accountable stewardship of public information and the official record, including City Council proceedings and legislation. The City Clerk serves as ex-officio elections administrator and filing officer. The office manages the City's Boards and Commissions Registry Program; coordinates public records disclosure requests; and provides information technology, administrative and operational support to the Legislative Department.

Communications and Human Resources/Finance teams are also a part of the Legislative Department. Communications staff assist Councilmembers and the Council as a whole in communicating values, goals and issues to the public by providing marketing and public relations services, including website and social media management, strategic media relations and public affairs work. Human Resources/Finance staff provide employee relations, talent acquisition, employee development, performance management, benefits administration services, finance, budget, accounting, and payroll for the Legislative Department and Office of City Auditor.

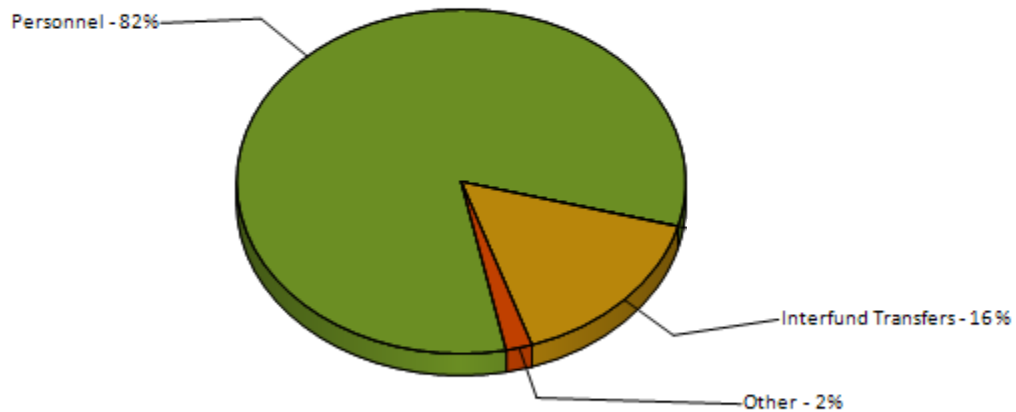
# Legislative Department

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$15,878,359	\$16,330,233	\$16,210,397
<b>Total Operations</b>	<b>\$15,878,359</b>	<b>\$16,330,233</b>	<b>\$16,210,397</b>
<b>Total Appropriations</b>	<b>\$15,878,359</b>	<b>\$16,330,233</b>	<b>\$16,210,397</b>
Full-time Equivalent Total*	99.00	99.50	99.50

\* 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.

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget maintains support to the City Council and preserves the services provided by the City Council to residents and City departments. Increased funding and staffing resources have been provided to increase capacity for Central Staff and for the City Clerk. In addition, the Legislative Department reduced its General Fund budget for discretionary spending, resulting in a 2.5% total budget reduction.

# Legislative Department

## Incremental Budget Changes

### Legislative Department

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 15,878,359</b>	<b>99.00</b>	<b>\$ 15,878,359</b>	<b>99.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 587,854	0.00	\$ 466,903	0.00
Supplemental Budget Changes	\$ 152,020	0.00	\$ 153,135	0.00
Adjustment for One-Time Budget Changes	\$ 175,000	0.00	\$ 175,000	0.00
<b>Proposed Changes</b>				
Add Half-Time Position to Office of the City Clerk	\$ 0	0.50	\$ 0	0.50
Budget Efficiencies	-\$ 463,000	0.00	-\$ 463,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 451,874</b>	<b>0.50</b>	<b>\$ 332,038</b>	<b>0.50</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 16,330,233</b>	<b>99.50</b>	<b>\$ 16,210,397</b>	<b>99.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$587,854**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

#### **Supplemental Budget Changes - \$152,020**

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 2018 2nd Quarter Supplemental Ordinance added ongoing funding for a Strategic Advisor position supporting the Central Staff Program.

# Legislative Department

## Adjustment for One-Time Budget Changes - \$175,000

This adjustment includes budget changes for one-time items in the 2018 Adopted Budget. In 2018, the City Council approved a one-time reduction of \$375,000 to its professional services budget; this item restores that funding. It also removes one-time funding of \$50,000 for an Accessory Dwelling Unit environmental impact statement, \$50,000 for a racial equity toolkit and organizational assessment of the Office for Civil Rights, and \$100,000 for a study on the feasibility of establishing a City-owned bank.

## Proposed Changes

### Add Half-Time Position to Office of the City Clerk/.50 FTE

This adjustment adds 0.5 FTE to the Office of the City Clerk to digitize audio tapes for the City Council. The new position will be funded with existing budget authority.

### Budget Efficiencies - (\$463,000)

The 2019-2020 Proposed Budget includes a budget reduction in ongoing General Fund support achieved by reprioritizing discretionary spending resources for professional services, training and travel, and temporary labor.

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Legislative Department Budget Summary Level</b>			
General Fund	15,878,359	12,489,463	12,586,591
<b>Total for BSL: BO-LG-G1000</b>	<b>15,878,359</b>	<b>12,489,463</b>	<b>12,586,591</b>
<b>Leadership and Administration Budget Summary Level</b>			
General Fund	0	3,840,770	3,623,806
<b>Total for BSL: BO-LG-G2000</b>	<b>0</b>	<b>3,840,770</b>	<b>3,623,806</b>
<b>Department Total</b>	<b>15,878,359</b>	<b>16,330,233</b>	<b>16,210,397</b>
<b>Department Full-time Equivalent Total*</b>	<b>99.00</b>	<b>99.50</b>	<b>99.50</b>

\* 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 Summary by Fund for Legislative

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	15,878,359	16,330,233	16,210,397
<b>Budget Totals for LEG</b>	<b>15,878,359</b>	<b>16,330,233</b>	<b>16,210,397</b>



# Legislative Department

## Appropriations By Budget Summary Level (BSL) and Program

<b><u>Legislative Department Budget Summary Level</u></b>			
The purpose of the Legislative Department Budget Summary Level is to set policy, enact City laws, approve the City's budget, provide oversight of City departments, and support the mission of the Council.			
<b>Program Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Central Staff	3,332,193	3,390,358	3,411,667
City Clerk	3,616,492	3,580,401	3,609,872
City Council	6,705,989	5,518,704	5,565,052
General Expense	2,223,685	0	0
<b>Total</b>	<b>15,878,359</b>	<b>12,489,463</b>	<b>12,586,591</b>
Full-time Equivalents Total*	99.00	94.50	94.50
<i>* 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.</i>			

**The following information summarizes the programs in Legislative Department Budget Summary Level:**

### Central Staff Program

The purpose of the Central Staff Program is to provide high-quality, objective research and analysis to the Council and its individual members on a variety of policy and budget issues, as well as consultant contract services for the Legislative department.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Central Staff	3,332,193	3,390,358	3,411,667
Full-time Equivalents Total	19.00	19.00	19.00

### City Clerk Program

The purpose of the City Clerk Program is to support and facilitate the City's legislative process in compliance with the Open Public Meetings Act; manage the City's Records Management Program and ensure public access to the City's records; preserve the City's official and historical records in compliance with the Public Records Acts; manage the City's Boards and Commissions Registry; serve as the City's ex officio elections officer; and provide information technology, administrative and operational support to the Legislative Department.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
City Clerk	3,616,492	3,580,401	3,609,872
Full-time Equivalents Total	27.00	27.50	27.50

# Legislative Department

## City Council Program

The purpose of the City Council Program is to set policy; review, consider and determine legislative action; approve the City's budget; and provide oversight of City departments. The goal of the City Council is to be transparent, effective and accountable, as well as to promote diversity and health of all neighborhoods. This program consists of the nine Councilmembers, their Legislative Assistants and the Communications staff.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
City Council	6,705,989	5,518,704	5,565,052
Full-time Equivalents Total	53.00	48.00	48.00

## General Expense Program

The purpose of the General Expense Program was to track and account for expenses for the operation of the Legislative Department. These expenditures included workers' compensation and unemployment claims; information technology hardware and software costs; common area equipment, furniture and related expenses; and internal City cost allocations and charges, including space rent, information technology, telephone services and common area building maintenance. In the 2019-2020 Proposed Budget, these costs have been distributed across other Programs within the Legislative Department Budget Summary Level and to the new Leadership and Administration Budget Summary Level.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
General Expense	2,223,685	0	0
Full-time Equivalents Total	0.00	0.00	0.00

### **Leadership and Administration Budget Summary Level**

The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology and business support to the department.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Citywide Indirect Costs	0	2,557,992	2,331,150
Departmental Indirect Costs	0	1,282,778	1,292,656
<b>Total</b>	<b>0</b>	<b>3,840,770</b>	<b>3,623,806</b>
Full-time Equivalents Total*	0.00	5.00	5.00

\* 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.

# Legislative Department

*The following information summarizes the programs in Leadership and Administration Budget Summary Level:*

## **Citywide Indirect Costs Program**

The purpose of the Citywide Indirect Costs program is to fund internal services costs originating from outside of the department such as allocated costs from the Department of Finance and Administrative Services and Seattle Information Technology Department.

<b>Expenditures</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Citywide Indirect Costs	0	2,557,992	2,331,150
Full-time Equivalents Total	0.00	0.00	0.00

## **Departmental Indirect Costs Program**

The purpose of the Departmental Indirect Costs program is to fund costs associated with management of the department. This may include personnel costs related to department leadership and administration or other administrative costs such as external rent and operating supplies or services.

<b>Expenditures/FTE</b>	<b>2018 Adopted</b>	<b>2019 Proposed</b>	<b>2020 Proposed</b>
Departmental Indirect Costs	0	1,282,778	1,292,656
Full-time Equivalents Total	0.00	5.00	5.00



# Office of the Mayor

Jenny A. Durkan, Mayor

(206) 684-4000

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

## Department Overview

The Office of the Mayor works to provide leadership to the residents, employees, and regional neighbors of the City of Seattle and to create an environment that encourages ideas, civic discourse, and inclusion for the City's entire diverse population.

In the municipality of Seattle, the Mayor governs the Executive Branch as its chief executive officer. The many legal roles and responsibilities of the Mayor, and those working directly for the Mayor, are prescribed in the City Charter, state statutes and municipal ordinances. Elections for this nonpartisan office are held every four years.

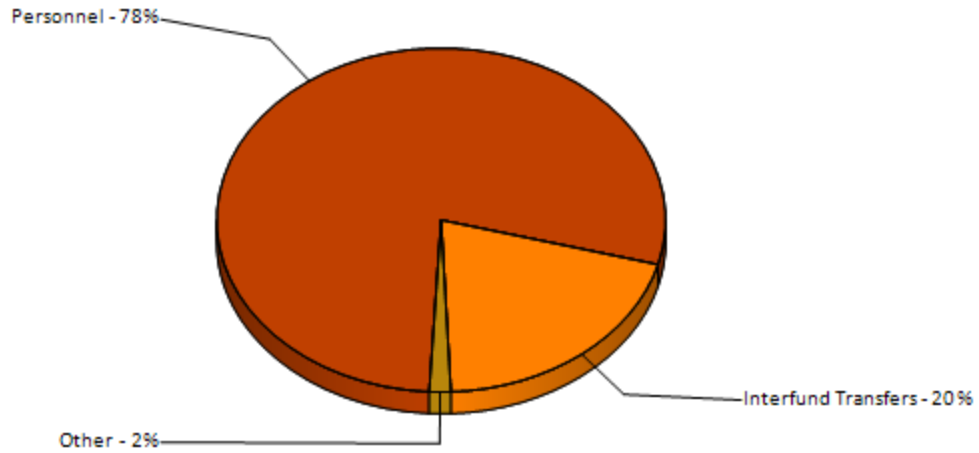
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$5,989,555	\$7,091,290	\$7,118,978
<b>Total Operations</b>	<b>\$5,989,555</b>	<b>\$7,091,290</b>	<b>\$7,118,978</b>
<b>Total Appropriations</b>	<b>\$5,989,555</b>	<b>\$7,091,290</b>	<b>\$7,118,978</b>
Full-time Equivalent Total*	37.50	37.50	37.50

*\* 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.*

# Office of the Mayor

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget reduces the Office of the Mayor's budget by \$150,000, a 2.5% reduction. In the baseline phase, a technical change increasing the budget by \$1.2 million is made to show the full cost of the department. Previously, central costs for charges like space and IT were paid out of a different budget, but all departments will now include those costs in their budgets.

## Incremental Budget Changes

### Office of the Mayor

	2019 Budget	FTE	2020 Budget	FTE
<b>2018 Adopted Budget</b>	\$ 5,989,555	37.50	\$ 5,989,555	37.50
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,251,474	0.00	\$ 1,279,162	0.00
<b>Proposed Changes</b>				
Reduction to Fund City Priorities	-\$ 149,739	0.00	-\$ 149,739	0.00

# Office of the Mayor

<b>Total Incremental Changes</b>	<b>\$ 1,101,735</b>	<b>0.00</b>	<b>\$ 1,129,423</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 7,091,290</b>	<b>37.50</b>	<b>\$ 7,118,978</b>	<b>37.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,251,474**

This technical adjustment transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General budget to the department. With this change, department budgets will better reflect support costs. The costs transferred for 2019:

- Finance and Administrative Services - \$683,159. Rent, facilities services, vehicles, accounting and other administrative support are paid with this charge.
- Seattle Information Technology Department - \$593,741. General information technology support and department-specific projects are paid with this charge.
- Seattle Department of Human Resources - \$113,909. Personnel assistance, leave and benefit administration, and other human resources support are paid with this charge.

Citywide technical adjustments made in the baseline phase are also including in this adjustment, and reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Changes

#### **Reduction to Fund City Priorities - (\$149,739)**

The Mayor's Office is reducing its budget by 2.5%, responding to the Mayor's request for General Fund savings to fund other City priorities. The reduction will reduce the office's professional services and personnel budgets.

# Office of the Mayor

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of the Mayor Budget Summary Level</b>			
General Fund	5,989,555	7,091,290	7,118,978
<b>Total for BSL: BO-MA-X1A00</b>	<b>5,989,555</b>	<b>7,091,290</b>	<b>7,118,978</b>

<b>Department Total</b>	<b>5,989,555</b>	<b>7,091,290</b>	<b>7,118,978</b>
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<b>Department Full-time Equivalents Total*</b>	<b>37.50</b>	<b>37.50</b>	<b>37.50</b>
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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.*

## Budget Summary by Fund for Mayor

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	5,989,555	7,091,290	7,118,978
<b>Budget Totals for MO</b>	<b>5,989,555</b>	<b>7,091,290</b>	<b>7,118,978</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Office of the Mayor Budget Summary Level

The purpose of the Office of the Mayor Budget Summary Level is to provide executive leadership to support City departments, engage and be responsive to residents of the city, develop policy for the City, and provide executive administrative and management support to the City.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Office of the Mayor	5,989,555	7,091,290	7,118,978
<b>Total</b>	<b>5,989,555</b>	<b>7,091,290</b>	<b>7,118,978</b>
Full-time Equivalents Total*	37.50	37.50	37.50

*\* 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.*



# Office of Sustainability and Environment

Jessica Finn Coven, Director

(206) 684-9261

[www.seattle.gov/environment](http://www.seattle.gov/environment)

## Department Overview

The Office of Sustainability & Environment (OSE) develops and implements citywide environmental policies and programs that propel Seattle toward a sustainable, equitable, and carbon neutral future. OSE collaborates with a wide range of stakeholders to develop innovative environmental solutions that foster equity, vibrant communities, and shared prosperity. OSE develops policies and promotes green initiatives through three functional areas:

**Citywide Coordination:** Coordinates interdepartmental work on priority programs, policies, and outreach to advance the City's environmental goals. OSE's coordination work includes a focus on food systems, urban forestry, green infrastructure, energy efficiency in City buildings, equity and environment, and environmental performance measurement. OSE is also responsible for administrative coordination of two prominent Boards and Commissions: the Urban Forestry Commission, and the Sweetened Beverage Tax Community Advisory Board.

**Innovation & Research:** Conducts research and develops the City's next generation of environmental and sustainability policies and programs. OSE's innovation and research includes a special focus on environmental equity, building energy, and transportation electrification, including implementing the Equity and Environment Agenda, Building Energy Benchmarking & Tune-Up program, and the Drive Clean Seattle program.

**Climate Change Action Planning, Implementation and Measurement:** Coordinates implementation of the Seattle Climate Action Plan to reduce Seattle's greenhouse gas emissions, including goal assessment, action planning, community outreach, and performance measurement. OSE's climate change planning and measurement work also includes implementing a climate change adaptation strategy that minimizes the disproportionate impacts of a changing climate while making Seattle less vulnerable and more resilient.

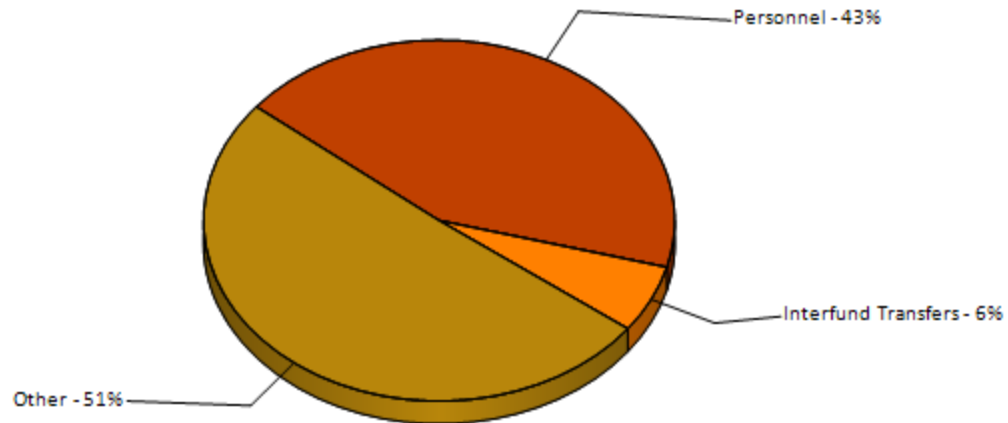
## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
General Fund Support	\$6,971,899	\$7,541,194	\$7,615,812
<b>Total Operations</b>	<b>\$6,971,899</b>	<b>\$7,541,194</b>	<b>\$7,615,812</b>
<b>Total Appropriations</b>	<b>\$6,971,899</b>	<b>\$7,541,194</b>	<b>\$7,615,812</b>
Full-time Equivalent Total*	26.50	26.50	26.50

\* 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.

# Office of Sustainability and Environment

## 2019 Proposed Budget - Expenditure by Category



## Budget Overview

The 2019-2020 Proposed Budget for the Office of Sustainability & Environment (OSE) is largely a roadmap for implementation of established initiatives, identified cost savings, and supporting ongoing policy and administrative functions. The 2019-2020 Proposed Budget also includes new initiatives in food policy, established mid-2018.

**New initiatives:** In 2018, OSE expanded the scope and scale of the following initiatives. These are reflected in the baseline for the 2019-2020 Proposed Budget:

**Fresh Bucks Program Expansion:** In 2013, OSE established the Fresh Bucks Program, a program that increases the affordability of fresh fruits and vegetables to participants of the Supplemental Nutritional Assistance Program (SNAP). Fresh Bucks partners with local businesses, farmers markets, and healthcare clinics to provide additional financial incentives focusing on local healthy food assistance.

In 2015, OSE received \$1.6 million in federal grants through the Food Insecurity Nutrition Incentive (FINI) grant program to expand eligibility and benefits for program participants. By 2016, Fresh Bucks had expanded to 29 locations, and launched Fresh Bucks Rx, partnering with medical providers to prescribe fruits and vegetables to food insecure patients.

In 2018, \$530,000 of FINI grants supported direct incentives to Fresh Bucks participants. However, federal grant funding ends in 2019. As part of the long-term strategy to sustain and grow the Fresh Bucks program, the City has identified resources from the Sweetened Beverage Tax as a natural nexus to support the program in 2019 and beyond. These resources will be allocated by the City in coordination with recommendations from the Sweetened Beverage Tax Community Advisory Board (CAB) established in [Ordinance 125324](#).

## Office of Sustainability and Environment

In the 2018 Proposed Budget, Fresh Bucks expanded to close the “food security gap” for those families that do not qualify for SNAP benefits but remain food insecure. This expanded program eligibility and increased the number of retail locations where participants could use Fresh Bucks, grew community-based outreach and promotion efforts, and added to the number of clinics and patients that receive Fresh Bucks incentives through their healthcare providers. In 2018, the program saw an additional increase of \$923,000; \$480,000 was added for program expansion to increase the number of locations offering Fresh Bucks incentives, \$55,000 was added to expand Fresh Bucks Rx to people with diabetes and obesity, and \$388,000 was added to support new funding to provide fresh fruits and vegetables in Seattle Public Schools (Fresh Bucks in Schools). This funding was originally reserved by the Mayor and Council in the 2018 Adopted Budget, and released on recommendation of the CAB in its [2018 and 2019 Budget Recommendations](#) letter, through the 2018 Second Quarter Supplemental Budget Ordinance. This funding has been included as part of the 2019 Proposed Budget ongoing baseline for the Fresh Bucks program.

For additional information about the City’s use of the Sweetened Beverage Tax, see the 2019 Proposed Budget Executive Summary in the Introduction section of the budget, the Sweetened Beverage Tax financial plan, and department budget sections for Human Services Department, Department of Education and Early Learning, and the Office of the City Auditor.

**Ongoing initiative support:** The 2019-2020 Proposed Budget continues to fund existing initiatives in OSE, including:

- Equity and Environment Initiative
- Duwamish Valley Program
- Climate Action
- Drive Clean Seattle
- Building Energy
- Food Policy and Programs

Please see previous years’ budgets for a description of these initiatives.

### Incremental Budget Changes

#### Office of Sustainability and Environment

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 6,971,899</b>	<b>26.50</b>	<b>\$ 6,971,899</b>	<b>26.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 54,476	0.00	\$ 129,094	0.00
Supplemental Budget Changes	-\$ 80,000	-1.00	-\$ 80,000	-1.00
Adjustment for One-Time Budget Additions	-\$ 266,000	0.00	-\$ 266,000	0.00
Reallocation of Restricted Funding Sources	\$ 0	0.00	\$ 0	0.00
New and Expanded Nutrition Programs	\$ 923,000	0.00	\$ 923,000	0.00
<b>Proposed Changes</b>				
Position Adjustments	\$ 0	1.00	\$ 0	1.00
Ongoing Cost Reductions	-\$ 78,000	0.00	-\$ 78,000	0.00

# Office of Sustainability and Environment

## Proposed Technical Changes

Technical Adjustments	\$ 15,819	0.00	\$ 15,819	0.00
<b>Total Incremental Changes</b>	<b>\$ 569,295</b>	<b>0.00</b>	<b>\$ 643,913</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 7,541,194</b>	<b>26.50</b>	<b>\$ 7,615,812</b>	<b>26.50</b>

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$54,476

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### Supplemental Budget Changes - (\$80,000)/(1.00) FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. This change includes:

- Return of 1.0 FTE position on loan from OSE to Seattle Public Utilities (\$0)
- Transfer of funding to the Human Services Department for Fresh Bucks To Go (\$80,000)

#### Adjustment for One-Time Budget Additions - (\$266,000)

This item includes budget reductions for one-time additions in the 2018 Adopted Budget:

- Reduction of one-time funding for Duwamish Action Plan (\$15,000)
- Reduction of one-time space expansion funding (\$251,000)

#### Reallocation of Restricted Funding Sources

This item includes a budget adjustment to use an additional \$365,000 of restricted Sweetened Beverage Tax proceeds instead of unrestricted General Fund to support food-related programs in OSE, some of which are already partially supported by Sweetened Beverage Tax. This adjustment was completed in 2018 and factored into the 2019 baseline. The specific programs, total amount of Sweetened Beverage Tax in the 2018 Adopted Budget, and incremental net-zero replacement from the 2018 Adopted Budget are listed below:

- Community Advisory Board Administration: \$147,589 (no change from 2018 Adopted Budget)
- Fresh Bucks Program: \$2,098,143 (replacement of \$200,000 from 2018 Adopted Budget)
- Food Policy Programming: \$0 (replacement of \$165,000 from 2018 Adopted Budget)

# Office of Sustainability and Environment

## **New and Expanded Nutrition Programs - \$923,000**

The Sweetened Beverage Tax Community Advisory Board (CAB) made final recommendations to expand nutrition and food access programs in OSE in 2018. The 2019-2020 Proposed Budget includes an increase of \$923,000 included in the 2019 baseline budget that were approved in 2018 by the City Council in the 2018 2nd Quarter Supplemental Budget Ordinance:

- Increase number of locations offering Fresh Bucks incentives (\$480,000)
- Expand Fresh Bucks Rx to people with diabetes and obesity (\$55,000)
- Support new funding for Fresh Bucks in Seattle Public Schools (\$388,000)

## **Proposed Changes**

### **Position Adjustments/1.00 FTE**

This item includes the reclassification of an Accountant position to a Finance Analyst, Sr., and adds 1.0 FTE Strategic Advisor 2 position to function as a Climate Policy Director. Funding for this position is included in existing department resources.

### **Ongoing Cost Reductions - (\$78,000)**

This item identifies cost savings and reductions to ongoing discretionary programs, as well as the expiration of term-limited, temporary position resources in the following OSE programs: Climate Action Plan (\$5,000), Urban Forestry (\$10,000), Duwamish Valley Program (\$5,000), Building Energy Efficiency program (\$8,000), Equity and Environment Initiative (\$50,000).

## **Proposed Technical Changes**

### **Technical Adjustments - \$15,819**

This item adds healthcare cost adjustments for one position in the Office of Sustainability & Environment (OSE) that was underbudgeted in the 2018 Adopted Budget.

# Office of Sustainability and Environment

## Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Office of Sustainability and Environment Budget Summary Level</b>			
General Fund	6,971,899	7,541,194	7,615,812
<b>Total for BSL: BO-SE-X1000</b>	<b>6,971,899</b>	<b>7,541,194</b>	<b>7,615,812</b>

<b>Department Total</b>	<b>6,971,899</b>	<b>7,541,194</b>	<b>7,615,812</b>
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<b>Department Full-time Equivalents Total*</b>	<b>26.50</b>	<b>26.50</b>	<b>26.50</b>
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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.*

## Budget Summary by Fund for Sustainability and Environment

	2018 Adopted	2019 Proposed	2020 Proposed
00100 - General Fund	6,971,899	7,541,194	7,615,812
<b>Budget Totals for OSE</b>	<b>6,971,899</b>	<b>7,541,194</b>	<b>7,615,812</b>

## Appropriations By Budget Summary Level (BSL) and Program

### Office of Sustainability and Environment Budget Summary Level

The purpose of the Office of Sustainability and Environment Budget Summary Level is to coordinate interdepartmental environmental sustainability initiatives, identify and develop next generation policies and programs, and lead the City's climate change action planning to move towards carbon neutrality.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Office of Sustainability and Environment	6,971,899	7,541,194	7,615,812
<b>Total</b>	<b>6,971,899</b>	<b>7,541,194</b>	<b>7,615,812</b>
Full-time Equivalents Total*	26.50	26.50	26.50

*\* 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.*

# General Fund

## Department Overview

The General Fund is the primary operating fund of the City. Appropriations and expenses for many of the services most commonly associated with the City, such as police and fire, are accounted for in the General Fund. The General Fund is supported primarily by property, sales, business, and utility taxes.

The City's financial policies do not require a fund balance to be maintained in the General Fund. Instead, the City reserves resources for unanticipated expenses or revenue shortfalls associated with general government in the Emergency Fund and in the Revenue Stabilization Fund. As a result of this practice, General Fund balances usually are spent in their entirety either in the current or next fiscal years.

## Revenue Overview

### 2019 Estimated Revenues (in thousands)

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
311010	Property Tax	260,938	266,490	276,997
311010	Property Tax-Medic One Levy	49,881	52,187	71,212
313010	Retail Sales Tax	239,736	262,806	268,078
313030	Use Tax - Brokered Natural Gas	1,333	1,479	1,516
313040	Retail Sales Tax - Criminal Justice	20,045	22,058	22,500
316010	Business & Occupation Tax (100%)	268,004	285,067	294,592
316020	Admission Tax	10,465	11,302	11,661
316070	Utilities Business Tax - Natural Gas (100%)	11,213	11,789	12,114
316080	Utilities Business Tax - Solid Waste (100%)	1,250	1,650	1,800
316100	Utilities Business Tax - Cable Television (100%)	18,752	16,131	15,630
316110	Utilities Business Tax - Telephone (100%)	21,094	20,133	19,482
316120	Utilities Business Tax - Steam (100%)	1,274	1,350	1,390
316180	Tonnage Tax (100%)	7,547	6,439	6,634
316999	Short-term Rental Tax	-	10,500	10,500
317040	Leasehold Excise Tax	5,500	5,250	5,250
317060	Gambling Tax	425	425	425
318100	Sweetened Beverage Tax	14,820	21,386	21,921
335030	Pleasure Boat Tax	120	125	125
	<b>Total External Taxes</b>	<b>932,395</b>	<b>996,567</b>	<b>1,041,826</b>
316130	Utilities Business Tax - City Light (100%)	54,724	58,010	60,148
316140	Utilities Business Tax - City Water (100%)	32,966	33,925	35,043
316150	Utilities Business Tax - Drainage/Waste Water (100%)	49,603	51,115	55,420
316160	Utilities Business Tax - City SWU (100%)	20,135	20,622	21,502
	<b>Total Interfund Taxes</b>	<b>157,428</b>	<b>163,672</b>	<b>172,113</b>
321010	Professional & Occupational Licenses (100%)	3,162	5,600	5,964
321100	Business License Fees (100%)	15,444	17,439	17,857

## General Fund

321900	Marijuana License Fees	-	-	-
322030	Fire Permits & Fees	6,297	7,406	7,234
322040	Street Use Permits	825	2,225	2,175
322170	Vehicle Overload Permits	248	280	260
322200	Other Licenses, Permits & Fees	3,135	1,147	1,147
322260	Meter Hood Service	3,655	3,985	3,585
322900	Other Non Business Licenses	3,636	1,373	1,371
	<b>Total Licenses</b>	<b>36,402</b>	<b>39,454</b>	<b>39,593</b>
331110	Federal Grants - Other	246	188	188
331110	Federal Grants - CDBG	2,271	2,459	1,934
333000	Federal Indirect Grants - Other	-	-	-
334010	State Grants - Other	4,619	3,924	3,928
	<b>Total Federal and State Grants</b>	<b>7,137</b>	<b>6,572</b>	<b>6,051</b>
		-	-	-
335010	Marijuana Excise Tax	400	1,500	1,500
335060	Trial Court Improvement Account	165	165	165
335070	Criminal Justice Assistance	3,650	3,715	3,715
335140	Liquor Excise Tax	3,150	3,650	3,750
335150	Liquor Board Profits	5,750	5,950	5,950
	<b>Total State Entitlements/Impact Programs</b>	<b>13,115</b>	<b>14,980</b>	<b>15,080</b>
337010	Interlocal Agreement	-	-	-
341060	Copy Charges	48	76	76
341180	Legal Services	34	15	15
	Automated Fingerprint Information System (AFIS)			
341190		3,456	4,504	4,504
341190	Fire Special Events Services	1,127	1,320	1,303
341190	Personnel Services	672	1,103	1,092
341220	Animal Shelter Licenses & Fees	2,027	2,400	2,375
341220	Other Service Charges - General Government	647	1,028	1,093
341220	Vehicle Towing Revenues	500	650	650
342010	Law Enforcement Services	4,070	6,951	6,986
342050	Adult Probation and Parole (100%)	350	300	300
342120	E-911 Reimbursements & Cellular Tax Revenue	4,197	3,489	3,497
342160	Emergency Alarm Fees	-	100	100
	<b>Total External Service Charges</b>	<b>17,128</b>	<b>21,936</b>	<b>21,991</b>
342040	Court Fines (100%)	27,885	25,864	25,793
350080	Municipal Court Cost Recoveries (100%)	597	300	300
	<b>Total Court Fines</b>	<b>28,482</b>	<b>26,164</b>	<b>26,093</b>
360010	Interest on Investments	6,124	8,607	9,362
360130	Other Interest Earnings	-	250	250
360290	Parking Meters	40,412	41,133	41,014
360900	Other Miscellaneous Revenue	3,407	4,732	4,813
	<b>Total Miscellaneous Revenues</b>	<b>49,943</b>	<b>54,722</b>	<b>55,439</b>
341900	Interfund Revenue to City Budget Office	1,909	1,883	1,874
341900	Interfund Revenue to HR	8,337	17,039	17,307



## General Fund

341900	Miscellaneous Interfund Revenue	20,952	24,034	23,870
	<b>Total Interfund Charges</b>	<b>31,198</b>	<b>42,956</b>	<b>43,051</b>
341900	Transfer from - Utilities for Council Oversight	576	600	600
397010	Transfer from - Other Fund	7,216	17,957	2,891
	<b>Total Operating Transfers</b>	<b>7,792</b>	<b>18,557</b>	<b>3,491</b>
	<b>Total General Fund Revenues</b>	<b>1,281,020</b>	<b>1,385,580</b>	<b>1,424,728</b>
	Property Sale	-		4,300
	King County Proceeds	1,000		
	Interfund Loans	9,492		
	<b>Other Resources</b>	<b>10,492</b>	-	<b>4,300</b>
	<b>Total General Fund Resources</b>	<b>1,291,512</b>	<b>1,385,580</b>	<b>1,429,028</b>



# Central Waterfront Improvement Program

Marshall Foster, Director, Office of the Waterfront and Civic Projects

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<http://www.seattle.gov/office-of-the-waterfront>

## Department Overview

The Office of the Waterfront and Civic Projects is responsible for coordinating the City's waterfront improvement efforts, including project management, design, construction, and financial management. The Office of the Waterfront and Civic Projects is charged with administering the overall program and ensuring that it is managed efficiently and delivers on the Concept Design and Framework Plan for the Central Waterfront as adopted by the City in [Resolution 31399](#).

The projects that make up the Central Waterfront program are included in SDOT's budget and in the budgets of two other City departments (Department of Parks and Recreation and the Department of Finance and Administrative Services.) Although there are multiple funding sources and multiple projects within the Central Waterfront Improvement Program, the program itself includes all of the projects listed below.

### Seattle Department of Transportation

- Alaskan Way Main Corridor project (MC-TR-C072)
- Overlook Walk and East/West Connections (MC-TR-C073)

### Department of Parks and Recreation

- Parks Central Waterfront Piers Rehabilitation (MC-PR-21007)
- Aquarium Expansion (MC-PR-21006)

### Department of Finance and Administrative Services

- Pike Place Market PC-1 North Waterfront Entrance Project (complete)
- Local Improvement District Administration

In addition, there are funds budgeted in Capital Improvement Program (CIP) projects for SPU and SCL for utility relocations related to the Central Waterfront Improvement Program. The Office of the Waterfront and Civic Projects is leading design and construction activities for these relocations, which in SDOT's budget are combined in a reimbursable and a pass-through project. The Office of Arts and Culture also has funding from the Waterfront program 1% for Arts contribution.

The Office of the Waterfront and Civic Projects is supported by a range of funding sources, including funds from state and private partners, the City's commercial parking tax and real estate excise taxes, fee revenue and bonds. A portion of the Office of the Waterfront and Civic Projects' current funding is supported by an interfund loan until the formation of a Local Improvement District (LID), anticipated in late 2018, with revenues available beginning in 2019. A LID is a financing mechanism that, in this case, will allow the City to establish a geographically-bounded area within which the construction of capital improvement projects will provide a special benefit to property owners. The formation of a LID will allow the City to assess property owners a fee that captures a percentage of the increase in property values created by the local improvements. The interfund loan will be repaid over the life of the waterfront improvement program from the LID and other revenues. Philanthropic contributions to the

# Central Waterfront Improvement Program

design and construction of the waterfront improvement program will also be tracked against the balance of the interfund loan.

The Central Waterfront Improvement Fund is a single fund from which multiple departments draw funding resources. The fund tracks the interfund loan and philanthropic funds as well as other revenues. The fund supports certain costs associated with the design and construction of the waterfront improvement program, costs eligible for financing by a future Local Improvement District (LID), and related costs for City administration, including the Office of the Waterfront and Civic Projects. Appropriations made from the Central Waterfront Improvement Fund are for these purposes.

## Budget Overview

The estimated cost to complete the Central Waterfront Improvement Program is approximately \$835 million across all relevant City departments, including utility relocation costs, and costs for the completed Pike Place Marketfront Expansion.

<b>Waterfront Projects</b>	<b>Total Estimated Costs</b> (\$ in thousands)
Alaskan Way Main Corridor	\$370,570
Overlook Walk and East-West Connections	\$174,340
Parks Central Waterfront Piers	\$100,217
LID Administration	\$8,300
<b>Partner Projects</b>	
Aquarium Expansion	\$34,290
Pike Place Market North Waterfront Entrance (complete)	\$34,000
<b>Reimbursable Utilities</b>	
SCL Waterfront Transmission and Distribution Network	\$72,501
SCL Waterfront Streetlights	\$5,900
SPU Water, Sewer, Drainage	\$21,533
Private Utility Relocations (Telecom and PSE)	\$13,500
<b>Total Cost</b>	<b>\$835,151</b>

The 2019-2020 Proposed Budget includes \$64.9 million in appropriations in 2019 and \$126 million in 2020, excluding utility funds. Office of the Waterfront and Civic Projects employees are housed organizationally in SDOT. This structure allows effective coordination between affected City departments and streamlines administration by making use of SDOT's existing organizational capacity.

The following paragraphs and tables summarize the multiple elements in the waterfront improvement program and their planned spending. For more detail on individual master project appropriations please refer to the relevant department's budget or Capital Improvement Program (CIP).

### City Projects

These are projects that are being led by the City of Seattle and managed by City staff.

**Alaskan Way Main Corridor:** This project designs and constructs the rebuilt Alaskan Way/Elliott Way surface streets and the adjoining pedestrian promenade along the Seattle waterfront following the demolition of the Alaskan Way Viaduct and the opening of the new State Route (SR) 99 Bored Tunnel. The project also includes improvements to four key connections impacted by the viaduct removal, including Seneca Street, Columbia Street,

## Central Waterfront Improvement Program

and the Marion Street and Lenora Street pedestrian bridges. As part of this project both public and private utilities will be relocated and/or improved. The Washington State Department of Transportation (WSDOT) is reimbursing the City of Seattle for a portion of the cost of replacing the surface streets and key connections that are part of this project. Local funds will fund portions of the improvements that are part of this project but not reimbursable by WSDOT. Construction of the Main Corridor project is slated to begin in Spring 2019 and the construction contract will include utility relocation funded in SCL's and SPU's CIP. For details about this project, please see the SDOT CIP project for Alaskan Way Main Corridor (MC-TR-C072).

*For informational purposes only*

<b>LTD Spending and Appropriations</b> <small>*Dollars in thousands</small>	2017 LTD	2019 Proposed	2020 Proposed	<b>Total Project Budget</b> (through 2024)
Central Waterfront Improvement Fund	10,048	250	17,143	<b>73,120</b>
Local Funding	44,944	14,692	11,484	<b>108,875</b>
State Funding	28,874	31,033	70,256	<b>193,607</b>
<b>Total Alaskan Way Main Corridor</b>	<b>83,866</b>	<b>45,975</b>	<b>98,883</b>	<b>370,570</b>

**Overlook Walk and East/West Connections:** Removing the viaduct provides the opportunity for the City to improve key connections between the downtown core and the waterfront. These east/west streets include Bell Street, Union Street, Pike Street and Pine Streets, Main Street, Washington Street and Railroad Way. In addition to these east/west street connections, the waterfront improvement program also includes the Overlook Walk, which will provide a major new pedestrian connection between the waterfront, the Aquarium and the Pike Place Market that will feature ADA access, views, and public open spaces. For details about this project, please see the SDOT CIP project for Overlook Walk and East/West Connections (MC-TR-C073).

*For informational purposes only*

<b>LTD Spending and Appropriations</b> <small>*Dollars in thousands</small>	2017 LTD	2019 Proposed	2020 Proposed	<b>Total Project Budget</b> (through 2024)
Central Waterfront Improvement Fund	2,501	4,790	12,003	<b>152,760</b>
Local Funding	6,158	1,205	1,725	<b>21,580</b>
<b>Total Overlook Walk and E/W Connections</b>	<b>8,659</b>	<b>5,995</b>	<b>13,728</b>	<b>174,340</b>

**Parks - Central Waterfront Piers Rehabilitation:** Waterfront Park and Pier 62/63 are public park facilities owned by Seattle's Department of Parks and Recreation (DPR) that provide public access to Elliott Bay and have hosted a range of public recreation and performances. Phase 1 of the rebuild of Pier 62/63, rebuilding Pier 62, began construction in 2017 and should be complete in 2019. A rebuilt Pier 62 will be able to support park programming. Waterfront Park will require a full seismic upgrade to meet current life safety codes and needs significant access improvements. The vision for Waterfront Park is as a flexible public recreation and open space. The Central Waterfront Improvement Fund will provide funding for these rebuilds. For details about this project, please see the DPR CIP project for Parks Central Waterfront Piers Rehabilitation (MC-PR-21007).

# Central Waterfront Improvement Program

*For informational purposes only*

LTD Spending and Appropriations <small>*Dollars in thousands</small>	2017 LTD	2019 Proposed	2020 Proposed	Total Project Budget (through 2024)
Central Waterfront Improvement Fund	15	4,800	1,500	<b>71,473</b>
Local Funding	1,996	1,832	5,239	<b>28,744</b>
<b>Total Central Waterfront Piers Rehabilitation</b>	<b>2,011</b>	<b>6,632</b>	<b>6,739</b>	<b>100,217</b>

**FAS - Local Improvement District Administration:** Because the Department of Finance and Administrative Services (FAS) is leading the development and administration of the planned Local Improvement District (LID), the FAS operating budget details this work.

## Partner Projects

These are projects within the scope of the Central Waterfront Improvement Program that are under the leadership of other partner organizations and involve some financial contribution from the City.

**Parks - Aquarium Expansion:** As part of the City's overall vision for the waterfront, the non-profit Seattle Aquarium Society (SEAS) is planning an expansion to its existing facilities to support increased visitor capacity and include a major new exhibit. The Department of Parks and Recreation (DPR) owns the Seattle Aquarium and SEAS operates it. Seattle City Council approved a master plan for this expansion for the purpose of environmental review in August 2015. The master plan identifies an on-land site adjacent to the Overlook Walk as the preferred site for this expansion. For details about this project, please see the DPR CIP project for Aquarium Expansion (MC-PR-21006). Note that this table and the CIP project only address anticipated City costs for the Aquarium expansion. Total project costs are higher.

LTD Spending and Appropriations <small>*Dollars in thousands</small>	2017 LTD	2019 Proposed	2020 Proposed	Total Project Budget (through 2024)
Local Funding	1,832	2,325	12,000	<b>34,290</b>
<b>Total Aquarium Expansion</b>	<b>1,832</b>	<b>2,325</b>	<b>12,000</b>	<b>34,290</b>

**Pike Place Market PC-1 North Waterfront Entrance project:** The City and the Pike Place Market Preservation and Development Authority (PPMPDA) have partnered to develop this project, which provides a mixed-use development on the west side of the Pike Place Market, new park spaces, and short-term public parking. The City contributed \$34 million of local funds. The project was completed in 2017.

## Utilities

The Central Waterfront Improvement Program includes relocations for a number of public and private utilities that will be constructed as part of the Alaskan Way Main Corridor contract. City utility work related to the Waterfront program is budgeted in CIP projects in Seattle City Light and Seattle Public Utilities budgets as they are the asset owners. For details about these public utility projects, please see the SCL and SPU CIP pages for the projects identified below. The reimbursable budget, in SDOT, for all utility work, both public and private, is included in two master projects, MO-TR-R004 (Pass Through – CWF) and MO-TR-R043 (Reimb CWF).

# Central Waterfront Improvement Program

**SCL – Alaskan Way Viaduct:** SCL’s utility relocation work being done through the Central Waterfront Improvement Program is budgeted in the SCL Alaskan Way Viaduct master project (MC-CL-ZT8307). It consists of relocation of both the distribution and transmission networks as well as new conduits to serve the Colman Dock Ferry Terminal for potential future electric ferry use. In addition, SCL will be funding a portion of new streetlighting along the Waterfront which is funded in the Seattle Waterfront Streetlight master project (MC-CL-ZL8481).

**SPU – Alaskan Way Viaduct & Seawall:** SPU’s utility relocation and improvements as part of the Central Waterfront Improvement Program are budgeted in the SPU Alaskan Way Viaduct & Seawall master project (MC-SU-C4102). The program includes water main replacements, replacement of the combined sewer conveyance system along Alaskan Way, sewer improvements, and provide a new drainage system, including treatment, to serve the new Alaskan Way and new Elliott Way.

**Private Utilities:** The Waterfront program will also be relocating facilities for telecom providers and PSE along Alaskan Way and Elliott Way. This includes building a new telecom duct bank along the Waterfront to consolidate facilities along Alaskan Way.

## Central Waterfront Improvement Fund

In 2011, the City Council created a new fund, the Central Waterfront Improvement Fund (CWIF), to pay certain capital costs related to design and construction of the Central Waterfront program, including eligible for financing by a future local improvement district ([Ordinance 123761](#)). The CWIF receives revenues including those from private funding and donations, grants and transfers of funds and the proceeds from the rental or sales of property related to Waterfront construction. In addition to this revenue the City Council authorized an interfund loan to provide an initial amount of funds to pay costs related to the program. The interfund loan has been amended, increasing the total loan authorized to \$31.225 million and extending the term of the loan to December 2019 ([Ordinance 125188](#)). The interfund loan is anticipated to be repaid through philanthropic contributions, LID assessments and other revenues. Appropriations out of the CWIF are shown in the SDOT, DPR, and FAS sections of the budget book.





# Community Development Block Grant (CDBG)

## Funding Source Overview

In 2017, as part of the implementation of a new enterprise-wide financial management system, the Community Development Block Grant (CDBG) Fund (17810) was dissolved and budget was distributed to various other funds in alignment with the direct fund model. The Human Services Department is the City department which acts as custodian for all grants from the U.S. Department of Housing and Urban Development, including CDBG funding. However, CDBG is a relatively flexible funding source and is used by many City departments.

## Budget Overview

In the 2019-2020 Proposed Budget, the funds are distributed to departments and projects as detailed below. All projects are subject to federal CDBG eligibility requirements, and, for some projects, final eligibility has not yet been determined:

Department	Title	Project Description	2018 Adopted	2018 Amended	2019 Proposed	2020 Proposed
HSD	Community Facilities	Community facility capital improvements.			2,933,449	217,000
	Grant System	Grant System IT Project.		243,000	-	-
	Homeless Services	Provides emergency shelter, day center / outreach activities, and homelessness prevention services. Note that the City is allocating all CDBG services funding to homelessness shelters and programs.	3,311,628	3,730,628	3,151,628	3,151,628
	Human Services Admin & Planning	Provide internal staffing capacity to adequately and effectively manage and administer all Consolidated Plan funds; ensure programmatic compliance with applicable federal regulations.	1,047,706	1,047,706	1,122,621	1,122,621
	Minor Home Repair	Provide minor home repairs to low- and moderate-income homeowners for safety and health-related repairs to their homes.	449,917	449,917	449,917	449,917
OED	Alpha Cine	Annual repayment of CDBG-backed Section 108 loan for Alpha Cine project.	74,597	885,000	-	-
	King Street Station Planning & Project Development	Provide financial assistance to conduct a feasibility analysis and to begin implementation of projects development of King Street Station as determined by the feasibility analysis and community.		100,000	262,500	-
	Neighborhood Business District - Only In Seattle	Provide grants and services to foster inclusive neighborhood business districts that allow small businesses to thrive.	679,675	719,675	679,675	679,675
	Neighborhood Business District Planning, Technical Assistance & Staff Support	Provide staffing, technical assistance, planning and administration to support the Only in Seattle Initiative.	172,000	172,000	172,000	172,000
	Over/Under Programmed	N/A	3,183	3,183	3,183	3,183
	Small Business Support	Provide financial assistance to qualifying small businesses and microenterprises. Delivery of business marketing and technical assistance to existing small business entrepreneurs serving low-income neighborhoods.	512,000	512,000	512,000	512,000

Department	Title	Project Description	2018 Adopted	2018 Amended	2019 Proposed	2020 Proposed
OH	Home Repair Program	Provide major home repair financial assistance to low- and moderate-income homeowners. Assisted households typically include seniors and others on low, fixed incomes. The Home Repair Loan Program helps prevent displacement of low-income homeowners by helping them remain safely in their homes.	345,260	345,260	345,260	345,260
	Home Repair Staffing	Provide administrative and management staff support to the home repair program.	260,202	260,202	260,202	260,202
	Homebuyer Education and Counseling	Provide education for first-time low- and moderate-income homebuyers.	217,000	217,000	217,000	217,000
	Office of Housing Admin & Planning	Support OH costs associated with CDBG and HOME program planning, administration, and contracted services.	235,887	235,887	160,972	160,972
	Rental Housing Preservation and Development	Provide financial assistance for the preservation and development of multifamily rental affordable housing.	490,278	490,278	490,278	490,278
OIRA	ESL for Work (Ready to Work)	Provide ESL and job skills training for persons with limited English proficiency.	400,000	400,000	400,000	400,000
OPCD	Equitable Development Initiative	Provide support for community-based organizations pursuing investment strategies that will mitigate displacement within high-risk neighborhoods.	430,000	430,000	430,000	430,000
Parks	Seattle Conservation Corp Park Upgrades	Provide funding to the Seattle Conservation Corps for capital improvements and renovation in neighborhood parks serving qualifying low- and moderate-income neighborhoods and ADA Improvements.	808,000	808,000	808,000	808,000
<b>Total</b>			<b>9,437,333</b>	<b>11,049,736</b>	<b>12,398,685</b>	<b>9,419,736</b>
<i>Program Income</i>			<i>(400,000)</i>	<i>(400,000)</i>	<i>(400,000)</i>	<i>(400,000)</i>
<i>Carryforward</i>	<i>Unspent balances from prior years</i>			<i>(1,161,403)</i>	<i>(2,716,499)</i>	<i>-</i>
<b>Annual Entitlement</b>			<b>9,037,333</b>	<b>9,488,333</b>	<b>9,282,186</b>	<b>9,019,736</b>

### Carryforward:

In 2018, the Human Services Department reviewed all CDBG projects dating back twenty years and accumulated unspent CDBG entitlements from a variety of projects for a carryforward balance of \$2.7 million. Carryforward funds must be spent on project costs by 2021. The 2019-2020 Proposed Budget includes a variety of projects to expend the carryforward on community facilities. All projects are subject to federal CDBG eligibility requirements, and while those listed below are included in the budget, their eligibility has not yet been finalized. Below are detailed descriptions of each project.

The largest provider of Medication Assisted Treatment in Seattle, who had over 1300 clients enrolled in service in 2017, has an opportunity to purchase the building in which they operate in the SODO neighborhood. The agency has already secured \$3 million funding from the Washington State Department of Commerce, is requesting \$1 million from the City of Seattle, and is able to finance the remainder of the purchase price.

In addition, \$500,000 of CDBG carryforward is proposed to assist a large and active food bank in relocating to a new site in the SODO neighborhood. This will contribute to capital costs associated with the relocation.

Of the CDBG carryforward, \$1 million is proposed for a land purchase in Capitol Hill for development of an affordable housing and youth center project. However, in order to receive the funds, agencies must demonstrate

that they have secured funding to purchase and develop the site and a plan for funding operations by the end of 2019. If a full plan is not developed by that time, the remaining balance will go towards a competitive Community Facilities Request for Proposals.

The remaining balance of \$216,449 in carryforward CDBG and \$217,000 in 2019 CDBG is for a roof replacement project at a family support center.

If any of the detailed projects above cannot meet the timeliness requirements for CDBG carryforward, or are not otherwise eligible for CDBG funding, the funds can be used to grow the available resources as part of a competitive RFP process. HSD will facilitate the process and award funding based on competitiveness of proposals in an RFP process in 2019.

**2019-2020 CDBG Allocations for all Departments and Change from 2018 Adopted Budget:**

- Office of Housing: \$1,473,712 in 2019, \$1,473,712 in 2020
  - Changes from 2018 Adopted Budget: Reduce CDBG Administrative support by \$74,915 and use HOME grant administrative support instead
- Human Services Department: \$4,941,166 in 2019 and \$4,941,166 in 2020
  - Changes from 2018 Adopted Budget: Technical changes to reduce CDBG public services by \$160,000 to remain with Public Service cap, increase CDBG Administrative support by \$74,915.
- Office of Economic Development: \$1,629,955 in 2019 and \$1,367,455 in 2020
  - Changes from 2018 Adopted Budget: Reduce by \$74,000 for annual Alpha Cine Loan payment which is being made in a lump sum, additional \$262,500 for King Street Station redevelopment project.
- Office of Immigrant and Refugee Affairs: \$400,000 in 2019 and \$400,000 in 2020
  - Changes from 2018 Budget: None
- Department of Parks and Recreation: \$808,000 in 2019 and \$808,000 in 2020
  - Changes from 2018 Budget: None
- Office of Planning and Community Development: \$430,000 in 2019 and \$430,000 in 2020
  - Changes from 2018 Budget: None

**Fund Table:**

Fund Code	Fund Name	Revenue Source Name	2018 Adopted Budget	2018 Amended Budget	2019 Proposed	2020 Proposed
16200	Human Services Fund	CDBG - Carryforward		243,000	2,716,449	
16200	Human Services Fund	CDBG - Current Year	4,809,251	5,228,251	4,941,166	4,941,166
16400	Low Income Housing Fund	CDBG - Current Year	1,007,278	1,007,278	1,007,278	1,007,278
16400	Low Income Housing Fund	CDBG - Program Income	50,000	50,000	50,000	50,000
16600	Office of Housing Fund	CDBG - Current Year	141,349	141,349	66,434	66,434
16600	Office of Housing Fund	CDBG - Program Income	350,000	350,000	350,000	350,000
00100	General Fund	CDBG - Carryforward	-	918,403	-	-
00100	General Fund	CDBG - Current Year	2,271,455	2,303,455	2,459,358	2,196,858
10200	Park and Recreation Fund	CDBG - Current Year	808,000	808,000	808,000	808,000
<b>Total</b>			<b>9,437,333</b>	<b>11,049,736</b>	<b>12,398,685</b>	<b>9,419,736</b>



# Cumulative Reserve Funds

Ben Noble, Director

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## Department Overview

The Cumulative Reserve Funds (CRS) primarily fund maintenance and development of the City's general government capital facilities and infrastructure. CRS is divided into two accounts: the Capital Projects Account and the Revenue Stabilization Account.

The Revenue Stabilization Account (Rainy Day Fund) provides a cushion for the impact of sudden, unanticipated shortfalls in revenue due to economic downturns that could undermine City's ability to maintain services.

The Capital Projects Account provides support for an array of capital projects, with a primary focus on maintaining and rehabilitating existing City facilities. The Capital Projects Account includes three Funds as described below.

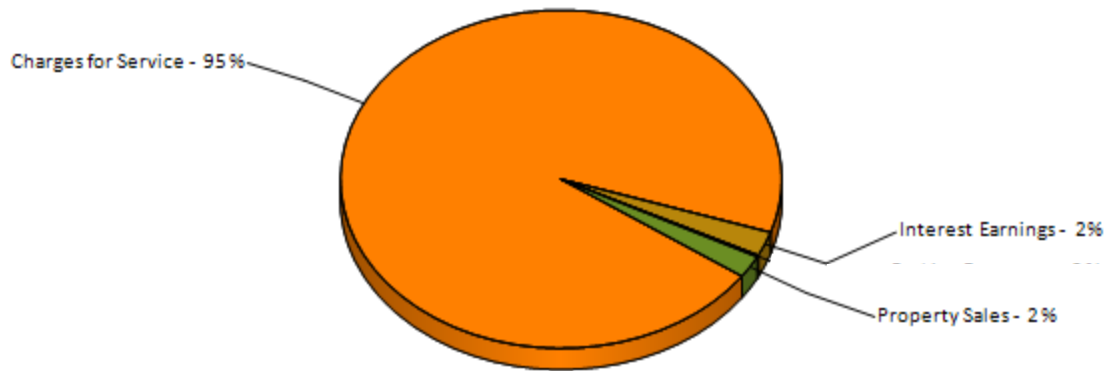
- **REET I Capital Projects Fund** is supported by a 0.25% tax on real estate transactions. REET I is used for a variety of capital projects authorized by state law.
- **REET II Capital Projects Fund** is supported by an additional 0.25% tax on real estate transactions and is kept separate from REET II due to different state requirements regarding the use of these resources. State law limits the use of revenues from this additional tax to capital projects involving parks (except acquisition) and transportation.
- **Unrestricted Cumulative Reserve Fund (CRS-U)** receives funding from a variety of sources, including a portion (50%) of street vacation revenues, transfers of General Fund balances, property sales, investment earnings, and other unrestricted revenues and contributions.

Per [Resolution 31083](#), the City maintains a reserve balance of \$5 million in each of the two REET funds. Given the volatility of the real estate market, maintaining healthy reserves to protect against an economic downturn is essential.

Specific department sections in this document list appropriations for capital projects funded by CRS resources. The table below provides a department level summary of those appropriations. The accompanying Capital Improvement Program (CIP) fully describes department capital projects funded with Cumulative Reserve Fund resources.

# Cumulative Reserve Funds

## 2019 Proposed Budget - Revenue by Category



## Cumulative Reserve Funds

### Total CRS Appropriations for 2019-2020 Proposed Budget

#### Cumulative Reserve Funds Table 1 - Appropriations By Fund and Department

In Thousands

Fund	Department	2019 Proposed Dept Capital	2020 Proposed Dept Capital
<b>REET I - Capital Projects Fund (30010)</b>			
	Seattle Center	\$11,442	\$9,359
	Seattle Public Library	\$562	\$578
	Department of Parks & Recreation	\$4,606	\$15,439
	Finance & Administrative Services Department	\$22,894	\$14,587
	Seattle Department of Transportation	\$2,180	\$0
	Office of Planning & Development	\$546	\$540
	Seattle Department of Constuction & Inspection	\$360	\$360
	Finance General	\$2,303	\$1,997
	<b>Subtotal</b>	<b>\$44,893</b>	<b>\$42,859</b>
<b>REET II - Capital Projects Fund (30020)</b>			
	Seattle Department of Transportation	\$17,375	\$17,345
	Department of Parks & Recreation	\$25,073	\$28,918
	Spending on Homelessness	\$1,000	\$0
	<b>Subtotal</b>	<b>\$43,448</b>	<b>\$46,263</b>
<b>Unrestricted Cumulative Reserse (00164)</b>			
	Seattle Center	\$130	\$130
	Department of Parks & Recreation	\$512	\$35
	Seattle Department of Transportation	\$95	\$0
	Finance & Administrative Services Department	\$28	\$29
	Seattle Department of Constuction & Inspection	\$133	\$132
	Finance General	\$2,854	\$2,634
	<b>Subtotal</b>	<b>\$3,752</b>	<b>\$2,960</b>
<b>Total CRS Department</b>		<b>\$92,094</b>	<b>\$92,083</b>

## Cumulative Reserve Funds

### CRS Table 2 - Appropriations By Department

Department	Dept Capital	Dept Capital
<b>Subtotals by Department</b>		
Seattle Center	\$11,572	\$9,489
Seattle Public Library	\$562	\$578
Seattle Department of Transportation	\$19,650	\$17,345
Department of Parks & Recreation	\$30,191	\$44,392
Finance & Administrative Services Department	\$22,922	\$14,616
Office of Planning & Development	\$546	\$540
Seattle Department of Constuction & Inspection	\$493	\$492
Spending on Homelessness	\$1,000	\$0
Cumulative Reserve Subfund Direct Spending	\$5,157	\$4,631
<b>Total</b>	<b>\$92,094</b>	<b>\$92,083</b>

### Revenue Overview

#### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
317010	REET 1	38,297,569	40,799,694	42,891,049
317020	REET II	38,297,869	40,799,694	42,891,049
	<b>Total Charges for Service</b>	<b>76,595,438</b>	<b>81,599,388</b>	<b>85,782,098</b>
360020	Interest Earnings	1,600,000	2,000,000	2,000,000
	<b>Total Interest Earnings</b>	<b>1,600,000</b>	<b>2,000,000</b>	<b>2,000,000</b>
360290	Parking Fees	150,000	150,000	150,000
	<b>Total Parking Revenues</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>
360900	Street Vacation Fees	495,000	1,819,272	1,152,000
	<b>Total Property Sales</b>	<b>495,000</b>	<b>1,819,272</b>	<b>1,152,000</b>
	<b>Total Revenues</b>	<b>78,840,438</b>	<b>85,568,660</b>	<b>89,084,098</b>
379100	Use of (Contribution to) Fund Balance	7,048,020	4,093,606	-31,598
379100	Use of (Contribution to) Fund Balance	5,650,897	2,648,468	3,371,839
379100	Use of (Contribution to) Fund Balance	-1,994,325	-216,941	-341,683
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>10,704,592</b>	<b>6,525,133</b>	<b>2,998,558</b>
	<b>Total Resources</b>	<b>89,545,030</b>	<b>92,093,793</b>	<b>92,082,656</b>



# Debt Service

Calvin Goings, Director

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## Department Overview

The purpose of this Debt Service section is to provide appropriation authority for particular payments of debt service and associated costs of issuing debt that require legal appropriations. These appropriations include debt service payments to be made from the Bond Interest and Redemption Fund, Limited Tax General Obligation (LTGO) Issuance Costs, Unlimited Tax General Obligation (UTGO) Issuance Costs, and Unlimited Tax General Obligation (UTGO) (voter approved) debt service payments.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$35,031,861	\$26,778,834	\$27,160,761
<b>Total Operations</b>	<b>\$35,031,861</b>	<b>\$26,778,834</b>	<b>\$27,160,761</b>
<b>Total Appropriations</b>	<b>\$35,031,861</b>	<b>\$26,778,834</b>	<b>\$27,160,761</b>
Full-time Equivalent Total*	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

In addition to the regular operating budget, the City uses bonds and property tax levies to fund a variety of capital improvement projects. The City's budget must include funds to pay interest and principal on outstanding bonds. The City has issued three types of debt to finance its capital improvement programs: unlimited tax general obligation bonds, limited tax general obligation bonds and revenue bonds.

### Unlimited Tax General Obligation Bonds

The City may issue Unlimited Tax General Obligation (UTGO) Bonds for capital purposes if a proposition authorizing their issuance is approved by 60% of the voters in an election in which the number of voters exceeds 40% of the voters in the most recent general election. Payment of principal and interest is backed by the "full faith and credit" of the City. This means that the City commits itself to include in its property tax levy an amount that is sufficient to pay principal and interest on the bonds. Property taxes levied to pay debt service on UTGO bonds are not subject to the statutory limits in state law on the taxing authority of local governments, which is why UTGO bonds are "unlimited" (see the "Property Tax" section of the "Revenue Overview" for a description of statutory limits on

# Debt Service

property tax rates and growth). However, state law does limit the amount of UTGO bonds that can be outstanding at any time to 7.5% of assessed valuation of property in the city: 2.5% for open space and park facilities, 2.5% for utility purposes, and 2.5% for general purposes. As of December 31, 2017, there were approximately \$292 million in UTGO bonds outstanding.

## Limited Tax General Obligation Bonds

The City Council may authorize the issuance of Limited Tax General Obligation (LTGO) Bonds, also known as Councilmanic bonds, in an amount up to 1.5% of assessed valuation, without a vote of the people. The City pledges its full faith and credit to the payment of principal and interest on LTGO bonds, but this pledge must be fulfilled within the City's statutory property tax limitations. Thus, these are "limited" general obligation bonds. The combination of UTGO bonds issued for general purposes and LTGO bonds cannot exceed 2.5% of assessed property valuation. If LTGO bonds are issued up to the 1.5% ceiling, then UTGO bonds for general purposes are limited to 1% of assessed value.

The City also guarantees debt issued by the Pike Place Market Preservation and Development Authority, the Seattle Indian Services Commission, the Seattle Chinatown/International District Preservation and Development Authority, and the Museum Development Authority. As of December 31, 2017, the guarantees totaled \$41.6 million out of \$762 million outstanding LTGO debt. Guarantees count against the City's LTGO debt capacity.

## Revenue Bonds

Revenue bonds are used to provide financing for the capital programs of City Light and the three other utilities - Water, Drainage and Wastewater, and Solid Waste - which are grouped together in Seattle Public Utilities. The City does not pledge its full faith and credit to the payment of debt service on revenue bonds. Payment of principal and interest on the bonds issued by each utility is derived solely from the revenues generated by the issuing utility. No tax revenues are used to pay debt service.

When revenue bonds are sold, the City commits itself to set fees and charges for the issuing utility that will be sufficient to pay all costs of operations and maintenance, and all payments of principal and interest on the bonds. While the amount of revenue bonds is not subject to statutory limits, the utility's ability to repay debt with interest is a practical constraint.

## Forms of Debt Authorized by State Law

Table 1 below summarizes the conditions and limitations that apply to the issuance of the general obligation debt issued by the City.

**Table 1 - Summary of Conditions and Limitations for City Debt Issuances**

Form of Debt	Voter Approval Required	Source of Repayment	Statutory Limitation	Current Limit <sup>1</sup>	Outstanding 12-31-17 <sup>1</sup>
<b>Unlimited Tax General Obligation Bonds (UTGO)</b>					
Parks & Open Space	Yes	Property Tax	2.5% of AV	\$5.4 Billion	\$0
Utility	Yes	Property Tax	2.5% of AV	\$5.4 Billion	\$0
General Purposes	Yes	Property Tax	1.0 % of AV <sup>2</sup>	\$2.1 Billion	\$292 Million
<b>Limited Tax General Obligation Bonds (LTGO)</b>	No	Taxes and Other Revenues	1.5% of AV <sup>2</sup>	\$3.2 Billion	\$762 Million <sup>3</sup>

<sup>1</sup> As of 12/31/17, assuming the latest certified assessed value of \$214.1 billion, issued on February 15, 2018 for taxes payable in 2018.

<sup>2</sup> The sum of UTGO and LTGO debt for general purposes cannot exceed 2.5% of assessed valuation.

<sup>3</sup> Includes \$42 million of PDA debt guarantees.

# Debt Service

## City Debt Management Policies and Bond Ratings

The use of debt financing by the City is subject to federal and state laws as well as the City's own debt management policies ([Resolution 31553](#)).

The City has earned very high ratings on its bonds as a result of a strong economy and prudent financial practices. The City's UTGO debt is rated Aaa by Moody's Investors Service, AAA by Fitch IBCA, and AAA by Standard & Poor's (S&P), which are the highest possible ratings. The City's LTGO debt is rated Aaa by Moody's, AAA by Fitch, and AAA by S&P. In addition, the City's utilities have very high ratings for revenue debt, reflecting sound finances and good management.

## 2019 and 2020 Projected Bond Issues

In 2019, the City expects to issue approximately \$53.2 million of limited tax general obligation (LTGO) bonds for a variety of purposes. Table 2 lists the financed projects and other details of the financing plan. Bond proceeds will be deposited into the 2019 Multipurpose Bond Fund. City departments responsible for all or portions of projects in Table 2 will then draw money from this fund as appropriated to implement the projects. The appropriations for those funds are in the respective departments' sections of this budget. Table 3 shows a potential list of projects that may receive debt financing in 2020.

**Table 2 - 2019 Multipurpose LTGO Bond Issuance Costs - Informational Only (\$1,000s)**

Project	Capital Cost	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Adopted 2019	Debt Service Estimated 2020	Debt Service Funding Source
Criminal Justice IT	3,500	3,605	8	3.5%	95	524	General Fund
Police Car Computers	5,415	5,578	8	3.5%	146	811	General Fund
Low Income Housing	10,000	10,300	20	5.3%	406	844	General Fund
IT Computing	1,866	1,922	8	3.5%	50	280	SeaIT
Data & Phone	4,385	4,517	8	3.5%	119	657	SeaIT
SMT Remodel - IT	2,000	2,060	8	3.5%	54	300	SeaIT
FAS IT Initiatives	1,333	1,373	8	3.5%	36	200	FAS
SMT Chiller	3,500	3,605	10	3.8%	101	439	FAS
CWF Alaskan Way Corridor (CPT-2.5%)	14,692	15,133	20	4.3%	482	1,138	SDOT CPT-2.5% (2)
Elliot Bay Seawall (CPT-2.5%)	4,200	4,326	30	4.5%	146	266	SDOT CPT-2.5% (2)
CWF Overlook (CPT-2.5%)	1,000	1,030	20	5.3%	41	84	SDOT CPT-2.5% (2)
AWV Habitat Beach (CPT-2.5%)	1,300	1,339	20	4.3%	43	101	SDOT CPT-2.5% (2)
<b>Total</b>	<b>53,191</b>	<b>54,787</b>			<b>1,719</b>	<b>5,644</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Receipts from additional 2.5% commercial parking taxes.

# Debt Service

**Table 3 - 2020 Multipurpose LTGO Fund Issuance Costs - Informational Only (\$1,000s)**

Project	Capital Cost	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Estimated 2020	Debt Service Estimated 2021	Debt Service Funding Source
Criminal Justice IT	10,000	10,300	8	4.0%	309	1,530	General Fund
Enterprise Computing	248	255	8	4.0%	8	38	SealIT
IT Computing	1,558	1,605	8	4.0%	48	238	SealIT
Data & Phone	7,275	7,493	8	4.0%	225	1,113	SealIT
Technology Management Tools	2,898	2,985	8	4.0%	90	443	SealIT
SMT Remodel - IT	1,000	1,030	8	4.0%	31	153	SealIT
FAS IT Initiative	1,970	2,029	8	3.5%	53	295	FAS
SMT Elevator	4,500	4,635	10	4.0%	139	571	FAS
SMT Chiller	6,500	6,695	10	4.0%	201	825	FAS
Center City Streetcar	20,000	20,600	20	5.0%	773	1,653	SDOT-CPT 10%
CWF Alaskan Way Corridor (CPT-2.5%)	10,779	11,102	20	5.0%	416	891	SDOT-CPT 2.5% (2)
CWF Overlook Walk (CPT-2.5%)	1,725	1,777	20	6.0%	80	155	SDOT-CPT 2.5% (2)
<b>Total</b>	<b>68,452</b>	<b>70,506</b>			<b>2,372</b>	<b>7,906</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Receipts from additional 2.5% commercial parking taxes.

## Summary of the Following Information Tables on Debt Service

Table 4 includes the estimated \$1.6 million of costs of issuance and pricing adjustments for the 2019 LTGO bond issue.

Table 5 displays the funds used to pay outstanding LTGO debt service, listing issuance year and funding source.

Table 6 displays UTGO debt service.

All tables in this section are for informational purposes only; legal appropriations are included elsewhere in the budget.

**Table 4 - 2019 Multipurpose LTGO Fund Issuance Costs - Informational Only (\$1,000s)**

Approx. Par Amount	Issuance Costs & Pricing Adjustments	Issuance Cost Proposed for 2019
\$53,191	3%	\$1,596

# Debt Service

**Table 5 - Limited Tax General Obligation Bonds Debt Service by Funding Source - Information Only**

	2018 Adopted <sup>1</sup>	2019 Proposed	2020 Proposed
<b>Arts</b>			
<b>2018 Bond Issue</b>			
King Station TI for Arts	82,987	528,070	523,270
<b>Arts Fund Total</b>	<b>82,987</b>	<b>528,070</b>	<b>523,270</b>
<b>Bond Interest &amp; Redemption Fund - LTGO</b>			
<b>2009 Bond Issue</b>			
Market 96 Refunding	470,125	469,875	468,625
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall	114,417	108,107	101,438
Bridge Rehab (BTG)	394,661	372,313	349,680
Bridge Seismic (BTG)	157,492	148,553	139,527
Fire Station Projects	58,039	52,057	45,726
Golf	7,201	6,478	5,670
King Street Station (BTG)	6,852	6,458	6,054
Mercer West (BTG)	156,691	147,817	138,858
Spokane (BTG)	87,921	82,925	77,873
<b>2014 Bond Issue</b>			
Benaroya Hall Equipment	122,300	122,675	117,925
SCIDPDA-A	174,913	175,038	170,038
SCIDPDA-B	138,519	184,519	184,144
<b>2017B Bond Issue</b>			
SCIDPDA Refunding	539,490	537,490	539,890
<b>Bond Interest &amp; Redemption Fund - LTGO Total</b>	<b>2,428,620</b>	<b>2,414,305</b>	<b>2,345,447</b>
<b>Cumulative Reserve Subfund - REET I</b>			
<b>2008 Bond Issue</b>			
Bridge Rehab (REET I)	189,000		
<b>2009 Bond Issue</b>			
Bridge Rehab (REET I)	646,500		
North Precinct		46,125	
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall (REET)	265,340		
Fire Station Projects	574,885	577,714	574,839
<b>2010B Bond Issue</b>			
Southwest Precinct		836,700	835,200
Westbridge	561,150	558,650	554,900
<b>2011 Bond Issue</b>			
Bridge Rehab (REET I)	116,539		
Bridge Rehab (REET I) (from 2011 Spokane)	144,997		
Seattle Center House	382,975	381,350	379,863

<sup>1</sup> The "2018 Bond Issue" amounts in the 2018 Adopted column of each Funding Source show the actual debt service costs after the 2018 bond issuance. See the 2018 Adopted budget for the projected amounts.

## Debt Service

<b>2012 Bond Issue</b>			
SR 519 (REET)	170,037		
<b>2013A Bond Issue</b>			
Fire Facilities	837,669	839,069	839,519
North Precinct		278,106	278,306
<b>2014 Bond Issue</b>			
North Precinct		447,956	445,956
<b>2015A Bond Issue</b>			
Bridge Rehab (REET I)	367,464		
Fire Facilities	332,850	330,225	332,225
Northgate Land Acquisition	223,500	221,375	223,875
South Precinct		302,375	
<b>2016A Bond Issue</b>			
Fire Station 5	126,825	128,950	125,950
Fire Stations	695,575	694,950	693,575
North Precinct		391,500	437,125
<b>2017 Bond Issue</b>			
Fire Station 22	439,250	440,500	441,250
Fire Station 5	287,050	286,300	285,300
<b>2018 Bond Issue</b>			
Fire Station 2	29,505	96,200	94,200
<b>Cumulative Reserve Subfund - REET I</b>			
<b>Total</b>	<b>6,391,111</b>	<b>6,858,046</b>	<b>6,542,083</b>

### Cumulative Reserve Subfund - REET II

<b>2012 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	354,250	352,250	354,750
Aquarium Pier 59	1,417,750	1,419,750	1,414,250
Fremont Bridge Approaches	103,750	105,250	106,500
<b>2015A Bond Issue</b>			
Alaskan Way Viaduct	353,500	356,625	354,125
Aquarium Pier 59	124,875	125,500	125,875
<b>2018 Bond Issue</b>			
Low Income Housing		1,000,000	
<b>Cumulative Reserve Subfund - REET II</b>			
<b>Total</b>	<b>2,354,125</b>	<b>3,359,375</b>	<b>2,355,500</b>

### Cumulative Reserve Subfund - Unrestricted

<b>2009 Bond Issue</b>			
Northgate Park		206,640	
<b>2010B Bond Issue</b>			
Park 90/5 - 2001		247,282	250,002
Police Training Facilities		210,300	211,050
Training Facilities		381,608	386,070
<b>2011 Bond Issue</b>			
Facility Energy Retrofits-CTR		56,200	58,713
Facility Energy Retrofits-DPR		55,750	53,375
Facility Energy Retrofits-FAS		78,500	80,063
<b>2012 Bond Issue</b>			

## Debt Service

Joint Training Facility	133,200	132,950
<b>2013B Bond Issue</b>		
Park 90/5 Police Support Acquisition	532,107	505,699
<b>2015A Bond Issue</b>		
Park 90/5 Police Support Acquisition	286,000	286,000
<b>2016A Bond Issue</b>		
Park 90/5 Earthquake Repair	666,825	670,565
<b>Cumulative Reserve Subfund - Unrestricted Total</b>	<b>2,854,411</b>	<b>2,634,486</b>

### Finance and Administrative Services Fund

<b>2010B Bond Issue</b>			
City Hall	3,256,413	3,274,163	3,270,913
Civic Center Open Space	378,050	377,800	376,800
Justice Center	3,238,588	3,252,088	3,259,838
Park 90/5 - 2001	81,213	80,003	80,883
<b>2012 Bond Issue</b>			
City Hall	374,200	374,200	374,200
Justice Center	374,200	374,200	374,200
SMT Base	134,250	134,250	134,000
<b>2013A Bond Issue</b>			
Financial IT Upgrades	1,201,200		
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	172,419	172,152	163,609
Seattle Municipal Tower Acquisition	5,805,851	5,807,538	5,519,322
<b>2014 Bond Issue</b>			
Financial IT Upgrades	1,417,125	1,419,625	
IT Electronic Records	603,500	604,750	
SMT Critical Infrastructure	463,500	466,375	
<b>2015A Bond Issue</b>			
City Hall	764,375	766,000	751,750
Civic Center Open Space	727,625	732,875	
Electronic Records	306,000	307,125	307,500
Justice Center	1,946,500	1,951,875	1,900,375
SeaPark	409,500	410,000	
Seattle Municipal Tower & Police Support	2,261,546	2,261,546	2,261,546
<b>2016A Bond Issue</b>			
Financial IT Upgrades (FAS)	2,339,000	2,342,250	2,341,000
Park 90/5 Earthquake Repair	217,360	215,738	216,948
SMT IDT Server Closets	368,500	369,125	369,000
<b>2017 Bond Issue</b>			
Financial IT Upgrades (FAS)	1,729,000	1,730,500	1,729,000
<b>2018 Bond Issue</b>			
Financial IT Upgrades (FAS)	179,944	1,062,750	1,061,750
<b>2019X Bond Issue</b>			
FAS IT Initiative		36,041	199,738
SMT Chiller		101,391	438,950
<b>2020X Bond Issue</b>			
FAS IT Initiative			53,264

## Debt Service

SMT Chiller			200,850
SMT Elevator			139,050
<b>Finance and Administrative Services Fund</b>			
<b>Total</b>	<b>28,749,858</b>	<b>28,624,358</b>	<b>25,524,484</b>
<b>General Fund</b>			
<b>2009 Bond Issue</b>			
Alaskan Way Tunnel / Seawall (GF)	204,750	205,000	
Jail	44,469	44,844	
North Precinct	43,250		
Northgate Land Acquisition	285,625	287,000	
Northgate Park	205,958		
Rainier Beach Community Center	517,250	517,625	
Rainier Beach Community Center (reallocated from NG)	284,418	285,360	
<b>2010B Bond Issue</b>			
Bridge Rehab (GF)	425,000	425,000	425,000
<b>2010B Bond Issue</b>			
Alaskan Way Tunnel / Seawall (GF)		718,269	714,473
Ballard Neighborhood Center	363,650	363,400	362,400
Park 90/5 - 2001	251,022		
Police Training Facilities	214,300		
Southwest Precinct	836,450		
Training Facilities	385,008		
<b>2011 Bond Issue</b>			
Facility Energy Retrofits-CTR	58,700		
Facility Energy Retrofits-DPR	53,125		
Facility Energy Retrofits-FAS	76,875		
Rainier Beach Community Center	322,144	323,144	324,131
<b>2012 Bond Issue</b>			
Joint Training Facility	129,000		
Rainier Beach Community Center	447,650	446,150	449,150
SR 519 (GF)	23,963	191,750	194,250
<b>2013A Bond Issue</b>			
B&O IT (Orig Proj)	979,524		
City Hall TI (from 2013 B&O)	108,836		
Critical Infrastructure - WP/EOC (from 2013 B&O)	466,440		
North Precinct	279,306		
Rainier Beach Community Center	433,350	433,750	436,250
Video Mobile Data Terminals	915,200		
<b>2013B Bond Issue</b>			
Concert Hall	469,592	471,668	465,403
Park 90/5 Police Support Acquisition	532,932		
<b>2014 Bond Issue</b>			
North Precinct	449,456		
South Park Bridge	672,525	675,275	672,150
<b>2015A Bond Issue</b>			
Park 90/5 Police Support Acquisition	286,000		
SLU Streetcar	125,125	124,750	124,125



## Debt Service

South Park Bridge	336,650	338,900	335,775
South Precinct	296,625		
Zoo Garage	137,125	137,750	138,125
<b>2015B Bond Issue</b>			
Pike Market PCN	1,946,347	1,945,383	1,945,389
<b>2016A Bond Issue</b>			
Alaska Way Corridor (GF)	319,450	317,325	319,825
Financial IT Upgrades (GF)	586,875	585,125	582,375
Jail	42,150	42,150	86,025
North Precinct	394,375		
Northgate Land Acquisition	160,200	160,200	428,325
Park 90/5 Earthquake Repair	671,840		
Parking Pay Stations (GF)		1,461,500	1,465,250
<b>2016B Bond Issue</b>			
Pike Market PCN	394,931	390,556	390,506
<b>2017 Bond Issue</b>			
Financial IT Side Systems	229,000	226,250	228,250
Financial IT Upgrades (GF)	324,000	323,000	321,500
Municipal Court IT	332,500	331,250	334,500
<b>2017B Bond Issue</b>			
Mercer Arena	328,048	330,848	328,248
<b>2018 Bond Issue</b>			
Low Income Housing	363,335	357,068	1,355,468
Municipal Court IT	124,163	726,500	732,000
Pay Stations	45,019	295,750	295,250
Police IT	25,463	148,500	148,500
SRI - Department Capital Needs	28,744	164,750	169,250
<b>2018X Bond Issue</b>			
Financial IT Side Systems	8,138	50,500	48,750
<b>2019X Bond Issue</b>			
Criminal Justice IT (Municipal Court IT)		94,631	524,443
Low Income Housing		405,563	844,109
Police Car Computers		146,417	811,438
<b>2020X Bond Issue</b>			
Criminal Justice IT (Municipal Court IT)			309,000
<b>General Fund Total</b>	<b>17,985,868</b>	<b>14,492,899</b>	<b>16,309,632</b>
<b>Information Technology Fund</b>			
<b>2013A Bond Issue</b>			
Data Center	282,250	283,250	286,200
<b>2014 Bond Issue</b>			
Data Center Long	876,400	873,650	874,275
Data Center Short	3,674,250	3,669,500	
IT Computing Architecture	204,500	199,875	
IT Enterprise	436,375	435,625	
<b>2015A Bond Issue</b>			
Data Center Short	1,059,125	1,056,250	1,060,875
IT Enterprise	238,250	242,375	240,875

## Debt Service

IT Service Tools	510,000	511,875	512,500
<b>2016A Bond Issue</b>			
Data Center Long	222,375	224,875	222,000
<b>2017 Bond Issue</b>			
Sea Muni Twr TI	522,750	526,750	524,750
<b>2019X Bond Issue</b>			
IT Computing Architecture		50,444	279,559
IT Data Telephone		118,559	657,053
SMT Remodel - IT		54,075	299,682
<b>2020X Bond Issue</b>			
IT Computing Architecture			48,142
IT Data Telephone			224,798
IT Enterprise			7,649
SMT Remodel - IT			30,900
Technology Management Tools			89,536
<b>Information Technology Fund Total</b>	<b>8,026,275</b>	<b>8,247,103</b>	<b>5,358,793</b>
<b>Library Fund</b>			
<b>2012 Bond Issue</b>			
Library Garage	400,000	401,500	397,250
<b>Library Fund Total</b>	<b>400,000</b>	<b>401,500</b>	<b>397,250</b>
<b>Parks &amp; Recreation Fund</b>			
<b>2010A BAB Issue</b>			
Golf	69,874	73,402	71,759
<b>2010B Bond Issue</b>			
Interbay Golf Facilities	387,650	386,400	389,400
Westbridge	120,000	120,000	120,000
<b>2011 Bond Issue</b>			
Golf	161,050	160,925	160,825
<b>2012 Bond Issue</b>			
Aquarium Pier 59 Entry	175,000	169,000	168,000
Golf	283,900	286,650	283,900
Magnuson Bldg 30	316,000	314,750	313,000
<b>2013A Bond Issue</b>			
Golf	118,013	120,413	118,313
<b>2013B Bond Issue</b>			
Magnuson Bldg 11	547,650	546,918	544,918
Magnuson Bldg 30	489,833	489,700	488,425
<b>2014 Bond Issue</b>			
Golf	372,738	373,238	373,238
<b>2015A Bond Issue</b>			
Golf	134,550	136,425	133,175
<b>Parks &amp; Recreation Fund Total</b>	<b>3,176,257</b>	<b>3,177,820</b>	<b>3,164,952</b>
<b>Seattle Center Fund</b>			
<b>2012 Bond Issue</b>			
McCaw Hall (long)	125,750	121,000	116,250
<b>Seattle Center Fund Total</b>	<b>125,750</b>	<b>121,000</b>	<b>116,250</b>

## Debt Service

### SPU Drainage & Wastewater Fund

<b>2010B Bond Issue</b>			
Park 90/5 - 2001	11,075	10,910	11,030
Training Facilities	20,383	20,203	20,439
<b>2012 Bond Issue</b>			
Joint Training Facility	7,900	7,600	7,300
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	23,512	23,475	22,310
<b>2015A Bond Issue</b>			
Seattle Municipal Tower & Police Support	11,515	11,515	11,515
<b>2016A Bond Issue</b>			
Park 90/5 Earthquake Repair	29,640	29,419	29,584
<b>SPU Drainage &amp; Wastewater Fund Total</b>	<b>104,024</b>	<b>103,121</b>	<b>102,178</b>

### SPU Solid Waste Fund

<b>2010B Bond Issue</b>			
Park 90/5 - 2001	6,091	6,000	6,066
Training Facilities	11,211	11,112	11,241
<b>2012 Bond Issue</b>			
Joint Training Facility	4,000	3,850	3,700
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	15,674	15,650	14,874
<b>2015A Bond Issue</b>			
Seattle Municipal Tower & Police Support	6,909	6,909	6,909
<b>2016A Bond Issue</b>			
Park 90/5 Earthquake Repair	19,760	19,613	19,723
<b>SPU Solid Waste Fund Total</b>	<b>63,645</b>	<b>63,133</b>	<b>62,513</b>

### SPU Water Fund

<b>SPU Water Fund</b>			
<b>2010B Bond Issue</b>			
Park 90/5 - 2001	19,750	19,455	19,669
Training Facilities	36,349	36,028	36,450
<b>2012 Bond Issue</b>			
Joint Training Facility	13,350	13,850	13,300
<b>2013B Bond Issue</b>			
Park 90/5 Police Support Acquisition	39,186	39,125	37,184
<b>2015A Bond Issue</b>			
Seattle Municipal Tower & Police Support	23,030	23,030	23,030
<b>2016A Bond Issue</b>			
Park 90/5 Earthquake Repair	49,400	49,031	49,306
<b>SPU Water Fund Total</b>	<b>181,065</b>	<b>180,520</b>	<b>178,939</b>

### Transportation Fund

<b>2008 Bond Issue</b>			
Arterial Asphalt and Concrete (from 2008 Mercer) (BTG)	415,034		

## Debt Service

Bridge Rehab (BTG)			
Bridge Rehab (REET I)			
Bridge Seismic (BTG)	73,500		
King Street Station (BTG)	152,250		
Lander St (BTG)	283,500		
Mercer (BTG) (Orig Project)	4,000,217		
Spokane (BTG)	939,750		
<b>2009 Bond Issue</b>			
Bridge Rehab (BTG)		645,750	
Bridge Rehab (REET I)			
King Street Station (BTG)	80,875	82,000	
Spokane (BTG)	1,858,625	1,855,250	
Spokane (BTG) (Redirected from Jail)	133,406	134,531	
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall			
Alaskan Way Tunnel / Seawall (REET)			
Bridge Rehab (BTG)	2,090,214	2,023,967	2,362,114
Bridge Seismic (BTG)	1,005,316	976,819	1,113,133
King Street Station (BTG)	44,155	43,339	47,503
Mercer (BTG) (Orig Proj)			
Mercer West (BTG)	740,848	722,244	823,438
Mercer West (BTG) (from 2010A)			
BABS Mercer)	257,812	248,054	283,312
Spokane (BTG)	561,609	546,273	620,815
<b>2011 Bond Issue</b>			
23rd Ave (Rdcd for MW (BTG) (from 2011 Spokane))	399,192	399,223	399,294
AAC Northgate (BTG) (from 2011 Spokane)	322,215	322,240	322,298
Arterial Asphalt & Concrete (from 2011 Spokane (BTG))	31,915	31,918	31,924
Arterial Asphalt & Concrete (from Linden (BTG) (from 2011 Spokane))	19,075	19,077	19,080
AWV - Parking/Prgm Mgt (CPT-2.5%)	282,575	280,325	278,225
Bridge Rehab (BTG)		116,499	117,255
Bridge Rehab (BTG) (from 2011 Spokane)		145,008	145,034
Bridge Rehab (REET I)			
Bridge Rehab (REET I) (from 2011 Spokane)			
Bridge Seismic (BTG)	138,294	139,419	140,506
Bridge Seismic (BTG) (from 2011 Bridge Rehab)	415,170	415,028	417,721
Bridge Seismic (BTG) (from 2011 Spokane)	177,218	177,232	177,264
Chesiahud (BTG) (from 2011 Spokane)	80,554	80,560	80,574
King Street Station (BTG)	286,244	288,244	285,294
Linden (BTG) (Rdcd for AA - from 2011 Spokane)	109,811	109,819	109,839
Mercer West (CPT)	580,194	579,069	582,944

## Debt Service

Mercer West (CPT) (from 2011 Bridge Rehab - BTG)	196,660	196,592	197,868
Mercer West (CPT) (from 2011 Spokane)	144,997	145,008	145,034
Mercer West (from 23rd (BTG) (from 2011 Spokane))	19,687	19,689	19,692
Seawall (CPT)	890,775	890,900	886,225
Sidewalks (BTG) (from 2011 Spokane)	80,554	80,560	80,574
Spokane (Rdcd for AAC (BTG) (Orig Proj))	80,860	80,866	80,881
<b>2012 Bond Issue</b>			
AWV - Parking/Prgm Mgt (CPT-2.5%)	325,250	322,500	324,250
Linden (BTG)	408,100	410,350	411,850
Mercer West (CPT) (from 2012 Mercer)	331,900	333,400	334,400
Seawall (CPT)	185,450	185,700	185,700
SR 519 (REET)			
<b>2015A Bond Issue</b>			
Alaskan Way Corridor (CPT-2.5%)	279,975	278,600	281,850
Arterial Asphalt and Concrete (from 2008 Mercer) (BTG)	88,250	497,750	545,000
Bridge Rehab (BTG)	89,411	281,875	282,875
Bridge Rehab (CPT10%)		342,750	344,500
Bridge Rehab (REET I)			
Bridge Seismic (BTG)	44,000	112,250	108,750
CWF Overlook (CPT-2.5%)	91,550	94,425	92,175
King Street Station (BTG)	92,500	233,875	236,375
Lander St (BTG)	62,250	340,125	374,625
Mercer (BTG) (Orig Project)	850,500	4,784,625	5,241,000
Mercer (from zoo bonds) (BTG)	1,117,875	1,122,125	1,119,500
Spokane (BTG)	201,500	1,122,875	1,236,500
<b>2016A Bond Issue</b>			
23rd Ave Corridor (CPT-10%)	504,500	508,125	506,125
Alaskan Way Corridor (CPT-2.5%)	877,175	877,425	876,675
Bridge Rehab (BTG)	362,500	362,500	967,000
King Street Station (BTG)	41,250	41,250	119,250
Parking Pay Stations (CPT-10%)	1,464,500		
Seawall (CPT-2.5%)	536,875	539,750	537,000
Spokane (BTG)	285,500	285,500	2,050,250
Spokane (BTG) (Redirected from Jail)	125,900	125,900	257,525
Transit Corridor	59,975	63,600	62,100
<b>2017 Bond Issue</b>			
23rd Ave Corridor (CPT-10%)	111,050	64,192	65,815
Alaskan Way Corridor (CPT-2.5%)	398,800	395,800	397,550
Bridge Rehab (CPT-10%)	349,700	156,465	157,703
City Center Streetcar (CPT-10%)	313,000	311,750	315,250
Seawall LTGO (CPT-10%)	1,627,700	1,446,873	1,448,653
Habitat Beach (CPT-10%) (Repurpose from 23rd Ave in 2018)		44,608	45,736
Northgate Bridge and Cycle Track (CPT-10%) (Repurpose from Bridge		170,373	171,721

## Debt Service

Rehab)			
Habitat Beach (Repurpose from Bridge Rehab in 2018)		20,862	21,027
Habitat Beach (CPT-10%) (Repurpose from Seawall in 2018)		178,827	179,047
<b>2017B Bond Issue</b>			
CWF Overlook (CPT-2.5%)	226,263	226,263	226,063
<b>2018 Bond Issue</b>			
Alaskan Way Corridor (CPT-2.5%)	146,606	474,250	474,500
CWF Overlook (CPT-2.5%)	62,759	234,540	234,940
<b>2019X Bond Issue</b>			
Alaskan Way Corridor (CPT-2.5%)		482,354	1,138,278
Alaskan Way Viaduct Replacement (Habitat Beach) (CPT-2.5%)		42,681	100,719
CWF Overlook (CPT-2.5%)		40,556	84,411
Seawall (CPT-2.5%)		146,003	265,580
<b>2020X Bond Issue</b>			
Alaskan Way Corridor (CPT-2.5%)			416,339
Center City Streetcar (CPT-10%)			695,250
CWF Overlook (CPT-2.5%)			79,954
<b>Transportation Fund Total</b>	<b>29,006,663</b>	<b>29,499,174</b>	<b>32,858,899</b>
<b>Grand Total</b>	<b>99,076,248</b>	<b>100,924,835</b>	<b>98,474,675</b>

**Table 6 - Unlimited Tax General Obligation Bonds Debt Service**

	2018 Adopted	2019 Proposed	2020 Proposed
<b>2012 UTGO Bond Issue</b>	<b>6,448,750</b>	<b>6,453,500</b>	<b>6,449,750</b>
Library & Refunding	6,448,750	6,453,500	6,449,750
<b>2013 UTGO Bond Issue</b>	<b>2,991,000</b>	<b>2,989,400</b>	<b>2,990,400</b>
Seawall	2,991,000	2,989,400	2,990,400
<b>2014 UTGO Bond Issue</b>	<b>966,200</b>	<b>967,400</b>	<b>966,600</b>
Seawall	966,200	967,400	966,600
<b>2015 UTGO Bond Issue</b>	<b>10,132,500</b>	<b>10,132,750</b>	<b>10,130,000</b>
Seawall	10,132,500	10,132,750	10,130,000
<b>2016 UTGO Bond Issue</b>	<b>2,224,750</b>	<b>2,225,750</b>	<b>2,225,000</b>
Seawall	2,224,750	2,225,750	2,225,000
<b>2017 UTGO Bond Issue</b>	<b>7,612,500</b>		
Refunding	7,612,500		
<b>Grand Total</b>	<b>30,375,700</b>	<b>22,768,800</b>	<b>22,761,750</b>

## Debt Service

### Incremental Budget Changes

#### Debt Service

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 35,031,861</b>	<b>0.00</b>	<b>\$ 35,031,861</b>	<b>0.00</b>
<b>Baseline Changes</b>				
One-Time Adjustments for Baseline Changes	-\$ 7,621,215	0.00	-\$ 7,697,123	0.00
<b>Proposed Changes</b>				
Cost of Issuance for 2019 and 2020 Bond Issue	-\$631,812	0.00	-\$ 173,977	0.00
<b>Total Incremental Changes</b>	<b>-\$ 8,253,027</b>	<b>0.00</b>	<b>-\$ 7,871,100</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 26,778,834</b>	<b>0.00</b>	<b>\$ 27,160,761</b>	<b>0.00</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

##### **One-Time Adjustments for Baseline Changes - (\$7,621,215)**

This item includes one-time debt service adjustments to reflect actual debt service after 2018 bond issuance and the baseline adjustment for the UTGO debt service.

#### Proposed Changes

##### **Cost of Issuance for 2019 and 2020 Bond Issue - (\$631,812)**

This item adjusts the Cost of Issuance for the 2019 and 2020 Bond Funds. Costs of Issuance are paid for with bond proceeds.

## Debt Service

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>2019 Debt Issuance Cost - LTGO - Taxable Budget Summary Level</b>			
2018 Multipurpose LTGO Bond Fund	2,227,541	0	0
2019 Multipurpose LTGO Bond Fund	0	1,265,729	0
2019 Multipurpose LTGO Taxable Bond Fund	0	330,000	0
2020 Multipurpose LTGO Bond Fund	0	0	2,001,814
2020 Multipurpose LTGO Taxable Bond Fund	0	0	51,750
General Bond Interest and Redemption Fund	2,428,620	2,414,305	2,345,447
UTGO Bond Interest and Redemption Fund	30,375,700	22,768,800	22,761,750
<b>Total for BSL:</b>	<b>35,031,861</b>	<b>26,778,834</b>	<b>27,160,761</b>

<b>Department Total</b>	<b>35,031,861</b>	<b>26,778,834</b>	<b>27,160,761</b>
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<b>Department Full-time Equivalents Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

### Budget Summary by Fund for Debt Service

	2018 Adopted	2019 Proposed	2020 Proposed
36500 - 2018 Multipurpose LTGO Bond Fund	2,227,541	0	0
36600 - 2019 Multipurpose LTGO Bond Fund	0	1,265,729	0
36610 - 2019 Multipurpose LTGO Taxable Bond Fund	0	330,000	0
36700 - 2020 Multipurpose LTGO Bond Fund	0	0	2,001,814
36710 - 2020 Multipurpose LTGO Taxable Bond Fund	0	0	51,750
20110 - General Bond Interest and Redemption Fund	2,428,620	2,414,305	2,345,447
20140 - UTGO Bond Interest and Redemption Fund	30,375,700	22,768,800	22,761,750
<b>Budget Totals for DEBTSVC</b>	<b>35,031,861</b>	<b>26,778,834</b>	<b>27,160,761</b>



# Fiber Leasing Fund

Tracye Cantrell, Interim Director & Chief Technology Officer

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

## Department Overview

In 1995, the City Council passed Ordinance [117981](#), authorizing fiber installation project cost sharing agreements between City departments and other governmental and public educational agencies and institutions. Since then, approximately 20 government and public education agencies, known collectively as the "Fiber Partnership," have implemented more than 300 fiber optic projects to install more than 550 miles of fiber optic cable in the greater Seattle area. The Seattle Information Technology Department (Seattle IT) acts as the lead agency in the partnership and manages the program.

In 2012, the City passed Ordinance [123931](#), authorizing Seattle IT to lease excess capacity on the fiber optic network to private parties. The Fiber Leasing Fund was created to manage the operating, maintenance, and capital costs of those agreements.

## Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$155,000	\$0	\$0
<b>Total Operations</b>	<b>\$155,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Appropriations</b>	<b>\$155,000</b>	<b>\$0</b>	<b>\$0</b>
Full-time Equivalent Total*	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

The 2019-2020 Proposed Budget will merge all assets and liabilities in the Fiber Leasing Fund (47010) with the Seattle Information Technology Department's internal operating fund (50410). In future years, all appropriation details will be found in the Seattle IT department budget section; please see those pages for more information.

## Fiber Leasing Fund

### Incremental Budget Changes

#### Fiber Leasing Fund

	2019		2020	
	Budget	FTE	Budget	FTE
<b>2018 Adopted Budget</b>	<b>\$ 155,000</b>	<b>0.00</b>	<b>\$ 155,000</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Merge Fiber Leasing Fund with Seattle IT Operating Fund	-\$ 155,000	0.00	-\$ 155,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 155,000</b>	<b>0.00</b>	<b>-\$ 155,000</b>	<b>0.00</b>
<b>2019 - 2020 Proposed Budget</b>	<b>\$ 0</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>

### Descriptions of Incremental Budget Changes

#### Baseline Changes

#### Merge Fiber Leasing Fund with Seattle IT Operating Fund - (\$155,000)

This adjustment reduces appropriation authority in the Fiber Leasing Fund. The 2019-2020 Proposed Budget will merge all assets and liabilities in the Fiber Leasing Fund (40701) with the Seattle Information Technology Department's internal operating fund (50410). Please see Seattle IT's budget section for more information.

### Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
<b>Fiber Leasing Fund Budget Summary Level</b>			
Fiber Leasing Fund	155,000	0	0
<b>Total for BSL: BO-IT-F1000</b>	<b>155,000</b>	<b>0</b>	<b>0</b>
<b>Department Total</b>	<b>155,000</b>	<b>0</b>	<b>0</b>
<b>Department Full-time Equivalent Total*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Fiber Leasing Fund

### Budget Summary by Fund for Fiber Leasing

	2018 Adopted	2019 Proposed	2020 Proposed
47010 - Fiber Leasing Fund	155,000	0	0
<b>Budget Totals for FBRL</b>	<b>155,000</b>	<b>0</b>	<b>0</b>

### Revenue Overview

#### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
442810	Fund Management Fees	896	0	0
	<b>Total Fund Management Fees</b>	<b>896</b>	<b>0</b>	<b>0</b>
462900	Lease Fees	7,162	0	0
	<b>Total Lease Fees</b>	<b>7,162</b>	<b>0</b>	<b>0</b>
461110	Miscellaneous Revenues	0	0	0
	<b>Total Miscellaneous Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>
442950	Move, Add, and Change Fees	150,000	0	0
	<b>Total Move, Add, and Change Fees</b>	<b>150,000</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>158,058</b>	<b>0</b>	<b>0</b>
379100	Use of (Contributions to) Fund Balance	-3,058	0	0
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>-3,058</b>	<b>0</b>	<b>0</b>
	<b>Total Resources</b>	<b>155,000</b>	<b>0</b>	<b>0</b>

### Appropriations By Budget Summary Level (BSL) and Program

#### Fiber Leasing Fund Budget Summary Level

The purpose of the Fiber Leasing Budget Summary Level is to account for revenues, expenditures, assets, and liabilities associated with agreements with private parties for the use of the City's Excess Fiber and Fiber Infrastructure.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Fiber Leasing Fund	155,000	0	0
<b>Total</b>	<b>155,000</b>	<b>0</b>	<b>0</b>



# Fiscal Reserves

Ben Noble, Director

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## Department Overview

The State of Washington permits the City to maintain two financial reserves to draw upon in the event of certain unanticipated expenditure or revenue pressures. Under the authority of RCW 35.32A.060, the City maintains the Emergency Subfund (ESF) of the General Fund. The ESF is the principal reserve for the City to draw upon when certain unanticipated expenses occur during the fiscal year. Eligible expenses include costs related to storms or other natural disasters. State law limits the amount of money the City can set aside in this reserve to 37.5 cents per \$1,000 of assessed value of property within the city.

Under the authority of RCW 35.21.070, the City maintains a second financial reserve called the Revenue Stabilization Account (RSA) of the Cumulative Reserve Subfund, also known as the Rainy Day Fund. The RSA provides resources for the City to draw upon to maintain City services in the event of a sudden, unanticipated shortfall in revenue due to economic downturns or other factors. City code limits the amount set aside in this reserve to five percent of General Fund tax receipts. [Ordinance 123743](#) requires the City to deposit an amount equivalent to 0.5% of General Subfund tax revenues into the RSA, with some limited exceptions. In addition, City policy requires the deposit of 50% of any unplanned year-end fund balance in the General Subfund into the RSA. The RSA has a fund balance cap equal to five percent of total annual General Fund tax revenue.

## Budget Overview

The 2019-2020 Proposed Budget continues to protect the City's fiscal reserves and embraces strong and prudent financial management practices. Maintaining healthy and appropriate reserve levels is critical in ensuring the City is financially well prepared to address unexpected revenue or expenditure pressures, especially as economic conditions have become more volatile.

### Emergency Subfund (ESF)

State law allows the City to maintain an emergency reserve at a maximum statutory-authorized level of 37.5 cents per \$1,000 of assessed property value in the city. The City's practice had been to fully fund the emergency reserve to this maximum limit. However, over the past several years assessed values have undergone significant growth and are expected to continue at a rate that far outpaces the projected City's revenue growth rate. While perhaps good news from an economic standpoint, these increasing assessed values do not translate into a proportional increase in City property tax revenues. In that context, and in recognition of the need for resources to be directed toward related social services in response to the homelessness crisis, in 2017 the City modified the existing financial policies for the ESF to establish a minimum balance of \$60 million, and to adjust that level each year with the rate of inflation. This implies that the ESF would continue to grow, but at somewhat lower rate than under the previous policy. This policy change strikes a balance between ensuring that resources will be available to address unanticipated expenditures and making resources available to address current needs. The proposed increases in 2019 and 2020 bring the reserve balance to \$66.7 million for 2020.

# Fiscal Reserves

## Success of Rainy Day Funding Enhancements (RSA)

The City adopted significant RSA funding enhancements in 2011 via [Ordinance 123743](#). These changes enabled the City to rebuild the Rainy-Day Fund reserves that were spent down in 2009 and 2010 in the midst of the Great Recession. The new policies facilitated the rebuilding of this reserve fund from a low of \$10.5 million in 2010 to \$57.7 million by 2019 and \$60.4 million by 2020. These reserve balance amounts represent historical highs for this fund. The 2019-2020 contributions are driven by General Fund revenue growth as the fund reached the policy cap in 2015.

## Revenue Overview

### 2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
587001	General fund Contribution	1,542,358	1,398,188	1,753,708
587001	General fund Contribution	3,850,594	2,798,924	2,667,960
	<b>Total Operating Transfers In</b>	<b>5,392,952</b>	<b>4,197,112</b>	<b>4,421,668</b>
379100	Use of (Contribution to) Fund Balance	-1,542,358	-1,398,188	-1,753,708
379100	Use of (Contribution to) Fund Balance	-3,850,594	-2,798,924	-2,667,960
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-5,392,952</b>	<b>-4,197,112</b>	<b>-4,421,668</b>
	<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **Summary of Position and Full-Time Equivalent (FTE) Changes by Department**

The following tables provide a summary of total position and FTE changes by department for 2019-2020. Position counts for a department may exceed FTE counts as position counts tally part-time positions as discrete items.





## Summary of Position Changes by Department

	(A)	(B)	(C) = (A) + (B)	(D)	(E) = (C) + (D)
Department	2018 Adopted Total	2019 Proposed Changes	2019 Proposed Budget	2020 Proposed Changes	2020 Proposed Budget
City Budget Office	41	(5)	36	-	36
Civil Service Commissions	3	(1)	2	-	2
Community Police Commission	9	-	9	-	9
Department of Construction and Inspections	392	(5)	387	-	387
Department of Education and Early Learning	75	23	98	-	98
Department of Neighborhoods	51	(6)	45	-	45
Department of Parks and Recreation	1,003	(4)	999	-	999
Employees' Retirement System	21	2	23	-	23
Ethics and Elections Commission	7	-	7	-	7
Finance and Administrative Services	634	(40)	594	-	594
Human Services Department	375	15	390	-	390
Law Department	194	5	199	(1)	198
Legislative Department	98	1	99	-	99
Neighborhood Matching Subfund	9	-	9	-	9
Office for Civil Rights	28	1	29	-	29
Office of Arts and Cultural Affairs	36	1	37	-	37
Office of Economic Development	36	-	36	-	36
Office of the Employee Ombud	-	3	3	-	3
Office of Hearing Examiner	5	-	5	-	5
Office of Housing	46	-	46	-	46
Office of the Inspector General		6	6	-	6
Office of Immigrant and Refugee Affairs	9	1	10	-	10
Office of Intergovernmental Relations	11	(1)	10	-	10
Office of Labor Standards	23	5	28	-	28
Office of Planning and Community Development	47	(2)	45	-	45
Office of Sustainability and Environment	32	-	32	-	32
Office of the City Auditor	10	-	10	-	10
Office of the Mayor	38	-	38	-	38
Seattle Center	256	(15)	241	(1)	240
Seattle City Light	1,823	(18)	1,805	(14)	1,791
Seattle Department of Human Resources	160	(4)	156	-	156
Seattle Information Technology	672	12	684	-	684
Seattle Department of Transportation	920	13	933	-	933
Seattle Fire Department	1,179	9	1,188	-	1,188
Seattle Municipal Court	226	-	226	-	226
Seattle Police Department	2,170	15	2,185	3	2,188
Seattle Public Utilities	1,405	16	1,421	7	1,428
<b>Total Budgeted Positions</b>	<b>12,044</b>	<b>27</b>	<b>12,071</b>	<b>(6)</b>	<b>12,065</b>
Seattle Firefighters' Pension Fund	4	-	4	-	4
Seattle Police Relief and Pension Fund	3	-	3	-	3
Seattle Public Library	664	-	664	-	664
<b>Total Citywide Positions</b>	<b>12,715</b>	<b>27</b>	<b>12,742</b>	<b>(6)</b>	<b>12,736</b>

**Notes**

**Firefighters' Pension Fund, Police Relief and Pension Fund, and Seattle Public Library positions:** Personnel figures are for informational purposes only. The Library's position list is established by the Library Board of Trustees, and positions for the Police and Firefighter Pension funds are set by their respective board members.

## Summary of Full-Time Equivalent (FTE) Changes by Department

Department	(A)	(B)	(C) = (A) + (B)	(D)	(E) = (C) + (D)
	2018 Adopted Total	2019 Proposed Changes	2019 Proposed Budget	2020 Proposed Changes	2020 Proposed Budget
City Budget Office	40.50	(4.50)	36.00	-	36.00
Civil Service Commissions	2.60	(0.60)	2.00	-	2.00
Community Police Commission	9.00		9.00	-	9.00
Department of Construction and Inspections	406.00	(4.00)	402.00	-	402.00
Department of Education and Early Learning	75.00	23.00	98.00	-	98.00
Department of Neighborhoods	53.50	(6.00)	47.50	-	47.50
Department of Parks and Recreation	922.24	3.66	925.90	1.98	927.88
Employees' Retirement System	21.00	2.00	23.00	-	23.00
Ethics and Elections Commission	5.90		5.90	-	5.90
Finance and Administrative Services	625.00	(38.00)	587.00	-	587.00
Human Services Department	365.75	15.50	381.25	-	381.25
Law Department	191.60	5.00	196.60	(1.00)	195.60
Legislative Department	99.00	0.50	99.50	-	99.50
Neighborhood Matching Subfund	9.00		9.00	-	9.00
Office for Civil Rights	28.00	1.00	29.00	-	29.00
Office of Arts and Cultural Affairs	34.59	0.50	35.09	-	35.09
Office of Economic Development	35.50		35.50	-	35.50
Office of the Employee Ombud	-	3.00	3.00	-	3.00
Office of Hearing Examiner	4.63		4.63	-	4.63
Office of Housing	44.50	0.50	45.00	-	45.00
Office of the Inspector General	4.00	6.00	10.00	-	10.00
Office of Immigrant and Refugee Affairs	9.00	0.50	9.50	-	9.50
Office of Intergovernmental Relations	10.50	(0.50)	10.00	-	10.00
Office of Labor Standards	23.00	5.00	28.00	-	28.00
Office of Planning and Community Development	45.50	(1.50)	44.00	-	44.00
Office of Sustainability and Environment	26.50	-	26.50	-	26.50
Office of the City Auditor	10.00		10.00	-	10.00
Office of the Mayor	37.50		37.50	-	37.50
Seattle Center	242.73	(14.00)	228.73	(1.00)	227.73
Seattle City Light	1,816.80	(25.50)	1,791.30	(6.50)	1,784.80
Seattle Department of Human Resources	158.50	(4.50)	154.00	-	154.00
Seattle Information Technology	667.60	13.00	680.60	-	680.60
Seattle Department of Transportation	918.50	13.00	931.50	-	931.50
Seattle Fire Department	1,158.55	8.50	1,167.05	-	1,167.05
Seattle Municipal Court	215.10	-	215.10	-	215.10
Seattle Police Department	2,156.85	15.50	2,172.35	3.00	2,175.35
Seattle Public Utilities	1,398.55	16.00	1,414.55	7.00	1,421.55
<b>Total Budgeted FTEs</b>	<b>11,872.49</b>	<b>33.06</b>	<b>11,905.55</b>	<b>3.48</b>	<b>11,909.03</b>
Seattle Firefighters' Pension Fund	4.00	-	4.00	-	4.00
Seattle Police Relief and Pension Fund	3.00	-	3.00	-	3.00
Seattle Public Library	556.10	-	556.10	-	556.10
<b>Total Citywide FTEs</b>	<b>12,435.59</b>	<b>33.06</b>	<b>12,468.65</b>	<b>3.48</b>	<b>12,472.13</b>

### Notes

**Firefighters' Pension Fund, Police Relief and Pension Fund, and Seattle Public Library positions:** Personnel figures are for informational purposes only. The Library's position list is established by the Library Board of Trustees, and positions for the Police and Firefighter Pension funds are set by their respective board members.

### **Cost Allocation Tables:**

These tables provide information about how the City allocates internal service costs (i.e. overhead provided by City agencies to other City agencies) to customer agencies.

# Cost Allocation

## Central Service Departments and Commissions - Cost Allocation Factors

Central Service Department	Cost Allocation Factor
City Auditor	Audit hours attributed to departments
City Budget Office	Staff time and assignments by department
Civil Service Commissions	Number of cases by department
Office of Civil Rights	Cases filed by department
Office of Intergovernmental Relations	Staff time and assignments by department
Office of Sustainability and Environment	Work program and assignments by departments
Department of Finance and Administrative Services	Various factors and allocations. See Appendix B(1) for details on services, rates, and methodologies.
Seattle Information Technology	Various factors and allocations. See Appendix B(2) for details on services, rates, and methodologies.
Law Department	Hours by department for Civil Division; Public and Community Safety Division is charged 100% to the General Fund. Administration BCL is split between Civil and Criminal and allocated accordingly.
Legislative Department	City Clerk's Office based on number of Legislative items; Central Staff and Legislative Assistants on assignments; City Council 100% General Fund or by Memorandum of Agreement
Seattle Department of Human Resources	Various factors and allocations. See Appendix B(3) for details on services, factors, and methodologies.
State Examiner (State Auditor)	75% by Summit rows of data; 25% by authorized FTEs
Emergency Management	Actual expenditure dollar spread

# Cost Allocation

## Department of Finance and Administrative Services Billing Methodologies – B(1)

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
<b>Fleet Management Division</b>				
Vehicle Leasing	FAD03	<ul style="list-style-type: none"> <li>Vehicles owned by, and leased from, Fleet Services</li> <li>Vehicles owned directly by Utility Departments</li> </ul>	<ul style="list-style-type: none"> <li>Calculated rate per month per vehicle based on three lease-rate components: 1) vehicle replacement; 2) routine maintenance; and 3) overhead.</li> <li>Charge for overhead only as outlined in MOUs with Utilities.</li> </ul>	Fleets rates.
Motor Pool	FAD04	Daily or hourly rental of City Motor Pool vehicles.	Actual vehicle usage by department per published rates. Rates vary by vehicle type and are based on time usage, with a set minimum and maximum daily charge.	Direct bill.
Vehicle Maintenance	FAD05	<ul style="list-style-type: none"> <li>Vehicle Maintenance labor.</li> <li>Vehicle parts and supplies.</li> </ul>	<ul style="list-style-type: none"> <li>Actual maintenance service hours, not included in the routine maintenance component of the Lease Rate (above). Billed at an hourly rate.</li> <li>Actual vehicle parts and supplies, used in vehicle maintenance services, and not included in the routine maintenance component of the Lease Rate (above). Billed at cost plus a percentage mark-up.</li> </ul>	Direct bill.
Vehicle Fuel	FAD07	Vehicle fuel from City-operated fuel sites or private vendor sites through the Voyager Fuel Card program.	Actual gallons of fuel pumped, billed at cost plus per-gallon mark-up.	Direct bill.
<b>Facility Services</b>				
Property Management Services	FAC03	Office & other building space.	Property Management Services for City-owned buildings.	Space rent rates.
Property Management Services	FAC03	Leased spaces.	Service agreements with commercial tenants, building owners and/or affected departments.	Direct bill.
Real Estate Services	FAC03	Real estate transactions including acquisitions, dispositions, appraisals, etc.	Applicable operating costs based on staff time per customer department.	Cost Allocation to Relevant Funds.
Facilities Maintenance	FAC04	Crafts Services: Plumbing, carpentry, HVAC, electrical, painting.	<ul style="list-style-type: none"> <li>Regular maintenance costs included in office space rent and provided as part of space rent.</li> <li>Non-routine services charged directly to service user(s) at an hourly rate.</li> </ul>	Space rent rates; direct bill.
Janitorial Services	FAC05	Janitorial services.	Janitorial services included in rate charges for the downtown core campus buildings.	Space rent rates.
Parking Services	FAC06	Parking services.	Monthly parking costs for City vehicles are charged to department based on actual use. Hourly parking vouchers are sold to departments in advance of use, as requested. Vouchers for private tenants and personal	Direct bill; direct purchase

# Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
			vehicles of City staff are sold on monthly and hourly bases, as requested.	
Warehousing Services	FAC08	<ul style="list-style-type: none"> <li>Surplus service</li> <li>Records storage</li> <li>Material storage</li> <li>Paper procurement</li> </ul>	<ul style="list-style-type: none"> <li>Commodity type, weighting by effort and time</li> <li>Cubic feet and retrieval requests</li> <li>Number of pallets used/stored</li> <li>Paper usage by weight</li> </ul>	Cost Allocation to all relevant City Departments
Distribution Services	FAC09	<ul style="list-style-type: none"> <li>U.S. Mail delivery</li> <li>Interoffice mail, special deliveries</li> </ul>	<ul style="list-style-type: none"> <li>Sampling of pieces of mail delivered to client.</li> <li>Volume, frequency, and distance of deliveries</li> </ul>	Cost Allocation to all relevant City Departments
<b>Technical Services</b>				
Capital Development and Construction Management	FAK01	<ul style="list-style-type: none"> <li>Project management</li> <li>Space planning and design</li> <li>Move coordination</li> </ul>	<ul style="list-style-type: none"> <li>Project management hours billed at actual Project Managers' hourly rates in CIP projects, Divisional indirect are billed based on actual labor dollars.</li> </ul>	Direct bill
<b>Financial, Regulatory and Purchasing/Contracting Services</b>				
Economics and Forecasting	FAF19	<ul style="list-style-type: none"> <li>City economic forecasting</li> </ul>	Allocated to all relevant City Department based on overall City Finance Division work effort.	Cost Allocation to all relevant City Departments
Fiscal and Policy Management	FAF01	<ul style="list-style-type: none"> <li>City financial policy and planning</li> </ul>		
Debt Management	FAF02	Debt financing for the City	Allocation based on historical number of bond sales	Cost Allocation to General Fund, SCL, SPU
Citywide Accounting/Payroll	FAF03 FAF04 FAF05	<ul style="list-style-type: none"> <li>Citywide accounting services.</li> <li>Citywide payroll</li> </ul>	<ul style="list-style-type: none"> <li>Percent of staff time by department</li> <li>Percent of staff time per department, with Payroll and Pension time allocated to departments based on FTEs and retirement checks, respectively.</li> </ul>	Citywide Accounting: Cost Allocation to Six Funds  Citywide Payroll: Cost Allocation to all Department
Citywide Business Analysts Group	FAF06	Maintain and develop the City-wide financial management system	System data rows used by customer departments	Cost Allocation to all City Departments
Regulatory Compliance and Consumer Protection	FAH01	<ul style="list-style-type: none"> <li>Verify accuracy of commercial weighing and measuring devices</li> <li>Enforcement of taxicab, for-hire vehicle and limousine industries.</li> </ul>	External fee revenue; General Fund support	External fees. The program is budgeted in General Fund
Business Licensing and Tax Administration	FAF07 FAF08	Administration, audit, and customer service for City tax codes and regulatory licenses	100% General Fund.	The program is be budgeted in General Fund
Contracting Services	FAE01	<ul style="list-style-type: none"> <li>Provide contracting support and administration.</li> <li>Women and minority business development.</li> <li>Social equity monitoring and contract compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Customer Department will be billed for all applicable services such as: Contract Admin/ADA, Compliance, and Labor Equity based on contract types/work deliverable (driven mostly by contract amounts) by Contracting Services group.</li> <li>General Fund support.</li> </ul>	New Methodology: Direct bill to relevant CIP Departments  Cost Allocation to General Fund

# Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
Purchasing Services	FAE02	Provide centralized procurement services, coordination and consultant services	Percent share by department for Purchasing Services based on total number of Purchase Orders issued (50%) and Blanket Contract and Purchase Order spending (50%).  Percent share by department for consultant services costs based on total spending in previous two years	Cost Allocation to all relevant City Departments
Treasury Operations	FAF09 FAF12	<ul style="list-style-type: none"> <li>Bank reconciliation, Warrant issuance</li> <li>Parking Meter Collections</li> </ul>	<ul style="list-style-type: none"> <li>Percent share by department based on staff time</li> <li>Parking Meter Collection Program budgeted directly in General Fund</li> </ul>	Treasury Operations: Cost Allocation to all relevant City Departments  Parking Meter Collection Program is budgeted in GF
Investments	FAF10	Investment of City funds	Percent share by department of annual investment earnings through the Citywide Investment Pool.	Cost Allocation to all relevant City Departments
Remittance Processing	FAF11	Processing of mail and electronic payments to Cash Receipt System	Percent share by department based on total number of weighted transactions.	Cost Allocation to General Fund, SCL and SPU
Risk Management and Claims Processing	FAF14 FAF15	Claims processing; liability claims and property/casualty program management; loss prevention/ control and contract review	Percent share by department based on number of claims filed (50%) and amount of claims/settlements paid (50%) (five-year period).	Cost Allocation all relevant City Departments
<b>Seattle Animal Shelter</b>				
Seattle Animal Shelter	FAI01	Animal care and animal control enforcement; spay and neuter services to the public.	External fee revenues; General Fund.	External revenues; The program is budgeted in GF
<b>Office of Constituent Services</b>				
Constituent Services	FAJ01	Service delivery and policy analysis, public disclosure response	Number of constituent contacts (inquiries, complaints, requests for service)	Cost Allocation all relevant City Departments
Customer Service Bureau	FAJ02	Provide information to constituents in response to inquiry or complaint	Number of constituent contacts (inquiries, complaints, requests for service)	Cost Allocation all relevant City Departments
Neighborhood Payment and Information Services	FAJ03	Payment and information services to residents (utility bills, pet licenses, traffic tickets, passports, City employment)	Percentage share by department of transaction type.	Cost Allocation to General Fund, SCL, SPU

# Cost Allocation

## Seattle Information Technology (SeaIT) Cost Allocation Methodologies – B(2)

Service	Project	Unit of Measure	Allocation	Direct Billed
<b>Leadership &amp; Administration BSL</b>				
<b>Chief Technology Officer</b>	Chief of Staff	AIA Modified for L&A	X	
	Executive Team	AIA Modified for L&A	X	
<b>Business Office</b>	Finance & Administration	AIA Modified for L&A	X	
	General Administrative Service	AIA Modified for L&A	X	
	Human Resources	AIA Modified for L&A	X	
	SRI-IT Initiatives	AIA Modified for L&A	X	
<b>Indirect Costs - Citywide</b>	Citywide Overhead	AIA Modified for L&A	X	
	Department Overhead	AIA Modified for L&A	X	
	MOA/MOU Clearing Project	Department Specific Billing		X
<b>Pooled Benefits - Departmentwide</b>	Pooled Benefits	AIA Modified for L&A	X	
<b>Enterprise Planning</b>	Enterprise Planning Services	AIA Modified for L&A	X	
<b>Engineering &amp; Operations BSL</b>				
<b>E&amp;O Divisional Indirect</b>	E&O Divisional Operations & Management	E&O Divisional Overhead	X	
	IT Asset Management	E&O Divisional Overhead	X	
	IT Infrastructure Tools	E&O Divisional Overhead	X	
<b>Engineering &amp; Operations Maintenance</b>	Department E&O Maintenance	Department Specific Billing		X
<b>Computing</b>	Backup & Recovery	# of Backup Gigabytes	X	
	Messaging Support & Identity Management	# of Email Accounts (All Users)	X	
	Server Platform	# of CPUs	X	
	Storage - SAN	# of Storage SAN Gigabytes	X	
<b>IT Support Operations</b>	24x7 Batch Processing	# of NSM Jobs	X	
	Data Center	# of Rack Units (RUs)	X	
	Print Services	# of Printed Pages	X	
<b>Customer Support &amp; Desktop Services</b>	Adobe	Proportion of Adobe Maintenance Expenditure	X	
	Customer Support	# of Email Accounts (50%) + # of Desktops & Devices (50%)	X	
	Device Replacement	# of Devices (Laptops & Desktops)	X	
	Enterprise Software	# of Office 365 Licenses for City Staff	X	
<b>Communications</b>	Consolidated Telecommunications Charge (CTC)	# of Landline Extensions	X	
	Interactive Voice Response (IVR) & Call Center Elements	IVR 2017 Usage	X	
	Network & Telecom	# of Active UDS-WiFi Ports	X	



# Cost Allocation

Service	Project	Unit of Measure	Allocation	Direct Billed
	Telecom - Direct Bill	Based on 2017 Wireless Actuals		X
<b>Radio Communications Operations</b>	Citywide Radio Operations & Maintenance - Direct Bill	Based on 2017 Radio Program Installs & Maintenance Actuals		X
	Public Safety Communications	# of Public Safety Radios	X	
	Radio Access Infrastructure & Reserves	# of Radios	X	
	Radios & Pagers - Direct Bill	Based on 2017 Pager Actuals		X
<b>Digital Engagement BSL</b>				
<b>Digital Services</b>	Digital Services	Modified 6-Fund Based on 2017 Actuals	X	
<b>Cable Communications</b>	Cable Communications Services	Cable TV Franchise Fee Subfund	X	
<b>Broadband &amp; Community Technology</b>	Community Technology Services	Cable TV Franchise Fee Subfund	X	
<b>Technology Matching Fund</b>	FY2018 Technology Matching Fund	Cable TV Franchise Fee Subfund	X	
<b>Seattle Channel</b>	Seattle Channel Services	Cable TV Franchise Fee Subfund	X	
<b>Open Data</b>	Open Data Services	Modified 6-Fund Based on 2017 Actuals	X	
<b>Privacy</b>	Privacy Services	Modified AIA % with Cable Fund	X	
<b>Security, Risk, &amp; Compliance BSL</b>				
<b>Security</b>	Security & Risk Management	AIA	X	
<b>Compliance</b>	Compliance	# of Transactions & Devices	X	
<b>Applications BSL</b>				
<b>Applications Division Indirect</b>	Applications Divisional Operations & Management	Applications Divisional Overhead	X	
<b>Applications Maintenance</b>	Department Applications Maintenance	Department Specific Billing		X
<b>Finance Applications</b>	Finance Applications - Other	Other Applications Allocation	X	
	PeopleSoft	% of 2016 Actual Expenditures	X	
<b>Work &amp; Asset Management Applications</b>	Accela	Accela Permits	X	
	CAD or RMS	# of Public Safety Radios	X	
	E911	# of Public Safety Radios	X	
	Hansen 8	# of Hansen 8 Licenses	X	
	Maximo	# of Maximo Licenses	X	
	Work & Asset Management Applications - Other	Other Applications Allocation	X	
<b>Public Experience Applications</b>	Work & Asset Management System (WAMS)	# of WAMS Licenses	X	
	CRM Project Applications - Other	Other Applications Allocation	X	
	Customer Care Billing (CCB)	50% SCL & 50% SPU	X	

# Cost Allocation

Service	Project	Unit of Measure	Allocation	Direct Billed
	Public Experience Applications - Other	Other Applications Allocation	X	
<b>HR Applications</b>	HR Applications - Other	Other Applications Allocation	X	
	HRIS	# of Annual HRIS Paychecks	X	
<b>Engineering &amp; Spatial Analysis</b>	AutoCAD - Allocated	# of AutoCAD Licenses	X	
	Engineering Spatial Applications - Other	Other Applications Allocation	X	
	GIS - Core	# of ESRI Licenses (50%) + GIS Staff (50%)	X	
	Outage Management System (OMS)	# of OMS Licenses	X	
<b>BI &amp; Analysis</b>	Business Intelligence Applications - Other	Other Applications Allocation	X	
	Cognos	# of Cognos Licenses	X	
	Data Integration	AIA	X	
	Microsoft Business Intelligence (BI) Stack	# of Microsoft BI Stack Licenses	X	
	Oracle BI	# of Oracle BI Licenses	X	
	Tableau	# of Tableau Licenses	X	
<b>SharePoint &amp; ECM</b>	Enterprise Content Management (ECM) Applications - Other	Other Applications Allocation	X	
	SharePoint	# of Office 365 Licenses for City Staff	X	
<b>Cross Platform Services</b>	Database Administrator	AIA	X	
	Middleware / Integration	AIA	X	
	Quality Assurance (QA)	AIA	X	
	Solutions & Process	AIA	X	
<b>Client Services Management BSL</b>				
<b>Client Services Management</b>	Community Services Client Services Management	Community Services Client Services Group	X	
	Director Assignment: City Support IT Initiatives	% of 2016 Actual Expenditures	X	
	Fire Client Services Management	100% to SFD	X	
	General Government Client Services Management	General Government Client Services Group	X	
	Internal Services Client Services Management	Internal Services Client Services Group	X	
	Parks & Recreation Client Services Management	100% to DPR	X	
	SCL Client Services Management	100% to SCL	X	
	SDOT Client Services Management	100% to SDOT	X	
	SPD Client Services Management	100% to SPD	X	
SPU Client Services Management	100% to SPU	X		
<b>IT Initiatives BSL</b>				
<b>Application Services</b>	Application Services - Billed	Project Billing		X

# Cost Allocation

Service	Project	Unit of Measure	Allocation	Direct Billed
<b>Engineering &amp; Operations Services</b>	Engineering & Operations Services - Billed	Project Billing		X
<b>PMO Services</b>	PMO Services - Billed	Project Billing		X
<b>Project Services</b>	PMO Services - Allocated	% of Project Revenue Budget (Excluding Fiber Projects)	X	
<b>Citywide OS Upgrade</b>	Windows 10 Upgrade	# of Devices (Laptops & Desktops)	X	
<b>Multiple</b>	Department-Specific Projects (Multiple)	Customer Department		X
<b>Capital Improvement Projects BSL</b>				
<b>800 MHZ Radios</b>	Radio Reserves - Infrastructure	# of Radios	X	
<b>Fiber New Construction &amp; Expansion</b>	Budgeted Fiber Initiatives	Project Billing		X
<b>Fiber - Annual Maintenance</b>	Fiber 2019-2020 Annual Maintenance	Project Billing		X
<b>Seattle Channel CIP</b>	Seattle Channel Digital Upgrade	Cable TV Franchise Fee Subfund	X	
	Seattle Channel Operating Capital	Cable TV Franchise Fee Subfund	X	
<b>Security CIP</b>	IT Security	AIA	X	
<b>HRIS</b>	HRIS Replacement	# of Annual HRIS Paychecks	X	
<b>MCIS</b>	Municipal Court Information System (MCIS) Replacement	100% to SMC		X
<b>Applications Development - SDOT</b>	SDOT Budget System	100% to SDOT		X
<b>Applications Development - SPD</b>	SPD Work Schedule & Timekeeping	100% to SPD		X
<b>Citywide Contract Mgmt System</b>	Citywide Contract Management System	Consultant Services & Contracts	X	
<b>Applications Development - SPD</b>	SPD In Car Video	100% to SPD		X
<b>Technology Management Tools</b>	ITSM	# of Email Accounts (All Users)	X	
<b>SMT Remodel</b>	SMT Remodel	AIA Modified for L&A	X	

# Cost Allocation

## Seattle Department of Human Resources Cost Allocation Methodologies - B(3)

Central Services: allocated to all departments		
Project Cost Pool	Services provided	Cost Allocation Methodology
Benefits Administration	Administer City's benefit and wellness programs, manage vendors providing benefit services, and monitor compliance	Health Care Fund pays for 0.5 FTE Personnel Analyst, Sr 1.2 FTE Personnel Analyst 0.8 FTE Mgr3 0.8 FTE Personnel Analyst, Supv  SCERS retiree benefits administration pays for 1.0 FTE Personnel Analyst  Remainder allocated to departments based on Adopted budget positions
Deferred Compensation	Provide consultation, processes, education, and outreach for City's Voluntary Deferred Compensation Plan	Direct costs paid by plan administrator and recovered through a service fee charged to program participants  Indirect costs allocated to departments based on Adopted budget positions
Leave Administration	Provide consultation, processes, resources, and training for City's leave programs and ADA Title I	Allocated to departments based on Adopted budget positions
Information Management & Reporting	Administer City's Human Resource Information System (HRIS) and provide system-level support and consultation in business processes and data analysis	Allocated to departments based on Adopted budget positions
Performance Management/E3 Training & Course Development Organizational Effectiveness	Provide training and performance management tools, policies and programs	Allocated to departments based on Adopted budget positions
Workforce Equity	Provide policy, consultation, programs and outreach for the workforce equity strategic plan	Allocated to departments based on Adopted budget positions
Alternative Dispute Resolution	Administer alternative dispute resolution program and process	Allocated to departments based on Adopted budget positions
Recruitment & Retention	Administer recruitment and staffing policy and hiring	Allocated to departments based on Adopted budget positions
Service Delivery	Manage the One HR strategy	Allocated to departments based on Adopted budget positions

# Cost Allocation

Targeted services: allocated to departments based on use		
Project Cost Pool	Services provided	Cost Allocation Methodology
Full HR support	Provide direct-facing HR support	Allocated to supported departments based on Adopted budget positions
Labor Relations	Provide labor relations policy, program and consultation	Allocated to departments based on three-year running average of represented positions
Fire and Police Exams	Administer Police and Fire examination program	Allocated to SFD and SPD
Compensation and Classification	Provide assistance in interpreting and applying fair and consistent evaluation of positions and equitable compensation	Allocated to departments based on three-year running average of classification reviews
Safety	Provide consultation, processes, training, and programs governed by Federal law, City charter, municipal code, and personnel policies	Fully burdened cost of CDL coordinator allocated to departments based on a three-year running average of CDL-holding employees  All other costs allocated 100% to Workers Comp Fund 10110 and recovered through the WC pooled costs, based on claims history
Workers Compensation	Provide claims administration, consultation, and assistance to employees who have sustained a work-related injury or illness	Allocated 100% to Workers Comp Fund 10110 and recovered through the WC pooled costs, based on claims history

# Cost Allocation

## Central Service Cost Allocations by paying funds – Informational Only

These transfers reflect reimbursements for general government work performed on behalf of certain revenue generating departments.

Central Service Department	2018 Adopted	2019 Proposed	2020 Proposed
City Budget Office	1,909,380	1,882,651	1,873,841
City Auditor	1,085,999	948,765	949,428
Legislative Department	3,354,804	4,181,219	4,140,942
Law Department	10,054,970	11,871,493	11,704,841
Office for Civil Rights	132,422	454,631	457,086
Office of Intergovernmental Relations	1,421,666	1,331,037	1,326,979
Office of Sustainability and Environment	2,188,733	2,521,183	2,565,179
Emergency Management	1,828,108	2,118,573	2,118,573
Civil Service Commission	137,301	102,926	102,746
State Auditor	503,636	504,644	504,644
<b>Total</b>	<b>22,617,019</b>	<b>25,917,122</b>	<b>25,744,258</b>

### Interfund Transfers by Department

Seattle City Light	5,741,613	6,379,282	6,355,515
Seattle Public Utilities	6,493,957	6,140,746	6,103,964
Seattle Department of Transportation	6,352,449	8,588,301	8,515,121
Seattle Department of Construction and Inspections	3,648,444	4,542,436	4,505,153
Retirement Fund	380,555	266,357	264,504
<b>Total</b>	<b>22,617,019</b>	<b>25,917,122</b>	<b>25,744,258</b>

## Glossary

**Appropriation:** A legal authorization granted by the City Council, the City's legislative authority, to make expenditures and incur obligations for specific purposes.

**Biennial Budget:** A budget covering a two-year period. Under state law, a biennium begins with an odd-numbered year.

**Budget - Adopted and Proposed:** The Mayor submits to the City Council a recommended expenditure and revenue level for all City operations for the coming fiscal year as the Proposed Budget. When the City Council agrees upon the revenue and expenditure levels, the Proposed Budget becomes the Adopted Budget, funds are appropriated, and legal expenditure limits are established.

**Budget - Endorsed:** The City of Seattle implements biennial budgeting through the sequential adoption of two one-year budgets. When adopting the budget for the first year of the biennium, the Council endorses a budget for the second year. The Endorsed Budget is the basis for a Proposed Budget for the second year of the biennium, and is reviewed and adopted in the fall of the first year of the biennium.

**Budget Control Level:** The level at which expenditures are controlled to meet State and City budget law provisions.

**Capital Improvement Program (CIP):** Annual appropriations from specific funding sources are shown in the City's budget for certain capital purposes such as street improvements, building construction, and some kinds of facility maintenance. These appropriations are supported by a six-year allocation plan detailing all projects, fund sources, and expenditure amounts, including many multi-year projects that require funding beyond the one-year period of the annual budget. The allocation plan covers a six-year period and is produced as a separate document from the budget document.

**Chart of Accounts:** A list of expenditure, revenue, and other accounts describing and categorizing financial transactions.

**Community Development Block Grant (CDBG):** A U.S. Department of Housing and Urban Development (HUD) annual grant to Seattle and other local governments to support economic development projects, human services, low-income housing, and services in low-income neighborhoods.

**Comprehensive Annual Financial Report of the City (CAFR):** The City's annual financial statement prepared by the Department of Finance & Administration.

**Cost Allocation:** Distribution of costs based on some proxy for costs incurred or benefits received.

**Cumulative Reserve Subfund (CRS):** A significant source of ongoing local funding to support capital projects in general government departments. The CRS consists of two accounts: the Capital Projects Account and the Revenue Stabilization Account. The Capital Projects Account has six subaccounts: REET I, REET II, Unrestricted, South Lake Union Property Proceeds, Asset Preservation Subaccount - Fleets and Facilities, and the Street Vacation Subaccount. The Real Estate Excise Tax (REET) is levied on all sales of real estate, with the first .25% of the locally imposed tax going to REET I and the second .25% to REET II. State law specifies how each REET can be spent.

**Debt Service:** Annual principal and interest payments the City owes on money it has borrowed.

**Errata:** Adjustments, corrections, and new information sent by departments through the City Budget Office to the City Council during the Council's budget review as an adjunct to the Mayor's Proposed Budget. The purpose is to adjust the Proposed Budget to reflect information not available upon submittal and to correct inadvertent errors.

# Glossary

**Full-Time Equivalent (FTE):** A term expressing the amount of time for which a position has been budgeted in relation to the amount of time a regular, full-time employee normally works in a year. Most full-time employees (1.00 FTE) are paid for 2,088 hours in a year (or 2,096 in a leap year). A position budgeted to work half-time for a full year, or full-time for only six months, is 0.50 FTE.

**Fund:** An accounting entity with a set of self-balancing revenue and expenditure accounts used to record the financial affairs of a governmental organization.

**Fund Balance:** The difference between the assets and liabilities of a particular fund. This incorporates the accumulated difference between the revenues and expenditures each year.

**General Fund:** A central fund into which most of the City's general tax revenues and discretionary resources are pooled, and which is allocated to support many of the operations of City government. Beginning with the 1997 Adopted Budget, the General Fund was restructured to encompass a number of subfunds, including the General Fund Subfund (comparable to the "General Fund" in prior years) and other subfunds designated for a variety of specific purposes. These subfunds are listed and explained in more detail in department chapters, as well as in the Funds, Subfunds, and Other section of the budget document.

**Grant-Funded Position:** A position funded 50% or more by a categorical grant to carry out a specific project or goal. Seattle Municipal Code 4.04.030 specifies that "categorical grant" does not include Community Development Block Grant funds, nor any funds provided under a statutory entitlement or distribution on the basis of a fixed formula including, but not limited to, relative population.

**Neighborhood Matching Subfund (NMF):** A fund supporting partnerships between the City and neighborhood groups to produce neighborhood-initiated planning, organizing, and improvement projects. The City provides a cash match to the community's contribution of volunteer labor, materials, professional services, or cash. The NMF is administered by the Department of Neighborhoods.

**Operating Budget:** That portion of a budget dealing with recurring expenditures such as salaries, electric bills, postage, printing, paper supplies, and gasoline.

**Position/Pocket Number:** A term referring to the title and unique position identification number assigned to each position authorized by the City Council through the budget or other ordinances. Positions may have a common title name, but each position has its own unique identification number assigned by the Records Information Management Unit of the Seattle Department of Human Resources at the time position authority is approved by the City Council. Only one person at a time can fill a regularly budgeted position. An exception is in the case of job-sharing, where two people work part-time in one full-time position.

**Program:** A group of services within a department, aligned by common purpose.

**Reclassification Request:** A request to change the job title or classification for an existing position. Reclassifications are subject to review and approval by the Classification/Compensation Unit of the Seattle Department of Human Resources and are implemented upon the signature of the Director of Human Resources, as long as position authority has been established by ordinance.

**Reorganization:** Reorganization refers to changes in the budget and reporting structure within departments.

**SUMMIT:** The City's central accounting system managed by the Department of Finance & Administration.

**Sunsetting Position:** A position funded for only a specified length of time by the budget or enabling ordinance.

**TES (Temporary Employment Service):** A program managed by the Seattle Department of Human Resources. TES places temporary workers in departments for purposes of filling unanticipated, short-term staffing needs, such as vacation coverage, positions vacant until a regularly-appointed hire is made, and special projects.

**Type of Position:** There are two types of budgeted positions. They are identified by one of the following characters: **F** for **Full-Time** or **P** for **Part-Time**.



# Glossary

- **Regular Full-Time** is defined as a position budgeted for 2,088 compensated hours per year, 40 hours per week, 80 hours per pay period, and is also known as one full-time equivalent (FTE).
- **Regular Part-Time** is defined as a position designated as part time, and requiring an average of 20 hours or more, but less than 40 hours of work per week during the year. This equates to an FTE value of at least 0.50 and no more than 0.99.



## Resources Not Identified in Department Sections

As described in the reader's guide, the City underwent a significant accounting system implementation, including major changes to department budget structures. The City has been learning about how these changes affect budgets and our budget system. This led to discovering some additional resources not getting into the budget in time for production. These additional resources are listed here, either as new or replacing lines in the department section.

### New Resources Lines Not in Department Sections

Summit	Fund Name and Code	Source	2019 Proposed	2020 Proposed
<u>Employees' Retirement System</u>				
360450	Employees' Retirement Fund (61030)	Employee Contributions	8,317,796	8,245,369
360430	Employees' Retirement Fund (61030)	Employer Contributions	12,630,112	12,520,137
<u>Debt Service</u>				
311010	UTGO Bond Interest and Redemption Fund (311010)	Real and Personal Property Tax	22,768,800	22,761,750
360900	General Bond Interest and Redemption Fund (360900)	Miscellaneous Revenue-Other Revenue	2,414,305	2,345,447
391010	2019 Multipurpose LTGO Bond Fund (391010)	2019 Multipurpose LTGO Bond Proceeds	27,290,653	-
391010	2019 Multipurpose LTGO Taxable Bond Fund (391010)	2019 Multipurpose LTGO Taxable Bond Proceeds	300,000	-
391010	2020 Multipurpose LTGO Bond Fund (391010)	2020 Multipurpose LTGO Bond Proceeds	-	45,750,814
391010	2020 Multipurpose LTGO Taxable Bond Fund (391010)	2020 Multipurpose LTGO Taxable Bond Proceeds	-	1,776,750
<u>General Fund</u>				
360900	General Fund (00100)	Property Sales	-	4,300,000
379100	General Fund (00100)	Use of (contribution to) Fund Balance	-64,669,000	-107,962,057
<u>Department of Parks and Recreation</u>				
341900	2013 King County Parks Levy (36000)	King County Parks Levy	1,660,000	-
379100	2013 King County Parks Levy (36000)	Use of/Contribution to Fund Balance	-123,000	123,000
360020	Beach Maintenance Fund (70020)	Interest Earnings	25,000	25,000
<u>Finance and Administrative Services</u>				
379100	Finance and Administrative Services (00100)	Use of Fund Balance	1,585,046	809,471

## Resources Not Identified in Department Sections

### Existing Resources Updated and Replacing Lines in Department Sections

	Summit	Fund Name and Code	Source	2019 Proposed	2020 Proposed
<u>Central Waterfront Improvement</u>					
Old	337080	Central Waterfront Improvement Fund	Other Private Contrib & Dons	125,000	10,455,221
New	337080	Central Waterfront Improvement Fund	Other Private Contrib & Dons	4,925,000	11,955,221
Old	391030	Central Waterfront Improvement Fund	LID Bond Proceeds	3,780,000	18,691,200
New	391030	Central Waterfront Improvement Fund	LID Bond Proceeds	6,964,092	19,135,119
<u>Finance and Administrative Services</u>					
Old	360270	Fleet Capital Fund (00100)	Services to City Depts	17,869,112	17,869,112
New	360270	Fleet Captial Fund (00100)	Services to City Depts	21,829,848	21,829,848